Supplemental Memo

Memo Date: April 10, 2007
Meeting Date: April 17, 2007

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 (PA06-6896, Green2)

BACKGROUND

Applicants: Steven R. & Nichole Green

Current Owners: Steven R. & Nichole Green

Agent: none

Map and Tax lot: 17-04-30 tax lot #1400

Acreage: approximately 23 acres

Current Zoning: E40 (Exclusive Farm Use)

Date Property Acquired: February 25, 1998

Date Claim Submitted: November 3, 2006

180-day Deadline: May 2, 2007

Land Use Regulations in Effect at Date of Acquisition: E40 (Exclusive Farm Use) zone LC 16.212

Restrictive County Land Use Regulation: Minimum parcel size of forty acres and limitations on new dwellings in the E40 (Exclusive Farm Use) zone (LC 16.212).

This claim was originally heard on March 13, 2007. The Board closed the March 13, 2007 public hearing and left the record open until April 6, 2007 to allow the applicants to submit more information. Additional information was provided on March 30, 2007.

ANALYSIS

The claimants submitted additional information on March 30, 2007. They provided valuation analysis in the form of an appraisal that alleges a reduction in fair market value of $176,500.

The deed information provided by the applicant shows that in 1998, the property was placed into a Trust. The Trust is not revocable to Steven and Nichole, the grantors, it is a custodian trust for their heirs.

The property was zoned E40 in 1998 when it was acquired by the current owners. The minimum lot size and limitations on new dwellings in the E40 zone were applicable when they acquired the property, therefore, these regulations appear to be exempt and cannot be waived. Based on the information provided, this claim does not appear valid.

CONCLUSION

Because the minimum lot size and dwelling restrictions were applicable when the current owner acquired the property in 1998, these regulations cannot be waived.

RECOMMENDATION

The County Administrator recommends the Board direct him to deny the claim.

Schulz

SUPPLEMENTAL INFORMATION SUBMITTED

Submitted on: 3/30/07 **Taken By:** SG

SUPPLEMENTAL INFORMATION HAS BEEN RECEIVED BY THIS OFFICE IN REGARDS TO THE FOLLOWING:

BP# _____

PA# 066896

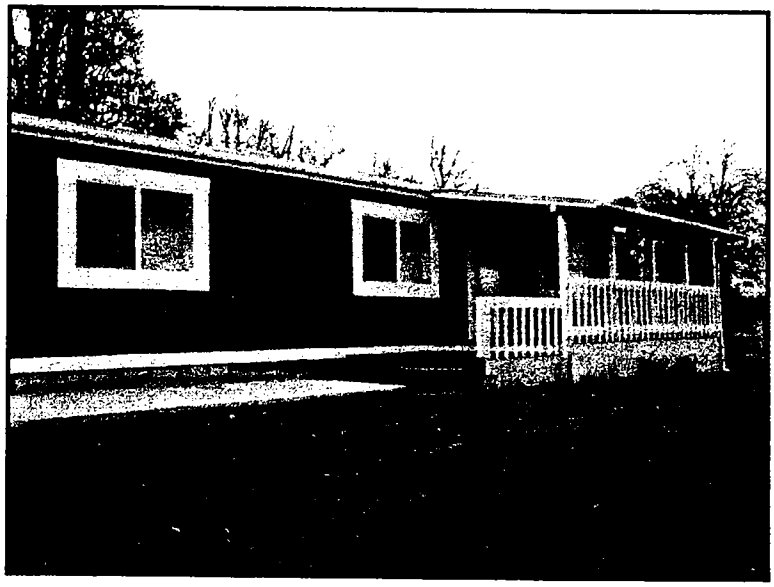
~~SE~~SPH

SP# _____

copy and scan

SI# _____

OTHER: _____



APPRAISAL OF REAL PROPERTY

LOCATED AT:
28327 West 11th Avenue
Metes and Bounds, See Attached
Eugene, OR 97402-9212

FOR:
Steven R. Green
28331 West 11th Avenue
Eugene, OR 97402

AS OF:
March 18, 2007

BY:
Sara A. Fraser, SRA
s.fraser@sarafraser.com
541/485-4245

Uniform Residential Appraisal Report

File # Scenario 3: 8 Acre Site

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.

SUBJECT

Property Address 28327 West 11th Avenue | City Eugene | State OR | Zip Code 97402-9212
Borrower No Borrower; Measure 37 | Owner of Public Record Steven Green | County Lane
Legal Description Metes and Bounds, See Attached
Assessor's Parcel # 17-04-30-00 Tax Lot 01400 | Tax Year 2006 | R.E. Taxes $ 4,155.70
Neighborhood Name West Eugene Rural Environs | Map Reference Tax Lot 01400 | Census Tract 1001 1
Occupant ☒ Owner ☐ Tenant ☐ Vacant | Special Assessments $ 0.00 | ☐ PUD | HOA $ 0.00 | ☐ per year ☐ per month
Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe)
Assignment Type ☐ Purchase Transaction ☐ Refinance Transaction ☒ Other (describe) Measure 37, assume an 8 acre homesite with 1 dwelling
Lender/Client Steven R. Green | Address 28331 West 11th Avenue | Eugene, OR 97402
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). RMLS records

CONTRACT

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 $ Market Value | Date of Contract N/A | Is the property seller the owner of public record? ☐ Yes ☐ No | Data Source(s) public records
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. N/A

NEIGHBORHOOD

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	☐ Urban ☐ Suburban ☒ Rural	Property Values	☐ Increasing ☒ Stable ☐ Declining	PRICE	AGE	One-Unit	75% %
Built-Up	☐ Over 75% ☒ 25-75% ☐ Under 25%	Demand/Supply	☐ Shortage ☒ In Balance ☐ Over Supply	$ (000)	(yrs)	2-4 Unit	%
Growth	☐ Rapid ☒ Stable ☐ Slow	Marketing Time	☐ Under 3 mths ☒ 3-6 mths ☐ Over 6 mths	275K Low	2	Multi-Family	%
				900K High	60	Commercial	%
				300-80 Pred.	20-50	Other	25% %

Neighborhood Boundaries The subject's market area are the rural residential surroundings of Eugene within 5-20 miles of city services.

Neighborhood Description This neighborhood is within 8 miles west of Eugene's central business district & 5 miles of schools & support services. The broad mix of properties in price, size of house & acreage, quality of construction & age, is typical of Lane County rural residential areas & is acceptable in the market with no discount. The neighborhood is in Eugene's popular 4-J school district.

Market Conditions (including support for the above conclusions) The housing market is undergoing a substantial correction although interest rates remain stable. Locally, many sellers are reducing their asking prices & paying the buyers' closing costs. Rural residential properties on small acreage parcels within ten miles from city support services have historically been in strong demand & remain so.

SITE

Dimensions Irregular, please see the attached plat map | Area 8 Acres | Shape Rectangular | View 360' far view
Specific Zoning Classification E-40 | Zoning Description Exclusive Farm Use 40-Acre minimum
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

Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	☒	☐	Water	☐	☒ 2 Wells	Street Asphalt	☒	☐
Gas	☐	☒ Propane/Typical	Sanitary Sewer	☐	☒ 2 Septic tanks	Alley None	☐	☐

FEMA Special Flood Hazard Area ☐ Yes ☒ No | FEMA Flood Zone X | FEMA Map # 41039C1115 F | FEMA Map Date 6/2/99
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
The site's highest & best use, as vacant, is single family residential. Although the minimum lot size under the current zoning is 40 acres, the hypothetical size of 8 acres would be compatible with neighboring sites. The dwelling sits on a short rise at the base of a hill & enjoys a pastoral view to the southwest. Improvements include a 28'x 40' shop/garage.

IMPROVEMENTS

General Description		Foundation		Exterior Description	materials/condition	Interior	materials/condition
Units	☒ One ☐ One with Accessory Unit	☐ Concrete Slab	☒ Crawl Space	Foundation Walls	Conc. Block/Avg.	Floors	Crpt,Vinyl/Avg.-Gd.
# of Stories	1	☐ Full Basement	☐ Partial Basement	Exterior Walls	Manuf.Wd.T1-11/Avg	Walls	Drywall/Avg.
Type	☒ Det. ☐ Att. ☐ S-Det./End Unit	Basement Area	sq.ft.	Roof Surface	Comp.Shingle/Avg.	Trim/Finish	Wood-Stned/Avg.
	☒ Existing ☐ Proposed ☐ Under Const.	Basement Finish	%	Gutters & Downspouts	GI/Avg.	Bath Floor	Vinyl/Good
Design (Style)	Manufactured Hom	☐ Outside Entry/Exit	☐ Sump Pump	Window Type	Vinyl Sliding/Avg.	Bath Wainscot	Fiberglass/Avg.
Year Built	1990	Evidence of	☐ Infestation	Storm Sash/Insulated	Vinyl Comb./Avg.	Car Storage	☐ None
Effective Age (Yrs)	8	☐ Dampness	☐ Settlement	Screens	Comb./Avg.		☒ Driveway # of Cars 2 os
Attic	☒ None	Heating	☒ FWA ☐ HWBB ☐ Radiant	Amenities	☐ Woodstove(s) #	Driveway Surface	Gravel
☐ Drop Stair	☐ Stairs	☐ Other	Fuel Electric	☐ Fireplace(s) #	☐ Fence farm fence		☒ Garage # of Cars 2
☐ Floor	☐ Scuttle	Cooling	☒ Central Air Conditioning	☒ Patio/Deck	☐ Porch		☐ Carport # of Cars
☐ Finished	☐ Heated	☐ Individual	☐ Other	☐ Pool	☐ Other		☐ Att. ☒ Det. ☐ Built-in

Appliances ☐ Refrigerator ☒ Range/Oven ☒ Dishwasher ☒ Disposal ☒ Microwave ☐ Washer/Dryer ☐ Other (describe)
Finished area above grade contains: 6 Rooms | 3 Bedrooms | 2 Bath(s) | 1,188 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.). Newer vinyl insulated windows, "pergo"-type vinyl flooring; approx. 9'x 30' covered wood deck. Golden West manufactured home; HUD Numbers are ORE 212362 & ORE 212363.
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject appears to be in generally sound condition with limited wear & tear. There is insignificant functional and external depreciation.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No If Yes, describe

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

Uniform Residential Appraisal Report

File # Scenario 3: 8 Acre Site

There are 4 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 209,000 to $ 535,000

There are 3 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 260,000 to $ 305,000

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	28327 West 11th Avenue Eugene, OR 97402-9212	30408 Millers Hilltop road Eugene, OR		84747 Laughlin Road Eugene, OR		90242 Merryman Road Eugene, OR	
Proximity to Subject		6.70 miles		7.19 miles		3.92 miles	
Sale Price	$ Market Value		$ 305,000		$ 260,000		$ 280,000
Sale Price/Gross Liv. Area	$ sq.ft.	$ 169.44 sq.ft.		$ 185.71 sq.ft.		$ 199.43 sq.ft.	
Data Source(s)		ReMax-RMLS# 6049494		ReMax-RMLS# 6067675		Harper RE-RMLS# 6107852	
Verification Source(s)		M.O'Connell, RE Agent		L.Sigel, RE Agent		B.Harper, Broker	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or Financing Concessions		Conv,No Conc. 28 days/market		Conv,No Conc. 69 days/markt		Conv,No conc. 55 days/market	
Date of Sale/Time		7/3/06 COE		11/8/06 COE		3/22/07 COE	
Location	Average	Average		Average		Average	
Leasehold/Fee Simple	Fee Simple	Fee		Fee		Fee	
Site	8 Acres	5 Acres $2K	+6,000	7.19 Acres	+1,600	5 Acres	+6,000
View	Pastoral SW	Meadow,Woods	0	Woods	0	Pasture	0
Design (Style)	Manufactured Hc	Manuf. Home		Manuf. Home		Manuf. Home	
Quality of Construction	Average	Average		Inferior \		Average	
Actual Age	17	12	0	29 \		5	0
Condition	Average	Average		Inferior /	+20,000	Average	
Above Grade Room Count (Total / Bdrms. / Baths)	6 / 3 / 2	6 / 3 / 2		5 / 2 / 2		6 / 3 / 2	
Gross Living Area	1,188 sq.ft.	1,800 sq.ft.	-15,300	1,400 sq.ft.	-5,300	1,404 sq.ft.	-5,400
Basement & Finished Rooms Below Grade	N/A	N/A $25/$8 N/A		N/A N/A		N/A N/A	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FAE/CAC	FAE/None	+1,000	None(Wd.St.)	+2,000	FAE/None	+1,000
Energy Efficient Items	Vinyl Insul.Windc	Vinyl Insul.Wind.		None	+3,000	Vinyl Insul.Windc	
Garage/Carport	2 Car Garage	On Site Parking	+10,000	1 Gar/Shop	+5,000	1 Carport	+9,000
Porch/Patio/Deck	Deck	Deck		Entry Stoop	0	Deck	
Outbuildings	See Garage	None		None		Barn, Shop	-25,000
Contract Date		6/14/06		10/6/06		2/8/07	
Net Adjustment (Total)		☒ + ☐ -	$ 1,700	☒ + ☐ -	$ 26,300	☐ + ☒ -	$ 14,400
Adjusted Sale Price of Comparables		Net Adj. % Gross Adj. %	$ 306,700	Net Adj. % Gross Adj. %	$ 286,300	Net Adj. % Gross Adj. %	$ 265,600

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) public records

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) public records

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	No sale within past 3 years	No sale within the past year	No sale within the past year	1/02
Price of Prior Sale/Transfer	$00.00	$00.00	$00.00	$133,000
Data Source(s)	public records	public records	public records	public records
Effective Date of Data Source(s)	3/26/07	3/26/07	3/26/07	3/26/07

Analysis of prior sale or transfer history of the subject property and comparable sales N/A

Summary of Sales Comparison Approach SALE 3 is given 70% weight because of its recent date of sale. SALES 1 and 2 are given 30% weight. Please refer to the Addendum for further discussion of this approach. This report contains 20 pages and was signed in blue ink.

Indicated Value by Sales Comparison Approach $ 275,000

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 275,000 **Cost Approach (if developed) $** --- **Income Approach (if developed) $** ---

The sales comparison approach is the best approach to value in this assignment as sales data is relatively plentiful and properties like the subject are typically purchased by owner-occupants, not by investors. The cost and income captialization approaches to value were not considered necessary and were not performed.

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: under the hypothetical condition that its legal lot contains 8 acres, assuming no hidden or unapparent conditions.

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 $ 275,000 **, as of** March 18, 2007 **, which is the date of inspection and the effective date of this appraisal.**

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Uniform Residential Appraisal Report

File # Scenario 3: 8 Acre Site

ADDITIONAL COMMENTS

SEE ADDENDUM.

COST APPROACH

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) The site value was extracted from site sales which are in the Addendum.

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE			=$	175,000
Source of cost data	DWELLING	Sq.Ft. @ $		=$	
Quality rating from cost service Effective date of cost data		Sq.Ft. @ $		=$	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)				=$	
The cost approach was not applied in this analysis because of its inability	Garage/Carport	Sq.Ft. @ $		=$	
to produce a viable estimate of value due to the many rural variables.	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			=$	175,000

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent $ - X Gross Rent Multiplier - = $ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM)

PUD INFORMATION

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. N/A

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Uniform Residential Appraisal Report

File # Scenario 3: 8 Acre Site

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.

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Uniform Residential Appraisal Report

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.

Form 1004 — "TOTAL for Windows" appraisal software by a la mode, inc. — 1-800-ALAMODE

Uniform Residential Appraisal Report

File # Scenario 3: 8 Acre Site

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 Sara A. Fraser, SRA
Company Name Sara A. Fraser Real Estate Appraisals, Inc.
Company Address 2544 Washington Street
Eugene, OR 97405
Telephone Number 541/485-4245
Email Address s.fraser@sarafraser.com
Date of Signature and Report March 27, 2007
Effective Date of Appraisal March 18, 2007
State Certification # CR00266
or State License #
or Other (describe) _____ State # _____
State Oregon
Expiration Date of Certification or License 10/31/07

ADDRESS OF PROPERTY APPRAISED
28327 West 11th Avenue
Eugene, OR 97402-9212
APPRAISED VALUE OF SUBJECT PROPERTY $ 275,000
LENDER/CLIENT
Name
Company Name Steven R. Green
Company Address 28331 West 11th Avenue
Eugene, OR 97402
Email Address greenamericane@aol.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 _____

Form 1004 — "TOTAL for Windows" appraisal software by a la mode, inc. — 1-800-ALAMODE

Supplemental Addendum

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

INTENDED USER AND INTENDED USE OF THE APPRAISAL: The Intended User of this appraisal report is the Lender/Client. The Intended Use is to evaluate the property that is the subject of this appraisal for Measure 37, zoning and planning purposes, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended users are identified by the appraiser.

SCOPE OF THE APPRAISAL: The extent of data collection process of the appraisal report research includes consideration of the sales comparison approach to value. The cost approach is not necessary for credible assignment results and is not considered applicable. The income approach had no information available toward the development of a credible conclusion in an assignment of this type and is not considered applicable.

SITE: The site's smaller size than that stipulated by the current zoning does not impact its marketability or value. Its size is typical of many in the area. Wells and septic tanks are typical for this area and acceptable in the market with no discount.

SALES COMPARISON APPROACH: The scope of this appraisal report research was geographically limited to rural residential properties that are comparable to the subject in distance to Eugene support services and the 4-J school district. The scope was limited in time to sales that closed within the past six months to a year. Data was provided by RMLS.

Greatest value was given to the homesites with the remaining acreage adjusted at $2,000 per acre as research indicates that the market places the greatest value upon the homesite and nominal value upon the rest of the acreage.

The size adjustments were based upon $25 per square foot heated area, and the bath adjustments at $8,000 per bath. These adjustments are consistent with local and current custom. No adjustments were made between the number of bedrooms as research indicates the market does not adjust for that feature when most of the other ones are comparable.

SALE 1 was listed for $327,500 and sold for $305,000 - at 93% of list price. The adjusted sale price reflects the upper ranges of estimated subject value.

SALE 2 received a positive adjustment for quality of construction, age and condition due to its metal roof, vinyl siding, worn and dated interior. This adjustment was produced by market extraction analysis. This property was originally listed for $320,000. The price was reduced to $290,000 and it sold for $260,000 - at 90% of list price. The adjusted sale price supports the estimated subject value.

SALE 3 was listed for $289,500 and sold for $280,000 - at 97% of list price. The adjusted sale price provides strong support for the estimated subject value.

These sales bracket and produce an estimated subject value of $275,000 - under the hypothetical condition that its legal lot contains 8 acres, assuming no hidden or unapparent conditions - when 70% weight is given to SALE 3 and 30% weight to SALES 1 and 2.

ADDITIONAL CERTIFICATION AS REQUIRED BY THE APPRAISAL INSTITUTE: I certify that, to the best of my knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

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

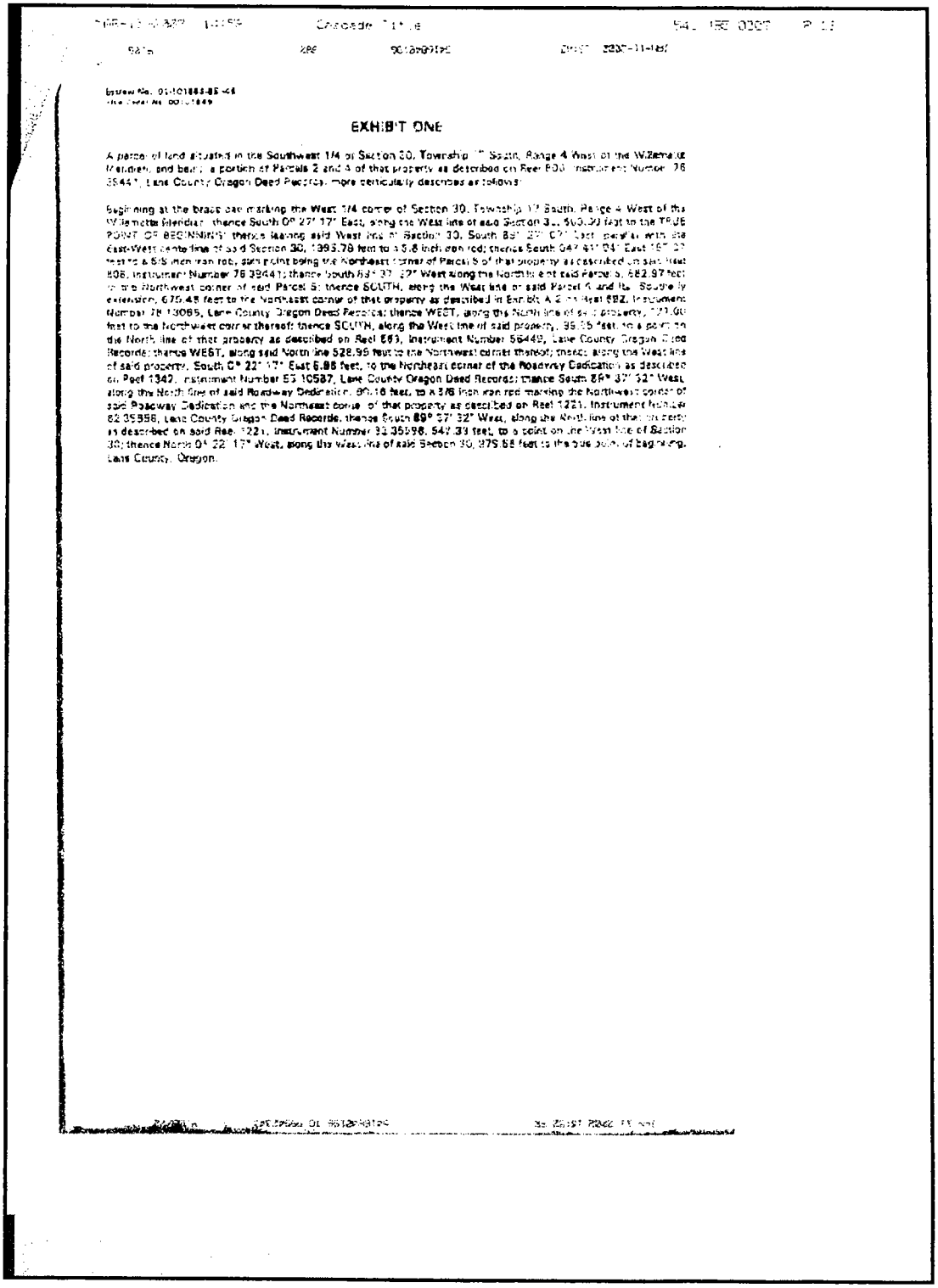
As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute.

ELECTRONIC SIGNATURE ADDENDUM: All electronic signatures on this report have a security feature maintained by individual passwords for each signing appraiser. No person can alter the appraisal with the exception of the original signing appraiser.

TRANSMISSION: This report was prepared for and my professional fee billed to Steven Green. It was intended only for use by your internal management, your auditor and appropriate regulatory authorities. It may not be distributed to or relied upon by other persons or entities without my written permission.

Legal Description Map

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



Escrow No. 01-01088-BS-48

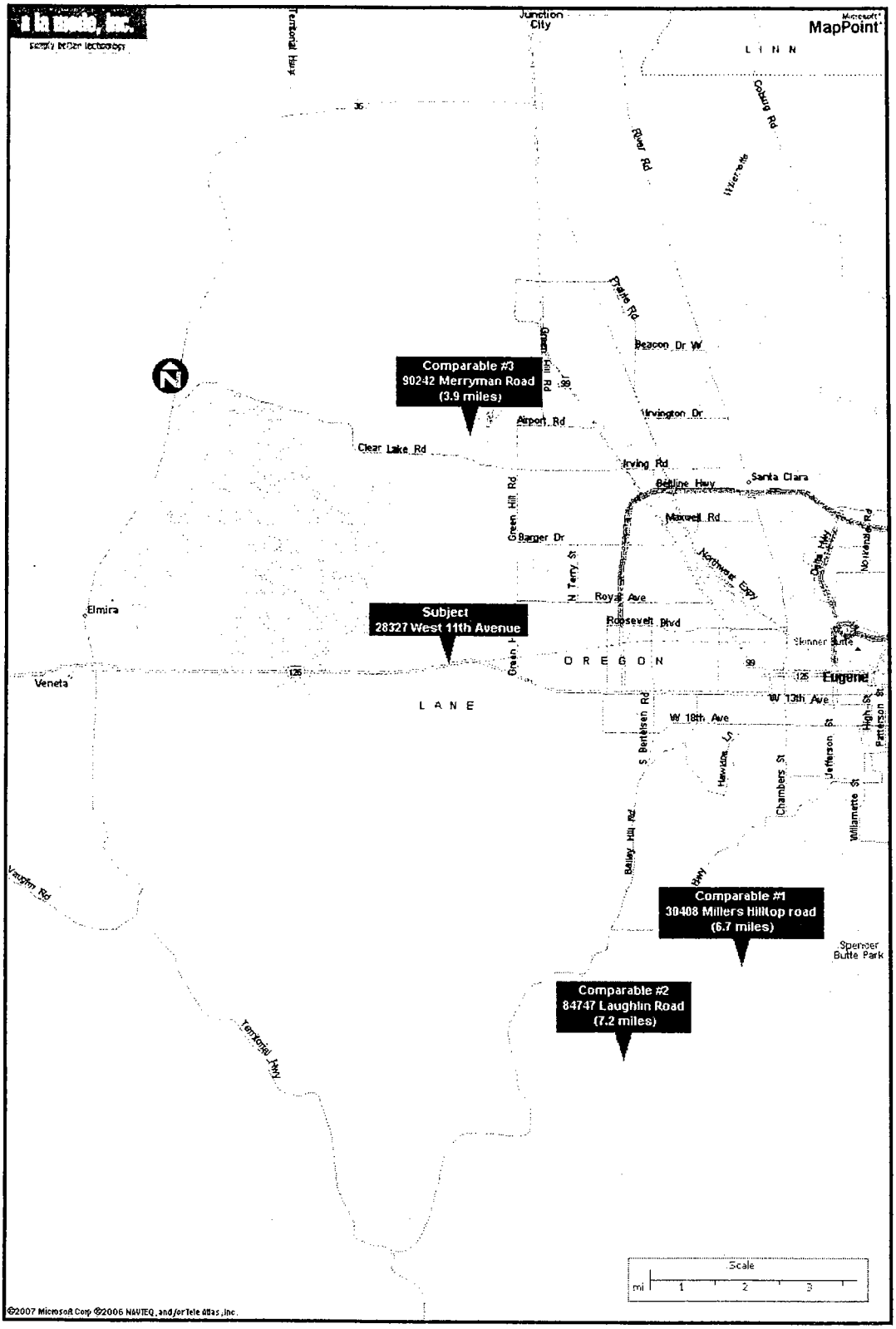
EXHIBIT ONE

A parcel of land situated in the Southwest 1/4 of Section 30, Township 17 South, Range 4 West of the Willamette Meridian, and being a portion of Parcels 2 and 3 of that property as described on Reel 806, Instrument Number 76 39441, Lane County Oregon Deed Records, more particularly described as follows:

Beginning at the brass cap marking the West 1/4 corner of Section 30, Township 17 South, Range 4 West of the Willamette Meridian; thence South 0° 22' 17" East, along the West line of said Section 30, 500.00 feet to the TRUE POINT OF BEGINNING; thence leaving said West line of Section 30, South 89° 37' 32" East, parallel with the East-West centerline of said Section 30, 1995.78 feet to a 5/8 inch iron rod; thence South 04° 41' 04" East 167.32 feet to a 5/8 inch iron rod, said point being the Northeast corner of Parcel 5 of that property as described on said Reel 806, Instrument Number 76 39441; thence South 89° 37' 32" West along the North line of said Parcel 5, 882.97 feet to the Northwest corner of said Parcel 5; thence SOUTH, along the West line of said Parcel 5 and its Southerly extension, 675.48 feet to the Northeast corner of that property as described in Exhibit A of Reel 882, Instrument Number 78 13085, Lane County Oregon Deed Records; thence WEST, along the North line of said property, 721.00 feet to the Northwest corner thereof; thence SOUTH, along the West line of said property, 95.05 feet, to a point on the North line of that property as described on Reel 683, Instrument Number 56449, Lane County Oregon Deed Records; thence WEST, along said North line 528.99 feet to the Northwest corner thereof; thence along the West line of said property, South 0° 22' 17" East 6.86 feet, to the Northeast corner of the Roadway Dedication as described on Reel 1342, Instrument Number 83 10587, Lane County Oregon Deed Records; thence South 89° 37' 32" West, along the North line of said Roadway Dedication, 90.16 feet, to a 3/8 inch iron rod marking the Northwest corner of said Roadway Dedication and the Northeast corner of that property as described on Reel 1221, Instrument Number 82 35998, Lane County Oregon Deed Records; thence South 89° 37' 32" West, along the North line of that property as described on said Reel 1221, Instrument Number 82 35998, 547.39 feet, to a point on the West line of Section 30; thence North 0° 22' 17" West, along the West line of said Section 30, 875.68 feet to the true point of beginning, Lane County, Oregon.

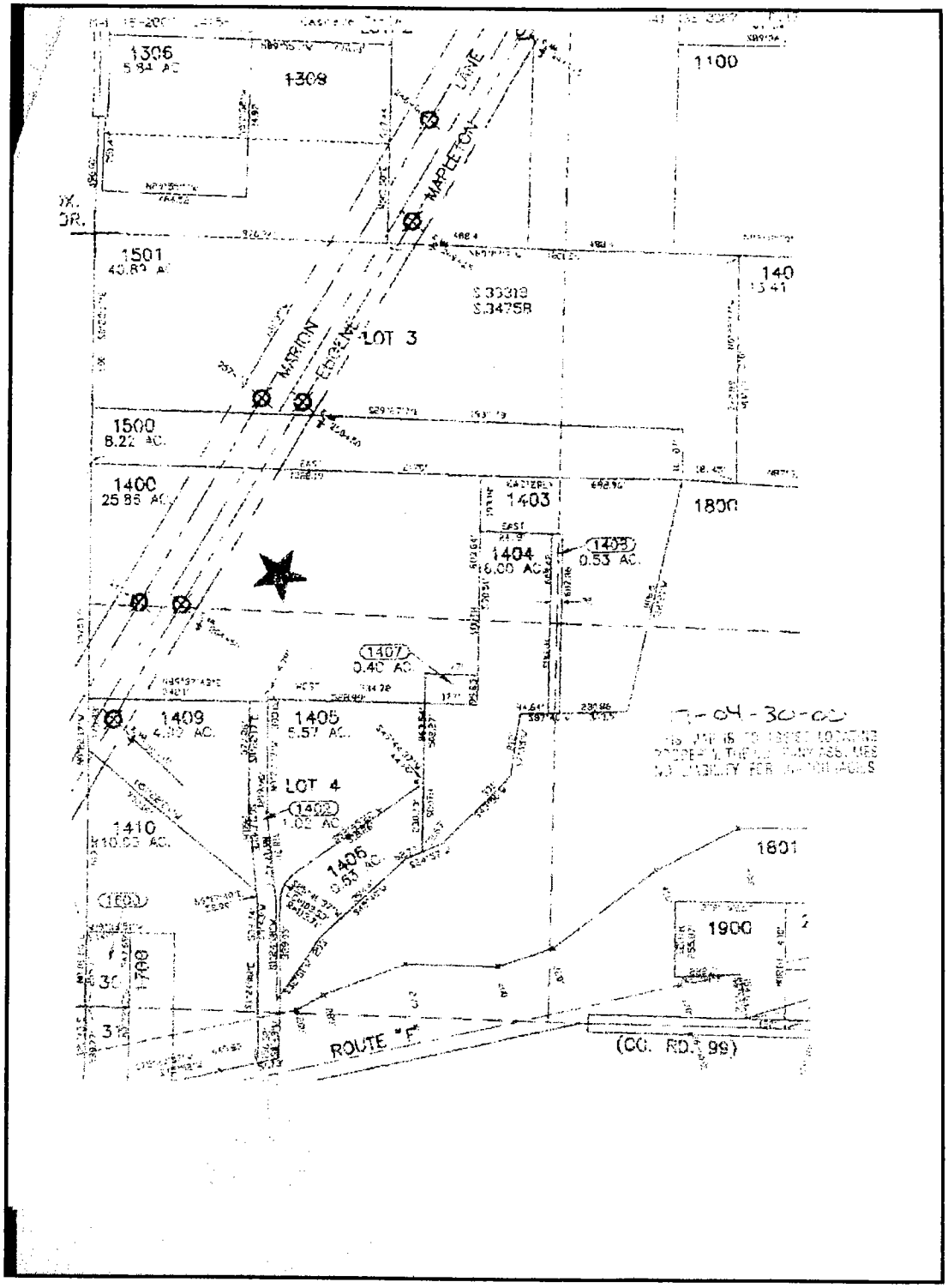
Location Map

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



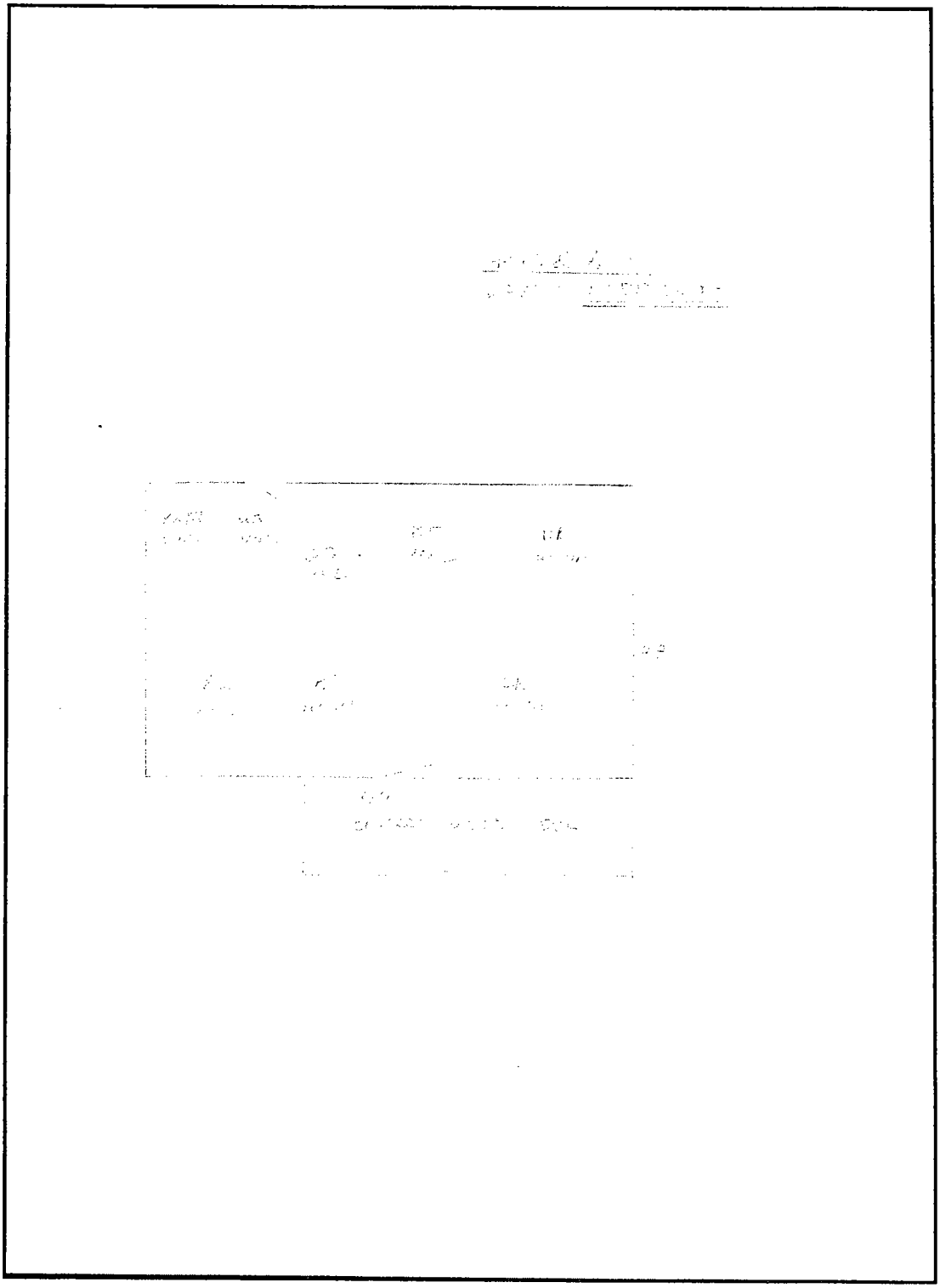
Plat Map

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



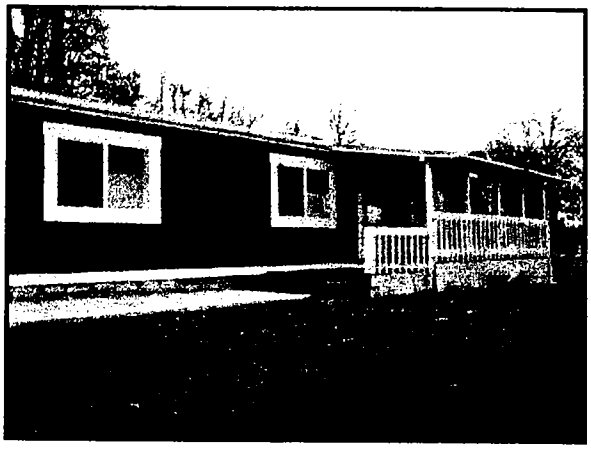
Building Sketch

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



Subject Photo Page

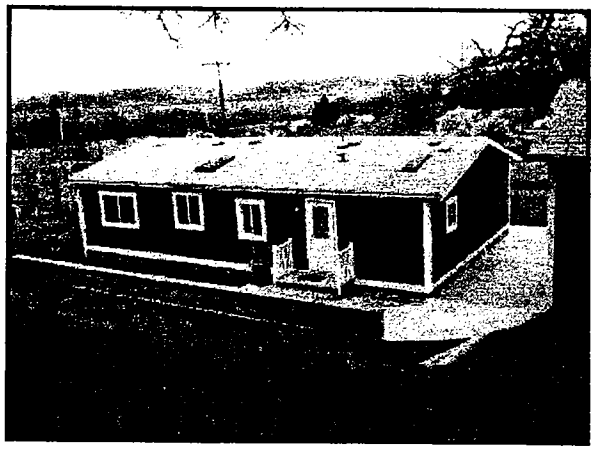
Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



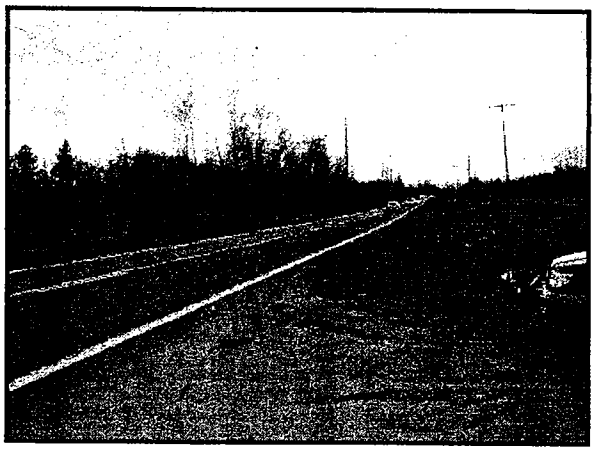
Subject Front

28327 West 11th Avenue

Sales Price	Market Value
Gross Living Area	1,188
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Pastoral SW
Site	8 Acres
Quality	Average
Age	17



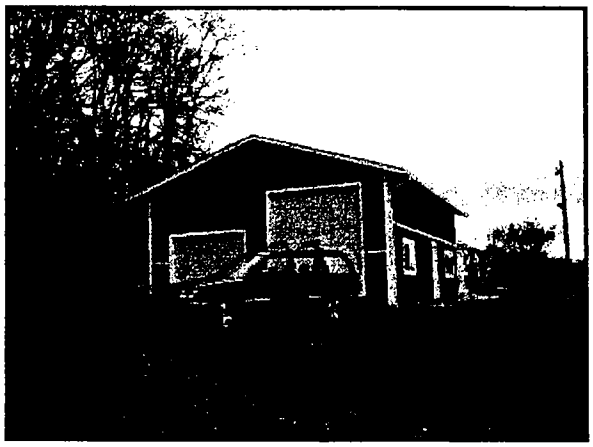
Subject Rear



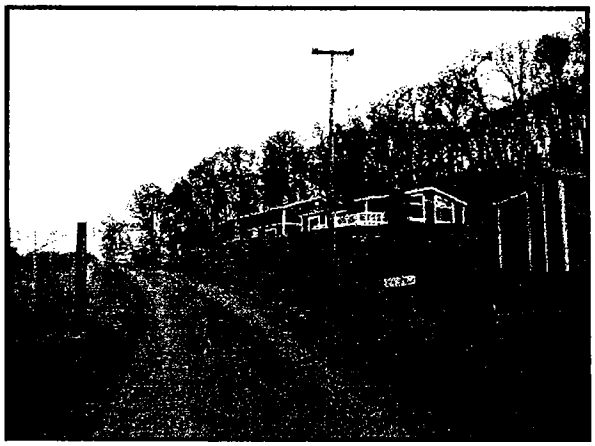
Subject Street

Subject Photos

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



28'x 40' Garage/Shop
28327 West 11th Avenue



Driveway

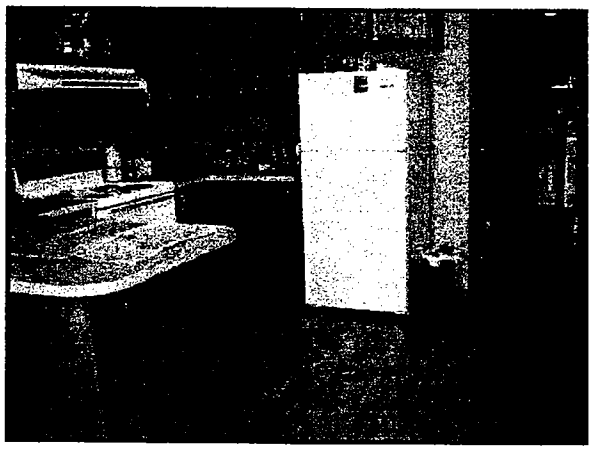
Subject Interior Photo Page

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

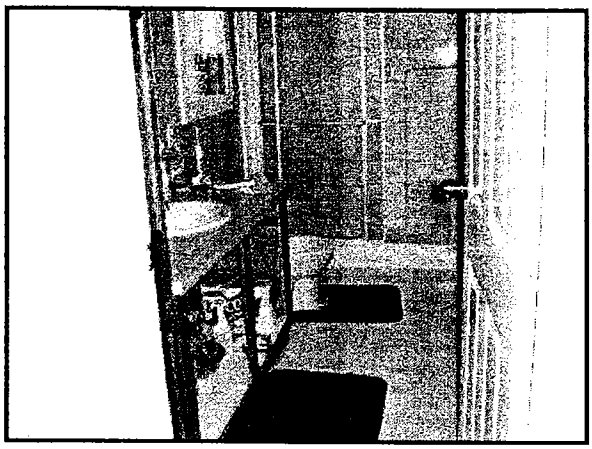
Living Room

28327 West 11th Avenue

Sales Price	Market Value
Gross Living Area	1,188
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Pastoral SW
Site	8 Acres
Quality	Average
Age	17



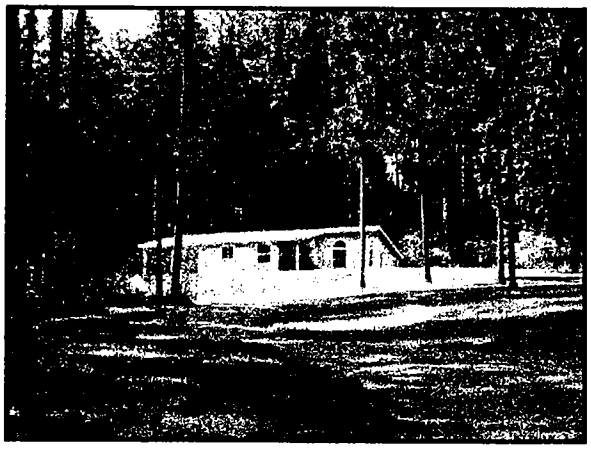
Kitchen



Bath

Comparable Photo Page

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



Comparable 1

30408 Millers Hilltop road

Prox. to Subject	6.70 miles
Sale Price	305,000
Gross Living Area	1,800
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Meadow,Woods
Site	5 Acres $2K
Quality	Average
Age	12

Comparable 2

84747 Laughlin Road

Prox. to Subject	7.19 miles
Sale Price	260,000
Gross Living Area	1,400
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	2
Location	Average
View	Woods
Site	7.19 Acres
Quality	Inferior
Age	29

Comparable 3

90242 Merryman Road

Prox. to Subject	3.92 miles
Sale Price	280,000
Gross Living Area	1,404
Total Rooms	6
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Pasture
Site	5 Acres
Quality	Average
Age	5

RMLSweb - Property Search Results

Sara Fraser
503-316-1979

LOTS AND LAND
GOCAI

3/26/2007 4:09:33 PM
52 Matches

MLS#	P	Type	Address	City	Area	Acres	Price
Active							
7024809	0	RESID	conifer CT	Cottage Grove	235	8.94	$185,000
6131045	7	FRM/FOR	38307 LOWER BRICE CREEK RD	Culp Creek	235	21.6	$195,000
7011600	3	RESID	Glaisyer Hill Rd	Cottage Grove	235	5	$199,950
7011581	3	RESID	Glaisyer Hill Rd.	Cottage Grove	235	5.14	$199,950
7016068	0	RESID	Kizer Creek Road	Cottage Grove	235	11.47	$225,000
6090785	8	RESID	36881 ROW RIVER RD	Cottage Grove	235	5.11	$229,900
6096140	6	RESID	1600 Hungry Hill	Creswell	235	10	$275,000
7010710	6	RESID	Sailview Parcel 1	Elmira	236	5	$197,500
7010741	8	RESID	Sailview Parcel 2	Elmira	236	5	$197,500
6107778	5	RESID	18995 HWY 126	Walton	236	6.86	$199,000
7022140	7	RESID	89140 TERRITORIAL HWY	Elmira	236	8.05	$250,000
7012765	6	RESID	Bear Creek Ranch RD	Junction City	237	5	$209,900
7008163	3	RESID	25959 Hall RD	Junction City	237	7.17	$249,500
7017575	2	RESID	25272 Fern Ridge DR	Junction City	237	28.47	$899,000
7025178	4	RESID	22 Diamond Ridge	Eugene	240	10.23	$495,000
7006766	2	RESID	Mt. Baldy LN	Eugene	243	5.33	$295,000
7005514	0	RESID	Mt. Baldy Drive	Eugene	243	5	$300,000
6062334	8	RESID	85530 SANFORD RD	Eugene	244	5	$299,900
5097803	8	RESID	27392 ERICKSON RD	Eugene	244	5.49	$299,900
7017753	9	RESID	4188 BLANTON RD	Eugene	244	5.26	$325,000
7011438	1	RESID	Lorane HWY	Eugene	244	5.3	$349,000
6068797	1	RESID	0 Fox Hollow	Eugene	244	20.02	$425,000
6103980	5	FRM/FOR	Blanton RD	Eugene	244	9.03	$469,000
Sold							
5054156	0	RESID	Bennett Creek	Cottage Grove	235	10.5	$160,000
6017042	2	FRM/FOR	Perkins Rd	Cottage Grove	235	10.11	$168,500
5076550	0	RESID	28745 HAMM RD	Eugene	235	19.66	$170,000
6098820	8	RESID	Simonsen Rd.	Eugene	235	11.6	$175,000
6038174	8	FRM/FOR	78705 RAT CREEK RD	Cottage Grove	235	28.23	$223,000
5090579	4	RESID	Bear Creek RD	Creswell	235	15.52	$225,000
6057803	0	MULTI	1600 Hungry Hill	Creswell	235	10	$229,000
6049105	8	RESID	76235 BLUE MOUNTAIN SCHOOL	Cottage Grove	235	12	$299,777
6056071	0	FRM/FOR	Cloverdale	Creswell	235	26.64	$334,900
5005349	4	FRM/FOR	Hale RD	Noti	235	9.4	$115,000
6027113	8	RESID	89140 TERRITORIAL HWY	Elmira	236	8	$185,000
6056565	5	RESID	Rossberg Lane	Elmira	236	5.01	$205,000
6001165	1	RESID	28180 STURTEVANT DR	Veneta	236	27.55	$344,000

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SQUARE FOOTAGE IS APPROXIMATE & MAY INCLUDE BOTH FINISHED & UNFINISHED AREAS - CONSULT BROKER FOR INFO.
SCHOOL AVAILABILITY SUBJECT TO CHANGE

Sara Fraser
503-316-1979

LOTS AND LAND

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MLS#	P	Type	Address	GOCAI City	Area	Acres	Price
6072146	3	RESID	25632 JEANS RD	Veneta	236	6.05	$497,000
5036445	4	FRM/FOR	21323 HAWK RIDGE RD	Blachly	237	17.51	$115,000
6044667	2	FRM/FOR	Ferguson/Hulbert Lk	Junction City	237	24.61	$123,000
6038434	4	FRM/FOR	22731 HWY 36	Cheshire	237	12	$195,500
6033040	0	RESID	25050 HALL RD	Cheshire	237	5	$205,000
6069278	3	RESID	Hwy 36	Junction City	237	8.89	$234,000
5015601	0	RESID	Lot 1 Hidden Meadows	Eugene	243	5.08	$260,000
5015603	2	RESID	Lot 2 Hidden Meadows	Eugene	243	5.22	$275,000
5015628	2	RESID	Lot 9 Hidden Meadows	Eugene	243	5	$300,000
6001755	0	RESID	38th ST	Eugene	243	5.19	$305,000
6000152	1	RESID	85212 APPLETREE DR	Eugene	244	5.02	$165,000
2000112	1	FRM/FOR	Christensen Rd 16	Eugene	244	5.36	$185,000
6011731	8	RESID	Territorial Hwy	Eugene	244	10	$192,000
6004257	3	RESID	Florence RD	Eugene	244	5	$234,900
5070226	2	RESID	Gibralter LOOP	Eugene	244	5.43	$260,000
6088052	8	RESID	84747 LAUGHLIN RD	Eugene	244	7.19	$260,000

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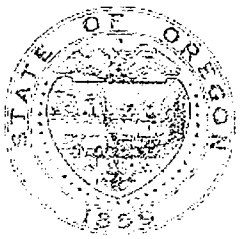
SCHOOL AVAILABILITY SUBJECT TO CHANGE

SARA A. FRASER REAL ESTATE APPRAISALS, INC.
2544 Washington • Eugene, OR 97405 • Phone (541) 485-4245 • Fax (541) 345-8535 • Email: safraser@teleport.com



Appraiser Certification and Licensure Board

State Certified Residential Appraiser

28 hours of continuing education required for renewal

License No: **CR00266**
Issue Date: 11/1/2005
Expiration Date: 10/31/2007

Sara A Fraser
Sara A Fraser Real Estate Appraisals INC
2544 Washington Street
Eugene OR 97405

R. A. (Bob) Keith, Administrator

SARA A. FRASER REAL ESTATE APPRAISALS, INC.
2544 Washington • Eugene, OR 97405 • Phone (541) 485-4245 • Fax (541) 345-8535 • Email safraser@teleport.com

May 2006

QUALIFICATIONS FOR SARA A. FRASER, CPA

EMPLOYMENT AND EXPERIENCE BACKGROUND

Sara Fraser established her real estate appraisal practice in January 1980.

The scope of her practice covers Lane County and includes: one-to-four family dwellings, proposed construction, condominiums, manufactured homes, rural properties and vacant residential land.

Her clients include: H.U.D, the VA, mortgage lenders, credit unions, attorneys, CPA's, and private individuals.

She earned and was awarded the professional designation of SRA (Senior Residential Appraiser) from the Appraisal Institute in January 1997. Sara was appointed to the Oregon Appraiser Certification and Licensure Board in 2006 to serve for three years.

EDUCATIONAL BACKGROUND

- Associate in Science degree, West Virginia Institute of Technology, Montgomery, W. Va., 1969
- "Course 101, An Introduction to Appraising Real Property", Society of Real Estate Appraisers, successfully challenged in October 1987
- "Course 102, Applied Residential Property Valuation", Society of Real Estate Appraisers, successfully challenged in June 1988
- "Uniform Standards of Professional Appraisal Practice – Courses 410 and 420", Greater Oregon Chapter of the Appraisal Institute, 1991, 1996, 2000 and 2001.
- "Advanced Residential Form and Narrative Report Writing", Greater Oregon Chapter of the Appraisal Institute, October 1996
- "Course 310, Basic Income Capitalization", Greater Oregon Chapter of the Appraisal Institute, March 1999
- "Course 320, Basic Income Capitalization", Greater Oregon Chapter of the Appraisal Institute, March 2001

PROFESSIONAL AFFILIATION

Ms. Fraser is a member of the Greater Oregon Chapter of the Appraisal Institute in which she is on the Board of Directors. She has served in the Eugene sub-chapter as secretary, vice-chairperson during 1995 and 1996, and chairperson during 1997, 1998, and 2002.

REPRESENTATIVE CLIENTELE

Veterans Administration
Employment Relocation Companies
Union Bank of California
Wells Fargo Bank
Umpqua Bank Mortgage
Oregon Community Credit Union

SARA A. FRASER REAL ESTATE APPRAISALS, INC.
2544 Washington • Eugene, OR 97405 • Phone (541) 485-4245 • Fax (541) 345-8535 • Email safraser@teleport.com

March 27, 2007

Mr. Steven P. Green
28331 West 11th Avenue
Eugene, OR 97402

Dear Mr. Green:

The appraisal of your property for a Measure 37 appeal produced the following values

Scenario 1: House, Manufactured Home, Garage/Shop on 23.02 Acres		$738,500
Scenario 2: House, on 15.02 Acres	$640,000	
Scenario 3: Manufactured Home, Garage/Shop on 8 Acres	$275,000	
Total Estimated Value	$915,000	$738,500
Difference	$176,500	

Please call if I may be of further assistance.

Sincerely,

Sara A. Fraser, SRA

APPRAISAL OF REAL PROPERTY

LOCATED AT:
28331 West 11th Avenue
Metes and Bounds, See Attached
Eugene, OR 97402-9212

FOR:
Steven R. Green
28331 West 11th Avenue
Eugene, OR 97402

AS OF:
March 18, 2007

BY:
Sara A. Fraser, SRA
s.fraser@sarafraser.com
541/485-4245

Uniform Residential Appraisal Report

File # Scenario 1:23.02 acre site

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.

SUBJECT

Property Address 28331 West 11th Avenue | City Eugene | State OR | Zip Code 97402-9212
Borrower No Borrower: Measure 37 | Owner of Public Record Steven Green | County Lane
Legal Description Metes and Bounds, See Attached
Assessor's Parcel # 17-04-30-00 Tax Lot 01400 | Tax Year 2006 | R.E. Taxes $ 4,155.70
Neighborhood Name West Eugene Rural Environs | Map Reference Tax Lot 01400 | Census Tract 1001 1
Occupant ☒ Owner ☐ Tenant ☐ Vacant | Special Assessments $ 0.00 | ☐ PUD | HOA $ 0.00 ☐ per year ☐ per month
Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe)
Assignment Type ☐ Purchase Transaction ☐ Refinance Transaction ☒ Other (describe) Measure 37
Lender/Client Steven R. Green | Address 28331 West 11th Avenue Eugene, OR 97402
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). RMLS records

CONTRACT

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 $ Market Valux | Date of Contract N/A | Is the property seller the owner of public record? ☐ Yes ☐ No | Data Source(s) public records
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. N/A

NEIGHBORHOOD

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	☐ Urban ☐ Suburban ☒ Rural	Property Values	☐ Increasing ☒ Stable ☐ Declining	PRICE	AGE	One-Unit	75%
Built-Up	☐ Over 75% ☒ 25-75% ☐ Under 25%	Demand/Supply	☐ Shortage ☒ In Balance ☐ Over Supply	$ (000)	(yrs)	2-4 Unit	%
Growth	☐ Rapid ☒ Stable ☐ Slow	Marketing Time	☐ Under 3 mths ☒ 3-6 mths ☐ Over 6 mths	275K Low	2	Multi-Family	%
Neighborhood Boundaries	The subject's market area are the rural residential surroundings of Eugene			900K High	60	Commercial	%
within 5-20 miles of city services.				300-80 Pred.	20-50	Other	25%

Neighborhood Description This neighborhood is within 8 miles west of Eugene's central business district & 5 miles of schools & support services. The broad mix of properties in price, size of house & acreage, quality of construction & age, is typical of Lane County rural residential areas & is acceptable in the market with no discount. The neighborhood is in Eugene's popular 4-J school district.
Market Conditions (including support for the above conclusions) The housing market is undergoing a substantial correction although interest rates remain stable. Locally, many sellers are reducing their asking prices & paying the buyers' closing costs. Rural residential properties on small acreage parcels within ten miles from city support services have historically been in strong demand & remain so.

SITE

Dimensions Irregular, please see the attached plat map | Area 23.02 Acres | Shape Rectangular | View 360' far view
Specific Zoning Classification E-40 | Zoning Description Exclusive Farm Use 40-Acre minimum
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

Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	☒	☐	Water	☐	☒ 2 Wells	Street Asphalt	☒	☐
Gas	☐	☒ Propane/Typical	Sanitary Sewer	☐	☒ 2 Septic tanks	Alley None	☐	☐

FEMA Special Flood Hazard Area ☐ Yes ☒ No | FEMA Flood Zone X | FEMA Map # 41039C1115 F | FEMA Map Date 6/2/99
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
The site's highest & best use, as vacant, is single family residential. Although the minimum lot size under the current zoning is 40 acres, the current use is legal because it was a separate tax lot before the current zoning took effect. Replacement rights for use predating zoning. The house sits on the crest of a hill & commands a distant 360' view. Continued in the Addendum...

IMPROVEMENTS

General Description		Foundation		Exterior Description	materials/condition	Interior	materials/condition
Units	☐ One ☒ One with Accessory Unit	☐ Concrete Slab	☒ Crawl Space	Foundation Walls	Poured Concrete/Gd	Floors	Crpt,Vinyl/Good
# of Stories	2	☐ Full Basement	☐ Partial Basement	Exterior Walls	Manuf.Wd.Lap/Gd	Walls	Drywall/Good
Type	☒ Det. ☐ Att. ☐ S-Det./End Unit	Basement Area	sq.ft.	Roof Surface	Comp.Shingle/Gd	Trim/Finish	Wood-Painted/Gd
☒ Existing	☐ Proposed ☐ Under Const.	Basement Finish	%	Gutters & Downspouts	GI/Gd	Bath Floor	Vinyl/Good
Design (Style)	2-St.Trad	☐ Outside Entry/Exit	☐ Sump Pump	Window Type	Vinyl Sliding/Good	Bath Wainscot	Fiberglass.Tile/Gd.
Year Built	2002	Evidence of	☐ Infestation	Storm Sash/Insulated	Vinyl Comb./Good	Car Storage	☐ None
Effective Age (Yrs)	2	☐ Dampness	☐ Settlement	Screens	Comb./Good	☒ Driveway	# of Cars 1
Attic	☐ None	Heating ☒ FWA	☐ HWBB ☐ Radiant	Amenities	☐ Woodstove(s) #	Driveway Surface	Gravel
☐ Drop Stair	☐ Stairs	☐ Other	Fuel Electric	☐ Fireplace(s) #	☒ Fence farm fence	☒ Garage	# of Cars 2
☐ Floor	☒ Scuttle	Cooling	☒ Central Air Conditioning	☒ Patio/Deck	☒ Porch	☐ Carport	# of Cars
☐ Finished	☐ Heated	☐ Individual	☐ Other	☐ Pool	☒ Other Pellet St.	☒ Att.	☐ Det. ☐ Built-in

Appliances ☐ Refrigerator ☒ Range/Oven ☒ Dishwasher ☒ Disposal ☒ Microwave ☐ Washer/Dryer ☐ Other (describe)
Finished area **above** grade contains: 9 Rooms 4 Bedrooms 2.5 Bath(s) 3,634 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.). Master bath has jetted tub & shower stall; concrete-wood composite exterior siding. Site improvements include an accessory dwelling--a 1991 manufactured home with 1,188 S/F rented for $1,200/month ,a 28'x 40' shop/garage, fencing.
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject appears to be in generally sound condition with limited wear & tear. There is insignificant functional and external depreciation.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No If Yes, describe

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

Uniform Residential Appraisal Report

File # Scenario 1:23.02 acre site

There are 4 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 475,000 to $ 875,000

There are 5 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 525,000 to $ 845,000

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	28331 West 11th Avenue Eugene, OR 97402-9212	28299 Spencer Creek Road Eugene, OR		85125 Lorane Hwy. Eugene, OR		89760 Montieth Lane Eugene, OR	
Proximity to Subject		4.93 miles		5.61 miles		2.75 miles	
Sale Price	$ Market Value		$ 525,000		$ 845,000		$ 790,000
Sale Price/Gross Liv. Area	$ sq.ft.	$ 412.41 sq.ft.		$ 279.43 sq.ft.		$ 190.00 sq.ft.	
Data Source(s)		ReMax-RMLS# 6038667		J.Smith-RMLS# 6048757		Coldwell Bankr-RMLS# 6038803	
Verification Source(s)		P.Gilstrap, RE Agent		J.Smith, Broker		K.Robideau, RE Agent	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or Financing		Cash		Conv,No Conc.		Conv,No Conc.	
Concessions		11 days/market		102 days/markt		131days/market	
Date of Sale/Time		6/19/06 COE		10/26/06 COE		10/25/06 COE	
Location	Average	Average		Average		Average	
Leasehold/Fee Simple	Fee Simple	Fee		Fee		Fee	
Site	23.02 Acres	20.51 Acres	+5,000	17.46 Acres	+11,100	25.36 Acres	-4,700
View	360' far view	Pastoral	0	Pasture,Woods	0	Pasture	0
Design (Style)	2-St.Trad	Ranch	0	Ranch	0	2-St.Trad.	
Quality of Construction	Average	Average		Superior	-84,500	Average	
Actual Age	5	11	0	21	0	8	0
Condition	Good	Good		Good		Good	
Above Grade Room Count (Total / Bdrms. / Baths)	9 / 4 / 2.5	5 / 2 / 1	+15,000	9 / 4 / 2.2	-5,000	9 / 4 / 3.2	-15,000
Gross Living Area	3,634 sq.ft.	1,273 sq.ft.	+118,100	3,024 sq.ft.	+30,500	4,158 sq.ft.	-26,200
Basement & Finished		N/A		N/A		N/A	
Rooms Below Grade	N/A	N/A		N/A		N/A	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FAE/CAC	FAE/EHP	0	FAE/EHP	0	FAE/EHP	0
Energy Efficient Items	Vinyl Insul.Windc	Vinyl Insul.Wind.		Vinyl Insul.Windc		Vinyl Insul.Wind.	
Garage/Carport	2 Car Garage	1 Carport	+4,000	2 Car Garage		3 Car Garage	-2,000
Porch/Patio/Deck	Porch, Patio	Porch, Patio		Patio	0	Porch, Pool \	
Outbuildings	MH,Gar/Shop	20x60 pole barn	+50,000	Barn	+25,000	Barn,Shop, \	-35,000
						2 Horse Arenas/	
Contract Date		5/23/06		9/23/06		9/25/06	
Net Adjustment (Total)		☒ + ☐ -	$ 192,100	☐ + ☒ -	$ 22,900	☐ + ☒ -	$ 82,900
Adjusted Sale Price of Comparables		Net Adj. % Gross Adj. %	$ 717,100	Net Adj. % Gross Adj. %	$ 822,100	Net Adj. % Gross Adj. %	$ 707,100

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) public records

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) public records

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	No sale within past 3 years	No sale within the past year	No sale within the past year	2/91
Price of Prior Sale/Transfer	$00.00	$00.00	$00.00	$35,000
Data Source(s)	public records	public records	public records	public records
Effective Date of Data Source(s)	3/26/07	3/26/07	3/26/07	3/26/07

Analysis of prior sale or transfer history of the subject property and comparable sales N/A

Summary of Sales Comparison Approach Sale 3 is given 50% weight because of its recent date of sale and relatively low gross adjustment of 10.5%. SALES 1 and 2, with gross adjustments of 36.6% and 18.5%, are given 50% weight. SALE 4 is given no weight because of its circumstances of sale. It was entered into this report because of its recent date of sale. Please refer to the Addendum for further discussion of this approach. This report contains 25 pages and was signed in blue ink.

Indicated Value by Sales Comparison Approach $ 738,500

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 738,500 **Cost Approach (if developed) $** ---- **Income Approach (if developed) $** ----

The sales comparison approach is the best approach to value in this assignment as sales data is relatively plentiful and properties like the subject are typically purchased by owner-occupants, not by investors. The cost and income captialization approaches to value were not considered necessary and were not performed.

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: The subject has been appraised in as is condition, assuming no hidden or unapparent conditions, and to terms of sale of cash or its equivalent.

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 $ 738,500 **, as of** March 18, 2007 **, which is the date of inspection and the effective date of this appraisal.**

Form 1004 — "TOTAL for Windows" appraisal software by a la mode, inc. — 1-800-ALAMODE

Uniform Residential Appraisal Report

File # Scenario 1:23.02 acre site

ADDITIONAL COMMENTS

SEE ADDENDUM.

COST APPROACH

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) The site value was extracted from site sales which are in the Addendum.

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE			=$	275,000
Source of cost data	DWELLING	Sq.Ft. @ $		=$	
Quality rating from cost service Effective date of cost data		Sq.Ft. @ $		=$	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)				=$	
The cost approach was not applied in this analysis because of its inability	Garage/Carport	Sq.Ft. @ $		=$	
to produce a viable estimate of value due to many rural variables.	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

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent $ - X Gross Rent Multiplier - = $ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM)

PUD INFORMATION

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. N/A

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Uniform Residential Appraisal Report

File # Scenario 1:23.02 acre site

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

File # Scenario 1:23.02 acre site

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

File # Scenario 1:23.02 acre site

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 Sara A. Fraser, SRA
Company Name Sara A. Fraser Real Estate Appraisals, Inc.
Company Address 2544 Washington Street
Eugene, OR 97405
Telephone Number 541/485-4245
Email Address s.fraser@sarafraser.com
Date of Signature and Report March 27, 2007
Effective Date of Appraisal March 18, 2007
State Certification # CR00266
or State License #
or Other (describe) State #
State Oregon
Expiration Date of Certification or License 10/31/07

ADDRESS OF PROPERTY APPRAISED
28331 West 11th Avenue
Eugene, OR 97402-9212
APPRAISED VALUE OF SUBJECT PROPERTY $ 738,500
LENDER/CLIENT
Name
Company Name Steven R. Green
Company Address 28331 West 11th Avenue
Eugene, OR 97402
Email Address greenamericane@aol.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

Form 1004 — "TOTAL for Windows" appraisal software by a la mode, inc. — 1-800-ALAMODE

Uniform Residential Appraisal Report

File # Scenario 1:23.02 acre site

FEATURE	SUBJECT	COMPARABLE SALE # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6	
Address	28331 West 11th Avenue Eugene, OR 97402-9212	87225 Gypsy Lane Eugene, OR					
Proximity to Subject		5.71 miles					
Sale Price	$ Market Value		$ 575,000		$		$
Sale Price/Gross Liv. Area	$ sq.ft.	$ 325.04 sq.ft.		$ sq.ft.		$ sq.ft.	
Data Source(s)		C/21 Westover-RMLS# 7010279					
Verification Source(s)		D.Egbert, RE Agent					
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or Financing Concessions		Conv,No Poss. 2 days/market	+30,000				
Date of Sale/Time		3/16/07 COE					
Location	Average	Average					
Leasehold/Fee Simple	Fee Simple	Fee					
Site	23.02 Acres	26.42 Acres	-6,800				
View	360' far view	Far West View	0				
Design (Style)	2-St.Trad	Ranch	0				
Quality of Construction	Average	Inferior \					
Actual Age	5	42 \	+25,000				
Condition	Good	Inferior /					
Above Grade Room Count	Total 9 / Bdrms. 4 / Baths 2.5	Total 7 / Bdrms. 3 / Baths 2	+5,000	Total / Bdrms. / Baths		Total / Bdrms. / Baths	
Gross Living Area	3,634 sq.ft.	1,769 sq.ft.	+93,300	sq.ft.		sq.ft.	
Basement & Finished Rooms Below Grade	N/A	N/A N/A					
Functional Utility	Average	Average					
Heating/Cooling	FAE/CAC	FAE/None /					
Energy Efficient Items	Vinyl Insul.Windc	None /					
Garage/Carport	2 Car Garage	2 Car Garage					
Porch/Patio/Deck	Porch, Patio	Patio	0				
Outbuildings	MH,Gar/Shop	2Barns/nom.val.	+75,000				
Contract Date		2/7/07					
Net Adjustment (Total)		☒ + ☐ -	$ 221,500	☐ + ☐ -	$	☐ + ☐ -	$
Adjusted Sale Price of Comparables			$ 796,500		$		$

SALES COMPARISON APPROACH

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 # 4	COMPARABLE SALE # 5	COMPARABLE SALE # 6
Date of Prior Sale/Transfer	No sale within past 3 years	No sale within the past year		
Price of Prior Sale/Transfer	$00.00	$00.00		
Data Source(s)	public records	public records		
Effective Date of Data Source(s)	3/26/07	3/26/07		

SALE HISTORY

Analysis of prior sale or transfer history of the subject property and comparable sales

ANALYSIS / COMMENTS

Analysis/Comments

Supplemental Addendum

File No. Scenario 1:23.02 acre

Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

INTENDED USER AND INTENDED USE OF THE APPRAISAL: The Intended User of this appraisal report is the Lender/Client. The Intended Use is to evaluate the property that is the subject of this appraisal for Measure 37, zoning and planning purposes, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended users are identified by the appraiser.

SCOPE OF THE APPRAISAL: The extent of data collection process of the appraisal report research includes consideration of the sales comparison approach to value. The cost approach is not necessary for credible assignment results and is not considered applicable. The income approach had no information available toward the development of a credible conclusion in an assignment of this type and is not considered applicable.

SITE: The site's smaller size than that stipulated by the current zoning does not impact its marketability or value. Its size is typical of many in the area. Wells and septic tanks are typical for this area and acceptable in the market with no discount.

SALES COMPARISON APPROACH: The scope of this appraisal report research was geographically limited to rural residential properties that are comparable to the subject in distance to Eugene support services and the 4-J school district. The scope was limited in time to sales that closed within the past six months to a year. Data was provided by RMLS.

Greatest value was given to the homesites with the remaining acreage adjusted at $2,000 per acre as research indicates that the market places the greatest value upon the homesite and nominal value upon the rest of the acreage.

The size adjustments were based upon $50 per square foot heated area, and the bath adjustments at $10,000 per bath. These adjustments are consistent with local and current custom. No adjustments were made between the number of bedrooms or levels as research indicates the market does not adjust for those features when most of the other ones are comparable. Adjustments for outbuildings were based upon market extraction analysis coupled with the income approach for the subject's accessory dwelling.

SALE 1 was listed for $499,500 and sold for $525,000 because of competing offers. The adjusted sale price reflects the lower range of estimated subject value.

SALE 2 is superior to the subject in quality of construction due to features such as a tile roof and granite counters. The downward quality adjustment was produced by market extraction analysis. This property was listed for $899,900 and sold for $845,000 - at 94% of list price. The adjusted sale price reflects the upper range of estimated subject value.

SALE 3 was originally listed for $895,000. The price was reduced to $850,000 and it sold for $790,000 - at 93% of list price. The adjusted sale price reflects the lower range of estimated subject value.

SALE 4 received what appears to be a minimal positive adjustment for quality, age, condition, central air and single paned windows. This low $25,000 adjustment was extracted from the market and is skewed by the circumstances of sale which are: the seller may live on the property for the remainder of her life, rent-free for the next 2 years and at a rent of $1,200 after that period of time. The property was listed and sold for $575,000. The $30,000 positive adjustment for the terms of sale is the rent loss ($28,800 actual loss) for the 2-year period. The adjusted sale price supports the estimated subject value. This sale is given little weight because of the terms of its sale .

These sales bracket and produce an estimated subject value of $738,500 in as is condition assuming no hidden or unapparent conditions.

ADDITIONAL CERTIFICATION AS REQUIRED BY THE APPRAISAL INSTITUTE: I certify that, to the best of my knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

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

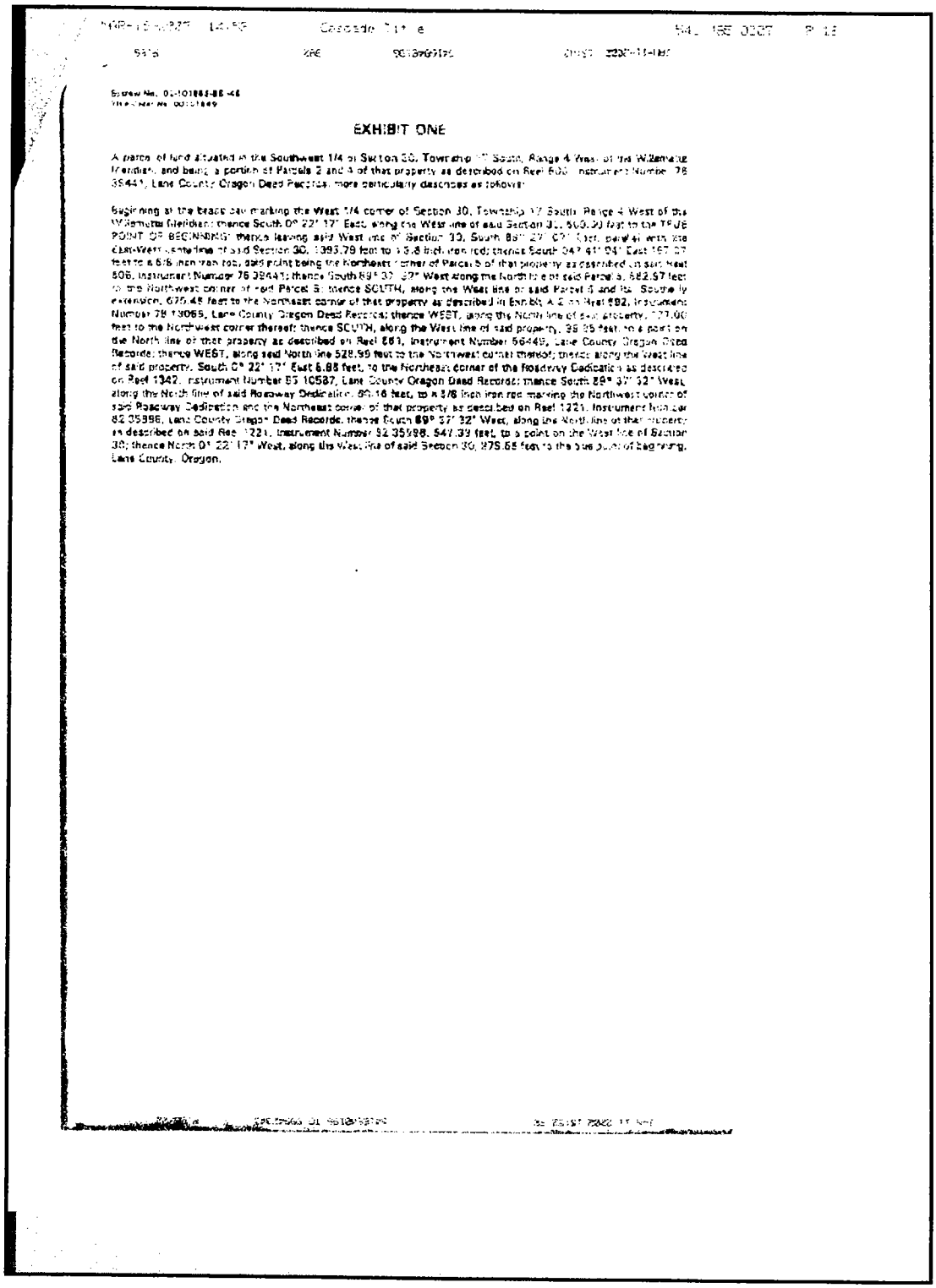
As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute.

ELECTRONIC SIGNATURE ADDENDUM: All electronic signatures on this report have a security feature maintained by individual passwords for each signing appraiser. No person can alter the appraisal with the exception of the original signing appraiser.

TRANSMISSION: This report was prepared for and my professional fee billed to Steven Green. It was intended only for use by your internal management, your auditor and appropriate regulatory authorities. It may not be distributed to or relied upon by other persons or entities without my written permission.

Legal Description Map

Borrower/Client No Borrower; Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



Escrow No. 01-101883-BE-46
Title Order No. 00101849

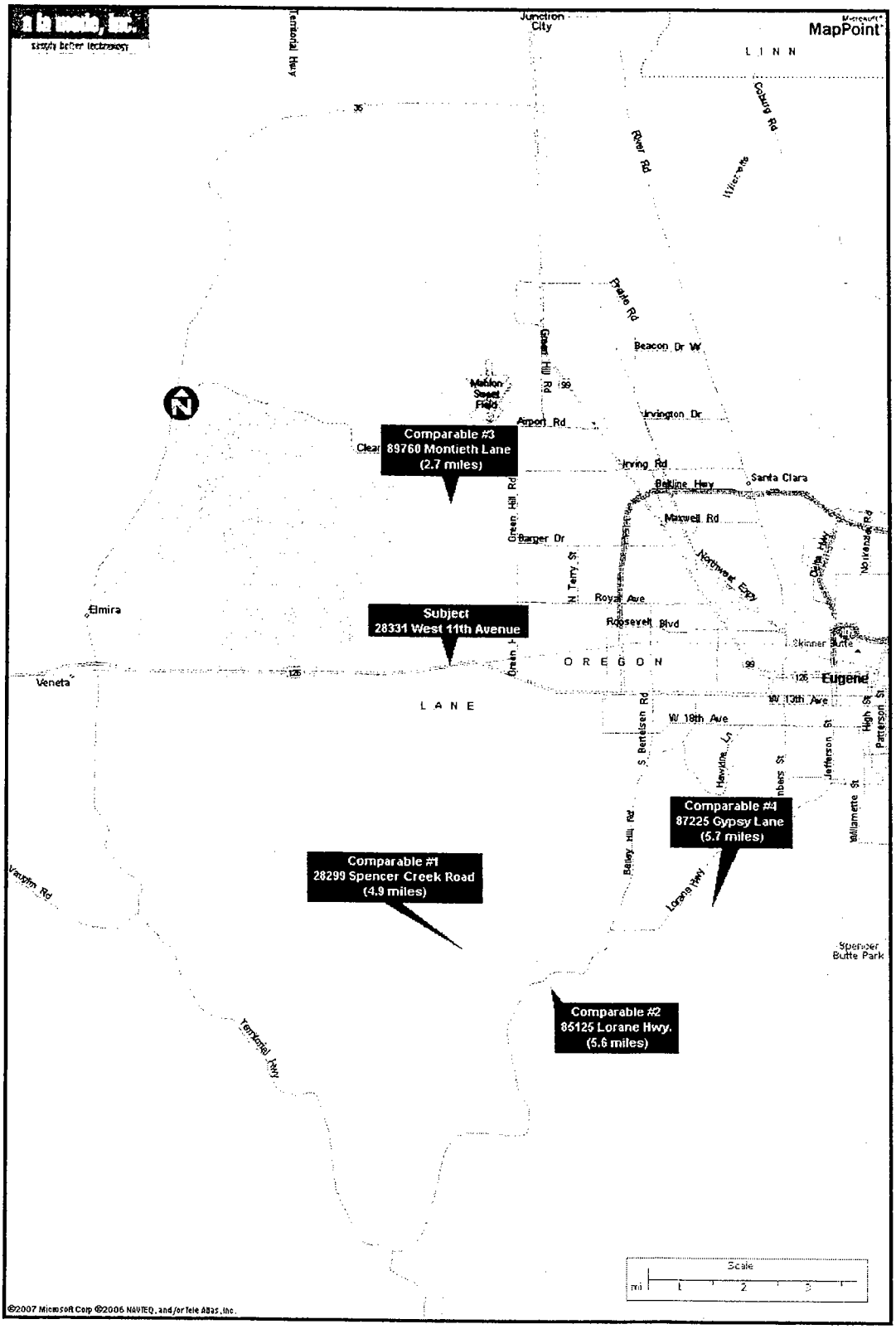
EXHIBIT ONE

A parcel of land situated in the Southwest 1/4 of Section 30, Township 17 South, Range 4 West of the Willamette Meridian; being a portion of Parcels 2 and 4 of that property as described on Reel 506, Instrument Number 76 38441, Lane County Oregon Deed Records, more particularly described as follows:

Beginning at the brass cap marking the West 1/4 corner of Section 30, Township 17 South, Range 4 West of the Willamette Meridian; thence South 0° 22' 17" East, along the West line of said Section 30, 503.30 feet to the TRUE POINT OF BEGINNING; thence leaving said West line of Section 30, South 89° 37' 43" East, parallel with the East-West centerline of said Section 30, 1393.79 feet to a 5/8 inch iron rod; thence South 047 41' 04" East 197.27 feet to a 5/8 inch iron rod, said point being the Northeast corner of Parcel 5 of that property as described in said Reel 506, Instrument Number 76 38441; thence South 89° 37' 27" West along the North line of said Parcel 5, 582.97 feet to the Northwest corner of said Parcel 5; thence SOUTH, along the West line of said Parcel 5 and its Southerly extension, 675.45 feet to the Northeast corner of that property as described in Exhibit A 2 on Reel 592, Instrument Number 78 13065, Lane County Oregon Deed Records; thence WEST, along the North line of said property, 777.00 feet to the Northwest corner thereof; thence SOUTH, along the West line of said property, 95.55 feet, to a point on the North line of that property as described on Reel 661, Instrument Number 56449, Lane County Oregon Deed Records; thence WEST, along said North line 528.99 feet to the Northwest corner thereof; thence along the West line of said property, South 0° 22' 17" East 6.88 feet, to the Northeast corner of the Roadway Dedication as described on Reel 1342, Instrument Number 85 10587, Lane County Oregon Deed Records; thence South 89° 37' 32" West, along the North line of said Roadway Dedication, 60.16 feet, to a 5/8 inch iron rod marking the Northwest corner of said Roadway Dedication and the Northeast corner of that property as described on Reel 1721, Instrument No. 82 35996, Lane County Oregon Deed Records; thence South 89° 37' 32" West, along the North line of that property as described on said Reel 1721, Instrument Number 82 35996, 547.39 feet, to a point on the West line of Section 30; thence North 0° 22' 17" West, along the West line of said Section 30, 975.65 feet to the true point of beginning, Lane County, Oregon.

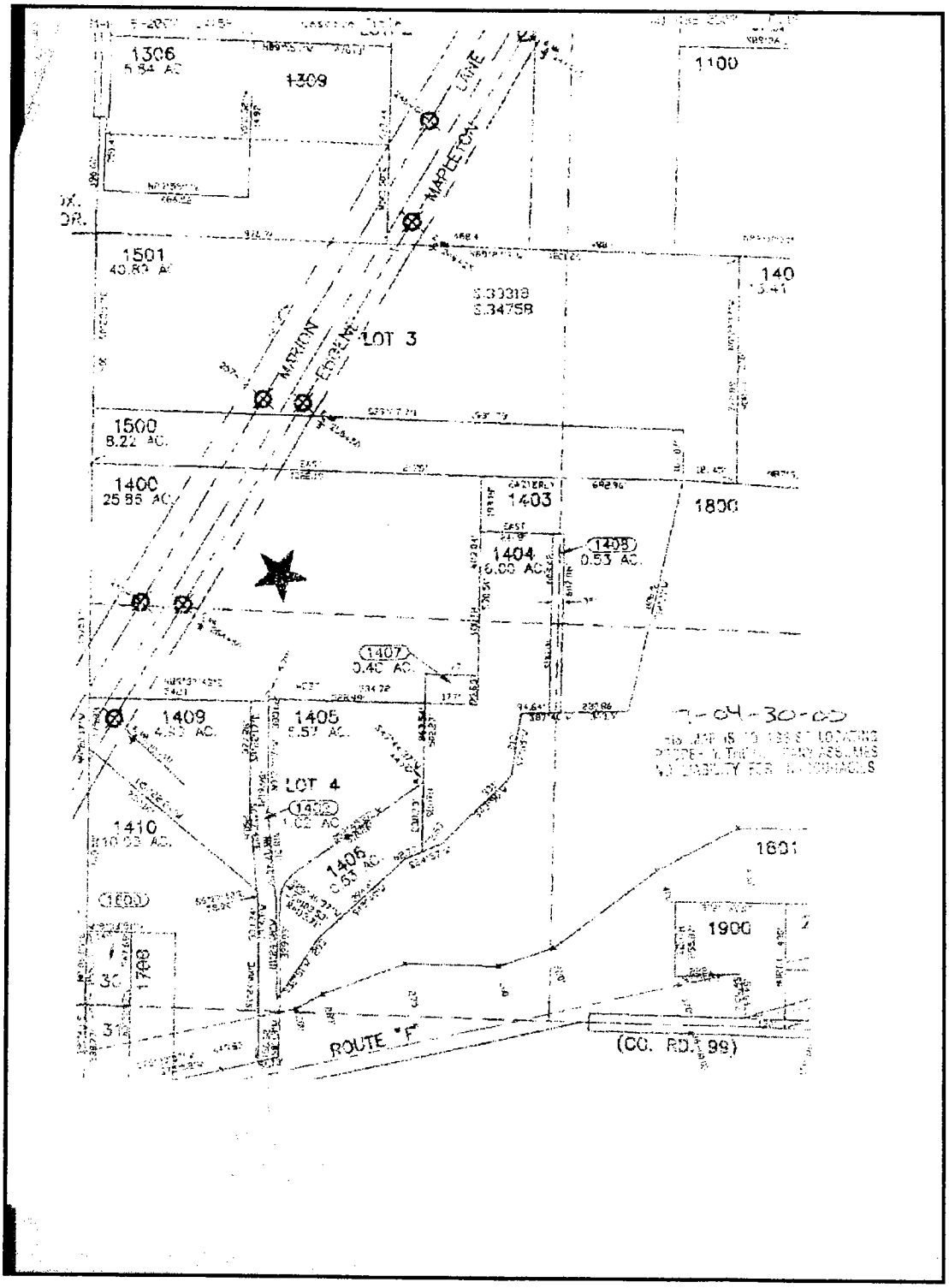
Location Map

Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



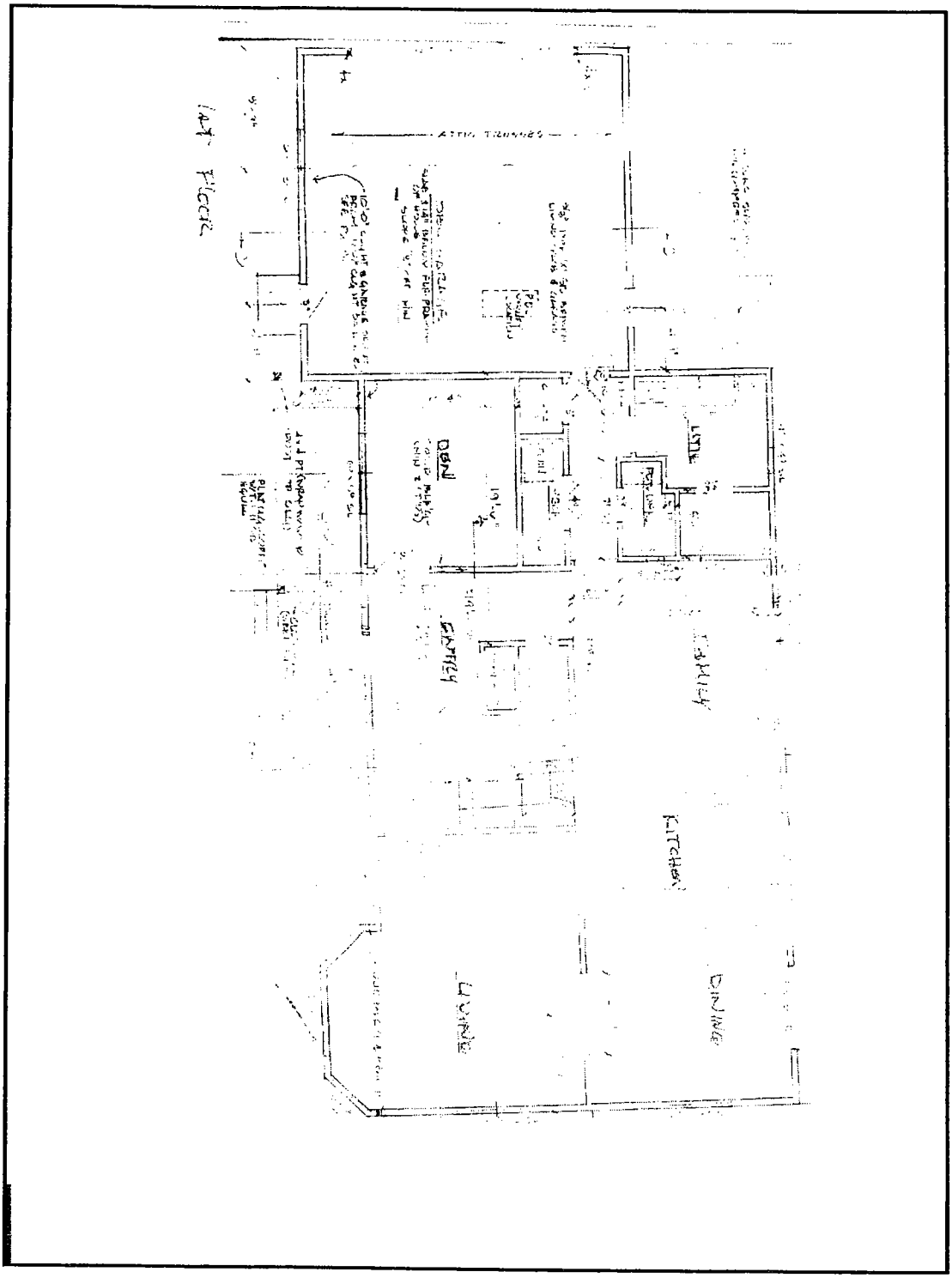
Plat Map

Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



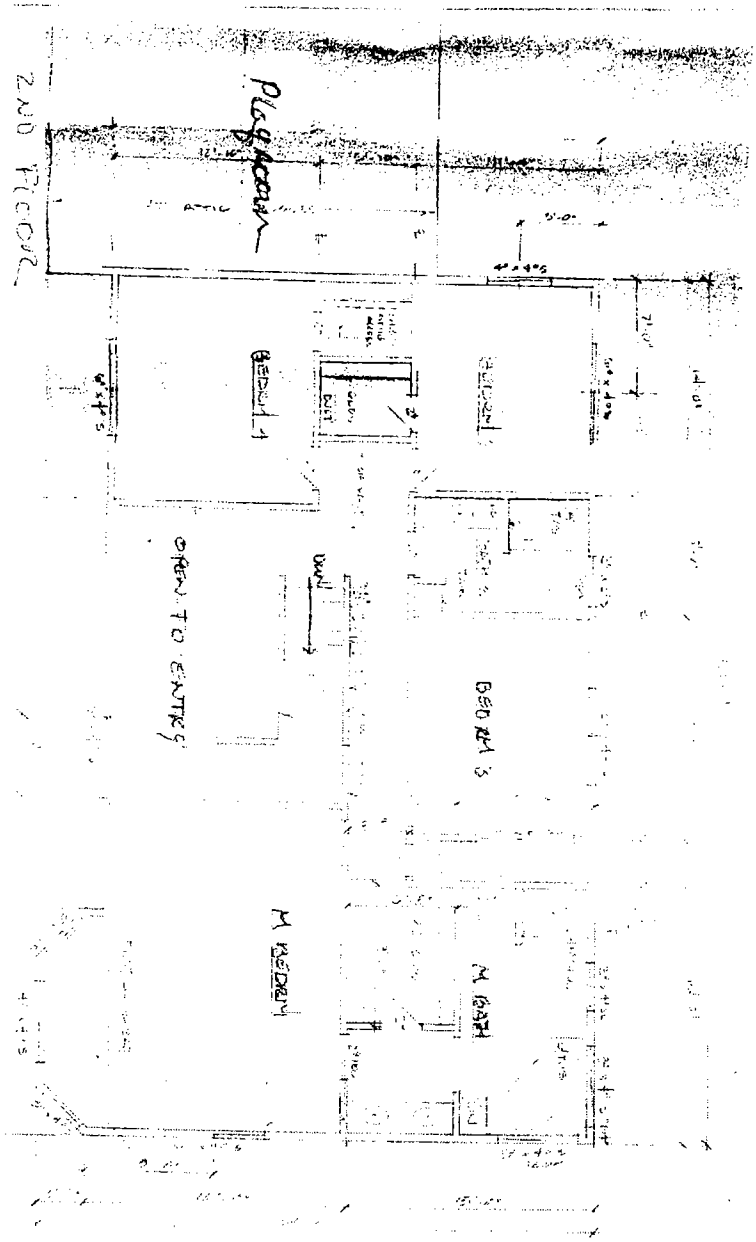
Building Sketch

Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



Building Sketch

Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



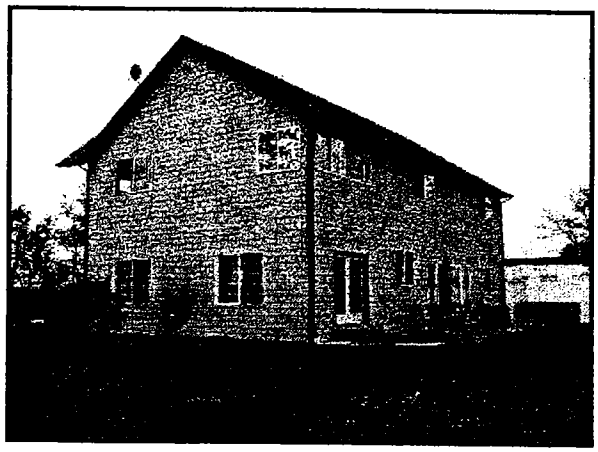
Subject Photo Page

Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

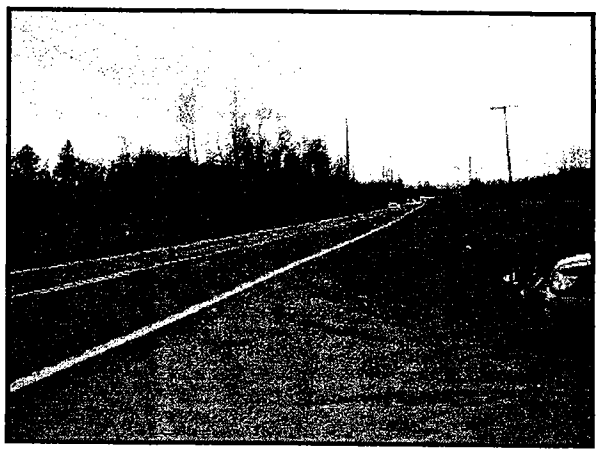
Subject Front

28331 West 11th Avenue

Sales Price	Market Value
Gross Living Area	3,634
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.5
Location	Average
View	360' far view
Site	23.02 Acres
Quality	Average
Age	5



Subject Rear



Subject Street

Subject Photos

Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

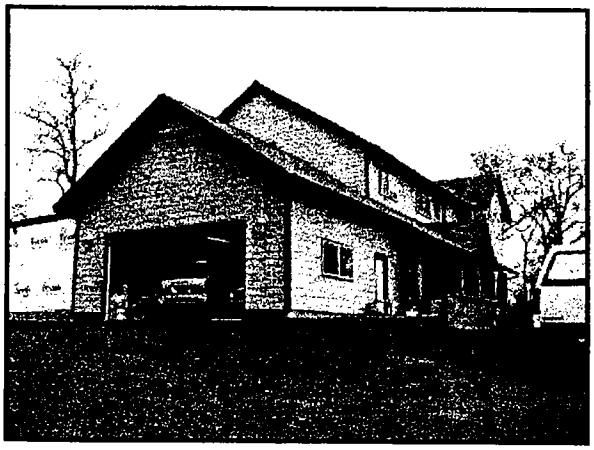
View to the west
28331 West 11th Avenue

Driveway

On Site looking north

Subject Interior Photo Page

Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



Garage view

28331 West 11th Avenue

Sales Price	Market Value
Gross Living Area	3,634
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.5
Location	Average
View	360' far view
Site	23.02 Acres
Quality	Average
Age	5

Kitchen

Living Room

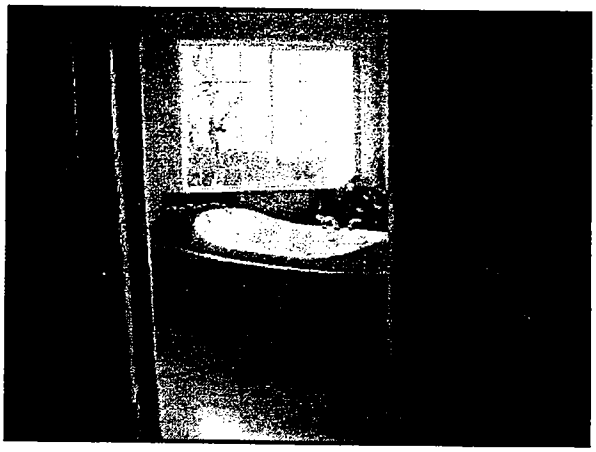
Subject Interior Photo Page

Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

Master Bedroom

28331 West 11th Avenue

Sales Price	Market Value
Gross Living Area	3,634
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.5
Location	Average
View	360' far view
Site	23.02 Acres
Quality	Average
Age	5

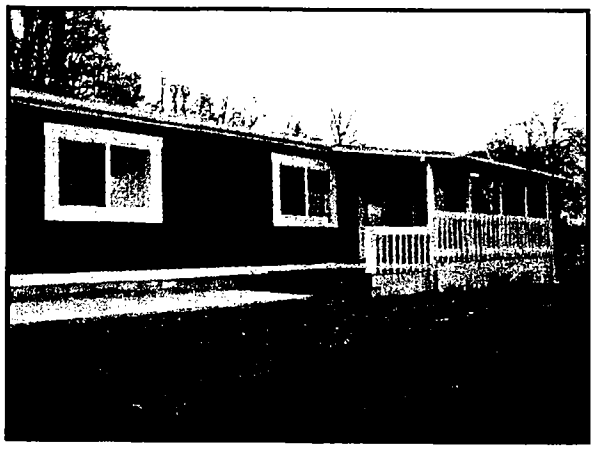


Master Bath--view west

Hall Bath

Subject Interior Photo Page

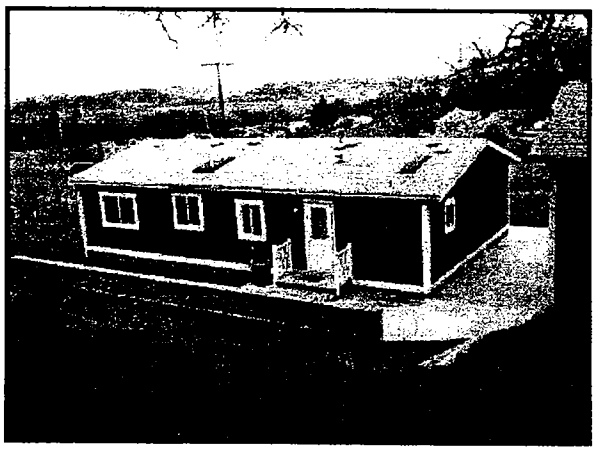
Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



28327 W 11th front view

28331 West 11th Avenue

Sales Price	Market Value
Gross Living Area	3,634
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.5
Location	Average
View	360' far view
Site	23.02 Acres
Quality	Average
Age	5



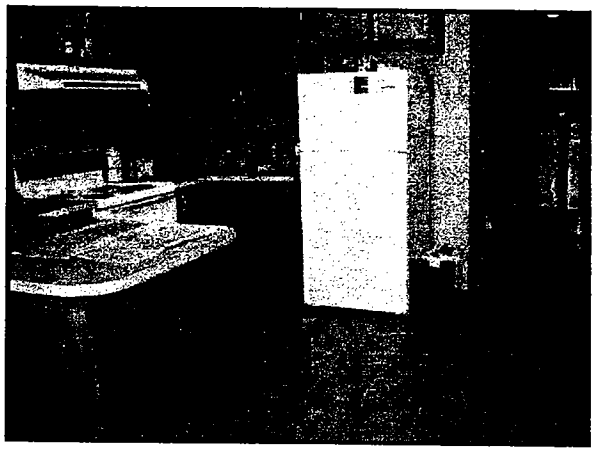
Rear view

28'x 40' Shop/Garage

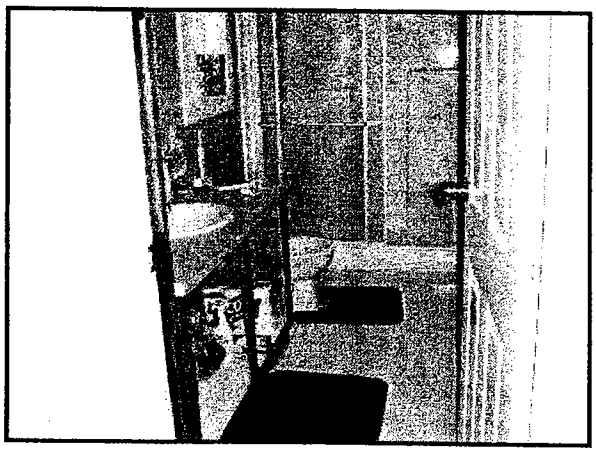
Subject Photos

Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

28327 W 11th Living Room
28331 West 11th Avenue



Kitchen



Bath

Comparable Photo Page

Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

Comparable 1

28299 Spencer Creek Road

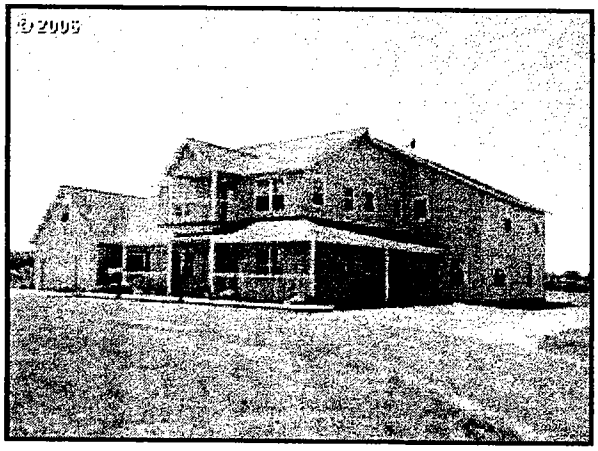
Prox. to Subject	4.93 miles
Sale Price	525,000
Gross Living Area	1,273
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	1
Location	Average
View	Pastoral
Site	20.51 Acres
Quality	Average
Age	11

Comparable 2

85125 Lorane Hwy.

Prox. to Subject	5.61 miles
Sale Price	845,000
Gross Living Area	3,024
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.2
Location	Average
View	Pasture,Woods
Site	17.46 Acres
Quality	Superior
Age	21

RMLS photo was used because the driveway gate was closed.



Comparable 3

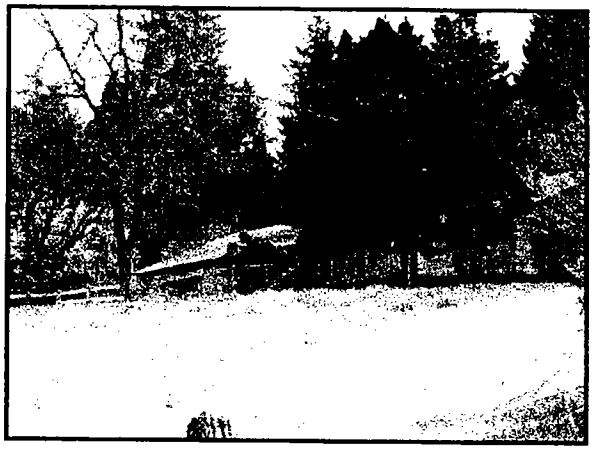
89760 Montieth Lane

Prox. to Subject	2.75 miles
Sale Price	790,000
Gross Living Area	4,158
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	3.2
Location	Average
View	Pasture
Site	25.36 Acres
Quality	Average
Age	8

RMLS photo was used because the driveway gate was closed.

Comparable Photo Page

Borrower/Client No Borrower: Measure 37			
Property Address 28331 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



Comparable 4

87225 Gypsy Lane

Prox. to Subject	5.71 miles
Sale Price	575,000
Gross Living Area	1,769
Total Rooms	7
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Far West View
Site	26.42 Acres
Quality	Inferior \
Age	42 \

Comparable 5

Prox. to Subject	
Sale Price	
Gross Living Area	
Total Rooms	
Total Bedrooms	
Total Bathrooms	
Location	
View	
Site	
Quality	
Age	

Comparable 6

Prox. to Subject	
Sale Price	
Gross Living Area	
Total Rooms	
Total Bedrooms	
Total Bathrooms	
Location	
View	
Site	
Quality	
Age	

RMLSweb - Property Search Results

Sara Fraser
503-316-1979

LOTS AND LAND
GOCAI

3/26/2007 4:09:33 PM
52 Matches

MLS#	P	Type	Address	City	Area	Acres	Price
Active							
7024809	0	RESID	conifer CT	Cottage Grove	235	8.94	$185,000
6101045	7	FRM/FOR	38307 LOWER BRICE CREEK RD	Culp Creek	235	21.6	$195,000
7011606	3	RESID	Glaisyer Hill Rd	Cottage Grove	235	5	$199,950
7011581	3	RESID	Glaisyer Hill Rd.	Cottage Grove	235	5.14	$199,950
7016068	6	RESID	Kizer Creek Road	Cottage Grove	235	11.47	$225,000
6093788	8	RESID	36881 ROW RIVER RD	Cottage Grove	235	5.11	$229,900
6096140	6	RESID	1600 Hungry Hill	Creswell	235	10	$275,000
7010710	9	RESID	Sailview Parcel 1	Elmira	236	5	$197,500
7010741	8	RESID	Sailview Parcel 2	Elmira	236	5	$197,500
6107778	5	RESID	18995 HWY 126	Walton	236	6.88	$199,000
7022146	7	RESID	89140 TERRITORIAL HWY	Elmira	236	8.05	$250,000
7012765	8	RESID	Bear Creek Ranch RD	Junction City	237	5	$209,900
7008163	3	RESID	25959 Hall RD	Junction City	237	7.17	$249,500
7017575	2	RESID	26272 Fern Ridge DR	Junction City	237	26.47	$899,000
7025178	4	RESID	22 Diamond Ridge	Eugene	240	10.26	$495,000
7006760	2	RESID	Mt. Baldy LN	Eugene	243	5.33	$295,000
7005514	0	RESID	Mt. Baldy Drive	Eugene	243	5	$300,000
6082334	8	RESID	86530 SANFORD RD	Eugene	244	5	$299,900
6097803	8	RESID	27392 ERICKSON RD	Eugene	244	5.49	$299,900
7017753	8	RESID	4188 BLANTON RD	Eugene	244	5.25	$325,000
7011438	1	RESID	Lorane HWY	Eugene	244	5.3	$349,000
6068797	1	RESID	0 Fox Hollow	Eugene	244	20.02	$425,000
6103980	5	FRM/FOR	Blanton RD	Eugene	244	9.03	$469,000
Sold							
5054156	0	RESID	Bennett Creek	Cottage Grove	235	10.5	$160,000
6017042	2	FRM/FOR	Perkins Rd	Cottage Grove	235	10.11	$168,500
5076550	0	RESID	28746 HAMM RD	Eugene	235	19.66	$170,000
6098820	8	RESID	Simonsen Rd	Eugene	235	11.6	$175,000
6063174	8	FRM/FOR	78706 RAT CREEK RD	Cottage Grove	235	26.23	$223,000
5090579	4	RESID	Bear Creek RD	Creswell	235	15.52	$225,000
6057803	0	MULTI	1600 Hungry Hill	Creswell	235	10	$229,000
6049106	8	RESID	76235 BLUE MOUNTAIN SCHOOL	Cottage Grove	235	12	$299,777
6056971	0	FRM/FOR	Cloverdale	Creswell	235	26.64	$334,900
5005349	4	FRM/FOR	Hale RD	Noti	236	9.4	$115,000
6027113	8	RESID	89140 TERRITORIAL HWY	Elmira	236	5	$185,000
6086565	5	RESID	Rossberg Lane	Elmira	236	9.01	$200,000
6031185	1	RESID	25180 STURTEVANT DR	Veneta	236	27.56	$344,000

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SQUARE FOOTAGE IS APPROXIMATE & MAY INCLUDE BOTH FINISHED & UNFINISHED AREAS - CONSULT BROKER FOR INFO
SCHOOL AVAILABILITY SUBJECT TO CHANGE

Sara Fraser
503-316-1979

LOTS AND LAND

3/26/2007 4:09:34 PM

MLS#	P	Type	Address	GOCAI City	Area	Acres	Price
6072146	3	RESID	25632 JEANS RD	Veneta	236	6.05	$497,000
5036445	4	FRM/FOR	21325 HAWK RIDGE RD	Blachly	237	17.51	$115,000
6044687	2	FRM/FOR	Ferguson/Hulbert Lk	Junction City	237	24.61	$123,000
6038434	4	FRM/FOR	22731 HWY 36	Cheshire	237	12	$195,500
6033040	0	RESID	25050 HALL RD	Cheshire	237	5	$205,000
6069778	3	RESID	Hwy 36	Junction City	237	6.89	$234,000
5015601	0	RESID	Lot 1 Hidden Meadows	Eugene	243	5.08	$260,000
5015603	2	RESID	Lot 2 Hidden Meadows	Eugene	243	5.22	$275,000
5015628	2	RESID	Lot 9 Hidden Meadows	Eugene	243	5	$300,000
6001755	0	RESID	38th ST	Eugene	243	5.19	$305,000
6000152	1	RESID	85212 APPLETREE DR	Eugene	244	5.03	$165,000
2000112	1	FRM/FOR	Christensen Rd 15	Eugene	244	5.38	$185,000
6011731	6	RESID	Territorial Hwy	Eugene	244	10	$192,000
6004257	3	RESID	Florence RD	Eugene	244	5	$234,900
5070226	2	RESID	Gibralter LOOP	Eugene	244	5.43	$260,000
6086052	8	RESID	84747 LAUGHLIN RD	Eugene	244	7.19	$260,000

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SARA A. FRASER REAL ESTATE APPRAISALS, INC.
2544 Washington • Eugene, OR 97405 • Phone (541) 485-4245 • Fax (541) 345-8535 • Email: safraser@teleport.com

Appraiser Certification and Licensure Board

State Certified Residential Appraiser

28 hours of continuing education required for renewal

License No: **CR00266**
Issue Date: 11/1/2005
Expiration Date: 10/31/2007

Sara A Fraser
Sara A Fraser Real Estate Appraisals INC
2544 Washington Street
Eugene OR 97405

R. A. (Bob) Keith, Administrator

SARA A. FRASER REAL ESTATE APPRAISALS, INC.
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May 2006

QUALIFICATIONS FOR SARA A. FRASER, SRA

EMPLOYMENT AND EXPERIENCE BACKGROUND

Sara Fraser established her real estate appraisal practice in January 1980.

The scope of her practice covers Lane County and includes: one-to-four family dwellings, proposed construction, condominiums, manufactured homes, rural properties and vacant residential land.

Her clients include: H.U.D. the VA, mortgage lenders, credit unions, attorneys, CPA's, and private individuals.

She earned and was awarded the professional designation of SRA (Senior Residential Appraiser) from the Appraisal Institute in January 1997. Sara was appointed to the Oregon Appraiser Certification and Licensure Board in 2006 to serve for three years.

EDUCATIONAL BACKGROUND

- Associate in Science degree, West Virginia Institute of Technology, Montgomery, W. Va., 1969
- "Course 101, An Introduction to Appraising Real Property", Society of Real Estate Appraisers, successfully challenged in October 1987
- "Course 102, Applied Residential Property Valuation", Society of Real Estate Appraisers, successfully challenged in June 1988
- "Uniform Standards of Professional Appraisal Practice – Courses 410 and 420", Greater Oregon Chapter of the Appraisal Institute, 1991, 1996, 2000 and 2001.
- "Advanced Residential Form and Narrative Report Writing", Greater Oregon Chapter of the Appraisal Institute, October 1996
- "Course 310, Basic Income Capitalization", Greater Oregon Chapter of the Appraisal Institute, March 1999
- "Course 320, Basic Income Capitalization", Greater Oregon Chapter of the Appraisal Institute, March 2001

PROFESSIONAL AFFILIATION

Ms. Fraser is a member of the Greater Oregon Chapter of the Appraisal Institute in which she is on the Board of Directors. She has served in the Eugene sub-chapter as secretary, vice-chairperson during 1995 and 1996, and chairperson during 1997, 1998, and 2002.

REPRESENTATIVE CLIENTELE

Veterans Administration
Employment Relocation Companies
Union Bank of California
Wells Fargo Bank
Umpqua Bank Mortgage
Oregon Community Credit Union

INTERNAL ERROR - FALSE

POSITION : 0x3c11e9e (62987934)

SYSTEM : H6FW/xl_image

LINE : 476

VERSION : QPDL 1.24 02-27-2004

APPRAISAL OF REAL PROPERTY

LOCATED AT:
28331 West 11th Avenue
Metes and Bounds, See Attached
Eugene, OR 97402-9212

FOR:
Steven R. Green
28331 West 11th Avenue
Eugene, OR 97402

AS OF:
March 18, 2007

BY:
Sara A. Fraser, SRA
s.fraser@sarafraser.com
541/485-4245

Uniform Residential Appraisal Report

File # Scenario 2: 15.02 Acre Site

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.

SUBJECT

Property Address 28327 West 11th Avenue | City Eugene | State OR | Zip Code 97402-9212
Borrower No Borrower: Measure 37 | Owner of Public Record Steven Green | County Lane
Legal Description Metes and Bounds, See Attached
Assessor's Parcel # 17-04-30-00 Tax Lot 01400 | Tax Year 2006 | R.E. Taxes $ 4,155.70
Neighborhood Name West Eugene Rural Environs | Map Reference Tax Lot 01400 | Census Tract 1001 1
Occupant ☒ Owner ☐ Tenant ☐ Vacant | Special Assessments $ 0.00 | ☐ PUD HOA $ 0.00 ☐ per year ☐ per month
Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe)
Assignment Type ☐ Purchase Transaction ☐ Refinance Transaction ☒ Other (describe) Measure 37, assume a 15.02 acre homesite with 1 dwelling
Lender/Client Steven R. Green | Address 28331 West 11th Avenue, Eugene, OR 97402
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). RMLS records

CONTRACT

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 $ Market Value | Date of Contract N/A | Is the property seller the owner of public record? ☐ Yes ☐ No | Data Source(s) public records
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. N/A

NEIGHBORHOOD

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	☐ Urban	☐ Suburban ☒ Rural	Property Values	☐ Increasing	☒ Stable ☐ Declining	PRICE	AGE		One-Unit	75%
Built-Up	☐ Over 75%	☒ 25-75% ☐ Under 25%	Demand/Supply	☐ Shortage	☒ In Balance ☐ Over Supply	$ (000)	(yrs)		2-4 Unit	%
Growth	☐ Rapid	☒ Stable ☐ Slow	Marketing Time	☐ Under 3 mths	☒ 3-6 mths ☐ Over 6 mths	275K	Low	2	Multi-Family	%
						900K	High	60	Commercial	%
						300-80	Pred.	20-50	Other	25%

Neighborhood Boundaries The subject's market area are the rural residential surroundings of Eugene within 5-20 miles of city services.

Neighborhood Description This neighborhood is within 8 miles west of Eugene's central business district & 5 miles of schools & support services. The broad mix of properties in price, size of house & acreage, quality of construction & age, is typical of Lane County rural residential areas & is acceptable in the market with no discount. The neighborhood is in Eugene's popular 4-J school district.

Market Conditions (including support for the above conclusions) The housing market is undergoing a substantial correction although interest rates remain stable. Locally, many sellers are reducing their asking prices & paying the buyers' closing costs. Rural residential properties on small acreage parcels within ten miles from city support services have historically been in strong demand & remain so.

SITE

Dimensions Irregular, please see the attached plat map | Area 15.02 Acres | Shape Rectangular | View 360° far view
Specific Zoning Classification E-40 | Zoning Description Exclusive Farm Use 40-Acre minimum
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

Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	☒	☐	Water	☐	☒ 2 Wells	Street Asphalt	☒	☐
Gas	☐	☒ Propane/Typical	Sanitary Sewer	☐	☒ 2 Septic tanks	Alley None	☐	☐

FEMA Special Flood Hazard Area ☐ Yes ☒ No | FEMA Flood Zone X | FEMA Map # 41039C1115 F | FEMA Map Date 6/2/99
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
The site's highest & best use, as vacant, is single family residential. Although the minimum lot size under the current zoning is 40 acres, the hypothetical size of 15.02 acres would be compatible with neighboring sites.

IMPROVEMENTS

General Description		Foundation		Exterior Description	materials/condition	Interior	materials/condition
Units	☒ One ☐ One with Accessory Unit	☐ Concrete Slab	☒ Crawl Space	Foundation Walls	Poured Concrete/Gd	Floors	Crpt,Vinyl/Good
# of Stories	2	☐ Full Basement	☐ Partial Basement	Exterior Walls	Manuf.Wd.Lap/Gd	Walls	Drywall/Good
Type	☒ Det. ☐ Att. ☐ S-Det./End Unit	Basement Area	sq.ft.	Roof Surface	Comp.Shingle/Gd	Trim/Finish	Wood-Painted/Gd
☒ Existing	☐ Proposed ☐ Under Const.	Basement Finish	%	Gutters & Downspouts	GI/Gd	Bath Floor	Vinyl/Good
Design (Style)	2-St.Trad	☐ Outside Entry/Exit	☐ Sump Pump	Window Type	Vinyl Sliding/Good	Bath Wainscot	Fiberglass,Tile/Gd.
Year Built	2002	Evidence of	☐ Infestation	Storm Sash/Insulated	Vinyl Comb./Good	Car Storage	☐ None
Effective Age (Yrs)	2	☐ Dampness	☐ Settlement	Screens	Comb./Good	☒ Driveway	# of Cars 1
Attic	☐ None	Heating ☒ FWA	☐ HWBB ☐ Radiant	Amenities	☐ Woodstove(s) #	Driveway Surface	Gravel
☐ Drop Stair	☐ Stairs	☐ Other	Fuel Electric	☐ Fireplace(s) #	☒ Fence farm fence	☒ Garage	# of Cars 2
☐ Floor	☒ Scuttle	Cooling	☒ Central Air Conditioning	☒ Patio/Deck	☒ Porch	☐ Carport	# of Cars
☐ Finished	☐ Heated	☐ Individual	☐ Other	☐ Pool	☒ Other Pellet St.	☒ Att.	☐ Det. ☐ Built-in

Appliances ☐ Refrigerator ☒ Range/Oven ☒ Dishwasher ☒ Disposal ☒ Microwave ☐ Washer/Dryer ☐ Other (describe)
Finished area above grade contains: 9 Rooms | 4 Bedrooms | 2.5 Bath(s) | 3,634 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.). Master bath has jetted tub & shower stall; concrete-wood composite exterior siding; 10' ceilings.

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). The subject appears to be in generally sound condition with limited wear & tear. There is insignificant functional and external depreciation.

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No If Yes, describe

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

Uniform Residential Appraisal Report

File # Scenario 2: 15.02 Acre Site

There are 4 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 475,000 to $ 875,000

There are 5 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 525,000 to $ 845,000

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	28327 West 11th Avenue Eugene, OR 97402-9212	28299 Spencer Creek Road Eugene, OR		85125 Lorane Hwy. Eugene, OR		84440 Spirit Valley Drive Eugene, OR	
Proximity to Subject		4.93 miles		5.61 miles		5.80 miles	
Sale Price	$ Market Value		$ 525,000		$ 845,000		$ 575,000
Sale Price/Gross Liv. Area	$ sq.ft.	$ 412.41 sq.ft.		$ 279.43 sq.ft.		$ 214.15 sq.ft.	
Data Source(s)		ReMax-RMLS# 6038667		J.Smith-RMLS# 6048757		Assis-2-Sell-RMLS# 6081462	
Verification Source(s)		P.Gilstrap, RE Agent		J.Smith, Broker		C.Shepard, RE Agent	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or Financing Concessions		Cash 11 days/market		Conv,No Conc. 102 days/markt		Conv,No conc. 80 days/market	
Date of Sale/Time		6/19/06 COE		10/26/06 COE		12/4/06 COE	
Location	Average	Average		Average		Average	
Leasehold/Fee Simple	Fee Simple	Fee		Fee		Fee	
Site	15.02 Acres	20.51 Acres	-11,000	17.46 Acres $2	-4,900	11 Acres	+8,000
View	360' far view	Pastoral	0	Pasture,Woods	0	Pasture, Woods	0
Design (Style)	2-St.Trad	Ranch		Ranch	0	2-St.Trad.	
Quality of Construction	Average	Average		Superior	-84,500	Average	
Actual Age	5	11	0	21	0	3	
Condition	Good	Good		Good		Good	
Above Grade Room Count	Total 9 / Bdrms. 4 / Baths 2.5	Total 5 / Bdrms. 2 / Baths 1	+15,000	Total 9 / Bdrms. 4 / Baths 2.2	-5,000	Total 9 / Bdrms. 4 / Baths 2.5	
Gross Living Area	3,634 sq.ft.	1,273 sq.ft.	+118,100	3,024 sq.ft.	+30,500	2,685 sq.ft.	+47,500
Basement & Finished Rooms Below Grade	N/A	N/A N/A		N/A $50/$10 N/A		N/A N/A	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FAE/CAC	FAE/EHP		FAE/EHP	0	EHP/EHP	0
Energy Efficient Items	Vinyl Insul.Windc	Vinyl Insul.Wind.		Vinyl Insul.Windc		Vinyl Insul.Windc	
Garage/Carport	2 Car Garage	1 Carport	+4,000	2 Car Garage		4 Car Garage	-5,000
Porch/Patio/Deck	Porch, Patio	Porch, Patio		Patio	0	Porch	0
Outbuildings	None	20x60 pole barn	-25,000	Barn	-50,000	No Outbuildings	
Contract Date		5/23/06		9/23/06		10/23/06	
Net Adjustment (Total)		☒ + ☐ -	$ 101,100	☐ + ☒ -	$ 113,900	☒ + ☐ -	$ 50,500
Adjusted Sale Price of Comparables		Net Adj. % Gross Adj. %	$ 626,100	Net Adj. % Gross Adj. %	$ 731,100	Net Adj. % Gross Adj. %	$ 625,500

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) public records

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) public records

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	No sale within past 3 years	No sale within the past year	No sale within the past year	10/03
Price of Prior Sale/Transfer	$00.00	$00.00	$00.00	$150,000
Data Source(s)	public records	public records	public records	public records
Effective Date of Data Source(s)	3/26/07	3/26/07	3/26/07	3/26/07

Analysis of prior sale or transfer history of the subject property and comparable sales N/A

Summary of Sales Comparison Approach SALE 3 is given 70% weight because of its recent date of sale and low gross adjustment of 10.5%, SALES 2 and 3 are given 50% weight because of their large gross adjustments of 33% and 20.7%. SALE 4 is given nominal weight because of the circumstances of its sale. Please refer to the Addendum for further discussion of this approach. This report contains 24 pages and was signed in blue ink.

Indicated Value by Sales Comparison Approach $ 640,000

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 640,000 **Cost Approach (if developed) $** --- **Income Approach (if developed) $**

The sales comparison approach is the best approach to value in this assignment as sales data is relatively plentiful and properties like the subject are typically purchased by owner-occupants, not by investors. The cost and income captialization approaches to value were not considered necessary and were not performed.

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: under the hypothetical condition that its legal lot contains 15.02 acres, assuming no hidden or unapparent conditions.

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 $ 640,000 **, as of** March 18, 2007 **, which is the date of inspection and the effective date of this appraisal.**

Uniform Residential Appraisal Report

File # Scenario 2: 15.02 Acre Site

ADDITIONAL COMMENTS

SEE ADDENDUM.

COST APPROACH

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) The site value was extracted from site sales which are in the Addendum.

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE		=$	260,000
Source of cost data	DWELLING	Sq.Ft. @ $	=$	
Quality rating from cost service Effective date of cost data		Sq.Ft. @ $	=$	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)			=$	
The cost approach was not applied in this analysis because of its inability to produce a viable estimate of value due to many rural variables.	Garage/Carport	Sq.Ft. @ $	=$	
	Total Estimate of Cost-New		=$	
	Less Depreciation	Physical / Functional / External	=$( )	
	Depreciated Cost of Improvements		=$	
	"As-is" Value of Site Improvements		=$	
Estimated Remaining Economic Life (HUD and VA only) Years	INDICATED VALUE BY COST APPROACH		=$	260,000

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent $ - X Gross Rent Multiplier - = $ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM)

PUD INFORMATION

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. N/A

Form 1004 — "TOTAL for Windows" appraisal software by a la mode, inc. — 1-800-ALAMODE

Uniform Residential Appraisal Report

File # Scenario 2: 15.02 Acre Site

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

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.

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Uniform Residential Appraisal Report

File # Scenario 2: 15.02 Acre Site

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 Sara A. Fraser, SRA
Company Name Sara A. Fraser Real Estate Appraisals, Inc.
Company Address 2544 Washington Street
Eugene, OR 97405
Telephone Number 541/485-4245
Email Address sara@sarafraser.com
Date of Signature and Report March 27, 2007
Effective Date of Appraisal March 18, 2007
State Certification # CR00266
or State License # _____
or Other (describe) _____ State # _____
State Oregon
Expiration Date of Certification or License 10/31/07

ADDRESS OF PROPERTY APPRAISED
28327 West 11th Avenue
Eugene, OR 97402-9212
APPRAISED VALUE OF SUBJECT PROPERTY $ 640,000
LENDER/CLIENT
Name _____
Company Name Steven R. Green
Company Address 28331 West 11th Avenue, Eugene, OR 97402
Email Address greenamericane@aol.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 _____

Form 1004 — "TOTAL for Windows" appraisal software by a la mode, inc. — 1-800-ALAMODE

Uniform Residential Appraisal Report

File # Scenario 2: 15.02 Acre Site

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6	
Address	28327 West 11th Avenue Eugene, OR 97402-9212	87225 Gypsy Lane Eugene, OR					
Proximity to Subject		5.61 miles					
Sale Price	$ Market Value		$ 575,000		$		$
Sale Price/Gross Liv. Area	$ sq.ft.	$ 325.04 sq.ft.		$ sq.ft.		$ sq.ft.	
Data Source(s)		C/21 Westover-RMLS# 7010279					
Verification Source(s)		D.Egbert, RE Agent					
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or Financing Concessions		Conv,No Rent 2 days/market	+30,000				
Date of Sale/Time		3/16/07 COE					
Location	Average	Average					
Leasehold/Fee Simple	Fee Simple	Fee					
Site	15.02 Acres	26.42 Acres	-22,800				
View	360' far view	Far West View	0				
Design (Style)	2-St.Trad	Ranch	0				
Quality of Construction	Average	Inferior \					
Actual Age	5	42 \	+25,000				
Condition	Good	Inferior /					
Above Grade Room Count	Total 9 / Bdrms. 4 / Baths 2.5	Total 7 / Bdrms. 3 / Baths 2	+5,000	Total / Bdrms. / Baths		Total / Bdrms. / Baths	
Gross Living Area	3,634 sq.ft.	1,769 sq.ft.	+93,300	sq.ft.		sq.ft.	
Basement & Finished		N/A					
Rooms Below Grade	N/A	N/A					
Functional Utility	Average	Average					
Heating/Cooling	FAE/CAC	FAE/None /					
Energy Efficient Items	Vinyl Insul.Windc	None /					
Garage/Carport	2 Car Garage	2 Car Garage					
Porch/Patio/Deck	Porch, Patio	Patio	0				
Outbuildings	None	Barn of nom.val.	0				
Contract Date		2/7/07					
Net Adjustment (Total)		☒ + ☐ -	$ 130,500	☐ + ☐ -	$	☐ + ☐ -	$
Adjusted Sale Price of Comparables			$ 705,500		$		$

SALE HISTORY

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 # 4	COMPARABLE SALE # 5	COMPARABLE SALE # 6
Date of Prior Sale/Transfer	No sale within past 3 years	No sale within the past year		
Price of Prior Sale/Transfer	$00.00	$00.00		
Data Source(s)	public records	public records		
Effective Date of Data Source(s)	3/26/07	3/26/07		

Analysis of prior sale or transfer history of the subject property and comparable sales

ANALYSIS / COMMENTS

Analysis/Comments

Form 1004.(AC) — "TOTAL for Windows" appraisal software by a la mode, inc. — 1-800-ALAMODE

Supplemental Addendum

File No. Scenario 2: 15.02 Acre

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

INTENDED USER AND INTENDED USE OF THE APPRAISAL: The Intended User of this appraisal report is the Lender/Client. The Intended Use is to evaluate the property that is the subject of this appraisal for Measure 37, zoning and planning purposes, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form, and Definition of Market Value. No additional Intended users are identified by the appraiser.

SCOPE OF THE APPRAISAL: The extent of data collection process of the appraisal report research includes consideration of the sales comparison approach to value. The cost approach is not necessary for credible assignment results and is not considered applicable. The income approach had no information available toward the development of a credible conclusion in an assignment of this type and is not considered applicable.

SITE: The site's smaller size than that stipulated by the current zoning does not impact its marketability or value. Its size is typical of many in the area. Wells and septic tanks are typical for this area and acceptable in the market with no discount.

SALES COMPARISON APPROACH: The scope of this appraisal report research was geographically limited to rural residential properties that are comparable to the subject in distance to Eugene support services and the 4-J school district. The scope was limited in time to sales that closed within the past six months to a year. Data was provided by RMLS.

Greatest value was given to the homesites with the remaining acreage adjusted at $2,000 per acre as research indicates that the market places the greatest value upon the homesite and nominal value upon the rest of the acreage.

The size adjustments were based upon $50 per square foot heated area, and the bath adjustments at $10,000 per bath. These adjustments are consistent with local and current custom. No adjustments were made between the number of bedrooms or levels as research indicates the market does not adjust for those features when most of the other ones are comparable. Adjustments for outbuildings were based upon market extraction analysis coupled with the income approach for the subject's accessory dwelling.

SALE 1 was listed for $499,500 and sold for $525,000 because of competing offers. The adjusted sale price reflects the lower range of estimated subject value.

SALE 2 is superior to the subject in quality of construction due to features such as a tile roof and granite counters. The downward quality adjustment was produced by market extraction analysis. This property was listed for $899,900 and sold for $845,000 - at 94% of list price. The adjusted sale price reflects the upper ranges of estimated subject value.

SALE 2 was listed for $619,000 and sold for $575,000 - at 93% of list price. The adjusted sale price provides strong support for the estimated subject value.

SALE 4 received what appears to be a minimal positive adjustment for quality, age, condition, central air and single paned windows. This low $25,000 adjustment was extracted from the market and is skewed by the circumstances of sale which are: the seller may live on the property for the remainder of her life, rent-free for the next 2 years and at a rent of $1,200 after that period of time. The property was listed and sold for $575,000. The $30,000 positive adjustment for the terms of sale is the rent loss ($28,800 actual loss) for the 2-year period. The adjusted sale price supports the estimated subject value. This sale is given little weight because of the terms of its sale .

These sales bracket and produce an estimated subject value of $640,000 - under the hypothetical condition that its legal lot contains 15.02 acres, assuming no hidden or unapparent conditions - when 70% weight is given to SALE 3, 30% weight to SALES 1 and 2, and nominal weight to SALE 4.

ADDITIONAL CERTIFICATION AS REQUIRED BY THE APPRAISAL INSTITUTE: I certify that, to the best of my knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

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

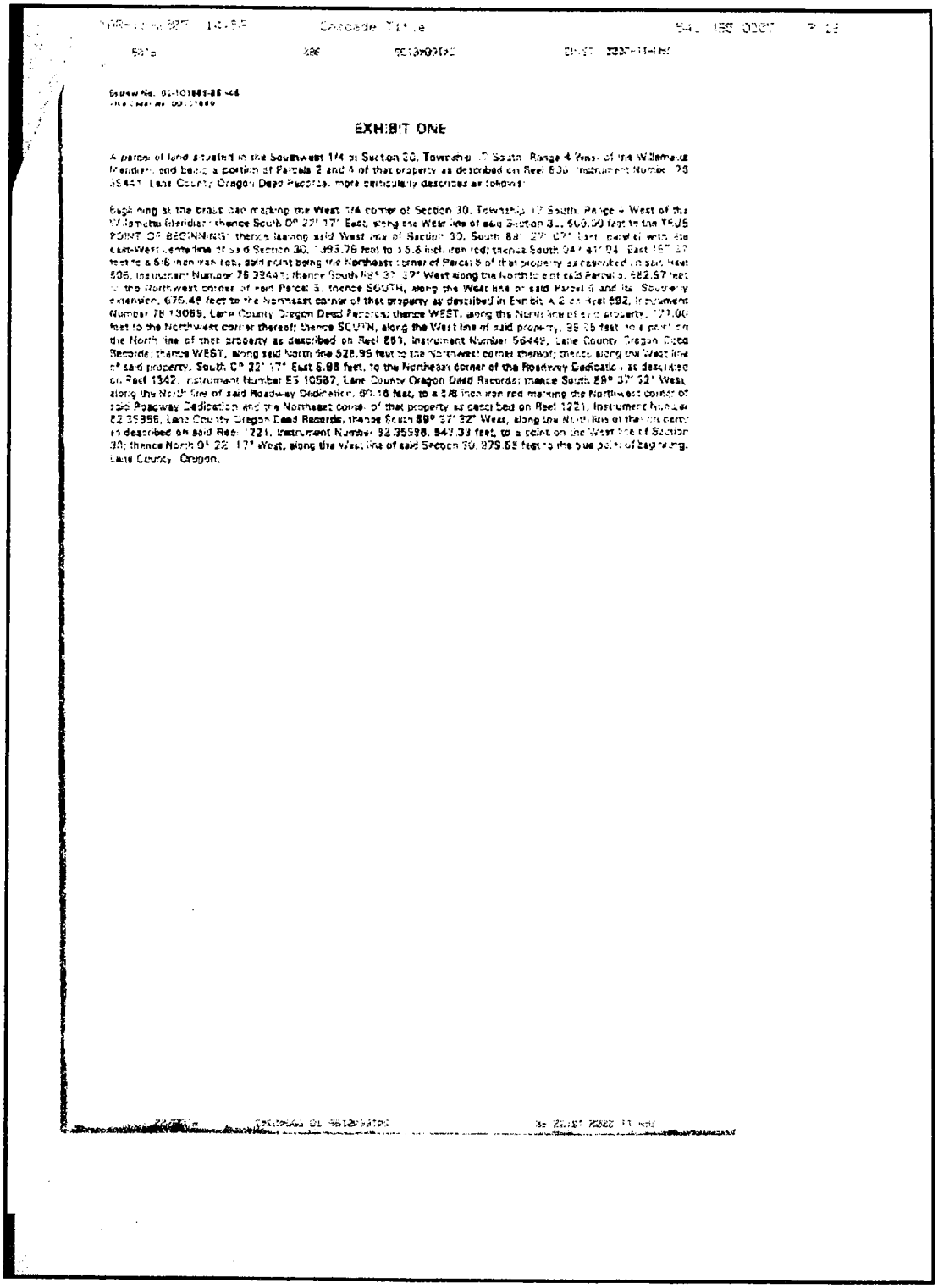
As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute.

ELECTRONIC SIGNATURE ADDENDUM: All electronic signatures on this report have a security feature maintained by individual passwords for each signing appraiser. No person can alter the appraisal with the exception of the original signing appraiser.

TRANSMISSION: This report was prepared for and my professional fee billed to Steven Green. It was intended only for use by your internal management, your auditor and appropriate regulatory authorities. It may not be distributed to or relied upon by other persons or entities without my written permission.

Legal Description Map

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



Escrow No. 01-10188-BS <46
Title Order No. 00011660

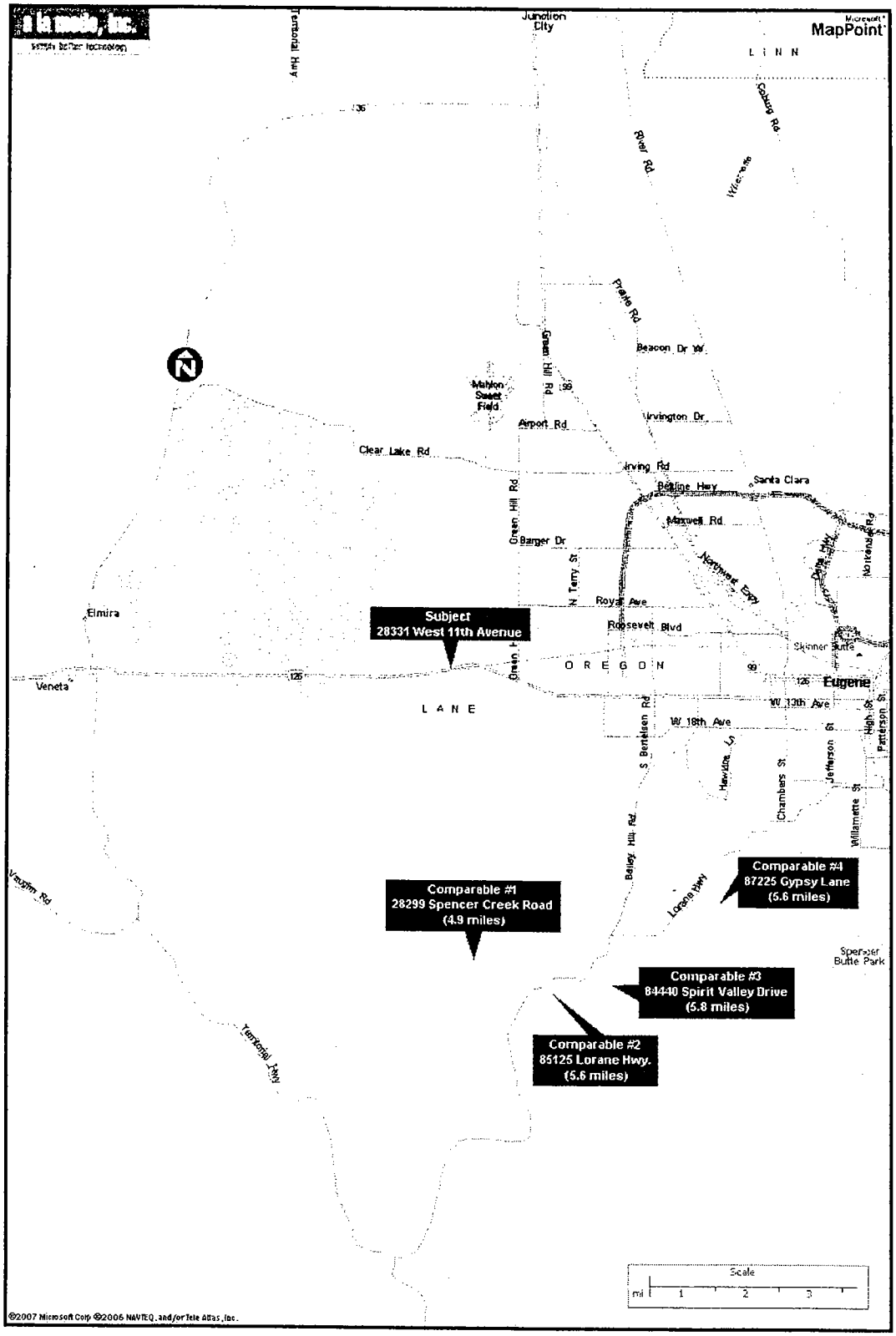
EXHIBIT ONE

A parcel of land situated in the Southwest 1/4 of Section 30, Township 17 South, Range 4 West of the Willamette Meridian, and being a portion of Parcels 2 and 4 of that property as described on Reel 806, Instrument Number 76 35441, Lane County Oregon Deed Records, more particularly described as follows:

Beginning at the brass cap marking the West 1/4 corner of Section 30, Township 17 South, Range 4 West of the Willamette Meridian; thence South 0° 22' 17" East, along the West line of said Section 30, 660.00 feet to the TRUE POINT OF BEGINNING; thence leaving said West line of Section 30, South 89° 37' 43" East, parallel with the East-West centerline of said Section 30, 1393.76 feet to a 5/8 inch iron rod; thence South 04° 41' 04" East 197.20 feet to a 5/8 inch iron rod, said point being the Northeast corner of Parcel 5 of that property as described on said Reel 806, Instrument Number 76 35441; thence South 89° 37' 43" West along the North line of said Parcel 5, 682.57 feet to the Northwest corner of said Parcel 5; thence SOUTH, along the West line of said Parcel 5 and its Southerly extension, 675.48 feet to the Northeast corner of that property as described in Exhibit A-2 on Reel 692, Instrument Number 78 19065, Lane County Oregon Deed Records; thence WEST, along the North line of said property, 721.00 feet to the Northwest corner thereof; thence SOUTH, along the West line of said property, 95.25 feet to a point on the North line of that property as described on Reel 893, Instrument Number 56449, Lane County Oregon Deed Records; thence WEST, along said North line 528.95 feet to the Northwest corner thereof; thence along the West line of said property, South 0° 22' 17" East 6.88 feet, to the Northeast corner of the Roadway Dedication as described on Reel 1342, Instrument Number 85 10587, Lane County Oregon Deed Records; thence South 89° 37' 32" West, along the North line of said Roadway Dedication, 60.16 feet, to a 5/8 inch iron rod marking the Northwest corner of said Roadway Dedication and the Northeast corner of that property as described on Reel 1221, Instrument Number 92 35956, Lane County Oregon Deed Records; thence South 89° 37' 32" West, along the North line of that property as described on said Reel 1221, Instrument Number 92 35956, 540.39 feet, to a point on the West line of Section 30; thence North 0° 22' 17" West, along the West line of said Section 30, 979.65 feet to the true point of beginning, Lane County, Oregon.

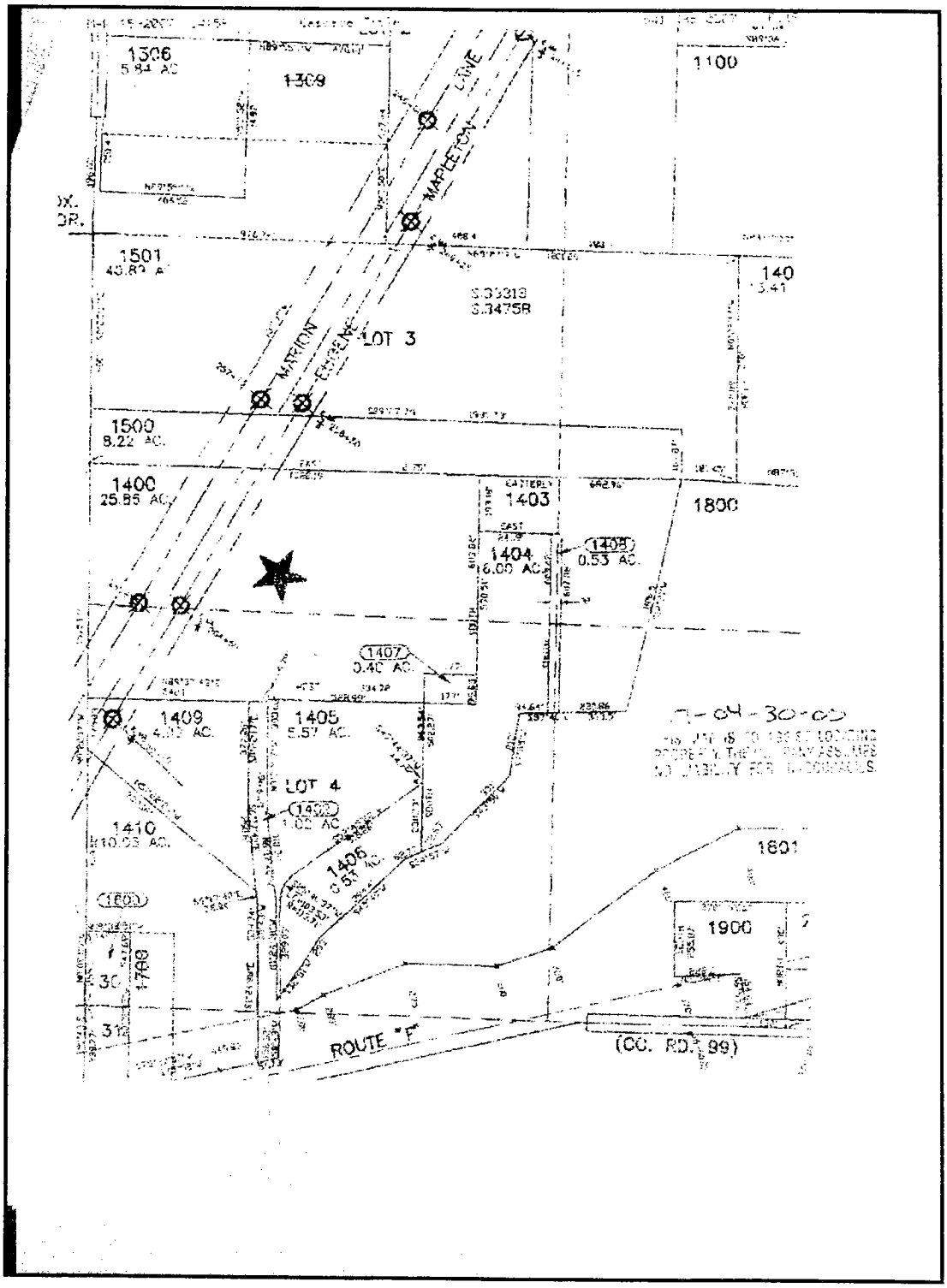
Location Map

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



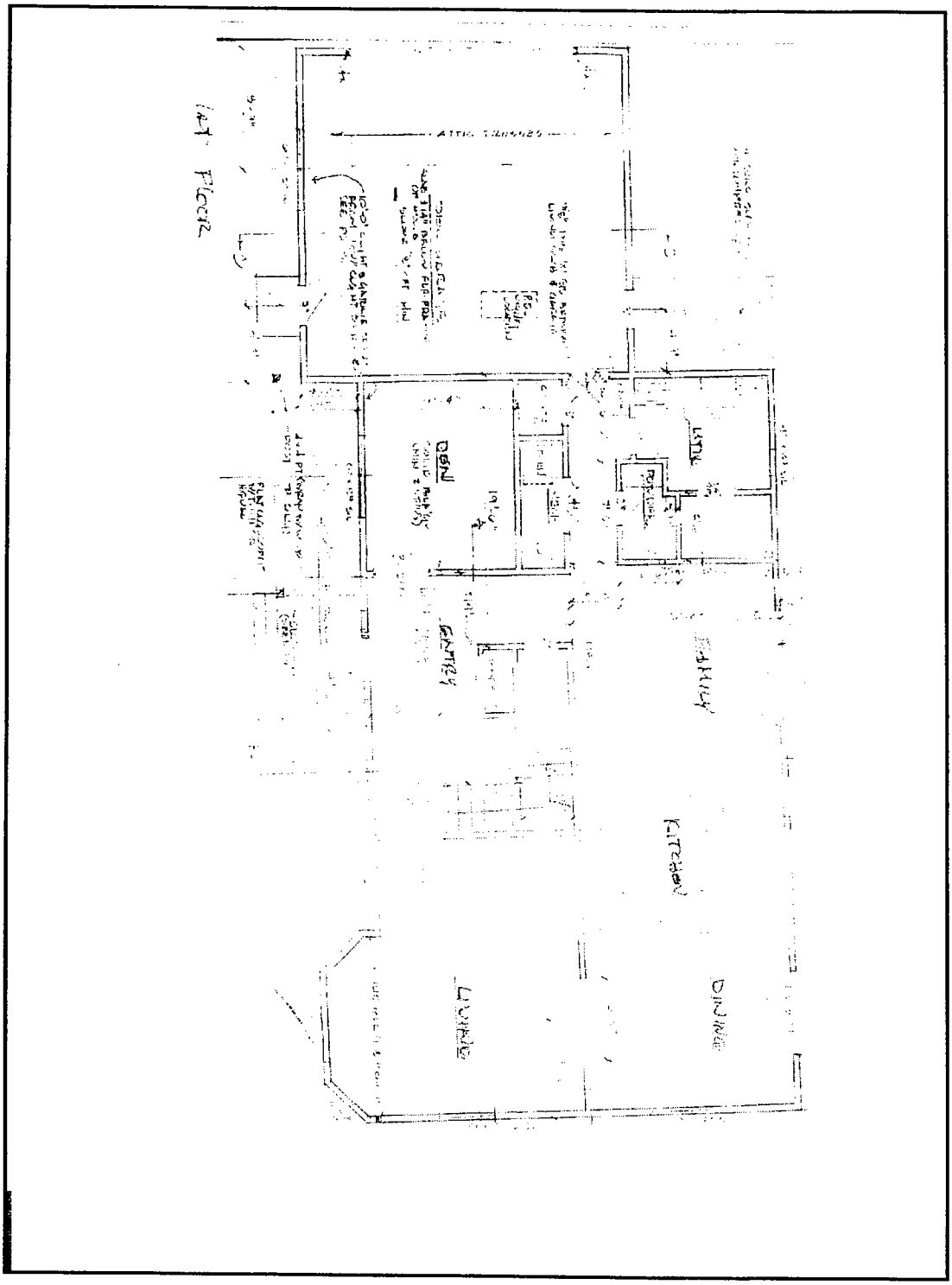
Plat Map

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



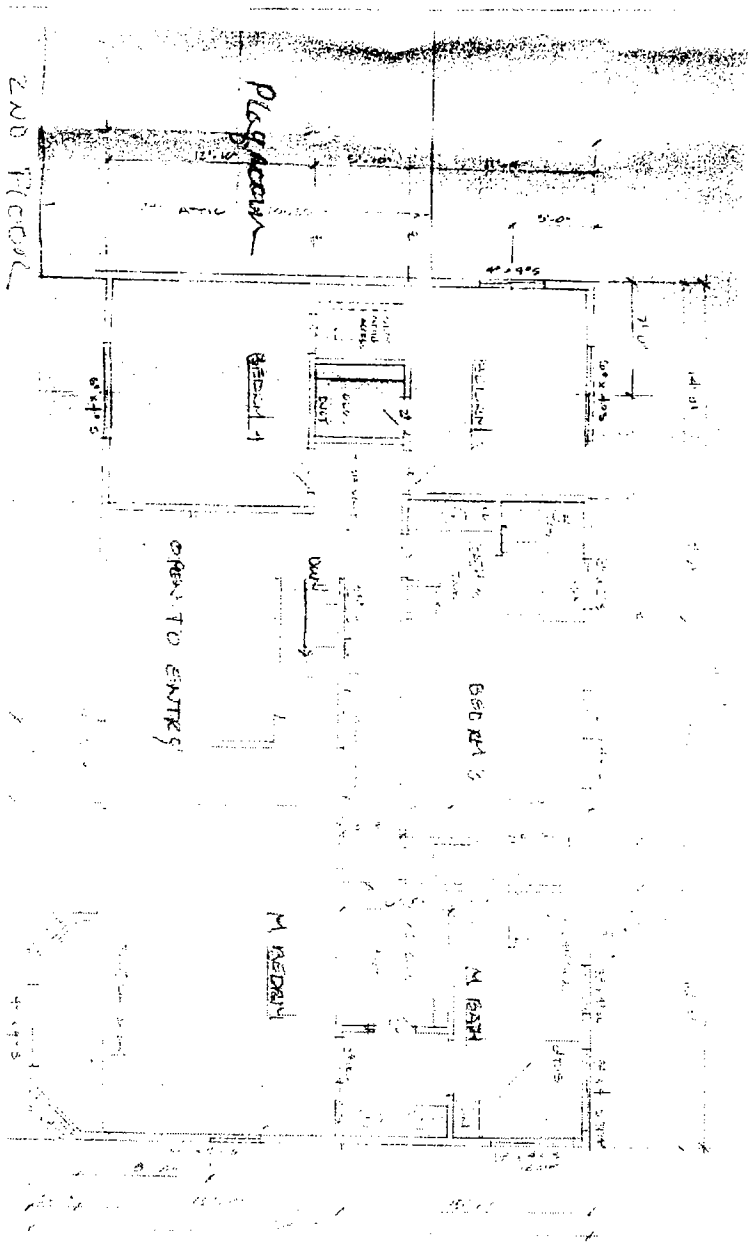
Building Sketch

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



Building Sketch

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



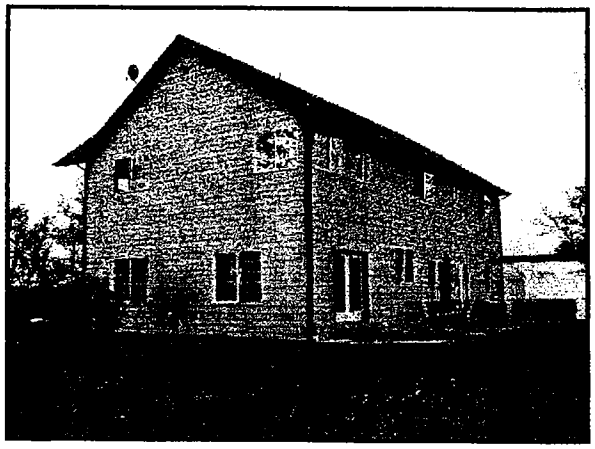
Subject Photo Page

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

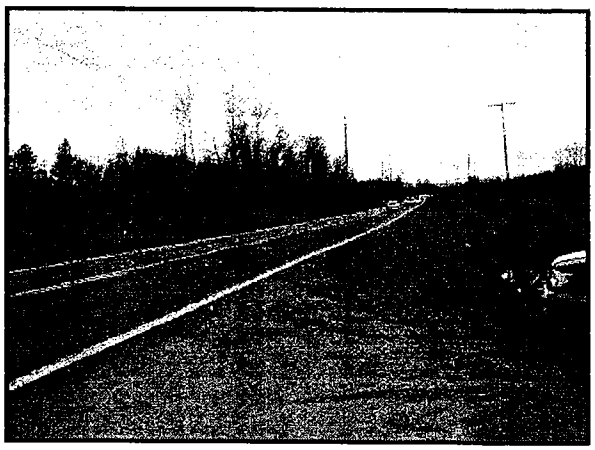
Subject Front

28327 West 11th Avenue

Sales Price	Market Value
Gross Living Area	3,634
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.5
Location	Average
View	360' far view
Site	15.02 Acres
Quality	Average
Age	5



Subject Rear



Subject Street

Subject Photos

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

Garage View
28327 West 11th Avenue

Driveway looking north

Looking North

Subject Interior Photo Page

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

Living Room

28327 West 11th Avenue

Sales Price	Market Value
Gross Living Area	3,634
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.5
Location	Average
View	360' far view
Site	15.02 Acres
Quality	Average
Age	5

Kitchen

Master Bedroom

Subject Interior Photo Page

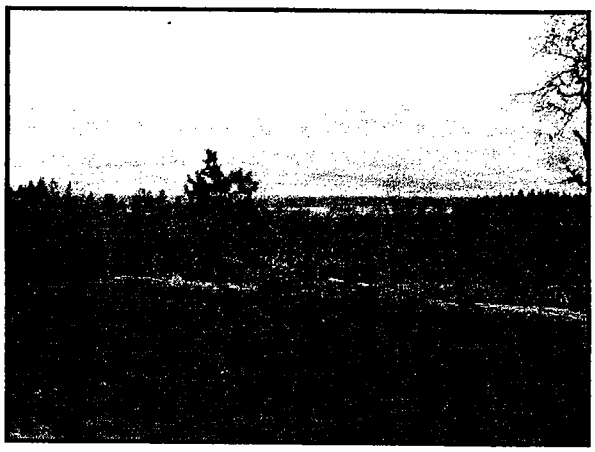
Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

Master Bath

28327 West 11th Avenue

Sales Price	Market Value
Gross Living Area	3,634
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.5
Location	Average
View	360' far view
Site	15.02 Acres
Quality	Average
Age	5

Half Bath



West View

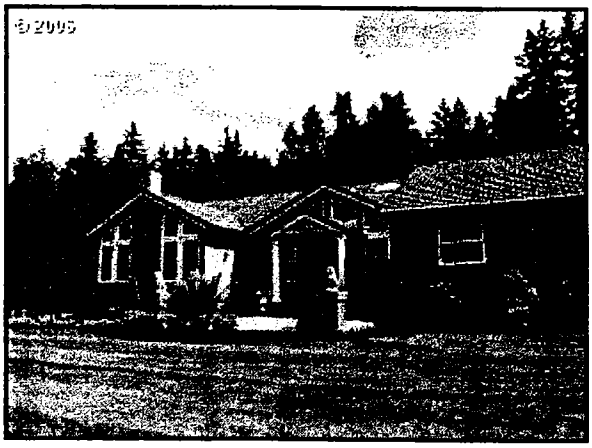
Comparable Photo Page

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			

Comparable 1

28299 Spencer Creek Road

Prox. to Subject	4.93 miles
Sale Price	525,000
Gross Living Area	1,273
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	1
Location	Average
View	Pastoral
Site	20.51 Acres
Quality	Average
Age	11



Comparable 2

85125 Lorane Hwy.

Prox. to Subject	5.61 miles
Sale Price	845,000
Gross Living Area	3,024
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.2
Location	Average
View	Pasture,Woods
Site	17.46 Acres $2
Quality	Superior
Age	21

RMLS photo was used because the driveway gate was closed.

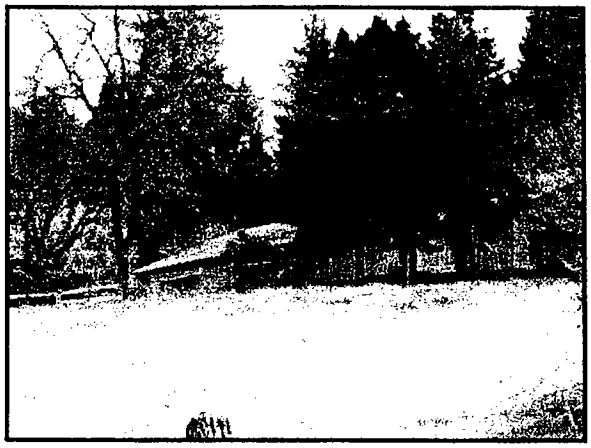
Comparable 3

84440 Spirit Valley Drive

Prox. to Subject	5.80 miles
Sale Price	575,000
Gross Living Area	2,685
Total Rooms	9
Total Bedrooms	4
Total Bathrooms	2.5
Location	Average
View	Pasture, Woods
Site	11 Acres
Quality	Average
Age	3

Comparable Photo Page

Borrower/Client No Borrower: Measure 37			
Property Address 28327 West 11th Avenue			
City Eugene	County Lane	State OR	Zip Code 97402-9212
Lender Steven R. Green			



Comparable 4

87225 Gypsy Lane

Prox. to Subject	5.61 miles
Sale Price	575,000
Gross Living Area	1,769
Total Rooms	7
Total Bedrooms	3
Total Bathrooms	2
Location	Average
View	Far West View
Site	26.42 Acres
Quality	Inferior \
Age	42 \

Comparable 5

Prox. to Subject
Sale Price
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location
View
Site
Quality
Age

Comparable 6

Prox. to Subject
Sale Price
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location
View
Site
Quality
Age

RMLSweb - Property Search Results

Sara Fraser | LOTS AND LAND | 3/26/2007 4:09:33 PM
503-316-1979 | GOCAI | 52 Matches

MLS#	P	Type	Address	City	Area	Acres	Price
Active							
7024809	0	RESID	conifer CT	Cottage Grove	235	8.94	$165,000
6101045	7	FRM/FOR	38307 LOWER BRICE CREEK RD	Cuio Creek	235	21.5	$195,000
7011006	5	RESID	Glaisyer Hill Rd	Cottage Grove	235	5	$199,950
7011581	3	RESID	Glaisyer Hill Rd.	Cottage Grove	235	5.14	$199,950
7016058	6	RESID	Kizer Creek Road	Cottage Grove	235	11.4	$220,000
6046788	8	RESID	36881 ROW RIVER RD	Cottage Grove	235	5.11	$229,900
6096140	6	RESID	1600 Hungry Hill	Creswell	235	10	$275,000
7010713	6	RESID	Sailview Parcel 1	Elmira	236	5	$197,500
7010741	8	RESID	Sailview Parcel 2	Elmira	236	5	$197,500
6107778	5	RESID	18995 HWY 126	Walton	236	6.86	$199,000
7022146	7	RESID	89140 TERRITORIAL HWY	Elmira	236	8.05	$250,000
7012765	6	RESID	Bear Creek Ranch RD	Junction City	237	5	$209,900
7008163	3	RESID	25959 Hall RD	Junction City	237	7.17	$249,500
7017575	2	RESID	25272 Fern Ridge DR	Junction City	237	28.47	$899,000
7025178	4	RESID	22 Diamond Ridge	Eugene	240	10.26	$495,000
7005706	2	RESID	Mt. Baldy LN	Eugene	243	5.33	$295,000
7005514	0	RESID	Mt. Baldy Drive	Eugene	243	5	$300,000
6082334	6	RESID	85530 SANFORD RD	Eugene	244	5	$299,900
6097603	8	RESID	27392 ERICKSON RD	Eugene	244	5.49	$299,900
7017753	8	RESID	4188 BLANTON RD	Eugene	244	5.25	$325,000
7011438	1	RESID	Lorane HWY	Eugene	244	5.3	$349,000
6066797	1	RESID	0 Fox Hollow	Eugene	244	20.02	$425,000
6103980	5	FRM/FOR	Blanton RD	Eugene	244	9.03	$469,000
Sold							
5054156	0	RESID	Bennett Creek	Cottage Grove	235	10.5	$160,000
6017042	2	FRM/FOR	Perkins Rd	Cottage Grove	235	10.11	$168,500
5076550	0	RESID	28746 HAMM RD	Eugene	235	19.66	$170,000
6096820	8	RESID	Simonsen Rd.	Eugene	235	11.6	$175,000
6053174	8	FRM/FOR	78706 RAT CREEK RD	Cottage Grove	235	26.25	$223,000
5090579	4	RESID	Bear Creek RD	Creswell	235	15.52	$225,000
6057603	0	MULTI	1600 Hungry Hill	Creswell	235	10	$229,000
6049106	8	RESID	76235 BLUE MOUNTAIN SCHOOL	Cottage Grove	235	12	$299,777
6056071	0	FRM/FOR	Cloverdale	Creswell	235	20.04	$334,900
5006348	4	FRM/FOR	Hale RD	Noti	236	9.4	$116,000
6027113	8	RESID	89140 TERRITORIAL HWY	Elmira	236	8	$185,000
6066565	5	RESID	Rossberg Lane	Elmira	236	5.01	$205,000
6001165	1	RESID	28180 STURTEVANT DR	Veneta	236	27.55	$244,000

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SQUARE FOOTAGE IS APPROXIMATE & MAY INCLUDE BOTH FINISHED & UNFINISHED AREAS - CONSULT BROKER FOR INFO
SCHOOL AVAILABILITY SUBJECT TO CHANGE

Sara Fraser LOTS AND LAND 3/26/2007 4:09:34 PM
503-316-1979

MLS#	P	Type	Address	GOCAI City	Area	Acres	Price
6072146	3	RESID	25632 JEANS RD	Veneta	236	6.05	$497,000
6036445	4	FRM/FOR	21325 HAWK RIDGE RD	Blachly	237	17.51	$115,000
6044687	2	FRM/FOR	Ferguson/Hulbert Lk	Junction City	237	24.61	$123,000
6038434	4	FRM/FOR	22731 HWY 36	Cheshire	237	12	$195,500
6033040	0	RESID	25050 HALL RD	Cheshire	237	5	$205,000
6069278	3	RESID	Hwy 36	Junction City	237	6.89	$234,000
5015601	0	RESID	Lot 1 Hidden Meadows	Eugene	243	5.08	$260,000
5015603	2	RESID	Lot 2 Hidden Meadows	Eugene	243	5.22	$275,000
5015628	2	RESID	Lot 9 Hidden Meadows	Eugene	243	5	$300,000
5001755	0	RESID	38th St	Eugene	243	5.19	$305,000
5000152	1	RESID	85212 APPLETREE DR	Eugene	244	5.03	$165,000
2000112	1	FRM/FOR	Christensen Rd 18	Eugene	244	5.35	$185,000
6011731	8	RESID	Territorial Hwy	Eugene	244	10	$192,000
6004257	3	RESID	Florence RD	Eugene	244	5	$234,900
5070226	2	RESID	Gibralter LOOP	Eugene	244	5.43	$260,000
6088052	8	RESID	84747 LAUGHLIN RD	Eugene	244	7.19	$260,000

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SARA A. FRASER REAL ESTATE APPRAISALS, INC.
2544 Washington • Eugene, OR 97405 • Phone (541) 485-4245 • Fax (541) 345-8535 • Email: safraser@teleport.com

STATE OF OREGON 1854

Appraiser Certification and Licensure Board

State Certified Residential Appraiser

28 hours of continuing education required for renewal

License No: **CR00266**
Issue Date: 11/1/2005
Expiration Date: 10/31/2007

Sara A Fraser
Sara A Fraser Real Estate Appraisals INC
2544 Washington Street
Eugene OR 97405

R. A. (Bob) Keith, Administrator

SARA A. FRASER REAL ESTATE APPRAISALS, INC.
2544 Washington • Eugene, OR 97405 • Phone (541) 485-4245 • Fax (541) 345-8535 • Email safraser@teleport.com

May 2006

QUALIFICATIONS FOR SARA A. FRASER, CPA

EMPLOYMENT AND EXPERIENCE BACKGROUND

Sara Fraser established her real estate appraisal practice in January 1980.

The scope of her practice covers Lane County and includes: one-to-four family dwellings, proposed construction, condominiums, manufactured homes, rural properties and vacant residential land.

Her clients include: H U.D, the VA, mortgage lenders, credit unions, attorneys, CPA's, and private individuals.

She earned and was awarded the professional designation of SRA (Senior Residential Appraiser) from the Appraisal Institute in January 1997. Sara was appointed to the Oregon Appraiser Certification and Licensure Board in 2006 to serve for three years.

EDUCATIONAL BACKGROUND

- Associate in Science degree, West Virginia Institute of Technology, Montgomery, W. Va., 1969
- "Course 101, An Introduction to Appraising Real Property", Society of Real Estate Appraisers, successfully challenged in October 1987
- "Course 102, Applied Residential Property Valuation", Society of Real Estate Appraisers, successfully challenged in June 1988
- "Uniform Standards of Professional Appraisal Practice – Courses 410 and 420", Greater Oregon Chapter of the Appraisal Institute, 1991, 1996, 2000 and 2001.
- "Advanced Residential Form and Narrative Report Writing", Greater Oregon Chapter of the Appraisal Institute, October 1996
- "Course 310, Basic Income Capitalization", Greater Oregon Chapter of the Appraisal Institute, March 1999
- "Course 320, Basic Income Capitalization", Greater Oregon Chapter of the Appraisal Institute, March 2001

PROFESSIONAL AFFILIATION

Ms. Fraser is a member of the Greater Oregon Chapter of the Appraisal Institute in which she is on the Board of Directors. She has served in the Eugene sub-chapter as secretary, vice-chairperson during 1995 and 1996, and chairperson during 1997, 1998, and 2002.

REPRESENTATIVE CLIENTELE

Veterans Administration
Employment Relocation Companies
Union Bank of California
Wells Fargo Bank
Umpqua Bank Mortgage
Oregon Community Credit Union

FORM No. 881 – TRUST DEED (Assignment Restricted). COPYRIGHT 1996 STEVENS-NESS LAW PUBLISHING CO., PORTLAND, OR 97204

NS

TRUST DEED

Grantor's Name and Address
Eddy O. Chernecki
5655 E. River Road, Suite M101
Tucson, AZ 85750
Beneficiary's Name and Address

After recording, return to (Name, Address, Zip):
Western Pioneer Title Co.
PO Box 10146
Eugene OR 97440

SPACE RESERVED FOR RECORDER'S USE

STATE OF OREGON,
County of _____ } ss.
I certify that the within instrument was received for record on the _____ day of _____, 19_____, at _____ o'clock _____.M., and recorded in book/reel/volume No. _____ on page _____ and/or as fee/file/instrument/microfilm/reception No. _____, Record of _____ of said County.
Witness my hand and seal of County affixed.

NAME TITLE
By _____, Deputy.

THIS TRUST DEED, made this 25th *day of* February, *19* 98, *between*
STEVEN R. GREEN and NICHOLE L. GREEN, individually and as Custodian for Tristen R. Green under the Oregon Uniform Transfers to Minors, *as Grantor,*
AMVESCO, INC. DBA WESTERN PIONEER TITLE CO. OF LANE COUNTY, *as Trustee, and*
EDDY O. CHERNECKI, *as Beneficiary,*

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in Lane *County, Oregon, described as:* See attached Exhibit A.

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or hereafter appertaining, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection with the property.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of SEVENTEEN THOUSAND AND NO/100ths _____ *Dollars, with interest thereon according to the terms of a promissory note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable* May 1, 2000, ~~xx99xx~~

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of the note becomes due and payable. Should the grantor either agree to, attempt to, or actually sell, convey, or assign all (or any part) of the property or all (or any part) of grantor's interest in it without first obtaining the written consent or approval of the beneficiary, then, at the beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or herein, shall become immediately due and payable. The execution by grantor of an earnest money agreement** does not constitute a sale, conveyance or assignment.*

To protect the security of this trust deed, grantor agrees:

1. *To protect, preserve and maintain the property in good condition and repair; not to remove or demolish any building or improvement thereon; not to commit or permit any waste of the property.*
2. *To complete or restore promptly and in good and habitable condition any building or improvement which may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefor.*
3. *To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property; if the beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the proper public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.*
4. *To provide and continuously maintain insurance on the buildings now or hereafter erected on the property against loss or damage by fire and such other hazards as the beneficiary may from time to time require, in an amount not less than* $full insurable value *written in companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as insured; if the grantor shall fail for any reason to procure any such insurance and to deliver the policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on the buildings, the beneficiary may procure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected, or any part thereof, may be released to grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.*
5. *To keep the property free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against the property before any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment thereof, and the amount so paid, with interest at the rate set forth in the note*

Eddy O. Chernecki
5655 E. River Road, Suite M101
Tucson, AZ 85750
Beneficiary's Name and Address

After recording, return to (Name, Address, Zip):
Western Pioneer Title Co.
PO Box 10146
Eugene OR 97440

SPACE RESERVED FOR RECORDER'S USE

Book/Reel/Volume No. _____ on page _____ and/or as fee/file/instrument/microfilm/reception No. _____, Record of _____ of said County.
Witness my hand and seal of County affixed.

NAME TITLE

By _____, Deputy.

THIS TRUST DEED, made this 25th *day of* February, *19* 98, *between*
STEVEN R. GREEN and NICHOLE L. GREEN, individually and as Custodian for Tristen R. Green under the Oregon Uniform Transfers to Minors, *as Grantor,*
AMVESCO, INC. DBA WESTERN PIONEER TITLE CO. OF LANE COUNTY, *as Trustee, and*
EDDY O. CHERNECKI, *as Beneficiary,*

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in Lane *County, Oregon, described as:* See attached Exhibit A.

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or hereafter appertaining, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection with the property.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of SEVENTEEN THOUSAND AND NO/100ths _____ *Dollars, with interest thereon according to the terms of a promissory note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable* May 1, 2000, ~~xxxx~~

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of the note becomes due and payable. Should the grantor either agree to, attempt to, or actually sell, convey, or assign all (or any part) of the property or all (or any part) of grantor's interest in it without first obtaining the written consent or approval of the beneficiary, then, at the beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or herein, shall become immediately due and payable. The execution by grantor of an earnest money agreement** does not constitute a sale, conveyance or assignment.*

To protect the security of this trust deed, grantor agrees:

1. *To protect, preserve and maintain the property in good condition and repair; not to remove or demolish any building or improvement thereon; not to commit or permit any waste of the property.*
2. *To complete or restore promptly and in good and habitable condition any building or improvement which may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefor.*
3. *To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property; if the beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the proper public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.*
4. *To provide and continuously maintain insurance on the buildings now or hereafter erected on the property against loss or damage by fire and such other hazards as the beneficiary may from time to time require, in an amount not less than* $full insurable value *written in companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as insured; if the grantor shall fail for any reason to procure any such insurance and to deliver the policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on the buildings, the beneficiary may procure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected, or any part thereof, may be released to grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.*
5. *To keep the property free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against the property before any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment thereof, and the amount so paid, with interest at the rate set forth in the note secured hereby, together with the obligations described in paragraphs 6 and 7 of this trust deed, shall be added to and become a part of the debt secured by this trust deed, without waiver of any rights arising from breach of any of the covenants hereof and for such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable without notice, and the nonpayment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and payable and constitute a breach of this trust deed.*
6. *To pay all costs, fees and expenses of this trust including the cost of title search as well as the other costs and expenses of the trustee incurred in connection with or in enforcing this obligation and trustee's and attorney's fees actually incurred.*
7. *To appear in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee; and in any suit, action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of this deed or any suit or action related to this instrument, including but not limited to its validity and/or enforceability, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney fees; the amount of attorney fees mentioned in this paragraph 7 in all cases shall be fixed by the trial court and in the event of an appeal from any judgment or decree of the trial court, grantor further agrees to pay such sum at the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney fees on such appeal.*

It is mutually agreed that:

8. *In the event that any portion or all of the property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, if it so elects, to require that all or any portion of the monies payable as compensation for such taking,*

which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees, both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

9. At any time and from time to time upon written request of beneficiary, payment of its fees and presentation of this deed and the note for endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may (a) consent to the making of any map or plat of the property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall be not less than $5.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the property or any part thereof, in its own name sue or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as beneficiary may determine.

11. The entering upon and taking possession of the property, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby or in grantor's performance of any agreement hereunder, time being of the essence with respect to such payment and/or performance, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary may elect to proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue any other right or remedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the trustee shall execute and cause to be recorded a written notice of default and election to sell the property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amounts provided by law.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which the sale may be postponed as provided by law. The trustee may sell the property either in one parcel or in separate parcels and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or to any successor in interest entitled to such surplus.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, which, when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

The grantor covenants and agrees to and with the beneficiary and the beneficiary's successor in interest that the grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto, except as may be set forth in an addendum or exhibit attached hereto, and that the grantor will warrant and forever defend the same against all persons whomsoever.

WARNING: Unless grantor provides beneficiary with evidence of insurance coverage as required by the contract or loan agreement between them, beneficiary may purchase insurance at grantor's expense to protect beneficiary's interest. This insurance may, but need not, also protect grantor's interest. If the collateral becomes damaged, the coverage purchased by beneficiary may not pay any claim made by or against grantor. Grantor may later cancel the coverage by providing evidence that grantor has obtained property coverage elsewhere. Grantor is responsible for the cost of any insurance coverage purchased by beneficiary, which cost may be added to grantor's contract or loan balance. If it is so added, the interest rate on the underlying contract or loan will apply to it. The effective date of coverage may be the date grantor's prior coverage lapsed or the date grantor failed to provide proof of coverage. The coverage beneficiary purchases may be considerably more expensive than insurance grantor might otherwise obtain alone and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:
(a)* primarily for grantor's personal, family or household purposes (see Important Notice below),
(b)* for an organization, or (even if grantor is a natural person) are for business or commercial purposes.

This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or not named as a beneficiary herein.

In construing this trust deed, it is understood that the grantor, trustee and/or beneficiary may each be more than one person; that if the context so requires, the singular shall be taken to mean and include the plural, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, the grantor has executed this instrument the day and year first above written.

*** IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor as such word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required disclosures; for this purpose use Stevens-Ness Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.**

Steven R. Green

Nichole L. Green,
individually and as Custodian for Tristen***

STATE OF OREGON, County of Lane) ss.

This instrument was acknowledged before me on Dec. , *19* 98 ,
by Steven R. Green and Nichole L. Green, individually and as Custodian for Tristen***

This instrument was acknowledged before me on ..... *19* .....

due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as beneficiary may determine.

11. The entering upon and taking possession of the property, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby or in grantor's performance of any agreement hereunder, time being of the essence with respect to such payment and/or performance, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary may elect to proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue any other right or remedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the trustee shall execute and cause to be recorded a written notice of default and election to sell the property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amounts provided by law.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which the sale may be postponed as provided by law. The trustee may sell the property either in one parcel or in separate parcels and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or to any successor in interest entitled to such surplus.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, which, when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

The grantor covenants and agrees to and with the beneficiary and the beneficiary's successor in interest that the grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto, except as may be set forth in an addendum or exhibit attached hereto, and that the grantor will warrant and forever defend the same against all persons whomsoever.

WARNING: Unless grantor provides beneficiary with evidence of insurance coverage as required by the contract or loan agreement between them, beneficiary may purchase insurance at grantor's expense to protect beneficiary's interest. This insurance may, but need not, also protect grantor's interest. If the collateral becomes damaged, the coverage purchased by beneficiary may not pay any claim made by or against grantor. Grantor may later cancel the coverage by providing evidence that grantor has obtained property coverage elsewhere. Grantor is responsible for the cost of any insurance coverage purchased by beneficiary, which cost may be added to grantor's contract or loan balance. If it is so added, the interest rate on the underlying contract or loan will apply to it. The effective date of coverage may be the date grantor's prior coverage lapsed or the date grantor failed to provide proof of coverage. The coverage beneficiary purchases may be considerably more expensive than insurance grantor might otherwise obtain alone and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:
(a)* primarily for grantor's personal, family or household purposes (see Important Notice below),
~~(b)* for an organization, or (even if grantor is a natural person) for business or commercial purposes.~~

This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or not named as a beneficiary herein.

In construing this trust deed, it is understood that the grantor, trustee and/or beneficiary may each be more than one person; that if the context so requires, the singular shall be taken to mean and include the plural, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, the grantor has executed this instrument the day and year first above written.

*** IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor as such word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required disclosures; for this purpose use Stevens-Ness Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.**

Steven R. Green

Nichole L. Green,
individually and as Custodian for Tristen***

STATE OF OREGON, County of Lane) ss.

This instrument was acknowledged before me on [illegible], *19* 98,

by Steven R. Green and Nichole L. Green, individually and as Custodian for Tristen***

This instrument was acknowledged before me on ....., *19*.....,

by .....

as .....

of .....

***Green under the Oregon Uniform Transfers to Minors Act

Notary Public for Oregon My commission expires .....

REQUEST FOR FULL RECONVEYANCE (To be used only when obligations have been paid.)

TO: ....., *Trustee*

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by the trust deed have been fully paid and satisfied. You hereby are directed, on payment to you of any sums owing to you under the terms of the trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by the trust deed (which are delivered to you herewith together with the trust deed) and to reconvey, without warranty, to the parties designated by the terms of the trust deed the estate now held by you under the same. Mail reconveyance and documents to .....