



Eugene City Council

125 E. 8th Ave., 2nd Floor
Eugene, OR 97401-2793
541-682-5010 • 541-682-5414 Fax
www.eugene-or.gov

EUGENE CITY COUNCIL AGENDA

January 17, 2017

7:30 p.m. CITY COUNCIL MEETING
Harris Hall
125 East 8th Avenue
Eugene, Oregon 97401

Meeting of January 17, 2017;
Her Honor Mayor Lucy Vinis Presiding

Councilors

Alan Zelenka, President
George Poling
Emily Semple
Claire Syrett

Mike Clark, Vice President
Greg Evans
Chris Pryor
Betty Taylor

7:30 p.m. CITY COUNCIL MEETING
Harris Hall, 125 East 8th Avenue

1. PUBLIC HEARING:

A Resolution Granting a Measure 49 Claim and Waiving a Provision of Chapter 9 of the Eugene Code, 1971 for Property Located at 1777 E. 30th Avenue, Eugene, Oregon (Assessor's Map 18-03-08-11, Tax Lot 602)

2. PUBLIC HEARING:

An Ordinance Concerning the Rental Housing Code; Amending Sections 8.415, 8.425 and 8.430 of the Eugene Code, 1971, and Repealing the Sunset Date

3. PUBLIC HEARING:

An Ordinance Allowing a New Recreational Marijuana Facility to Locate Less Than 1000 feet from Looking Glass New Roads School

The Eugene City Council welcomes your interest in these agenda items. This meeting location is wheelchair-accessible. For the hearing impaired, an interpreter can be provided with 48 hours' notice prior to the meeting. Spanish-language interpretation will also be provided with 48 hours' notice. To arrange for these services, contact the receptionist at 541-682-5010. City Council meetings are telecast live on Metro Television, Comcast channel 21, and rebroadcast later in the week.

El consejo de la Ciudad de Eugene agradece su interés en estos asuntos de la agenda. El lugar de la reunión tiene acceso para sillas de ruedas. Se puede proveer a un intérprete para las personas con discapacidad auditiva si avisa con 48 horas de anticipación. También se puede proveer interpretación para español si avisa con 48 horas de anticipación. Para reservar estos servicios llame al 541-682-5010. Las reuniones del consejo de la ciudad se transmiten en vivo por Metro Television, Canal 21 de Comcast y son retransmitidas durante la semana.

For more information, contact the Council Coordinator at 541-682-5010,
or visit us online at ***www.eugene-or.gov***.

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Public Hearing: A Resolution Granting a Measure 49 Claim and Waiving a Provision of Chapter 9 of the Eugene Code, 1971 for Property Located at 1777 E. 30th Avenue, Eugene, Oregon (Assessor's Map 18-03-08-11, Tax Lot 602)

Meeting Date: January 17, 2017
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 1
Staff Contact: Alissa Hansen
Contact Telephone Number: 541-682-5508

ISSUE STATEMENT

The Eugene City Council is scheduled to hold a public hearing regarding a Measure 49 claim submitted by Chad and Katie Wilson for the alleged reduction in fair market value to their property located at 1777 E. 30th Avenue, Eugene, Oregon. A map of the property is provided as Attachment A.

BACKGROUND

Enacted in 2007 to modify Measure 37, Measure 49 (codified as ORS 195.300-195.336) generally grants a property owner of residentially zoned land located within an urban growth boundary the right to compensation or waiver of a regulation (at the option of the government) if five substantive requirements are met. First, the regulation must constitute a "land use regulation" as that term is defined by Measure 49. Second, the public entity against which the claim is made must have enacted the regulation after January 1, 2007, but not more than five years before the date the claim was filed. Third, the regulation must "restrict the residential use" of residentially zoned private property. Fourth, the effect of the regulation must be to cause a reduction of the fair market value of the property. Fifth, the regulation must not fall within one of Measure 49's six exemptions.

This Measure 49 claim seeks a waiver of a land use regulation, adopted in 2014, that limits the height of a detached secondary dwelling unit on the subject property. The property owner asserts that the land use regulation, which limits and prescribes a certain method of measuring the height/sloped setback of detached secondary dwelling units, restricts the residential use of their property, as it prohibits the conversion of the residence built in 2004 into a secondary dwelling. As a result, the property owner asserts that this regulation reduces the fair market value of their property. If approved, in lieu of compensation, the City Council can decide to waive the identified height limit regulations as necessary to allow claimants to convert their existing residence to a detached secondary dwelling unit. Such a waiver would only apply to the subject property and would only waive the identified regulation to the extent necessary to allow for the conversion. The claimant's submittals provided in support of the claim are provided as Attachment B.

A public hearing on the Measure 49 claim was originally scheduled for November 14, 2016. The materials for that hearing, including a draft resolution and City Manager's report and

recommendation are provided as Attachment C. Due to an inadvertent noticing error, the hearing was rescheduled for January 17, 2017. Public notice was mailed 30 days in advance of the January public hearing, consistent with requirements of the statute. All written testimony received through January 10, 2017 is provided as Attachment D. The attached City Manager's report and recommendation is no longer the City Manager's recommendation. To allow for consideration of all written testimony, a revised City Manager's report and recommendation will be provided prior to City Council action.

Public testimony received to-date raised concerns regarding the potential for setting precedent that could have negative impacts on other residential standards, the validity of the appraisals submitted by the claimant, and the square footage of the existing residence. In regards to the square footage of the existing residence, the Eugene Code requires that secondary dwellings be no more than 800 square feet in area. Testimony raised concerns that the existing residence exceeds 800 square feet based on information available from multiple sources, including the appraisal submitted by the claimant, the Regional Land Information Database of Land County (RLID), and earlier building permit plans submitted by the claimant.

Measure 49 requires the Council to adopt a resolution approving or denying the claimants' claim within 180 days of the date the claim was complete. Based on the submittal of supplemental information by the claimants on October 3, 2016, the Council must approve or deny this claim no later than April 1, 2017.

A copy of the Measure 49 claim, along with other documents and information related to the issues in the Measure 49 claim, are contained in a notebook that has been placed in the City Manager's Office. Also, a copy of that notebook is available for public inspection at the Eugene Planning and Development Department, First Floor Reception, 99 West 10th Avenue, Eugene, Oregon 97401 between 9:00 a.m. and 5:00 p.m.

RELATED CITY POLICIES

None.

COUNCIL OPTIONS

No action is required at this time; however, options will be provided at the time of City Council deliberations and action to be scheduled prior to April 1, 2017.

CITY MANAGER'S RECOMMENDATION

This item is scheduled for a public hearing only. Following the public hearing and City's receipt of testimony, the City Manager will make a recommendation to be included in the council packet for action, which will be scheduled prior to April 1, 2017.

SUGGESTED MOTION

No motion is proposed as this item is scheduled for a public hearing only. Following the public hearing and the City's receipt of testimony, the City Manager will make a recommendation and associated motion to be included in the council packet for action, which will be scheduled prior to April 1, 2017.

ATTACHMENTS

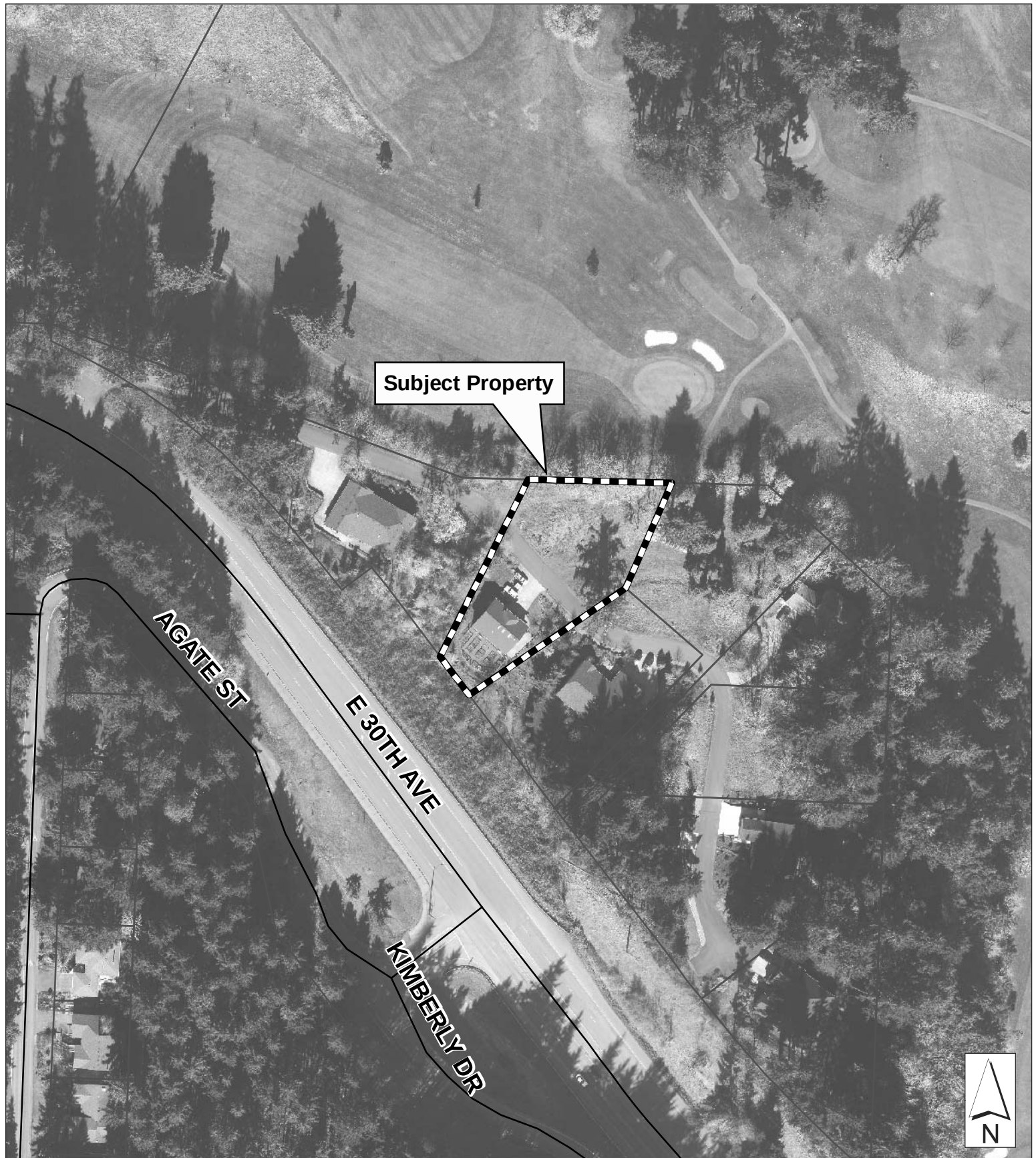
- A. Vicinity Map
- B. Materials from Claimant
- C. Draft Resolution
 - Exhibit A: Draft City Manager's Report from November 14, 2016 Public Hearing
- D. Written Testimony received through January 10, 2017

FOR MORE INFORMATION

Staff Contact: Alissa Hansen, Principal Planner
Telephone: 541-682-5508
Staff E-Mail: alissa.h.hansen@ci.eugene.or.us

Attachment A - Vicinity Map

1777 East 30th Avenue



-  Subject Property
-  Streets
-  Taxlots

0 150 300 Ft

Caution:
This map is based on imprecise
source data, subject to change,
and for general reference only.

September 2016



LAW OFFICE OF BILL KLOOS PC

OREGON LAND USE LAW
375 W. 4TH AVENUE, SUITE 204
EUGENE, OR 97401
TEL: 541.343.8596
WEB: WWW.LANDUSEOREGON.COM

BILL KLOOS
BILLKLOOS@LANDUSEOREGON.COM

February 24, 2016

Jon Ruiz
Eugene City Manager
125 East 8th Ave., Second Floor
Eugene, OR 97401

Re: Measure 49 Claim; Chad and Katie Wilson; 1777 E. 30th Ave., Eugene 97405

Dear Mr. Ruiz:

Please accept this filing and form as a request for relief (compensation for lost value or waiver) under ORS 195.305 and following. This claim is filed on behalf of the owners of the single family property at the address above.

As best I can tell, the City has not adopted a fee or special procedures for filing a claim like this. Therefore, the information that follows will be organized under the statutory authorization in ORS 195.312(7) and (8). ORS 195.312(7) requires filing with the City Manager. It says:

"If a claim under ORS 195.310 is filed with state government, as defined in ORS 174.111, the claim must be filed with the department. If the claim is filed with Metro, a city or a county, the claim must be filed with the chief administrative office of the public entity, or with an individual designated by ordinance, resolution or order of the public entity."

The balance of this letter is organized to match the statutory requirements for the contents of a claim stated at ORS 195.312(8).

- (8) A claim filed under ORS 195.310 must be in writing and must include:**
(a) The name and address of each owner;

Chad R. Wilson
Katie A. Wilson
2794 Bowmont Drive
Eugene, OR 97405

- (c) Evidence of the acquisition date of the claimant, including the instrument conveying the property to the claimant and a report from a title company identifying the person in which title is vested and the claimant's acquisition date and describing exceptions and encumbrances to title that are of record;**

RECEIVED
BY CITY MANAGER

FEB 26 2016

Attached are a 2004 deed for the property to Chad Wilson, and a December 2014 deed from Chad Wilson creating a tenancy by the entirety with his wife, Katie. See Exhibit pages 1 and 2.

Attached, too, is a Status of Record of Title from Cascade Title Company. See Exhibit page 4. As additional information, the RLID detailed property report is attached at Exhibit page 7.

(d) A citation to the land use regulation that the claimant believes is restricting the claimant's desired use of the property that is adequate to allow the public entity to identify the specific land use regulation that is the basis for the claim;

Ordinance No. 20526 (March 12, 2014), effective April 12, 2014, specifically, the new language in Section 9 of the ordinance, adding EC 9.2751(17) limitations for secondary dwellings in the South University Neighborhood.

(e) A description of the specific use of the property that the claimant desires to carry out but cannot because of the land use regulation; and

Prior to the new ordinance, the owners built a small dwelling, about 800 square feet, on the south part of the parcel, which was intended to become a "secondary dwelling" when a standard size residence would be built on the north part of the parcel. After the adoption of the ordinance, the conversion of the small residence to be a secondary dwelling became unlawful, because the existing structure could not meet the new standards for secondary dwellings in this neighborhood. Specifically, it cannot meet the height/sloped setback standards newly adopted in EC 9.2751(17)(i). Under the new code amendments, if a full size dwelling were constructed on the north end of this parcel, the existing structure would have to be converted to an "accessory structure, as defined in the code. The claimants could not use or rent the existing structure as a secondary dwelling.

In summary, the owner would like to build a primary dwelling on the north part of the parcel, adjacent to the golf course, and convert the existing small dwelling to a detached secondary dwelling, as was permitted prior to the restricting ordinance. The owners' inability to do this under the code amendment reduces the value of the property.

(f) An appraisal of the property that complies with ORS 195.310(2) or, for a claim based on a land use regulation described in ORS 195.300 (14)(e), an appraisal that complies with ORS 195.310 (4)(b).

The appraisal requirements of ORS 195.310(2) apply. Submitted with this application are "before regulation" and an "after regulation" appraisals by Duncan and Brown. The before regulation value is \$470,000. The after regulation value is \$410,000. The before regulation appraisal is at Exhibit page 33. The after regulation appraisal is at Exhibit page 12.

Eugene City Manager

February 24, 2016

Page 3

The owners look forward to providing any completeness information you request, and to the hearing on this matter if there is to be one.

Sincerely,

Bill Kloos

Bill Kloos

List of Exhibits:

Page Title

- | | |
|----|--|
| 1 | 2004 Deed to owner Chad Wilson |
| 2 | 2014 Tenants by the Entirety Deed to Katie Wilson |
| 4 | Status of Record Title Report, Cascade Title Co. (Feb. 16, 2016) |
| 7 | RLID Detailed Report on Subject Property |
| 12 | Duncan and Brown Appraisal -- after regulation |
| 33 | Duncan and Brown Appraisal -- before regulation |



Planning & Development
Planning

MEASURE 49 CLAIM

APPLICATION (For Measure 37 Claims)

Filed On or Before June 28, 2007)

City of Eugene
99 West 10th Avenue
Eugene, Oregon 97401
(541) 682-5377
(541) 682-5572 Fax
www.eugene-or.gov

Please refer to the attached notice for a more detailed description of the requirements below.

Complete the following application checklist in black ink and return to the address listed above.

Subject Site Address(es) (if available):

List all Assessor's Map and Tax Lot numbers of the property included in the claim			
Assessor's Map	Tax Lot	Zoning	Existing Use
18-03-08-11	00602	R-1	800 SQ FT SFD

The current land use regulation(s) that allegedly restricts the use of the real property and allegedly causes a reduction in the fair market value of the subject property?

ORD NO. 20526 (MARCH 12, 2014) § 9

EC 9.2751 (17)

The total alleged reduction in fair market value of the property due to the land use regulations(s) noted above.

\$60,000

General Requirements (Please submit 2 copies)

- ☒ Proof of ownership of the property that is the subject of the claim;
- ☒ Proof that all owners of the property have consented in writing to the claim;
- ☒ Proof that the property is located, in whole or in part, within an urban growth boundary;
- ☒ Proof that on the date claimant acquired the property, claimant was lawfully permitted to establish at least the number of dwellings on the property that are authorized under Section 9 of Measure 49;
- ☒ Proof that the property is zoned for residential use; that is, the property is included in a zoning classification that has as its primary purpose single-family residential use;

- ☒ Proof that one or more land use regulations prohibit establishing single family dwellings on the property. Measure 49 defines "land use regulation" in part to include a provision of a city comprehensive plan, zoning ordinance or land division ordinance that restricts the residential use of private real property zoned for residential use;
- ☒ Proof that the establishment of the single-family dwellings is not prohibited by a land use regulation described in ORS 195.305(3) (public health and safety; federal law, etc.);
- ☒ Proof that the land use regulation prohibiting the establishment of single-family dwellings was enacted after the date the property, or any portion of the property was brought into the City's urban growth boundary and after the property was annexed to the City;
- ☒ Proof that the enactment of the regulations (other than regulations described in ORS 195.305(3)) that are the basis of the claim has caused a reduction in the fair market value of the property that is equal to greater than the fair market value of the single-family dwellings that may be established on the property under Section 9 of Measure 49;
- ☐ If your claim was submitted to the City after December 4, 2006, a copy of a final land use decision by the City denying an application for the residential use described in the claim.

By signing, the undersigned certifies that he/she has read and understood the submittal requirements outlined and that he/she understands that omission of any listed item may lead to denial of the claim. I (We), the undersigned, acknowledge that the information supplied in this application is complete and accurate to the best of my (our) knowledge.

INTERESTED PARTY #1:

Interest Type: ☒ Owner ☐ Purchaser ☐ Trustee ☐ Other, specify: _____

Name (print): CHAD WILSON

Phone: 541-414-0519

Address: 2794 BOWMONT DR

City/State/Zip: EUGENE OR 97405

E-mail (if applicable):

WILSON.HOMES171806@MSN.COM

Signature: Chad R. Wilson

2/23/2016

INTERESTED PARTY #2:

Interest Type: ☒ Owner ☐ Purchaser ☐ Trustee ☐ Other, specify: _____

Name (print): KATIE WILSON

Phone: 541-556-6239

Address: 2794 BOWMONT DR.

City/State/Zip: EUGENE, OR 97405

E-mail (if applicable):

Katie.wilson@windermere.com

Signature: Katie Wilson

2/23/2016

APPLICANT'S REPRESENTATIVE

Name (print): BILL KLOOS

LAW OFFICE OF BIL KLOOS PC

Company/Organization:

Address:

375 W. 4TH ST #204

City/State/Zip:

EMBEVE OR 97906

E-mail (if applicable):

BILL KLODS @ LANDUSE
OREGON.COM

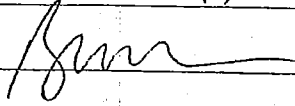
Phone:

501-343-8566

Fax:

—

Signature:



Note: Attach additional sheets if necessary in order to include all owners, purchasers or trustees.

00193832.DOC;1

WARRANTY DEED -- STATUTORY FORM

WILSON EXHIBITS - Page 1

M & P INVESTMENTS, L.L.C., an Oregon Limited Liability Company, Grantor,

conveys and warrants to CHAD R. WILSON, Grantee,

the following described real property, free of encumbrances except as specifically set forth herein, to wit:

PARCEL 1 OF PARTITION PLAN NO. 2002-P1588, RECORDED JULY 19, 2002, DOCUMENT NO. 2002-054696, LANE COUNTY OREGON PLAT RECORDS, IN LANE COUNTY, OREGON.

Tax Account No(s): NOT YET ASSIGNED

Map/Tax Lot No(s): 18 03 08 11 00602

This property is free from encumbrances, EXCEPT: All those items of record, if any, as of the date of this deed, including any real property taxes due, but not yet payable.

The true consideration for this conveyance is \$ 95,000.00.

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

Dated this 26 day of August, 2003.

M & P INVESTMENTS, L.L.C., AN Oregon
LIMITED LIABILITY COMPANY

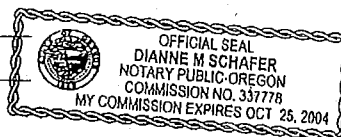
WILLIAM E. MOODY, MEMBER

THOMAS F. POAGE, MEMBER

STATE OF OREGON, COUNTY OF LANE) SS.

This instrument was acknowledged before me on August 26, 2003 by WILLIAM E. MOODY, MEMBER AND THOMAS F. POAGE, MEMBER OF M & P INVESTMENTS, L.L.C.

(Notary Public for Oregon)
My commission expires



After recording return to:
WESTERN TITLE & ESCROW COMPANY
497 OAKWAY ROAD, SUITE 340
EUGENE, OR 97401

Until a change is requested all tax statements shall be sent to the following address:
CHAD R. WILSON
39040 HENDRICKS PARK ROAD
SPRINGFIELD, OR 97478

TITLE NO. 30-0410803
ESCROW NO. 30-0410803

Division of Chief Deputy Clerk
Lane County Deeds and Records

2003-082408



\$26.00

00479050200300824080010018

08/27/2003 10:34:17 AM

RPR-DEED Cnt=1 Stn=1 CASHIER 04
\$5.00 \$11.00 \$10.00

Western Title & Escrow
Order Number: 93338-DMS

WILSON EXHIBITS - Page 2
After Recording Return To:
Western Title & Escrow Company
497 Oakway Rd. Suite 340, Eugene, OR 97401

Grantor	
Chad R. Wilson 2794 Bowmont Drive Eugene, OR 97405	
Grantee	
Chad R. Wilson Katie A. Wilson 2794 Bowmont Drive Eugene, OR 97405	
Until a change is requested, all tax statements shall be sent to the following address:	
Chad R. Wilson Katie A. Wilson 2794 Bowmont Drive Eugene, OR 97405	
Lane County Clerk Lane County Deeds & Records RPR-DEED Cnt=1 SIn=6 CASHIER 05 2pages \$10.00 \$11.00 \$10.00 \$21.00	2014-049003 12/11/2014 02:10:24 PM \$52.00

Reserved for Recorder's Use

STATUTORY BARGAIN AND SALE DEED

Chad R. Wilson, Grantor(s)

conveys to

Chad R. Wilson and Katie A. Wilson, as tenants by the entirety, Grantees,
the following described real property:

Parcel 1, Land Partition Plat No. 2002-P1588, recorded July 19, 2002, Document
No. 2002-054696, Lane County Records, in Lane County, Oregon.

Account: 1717188

Map & Tax Lot: 18 03 08 11 00602

The true consideration for this conveyance is **to change vesting**. (Here comply with
requirements of ORS 93.030.)

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE
TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300,
195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS
2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO
7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE
PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE
LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE
PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE
CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING
TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010
OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY
LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS
30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF
ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11,
CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON
LAWS 2009 AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Executed this 9 day of December, 2014

Chad R. Wilson
Chad R. Wilson

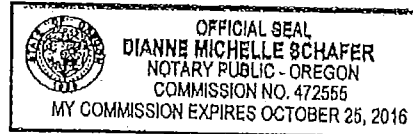
WILSON EXHIBITS - Page 3

State of **Oregon**, County of **Lane**) ss.

This instrument was acknowledged before me on this 9th day of December, 2014 by **Chad R. Wilson**


Notary Public for the State of Oregon

My commission expires: 10-25-16





STATUS OF RECORD TITLE REPORT

BILL KLOOS
EMAIL: BILLKLOOS@LANDUSEOREGON.COM

Date: FEBRUARY 16, 2016
Our No: 0294120
Your No: EAST 30TH AVENUE
Charge: \$300.00

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

Parcel 1, Land Partition Plat No. 2002-P1588, recorded July 19, 2002, Reception No. 2002-054696, Lane County Deeds and Records, in Lane County, Oregon.

and as of: FEBRUARY 03, 2016 at 8:00 A.M., we find the following:

Vestee:

CHAD R. WILSON AND KATIE A. WILSON
as tenants by the entirety

Said property is subject to the following on record matters:

1. Access Restrictions, including the terms and provisions thereof, contained in deed from W.S. Hayden and Grace B. Hayden, to Lane County, recorded January 30, 1961, Reception No. 21927, Lane County Oregon Deed Records.
2. Conveyance of oil and gas property, including the terms and provisions thereof, granted to Rocket Oil and Gas Company, as set forth in instrument recorded December 14, 1965, Reception No. 29723, Lane County Oregon Deed Records.
Assignment and conveyance of oil, gas and mineral properties, including the terms and provisions thereof, as set forth in instrument recorded March 21, 2008, Reception No. 2008-016126, Lane County Deeds and Records.
Affidavit of claim and notice of correction assignment and conveyance of oil, gas and mineral properties, including the terms and provisions thereof, as set forth in instrument recorded July 30, 2009, Reception No. 2009-043717, Lane County Deeds and Records.
Assignment and conveyance of oil, gas and mineral properties, including the terms and provisions thereof, as set forth in instrument recorded January 26, 2016, Reception No. 2016-002989, Lane County Deeds and Records.
3. Rights of way for ingress and egress, including the terms and provisions thereof, recorded May 11, 1914, in Book 105, Page 215 and 216, Lane County Oregon Deed Records.

MAIN OFFICE

811 WILLAMETTE ST.
EUGENE, OREGON 97401
PH: (541) 687-2233 * FAX: (541) 485-0307
E-MAIL: INFO@CASCADETITLE.COM

FLORENCE OFFICE

715 HWY 101 * FLORENCE, OREGON 97439
MAILING: PO BOX 508 * FLORENCE, OREGON 97439
PH: (541) 997-8417 * FAX: (541) 997-8246
E-MAIL: FLORENCE@CASCADETITLE.COM

VILLAGE PLAZA OFFICE

4750 VILLAGE PLAZA LOOP SUITE 100
EUGENE, OREGON 97401
PH: (541) 653-8622 * FAX: (541) 844-1626
E-MAIL: VILLAGEPLAZA@CASCADETITLE.COM

WILSON EXHIBITS - Page 5

4. Warranty Deed and Road Easement along Northerly line, including the terms and provisions thereof, recorded May 12, 1960, Reception No. 99140, Lane County Oregon Deed Records.
5. Easement, including the terms and provisions thereof, granted the City of Eugene, a municipal corporation of Lane County, by instrument recorded August 6, 1974, Reception No. 7433909, Lane County Official Records.
6. Terms and provisions of Private Reciprocal Access Easement and Maintenance Agreement, recorded July 19, 2002, Reception No. 2002-054698, Lane County Deeds and Records.
7. Declaration of a development restriction requirement, including the terms and provisions thereof, recorded July 19, 2002, Reception No. 2002-054699, Lane County Deeds and Records.
8. Conditions and restrictions, including terms and provisions thereof, in Declaration recorded September 12, 2002, reception No. 2002-070515, and Amendment to Declaration, including terms and provisions thereof, recorded January 20, 2004, Reception No. 2004-0003711, Lane County Deeds and Records.
9. Easements, notes, conditions and restrictions shown, set forth, and/or delineated on the recorded Plat.
In regards to the easements shown on the Plat, a notice of easement termination was recorded August 27, 2003, Reception No. 2003-082407, Lane County Deeds and Records.
10. Deed of Trust, including the terms and provisions thereof, executed by Chad R. Wilson and Katie A. Wilson, Grantor, to Western Title & Escrow Company, Trustee, for the benefit of Mortgage Electronic Registration Systems, Inc., (MERS) acting solely as a nominee for Pinnacle Capital Mortgage Corporation, Beneficiary, dated December 8, 2014, recorded December 11, 2014, Reception No. 2014-049004, Lane County Deeds and Records, to secure payment of a note in the amount of \$225,000.00.

NOTE: The property address as shown on the Assessor's Roll is:

1777 East 30th Avenue
Eugene, OR 97405

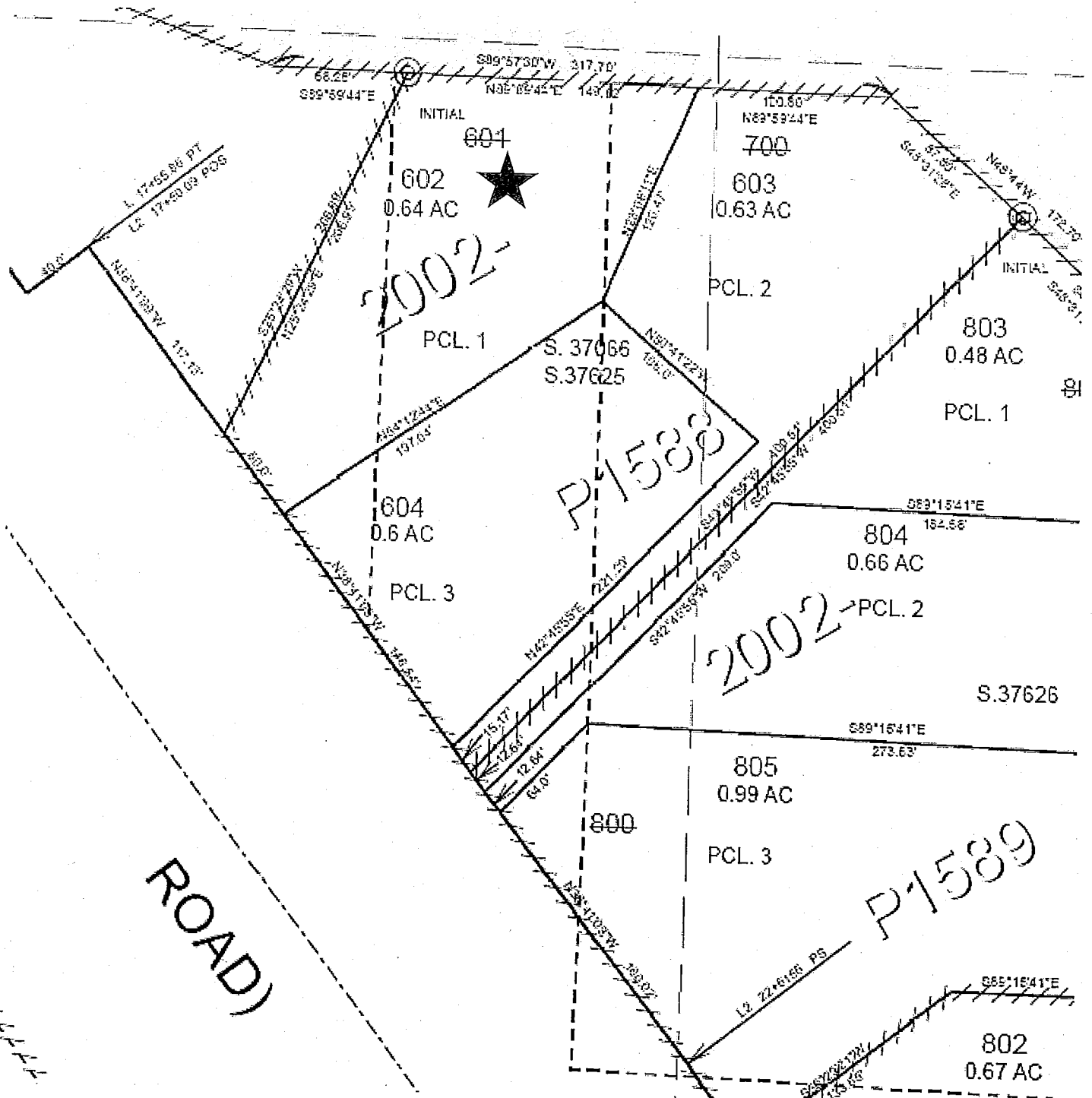
NOTE: Taxes, Account No. 1717188, Assessor's Map No. 18 03 08 1 1, #602, Code 4-00, 2015-2016, in the amount of \$3,458.35, PAID IN FULL.

This report is to be utilized for information only. This report is not to be used as a basis for transferring, encumbering or foreclosing the real property described.

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

CASCADE TITLE CO., by:

kk: Title Officer: MIKE SILVIS



Detailed Property Report

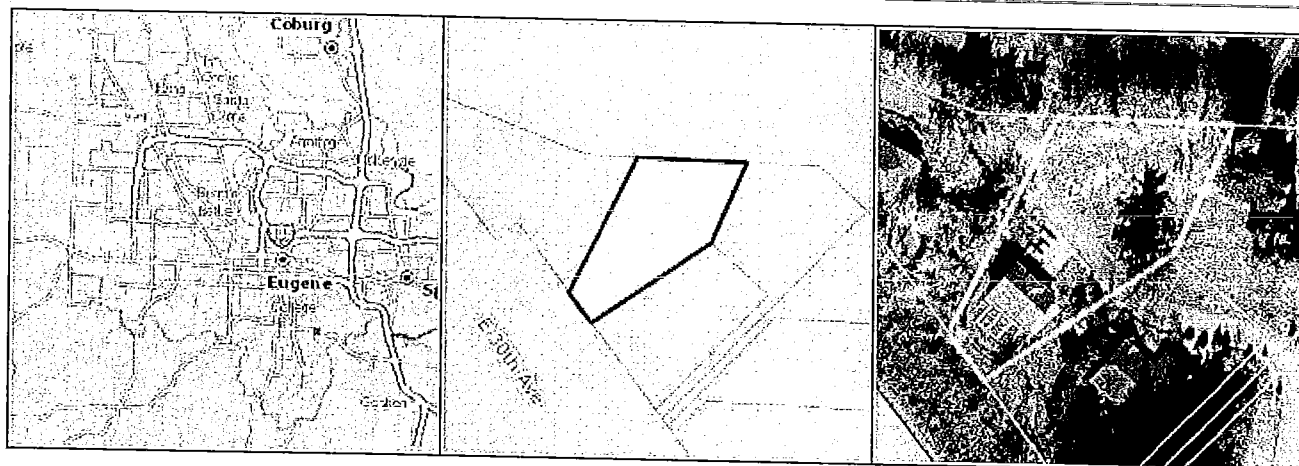
Site Address 1777 E 30TH AVE Eugene, OR 97405-4471
Map & Taxlot# 18-03-08-11-00602
SIC N/A
Tax Account# 1717188

Property Owner WILSON EXHIBITS - Page 7

WILSON CHAD R & KATIE A
 2794 BOWMONT DR
 EUGENE, OR 97405

Tax account acreage 0.64
 Mapped taxlot acreage[†] 0.64

[†] Mapped Taxlot Acreage is the estimated size of a taxlot as derived from the county GIS taxlot layer, and is not to be used for legal purposes.

Map & Taxlot # 18-03-08-11-00602**Business Information**

RLID does not contain any business data for this address

Improvements**Dwelling 1 / Building Type » Class 4 dwelling**Assessor Photo sssAssessor Sketch

1717188



Click to enlarge photo

Inspection Date	11/30/2004	Bedrooms	1	Roof Style	Gable
Building Class	4	Full Bath(s)	1	Roof Cover	Comp shingle medium
Year Built	2004	Half Bath(s)	0	Masonry Fireplace(s)	No
Effective Year Built	2004	Depreciation	6%	Improvement Complete	100 %
				Heat	Forced hot air-gas

Floor Characteristics

	<u>Base Sq Ft</u>	<u>Finished Sq Ft</u>	<u>Exterior</u>
1st Floor	808	808	Composition siding
Basement	1304	0	Masonry
Total Sq Ft	2112	808	

Other Square Footage

Detached	N/A	Attached	N/A
Garage		Garage	
Basement	N/A	Carport	N/A
Garage			
Paved Patio	N/A	Paved	N/A
		Driveway	

Site Address Information

1777 E 30TH AVE
EUGENE, OR 97405-4471

WILSON EXHIBITS - Page 8

House #	1777	Suffix	N/A	Pre-directional	E
Street Name	30TH	Street Type	AVE	Unit type / #	N/A
Mail City	EUGENE	State	OR	Zip Code	97405
Zip + 4	4471	Create Date	Apr 12, 2004	Update Date	Jul 08, 2011

Land Use 1111 Single Family Housing
USPS Carrier Route C015

General Taxlot Characteristics

□ Geographic Coordinates

X 4245881 Y 869329 (State Plane X,Y)
Latitude 44.0235 Longitude -123.0680

□ Zoning

Zoning Jurisdiction Eugene
Eugene

Parent Zone R-1 LOW-DENSITY RESIDENTIAL

□ Land Use

General Land Use

Code Description
S Single Family

Detailed Land Use

Code Description
1111 Single Family Housing

Taxlot Characteristics

Incorporated City Limits	EUGENE
Urban Growth Boundary	Eugene
Year Annexed	1971
Annexation #	N/A
Approximate Taxlot Acreage	0.64
Approx Taxlot Sq Footage	27,878
2010 Census Tract	4900
2010 Census Block Group	3
Plan Designation	Metro Plan Map
Eugene Neighborhood	Fairmount Neighbors
Metro Area Nodal Dev Area	No
Historic Property Name	N/A
City Historic Landmark?	No
National Historical Register?	No

Service Providers

Fire Protection Provider	Eugene Fire & EMS Department
Ambulance Provider	Eugene Fire & EMS
Ambulance District	WC
Ambulance Service Area	West/Central
LTD Service Area?	Yes
LTD Ride Source?	Yes
Soil Water Cons. Dist/Zone	UPPER WILLAMETTE / data not available
Emerald People's Utility District	N

Environmental Data

FEMA Flood Hazard Zone

Code Description

X Areas determined to be outside of 500-year flood.

FIRM Map Number 41039C1139F

Community Number 410122

Post-FIRM Date 09/29/1986

Panel Printed? Yes

Soils

Soil Map Unit# Soil Type Description

	% of Taxlot	Ag Class	Hydric %
11E Bellpine silty clay loam, 20 to 30 percent slopes	100%	4	0

Schools

	Code	Name
School District	4J	EUGENE
Elementary School	4739	Camas Ridge
Middle School	526	Roosevelt
High School	539	South Eugene

WILSON EXHIBITS - Page 9

Political Districts

Election Precinct	1345	State Representative District	11
City Council Ward	E3	State Representative	Phil Barnhart
City Councilor	Alan Zelenka	State Senate District	6
County Commissioner District	3 (Eugene-South)	State Senator	Lee Beyer
County Commissioner	Pete Sorenson		
EWEB Commissioner	Dick Helgeson		
LCC Board Zone	5		

Liens

RLID does not contain any lien data for this jurisdiction

Building Permits

Eugene Building Permits

Log Number Project Description

14-03380-01 New single family dwelling with attached garage. ***This permit also includes conversion to Living Area in a detached structure (Not an SDU) previously permitted under 04-01223-01***

14-03381-01 Erosion Permit for single family dwelling. See 14-03880-01.

14-03407-01 Convert former single family dwelling (built under 04-01223-01) to a Secondary Dwelling Unit ****NEW SINGLE FAMILY DWELLING IS UNDER 14-03380-01*** 6/18/14: APPLICATION CANCELLED, STRUCTURE WILL BECOME ADDITIONAL LIVING AREA TO NEW HOME (NOT AN SDU)

04-01223-01 New shop/home

04-01224-01 erosion prevention

Land Use Applications

None

Petitions

None

Tax Statements (current and previous tax years)

ACCOUNT#: 1717188
View tax statement(s) for: 2015 2014

Owner/Taxpayer

Owners

Owner	Address	City/State/Zip
WILSON CHAD R & KATIE A	2794 BOWMONT DR	EUGENE, OR 97405

Taxpayer

Party Name	Address	City/State/Zip
WILSON CHAD R & KATIE A	2794 BOWMONT DR	EUGENE, OR 97405

Data source: Lane County Assessment and Taxation

Account Status**Status** Active Account Current Tax Year**WILSON EXHIBITS - Page 10**

Account Status none
 Remarks none
 Special Assessment Program N/A

Data source: Lane County Assessment and Taxation

General Tax Account Information

Tax Account Acreage 0.64
 Fire Acres N/A
 Property Class 101 RESIDENTIAL, IMPROVED
 Statistical Class 140 CLASS 4 SINGLE FAMILY DWELLING
 Neighborhood Code 411100
 Category Land and Improvements

Data source: Lane County Assessment and Taxation

Township-Range-Section / Subdivision Data

Subdivision Type Partition Plat Subdivision Name 2002-P1588 Subdivision Number N/A
 Phase N/A Lot/Tract/Unit # Parcel 1 TL 00602 Recording Number 2002-054696

Data source: Lane County Assessment and Taxation

Property Values & Taxes

The values shown are the values certified in October unless a value change has been processed on the property. Value changes typically occur as a result of appeals, clerical errors and omitted property. The tax shown is the amount certified in October. This is the full amount of tax for the year indicated and does not include any discounts offered, payments made, interest owing or previous years owing. It also does not reflect any value changes.

Real Market Value (RMV)				Total Assessed Value	Tax
Year	Land	Improvement	Total		
2015	\$150,515	\$163,151	\$313,666	\$184,139	\$3,458.35
2014	\$145,023	\$153,338	\$298,361	\$178,776	\$3,388.61
2013	\$139,513	\$145,045	\$284,558	\$173,569	\$3,296.98
2012	\$96,186	\$224,386	\$320,572	\$168,514	\$3,032.24
2011	\$96,186	\$224,215	\$320,401	\$163,606	\$2,974.93
2010	\$105,559	\$107,060	\$212,619	\$158,841	\$2,886.29
2009	\$129,421	\$107,060	\$236,481	\$154,215	\$2,859.27
2008	\$133,138	\$146,290	\$279,428	\$149,723	\$2,688.52
2007	\$123,276	\$150,810	\$274,086	\$145,362	\$2,624.25
2006	\$111,060	\$160,440	\$271,500	\$141,128	\$2,713.33
2005	\$87,446	\$122,486	\$209,932	\$137,017	\$2,627.96
2004	\$71,046	\$0	\$71,046	\$50,578	\$ 955.10
2003	\$0	\$0	\$0	\$0	\$ 0.00

Current Year Assessed Value \$184,139
 Less Exemption Amount * N/A
 Taxable Value **\$184,139**
 * Frozen Assessed Value

Data source: Lane County Assessment and Taxation

Tax Code Area & Taxing Districts

Tax Code Area (Levy Code) for current tax year 00400

Taxing Districts for TCA 00400

CITY OF EUGENE
 EUGENE SCHOOL DISTRICT 4J
 EUGENE URBAN RENEWAL DOWNTOWN
 LANE COMMUNITY COLLEGE
 LANE COUNTY
 LANE EDUCATION SERVICE DISTRICT

WILSON EXHIBITS - Page 11

Data source: Lane County Assessment and Taxation

Sales & Ownership Changes

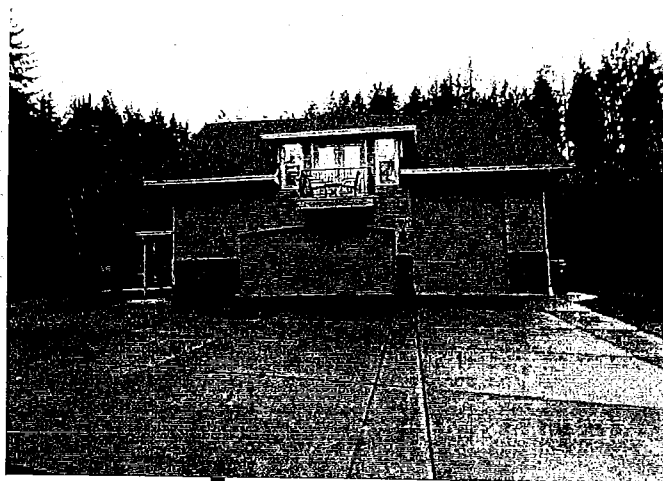
Sale Date	Sale Price	Doc #	Image	Analysis Code	Multiple Accts?	Grantor(s)	Grantee(s)
12/09/2014	\$0	2014-49003		6	No	WILSON CHAD R	WILSON CHAD R & KATIE A
08/26/2003	\$95,000	2003-82408		L	No	M & P INVESTMENTS LLC	WILSON CHAD R

Data source: Lane County Assessment and Taxation

Appraisal Report

1777 E 30th Ave
Eugene, OR 97405

Duncan & Brown, LLC
541-687-1938



Appraised Value as of:	03/12/2014
\$	410,000

FEATURES

Style/Design: Traditional

Lot Size: 27,878 Sq.Ft.

Living Area (Sq.Ft.): 2,402

Neighborhood: Laurelwood Golf Course

Total Bedrooms: 4

Total Baths: 2.1

Year Built: Hypothetically 2014

Effective Age: 0

Condition: New

Date of Report: 01/25/2016

PREPARED FOR

Client: Chad Wilson

Address: 1777 E 30th Avenue

City: Eugene

State: OR Zip: 97405

Phone: 541-914-0519

Fax:

E-mail: wilsonhomes171806@msn.com

PREPARED BY

Name: Brian B. Elliott

Designation: Certified Residential

Certification or License #: CR01011

Expiration Date: 02/29/2016 ST: OR

E-mail: blake@duncanbrown.com

Appraiser's Signature

FILING

Client File #: Wilson

Appraiser File #: R15-309/2

The value opinion expressed above is only valid in conjunction with the attached appraisal report. This value opinion may be subject to Hypothetical Conditions and/or Extraordinary Assumptions as indicated in the body of the report. A true and complete copy of this Summary Appraisal Report contains 22 pages.

RESIDENTIAL APPRAISAL REPORT

SUBJECT PROPERTY IDENTIFICATION

WILSON EXHIBITS - Page 13

Property Address: 1777 E 30th Ave State: OR Zip Code: 97405 County: Lane City: Eugene

Legal Description of Real Property: See Legal Description Pages

Tax Assessor's Parcel #: 1717188 R.E. Taxes: \$ 3,388.61 Tax Year: 2014

Special Assessments: \$ 0 Current Owner of Record: WILSON CHAD R & KATIE A

Occupancy: ☒ Owner ☐ Tenant ☐ Vacant Current Occupant (if occupied): WILSON CHAD R & KATIE A

Project Type (if applicable): ☐ Planned Unit Development ☐ Condominium ☐ Cooperative ☐ N/A

Home Owners' Association Membership Fees (if applicable): \$ N/A ☐ per year ☐ per month

Market Area Name: Laurelwood Golf Course Map Reference: 18-03-08-11-00602 Census Tract: 0049.00

ASSIGNMENT

The purpose of this appraisal is to develop a Current opinion of Market Value (as defined elsewhere in this report).

Property Rights Appraised: ☒ Fee Simple ☐ Leasehold ☐ Leased Fee ☐ Other (describe) _____

Intended Use: To establish fee simple market value as of 03/12/2014 in order to assist the Client in a Measure 49 claim.

Intended User(s) (by name or type): The intended user is the Client identified in this report and all assigns.

Client: Chad Wilson Address: 1777 E 30th Avenue, Eugene, OR 97405

Appraiser: Brian B. Elliott Address: 260 West 12th Avenue, Eugene, OR 97401

MARKET AREA DESCRIPTION

Location: ☐ Urban ☒ Suburban ☐ Rural Built Up: ☐ Over 75% ☒ 25-75% ☐ Under 25%

Growth Rate: ☐ Rapid ☒ Stable ☐ Slow Property Values: ☐ Increasing ☒ Stable ☐ Declining

Demand/Supply: ☐ Shortage ☒ In Balance ☐ Over Supply Marketing Time: ☒ Under 3 Mos. ☐ 3-6 Mos. ☐ Over 6 Mos.

Typical One-Unit Housing Ranges: Price: (\$) Low 180,000 High 1,560,000 Predominant 380,000

Age: (yrs.) Low 0 High 105 Predominant 40

Present Land Use: One-Unit: 65 % 2-4 Unit: 5 % Multi-Unit: 5 % Comm'l: 5 % Vacant/Park 20 %

Change in Land Use: ☒ Not Likely ☐ Likely * ☐ Is Changing * * To: _____

Market Area Comments:

See attached addenda.

SALE / TRANSFER / LISTING HISTORY OF SUBJECT PROPERTY

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): Deed records/MLS

1st Prior Sale / Transfer

2nd Prior Sale / Transfer

3rd Prior Sale / Transfer

Date of Prior Sale / Transfer:

Price of Prior Sale / Transfer:

Source(s) of Prior Sale / Transfer Data:

Analysis of sale / transfer history, any current agreements of sale or listing, and listing history (if relevant):

A search of County Records revealed no prior sales of the subject property in the prior 36 months and no sales or transfers for the comparables within the last 12 months.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2



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SITE DESCRIPTION

Site Area: 27.878 Sq. Ft.

Comments:

10/2007

RESIDENTIAL APPRAISAL REPORT

SALES COMPARISON APPROACH TO VALUE

WILSON EXHIBITS - Page 15

For the Sales Comparison Approach, the appraiser selects comparable sales that they consider the best matches to the subject in terms of physical characteristics, physical proximity, and time of sale. The appraiser then makes adjustments to the known sale price of each comparable sale to account for differences that are recognized by the market. For example, if the subject has a single bathroom but a comparable has 2, the comparable's sale price would be reduced by the attributable value given to the extra bathroom based on the market's reaction. Likewise, if a comparable sale has a smaller square footage than the subject, its sale price would be adjusted upward in the same manner. By weighting and reconciling these adjusted sales prices together, an opinion of value for the subject can be determined.

FEATURE	SUBJECT	COMPARABLE SALE # 1			COMPARABLE SALE # 2			COMPARABLE SALE # 3		
Address	1777 E 30th Ave Eugene, OR 97405	2723 Augusta St Eugene, OR 97403			33481 Bloomberg Rd Eugene, OR 97405			2933 Central Blvd Eugene, OR 97403		
Proximity to Subject		0.97 miles NE			1.91 miles E			0.48 miles NE		
Sale Price	\$	\$ 343,000			\$ 355,000			\$ 436,000		
Sale Price / GLA	\$ /Sq.Ft.	\$ 199.42/Sq.Ft.			\$ 190.76/Sq.Ft.			\$ 175.74/Sq.Ft.		
Data Source(s)		RMLS#12138533;DOM 36			RMLS#12221406;DOM 11			RMLS#13033778;DOM 32		
ADJUSTMENT ITEMS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust.		DESCRIPTION	+(-) \$ Adjust.		DESCRIPTION	+(-) \$ Adjust.	
Sales or Financing		FHA			Conventional			Conventional		
Concessions		0	0 0			0 0			0 0	
Date of Sale / Time		03/27/2013			01/18/2013			05/15/2013		
Rights Appraised	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Location	SE Hills	Hendricks Park	0		SE Hills			SE Hills		
Site	27,878 Sq.Ft.	18,295 sf	0		43,996 sf	-15,000		7,405 sf	0	
View	Residential/Golf Course	Residential/Mtn	0		Residential/Mtn	0		Residential/Mtn	0	
Design (Style)	Traditional	Traditional			Traditional			Traditional		
Quality of Construction	Good	Good			Good			Superior	-21,800	
Age	0	68/Updated	0		73/Updated	0		35/Updated	0	
Condition	New	Good	0		Good	0		Good	0	
Above Grade	Total Bdrms Baths	Total Bdrms Baths			Total Bdrms Baths			Total Bdrms Baths		
Room Count	7 4 2.1	7 3 2.0	+2,500		7 3 2.0	+2,500		7 4 3.0	-2,500	
Gross Living Area	2,402 Sq.Ft.	1,720 Sq.Ft.	+34,100		1,861 Sq.Ft.	+27,100		2,481 Sq.Ft.		
Basement Total Area	0 sf	0 sf			0 sf			0 sf		
Basement Finish Area	0 sf	0 sf			0 sf			0 sf		
Functional Utility	Good	Good			Good			Good		
Heating / Cooling	Heat Pump	Wall/None	+5,000		FWA/None	+5,000		Heat Pump		
Energy Efficient Items	Weatherized	Weatherized			Weatherized			Weatherized		
Garage / Carport	5 Car Garage	3 Car Garage	+6,000		2 Car Garage	+9,000		1 Car Garage	+12,000	
Porch / Patio / Deck	Porch,Deck	Porch,Deck			Porch,Deck			Porch,Deck		
Additional Features	Studio	Studio			Unfinished Studio	+25,000		Studio		
Net Adjustment (Total)		☒ + ☐ -	\$ 47,600		☒ + ☐ -	\$ 53,600		☐ + ☒ -	\$ -12,300	
Adjusted Sale Price of Comparables			\$ 390,600			\$ 408,600			\$ 423,700	

Comments on the Sales Comparison Approach:

See attached addenda.

Appraiser's Indicated Value by the Sales Comparison Approach:

\$ 410,000

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2



RESIDENTIAL APPRAISAL REPORT

RECONCILIATION

WILSON EXHIBITS - Page 16

Final Reconciliation of the Approaches to Value:

See attached addenda.

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; ☐ subject to the following required inspection(s) based on the Extraordinary Assumption that the following condition or deficiency does not require alteration or repair:

Hypothetical Conditions: The appraisal is based on a retrospective effective date of 03/12/2014. The appraisal is also based on the hypothetical assumption that the 2,402 sf new home existed on the property as of 03/12/2014. Additionally, the garage and finished apartment are included, but the apartment is not considered a legal dwelling per Measure 49. This space is considered comparable to other studio type additions that are not legal dwellings. This significantly affects the opinion of value.

☐ This report is also subject to other Hypothetical Conditions or Extraordinary Assumptions as specified elsewhere in this report.

ATTACHMENTS

A true and complete copy of this report contains 21 pages, including all exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.

Attached Exhibits:

- | | | | |
|--|--|--|---|
| ☒ Scope of Work | ☒ Limiting Cond./Certification | ☒ Narrative Addendum | ☒ Photograph Addenda |
| ☒ Sketch Addendum | ☒ Map Addenda | ☐ Cost Addendum | ☐ Flood Addendum |
| ☒ Additional Sales | ☒ Additional Rentals | ☐ Income/Expense Analysis | ☒ Hypothetical Conditions |
| ☐ Extraordinary Assumptions | ☐ | ☐ | ☐ |

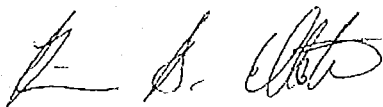
OPINION OF VALUE

This Opinion of Value may be subject to other Hypothetical Conditions and / or Extraordinary Assumptions, if so indicated above. Based on the degree of inspection of the subject property as indicated below; the defined Scope of Work for this appraisal assignment; the attached Statement of Assumptions and Limiting Conditions; and the attached Appraiser's Certifications, my (our) Current Opinion of the Market Value (or value range), as defined elsewhere in this report, of the real property that is the subject of this report is: \$ 410,000, as of: 01/16/2016, which is both the Inspection Date and the Effective Date of this appraisal.

SIGNATURES

APPRAISER

SUPERVISORY APPRAISER (if required)
or CO-APPRAISER (if applicable)



Appraiser Name: Brian B. Elliott
Company: Duncan & Brown, LLC
Phone: 541-687-1938 Fax: (541) 683-0932
E-mail: blake@duncanbrown.com
Date of Report (Signature): 01/25/2016
License or Certification #: CR01011 State: OR
Designation: Certified Residential
Expiration Date of License or Certification: 02/29/2016
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None
Date of Inspection: 01/16/2016

Supervisory or
Co-Appraiser Name: Richard J. Duncan, MAI, SRA
Company: Duncan & Brown, LLC
Phone: (541) 687-1938 Fax: (541) 683-0932
E-mail: rick@duncanbrown.com
Date of Report (Signature): 01/25/2016
License or Certification #: C000106 State: OR
Designation: MAI, SRA
Expiration Date of License or Certification: 07/31/2017
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None
Date of Inspection: 01/16/2016

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2



ADDITIONAL COMPARABLE SALES

SALES COMPARISON APPROACH TO VALUE

WILSON EXHIBITS - Page 17

FEATURE		SUBJECT		COMPARABLE SALE # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6			
Address 1777 E 30th Ave Eugene, OR 97405		2693 Chula Vista Blvd Eugene, OR 97403		3091 Hendricks Hill Dr Eugene, OR 97403							
Proximity to Subject		0.55 miles N		0.85 miles E							
Sale Price		\$ 415,000		\$ 450,000							
Sale Price / GLA		\$ /Sq.Ft. \$ 160.17/Sq.Ft.		\$ 206.04/Sq.Ft.				\$ /Sq.Ft.			
Data Source(s)		RMLS#11520190;DOM 306		RMLS#13146445;DOM 229							
ADJUSTMENT ITEMS		DESCRIPTION		DESCRIPTION		+ (-) \$ Adjust.		DESCRIPTION		+ (-) \$ Adjust.	
Sales or Financing		Cash		Conventional							
Concessions		0		0		0					
Date of Sale / Time		07/05/2012		12/23/2013							
Rights Appraised		Fee Simple		Fee Simple							
Location		SE Hills		SE Hills							
Site		27,878 Sq.Ft.		5,663 sf		9,583 sf		0			
View		Residential/Golf Course		Residential		Hills/Trees		0			
Design (Style)		Traditional		Traditional		Traditional					
Quality of Construction		Good		Good		Superior		-22,500			
Age		0		94/Updated		30/Updated		0			
Condition		New		Good		Good					
Above Grade		Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths			
Room Count		7 4 2.1		7 4 3.1		7 4 3.1		-5,000			
Gross Living Area		2,402 Sq.Ft.		2,591 Sq.Ft.		2,184 Sq.Ft.		+10,900		Sq.Ft.	
Basement Total Area		0 sf		0 sf		0 sf					
Basement Finish Area		0 sf		0 sf		0 sf					
Functional Utility		Good		Good		Good					
Heating / Cooling		Heat Pump		Heat Pump		Heat Pump					
Energy Efficient Items		Weatherized		Weatherized		Weatherized					
Garage / Carport		5 Car Garage		None		3 Car Garage		+6,000			
Porch / Patio / Deck		Porch,Deck		Porch,Deck		Porch,Deck					
Additional Features		Studio		2nd Legal Dwelling		2nd Legal Dwelling		-30,000			
Net Adjustment (Total)		☐ + ☒ - \$ -29,500		☐ + ☒ - \$ -40,600		☐ + ☐ - \$					
Adjusted Sale Price of Comparables		\$ 385,500		\$ 409,400		\$					

Comments:

See attached addenda.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2



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Supplemental Addendum

File No. R15-309/2

Borrower	None	WILSON EXHIBITS - Page 18		
Property Address	1777 E 30th Ave			
City	Eugene	County	Lane	State OR Zip Code 97405
Lender/Client	None			

• GP Consumer Short Form: Market Area Description - Boundaries, Description, Conditions

The subject is located on Laurelwood Golf Course in the southeast hills of Eugene. The neighborhood is accessed by a small access road off of the north side of 30th Avenue. The neighborhood consists of six custom single family homes on lots that cross the access road and front Laurelwood Golf Course with very marketable views.

The subject extended established area consists of mostly average to good quality, older and mid-life homes. The subject enjoys good convenience to schools, shopping, and employment. Properties in the area exhibit average to good overall appearance.

The market for homes in the area has been active between 2012 and 2014, with some depreciating prices due to the lingering effects of the housing crisis commonly thought to have begun in 2010. Median days on market for the extended neighborhood spanning a one mile radius is 60 days, with some of the most marketable properties selling within 30 days. There appears to have been a balance between supply and demand as of the effective date of the report. Estimated market exposure time is 30-90 days.

• GP Consumer Short Form: Sales Comparison Approach - Comments on Sales Comparison Approach

The subject is located in a very marketable secluded neighborhood bordering Laurelwood Golf Course. The area is an active market in the southeast hills of Eugene. The majority of the neighborhood features homes that are equal in design and appeal to the subject property, but with few new builds. The subject also features a detached 864 sf separate legal dwelling built in 2004. For the purpose of this appraisal, the separate legal dwelling is not considered a legal dwelling in order to address the Measure 49 claim. Additional dwellings or studios are very unique features within the market.

In order to properly analyze the subject property, the appraiser has canvassed the entire south Eugene market. The appraiser identified recently updated homes that also had some form of a detached or attached dwelling or studio included. It appears that the University area has a higher occurrence of homes with detached dwellings and studios. Through market research, the subject's large lot and Laurelwood Golf Course view are considered equal to the location in the University market as well as the very marketable areas of Hendricks Park, Hendricks Hill and Central Boulevard located just east of Laurelwood Golf Course. No adjustment is needed when size, location and view are all taken into account. The appraiser used the most recent and comparable sales available in the area in this analysis. Only minor adjustments were warranted and all market sensitive factors were bracketed.

Though the subject is new construction, most newer builds within older existing neighborhoods tend to experience some value absorption within the older market. The older homes used in this analysis have all been tastefully updated with higher end materials and marketable designs that appeal to the typical market participant in this time period. There is no adjustment required for age differences.

Comparables #3 and #5 were of superior quality and required a market identified 5% adjustment.

The city of Eugene considers a legal dwelling to have a full functional kitchen and can be rented to persons other than family members. Market evidence has confirmed this to be a very significant value added feature. Comparables #4 and #5 feature legal separate dwellings which required an adjustment identified through a paired sales analysis. Comparables #1, #2 and #3 featured studio buildings that are not legal dwellings and were considered equal to the subject's assumed studio above the detached garage. The value difference is evident.

Ultimately, the appraiser was able to bracket every market sensitive feature and identify a well supported opinion of value. Adjustments are either extracted through paired sales analysis, or applied as a percentage of cost to build.

The subject property is zoned R-1, Low Density Residential. This is a standard single family residential zone in the area. The subject passes all the tests of being at its highest and best use, that is being legally permissible, physically possible, financially feasible and of maximal productivity. The highest and best use as improved is its current use as a single family residential property. The subject dwelling is currently being utilized as a single family dwelling. This is the use reflected in this appraisal.

ASSUMPTIONS & LIMITING CONDITIONS

SUBJECT PROPERTY

WILSON EXHIBITS - Page 19

Property Address:	1777 E 30th Ave			City:	Eugene
State:	OR	Zip Code:	97405	County:	Lane

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, the appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
- 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.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property, or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.
- In developing this appraisal, the appraiser has incorporated the Sales Comparison and Income approaches to value. The appraiser has excluded the Cost approach. The appraiser has determined that this appraisal process is not so limited that the results of the assignment are no longer credible.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2

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DEFINITIONS & SCOPE OF WORK

SUBJECT PROPERTY

WILSON EXHIBITS - Page 20

Property Address:	1777 E 30th Ave	City:	Eugene
State:	OR	Zip Code:	97405
		County:	Lane

DEFINITION OF MARKET VALUE *:

Market value means 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 and 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 acting in what they consider their own best interests;
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.

* This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):

None

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2



CERTIFICATIONS

SUBJECT PROPERTY

WILSON EXHIBITS - Page 21

Property Address: 1777 E 30th Ave

City: Eugene

State: OR

Zip Code: 97405

County: Lane

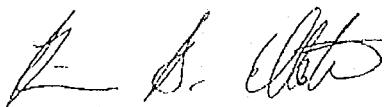
APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
 - The credibility of this report, for the stated use by the stated user(s), of the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
 - I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
 - Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
 - I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
 - My engagement in this assignment was not contingent upon developing or reporting predetermined results.
 - My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
 - My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
 - I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property, or of the present owners or occupants of the properties in the vicinity of the subject property.
 - Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
 - Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification.
- I have performed no services in the past three years in regard to the subject property.

SIGNATURES

APPRAISER



Appraiser Name: Brian B. Elliott

Company: Duncan & Brown, LLC

Phone: 541-687-1938 Fax: (541) 683-0932

E-mail: blake@duncanbrown.com

Date of Report (Signature): 01/25/2016

License or Certification #: CR01011 State: OR

Designation: Certified Residential

Expiration Date of License or Certification: 02/29/2016

Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None

Date of Inspection: 01/16/2016

Client: Chad Wilson

Client File No.: Wilson

SUPERVISORY APPRAISER (if required)
or CO-APPRAISER (if applicable)



Supervisory or
Co-Appraiser Name: Richard J. Duncan, MAI, SRA

Company: Duncan & Brown, LLC

Phone: (541) 687-1938 Fax: (541) 683-0932

E-mail: rick@duncanbrown.com

Date of Report (Signature): 01/25/2016

License or Certification #: C000106 State: OR

Designation: MAI, SRA

Expiration Date of License or Certification: 07/31/2017

Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None

Date of Inspection: 01/16/2016

Appraiser File No.: R15-309/2

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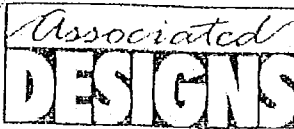
Page 3 of 3 10/2007

Sketch

11/10/2015

Print Plan - Associated Designs

WILSON EXHIBITS - Page 22

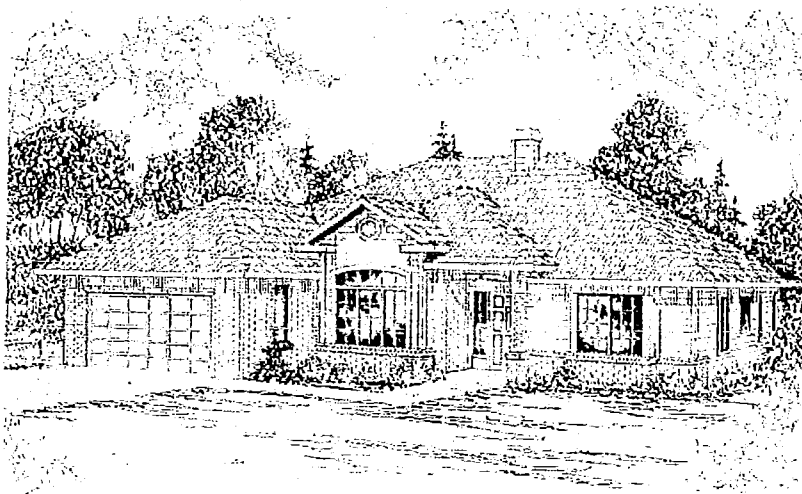


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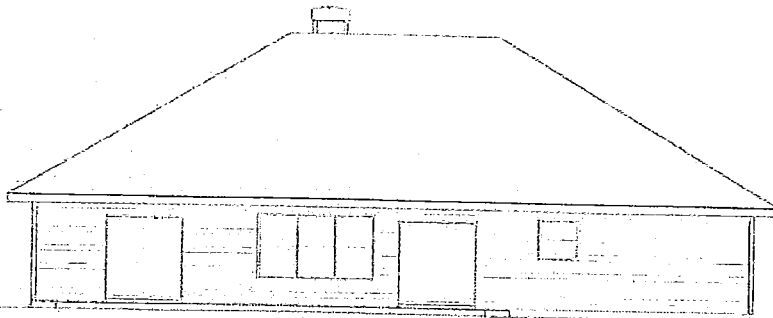
Syracuse

30-063



Traditional House Plan - Syracuse 30-063 - Front Elevation

Cheri Wilson 541-914-0519
1717 East 30th Ave



Traditional Home Plan - Syracuse 30-063 - Rear Elevation

Plan Details

Building Height: 22'-8"
Wall Types:
2x6 Wood Frame
Primary Roof Pitch:
7/12
Primary Foundation:
Crawl Space
Additional Foundations:
Basement
Concrete Slab
Garage Orientation:
Front-Entry
Bedroom Features:
Main Floor Bedroom & Bath
Main Floor Owners' Suite
Separate Tub & Shower
Walk In Closet
Special Features:
Den, Office, Library, or Study
Formal Dining Room
Fireplace
Great Room
Main Floor Laundry
Mud Room
Large Kitchen
Peninsula Eating Bar
Breakfast Nook

Plan Specs

Living Area: 2402 sq ft
1st Floor: 2402 sq ft
Garage: 514 sq ft
Floors: 1
Bedrooms: 4
Full Baths: 2
Half Baths: 1
Garage Bays: 2
Overall Dimensions:
59'-0" x 58'-0"

Order This Plan

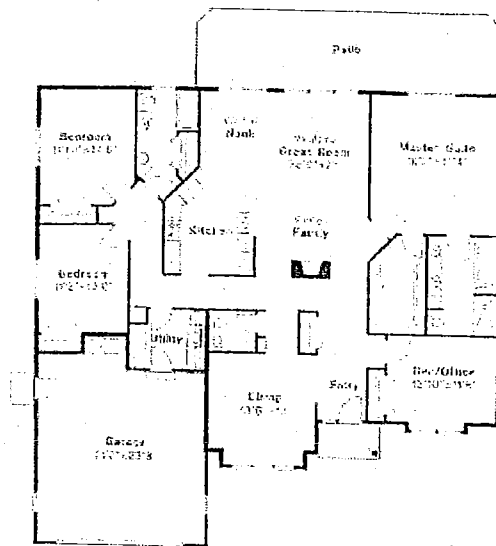
1 Set Study Package
\$675.00
5 Set Construction Package
\$875.00
8 Set Construction Package
\$950.00
PDF Print Set
\$925.00
PDF Master
\$1,775.00
CAD Electronic Files
\$1,875.00
PDF Bid Set:
PDF Bid Set
\$75.00

One Additional Build License:

Sketch

Print Plan - Associated Designs

WILSON EXHIBITS - Page 23



Traditional House Plan - Syracuse 30-063 - Floor Plan

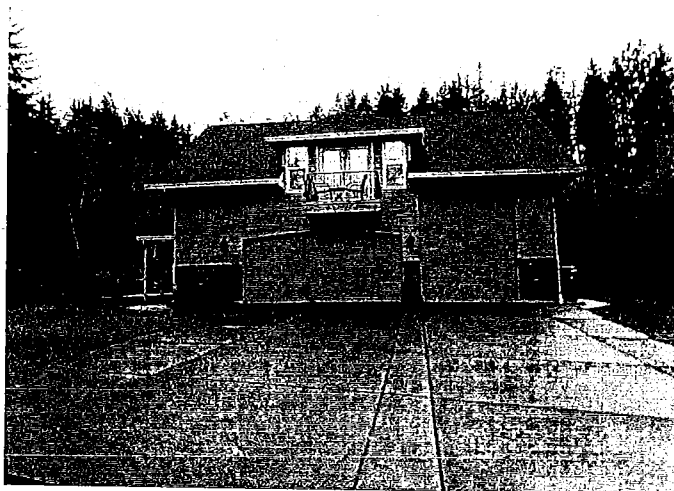
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Subject Photo Page

Borrower	None	WILSON EXHIBITS - Page 24	
Property Address	1777 E 30th Ave		
City	Eugene	County Lane	State OR Zip Code 97405
Lender/Client	None		

Subject Existing Garage/Loft

1777 E 30th Ave
Sales Price
Gross Living Area 2,402
Total Rooms 7
Total Bedrooms 4
Total Bathrooms 2.1
Location SE Hills
View Residential/Golf Course
Site 27,878 Sq.Ft.
Quality Good
Age 0



Subject Street View



Subject Alternate Street View



Subject Photo Page

Borrower	None	WILSON EXHIBITS - Page 25	
Property Address	1777 E 30th Ave		
City	Eugene	County	Lane
Lender/Client	None	State	OR
		Zip Code	97405

Subject Future Home Site

1777 E 30th Ave

Sales Price

Gross Living Area 2,402

Total Rooms 7

Total Bedrooms 4

Total Bathrooms 2.1

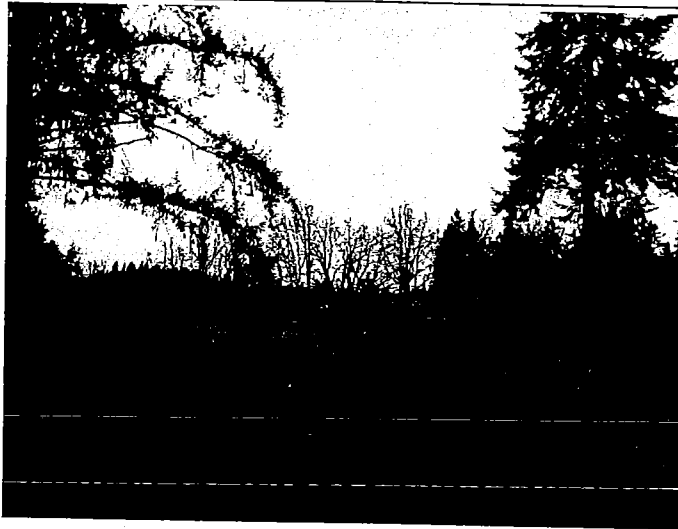
Location SE Hills

View Residential/Golf Course

Site 27,878 Sq.Ft.

Quality Good

Age 0



Subject Golf Course View



Legal Description Map

Borrower	None			WILSON EXHIBITS - Page 26	
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR Zip Code 97405
Lender/Client	None				

 <p>Western Title & Escrow Order Number: 93338-DMS</p>		<p>After Recording Return To: Western Title & Escrow Company 497 Oakway Rd. Suite 340, Eugene, OR 97401</p>	
<p>Grantor</p> <p>Chad R. Wilson 2794 Bowmont Drive Eugene, OR 97405</p>		<p>Lane County Clerk Lane County Deeds & Records</p>	
<p>Grantee</p> <p>Chad R. Wilson Katie A. Wilson 2794 Bowmont Drive Eugene, OR 97405</p>		<p>2014-049003 12/11/2014 02:10:24 PM</p>	
<p>Until a change is requested, all tax statements shall be sent to the following address:</p> <p>Chad R. Wilson Katie A. Wilson 2794 Bowmont Drive Eugene, OR 97405</p>		<p>RPR-DEED Cnt=1 Stn=6 CASHIER 05 2pages \$10.00 \$11.00 \$10.00 \$21.00 \$52.00</p>	
Reserved for Recorder's Use			

STATUTORY BARGAIN AND SALE DEED

Chad R. Wilson, Grantor(s)

conveys to

Chad R. Wilson and Katie A. Wilson, as tenants by the entirety, Grantees,
the following described real property:

Parcel 1, Land Partition Plat No. 2002-P1588, recorded July 19, 2002, Document No. 2002-054696, Lane County Records, in Lane County, Oregon.

Account: 1717188

Map & Tax Lot: 18 03 08 11 00602

The true consideration for this conveyance is to change vesting. (Here comply with requirements of ORS 93.030.)

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009 AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

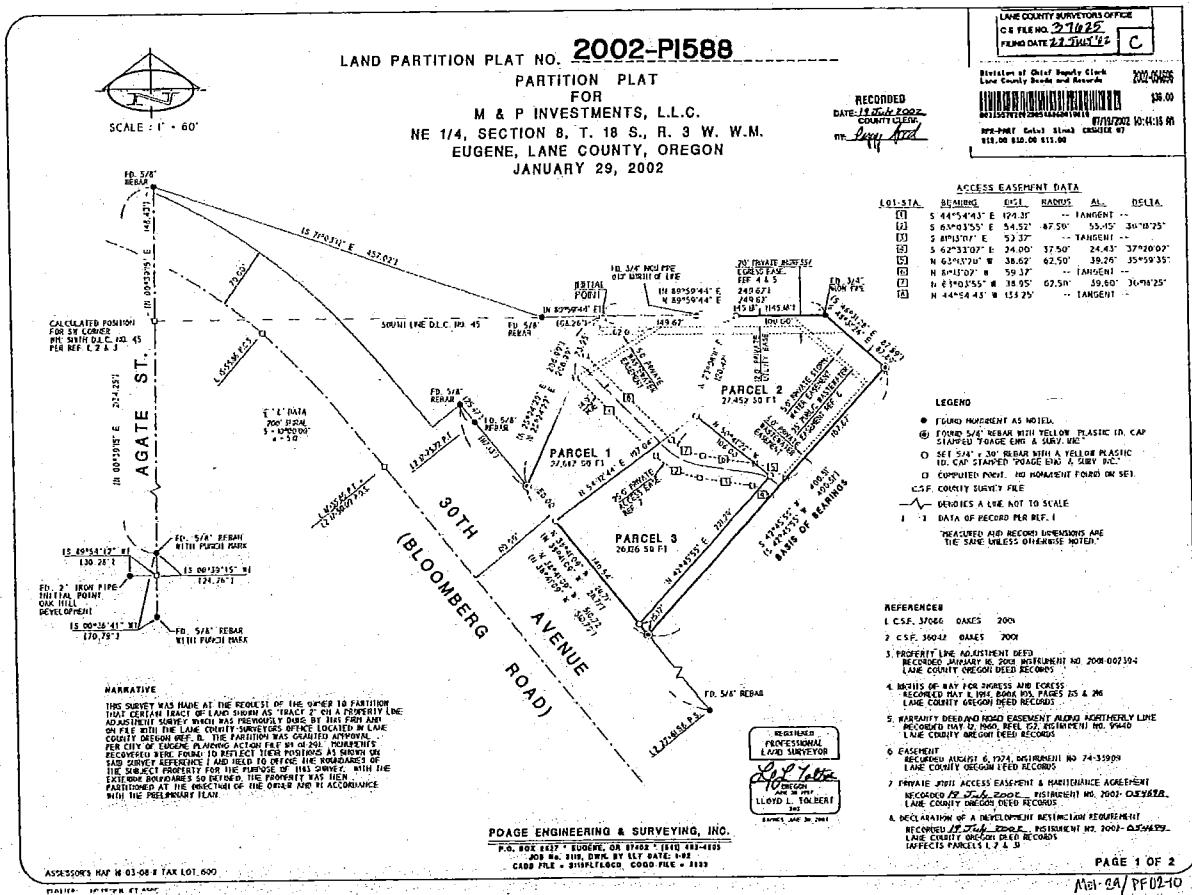
Executed this 9 day of December, 2014

Chad R. Wilson
Chad R. Wilson

Site Map

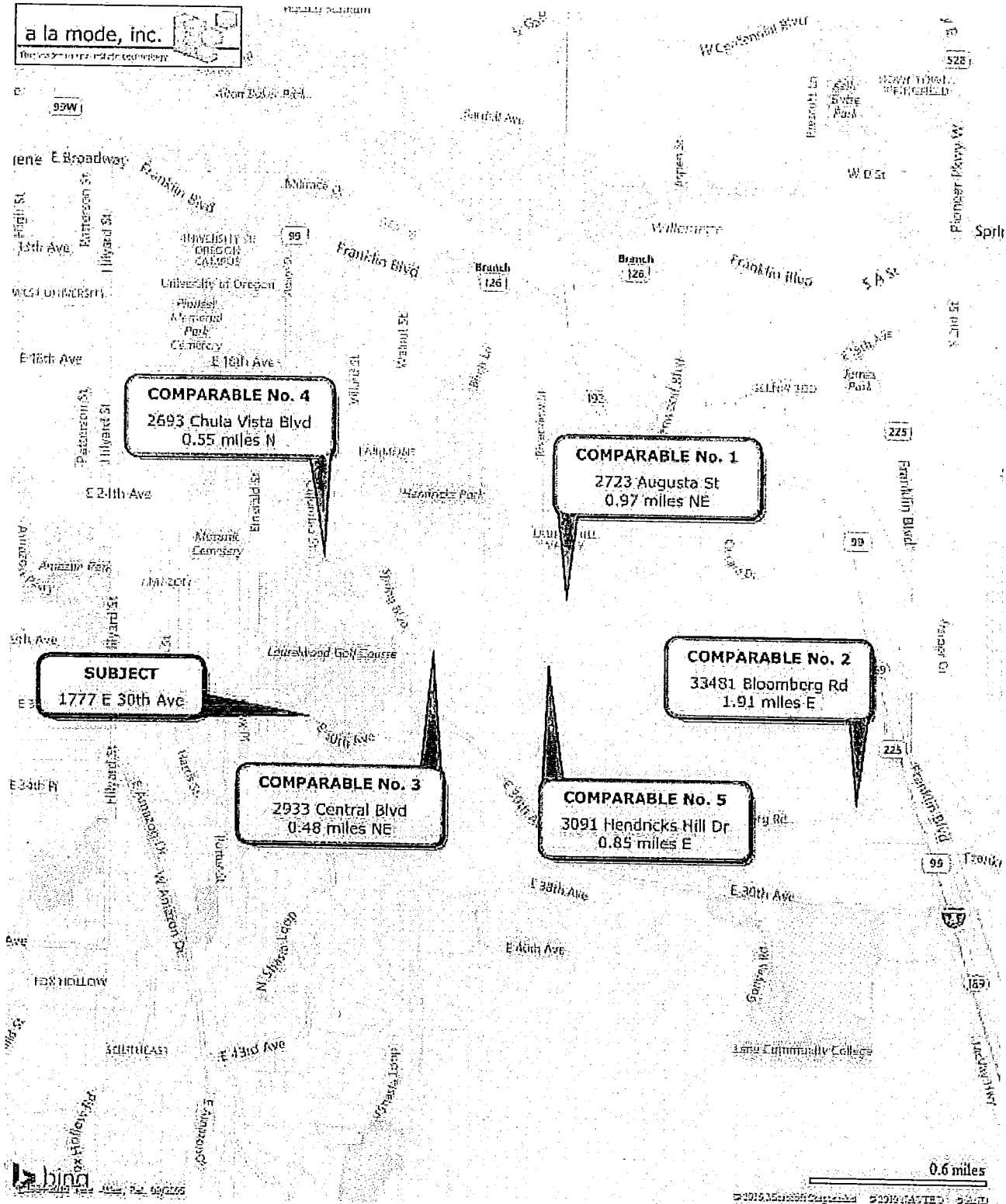
Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR
Lender/Client	None			Zip Code	97405

WILSON EXHIBITS - Page 27



Location Map

Borrower	None	WILSON EXHIBITS - Page 28			
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR
Lender/Client	None			Zip Code	97405



Comparable Photo Page

Borrower	None	WILSON EXHIBITS - Page 29	
Property Address	1777 E 30th Ave		
City	Eugene	County	Lane
Lender/Client	None	State	OR
		Zip Code	97405



Comparable 1

2723 Augusta St
 Prox. to Subject 0.97 miles NE
 Sale Price 343,000
 Gross Living Area 1,720
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location Hendricks Park
 View Residential/Mtn
 Site 18,295 sf
 Quality Good
 Age 68/Updated



Comparable 2

33481 Bloomberg Rd
 Prox. to Subject 1.91 miles E
 Sale Price 355,000
 Gross Living Area 1,861
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location SE Hills
 View Residential/Mtn
 Site 43,996 sf
 Quality Good
 Age 73/Updated



Comparable 3

2933 Central Blvd
 Prox. to Subject 0.48 miles NE
 Sale Price 436,000
 Gross Living Area 2,481
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 3.0
 Location SE Hills
 View Residential/Mtn
 Site 7,405 sf
 Quality Superior
 Age 35/Updated

Comparable Photo Page

Borrower	None	WILSON EXHIBITS - Page 30	
Property Address	1777 E 30th Ave		
City	Eugene	County	Lane
Lender/Client	None	State	OR
		Zip Code	97405



Comparable 4

2693 Chula Vista Blvd
 Prox. to Subject 0.55 miles N
 Sale Price 415,000
 Gross Living Area 2,591
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 3.1
 Location University
 View Residential
 Site 5,663 sf
 Quality Good
 Age 94/Updated

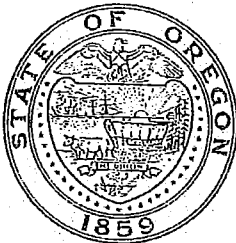


Comparable 5

3091 Hendricks Hill Dr
 Prox. to Subject 0.85 miles E
 Sale Price 450,000
 Gross Living Area 2,184
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 3.1
 Location SE Hillis
 View Hills/Trees
 Site 9,583 sf
 Quality Superior
 Age 30/Updated

Appraiser's License

WILSON EXHIBITS - Page 31



Brian B Elliott
Duncan & Brown LLC
260 W 12th AVE
Eugene, OR 97401

Appraiser Certification and Licensure Board
State Certified Residential Appraiser
28 hours of continuing education required for renewal

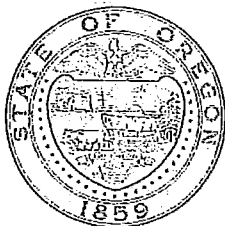
License No.: CR01011

Issue Date: May 8, 2015

Expiration Date: February 29, 2016

A handwritten signature in cursive script that reads "Gae Lynne Cooper".

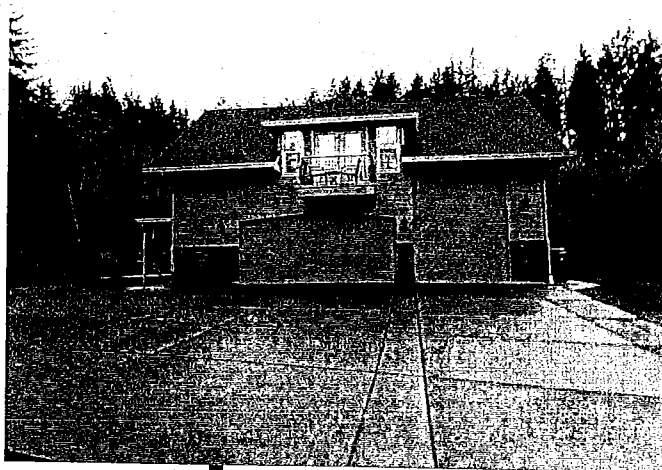
Gae Lynne Cooper, Administrator

	<p>Appraiser Certification and Licensure Board State Certified General Appraiser <i>28 hours of continuing education required for renewal</i></p>
<p>Richard J Duncan Duncan & Brown LLC 260 W 12th AVE Eugene, OR 97401</p>	<p>License No.: C000106 Issue Date: August 1, 2015 Expiration Date: July 31, 2017</p>
	<p> Gae Lynne Cooper, Administrator</p>

Appraisal Report

1777 E 30th Ave
Eugene, OR 97405

Duncan & Brown, LLC
541-687-1938



Appraised Value as of:	03/12/2012
\$	470,000

FEATURES

Style/Design:	Traditional	Lot Size:	27,878 Sq.Ft.
Living Area (Sq.Ft.):	2,402	Neighborhood:	Laurelwood Golf Course
Total Bedrooms:	4	Total Baths:	2.1
Year Built:	Hypothetically 2012	Effective Age:	0
Condition:	New	Date of Report:	01/25/2016

PREPARED FOR

Client: Chad Wilson
Address: 1777 E 30th Avenue
City: Eugene State: OR Zip: 97405
Phone: 541-914-0519 Fax:
E-mail: wilsonhomes171806@msn.com

PREPARED BY

Appraiser's Signature

Name: Brian B. Elliott
Designation: Certified Residential
Certification or License #: CR01011
Expiration Date: 02/29/2016 ST: OR
E-mail: blake@duncanbrown.com

FILING

Client File #: Wilson

Appraiser File #: R15-309

The value opinion expressed above is only valid in conjunction with the attached appraisal report. This value opinion may be subject to Hypothetical Conditions and/or Extraordinary Assumptions as indicated in the body of the report. A true and complete copy of this Summary Appraisal Report contains 22 pages.

RESIDENTIAL APPRAISAL REPORT

SUBJECT PROPERTY IDENTIFICATION

WILSON EXHIBITS - Page 34

Property Address: 1777 E 30th Ave City: Eugene
State: OR Zip Code: 97405 County: Lane

Legal Description of Real Property: See Legal Description Pages

Tax Assessor's Parcel #: 1717188 R.E. Taxes: \$ 3,032.24 Tax Year: 2012

Special Assessments: \$ 0 Current Owner of Record: WILSON CHAD R & KATIE A

Occupancy: ☒ Owner ☐ Tenant ☐ Vacant Current Occupant (if occupied): WILSON CHAD R & KATIE A

Project Type (if applicable): ☐ Planned Unit Development ☐ Condominium ☐ Cooperative ☐ N/A

Home Owners' Association Membership Fees (if applicable): \$ N/A ☐ per year ☐ per month

Market Area Name: Laurelwood Golf Course Map Reference: 18-03-08-11-00602 Census Tract: 0049.00

ASSIGNMENT

The purpose of this appraisal is to develop a Current opinion of Market Value (as defined elsewhere in this report).

Property Rights Appraised: ☒ Fee Simple ☐ Leasehold ☐ Leased Fee ☐ Other (describe) _____

Intended Use: To establish fee simple market value as of 03/12/2012 in order to assist the Client in a Measure 49 claim.

Intended User(s) (by name or type): The intended user is the Client identified in this report and all assigns.

Client: Chad Wilson Address: 1777 E 30th Avenue, Eugene, OR 97405

Appraiser: Brian B. Elliott Address: 260 West 12th Avenue, Eugene, OR 97401

MARKET AREA DESCRIPTION

Location: ☐ Urban ☒ Suburban ☐ Rural Built Up: ☐ Over 75% ☒ 25-75% ☐ Under 25%
Growth Rate: ☐ Rapid ☒ Stable ☐ Slow Property Values: ☐ Increasing ☒ Stable ☐ Declining
Demand/Supply: ☐ Shortage ☒ In Balance ☐ Over Supply Marketing Time: ☒ Under 3 Mos. ☐ 3-6 Mos. ☐ Over 6 Mos.

Typical One-Unit Housing Ranges: Price: (\$) Low 160,000 High 1,560,000 Predominant 300,000
Age: (yrs.) Low 0 High 105 Predominant 40

Present Land Use: One-Unit: 65 % 2-4 Unit: 5 % Multi-Unit: 5 % Comm'l: 5 % Vacant/Park 20 %
Change in Land Use: ☒ Not Likely ☐ Likely * ☐ Is Changing * * To: _____

Market Area Comments:

See attached addenda.

SALE / TRANSFER / LISTING HISTORY OF SUBJECT PROPERTY

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): Deed records/MLS

	1st Prior Sale / Transfer	2nd Prior Sale / Transfer	3rd Prior Sale / Transfer
Date of Prior Sale / Transfer:			
Price of Prior Sale / Transfer:			
Source(s) of Prior Sale / Transfer Data:			

Analysis of sale / transfer history, any current agreements of sale or listing, and listing history (if relevant):

A search of County Records revealed no prior sales of the subject property in the prior 36 months and no sales or transfers for the comparables within the last 12 months.

Client: Chad Wilson Client File No.: Wilson Appraiser File No.: R15-309



RESIDENTIAL APPRAISAL REPORT

SALES COMPARISON APPROACH TO VALUE

WILSON EXHIBITS - Page 36

For the Sales Comparison Approach, the appraiser selects comparable sales that they consider the best matches to the subject in terms of physical characteristics, physical proximity, and time of sale. The appraiser then makes adjustments to the known sale price of each comparable sale to account for differences that are recognized by the market. For example, if the subject has a single bathroom but a comparable has 2, the comparable's sale price would be reduced by the attributable value given to the extra bathroom based on the market's reaction. Likewise, if a comparable sale has a smaller square footage than the subject, its sale price would be adjusted upward in the same manner. By weighting and reconciling these adjusted sales prices together, an opinion of value for the subject can be determined.

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	1777 E 30th Ave Eugene, OR 97405	1407 E 21st Ave Eugene, OR 97403		955 E 20th Ave Eugene, OR 97405		1910 Potter St Eugene, OR 97405	
Proximity to Subject		0.98 miles N		1.16 miles NW		1.18 miles NW	
Sale Price	\$	\$ 451,000		\$ 415,000		\$ 440,000	
Sale Price / GLA	\$ /Sq.Ft.	\$ 205.94/Sq.Ft.		\$ 228.27/Sq.Ft.		\$ 205.70/Sq.Ft.	
Data Source(s)		RMLS#10018519;DOM 345		RMLS#11637597;DOM 4		RMLS#11606922;DOM 26	
ADJUSTMENT ITEMS	DESCRIPTION	DESCRIPTION	+ (-) \$ Adjust.	DESCRIPTION	+ (-) \$ Adjust.	DESCRIPTION	+ (-) \$ Adjust.
Sales or Financing		Conventional		Conventional		Conventional	
Concessions		0	0	0	0	0	0
Date of Sale / Time		03/29/2011		09/09/2011		03/28/2011	
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Location	SE Hills	University	0	University	0	University	0
Site	27,878 Sq.Ft.	5,663 sf	0	8,712 sf	0	5,663 sf	0
View	Residential/Golf Course	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional		Traditional		Traditional	
Quality of Construction	Good	Good		Good		Good	
Age	0	84/Updated	0	99/Updated	0	81/Updated	0
Condition	New	Good	0	Good	0	Good	0
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	7 4 2.1	7 3 3.0	-2,500	7 4 1.1	+5,000	7 4 2.1	
Gross Living Area	2,402 Sq.Ft.	2,190 Sq.Ft.	+10,600	1,818 Sq.Ft.	+29,200	2,139 Sq.Ft.	+13,200
Basement Total Area	0 sf	624 sf	0	684 sf	0	0 sf	
Basement Finish Area	0 sf	0 sf		0 sf		0 sf	
Functional Utility	Good	Good		Good		Good	
Heating / Cooling	Heat Pump	Wall/None	+5,000	FWA/None	+5,000	FWA/None	+5,000
Energy Efficient Items	Weatherized	Weatherized		Weatherized		Weatherized	
Garage / Carport	5 Car Garage	3 Car Garage	+6,000	None	+15,000	None	+15,000
Porch / Patio / Deck	Porch,Deck	Porch,Deck		Porch,Patio	0	Porch,Patio	0
Additional Features	2nd Legal Dwelling	2nd Legal Dwelling		2nd Legal Dwelling		2nd Lgl Dwl in Bsmt	0
Net Adjustment (Total)		☒ + ☐ - \$	19,100	☒ + ☐ - \$	54,200	☒ + ☐ - \$	33,200
Adjusted Sale Price of Comparables		\$	470,100	\$	469,200	\$	473,200

Comments on the Sales Comparison Approach:

See attached addenda.

Appraiser's Indicated Value by the Sales Comparison Approach:

\$ 470,000

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309



RESIDENTIAL APPRAISAL REPORT

RECONCILIATION

WILSON EXHIBITS - Page 37

Final Reconciliation of the Approaches to Value:

See attached addenda.

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; ☐ subject to the following required inspection(s) based on the Extraordinary Assumption that the following condition or deficiency does not require alteration or repair:

Hypothetical Conditions: The appraisal is based on a retrospective effective date of 03/12/2012. The appraisal is also based on the hypothetical assumption that the 2,402 sf new home existed on the property as of 03/12/2012. This significantly affects the opinion of value.

☐ This report is also subject to other Hypothetical Conditions or Extraordinary Assumptions as specified elsewhere in this report.

ATTACHMENTS

A true and complete copy of this report contains 22 pages, including all exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.

Attached Exhibits:

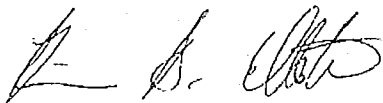
- | | | | |
|--|--|--|---|
| ☒ Scope of Work | ☒ Limiting Cond./Certification | ☒ Narrative Addendum | ☒ Photograph Addenda |
| ☒ Sketch Addendum | ☒ Map Addenda | ☐ Cost Addendum | ☐ Flood Addendum |
| ☒ Additional Sales | ☒ Additional Rentals | ☐ Income/Expense Analysis | ☒ Hypothetical Conditions |
| ☐ Extraordinary Assumptions | ☐ | ☐ | ☐ |

OPINION OF VALUE

This Opinion of Value may be subject to other Hypothetical Conditions and / or Extraordinary Assumptions, if so indicated above. Based on the degree of inspection of the subject property as indicated below; the defined Scope of Work for this appraisal assignment; the attached Statement of Assumptions and Limiting Conditions; and the attached Appraiser's Certifications, my (our) Current Opinion of the Market Value (or value range), as defined elsewhere in this report, of the real property that is the subject of this report is: \$ 470,000, as of: 03/12/2012, which is both the Inspection Date and the Effective Date of this appraisal.

SIGNATURES

APPRAISER



Appraiser Name: Brian B. Elliott
Company: Duncan & Brown, LLC
Phone: 541-687-1938 Fax: (541) 683-0932
E-mail: blake@duncanbrown.com
Date of Report (Signature): 01/25/2016
License or Certification #: CR01011 State: OR
Designation: Certified Residential
Expiration Date of License or Certification: 02/29/2016
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None
Date of Inspection: 03/12/2012

Client: Chad Wilson

Client File No.: Wilson

SUPERVISORY APPRAISER (if required)
or CO-APPRAISER (if applicable)



Supervisory or
Co-Appraiser Name: Richard J. Duncan, MAI, SRA
Company: Duncan & Brown, LLC
Phone: (541) 687-1938 Fax: (541) 683-0932
E-mail: rick@duncanbrown.com
Date of Report (Signature): 01/25/2016
License or Certification #: C000106 State: OR
Designation: MAI, SRA
Expiration Date of License or Certification: 07/31/2017
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None
Date of Inspection: 01/16/2016

Appraiser File No.: R15-309

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10/2007

ADDITIONAL COMPARABLE SALES

SALES COMPARISON APPROACH TO VALUE

WILSON EXHIBITS - Page 38

FEATURE	SUBJECT	COMPARABLE SALE # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6	
Address 1777 E 30th Ave Eugene, OR 97405		2662 Potter St Eugene, OR 97405		4451 Dillard Rd Eugene, OR 97405			
Proximity to Subject		0.62 miles NW		1.32 miles S			
Sale Price	\$	\$ 380,000		\$ 390,000		\$	
Sale Price / GLA	\$ /Sq.Ft.	\$ 237.50/Sq.Ft.		\$ 157.26/Sq.Ft.		\$ /Sq.Ft.	
Data Source(s)		RMLS#11148894;DOM 43		RMLS#11405264;DOM 23			
ADJUSTMENT ITEMS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.
Sales or Financing		Conventional		Conventional			
Concessions		0	0	0	0		
Date of Sale / Time		11/15/2011		11/18/2011			
Rights Appraised	Fee Simple	Fee Simple		Fee Simple			
Location	SE Hills	University		SE Hills			
Site	27,878 Sq.Ft.	7,841 sf		40,950 sf	0		
View	Residential/Golf Course	Residential		Mountain	0		
Design (Style)	Traditional	Traditional		Traditional			
Quality of Construction	Good	Good		Good			
Age	0	63	0	64	0		
Condition	New	Good		Good			
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	7 4 2.1	7 3 2.0	+2,500	7 4 2.1	0		
Gross Living Area	2,402 Sq.Ft.	1,600 Sq.Ft.	+40,100	2,480 Sq.Ft.		Sq.Ft.	
Basement Total Area	0 sf	0 sf		0 sf			
Basement Finish Area	0 sf	0 sf		0 sf			
Functional Utility	Good	Good		Good			
Heating / Cooling	Heat Pump	FWA/None	+5,000	Wall/None	+5,000		
Energy Efficient Items	Weatherized	Weatherized		Weatherized			
Garage / Carport	5 Car Garage	None	+15,000	3 Car Carport	+10,500		
Porch / Patio / Deck	Porch,Deck	Porch,Deck		Porch,Patio	0		
Additional Features	2nd Legal Dwelling	Studio	+30,000	Small Studio	+50,000		
Net Adjustment (Total)		☒ + ☐ - \$	92,600	☒ + ☐ - \$	65,500	☐ + ☐ - \$	
Adjusted Sale Price of Comparables			\$ 472,600		\$ 455,500		\$

Comments:

See attached addenda.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309



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Supplemental Addendum

File No. R15-309

Borrower	None	WILSON EXHIBITS - Page 39			
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR Zip Code 97405
Lender/Client	None				

• GP Consumer Short Form: Market Area Description - Boundaries, Description, Conditions

The subject is located on Laurelwood Golf Course in the southeast hills of Eugene. The neighborhood is accessed by a small access road off of the north side of 30th Avenue. The neighborhood consists of six custom single family homes on lots that cross the access road and front Laurelwood Golf Course with very marketable views.

The subject extended established area consists of mostly average to good quality, older and mid-life homes. The subject enjoys good convenience to schools, shopping, and employment. Properties in the area exhibit average to good overall appearance.

The market for homes in the area has been active between 2010 and 2012, with some depreciating prices due to the housing crisis commonly thought to have begun in 2010. Median days on market for the extended neighborhood spanning a one mile radius is 60 days, with some of the most marketable properties selling within 30 days. There appears to have been a balance between supply and demand as of the effective date of the report. Estimated market exposure time is 30-90 days.

• GP Consumer Short Form: Sales Comparison Approach - Comments on Sales Comparison Approach

The subject is located in a very marketable secluded neighborhood bordering Laurelwood Golf Course. The area is an active market in the southeast hills of Eugene. The majority of the neighborhood features homes that are equal in design and appeal to the subject property, but with few new builds. The subject also features a detached 864 sf separate legal dwelling built in 2004. These two features make the subject very unique.

In order to properly analyze the subject property, the appraiser has canvassed the entire south Eugene market. The appraiser identified recently updated homes that also had some form of a detached dwelling included. It appears that the University area has a higher occurrence of homes with detached dwellings. Through market research, the subject's large lot and Laurelwood Golf Course view are considered equal to the location in the University market. No adjustment is needed when size, location and view are all taken into account. The appraiser used the most recent and comparable sales available in the area in this analysis. Only minor adjustments were warranted and all market sensitive factors were bracketed.

Though the subject is new construction, most newer builds within older existing neighborhoods tend to experience some value absorption within the older market. The older homes used in this analysis have all been tastefully updated with higher end materials and marketable designs that appeal to the typical market participant in this time period. There is no adjustment required for age differences.

The city of Eugene considers a legal dwelling to have a full functional kitchen and can be rented to persons other than family members. Market evidence has confirmed this to be a very significant value added feature. Comparables #1, #2 and #3 all feature legal separate dwellings similar to that of the subject's. Comparables #4 and #5 feature studio buildings that are not legal dwellings. The value difference is evident.

Ultimately, the appraiser was able to bracket every market sensitive feature and identify a well supported opinion of value. Adjustments are either extracted through paired sales analysis, or applied as a percentage of cost to build.

The subject property is zoned R-1, Low Density Residential. This is a standard single family residential zone in the area. The subject passes all the tests of being at its highest and best use, that is being legally permissible, physically possible, financially feasible and of maximal productivity. The highest and best use as improved is its current use as a single family residential property. The subject dwelling is currently being utilized as a single family dwelling. This is the use reflected in this appraisal.

ASSUMPTIONS & LIMITING CONDITIONS

SUBJECT PROPERTY

WILSON EXHIBITS - Page 40

Property Address: 1777 E 30th Ave

City: Eugene

State: OR

Zip Code: 97405

County: Lane

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, the appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
- 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.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property, or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.
- In developing this appraisal, the appraiser has incorporated the Sales Comparison and Income approaches to value. The appraiser has excluded the Cost approach. The appraiser has determined that this appraisal process is not so limited that the results of the assignment are no longer credible.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309



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DEFINITIONS & SCOPE OF WORK

SUBJECT PROPERTY

WILSON EXHIBITS - Page 41

Property Address: 1777 E 30th Ave

City: Eugene

State: OR

Zip Code: 97405

County: Lane

DEFINITION OF MARKET VALUE *:

Market value means 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 and 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 acting in what they consider their own best interests;
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.

* This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):

None

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309

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CERTIFICATIONS

SUBJECT PROPERTY

WILSON EXHIBITS - Page 42

Property Address:	1777 E 30th Ave	City:	Eugene
State:	OR	Zip Code:	97405
		County:	Lane

APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
 - The credibility of this report, for the stated use by the stated user(s), of the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
 - I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
 - Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
 - I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
 - My engagement in this assignment was not contingent upon developing or reporting predetermined results.
 - My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
 - My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
 - I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property, or of the present owners or occupants of the properties in the vicinity of the subject property.
 - Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
 - Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification.
- I have performed no services in the past three years in regard to the subject property.

SIGNATURES

APPRAISER



Appraiser Name: Brian B. Elliott
Company: Duncan & Brown, LLC
Phone: 541-687-1938 Fax: (541) 683-0932
E-mail: blake@duncanbrown.com
Date of Report (Signature): 01/25/2016
License or Certification #: CR01011 State: OR
Designation: Certified Residential
Expiration Date of License or Certification: 02/29/2016
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None
Date of Inspection: 01/16/2016

Client: Chad Wilson

Client File No.: Wilson

SUPERVISORY APPRAISER (if required)
or CO-APPRAISER (if applicable)



Supervisory or
Co-Appraiser Name: Richard J. Duncan, MAI, SRA
Company: Duncan & Brown, LLC
Phone: (541) 687-1938 Fax: (541) 683-0932
E-mail: rick@duncanbrown.com
Date of Report (Signature): 01/25/2016
License or Certification #: C000106 State: OR
Designation: MAI, SRA
Expiration Date of License or Certification: 07/31/2017
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None
Date of Inspection: 01/16/2016

Appraiser File No.: R15-309

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Sketch

11/10/2015

Print Plan - Associated Designs

WILSON EXHIBITS - Page 43

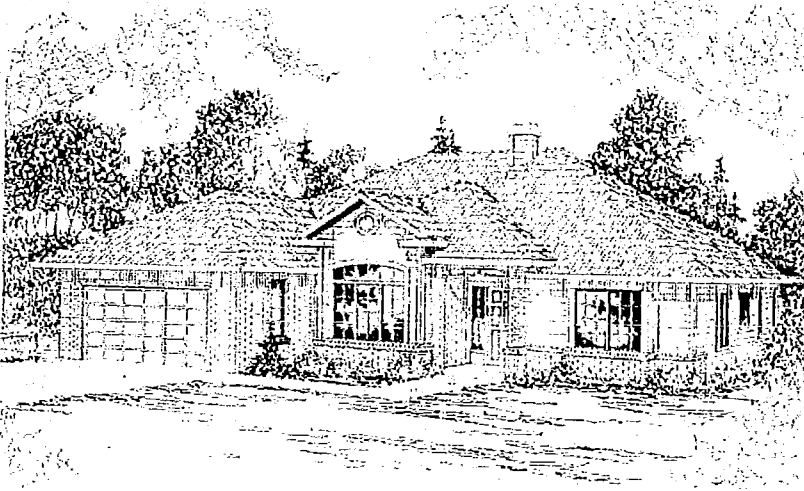


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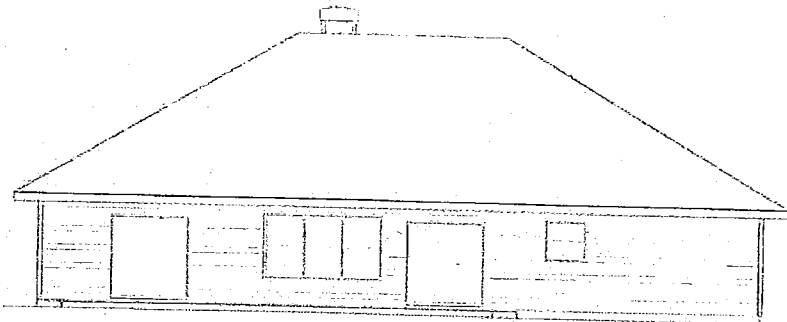
Syracuse

30-063



Traditional House Plan - Syracuse 30-063 - Front Elevation

Cheryl Wilson 541-914-0519
1777 East 30th Ave



Traditional Home Plan - Syracuse 30-063 - Rear Elevation

Plan Details

Building Height: 22'-8"

Wall Types:

2x6 Wood Frame

Primary Roof Pitch:

7/12

Primary Foundation:

Crawl Space

Additional Foundations:

Basement

Concrete Slab

Garage Orientation:

Front-Entry

Bedroom Features:

Main Floor Bedroom & Bath

Main Floor Owners' Suite

Separate Tub & Shower

Walk In Closet

Special Features:

Den, Office, Library, or Study

Formal Dining Room

Fireplace

Great Room

Main Floor Laundry

Mud Room

Large Kitchen

Peninsula Eating Bar

Breakfast Nook

Plan Specs

Living Area: 2402 sq ft

1st Floor: 2402 sq ft

Garage: 514 sq ft

Floors: 1

Bedrooms: 4

Full Baths: 2

Half Baths: 1

Garage Bays: 2

Overall Dimensions:

59'-0" x 58'-0"

Order This Plan

1 Set Study Package

\$675.00

5 Set Construction Package

\$875.00

8 Set Construction Package

\$950.00

PDF Print Set

\$925.00

PDF Master

\$1,775.00

CAD Electronic Files

\$1,875.00

PDF Bid Set:

PDF Bid Set

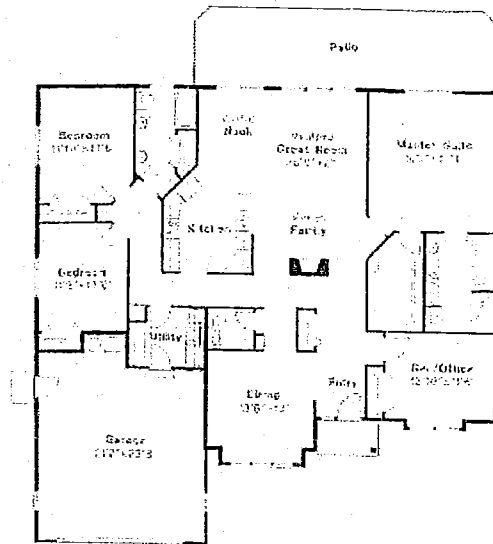
\$75.00

One Additional Build License:

Sketch

Print Plan - Associated Designs

WILSON EXHIBITS - Page 44



Traditional House Plan - Syracuse 30-063 - Floor Plan

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Building Sketch

Borrower	None		
Property Address	1777 E 30th Ave		
City	Eugene	County Lane	State OR Zip Code 97405
Lender/Client	None		

WILSON EXHIBITS - Page 45

42'

32'

32'

42'

3 Car Garage

ADU

27'

Bedroom

Bath

Kitchen

Living

32'

TOTAL Sketch by a la mode, Inc.
Area Calculations Summary

Non-living Area		
3 Car Garage	1344 Sq ft	32 x 42 = 1344
Accessory Dwelling	864 Sq ft	32 x 27 = 864

Subject Photo Page

Borrower	None	WILSON EXHIBITS - Page 46	
Property Address	1777 E 30th Ave		
City	Eugene	County	Lane
Lender/Client	None	State	OR
		Zip Code	97405

Subject Existing Garage/Loft

1777 E 30th Ave

Sales Price

Gross Living Area 2,402

Total Rooms 7

Total Bedrooms 4

Total Bathrooms 2.1

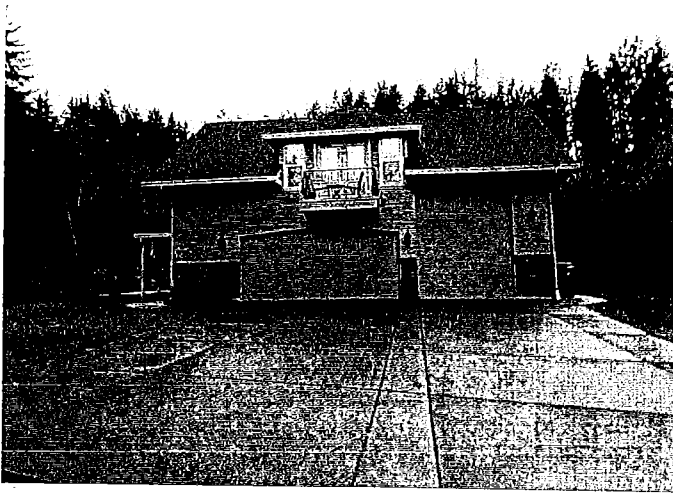
Location SE Hills

View Residential/Golf Course

Site 27,878 Sq.Ft.

Quality Good

Age 0



Subject Street View



Subject Alternate Street View



Subject Photo Page

Borrower	None	WILSON EXHIBITS - Page 47	
Property Address	1777 E 30th Ave		
City	Eugene	County	Lane
Lender/Client	None	State	OR
		Zip Code	97405

Subject Future Home Site

1777 E 30th Ave

Sales Price

Gross Living Area 2,402

Total Rooms 7

Total Bedrooms 4

Total Bathrooms 2.1

Location SE Hills

View Residential/Golf Course

Site 27,878 Sq.Ft.

Quality Good

Age 0



Subject Golf Course View



Legal Description Map

Borrower	None	WILSON EXHIBITS - Page 48		
Property Address	1777 E 30th Ave			
City	Eugene	County	Lane	State OR Zip Code 97405
Lender/Client	None			


Western Title & Escrow
Order Number: 93338-DMS

After Recording Return To:
Western Title & Escrow Company
497 Oakway Rd. Suite 340, Eugene, OR 97401

Grantor Chad R. Wilson 2794 Bowmont Drive Eugene, OR 97405	2014-049003 Lane County Clerk Lane County Deeds & Records 12/11/2014 02:10:24 PM RPR-DEED Cnt=1 Sln=6 CASHIER 05 2pages \$10.00 \$11.00 \$10.00 \$21.00 \$52.00
Grantee Chad R. Wilson Katie A. Wilson 2794 Bowmont Drive Eugene, OR 97405	
Until a change is requested, all tax statements shall be sent to the following address: Chad R. Wilson Katie A. Wilson 2794 Bowmont Drive Eugene, OR 97405	

Reserved for Recorder's Use

STATUTORY BARGAIN AND SALE DEED

Chad R. Wilson, Grantor(s)
conveys to

Chad R. Wilson and Katie A. Wilson, as tenants by the entirety, Grantees,
the following described real property:

Parcel 1, Land Partition Plat No. 2002-P1588, recorded July 19, 2002, Document
No. 2002-054696, Lane County Records, in Lane County, Oregon.

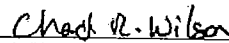
Account: 1717188

Map & Tax Lot: 18 03 08 11 00602

The true consideration for this conveyance is to change vesting. (Here comply with
requirements of ORS 93.030.)

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE
TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300,
195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS
2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO
7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE
PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE
LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE
PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE
CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING
TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010
OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY
LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS
30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF
ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11,
CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON
LAWS 2009 AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

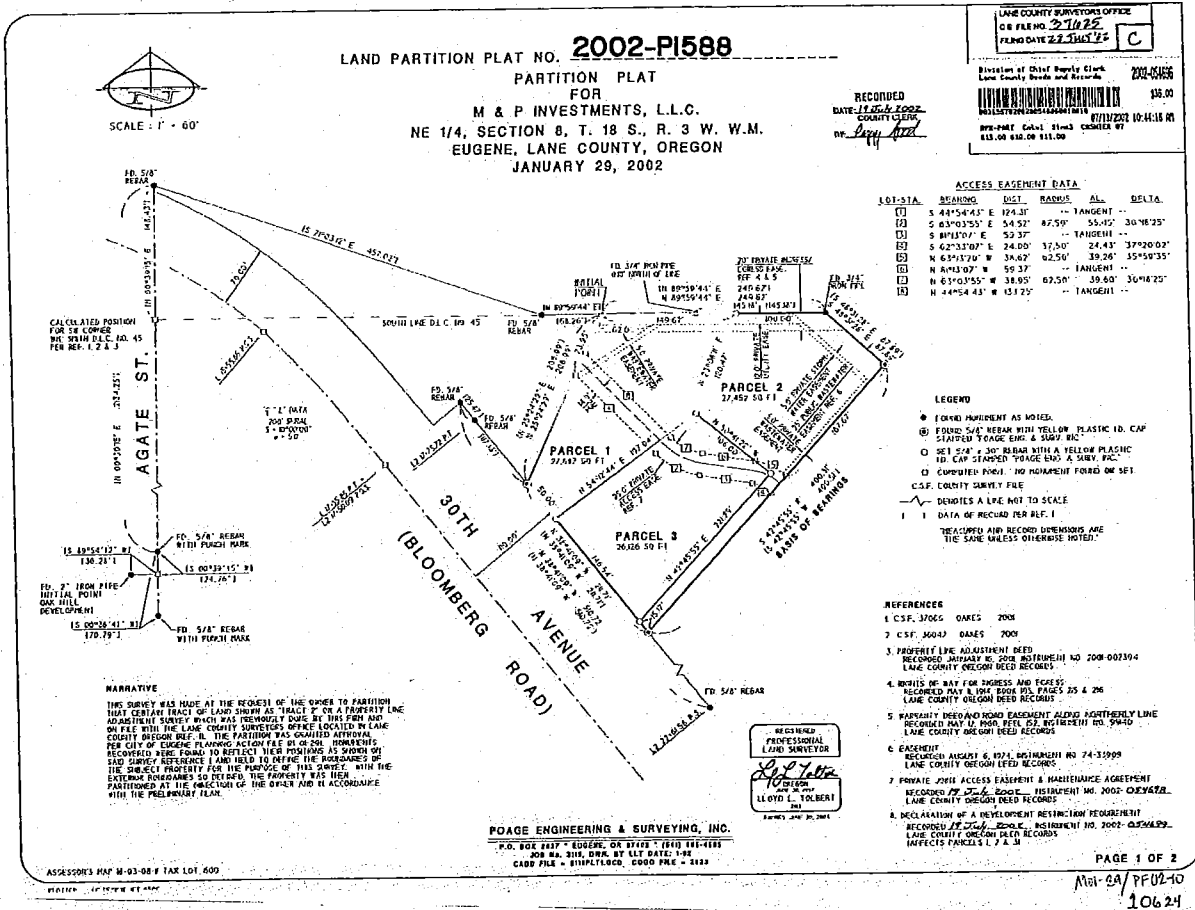
Executed this 9 day of December, 2014


Chad R. Wilson

Site Map

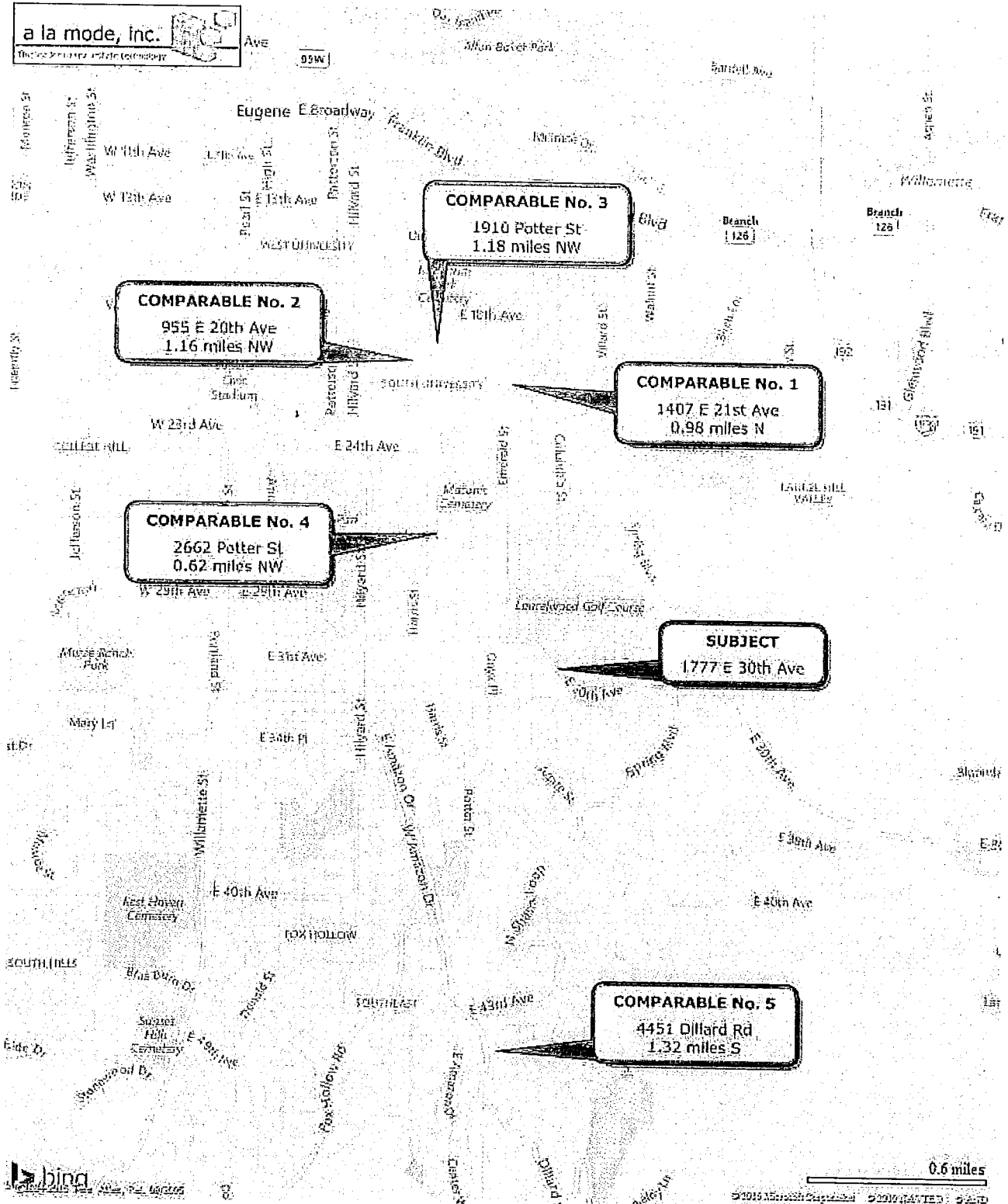
Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR
Lender/Client	None			Zip Code	97405

WILSON EXHIBITS - Page 49



Location Map

Borrower	None	WILSON EXHIBITS - Page 50		
Property Address	1777 E 30th Ave	City	Eugene	County Lane
City	Eugene	State	OR	Zip Code 97405
Lender/Client	None			

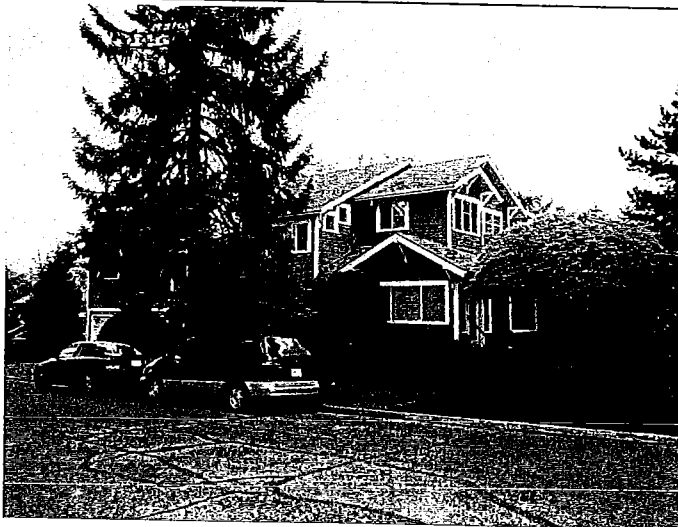


Comparable Photo Page

Borrower	None	WILSON EXHIBITS - Page 51					
Property Address	1777 E 30th Ave						
City	Eugene	County	Lane	State	OR	Zip Code	97405
Lender/Client	None						

Comparable 1

1407 E 21st Ave
 Prox. to Subject 0.98 miles N
 Sale Price 451,000
 Gross Living Area 2,190
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 3.0
 Location University
 View Residential
 Site 5,663 sf
 Quality Good
 Age 84/Updated



Comparable 2

955 E 20th Ave
 Prox. to Subject 1.16 miles NW
 Sale Price 415,000
 Gross Living Area 1,818
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 1.1
 Location University
 View Residential
 Site 8,712 sf
 Quality Good
 Age 99/Updated



Comparable 3

1910 Potter St
 Prox. to Subject 1.18 miles NW
 Sale Price 440,000
 Gross Living Area 2,139
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 2.1
 Location University
 View Residential
 Site 5,663 sf
 Quality Good
 Age 81/Updated



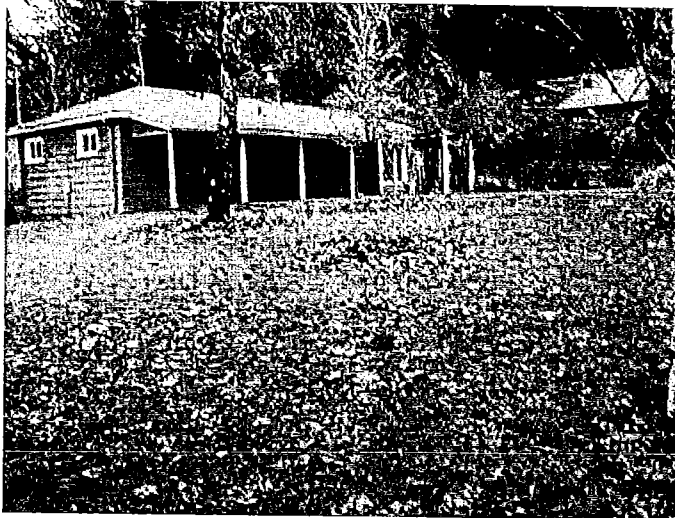
Comparable Photo Page

Borrower	None	WILSON EXHIBITS - Page 52	
Property Address	1777 E 30th Ave		
City	Eugene	County	Lane
Lender/Client	None	State	OR
		Zip Code	97405



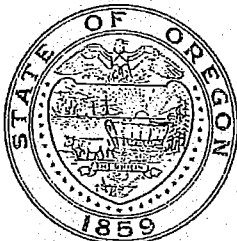
Comparable 4

2662 Potter St
 Prox. to Subject 0.62 miles NW
 Sale Price 380,000
 Gross Living Area 1,600
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location University
 View Residential
 Site 7,841 sf
 Quality Good
 Age 63



Comparable 5

4451 Dillard Rd
 Prox. to Subject 1.32 miles S
 Sale Price 390,000
 Gross Living Area 2,480
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 2.1
 Location SE Hills
 View Mountain
 Site 40,950 sf
 Quality Good
 Age 64



Brian B Elliott
Duncan & Brown LLC
260 W 12th AVE
Eugene, OR 97401

Appraiser Certification and Licensure Board
State Certified Residential Appraiser
28 hours of continuing education required for renewal

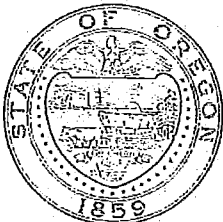
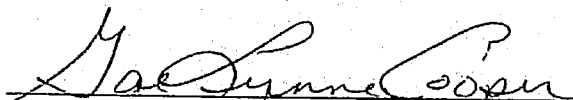
License No.: CR01011

Issue Date: May 8, 2015

Expiration Date: February 29, 2016

A handwritten signature in cursive script that reads "Gae Lynne Cooper".

Gae Lynne Cooper, Administrator

	Appraiser Certification and Licensure Board
	State Certified General Appraiser
	<i>28 hours of continuing education required for renewal</i>
Richard J Duncan Duncan & Brown LLC 260 W 12th AVE Eugene, OR 97401	License No.: C000106 Issue Date: August 1, 2015 Expiration Date: July 31, 2017
	 Gae Lynne Cooper, Administrator

LAW OFFICE OF BILL KLOOS PC

OREGON LAND USE LAW
375 W. 4TH AVENUE, SUITE 204
EUGENE, OR 97401
TEL: 541.343.8596
WEB: WWW.LANDUSEOREGON.COM

BILL KLOOS
BILLKLOOS@LANDUSEOREGON.COM

July 25, 2016

Jon Ruiz
Eugene City Manager
125 East 8th Ave., Second Floor
Eugene, OR 97401

Re: Measure 49 Claim; Chad and Katie Wilson; 1777 E. 30th Ave., Eugene 97405
Completeness Review Submittal

Dear Mr. Ruiz:

Thank you for the City's April 20, 2016, completeness review letter on this matter. Please accept this information in support of this application.

This letter is organized to respond to the specific items requested in the City's April 20 letter.

1. Under ORS 195.310(8)(d), a Measure 49 claim must include "a citation to the land use regulation that the claimant believes is restricting the claimant's desired use of the property that is adequate to allow the public entity to identify the specific land use regulation that is the basis for the claim." The Wilson claim identifies Section 9 of Eugene Ordinance No. 20526, which added EC 9.2751(17). Subsection (17) is approximately 5 pages long. Additional, more specific, information should be submitted that more accurately identifies the provision of subsection (17) that is the basis for the claim.

The newly adopted code section that limits the uses allowed on this property is identified and discussed in the City's Proposed Notice of Secondary Dwelling Limitation. This is the document the City provided to the applicant in connection with his submittal of a building permit for a residential dwelling on the subject property. A copy is attached hereto.

2. Under ORS 195.310(8)(d), the claim must include an appraisal that complies with ORS 195.310(2). The alleged reduction in fair market value based on the new land use regulation is "equal to the decrease, if any, in the fair market value of the property from the date that is one year before the enactment of the land use regulation to the date that is one year after the enactment, plus interest." Ordinance No. 20526 was enacted March 12, 2014. Accordingly, the appraisal values that must be provided are for the fair market values on March 12, 2013 and March 12, 2015. The appraisals attached to the claim appear to provide appraised values as of March 12, 2014 and March 12, 2012.

Thank you of the correction on the relevant dates for the appraisals. The before and after appraisals have been amended to reflect the requested dates – March 12, 2013, and March 12, 2015. These show values of \$470,000 and \$410,000, respectively, for a loss in value of \$60,000.

Eugene City Manager

July 25, 2016

Page 2

3. Under ORS 195.310(2)(c), the appraisal must "expressly determine the highest and best use of the property at the time the land use regulation was enacted." The appraisal does not appear to provide that necessary information.

The time one appraisal, at PDF page 6, under "Hypothetical Conditions," assumes that a new single family dwelling would be added the existing site, which already has a single family dwelling. That use is not possible under the new regulation, as stated in the time two appraisal. Under the time two appraisal, the existing dwelling could not be used as a legal dwelling.

The "highest and best use" is discussed in more detail and more explicitly in the last paragraph of the Supplemental Addendum, which appears as PDF page 7 of each appraisal. Again, the time one appraisal reflects the potential for a secondary dwelling under the former regulations. The time two appraisal reflects the loss of the secondary dwelling status.

4. Waiver or just compensation is available under ORS 195.305 where a land use regulation restricts the residential use of property and reduces the fair market value of the property. A complete analysis must include a description of the regulation that was in effect prior to the enactment of the regulation, what uses were allowed under the prior regulation, what uses are allowed under the new provisions, and how the new regulation reduces the fair market value of the property. Under staffs review, it appears that a primary residential use and a secondary dwelling were allowed under the previous regulation, and that the same uses are allowed under Ordinance No. 20526.

Under the time one regulation, the property qualified for a primary dwelling and a secondary dwelling. Under the time two regulations the property qualifies for a primary dwelling and an accessory structure, not a full secondary dwelling. The difference between these allowed uses impacts the highest and best use and the market value, as reflected in the appraisals.

Put differently, under the time one regulations, the owner could have built a full size dwelling and keep the existing structure as a secondary dwelling. Under the time two regulations, if the owner were to build a full size dwelling, under the new regulation the existing dwelling would have to be decommissioned as a secondary dwelling. This impacts the market value, as reflected in the appraisals.

Sincerely,

Bill Kloos

Bill Kloos

List of Exhibits:

City Notice of Secondary Dwelling Limitation

Eugene City Manager

July 25, 2016

Page 3

Duncan and Brown Appraisal – after regulation (March 12, 2015)

Duncan and Brown Appraisal – before regulation (March 12, 2013)

After recording return to:

Chad R. Wilson
2794 Bowmont Drive
Eugene, OR 97405

NOTICE OF Building Permit that does not constitute a Secondary Dwelling Unit

I, Chad R. Wilson, have submitted a building permit to the City of Eugene (City Log # 14-03380-01) for a single family dwelling on a lot which has an existing structure built under building permit #04-01224-01. The existing structure is being converted to a detached accessory structure, and contains a main level garage with stair access to an upper level living area including a bedroom, full bath, living area and area with counters and remote sink. All structures are under the address of 1777 E. 30th Avenue (also known as Assessor's Map 18-03-08-11, Tax Lot 00602). All persons living on the subject property must function as a single family, per Eugene Code 9.0500. The property at 1777 E 30th Avenue is within the corporate limits of the City of Eugene. The legal description of the real property is:

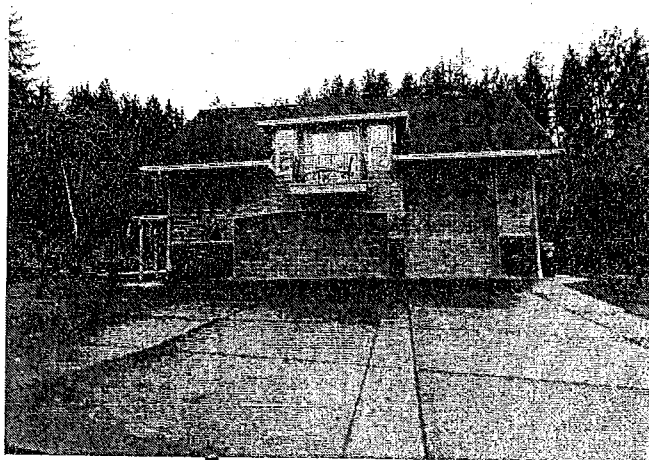
PARCEL 1 OF PARTITION PLAT NO. 2002-P1588, RECORDED JULY 19, 2002, DOCUMENT NO. 2002-054696, LANE COUNTY OREGON PLAT RECORDS, IN LANE COUNTY, OREGON

I have been fully informed by City staff of my inability to legally convert the existing upper living area on this property into a secondary dwelling unit in a manner that would meet Eugene Code Section 9.2751(17)(i), unless such standards change in the future. Specifically, the detached structure does not comply with the building height/sloped setback for detached secondary dwellings. The structure qualifies as a legal accessory structure since it was pre-existing prior to implementation of EC 9.2751(16). I am choosing to NOT create a SDU at this time, and instead use the existing upper space as additional living area to the new home, under City permit #14-03380-01. I understand that I cannot legally use or rent out the detached living area as a separate secondary dwelling unit. If the upper living area on my property is used as a secondary dwelling unit, I will be subject to the imposition of civil penalties (fines) as long as the space is used as a secondary dwelling unit. It is the property owners' responsibility to notify the next owners of the property that the upper detached living area is NOT a legal secondary dwelling unit and cannot be used as such (unless the proper permits for conversion were obtained). This notice will also serve as documentation to future owners of the use limitation on the detached accessory structure. I also understand that City permit records will be retained which reflect my decision to not convert or use the detached accessory structure as a secondary dwelling unit.

Appraisal Report

1777 E 30th Ave
Eugene, OR 97405

Duncan & Brown, LLC
541-687-1938



Appraised Value as of:	03/12/2015
\$	410,000

FEATURES

Style/Design:	Traditional	Lot Size:	27,878 Sq.Ft.
Living Area (Sq.Ft.):	2,402	Neighborhood:	Laurelwood Golf Course
Total Bedrooms:	4	Total Baths:	2.1
Year Built:	Hypothetically 2015	Effective Age:	0
Condition:	New	Date of Report:	07/25/2016

PREPARED FOR

Client: Chad Wilson
Address: 1777 E 30th Avenue
City: Eugene State: OR Zip: 97405
Phone: 541-914-0519 Fax:
E-mail: wilsonhomes171806@msn.com

PREPARED BY

Appraiser's Signature

Name: Brian B. Elliott
Designation: Certified Residential
Certification or License #: CR01011
Expiration Date: 02/28/2018 ST: OR
E-mail: blake@duncanbrown.com

FILING

Client File #: Wilson

Appraiser File #: R15-309/2

The value opinion expressed above is only valid in conjunction with the attached appraisal report. This value opinion may be subject to Hypothetical Conditions and/or Extraordinary Assumptions as indicated in the body of the report. A true and complete copy of this Summary Appraisal Report contains 22 pages.

RESIDENTIAL APPRAISAL REPORT

SUBJECT PROPERTY IDENTIFICATION

Property Address: 1777 E 30th Ave City: Eugene
State: OR Zip Code: 97405 County: Lane
Legal Description of Real Property: See Legal Description Pages
Tax Assessor's Parcel #: 1717188 R.E. Taxes: \$ 3,388.61 Tax Year: 2014
Special Assessments: \$ 0 Current Owner of Record: WILSON CHAD R & KATIE A
Occupancy: ☒ Owner ☐ Tenant ☐ Vacant Current Occupant (if occupied): WILSON CHAD R & KATIE A
Project Type (if applicable): ☐ Planned Unit Development ☐ Condominium ☐ Cooperative ☐ N/A
Home Owners' Association Membership Fees (if applicable): \$ N/A ☐ per year ☐ per month
Market Area Name: Laurelwood Golf Course Map Reference: 18-03-08-11-00602 Census Tract: 0049.00

ASSIGNMENT

The purpose of this appraisal is to develop a Current opinion of Market Value (as defined elsewhere in this report).

Property Rights Appraised: ☒ Fee Simple ☐ Leasehold ☐ Leased Fee ☐ Other (describe) _____

Intended Use: To establish fee simple market value as of 03/12/2015 in order to assist the Client in a Measure 49 claim.

Intended User(s) (by name or type): The intended user is the Client identified in this report and all assigns.

Client: Chad Wilson Address: 1777 E 30th Avenue, Eugene, OR 97405

Appraiser: Brian B. Elliott Address: 260 West 12th Avenue, Eugene, OR 97401

MARKET AREA DESCRIPTION

Location: ☐ Urban ☒ Suburban ☐ Rural Built Up: ☐ Over 75% ☒ 25-75% ☐ Under 25%
Growth Rate: ☐ Rapid ☒ Stable ☐ Slow Property Values: ☐ Increasing ☒ Stable ☐ Declining
Demand/Supply: ☐ Shortage ☒ In Balance ☐ Over Supply Marketing Time: ☒ Under 3 Mos. ☐ 3-6 Mos. ☐ Over 6 Mos.
Typical One-Unit Housing Ranges: Price: (\$) Low 180,000 High 1,560,000 Predominant 380,000
Age: (yrs.) Low 0 High 105 Predominant 40
Present Land Use: One-Unit: 65 % 2-4 Unit: 5 % Multi-Unit: 5 % Comm'l: 5 % Vacant/Park 20 %
Change in Land Use: ☒ Not Likely ☐ Likely * ☐ Is Changing * * To: _____

Market Area Comments:

See attached addenda.

SALE / TRANSFER / LISTING HISTORY OF SUBJECT PROPERTY

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): Deed records/MLS

1st Prior Sale / Transfer

2nd Prior Sale / Transfer

3rd Prior Sale / Transfer

Date of Prior Sale / Transfer:

Price of Prior Sale / Transfer:

Source(s) of Prior Sale / Transfer Data:

Analysis of sale / transfer history, any current agreements of sale or listing, and listing history (if relevant):

A search of County Records revealed no prior sales of the subject property in the prior 36 months and no sales or transfers for the comparables within the last 12 months.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2



RESIDENTIAL APPRAISAL REPORT

SITE DESCRIPTION

Dimensions: See Site Map Page Site Area: 27,878 Sq.Ft.

Zoning Classification: R-1 Zoning Description: Low Density Residential

Zoning Compliance: ☒ Legal ☐ Legal Non-Conforming (Grandfathered) ☐ Illegal ☐ No Zoning Regulations

Deed Restrictions: Are Covenants, Conditions, & Restrictions (CC&Rs) applicable? ☐ Yes ☐ No ☒ Unknown

Have the documents been reviewed? ☐ Yes ☐ No ☐ N/A Ground Rent (if applicable) \$ /

Comments:

Highest & Best Use, as improved, is the: ☒ Present use, or ☐ Other use (explain) See attached addenda.

Characteristics: Topography: Gently Sloping Size: Typical

Shape: Irregular Drainage: Normal

View: Residential/Golf Course Landscaping: Typical

Other features: ☒ Inside Lot ☐ Corner Lot ☐ Cul de Sac ☐ Underground Utilities

Utilities: Public Other Provider/Description Off-site Improvements: Type Public Private

Electricity: ☒ ☐ EWEB Street: Asphalt ☒ ☐

Gas: ☒ ☐ NW Natural Curb/Gutter: None ☐ ☐

Water: ☒ ☐ EWEB Sidewalk: None ☐ ☐

Sanitary Sewer: ☒ ☐ City of Eugene Alley: None ☐ ☐

Is the property or the improvements located in a FEMA Special Flood Hazard Area? ☐ Yes ☒ No

FEMA Flood Zone: X FEMA Map # 41039C1139F FEMA Map Date: 6/2/1999

Site Comments:

No adverse easements or encroachments are apparent. Normal residential utility easements are assumed. Site usage is consistent with zoning and neighborhood trends.

DESCRIPTION OF THE IMPROVEMENTS

General Description: # of Units: 1 ☒ + Accessory Unit # of Stories: 1 Design (Style): Traditional

Type: ☒ Detached ☐ Attached ☐ Status: ☒ Existing ☐ Proposed ☐ Under Construction

Actual Age (years): 0 Effective Age (years): 0 Year Built: Hypothetically 2015

Exterior Description:

Foundation: Concrete Exterior Walls: Wood Siding/Brick

Roof Surface: Composite Shingle Gutters & Downspouts: Aluminum

Window Type(s): Vinyl Clad Storm / Screens: Screens

Heating System: Heat Pump Cooling System: Heat Pump

Car Storage: ☐ None ☒ Garage ☐ Carport ☒ Driveway (Surface: Concrete) Total # of Cars: 5

Livable area above grade contains: 7 Rooms, 4 Bedrooms, 2.1 Bath(s), and 2,402 Sq.Ft. of GLA

Describe Additional Features and Improvements:

New construction. Effective age of 0 years. Based on limited plans and specs, the subject appears to be physically and functionally adequate. There is no physical or functional obsolescence noted. Quality of construction is good. The home is considered to be in new condition. All of the home's mechanical systems/utilities are assumed operational as of the effective date of this report.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2

GP CONSUMERSF

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Form GPCSF_LT - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

10/2007

RESIDENTIAL APPRAISAL REPORT

SALES COMPARISON APPROACH TO VALUE

For the Sales Comparison Approach, the appraiser selects comparable sales that they consider the best matches to the subject in terms of physical characteristics, physical proximity, and time of sale. The appraiser then makes adjustments to the known sale price of each comparable sale to account for differences that are recognized by the market. For example, if the subject has a single bathroom but a comparable has 2, the comparable's sale price would be reduced by the attributable value given to the extra bathroom based on the market's reaction. Likewise, if a comparable sale has a smaller square footage than the subject, its sale price would be adjusted upward in the same manner. By weighting and reconciling these adjusted sales prices together, an opinion of value for the subject can be determined.

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	1777 E 30th Ave Eugene, OR 97405	2723 Augusta St Eugene, OR 97403		33481 Bloomberg Rd Eugene, OR 97405		2933 Central Blvd Eugene, OR 97403	
Proximity to Subject		0.97 miles NE		1.91 miles E		0.48 miles NE	
Sale Price	\$	\$ 343,000		\$ 355,000		\$ 436,000	
Sale Price / GLA	\$ /Sq.Ft.	\$ 199.42/Sq.Ft.		\$ 190.76/Sq.Ft.		\$ 175.74/Sq.Ft.	
Data Source(s)		RMLS#12138533;DOM 36		RMLS#12221406;DOM 11		RMLS#13033778;DOM 32	
ADJUSTMENT ITEMS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.	DESCRIPTION	+(-) \$ Adjust.
Sales or Financing		FHA		Conventional		Conventional	
Concessions		0	0	0	0	0	0
Date of Sale / Time		03/27/2013		01/18/2013		05/15/2013	
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Location	SE Hills	Hendricks Park	0	SE Hills		SE Hills	
Site	27,878 Sq.Ft.	18,295 sf	0	43,996 sf	-15,000	7,405 sf	0
View	Residential/Golf Course	Residential/Mtn	0	Residential/Mtn	0	Residential/Mtn	0
Design (Style)	Traditional	Traditional		Traditional		Traditional	
Quality of Construction	Good	Good		Good		Superior	-21,800
Age	0	68/Updated	0	73/Updated	0	35/Updated	0
Condition	New	Good	0	Good	0	Good	0
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	7 4 2.1	7 3 2.0	+2,500	7 3 2.0	+2,500	7 4 3.0	-2,500
Gross Living Area	2,402 Sq.Ft.	1,720 Sq.Ft.	+34,100	1,861 Sq.Ft.	+27,100	2,481 Sq.Ft.	
Basement Total Area	0 sf	0 sf		0 sf		0 sf	
Basement Finish Area	0 sf	0 sf		0 sf		0 sf	
Functional Utility	Good	Good		Good		Good	
Heating / Cooling	Heat Pump	Wall/None	+5,000	FWA/None	+5,000	Heat Pump	
Energy Efficient Items	Weatherized	Weatherized		Weatherized		Weatherized	
Garage / Carport	5 Car Garage	3 Car Garage	+6,000	2 Car Garage	+9,000	1 Car Garage	+12,000
Porch / Patio / Deck	Porch,Deck	Porch,Deck		Porch,Deck		Porch,Deck	
Additional Features	Studio	Studio		Unfinished Studio	+25,000	Studio	
Net Adjustment (Total)		☒ + ☐ - \$	47,600	☒ + ☐ - \$	53,600	☐ + ☒ - \$	-12,300
Adjusted Sale Price		Net 13.9 %		Net 15.1 %		Net 2.8 %	
of Comparables		Gross 13.9 % \$	390,600	Gross 23.5 % \$	408,600	Gross 8.3 % \$	423,700

Comments on the Sales Comparison Approach:

See attached addenda.

Appraiser's Indicated Value by the Sales Comparison Approach:

\$ 410,000

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2



ADDITIONAL COMPARABLE SALES

SALES COMPARISON APPROACH TO VALUE

FEATURE	SUBJECT	COMPARABLE SALE # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6	
Address	1777 E 30th Ave Eugene, OR 97405	1808 E 28th Ave Eugene, OR 97403		2590 Augusta St Eugene, OR 97403			
Proximity to Subject		0.55 miles N		0.85 miles E			
Sale Price	\$	\$ 369,000		\$ 359,000		\$	
Sale Price / GLA	\$ /Sq.Ft.	\$ 115.10/Sq.Ft.		\$ 198.12/Sq.Ft.		\$ /Sq.Ft.	
Data Source(s)		RMLS#14161257;DOM 11		RMLS#14458719;DOM 101			
ADJUSTMENT ITEMS	DESCRIPTION	DESCRIPTION	+ (-) \$ Adjust.	DESCRIPTION	+ (-) \$ Adjust.	DESCRIPTION	+ (-) \$ Adjust.
Sales or Financing		Conventional		Conventional			
Concessions		0	0	0	0		
Date of Sale / Time		05/23/2014		10/13/2014			
Rights Appraised	Fee Simple	Fee Simple		Fee Simple			
Location	SE Hills	SE Hills		Residential			
Site	27,878 Sq.Ft.	20,038 sf		10,890 Sq.Ft.		+15,000	
View	Residential/Golf Course	Residential/Golf Course		Residential		0	
Design (Style)	Traditional	Traditional		Traditional			
Quality of Construction	Good	Good		Good			
Age	0	68/Updated		07		0	
Condition	New	Average-Good		Good			
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	7 4 2.1	7 4 3.1		7 3 3.0			
Gross Living Area	2,402 Sq.Ft.	3,206 Sq.Ft.		1,812 Sq.Ft.		Sq.Ft.	
Basement Total Area	0 sf	0 sf		0 sf			
Basement Finish Area	0 sf	0 sf		0 sf			
Functional Utility	Good	Good		Good			
Heating / Cooling	Heat Pump	Radiant/None		Wall/None		+5,000	
Energy Efficient Items	Weatherized	Weatherized		Weatherized			
Garage / Carport	5 Car Garage	2 Car Garage		None		+15,000	
Porch / Patio / Deck	Porch,Deck	Patio,Deck		0 Porch,Deck			
Additional Features	Studio	Studio		Studio			
Net Adjustment (Total)		☒ + ☐ - \$ 5,700		☒ + ☐ - \$ 62,000		☐ + ☐ - \$	
Adjusted Sale Price of Comparables		Net 1.5 % Gross 26.0 % \$ 374,700		Net 17.3 % Gross 18.7 % \$ 421,000		Net % Gross % \$	

Comments:

See attached addenda.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2



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10/2007

RESIDENTIAL APPRAISAL REPORT

RECONCILIATION

Final Reconciliation of the Approaches to Value:

See attached addenda.

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; ☐ subject to the following required inspection(s) based on the Extraordinary Assumption that the following condition or deficiency does not require alteration or repair:

Hypothetical Conditions: The appraisal is based on a retrospective effective date of 03/12/2015. The appraisal is also based on the hypothetical assumption that the 2,402 sf new home existed on the property as of 03/12/2015. Additionally, the garage and finished apartment are included, but the apartment is not considered a legal dwelling per Measure 49. This space is considered comparable to other studio type additions that are not legal dwellings. This significantly affects the opinion of value.

☐ This report is also subject to other Hypothetical Conditions or Extraordinary Assumptions as specified elsewhere in this report.

ATTACHMENTS

A true and complete copy of this report contains 22 pages, including all exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.

Attached Exhibits:

- | | | | |
|--|--|--|---|
| ☒ Scope of Work | ☒ Limiting Cond./Certification | ☒ Narrative Addendum | ☒ Photograph Addenda |
| ☒ Sketch Addendum | ☒ Map Addenda | ☐ Cost Addendum | ☐ Flood Addendum |
| ☒ Additional Sales | ☒ Additional Rentals | ☐ Income/Expense Analysis | ☒ Hypothetical Conditions |
| ☐ Extraordinary Assumptions | ☐ | ☐ | ☐ |

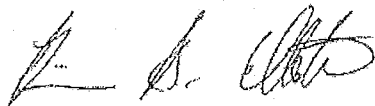
OPINION OF VALUE

This Opinion of Value may be subject to other Hypothetical Conditions and / or Extraordinary Assumptions, if so indicated above. Based on the degree of inspection of the subject property as indicated below; the defined Scope of Work for this appraisal assignment; the attached Statement of Assumptions and Limiting Conditions; and the attached Appraiser's Certifications, my (our) Current Opinion of the Market Value (or value range), as defined elsewhere in this report, of the real property that is the subject of this report is: \$ 410,000, as of: 03/12/2015, which is both the Inspection Date and the Effective Date of this appraisal.

SIGNATURES

APPRAISER

SUPERVISORY APPRAISER (if required)
or CO-APPRAISER (if applicable)



Appraiser Name: Brian B. Elliott
Company: Duncan & Brown, LLC
Phone: 541-687-1938 Fax: (541) 683-0932
E-mail: blake@duncanbrown.com
Date of Report (Signature): 07/25/2016
License or Certification #: CR01011 State: OR
Designation: Certified Residential
Expiration Date of License or Certification: 02/28/2018
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None
Date of Inspection: 03/12/2015

Supervisory or
Co-Appraiser Name: Richard J. Duncan, MAI, SRA
Company: Duncan & Brown, LLC
Phone: (541) 687-1938 Fax: (541) 683-0932
E-mail: rick@duncanbrown.com
Date of Report (Signature): 07/25/2016
License or Certification #: C000106 State: OR
Designation: MAI, SRA
Expiration Date of License or Certification: 07/31/2017
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None
Date of Inspection: 01/16/2016

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2



Supplemental Addendum

File No. R15-309/2

Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR
Lender/Client	None			Zip Code	97405

GP Consumer Short Form: Market Area Description - Boundaries, Description, Conditions

The subject is located on Laurelwood Golf Course in the southeast hills of Eugene. The neighborhood is accessed by a small access road off of the north side of 30th Avenue. The neighborhood consists of six custom single family homes on lots that cross the access road and front Laurelwood Golf Course with very marketable views.

The subject extended established area consists of mostly average to good quality, older and mid-life homes. The subject enjoys good convenience to schools, shopping, and employment. Properties in the area exhibit average to good overall appearance.

The market for homes in the area has been active between 2012 and 2014, with some depreciating prices due to the lingering effects of the housing crisis commonly thought to have begun in 2010. Median days on market for the extended neighborhood spanning a one mile radius is 60 days, with some of the most marketable properties selling within 30 days. There appears to have been a balance between supply and demand as of the effective date of the report. Estimated market exposure time is 30-90 days.

GP Consumer Short Form: Sales Comparison Approach - Comments on Sales Comparison Approach

The subject is located in a very marketable secluded neighborhood bordering Laurelwood Golf Course. The area is an active market in the southeast hills of Eugene. The majority of the neighborhood features homes that are equal in design and appeal to the subject property, but with few new builds. The subject also features a detached 864 sf separate legal dwelling built in 2004. For the purpose of this appraisal, the separate legal dwelling is not considered a legal dwelling in order to address the Measure 49 claim. Additional dwellings or studios are very unique features within the market.

In order to properly analyze the subject property, the appraiser has canvassed the entire south Eugene market. The appraiser identified recently updated homes that also had some form of a detached or attached dwelling or studio included. It appears that the University area has a higher occurrence of homes with detached dwellings and studios. Through market research, the subject's large lot and Laurelwood Golf Course view are considered equal to the location in the University market as well as the very marketable areas of Hendricks Park, Hendricks Hill and Central Boulevard located just east of Laurelwood Golf Course. No adjustment is needed when size, location and view are all taken into account. The appraiser used the most recent and comparable sales available in the area in this analysis. Only minor adjustments were warranted and all market sensitive factors were bracketed.

Though the subject is new construction, most newer builds within older existing neighborhoods tend to experience some value absorption within the older market. The older homes used in this analysis have all been tastefully updated with higher end materials and marketable designs that appeal to the typical market participant in this time period. There is no adjustment required for age differences.

Comparable #3 was of superior quality and required a market identified 5% adjustment.

The city of Eugene considers a legal dwelling to have a full functional kitchen and can be rented to persons other than family members. Market evidence has confirmed this to be a very significant value added feature. All comparable sales featured only studio buildings that are not legal dwellings and were considered equal to the subject's converted legal dwelling to simple studio space above the detached garage per Eugene Code as of 03/12/2015.

Ultimately, the appraiser was able to bracket every market sensitive feature and identify a well supported opinion of value. Adjustments are either extracted through paired sales analysis, or applied as a percentage of cost to build.

The subject property is zoned R-1, Low Density Residential. This is a standard single family residential zone in the area. The subject passes all the tests of being at its highest and best use, that is being legally permissible, physically possible, financially feasible and of maximal productivity.

GP Consumer Short Form: Highest & Best Use Explanation

The Highest and Best Use of the subject property, per Eugene Code as of 03/12/2015, is for the construction of the proposed new home, with the legal secondary dwelling above the detached garage to be converted to a studio without the kitchen and any rentable rights. The only existing structure on the property as of 03/12/2015 was the detached garage with the legal dwelling above. As of 03/12/2015, the owner of the subject property no longer had the right per Eugene Code, to build the proposed new home and have the legal secondary dwelling above the garage remain. The appraiser has valued the subject property under these hypothetical circumstances.

The lot is split by a private access road of 30th Avenue. The Appraisal Institute defines highest and best use as follows: The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The existing garage with the secondary dwelling above is located on the south end of the lot that does not front on Laurelwood Golf Course. The owner planned the development of the lot in phases,

Supplemental Addendum

File No. R15-309/2

Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR Zip Code 97405
Lender/Client	None				

with the first being the construction of the detached garage and secondary dwelling above. In order to maximize the potential of the property, the second phase of development was for the construction of the new home on the north end of the lot overlooking Laurelwood Golf Course, which holds the most value due to the golf course views. If the property was to remain in its current state, with only the detached garage and secondary dwelling above located on the south side of the lot, the north side of the lot that fronts the golf course would be considered under-developed with the majority of the property's potential value going unrecognized. Before the ordinance the value of the site would have been maximized having a high value home with a secondary dwelling constructed on this valuable lot.

ASSUMPTIONS & LIMITING CONDITIONS

SUBJECT PROPERTY

Property Address:	1777 E 30th Ave	City:	Eugene
State:	OR	Zip Code:	97405
		County:	Lane

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, the appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
- 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.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property, or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.
- In developing this appraisal, the appraiser has incorporated the Sales Comparison and Income approaches to value. The appraiser has excluded the Cost approach. The appraiser has determined that this appraisal process is not so limited that the results of the assignment are no longer credible.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2



DEFINITIONS & SCOPE OF WORK

SUBJECT PROPERTY

Property Address:	1777 E 30th Ave	City:	Eugene
State:	OR	Zip Code:	97405
		County:	Lane

DEFINITION OF MARKET VALUE *:

Market value means 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 and 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 acting in what they consider their own best interests;
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.

* This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS),

and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):

None

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309/2



CERTIFICATIONS

SUBJECT PROPERTY

Property Address:	1777 E 30th Ave	City:	Eugene
State:	OR	Zip Code:	97405
		County:	Lane

APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
 - The credibility of this report, for the stated use by the stated user(s), of the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
 - I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
 - Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
 - I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
 - My engagement in this assignment was not contingent upon developing or reporting predetermined results.
 - My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
 - My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
 - I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property, or of the present owners or occupants of the properties in the vicinity of the subject property.
 - Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
 - Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification.
- I have performed no services in the past three years in regard to the subject property.

SIGNATURES

APPRAISER



Appraiser Name: Brian B. Elliott
Company: Duncan & Brown, LLC
Phone: 541-687-1938 Fax: (541) 683-0932
E-mail: blake@duncanbrown.com
Date of Report (Signature): 07/25/2016
License or Certification #: CR01011 State: OR
Designation: Certified Residential
Expiration Date of License or Certification: 02/28/2018
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None
Date of Inspection: 01/16/2016

Client: Chad Wilson

Client File No.: Wilson

SUPERVISORY APPRAISER (if required)
or CO-APPRAISER (if applicable)



Supervisory or
Co-Appraiser Name: Richard J. Duncan, MAI, SRA
Company: Duncan & Brown, LLC
Phone: (541) 687-1938 Fax: (541) 683-0932
E-mail: rick@duncanbrown.com
Date of Report (Signature): 07/25/2016
License or Certification #: C000106 State: OR
Designation: MAI, SRA
Expiration Date of License or Certification: 07/31/2017
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None
Date of Inspection: 01/16/2016

Appraiser File No.: R15-309/2

GP CONSUMERSF

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Page 3 of 3 10/2007

Sketch

11/10/2016

Print Plan - Associated Designs

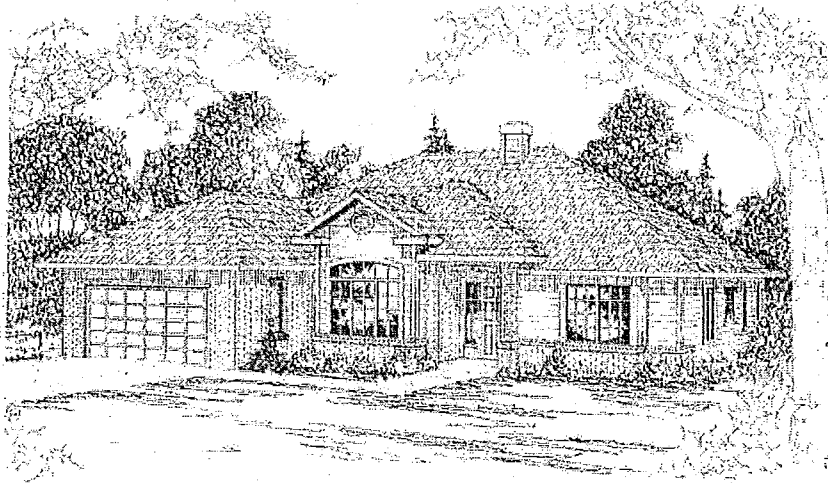


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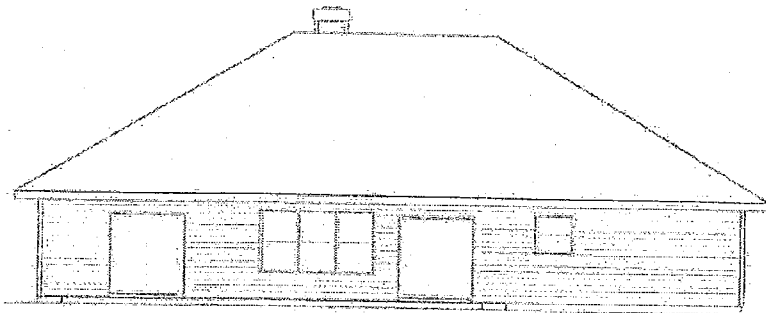
Syracuse

30-063



Traditional House Plan - Syracuse 30-063 - Front Elevation

Cheryl Wilson 541-914-0519
1777 East 30th Ave



Traditional Home Plan - Syracuse 30-063 - Rear Elevation

Plan Details

Building Height: 22'-8"
Wall Types:
2x6 Wood Frame
Primary Roof Pitch:
7/12
Primary Foundation:
Crawl Space
Additional Foundations:
Basement
Concrete Slab
Garage Orientation:
Front-Entry
Bedroom Features:
Main Floor Bedroom & Bath
Main Floor Owners' Suite
Separate Tub & Shower
Walk In Closet
Special Features:
Den, Office, Library, or Study
Formal Dining Room
Fireplace
Great Room
Main Floor Laundry
Mud Room
Large Kitchen
Peninsula Eating Bar
Breakfast Nook

Plan Specs

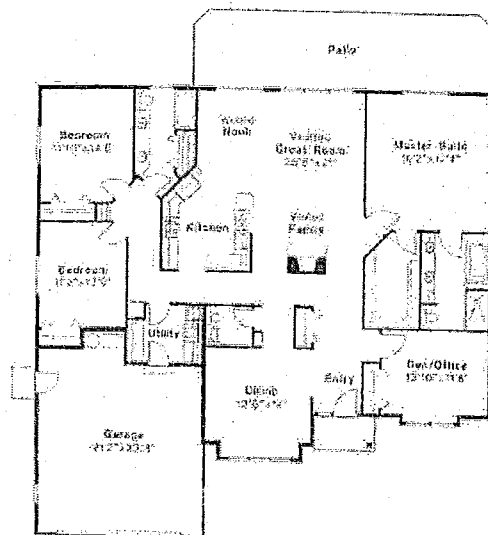
Living Area: 2402 sq ft
1st Floor: 2402 sq ft
Garage: 514 sq ft
Floors: 1
Bedrooms: 4
Full Baths: 2
Half Baths: 1
Garage Bays: 2
Overall Dimensions:
59'-0" x 58'-0"

Order This Plan

1 Set Study Package
\$675.00
5 Set Construction Package
\$875.00
8 Set Construction Package
\$950.00
PDF Print Set
\$925.00
PDF Master
\$1,775.00
CAD Electronic Files
\$1,875.00
PDF Bid Set:
PDF Bid Set
\$75.00
One Additional Build License:

Sketch

Print Plan - Associated Designs



Traditional House Plan - Syracuse 30-063 - Floor Plan

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Subject Photo Page

Borrower	None					
Property Address	1777 E 30th Ave					
City	Eugene	County	Lane	State	OR	Zip Code 97405
Lender/Client	None					

Subject Existing Garage/Loft

1777 E 30th Ave

Sales Price

Gross Living Area 2,402

Total Rooms 7

Total Bedrooms 4

Total Bathrooms 2.1

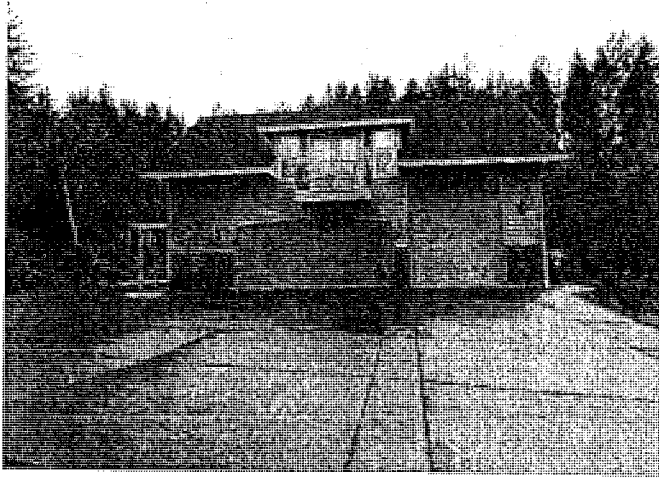
Location SE Hills

View Residential/Golf Course

Site 27,878 Sq.Ft.

Quality Good

Age 0



Subject Street View



Subject Alternate Street View



Subject Photo Page

Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR Zip Code 97405
Lender/Client	None				

Subject Future Home Site

1777 E 30th Ave

Sales Price

Gross Living Area 2,402

Total Rooms 7

Total Bedrooms 4

Total Bathrooms 2.1

Location SE Hills

View Residential/Golf Course

Site 27,878 Sq.Ft.

Quality Good

Age 0



Subject Golf Course View



Legal Description Map

Borrower	None			
Property Address	1777 E 30th Ave			
City	Eugene	County Lane	State OR	Zip Code 97405
Lender/Client	None			


Western Title & Escrow
 Order Number: 93338-DMS

After Recording Return To:
 Western Title & Escrow Company
 497 Oakway Rd. Suite 340, Eugene, OR 97401

Grantor Chad R. Wilson 2794 Bowmont Drive Eugene, OR 97405 <hr/> Chad R. Wilson Katie A. Wilson 2794 Bowmont Drive Eugene, OR 97405 <hr/> Until a change is requested, all tax statements shall be sent to the following address: Chad R. Wilson Katie A. Wilson 2794 Bowmont Drive Eugene, OR 97405	<div style="border: 1px solid black; padding: 5px;"> Lane County Clerk Lane County Deeds & Records <div style="text-align: right; font-weight: bold; font-size: 1.2em;">2014-049003</div> <div style="text-align: right;">12/11/2014 02:10:24 PM</div> </div> <div style="margin-top: 10px;"> RPR-DEED Cnt=1 Sln=6 CASHIER 05 2pages \$10.00 \$11.00 \$10.00 \$21.00 \$52.00 </div>
---	---

Reserved for Recorder's Use

STATUTORY BARGAIN AND SALE DEED

Chad R. Wilson, Grantor(s)
conveys to

Chad R. Wilson and Katie A. Wilson, as tenants by the entirety, Grantees,
the following described real property:

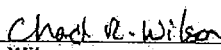
Parcel 1, Land Partition Plat No. 2002-P1588, recorded July 19, 2002, Document No. 2002-054696, Lane County Records, in Lane County, Oregon.

Account: 1717188
Map & Tax Lot: 18 03 08 11 00602

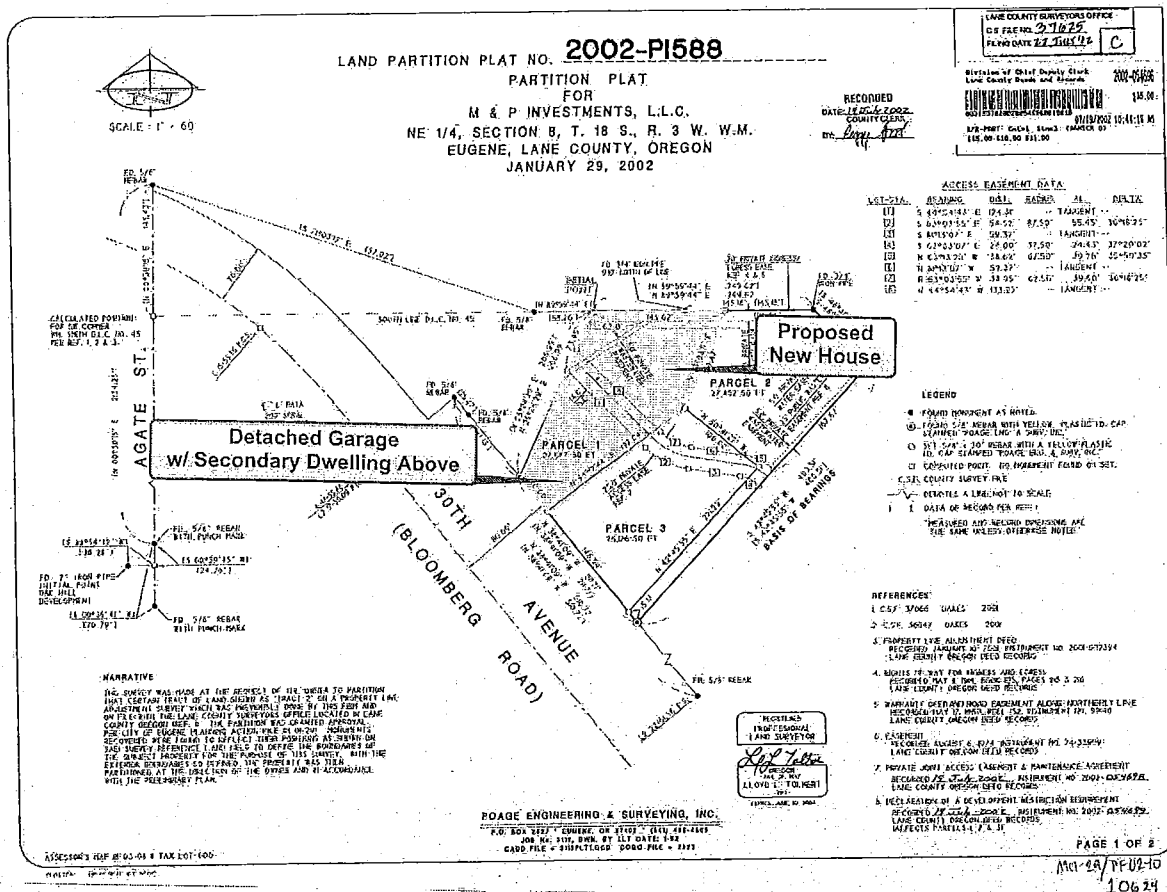
The true consideration for this conveyance is to change vesting. (Here comply with requirements of ORS 93.030.)

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009 AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Executed this 9 day of December, 2014

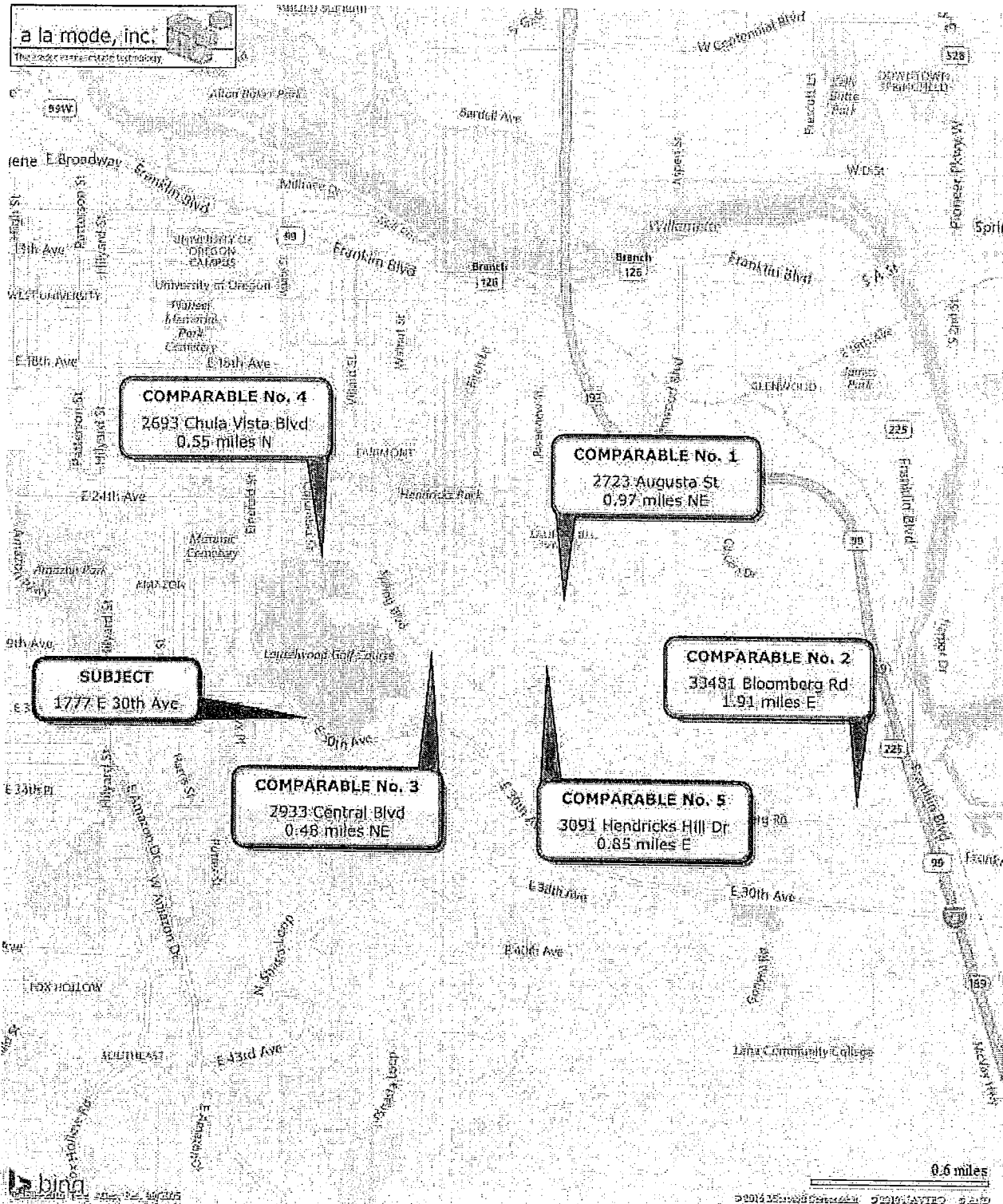

 Chad R. Wilson

Borrower	None						
Property Address	1777 E 30th Ave						
City	Eugene	County	Lane	State	OR	Zip Code	97405
Lender/Client	None						



Location Map

Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR Zip Code 97405
Lender/Client	None				



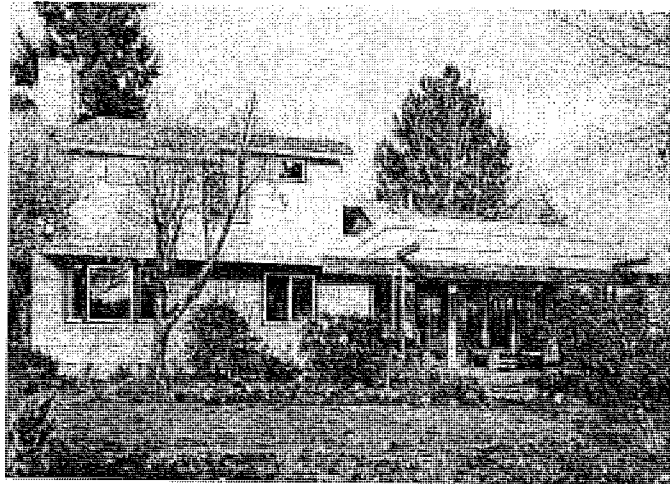
Comparable Photo Page

Borrower	None					
Property Address	1777 E 30th Ave					
City	Eugene	County	Lane	State	OR	Zip Code 97405
Lender/Client	None					



Comparable 1

2723 Augusta St
 Prox. to Subject 0.97 miles NE
 Sale Price 343,000
 Gross Living Area 1,720
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location Hendricks Park
 View Residential/Mtn
 Site 18,295 sf
 Quality Good
 Age 68/Updated



Comparable 2

33481 Bloomberg Rd
 Prox. to Subject 1.91 miles E
 Sale Price 355,000
 Gross Living Area 1,861
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location SE Hills
 View Residential/Mtn
 Site 43,996 sf
 Quality Good
 Age 73/Updated

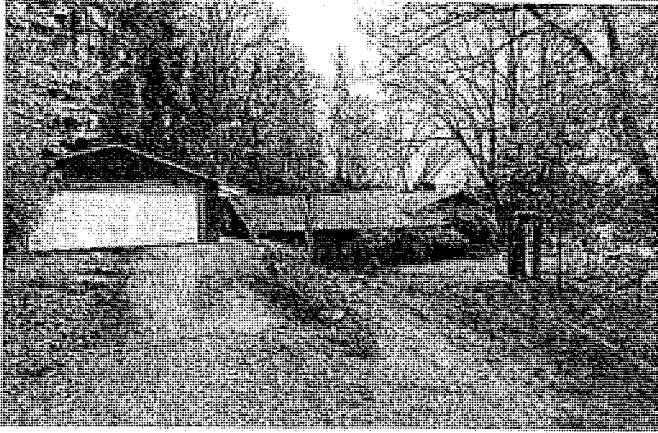


Comparable 3

2933 Central Blvd
 Prox. to Subject 0.48 miles NE
 Sale Price 436,000
 Gross Living Area 2,481
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 3.0
 Location SE Hills
 View Residential/Mtn
 Site 7,405 sf
 Quality Superior
 Age 35/Updated

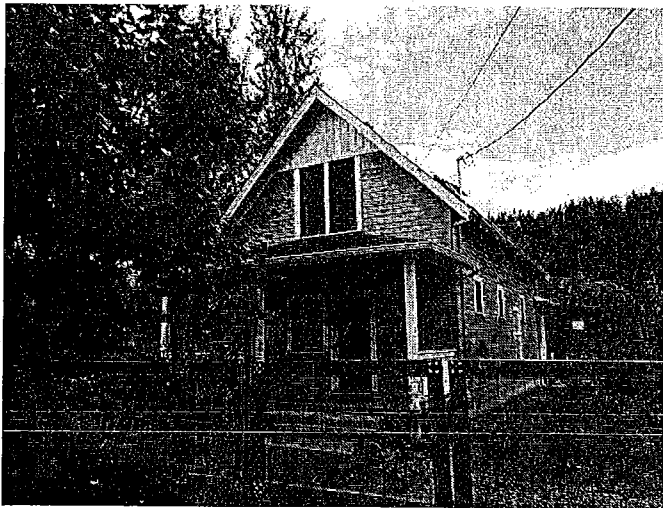
Comparable Photo Page

Borrower	None					
Property Address	1777 E 30th Ave					
City	Eugene	County	Lane	State	OR	Zip Code 97405
Lender/Client	None					



Comparable 4

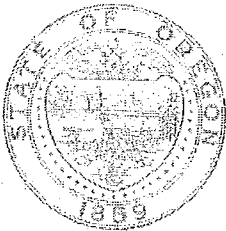
1808 E 28th Ave	
Prox. to Subject	0.55 miles N
Sale Price	369,000
Gross Living Area	3,206
Total Rooms	7
Total Bedrooms	4
Total Bathrooms	3.1
Location	SE Hills
View	Residential/Golf Course
Site	20,038 sf
Quality	Good
Age	68/Updated



Comparable 5

2590 Augusta St	
Prox. to Subject	0.85 miles E
Sale Price	359,000
Gross Living Area	1,812
Total Rooms	7
Total Bedrooms	3
Total Bathrooms	3.0
Location	Residential
View	Residential
Site	10,890 Sq.Ft.
Quality	Good
Age	7

Appraiser's License



Brian B Elliott
Duncan & Brown LLC
260 W 12th AVE
Eugene, OR 97401

Appraiser Certification and Licensure Board

State Certified Residential Appraiser

28 hours of continuing education required for renewal

License No.: CR01011

Issue Date: March 1, 2016

Expiration Date: February 28, 2018

Gae Lynne Cooper, Administrator

Appraisers License



Richard J Duncan
Duncan & Brown LLC
260 W 12th AVE
Eugene, OR 97401

Appraiser Certification and Licensure Board

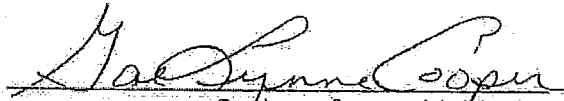
State Certified General Appraiser

28 hours of continuing education required for renewal

License No.: C000106

Issue Date: August 1, 2016

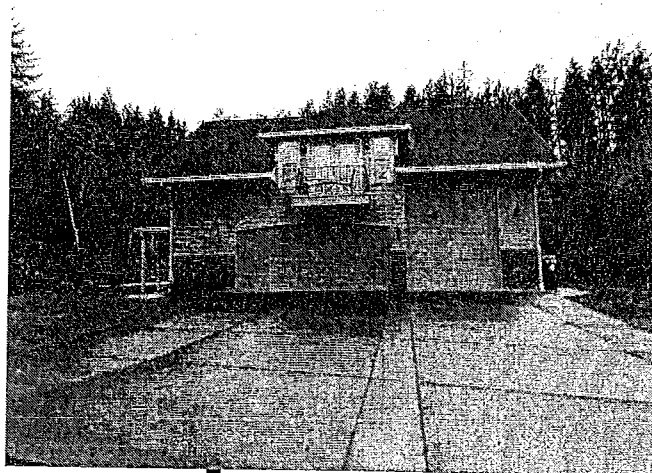
Expiration Date: July 31, 2017


Gae Lynne Cooper, Administrator

Appraisal Report

1777 E 30th Ave
Eugene, OR 97405

Duncan & Brown, LLC
541-687-1938



Appraised Value as of:	03/12/2013
\$	470,000

FEATURES

Style/Design:	Traditional	Lot Size:	27,878 Sq.Ft.
Living Area (Sq.Ft.):	2,402	Neighborhood:	Laurelwood Golf Course
Total Bedrooms:	4	Total Baths:	2.1
Year Built:	Hypothetically 2013	Effective Age:	0
Condition:	New	Date of Report:	07/25/2016

PREPARED FOR

Client: Chad Wilson
Address: 1777 E 30th Avenue
City: Eugene
Phone: 541-914-0519
E-mail: wilsonhomes171806@msn.com

State: OR Zip: 97405
Fax:

PREPARED BY

Appraiser's Signature

Name: Brian B. Elliott
Designation: Certified Residential
Certification or License #: CR01011
Expiration Date: 02/28/2018 ST: OR
E-mail: blake@duncanbrown.com

FILING

Client File #: Wilson

Appraiser File #: R15-309

The value opinion expressed above is only valid in conjunction with the attached appraisal report. This value opinion may be subject to Hypothetical Conditions and/or Extraordinary Assumptions as indicated in the body of the report. A true and complete copy of this Summary Appraisal Report contains 22 pages.

RESIDENTIAL APPRAISAL REPORT

SUBJECT PROPERTY IDENTIFICATION

Property Address: 1777 E 30th Ave City: Eugene
State: OR Zip Code: 97405 County: Lane
Legal Description of Real Property: See Legal Description Pages
Tax Assessor's Parcel #: 1717188 R.E. Taxes: \$ 3,032.24 Tax Year: 2012
Special Assessments: \$ 0 Current Owner of Record: WILSON CHAD R & KATIE A
Occupancy: ☒ Owner ☐ Tenant ☐ Vacant Current Occupant (if occupied): WILSON CHAD R & KATIE A
Project Type (if applicable): ☐ Planned Unit Development ☐ Condominium ☐ Cooperative ☐ N/A
Home Owners' Association Membership Fees (if applicable): \$ N/A ☐ per year ☐ per month
Market Area Name: Laurelwood Golf Course Map Reference: 18-03-08-11-00602 Census Tract: 0049.00

ASSIGNMENT

The purpose of this appraisal is to develop a Current opinion of Market Value (as defined elsewhere in this report).

Property Rights Appraised: ☒ Fee Simple ☐ Leasehold ☐ Leased Fee ☐ Other (describe)

Intended Use: To establish fee simple market value as of 03/12/2013 in order to assist the Client in a Measure 49 claim.

Intended User(s) (by name or type): The intended user is the Client identified in this report and all assigns.

Client: Chad Wilson Address: 1777 E 30th Avenue, Eugene, OR 97405

Appraiser: Brian B. Elliott Address: 260 West 12th Avenue, Eugene, OR 97401

MARKET AREA DESCRIPTION

Location: ☐ Urban ☒ Suburban ☐ Rural Built Up: ☐ Over 75% ☒ 25-75% ☐ Under 25%
Growth Rate: ☐ Rapid ☒ Stable ☐ Slow Property Values: ☐ Increasing ☒ Stable ☐ Declining
Demand/Supply: ☐ Shortage ☒ In Balance ☐ Over Supply Marketing Time: ☒ Under 3 Mos. ☐ 3-6 Mos. ☐ Over 6 Mos.
Typical One-Unit Housing Ranges: Price: (\$) Low 160,000 High 1,560,000 Predominant 300,000
Age: (yrs.) Low 0 High 105 Predominant 40
Present Land Use: One-Unit: 65 % 2-4 Unit: 5 % Multi-Unit: 5 % Comm'l: 5 % Vacant/Park 20 %
Change in Land Use: ☒ Not Likely ☐ Likely * ☐ Is Changing * * To: _____

Market Area Comments:

See attached addenda.

SALE / TRANSFER / LISTING HISTORY OF SUBJECT PROPERTY

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): Deed records/MLS

1st Prior Sale / Transfer

2nd Prior Sale / Transfer

3rd Prior Sale / Transfer

Date of Prior Sale / Transfer:

Price of Prior Sale / Transfer:

Source(s) of Prior Sale / Transfer Data:

Analysis of sale / transfer history, any current agreements of sale or listing, and listing history (if relevant):

A search of County Records revealed no prior sales of the subject property in the prior 36 months and no sales or transfers for the comparables within the last 12 months.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309

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RESIDENTIAL APPRAISAL REPORT

SITE DESCRIPTION

Dimensions: See Site Map Page Site Area: 27,878 Sq.Ft.

Zoning Classification: R-1 Zoning Description: Low Density Residential

Zoning Compliance: ☒ Legal ☐ Legal Non-Conforming (Grandfathered) ☐ Illegal ☐ No Zoning Regulations

Deed Restrictions: Are Covenants, Conditions, & Restrictions (CC&Rs) applicable? ☐ Yes ☐ No ☒ Unknown

Have the documents been reviewed? ☐ Yes ☐ No ☐ N/A Ground Rent (if applicable) \$ /

Comments:

Highest & Best Use, as improved, is the: ☒ Present use, or ☐ Other use (explain) See attached addenda.

Characteristics: Topography: Gently Sloping Size: Typical

Shape: Irregular Drainage: Normal

View: Residential/Golf Course Landscaping: Typical

Other features: ☒ Inside Lot ☐ Corner Lot ☐ Cul de Sac ☐ Underground Utilities

Utilities: Public Other Provider/Description Off-site Improvements: Type Public Private

Electricity: ☒ ☐ EWEB Street: Asphalt ☒ ☐

Gas: ☒ ☐ NW Natural Curb/Gutter: None ☐ ☐

Water: ☒ ☐ EWEB Sidewalk: None ☐ ☐

Sanitary Sewer: ☒ ☐ City of Eugene Alley: None ☐ ☐

Is the property or the improvements located in a FEMA Special Flood Hazard Area? ☐ Yes ☒ No

FEMA Flood Zone: X FEMA Map # 41039C1139F FEMA Map Date: 6/2/1999

Site Comments:

No adverse easements or encroachments are apparent. Normal residential utility easements are assumed. Site usage is consistent with zoning and neighborhood trends.

DESCRIPTION OF THE IMPROVEMENTS

General Description: # of Units: 1 ☒ + Accessory Unit # of Stories: 1 Design (Style): Traditional

Type: ☒ Detached ☐ Attached ☐ Status: ☒ Existing ☐ Proposed ☐ Under Construction

Actual Age (years): 0 Effective Age (years): 0 Year Built: Hypothetically 2013

Exterior Description:

Foundation: Concrete Exterior Walls: Wood Siding/Brick

Roof Surface: Composite Shingle Gutters & Downspouts: Aluminum

Window Type(s): Vinyl Clad Storm / Screens: Screens

Heating System: Heat Pump Cooling System: Heat Pump

Car Storage: ☐ None ☒ Garage ☐ Carport ☒ Driveway (Surface: Concrete) Total # of Cars: 5

Livable area above grade contains: 7 Rooms, 4 Bedrooms, 2.1 Bath(s), and 2,402 Sq.Ft. of GLA

Describe Additional Features and Improvements:

New construction. Effective age of 0 years. Based on limited plans and specs, the subject appears to be physically and functionally adequate. There is no physical or functional obsolescence noted. Quality of construction is good. The home is considered to be in new condition. All of the home's mechanical systems/utilities are assumed operational as of the effective date of this report.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309

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RESIDENTIAL APPRAISAL REPORT

SALES COMPARISON APPROACH TO VALUE

For the Sales Comparison Approach, the appraiser selects comparable sales that they consider the best matches to the subject in terms of physical characteristics, physical proximity, and time of sale. The appraiser then makes adjustments to the known sale price of each comparable sale to account for differences that are recognized by the market. For example, if the subject has a single bathroom but a comparable has 2, the comparable's sale price would be reduced by the attributable value given to the extra bathroom based on the market's reaction. Likewise, if a comparable sale has a smaller square footage than the subject, its sale price would be adjusted upward in the same manner. By weighting and reconciling these adjusted sales prices together, an opinion of value for the subject can be determined.

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	1777 E 30th Ave Eugene, OR 97405	1407 E 21st Ave Eugene, OR 97403		955 E 20th Ave Eugene, OR 97405		1910 Potter St Eugene, OR 97405	
Proximity to Subject		0.98 miles N		1.16 miles NW		1.18 miles NW	
Sale Price	\$	\$ 451,000		\$ 415,000		\$ 440,000	
Sale Price / GLA	\$ /Sq.Ft.	\$ 205.94/Sq.Ft.		\$ 228.27/Sq.Ft.		\$ 205.70/Sq.Ft.	
Data Source(s)		RMLS#10018519;DOM 345		RMLS#11637597;DOM 4		RMLS#11606922;DOM 26	
ADJUSTMENT ITEMS	DESCRIPTION	DESCRIPTION	+ (-) \$ Adjust.	DESCRIPTION	+ (-) \$ Adjust.	DESCRIPTION	+ (-) \$ Adjust.
Sales or Financing		Conventional		Conventional		Conventional	
Concessions		0	0	0	0	0	0
Date of Sale / Time		03/29/2011		09/09/2011		03/28/2011	
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Location	SE Hills	University	0	University	0	University	0
Site	27,878 Sq.Ft.	5,663 sf	0	8,712 sf	0	5,663 sf	0
View	Residential/Golf Course	Residential	0	Residential	0	Residential	0
Design (Style)	Traditional	Traditional		Traditional		Traditional	
Quality of Construction	Good	Good		Good		Good	
Age	0	84/Updated	0	99/Updated	0	81/Updated	0
Condition	New	Good	0	Good	0	Good	0
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths	
Room Count	7 4 2.1	7 3 3.0	-2,500	7 4 1.1	+5,000	7 4 2.1	
Gross Living Area	2,402 Sq.Ft.	2,190 Sq.Ft.	+10,600	1,818 Sq.Ft.	+29,200	2,139 Sq.Ft.	+13,200
Basement Total Area	0 sf	624 sf	0	684 sf	0	0 sf	
Basement Finish Area	0 sf	0 sf		0 sf		0 sf	
Functional Utility	Good	Good		Good		Good	
Heating / Cooling	Heat Pump	Wall/None	+5,000	FWA/None	+5,000	FWA/None	+5,000
Energy Efficient Items	Weatherized	Weatherized		Weatherized		Weatherized	
Garage / Carport	5 Car Garage	3 Car Garage	+6,000	None	+15,000	None	+15,000
Porch / Patio / Deck	Porch,Deck	Porch,Deck		Porch,Patio	0	Porch,Patio	0
Additional Features	2nd Legal Dwelling	2nd Legal Dwelling		2nd Legal Dwelling		2nd Lgl Dwl in Bsmt	0
Net Adjustment (Total)		☒ + ☐ - \$	19,100	☒ + ☐ - \$	54,200	☒ + ☐ - \$	33,200
Adjusted Sale Price		Net 4.2 %		Net 13.1 %		Net 7.5 %	
of Comparables		Gross 5.3 % \$	470,100	Gross 13.1 % \$	469,200	Gross 7.5 % \$	473,200

Comments on the Sales Comparison Approach:

See attached addenda.

Appraiser's Indicated Value by the Sales Comparison Approach: \$ 470,000

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309



ADDITIONAL COMPARABLE SALES

SALES COMPARISON APPROACH TO VALUE

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address 1777 E 30th Ave Eugene, OR 97405		2693 Chula Vista Blvd Eugene, OR 97403			2662 Potter St Eugene, OR 97405			4451 Dillard Rd Eugene, OR 97405		
Proximity to Subject		0.55 miles N			0.62 miles NW			1.32 miles S		
Sale Price		\$ 415,000			\$ 380,000			\$ 390,000		
Sale Price / GLA		/Sq.Ft. \$ 160.17/Sq.Ft.			/Sq.Ft. \$ 237.50/Sq.Ft.			/Sq.Ft. \$ 157.26/Sq.Ft.		
Data Source(s)		RMLS#11520190;DOM 306			RMLS#11148894;DOM 43			RMLS#11405264;DOM 23		
ADJUSTMENT ITEMS		DESCRIPTION + (-) \$ Adjust.			DESCRIPTION + (-) \$ Adjust.			DESCRIPTION + (-) \$ Adjust.		
Sales or Financing		Cash			Conventional			Conventional		
Concessions		0			0			0		
Date of Sale / Time		07/05/2012			11/15/2011			11/18/2011		
Rights Appraised		Fee Simple			Fee Simple			Fee Simple		
Location		SE Hills			University			SE Hills		
Site		27,878 Sq.Ft.			5,663 sf			7,841 sf		
View		Residential/Golf Course			Residential			Residential		
Design (Style)		Traditional			Traditional			Traditional		
Quality of Construction		Good			Good			Good		
Age		0			94/Updated			63		
Condition		New			Average-Good			Good		
Above Grade		Total Bdrms Baths			Total Bdrms Baths			Total Bdrms Baths		
Room Count		7 4 2.1			7 4 3.1			7 3 2.0		
Gross Living Area		2,402 Sq.Ft.			2,591 Sq.Ft.			1,600 Sq.Ft.		
Basement Total Area		0 sf			0 sf			0 sf		
Basement Finish Area		0 sf			0 sf			0 sf		
Functional Utility		Good			Good			Good		
Heating / Cooling		Heat Pump			Heat Pump			FWA/None		
Energy Efficient Items		Weatherized			Weatherized			Weatherized		
Garage / Carport		5 Car Garage			None			3 Car Carport		
Porch / Patio / Deck		Porch,Deck			Porch,Deck			Porch,Patio		
Additional Features		2nd Legal Dwelling			2nd Legal Dwelling			Studio		
Net Adjustment (Total)		☒ + ☐ - \$ 42,000			☒ + ☐ - \$ 92,600			☒ + ☐ - \$ 65,500		
Adjusted Sale Price of Comparables		Net 10.1 %			Net 24.4 %			Net 16.8 %		
		Gross 17.1 % \$ 457,000			Gross 24.4 % \$ 472,600			Gross 16.8 % \$ 455,500		

Comments: See attached addenda.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309



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RESIDENTIAL APPRAISAL REPORT

RECONCILIATION

Final Reconciliation of the Approaches to Value:

See attached addenda.

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; ☐ subject to the following required inspection(s) based on the Extraordinary Assumption that the following condition or deficiency does not require alteration or repair:

Hypothetical Conditions: The appraisal is based on a retrospective effective date of 03/12/2013. The appraisal is also based on the hypothetical assumption that the 2,402 sf new home existed on the property as of 03/12/2013. This significantly affects the opinion of value.

☐ This report is also subject to other Hypothetical Conditions or Extraordinary Assumptions as specified elsewhere in this report.

ATTACHMENTS

A true and complete copy of this report contains 22 pages, including all exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.

Attached Exhibits:

- | | | | |
|--|--|--|---|
| ☒ Scope of Work | ☒ Limiting Cond./Certification | ☒ Narrative Addendum | ☒ Photograph Addenda |
| ☒ Sketch Addendum | ☒ Map Addenda | ☐ Cost Addendum | ☐ Flood Addendum |
| ☒ Additional Sales | ☒ Additional Rentals | ☐ Income/Expense Analysis | ☒ Hypothetical Conditions |
| ☐ Extraordinary Assumptions | ☐ | ☐ | ☐ |

OPINION OF VALUE

This Opinion of Value may be subject to other Hypothetical Conditions and / or Extraordinary Assumptions, if so indicated above. Based on the degree of inspection of the subject property as indicated below; the defined Scope of Work for this appraisal assignment; the attached Statement of Assumptions and Limiting Conditions; and the attached Appraiser's Certifications, my (our) Current Opinion of the Market Value (or value range), as defined elsewhere in this report, of the real property that is the subject of this report is: \$ 470,000 as of: 03/12/2013, which is both the Inspection Date and the Effective Date of this appraisal.

SIGNATURES

APPRAISER



Appraiser Name: Brian B. Elliott

Company: Duncan & Brown, LLC

Phone: 541-687-1938 Fax: (541) 683-0932

E-mail: blake@duncanbrown.com

Date of Report (Signature): 07/25/2016

License or Certification #: CR01011 State: OR

Designation: Certified Residential

Expiration Date of License or Certification: 02/28/2018

Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None

Date of Inspection: 03/12/2013

SUPERVISORY APPRAISER (if required)
or CO-APPRAISER (if applicable)



Supervisory or
Co-Appraiser Name: Richard J. Duncan, MAI, SRA

Company: Duncan & Brown, LLC

Phone: (541) 687-1938 Fax: (541) 683-0932

E-mail: rick@duncanbrown.com

Date of Report (Signature): 07/25/2016

License or Certification #: C000106 State: OR

Designation: MAI, SRA

Expiration Date of License or Certification: 07/31/2017

Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None

Date of Inspection: 01/16/2016

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309

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Supplemental Addendum

File No. R15-309

Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR Zip Code 97405
Lender/Client	None				

• GP Consumer Short Form: Market Area Description - Boundaries, Description, Conditions

The subject is located on Laurelwood Golf Course in the southeast hills of Eugene. The neighborhood is accessed by a small access road off of the north side of 30th Avenue. The neighborhood consists of six custom single family homes on lots that cross the access road and front Laurelwood Golf Course with very marketable views.

The subject extended established area consists of mostly average to good quality, older and mid-life homes. The subject enjoys good convenience to schools, shopping, and employment. Properties in the area exhibit average to good overall appearance.

The market for homes in the area has been active between 2010 and 2012, with some depreciating prices due to the housing crisis commonly thought to have begun in 2010. Median days on market for the extended neighborhood spanning a one mile radius is 60 days, with some of the most marketable properties selling within 30 days. There appears to have been a balance between supply and demand as of the effective date of the report. Estimated market exposure time is 30-90 days.

• GP Consumer Short Form: Sales Comparison Approach - Comments on Sales Comparison Approach

The subject is located in a very marketable secluded neighborhood bordering Laurelwood Golf Course. The area is an active market in the southeast hills of Eugene. The majority of the neighborhood features homes that are equal in design and appeal to the subject property, but with few new builds. The subject also features a detached 864 sf separate legal dwelling built in 2004. These two features make the subject very unique.

In order to properly analyze the subject property, the appraiser has canvassed the entire south Eugene market. The appraiser identified recently updated homes that also had some form of a detached dwelling included. It appears that the University area has a higher occurrence of homes with legal secondary dwellings. Through market research, the subject's large lot and Laurelwood Golf Course view are considered equal to the location in the University market. No adjustment is needed when size, location and view are all taken into account. The appraiser used the most recent and comparable sales available in the area in this analysis. Due to the uniqueness of the subject property, dated sales were necessarily used. The overall market at this point in time experienced stagnant values, providing no market basis for a market time adjustment. Only minor adjustments were warranted and all market sensitive factors were bracketed.

Though the subject is new construction, most newer builds within older existing neighborhoods tend to experience some value absorption within the older market. The older homes used in this analysis have all been tastefully updated with higher end materials and marketable designs that appeal to the typical market participant in this time period. There is no adjustment required for age differences.

The city of Eugene considers a legal dwelling to have a full functional kitchen and can be rented to persons other than family members. Market evidence has confirmed this to be a very significant value added feature. Comparables #1, #2, #3 and #4 all feature legal separate dwellings or space similar to that of the subject's. Comparables #5 and #6 feature studio buildings that are not legal dwellings. The value difference is evident.

Ultimately, the appraiser was able to bracket every market sensitive feature and identify a well supported opinion of value. Adjustments are either extracted through paired sales analysis, or applied as a percentage of cost to build.

The subject property is zoned R-1, Low Density Residential. This is a standard single family residential zone in the area. The subject passes all the tests of being at its highest and best use, that is being legally permissible, physically possible, financially feasible and of maximal productivity.

• GP Consumer Short Form: Highest & Best Use Explanation

The Highest and Best Use of the subject property, per Eugene Code as of 03/12/2013, is for the construction of the proposed new home on the north portion of the lot fronting Laurelwood Golf Course, and to include the existing detached garage with a legal secondary dwelling above currently located on the south portion of the lot to remain as a livable, rentable, separate dwelling with the kitchen and all existing areas left fully intact and functioning as originally intended. The only existing structure on the property as of 03/12/2013 was the detached garage with the legal dwelling above. As of 03/12/2013, the owner of the subject property had the right per Eugene Code, to build the proposed new home and have the legal secondary dwelling above the garage remain. The owner planned the development of the lot in phases, with the first being the construction of the detached garage and secondary dwelling above. In order to maximize the potential of the property, the second phase of development was for the construction of the new home on the north end of the lot overlooking Laurelwood Golf Course, which holds the most value due to the golf course views. The appraiser has valued the subject property under these hypothetical circumstances.

ASSUMPTIONS & LIMITING CONDITIONS

SUBJECT PROPERTY

Property Address:	1777 E 30th Ave	City:	Eugene
State:	OR	Zip Code:	97405
		County:	Lane

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, the appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
- 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.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property, or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she

considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.

- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.
- In developing this appraisal, the appraiser has incorporated the Sales Comparison and Income approaches to value. The appraiser has excluded the Cost approach. The appraiser has determined that this appraisal process is not so limited that the results of the assignment are no longer credible.

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309



DEFINITIONS & SCOPE OF WORK

SUBJECT PROPERTY

Property Address:	1777 E 30th Ave	City:	Eugene
State:	OR	Zip Code:	97405
		County:	Lane

DEFINITION OF MARKET VALUE *:

Market value means 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 and 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 acting in what they consider their own best interests;
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.

* This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):

None

Client: Chad Wilson

Client File No.: Wilson

Appraiser File No.: R15-309



CERTIFICATIONS

SUBJECT PROPERTY

Property Address:	1777 E 30th Ave	City:	Eugene
State:	OR	Zip Code:	97405
		County:	Lane

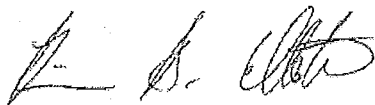
APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
 - The credibility of this report, for the stated use by the stated user(s), of the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
 - I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
 - Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
 - I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
 - My engagement in this assignment was not contingent upon developing or reporting predetermined results.
 - My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
 - My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
 - I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property, or of the present owners or occupants of the properties in the vicinity of the subject property.
 - Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
 - Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification.
- I have performed no services in the past three years in regard to the subject property.

SIGNATURES

APPRAISER



Appraiser Name: Brian B. Elliott
Company: Duncan & Brown, LLC
Phone: 541-687-1938 Fax: (541) 683-0932
E-mail: blake@duncanbrown.com
Date of Report (Signature): 07/25/2016
License or Certification #: CR01011 State: OR
Designation: Certified Residential
Expiration Date of License or Certification: 02/28/2018
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None
Date of Inspection: 01/16/2016

Client: Chad Wilson

Client File No.: Wilson

SUPERVISORY APPRAISER (if required)
or CO-APPRAISER (if applicable)



Supervisory or
Co-Appraiser Name: Richard J. Duncan, MAI, SRA
Company: Duncan & Brown, LLC
Phone: (541) 687-1938 Fax: (541) 683-0932
E-mail: rick@duncanbrown.com
Date of Report (Signature): 07/25/2016
License or Certification #: C000106 State: OR
Designation: MAI, SRA
Expiration Date of License or Certification: 07/31/2017
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None
Date of Inspection: 01/16/2016

Appraiser File No.: R15-309



Sketch

11/10/2016

Print Plan - Associated Designs



Find Your Perfect Home Plan

1100 Jacobs Dr., Eugene, Oregon 97402-1983
800-634-0123 • 541-461-2082 • Fax 541-461-1274

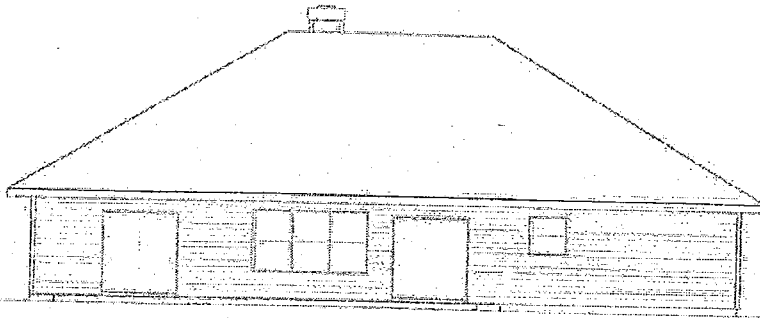
Syracuse

30-063



Traditional House Plan - Syracuse 30-063 - Front Elevation

Cheryl Wilson 541-914-0519
1777 East 30th Ave



Traditional Home Plan - Syracuse 30-063 - Rear Elevation

Plan Details

Building Height: 22'-8"
Wall Types:
2x6 Wood Frame
Primary Roof Pitch:
7/12
Primary Foundation:
Crawl Space
Additional Foundations:
Basement
Concrete Slab
Garage Orientation:
Front-Entry
Bedroom Features:
Main Floor Bedroom & Bath
Main Floor Owners' Suite
Separate Tub & Shower
Walk In Closet
Special Features:
Den, Office, Library, or Study
Formal Dining Room
Fireplace
Great Room
Main Floor Laundry
Mud Room
Large Kitchen
Peninsula Eating Bar
Breakfast Nook

Plan Specs

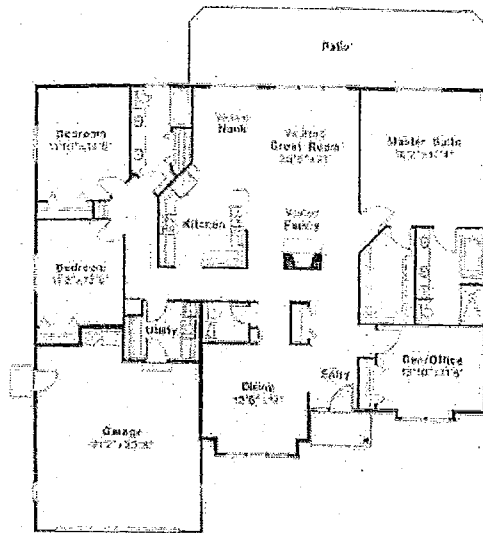
Living Area: 2402 sq ft
1st Floor: 2402 sq ft
Garage: 514 sq ft
Floors: 1
Bedrooms: 4
Full Baths: 2
Half Baths: 1
Garage Bays: 2
Overall Dimensions:
59'-0" x 58'-0"

Order This Plan

1 Set Study Package
\$675.00
5 Set Construction Package
\$875.00
8 Set Construction Package
\$950.00
PDF Print Set
\$925.00
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\$1,775.00
CAD Electronic Files
\$1,875.00
PDF Bid Set:
PDF Bid Set
\$75.00
One Additional Build License:

Sketch

Print Plan - Associated Designs



Traditional House Plan - Syracuse 30-063 - Floor Plan

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Building Sketch

Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR
Lender/Client	None			Zip Code	97405

42'

32'
32'

3 Car Garage

42'

ADU

27'

32'
32'

Bedroom

Bath

Kitchen

Living

TOTAL Sketch by a la mode, inc.
Area Calculations Summary

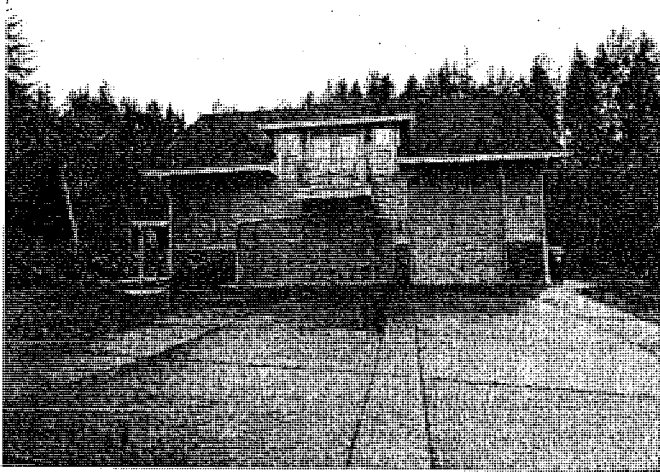
Non-living Area		
3 Car Garage	1344 Sq ft	$32 \times 42 = 1344$
Accessory Dwelling	864 Sq ft	$32 \times 27 = 864$

Subject Photo Page

Borrower	None					
Property Address	1777 E 30th Ave					
City	Eugene	County	Lane	State	OR	Zip Code 97405
Lender/Client	None					

Subject Existing Garage/Loft

1777 E 30th Ave
Sales Price
Gross Living Area 2,402
Total Rooms 7
Total Bedrooms 4
Total Bathrooms 2.1
Location SE Hills
View Residential/Golf Course
Site 27,878 Sq.Ft.
Quality Good
Age 0



Subject Street View



Subject Alternate Street View



Subject Photo Page

Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR Zip Code 97405
Lender/Client	None				



Subject Future Home Site

1777 E 30th Ave

Sales Price

Gross Living Area 2,402

Total Rooms 7

Total Bedrooms 4

Total Bathrooms 2.1

Location SE Hills

View Residential/Golf Course

Site 27,878 Sq.Ft.

Quality Good

Age 0

Subject Golf Course View



Legal Description Map

Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR Zip Code 97405
Lender/Client	None				

 Western Title & Escrow Order Number: 93338-DMS		After Recording Return To: Western Title & Escrow Company 497 Oakway Rd. Suite 340, Eugene, OR 97401	
Grantor Chad R. Wilson 2794 Bowmont Drive Eugene, OR 97405		Lane County Clerk Lane County Deeds & Records 2014-049003 12/11/2014 02:10:24 PM RPR-DEED. Cnt=1 SIn=6 CASHIER 05 2pages \$10.00 \$11.00 \$10.00 \$21.00 \$52.00	
Chad R. Wilson Katie A. Wilson 2794 Bowmont Drive Eugene, OR 97405			
Until a change is requested, all tax statements shall be sent to the following address: Chad R. Wilson Katie A. Wilson 2794 Bowmont Drive Eugene, OR 97405			

Reserved for Recorder's Use

STATUTORY BARGAIN AND SALE DEED

Chad R. Wilson, Grantor(s)

conveys to

Chad R. Wilson and Katie A. Wilson, as tenants by the entirety, Grantees,
 the following described real property:

Parcel 1, Land Partition Plat No. 2002-P1588, recorded July 19, 2002, Document No. 2002-054696, Lane County Records, in Lane County, Oregon.

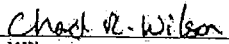
Account: 1717188

Map & Tax Lot: 18 03 08 11 00602

The true consideration for this conveyance is to change vesting. (Here comply with requirements of ORS 93.030.)

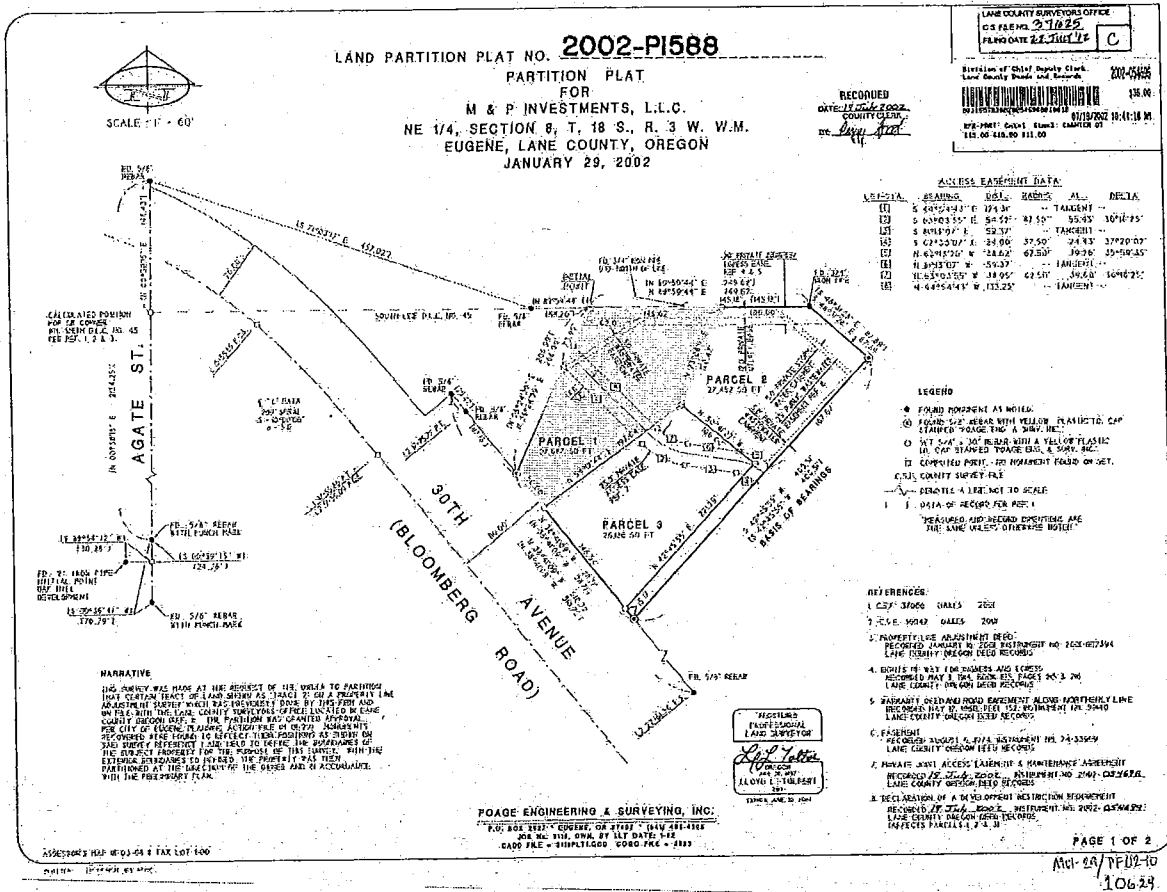
BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009 AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Executed this 9 day of December, 2014


 Chad R. Wilson

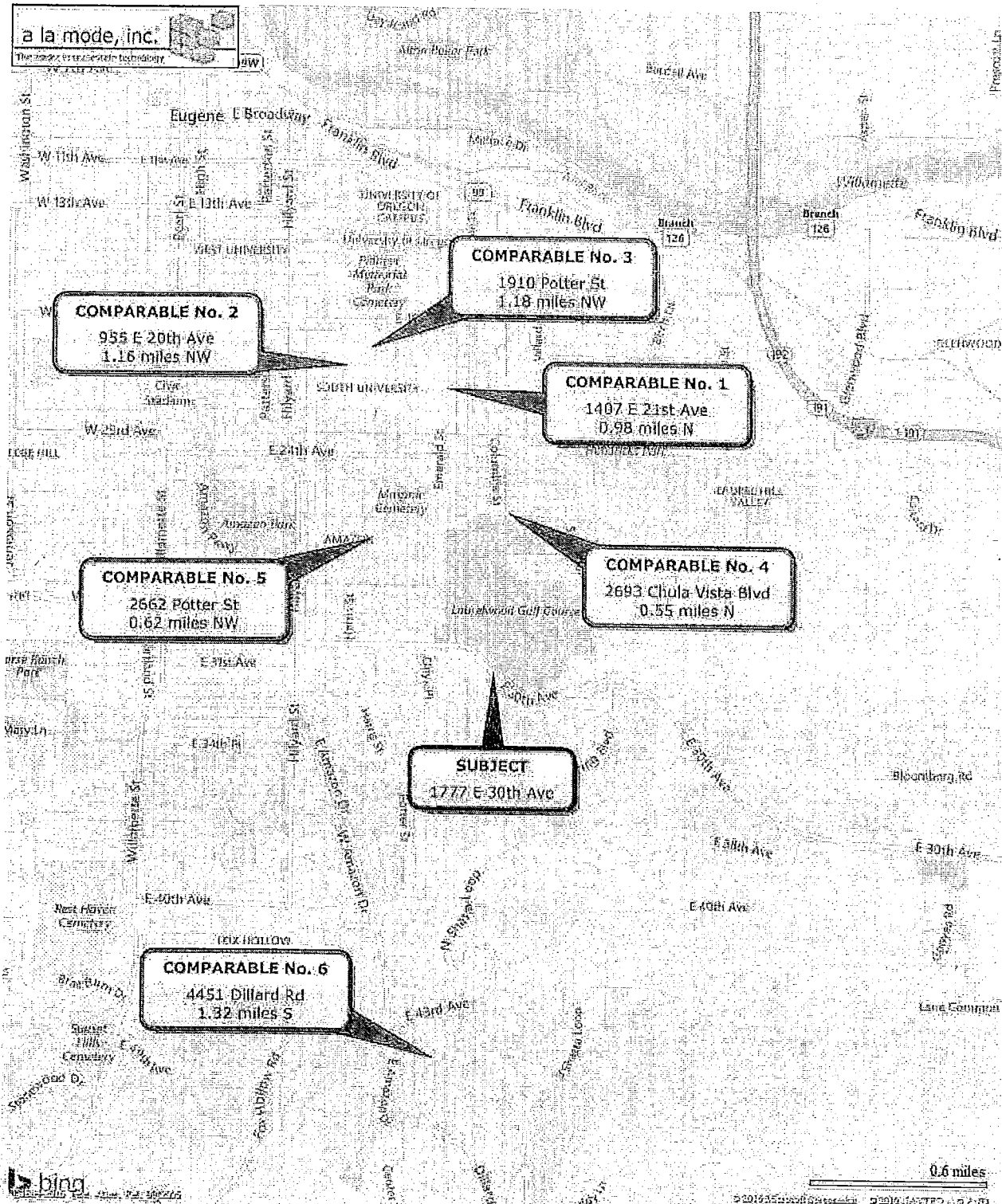
Site Map

Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR
Lender/Client	None			Zip Code	97405



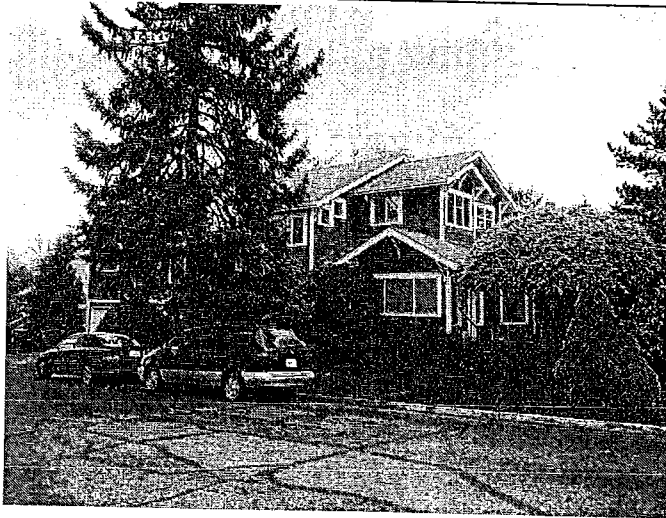
Location Map

Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR
Lender/Client	None			Zip Code	97405



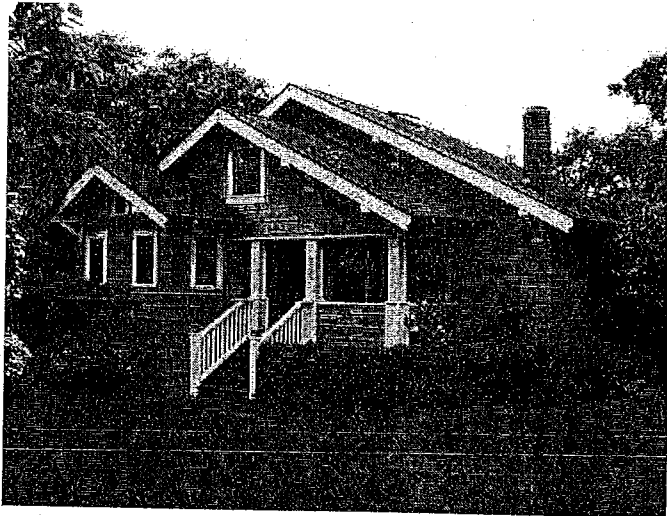
Comparable Photo Page

Borrower	None					
Property Address	1777 E 30th Ave					
City	Eugene	County	Lane	State	OR	Zip Code 97405
Lender/Client	None					



Comparable 1

1407 E 21st Ave
 Prox. to Subject 0.98 miles N
 Sale Price 451,000
 Gross Living Area 2,190
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 3.0
 Location University
 View Residential
 Site 5,663 sf
 Quality Good
 Age 84/Updated



Comparable 2

955 E 20th Ave
 Prox. to Subject 1.16 miles NW
 Sale Price 415,000
 Gross Living Area 1,818
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 1.1
 Location University
 View Residential
 Site 8,712 sf
 Quality Good
 Age 99/Updated



Comparable 3

1910 Potter St
 Prox. to Subject 1.18 miles NW
 Sale Price 440,000
 Gross Living Area 2,139
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 2.1
 Location University
 View Residential
 Site 5,663 sf
 Quality Good
 Age 81/Updated

Comparable Photo Page

Borrower	None				
Property Address	1777 E 30th Ave				
City	Eugene	County	Lane	State	OR Zip Code 97405
Lender/Client	None				



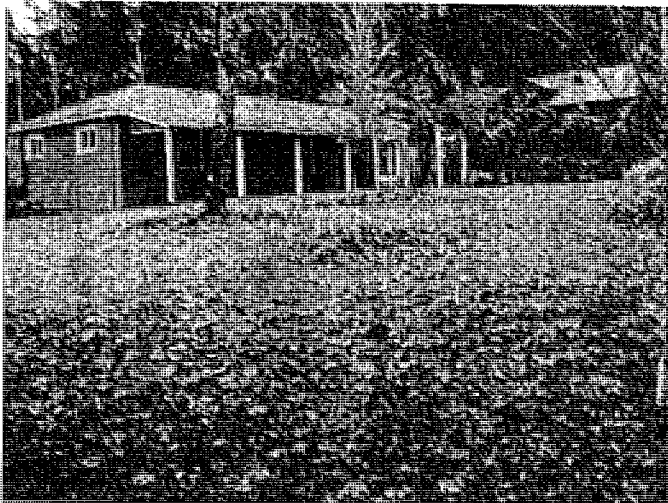
Comparable 4

2693 Chula Vista Blvd
 Prox. to Subject 0.55 miles N
 Sale Price 415,000
 Gross Living Area 2,591
 Total Rooms 7
 Total Bedrooms 4
 Total Bathrooms 3.1
 Location University
 View Residential
 Site 5,663 sf
 Quality Good
 Age 94/Updated



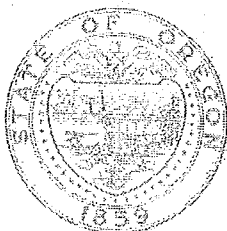
Comparable 5

2662 Potter St
 Prox. to Subject 0.62 miles NW
 Sale Price 380,000
 Gross Living Area 1,600
 Total Rooms 7
 Total Bedrooms 3
 Total Bathrooms 2.0
 Location University
 View Residential
 Site 7,841 sf
 Quality Good
 Age 63



4451 Dillard Rd
 1.32 miles S
 390,000
 2,480
 7
 4
 2.1
 SE Hills
 Mountain
 40,950 sf
 Good
 64

Appraiser's License



Brian B Elliott
Duncan & Brown LLC
260 W 12th AVE
Eugene, OR 97401

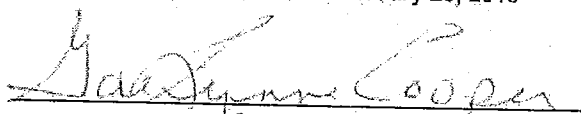
Appraiser Certification and Licensure Board

State Certified Residential Appraiser
28 hours of continuing education required for renewal

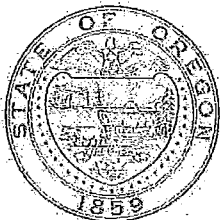
License No.: CR01011

Issue Date: March 1, 2016

Expiration Date: February 28, 2018


Gae Lynne Cooper, Administrator

Appraisers License



Richard J Duncan
Duncan & Brown LLC
260 W 12th AVE
Eugene, OR 97401

Appraiser Certification and Licensure Board

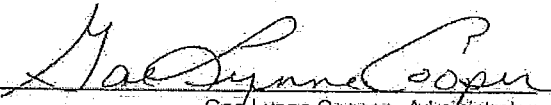
State Certified General Appraiser

28 hours of continuing education required for renewal

License No.: C000106

Issue Date: August 1, 2015

Expiration Date: July 31, 2017


Gae Lynne Cooper, Administrator

LAW OFFICE OF BILL KLOOS PC

OREGON LAND USE LAW
375 W. 4TH AVENUE, SUITE 204
EUGENE, OR 97401
TEL: 541.343.8596
WEB: WWW.LANDUSEOREGON.COM

BILL KLOOS
BILLKLOOS@LANDUSEOREGON.COM

October 3, 2016

Jon Ruiz
Eugene City Manager
125 East 8th Ave., Second Floor
Eugene, OR 97401

Re: Measure 49 Claim; Chad and Katie Wilson; 1777 E. 30th Ave., Eugene 97405
Completeness Review Submittal
Supplemental Letter

Dear Mr. Ruiz:

With this letter I would like to provide a bit of clarity to the applicant's response to the first request for more information in the City's April 20 letter.

1. Under ORS 195.310(8)(d), a Measure 49 claim must include "a citation to the land use regulation that the claimant believes is restricting the claimant's desired use of the property that is adequate to allow the public entity to identify the specific land use regulation that is the basis for the claim." The Wilson claim identifies Section 9 of Eugene Ordinance No. 20526, which added EC 9.2751(17). Subsection (17) is approximately 5 pages long. Additional, more specific, information should be submitted that more accurately identifies the provision of subsection (17) that is the basis for the claim.

My July 25 Completeness Review letter said:

The newly adopted code section that limits the uses allowed on this property is identified and discussed in the City's Proposed Notice of Secondary Dwelling Limitation. This is the document the City provided to the applicant in connection with his submittal of a building permit for a residential dwelling on the subject property. A copy is attached hereto.

To be more clear, the language that would limit the current dwelling to being an accessory dwelling if a main house were constructed on this property was adopted by Ordinance No. 20526, enacted March 12, 2014, effective April 12, 2014, Section 9, which adopted EC 9.2751(17)(i):

(i) Building Height/Interior Sloped Setback. For detached secondary dwellings:

1. The interior yard setback shall be at least 5 feet from the interior lot line. In addition, at a point that is 8 feet above grade, the setback shall slope at the rate of 10 inches vertically for every 12 inches horizontally (approximately 40 degrees

Eugene City Manager

October 3, 2016

Page 2

from horizontal) away from the lot line until a point not to exceed a maximum building height of 18 feet.

2. The allowances for setback intrusions provided at EC 9.6745(3) do not apply within the setback described in 1. above, except that eaves, chimneys and gables are allowed to project into this setback no more than 2 feet.

This language is now appears to be codified at EC 9.2751(17)(c)(9) in the online version of the code.

Sincerely,

Bill Kloos

Bill Kloos

RESOLUTION NO. _____**A RESOLUTION GRANTING A MEASURE 49 CLAIM AND WAIVING A PROVISION OF CHAPTER 9 OF THE EUGENE CODE, 1971, FOR PROPERTY LOCATED AT 1777 E. 30TH AVENUE, EUGENE, OREGON (ASSESSOR'S MAP 18-03-08-11, TAX LOT 602).****The City Council of the City of Eugene finds that:**

A. Chad and Katie Wilson submitted a claim to the City seeking compensation or a waiver of regulations under Ballot Measure 49. Claimants alleged that the maximum height limit provision in subsection (17)(c)9. of Section 9.2751 of the Eugene Code, 1971 (EC), that applies to detached secondary dwellings on the subject property restricts the residential use of their property and diminished the fair market value of the property at 1777 E. 30th Avenue, Eugene, Oregon (the property).

B. The City Manager has caused an investigation of the claim to be made, has determined the claim to be valid, and has submitted to the Council a Report and Recommendation that EC 9.2751(17)(c)9. be waived. The scope of the City Manager's recommended waiver addresses only the applicability of EC 9.2751(17)(c)9. to the Claimants' conversion of the existing structure to a lawful detached secondary dwelling. The recommended waiver does not address the applicability of any other provision that might preclude such conversion. Further, the waiver of the height limit in EC 9.27.51(17)(c)9. does not allow further modifications to the Claimants' existing structure that would increase the height of the structure above the height that existed on the date that Claimants' filed their Measure 49 claim with the City (February 24, 2016).

C. Considering the City Manager's recommendation and conclusion as to the validity of the claim, and the lack of City funds with which to pay compensation to the claimants, the City Council finds the public interest will be best served by waiving the requirement of EC 9.2751(17)(c)9. as set forth herein.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Based on the above findings, which are adopted, and the analysis contained in the Report and Recommendation of the City Manager, the City Council hereby waives EC 9.2751(17)(c)9. for the property owned by Claimants Chad and Katie Wilson, Assessor's Map 18-03-08-11, Tax Lot 602.

Section 2. A copy of this Resolution shall be forwarded to Chad and Katie Wilson at 1777 E. 30th Avenue, Eugene, Oregon 97405, to their representative, Bill Kloos at 375 W. 4th Street, Suite 204, Eugene, Oregon 97401, and to the City's Planning & Development Department. A copy of this Resolution shall be recorded with the Lane County Records Department.

Section 3. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted the 14th day of November, 2016.

City Recorder

**BALLOT MEASURE 49
(ORS 195.300 – ORS 195.336)**

CLAIM FOR COMPENSATION

NOVEMBER 14, 2016

REPORT AND RECOMMENDATION OF THE CITY MANAGER

NAME OF CLAIMANTS:	Chad and Katie Wilson
PROPERTY ADDRESS:	1777 E. 30th Avenue Eugene, OR 97405
CLAIMANTS' REPRESENTATIVE:	Bill Kloos
PROPERTY IDENTIFICATION:	Tax Lot 602 of Assessor's Map 18-03-08-11
ZONING:	Low Density Residential; R-1

I. Summary of Claim

Chad and Katie Wilson (Claimants) submitted a claim under Ballot Measure 49 for compensation for the alleged reduction in fair market value to their property located at 1777 E. 30th Avenue in Eugene, Oregon. The property currently contains a residence, built in 2004, on the southwest portion of the property. Claimants built the residence with the intention of later converting it to a “secondary dwelling unit” and building a larger, primary residence on the northern portion of the property. Claimants assert that EC 9.2751(17)(c)9., which limits and prescribes a certain method of measuring the height/sloped setback of detached secondary dwelling units, restricts the residential use of their property, as it prohibits them from converting the residence built in 2004 into a secondary dwelling. Claimants contend that EC 9.2751(17)(c)9., enacted in 2014, reduces the fair market value of their property. Claimants assert a \$60,000 decline in the value of their property, but do not specifically articulate a request for compensation. Rather, Claimants request that the City waive EC 9.2751(17)(c)9., allowing them to construct a new primary dwelling on their property and to convert the existing dwelling into a legal detached secondary dwelling unit.

II. Summary of City Manager's Recommendation

Measure 49 generally grants a property owner of residentially zoned land located within an urban growth boundary the right to compensation or waiver of the regulation (at the option of the government) if five substantive requirements are met. First, the regulation must constitute a “land use regulation” as that term is defined by Measure 49. Second, the public entity against which the claim is made must have enacted the regulation after January 1, 2007, but not more than

five years before the date the claim was filed. Third, the regulation must “restrict the residential use” of residentially zoned private property. Fourth, the effect of the regulation must be to cause a reduction of the fair market value of the property. Fifth, the regulation must not fall within one of Measure 49’s six exemptions.

As discussed below, the regulation that is the subject of this claim qualifies as land use regulations, was enacted after January 1, 2007, and less than five years before the date the claim was filed, effectively restricts a previously allowed residential use on the residentially zoned property, and reduces the property’s fair market value. Further, the regulation does not fall within one of Measure 49’s six exemptions. Therefore, this report concludes that the claim is valid.

If a claim is determined to be valid under Measure 49, a local government must either (1) compensate the claimant for the reduction in the fair market value of the property, or (2) authorize the claimant to use the property without application of the land use regulation “to the extent necessary to offset the reduction in the fair market value of the property.” The Claimants do not specifically request compensation; accordingly, the City Manager recommends that the City Council waive EC 9.2751(17)(c)9. as it relates to the existing structure on the property and to the extent the waiver is needed to allow conversion of that structure to a secondary dwelling unit.

III. Analysis of Claim

A. Ownership

Measure 49 provides for payment of compensation or relief from (waiver of) specific regulations for “owners” as that term is defined by the Measure. Ballot Measure 49, defines “owner” to include “[t]he owner of fee title to the property as shown in the deed records of the county where the property is located[.]” ORS 195.300(18).

Based on the information submitted by the Claimants (Warranty Deed 2003-082408 and Deed 2014-049003), and information from the Lane County Regional Land Information Database (RLID), the City Manager concludes that the subject property was acquired by Claimant Chad Wilson on August 26, 2003, and an undivided one-half interest in the property was transferred to Claimant Katie Wilson on December 9, 2014. Accordingly, both Claimants are owners.

B. “Land Use Regulations”

Measure 49 requires compensation (or waiver) only for those regulations that constitute “land use regulations” as that term is defined by Measure 49. Further, the regulation must have been enacted after January 1, 2007. Measure 49 defines “land use regulation,” with respect to cities, as a “provision of a city comprehensive plan, zoning ordinance or land division ordinance that restricts the residential use of private real property zoned for residential use.” ORS 195.300(14)(c)

For purposes of Measure 49, EC 9.2751(17)(c)9. is a “land use regulation” if it is a provision of a city zoning ordinance that restricts the residential use of private real property zoned for residential use. EC 9.2751(17)(c)9. is a provision of the city’s zoning ordinance, and it regulates residential uses on property zoned for residential uses. This land use regulation was adopted as part of Ordinance No. 20526, which became effective April 12, 2014. Thus, the only

question remaining is whether EC 9.2751(17)(c)9. “restricts the residential use” of the subject property.

C. Restriction on Residential Use

A “land use regulation” gives rise to a Measure 49 claim only if the regulation restricts the residential use of private property and thus reduces the fair market value of property. The specific regulation that Claimants point to is EC 9.2751(17)(c)9., which provides a height limit for new attached and detached secondary dwelling units within the city-recognized boundaries of Amazon Neighbors, Fairmount Neighbors and South University Neighborhood and proscribes a method for determining the height of a building.¹

Adopted on March 12, 2014 (by Ordinance No. 20526) and effective on April 12, 2014, EC 9.2751(17)(c)9. establishes the following limitations for detached secondary dwellings in that neighborhood:

(17) Secondary Dwellings in R-1

....

(c) Area-Specific Secondary Dwelling Standards. The following standards apply to all new attached or detached secondary dwellings in the R-1 zone within the city-recognized boundaries of Amazon Neighbors, Fairmount Neighbors and South University Neighborhood Association:

....

9. Building Height/Interior Setback. For detached secondary dwellings:

- a. The interior yard setback shall be at least 5 feet from the interior lot line. In addition, at a point that is 8 feet above grade, the setback shall slope at the rate of 10 inches vertically for every 12 inches horizontally (approximately 40 degrees from horizontal) away from the lot line until a point not to exceed a maximum building height of 18 feet.
- b. The allowances for setback intrusions provided at EC 9.6745(3) do not apply within the setback described in 1. above, except that eaves, chimneys and gables are allowed to project into this setback no more than 2 feet.

¹ While Claimants do not provide this information, staff has determined that the subject property falls within the boundaries of the Fairmount Neighbors.

Prior to the Council's adoption of the above-quoted code provision, the code-prescribed manner for measuring the building height of a detached secondary dwelling would have allowed for the Claimants' existing dwelling to have been converted to a lawful detached secondary dwelling. See Section 2 of Ordinance No. 20417. That is, under the code provisions that existed prior to the adoption of Ordinance No. 20526, the Claimants' existing structure met the height requirement for a detached secondary dwelling. However, the code-prescribed manner for measuring the building height of a detached secondary dwelling that went into effect on April 12, 2014 (quoted above), prevents the Claimants from converting the existing structure to a lawful detached secondary dwelling. That is, based on the measuring method adopted in 2014, the Claimants' existing structure exceeds the maximum height allowed for a detached secondary dwelling.

Claimants assert that EC 9.2751(17)(c)9. is a "land use regulation" that "restricts the residential use" of the subject property because their existing structure satisfied the height requirements for a detached secondary dwelling prior to the adoption of Ordinance No. 20526 but no longer satisfied the height requirements after the adoption of Ordinance No. 20526. Stated another way, prior the 2014 adoption of Ordinance No. 20526, Claimants could have converted the existing residence to a detached secondary dwelling unit and constructed another, primary, residence on the subject property. In fact, in June of 2014, Claimants sought a building permit to do just that. However, because Ordinance No. 20526 went into effect on April 12, 2014 (approximately two months prior to the Claimants seeking a building permit), the City could not issue Claimants the building permit to convert the existing residence into a secondary dwelling.

On March 12, 2013 (one year before the regulation was enacted), Claimants could have converted their existing structure into a detached secondary dwelling and constructed a new, larger, primary dwelling on the remainder of their property. The record reflects that the Claimants intended to do so. Following adoption of EC 9.2751(17)(c)9. Claimants could no longer convert the existing dwelling into a detached secondary dwelling unit because, based on the manner in which the structure must be measured, the existing structure is too tall to qualify as a detached secondary dwelling unit. Thus, the residential use currently allowed on the Claimants' property is restricted by EC 9.2751(17)(c)9., when compared to what was allowed on the Claimants' property prior to the 2014 adoption of Ordinance No. 20526.

D. Reduction in Value

The regulation restricts the residential use of the subject property in such a way that reduces the fair market value of the property. Claimants submitted appraisals of the fair market value of the property one year before the adoption of EC 9.2751(17)(c)9. (March 12, 2013) and one year after the adoption of EC 9.2751(17)(c)9.² The March 12, 2013, appraisal provides a property value of \$470,000. The March 12, 2015, appraisal provides a property value of \$410,000. As of the date of this Recommendation, there is nothing in the record that contradicts the accuracy of the appraisals submitted by Claimants. Accordingly, the appraisals confirm that EC 9.2751(17)(c)9., which restricts the residential use of the Claimants' property, reduces the fair market value of the Claimants' property.

² Measure 49 requires the reduction in fair market value of the property be demonstrated through an appraisal that meets certain requirements. ORS 194.310(2). The appraisal submitted by Claimants satisfies those requirements.

E. Exemptions

Finally, a Measure 49 claim is not valid if the challenged regulation falls within one of the exemptions under the Measure. Regulations adopted to protect the public health and safety, prevent nuisances, or comply with federal law are exempt under Measure 49, even if they otherwise constitute “land use regulations” that “restrict the residential use” and “reduce the fair market value” of property. Regulations that (1) restrict or prohibit the use of the property for selling pornography or performing nude dancing, (2) plan and rezone land for industrial zoning to be included in the UGB, or (3) plan and rezone land already within a UGB to industrial zoning, are also exempt under Measure 49. Finally, Measure 49 does not apply to regulations that were enacted before the Claimant(s) acquired the property.

The regulation at issue in this claim does not fall within any of these exemptions.

IV. Conclusion and Recommendation

Based on the analysis set-forth above, the City Manager recommends that the City Council conclude that the subject Measure 49 claim is valid. In lieu of compensation, the City Manager recommends that the City Council waive the height limit provisions of EC 9.2751(17)(c)9. to the extent such waiver is necessary to offset the reduction in fair market value. The scope of the City Manager’s recommended waiver addresses only the applicability of EC 9.2751(17)(c)9. to the Claimants’ conversion of the existing structure to a lawful detached secondary dwelling. The recommended waiver does not address the applicability of any other provision that might preclude such conversion. Further, the waiver of the height limit in EC 9.27.51(17)(c)9. does not allow further modifications to the Claimants’ existing structure that would increase the height of the structure above the height that existed on the date that Claimants’ filed their Measure 49 claim with the City (February 24, 2016).

Because the City Manager is recommending that the Council grant the Claimants’ a waiver of the height limitation in EC 9.2751(17)(c)9., and Measure 49 authorizes a public hearing by the City Council in such instances, this claim has been scheduled for a public hearing on November 14, 2016.

HANSEN Alissa H

From: HAMMOND Laura A
Sent: Monday, November 14, 2016 12:57 PM
To: HOSTICK Robin A; HANSEN Alissa H
Subject: FW: Request to leave record open on Measure 49 claim

From: Paul Conte [mailto:paul.t.conte@gmail.com]
Sent: Monday, November 14, 2016 10:03 AM
To: *Eugene Mayor, City Council, and City Manager <mayorcouncilandcitymanager@ci.eugene.or.us>
Cc: Emily Semple <emily@emilysemple.org>; Eugene NLC <eugene-nlc@googlegroups.com>
Subject: Request to leave record open on Measure 49 claim

November 14, 2016

Dear Mayor and City Councilors,

Just today I (and many other neighborhood leaders) learned of the Measure 49 claim on your agenda for "Public Hearing and possible action."

I'm requesting that you not take action tonight and leave the record open for at least one week so that neighborhood organizations can become fully informed and provide testimony.

Note that the City has until January 17, 2017 to take action on this claim.

I have briefly reviewed the claim application, and I believe there are substantial deficiencies in the claim and the staff assessment.

In particular, the two appraisals do not appear to be valid for this particular claim, as I will explain after an opportunity to get additional professional advice.

For the record, I am objecting to the "hypothetical" 2012 appraisal as being too high, the 2016 appraisal as being too low, and the differential not appropriately reflecting causes other than the cited code restriction.

I am also objecting because the analysis did not do a net cost assessment of the alternative of bring the existing structure into code conformance and/or seeking adjustments and/or variances. Note that the claim asserts a "loss of \$60,000" based solely on the difference between a "hypothetical" appraisal and a "at present" appraisal. However, it appears that bringing the existing dwelling into code compliance would cost far less than \$60,000. The two appraisals should have accounted for this option.

As I hope you are all aware, although this claim is for a specific property and a development standard that applies only to the three university neighborhoods, the legal argument inherent in the claim would essential negate all residential standards adopted after 2011 and into the future.

This would render virtually meaningless any new residential code or refinement plan policies that implement the Envision Eugene pillar to "Protect, Repair and Enhance Neighborhood Livability."

Before so casually approving a resolution that would undo your prior work and thwart Envision Eugene, you should give this claim the utmost scrutiny.

At the very least, you should get an independent pair of appraisals before approving any waiver, as well as a financial analysis of alternative solutions.

Further, if a waiver is ultimately granted, the resolution must be much clearer and stronger in preventing the use of this action as a legal precedent with sweeping implications for all recent and future residential code provisions.

As you may recall, the **Jefferson Westside Neighbors** worked with the owner of a property on West Tenth Ave. in JWN and the City attorney to jointly support a Measure 37 claim with very carefully constructed resolution and a record that limited the impacts.

If the owners of the subject property in this claim have a reasonable case (and they may), then the proper approach would be to work with the neighborhood organization and staff to craft a comparable agreement among all parties.

Since I led the successful M37 claim process, I would be glad to offer suggestions or help in any other way to reach a solution that is fair, sensitive to the community's greater good and which can withstand legal challenge.

Thank you for your consideration.

Paul Conte
1461 W. 10th Ave.
Eugene, OR 97402

PAUL CONTE

Accredited



541.344.2552

HANSEN Alissa H

From: tomhappy@aol.com
Sent: Monday, November 14, 2016 11:58 AM
To: *Eugene Mayor, City Council, and City Manager
Subject: Measure 49 claim on tonight's agenda

Dear Mayor and Council,

As Chair of Jefferson Westside Neighbors, it has just come to my attention that tonight you will consider a recommendation from the City Manager to approve a Measure 49 claim submitted by attorney Bill Kloos. I urge you to take NO ACTION on this request at tonight's meeting. I worry about unintended consequences of such action, as it might set a harmful precedent for all Eugene neighborhoods with R-1 zoning. This deserves thorough study and perhaps public input. Thanks you for your consideration of my request.

Respectfully,
Tom Happy

HANSEN Alissa H

From: ASPEGREN Bill (SMTP)
Sent: Monday, November 14, 2016 1:59 PM
To: *Eugene Mayor, City Council, and City Manager
Cc: ASPEGREN Bill (SMTP); JACOBS Carolyn (SMTP); Constance Van Flandern; Kari Parsons; ILLIG Laura (SMTP); Marsha Shankman; Matt Roberts; Nancy Meyer; Pamela Miller; Rebekah Hanley; Tracy Phelan; Emily Semple; Lucy Vinis; DUNLAVEY Garrett (SMTP); PRICHARD Sue (SMTP); Camilla Bayliss; PRINCE Randy (SMTP)
Subject: Measure 49 Claim Regarding an SDU - Keep Record Open

Mayor, City Councilors and City Manager, this morning I became aware of a public hearing and Council action scheduled for this evening, on a measure 49 claim relating to converting a current home to a Secondary Dwelling Unit (SDU).

The Eugene Code relating to this claim only applies to Fairmont, South University and Amazon neighborhoods. Apparently, none of the neighborhood boards were notified of this action. Given that there are 119 pages of supporting material I would like to request that the record be left open for a week to provide an opportunity for neighbor comments and to consider possible alternatives.

Please do not act on this issue tonight! You have until January 17, 2017 to make a final decision.

Bill Aspegren

HANSEN Alissa H

From: JACOBS Carolyn (SMTP)
Sent: Monday, November 14, 2016 2:19 PM
To: *Eugene Mayor, City Council, and City Manager
Subject: Comments regarding Measure 49 claim

Dear Mayor and City Councilors,

On the very day of the public hearing it has come to our attention that you have a on tonight's City Council meeting agenda a Measure 49 claim and the option for immediate action. Please be aware that NO notification has been given to the chairs and/or boards of the three neighborhoods affected by the relevant code language.

Since public engagement is so central to how the City operates, I strongly urge you to not take any action tonight and to keep the the record open for another week before determining the best resolution for this particular case without compromising the City's commitment to the protection of neighborhood livability.

Thank you, Carolyn Jacobs

HANSEN Alissa H

From: mmws@comcast.net
Sent: Monday, November 14, 2016 2:25 PM
To: *Eugene Mayor, City Council, and City Manager
Subject: Re: Request for no action to be taken tonight on Measure 49 claim

To Mayor Piercy, City Councilors, and City Manager Ruiz,

As a member of the board of the South University Neighborhood Association, I am writing to request that no action be taken tonight on a Measure 49 claim that affects R1 codes in the Amazon, Fairmount, and South University neighborhoods. Our board has only now become aware of this public hearing.

I am requesting that the record be left open for at least another week so that constituents who might be affected by any ruling in this matter can study the issue and respond.

Thank you.

Marsha Shankman
South University Neighborhood Association

HANSEN Alissa H

From: DAVIES Anne C
Sent: Friday, January 06, 2017 1:10 PM
To: HANSEN Alissa H
Subject: FW: Re-zoning South Eugene

From: Rob Illig [mailto:rillig@uoregon.edu]
Sent: Monday, November 14, 2016 3:24 PM
To: *Eugene Mayor, City Council, and City Manager <mayorcouncilandcitymanager@ci.eugene.or.us>
Subject: Re-zoning South Eugene

To Our Local Elected Officials,

I just discovered that the Council is planning to discuss and possibly act on a plan that would effectively remove all zoning protections from the South Eugene neighborhoods.

This is the kind of decision that no one in South Eugene would ever forget or forgive, including during the next election cycle.

Please do not act in haste. Give some time for our neighbors to respond and do not take any action at tonight's meeting. Perhaps there is a way forward that will not put you in the position of enraging an entire segment of the local population.

Thank you.

- Rob Illig

HANSEN Alissa H

From: Laura K. Illig <lillig@selco.org>
Sent: Monday, November 14, 2016 4:51 PM
To: *Eugene Mayor, City Council, and City Manager
Subject: Action on a Measure 49 claim

Dear Mayor and City Councilors,

I understand that the City Manager has recommended that Council approve tonight a Measure 49 claim that might negate all R-1 code amendments that provide protection against incompatible infill in three close-in neighborhoods: SUNA, Fairmount and Amazon. I am writing to urge you to NOT take action tonight –especially since you have until January 2017 to respond- and instead to have significantly more public notice and conversation before hastily taking such impactful action.

It is completely unacceptable – even if it meets some minimal legal standard – to provide zero notice to or opportunity for input from affected neighborhoods about such a claim. Our close-in neighborhoods are already under siege, and managing a precarious balance of renters, apartments and single-family homes. Sometimes it feels as if Eugene's goal is to completely destroy and drive homeowners out of precisely the "20-minute neighborhoods" that Envision Eugene espouses and instead create more neighborhoods that will require increased police action and code enforcement (such as West University) and reduce livability for everyone.

I strongly urge you NOT to take action tonight, and instead to involved and engage neighborhoods appropriately in such a significant and far-reaching decision.

Thank you,
Laura Illig



Laura Illig
Vice President of Marketing
SELCO Community Credit Union
Eugene – Downtown Corporate Headquarters
Phone/Fax: 541-686-5394 | lillig@selco.org
selco.org | facebook | twitter

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HANSEN Alissa H

From: DAVIES Anne C
Sent: Friday, January 06, 2017 1:13 PM
To: HANSEN Alissa H
Subject: FW: Tonight's public hearing on Measure 49 claim

From: pamelamillera@comcast.net [mailto:pamelamillera@comcast.net]
Sent: Monday, November 14, 2016 4:37 PM
To: *Eugene Mayor, City Council, and City Manager <mayorcouncilandcitymanager@ci.eugene.or.us>
Subject: Tonight's public hearing on Measure 49 claim

Dear Mayor, City Council and City Manager,

I urge you to delay decision on the Measure 49 claim scheduled for public hearing at tonight's Council meeting, and to extend the record for an additional week, at minimum.

As a neighborhood resident and member of SUNA's Board, I am concerned that the broader implications of this claim have not been sufficiently explored. Also, neighborhoods have not been given sufficient notice to engage in this issue around the long term implications to neighborhood livability that an unconsidered response could entail.

In the interest of upholding Envision Eugene's pillar regarding the protection, repair and enhancement of Neighborhood Livability, I urge you to consider carefully the nature of the City's response to this claim; and to explore remediation measures, if warranted, that do not set a precedent that may undermine the intent and body of existing and future Code measures that are designed to enhance and protect neighborhood livability!

Sincerely,
Pamela Miller
1959 Harris Street
Eugene OR

HANSEN Alissa H

From: Paul Conte <paul.t.conte@gmail.com>
Sent: Monday, November 14, 2016 6:04 PM
To: *Eugene Mayor, City Council, and City Manager
Subject: Existing dwelling on M49 lot exceeds 2013 max area

This just in ...

According the figures included with the M49 application, the existing dwelling is a 27'x32' "ADU" above a garage. That equals 864 sq. ft. The code in 2013 had a max of 800 s.f., which this dwelling appears to exceed. See EC 9.2741(2)(a)1:

"The dwelling shall not exceed 800 square feet ..."

If this is accurate, the M49 claim is invalid.

Of course, staff needs to determine the exact square footage of the existing dwelling.

The existing dwelling also may actually conflict with the 2013 max height standards. This will require a site plan to determine.

In any case, the Council must leave the record open to determine whether or not the existing dwelling actually met the 2013 SDU standards, as claimed.

For the record, I object to approval of this claim because the existing dwelling would not have met the 2013 standards for a secondary dwelling unit.

-- Paul

PAUL CONTE

Accredited



541.344.2552

HANSEN Alissa H

From: DAVIES Anne C
Sent: Friday, January 06, 2017 1:15 PM
To: HANSEN Alissa H
Subject: FW: Existing dwelling on M49 lot exceeds 2013 max area

From: Paul Conte [mailto:paul.t.conte@gmail.com]
Sent: Tuesday, November 15, 2016 9:57 AM
To: *Eugene Mayor, City Council, and City Manager <mayorcouncilandcitymanager@ci.eugene.or.us>
Cc: Eugene NLC <eugene-nlc@googlegroups.com>
Subject: Re: Existing dwelling on M49 lot exceeds 2013 max area

Councilors,

As further follow-up for the record on the Wilson Measure 49 claim.

In your November 14 AIS, on the page identified as "WILSON EXHIBITS - Page 7," the Lane County "Detailed Property Report" shows the square footage of the dwelling as 808 square feet, which exceeded the SDU maximum of 800 square feet prior to Ordinance No. 20526.

I've also attached two building permits issued in 2014. (See also "WILSON EXHIBITS - Page 9" where the following descriptions are recorded.)

Permit Number: 14-03407-01 -- Received 06/17/14

Project Description: Convert former single family dwelling (built under 04-01223-01) to a Secondary Dwelling Unit ****NEW SINGLE FAMILY DWELLING IS UNDER 14-03380-01***

6/18/14: APPLICATION CANCELLED, STRUCTURE WILL BECOME ADDITIONAL LIVING AREA TO NEW HOME (NOT AN SDU)

Permit Number: 14-03380-01 -- Received 06/16/14

Project Description: New single family dwelling with attached garage.

*****This permit also includes conversion to Living Area in a detached structure (Not an SDU) previously permitted under 04-01223-01*****

It is quite clear that: a) The existing dwelling did not comply with the SDU standards in effect prior to Ordinance No. 20526. and b) at the time the Claimant applied for building permits for a new dwelling, he stated his intent to "not convert or use the detached accessory structure as a secondary dwelling unit." See the "NOTICE OF Building Permit that does not constitute a Secondary Dwelling Unit" from the owner, Chad R. Wilson (included in the AIS), which states:

"I also understand that City permit records will be retained which reflect my decision to not convert or use the detached accessory structure as a secondary dwelling unit."

The City Manager has provided City Council a blatantly false and misleading statement in his "Report and Recommendation of the City Manager" provided in your AIS:

"On March 12, 2013 (one year before the regulation was enacted), Claimants could have converted their existing structure into a detached secondary dwelling and constructed a

new, larger, primary dwelling on the remainder of their property. The record reflects that the Claimants intended to do so." (Page 4)

It also appears that the staff may not have provided the statutorily required public notice of this claim and attempted to fly another exception to neighborhood protections under the radar.

The City has already been subject to two remands from the Oregon Court of Appeals for failing to provide public notices required by statute in the "Oakleigh Meadows PUD" appeal. Now this happens.

At some point the City Council needs to hold the City Manager accountable for flouting public notice laws and subverting Oregon Statewide Planning Goal 1 -- Citizen Involvement.

The City Manager also bears responsibility for simply rubber-stamping the Measure 49 claim as written by Bill Kloos rather than doing "due diligence" to protect the community interests.

Thank you for your consideration.

-- Paul



On Mon, Nov 14, 2016 at 6:03 PM, Paul Conte <paul.t.conte@gmail.com> wrote:

This just in ...

According the figures included with the M49 application, the existing dwelling is a 27'x32' "ADU" above a garage. That equals 864 sq. ft. The code in 2013 had a max of 800 s.f., which this dwelling appears to exceed. See EC 9.2741(2)(a)1:

"The dwelling shall not exceed 800 square feet ..."

If this is accurate, the M49 claim is invalid.

Of course, staff needs to determine the exact square footage of the existing dwelling.

The existing dwelling also may actually conflict with the 2013 max height standards. This will require a site plan to determine.

In any case, the Council must leave the record open to determine whether or not the existing dwelling actually met the 2013 SDU standards, as claimed.

For the record, I object to approval of this claim because the existing dwelling would not have met the 2013 standards for a secondary dwelling unit.

-- Paul

PAUL CONTE

Accredited



**SUSTAINABLE HOMES
PROFESSIONAL**

541.344.2552

HANSEN Alissa H

From: DAVIES Anne C
Sent: Tuesday, January 03, 2017 11:07 AM
To: HANSEN Alissa H
Subject: FW: Existing dwelling on M49 lot exceeds 2013 max area
Attachments: PermitReport14-03380-01.pdf; PermitReport14-03407-01.pdf

From: Paul Conte [mailto:paul.t.conte@gmail.com]
Sent: Tuesday, November 15, 2016 10:32 AM
To: *Eugene Mayor, City Council, and City Manager <mayorcouncilandcitymanager@ci.eugene.or.us>
Cc: Eugene NLC <eugene-nlc@googlegroups.com>
Subject: Re: Existing dwelling on M49 lot exceeds 2013 max area

Building permits attached.

On Tue, Nov 15, 2016 at 9:56 AM, Paul Conte <paul.t.conte@gmail.com> wrote:

Councilors,

As further follow-up for the record on the Wilson Measure 49 claim.

In your November 14 AIS, on the page identified as "WILSON EXHIBITS - Page 7," the Lane County "Detailed Property Report" shows the square footage of the dwelling as 808 square feet, which exceeded the SDU maximum of 800 square feet prior to Ordinance No. 20526.

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It also appears that the staff may not have provided the statutorily required public notice of this claim and attempted to fly another exception to neighborhood protections under the radar.

The City has already been subject to two remands from the Oregon Court of Appeals for failing to provide public notices required by statute in the "Oakleigh Meadows PUD" appeal. Now this happens.

At some point the City Council needs to hold the City Manager accountable for flouting public notice laws and subverting Oregon Statewide Planning Goal 1 -- Citizen Involvement.

The City Manager also bears responsibility for simply rubber-stamping the Measure 49 claim as written by Bill Kloos rather than doing "due diligence" to protect the community interests.

Thank you for your consideration.

-- Paul

PAUL CONTE

Accredited



541.344.2552

On Mon, Nov 14, 2016 at 6:03 PM, Paul Conte <paul.t.conte@gmail.com> wrote:

This just in ...

According the figures included with the M49 application, the existing dwelling is a 27'x32' "ADU" above a garage. That equals 864 sq. ft. The code in 2013 had a max of 800 s.f., which this dwelling appears to exceed. See EC 9.2741(2)(a)1:

"The dwelling shall not exceed 800 square feet ..."

If this is accurate, the M49 claim is invalid.

Of course, staff needs to determine the exact square footage of the existing dwelling.

The existing dwelling also may actually conflict with the 2013 max height standards. This will require a site plan to determine.

In any case, the Council must leave the record open to determine whether or not the existing dwelling actually met the 2013 SDU standards, as claimed.

For the record, I object to approval of this claim because the existing dwelling would not have met the 2013 standards for a secondary dwelling unit.

-- Paul

PAUL CONTE

Accredited



**SUSTAINABLE HOMES
PROFESSIONAL**

541.344.2552

Permit Number: 14-03380-01

Address: 1777 E 30TH AVE

Project Description: New single family dwelling with attached garage.

*****This permit also includes conversion to Living Area in a detached structure (Not an SDU) previously permitted under 04-01223-01*****

Application Type:	Residential	Status:	Expired
Scope of Work:	New Single Family Dwelling	Zoning:	Low-density Residential Zone
Map:	18-03-08-11	Tax Lot:	00602
Subdivision:		Addition:	
Lot:	1	Block:	
Date Received:	06/16/14	# Bedrooms:	3
Commitment Date:	07/03/14	# Dwelling Units:	1
Ready to issue as of:		In Flood Plain:	
Project Coordinator:	Erik Swinney	Phone:	541-682-5372
		Sign Standards:	

BUILDING CHARACTERISTICS

Construction Types: 5B **Construction Type Comments:**
Additional Energy Measure: 3A

OccupancyTypes: R3 ORSC: 1 & 2 Family Dwelling **Occupancy Type Comments:**
U Private Garage

Occupancy Load: 0 **Separated Building:** N/A

Fire Sprinklers: N/A

Fire Alarms: N/A

Building Area: 4868 **Number of Stories:** 2

Comment: $(3690\text{sf} * \$107.08/\text{sf}) + (646\text{sf} * \$40.62/\text{sf}) + (532\text{sf} * \$20.31/\text{sf}) = \$432,170.$

Floor Areas (sq ft):	Floor	Existing Floor Area	New Floor Area	Total Area
	1st Floor	0	2934	2934
	2nd Floor	0	756	756
	Covered porch	0	532	532
	Garage	0	646	646

Existing floor area may not be shown.

CONTRACTOR DATA

Type	Contractor
Building	WILSON HOMES
Primary Contact	WILSON CHAD R

PLAN REVIEW SUMMARY

Plan review data displayed is the most current for each review. The applicant will receive notification of all issues needing additional information after all reviews on a project have been completed. Supplemental Information (SI) can be submitted prior to or after permit issuance. If you have any questions regarding your project, contact EFSwinney at 541-682-5372 or send email to erik.f.swinney@ci.eugene.or.us. Also note that some reviews (i.e., fire alarms, fire sprinklers) are deferred submittals and will be reviewed after original permit(s) have been issued.

Status Definitions

Pending	= Review has not been started
Review	= Under review
Waiting	= Review for individual review has been completed, waiting for a response
External Wait	= All reviews for project have been completed, waiting for a response
Approved	= Review has been approved
Information	= Information only, review not approved
Denied	= Project cannot be approved as submitted

For information regarding the review of your project or the commitment date for completion of review, please contact your project coordinator, EFSwinney, at erik.f.swinney@ci.eugene.or.us or by phone at 541-682-5372.

Plan Review	Status	Review Completion Date
Project Coordination	External Wait Time	07/03/14
Building	Waiting for info	07/03/14
Building-SI	Approved	05/22/15
Zoning	Waiting for info	06/30/14
Engineering	Approved	07/10/14
SDC	Approved	06/20/14
Erosion Prevention	Pending	
Fire Marshal	Information	02/25/15
Fire Marshal SI	Information	06/10/15

PERMITS AND INSPECTIONS

Permit Type	Status	Issued Date	Expiration Date	Completion Date
Building	Pending			
Inspection	Result	Inspected	Inspector	Comment
103 Footing	Needed			
105 Elec Rebar Ground	Needed			
108 Foundation	Needed			
114 Underfloor Framing	Needed			
116 Underfloor Insulation	Needed			
118 Framing	Needed			
119 Exterior Shearwall	Needed			
120 Wall/Vault Insulation	Needed			
130 Lath or Dry Wall	Needed			
124 Final Insulation	Needed			
190 Moisture Content Form	Needed			
191 Energy Rqmnts Lighting Form	Needed			
122 Exterior Wall Env Cert Form	Needed			
199 Final Building	Needed			

Electrical		Pending				
	Inspection	Result	Inspected	Inspector	Comment	
	205 Temp Electrical	Needed				
	210 Undergrnd/Slab Elec	Needed				
	217 Electrical Service	Needed				
	220 Rough Electrical	Needed				
	230 Limited Energy	Needed				
	299 Final Electrical	Needed				
Mechanical		Pending				
	Inspection	Result	Inspected	Inspector	Comment	
	410 Underfloor Mechanical	Needed				
	416 Rough Gas Piping	Needed				
	450 Final Gas Piping	Needed				
	420 Rough Mechanical	Needed				
	445 Fuel Burn Appliance	Needed				
	499 Final Mechanical	Needed				
Plumbing		Pending				
	Inspection	Result	Inspected	Inspector	Comment	
	310 Sanitary Sewer	Needed				
	315 Storm Sewer	Needed				
	318 Under Floor Plumb	Needed				
	320 Rough Plumbing	Needed				
	325 Water Service	Needed				
	330 Shower Liner	Needed				
	399 Final Plumbing	Needed				

**To request an inspection go to <https://pdd.eugene-or.gov/BuildingPermits/InspectionLogin>.
For more information call 541-682-5283.**

Permit Number: 14-03407-01
Address: 1777 E 30TH AVE, UNIT A

Project Description: Convert former single family dwelling (built under 04-01223-01) to a Secondary Dwelling Unit **NEW SINGLE FAMILY DWELLING IS UNDER 14-03380-01*****

6/18/14: APPLICATION CANCELLED, STRUCTURE WILL BECOME ADDITIONAL LIVING AREA TO NEW HOME (NOT AN SDU)

Application Type:	Residential	Status:	Cancelled
Scope of Work:	Secondary Dwelling Unit	Zoning:	Low-density Residential Zone
Map:	18-03-08-11	Tax Lot:	00602
Subdivision:		Addition:	
Lot:		Block:	
Date Received:	06/17/14	# Bedrooms:	0
Commitment Date:		# Dwelling Units:	0
Ready to issue as of:		In Flood Plain:	
Project Coordinator:		Phone:	
		Sign Standards:	

BUILDING CHARACTERISTICS

Construction Types: **Construction Type Comments:**

OccupancyTypes: **Occupancy Type Comments:**

Occupancy Load: 0 **Separated Building:** N/A
Fire Sprinklers: N/A
Fire Alarms: N/A
Building Area: 0 **Number of Stories:** 0

Comment:

Floor Areas (sq ft):	Floor	Existing Floor Area	New Floor Area	Total Area
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Existing floor area may not be shown.

CONTRACTOR DATA

Type	Contractor
Primary Contact	WILSON CHAD R

PLAN REVIEW SUMMARY

Plan review data displayed is the most current for each review. The applicant will receive notification of all issues needing additional information after all reviews on a project have been completed. Supplemental Information (SI) can be submitted prior to or after permit issuance. If you have any questions regarding your project, contact MJMcKerrow at 541-682-5251 or send email to mike.j.mckerrow@ci.eugene.or.us. Also note that some reviews (i.e., fire alarms, fire sprinklers) are deferred submittals and will be reviewed after original permit(s) have been issued.

Status Definitions

Pending	= Review has not been started
Review	= Under review
Waiting	= Review for individual review has been completed, waiting for a response
External Wait	= All reviews for project have been completed, waiting for a response
Approved	= Review has been approved
Information	= Information only, review not approved
Denied	= Project cannot be approved as submitted

For information regarding the review of your project or the commitment date for completion of review, please contact your project coordinator, MJMcKerrow, at mike.j.mckerrow@ci.eugene.or.us or by phone at 541-682-5251.

Plan Review	Status	Review Completion Date
Project Coordination	Pending	
Zoning	Pending	

PERMITS AND INSPECTIONS

Permit Type	Status	Issued Date	Expiration Date	Completion Date
Building	Pending			
Inspection	Result	Inspected	Inspector	Comment
199 Final Building	Needed			

To request an inspection go to <https://pdd.eugene-or.gov/BuildingPermits/InspectionLogin>.
For more information call 541-682-5283.

HANSEN Alissa H

From: Paul Conte <paul.t.conte@gmail.com>
Sent: Thursday, January 05, 2017 11:41 AM
To: HANSEN Alissa H
Cc: *Eugene Mayor, City Council, and City Manager
Subject: * Time-sensitive* Testimony and requests re Measure 49 claim
Attachments: ConteMeasure49Letter5Jan17.pdf

Alissa,

Please acknowledge receipt of the attached letter as testimony in the Measure 49 claim by Chad & Katie Wilson.
I would appreciate a response to the requests as soon as you're able
Thank you,

Paul

PAUL CONTE

Accredited



541.344.2552

TESTIMONY

January 5, 2017

Alissa Hansen
Eugene Planning Division

RE: **Land Use File Number: M49 16- 001**

Alissa,

Please enter this letter and the staff response(s) into the record for the above cited Measure 49 claim by Chad & Katie Wilson.

This letter is based on the Eugene City Council Agenda Item Summary (AIS) for the November 14, 2016 meeting and the attached materials. References to Wxx refer to the pages identified as "WILSON EXHIBITS – Page xx".

1. As of today, there are no documents related to this application posted on the City's on-line Land Use Application website.

Would you please promptly post all relevant application material on the City's website, and advise me when they are available.

2. The October 3, 2016 Letter from Bill Kloos provided information in response to a request from the City for more information. This would appear to mean that the application wasn't "complete" until at least that date. Based on that date, the statutory deadline for a decision by the City would be April 1, 2017.

Would you please provide the date the claim application was deemed "complete" and the corresponding deadline for a decision by the City pursuant to ORS 300.195(10) and (6).

3. ORS 195.305(5) provides that: "[a] public entity may adopt or apply procedures for the processing of Measure 49] claims." I haven't been able to locate any City Council resolution or Administrative Order that was adopted setting forth procedures for processing Measure 49 claims.

Would you please identify the procedures that staff are following for processing this Measure 49 claim; particularly, any procedure adopted by the City setting forth the timelines for a public hearing, including extending the hearing beyond the date when oral testimony is accepted so that additional evidence and arguments may be submitted according to ORS 195.314(3).

4. There are numerous potential deficiencies in the appraisals submitted by the applicant¹ that must be independently evaluated by the City to determine compliance with requirements of "fair market

¹ Here are a few examples of the deficiencies:

1. At W4-5, there are nine easements, conditions and other restrictions on the property that may affect the ability to have a legal Secondary Dwelling Unit (SDU) on the property. However, at W14, W35 and on the "Site Description" page of the "as of 03/12/2013" appraisal, the appraisal states: "No easements or encroachments are apparent. Normal residential utility easements are assumed." The appraiser failed to document whether or not the restrictions at W4-5 (other than "normal residential utility easements") would affect the value of the property.
2. At W18, the appraisal states: "The market for homes in the area has been active between 2012 and 2014, with some depreciating prices due to the lingering effects of the housing crisis commonly thought to have begun in 2010." At W9, the Lane County property tax records show a decline of \$6,906 in "Real Market Value" of from 2012 (\$320,572) to 2015 (\$313,666). The appraisal makes no attempt to allocate how

value” (e.g., in ORS 195.332) and the requirement in ORS 195.305 that “[j]ust compensation under ORS 195.310 (Claim for compensation) to 195.314 (Notice of claim) shall be based on the reduction in the fair market value of the property resulting from the land use regulation.” ORS 195.326 provides that: “The Department of Land Conservation and Development is authorized to retain persons to review the appraisals.”

I am requesting that the City request DLCD to review the appraisals and provide a report to be considered by City Council. In lieu of a review by DLCD, the City should engage a qualified, independent appraiser to provide a review and report.

5. ORS 195.314(3) provides that: “written evidence and arguments in proceedings on the claim must be submitted to the public entity not later than: (a) The close of the final public hearing on the claim.”

In order to allow time for the City and/or interested parties to solicit a review of the appraisals, I am requesting that the City Manager advise the City Council to not close the hearing (or to schedule a second hearing) until a review of the appraisals is submitted for Council’s consideration.

Given the current deadlines for submitting testimony, I would appreciate a response as soon as possible, as you’re able to address each of the questions and requests.

Thank you.

/signed

Paul Conte
1461 W .TENTH AVE.
Eugene, OR 97402

much of the purported decline in “fair market value” was a result of factors other than the adopted regulation. See also Footnote 3, below.

3. ORS 195.332 requires “The fair market value of property does not include any prospective value, speculative value or possible value based upon future expenditures and improvements.”

At W16, the appraisal states: “The appraisal is also based on the hypothetical assumption that the 2,402 sf new home existed on the property as of 03/12/2014.” At W37, the appraisal states: “The appraisal is also based on the hypothetical assumption that the 2,402 sf new home existed on the property as of 03/12/2012.” Under “Site Reconciliation” page of the “as of 03/12/2015” appraisal, it states: “The appraisal is also based on the hypothetical assumption that the 2,402 sf new home existed on the property as of 03/12/2015.” (Underlining added.)

The reliance on “hypothetical assumptions” clearly conflicts with the statutory prohibition against “speculative values.” The appraisal should have determined the value of the property *as it existed* on March 12, 2013 and not speculated on its value with a hypothetical home. Similarly for the value of the property *as it existed* on March 12, 2015. The appraisal should then have evaluated the amount of increase(s) and decrease(s) in value attributable to the addition of the new home, market changes, the adopted regulation and other relevant factors.

HANSEN Alissa H

From: Paul Conte <paul.t.conte@gmail.com>
Sent: Friday, January 06, 2017 1:40 PM
To: HANSEN Alissa H
Cc: *Eugene Mayor, City Council, and City Manager
Subject: Potential deficiency in Measure 49 Public Hearing notice

Alissa,

I may be mistaken, but it appears that the Public Notice of the January 17, 2017 Public Hearing on the "Wilson M49 Claim" may not have provided a mandatory item required by the statutes.

ORS 195.314(2)(a) requires the notice to include " the final date for submission of written evidence and arguments relating to the claim."

While a person who has read all of ORS 195.314 may be able to understand the deadline, I don't see that the notice itself provides sufficient information.

Given the City's poor track record on procedural issues, you may want to consider re-scheduling and re-noticing the hearing to avoid an appeal based on an error that prejudices the rights of interested parties.

-- Paul

PAUL CONTE

Accredited



541.344.2552

HANSEN Alissa H

From: Paul Conte <paul.t.conte@gmail.com>
Sent: Friday, January 06, 2017 4:58 PM
To: HANSEN Alissa H
Cc: *Eugene Mayor, City Council, and City Manager
Subject: Re: * Time-sensitive* Testimony and requests re Measure 49 claim

Alissa,

Thank you for the quick response and posting the M49 documents.

I just got off the phone with a DLCD staff member who clarified a couple things ...

DLCD does review appraisals, but only when the claim is related to a state regulation. They do not review appraisals for local jurisdictions.

On an informal basis (i.e., she is not an appraiser or attorney and was not providing a DLCD position or other formal advice), she agreed that the appraisals should probably have been for what existed as of the "pre" and "post" dates and should not have speculated on the value with a "hypothetical" house, which might or might be constructed.

I also spoke with a highly-regarded local appraiser who also felt the addition of a "hypothetical house to the appraisals potentially conflicted with the statute.

Accordingly, I believe it's essential that the City Manager provide City Council with an opinion, based on advice of a qualified attorney and/or appraiser, as to whether the appraisals use of a "hypothetical" house fails to comply with ORS 195.332. The appraiser indicated this could be determined by what is technically known as a "desk review" of the submitted appraisals and would likely cost between \$750 and \$1,000 dollars.

Regards,

Paul

PAUL CONTE

Accredited



541.344.2552

On Fri, Jan 6, 2017 at 3:23 PM, HANSEN Alissa H <Alissa.H.Hansen@ci.eugene.or.us> wrote:

Paul-

In response to your letter, please note that the documents that have been scanned to-date are available via the website. We already determined that April 1 is the 180th day. It will be noted in the AIS for the City Council. The City has not adopted procedures for processing Measure 49 claims and will be relying on the statute. I have a call into DLCD to confirm if they have retained persons to review appraisals and if so, if that would extend to Measure 49 claims that do not involve a DLCD adopted land use regulation. Your request regarding the hearing has been received by the City Manager.

Alissa Hansen | Principal Planner

Eugene Planning Division | Land Use Planning
99 West 10th Avenue | Eugene Oregon 97401
Phone [541.682.5508](tel:541.682.5508) | Fax [541.682.5572](tel:541.682.5572)

Messages to and from this e-mail address may be available to the public under Oregon Public Records Law

From: Paul Conte [mailto:paul.t.conte@gmail.com]

Sent: Thursday, January 05, 2017 11:41 AM

To: HANSEN Alissa H <Alissa.H.Hansen@ci.eugene.or.us>

Cc: *Eugene Mayor, City Council, and City Manager <mayorcouncilandcitymanager@ci.eugene.or.us>

Subject: * Time-sensitive* Testimony and requests re Measure 49 claim

Alissa,

Please acknowledge receipt of the attached letter as testimony in the Measure 49 claim by Chad & Katie Wilson.

I would appreciate a response to the requests as soon as you're able

Thank you,

Paul

PAUL CONTE

Accredited



**SUSTAINABLE HOMES
PROFESSIONAL**

541.344.2552

HANSEN Alissa H

From: Paul Conte <paul.t.conte@gmail.com>
Sent: Friday, January 06, 2017 6:18 PM
To: HANSEN Alissa H
Cc: *Eugene Mayor, City Council, and City Manager
Subject: Further testimony on Wilson Measure 49 claim

Alissa,

Please enter this e-mail into the record.

I apologize with the multiple e-mails; however, I'm hoping this will allow staff as much time as remains to produce your report. Just when I think I've uncovered most of the problems, something new pops up.

In this case, I read an excerpt (item #4) from the staff completeness letter that said, in part: *"Under staffs [sic] review, it appears that a primary residential use and a secondary dwelling were allowed were allowed under the previous regulation, and that the same uses are allowed under Ordinance No. 20526."*

Staff's conclusion was correct. However, for some reason, staff did a "180" after Bill Kloos responded that *"... under the new regulation, the existing dwelling would have to be decommissioned as a secondary dwelling. This impacts the market value, as reflected in the appraisals."*

Kloos's comments sidestepped the staff conclusion. The existing structure is currently the primary dwelling and has never been certified as an SDU, so his comment is false and misleading that it would have to be "decommissioned as a secondary dwelling." Just the opposite is true: To use the structure as an SDU, the owner would have to go through an approval process to have it "commissioned" as an SDU in the first place. Furthermore, the appraisals did not mention "decommissioning" in any way, and it is false that a "decommissioning" would impact market value.

More importantly, nothing in Kloos's statement addresses the correct point that staff made: Under the current regulations, the owner could develop a primary dwelling and an SDU through a number of different, legal and practical means. For example: A new structure with an attached or detached (new) SDU could be built; the existing structure could be maintained as, or expanded into, a primary dwelling and a new SDU built; the existing structure could be altered to comply with current regulations.

Unfortunately, after getting it right at first, staff went off track in the AIS stated went off track, apparently following Kloos's misleading statements.

"Stated another way, prior the 2014 adoption of Ordinance No. 20526, Claimants could have converted the existing residence to a detached secondary dwelling unit and constructed another, primary, residence on the subject property. In fact, in June of 2014, Claimants sought a building permit to do just that. However, because Ordinance No. 20526 went into effect on April 12, 2014 (approximately two months prior to the Claimants seeking a

building permit), the City could not issue Claimants the building permit to convert the existing residence into a secondary dwelling."

ORS 195.305(1) specifies that the identified regulation must "restrict the residential use." But Ordinance No. 20526 does not restrict the owner from having a primary dwelling and an SDU. It just prevents him from turning a primary dwelling into an SDU, and that's not covered by ORS 195.305(1)

On the face of it, the applicant has not shown that he is restricted or prohibited from use of the property for an SDU, as would be required.

There really is no need to consider the application beyond this failure to meet statutory requirements. However, even if the effect of the cited regulation were to be interpreted as falling under ORS 195.300 *et seq.*, the appraisals don't even consider the correct potential development. The "pre" appraisal considers a "hypothetical" primary house and an SDU (neither of which existed at the time), and the "post" appraisal considered a "hypothetical" primary house (rather than the one that exists) and an accessory building. In fact, the appraisal of the current market value should have been based on the existing structure and the fact that a "full-sized" single-family home and an SDU (attached or detached) could be developed on the lot.

Thus, this demonstrates another reason that the appraisals don't comply with the requirements of ORS 195.300 *et seq.* to justify a compensation claim.

-- Paul

PAUL CONTE

Accredited



541.344.2552

HANSEN Alissa H

From: Carolyn Jacobs <carolyn.i.jacobs@gmail.com>
Sent: Tuesday, January 10, 2017 2:34 PM
To: HANSEN Alissa H
Subject: Testimony re: Measure 49 Claim
Attachments: Measure 49 Final.odt

Alissa - please enter the attached testimony into the record and make available to the Mayor, City Council and City Manager.

Thank you.

--- Carolyn Jacobs

Testimony for Measure 49 Claim Regarding 1777 E. 30th Ave.

January 10, 2017

Mayor, City Council and City Manager:

The following testimony is presented as proof that the Measure 49 Claim for 1777 E. 30th Ave is without merit because it fails to demonstrate any restriction whatsoever in the use of the property and is based on unsound and unprofessional appraisals as well and that the claim also singles out the area specific code standards of E.C. 9.2751(17)(c)9 as limiting the value and use of the property in question though all evidence shows to this to be false and thereby misleading.

A). Prior to 2014 R1 code amendments, the property in question could only correctly have been appraised as a large lot (27,878 sq') with a very small (864 sq' according to both the permit applications submitted by the claimant to the City and as described in the hypothetical appraisals) primary residential unit (over an accessory garage/shop). That's all. While the property was large enough to have also had a secondary dwelling unit (SDU) it did not have one. Since the existing structure was the only structure on the property it could not, by definition, have been an SDU (nor did it even meet the 800 sq' limitation spelled out in the City code **prior** to 2014). In determining the value of the property in 2013 an appropriate appraisal should have compared this property to similarly large lots with very small homes.

After adoption of the 2014 R1 code amendments the potential use of the property was unchanged. It could have included both a primary house and an SDU. The preexisting structure could have been enlarged or remodeled to become a very different looking primary residence and another structure, 800sq' or less, could have been built. The other option would have been the construction of a new primary residence and, **as is common practice city-wide**, the original preexisting structure could have been **modified** to meet **current** SDU standards. This of course remains the current situation.

To summarize, the adoption of R1 code amendments in 2014 had no effect on the **use** of this property. Before, and after, this date the property could accommodate a primary residential unit and an SDU. This was confirmed by Anne Davies, Assistant City Attorney in a memo from April 20, 2016 when she wrote that "*Under Staff's review, it appears that **a primary residential use and a secondary dwelling were allowed under the previous regulation, and that the same uses are allowed under Ordinance N. 20526,***" the 2014 R1 code amendments. For the reasons spelled out above, the existing building was never an SDU, never met the standards for an SDU and would not meet the standards today. The option to modify it to bring it into SDU compliance and build a new house was there before the 2014 code amendments and is still there.

Therefore, the Measure's claim that "*... under the new regulation, the existing dwelling would have to be decommissioned as a secondary dwelling. . . impacts the market value, as reflected in the appraisals.*" is clearly intended to mislead the reader as there would be no decommissioning involved in any legal scenario as there was/is no secondary dwelling.

And while ORS 195.305(1) specifies that the regulation must “restrict the residential use” it is clear that the residential **use** was in no way whatsoever affected by any 2014 code amendments.

B). Despite lacking a sound argument for the claimants having been restricted in the **use** of their property the claim proceeds to provide appraisals of very questionable value and in an unacceptable manner.

A group of appraisals was entered into the record and when the group didn't meet the requirement for having been done one year before and one year after code changes the dates on all the appraisals were simply changed and resubmitted. The results were appraisals for any number of properties that were identical two years apart – **new dates but no changes in value**. This is absolutely not credible. Of course, reentering the same appraised value with a new date without an explanation should have immediately raised a red flag for staff.

Beside the fact that none of the comparables were large properties with small residential units, many of the comparables were peculiar, if not wrong choices in other ways such as the location in an R3 zone for one and location outside the UGB (and in the Springfield school district!) for another. No appraisal was included for a very similar neighboring property which did sell in the years under consideration (1781 E. 30th Ave).

That said, a convincing argument could have been made if the claim had provided an equal number of (similar) comps **inside** the area specific neighborhood and **outside** the same area and then shown that over the two-year period those outside the area had increased in value and those within had either remained the same or decreased. Given the so-called evidence provided, this claim completely fails to support the argument for loss of value due to area specific code amendment 9.2751(17)(c)9.

A complete analysis of residential property values would also be expected to look at all factors at play in the real estate market. Failure to take into account the many **market trends** at play would alone invalidate any conclusion as to what caused fluctuations in a property's appraised value.

It is also highly unusual to base the claimants' pre and post property values on hypothetical primary residences and hypothetical SDU's. Common practice would assume values based on existing structures. According to ORS 195.332 “The fair market value of property does not include any prospective value or possible value based upon future expenditures and improvements.” Therefore, a set of appraisals dependent on the use of several hypotheticals would be rendered invalid.

City Councilors should insist at minimum on an independent appraisal review.

C). The use of 9.2751(17)(c)9 (area specific code addressing height/interior setback requirements) was apparently intended to mislead anyone studying this case. While the goal may have been to cast doubt on the fairness of area specific code standards, the complete picture reveals that without the area specific code amendments the claimants' **property would have been required to meet city wide standards and the city-wide standards are in some cases more limiting.** Consider the following:

The city wide equivalent code section 9.2751(17)(b)5 (addressing height/interior setback requirements) contains the same language as the area specific for parts a and b. However, 9.2751(17)(b)5 has a **part c** entitled “*adjustments for an SDU over an accessory building as in 9.8030(34)(b)*” (exactly the situation at 1775 E 30th). **9.8030(34)(b)** allows for the conversion of a legally established building to a secondary dwelling but requires compliance with **all of three** following conditions. The second of the three conditions states: “***The secondary dwelling is limited to 600 square feet in total building square footage and 15 feet in height.***”

An additional city wide standard 9.2751(3)d which states that “*An additional 7 feet of building height allowed for roof slopes of 6:12 or steeper in the R-1. . .is **not permitted in the R-1 zone for secondary dwellings, accessory buildings . . .***” would also have affected the claimants' ability to designate the existing building as an SDU without serious modifications.

In a Measure 49 claim such as this City Councilors should again insist on an independent inspection of the property to accurately determine measurements of height, setback, square footage etc. Accepting those of the claimant is not satisfactory.

In conclusion, one is left to contemplate what the motivation might have been for singling out the 2014 **area specific** R1 code changes as the claim fails to prove them responsible for a real or hypothetical reduction in property value. For failing to prove usage restrictions, for failure to provide legitimate appraisals, and for failure to prove a reduction in property value this claim must be denied.

Submitted January 10, 2017

by Carolyn Jacobs
2040 Agate St.
Eugene, Oregon 97403

HANSEN Alissa H

From: Bill Aspegren <aspegren@comcast.net>
Sent: Tuesday, January 10, 2017 3:03 PM
To: HANSEN Alissa H
Cc: ASPEGREN Bill (SMTP)
Subject: Measure 49 Testimony
Attachments: M49 Testimony V1.docx

Alissa, attached is my Measure 49 testimony. Please make sure it is passed along to the Mayor, City Council and City Manager.

If you should have any problems opening the document contact me.

Thanks,

Bill Aspegren

To: Mayor, City Council and City Manager

From: Bill Aspegren

Subject: Testimony regarding the Wilson's Measure 49 Claim at 1777 E. 30th Avenue

The Wilsons own property at 1777 E. 30th Avenue. They claim they cannot build a house on their property and at the same time convert the currently existing structure into a Secondary Dwelling Unit (SDU). They believe this is because the R1 code changes, in ordinance number 20526, effective April 12, 2014, specifically EC 9.2751(17)(c)9, SDU height/setback changes, no longer allowed the existing structure to qualify as a SDU. Because of these changes, their property lost \$60,000 in value and they have filed a Measure 49 claim, asking for a height/setback exemption rather than monetary compensation.

It is my contention the claim has no merit and should be rejected. This conclusion is based on the following points, which I will expand on as part of this testimony:

- **No evidence was presented that the structure at 1777 E. 30th Avenue could have been a legal SDU prior to April 12, 2014.** I believe it could not have qualified as a SDU when it was built, by the Wilsons, in 2004 or anytime between then and the effective date of the R1 changes.
- **The hypothetical appraisals were based on the incorrect assumption that the existing structure could have been a legal SDU prior to April 12, 2014.** The appraisals did not analyze the effect of the housing crisis, recession, foreclosures and partial recovery of the overall market on home prices. No evidence was presented that the R1 changes restricted the Wilson's residential use of the property.

The City Council unanimously approved the R1 changes March 12, 2014, after unanimous approval by the Planning Commission. The Council should be cautious about granting exceptions, without conclusive evidence, thereby setting a very concerning precedent that will have consequences well beyond the R1 changes.

Did the existing structure ever qualify as a SDU?

The structure at 1777 E. 30th Avenue was permitted (04-01223-01) and built in 2004. It resides on the south portion of a .64-acre lot that is bisected by a private access road. The City no longer had original plans for the building, described in the permit as a "New shop/home". However, I did obtain two drawings of the structure dated June 15, 2014. These were submitted as part of permit (14-03380-01) for a new single family home to be built on the north portion of the lot and conversion of the existing structure to a SDU. The permit was never issued.

The City received the request for a new home June 16, 2014, two months after the R1 changes became effective. At that time the existing structure was not classified as a SDU, and did not qualify as a SDU under the code changes. The question is did the building qualify as a SDU before ordinance number 20526 became effective? If it did not, there is no basis for a Measure 49 claim.

Council ordinance number 20270 amended Eugene's code as follows.

9.2741 Special Use Limitations for Table 9.2740.

(2) **Secondary Dwellings.** Secondary dwellings are only permitted in R -1 and are subject to the standards below.

(a) Secondary dwellings that are within the same building as the primary dwelling shall comply with all the following:

1. The dwelling shall not exceed 800 square feet unless occupying the full story of a multi-story structure with ground floor residential use.

...

(b) In addition to the standards in subsection (a) of this section, detached secondary dwellings shall comply with the following:

...

2. If located within 20 feet of a property line, the maximum building height shall not exceed 15 feet.

...

The ordinance was approved by the Council and Mayor **November 25, 2002** and became effective 30 days later.

Based on the plans and ordinance number 20270, the structure at 1777 E. 30th Avenue exceeds the 800-square foot limit and therefore would not have qualified as a SDU prior to the R1 code amendments. As further proof, each of the four hypothetical appraisals describes, in the supplemental addendums, the existing structure as follows:

"The subject also features a detached 864 sf separate legal dwelling built in 2004."

A review of the June 14, 2014 plans shows the 864-square foot dwelling unit. It is not and never would have been legal as a SDU. However, the plans state the square footage as 760. This was arrived at by improperly excluding a 13 by 8-foot mechanical room where the furnace and water heater are located.

If only interior living space is considered, the square footage is still 808. None of this even considers the 480 square feet of unfinished attic space adjacent to and only accessible from the dwelling.

The existing structure, was too large to be considered a legal SDU before the R1 changes were in place. This means the claim has no merit and should be rejected.

There are also questions about the height of the existing structure and its distance from the lot lines. This may also disqualify it as a SDU. The elevation drawing does not give sufficient information about grade to accurately establish a "grade reference datum line" from which to Measure height. Also further research is needed to determine if the structure is less than 20 feet from an adjacent lot line.

No independent on-site inspection of 1777 E. 30th Avenue has been done by the City to confirm the square footage or height.

Did the hypothetical appraisals conclusively show there was a reduction in property value?

As stated above, the hypothetical appraisals incorrectly assumed that the structure at 1777 E. 30th Avenue could have been a legal SDU prior to the R1 code changes. This error invalidates the “before” appraisals that state the market value was \$470,000.

There are several other concerns with the hypothetical appraisals that cast doubt on their accuracy. Here is detail relating to these problems:

- The first set of hypothetical appraisals used incorrect appraisal dates. The City requested that the appraisals be resubmitted using the correct dates. They were resubmitted with the dates changed by a year, yet the appraised values were identical. Few changes had been made and there was no explanation why the market values were the same from one year to the next.
 - After code change appraisals, 3/12/2014 changed to 3/12/2015, appraised value for both \$410,000.
 - Before code change appraisals, 3/12/2012 changed to 3/12/2013. Appraised value for both \$470,000.
- Five homes all residing on the same short private road were sold recently. Even though none of these homes had SDUs none were used for comparisons. Only one was sold during the period 2013 to 2015. It is a very close match to the Wilson’s hypothetical appraisal after code changes.
 - 1781 E. 30th, built 2004, .6 acres, 2732 sq. ft., 5bdrm, 3ba, Sold 06/13/14 for \$465,000, \$170/sq. ft., Previous sales 2005 \$419,900 and 2004 \$90,000
- One property was used to justify the low property value (3/12/2014) and later used to justify the high property value (3/12/2013). However, in one appraisal (3/12/2014) the property’s “Condition” was considered “Good” and no dollar adjustment was made, but in another appraisal (3/12/2013) the “Condition” was changed to “Average-Good” and \$41,500 was added to the price. No explanation was given for the change.
- The reduced property value was entirely attributed to implementation of the R1 changes limiting SDUs. The effect of the housing crisis, followed by the recession and subsequent recovery, on market values was not explained or considered. An array of factors that affected property values should have been part of the appraisals.

ORS 195.332, states: "The fair market value of property does not include any prospective value, speculative value or possible value based upon future expenditures and improvements."

This means the appraiser cannot speculate on the property’s value by adding a hypothetical new home to the appraisal. This further invalidates the appraisals.

ORS 195.305(1) specifies that the regulation must "restrict the residential use."

In a letter to Bill Kloos, dated April 20, 2016, regarding “Completeness Review for Measure 49 Claim, Chad and Katie Wilson”, Anne C. Davies, Assistant City Attorney noted the above regulation and stated:

“Under Staff’s review, it appears that a primary residential use and a secondary dwelling were allowed under the previous regulation, and that the same uses are allowed under Ordinance No. 20526.” [the R1 code changes]

In a response to the above statement from Bill Kloos, in a memo dated July 25, 2016, he stated:

Under the time one regulation, the property qualified for a primary dwelling and a secondary dwelling. Under the time two regulations the property qualifies for a primary dwelling and an accessory structure, not a full secondary dwelling. The difference between these allowed uses impacts the highest and best use and the market value, as reflected in the appraisals.

Put differently, under the time one regulations, the owner could have built a full size dwelling and keep the existing structure as a secondary dwelling. Under the time two regulations, if the owner were to build a full size dwelling, under the new regulation the existing dwelling would have to be decommissioned as a secondary dwelling. This impacts the market value, as reflected in the appraisals.

The July 25th statements are misleading since the existing structure could never have been a legal SDU. However, in the Wilson's case their lot is large enough to build a full-sized dwelling and remodel the existing structure into a legal SDU.

The R1 code amendments have not restricted the residential use of the Wilson's property.

Put differently, both before and after the R1 changes there was nothing to prevent the Wilsons from having a full-sized dwelling and a SDU on their property. This was reinforced by the City's April 20th letter and demonstrates the claim has no merit and should be rejected.

Could the existing structure qualify as a SDU with the height/setback exemption?

The Measure 49 claim only asks for an exemption from EC 9.2751(17)(c)9 for height/setback. At least two other sections of the code would prevent the building from being considered a SDU.

First: EC 9.2751(3)(d) states:

An additional 7 feet of building height is allowed for roof slopes of 6:12 or steeper in the R-1, R-2, R-3 and R-4 zones, except that this additional building height allowance is not permitted in the R-1 zone for secondary dwellings, accessory buildings or development on alley access lots.

The building in question is at least 22 feet from the grade reference datum line to the peak of the roof. A SDU must be less than 18 feet tall if it is more than 20 feet from a property line, 15 feet if closer.

Second: EC 9.2751(17)(a)2 states:

Building Size. The total building square footage of a secondary dwelling shall not exceed 10 percent of the total lot area or 800 square feet, whichever is smaller. Total building square footage is measured at the exterior perimeter walls and is defined as all square footage inside of the dwelling, including, but not limited to hallways, entries, closets, utility rooms, stairways and bathrooms.

The total square footage of the building is 2,208, not including 480 square feet of unfinished attic space.

Based on the above information the building at 1777 E. 30th Avenue could not qualify as a SDU even with the Measure 49 height/setback exemption.

Conclusion

The City did not request independent appraisals or even an independent appraisal review. This should be standard practice for Measure 49 claims. Also, there should have been an independent inspection of the property.

No one from the City visited the property to verify grade, setbacks, height or square footage. It would be wise for the City to define a process/procedure for future Measure 49 claims, including fees to cover the above mentioned independent reviews.

I have documented many problems with this Measure 49 claim and urge the City Council to reject it.

Bill Aspegren

TESTIMONY

January 10, 2017

Eugene Mayor & City Council

RE: Land Use File Number: M49 16- 001

Dear Mayor and City Councilors,

The Measure 49 claim by Chad and Katie Wilson must be denied because neither the claim itself nor the application materials meet the statutory requirements for compensation, and approving this claim would create a precedent that would allow numerous future claims to get around lawful and reasonable development standards for the **R-1 Low-Density Residential Zone**.

The following sections identify noncompliance with the referenced sections of the Measure 49 statutes in ORS 195.300 through 195.336:

1. The claim does not meet the ORS 195.305(1) requirement that “one or more land use regulations [has] restrict[ed] the residential use of private real property or a farming or forest practice and [has] reduce[d] the fair market value of the property.”

- a. Current regulations do not restrict the owners’ right to develop the subject property with one primary residence and a legal secondary dwelling unit (SDU).

To properly interpret the phrase “restrict residential use” in ORS 195.305(1), the City must first look to the text and then context.

ORS 195.300 Definitions for ORS 195.300 to 195.336 does not define “residential use” or “use.” However, ORS 195.300(25) does provide the following helpful definition as context:

“Zoned for residential use means zoning that has as its primary purpose single-family residential use.”

This definition equates “residential use” in the context of Measure 49 statutes specifically with “single-family residential use.” Thus, the first question in this claim is: Did the cited regulation restrict the owner from use of his property for a single-family residence? The answer is obviously “No.”

Eugene Land Use Code provides a more fine-grained definition of “Use” that covers the claimed restriction related to a secondary dwelling unit. EC 9.0500 Definitions includes the following definition:

Use. The purpose for which land or a building is arranged, designed or intended, or for which either land or a building is occupied or maintained.¹

Thus, the second question is: Did the cited regulation restrict the “purpose for which [the owner’s] land ... is intended”? Eugene Code sets forth the intended purpose for property that is zoned R-1, as this property is:

EC 9.2700 Purpose of R-1 Low-Density Residential Zone. The purpose of the R-1 Low-Density Residential zone is to implement the *Metro Plan* by providing areas for low-

¹ Eugene Code versions before and after the regulation cited in this claim had the identical definition of “use.”

density residential use. The R-1 zone is designed for one-family dwellings with some allowance for other types of dwellings.

Thus, the second question is more specifically: Did the cited regulation restrict the owner from developing the property with a one-family (i.e., single-family) dwelling and an SDU, which is one of the “other types of dwellings” allowed by the R-1 zone? The answer is clearly “No.”

Under current regulations, the owner is allowed to build a primary residence and an SDU on the subject property.

Thus, the cited regulation did not “restrict the residential use of [the owner’s] private real property,” and this claim is without merit.

- b. Furthermore, contrary to the owners’ claim, the existing structure could not have been converted “as is” to a legal SDU before the cited regulation was adopted because the 864 square foot dwelling that is a portion of the existing structure exceeded the long-standing 800 square foot maximum size of an SDU. Therefore, the cited regulation did not have any (further) effect on the market value of the property due to the fact that the existing structure doesn’t meet current requirements for an SDU. The same limitation existed *before* Ordinance No. 20526 was adopted.

For secondary dwellings, as of March 11, 2013, Eugene Code 9.2741 (2)(a)(1) and (2)(b) required that “[t]he dwelling shall not exceed 800 square feet unless occupying the full story of a multi-story structure with ground floor residential use.”²

The same version of code at EC 9.0500 defines “Dwelling” as:

“A building, or portion thereof, designed and used as a residence for occupancy by 1 family.” The entire upper “portion” of the existing structure comprises “the dwelling.”³ (Underline added.)

The existing dwelling on the subject property is 864 square feet with a finished (interior floor) area of 808 square feet (per Lane County property records, Wilson Exhibits page 7). The 864 dwelling size is documented on drawings submitted by the claimant, as well as in the appraisals that were submitted.

In the March 12, 2013 appraisal:

• GP Consumer Short Form: Sales Comparison Approach - Comments on Sales Comparison Approach
The subject is located in a very marketable secluded neighborhood bordering Laurelwood Golf Course. The area is an active market in the southeast hills of Eugene. The majority of the neighborhood features homes that are equal in design and appeal to the subject property, but with few new builds. The subject also features a detached 864 sf separate legal dwelling built in 2004. These two features make the subject very unique.

In the March 12, 2015 appraisal:

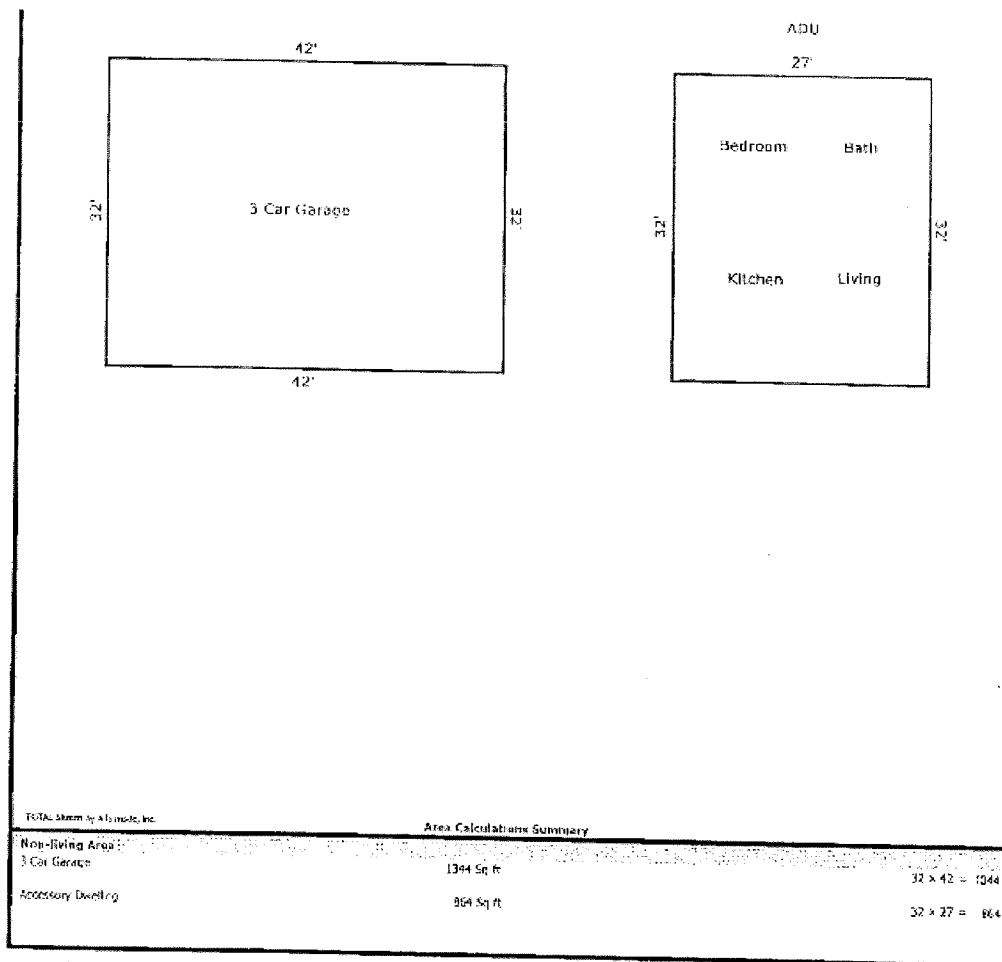
² The claimant submitted Ordinance No. 20417, which was adopted August 11, 2008, with this same language. However, since the claimant cites a regulation adopted on March 12, 2014, the claimant should have provided evidence as to the regulation immediately before adoption of the ordinance claimed to “restrict” the owner’s use. Nonetheless, it’s not in dispute that prior to the cited ordinance, the maximum dwelling size for an SDU was 800 square feet.

³ Note that the “dwelling” includes the enclosing walls, interior walls and the mechanical and other elements necessary to be “used as a residence for occupancy.” Without all of these elements, the portion of the existing building above the garage could not legally or practically be “occupied.” “Living area” is not the full measure of “dwelling size,” as even the appraiser in this case appears to affirm.

• GP Consumer Short Form: Sales Comparison Approach - Comments on Sales Comparison Approach

The subject is located in a very marketable secluded neighborhood bordering Laurelwood Golf Course. The area is an active market in the southeast hills of Eugene. The majority of the neighborhood features homes that are equal in design and appeal to the subject property, but with few new builds. The subject also features a detached 864 sf separate legal dwelling built in 2004. For the purpose of this appraisal, the separate legal dwelling is not considered a legal dwelling in order to address the Measure 49 claim. Additional dwellings or studios are very unique features within the market.

In the March 12, 2013 appraisal, there is the following drawing, which depicts the SDU and clearly states its size: "Accessory Dwelling 864 Sq ft 32 x 27 = 864".



Form SRT.810SKI - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

- The application does not present an actual claim, or establish that, the cited regulation restricted the full residential use of the property, as required by ORS 195.305(1).

Instead, the application's only claim is that an existing structure in its current form (i.e., without modification or incorporation into a larger structure that encompasses the SDU and garage and has part of the primary residence on the ground floor) cannot be "commissioned" for use as an SDU. The

application does not actually claim that the regulation restricted the intended use of the property for a primary single-family dwelling and an SDU.⁴

3. The application does not meet the requirements for a valid appraisal to establish the “fair market value” before and after the cited regulation was adopted.

- a. ORS 195.310(2) requires:

“A claimant must provide an appraisal showing the fair market value of the property one year before the enactment of the land use regulation and the fair market value of the property one year after the enactment.”

The cited regulation was adopted on March 12, 2014 as part of Ordinance No. 20526. Thus, the applicant was required to submit a “pre” appraisal estimating the fair market value of the subject property, as of March 12, 2013 and a “post” appraisal as of March 12, 2015.

The applicant did not comply with that requirement because the appraisals failed to meet multiple statutory requirements, particularly ORS 195.310(2)(b), which requires that “[t]he appraisal must ... [c]omply with the Uniform Standards of Professional Appraisal Practice.”

The applicant submitted four appraisals, as follows:

Wilson Exhibit pages 12 to 32

Page 12: “Appraised Value as of 03/12/2014”

Page 16: “Market Value ... as of 01/16/2016 ... which is both the Inspection date...”

“Date of Inspection: 01/16/2016” [signed by Brian B. Elliot, the appraiser]

⁴ The July 25, 2016 letter from attorney Bill Kloos erroneously claimed, without any supporting evidence, that a new single-family dwelling could not be added to the site under current regulations. The current regulations, in fact, do allow a new single-family dwelling and an SDU to be added to the site, with the existing structure being used as an accessory building (or modified to comply with current SUD development standards). Kloos also falsely claims that “[t]he time two appraisal reflects the loss of the secondary dwelling status.” As Kloos well knows, the current structure does not – and never did – have SDU status, so there is no “loss” of such status.

Despite these false statements in his letter, Kloos reveals what is the actual claim in the final paragraph:

“Put differently, under the time one regulations, the owner could have built a full size dwelling and keep the existing structure as a secondary dwelling. Under the time two regulations, if the owner were to build a full size dwelling, under the new regulation, the existing dwelling would have to be decommissioned as a secondary dwelling. This impacts the market value, as reflected in the appraisals.”

First, note the additional misleading statements: a) Under “time one” regulations, the owner could not have “kept” the existing structure as an SDU, because the existing structure was never an SDU and could not have been certified as an SDU because it exceeded the “time one” maximum dwelling size; and b) under “time two” regulations, the existing structure would not have to be “decommissioned as a secondary dwelling,” because the existing structure has never been “commissioned” or used as an SDU.

What’s left in this excerpt from the Kloos letter is the true substance of the complaint, which is actually that the owner could not “commission” the existing structure (without modification) as an SDU under “time two” regulations. Irrespective of whether the existing structure could or could not have been “commissioned” as an SDU under “time one” regulations (and it could not), the owner is still able to modify the existing structure and/or construct a new SDU along with constructing a new single-family dwelling as the primary residence.

Thus, although the owner may wish he could “commission” the existing structure as an SDU, the owner has no valid Measure 49 claim that would require the City to allow the owner to circumvent long-standing SDU dwelling size limits.

OPINION OF VALUE

This Opinion of Value may be subject to other Hypothetical Conditions and / or Extraordinary Assumptions, if so indicated above. Based on the degree of inspection of the subject property as indicated below; the defined Scope of Work for this appraisal assignment; the attached Statement of Assumptions and Limiting Conditions; and the attached Appraiser's Certifications, my (our) Current Opinion of the Market Value (or value range), as defined elsewhere in this report, of the real property that is the subject of this report is: \$ 410,000 as of: 01/16/2016 which is both the Inspection Date and the Effective Date of this appraisal.

Appraiser Name: Brian B. Elliott

Supervisory or
Co-Appraiser Name: Richard J. Duncan, MAI, SRA

Date of Inspection: 01/16/2016

Date of Inspection: 01/16/2016

Wilson Exhibit pages 33 to 54

Page 33: "Appraised Value as of 03/12/2012"

Page 37: "Market Value ... as of 03/12/2012 ... which is both the Inspection date ..."

"Date of Inspection: 03/12/2012" [signed by Brian B. Elliot, the appraiser]

Wilson "after regulation" Appraisal submitted July 25, 2016 (Nov. 14, 2016 AIS, pp. 74-95)

Page 74 "Appraised Value as of 03/12/2015"

Page 79: "Market Value ... as of 03/12/2015 ... which is both the Inspection date ..."

"Date of Inspection: 03/12/2015" [signed by Brian B. Elliot, the appraiser]

Wilson "before regulation" Appraisal submitted July 25, 2016 (Nov. 14, 2016 AIS, pp. 96-)

96: "Appraised Value as of 03/12/2013"

Page 79: "Market Value ... as of 03/12/2013 ... which is both the Inspection date ..."

"Date of Inspection: 03/12/2013" [signed by Brian B. Elliot, the appraiser]

The first two appraisals were clearly for incorrect reference dates, and these comments ignore them for the most part. Unless otherwise identified, this letter refers to the third and fourth appraisals submitted on July 25, 2016 as the "post" (i.e., "after regulation") and "pre" (i.e., "before regulation") appraisals, respectively.

The first thing to note is that the "pre" and "post" appraisals appear to violate the *Uniform Standards of Professional Appraisal Practice* because Brian B. Elliot, the appraiser, has signed false statements that the property was inspected on two dates: "03/12/2013" and "03/12/15."

From the appraisal at Wilson Exhibit pages 12 to 32 that had been previously submitted, it appears Mr. Elliot *may* have inspected the "Exterior Only" of the property on January 16, 2016. In any case, Mr. Elliot does not appear to have attested to the actual date he inspected the property in either the "pre" appraisal or "post" appraisal that are relied upon in this claim. Therefore, *neither of these appraisals can be accepted under ORS 195.310(2)(b).*

Further deficiencies in the content of the appraisals is described below.

- b. ORS 195.310(2) requires: "A claimant must provide an appraisal showing the fair market value of the property one year before the enactment of the land use regulation and the fair market value of the property one year after the enactment."

In conflict with this statute, the appraisals purport to provide the fair market value of the property *and a single-family home that does not exist:*

Wilson “before regulation” Appraisal submitted July 25, 2016

“Hypothetical Conditions: The appraisal is based on a retrospective effective date of 03/12/2013. The appraisal is also based on the hypothetical assumption that the 2,402 sf new home existed on the property as of 03/12/2013. This significantly affects the opinion of value.”

Wilson “after regulation” Appraisal submitted July 25, 2016

“Hypothetical Conditions: The appraisal is based on a retrospective effective date of 03/12/2015. The appraisal is also based on the hypothetical assumption that the 2,402 sf new home existed on the property as of 03/12/2015. ... This significantly affects the opinion of value.”

In further conflict with ORS 195.310(2), the “pre” appraisal uses “hypothetical circumstances” that include the existing structure being certified as a legal SDU.⁵ Whether or not the existing structure *could* have been certified as a legal SDU, as of “03/12/2013” the existing structure was not certified. In fact, as explained above, the existing dwelling *could not* have met the SDU maximum dwelling size standard in effect on that date.⁶

As further reliance on hypothetical and inconsistent findings, under “Description of the Improvements,” both appraisals indicate that two dwelling units exist:

In the “pre” appraisal:

DESCRIPTION OF THE IMPROVEMENTS					
General Description:	# of Units: 1	☒ + Accessory Unit	# of Stories: 1	Design (Style):	Traditional
Type: ☒ Detached	☐ Attached		Status: ☒ Existing	☐ Proposed	☐ Under Construction
Actual Age (years): 0	Effective Age (years): 0		Year Built:	Hypothetically 2013	

Describe Additional Features and Improvements:

New construction. Effective age of 0 years. Based on limited plans and specs, the subject appears to be physically and functionally adequate. There is no physical or functional obsolescence noted. Quality of construction is good. The home is considered to be in new condition. All of the home's mechanical systems/utilities are assumed operational as of the effective date of this report.

⁵ See “GP Consumer Short Form: Highest & Best Use Explanation” of the “pre” appraisal.

⁶ In another instance of potential violation of professional standards, Mr. Elliot falsely claimed that “[a]s of 03/12/2013, the owner of the subject property had the right per Eugene Code, to build the proposed new home and have the legal secondary dwelling above the garage remain.”

In fact, Mr. Elliot obviously knew that the existing dwelling was larger than 800 square feet, as he stated in both the “pre” and “post” appraisals under the “GP Consumer Short Form: Sales Comparison Approach – Comments on Sales Comparison Approach” section:

“The subject also features a detached 864 sf of separate legal dwelling built in 2004.” – Found in both the “pre” and the “post” appraisals.

Also note that elsewhere in the “post” appraisal, Mr. Elliot indicated the same basis for the appraisal (see “+Accessory unit” under “Description of Improvements”), but he stated a contradictory finding under “Reconciliation”:

“Additionally, the garage and finished apartment are included, but the apartment is not considered a legal dwelling per Measure 49.”

Measure 49, of course, has no regulations concerning what is or isn’t to be considered a “legal dwelling”; that determination is governed by Eugene Land Use Code. In any case, the true fact that the “apartment” was not a legal dwelling as of either the “pre” or “post” appraisals does not change the relevant fact, which is that the cited regulation simply did not prohibit the owners from constructing an SDU.

In the “post” appraisal:

DESCRIPTION OF THE IMPROVEMENTS

General Description:	# of Units: 1	☒ + Accessory Unit	# of Stories: 1	Design (Style): Traditional	
Type: ☒ Detached	☐ Attached	☐	Status: ☒ Existing	☐ Proposed	☐ Under Construction
Actual Age (years): 0	Effective Age (years): 0		Year Built: Hypothetically 2015		

Describe Additional Features and Improvements:

New construction. Effective age of 0 years. Based on limited plans and specs, the subject appears to be physically and functionally adequate. There is no physical or functional obsolescence noted. Quality of construction is good. The home is considered to be in new condition. All of the home's mechanical systems/utilities are assumed operational as of the effective date of this report.

In the sections (above) of the standard form, the appraisals are *supposed* to accurately describe existing improvements on the “as of” date on which the appraisal is based. For the subject property, an accurate description would not include the “+ Accessory Unit”⁷ on either of the appraisals, and it would not describe the actual primary dwelling in grossly inaccurate terms (i.e., “4 bedrooms ... and 2,402 Sq.Ft of GLA”).

An accurate description is readily available from county property records and the Regional Land Information Database (RLID). In fact, a five-page RLID report is provided in Wilson Exhibits, pages 7 to 11. That report describes the property as having one single-family dwelling with 808 finished square feet, including one bedroom and one bath.

Both appraisals’ asserted “pre” and “post” “as of” fair market values that are substantially higher than the actual fair market values of the subject property because the appraisals include the value of a hypothetical home. In at least the “pre” appraisal, if not both appraisals, the inclusion of a non-existent legal SDU further inflates the fair market value. These aspects of the appraisals clearly and explicitly conflict with ORS 195.310(2).⁸ The Lane County appraisal of Real Market Value (“RMV”) confirms that the submitted appraisals are inflated:

⁷ Because “unit” appears in this section of the standard form to designate a “dwelling unit,” a reasonable assumption is that “+ Accessory Unit” refers to an additional “ADU” – Accessory Dwelling Unit, i.e., an SDU. This meaning is further reinforced by the drawing provided in the March 12, 2013 appraisal which labels one of the plan diagrams as “ADU” and then states for the same plan drawing: “Accessory Dwelling 864 Sq ft 32 x 27 = 864”.

If, however, the intended meaning is “Accessory *Building*” that is not a dwelling, then the descriptions are still inaccurate; and (as pointed out shortly), the “pre” and “post” appraisals still both describe the identical improvements, thus contradicting the owners’ claim. This is just one of the numerous problems with these appraisals that make them wholly unreliable for supporting a Measure 49 claim.

⁸ If it weren’t for the explicit requirements of ORS 195.310(2) and 195.332, the applicant *might* attempt to rely on an argument that the *difference* in “pre” and “post” appraisals would be the same whether or not they included a home that doesn’t actually exist.

However, even this assumption would be wrong. The change in value of a property is highly dependent on the market for the specific category of property and improvements. There are clearly periods during which the market demand and hence fair market value for tiny single-family houses and the market for huge, “MacMansion” houses swing in different directions or at different rates of change. Speculating on the existence of a specific size and configuration of a hypothetical house improperly skews the appraisal in a particular direction, which is why the relevant ORS requirements prohibit using that approach for a compensation claim. This is easily understood by recognizing the “comps” would have been entirely different if the “hypothetical” house was a much larger and more expensive house, such as the owner apparently intended to build.

Year	Real Market Value (RMV)			Total Assessed Value	Tax
	Land	Improvement	Total		
2015	\$150,515	\$163,151	\$313,666	\$184,139	\$3,458.35
2014	\$145,023	\$153,338	\$298,361	\$178,776	\$3,388.61
2013	\$139,513	\$145,045	\$284,558	\$173,569	\$3,296.98
2012	\$96,186	\$224,386	\$320,572	\$168,514	\$3,032.24
2011	\$96,186	\$224,215	\$320,401	\$163,606	\$2,974.93
2010	\$105,559	\$107,060	\$212,619	\$158,841	\$2,886.20

The RMV for 2013 is \$284,558 versus the “pre” appraisal fair market value of \$470,000, a variance of over \$185,000. The RMV for 2015 is \$313,666 versus the “post” appraisal fair market value of \$410,000, a variance of over \$96,000. What’s more, the RLID property values submitted by the applicant show that the property’s RMV increased by over \$29,000 from 2013 to 2015, directly contradicting the owner’s claim of a decrease in the property value.

Furthermore, because the “pre” and “post” appraisals relied on “hypothetical” dwelling(s) that *did not exist and do not exist*, the appraisals were based on speculative values, which is prohibited by ORS 195.332:

“The fair market value of property does not include any prospective value, speculative value or possible value based upon future expenditures and improvements.”

It’s also worth noting that the “post” appraisal has an identical description of the improvements as the “pre” appraisal, which directly contradicts the owner’s claim that the cited regulation would prohibit residential use that would be allowed prior to the adoption of the regulation.⁹

- c. The appraisals did not take into account numerous existing Covenants, Conditions, & Restrictions (CC&Rs) on property. Under the “Site Description” section, both the “pre” and “post” appraisals show:

Deed Restrictions: Are Covenants, Conditions, & Restrictions (CC&Rs) applicable? ☐ Yes ☐ No ☒ Unknown

Have the documents been reviewed? ☐ Yes ☐ No ☐ N/A Ground Rent (if applicable) \$ _____ / _____

Comments: _____

Site Comments:

No adverse easements or encroachments are apparent. Normal residential utility easements are assumed. Site usage is consistent with zoning and neighborhood trends.

Thus, Mr. Elliot repeatedly claims that he did not know about the access restrictions, right-of-way and other non-standard easements and specific CC&Rs provided in the Title Report at Wilson Exhibits 4 and 5. Mr. Elliot also did not indicate he had bothered to review relevant documents, specifically the title report submitted as evidence in support of the claim. Yet, one or more of these deed restrictions may limit the use of this property in a way that would be material to its fair market value and allowable uses.

In this particular case, the “hypothetical” house is a *much* smaller house than the owner has demonstrated he intended to build. According to Building Permit No. 14-03380-1, which the owner submitted on June 16, 2014, the owner intended to build a 3-bedroom house of approximately 3,690 square feet of living space. If there were any legitimacy to using a hypothetical home to find “comps,” the hypothetical home would at least have to be somewhat close to what the owner intended to build.

⁹ It’s likely that Mr. Elliot made a mistake by using “copy-and-paste” to fill in sections of the forms for both appraisals. However, it is the responsibility of the claimant to submit accurate appraisals, and the City Council must not accept *post-facto* explanations of errors, intentional or not. Overall, these appraisals are so rife with errors and inconsistencies that they simply aren’t credible to support a Measure 49 claim.

Mr. Elliot then makes an unsupported claim that “[no] adverse easements are apparent.” However, to a reasonable person (including an elected official), the only reason provided by Mr. Elliot for no such easements being apparent is that *he didn’t bother to look at a title report*.

The appraiser’s neglect to review the title report is strong evidence that the appraisals do not meet the requirement of ORS 195.310(2)(b) which requires that “[t]he appraisal must ... [c]omply with the Uniform Standards of Professional Appraisal Practice.”

d. As explained more fully in the testimony submitted by others, the appraisals relied upon properties that were not valid “comparables” for the subject property. Among these was a property (1910 Potter Street) whose zoning isn’t even the same single-family residential use¹⁰ as the subject property’s single-family zoning, which is covered by ORS 195.310(1)(b). Another of the inappropriate “comps” (33481 Bloomberg Road) was a property not even within the Eugene-Springfield Urban Growth Boundary.

4. The purported “reduction” in fair market value did not meet the statutory requirement in ORS 195.305:

“Just compensation under ORS 195.310 (Claim for compensation) to 195.314 (Notice of claim) shall be based on the reduction in the fair market value of the property resulting from the land use regulation.” (Underline added.)

Both of the appraisals acknowledge “some depreciating prices due to the lingering effects of the housing crisis commonly thought to have begun in 2010.”

Pre appraisal

The market for homes in the area has been active between 2010 and 2012, with some depreciating prices due to the housing crisis commonly thought to have begun in 2010. Median days on market for the extended neighborhood spanning a one mile

Note that this statement appears to have been copied from the March 12, 2012 appraisal that was submitted in error, and it doesn’t address the market from 2011 to 2013 (or from 2013 until 2015), as would be appropriate – one more error in these appraisals.

Post appraisal

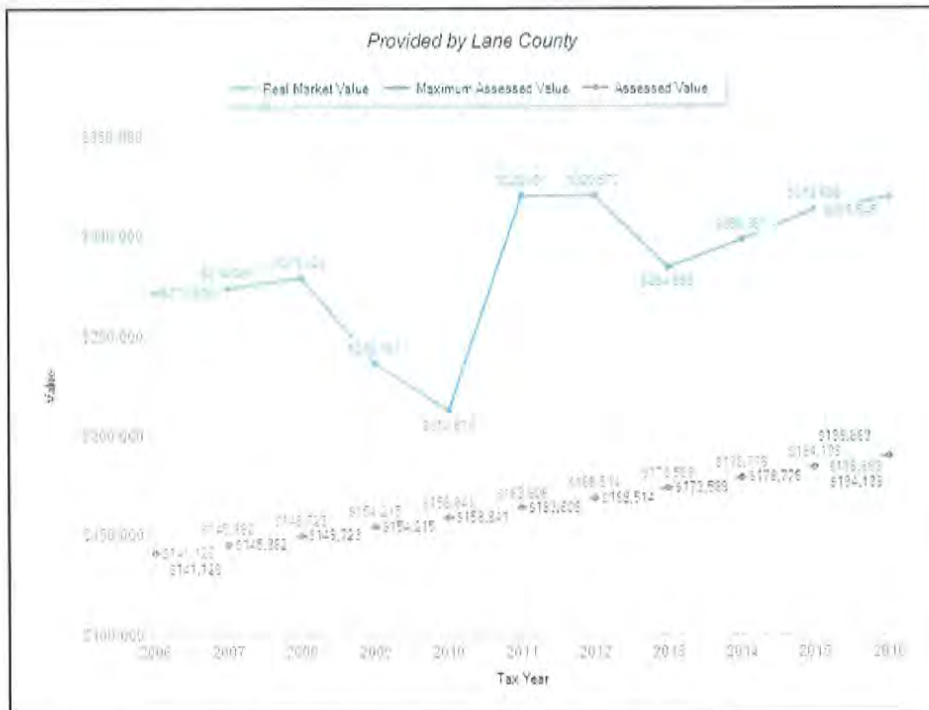
The market for homes in the area has been active between 2012 and 2014, with some depreciating prices due to the lingering effects of the housing crisis commonly thought to have begun in 2010. Median days on market for the extended neighborhood spanning a one mile

Note that this statement appears to have been copied from the March 12, 2014 appraisal that was submitted in error, and it doesn’t address the market from 2013 until 2015, as would be appropriate – another error in these appraisals.

Neither of the appraisals provides any concrete data or analysis of the effect that market changes may have had on the property’s “fair market value” from March 12, 2013 to March 12, 2015. Without that information, it’s impossible to determine the actual effect (if any) of the cited regulation itself on the property’s fair market value. This factor isn’t a moot point because Lane County property records indicate substantial swings in the property’s Real Market Value (“RMV”), including increases and decreases in the properties RMV over the past five years.

¹⁰ ORS 195.310(1)(b) requires that “The [owners] desired use of the property is a residential use or a farming or forest practice ORS 195.300(25) Definitions: “Zoned for residential use means zoning that has as its primary purpose single-family residential use.” (Underlining added.) 1910 Potter Street is zoned R-3, which is for high-density, multi-family residential use.

Year	Real Market Value (RMV)			Total Assessed Value	Tax
	Land	Improvement	Total		
2015	\$150,515	\$163,151	\$313,666	\$184,139	\$3,458.35
2014	\$145,023	\$153,338	\$298,361	\$178,776	\$3,388.61
2013	\$139,513	\$145,045	\$284,558	\$173,569	\$3,296.98
2012	\$96,186	\$224,386	\$320,572	\$168,514	\$3,032.24
2011	\$96,186	\$224,215	\$320,401	\$163,606	\$2,974.93
2010	\$105,559	\$107,060	\$212,619	\$158,841	\$2,886.20



Thus, the application fails to meet the standard in ORS 195.305:

“Just compensation under ORS 195.310 (Claim for compensation) to 195.314 (Notice of claim) shall be based on the reduction in the fair market value of the property resulting from the land use regulation.” (Underline added)

ORS 195.310(1) reiterates this requirement:

“A person may file a claim for just compensation ... if ... [t]he enactment of one or more land use regulations after January 1, 2007... has reduced the fair market value of the property.”

Thus, even if the “pre” and “post” appraisals met the statutory requirements (and they don’t), the claimant has not shown how much, if any, of this change “result[ed] from the land use regulation” cited in the claim.

Conclusion

As demonstrated above:

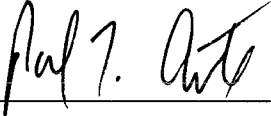
- The cited regulation did not restrict the residential use of the subject property.
- The submitted appraisals are rife with errors, false statements, inconsistencies and conflicting assertions. Neither of the appraisals comes close to meeting professional standards as required by statute.

- There is no credible evidence that the cited regulation itself was the cause of any decrease in the fair market value of the property.

Consequently, the claim lacks both merit and does not comply with statutory requirements.

For these reasons, the City Council must deny the claim.

Submitted on January 10, 2017 by

A handwritten signature in cursive script, appearing to read "Paul Conte", is written over a horizontal line.

Paul Conte
1461 W. Tenth Ave.
Eugene, OR 97402

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Public Hearing: An Ordinance Concerning the Rental Housing Code; Amending Sections 8.415, 8.425 and 8.430 of the Eugene Code, 1971, and Repealing the Sunset Date

Meeting Date: January 17, 2017
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 2
Staff Contact: Rachelle Nicholas
Contact Telephone Number: 541-682-5495

ISSUE STATEMENT

This public hearing is an opportunity for the public to provide feedback to the Eugene City Council on an Ordinance that adds language to the Rental Housing code to address carbon monoxide alarms, electrical systems, appliances, and rats. The Ordinance removes the sunset clause and adds language requiring the City Manager review the Rental Housing Code program and report to City Council every three years. After the public hearing, the Council is scheduled to take action on January 23, 2017. If no further action is taken the code's ordinance will sunset on March 1, 2017 and be repealed.

BACKGROUND

The Eugene Rental Housing Code was adopted by the City Council in 2004 to set minimum habitability standards for rental housing. When the Rental Housing code was created, it included an initial sunset date of December 31, 2008. Since that time, the sunset date has been extended three times by the City Council. Currently, Eugene's Rental Housing code is scheduled to sunset on March 1, 2017 if no action is taken.

At the December 7, 2016 work session City Council directed the City Manager to prepare an ordinance to remove the Rental Housing Code sunset date and amend the provisions to incorporate recommendations from the Housing Policy Board (Attachment B).

The public hearing is concerning the attached draft ordinance which removes the sunset clause and adds language to the Rental Housing Code to address carbon monoxide alarms, electrical systems, appliances and rats. City Council is scheduled to take action on the ordinance on January 23, 2017.

RELATED CITY POLICIES

City Council Goals

- Safe Community: A community where all people are safe, valued and welcome.
- Sustainable Development: A community that meets its present environmental, economic and social needs without compromising the ability of future generations to meet their own needs.

- Effective, Accountable Municipal Government: A government that works openly, collaboratively, and fairly with the community to achieve measurable and positive outcomes and provide effective, efficient services.

Envision Eugene Pillars

- Provide affordable housing for all income levels
- Promote compact urban development and efficient transportation options
- Protect, repair, and enhance neighborhood livability

CITY MANAGER'S RECOMMENDATION

This is a public hearing. There is no City Manager recommendation.

SUGGESTED MOTION

None; this is a public hearing.

ATTACHMENTS

- A. An Ordinance Removing the Sunset Date and Amending Sections 8.415, 8.425 and 8.430
- B. Rental Housing Committee recommendation to Housing Policy Board

FOR MORE INFORMATION

Staff Contact: Rachelle Nicholas
Telephone: 541-682-5495
Staff E-Mail: rachelle.d.nicholas@ci.eugene.or.us

ORDINANCE NO. _____

**AN ORDINANCE CONCERNING THE RENTAL HOUSING CODE;
AMENDING SECTIONS 8.415, 8.425 AND 8.430 OF THE EUGENE
CODE, 1971, AND REPEALING THE SUNSET DATE.**

The City Council of the City of Eugene finds as follows:

A. Sections 8.400 through 8.440, and 8.995 of the Eugene Code, 1971, (“the Rental Housing Code”) were adopted by Ordinance No. 20329 on November 22, 2004. Ordinance No. 20329 also provided that the Ordinance and the Rental Housing Code be repealed effective December 31, 2008

B. Since its initial adoption in 2004, the Rental Housing Code sunset date has been extended and its provisions amended. The most recent amendment was adopted by Ordinance No. 20494 on June 11, 2012. The most recent extension was adopted by Ordinance No. 20568 on September 26, 2016, extending the sunset date to March 1, 2017.

C. The Council has determined that the Rental Housing Code sunset date should be removed and that revisions recommended by the Housing Policy Board be incorporated into the Rental Housing Code.

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. Section 8.415 of the Eugene Code, 1971, is amended by adding the definitions of “Carbon Monoxide Alarm” and “Carbon Monoxide Source” and by repealing the definition of “Plumbing code” to provide as follows:

8.415 Rental Housing – Definitions. For purposes of sections 8.400 through 8.440 of this code, the following words and phrases mean:

Carbon Monoxide Alarm. A device that:

- a. Detects carbon monoxide;***
- b. Produces a distinctive audible alert when carbon monoxide is detected;***
- c. Conforms to State Fire Marshal rules;***
- d. Is listed by Underwriters Laboratories or any other nationally recognized testing laboratory or an equivalent organization; and***
- e. Operates as a distinct unit or as two or more single station units wired to operate in conjunction with each other.***

Carbon Monoxide Source. A heater, fireplace, appliance or cooking source that uses coal, kerosene, petroleum products, wood or other fuels that emit carbon monoxide as a by-product of combustion, or an attached garage with an opening that communicates directly with a living space.

Essential Services. Heat, plumbing, hot and cold running water, gas, electricity, light fixtures, locks for exterior doors, latches for windows and any cooking appliance or refrigerator supplied or required to be supplied by the landlord; and any other service or habitability obligation imposed by the rental agreement or ORS 90.320, the lack or violation of which creates a serious threat to the tenant's health, safety or property or makes the dwelling unit unfit for occupancy.

~~[Plumbing code. The current edition of the State of Oregon Plumbing Specialty Code or Oregon Residential Specialty Code.]~~

Section 2. Section 8.425 of the Eugene Code, 1971, is amended by adding new subsections (7), (8), (9) and (10), and renumbering current subsection (7) to subsection (11) to provide as follows:

8.425 Rental Housing – Standards.

- (7) Carbon Monoxide Alarms.** Every dwelling unit that contains a carbon monoxide source shall be equipped with at least one approved and properly functioning carbon monoxide alarm installed and maintained in accordance with State Fire Marshal rules, applicable requirements of the state building code, and the Oregon Revised Statutes. A dwelling unit that is located within a structure that contains a carbon monoxide source and is connected to the room in which the carbon monoxide source is located by a door, ductwork or a ventilation shaft is considered to contain a carbon monoxide source.
- (8) Electrical.**
 - (a)** Electrical systems, including electrical outlets, light fixtures and light switches, shall be in good working order.
 - (b)** Electrical systems shall conform to applicable law at the time of installation. Repairs must be permanent rather than temporary and shall be through generally accepted electrical methods.
- (9) Appliances.** All appliances that are furnished by the landlord, including, but not limited to, refrigerator, range, air conditioner,

dishwasher, microwave, clothes washer and dryer, must be in good working order and shall be maintained by the landlord.

(10) Rats. *Every dwelling unit must be maintained free of rats. At a minimum, the landlord must comply with the standards set forth in section 6.015 of this code.*

(711) Interpretations.

- (a) The city manager is empowered to render interpretations of sections 8.400 through 8.440 of this code.
- (b) Such interpretations shall be consistent with the purpose of this code.

Section 3. Subsections (2)(d) and (5) of Section 8.430 of the Eugene Code, 1971, are amended to provide as follows:

8.430 Rental Housing – Enforcement.

(2) Complaint.

- (d) Complaints shall be processed by the city manager. The city manager shall adopt rules pursuant to section 2.019 of this code that specify the procedure to be followed in processing complaints. Before initiating an investigation under subsection (3) of this section, the city manager shall:
 - 1. Confirm that the complainant has standing to file a complaint;
 - 2. Confirm that the subject of the complaint could be a violation of this code;
 - 3. ***Except for complaints regarding lack of essential services, [C]confirm that the owner or the owner's agent has had ten days since mailing of the written notice by the tenant to respond to the complaint;***
 - 4. ***For complaints involving lack of essential services, confirm that the owner or owner's agent has had 48 hours from the time the tenant provided written notice to respond to the complaint;*** and
 - [45.] Provide notice to the owner or the owner's agent of the complaint per written procedures.

(5) Notices and Orders.

- (a) For valid complaints, the city manager shall issue an order to the owner or the owner's agent. The notice and order shall include the following:
 - 1. Address and unit number if applicable;
 - 2. A statement that the city manager has found the premises to be in violation of section 8.425 of this code as alleged in the complaint;
 - 3. A description of the violation;

4. A deadline for completing repairs of ten days, unless the city manager determines that:
 - a. ***Repairs are needed to remedy the lack of essential services. Upon making this determination, the city manager shall fix a deadline for completing the repairs that is reasonable in the circumstances, but in no event shall the deadline for completion be more than 48 hours from issuance of the notice and order; or***
 - b. [t]The necessary repairs ***of non-essential services*** cannot be completed within the ten day period. If the city manager makes such a determination, the owner or owner's agent shall submit a compliance schedule acceptable to the city within ten days;
 5. A statement advising the owner or the owner's agent that if the required repairs are not completed by the deadline stated in the notice and order, the city manager may:
 - a. Issue an administrative civil penalty, or initiate a prosecution in municipal court, or both; and
 - b. Initiate action to recover all city costs associated with the processing of the complaint, investigation and the resolution of the issue.
 6. A statement that the owner or the owner's agent may appeal the notice and order as specified in section 8.435 of this code; and;
 7. The date after which a reinspection will be scheduled.
- (b) The city manager shall mail the order, and any amended or supplemental notice and order, to the tenant and to the owner or the owner's agent by first class mail. ***If the complaint involves lack of essential services, the city manager shall provide such notice and order by e-mail, phone, and/or personal delivery.***

Section 4. The sunset date of the Rental Housing Code (Sections 8.400 through 8.440, and 8.995 of the Eugene Code, 1971) is removed.

Section 5. The City Manager shall review the City's Rental Housing Code program and report to City Council every three years with the results of the review.

Section 6. The City Recorder, at the request of, or with the consent of the City Attorney, is authorized to administratively correct any reference errors contained herein,

ATTACHMENT A

or in other provisions of the Eugene Code, 1971, to the provisions added, amended or repealed herein.

Passed by the City Council this

_____ **day of January, 2017.**

Approved by the Mayor this

_____ **day of January, 2017.**

City Recorder

Mayor

Memorandum

Date: 3/16/16
To: Housing Policy Board; Eugene City Council
From: Eugene Rental Housing Committee
Subject: Report on Rental Housing Code

Background:

Eugene enacted a rental housing code, with a sunset clause, in 2005. Its purpose is to "provide minimum habitability criteria to safeguard health, safety, property and public wellbeing to owners, occupants and users of rental housing." City Council has renewed the code several times, each time making minor changes. The ordinance sunsets again in September 2016. One of the changes the Council made when it renewed the Code in 2012 was to create an advisory committee to report through the Housing Policy Board on the working of the code. This is a report of the work of the committee and the code. Members of the committee are:

Heather Buch (landlord)
Norton Cabell, chair, (chair of the Housing policy Board, a landlord)
Eric Hall (landlord, former board member of Rental Owners Association)
Chris Wig (tenant advocate)
Jim Straub (landlord, former president of Rental Owners Association)
Geni Sustello (director of public housing at HACSA)
John VanLandingham (Legal Aid, member of the Housing Policy Board)

Synopsis of complaints:

In fiscal years 2013, 2014, and 2015:

- 72 complaints were logged. (Not every complaint is logged; some are satisfied over the phone or the housing code is determined not to apply.)
- 5 complaints were dismissed because either the tenant didn't follow up with a copy of written notice to the landlord or the tenant denied access to the landlord for repairs.
- 22 complaints were resolved before an inspection was required (usually because the landlord made the repair to the tenant's satisfaction, or because the tenant moved out).
- 46 complaints required inspection by city staff.
 - 30 required an order to correct. All were eventually corrected.
 - 16 complaints were found, after inspection, to require no action.
- 1 resulted in a fine.

The subjects of the complaints are as follows (most complaints involved more than one subject):

Tenants complained about		Inspector found:
Mold	47	14
Weather tightness	43	20
Plumbing	33	14
Electrical	15	13
Security	18	7
Heating	17	10
Smoke detector	3	4
Structural integrity	1	0
Other	3	0

Work of the committee:

Meetings of the committee have been devoted mostly to reviewing the complaints and how city staff has responded to them, and some to reviewing the costs of the program.

The committee did not review every complaint but does review those it deems interesting, especially the complicated ones and those that drag on for some time. When the code was last renewed and the committee formed, there was a perception among landlords of unfairness: of inspectors going beyond the issues in the complaint, and of inspectors taking the tenant's side. (Inspectors, it should be noted, are obligated by law to document conditions that are a threat to health or safety.) The committee found, however, no such instances and that staff regularly has acted professionally and properly.

The program has been expensive to run. It costs about \$300,000 annually, which is paid for by a \$10 per unit annual fee levied on landlords (who sometimes pass it on to tenants). That works out to almost \$12,500 per complaint actually filed or \$30,000 per "order to correct" or \$285 per logged call. The committee reviewed the budget and expenditures and didn't find any viable ways substantially to cut the costs.

Not all inquiries result in a complaint. In 2012 and 2013, an average of just over 1,000 calls were logged each year. Almost half were from landlords, most regarding billing. The inquiries (both calls and walk-ins) from tenants that didn't result in a formal complaint concerned housing issues such as pests, electrical, garbage, screens, appliances, insulation, and carbon monoxide detectors. Non-housing issues included general landlord-tenant issues, evictions, and fair housing.

With the imminent sunset, the committee has been looking at codes in other jurisdictions and worked with staff to identify gaps in our own code.

Benefits of the program:

1. Tenants who do complain about legitimate problems often get results.
2. The requirement for a written complaint helps both landlord and tenant by documenting the problem, reducing "he said, she said" arguments, and by helping to resolve problems more promptly than might occur otherwise.

3. Inspections are impartial and are performed by individuals with expertise. In a later dispute about the condition of the housing, the inspector and the report can be subpoenaed.
4. Tenants who follow the required process receive some legal protection, since landlord-tenant law prohibits retaliation against tenants who reasonably complain. However, it can be argued that no tenant complains without risk.
5. It is clearer to both parties what a landlord's obligations are, and what they are not.

And the concerns:

1. Cost. It is an expensive program to run, particularly when weighed against the actual results.
2. While this is a general fund category, city council promised that the costs of the program would be borne by the door tax, but that the latter shouldn't be a new source of revenue for the city in general. The revenue (which runs about \$320,000 annually) has exceeded the expenses (in fiscal '13 by \$18,000; fiscal '14 by \$34,000; fiscal '15 by \$66,000). The accumulated surplus since 2005 is now \$263,000. We have no recommendation regarding the surplus, feeling it will begin to shrink and the surplus will insulate against fee increases.
3. Should additional areas be covered? Should timelines for code compliance (especially in winter) be shortened?

Recommendations:

1. Renew the rental housing code and extend the sunset provision four years.
2. Retain an advisory committee.
3. Add some items to the code:
 - a. Working electrical systems. While electrical safety is covered under existing codes, working electrical is not. If electricity fails in part of a dwelling—but it doesn't create a safety risk—it is not covered.
 - b. Carbon monoxide detectors. We should mirror Oregon Landlord-Tenant Law and other jurisdictions by requiring such alarms where a potential source of CO is present.
 - c. Rats. Oregon Landlord-Tenant Law requires a landlord to provide premises free of pests and vermin. Some codes make that an ongoing problem. Pest and vermin problems, other than rats, are usually caused by tenants; an infestation of rats is usually not.
 - d. Certain appliances. Landlord-Tenant Law requires a landlord to maintain appliances the landlord provides. There is some disagreement regarding what is covered. We recommend that if a landlord provides a range, refrigerator, air conditioning, dishwasher, microwave, clothes washer, or clothes dryer, that the landlord must maintain the appliance.
4. Not add certain items to the code. The committee considered the following but is not recommending covering them:
 - a. Window screens. These are not essential, they are easily and cheaply provided by the tenant.
 - b. Insulation. Energy efficiency and insulation (or their lack) is expensive to retrofit and is usually reflected in the rent. Requiring them would have significant impact

on housing costs in Eugene. The committee has been looking into tenant education programs and will continue that effort.

- c. Ventilation, particularly in bathrooms. Lack thereof usually creates mold, which is already covered by other city codes.
 - d. Garbage. If it is outside, it is covered by other codes.
 - e. Evictions, etc. These are beyond the scope of the code.
 - f. External maintenance. Items like working gutters and downspouts that cause water intrusion into the dwelling unit are already covered by the code.
5. Shorten some timelines. Before the City can react to a complaint, the tenant must provide ten days' written notice of the failure to the landlord. This works a serious hardship on tenants when it is an essential utility, such as no heat in the winter or no working toilet. Oregon Landlord-Tenant Law provides that if an essential utility is lacking—posing “an imminent and serious threat to the tenant’s health, safety or property”—and is not repaired within 48 hours after written notice, the tenant may terminate the tenancy. The committee doesn’t want the tenant to be forced to move out; rather it wants to allow the City to intervene. Hence, the recommendation is to shorten the 10-day notice period to 48 hours in the case of an essential utility.

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Public Hearing: An Ordinance Allowing a New Recreational Marijuana Facility to Locate Less Than 1000 feet from Looking Glass New Roads School

Meeting Date: January 17, 2017
Department: Planning and Development
www.eugene-or.gov

Agenda Item Number: 3
Staff Contact: Mike McKerrow
Contact Telephone Number: 541-682-5288

ISSUE STATEMENT

The City Council will hold a public hearing and consider adoption of an ordinance to provide an exception per state statute regarding the minimum distance between a marijuana dispensary and Looking Glass New Roads School.

BACKGROUND

GlassRoots, LLC, a retail glass shop established six years ago titled Eugene Glass Menagerie and located at 980 W. 5th Avenue, was recently informed by the State of Oregon at the end of their recreational marijuana application process that a school was located closer than 1000 feet from the existing retail glass shop and their application would not be approved. The school, Looking Glass New Roads School, is located at 945 W. 7th Avenue.

While the straight line measurement from the closest property line of Looking Glass to the closest building corner of GlassRoots is approximately 540 feet, the distance a pedestrian would travel from door to door is approximately 1200 feet.

Earlier this year, the Legislature adopted Senate Bill 1511 which allows cities to adopt an ordinance permitting a recreational marijuana business to be located less than 1000 feet but no closer than 500 feet from a school if the City Council determines that “a physical or geographic barrier” separates the business from the school.

GlassRoots, LLC, has requested that the City Council consider adoption of such an ordinance prior to February 1st, 2017, when their application would expire. Adopting the ordinance would allow the establishment of recreational marijuana sales at their existing retail glass location.

After the Ordinance (marked as Version 1) was posted for public review, it was determined that, for OLCC’s purposes, the distance between Looking Glass and GlassRoots should be measured in a straight line from the closest property line of Looking Glass to the closest building corner of GlassRoots rather than from the corners of the two properties. The amended distance measurement is shown in legislative format in Version 2 of the Ordinance.

RELATED CITY POLICIES

Per the City's land use code, GlassRoots, LLC, is a permitted use at its current location in the C-2 Community Commercial zone. (The only City land use code standard relating to minimum separation requirements are needing at least 200 feet between freestanding signs in some commercial and industrial zones.)

COUNCIL OPTIONS

None. This is a public hearing.

CITY MANAGER'S RECOMMENDATION

None.

SUGGESTED MOTION

None. Public hearing only.

ATTACHMENTS

- A. Ordinance Version 1 (Ordinance posted for public hearing)
- B. Ordinance Version 2 (Ordinance with updated distance measurement)

FOR MORE INFORMATION

Staff Contact: Mike McKerrow
Telephone: 541-682-5288
Staff E-Mail: mike.j.mckerrow@ci.eugene.or.us

ORDINANCE NO. _____

AN ORDINANCE ALLOWING THE LICENSING OF A RECREATIONAL MARIJUANA RETAIL FACILITY TO LOCATE LESS THAN 1000 FEET FROM LOOKING GLASS NEW ROADS SCHOOL AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

The City Council of the City of Eugene finds as follows:

A. ORS 475B.110(2)(d) provides that a recreational marijuana retail store registered with the Oregon Liquor Control Commission (OLCC) pursuant to ORS 475B.110 may not be located less than 1,000 feet of a public elementary or secondary school for which attendance is compulsory under ORS 339.020, or a private or parochial elementary or secondary school teaching children as described in ORS 339.030(1)(a).

B. GlassRoots. LLC, located at 980 W 5th Avenue, Eugene, Oregon, is a retail glass shop and has been working toward transitioning to a recreational marijuana retail store. GlassRoots submitted an application to OLCC in February of 2016 for a recreational marijuana retail license. Toward the end of the application process, OLCC notified GlassRoots that an alternative school was located within 1000 feet of the establishment. All application issues must be resolved by February 1, 2017, or the application will be denied and the application fee lost.

C. Looking Glass New Roads School (Looking Glass), located at 945 W 7th Avenue, Eugene, Oregon, assists homeless youth with basic needs such as food, clothing and showers. In addition, Looking Glass provides street outreach services, case management services (transitional living plan, assistance finding housing, etc.), an education program, behavioral health services (mental health and substance abuse treatment, dual diagnosis treatment), and employment guidance (e.g. résumé preparation, job searching, etc.).

D. The 2016 Legislature adopted SB 1511. Section 29b of that legislation provides that a city or county may adopt an ordinance that allows a recreational marijuana retailer to be located less than 1000 feet for a school provided that (1) the retailer has a license from OLCC and is located more than 500 feet from the school, and (2) the city or county determines that a physical or geographic barrier exists separating the retail store from the school.

E. GlassRoots is located east of Blair Blvd., south of W 5th Avenue, at the intersection of Blair Blvd. and W 5th Avenue. Looking Glass is located west of Blair Blvd., north of W 7th Avenue, near the intersection of Blair Blvd. and W 7th Avenue. The distance of pedestrian travel from the door of Looking Glass to the door of GlassRoots is approximately 1200 feet (per GEODart). As the crow flies, the distance from door to door is approximately 700 feet, and the distance between the closest property corners is approximately 420 feet. The two facilities are located on opposite sides of Blair Blvd. and of W 6th Avenue. West 6th Avenue is a four lane "major" arterial, with average daily traffic of 30,000. Geographically, there are two fenced properties along the pedestrian route between GlassRoots and Looking Glass limiting direct access between the two facilities. In addition, the two facilities are not within line of sight of each

Attachment A

other, in part due to trees and structures blocking that view. In light of these facts, especially the busy arterial road separating the Looking Glass from GlassRoots, there are physical or geographic barriers that will limit children from traversing between the two establishments.

NOW, THEREFORE,

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. The findings set forth above are adopted in support of this Ordinance.

Section 2. A physical or geographic barrier capable of limiting children from traversing directly between GlassRoots and Looking Glass exists as described in the above findings.

Section 3. Upon OLCC's issuance of a license to GlassRoots as a recreational marijuana retail facility, GlassRoots may operate as a recreational marijuana retail facility at 980 W 5th Avenue, Eugene, Oregon.

Section 4. Pursuant to the provisions of Section 32(2) of the Eugene Charter of 2002, with the affirmative vote of two-thirds of the members of the City Council, upon adoption by the Council and approval by the Mayor, or passage over the Mayor's veto, this Ordinance shall become effective immediately. An immediate effective date is necessary due to the February 1, 2017 deadline for Council adoption of an Ordinance allowing GlassRoots to operate as a recreational marijuana retail store.

Passed by the City Council this

_____ day of January, 2017

Approved by the Mayor this

_____ day of January, 2017

City Recorder

Mayor

ORDINANCE NO. _____

AN ORDINANCE ALLOWING THE LICENSING OF A RECREATIONAL MARIJUANA RETAIL FACILITY TO LOCATE LESS THAN 1000 FEET FROM LOOKING GLASS NEW ROADS SCHOOL AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

The City Council of the City of Eugene finds as follows:

A. ORS 475B.110(2)(d) provides that a recreational marijuana retail store registered with the Oregon Liquor Control Commission (OLCC) pursuant to ORS 475B.110 may not be located less than 1,000 feet of a public elementary or secondary school for which attendance is compulsory under ORS 339.020, or a private or parochial elementary or secondary school teaching children as described in ORS 339.030(1)(a).

B. GlassRoots. LLC, located at 980 W 5th Avenue, Eugene, Oregon, is a retail glass shop and has been working toward transitioning to a recreational marijuana retail store. GlassRoots submitted an application to OLCC in February of 2016 for a recreational marijuana retail license. Toward the end of the application process, OLCC notified GlassRoots that an alternative school was located within 1000 feet of the establishment. All application issues must be resolved by February 1, 2017, or the application will be denied and the application fee lost.

C. Looking Glass New Roads School (Looking Glass), located at 945 W 7th Avenue, Eugene, Oregon, assists homeless youth with basic needs such as food, clothing and showers. In addition, Looking Glass provides street outreach services, case management services (transitional living plan, assistance finding housing, etc.), an education program, behavioral health services (mental health and substance abuse treatment, dual diagnosis treatment), and employment guidance (e.g. résumé preparation, job searching, etc.).

D. The 2016 Legislature adopted SB 1511. Section 29b of that legislation provides that a city or county may adopt an ordinance that allows a recreational marijuana retailer to be located less than 1000 feet for a school provided that (1) the retailer has a license from OLCC and is located more than 500 feet from the school, and (2) the city or county determines that a physical or geographic barrier exists separating the retail store from the school.

E. GlassRoots is located east of Blair Blvd., south of W 5th Avenue, at the intersection of Blair Blvd. and W 5th Avenue. Looking Glass is located west of Blair Blvd., north of W 7th Avenue, near the intersection of Blair Blvd. and W 7th Avenue. The distance of pedestrian travel from the door of Looking Glass to the door of GlassRoots is approximately 1200 feet (per GEODart). ~~As the crow flies, the distance~~ **The straight line measurement** from door to door is approximately 700 feet, and the ~~distance between the closest property corners is approximately 420 feet~~ **straight line measurement from the closest property line of Looking Glass to the closest building corner of GlassRoots is approximately 540 feet.** The two facilities are located on opposite sides of Blair Blvd. and of W 6th Avenue. West 6th Avenue is a four lane "major" arterial, with average daily traffic of 30,000. Geographically, there are two fenced

Attachment B

properties along the pedestrian route between GlassRoots and Looking Glass limiting direct access between the two facilities. In addition, the two facilities are not within line of sight of each other, in part due to trees and structures blocking that view. In light of these facts, especially the busy arterial road separating the Looking Glass from GlassRoots, there are physical or geographic barriers that will limit children from traversing between the two establishments.

NOW, THEREFORE,

THE CITY OF EUGENE DOES ORDAIN AS FOLLOWS:

Section 1. The findings set forth above are adopted in support of this Ordinance.

Section 2. A physical or geographic barrier capable of limiting children from traversing directly between GlassRoots and Looking Glass exists as described in the above findings.

Section 3. Upon OLCC's issuance of a license to GlassRoots as a recreational marijuana retail facility, GlassRoots may operate as a recreational marijuana retail facility at 980 W 5th Avenue, Eugene, Oregon.

Section 4. Pursuant to the provisions of Section 32(2) of the Eugene Charter of 2002, with the affirmative vote of two-thirds of the members of the City Council, upon adoption by the Council and approval by the Mayor, or passage over the Mayor's veto, this Ordinance shall become effective immediately. An immediate effective date is necessary due to the February 1, 2017 deadline for Council adoption of an Ordinance allowing GlassRoots to operate as a recreational marijuana retail store.

Passed by the City Council this

_____ day of January, 2017

Approved by the Mayor this

_____ day of January, 2017

City Recorder

Mayor