

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENTERING AN ORDER ) Resolution No. 08-3967  
RELATING TO THE TIGARD SAND & GRAVEL, )  
LLC, CLAIM FOR COMPENSATION UNDER )  
SECTION 9 OF CHAPTER 424 OREGON LAWS ) Introduced by Chief Operating Officer  
2007 (MEASURE 49) AND METRO CODE ) Michael Jordan with the concurrence of  
CHAPTER 2.21 ) Council President David Bragdon

WHEREAS, Tigard Sand & Gravel, LLC., filed a claim for compensation under section 9 of Chapter 424, Oregon Laws, 2007 (Measure 49), and Metro Code Chapter 2.21 contending that a Metro regulation reduced the fair market value of its property; and

WHEREAS, Tigard Sand & Gravel, LLC. had previously filed a claim with Metro under Measure 37; and

WHEREAS, the Chief Operating Officer reviewed the Measure 49 claim and sent notice of his tentative determination of qualification for compensation or waiver to those entitled to notice under Metro Code 2.21.040(b); and

WHEREAS, the Metro Council considered the claim at a public hearing on August 7, 2008; now, therefore

BE IT RESOLVED that the Metro Council:

1. Enters Order No. 08-047, attached to this resolution as Exhibit A, which denies the claim.
2. Directs the Chief Operating Officer ("COO") to send copies of the order to the claimant, the cities of Tualatin and Sherwood, Washington County, the Oregon Department of Administrative Services and any person who participated in the public hearing, and to post the order at the Metro website.

ADOPTED by the Metro Council this day of August 7, 2008.

  
David Bragdon, Council President

Approved as to form:

  
Daniel B. Cooper, Metro Attorney

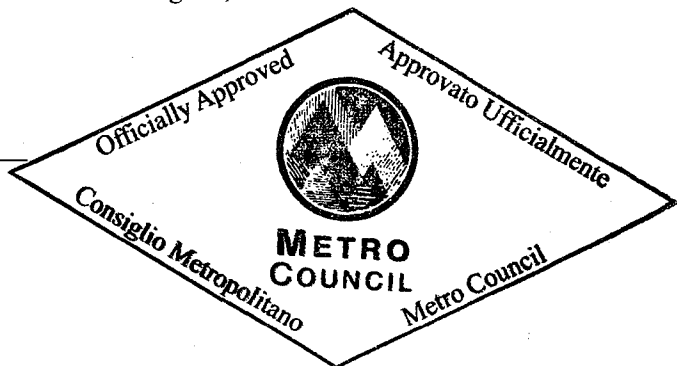


Exhibit A to Resolution No. 08-3967  
Order No. 08-047

RELATING TO THE TIGARD SAND & GRAVEL, LLC.. CLAIM FOR COMPENSATION  
UNDER SECTION 9, CHAPTER 424 OREGON LAWS 2007 (MEASURE 49)

Claimant: Tigard Sand & Gravel, LLC.  
Property: Washington County, west of Tualatin  
Claim: Limitations in Metro Code reduce the fair market value of claimant's property

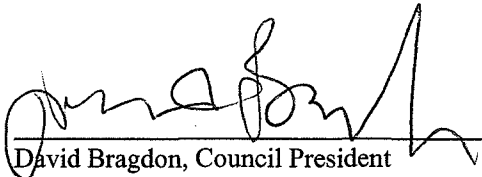
Claimant submitted its claim to Metro pursuant to section 9 of Chapter 424, Oregon Laws, 2007 (Measure 49), and Metro Code Chapter 2.21. This order is based upon materials submitted by the claimant and the reports prepared by the Chief Operating Officer ("COO") pursuant to section 2.21.060(g), and other materials presented at the public hearing.

The Metro Council considered the claim at a public hearing on August 7, 2008.


IT IS ORDERED THAT:

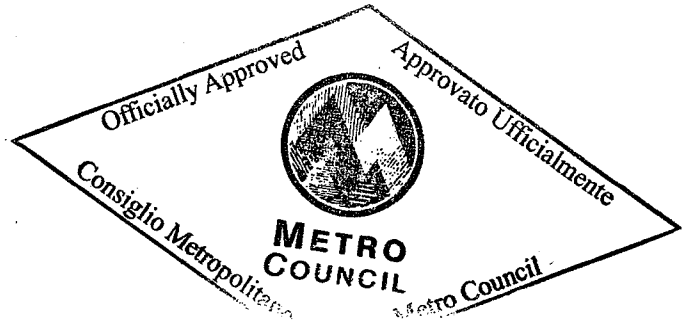
The claim of Tigard Sand & Gravel, LLC., for compensation or waiver be denied because it does not qualify for the reasons set forth in the reports of the COO.

ENTERED this 7<sup>th</sup> day of August, 2008.

  
David Bragdon, Council President

Approved as to form:

  
for Daniel B. Cooper  
Metro Attorney



**CLAIM FOR COMPENSATION  
UNDER BALLOT MEASURE 49  
AND METRO CODE CHAPTER 2.21**

**REPORT OF THE METRO CHIEF OPERATING OFFICER**

**In Consideration of Council Order No 08-047**

**For the purpose of entering an order relating to the Tigard Sand & Gravel, LLC claim for compensation under Section 9 of Chapter 424 Oregon laws 2007 (Measure 49) and Metro Code Chapter 2.21**

July 29, 2008

**METRO CLAIM NUMBER:** Claim No. 08-047

**NAME OF CLAIMANT:** Tigard Sand and Gravel, LLC

**MAILING ADDRESS:** c/o Elaine R. Albrich  
Stoel Rives, LLP  
900 SW Fifth Ave., Suite 2600  
Portland, OR 97204

**PROPERTY LOCATION:** SW 120<sup>th</sup> Ave., Washington County, Oregon

**LEGAL DESCRIPTION:** T2S, R1W, Section 27C, tax lots 900, 300, 400  
T2S, R1W, Section 34B, tax lots 100, 200, 800  
T2S, R1W, Section 34C, tax lot 500

**DATE OF CLAIM:** June 6, 2008

**I. CLAIM**

Claimant, Tigard Sand and Gravel, LLC, seeks an unspecified amount of compensation for a claimed reduction in fair market value (FMV) of property owned by the Claimant (map included as ATTACHMENT 1) as a result of enforcement of an unspecified Metro regulation. Claimant has not indicated a proposed use for the property.

For the purposes of this report, it is assumed that the claim is based on the regulations that the Claimant previously cited in a Measure 37 claim against Metro: the designation of the property as a Regionally Significant Industrial Area (RSIA) and the other conditions of the property's inclusion in the urban growth boundary (UGB) that are articulated in Exhibit B to Metro Ordinance 02-990A ("For the purpose of amending the urban growth boundary to add land in study areas 47 and 48, Tigard Sand and Gravel Site"). Under Measure 37, the Claimant cited a loss of value of not less than \$35,753,520.

The Chief Operating Officer (COO) sent notice of date, time and location of the public hearing on this claim before the Metro Council on June 24, 2008. The notice indicated that a copy of this report is available upon request and that the report is posted on Metro's website at [www.oregonmetro.gov/measure49](http://www.oregonmetro.gov/measure49).

**II SUMMARY OF COO RECOMMENDATION**

The claim does not meet the basic requirements of Measure 49. The COO recommends that the Metro Council deny the claim for the reasons explained in section IV of this report.

### III TIMELINESS OF CLAIM

#### Findings of Fact

Measure 49, section 10(3) requires that if a claimant has made a Measure 37 claim against Metro before June 28, 2007, but Metro did not make a final decision on the Measure 37 claim before the effective date of Measure 49, Metro shall send notice to the claimant within 90 days after the effective date of Measure 49, notifying the claimant of their right to seek relief under Measure 49.

The Claimant submitted a Measure 37 claim on December 4, 2006. The claim identified Metro's designation of the property as RSIA as the basis of the claim. The designation as RSIA was a condition of the property's inclusion in the UGB and is found in Exhibit B to Metro Ordinance No. 02-990A ("For the purpose of amending the urban growth boundary to add land in study areas 47 and 48, Tigard Sand and Gravel Site").

The Measure 37 claim also cites the lot reconfiguration plan that was another condition of the property's inclusion in the UGB. That condition, which is also found in Exhibit B to Metro Ordinance No. 02-990A, states that a parcel reconfiguration plan will be developed that results in (1) at least one parcel that is 100 acres or larger, and (2) at least one parcel 50 acres or larger.

The public record associated with Metro Ordinance No. 02-990A shows that Claimant supported the ordinance.

Claimant's Measure 37 claim was made before June 28, 2007. Metro had not made a final decision on Claimant's Measure 37 claim by December 6, 2007, the effective date of Measure 49.

Metro sent notice to Claimant on February 14, 2008, notifying Claimant of their rights under Measure 49. That notice was timely as it was sent within 90 days of December 6, 2007, the effective date of Measure 49.

Notified claimants have 120 days after the date of that notice to inform Metro, in writing, of their intention to continue the claim and to file the information required under Measure 49. That required information includes, but is not limited to, an appraisal, prepared as described in Sections 9(6) and 9(7) of Measure 49.

On June 6, 2008, Claimant filed an amended claim against Metro under Measure 49. That claim was timely as it was filed within 120 days of the February 14, 2008 notice from Metro.

Metro staff conducted a preliminary completeness review of Claimant's Measure 49 claim and sent a letter of tentative determination to Claimant on June 11, 2008 (ATTACHMENT 2). In that letter, Staff tentatively determined that the claim was incomplete because it lacked an appraisal as required by Measure 49 and Metro Code 2.21.030(c)(6), that the claim did not meet the basic requirements for a valid claim, and that the claimant was not entitled to relief under Section 9 of Measure 49.

On July 22, two days prior to the scheduled hearing on the claim before the Metro Council, Claimant filed an appraisal. Metro postponed the hearing to August 7, 2008, to allow time for the Chief Operating Officer to evaluate the appraisal and its effect on the validity of the claim.

#### Conclusions of Law

The claim meets this criterion. The claim is complete.

#### IV. ANALYSIS OF CLAIM

##### 1. Ownership

Metro Code Section 2.21.030(b)(1) states that for a claim to be valid, the claimant must be an owner of the property.

##### Findings of Fact

Metro Code section 2.22.020(d) defines "owner" to mean:

- (1) The owner of fee title to the property as shown in the deed records of the county where the property is located;
- (2) The purchaser under a land sale contract, if there is a recorded land sale contract in force for the property; or
- (3) If the property is owned by the trustee of a revocable trust, the settler of a revocable trust, except that when the trust becomes irrevocable only the trustee is the owner.

Claimant states that they acquired an ownership interest in the subject property on various dates (specified in the claim) in 1965 and 1966.

##### Conclusions of Law

The claim meets this criterion. The Claimant is the sole owner of the subject property as defined in the Metro Code.

##### 2. Consent of All Owners

Metro Code Section 2.21.030(b)(2) states that for a claim to be valid, all owners must consent in writing to the filing of the claim.

##### Findings of Fact

Claimant's agent, Elaine Albrich of Stoel Rives, LLP has consented writing to the filing of the claim.

##### Conclusions of Law

The claim meets this criterion. All owners of the property have consented in writing, through their agent, to the filing of the claim.

##### 3. Location of property within Metro UGB

Metro Code Section 2.21.030(3) ("Filing an Amended Claim") states that in order to qualify for compensation or waiver by Metro, a property must be wholly or partially located within Metro's UGB.

##### Findings of Fact

In 2002, the Metro Council expanded the UGB by adopting Ordinance No. 02-990A, including the Claimant's property in the UGB expansion area.

##### Conclusions of Law

The claim meets this criterion. The subject property is wholly within the Metro UGB.

##### 4. Allowed number of single-family dwellings

Metro Code Section 2.21.030(4) states that for a claim to be valid, the claimant, on the claimant's property acquisition date, lawfully must have been permitted to establish at least the number of dwellings on the property that are authorized under Ballot Measure 49. Section 9(2) of Measure 49 states that the number of single-family dwellings that may be established may not exceed the lesser of:

- (a) The number of single-family dwellings described in a waiver issued by Metro, a city or a county before the effective date of Measure 49 (December 6, 2007) or, if a waiver was not issued, the number described in the claim filed with Metro, a city or a county;
- (b) 10, except that if there are existing dwellings on the property, the number of single-family dwellings that may be established is reduced so that the maximum number of dwellings, including existing dwellings located on the property, does not exceed 10; or
- (c) The number of single-family dwellings the total value of which represents just compensation for the reduction in fair market value caused by the enactment or one or more land use regulations that were the basis for the claim

#### Findings of Fact

Claimant asserts that the zoning of the subject property at the time of Claimant's acquisition allowed for the establishment of more than 10 lots, based upon the zoning in effect at the various times of acquisition (Suburban-Residential and Residential-20) of the various lots and parcels that comprise the ownership (1965, 1966 and 1973). This zoning would have allowed the Claimant to establish at least ten new dwellings, the maximum number allowed by Measure 49.

Metro has not issued a waiver to the Claimant of the RSIA designation and the other conditions (found in Exhibit B to Metro Ordinance 02-990A) of the property's inclusion in the UGB. Hence, there is no waiver to limit the number of dwellings to fewer than 10.

There are no existing dwellings on the subject property to subtract from the maximum of ten for which Claimant may be eligible.

The Claimant's appraisal, however, fails to demonstrate that Metro's regulations have reduced the value of its property in any amount. It has failed, therefore, to demonstrate that it is eligible for any dwellings, much less the maximum of ten that it seeks. The appraisal has four fundamental flaws:

First, Section 9(7)(c) of Measure 49 states that the appraisal must expressly determine the highest and best use of the property at the time the land use regulation was enacted. Section 9(8) of Measure 49 states that for a claim to be valid, the highest and best use of the property must have been residential at the time the land use regulation was enacted. The appraisal submitted by the Claimant states that the highest and best use for the property was "hold for future urban development." The appraisal also notes "the site has good appeal as a future industrial site." Nowhere does the appraisal state that the highest and best use of the property was residential.

Second, the appraisal concludes that Metro's regulations reduced the value of the claimant's property, but only on *relative* terms. It specifies no particular amount of reduction. It fails, therefore, to satisfy paragraph (c), above: it does not show that the value of any number of single-family dwellings represents the actual reduction in value caused by the regulations.

Third, at the Claimant's direction, the appraisal is based on incorrect assumptions to support its conclusion of a relative reduction in value. The appraisal compares the value of the property in Suburban-Residential and Residential-20 zoning, as it was in 1973, with its value as zoned today. Measure 49, on the other hand, requires a comparison of the value one year prior to the cited Metro regulations (at that time, parts were zoned exclusive farm use and parts were zoned agriculture/forestry, with an 80-acre minimum parcel) with its value one year after the enactment of the cited regulation. As the appraisal itself states, "the parcel was actually zoned EFU, but this is disregarded per the client's request... **if these assumptions/hypothetical conditions are not made, this valuation is not valid**"

[emphasis by the appraiser]. Thus, given its incorrect assumptions about what uses were allowable at the time of the cited Metro regulations, the appraisal fails even to show a *relative* reduction in value.

Fourth, the appraisal makes its assessment of the property's relative value in 2001 and in 2003. The cited regulation became effective on March 12, 2003. To meet the requirement of Measure 49, the appraisal should have determined the property's value on March 12, 2002 and on March 12, 2004

#### Conclusions of Law

The claim does not meet this criterion. As described in Section 9(2) of Measure 49, the maximum number of allowable single-family dwellings is the lesser of choices a, b, and c (detailed above). In order to make that determination, there must be a quantification of diminished value (if any) that is attributable to the cited Metro regulation. Claimant's appraisal has not provided adequate information to establish a right under Measure 49 to further divide the property into single-family lots.

#### 5. Residential use

Metro Code Section 2.21.030(5) states that a claimant must establish that the property is zoned for residential use.

#### Findings of Fact

The current zoning of the property is FD20 (Future Development, 20-acre minimum) with the Metro designation of RSIA. Claimant has correctly stated in the claim that the property is not currently zoned for residential use.

#### Conclusions of Law

The claim does not meet this criterion. The subject property is not zoned for residential use.

#### 6. Prohibition of establishing single-family dwellings

Section 9(5)(f) of Measure 49 states that, for a claim to be valid, a claimant must establish that one or more land use regulations prohibit the establishment of the single-family dwellings.

#### Findings of Fact

This criterion's reference to "the single-family dwellings" refers to the number of dwellings that would be allowable under Measure 49. As previously noted, Claimant's appraisal fails to demonstrate a loss of value. Consequently, Claimant has not provided adequate information to determine the maximum number of dwellings that would be allowable under Section 9(2) of Measure 49.

Neither the RSIA designation, nor any of the other conditions found in Metro Ordinance No, 02-990A ("For the purpose of amending the urban growth boundary to add land in study areas 47 and 48, Tigard Sand and Gravel Site") prohibits the establishment of single-family dwellings on claimant's property.

#### Conclusions of Law

The claim does not meet this criterion. Neither the RSIA designation, nor any of the other conditions found in Metro Ordinance No, 02-990A ("For the purpose of amending the urban growth boundary to add land in study areas 47 and 48, Tigard Sand and Gravel Site") prohibits the establishment of single-family dwellings. Furthermore, Claimant has not provided a basis to support its asserted right to further divide the property into an unspecified number of single-family residential lots.

#### 7. Exemptions under ORS 197.352(3)

Metro Code Section 2.21.030(b)(7) states that land use regulations as described in ORS 197.352(3) that prohibit the establishment of a single-family dwelling are exempt under Measure 49.

Findings of Fact

ORS 197.352(3) states that a claim cannot be made under Measure 49 for land use regulations that:

- (a) Restrict or prohibit activities commonly and historically recognized as public nuisances under common law;
- (b) Restrict or prohibit activities for the protection of public health and safety;
- (c) Are required to comply with federal law; or
- (d) Restrict or prohibit the use of a property for the purpose of selling pornography or performing nude dancing.

Conclusions of Law

The claim meets this criterion. Neither the RSIA designation, nor any of the other conditions found in Metro Ordinance No. 02-990A (“For the purpose of amending the urban growth boundary to add land in study areas 47 and 48, Tigard Sand and Gravel Site”) are exempt from Measure 49 under ORS 197.352(3).

8. Timing of the Enactment of the Metro Regulation and the Property’s Inclusion in the UGB

Metro Code Section 2.21.030(b)(8) states that for a claim to be valid, the cited land use regulation must have been enacted after the date the property, or any portion of it, was brought into the UGB.

Findings of Fact

Section 2(3) of Measure 49 defines “enacted” as enacted, adopted, or amended.

On December 12, 2002, the Metro Council expanded the UGB by adopting Ordinance No. 02-990A (effective March 12, 2003), thereby including the Claimant’s property in the UGB. That same ordinance, in its Exhibit B, simultaneously applied the RSIA designation and the other conditions cited by Claimant.

Conclusions of Law

The claim does not meet this criterion. The cited regulations were applied to the subject property simultaneously with the property’s inclusion in the UGB (by the same ordinance). The regulation was not enacted after the date that the property was brought into the UGB.

9. Timing of the Enactment of the Metro Regulation and the Property’s Inclusion in Metro’s Jurisdictional Boundary

Metro Code Section 2.21.030(b)(9) states that for a claim to be valid, the cited land use regulation must have been enacted after the date the property, or any portion of it, was included within the jurisdictional boundary of Metro.

Findings of Fact

The entire subject property has been inside Metro’s jurisdictional boundary since the January 1, 1979 establishment of the boundary. The RSIA designation and the other conditions of the property’s inclusion in the UGB became effective on March 12, 2003.

Conclusions of Law

The claim meets this criterion. The RSIA designation and the other conditions of the property’s inclusion in the UGB were applied to the property after its inclusion in Metro’s jurisdictional boundary.

10. Effect of the Land Use Regulation on Fair Market Value

Section 2.21.030(b)(10) of the Metro Code states that for a claim to be valid, the enactment of a land use regulation must have caused a reduction in the fair market value of the property. In order to demonstrate a reduction in value, Metro Code Section 2.21.030(c)(6) states that the Claimant must provide an appraisal showing the fair market value of the property one year before the enactment of the land use



regulation and one year after enactment, and expressly determining the highest and best use of the property at the time the land use regulation was enacted. Sections 9(6) and 9(7) of Measure 49 provide further details regarding how diminished value is to be determined.

Findings of Fact

Claimant's appraisal is fundamentally flawed in the ways described in section 4, above, and fails to comply with the specifications for appraisals in Measure 49.

Conclusions of Law

The claim does not meet this criterion. Claimant has not demonstrated that the RSIA designation and the other conditions of the property's inclusion in the UGB had the effect of reducing the fair market value of the subject property.

11. Highest and Best Use

Metro Code Section 2.21.030(b)(11) states that for a claim to be valid, at the time the land use regulation was enacted, the highest and best use of the property must have been residential use. Section 9(7)(c) of Measure 49 states that the appraisal to be provided by the Claimant must expressly determine the highest and best use of the property at the time that the land use regulation was enacted.

Findings of Fact

The appraisal submitted by the Claimant states that the highest and best use for the property at the time of Metro's cited regulation was "hold for future urban development." The appraisal also notes "the site has good appeal as a future industrial site." Nowhere does the appraisal state that the highest and best use of the property was residential. The appraisal supplied by the Claimant provides an argument to the contrary, that the highest and best use may, in fact, have been industrial.

Conclusions of Law

The claim does not meet this criterion. Claimant has not demonstrated that, at the time that the regulation was applied to the property, the highest and best use was residential.

12. Relief for Claimant

Findings of Fact

Waiver of the RSIA designation and the other conditions of the property's inclusion in the UGB (found in Exhibit B to Metro Ordinance No. 02-990A) would diminish the region's supply of land for employment uses. It would also undermine the City of Tualatin's planning that is intended to create a complete and livable community with employment opportunities.

Conclusions of Law

Based on the record, the Claimant has not established that they are entitled to relief in the form of compensation or waiver of the RSIA designation and the other conditions of the property's inclusion in the UGB.

Recommendation of the Chief Operating Officer

The Metro Council should deny the Tigard Sand and Gravel, LLC claim for the following reasons:

In the Measure 49 claim filing, the Claimant has not cited a specific Metro regulation as the cause of a loss of property value.

The property is not zoned for residential use.

The RSIA designation and the other conditions of the property's inclusion in the UGB do not prohibit single-family residential uses.

The cited regulations were applied to the property simultaneously (same ordinance) with the property's inclusion in the UGB, not after its inclusion.

The appraisal provided by the Claimant does not establish that, at the time the cited Metro regulations were applied to the property, residential use was the property's highest and best use.

Claimant's appraisal is fundamentally flawed, does not meet the standards set forth in Measure 49, and does not demonstrate that the RSIA designation and the other conditions of the property's inclusion in the UGB had the effect of reducing the value of the subject property.

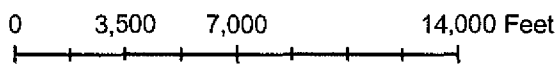
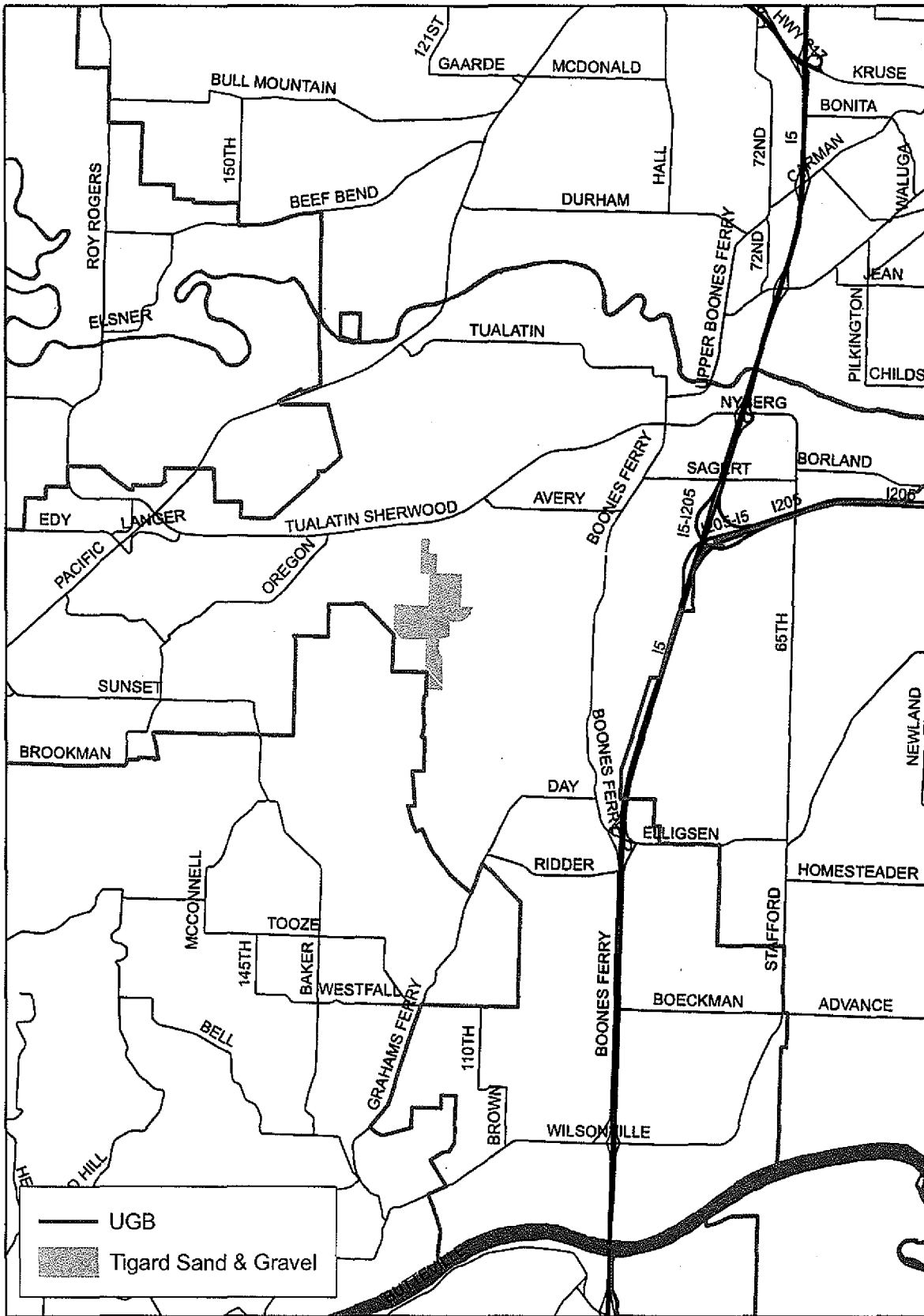
**ATTACHMENTS TO THE REPORT OF THE CHIEF OPERATING OFFICER**

Attachment 1: Site Map of the Tigard Sand and Gravel property

Attachment 2: June 11, 2008 letter of tentative determination from Metro to Claimant

Attachment 3: Tigard Sand & Gravel Measure 49 claim (as supplemented on July 22, 2008)

# Attachment 1 to COO Report





**METRO**

June 11, 2008

Elaine Albrich  
Stoel Rives, LLP  
900 SW Fifth Ave., Suite 2600  
Portland, OR 97204

**RE: Tigard Sand and Gravel Measure 49 claim against Metro**

Property Location: SW 120<sup>th</sup> Ave., Washington County, Oregon  
Legal Description: T2S, R1W, Section 27C, tax lots 900, 300, 400  
T2S, R1W, Section 34B, tax lots 100, 200, 800  
T2S, R1W, Section 34C, tax lot 500

Dear Ms. Albrich:

We are in receipt of your client, Tigard Sand and Gravel's, Measure 49 claim against Metro. Pursuant to Section 10(4) of Measure 49, Metro has conducted a tentative review of the claim and has determined that the claimant does not qualify for relief under Section 9 of Measure 49. Pursuant to Section 10(4) of Measure 49, your client has fifteen (15) days from the date of this notice to submit additional evidence to support the claim, after which date the Metro Council will make a final determination on the claim.

Metro's tentative review of the claim identified the following deficiencies:

Zoning for residential use

Metro Code Section 2.21.030(5) and Section 9(5)(e) of Measure 49 require that for a claim to be valid, the property must be zoned for residential use. The claimant has stated in the claim that the property is *not* zoned for residential use. The property is currently zoned FD-20 (future development – 20-acre minimum lot size). The property was brought into the urban growth boundary (UGB) on December 12, 2002, with the Metro Council's adoption of Ordinance 02-990A. As a condition to the property's inclusion in the UGB, the ordinance also designated the claimant's property as a Regionally Significant Industrial Area. Once a permanent zoning designation is applied, it will reflect Metro's RSIA designation and will not be zoned for residential use.

Prohibition of establishing single-family dwellings

Section 9(5)(f) of Measure 49 states that a claimant must establish that one or more land use regulations prohibit the establishment of single-family dwellings. The claimant has not identified any specific Metro regulation as the basis of the claim.

Timing of regulation

Metro Code Section 2.21.030(b)(8) states that for a claim to be valid, the cited land use regulation must have been enacted after the date the property, or any portion of it, was brought into the UGB. As noted above, the claimant has not identified any specific Metro regulation as the basis for the claim. However, as also noted above, Metro's designation of the property as RSIA was simultaneous with its inclusion in

the UGB (both by Metro Ordinance 02-990A). The RSIA designation was not applied to the property after its inclusion in the UGB.

Appraisal required

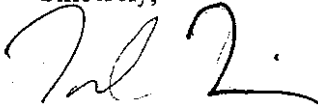
For a claim to be valid, a claimant must provide an appraisal, performed according to the standards set forth in Measure 49 Sections 9(6) and 9(7) and section 2.21.050(b)(6), that demonstrates a decrease in fair market value that was caused by the cited regulation. The claimant has not provided an appraisal and, thus, has not demonstrated a loss of value attributable to a Metro regulation.

Highest and best use

Metro Code Section 2.21.030(b)(11) states that for a claim to be valid, at the time the cited land use regulation was enacted, the highest and best use of the property must have been residential use. Section 9(7)(c) of Measure 49 states that the appraisal to be provided by the claimant must expressly determine the highest and best use of the property at the time that the land use regulation was enacted. As noted, the claimant has not cited a Metro regulation, nor has the claimant provided an appraisal that determines the property's highest and best use at the time of the enactment of the (unspecified) Metro regulation. At the time of the property's inclusion in the UGB, portions of the property were designated EFU (exclusive farm use, 80-acre minimum lot size) and portions were designated AF20 (agriculture, forestry, 20-acre minimum lot size). Neither of these designations is for residential use.

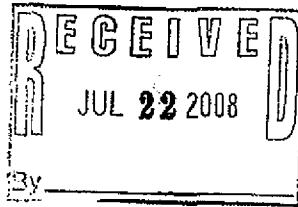
If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,



Ted Reid  
Long Range Policy and Planning  
(503) 797-1768  
[Ted.Reid@oregonmetro.gov](mailto:Ted.Reid@oregonmetro.gov)

cc: Washington County  
City of Tualatin  
Department of Land Conservation and Development



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Portland, Oregon 97204  
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fax 503.220.2480  
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July 22, 2008

ELAINE R. ALBRICH  
Direct (503) 294-9394  
eralbrich@stoel.com

**VIA HAND DELIVERY**

Ted Reid  
Long Range Policy and Planning  
Metro  
600 NE Grand Avenue  
Portland, OR 97232

**Re: Supplemental Information for Tigard Sand and Gravel's Measure 49 Claim**

Dear Mr. Reid:

On June 24, 2008, Tigard Sand and Gravel ("TSG") received Metro's Notice of Public Hearing and Report of the Metro Chief Operating Officer in consideration of Metro Council Order No. 08-046 concerning TSG's Measure 49 claim (the "Report"). This letter provides supplemental information to support approval of TSG's claim for property located at SW 120th Avenue in Washington County, and more specifically described in the legal description of the Report (the "Property").

First, enclosed is an appraisal prepared by PGP Valuation, Inc. to support findings that the enactment of the subject land use regulations caused a reduction in the Property's fair market value. Second, the following sections address the Report's recommended findings and conclusions of law and provide supplemental arguments for why TSG's claim is valid. Specifically, TSG addresses the recommended findings and conclusions in Section IV(4)-(6), (8), and (10)-(11).

Section IV(4) Allowed Number of Single-Family Dwellings. As outlined in Attachments A and C of TSG's Metro Measure 49 Election Form, TSG acquired the Property in 1965, 1966, and 1973. At the time TSG acquired the Property, it was zoned either Suburban Residential ("S-R") or Residential District R-20 ("R-20") under the Washington County Development Code ("WCDC"). The SR and the R-20 zones both allow for single-family residential development on lots as small as 20,000 square feet. Accordingly, Metro Code ("MC") 2.21.030(b)(4) is satisfied in that TSG would have been permitted to establish at least 10 dwellings (the number of dwellings authorized under Measure 49) when TSG acquired the Property, given that the Property is approximately 153 acres.



Ted Reid  
July 22, 2008  
Page 2

The zoning at the time of the urban growth boundary (“UGB”) expansion is irrelevant as is the discussion on whether Metro issued a waiver of the Regionally Significant Industrial Area (“RSIA”) designation. MC 2.21.030(b)(4) only requires that a claimant be lawfully permitted to establish “at least the number of dwellings on the property that are authorized under Ballot Measure 49” as of the claimant’s acquisition date. TSG has demonstrated that it was lawfully permitted to establish at least 10 dwellings when it acquired the Property in 1965, 1966, and 1973, and therefore this criterion is satisfied.

Section IV(5) Zoned for Residential Use and Section IV(6) Land Use Regulation Prohibits Establishing A Single-Family Dwelling. MC 2.21.030(b)(6) requires a claimant demonstrate that “[a] land use regulation prohibits the establishment of a single-family dwelling.” It is impossible for TSG to demonstrate that the Property is zoned for residential use under MC 2.21.030(b)(5) and also demonstrate that a land use regulation prohibits the establishment of a single-family dwelling under MC 2.21.030(b)(6). TSG, however, can demonstrate that the current zoning prohibits TSG from establishing a single-family dwelling. The Property is currently zoned Future Development-20 Acre District (“FD-20”) under the WCDC and designated RSIA by Metro. Both land use designations, by their terms, prohibit development of a single-family dwelling on the Property. Further, an appraisal is not necessary to determine that the FD-20 and RSIA prohibit a single-family dwelling nor is it a pre-requisite for making findings under MC 2.21.030(b)(6). MC 2.21.030(b)(6) simply requires looking at the current zoning to determine whether a single-family dwelling is allowed. For these reasons, Metro erred in concluding that TSG did not meet MC 2.21.030(b)(6). And until the internal inconsistency is addressed between MC 2.21.030(b)(5) and (b)(6), TSG cannot demonstrate that it meets both criterion.

Section IV(8) Property’s Inclusion in the UGB and Enactment of the FD-20 and RSIA. The findings presented in Section IV(8) seem unreasonable. The Property could not have been zoned FD-20 and RSIA unless it was first included in the Metro UGB. Although the Property may have been included in the UGB and rezoned on the same day, Metro first had to make the decision to include the Property in the UGB, which then triggered the zone change and RSIA designation thereby making the zoning designation enacted “after” the Property was included in the UGB. In other words, “but for” the Property inclusion in the UGB, it would not have been zoned FD-20 and RSIA. This is sufficient to demonstrate that the Property meets the intent of Measure 49 and the requirement in MC 2.21.030(b)(8).

Section IV(10) Reduction in Fair Market Value and Section IV(11) Highest and Best Use. TSG encloses the appraisal prepared by PGP Valuation, Inc. to support findings under MC 2.21.030(b)(10) and MC 2.21.030(b)(11).



Ted Reid  
July 22, 2008  
Page 3

Thank you for your consideration. Please include this supplemental information in the record of the July 24, 2008 hearing on TSG's pending Metro Measure 49 claim.

Very truly yours,

Elaine R. Albrich

ERA/pjn  
Enclosures

cc: Roger Metcalf  
Tony Urbanak  
Robert D. Van Brocklin

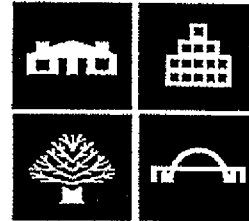


**REAL PROPERTY CONSULTING  
APPRAISAL REPORT**

**SUBJECT PROPERTY**

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**Tigard Sand and Gravel**  
21455 SW 120<sup>th</sup> Avenue  
Tualatin, Oregon 97062



**PGP**  
VALUATION INC

**PREPARED FOR**

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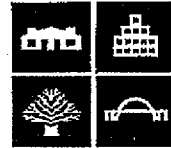
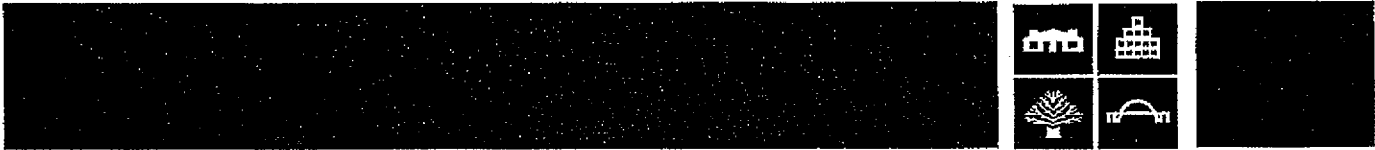
Ms. Elaine R. Albrich  
Stoel Rives LLP  
900 SW 5<sup>th</sup> Avenue, Suite 2600  
Portland, OR 97204

**PREPARED BY**

---

Jeff L. Grose





**PGP**  
VALUATION INC

June 26, 2008

Elaine R. Albrich  
Attorney  
Stoel Rives LLP  
900 SW 5<sup>th</sup> Avenue, Suite 2600  
Portland, Oregon 97204  
[eralbrich@stoel.com](mailto:eralbrich@stoel.com)

**RE: MEASURE 49 CLAIM - TIGARD SAND AND GRAVEL**  
21455 SW 120<sup>th</sup> Avenue  
Tualatin, OR

Ms. Albrich:

I have completed my analysis of the relative value impact resulting from different zoning designations on the above mentioned property. This valuation does not address the overall value of the property as a whole, but just the relative value impact of the zoning.

This report represents a real property consulting appraisal assignment and is intended to comply with the reporting requirements of Standard (5) of the Uniform Standards of Professional Appraisal Practice (USPAP) Real Property Appraisal Consulting, Reporting, as adopted by the Appraisal Institute, and the Oregon Appraiser Certification and Licensure Board.

The purpose of this appraisal is to estimate the value impact of a zone change on the subject property.

We have not performed title research on the subject property. The client has provided the following detail on the property ownership:

Property Number	Township	Range	Section	Tax Lot	Current Zoning	Original Zoning	Date Acquired	AC
R546868	2S	1W	27C	900	FD20	S-R	12/30/65	40
R1492236	2S	1W	34B	100	FD20	R-20	09/07/65	3.08
R558596	2S	1W	34B	100	FD20	R-20	09/07/65	58.68
R546797	2S	1W	27C	300	FD20	S-R	11/19/73	2.27
R546804	2S	1W	27C	400	FD20	S-R	11/19/73	12.33
R558603	2S	1W	34B	200	FD20	R-20	07/12/66	12.59
R558667	2S	1W	34B	800	FD20	R-20	07/12/66	15.53
R558729	2S	1W	34C	500	FD20	R-20	07/12/66	8.38

This consultation report is not intended to provide legal counsel regarding the potential Measure 49 claim.

LETTER OF TRANSMITTAL (CONTINUED)

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Per your request, the value impact is measured between 2001 (one year before the site was zoned FD-20) and in 2003 (one year after the property was zoned FD-20).

**This valuation is based upon the following Hypothetical Condition:**

It is assumed that the site was zoned to allow a maximum density of 20,000 square foot home sites (S-R and R-20 according to the client) prior to inclusion in the UGB. The parcel was actually zoned EFU, but this is disregarded per the client's request. Given the need for well and septic, this density may not be physically possible barring an on-site sewer system and water system. However, per the client's instructions, the appraiser is to value the property as if it had a zoning that allows for lots as small as 20,000 square feet. It is further assumed that the zoning would allow a range in densities so that acreage home sites would be permitted. *If these assumptions/hypothetical conditions are not made, this valuation analysis is not valid.*

**The following Extraordinary Assumptions have been made:**

- The gross site area reported by the client that is under this claim 153 acres. We have estimated the net usable area at 122 acres based upon wetlands and slopes. A survey or engineered site plan was not provided. Therefore, the net usable area estimate of 122 acres is assumed to be correct.
- It is assumed that on-site wells and septic systems would be feasible. The appraiser is not qualified to determine the feasibility of these systems necessary for rural residential development.
- No engineering information has been provided to the appraiser. Based upon need for water and sewer, most likely well and septic for each lot, the likely density would be 2 acre home sites. Considering shape, configuration, and interior roads, the net usable acreage is reduced 25% to 91.5. At a density of 1 home site per 2 acres, the indicated density is 46 home sites. This figure is an approximation and it is recommended that the client engage a qualified professional to create a site plan in order to determine the number of home sites.
- It is assumed that the subject is within all state and county requirements for mining and reclamation.

The subject was Metro added lands designated for future industrial development in December 2002 and June 2004. This area, which is comprised of a total of 431 acres (primarily consisting of the subject site) is adjacent to the City of Tualatin. The property is currently zoned under Washington County. The zoning applied is Future Development 20 Acre District (FD-20). This is an interim zoning designation for the Concept Plan area. The FD-20 district "recognizes the desirability of encouraging and retaining limited interim uses until the urban comprehensive planning for future urban development of these areas is completed. The provisions of this District are also intended to implement the requirements of Metro's Urban Growth Management Functional Plan." This zoning will apply to the subject area until such a time when the site is annexed into the City of Tualatin.

Metro has designated the subject and the Southwest Tualatin Concept Plan as a Regional Significant Industrial Area (RSIA). The future land use designation is anticipated to allow a mix of light industrial and high-tech uses in a corporate campus setting. The RSIA designated area requires at least one 100-acre parcel and one 50-acre parcel for large industrial users. The remainder of the plan area will likely be light industrial with limited commercial services allowed.

LETTER OF TRANSMITTAL (CONTINUED)

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The appraisal question to be answered is: Did the change in the underlying zoning from what the client reported should be SR or R-20 to FD-20 have a negative impact on value?

**Conclusions**

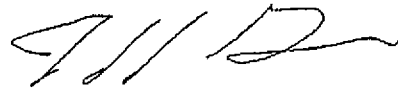
There is a negative impact on value. Regardless of the type of future urban development (industrial or residential) the subject site between 2001 and 2003 reflected a highest and best use as hold for future urban development. From an investment perspective, the downside in the investment (assuming the site does not get annexed or approved for more intensive urban development with public utilities) is greater with the FD-20 zoning. The FD-20 zoning is more restrictive and allows fewer uses at less density. Therefore, there is a measurable value impact between the FD-20 zoning and the SR/R-20 zoning designation. In other words, there is less risk if the underlying zoning allows for more intensive use of the site. Less risk produces more value from a market perspective.

The purpose of this consulting assignment is to estimate the value difference between the subject site being zoned as the client has requested (zoning that would allow suburban residential development as described above) and the implementation of the FD-20 zoning following the site's inclusion in the Urban Growth Boundary (UGB). Based upon my investigation and analysis of available information, there is a negative impact on value. Further research and analysis is required in order to provide a quantified dollar amount.

This valuation is subject to the conditions and comments presented in this report. If questions arise concerning this report, please contact the undersigned.

Sincerely,

**PGP VALUATION INC**



Jeff L. Grose  
Certified General Real Estate Appraiser  
State of Oregon License #C000722  
503-542-5411  
[jeff.grose@pgpinc.com](mailto:jeff.grose@pgpinc.com)

## PRELIMINARY APPRAISAL INFORMATION



### APPRAISAL SUMMARY

**Name:** Tigard Sand and Gravel

**Property Type:** Rock quarry with future development potential

**Address:** 21455 SW 120<sup>th</sup> Avenue, Tualatin, Oregon

**Site Description:**

Size: 153 gross acres as reported by the client.

Topography: Steeply sloped with a level areas.

Zoning: FD-20 (future development site identified as regionally significant industrial site).

Comp Plan: Light Industrial

**Highest & Best Use:**

As Vacant: Interim mining and reclamation with future development

**Property Rights Appraised:** The fee simple interest

**PGP File Number:** C080171B

### Purpose, Use, and Users of the Appraisal

The purpose of this appraisal is to estimate the value impact of a change in zoning based upon the hypothetical condition presented in this report. This appraisal is to be used by the client (Stoel Rives) for internal decision making regarding a Measure 49 claim.

### Definition of Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably, and assuming that 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 United States dollars or in terms of financial arrangements comparable thereto; and

**PRELIMINARY APPRAISAL INFORMATION (CONTINUED)**

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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.<sup>1</sup>

**Property Rights Appraised**

Fee Simple Estate, is defined in *The Dictionary of Real Estate Appraisal*, Third Edition (1993), as:

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

**Subject Property Inspection**

An inspection of the subject property was conducted on August 21, 2007 and again on September 11, 2007 by Jeff Grose.

**SCOPE OF WORK**

- Preparation of this report included the following:
- Inspected the subject property.
- Reviewed county records for information on taxes and assessment as well as comparable data.
- Inspected the subject property neighborhood.
- Gathered information on the site's history and use.
- Analyzed supply and demand conditions for aggregate resources, rural residential uses, and industrial land in the subject's area.
- Prepared of a consultation report.

**Sources of Information**

The relevant market data was obtained from the buyer, the seller's broker, quarry owners and operators, real estate agents/brokers, appraisers, lenders, and various sources of secondary market data. In addition representatives from various municipal offices were also contacted to obtain relevant market and/or property information.

**Disclosure of Competency**

I am aware of the competency provision of *USPAP* and the authors of this report meet the standards.

**Availability of Information**

Engineering necessary in order to quantify the development potential as a rural residential development was not available. In addition, a geologic survey was not provided indicating the quality and quantity of the resource. These items would strengthen the analysis. All other necessary information was provided for this analysis.

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<sup>1</sup> Office of Comptroller of the Currency (OCC), Title 12 of the Code of Federal Regulation, Part 34, Subpart C - Appraisals, 34.42 (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g); This is also compatible with the RTC, FDIC, FRS and NCUA definitions of market value.

PRELIMINARY APPRAISAL INFORMATION (CONTINUED)Personal Property

There is currently an ongoing aggregate operation that includes mining, crushing, and aggregate processing. There is personal property and equipment associated with this operation which is *not* included in this valuation.

Deductions and Discounts

None were applied.

Sales History and Ownership

**Current Owner** – Tigard Sand and Gravel and Oregon Asphaltic Paving

**Three-Year Sales History** – No transactions involving the subject have occurred in the past 3 years.

**Subject Sale Status** – The subject property is not currently listed for sale.

Assessment and Tax Information

The subject's assessed values and property taxes for the current year are summarized in the following table:

SUBJECT PARCEL INFORMATION AND TAXES (07/08)									
Map#	Tax Lot	Parcel #	Gross		RMV			Assessed	Taxes
			Size (AC)	Zoning	Land	Imp.	Total RMV		
2S127C	300	546797	2.27	FD-20	\$22,130	\$0	\$22,130	\$17,540	\$264
2S127C	400	546804	12.33	FD-20	\$120,220	\$20,370	\$140,590	\$116,230	\$1,751
2S127C	900	546868	40	FD-20	\$390,000	\$486,410	\$876,410	\$776,190	\$11,690
2S134B	100	558596	58.68	FD-20	\$572,130	\$0	\$572,130	\$453,300	\$6,827
2S134B	200	558603	12.59	FD-20	\$122,750	\$0	\$122,750	\$97,260	\$1,465
2S134B	800	558667	15.53	FD-20	\$151,420	\$0	\$151,420	\$119,970	\$1,807
2S134C	500	558729	8.38	FD-20	\$81,710	\$0	\$81,710	\$64,730	\$975
2S134B	100	1492236	3.08	FD-20	\$30,030	\$0	\$30,030	\$23,790	\$380

Note: There may be parcels that are assessed under a deferral program. Additional tax liability may be required. In Oregon, Measure 50 was passed in the May 20, 1997 special election. This measure establishes the maximum assessed value of property in Oregon for the 1997/1998 tax year as 90 percent of the property's real market value in the 1995/96 tax year. Any increases in assessed value for tax years following 1997/1998 are limited to 3 percent per year. Assessed value will be adjusted for new property or property improvements and certain other events. Certain local option taxes are permitted, if approved by voters. Measure 50 retains the existing total property tax rate for all property taxes, including local option taxes but excluding taxes for bonds at \$5 per \$1,000 of value for schools and \$10 per \$1,000 of value for non-school government. Future taxes are generally limited to a 3 percent annual increase, with some variation associated with changing bond indebtedness. The subject property is not encumbered by bonds.

**PRELIMINARY APPRAISAL INFORMATION (CONTINUED)**

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**Exposure Time**

Exposure time is defined as "the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market."

Reasonable exposure time is impacted by the aggressiveness and effectiveness of a property's exposure to market participants, availability and cost of financing, and demand for similar investments. Exposure time is best established upon the experience of recent comparable sales and discussions with market participants. There is a narrow market for similar properties. They can often sell without exposure to the open market, but when exposed, the exposure period can be up to 2 years or more. Based upon this information and considering the physical characteristics and location of the subject property, a reasonable estimate of exposure time for the subject is 2 years.



## ASSUMPTIONS AND LIMITING CONDITIONS



This appraisal is subject to the following assumptions and limiting conditions:

### **This valuation is based upon the following Hypothetical Condition:**

It is assumed that the site was zoned to allow a maximum density of 20,000 square foot home sites (S-R and R-20 according to the client) prior to inclusion in the UGB. The parcel was actually zoned EFU, but this is disregarded per the client's request. Given the need for well and septic, this density may not be physically possible barring an on-site sewer system and water system. However, per the client's instructions, the appraiser is to value the property as if it had a zoning that allows for lots as small as 20,000 square feet. It is further assumed that the zoning would allow a range in densities so that acreage home sites would be permitted. ***If these assumptions/hypothetical conditions are not made, this valuation analysis is not valid.***

### **The following Extraordinary Assumptions have been made:**

- The gross site area reported by the client that is under this claim 153 acres. We have estimated the net usable area at 122 acres based upon wetlands and slopes. A survey or engineered site plan was not provided. Therefore, the net usable area estimate of 122 acres is assumed to be correct.
- It is assumed that on-site wells and septic systems would be feasible. The appraiser is not qualified to determine the feasibility of these systems necessary for rural residential development.
- No engineering information has been provided to the appraiser. Based upon need for water and sewer, most likely well and septic for each lot, the likely density would be 2 acre home sites. Considering shape, configuration, and interior roads, the net usable acreage is reduced 25% to 91.5. At a density of 1 home site per 2 acres, the indicated density is 46 home sites. This figure is an approximation and it is recommended that the client engage a qualified professional to create a site plan in order to determine the number of home sites.
- It is assumed that the subject is within all state and county requirements for mining and reclamation.

### **General Assumptions and Conditions**

A survey has not been provided to the appraiser. If further verification is required, a survey by a registered surveyor is advised.

We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.

The exhibits in this report are included to assist the reader in visualizing the property. We have made no survey of the property and assume no responsibility in connection with such matters.

Unless otherwise noted herein, it is assumed that there are no encroachments, zoning, or restrictive violations existing in the subject property.

**ASSUMPTIONS AND LIMITING CONDITIONS (CONTINUED)**

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The appraiser assumes no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.

Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.

This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.

The appraiser may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made therefore.

The statements of value and all conclusions shall apply as of the dates shown herein.

The appraiser has no present or contemplated future interest in the property which is not specifically disclosed in this report.

Neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent or approval of the author. This applies particularly to value conclusions and to the identity of the appraiser and the firm with which he or she is connected.

This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. No portion of the report stands alone without approval from the authors.

The liability of PGP Valuation Inc, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiency in the property.

The appraiser is not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. PGP Valuation Inc and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

The appraisers assume no responsibility for determining if the subject property complies with the *Americans with Disabilities Act (ADA)*. PGP Valuation Inc, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with *ADA* standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.

An on-site inspection of the subject property was conducted. No evidence of asbestos materials on-site was noted. A Phase 1 Environmental Assessment was not provided for this analysis.

**ASSUMPTIONS AND LIMITING CONDITIONS (CONTINUED)**

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This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.

A detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.

This analysis assumes that the financial information provided for this appraisal, including historical income; accurately reflect the current and historical operations of the subject property.

## MARKET AREA DESCRIPTION



The subject is located in the western portion of the City of Tualatin, which is a suburb of the Portland metropolitan area, located ten miles southwest of downtown Portland. Tualatin is a growing suburban city and is located in the Interstate 5 (I-5) corridor, which is south of Portland. This corridor consists of the suburban cities of Tigard, Lake Oswego, Tualatin, Sherwood, and Wilsonville. These cities have developed into desirable suburban residential areas, as well as an industrial/distribution location, partially due to the good access provided by the freeway system. The subject market area boundaries are Rock Creek on the west, the I-5 freeway on the east, the Tualatin River on the north, and Tualatin city limits on the south. The immediate subject market area consists primarily of industrial development.

### INDUSTRIAL DEVELOPMENT

Industrial uses in the City of Tualatin are established and expanding, consisting primarily of warehouse/distribution, light manufacturing, multi-tenant industrial parks, and small incubator business parks developed since the 1970s. Historically, the market has been dominated by owner-occupied, single-tenant facilities. However, new development in recent years has included a significant number of multi-tenant industrial parks oriented toward light industrial, warehouse/office users as well as some flex oriented facilities. Tualatin has been one of the most active areas for new industrial development in the Portland metropolitan area and the supply of developable sites has been substantially reduced. Most of the remaining vacant industrial sites are not for sale or are large parcels without services. Corporate neighbors in the immediate vicinity of the subject include Coca-Cola, Columbia Corrugated Box, La-Z-Boy, Lumber Products, Milgard, Novellus, Pacific Foods, Pacific Cornetta and United Parcel Service.

### RESIDENTIAL DEVELOPMENT

Tualatin's residential base is expanding with average to good quality contemporary-styled homes and newer subdivisions. On the outskirts to the south, west, and north are a mixture of older farm buildings and newer contemporary homes on small acreage parcels. Several older apartment complexes are south and east of the central city core; newer apartment complexes are in the northwest and eastern portions of Tualatin.

### COMMERCIAL DEVELOPMENT

Most commercial development is near the commercial core on SW Nyberg, SW Boones Ferry and SW Tualatin-Sherwood roads. Fred Meyer and Kmart are across from one another at the SW Nyberg Road exit west of I-5. Strip retail, office and commercial buildings are in this area. Substantial new mixed-use development is at the intersection of SW Boones Ferry Road and SW Tualatin-Sherwood Road, including Hedges Green community shopping center, a medical office facility and a multi-family complex. Major office development in the market area is at South Center, a 235,000 square foot, multiple building complex constructed in phases between 1985 and 1990. Additional office development is located on the east side of Interstate 5 on SW 72<sup>nd</sup> Avenue.

### COMMUNITY/TRANSPORTATION

The subject market area is positively influenced by its close proximity to major interstate freeways, including Interstate 5 (I-5) and Interstate 205 (I-205), and major highways including Highway 217 and Highway 99W. SW Tualatin-Sherwood Road is the primary east/west arterial serving the city and connects with I-5 on the east and Highway 99W in the City of Sherwood on

**MARKET AREA DESCRIPTION (CONTINUED)**

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the west. This is a heavily used roadway that experiences substantial traffic congestion. Construction is in process to attempt to alleviate the congestion.

The subject market area is also served by various spurs of the Southern Pacific and Burlington Northern Railroads. All major municipalities within the Portland metropolitan area are within reasonable vehicle access. The City of Tualatin is also served by various Tri-Met bus lines, servicing the greater Portland area. The Portland International Airport is approximately 25 miles northeast of the neighborhood via I-205.

A 14.7-mile commuter rail line is proposed between Wilsonville and Beaverton. This line will serve Tualatin along an existing rail corridor. The corridor is currently being acquired and the total cost is anticipated to be \$103.5 million. Construction began in 2006 and completion is planned for 2008.

**MARKET AREA SUMMARY**

In summary, the subject market area has experienced substantial new development and redevelopment over the past several years, benefiting from the close proximity to Portland and the Interstate freeway system. The overall outlook for this area is good. Overall, all sectors are expected to continue growing at a moderate pace. Real estate values will remain stable or increase with trends similar to the Portland metropolitan area.



## SITE DESCRIPTION



PGP  
VALUATION INC.

<b>Hazardous Waste/Asbestos:</b>	Upon physical inspection of the site, no hazardous material was evident. We have made no independent investigation regarding this issue. This appraisal assumes the site is free of all hazardous waste and toxic materials. Please refer to the Assumptions and Limiting Conditions section regarding this issue.
<b>Current Use:</b>	Permitted quarry. There is an ongoing mining operation in addition to ongoing reclamation/filling.
<b>Subject Size:</b>	The gross site area reported by the client that is under this claim 153 acres. We have estimated the net usable area at 122 acres based upon wetlands and slopes. A survey or engineered site plan was not provided. Therefore, the net usable area estimate of 122 acres is assumed to be correct.
<b>Rock Quantity:</b>	Unknown, but assumed to be over 5,000,000 tons.
<b>Shape:</b>	Irregular; please refer to the plat map.
<b>Topography:</b>	Topography is sloping to level, reflecting that the site has been mined.
<b>Abutting Properties—</b>	
North:	Industrially zoned property within the City of Tualatin.
South:	Aggregate quarry and rural industrial uses
West:	Rural development and quarry
East:	Rail line (future Wilsonville to Beaverton commuter rail line) across which is subdivision development within the City of Tualatin.
<b>Utilities:</b>	The site is currently not served by urban water and sewer service. There is a planned 16-inch water pipe identified in the Tualatin Water Master Plan (2003). In addition, Tualatin's Sanitary Sewer Master Plan calls for a 24-inch trunk line along Tualatin Sherwood Road. A sewer pump may be required to serve portions of the subject, depending on the final site grade. The industrial site to the north has had utility services extended to the site along SW 115th Avenue.
<b>Street Improvements:</b>	The subject currently has access via SW 120 <sup>th</sup> Avenue. However, access may also be possible via SW 115 <sup>th</sup> Avenue at the northeast corner.  For future development, the City of Tualatin has identified the following significant projects that will impact/benefit the site: <ul style="list-style-type: none"> <li>• Widening of SW Tualatin Sherwood Road.</li> <li>• Wilsonville-Beaverton commuter rail.</li> </ul>

**SITE DESCRIPTION (CONTINUED)**

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- Extending SW 124<sup>th</sup> Avenue from 99W to intersect with SW Tualatin Sherwood Road at a new traffic signal.
- Extending new alignments for SW 115<sup>th</sup> and 120<sup>th</sup> Avenue from Tualatin Sherwood Road, through the subject as well as the extension of Blake Street.

**Accessibility:**

The site has good access for an aggregate site with nearby access to Tualatin Sherwood Road. For future development, access is anticipated to be average to good, with future plans for an industrial arterial traveling north/south through the property.

**Easements  
and Encumbrances:**

A title report was not available to the appraisers. A physical inspection and review of planning documents indicates there are two major overhead power transmission line easements over the property. PGE has a 100-foot wide easement traversing northwest to southeast. BPA holds another easement that varies in width but is typically 287.5 feet wide and also travels northwest to southeast across the property. If questions arise regarding easements and encumbrances, further research is advised.

**Zoning:**

The subject is within a planning area referred to as the Southwest Tualatin Concept Plan area. Metro added lands designated for future industrial development in December 2002 and June 2004. This area, which is comprised of a total of 431 acres (primarily consisting of the subject site) is adjacent to the City of Tualatin. The property is currently zoned under Washington County. The zoning applied is Future Development 20 Acre District (FD-20). This is an interim zoning designation for the Concept Plan area. The FD-20 district "recognizes the desirability of encouraging and retaining limited interim uses until the urban comprehensive planning for future urban development of these areas is completed. The provisions of this District are also intended to implement the requirements of Metro's Urban Growth Management Functional Plan." This zoning will apply to the subject area until such a time when the site is annexed into the City of Tualatin.

Metro has designated the subject and the Southwest Tualatin Concept Plan as a Regional Significant Industrial Area (RSIA).

The future land use designation is anticipated to allow a mix of light industrial and high-tech uses in a corporate campus setting. The RSIA designated area requires at least one 100-acre parcel and one 50-acre parcel for large industrial users. The remainder of the plan area will likely be light industrial with limited commercial services allowed.



**SITE DESCRIPTION (CONTINUED)**

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It is possible that a new "Business Park" zone will be applied to the area.

There is a 22.28-acre parcel separated from the larger group of parcels. This site is zoned AF-20 by Washington County. It is an agricultural zoning that typically allows for one home site per 20-acres. This parcel is not within the Southwest Tualatin Plan area.

**Mining Regulations:**

There is an active reclamation permit with DOGAMI. It is assumed that the operator is in compliance with all mining regulations.

**Aggregate Description:**

A geologic survey was not provided. Only a small portion of the aggregate is reported to meet ODOT standards for asphalt and concrete. The majority of the site consists of aggregate that is typically used for base rock on construction projects, landscaping, and gravel driveways.

**Flood Plain:**

According Metro Map and Washington County GIS system, the subject does not appear to be impacted by flood areas.

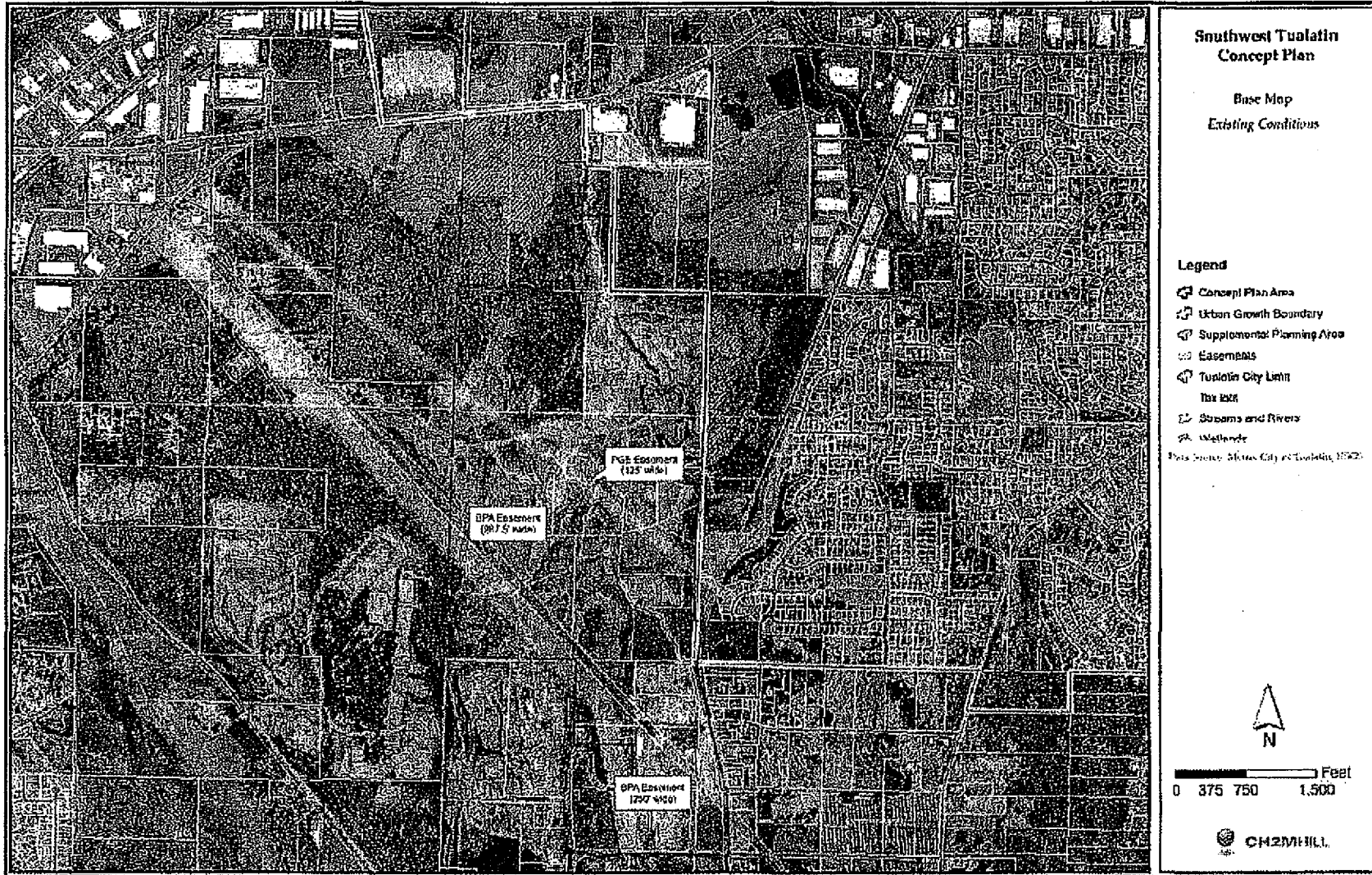
**Site Rating:**

Average for aggregate mining. The site has good appeal as a future industrial site. Metro as well as the City of Tualatin have identified the site as a key industrial site for the region. Planning has been completed to allow for future infrastructure necessary to development site upon annexation and completion of reclamation.

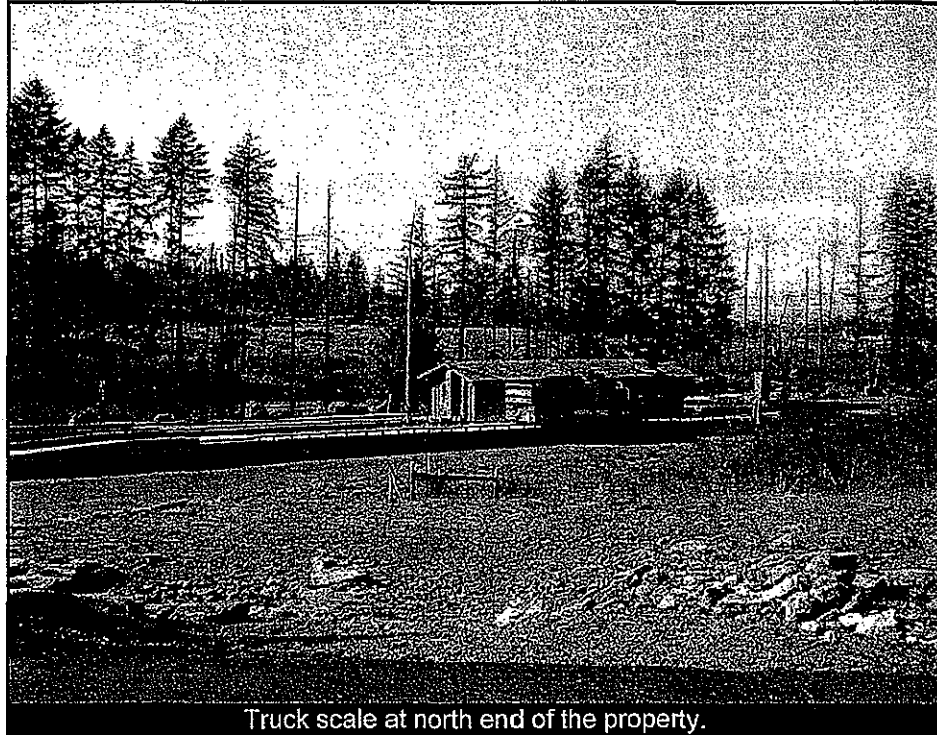
**Improvement Description:**

There are improvements associated with the current mining operation. This includes a modular office building, multiple 2 shop buildings, truck scale with office, and a dilapidated industrial barn and industrial shop building at the north end of the site. These improvements contribute to the interim mining operation, but do not provide measurable value to the site. There description is therefore limited.

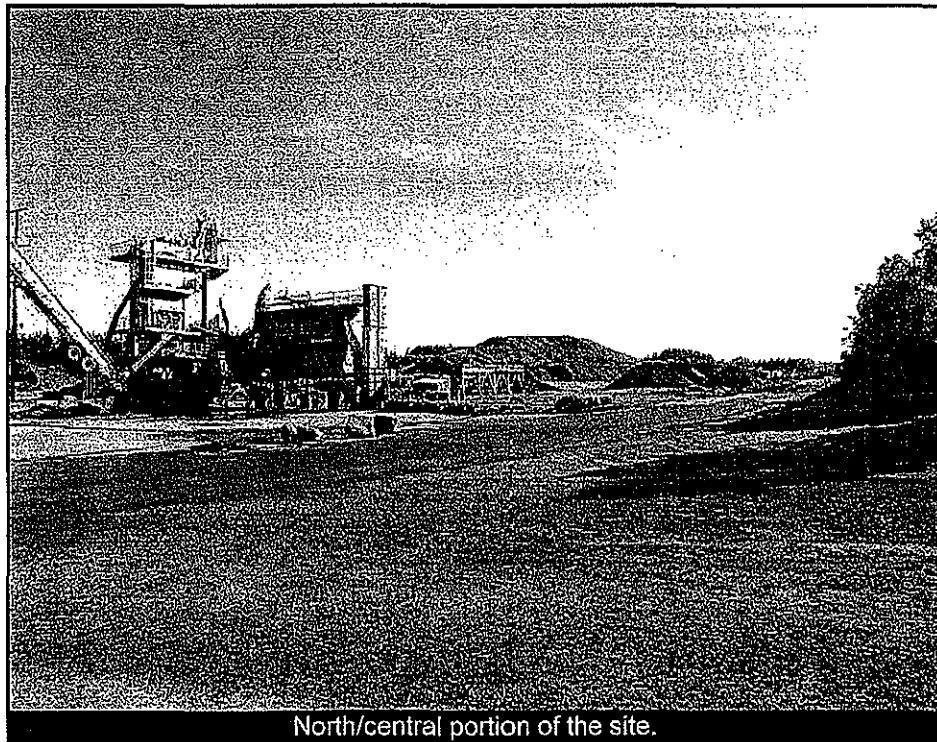
# SOUTHWEST TUALATIN CONCEPT PLAN



**SUBJECT PROPERTY PHOTOGRAPHS**



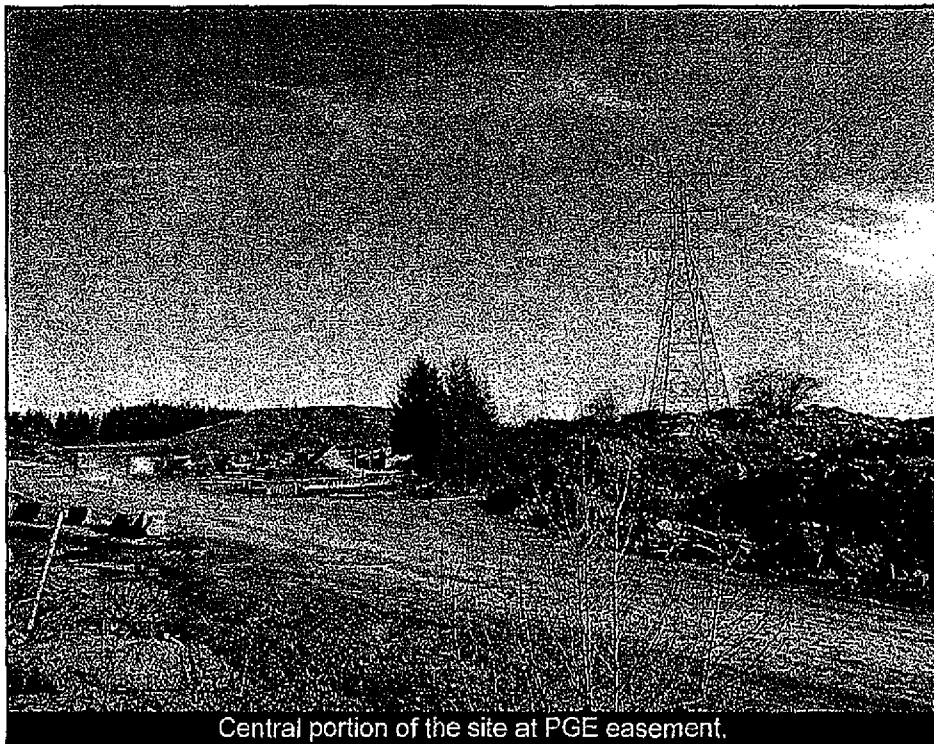
Truck scale at north end of the property.



North/central portion of the site.

SUBJECT PROPERTY PHOTOGRAPHS (CONTINUED)

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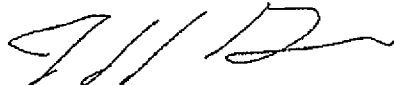
# CERTIFICATE OF APPRAISAL



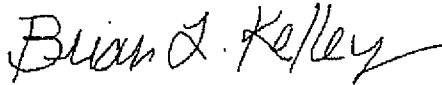
We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are the signer's personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The signers of this report 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.
- The signers have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The 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.
- The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the *Code of Professional Ethics and Standards of Professional Appraisal Practice* of the Appraisal Institute, and the *Uniform Standards of Professional Appraisal Practice*, as set forth by the Appraisal Standards Board of the Appraisal Foundation.
- Jeff L. Grose made a personal inspection of the property that is the subject of this report, and all the sale comparables. Brian L. Kelley, MAI reviewed the report in its entirety.
- No other persons provided significant assistance to the signers of this report.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this appraisal, Brian L. Kelley, MAI, is currently certified under the continuing education program of the Appraisal Institute.

  
 \_\_\_\_\_  
 Jeff Grose  
 OR State Certified General Appraiser  
 No. C000722

June 26, 2008  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 Brian L. Kelley, MAI  
 OR State Certified General Appraiser  
 No. C000141

June 26, 2008  
 \_\_\_\_\_  
 Date

ADDENDA



**DEFINITIONS**

## DEFINITIONS



These definitions were extracted from the following sources or publications:

- *The Dictionary of Real Estate Appraisal*, Fourth Edition, Appraisal Institute, Chicago, Illinois, 2002 (*Dictionary*).
- *Uniform Standards of Professional Appraisal Practice*, 2006 Edition (*USPAP*).
- *The Appraisal of Real Estate*, Twelfth Edition, Appraisal Institute, Chicago, Illinois, 2001 (*12<sup>th</sup> Edition*).
- *Marshall Valuation Service*, Marshall & Swift, Los Angeles, California (*MVS*).

### Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance and repairs; usually a long-term lease to a credit tenant. (*Dictionary*)

### Accrued Depreciation

The difference between the reproduction or replacement cost of the improvements on the effective date of the appraisal and the market value of the improvements on the same date. (*Dictionary*)

### Ad Valorem Tax

A real estate tax based on the assessed value of the property, which is not necessarily equivalent to its market value. (*12<sup>th</sup> Edition*)

### Aggregate of Retail Values (ARV)

The sum of the appraised values of the individual units in a subdivision, as if all of the units were completed and available for retail sale, as of the date of the appraisal. The sum of the retail sales includes an allowance for lot premiums, if applicable, but excludes all allowances for carrying costs. (*Dictionary*)

### Arm's-length Transaction

A transaction between unrelated parties under no duress. (*12<sup>th</sup> Edition*)

### As-Is Value

The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning. (*Dictionary*)

### Assessed Value

The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value. (*12<sup>th</sup> Edition*)

### Average Daily Room Rate (ADR)

In hotel analysis, total guest room revenue divided by the total number of occupied rooms. (*Dictionary*)

### Band of Investment

A technique in which the capitalization rates attributable to components of a capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment. (*Dictionary*)

### Cash Equivalence

A price expressed in terms of cash, as distinguished from a price expressed totally or partly in terms of the face amounts of notes or other securities that cannot be sold at their face amounts. Calculating the cash-equivalent price requires an appraiser to compare transactions involving atypical financing to transactions involving comparable properties financed at typical market terms. (*Dictionary*)

### Common Area

The total area within a property that is not designated for sale or rental but is available for common use by all owner, tenant, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities. (*Dictionary*)

### Contract Rent

The actual rental income specified in a lease; may be a combination of base rent, percentage rents, and expense reimbursements. (*12<sup>th</sup> Edition*)

### Cost Approach

A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial profit, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised. (*12<sup>th</sup> Edition*)

### Curable Functional Obsolescence

An element of depreciation; a curable defect caused by a flaw in the structure, materials, or design. (*Dictionary*)

### Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service; measures the ability of a property to meet its debt service out of net operating income; also called debt service coverage ratio (DSCR). (*Dictionary*)

### Deferred Maintenance

Curable, physical deterioration that should be corrected immediately, although work has not commenced; denotes the need for immediate expenditures, but does not necessarily suggest inadequate maintenance in the past. (*Dictionary*)

### Depreciation

In appraising, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. (*Dictionary*)

## DEFINITIONS (CONTINUED)

**Direct Costs**

1. Expenditures for the labor and materials used in the construction of improvements;
2. The labor, material, subcontractor, and heavy equipment costs directly incorporated into the construction of physical improvements. (R.S. Means)  
Also called hard costs. (*Dictionary*)

**Discounted Cash Flow (DCF) Analysis**

The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams as well as the quantity and timing of the reversion and discounts each to its present value at a specified yield rate. DCF analysis can be applied with any yield capitalization technique and may be performed on either a lease-by-lease or aggregate basis. (*Dictionary*)

**Discount Rate**

An interest rate used to convert future payments or receipts into present value. The discount rate may or may not be the same as the internal rate of return (IRR) or yield rate depending on how it is extracted from the market and/or used in the analysis. See also risk rate; safe rate; yield rate (Y). (*Dictionary*)

**Easement**

An interest in real property that conveys use, but not ownership, of a portion of an owner's property. Access or right of way easements may be acquired by private parties or public utilities. Governments dedicate conservation, open space, and preservation easements. (*Dictionary*)

**Effective Age**

The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be different from its chronological age. (*USPAP*)

**Effective Date**

The date at which the analyses, opinions, and advice in an appraisal, review, or consulting service apply. (*USPAP*)

**Effective Date**

The rental rate net of financial concessions such as periods of no rent during the lease term; may be calculated on discounted basis reflecting the time value of money, or on a simple, straight-line basis. (*12<sup>th</sup> Edition*)

**Economic Life**

The period over which improvements to real property contribute to property value; the term relates to the market extraction and age-life methods of estimating depreciation. (*12<sup>th</sup> Edition*)

**Effective Gross Income (EGI)**

The anticipated income from all operations of the real property after an allowance is made for vacancy and collection losses. Effective gross income includes items constituting other income, i.e., income generated from the operation of the real property that is not derived from space rental (e.g., parking rental or income from vending machines). (*Dictionary*)

**Effective Gross Income Multiplier (EGIM)**

The ratio between the sale price (or value) of a property and its effective gross income; a single year's EGI expectancy or an annual average of several years' EGI expectancies ( $EGIM = V/EGI$ ). (*Dictionary*)

**Eminent Domain**

The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the takings clause, guarantees payment of just compensation upon appropriation of private property. (*Dictionary*)

**Entrepreneurial Incentive**

A market-derived figure that represents the amount an entrepreneur expects to receive for his or her contribution to a project and risk. (*12<sup>th</sup> Edition*)

**Entrepreneurial Profit**

A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. (*12<sup>th</sup> Edition*)

**Excess Land**

In regard to an improved site, the land not needed to serve or support the existing improvement.

In regard to a vacant site or a site considered as though vacant, the land not needed to accommodate the site's primary highest and best use. Such land may be separated from the larger site and have its own highest and best use, or it may allow for future expansion of the existing or anticipated improvement. (*Dictionary*)

**Excess Rent**

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect a locational advantage, unusual management, unknowledgeable parties, or a lease execution in an earlier, stronger rental market. Due to the higher risk inherent in the receipt of excess rent, it may be calculated separately and capitalized at a higher rate in the income capitalization approach. (*Dictionary*)

**Expense Stop**

A clause in a lease that limits the landlord's expense obligation because the lessee assumes any expenses above an established level. (*Dictionary*)

**Exposure Time**

The time a property remains on the market. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market. (*Dictionary*)



**DEFINITIONS (CONTINUED)****External Obsolescence**

An element of depreciation; a defect, usually incurable, caused by negative influences outside a site and generally incurable on the part of the owner, landlord, or tenant. *(Dictionary)*

**Extraordinary Assumption**

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions. *(USPAP)*

**Feasibility Analysis**

A study of the cost-benefit relationship of an economic endeavor. *(12<sup>th</sup> Edition)*

**Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. *(Dictionary)*

**Floor Area Ratio (FAR)**

The relationship between the above-ground floor area of a building, as described by the building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area. See also land-to-building ratio. *(Dictionary)*

**Functional Obsolescence**

An element of depreciation resulting from deficiencies or superadequacies in the structure. See also curable functional obsolescence; incurable functional obsolescence. *(Dictionary)*

**Functional Utility**

The ability of a property or building to be useful and o perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. *(12<sup>th</sup> Edition)*

**Furniture, Fixtures, and Equipment (FF&E)**

The movable property of a business enterprise not classified as stock or inventory or leasehold improvements; frequently found in the ownership of hotels or motels, restaurants, assisted-living facilities, service stations, car washes, greenhouses and

nurseries, and other service-intensive properties. Furniture, fixtures, and equipment frequently wears out much more rapidly than other components of those properties. *(Dictionary)*

**Gross Building Area (GBA)**

The total floor area of a building, including below-grade space but excluding unenclosed areas, measured from the exterior of the walls. Gross building area for office buildings is computed by measuring to the outside finished surface of permanent outer building walls without any deductions. All enclosed floors of the building including basements, mechanical equipment floors, penthouses, and the like are included in the measurement. Parking spaces and parking garages are excluded. See also area. *(Dictionary)*

**Gross Leasable Area or Gross Living Area. (GLA)**

The total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines, and measured from the center of interior partitioning to outside wall surfaces; the standard measure for determining the size of shopping centers where rent is calculated based on the GLA occupied. The area for which tenants pay rent. See also area. *(Dictionary)*

**Garden Apartments**

An apartment development of two- or three-story, walk-up structures built in a garden-like setting; customarily a suburban or rural-urban fringe development. *(Dictionary)*

**Going-concern Value**

1. The market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; also called value of the going concern.
2. Tangible and intangible elements of value in a business enterprise resulting from factors such as having a trained work force, an operational plant, and the necessary licenses, systems, and procedures in place.
3. The value of an operating business enterprise. Goodwill may be separately measured but is an integral component of going-concern value. *(USPAP)*

**Highest & Best Use**

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility and maximum productivity. *(Dictionary)*

**Highest and Best Use of Land or a Site as Though Vacant**

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements. *(Dictionary)*

## DEFINITIONS (CONTINUED)

**Highest and Best Use of Property as Improved**

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one. (*Dictionary*)

**Hypothetical Condition**

That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (*Dictionary*)

**Hypothetical Value**

The monetary relationship between properties and those who buy, sell or use those properties, based on a hypothetical condition. (*USPAP*)

**Income Capitalization Approach**

A set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's (stabilized) income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate. (*12<sup>th</sup> Edition*)

**Incurable Functional Obsolescence**

An element of depreciation; a defect caused by a deficiency or superadequacy in the structure, materials, or design, which cannot be practically or economically corrected. (*Dictionary*)

**Indirect Costs**

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs; professional fees; financing costs and the interest paid on construction loans; taxes and the builder's or developer's all-risk insurance during construction; and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. Also called soft costs. (*Dictionary*)

**Insurable Value**

The value of an asset or asset group that is covered by an insurance policy; can be estimated by deducting costs of non-insurable items (e.g., land value) from market value. (*MVS*)

**Interim Use**

The temporary use to which a site or improved property is put until it is ready to be put to its future highest and best use. (*12<sup>th</sup> Edition*)

**Leased Fee Interest**

An ownership interest held by a landlord with the rights of use and occupancy conveyed by the lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease. (*Dictionary*)

**Leasehold Interest**

The interest held by the lessee (the tenant or renter) through a lease transferring the rights of use and occupancy for a stated term under certain conditions. (*Dictionary*)

**Legally Nonconforming Use**

A use that was lawfully established and maintained, but no longer conforms to the use regulations of the current zoning in the zone where it is located. (*Dictionary*)

**Market Study**

A macroeconomic analysis that examines the general market conditions of supply, demand, and pricing or the demographic of demand for a specific area or property type. A market study may also include analyses of construction and absorption trends. (*12<sup>th</sup> Edition*)

**Marketability Study**

A microeconomic study that examines the marketability of a given property or class of properties, usually focusing on the market segments in which the property is likely to generate demand. Marketability studies are useful in determining a specific highest and best use, testing development proposals, and projecting an appropriate tenant mix. (*12<sup>th</sup> Edition*)

**Market Analysis**

1. The identification and study of the market for a particular economic good or service.
2. A study of market conditions for a specific type of property. (*USPAP*)

**Market Area**

The defined geographic in which the subject property competes for the attentions of market participants; the term broadly defines an area containing diverse land uses. (*12<sup>th</sup> Edition*)

**Market Rent**

The rental income a property would probably command in the open market; indicated by the current rents that are either paid or asked for comparable space as of the date of the appraisal. (*12<sup>th</sup> Edition*)

**Market Value**

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently 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;

**DEFINITIONS (CONTINUED)**

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. (*Office of Comptroller of the Currency (OCC), Title 12 of the Code of Federal Regulation, Part 34, Subpart C - Appraisals, 34.42 (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g); This is also compatible with the RTC, FDIC, FRS and NCUA definitions of market value.*)

**Net Operating Income (NOI)**

The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income, but before mortgage debt service and book depreciation are deducted; may be calculated before or after deducting replacement reserves. (*Dictionary*)

**Obsolescence**

One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. (*12 Edition*)

**Off-site Costs**

Costs incurred in the development of a project, excluding actual building construction costs, e.g., the costs of streets, sidewalks, curbing, traffic signals, water and sewer mains; also called common costs; or off-site improvement costs. (*Dictionary*)

**On-site Costs**

Costs incurred for the actual construction of buildings and improvements on a particular parcel of land. See also construction cost; direct costs. (*Dictionary*)

**Overage Rent**

The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakeven sales volume. (*12<sup>th</sup> Edition*)

**Overall Capitalization Rate (OAR)**

An income rate for a total real property interest that reflects the relationship between a single year's net operating income expectancy and the total property price or value; used to convert net operating income into an indication of overall property value. (*Dictionary*)

**Potential Gross Income (PGI)**

The total income attributable to real property at full occupancy before vacancy and operating expenses are deducted. (*Dictionary*)

**Potential Gross Income Multiplier (PGIM)**

The ratio between the sale price of a property and its potential gross income (PGIM  $\div$  PGI). (*Dictionary*)

**Present Value (PV)**

The value of a future payment or series of future payments discounted to the current date or to time period zero. (*Dictionary*)

**Parking Ratio**

The number of available parking spaces per rentable unit of area, residential unit, hotel room, restaurant seat, etc.; also, the ratio of total parking area to gross leasable area. The parking ratio is a standard comparison that indicates the relationship between parking spaces or parking area and an economic or physical unit of comparison. (*Dictionary*)

**Prospective Value Opinion**

A forecast of the value expected at a specified future date. A prospective value opinion is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written. (*Dictionary*)

**Qualitative Analysis**

In the sales comparison approach, the process of accounting for differences between comparables that are not quantified; usually follows quantitative adjustment. (*Dictionary*)

**Quantitative Adjustment**

In the sale comparison approach, the process of making numerical adjustments to the sale prices of comparable properties, including data analysis techniques (paired data analysis, grouped data analysis, and secondary data analysis), statistical analysis, graphic analysis, trend analysis, cost analysis (cost-to-cure, depreciated cost), and capitalization of rent differences; usually precedes qualitative analysis. (*Dictionary*)

**Rentable Area**

The amount of space on which the rent is based; calculated according to local practice. (*Dictionary*)

**Replacement Cost**

The estimated cost to construct, at current prices as of the effective appraisal date, a building with utility equivalent to the building being appraised, using modern materials and current standards, design, and layout. (*12 Edition*)

**Reproduction Cost**

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building. (*12 Edition*)

**Retrospective Value Opinion**

An opinion of value that is likely to have applied as of a specified historic date. A retrospective value opinion is most frequently sought in connection with appraisals for estate tax, condemnation, inheritance tax, and similar purposes. (*Dictionary*)

## DEFINITIONS (CONTINUED)

**Sales Comparison Approach**

A set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison and making adjustments to the sale prices of the comparables based on the elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant; it is the most common and preferred method of land valuation when comparable sales data is available. (12<sup>th</sup> Edition)

**Scope of Work**

The amount and type of information researched and the analysis applied in an assignment. Scope of work includes, but is not limited to, the following:

- The degree to which the property is inspected or identified;
- The extent of research into physical or economic factors that could affect the property;
- The extent of data research; and
- The type and extent of analysis applied to arrive at opinions or conclusions. (Dictionary)

**Shopping Center Types**

**Community Center:** A shopping center of 100,000 to 300,000 square feet that usually contains one junior department store, a variety store or discount department store, a supermarket, and specialty stores. A community shopping center generally has between 20 and 70 retail tenants and the market support of more than 5,000 households.

**Neighborhood Center:** The smallest type of shopping center, generally with a gross leasable area of less than 100,000 square feet. Typical anchors include supermarkets and pharmacies. Neighborhood shopping centers offer convenience goods and personal services and usually depend on the market support of more than 1,000 households.

**Power Center:** A large community shopping center with more than 250,000 square feet of space anchored by three or more tenants that occupy 60% to 90% of the space; the number of specialty stores is kept to a minimum. See also shopping center.

**Regional Center:** A shopping center that offers a variety of general merchandise, apparel, furniture, home furnishings, services, and recreational facilities and is built around one or more full department stores of at least 100,000 square feet each. Regional shopping centers generally have between 400,000 and 750,000 square feet of gross leasable area. (Dictionary)

**Superadequacy**

An excess in the capacity or quality of a structure or structural component; determined by market standards. (Dictionary)

**Surplus Land**

Land not necessary to support the highest and best use of the existing improvement but, because of physical limitations, building placement, or

neighborhood norms, cannot be sold off separately. Such land may or may not contribute positively to value and may or may not accommodate future expansion of an existing or anticipated improvement. (Dictionary)

**Tenant Improvements (TIs)**

1. Fixed improvements to the land or structures installed and paid for by a tenant or lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. (Dictionary)

**Triple net lease**

A net lease under which the lessee assumes all expenses of operating a property, including both fixed and variable expenses and any common area maintenance that might apply, but the landlord is responsible for structural repairs. (Dictionary)

**Usable Area**

The area available for assignment or rental to an occupant, including every type of usable space; measured from the inside finish of outer walls to the office side of corridors or permanent partitions and from the centerline of adjacent spaces; includes subdivided occupant space, but no deductions are made for columns and projections. There are two variations of net area: single occupant net assignable area and store net assignable area. (Dictionary)

**Useful Life**

The period of time over which a structure may reasonably be expected to perform the function for which it was designed. (Dictionary)

**Vacancy and Collection Loss**

An allowance for reductions in gross potential income attributable to projected vacancy (physical or economic) and potential collection loss considerations. Vacancy is an expected loss in income as a result of periodic vacant space attributable to unrented space and tenant turnover. Credit loss considers nonpayment of rent and can consider units rented at below-market rates (also known as lag vacancy). Vacancy and collection loss is usually estimated on a property-specific basis as part of the reconstructed operating statement in the income capitalization approach and applied, as a percentage, to potential gross income or as a percentage of rentable area of the property; may also refer to a study of vacancy and collection loss in a defined market or submarket. See also frictional vacancy. (Dictionary)

**Yield Capitalization**

The capitalization method used to convert future benefits into present value by discounting each future benefit at an appropriate yield rate or by developing an overall rate that explicitly reflects the investment's income pattern, value change, and yield rate. (Dictionary)

**QUALIFICATIONS OF PGP VALUATION INC**

## QUALIFICATIONS OF PGP VALUATION INC



PGP VALUATION INC is a leading provider of real estate valuation and consulting services. Founded in 1978, PGP has offices in Atlanta, Boise, Calgary, Dallas, Edmonton, Halifax, Honolulu, Irvine, Las Vegas, Los Angeles, Phoenix, Portland, Sacramento, San Diego, Seattle, Toronto, Vancouver (BC), and Vancouver (WA). PGP's partnership with Colliers Macaulay Nicholls, Inc (Colliers CMN), one of the largest commercial real estate services providers in the world, has expanded PGP's ability to serve clients globally.

PGP has extensive experience in a diverse range of commercial property appraisals, with an expertise in large portfolio valuations. With over 200 experienced appraiser professionals and an efficient commercial appraisal system, PGP has built a reputation for excellence, customer service and responsiveness.

PGP's comprehensive valuation reports are created using the most advanced analytical tools and recognized appraisal methods. PGP's appraiser professionals adhere to the Code of Ethics established by the Appraisal Institute, and strive to maintain the highest level of professional integrity.

### PROFESSIONAL SERVICES

PGP Valuation Inc offers a wide range of services related to the valuation of real estate:

<b>Appraisals:</b>	Single asset and portfolio valuations on all property types, including residential, commercial, industrial, Low Income Housing Tax Credits (LIHTC), infrastructure and easements  Partial interest and business valuations
<b>Highest and Best Use &amp; Market Studies:</b>	Consultation regarding the most profitable utilization of real property assets  Feasibility and absorption studies of housing and commercial developments  Preparation of FNMA condominium market studies and valuation
<b>Consultation:</b>	Analysis of real estate regarding values, site development potential, market standards versus competitive edge amenities, market conditions, etc.
<b>Litigation Support:</b>	Professional opinions as expert witnesses regarding the valuation of real estate
<b>Property Tax Analysis/Appeal:</b>	Representation before government agencies regarding ad valorem taxes, including preliminary value consultation appraisals and Board of Equalization presentations

**QUALIFICATIONS OF PGP VALUATION INC****ATLANTA**

3350 Riverwood Pkwy, Ste. 1750  
Atlanta, GA 30339  
770.953.2082 Phone  
770.953.2085 Fax

Donald Johnson, MAI  
Senior Vice President &  
Regional Director

Wallace White, MAI  
Senior Managing Director

**BOISE**

910 Main St., Ste. 354  
Boise, ID 83702  
208.342.0163 Phone  
208.424.7767 Fax

James Gibson  
Managing Director

**CHICAGO**

190 S. La Salle St., Ste. 2160  
Chicago, IL 60603  
312.256.0575 Phone  
312.275.7173 Fax

Chris Jarvis  
Managing Director

**CARLSBAD**

5796 Armada Dr., Ste. 210  
Carlsbad, CA 92008  
877.720.2525 Phone  
760.730.3372 Fax

Phil Steffen, MAI  
Executive Vice President

Russell McCoy, MAI  
Team Leader

Jared Mathews  
Chief Knowledge Officer

Sean S. Yousofy  
Managing Director

**DALLAS**

4311 Oak Lawn Ave., Ste. 400  
Dallas, TX 75219  
214.599.9808 Phone  
214.853.5900 Fax

Stan Wolf, MAI  
Senior Managing Director

Daniel Boring, MAI  
Senior Vice President, Business  
Development

**DENVER**

7900 E Union Ave, Ste. 1100  
Denver, CO 80237  
303.217.7560 Phone  
303.217.7568 Fax

Jonathan Fletcher  
Senior Appraiser

**HONOLULU**

1038 Queen St., Ste. 2D  
Honolulu, HI 96814  
808.591.2846 Phone  
808.591.2848 Fax

Bobby Hastings, MAI  
Senior Managing Director

**IRVINE**

One Park Plz., Ste. 950  
Irvine, CA 92614  
949.253.9510 Phone  
949.253.9075 Fax

Philip Steffen, MAI  
Executive Vice President  
Senior Managing Director

**LOS ANGELES**

865 S. Figueroa St., Ste. 3500  
Los Angeles, CA 90017  
213.532.3246 Phone  
760.444.8123 Fax

Kenneth Harrison, MAI  
President & CEO

**PHOENIX**

2390 E. Camelback Rd., Ste. 100  
Phoenix, AZ 85018  
602.222.5000 Phone  
602.222.5001 Fax

Dennis Farr, MAI  
Senior Managing Director

**PORTLAND**

110 SW Yamhill St., Ste. 200  
Portland, OR 97204  
503.226.0983 Phone  
503.273.4273 Fax

Jeremy Snow, MAI  
Senior Managing Director

Jeff Grose  
Managing Director

Grant Norling  
Managing Director

Donald Palmer, MAI  
Senior Team Leader

**SACRAMENTO**

3000 Lava Ridge Ct., Ste. 220  
Roseville, CA 95661  
916.724.5500 Phone  
916.724.5600 Fax

Cheryl Mandich  
Chief Financial Officer

Robert Steed  
Team Leader

Jeff Shouse  
Team Leader

Richard Walcott  
Team Leader

Rob Detling  
Team Leader

Marty Shearer  
Team Leader

**SAN DIEGO**

750 B St., Ste. 3250  
San Diego, CA 92101  
619.814.4700 Phone  
619.814.4800 Fax

Lance Dore, MAI  
Senior Managing Director

Ed Carlson, MAI  
Senior Managing Director

**SEATTLE**

1325 4th Ave., Ste. 500  
Seattle, WA 98101  
206.343.7477 Phone  
206.682.7207 Fax

John Campbell  
Managing Director

Joe Creech  
Managing Director

Reid Erickson  
Managing Director

Cheryl Lotz  
Managing Director

**VANCOUVER (WA)**

112 W. 11th St., Ste. 250  
Vancouver (SFR), WA 98660  
360.699.4844 Phone  
360.699.1904 Fax

Dean Meyer, MAI  
Senior Managing Director

Steve Waugh  
Managing Director

David Groth, MAI  
Senior Team Leader

**NORTH AMERICAN & INTERNATIONAL PRACTICES**



**CALGARY**

1000 Royal Bank Building  
335 - 8 Avenue SW  
Calgary, AB T2P 1C9  
403.265.9180 Phone  
403.265.6495 Fax

Chris Marlyn, AACI  
Managing Director

**EDMONTON**

3555 Manulife Place  
10180-101 Street  
Edmonton, AB T5J sS4  
780.420.1585 Phone  
780.424.7830 Fax

Kenneth Duffin, AACI  
Managing Director

**HALIFAX**

1791 Barrington Street  
Suite 900  
Halifax, NS B3J 3K9  
902.422.1422 Phone  
902.429.9866 Fax

Mitch Wie  
Senior Manager

**TORONTO**

1 Queen Street East  
Suite 2200  
Toronto, ON M5C 2Z2  
416.777.2277 Phone  
416.643.3470 Fax

Shawn Oakley, AACI  
Managing Director

**VANCOUVER (BC)**

Granville Square  
200 Granville Street  
Suite 1910  
Vancouver, BC V6C 2R6  
604.681.4111 Phone  
604.661.0849 Fax

Howie Charters, CLP, FRI  
Managing Director



**NORTH AMERICAN & INTERNATIONAL PRACTICES**



**NET LEASED PROPERTIES**

Contact: Sean S. Yousofy

**SELF STORAGE**

Contact: Jeff Shouse

**PARTIAL INTEREST VALUATIONS & GAS STATIONS C-STORE**

Contact: Ben Wilcox, MAI

**MANUFACTURED HOUSING**

Contact: Rob Detling

**GOVERNMENT SERVICES**

Contact: Lance Dore

**EMERGING MARKETS- RUSSIA**

Contact: Dmitri Isaev

**QUALIFICATIONS OF APPRAISERS**

**JEFF L. GROSE**

**Managing Director/Team Leader – Industrial & Office**



Jeff Grose graduated from Willamette University with a Bachelor of Science degree in Business Economics. Since graduating, he has resided in Portland, Oregon.

Jeff joined PGP VALUATION INC in 1998 and has valued a wide range of property types including industrial, office, golf courses, resource land, retail, and right-of-way valuation. Jeff also manages a team specializing in industrial and office properties.

**PROFESSIONAL EDUCATION**

Willamette University ♦ Salem, Oregon ♦ 1997  
Bachelor of Science Degree ♦ Business Economics

**APPRAISAL INSTITUTE COURSES**

Course 320, General Applications  
Course 510, Advanced Income Capitalization  
Course 520, Highest and Best Use  
Course 530, Advanced Sales Comparison Cost Approaches  
Course 540, Report Writing and Valuation Analysis  
Course 550, Advanced Applications  
Course 710 and 720, Condemnation Appraising  
Appraisal of Non-Conforming Uses

**REAL ESTATE EXPERIENCE**

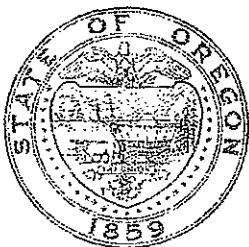
PGP VALUATION INC ♦ Portland, Oregon  
Real Estate Appraiser ♦ 1998 to Present

**LICENSE AND CERTIFICATION**

Certified General Real Estate Appraiser ♦ State of Oregon  
Certificate No. C000722  
Certified General Real Estate Appraiser ♦ State of Washington  
License No. 27011 1100446  
Certified General Real Estate Appraiser ♦ State of California  
License No. AG043820

**PROFESSIONAL AFFILIATIONS**

National Association of Industrial and Office Properties  
Appraisal Institute



Jeff L Grose  
PGP Valuation INC  
110 SW Yamhill ST STE 200  
Portland OR 97204

## Appraiser Certification and Licensure Board

### State Certified General Appraiser

*28 hours of continuing education required for renewal*

License No: C000722  
Issue Date: 1/8/2008  
Expiration Date: 12/31/2009

R. A. (Bob) Keith, Administrator

**BRIAN L. KELLEY, MAI**  
Principal



Brian L. Kelley was born and raised in Portland, Oregon. He attended Franklin High School in Portland, where he participated in varsity football, basketball, and baseball. He graduated from the University of Oregon with a degree in Business Finance, minoring in Real Estate. For seven years prior to joining PGP Valuation Inc he was active in real estate sales in the Portland metropolitan area. Brian's appraisal assignments vary from timberland to major income-producing properties. He formerly managed the Multi-Family department and is currently a senior member of PGP Valuation Inc's Central Review Team.

### PROFESSIONAL EDUCATION

University of Oregon ♦ 1978  
Bachelor of Science ♦ Business Administration

### COLLEGE REAL ESTATE COURSES

Introduction to Real Estate  
Real Estate Law  
Real Estate Finance  
Real Estate Taxation  
Real Estate Management  
Real Estate Investment Analysis  
Real Estate Environment Analysis

### APPRAISAL INSTITUTE COURSES

Course 1A-1, Real Estate Appraisal Principles  
Course 1A-2, Basic Valuation Procedures  
Course 1B-A, Capitalization Theory and Technique - Part A  
Course 1B-B, Capitalization Theory and Technique - Part B  
Course 2-1, Case Studies in Real Estate Valuation  
Course 2-2, Valuation Analysis and Report Writing

### CLASSES/SEMINARS

Standards of Professional Practice Update  
Standards of Professional Practice - Part A  
Standards of Professional Practice - Part B  
Standards of Professional Practice - Part C  
Hotel/Motel Valuation  
Wetlands Evaluation Issues  
Americans with Disabilities Act Seminar  
Anatomy of a Real Estate Deal  
Developing Tax Credit Financed Low-Income Housing  
How to Value Income Property  
30 Specialized Appraisal Issues

Qualifications of Brian L. Kelley, MAI (Continued)

---

Commercial Construction  
Appraisal of Non-Conforming Properties  
Elderly Care Facility Appraisal  
Security Issues and Building Design Seminar  
Siding and Mold Issues Seminar  
Real Estate Fraud: The Appraisers Responsibilities and Liabilities Seminar  
Market Analysis and the Site to do Business  
Non USPAP Regulatory Compliance  
National USPAP 7-Hour Update  
Business Practices and Ethics

**REAL ESTATE EXPERIENCE**

Real Estate Appraiser ♦ PGP Valuation Inc  
Associate Real Estate Broker ♦ Steve Meredith Realtors, Inc.  
Real Estate Sales Associate ♦ Stan Wiley Realtors, Inc.

**LICENSE AND CERTIFICATION**

Certified General Real Estate Appraiser ♦ State of Oregon  
Certificate No. C000141  
MAI, Appraisal Institute ♦ Certificate No. 8097

**PROFESSIONAL AFFILIATIONS**

Oregon Mortgage Lenders Association  
Portland Metropolitan Association of Realtors



## Appraiser Certification and Licensure Board

### State Certified General Appraiser

*28 hours of continuing education required for renewal*

License No: C000141

Issue Date: 10/1/2007

Expiration Date: 9/30/2009

Brian L Kelley  
PGP Valuation INC  
110 SW Yamhill ST STE 200  
Portland OR 97204

R. A. (Bob) Keith, Administrator



900 S.W. Fifth Avenue, Suite 2600  
Portland, Oregon 97204  
main 503.224.3380  
fax 503.220.2480  
www.stoel.com

JUN - 6 2008

June 6, 2008

ELAINE R. ALBRICH  
Direct (503) 294-9394  
eralbrich@stoel.com

**VIA HAND DELIVERY**

Michael J. Jordan  
Chief Operating Officer  
Metro  
600 NE Grand Avenue  
Portland, OR 97323

**Re: Tigard Sand and Gravel, Claim No. 07-027 Election**

Dear Mr. Jordan:

Our office represents Tigard Sand and Gravel ("TSG") and, on its behalf, submits the Metro Measure 49 Election Claim Form for Claim No. 07-027 with supporting documentation. An appraisal will be provided under separate cover. Please contact me if Metro requires additional information to process TSG's claim under Measure 49.

Thank you for your consideration.

Very truly yours,

A handwritten signature in cursive script that reads "Elaine R. Albrich".

Elaine R. Albrich

ERA/pjn  
Enclosure

cc: Roger Metcalf  
Robert D. Van Brocklin

RECEIVED

JUN 6 2008

OFFICE OF METRO ATTORNEY

Oregon  
Washington  
California  
Utah  
Idaho



# Metro Measure 49 Claim Form

**Claimants are also required to submit the items listed on the back of this form**

Return completed form and additional listed items to:

Chief Operating Officer  
Metro  
600 NE Grand Ave.  
Portland, OR 97232

Claimant name: Tigard Sand & Gravel (Claim No. 07-027)

Claimant mailing address: P.O. Box 4810  
Tualatin, OR 97062

Claimant phone number: (503) 254-5517

- 1) Are you an owner of the property? yes
- 2) Are there other owners of the property? no
- 3) If there are other owners, do they all consent to the filing of this claim? N/A  
Please have all owners sign the attached consent form.
- 4) On what date did you acquire the property? See Attachments A & B
- 5) Have you had continuous ownership of the property since you acquired it? yes
- 6) Is the property located, in whole or in part, inside the Metro urban growth boundary?  
yes
- 7) On the date of your acquisition of the property, how many dwelling units were you  
lawfully permitted to establish on the property? over 10 units
- 8) Is the property currently zoned for residential use? no
- 9) Does a Metro land use regulation prohibit the establishment of a single-family dwelling  
on the property? yes
- 10) Is there currently a dwelling unit on the property? no  
If so, how many dwelling units are there? N/A
- 11) Have you provided Metro with all of the additional items listed on the back of this form?  
Appraisal will follow under separate cover.



**Tigard Sand and Gravel  
Supplemental Information for Measure 49 Election**

**State Claim No. M133933  
Metro Claim No. 07-027  
Washington County Claim No. 37CL0860**

**1. Measure 49 Election Form and Supplemental Information Forms**

Tigard Sand and Gravel ("Claimant") seeks to continue the above claim for property described in Attachment A. The election form is enclosed. Claimant is the sole owner of the property.

Measure 49 creates a distinction between urban and rural lands for processing retrospective Measure 37 claims. Claimant seeks to continue its claim under Measure 49 § 9 as all Claimant's property is located within the urban growth boundary.

**2. Proof of Ownership**

Attachment B demonstrates proof of Claimant's current ownership as well as the date of original acquisition.

**3. Written Narrative**

Attachment C outlines the desired use of the property and identifies the specific regulations prohibiting the proposed residential use.

**4. Appraisal**

An appraisal demonstrating a reduction in fair market value will be provided as a supplement to this election form submission.

**ATTACHMENT A  
PROPERTY INFORMATION**

**Claimant's Urban Land**

<b>Property Number</b>	<b>Township</b>	<b>Range</b>	<b>Section</b>	<b>Tax Lot</b>	<b>Current Zoning</b>	<b>Original Zoning</b>	<b>Date Acquired</b>	<b>Acreage</b>
R546868	2S	1W	27C	900	FD20	S-R	12/30/65	40
R1492236	2S	1W	34B	100	FD20	R-20	09/07/65	3.08
R558596	2S	1W	34B	100	FD20	R-20	09/07/65	58.68
R546797	2S	1W	27C	300	FD20	S-R	11/19/73	2.27
R546804	2S	1W	27C	400	FD20	S-R	11/19/73	12.33
R558603	2S	1W	34B	200	FD20	R-20	07/12/66	12.59
R558667	2S	1W	34B	800	FD20	R-20	07/12/66	15.53
R558729	2S	1W	34C	500	FD20	R-20	07/12/66	8.38

Approximately 153 acres

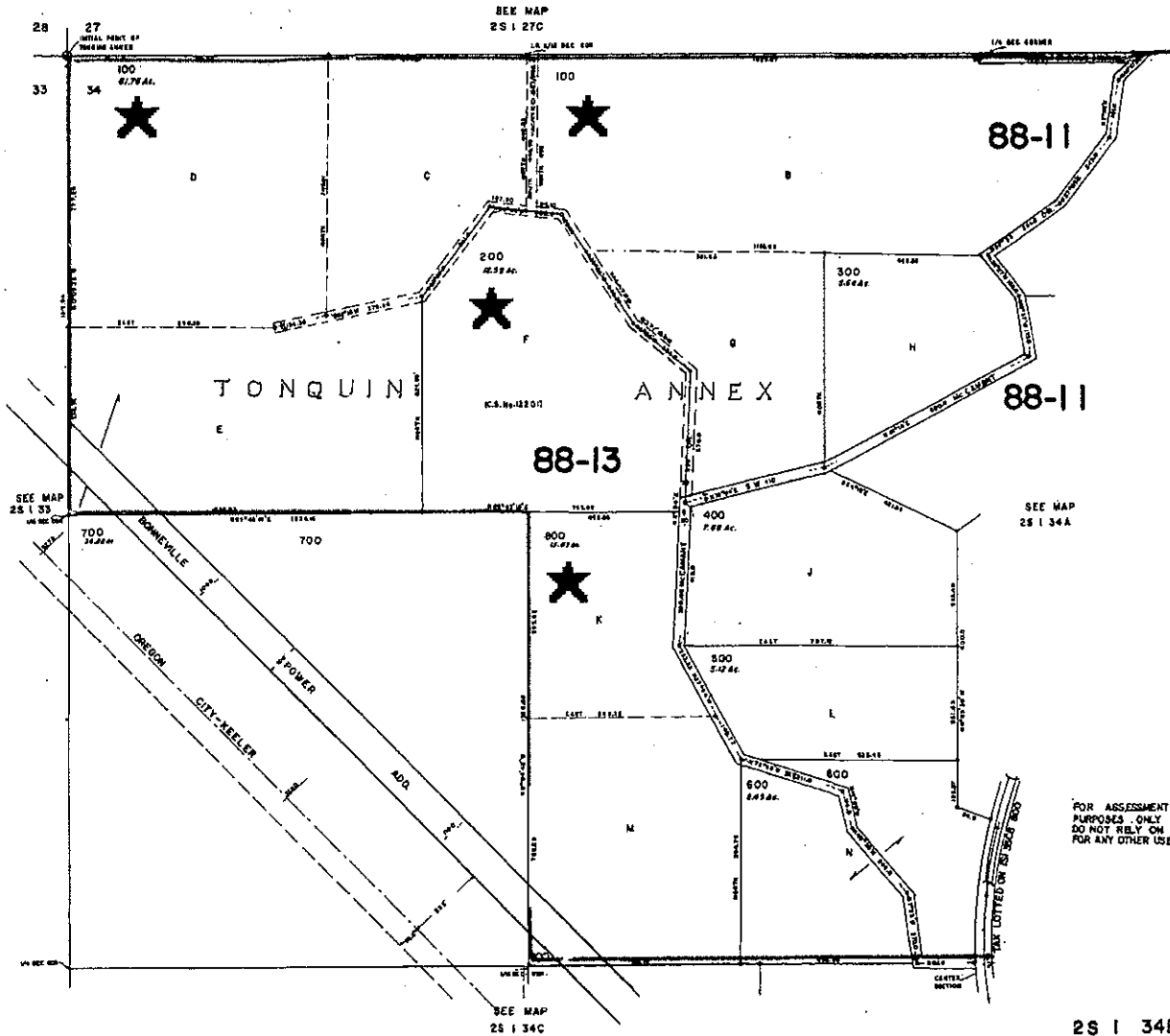


NW 1/4 SECTION 34 T2S R1W W.M.

WASHINGTON COUNTY OREGON

SCALE 1"=200'

2S 1 34B



Tigard Sand

= METROSCAN PROPERTY PROFILE =  
Washington (OR)

Dated  
June 3, 2008

\*\*\*\*\*

=====
OWNERSHIP INFORMATION
=====

Reference Parcel #: 2S127C0 00300
Parcel Number : R0546797 RTSQ:01W - 02S - 27 - SW
Owner : Tigard Sand & Gravel Co Inc
CoOwner :
Site Address : \*no Site Address\*
Mail Address : 1220 SE 190th Ave Portland Or 97233
Telephone : Owner: Tenant:

=====
SALES AND LOAN INFORMATION
=====

Transferred : Loan Amount :
Document # : 9540540 Lender :
Sale Price : Loan Type :
Deed Type : Interest Rate :
% Owned : Vesting Type :

=====
ASSESSMENT AND TAX INFORMATION
=====

MktLand : \$22,130 Exempt Amount :
MktStructure: Exempt Type :
MktOther : % Improved :
MktTotal : \$22,130 Levy Code : 08813
07-08 Taxes : \$264.18 School Dist : Sherwood
Assessed Tot: \$17,540

=====
PROPERTY DESCRIPTION
=====

Map Grid : Class Code :
Census : Tract: Block :
NbrhdCd : Yrin MillRate : 15.0613
Sub/Plat :
Land Use : 3002 Vacant, Industrial
Legal : ACRES 2.27

=====
PROPERTY CHARACTERISTICS
=====

Bedrooms : Lot Acres : 2.27 Year Built :
Bathrooms : Lot SqFt : 98,881 EffYearBlt :
Heat Method : BsmFin SF : Floor Cover :
Pool : BsmUnfinSF : Foundation :
Appliances : BsmLowSF : Roof Shape :
Dishwasher : Bldg SqFt : Roof Matl :
Hood Fan : 1stFlrSqFt : InteriorMat :
Deck : UpperFlSF : Paving Matl :
Garage Type : Porch SqFt : Const Type :
Garage SF : Attic SqFt : Ext Finish :
Deck SqFt :

\*\*\*\*\*

Information compiled from various sources. Real Estate Solutions makes no representations or warranties as to the accuracy or completeness of information contained in this report.

= METROSCAN PROPERTY PROFILE =  
Washington (OR)

\*\*\*\*\*

=====  
OWNERSHIP INFORMATION  
=====

Reference Parcel #:2S127C0 00400  
 Parcel Number :R0546804 RTSQ:01W - 02S - 27 - SW  
 Owner :Tigard Sand & Gravel Co Inc  
 CoOwner :  
 Site Address :21455 SW 120th Tualatin 97062  
 Mail Address :1220 SE 190th Ave Portland Or 97233  
 Telephone :Owner: Tenant:

=====  
SALES AND LOAN INFORMATION  
=====

Transferred :	Loan Amount :
Document # :9540540	Lender :
Sale Price :	Loan Type :
Deed Type :	Interest Rate :
% Owned :	Vesting Type :

=====  
ASSESSMENT AND TAX INFORMATION  
=====

MktLand :\$120,220	Exempt Amount :
MktStructure:\$20,370	Exempt Type :
MktOther :	% Improved :14
MktTotal :\$140,590	Levy Code :08813
07-08 Taxes :\$1,750.59	School Dist :Sherwood
Assessed Tot:\$116,230	

=====  
PROPERTY DESCRIPTION  
=====

Map Grid :685 B6	Class Code :
Census :Tract:321.05	Block :1
NbrhdCd :Yrin	MillRate :15.0613
Sub/Plat :	
Land Use :3012 Ind,Improved	
Legal :ACRES 12.33	

=====  
PROPERTY CHARACTERISTICS  
=====

Bedrooms :	Lot Acres :12.33	Year Built :
Bathrooms :	Lot SqFt :537,094	EffYearBlt :
Heat Method :	BsmFin SF :	Floor Cover :
Pool :	BsmUnfinSF :	Foundation :
Appliances :	BsmLowSF :	Roof Shape :
Dishwasher :	Bldg SqFt :	Roof Matl :
Hood Fan :	1stFlrSqFt :	InteriorMatl :
Deck :	UpperFlSF :	Paving Matl :
Garage Type :	Porch SqFt :	Const Type :
Garage SF :	Attic SqFt :	Ext Finish :
	Deck SqFt :	

\*\*\*\*\*

Information compiled from various sources. Real Estate Solutions makes no representations or warranties as to the accuracy or completeness of information contained in this report.



8343

BARGAIN AND SALE DEED

KNOW ALL MEN BY THESE PRESENTS, that OREGON ASPHALTIC PAVING CO., a corporation duly existing under the laws of the State of Oregon, Grantor, for valuable consideration, does hereby grant, bargain, sell and convey unto TIGARD SAND & GRAVEL CO., INC., an Oregon corporation, Grantee, and Grantee's successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, situated in the County of Washington, State of Oregon, described as follows, to-wit:

Beginning 10.0 rods East of the Northwest corner of the Northeast quarter of the Southwest quarter of Section 27, Township 2 South of Range 1 West of the Willamette Meridian; Washington County, Oregon, and running thence 10.0 rods; thence South 80.0 rods; thence West 10.0 rods and thence 80.0 rods to the place of beginning, EXCEPTING therefrom the North 20 feet and the East 40.0 feet thereof heretofore conveyed to the public for road purposes; ALSO; Beginning at a point 975.46 feet East of the quarter section corner between Sections 27 and 28, Township 2 South, Range 1 West of the Willamette Meridian, Washington County, Oregon; running thence South 1315.38 feet; thence North 89°47' East 511.99 feet to a point; thence North 78 rods 13 feet to the South boundary of 20 foot deeded road; thence West along the Southerly boundary of said deeded road a distance of 10 rods 20 feet to an angle point; thence North 20 feet along the Westerly boundary of said deeded road a distance of 20 feet to a point; thence South 89°47' West 326.99 feet to the place of beginning, EXCEPTING the West 1 rod thereof which was conveyed to Joe Itel, et ux, by deed in Book 178, Page 225, deed records of Washington County, Oregon

EXCEPTING THEREFROM that certain property conveyed by Grantor to Harold B. Stark and Sylvia Stark, husband and wife, and Richard A. Stark and Jan Stark, husband and wife, by Deed dated January 4, 1972, as described on Exhibits "A" and "B" attached hereto,

but including in this conveyance Grantor's right and title to Easement No. 1 and Easement No. 2 described in Exhibit "A" and "B" attached hereto.

To Have and to Hold the same unto the Grantee and Grantee's successors and assigns forever.

The actual consideration consists of other value given which is the whole consideration.

IN WITNESS WHEREOF, Grantor has caused this deed to be

BOOK 954 540

8343

executed this 19th day of November, 1973.

OREGON ASPHALTIC PAVING CO.

By Orin W. Adams Pres  
By Jack C. Coniam Sec

STATE OF OREGON }  
County of Multnomah } ss.

November 19, 1973

Personally appeared Orin Adams and Jack C. Coniam, the president and secretary of Oregon Asphaltic Paving Co., a corporation, and each of them acknowledged said instrument to be its voluntary act and deed.



Leslie J. Worline  
Notary Public for Oregon  
My Commission Expires: Nov. 14, 1978

RETURN AFTER RECORDING TO:

Kobin & Meyer  
Suite 800, 610 SW Alder  
Portland, Oregon 97205

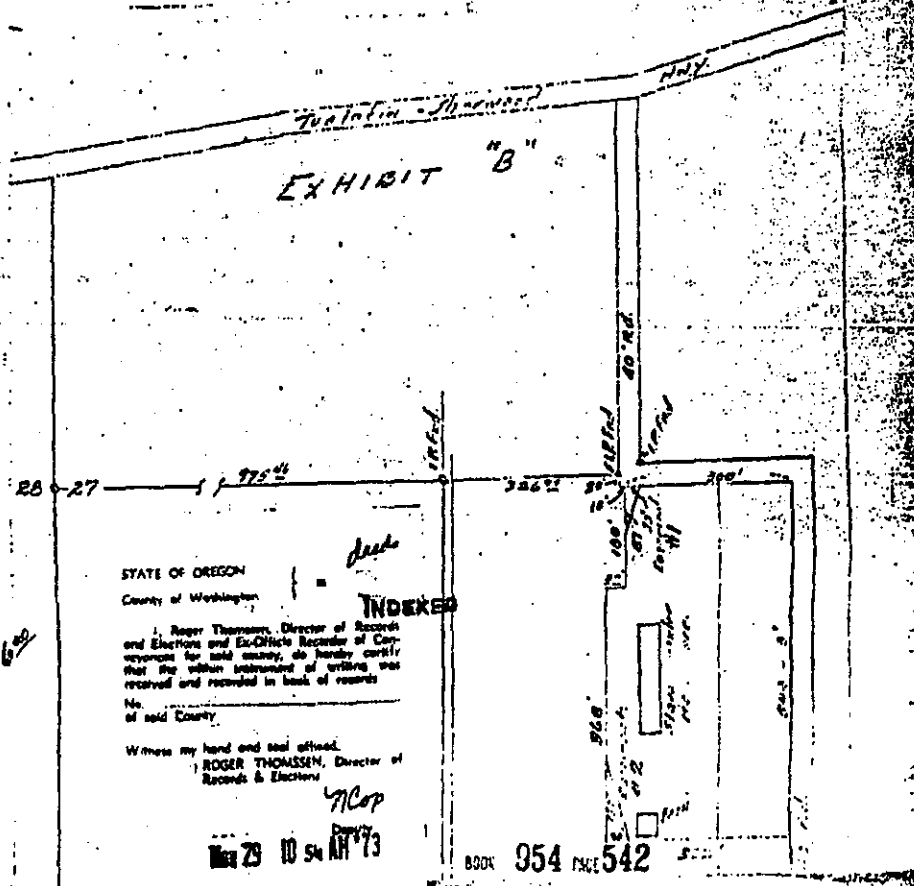
8343

EXHIBIT "A"

Being portions of Tax Lots 25 and 26 in Section 27, T.2 S., R.1 W., W.M., and being more particularly described as follows:

Beginning at a point 975.46 feet East of the Quarter Section corner between Sections 27 and 28, T.2 S., R.1 W., W.M., in Washington County, Oregon; running thence N. 89°47' 2.325.99 feet to an iron pipe on the West line of a 40 foot deeded road; thence South along said West line 20 feet to the Southwest corner of said 40 foot deeded road; thence N. 89°47' E. along the South line of said road 10 feet to the true point of beginning of the parcel herein described; thence South 180 feet to a point; thence S 89°47' W 32 feet to a point; thence South 368 feet to a point; thence N 89°47' E. 332 feet more or less to a point in the West line of a 40 foot deeded road; thence North along said West line of said deeded road 548 feet to the South line of a 40 foot deeded road; thence S 89°47' W. along said South line of said deeded road 300 feet, more or less, to the point of beginning, and reserving therefrom to the grantor two permanent easements for roadway purposes as shown on Exhibit "B" below and more particularly described as follows:

Easement No. 1: Beginning at the point of beginning above described; thence S. 87°16'6"; thence Northeasterly to a point 30 feet east of the point of beginning along the south line of the road; thence 30 feet West along the south line of the road to the point of beginning; and  
 Easement No. 2: Beginning at the Southwest corner of the herein described property; thence north 130 feet; thence southeasterly to a point along the south boundary of the above described property which is 40 feet east of said southwest corner; thence west 40 feet to said southwest corner.



STATE OF OREGON  
 County of Washington  
 Roger Thomassen, Director of Records and Elections and Ex-Officio Recorder of Conveyances for said county, do hereby certify that the within instrument of writing was received and recorded in book of records No. \_\_\_\_\_ of said County.

Witness my hand and seal affixed.  
 ROGER THOMASSEN, Director of Records & Elections

Mar 29 10 54 AM '73

BOOK 954 PAGE 542

FORM NO. 511-WARRANTY DEED

8917

STANDARD DEED LAW FEE CO., PORTLAND, ORE.

KNOW ALL MEN BY THESE PRESENTS, That Walter E. Stockman and Audrey A. Stockman, husband and wife,

hereinafter called the grantor, Dollars,

in consideration of Ten (\$10) and other valuable consideration to grantor paid by OREGON ASPHALTIC PAVING CO., a corporation,

hereinafter called the grantee,

does hereby grant, bargain, sell and convey unto the said grantee and grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, situated in the County of Washington and State of Oregon, described as follows, to-wit: Beginning 10.0 rods East of the Northwest corner of the

Northeast quarter of the Southwest quarter of Section 27, Township 2 South of Range 1 West of the Willamette Meridian, Washington County, Oregon, and running thence 10.0 rods; thence South 80.0 rods; thence West 10.0 rods and thence 80.0 rods to the place of beginning, EXCEPTING therefrom the North 20 feet and the East 40.0 feet thereof heretofore conveyed to the public for road purposes, ALSO: Beginning at a point 975.46 feet East of the quarter section corner between Sections 27 and 28, Township 2 South, Range 1 West of the Willamette Meridian, Washington County, Oregon; running thence South 1315.38 feet; thence North 89° 47' East 511.99 feet to a point; thence North 78 rods 13 feet to the South boundary of 20 foot deeded road; thence West along the Southerly boundary of said deeded road a distance of 10 rods 20 feet to an angle point; thence North 20 feet along the Westerly boundary of said deeded road a distance of 20 feet to a point; thence South 89° 47' West 326.99 feet to the place of beginning, EXCEPTING the West 1 rod thereof which was conveyed to Job Itel, et ux, by deed in Book 176 (report, below)

To Have and to Hold the above described and granted premises unto the said grantee and grantee's heirs, successors and assigns forever.

And said grantor hereby covenants to and with said grantee and grantee's heirs, successors and assigns, that grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances

and that grantor will warrant and forever defend the above granted premises and every part and parcel thereof against the lawful claims and demands of all persons whatsoever. The actual consideration paid for this transfer stated in terms of dollars is \$14,989.42.

In constructing this deed and where the context so requires, the singular includes the plural. WITNESS grantor's hand and seal this 24th day of AUGUST 1966

Walter E. Stockman (Seal)

Audrey A. Stockman (Seal)

\*\*Page 225, deed records Washington County, Oregon

STATE OF OREGON, County of Multnomah, August 24th 1966

Personally appeared the above named Walter E. Stockman and Audrey A. Stockman, husband and wife, their voluntary act and deed.

Notary Public for Oregon My commission expires MAY 3, 1970



WARRANTY DEED

WALTER E. STOCKMAN, et ux TO OREGON ASPHALTIC PAVING CO.

AFTER RECORDING RETURN TO Robin & Meyer 1111 Broadway Portland, Oregon 97205 Suite 500, 510 S.W. Alder

STATE OF OREGON County of Washington

INDEXED

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Apr 19 9 13 AM '71

813 REF 392

= METROSCAN PROPERTY PROFILE =  
Washington (OR)

\*\*\*\*\*

=====
OWNERSHIP INFORMATION
=====

Reference Parcel #: 2S127C0 00900
Parcel Number : R0546868 RTSQ:01W - 02S - 27 - SW
Owner : Tigard Sand & Gravel Co Inc
CoOwner :
Site Address : 21455 SW 120th Tualatin 97062
Mail Address : 1220 SE 190th Ave Portland Or 97233
Telephone : Owner: Tenant:

=====
SALES AND LOAN INFORMATION
=====

Transferred : Loan Amount :
Document # : 5860002 Lender :
Sale Price : Loan Type :
Deed Type : Interest Rate :
% Owned : Vesting Type :

=====
ASSESSMENT AND TAX INFORMATION
=====

MktLand : \$390,000 Exempt Amount :
MktStructure: \$486,410 Exempt Type :
MktOther : % Improved : 56
MktTotal : \$876,410 Levy Code : 08813
07-08 Taxes : \$11,690.45 School Dist : Sherwood
Assessed Tot: \$776,190

=====
PROPERTY DESCRIPTION
=====

Map Grid : 685 B6 Class Code :
Census : Tract:321.05 Block : 1
NbrhdCd : Yrin MillRate : 15.0613
Sub/Plat :
Land Use : 3012 Ind, Improved
Legal : ACRES 40.00, SEE A1 ACCOUNT

=====
PROPERTY CHARACTERISTICS
=====

Bedrooms : Lot Acres : 40.00 Year Built :
Bathrooms : Lot SqFt : 1,742,400 EffYearBlt :
Heat Method : BsmFin SF : Floor Cover :
Pool : BsmUnfinSF : Foundation :
Appliances : BsmLowSF : Roof Shape :
Dishwasher : Bldg SqFt : 3,120 Roof Matl :
Hood Fan : 1stFlrSqFt : 3,120 InteriorMat :
Deck : UpperFlSF : Paving Matl :
Garage Type : Porch SqFt : Const Type :
Garage SF : Attic SqFt : Ext Finish :
Deck SqFt :

\*\*\*\*\*

= METROSCAN PROPERTY PROFILE =  
Washington (OR)

\*\*\*\*\*

=====
OWNERSHIP INFORMATION
=====

Reference Parcel #: 2S127C0 00900
Parcel Number : R0546877 RTSQ:01W - 02S - 27 - SW
Owner : Safeco Credit Co Inc
CoOwner :
Site Address : \*no Site Address\*
Mail Address : 1220 SE 190th Ave Portland Or 97233
Telephone : Owner: Tenant:

=====
SALES AND LOAN INFORMATION
=====

Transferred : Loan Amount :
Document # : Lender :
Sale Price : Loan Type :
Deed Type : Interest Rate :
% Owned : Vesting Type :

=====
ASSESSMENT AND TAX INFORMATION
=====

MktLand : Exempt Amount :
MktStructure: \$556,630 Exempt Type :
MktOther : % Improved :100
MktTotal : \$556,630 Levy Code :08813
07-08 Taxes : \$8,245.03 School Dist :Sherwood
Assessed Tot: \$556,630

=====
PROPERTY DESCRIPTION
=====

Map Grid : Class Code :
Census : Tract: Block :
NbrhdCd : Ytsh MillRate :15.0613
Sub/Plat :
Land Use :3012 Ind, Improved
Legal : MACHINERY AND/OR EQUIPMENT ONLY

=====
PROPERTY CHARACTERISTICS
=====

Bedrooms : Lot Acres : Year Built :
Bathrooms : Lot SqFt : EffYearBlt :
Heat Method : BsmFin SF : Floor Cover :
Pool : BsmUnfinSF : Foundation :
Appliances : BsmLowSF : Roof Shape :
Dishwasher : Bldg SqFt : Roof Matl :
Hood Fan : 1stFlrSqFt : InteriorMat :
Deck : UpperFlSF : Paving Matl :
Garage Type : Porch SqFt : Const Type :
Garage SF : Attic SqFt : Ext Finish :
Deck SqFt :

\*\*\*\*\*

FORM No. 433 - WARRANTY DEED

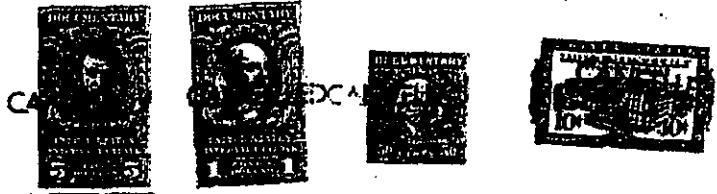
CITIZEN-SIERRA LAW FIRM, S.F., CALIF. 94102

MC 3180

175  
6.60

KNOW ALL MEN BY THESE PRESENTS, That WE, WALTER R. HAWKHURST and BOBETTE A. HAWKHURST, husband and wife, hereinafter called the grantor, in consideration of Ten and no/100 Dollars, and other valuable consideration, to grantor paid by TIGARD SAND AND GRAVEL CO., INC., an Oregon corporation, hereinafter called the grantee, does hereby grant, bargain, sell and convey unto the said grantee and grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, situated in the County of Washington and State of Oregon, described as follows, to-wit:

The Southeast Quarter of the Southwest Quarter of Section 27, Township 2 South, Range 1 West, Willamette Meridian, Washington County, Oregon



To Have and to Hold the above described and granted premises unto the said grantee and grantee's heirs, successors and assigns forever. And said grantor hereby covenants to and with said grantee and grantee's heirs, successors and assigns, that grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances EXCEPTING rights of the public in any portion within streets, roads and highways, conditions, restrictions and assessments of public record and any encumbrances arising on and after November 29, 1956, and that grantor will warrant and forever defend the above granted premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever, except as above stated.

In construing this deed and where the context so requires, the singular includes the plural, WITNESS grantor's hand and seal this 30th day of December, 1965.

Walter R. Hawkhurst (SEAL)  
Bobette A. Hawkhurst (SEAL)  
(SEAL)  
(SEAL)

STATE OF CALIFORNIA, County of Riverside ) ss. December 30, 1965  
Personally appeared the above named WALTER R. HAWKHURST and BOBETTE A. HAWKHURST and acknowledged the foregoing instrument to be their voluntary act and deed.

(SEAL) **WILLARD C. JOY**  
NOTARY PUBLIC - CALIFORNIA  
COUNTY OF RIVERSIDE

Subscribed and sworn to before me:  
Willard C. Joy  
Notary Public for South California  
My commission expires \_\_\_\_\_  
WILLARD C. JOY, NOTARY PUBLIC IN AND FOR  
RIVERSIDE COUNTY, CALIFORNIA  
My Commission Expires January 17, 1968

**WARRANTY DEED**  
Walter R. Hawkhurst et ux  
TO  
Tigard Sand & Gravel Co., Inc.  
AFTER RECORDING RETURN TO  
Kobin & Anger, attys  
Oregon Bank Bldg  
Portland, Ore

LEAVE ONE THIS SPACE RESERVED FOR RECORRING LABEL IN SPAIN. THIS SPACE USED.

INDEXED  
STATE OF OREGON  
County of Washington  
I, Roger Thomsen, Director of Records and Services, and EX-CLERK, Member of Government for said county, do hereby certify that the within instrument of writing was received and recorded as filed.  
Witness my hand and seal of said County at \_\_\_\_\_  
ROGER THOMSEN, Director  
Deputy  
Jan 26 10 51 AM '66

BOOK 586 PAGE 2

= METROSCAN PROPERTY PROFILE =  
Washington (OR)

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OWNERSHIP INFORMATION

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Reference Parcel #:	2S134C0	<span style="border: 1px solid black; padding: 2px;">00500</span>	
Parcel Number	:R0558729		RTSQ:01W - 02S - 34 - SW
Owner	:Tigard Sand & Gravel Co Inc		
CoOwner	:		
Site Address	:*no Site Address*		
Mail Address	:1220 SE 190th Ave Portland Or 97233		
Telephone	:Owner:		Tenant:

=====

SALES AND LOAN INFORMATION

=====

Transferred :		Loan Amount :	
Document # :		Lender :	
Sale Price :		Loan Type :	
Deed Type :		Interest Rate :	
% Owned :	:100	Vesting Type :	

=====

ASSESSMENT AND TAX INFORMATION

=====

MktLand	:\$81,710	Exempt Amount	:
MktStructure:		Exempt Type	:
MktOther	:	% Improved	:
MktTotal	:\$81,710	Levy Code	:08813
07-08 Taxes	:\$974.92	School Dist	:Sherwood
Assessed Tot:	\$64,730		

=====

PROPERTY DESCRIPTION

=====

Map Grid	:	Class Code	:
Census	:Tract:	Block	:
NbrhdCd	:Yrin	MillRate	:15.0613
Sub/Plat	:		
Land Use	:3002 Vacant, Industrial		
Legal	:ACRES 8.38		

=====

PROPERTY CHARACTERISTICS

=====

Bedrooms	:	Lot Acres	:8.38	Year Built	:
Bathrooms	:	Lot SqFt	:365,032	EffYearBlt	:
Heat Method	:	BsmFin SF	:	Floor Cover	:
Pool	:	BsmUnfinSF	:	Foundation	:
Appliances	:	BsmLowSF	:	Roof Shape	:
Dishwasher	:	Bldg SqFt	:	Roof Matl	:
Hood Fan	:	1stFlrSqFt	:	InteriorMat	:
Deck	:	UpperFlSF	:	Paving Matl	:
Garage Type	:	Porch SqFt	:	Const Type	:
Garage SF	:	Attic SqFt	:	Ext Finish	:
	:	Deck SqFt	:		:

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= METROSCAN PROPERTY PROFILE =  
Washington (OR)

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=====
OWNERSHIP INFORMATION
=====

Reference Parcel #: 2S134B0 00200
Parcel Number : R0558603 RTSQ:01W - 02S - 34 - NW
Owner : Tigard Sand & Gravel Co Inc
CoOwner :
Site Address : \*no Site Address\*
Mail Address : 1220 SE 190th Ave Portland Or 97233
Telephone : Owner: Tenant:

=====
SALES AND LOAN INFORMATION
=====

Transferred : Loan Amount :
Document # : 7470828 Lender :
Sale Price : Loan Type :
Deed Type : Interest Rate :
% Owned : Vesting Type :

=====
ASSESSMENT AND TAX INFORMATION
=====

MktLand : \$122,750 Exempt Amount :
MktStructure: Exempt Type :
MktOther : % Improved :
MktTotal : \$122,750 Levy Code : 08813
07-08 Taxes : \$1,464.88 School Dist : Sherwood
Assessed Tot: \$97,260

=====
PROPERTY DESCRIPTION
=====

Map Grid : Class Code :
Census : Tract: Block :
NbrhdCd : Yrin MillRate : 15.0613
Sub/Plat :
Land Use : 3002 Vacant, Industrial
Legal : ACRES 12.59

=====
PROPERTY CHARACTERISTICS
=====

Bedrooms : Lot Acres : 12.59 Year Built :
Bathrooms : Lot SqFt : 548,420 EffYearBlt :
Heat Method : BsmFin SF : Floor Cover :
Pool : BsmUnfinSF : Foundation :
Appliances : BsmLowSF : Roof Shape :
Dishwasher : Bldg SqFt : Roof Matl :
Hood Fan : 1stFlrSqFt : InteriorMatl :
Deck : UpperFlSF : Paving Matl :
Garage Type : Porch SqFt : Const Type :
Garage SF : Attic SqFt : Ext Finish :
Deck SqFt :

\*\*\*\*\*

Information compiled from various sources. Real Estate Solutions makes no representations or warranties as to the accuracy or completeness of information contained in this report.



FORM NO. 613-WARRANTY DEED

613 BOOK 002 PAGE 100

KNOW ALL MEN BY THESE PRESENTS, THAT J. A. ROBBINS and ANNA MAE ROBBINS, husband and wife,

in consideration of TEN (\$10) Dollars, hereinafter called the grantee, and other valuable consideration to grantee paid by TIGAND SAND & GRAVEL CO., INC., a corporation,

does hereby grant, bargain, sell and convey unto the said grantee and grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereto belonging or appertaining, situated in the County of Washington and State of Oregon, described as follows, to-wit: Parcel 1: The northwest quarter of the northeast quarter of the southwest quarter of section 34, township 2 south of range 1 west of the Willamette Meridian, Washington County, Oregon, save and except that part thereof lying south and west of the D. C. Harron Road, excepting therefrom the right of way of the United States of America (Bonneville Power).

Parcel 2: Lot M, Tonquin Annex, excepting therefrom the right of way of the United States of America (Bonneville Power), all in Washington County, Oregon.

Parcel 3: Lot K, Tonquin Annex, in Washington County, Oregon.

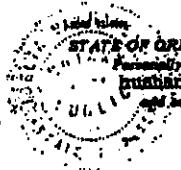
Parcel 4: Lot F, Tonquin Annex, in Washington County, Oregon.

To Have and to Hold the above described and granted premises unto the said grantee and grantee's heirs, successors and assigns forever.

And said grantor hereby covenants to and with said grantee and grantee's heirs, successors and assigns, that grantor is lawfully seized in his single of the above granted premises free from all encumbrances except those road easements to DEB affecting Parcel 1, sec. 2-2-43, Wash. Co. Deed Rec. Bk. 214, p. 682, and affecting Parcel 1, sec. 7-2-47, Wash. Co. Deed Rec. Bk. 207, p. 639; transmission line easement to DEB, sec. 1-24-37, Wash. Co. Deed Rec. Bk. 211, p. 322, and transmission line easement to P&E Co., sec. 4-18-53, Wash. Co. Deed Rec. Bk. 211, p. 322, and that grantor will warrant and forever defend the above granted premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever.

In executing this deed and where the contract so requires, the singular includes the plural. WITNESS grantor's hand and seal this 12th day of July, 1966.

J. A. Robbins (SEAL)
Anna Mae Robbins (SEAL)



STATE OF OREGON, County of Multnomah, July 12, 1966. Personally appeared the above named J. A. ROBBINS and ANNA MAE ROBBINS, husband and wife, and acknowledged the foregoing instrument to be their voluntary act and deed.

Notary Public for Oregon
My commission expires Feb. 6, 1970

WARRANTY DEED
J. A. ROBBINS, et al.

TIGAND SAND & GRAVEL CO., INC.

Kobin & Meyer
314 Oregon Bank Bldg.
Portland, Oregon
97204

BOOK 747 PAGE 828

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INDEXED

STATE OF OREGON
INDEXED
RECORDED

= METROSCAN PROPERTY PROFILE =  
Washington (OR)

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=====
OWNERSHIP INFORMATION
=====

Reference Parcel #: 2S134B0 00100
Parcel Number : R0558596 RTSQ:01W - 02S - 34 - NW
Owner : Tigard Sand & Gravel Co Inc
CoOwner :
Site Address : \*no Site Address\*
Mail Address : 1220 SE 190th Ave Portland Or 97233
Telephone : Owner: Tenant:

=====
SALES AND LOAN INFORMATION
=====

Transferred : Loan Amount :
Document # : 5680262 Lender :
Sale Price : Loan Type :
Deed Type : Interest Rate :
% Owned : Vesting Type :

=====
ASSESSMENT AND TAX INFORMATION
=====

MktLand : \$572,130 Exempt Amount :
MktStructure: Exempt Type :
MktOther : % Improved :
MktTotal : \$572,130 Levy Code : 08813
07-08 Taxes : \$6,827.31 School Dist : Sherwood
Assessed Tot: \$453,300

=====
PROPERTY DESCRIPTION
=====

Map Grid : Class Code :
Census : Tract: Block :
NbrhdCd : Yrin MillRate : 15.0613
Sub/Plat :
Land Use : 3002 Vacant, Industrial
Legal : ACRES 58.68, CODE SPLIT

=====
PROPERTY CHARACTERISTICS
=====

Bedrooms : Lot Acres : 58.68 Year Built :
Bathrooms : Lot SqFt : 2,556,100 BffYearBlt :
Heat Method : BsmFin SF : Floor Cover :
Pool : BsmUnfinSF : Foundation :
Appliances : BsmLowSF : Roof Shape :
Dishwasher : Bldg SqFt : Roof Matl :
Hood Fan : 1stFlrSqFt : InteriorMat :
Deck : UpperFlSF : Paving Matl :
Garage Type : Porch SqFt : Const Type :
Garage SF : Attic SqFt : Ext Finish :
Deck SqFt :

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= METROSCAN PROPERTY PROFILE =  
Washington (OR)

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=====
OWNERSHIP INFORMATION
=====

Reference Parcel #:2S134B0 00100
Parcel Number :R1492236 RTSQ:01W - 02S - 34 - NW
Owner :Tigard Sand & Gravel Co Inc
CoOwner :
Site Address :\*no Site Address\*
Mail Address :1220 SE 190th Ave Portland Or 97233
Telephone :Owner: Tenant:

=====
SALES AND LOAN INFORMATION
=====

Transferred : Loan Amount :
Document # : Lender :
Sale Price : Loan Type :
Deed Type : Interest Rate :
% Owned : Vesting Type :

=====
ASSESSMENT AND TAX INFORMATION
=====

MktLand :\$30,030 Exempt Amount :
MktStructure: Exempt Type :
MktOther : % Improved :
MktTotal :\$30,030 Levy Code :08811
07-08 Taxes :\$390.13 School Dist :Sherwood
Assessed Tot:\$23,790

=====
PROPERTY DESCRIPTION
=====

Map Grid : Class Code :
Census :Tract: Block :
NbrhdCd :Yrin MillRate :16.3989
Sub/Plat :
Land Use :3002 Vacant,Industrial
Legal :ACRES 3.08, CODE SPLIT

=====
PROPERTY CHARACTERISTICS
=====

Bedrooms : Lot Acres :3.08 Year Built :
Bathrooms : Lot SqFt :134,164 EffYearBlt :
Heat Method : BsmFin SF : Floor Cover :
Pool : BsmUnfinSF : Foundation :
Appliances : BsmLowSF : Roof Shape :
Dishwasher : Bldg SqFt : Roof Matl :
Hood Fan : 1stFlrSqFt : InteriorMat :
Deck : UpperFlSF : Paving Matl :
Garage Type : Porch SqFt : Const Type :
Garage SF : Attic SqFt : Ext Finish :
Deck SqFt :

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Information compiled from various sources. Real Estate Solutions makes no representations or warranties as to the accuracy or completeness of information contained in this report.

FORM NO. 761 - WARRANTY DEED - CORPORATION

1212106

5669

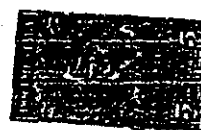
403-168

IRS 38-50

KNOW ALL MEN BY THESE PRESENTS, that DODDAY, INC., a corporation duly organized and existing under the laws of the State of OREGON, hereinafter called grantor, in consideration of TEN and no/100 Dollars

to grantor paid, does hereby grant, bargain, sell and convey unto TIGARD SAND & GRAVEL CO., INC., hereinafter called grantee and grantee's heirs, successors and assigns, that certain real property with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, situated in the County of WASHINGTON and State of Oregon, described as follows, to-wit:

Tracts C, D, E and G, and all that portion of Tract B, TONQUIN ARHEX, except that portion dedicated to The Public by A. S. Pattullo et al, by deed recorded February 8, 1932, in book 148, page 346, Deed Records, Washington County, Oregon.



To Have and to Hold the above described and granted premises unto the said grantee and grantee's heirs, successors and assigns forever.

And said grantor hereby covenants to and with said grantee and grantee's heirs, successors and assigns, that grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances EXCEPT ENCUMBRANCE GRANTED TO UNITED STATES OF AMERICA RECORDED APRIL 21, 1932 IN BOOK 189, PAGE 301, Deed Records, and easement to Portland General Electric Co. recorded April 29, 1963, in Book 486, page 7, Deed Records of Washington County, Oregon

and that grantor will warrant and forever defend the above granted premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever.

In construing this deed and where the context so requires, the singular includes the plural.

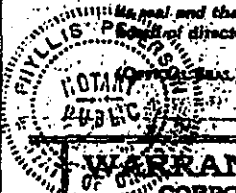
Done by order of the grantor's board of directors, with its corporate seal attached, this 7 day of September, 1965.

(CORPORATE SEAL)

DODDAY, INC.  
By Frank E. Day President  
By Carlton R. Kaiser Secretary

STATE OF OREGON, County of Multnomah ) ss. September 7, 1965.

Personally appeared Frank E. Day and Carlton R. Kaiser, who, being sworn, each for himself and not one for the other, stated that the former is the President and that the latter is the Secretary of grantor corporation and that the seal affixed hereto is the seal of said corporation and that this deed was voluntarily signed and sealed in behalf of the corporation by authority of its board of directors.



Before me: Phyllis P. ...  
Notary Public for Oregon.  
My commission expires 11/19/68

WARRANTY DEED CORPORATION

DODDAY, INC.  
TO  
TIGARD SAND & GRAVEL CO., INC.

AFTER RECORDING RETURN TO  
**KOBIN & MEYER**  
ATTORNEYS AT LAW  
314 OREGON BANK BLDG.  
PORTLAND 4, OREGON  
Capitol 3-1108

STATE OF OREGON  
County of Multnomah  
**INDEXED**

NOTICE TO THE PUBLIC  
This is to certify that the within instrument is a true and correct copy of the original as recorded in the office of the County Clerk of said County.

Witness my hand and seal this 7 day of September, 1965.  
BOOZA THOMSEN, Deacon  
Deputy

5669

761 157

BOOK 566 PAGE 282

SEP 9 3 15 PM '65

**ATTACHMENT B  
PROOF OF OWNERSHIP**

The following title reports and deed records demonstrate Claimant's current ownership as well as the date Claimant acquired the property.

**ATTACHMENT C  
WRITTEN NARRATIVE**

Claimant owns eight lots located within the urban growth boundary.

Claimant acquired Tax Lot 900 in Township 2 South, Range 1 West, Section 27C on December 30, 1965. At the time Claimant acquired the property, it was zoned Suburban Residential ("S-R") under Washington County's Zoning Ordinance and single-family residential use was allowed on lots as small as 20,000 square feet.

Claimant acquired Tax Lots 100 in Township 2 South, Range 1 West, Section 34B on September 7, 1965. At the time Claimant acquired the property, both lots were zoned Residential District R-20 ("R-20"). As of the date of acquisition Tax Lots 100 could have been developed for single-family residential use on lots as small as 20,000 square feet.

Claimant acquired Tax Lots 300 and 400 in Township 2 South, Range 1 West, Section 27C on November 19, 1973. At the time Claimant acquired the property, both tax lots were zoned S-R, which allowed for single-family residential use on lots as small as 20,000 square feet.

Claimant acquired Tax Lot 200 and 800 in Township 2 South, Range 1 West, Section 34 B and Tax Lot 500 in Township 2 South, Range 1 West, Section 34 C on July 12, 1966. At the time Claimant acquired the property, all three tax lots were zoned R-20. As of the date of acquisition, Tax Lots 200, 800, and 500 could have been developed for single-family residential use on lots as small as 20,000 square feet.

Now, the all Claimant's urban property is zoned FD-20 under CDC Article III, Chapter 308, "Future Development 20 Acre District," which prohibits single-family residential use. FD-20 applies to the unincorporated urban lands added to the urban growth boundary by Metro through a Major or Legislative Amendment process after 1998. FD-20 allows limited interim uses on the property until the urban comprehensive planning for future urban development of these areas is complete. CDC Article III, Chapter 308.

Under Measure 49 § 9, Claimant seeks a waiver of the restrictive land use regulations, including the FD-20 to divide the urban property to allow for home sites as would have been allowed when Claimant acquired the properties in 1965, 1966 and 1973 to the extent allowed under Measure 49.