

**City Of Woodland
Council Agenda Summary Sheet**

Agenda Item: Purchase of Property for SR 503/E. Scott Avenue Intersection Project in 2014	Agenda Item #: <u>Action (I)</u> For Agenda of: <u>August 5, 2013</u> Department: <u>Public Works</u> Date Submitted: <u>July 31, 2013</u>
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Cost of Item: \$130,000 plus closing costs
Amount Budgeted: \$130,000
Unexpended Balance: NA

BARS #: New Fund #325 – Approved under Ordinance #1274
Description:

Department Supervisor Approval: Public Works Department /s/ *Bart Stupp*

Agenda Item Supporting Narrative (list attachments, supporting documents):

- 1) Property Appraisal
- 2) 61413 Offer Letter
- 3) 62013 Tuttle Response Letter
- 4) 70213 Offer Letter
- 5) TIB E-mails Approving Purchase Price
- 6) Purchase and Sale Agreement – Created by Mr. Eling and accepted by seller

Summary Statement:

Background:

Additional right-of-way is needed to redo the intersection at SR 503 and Scott. Purchasing the three parcels that are on the inside of the curve at that intersection would allow us to “shave” off the curve and give us room to expand and improve the intersection.

All three properties are owned by the Elizabeth Gillespie Trust. The trustee has agreed to a price of \$130,000 which is within the appraisal range for the properties. The appraisal and negotiations were done according to WSDOT right-of-way ROW purchase standards as the properties will become WSDOT ROW once the project is done. This is the only ROW needed for the project.

On July 25th I met with WSDOT staff regarding this project and they agreed with the purchase of the property.

The two properties the City currently owns east of these parcels will also probably be used for the project for stormwater and/or sidewalk improvements.

The City will hire a consultant this fall to do the design of the project. With the ROW purchased, this will make it easier for the engineer to design the project.

NARRATIVE APPRAISAL REPORT

City of Woodland, Washington

Parcel No.: 50235001, 50235002 and 50235006
Owner: Elizabeth Gillespie Trust
Washington State Federal Aid No.: N/A
Project: Acquisition Appraisal Assignment
R/W Plan Title: N/A
Plan Sheet: N/A
Plan Approval Date: N/A
Date of Last Map Revision: N/A

CERTIFICATE OF APPRAISER

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

- The statements of fact contained in this appraisal are true and correct;
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this appraisal, and I have no personal interest or bias with respect to the parties involved;
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in this assignment was not contingent upon developing or reporting predetermined results;
- My compensation is not contingent upon the reporting of a predetermined value or direction that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event;
- My analyses, opinions, and conclusions were developed, and this appraisal has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* (USPAP), Chapter 4 of the *WSDOT Right-of-Way Manual* (M26-01.03) and the *Uniform Appraisal Standards for Federal Land Acquisitions*, the *Code of Professional Ethics* and the *Standards of Professional Appraisal Practice* of the Appraisal Institute;
- I have made a personal inspection of the property that is the subject of this report. I have made a personal inspection of the comparable sales contained in the report addenda;
- I have afforded the owner or a designated representative of the property that is the subject of this appraisal the opportunity to accompany me on the inspection of the property;
- No one provided significant professional real property appraisal assistance to the appraiser signing this report;
- I have disregarded any increase in Fair Market Value caused by the proposed public improvement or its likelihood prior to the date of valuation. I have disregarded any decrease in Fair Market Value caused by the proposed public improvement or its likelihood prior to the date of valuation, except physical deterioration within the reasonable control of the owner;
- As of the date of this report, I have completed the requirements under the continuing education program of the Appraisal Institute. The Appraisal Institute has the right to review this appraisal by its duly authorized representatives.
- I have identified the issues to be addressed and have the knowledge and experience to complete the assignment competently.
- This appraisal has been made in conformity with the appropriate State and Federal laws and requirements, and complies with the contract between the agency and the appraiser;
- The property has been appraised for its fair market value as though owned in fee simple
- The opinion of value expressed below is the result of, and is subject to the data and conditions described in detail in this report of 47 pages.
- I made a personal inspection of the subject property on May 26, 2013.

The **Date of Value** for the property that is the subject of this appraisal is May 26, 2013.

Per the FAIR MARKET VALUE definition herein, the value conclusions for the property that is the subject of this appraisal are on a cash basis and are:

FAIR MARKET VALUE BEFORE ACQUISITION	\$125,000
FAIR MARKET VALUE AFTER ACQUISITION	\$0
DIFFERENCE	<u>\$125,000</u>

Date of Assignment or Contract: 5/08/2013 Name: Jo Ellen Jarvis, MAI, SRA, R/W-AC

Date Signed: June 7, 2013 Signature: 
Washington State-certified general real estate appraiser certification number: 1100514

DO NOT WRITE BELOW THIS LINE

Headquarters Service Center Date Stamp

Region Date Stamp

ASSIGNMENT SCOPE OF WORK

The client of this report is the City of Woodland, Washington (Woodland). Woodland requires that, in addition to compliance with USPAP this report must also meet the WSDOT Standards as set forth in the WSDOT R/W Manual Chapter 4, the WSDOT Appraisal Report Guide, and Federal Regulations as defined in 49 CFR part 24.

In the event of conflict or dispute in determining correct appraisal procedures that are not addressed in the standards noted above the Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book) will be the determining authority.

Under 49 CFR, the City of Woodland is required to take an active role in developing the scope of work expected. However it is the ultimate responsibility of the appraiser to develop a complete Scope of Work and produce a credible appraisal report. The appraiser's SCOPE of WORK is included in Section 5 of the report. The report must adhere to WSDOT and Federal Standards as described above and the specific task assignment for this parcel. The task assignment for this report must be included in the report or addendum.

EMINENT DOMAIN APPRAISAL INFORMATION AND DEFINITIONS

The intended use of this appraisal is to provide information to the client, The City of Woodland. The subject is not being purchased under eminent domain. However, the City of Woodland requested that the report be written in the State of Washington Department of Transportation Narrative Report Format, as a basis for acquiring the subject property needed for the proposed project.

Unless stated otherwise in the report, the property rights appraised constitute the fee simple interest.

“Fair Market Value” is defined as; the amount in cash that a well-informed buyer, willing but not obliged to buy the property, would pay, and which a well-informed seller, willing but not obligated to sell it would accept, taking into consideration all uses to which the property is adapted or may be reasonably adaptable. (WSDOT Right of Way Manual M 26-01.03 Appendix 4-1 Part 1 A.3) (Washington Pattern Instruction 150.08).

The intended user of this report is primarily The City of Woodland Public Works department. Additionally, its funding partners may review the appraisal as part of their oversight activities. A copy of this report may be provided to the property owner as a courtesy and part of the good faith bargaining process. However, this does not imply that the property owner has standing as an intended user and is not authorized to publish or use the report for any other purpose.

Public Law 91-646 (Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970) and Washington State RCW 8.26.180 both require that the owner or owner's representative be given an opportunity to accompany the appraiser during the inspection of the property. “If the appraiser is advised that the property owner is represented by legal counsel, all owner contact and property inspections must be arranged through the owner's attorney, unless the attorney specifically authorizes the appraiser to make direct contact with the owner”.

In condemnation, the larger parcel is the portion of a property that has unity of ownership, contiguity, and unity of use, the three conditions that establish the larger parcel for consideration of severance damages. This is also known as the “parent parcel”.

Extraordinary assumptions or hypothetical conditions include but may not be limited to the following:

The Cowlitz County Assessor’s office does not give an estimate of the site size. Real Quest data services estimates the total site size at 0.55 acres. Measurements by the appraiser from on-line EPIC service indicates the total site size is approximately 0.60 acre. For this appraisal, the measured site area of 0.60 acres or 26,000 square feet has been used for this analysis.

State and Federal standards require the appraiser to disregard any decrease or increase in the fair market value of the subject caused by the project. The appraiser may cite the Jurisdictional Exception Rule to comply with this requirement which is found in RCW 8.26.180. and WAC 468-100-102 (2).

As per the requirements of the Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book) the appraisal is not to be linked to a specific exposure time. Therefore, the subject is assumed to be exposed to the open market for a reasonable period of time. This is contrary to USPAP Standards Rule 1-2 and Standards Rule 2-2. A **jurisdictional exception** is therefore invoked and noted in the appraisal report.

The entire site is to be appraised for the potential purchase.

The subject has been appraised as clean. However, apparent environmental hazards or contamination observed or discovered during the appraisal process must be noted in the report.

APPRAISAL ASSUMPTIONS AND LIMITING CONDITIONS

1. No survey of the property has been made or reviewed by the appraiser, and no responsibility is assumed in connection with such matters. Illustrative material, including maps and plot plans, utilized in this report are included only to assist the reader in visualizing the property. Property dimensions and sizes are considered to be approximate;
2. No responsibility is assumed for matters of a legal nature affecting title to the property, nor is any opinion of title rendered. Property titles are assumed to be good and merchantable unless otherwise stated;
3. Information furnished by others is believed to be true, correct, and reliable. However, no responsibility for its accuracy is assumed by the appraiser;
4. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is assumed to be under responsible, financially sound ownership and competent management;
5. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render the property more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies which may be required to discover them;
6. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, were not observed by the appraiser. However, the appraiser is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value conclusions in this report are predicated on the assumption that there are no such materials on or in

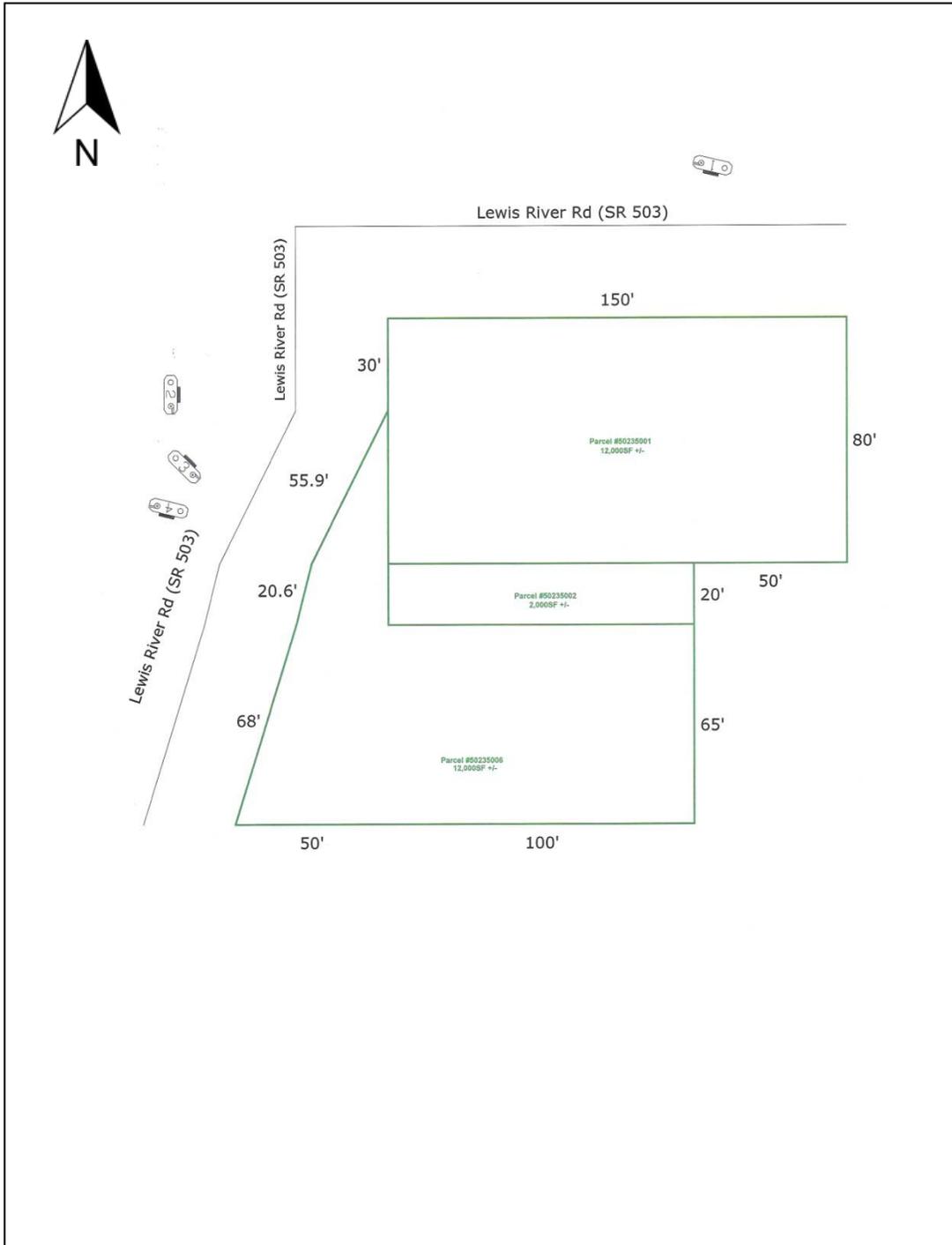
the property that would cause a loss of value. No responsibility is assumed for any such conditions, or for the expertise required to discover them. The client is urged to retain an expert in this field if desired. The analysis and value conclusion in this report are null and void should any hazardous material be discovered;

7. Unless otherwise stated in this report, no environmental impact studies were either requested or made in conjunction with this report. The appraiser reserves the right to alter, amend, revise, or rescind any opinions of value based upon any subsequent environmental impact studies, research, or investigation;
8. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is specified, defined, and considered in this report;
9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless non-conformity has been specified, defined, and considered in this report;
10. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or federal governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate is based;
11. The appraiser will not be required to give testimony or appear in court because of having made this report, unless arrangements have previously been made;
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the client without the written consent of the appraiser, and in any event, only with properly written qualification and only in its entirety;
13. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales, or any other media without written consent and approval of the appraiser. Nor shall the appraiser, client, firm, or professional organization of which the appraiser is a member be identified without the written consent of the appraiser;
14. The liability of the appraiser, employees, and subcontractors is limited to the client only. 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.
15. The appraiser is in no way responsible for any costs incurred to discover or correct any deficiencies of the property;
16. Acceptance and/or use of this report constitutes acceptance of the foregoing assumptions and limiting conditions.

SUBJECT PLOT PLAN

Shown are subject whole property site dimensions, access frontages, improvement locations and dimensions, proposed acquisition area and dimensions, "North arrow", camera location and direction for each attached subject photo.

Before Area: 26,000 SF	After Area: 0 Square Feet	Fee Acquisition: 26,000 Square Feet
Permanent Easement Acquisition: N/A	Temporary Easement Acquisition: N/A	



SUBJECT PHOTOGRAPHS

Date of Photos: 5/26/2013

Photographer: Jo Ellen Jarvis



(1) View of Subject Looking South by Southeast



(2) View of Subject Looking East

SUBJECT PHOTOGRAPHS

Date of Photos: 5/26/2013

Photographer: Jo Ellen Jarvis



(3) View of Subject's Street at the Northwest Corner



(4) View of Subject's Street Looking South from Northwest Corner, Subject is on Left

SELF CONTAINED NARRATIVE APPRAISAL REPORT

1. **OWNER:** Elizabeth Gillespie Trust
2. **LOCATION OF SUBJECT:** 1680 Lewis River Road, Woodland, Washington 98674
1708 Lewis River Road, Woodland, Washington 98674
3. **SUBJECT LEGAL DESCRIPTION:** Abbreviated Legal Descriptions from Cowlitz County:
Kerns Blk:1 Lot:7,8 Desc: incl WDOL 188 N 65 Ft Lot 7,8 Sect, Twn, Rng: 18-5N-1E
Kerns Blk:1 Lot:1,2 Desc: S 20 Ft Lot 3 Fee 3104600 Sect, Twn, Rng: 18-5N-1E
Kerns Blk:1 Lot:1,2,3 Desc: Exc S 20 Ft Lot 1,2,3 Sect, Twn, Rng: 18-5N-1E
4. **DELINEATION OF TITLE (5 years):** The subject has been under the ownership of Elizabeth Gillespie since 1991. She sold it on contract to Tae and Cho Lee in 2006 for \$240,000. It was placed on the market 2/22/2007 with an asking price of \$499,000. The offering price reduced three times to \$369,000 without a sale, expiring 10/18/2008. Again it was placed on the market 9/15/2010 for \$259,900 and remained on the market until 12/1/2011 with a final asking price of \$235,000 when this listing also expired without a sale. The property was purchased at the high end of the market in 2006 and was overpriced in the subsequent listings. These prices do not have any affect on today's fair market value. The Lees defaulted on the contract in 2011 and the property returned to the control of the Elizabeth Gillespie Trust.
5. **THE APPRAISAL PROBLEM:** The property consists of three tax lots without any improvements. The multiple single family residences that once stood there have been removed. The property forms the inside curve of Lewis River Road as it turns towards the east from the south. On the opposite side of the street, East Scott Road forms an intersection.

The three tax lots are contiguous, with a combined area of 0.60 acres or 26,000 square feet. The shape is slightly irregular. The lots are zoned C3 for Neighborhood Commercial uses. Real Quest data services estimates the total site size at 0.55 acres. Measurements by the appraiser from on-line EPIC service indicate the total site size is approximately 0.60 acre. The Cowlitz County Assessor's office does not give an estimate of the site size. For this appraisal, the measured site area of 0.60 acres or 26,000 square feet has been used for this analysis. The site is within a neighborhood commercial zone, with a maximum lot size of 20,000 square feet.

The site is located within a FEMA A15 flood zone. For this reason the subject falls under the jurisdiction of the Shoreline Management Act of Cowlitz County. Woodland belongs to an Interlocal Agreement between four small cities in the county. According to the city planner the southern portion of the site also falls under the critical areas ordinance. These two ordinances require additional permitting and public comment periods as well as a Hearing Examiner and subsequent fees before development. Given that the south side of the site is encumbered with critical habitat areas, the usable area is estimated at 20,000 square feet, and it is considered to be one developable building site.

APPRAISER'S SCOPE OF WORK

The following steps were utilized in arriving at a final value estimate:

1. After receiving this assignment, Cowlitz County information regarding the subject property's site size, improvements, zoning, and other characteristics were examined.
2. The City of Woodland would like to acquire the subject site. An inspection of the site was made by the appraiser with information provided by a representative of the owner. There were no improvements on the site to consider or value.
3. To determine the value of the land, the appraiser made a number of independent investigations and analyses. In conducting this investigation, various governmental entities were contacted for demographic data, land policies and trends, and growth estimates. Neighborhood data was supplemented by a physical inspection of the defined area.
4. Information regarding zoning, utilities, and other limitations on site utilization was obtained. The site and the surrounding area were inspected to determine the highest and best use of the property. The market was analyzed for past trends and current data. Development potential was based upon this market evidence.
5. A diligent search for comparable land sales was conducted and comparable information was obtained from both public and private sources. Attempts were made to contact the buyers or sellers or other knowledgeable third parties to verify that the transactions were at arm's length, cash equivalent, and market reflective. Land sales were analyzed in comparison to the subject to arrive at an estimate of the market value of the subject site.

To determine the value of the site, sales and listings of commercial development sites were analyzed. Sales were analyzed relative to location, size, and ease of development, to arrive at an estimate of the market value.

6. The Income Approach was not relevant for this appraisal, as the property is not income producing. The Cost Approach was also not used, as there were no improvements on the site. The Sales Comparison Approach is the only reliable indicator of value for a commercial development site such as the subject.
7. A reconciliation of all data considered was then completed, resulting in the final estimate of value, as set forth herein.

6. PROPERTY RIGHTS TO BE ACQUIRED AND EFFECTS OF ACQUISITION / PROJECT

(include description of area being acquired in fee, in easement and access if applicable):

The City of Woodland would like to purchase the three Subject tax lots totaling 26,000 square feet or 0.60 acres. The site consists of two rectangularly shaped and one irregularly shaped tax lots located along the south side of the Lewis River Road on the east side of Woodland, Washington. The larger parcel measures approximately 150' x 165'. The dimensions do not calculate exactly to the area of acquisition due to curvature on the west side. The area was calculated using the Cowlitz County Assessor's office EPIC mapping system and is assumed to be correct. There are no known easements hindering the development of the site. The three tax parcels make up the larger parcel. The City would like to purchase the entire site. It is not under threat of eminent domain.

The subject is located within a FEMA A15 flood zone. For this reason the subject falls under the jurisdiction of the Shoreline Management Act of Cowlitz County. Woodland belongs to an Interlocal Agreement between four small cities in the county. According to the city planner the southern portion of the site also falls under the critical areas ordinance. These two ordinances require additional permitting and public comment periods as well as a Hearing Examiner and subsequent fees before development.

7. DESCRIPTION OF SUBJECT PROPERTY:

Neighborhood: The subject neighborhood is located in the City of Woodland, Washington, extending one and a half miles east of Interstate-5, at exit 21. The City of Woodland is approximately 20 miles north of Portland, Oregon. The neighborhood's boundaries are defined below:

Neighborhood Boundaries

North:	Woodland City Limits
South:	Lewis River
East:	Woodland City Limits
West:	Interstate 5

Physical Profile:

Predominant Land Use: Land use in the area is predominantly residential. There is some multi-family construction along Lewis River Road, along with a few churches. A mobile home park is located on the south side of the road about a mile east of the site area, and there is a riverfront condominium development just east of the subject. Commercial uses are located to the southwest along Lewis River Road.

Neighborhood Cycle: The neighborhood is in a period of slow growth. Houses vary significantly in age, ranging from the 1920's to 1970's. There were also many subdivisions constructed in the immediate area in the 1990's and early 2000's. There has been very little development in the past five years. The current economic conditions have created an oversupply of available properties for sale, and demand is limited at this time.

Commercial development is concentrated closer to Interstate 5, but there are commercial developments interspersed in the Subject's immediate area.

Infrastructure:

Lewis River Road is a two lane road with moderate to high traffic. There are no curbs or gutters in the immediate area. Due to the growth of the city of Woodland in the 1990's, there is increased traffic congestion which is expected to improve with a round-about at Lewis River Road and East Scott Road, as proposed with this project.

Transportation Routes/Linkage:

State-Route 503 or Lewis River Road is the main east-west arterial through the area. It is a two lane road with a yellow line divide in the subject's area, and to the east. It links the residential areas in east Woodland with the shopping and services in the City of Woodland to the west. Further east of the subject is rural residential development.

Access to Interstate 5 is located approximately one half mile to the southwest and provides access to Portland, which is about 20 miles to the south, and Longview, which is about 15 miles to the north.

Access:

Access to the neighborhood is from Lewis River Road (SR-503).

Government Profile:

Zoning & Land Use Policy:

The subject is zoned C-3 which is a neighborhood commercial district. This zone provides for locations of commercial services that must be near residential areas. Allowed uses include grocery and convenience stores, and residential uses following the LDR-6 district standards.

It also falls within the City of Woodland Interlocal Shoreline Master Program due to its location in an A15 floodplain. There are additional permitting fees and a public hearing process for properties that fall within this program.

The southeast portion of the property is within a Cowlitz County Critical Area, according to the City of Woodland planner.

Protective Services:

The neighborhood is served by the City of Woodland police and fire protection.

Utility Services: The neighborhood is served by water, sewer, public power, telephone, and natural gas.

Environmental Concerns: The subject is located in an environmentally critical area according to the Cowlitz County Department of Planning. Prior to development of this site shoreline permitting and critical areas permitting will have public hearings regarding any proposed development. The process may take four to six months. Some of the parcels within the neighborhood contain wetlands which have further hindered development of the impacted parcels.

Flood Plain: The entire area is within an A15 flood plain. The base flood elevation line in the area is approximately 32 feet. One property in the immediate area required approximately five feet of fill to be developed (1725 Lewis River Road).

External Obsolescence: None noted.

Residential Development Trends:

There have been several residential subdivisions developed within the surrounding neighborhood over the past several years. Due to the slow economic conditions, there has been little new development in the past eight years. Housing prices in the area have averaged around \$150,000 over the past eighteen months, with about 83 sales during that time frame in the Woodland area. There have been very few lot sales in the area, and most of those were acreage sales outside of the city limits.

Commercial Development Trends:

There is a variety of shopping and services located along the commercial sector of Woodland. The commercial area straddles Interstate 5 with most businesses and government agencies located on the west side of the freeway. The market for commercial land is very slow at this time with a large supply of commercial lots for sale along the west side of the freeway. The Subject site is one of the few commercial sites along Lewis River Road in the immediate area. Because of the lack of competition for commercial lots in this area, along with its location on a major arterial, the site is considered to be marketable at this time.

Summary:

The neighborhood is located on the east side of Interstate 5 within the city limits of Woodland. The neighborhood is primarily residential in character with some multi-family development adjacent to the east, and commercial use to the west. Most of the area is within the 100 year flood plain, and development costs for flood plain properties are typically higher than non-flood plain properties.

- A. Present use:** The subject property consists of three tax parcels that are unimproved. The three tax lots total approximately 26,000 square feet.
- B. Accessibility and Road Frontages:** The site has 338 feet of frontage along Lewis River Road (SR-503). An asphalt paved driveway extends into the site providing off street access to the larger parcel.
- C. Land Contour and Elevations:** The site has a slight slope up to the north. The site has no areas of wetlands noted by the federal maps. According to the Department of Natural Resources the site has hydric soils, and uses could be restricted due to the hydric soils. The Subject is located in flood zone A15 based on FEMA map panel 5300350001C, dated 09/04/1985.
- D. Land Area:** The total site size is 26,000 square feet (0.60 acre) based on Cowlitz County Epic maps. It consists of three tax lots. It should be noted, the county does not estimate the site size of parcel #50235006. It is assumed the county Epic Maps are accurate, and the site size is 26,000 square feet, more or less.
- E. Land Shape:** The three tax lots together form a slightly irregular shape with the curve of Lewis River Road adding to the irregularity, as well as tax lot 5023001 extending beyond tax lots 50235002 and 50235006 (See Plot Plan, page 5).
- F. Utilities:** The site has public water, sewer, and natural gas lines along Lewis River Road. According to the owner, the septic tanks from the prior residences were decommissioned when the residences were demolished.
- G. Present Zoning:** C-3, Neighborhood Commercial District.
- H. Highest and Best Use If Vacant:** *The Appraisal of Real Estate*, 13th Edition, a publication of the Appraisal Institute, defines highest and best use for a property as:

“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.”

Summarizing the Above:

The use must be within a realm of *probability* (i.e., it must be likely, not speculative or conjectural).

- The use must be *legally permissible*.
- The use must be *physically possible*.
- The use must be *financially feasible*.
- The use must be such that the return to land is the highest net return (*maximally productive*).

Data collected concerning the surrounding neighborhood and the subject property is analyzed to provide the evidence upon which the highest and best use conclusion is based. The highest and best use analysis allows an appraiser to gradually narrow the field of possible uses by testing it with the four criteria above. The highest and best use of a property is the foundation for the selection and analysis of market data, and is the basis upon which a property is valued.

With respect to the subject, the highest and best use for the subject property has been determined based on the following analyses.

(1): Legally Permissible

There are five probable alternatives of possible uses for the site: one single-family residence, subdivision into multiple single family residences, multi-family use, industrial use, or commercial use. Each of these property uses is found in the area.

- a. Single Family Residences and attached residences are allowed using LDR-6 district standards, with a 6,000 square foot minimum lot size.
- b. The subject site is zoned C-3 for neighborhood commercial uses with a 7,500 square foot minimum lot size and a maximum lot size of 20,000 square feet.
- c. Public uses such as churches, fire stations, libraries, and coffee kiosks are conditional uses.
- d. Industrial uses are not permitted within the C-3 zoning. Also not permitted are drive-in and fast food restaurants and motor vehicle service stations. The only commercial uses listed outright are grocery or convenience stores.

Industrial uses have been eliminated as a potential highest and best use due to incompatible zoning.

(2): Physically Possible

Legally permitted uses for the site include commercial use and single family residences.

- a. The site is level, and it is physically possible to place one or two commercial developments or residences on the site.
- b. Public water, sewer, and natural gas are available in the area in sufficient capacity for two developments, either commercial or residential.
- c. There are no significant wetlands on the site that prevent development for one or two uses, however, all of the property falls within an A15 floodplain. According to the City of Woodland this invokes the Shoreline Management Program which increases the permitting fees and feasibility analysis by the planning department. Prior to development there would be a six month public comment period and a hearings examination.
- d. There is adequate frontage along SR-503 for ingress and egress for either of these uses.

The remaining use of one to two commercial buildings or single family residences is physically possible.

(3): Financially Feasible

The uses remaining are one to two commercial or single family residences. These options were analyzed as to financial feasibility.

- a. The subject is located on the south side of Lewis River Road, and has 338 feet of road frontage. The three tax parcels include enough land for two developable sites with a boundary line adjustment. If divided, the sites would be approximately 13,000 square feet each. The sites would be adequate in size for either type of development.
- b. The location on Lewis River Road near the river and multi-family development is considered desirable. SR-503 is a busy street at this location. Residences close to heavy traffic are adversely affected by proximity. The site does not have adequate depth that would allow for a building site to be located away from road noise. Without compensating river frontage or view the value of the residential lots would be less than that for a commercial development.
- c. There are few commercially zoned lots located on the east side of Interstate 5. The value of commercial lots exceeds the value of residential lots in the city of Woodland.

One or two commercial lots are considered financially feasible.

(4): Maximally Productive

- a. The three tax parcels include enough land that two developable sites are possible. The size of the site is functional as it exists for one or two small commercial developments. The unit price would not increase if this site were sold as two building sites.
- b. The cost for two building sites would double the development costs within the shore line management program and critical areas management program. It would also delay the development of the site for over a year as it goes through these permitting and hearing processes.

Based on the above analysis, the maximally profitable use is for one commercial buildable lot. This use is considered maximally productive.

- I. Improvements:** The property at one time was improved with multiple single family residences that have been removed. Remaining is a single paved driveway. These improvements do not add value to the site.
- J. Specialty Items:** None

K. Real Estate Taxes: Assessment Value 2012 for 2013 Taxes (Assessor's Parcel No. 50235001)

Land:	\$27,140
Improvement:	\$ 0
Total:	\$27,140
Taxes:	\$335.16

Assessment Value 2012 for 2013 Taxes (Assessor's Parcel No. 50235002)

Land:	\$ 4,000
Improvement:	\$ 0
Total:	\$ 4,000
Taxes:	\$ 52.22

Assessment Value 2012 for 2013 Taxes (Assessor's Parcel No. 50235006)

Land:	\$27,260
Improvement:	\$ 0
Total:	\$27,260
Taxes:	\$336.64

2012 Total Assessed Value: \$58,400

2013 Total Taxes Assessed: \$724.02

L. Assessments Current and Pending: According to the Cowlitz County treasurer's office, there are no delinquent taxes.

M. Existing Lease or Rental Data: The property is unimproved and unoccupied. There are no leases in place.

N. Highest and Best Use of the Whole Property as Improved: The site has not been developed, therefore, this analysis is not applicable.

8. APPROACHES TO VALUE: There are three recognized approaches considered in the valuation of real property: the Cost Approach, the Income Approach, and the Sales Comparison Approach. The purpose and function of the appraisal, the type and age of the property, and the quantity and quality of available data affect the applicability of each approach in a specific appraisal situation. In the case of the subject, there are no improvements. Because there are no improvements considered in the analysis, the Cost Approach is not relevant. The subject property is not income producing, therefore, this approach to value is not relevant. The Sales Comparison Approach is the only reliable indicator of value for the subject site.

9. VALUATION-BEFORE:

A. Site Valuation:

(1) Sales Comparison Approach: The subject site has a highest and best for one commercial development site. There is adequate access for ingress and egress.

(a) Scope of Data Search: To estimate the value of the subject site, a search was made for sales of commercial building sites in the city of Woodland. Using RMLS data, areas 80, 81, and 82 were searched. Using NWMLS data, the Woodland zipcode 98674 was used. The search was made from January 2010 to the date of value. The sales were verified with the buyer, seller, or an agent of the sale, unless otherwise noted.

(b) General Discussion: The sales selected were lots between 10,454 and 74,488 square feet. Three were located on the west side of Interstate 5 in Woodland, like the subject and three were from the east side of the freeway in Woodland. Listing comparable number 7 is located adjacent to the subject within shoreline and critical areas management like the subject.

There were few sales of commercially zoned property within the city of Woodland in the past three years, as well as in Cowlitz County in general. This is indicative of the market slow down that has occurred since 2008. Many of the land sales found in the Cowlitz County area were distressed sales, or bank owned properties, and it was necessary to examine seller motivations in some cases. A summary of the sales considered most similar to the subject are listed below:

SALE #	LOCATION	GRANTOR/ GRANTEE	LAND AREA \$ per SF	SALE DATE	SALE PRICE
1	440 Columbia Street Woodland, WA 98674	Safeway Inc / McDonalds RE Co	10,454 SF \$6.09/SF	05/02/2012	\$63,672
2	1309 Glenwood Street Woodland, WA 98674	Puyallup LLC / Longview Housing Authority	74,488 SF \$4.70/SF	12/29/2010	\$350,000
3	Little Ave and Walsh Ave Castle Rock, WA 98611	Gospodor/ Gourde LLC	30,056 SF \$2.33/SF	1/16/2012	\$70,000
4	1776 Goerig St Woodland, WA	Schurman Trial Run Trust/ Larry Barnhart	42,253 SF \$2.89/SF \$2.13/SF**	11/29/2012	\$122,000
5	1493 Dike Access Road Woodland, WA 98674	Chumbley/ O'Reilly Automotive	40,075 SF \$12.23/SF	3/22/2012	\$490,000
6	1840 Belmont Loop Woodland, WA 98674	Eiler/ Not Applicable	67,518 SF \$2.06/SF	Under Contract	\$139,000
7	1654 Lewis River Road Woodland, WA 98674	Schurman Trial Run / Not Applicable	37,133 SF 20,000 SF* \$7.00/SF*	Listing	\$140,000

* Usable

** excludes improvement value

(c) Comparative Analyses:

Comparable number 1 (\$6.09 per square foot) is a pad site within the Safeway Grocery Store development, on the west side of Interstate 5 in Woodland, WA. The proximity to the freeway is similar to the subject, but it is visible to the drive-by traffic, unlike the Subject. The property is adjacent to the existing McDonalds restaurant and was purchased for additional parking lot area. The zoning is superior in that it allows fast food and drive-in restaurants, unlike the subject. Due to the assemblage nature of the sale, the greater volume of drive-by traffic, the developed lot, and the superior zoning, a value below \$6.09 per square foot is considered more reasonable for the subject.

Comparable number 2 (\$4.70 per square foot) is located on the west side of the freeway in a multi family residential district. It was purchased by the Longview Housing Authority but has not yet been developed. It will not face the same hurdles to development as the subject will with its Shoreline Management overlay. The site is level and the immediate area has a more industrial character. The property had been on and off the market for over four years when it finally sold. There had been a great deal of interest but not at \$449,000 (its original list price). The level ground was all usable according to the Realtor involved. A value above \$4.70 per square foot is considered more reasonable for the Subject due to the Subject's superior zoning.

Comparable number 3 (\$2.32 per square foot) is located on the east side of the Interstate 5 in Castle Rock, Washington. It is surrounded by multi-family development. It has Interstate 5 visibility, but access is from a more residential street. It was purchased to construct a commercial building. The level ground was all usable according to the Realtor involved. It will not face the same hurdles the subject will with its Shoreline Management overlay. The property was on the market for one year prior to the sale. The cost of development is less for this site but the location is on a less traveled road in a smaller community, and is considered inferior. A value above \$2.32 per square foot is considered more reasonable for the Subject due to its superior location.

Comparable number 4 (\$2.13 per square foot of land) is located two blocks from the Subject property on Goerig Street. The 0.97 acre site is located outside of the flood plain, but is adjacent to the floodwall (inside), and a 15 foot set back is required from the wall. The property has a 4,000 square foot storage building that the owner will use to store vehicles. It is zoned for multi-family residential use, and the owner believed he could place a two to four family dwelling on it at some time in the future. It will not face the same hurdles as the subject with its Shoreline Management overlay. The cost of development is less for this site, but the location has less driveby traffic, and the zoning differs from the Subject. A value above \$2.13 per square foot is more reasonable for the Subject due to its superior location and zoning.

Comparable number 5 (\$12.23 per square foot) is located immediately west of Interstate 5 on Dike Access Road in Woodland, Washington. The 0.92 acre site sold in March 2012 for an automotive store. The site is superior in location with a Walmart across the street. Water, sewer, and electricity are available to the site, and the site was a finished lot at the time of sale, and ready for development.

Comparable number 6 (\$2.06 per square foot) is a pending sale of a 1.55 acre site located on Belmont Loop in Woodland. It is a developed lot that is being sold out of bankruptcy. According to the broker, there is an oversupply of commercial land for sale in the Woodland area, and demand is limited. The price per square foot is at the low end of the range due to the motivations of the seller. There has also been interest in an 10,890 square foot lot in the same area at \$5.50 per square foot. Recently annexed into the city, these sites were re-zoned commercial highway. Given the distressed nature of the pending sale, a value above \$2.06 per square foot is more reflective of the Subject. Given the fully developed small lot for sale along Belmont, a value below \$5.50 per square foot is more reasonable for the Subject site.

Comparable number 7 (\$7.00 per square foot) is a current listing of the land adjacent to the south of the subject. It is currently zoned for multi-family development. The City of Woodland would most likely not allow a residential use for this property due to the Shoreline Management Program and the potential flooding of the southern portion of the site. The city has recommended a change to commercial zoning, however, the application has just been submitted by the estate and will take a few months and public hearings to be finalized. The northern portion of the site (20,000 sf more or less) is estimated to be buildable. Based on the buildable area the asking price per square foot is \$7 per square foot. This price includes the cost to change the zoning to commercial use. The property is also listed "as is" along with the residence across the street for \$169,000. This price does not include the zoning change. There has been interest in the site for a restaurant but the current zoning does not allow it. Another interested party in this property is a conservation group called Fish First. "Fish First is a not-for-profit, volunteer conservation group based in Woodland, Washington working to restore wild and native runs of salmon and steelhead". The subject is considered to be worth less than this comparable as it is a listing and not an actual selling price.

(d) Correlation and Conclusions of Sales Comparison Approach to Land Value Before:

Based on the previous sales, prices ranged from \$2.06 to \$12.23 per square foot. At the lower end of the range is the sale of a multi-family site with a 4,000 square foot storage building. The multi-family lot was purchased for storage uses with the potential for future development. Also at the low end is the sale of commercial site in a secondary location in Castle Rock, and a finished commercial site in Woodland that is being sold through bankruptcy. These sold for \$2.13 and \$2.06 per square foot, respectively. A value above this is considered more reasonable for the Subject. Comparable number 2 is the sale of a multi-family site in a mixed use area on the west side of Interstate 5. It's price was in the mid portion of land prices for commercial and multi-family land. According to agents, higher demand for multi-family use at this time may be bringing values of this property type closer to values for commercial land. At the upper end of the range is a finished commercial site located across the street from Walmart. This location is superior to the Subject, and the development costs are less. Comparable number 1 also sold at the upper end at \$6.09 per square foot. This is also a finished site within the Safeway parking lot. It was purchased by McDonalds for additional parking for its pad site. Given the finished lots of these two comparables, a value below \$6.09 per square foot is more reasonable for the Subject. There is a listing of a commercial site adjacent to the Subject at \$7.00 per square foot of usable land. It has not sold at this price, and based on the other sales, the list price is above market. There is also a current listing of a finished commercial site along Interstate 5 on Belmont Street. The site is 10,890 square feet, ready for development, and is listed at \$5.50 per square foot. The location is in a developing commercial area, but the zoning allows for a broader range of uses, and there are no environmental constraints. Given the superior zoning of this comparable, and given that it is a finished lot ready for development, a value below \$5.50 per square foot is more reasonable for the Subject property.

The subject is not ready for development due to the shoreline management permitting process. It is however well located on a busy street, in an area where there are few commercially zoned sites. The site has ample depth for commercial construction, and has access to public utilities. The sales above indicated a value between \$4.70 and \$5.50 per square foot. Giving some credence to the difficulty faced by the developer of this site due to the Shoreline Management program a value from the lower end is considered reasonable for the Subject. The Subject is estimated to be worth \$4.75 per square foot or \$125,000 rounded (26,000sf x \$4.75/sf).

12. SUMMARY OF CONCLUSIONS

(Accounting tabulation - NOT indicative of appraisal method employed)

Indicated Subject Value Before Project		
Highest and Best Use Before:	Commercial Development Site	
Land value before		
Units	\$4.75 per square foot	
Total Units Before	26,000 square feet	\$125,000
Improvement value before	None	\$0
The site was not improved		
	Total improvement value	\$0
TOTAL SUBJECT VALUE BEFORE PROJECT		\$125,000
Indicated Subject Value After Project		
Highest and Best Use After:	Commercial Development Site	
Land Value after	\$4.75	
Units	N/A	
Total Units After 0 square feet	N/A	\$0
Improvement value after	None	\$0
The site was not improved	\$0	
	Total improvement value	\$0
TOTAL SUBJECT VALUE AFTER PROJECT		\$0
Estimated value allocation of rights acquired		
Land:		
Fee purchase 26,000sf x \$4.75/sf	\$125,000	
Temporary Easement	N/A	
Permanent Easement	N/A	
Total Land		\$125,000
Improvements:		
Buildings – none	N/A	
The site was not improved		
	Total improvement value w/i take	\$0
Total Acquisition		\$125,000
Plus Damages and Cost to Cure:		
Damages		
Cost to Cure:	\$0	
Severence:	\$0	
Total Damages and Cost to Cure		\$0
Less Special Benefits, if any	None	N/A
Total Estimated Owner Compensation		\$125,000

Note: totals should be rounded to nearest significant market number. Total Subject value before less Total Subject value after must equal Estimated Owner Compensation.

13. REPORT OF CONTACT WITH OWNER:

Person(s) Contacted: Steve Tuttle
Address: 3030 Lewis River Road
Woodland, WA 98674

Date of Contact: Letter: 6/3/2013
Telephone: 05/28/2013
Inspection Date: 5/26/2013

Relationship to Owner: Trusteer
Date of Inspection: 5/26/2013
Phone: 360-225-9631

Identify all participants in the inspection: Jo Ellen Jarvis, MAI, SRA, R/W-AC

Comments: Mr. Tuttle was courteous during our phone conversations. He did not wish to accompany me on an inspection of the site.

14. PERSONALTY REALTY REPORT: There were no improvements, this is an appraisal of vacant land, therefore, a personalty realty report is not applicable.

Commercial Personalty/Realty Report

Item	Owner	Tenant	Realty	Personalty	Salvage Value for Realty
Land	X		X		
Building	There were no improvements to the site. Thus, a personal realty report is not applicable.				
HVAC					
Other Heat Source					
Wood Burning Stove					
Gas Stove					
Pellet Stove					
Window Coverings					
Drapes					
Blinds					
Floor Coverings					
Carpeting					
Vinyl					
Wood					
Counters					
Shelving					
Cabinetry					
File Cabinets					
Drop Ceilings					
Interior Partitions					
General Lighting					
Supplemental Electrical Service					
Supplemental HVAC					
Machinery (List)					
Equipment (list)					
Work in Process (list)					
Other (list)					
Landscaping					
Signs					
Exterior Lighting					
Parking Improvements					
Curbing					
Pavement					

SECTION 15 ADDENDA

JO ELLEN JARVIS, MAI, SRA, R/W-AC
P.O. BOX 1713, Vancouver, Washington 98668
Ph: (360) 835-7070; (503) 318-7048; Fax: (866) 371-7268

TAX ID NUMBER: 91-1746939

PROFESSIONAL AFFILIATIONS / CERTIFICATION

MAI/ SRA - Appraisal Institute
R/W-AC, International Right of Way Association, Valuation Chair
Approved Appraiser for the State of Oregon Dept. of Transportation
Approved Appraiser and Review Appraiser for the State of Washington Dept. of Transportation
Certified Real Estate Appraiser in the State of Oregon, Certificate #C000236. Exp. 1/31/14
Certified Real Estate Appraiser in the State of Washington, Certificate # 1100514. Exp. 1/14/15
Member of the Oregon Society of Farm Managers and Rural Appraisers
National Association of Realtors

EDUCATION

University of Texas at Austin, 1987

Bachelor of Business Administration, Finance and Real Estate
Bachelor of Arts, Economics, Special Honors

Appraisal Institute Courses & Seminars

Capitalization Theory and Technique (Cap A & B) **1988**
Appraising Real Property, Society of Real Estate Appraisers **1987**
Feasibility Analysis, Market Value, and Investment, **2002**
Attacking & Defending an Appraisal in Litigation **2001**
Condemnation Appraising **1999**
Basic & Advanced Condemnation Appraising **1999**
Appraising Multi-Use Properties **1997**
Advanced Income Capitalization (510) **1992**
Report Writing **1991**
IRWA Reviewing appraisals in Eminent Domain **2003**
Uniform Appraisal Standards for Federal Land Acquisitions **2007**
Appraisal Eminent Domain **2003**
Evaluating Commercial Construction **2004**
ASFMRA The Law of Easements, **2008**
ASFMRA Ag. Finance, Technology, and Land Ownership, **2009**
Standards of Professional Practice **2009**
Valuation of Detrimental Conditions **2006**
Residential Site Valuation and the Cost Approach **2009**
Analyzing Distressed Real Estate, **2010**
Atterbury Consultants, Inc Timberland Appraisal Seminar, **2010**
OSFMRA Federal Land Acquisition and Wetland Enhancement, **2010**
Valuation of Conservation Easements – Certificate Program **2010**
Uniform Standards of Professional Appraisal Practice (**USPAP**) Update **2011**
IRWA The Valuation of Partial Acquisitions (421), **2012**
IRWA Easement Valuation (403), **2013**

REAL ESTATE EXPERIENCE

Jarvis Appraisal Company - 1995 to Present; PO Box 1713, Vancouver, Washington
Staff Appraiser/Manager - 1988 to 1994; Pacific West Appraisal Services, Portland, Oregon
Researcher and Staff Appraiser - 1987 to 1988; Birchman and Co., Austin, Texas

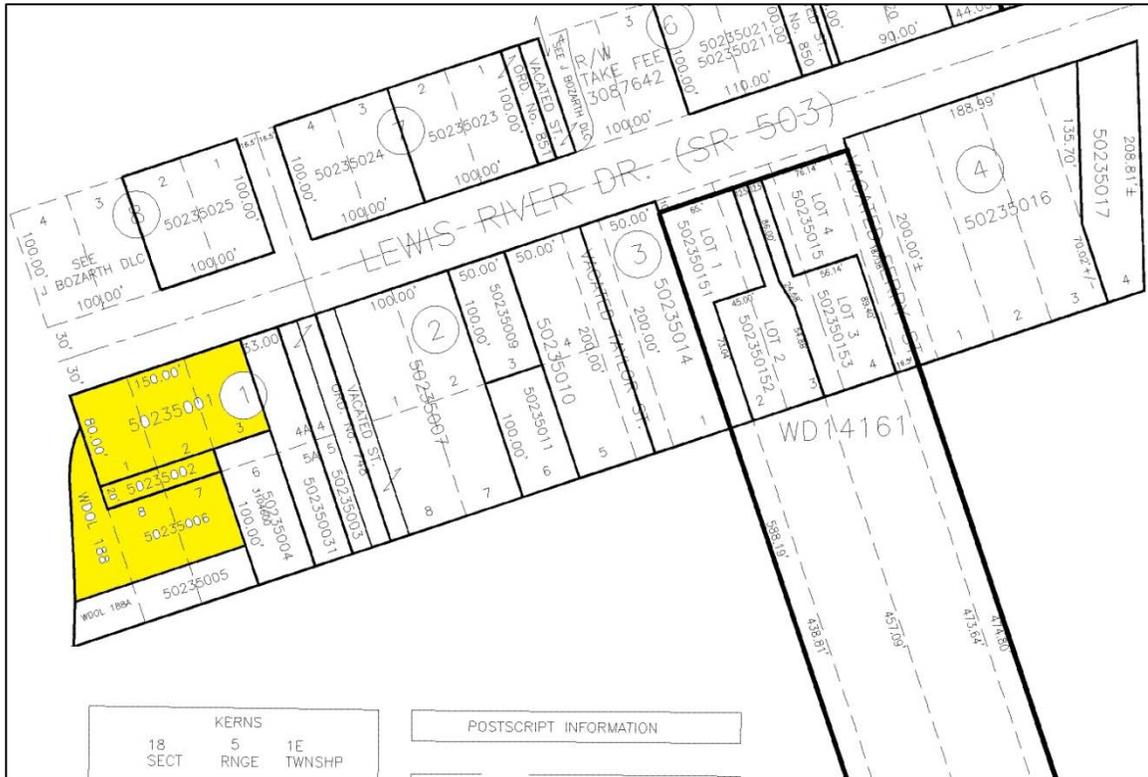
TYPICAL PROPERTIES APPRAISED

Commercial income producing properties including land, offices, and retail developments.
Industrial properties including land, single- and multi-tenant facilities.
Residential including land, single-family residences, duplexes, mobile home parks, and apartment projects.
Experience with Eminent Domain, Federal Land Acquisitions, and work with government agencies.

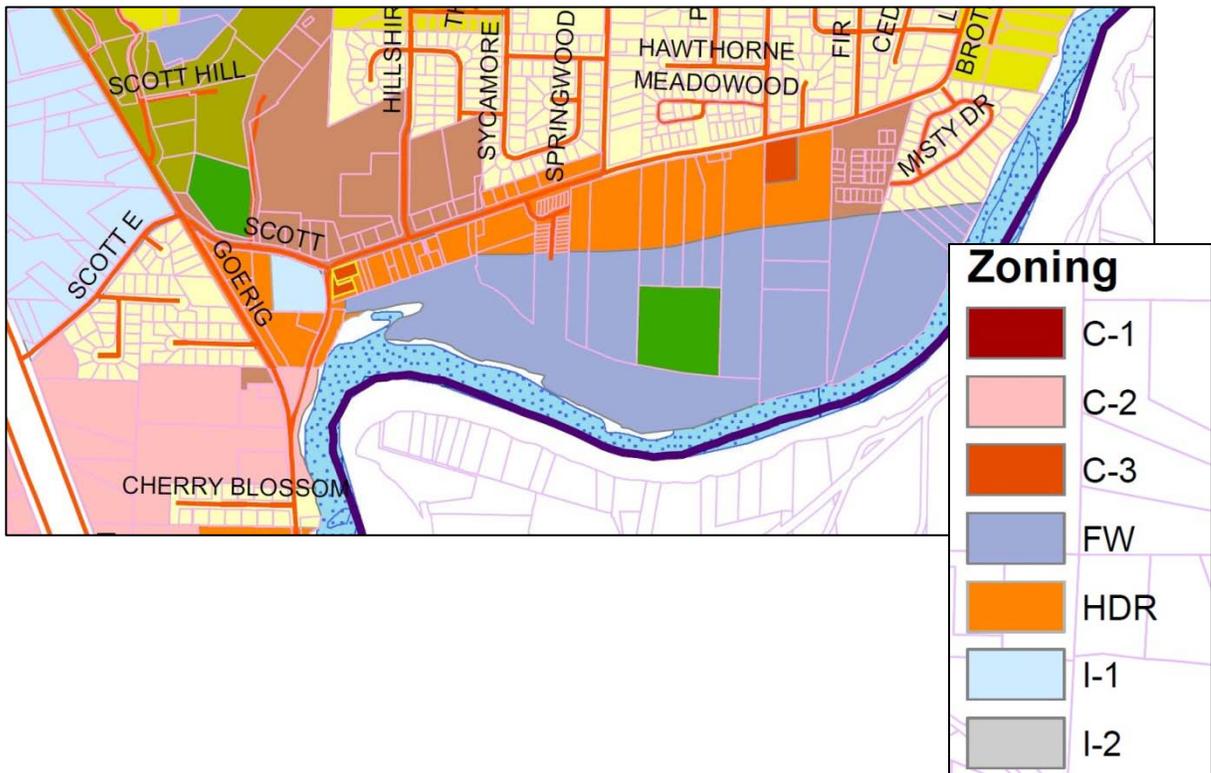
PRIMARY GEOGRAPHIC AREAS: Multnomah County; Washington County; Clackamas County, Oregon and Clark County and Cowlitz County, Washington. Secondary areas include Columbia and Yamhill Counties in Oregon. Also have experience on the Oregon and Washington Coast, and the Columbia River Gorge area.

DATA RESOURCES: Realquest, Costar Data Service, FEMA flood maps, RMLS, NWMLS, Marshall and Swift Cost Handbook

PLAT MAP



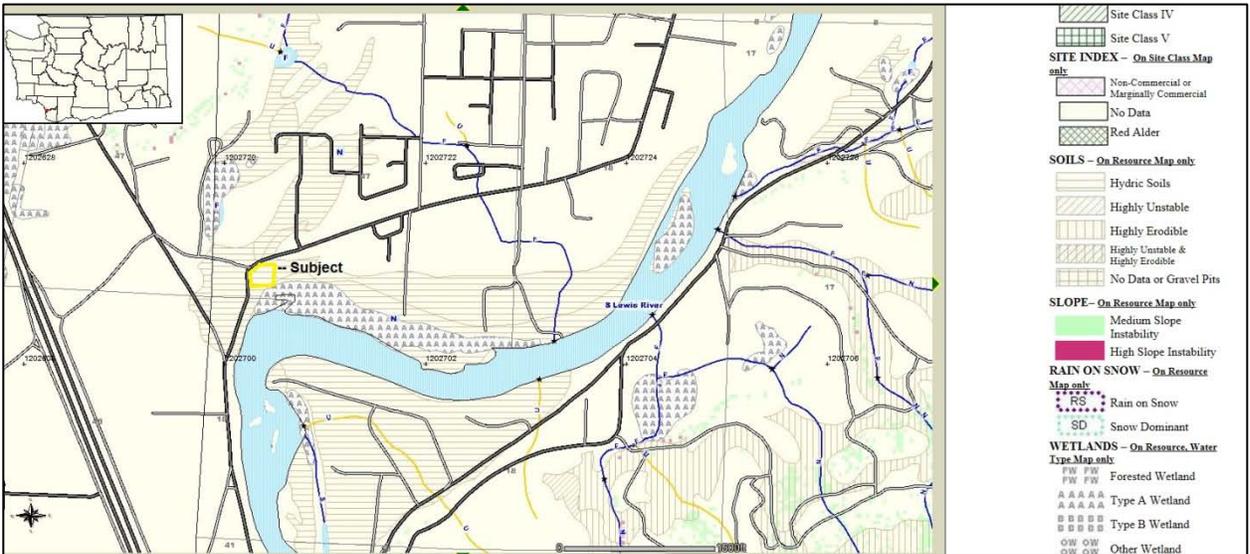
ZONING MAP



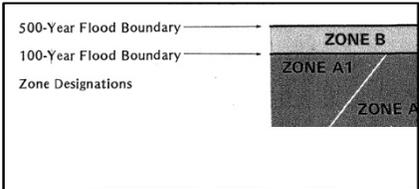
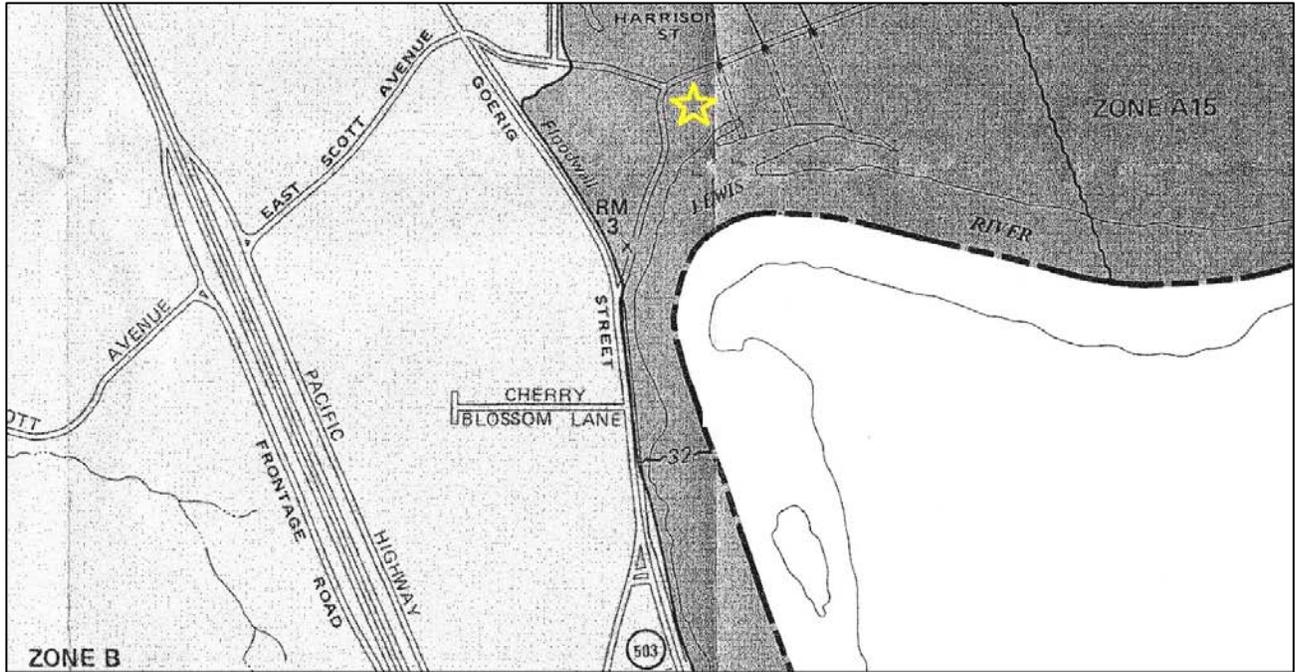
WETLANDS MAP



HYDRIC SOILS MAP



FEMA FLOOD MAP



NATIONAL FLOOD INSURANCE PROGRAM

FIRM
FLOOD INSURANCE RATE MAP

CITY OF
WOODLAND,
WASHINGTON
 COWLITZ AND CLARK
 COUNTIES

ONLY PANEL PRINTED

COMMUNITY-PANEL NUMBER
 530035 0001 C

MAP REVISED:
 SEPTEMBER 4, 1985

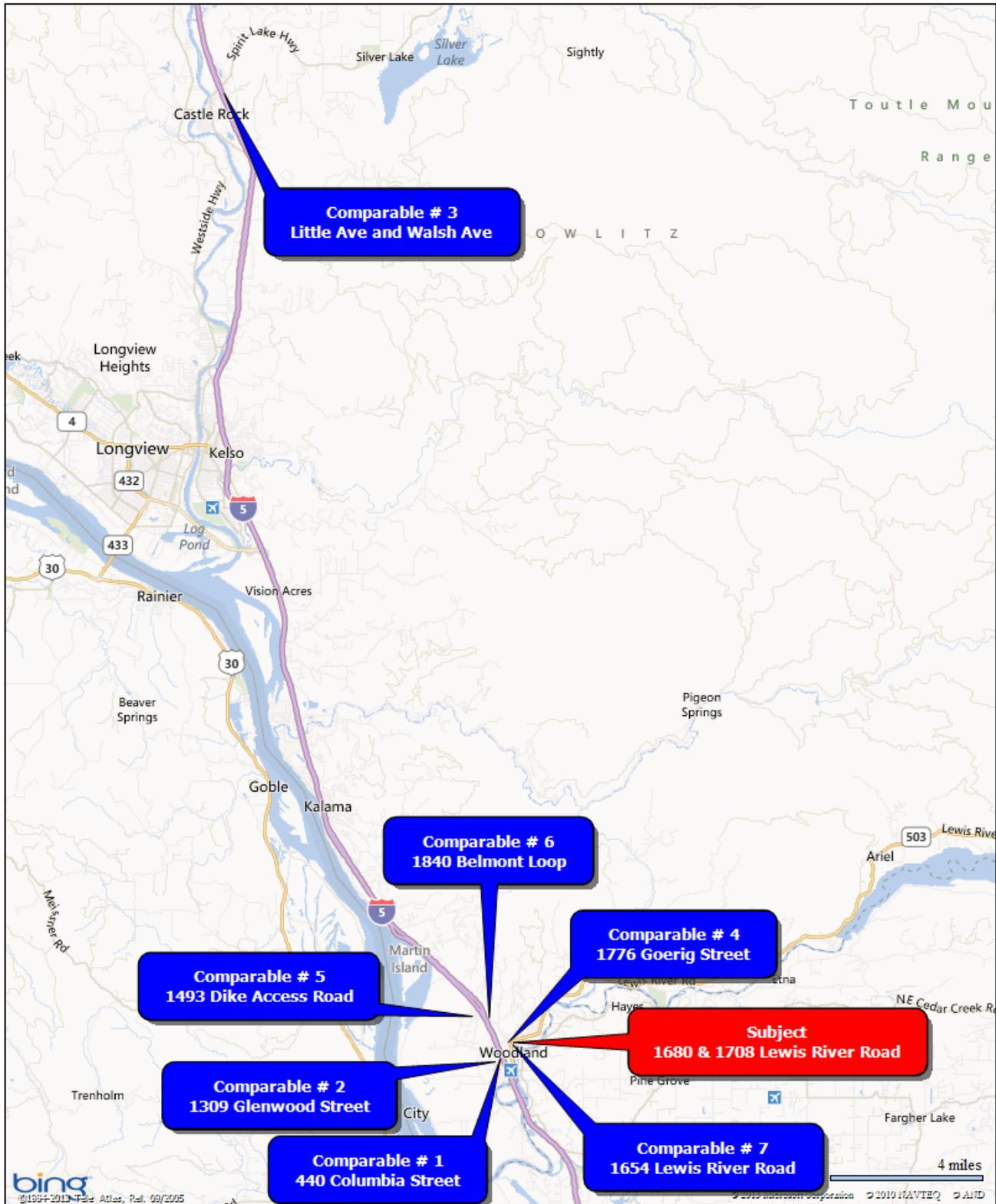


Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

MARKET DATA

Market Data Map



MARKET DATA

Comparable Land Sale 1

(1) ADDRESS or LOCATION: 440 Columbia Street, Woodland, WA 98674

(2) SALE SKETCH AND PHOTO ARE ON FOLLOWING PAGE;

(3)

a. Access:	NE Columbia Street, off of Pacific Avenue, a paved two lane road	
b. Use at Sale:	Vacant	
c. H & B Use:	Commercial	
d. Zoning:	C-2 Highway Commercial District, minimum lot size 10,000sf	
e. Dimensions:	Rectangular 55' x 210', more or less	
f. Area:	0.24 acres / 10,454 square feet	
g. Sale Date:	05/02/2012	
h. Price:	\$63,672	
i. Instrument Type:	Warranty Deed	
j. Terms:	Purchased for larger parking lot, cash	
k. Ex. Tax# or AF #:	3455538	
l. Seller:	Safeway Inc.	
m. Buyer:	McDonalds Real Estate Co	
n. Confirmed with: June Jones, agent	phone #:360-936-5797	date: 05/30/2013
o. Confirmed by:	Francine Dennis	
p. Date Inspected:	May 26, 2013	

(4) LEGAL DESCRIPTION or TAX PARCEL NUMBER: 504219105

(5) PHYSICAL CHARACTERISTICS (description at sale, confirmation information, changes since sale, etc.):

A.) Property Description: Slightly more than 10,000 square feet of level commercial land within the Safeway parking lot. The site was purchased by the adjacent McDonalds to increase the size of their parking lot for trucks. All utilities are available in the street but were not necessary for the development of the parking lot. The site has approximately 55 feet of road frontage but is accessed via a common easement into the Safeway property. The site is accessed off of NE Columbia Street, which is a through road accessed off of Pacific Avenue, just north and west of the Interstate 5 Woodland interchange. There were no wetlands or creeks present at the site. The agent stated this was not a distressed sale. The property had not been on the market when it sold at the time of the McDonald remodel. It is considered to have sold at market rates, by the Realtor even though it is was for assemblage.

B.) Confirmation Data and Comments: June Jones – agent, was not a part of the transaction but, was familiar with it. Neither Safeway, nor McDonalds returned calls. Realquest, Cowlitz County. The property had not been on the market. It sold for what is believed to be its market value, according to a local agent. It was not a distressed sale. The land was used for additional parking at the adjacent McDonalds.

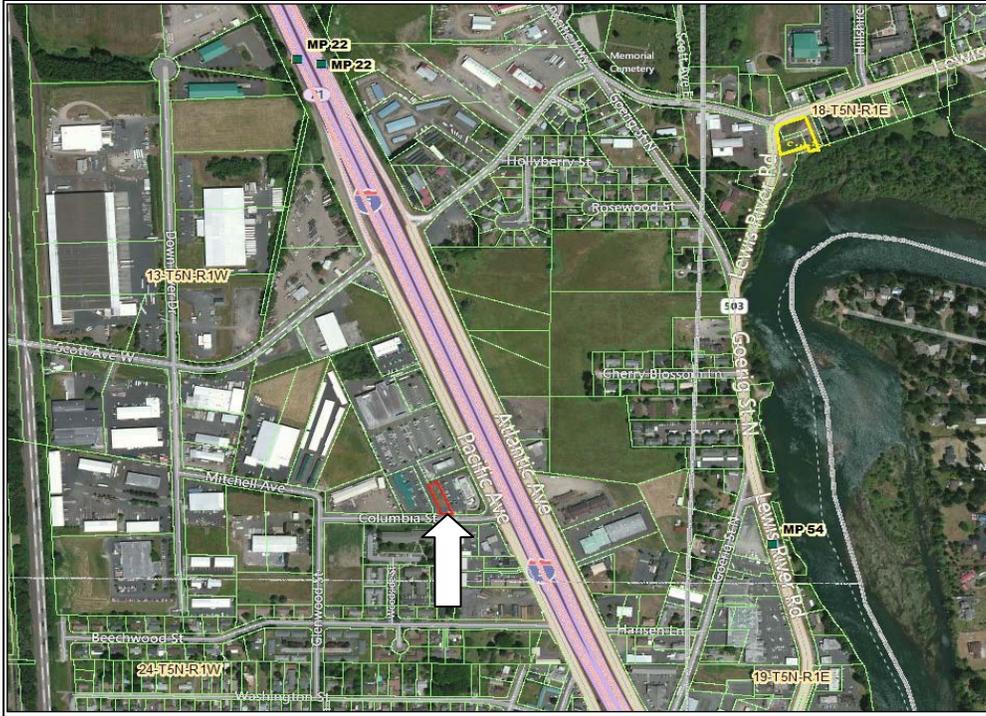
(6) ANALYSIS:

ITEM	CONTRIBUTION VALUE	MARKET UNIT
Land: 10,454 Square Feet	\$ 63,672	\$ 6.09/SF
	\$	\$
Buildings: None	\$ 0	\$ 0
	\$	\$
Other (Site, Yard, etc.): None	\$ 0	\$ 0
	\$	\$
TOTAL SALE PRICE	\$ 63,672	\$ 6.09/SF

SALE SKETCH AND PHOTOGRAPHS

Comparable Land Sale 1

Include: Site dimensions, access frontages, improvement locations and identification labels, "north arrow", camera locations and directions corresponding to the photos shown on this page.



55' x 210', more or less



View of Comparable Looking North
 Taken by: Jo Ellen Jarvis, MAI Date: 05/26/2013

MARKET DATA

Comparable Land Sale 2

(1) ADDRESS or LOCATION: 1309 Glenwood Street, Woodland, WA 98674

(2) SALE SKETCH AND PHOTO ARE ON FOLLOWING PAGE;

(3)

a. Access:	Glenwood Street, a paved two lane road off of Columbia Street	
b. Use at Sale:	Vacant	
c. H & B Use:	Residential	
d. Zoning:	MDR, Medium Density Residential District, minimum lot size 7,500sf	
e. Dimensions:	Rectangular – 190’x 400’, more or less	
f. Area:	1.71 Acres / 74,488 square feet	
g. Sale Date:	12/29/2010	
h. Price:	\$350,000	
i. Instrument Type:	Warranty Deed	
j. Terms:	\$335,000 private contract	
k. Ex.Tax# or AF #:	3429534	
l. Seller:	Puyallup LLC	
m. Buyer:	Longview Housing Authority	
n. Confirmed with:	Mike Miller, listing agent phone #: 360-882-6000	date: 05/28/2013
o. Confirmed by:	Francine Dennis	
p. Date Inspected:	June 6, 2013	

(4) LEGAL DESCRIPTION or TAX PARCEL NUMBER: 502450604

(5) PHYSICAL CHARACTERISTICS (description at sale, confirmation information, changes since sale, etc.):

A.) Property Description: The comparable is located on the west side of Interstate 5 in a light industrial/residential area. Although zoned for multi-family use it was marketed and believed to be a commercial property by the listing agent. This was a level pasture at the time of sale with no wetlands or other barriers to development. It has been purchased by a local agency but has not been developed as of yet. All public utilities are located in Glenwood for the development of the site.

B.) Confirmation Data and Comments: Mike Miller – listing agent, RMLS #9070211, Realquest, Cowlitz County The site was listed in RMLS for one year and three months at the list price of \$350,000 when a full price offer was accepted. It had been on the market in 2006 and 2007 for \$449,000 without a sale. According to the agent, there was a lot of interest in the property and the recent sale was not distressed.

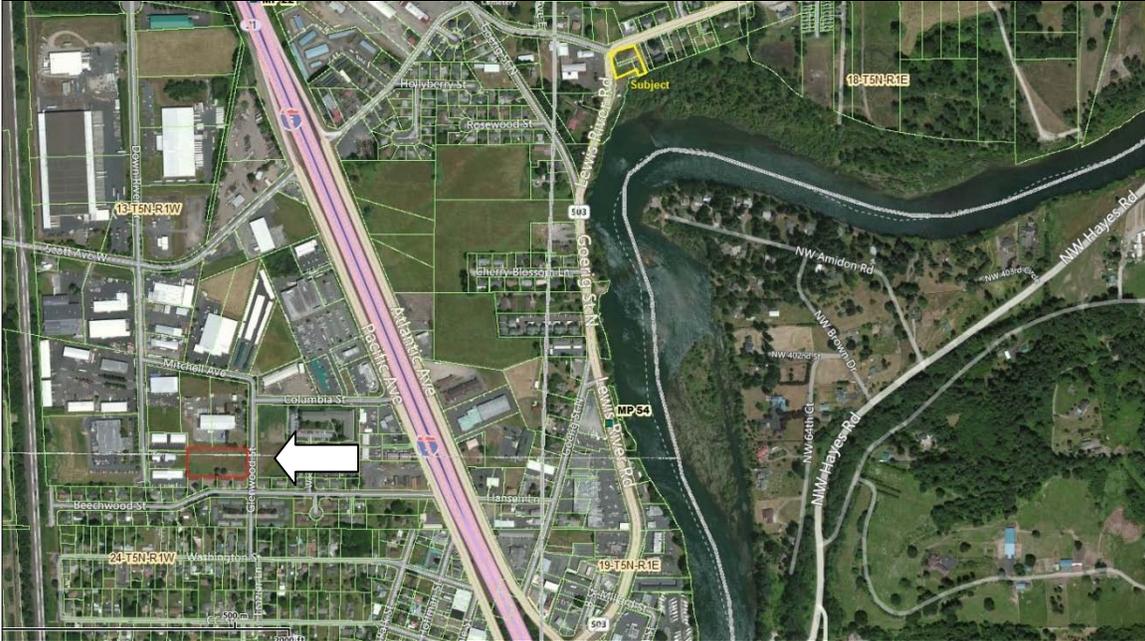
(6) ANALYSIS:

ITEM	CONTRIBUTION VALUE	MARKET UNIT
Land: 74,488 square feet	\$ 350,000	\$ 4.70/sf
Buildings: None	\$ 0	\$ 0
Other (Site, Yard, etc.): None	\$ 0	\$ 0
TOTAL SALE PRICE	\$ 350,000	\$ 4.70/sf

SALE SKETCH AND PHOTOGRAPHS

Comparable Land Sale 2

Include: Site dimensions, access frontages, improvement locations and identification labels, "north arrow", camera locations and directions corresponding to the photos shown on this page.



190' x 400', more or less



View of Comparable Looking West
 Taken by: Francine M Dennis Date: 06/06/2013

MARKET DATA

Comparable Land Sale 3

(1) ADDRESS or LOCATION: Little Avenue and Walsh Avenue, Castle Rock, WA 98611

(2) SALE SKETCH AND PHOTO ARE ON FOLLOWING PAGE;

(3)

a. Access:	Walsh Avenue is a paved two lane road just south of Dougherty Dr.		
b. Use at Sale:	Vacant		
c. H & B Use:	Commercial		
d. Zoning:	C-2, Highway Business		
e. Dimensions:	"L" shaped - 200' x 200', more or less		
f. Area:	0.69 acre / 30,056 square feet		
g. Sale Date:	1/16/2012		
h. Price:	\$70,000		
i. Instrument Type:	Warranty Deed		
j. Terms:	Conventional		
k. Ex.Tax# or AF #:	3449669		
l. Seller:	Dominic Gospodor		
m. Buyer:	Gourde LLC		
n. Confirmed with:	Debra Nelson listing agent	phone #:360-673-3402	date: 06/5/2013
o. Confirmed by:	Jo Ellen Jarvis		
p. Date Inspected:	June 6, 2013		

(4) LEGAL DESCRIPTION or TAX PARCEL NUMBER: 30490

(5) PHYSICAL CHARACTERISTICS (description at sale, confirmation information, changes since sale, etc.):

A.) Property Description: A level commercial lot about two blocks south of the Interstate 5 interchange in Castle Rock, WA. It is located next to multi-family complexes. All city utilities are available to the site.

B.) Confirmation Data and Comments: The subject was on the market for about a year prior to the sale. The agent stated it was purchased to place a commercial building. RMLS #11137548 / Realquest Data, Cowlitz County

(6) ANALYSIS:

ITEM	CONTRIBUTION VALUE	MARKET UNIT
Land: 30,056 square feet	\$ 70,000	\$ 2.32/SF
Buildings: None	\$ 0	\$ 0
Other (Site, Yard, etc.): None	\$ 0	\$ 0
TOTAL SALE PRICE	\$ 70,000	\$ 2.32/SF

SALE SKETCH AND PHOTOGRAPHS

Comparable Land Sale 3

Include: Site dimensions, access frontages, improvement locations and identification labels, "north arrow", camera locations and directions corresponding to the photos shown on this page.



200' x 200', more or less



View of Comparable Looking Southwest
 Taken by: Francine M Dennis Date: 6/06/2013

MARKET DATA

Comparable Land Sale 4

(1) ADDRESS or LOCATION: 1776 Goerig Street, Woodland, WA 98674

(2) SALE SKETCH AND PHOTO ARE ON FOLLOWING PAGE;

(3)

a. Access:	Goerig Street, a paved road
b. Use at Sale:	Garage Storage
c. H & B Use:	Future multi-family development
d. Zoning:	HDR High density residential use, 7,500 square foot minimum lot size
e. Dimensions:	Nearly rectangular - 170' x 160', more or less
f. Area:	0.97 Acres / 42,253 Square Feet
g. Sale Date:	11/29/2012
h. Price:	\$122,000
i. Instrument Type:	Warranty Deed
j. Terms:	Cash
k. Ex. Tax# or AF #:	3468681
l. Seller:	Schurman Trial Run Trust
m. Buyer:	Larry Burnhart
n. Confirmed with:	Buyer, Larry Burnhart phone #:360-255-7318 date:06/05/2013
o. Confirmed by:	Jo Ellen Jarvis
p. Date Inspected:	June 5, 2013

(4) LEGAL DESCRIPTION or TAX PARCEL NUMBER: 50630

(5) PHYSICAL CHARACTERISTICS (description at sale, confirmation information, changes since sale, etc.):

A.) Property Description: It is level site that backs to the flood wall, and there is a 15foot set back from the wall. There is a 4,000 square foot oversized garage that the owner will use for storage. The site is zoned for high density residential use, and the buyer estimated at he could place two to four units on the site at some time in the future. The site is not within the 100 year flood zone.

B.) Confirmation Data and Comments: Buyer, Larry Burnhart phone #:360-255-7318 date:06/05/2013,
Co-Star, Real Quest data, Cowlitz County

(6) ANALYSIS:

ITEM	CONTRIBUTION VALUE	MARKET UNIT
Land: 42,253 Square Feet	\$ 90,000	\$ 2.13/SF
	\$	\$
Buildings: 4,000 SF Storage Building	\$ 32,000	\$ 8.00/SF
	\$	\$
Other (Site, Yard, etc.): None	\$ 0	\$ 0
	\$	\$
TOTAL SALE PRICE	\$ 122,000	\$ /SF Land 2.89/SF

SALE SKETCH AND PHOTOGRAPHS

Comparable Land Sale 4

Include: Site dimensions, access frontages, improvement locations and identification labels, "north arrow", camera locations and directions corresponding to the photos shown on this page.



170' x 160', more or less



View of Comparable Looking South
 Taken by: Francine M Dennis Date: 06/06/2013

MARKET DATA

Comparable Land Sale 5

(1) ADDRESS or LOCATION: 1493 Dike Access Road, Woodland, WA 98674

(2) SALE SKETCH AND PHOTO ARE ON FOLLOWING PAGE;

- (3)
- | | |
|----------------------|---|
| a. Access: | Dike Access Road |
| b. Use at Sale: | Vacant |
| c. H & B Use: | Commercial |
| d. Zoning: | C-2 Highway Commercial District, minimum lot size 10,000sf |
| e. Dimensions: | Rectangular - 200' x 300', more or less |
| f. Area: | 0.92 Acres / 40,075 Square Feet |
| g. Sale Date: | 03/22/2012 |
| h. Price: | \$490,000 |
| i. Instrument Type: | Warranty Deed |
| j. Terms: | Cash |
| k. Ex. Tax# or AF #: | 3453224 |
| l. Seller: | Gary Chumbley |
| m. Buyer: | Oreilly Automotive Stores |
| n. Confirmed with: | James Chumbley- seller phone #:206-459-1709 date:06/06/2013 |
| o. Confirmed by: | Francine Dennis |
| p. Date Inspected: | June 5, 2013 |

(4) LEGAL DESCRIPTION or TAX PARCEL NUMBER: 507870106

(5) PHYSICAL CHARACTERISTICS (description at sale, confirmation information, changes since sale, etc.):

A.) Property Description: This property is located about a block west of an Interstate 5 off ramp in northern Woodland, Washington. The property is easily reached by Interstate 5, similar to the Subject. The area across the street has a new Wal-Mart. This was a developed lot with street improvements in place.

B.) Confirmation Data and Comments: James Chumbley – owner, Real Quest data, Cowlitz County
This property has been developed into an automotive store.

(6) ANALYSIS:

ITEM	CONTRIBUTION VALUE	MARKET UNIT
Land: 40,075 Square Feet	\$ 490,000	\$ 12.23/SF
Buildings: None	\$ 0	\$ 0
Other (Site, Yard, etc.): None	\$ 0	\$ 0
TOTAL SALE PRICE	\$ 490,000	\$ 12.23/SF

SALE SKETCH AND PHOTOGRAPHS

Comparable Land Sale 5

Include: Site dimensions, access frontages, improvement locations and identification labels, "north arrow", camera locations and directions corresponding to the photos shown on this page.



200' x 300', more or less



View of Comparable Looking Northwest
 Taken by: Francine M Dennis Date: 06/06/2013

MARKET DATA

Comparable Land Sale 6

(1) ADDRESS or LOCATION: 1840 Belmont Loop, Woodland, WA 98674

(2) SALE SKETCH AND PHOTO ARE ON FOLLOWING PAGE;

(3)

a. Access:	Belmont Loop, a paved two lane road off of Interstate 5	
b. Use at Sale:	Vacant	
c. H & B Use:	Commercial	
d. Zoning:	C-2, Highway Commercial District, minimum lot size 10,000sf	
e. Dimensions:	Nearly Rectangular - 160' x 450', more or less	
f. Area:	1.55 Acres / 67,518 square feet	
g. Sale Date:	Under contract	
h. Price:	\$139,000 list	
i. Instrument Type:	N/A	
j. Terms:	N/A	
k. Ex.Tax# or AF #:	N/A	
l. Seller:	Kenneth Eiler, trustee	
m. Buyer:	Unknown	
n. Confirmed with:	Craig Johnson, listing agent	phone #: 360-281-3130
o. Confirmed by:	Jo Ellen Jarvis	
p. Date Inspected:	June 5, 2013	
		date: 06/05/2013

(4) LEGAL DESCRIPTION or TAX PARCEL NUMBER: 504211603

(5) PHYSICAL CHARACTERISTICS (description at sale, confirmation information, changes since sale, etc.):

A.) Property Description: This property is a fully platted lot in a commercial subdivision. All utilities, curbs, gutters, sidewalks, and utilities are at the site. It is located less than a half mile east of an Interstate 5 interchange.

B.) Confirmation Data and Comments: Craig Johnson – listing agent, Real Quest data, Cowlitz County
 There is also a 10,890 square foot lot within this subdivision currently for sale with an asking price of \$60,000 (\$5.50/sf). According to the broker, there has been interest in this small site.

(6) ANALYSIS:

ITEM	CONTRIBUTION VALUE	MARKET UNIT
Land: 67,518 square feet	\$ 139,000	\$ 2.06/sf
Buildings: None	\$ 0	\$ 0
Other (Site, Yard, etc.): None	\$ 0	\$ 0
TOTAL SALE PRICE	\$ 139,000	\$ 2.06/sf

SALE SKETCH AND PHOTOGRAPHS

Comparable Land Sale 6

Include: Site dimensions, access frontages, improvement locations and identification labels, "north arrow", camera locations and directions corresponding to the photos shown on this page.



160' x 450', more or less



View of Comparable Looking Northwest
Taken by: Francine M Dennis Date: 06/06/2013

MARKET DATA

Comparable Land Sale 7

(1) ADDRESS or LOCATION: 1654 Lewis River Road, Woodland, WA 98674

(2) SALE SKETCH AND PHOTO ARE ON FOLLOWING PAGE;

- (3)
- a. Access: Lewis River Road, a busy two lane paved road
 - b. Use at Sale: Barber Shop
 - c. H & B Use: Convert zoning for commercial uses
 - d. Zoning: HDR, High Density Residential District, 7,500 sf minimum lot size
 - e. Dimensions: Long and Narrow - 85' x 485', more or less
 - f. Area: 0.85 Acres / 37,133 Square Feet (approximately 20,000 SF usable)
 - g. Sale Date: Listing
 - h. Price: \$140,000 (price reflects C-2 zone change as in place)
 - i. Instrument Type: N/A
 - j. Terms: N/A
 - k. Ex.Tax# or AF #: N/A
 - l. Seller: Schurman Trial Run Trust
 - m. Buyer: N/A
 - n. Confirmed with: Dan Brooks - agent phone #:360-687-3183 date:005/28/2013
 - o. Confirmed by: Francine M Dennis
 - p. Date Inspected: May 26, 2013

(4) LEGAL DESCRIPTION or TAX PARCEL NUMBER: 50235005

(5) PHYSICAL CHARACTERISTICS (description at sale, confirmation information, changes since sale, etc.):

A.) Property Description: The site is level, and located within the 100 year flood plain A15 zone, a shoreline management area, and falls under the critical areas ordinance. The site is currently zoned for multi-family development. The City of Woodland would most likely not allow a residential use for this property due to the Shoreline Management Program and critical areas with its potential of flooding at the southern portion of the site. The city has recommended a change to commercial zoning, however, the application has just been submitted by the estate and will take a few months and public hearings to be finalized. The northern portion of the site (20,000sf, more or less) is estimated to be buildable. Based on the buildable area the price per square foot is \$7 per square foot. This cost includes the cost to change the zoning to commercial use. The property is also listed "as is" along with the residence across the street for \$169,000. This price does not include the zoning change. There has been interest in the site for a restaurant but the current zoning doesn't allow it. Another interested party in this property is a conservation group called Fish First. "Fish First is a not-for-profit, volunteer conservation group based in Woodland, Washington working to restore wild and native runs of salmon and steelhead".

B.) Confirmation Data and Comments: Dan Brooks – agent, not listed in RMLS at the request of the estate, Real Quest data, Cowlitz County. The property has been on the market since August 2009 when it originally listed for \$199,900.

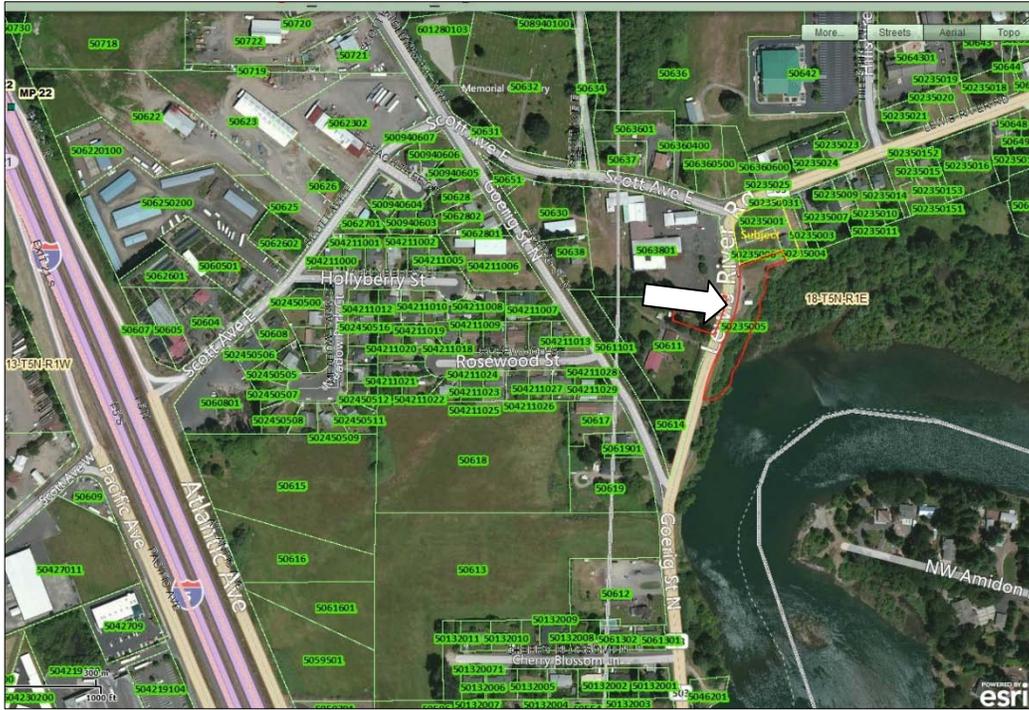
(6) ANALYSIS:

ITEM	CONTRIBUTION VALUE	MARKET UNIT
Land: 20,000 SF usable	\$ 140,000	\$ 7.00/SF
Buildings: None	\$ 0	\$ 0
Other (Site, Yard, etc.): None	\$ 0	\$ 0
TOTAL SALE PRICE	\$ 140,000	\$ 7.00/SF

SALE SKETCH AND PHOTOGRAPHS

Comparable Land Sale 7

Include: Site dimensions, access frontages, improvement locations and identification labels, "north arrow", camera locations and directions corresponding to the photos shown on this page.



85' x 485', more or less



View of Comparable Looking East
 Taken by: Jo Ellen Jarvis, MAI Date: 05/26/2013

SERVICE CONTRACT

Jarvis Appraisal Company



Bart Stepp, PE
City of Woodland
Public Works Director
PO Box 9; 300 E. Scott Ave.
Woodland, WA 98674

March 7, 2013

RE: Appraisal of Real Property
Parcel Numbers #50235001, #50235002, and #50235006.
SR 503 at Scott Avenue E.
Woodland, Washington 98674

Dear Mr. Stepp:

This is my proposal to furnish appraisal services involving the three contiguous parcels noted above located along SR-503 around Scott Avenue E., in Woodland, Washington. It appears the three lots would likely sell together, and would be considered one larger parcel. I have based my proposal on the assumption that the three lots would be appraised as one commercial lot within one report. The assignment is to determine the current fair market value of the fee simple interest.

I will prepare an appraisal that will include the Sales Comparison Approach to value, as this is the only applicable approach to value for this property type. The appraisal will be written in the form of a summary appraisal report, and will conform to WSDOT (Washington Department of Transportation) requirements as well as USPAP (Uniform Standards of Professional Appraisal Practice).

The fee for the assignment would not exceed \$3,000, and would be due upon completion of the report.

The projected time frame to begin the project is May 6, 2013, with an anticipated completion date of around May 20, 2013. If these terms are acceptable, please sign the acceptance below, and return it to me.

Best Regards,

Accepted by

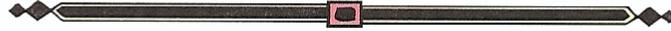
Jo Ellen Jarvis, MAI

BART STEPP

P.O. Box 1713, Vancouver WA 98668 . WA (360) 835-7070 . OR (503) 318-7048 . WA Fax (866) 371-7268

LETTER TO PROPERTY OWNER

Jarvis Appraisal Company



Mr. Steve Tuttle, Representative
Elizabeth Gillespie Trust
3030 Lewis River Road
Woodland, WA 98674

June 3, 2013

Dear Mr. Tuttle:

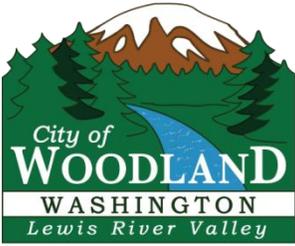
As you are aware, the City of Woodland would like to purchase the property located at 1708 Lewis River Road, Woodland, WA, (Parcel Numbers: 50235001, 50235002, and 50235006.)

The City of Woodland has hired me to appraise the property. We discussed on the phone details of the property, and whether you wished to meet me at the property. It was decided that the phone conversation provided sufficient information about the vacant site, and I inspected the site on May 26, 2013. Thank you for the information provided.

If you have questions where I can be of assistance, please contact me at (360) 835-7070.

Sincerely,

Jo Ellen Jarvis, MAI, SRA, R/W-AC
General Appraisal Certification # 1100514



P.O. Box 9
Woodland, WA 98674
www.ci.woodland.wa.us

100 Davidson Avenue
fax: (360) 225-1201

Police
(360) 225-6965

230 Davidson Avenue
fax: (360) 225-7336

**Mayor's Office
Clerk-Treasurer**
(360) 225-8281

Building
(360) 225-7299

Planning
(360) 225-1048

300 East Scott Avenue
fax: (360) 225-7467

Public Works
(360) 225-7999

June 14, 2013

Steve Tuttle and Cheryl Tuttle, Trustee for Elizabeth Gillespie Trust
3030 Lewis River Road
Woodland, WA 98674

Subject: City Purchase of Parcels 50235001, 50235002, and 50235006 for SR
503/Scott Avenue Intersection Project

Dear Steve and Cheryl,

The City of Woodland has received funding from the Washington Transportation Improvement Board to complete the SR 503 and Scott Avenue Intersection Improvement Project. As a part of the project the City is looking to purchase parcels 50235001, 50235002, and 50235006 which are owned by the Elizabeth Gillespie Trust.

Those properties have been examined by a qualified appraiser who has carefully considered all the elements which contribute to the market value of your property. Attached with this letter is a copy of the appraisal report. Based upon the market value estimated for your property of \$4.75 per square foot, the City's offer is \$125,000 for the three parcels which covers approximately 26,000 square feet of land.

Subject to closing contingencies, payment for your property will be made available to you by certified mail approximately 60 days after you accept the City's offer. The date on which payment is made available to you is called the "payment date." On that date, the City becomes the owner of the property purchased and responsible for its control and management.

You may wish to employ professional services to evaluate the City's offer. If you do so, we suggest that you employ well-qualified evaluators so that the resulting evaluation report will be useful to you in deciding whether to accept the City's offer. The City will reimburse up to \$750.00 of your evaluation costs upon submission of the bills or paid receipts.

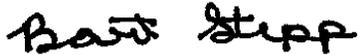
If you decide to reject the City's offer, the City, acting in the public interest, may use its right to eminent domain to acquire your property for public use. In conformity with the Washington State constitution and laws, the City's attorney will file a condemnation suit to obtain a "Court Order of Public Use and Necessity," and a trial will be arranged to determine the just compensation to be paid for the property.

The Internal Revenue Service (IRS) requires that the City obtain your correct taxpayer identification number (TIN) or social security number (SSN) to report income aid to you as a result of this real estate transaction. You will be required to complete a W-9 form and provide it to the City's agent upon acceptance of the city's offer. If you want additional information, please contact an IRS office.

We have attempted by this letter to provide a concise statement of our offer and summary of your rights. We hope the information will assist you in reaching a decision. Please feel free to call me if you have any questions.

I will contact you the week of June 24th to find out if this offer is acceptable.

Sincerely,

A handwritten signature in black ink that reads "Bart Stepp". The signature is written in a cursive, slightly slanted style.

Bart Stepp, PE
City of Woodland
Public Works Director

c. Mayor Laseke
Clint Ritter, TIB

Steven and Cheryl Tuttle,
Trustee for Elizabeth Gillespie Trust
3030 Lewis River Rd.
Woodland, WA. 98674

RECEIVED

JUN 20 2013

CITY OF WOODLAND

To: City of Woodland
PO box 9
Woodland, WA. 98674

Subject: City Purchase of Parcels 50235001, 50235002, and 50235006 for SR 503 Avenue
Intersection Project

Attn: Bart Stepp, PE
City of Woodland, Public Works Director

Dear Bart:

Thank you for your in depth assessment regarding the above Subject Parcels, it is obviously difficult to make comparisons of properties for evaluation especially when replacement values and property income are not factors. We have studied the comparisons and see the parameters used (bottom of page 19) between \$4.70 and \$5.50 per square foot. Looking at the property comparison #5 for a business Location, at \$12.23 per square foot, is far more appropriate than for properties with dubious location for business usage.

As for the Shoreline Management Permitting process, the subject properties are two lots and 50 feet away from the shoreline. Where does their jurisdiction end? Will Woodland go through the Permitting Process? I seriously doubt it. I requested from all agencies associated with all properties I own, documents showing they had jurisdiction over any of them, in 1989 and again in 2001 and all municipalities were in default with no documents presented, and no extensions requested. After 30 days default notices went out against all such agencies. In this country you still have to have the right by law and by contract to usurp authority especially over other people's properties.

The Shoreline management permitting process is another process that drives building costs up, any builder not knowing better finds he has to go through those hoops, because of the overzealous, inappropriate usurpation. We don't want to seem unsympathetic to your position, but surely after studying the compatibles \$6.00 per square foot is more in keeping with the findings.

We are therefore prepared to make a counter offer, to sell at \$6.00 per square foot equaling at your calculated 26,000 square feet \$156,000.00, and buyer pays all closing costs including excise tax and title insurance.

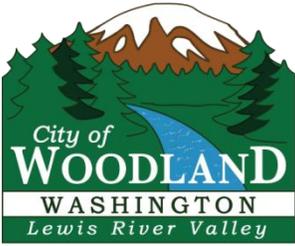
Sincerely,



Steven Tuttle and



Cheryl Tuttle, Trustee for Elizabeth Gillespie Trust, 18 June 2013



P.O. Box 9
Woodland, WA 98674
www.ci.woodland.wa.us

100 Davidson Avenue
fax: (360) 225-1201

Police
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230 Davidson Avenue
fax: (360) 225-7336

**Mayor's Office
Clerk-Treasurer**
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Building
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Planning
(360) 225-1048

300 East Scott Avenue
fax: (360) 225-7467

Public Works
(360) 225-7999

July 3, 2013

Steve Tuttle and Cheryl Tuttle, Trustee for Elizabeth Gillespie Trust
3030 Lewis River Road
Woodland, WA 98674

Subject: City Purchase of Parcels 50235001, 50235002, and 50235006 for SR
503/Scott Avenue Intersection Project

Dear Steve and Cheryl,

Thank you for your response letter which the City received on June 20, 2013 to the City's initial offer letter sent June 14, 2013. When purchasing right-of-way for road projects public agencies need to meet not only budgets but purchase prices need to be justified by a certified appraisal.

This project is being funded by a Washington Transportation Improvement Board Grant and has a specific budget for right-of-way purchases. The City can offer a maximum of \$130,000, which is \$5.00 per square foot for your property and still be within our budget and the range given by the certified appraiser. All closing costs would be paid by the buyer. This was not offered previously because the City was hoping to reserve \$5,000 for additional right-of-way if needed.

If this offer is unacceptable the City would like to restart discussions about swapping some of your property for the adjacent parcel the City owns. This would reduce the potential footprint of the project and may eliminate some improvement options but the City could still install a traffic signal. The City is also willing to discuss items other than compensation you might be interested in for your property.

Sincerely,

Bart Stepp, PE
City of Woodland
Public Works Director

c. Mayor Laseke
Clint Ritter, TIB

Bart Stepp

From: Ritter, Clint (TIB) <ClintR@TIB.wa.gov>
Sent: Monday, July 08, 2013 7:11 AM
To: Bart Stepp
Subject: RE: SR 503 Intersection Property

Hi Bart,

That's great news, not as low as we'd hoped but reasonable and will keep things moving forward. I have seen a few cases where projects or streets were named after an influential person or persons. TIB has no problem with that.

Clint

From: Bart Stepp [<mailto:SteppB@ci.woodland.wa.us>]
Sent: Friday, July 05, 2013 2:29 PM
To: Ritter, Clint (TIB)
Subject: RE: SR 503 Intersection Property

Hi Clint,

I received a call from Cheryl Tuttle today and they accepted the offer of \$130,000. I anticipate having City Council vote on the purchase of the property at the August 5th City Council meeting.

Bart Stepp, PE
City of Woodland
Public Works Director
PO Box 9; 300 E. Scott Ave.
Woodland, WA 98674
(360) 225-7999
(360) 225-7467 (fax)

From: Bart Stepp
Sent: Wednesday, July 03, 2013 12:20 PM
To: Ritter, Clint (TIB) (ClintR@TIB.wa.gov)
Subject: RE: SR 503 Intersection Property

Clint,

Attached is a copy of the final letter I sent to the property owner in response to their counter offer.

Bart Stepp, PE
City of Woodland
Public Works Director
PO Box 9; 300 E. Scott Ave.
Woodland, WA 98674
(360) 225-7999
(360) 225-7467 (fax)

From: Bart Stepp
Sent: Tuesday, July 02, 2013 11:29 AM
To: Ritter, Clint (TIB) (ClintR@TIB.wa.gov)
Subject: SR 503 Intersection Property

Hi Clint,

I received a response from the property owner's to my offer of \$125,000 at \$4.75 per square foot. They countered at \$6.00 per square foot or \$156,000. The appraiser gave a price range of \$4.75 - \$5.50 per square foot with a recommendation of \$4.75.

The \$6.00 /square foot and \$156,000 is outside of the appraised range and outside of our budget of \$100,000 plus 30% contingency.

Attached is my response which ups it to \$130,000. I've also added an item in there to add a sign basically naming the project after the trust that the property currently is in. I believe Elizabeth Gillespie was Cheryl Tuttle's mother. Is this ok by TIB and have you seen any other municipality do something like this? I know they won't accept \$130,000 outright so I was trying to think of something to sweeten the pot but not increase the price.

Bart Stepp, PE
City of Woodland
Public Works Director
PO Box 9; 300 E. Scott Ave.
Woodland, WA 98674
(360) 225-7999
(360) 225-7467 (fax)

Bart Stepp

From: Ritter, Clint (TIB) <ClintR@TIB.wa.gov>
Sent: Wednesday, June 12, 2013 8:11 AM
To: Bart Stepp
Subject: RE: Commercial Properties to be appraised for Woodland SR 503 Project

Hi Bart,

Since that is what the final appraisal came in at TIB has no issue with you offering the owner \$125,000. Just so we are both on the same page, there will be no increase in TIB funds at this time, which sounds like it should not be a problem since you had originally included the 30% contingency in the estimate.

Clint

From: Bart Stepp [<mailto:SteppB@ci.woodland.wa.us>]
Sent: Friday, June 07, 2013 4:25 PM
To: Ritter, Clint (TIB)
Subject: Commercial Properties to be appraised for Woodland SR 503 Project

Hi Clint,

Previously we had talked about purchasing ROW ahead of design for the SR 503 Project, TIB #8-5-954(004)-1 since the ROW needed was already identified. Attached is the appraisal for those properties. The appraisal came in at \$125,000. My cost estimate in my application was \$100,000 for ROW plus 30% contingency so if I offered \$125,000 this would still be within budget.

Is TIB ok with me offering \$125K? I know the seller is interested and this is more than twice the assessed value.

Thanks,

Bart Stepp, PE
City of Woodland
Public Works Director
PO Box 9; 300 E. Scott Ave.
Woodland, WA 98674
(360) 225-7999
(360) 225-7467 (fax)

From: Jo Ellen Jarvis [<mailto:jojarvis@jarvisappraisal.net>]
Sent: Friday, June 07, 2013 2:28 PM
To: Bart Stepp
Subject: RE: Commercial Properties to be appraised

Hello Bart

Enclosed is a copy of the appraisal for Lewis River Road. My associate will drop off hard copies later this afternoon.

Please let me know if you have any questions or concerns.

I'm sorry the report took longer to get to you than I anticipated.

Best regards

Jo Ellen Jarvis, MAI, SRA, R/W-AC

From: Bart Stepp [<mailto:SteppB@ci.woodland.wa.us>]
Sent: Friday, June 07, 2013 12:54 PM
To: Jo Ellen Jarvis
Subject: RE: Commercial Properties to be appraised

Jo Ellen,

Where are we at on the appraisal?

Thanks,

Bart Stepp, PE
City of Woodland
Public Works Director
PO Box 9; 300 E. Scott Ave.
Woodland, WA 98674
(360) 225-7999
(360) 225-7467 (fax)

From: Jo Ellen Jarvis [<mailto:jojarvis@jarvisappraisal.net>]
Sent: Thursday, March 07, 2013 3:42 PM
To: Bart Stepp
Subject: RE: Commercial Properties to be appraised

Hello Bart

Enclosed is my proposal to appraise the 3 lots mentioned below. I have bid it as one appraisal of a commercial lot, as it looks like that would be the highest and best use, and the larger parcel by WSDOT standards.

If you need something different, let me know, and I can adjust. Call if you have any questions.

Thanks

Jo Ellen

From: Bart Stepp [<mailto:SteppB@ci.woodland.wa.us>]
Sent: Tuesday, March 05, 2013 1:57 PM
To: jojarvis@jarvisappraisal.net
Subject: Commercial Properties to be appraised

Hi Jo Ellen,

I need an appraisal for the three parcels the City is looking to purchase which are #50235001, #50235002, and #50235006. They are adjacent parcels along SR 503 and are zoned C-3, which is Neighborhood Commercial District. They are owned by the same trust and I have had a couple positive discussions with the trustee. The appraisal needs to meet WSDOT standards. Although our grant for this project is through TIB, any future improvements may be through WSDOT funds so we need to follow their process.

All three parcels are currently undeveloped land.

Please e-mail me a proposal to complete the work. Also, you will need to get a City of Woodland business license (\$110 fee) to complete the work so include that cost in your proposal.

Thanks,

Bart Stepp, PE
City of Woodland
Public Works Director
PO Box 9; 300 E. Scott Ave.
Woodland, WA 98674
(360) 225-7999
(360) 225-7467 (fax)

PURCHASE AND SALE AGREEMENT

AN AGREEMENT between the City of Woodland, a Washington municipal corporation, hereinafter referred to as the "City", and the Elizabeth Gillespie Trust, Cheryl Tuttle, trustee, hereinafter referred to as the "Seller", to purchase real property.

1. Seller agrees to sell to City the real property legally described in Exhibit "A" and incorporated by reference for One Hundred Thirty Thousand and no/100s Dollars (\$130,000.00).

2. Closing shall take place on or before _____ .m., _____, 2013, at Cascade Title Company, located at 1425 Maple Street, Longview, WA 98632 or to another agreeable time and date. Payment shall be in cash. The City shall be entitled to possession upon closing unless agreed in writing otherwise.

3. Seller shall convey the property by warranty deed. If the property is subject to an outstanding mortgage or loan, Seller shall obtain a partial release if required.

4. The City's obligation to complete the transaction is contingent upon verification of title acceptable for the City's purposes and of Seller's authority to sell the property.

5. This document constitutes the whole agreement of the parties. Venue for any action is Cowlitz County Superior Court.

6. The City has legal authority to acquire the property for public use through the law of eminent domain. This acquisition is in lieu of the exercise of authority, making this transaction qualified as exempt from real estate excise tax for purposes of WAC 458-61A-205 and WAC 458-61A-206, provided that prior to the sale Seller has received notice of intent to exercise its power of eminent domain.

SELLER: Elizabeth Gillespie Trust

BUYER: City of Woodland

By: _____
Title: Trustee

By: _____
Title: _____

