

SITE EVALUATION

Objective: To provide the client with information to assist them with internal decision-making relating to a conveyance of a parcel located at the SW Corner of East 24th & Hilyard, Eugene, OR. The client is in agreement that this form of communication is not an appraisal and should not be construed as such; rather, this form of communication is prepared in conjunction with a consulting contract between the author and School District 4-J in conjunction with assisting the District with real estate matters. The assignment has been to assemble pertinent market data so as to advise the District on what would be a fair price for a conveyance of a 5 to 6 acre parcel to be conveyed to the Eugene Family Y.

The following assumptions have been made in conjunction with this assignment;

1. The parcel size is assumed to be between 5 & 6 acres, located at the corner of East 24th & Hilyard Streets.
2. The site is zoned either R-3 or R-4 with a PUD overlay and has received final favorable approval from all government agencies.
3. The site is clean and has received a NFA letter relating to environmental conditions.
4. No deed restrictions are present, except that the uses will be limited to those permitted uses in the PL, Public Lands zoning district.
5. The subject site will have shared access with the adjacent Roosevelt Middle School.
6. A full level of public services is available to the site.
7. That there will be a shared parking agreement between Roosevelt Middle School and the Proposed Y.
8. That there are no SDC credits transferred with the real estate.

Property Description

Map & Tax Lot: A portion of Tax Lot 100, Map 18-03-05-32

Site: Assumed to be 5-6 acres in size contained in one tax lot. The site is generally flat and rectangular shaped. A full level of public utilities is available. The site is zoned PL, Public Land however for purposes of this evaluation it has been assumed to be Medium to High Density residential. In addition it has been assumed that the site has received all final approvals for rezoning for the present zoning to Medium/High Density residential.

Improvements: None.

Observed Condition: Development-ready.

Market Conditions

Multi Family land sales in the past 6 years have escalated dramatically, primarily in the vicinity of the University of Oregon. Recent studies indicate that approximately 12,000 new beds have been added to the inventory while student enrollment has only increased approximately 4,000 during the same time period.

Recent market activity has slowed and many complexes have been placed on the market, some in anticipation of an oversupply.

The subject's location is not directly influenced by the U of O however it is in an area that is still perceived as having a sufficient level of demand so as to warrant new construction of Multi family structures.

A Planned Unit Development on the subject site would be well received with a mix of apartment types as well as a small amount of small-scale commercial and/or general office.

Pricing Recommendation

Address	Date	Size	Price/SF	Sale Price
1. 1410 River Road	6/14	332,363	5.72	\$1,900,000
2. Oak Patch Road	1/14	65,340	6.23	407,000
4. 1180 Patterson St.	7/13	31,942	45.71	1,460,000
5. Patterson & 13 th	8/13	15,682	87.68	1,375,000
6. 1180 Patterson St.	9/13	31,942	27.86	890,000
7. 1843 Patterson St.	10/13	25,600	64.06	1,640,000
8. 1009 Patterson St.	2/14	25,700	33.07	850,000
9. 363 E. 17 th Ave	8/13	5,846	58.16	340,000
10. Civic Stadium	1/14	440,392	11.92	5,250,000
10a. Civic Stadium	1/14	440,392	23.62	10,400,000
11. 15 & Orchard	6/14	30,880	Confidential	1,850,000

The preceding items of market data range from a high of \$ 87.68 per sq. ft. to a low of \$6.23 per sq. ft. As previously stated, the increases surrounding the U of O are slowing although

there are still market indicators of additional new construction scheduled for the next 12-24 months.

The sales on River Road and Oakpatch are indicative of outlying unit prices for more traditional multi family sites. Both are currently under construction.

Sales 4-9 are all influenced by their proximity to the U of O and timing of the transaction also reflects the unit prices paid. In addition, some had substantial improvement values imbedded into the transaction amounts.

The Civic stadium Sale fails to reflect both Fred Meyer proposals, Sale 10 reflecting the cash price, while 10a reflects the present value of the lease payments over 20 years as well as a minimum future value of at least 11 million discounted to a present value. Both transactions were dependent upon the buyer achieving a Metro Plan amendment, which could have been costly and time consuming.

Sale 11 is a confidential transaction currently in Escrow, waiting city approval for studio units to be approved for the site. This transaction reflects the continued demand for housing, despite the perceived oversupply of campus related housing units.

Based on recognition of the subject's location, and considering the assumptions necessitated for a reliable comparative analysis, it is concluded that the property under consideration could reasonably command \$20 per sq. ft. under current market conditions.

The range of a potential sale price for the subject ranges from a low of \$4,356,000 to a high of \$5,227,000 based on a 5-6 acre parcel.