

Memo

To: Mike Ramsey, Recreation and Conservation Office
From: Peter Scholes, The Nature Conservancy
Date: July 11, 2012
Re: ESRP Grant for Barnum Point Acquisition (RCO No. 11-1651A)

This memo describes the negotiation sequence for the pending Barnum Point acquisition that resulted in no Offer to Purchase, in which The Nature Conservancy (TNC) informed “the owner of the value of the property based on the results of a reviewed appraisal.”

October 2009: The landowners (Stay and Barnum) approach TNC to inquire about our interest in their Barnum Point properties. Representing the other owners is Ed Stay who is a real estate appraiser (Stay Appraisal Service).

January 2010: TNC notifies the landowners of our intention to appraise their Barnum Point properties.

June 2010: Appraiser Anthony Gibbons, TNC and Ed Stay meet to discuss Gibbons’ draft appraisal. Ed Stay adamantly rejects Gibbons analysis and preliminary conclusion. Nevertheless, Gibbons completes his assignment for TNC with a restricted appraisal report of the 84-acre “Barnum-Stay Estate.” TNC informs the landowners of Gibbons’ conclusion.

December 2010: Appraiser Chris Eldred appraises the Barnum Point properties for the landowners and concludes a value nearly 2½ times higher than Gibbons.

March 2011: TNC approaches the landowners to say no acquisition is possible. The landowners respond that the Barnums are pulling their three parcels on Triangle Cove (10 acres total) out of the deal, but the Stays will sell 62 acres in fee and place a conservation easement on the shoreline of their remaining 17 upland acres for \$4,650,000.

August 2011: TNC informs the Stays that appraiser Vicki Adams has preliminarily concluded that the property being offered is worth \$4,000,000.

January 2012: The Stays and TNC sign an option for \$4,000,000.

March 2012: TNC informs the Stays that we have funding for only \$2,000,000 worth of property and proposes to purchase only 27 acres in fee plus the conservation easement, leaving the Stays with enough acreage for seven residential lots under Island County zoning. The Stays accept, albeit they are quite disappointed.

May 2012: Vicki Adams completes her appraisal of the property to be purchased and concludes a value of \$2,060,000, which review appraiser Stephen Juntala affirmed in July.

July 2012: A copy of the Adams' appraisal is delivered to the Stays.