

DSG Policy Memorandum
Administrative Interpretation
#12-02



DEVELOPMENT SERVICES GROUP
9611 SE 36TH St., Mercer Island, WA 98040
(206) 236-5300

TO: DSG Staff
FROM: Noel Treat, Acting Development Services Director
DATE: August 21, 2012
RE: Requested Code Interpretations for 6053 Island Crest Way, regarding Use of Property for Boarding Horses
CC: Katie Knight, City Attorney

ISSUES:

On August 7, 2012, the City of Mercer Island Development Services Group received a request for an interpretation of the code as it relates to one particular property at 6053 Island Crest Way, and the associated use.

The owner of the property at 6053 Island Crest Way, parcel number 192405-9046, requests the City of Mercer Island affirm:

1. *the owner has demonstrated compelling evidence that the property...maintained numerous horses simultaneously, and that owners of the property shall be able to use the property for as many as one dozen horses as a continuation of a legal nonconforming use;*
2. *the owner has demonstrated compelling evidence that the property has been actively marketed for sale, and thus, the legal nonconforming use has not been abandoned pursuant to 19.01.050(E)(3); and*
3. *the owner shall maintain its status as a legally nonconforming use to board and maintain horses pursuant to 19.01.050(A)(2).*

FINDINGS

1. Mercer Island City Code (MICC) 19.01.050(E) states:
Abandonment of a Legally Nonconforming Structure or Use.
 1. *Structure. A legally nonconforming structure shall be deemed to be abandoned, and shall lose its legal nonconforming status and be required to come into conformance with current code requirements, after the structure has been unoccupied continuously for 12 months or more, unless it is listed on the state or federal register of historic buildings or meets the criteria for a historic building pursuant to Chapter 16.01 MICC.*

2. *Use. A legally nonconforming use shall be deemed to be abandoned and shall lose its legal nonconforming status, and any subsequent use shall be required to conform with current code requirements, after the use has been discontinued for 12 consecutive months or more.*

3. *Exception. A structure that has been unoccupied continuously for 12 months or more, or a use that has been discontinued for 12 consecutive months or more, shall not be deemed abandoned if the owner of the structure can provide compelling evidence, to the satisfaction of the code official, that the structure is being actively marketed for sale or the owner of the structure otherwise has a reasonably timely and viable plan for resuming occupation of the property or resuming the legally nonconforming use.*

2. A letter was submitted by Linda Ramsey (Exhibit A) with the request. The letter stated that there have been horses on the property since 1953. The letter is not specific to when there were more than two horses or how many horses were maintained on the property at a given time.
3. A copy of a newspaper article from the *Mercer Island Reporter*, dated April 5, 2011, was provided (Exhibit B). The article states that there are 10 horses boarded on the Stevenson property. No source for the number was provided in the article. The author of the article, Linda Ball could not be reached at the *Mercer Island Reporter*, as she is reported to no longer work there.
4. An email from Jim Stevenson, dated July 31, 2012 was provided (Exhibit C). Jim Stevenson states in the email "I believe there were 12-15 horses being boarded on the property."
5. A letter (Exhibit D) from Lorna Beckwith Isenberg, dated July 30, 2011, provided that she boarded her horse on the property for seven years. The letter states "the number of horses on the property was always around a dozen, give or take a few over the years." The Code Official finds that this is compelling evidence that there was the boarding of horses on the property, as the person declared that they had a horse on the property, had personal observation of the other horses, made the statement under penalty of perjury.
6. A letter (Exhibit E), dated March 23, 2011, was provided, which the application provides is "a copy of the letter Ms. Isenberg received from the Stevenson's family asking boarders to find other accommodations for their horses." The letter requests the recipient find other lodging for the horse no later than May 15, 2011. The dates of the letter correspond closely with the date of the newspaper article in the *Mercer Island Reporter* and other exhibits cited in this interpretation.
7. The Sale and Listing Agreement (Exhibit G) is dated October 4th, 2011. The expiration date of the sale and listing agreement is provided as December 8, 2012.
8. Hand written note on a matrix (Exhibit H) that shows dates and other information, detailing NWMLS property marketing history. The first date for the stated marketing history is October 4, 2011.
9. Exhibit I, labeled "Single Family Full", is described as an "MLS abstract describing the property" and indicates that as of July 13, 2012, the property had been on the market for 283 cumulative days. The document provides that the "List Dt" is October 4, 2011.

10. Exhibit G states:

“Note: Market conditions determined the number of horses boarded. At all times, twenty stalls were available for lease. I ran the horse boarding operation for my father for the last five (plus or minus) years and so have intimate knowledge of the operation. Lew Stevenson 8/7/12”

11. Information has been provided that that there were horses on the property up to May 15, 2011.

12. Information has also been provided that the property was actively marketed for sale on October 4, 2011.

CONCLUSIONS

Based on the information that has been provided, the Code Official has determined the following:

1. Evidence has been provided that the site was used for the boarding of horses. This use appears to be a legally established, nonconforming land use prior to the discontinuation of the use based on the information that was included with the application for the code interpretation. Compelling evidence has been provided (Exhibits C, D, and E) that there have been 10 horses maintained on the property.
2. Compelling evidence (Exhibits G and H), to the satisfaction of the Code Official, has been provided, which demonstrates that the property and associated structures have been actively marketed for sale within 12 months of the discontinuation of the boarding of horses.
3. Any future continuation of a legally established nonconforming land use must comply with the applicable regulations in place at that future time. The Code Official can not currently assert that future owners will or will not be in compliance with all applicable regulations in the future.



JOHN HELLER

Advice + Marketing + Intelligence

August 6, 2012

George Steirer
Principal Planner
City of Mercer Island
9611 SE 36th St.
Mercer Island, WA 98040

Hand Delivered



RE: Request for Code Interpretation

Dear George,

As mentioned to you earlier, my client currently has the Stevenson property at 6053 Island Crest Way under contract and is completing their feasibility study in order to hopefully retain the legacy of maintaining horses on the farm. To that end, we are requesting a code interpretation from the City based on the attached documentation. It is important to note in this submission that all of Lew Stevenson Sr.'s children have reviewed the documentation and fully approve and join in this request.

I have enclosed full payment for the code interpretation and request your written response no later than the end of business **Thursday, August 9th 2012** in order to meet our obligations moving forward. Please forward your response via the email address below.

Please feel free to contact me by phone or email if you have any questions or need further clarification.

Thank you again George. I look forward to your response.

Sincerely,

The Heller Company, Realtors
John Heller, President



Request for Code Interpretation

A potential purchaser of 6053 Island Crest Way, parcel number 192405-9046, commonly referred to as the Stevenson Farm, wants to maintain horses on the subject premises for private use. The potential purchaser requests a code interpretation.

Background

Lewis Stevenson, Sr. owned the "Stevenson Farm" as his residence for approximately 60 years. A horse barn was built on the property in 1953 for the family's two horses. (See Exhibit A, Statement of Linda Eveth-Ramsey, daughter of Lewis Stevenson Sr.) The number of horses on the property increased over time as Mr. Stevenson operated a legal commercial horse boarding business on the property. The horse boarding business was still in operation at the time of Mr. Lewis Stevenson, Sr.'s death in March, 2011. (See Exhibit A, Statement of Linda Eveth-Ramsey and Exhibit B, a copy the Mercer Island newspaper article by Linda Ball dated April 5, 2011.)

According to Mr. Jim Stevenson, his father boarded as many as 20 horses at one time on the property. (See Exhibit C, Statement of Jim Stevenson) At the time of Lewis Stevenson Sr.'s death, Jim Stevenson recalls 12-15 horses were boarded on the property. Following Lewis Stevenson Sr.'s death, the family asked all the boarders to remove their horses from the premises.

Ms. Lorna Beckwith Isenberg boarded her horse on the Stevenson Farm from May, 2004 until May, 2011. Ms. Isenberg confirms that during the seven years she boarded her horse on the Stevenson Farm, there were always around a dozen horses, give or take a few. Following Mr. Lewis Stevenson Sr.'s death, Ms. Isenberg received a request to relocate her horse from the property by May 15, 2011. (See Exhibit D, Declaration from Ms. Isenberg and Exhibit E, a copy of the letter Ms. Isenberg received from the Stevenson' family asking boarders to find other accommodations for their horses.

The Stevenson Farm has been continuously on the market for sale since Mr. Lewis Stevenson Sr.'s death. The City of Mercer Island created a real estate notice concerning the availability of the property as early as May 24, 2011. (See Exhibit F, a copy of the posting from the City of Mercer Island Development Service Group, dated May 24, 2011.)

The Stevenson Family also marketed the property for sale. The family engaged the services of Peter Hayes, of Coldwell Banker Bain, on October 4, 2011 as their exclusive sales agent to secure a purchaser for the Stevenson Farm. The property has been actively marketed by Mr. Hayes since October 4, 2011 (Please see Exhibit G, a copy of the Exclusive Sales and Listing Agreement between the Stevenson Family and Peter Hayes of Coldwell Banker Bain, Exhibit H, an abstract of the MLS listing confirming the property has been actively listed by Mr. Hayes since October 4, 2011 and Exhibit I, an MLS abstract describing the property and indicating that as of July 13, 2012, the property had been on the market for 283 cumulative days.)

The Stevenson family maintained horses and structures for horses on the property beginning in 1953. The use and structures on the property located at 6053 Island Crest Way, parcel number 192405-9046, commonly referred to as the Stevenson Farm were recognized by the City of Mercer Island as legally established non-conforming use and structures in accordance with Section 19.01.050 of the

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Mercer Island Municipal Code. Over the years Mr. Lewis Stevenson Sr. boarded as many as 20 horses at one time on the property. During the last seven years of his life, Mr. Lewis Stevenson Sr. boarded at least a dozen horses on the property. Following Mr. Stevenson Sr.'s death, the horses were removed from the property by May 15, 2011 and the property has been actively marketed for sale beginning with the City of Mercer Island's posting on May 24, 2011 and continuing with the uninterrupted exclusive listing by the Stevenson family on October 4, 2011. Mr. Lewis Stevenson Sr.'s family has reviewed this submission as evidenced by the statement at Exhibit J.

Mercer Island Municipal Code Title 19 Unified Land Development Code.

19.01.050(A)2 states

Legal Nonconforming Status of Structures, Sites and Uses. All structures, sites and uses that lawfully existed prior to September 26, 1960, shall be considered legally nonconforming. Structures, sites and uses that were constructed or initiated after September 26, 1960, that were in conformance with all applicable code provisions in effect at the time of their creation but are not in compliance with current land use codes as a result of subsequent changes in code requirements are deemed to be legally nonconforming structures, sites and uses.

19.01.050 E(2) states:

A legally nonconforming use shall be deemed to be abandoned and shall lose its legal nonconforming status, and any subsequent use shall be required to conform with current code requirements, after the use has been discontinued for 12 consecutive months or more.

19.01.050 E(3) creates an exception:

Exception. A structure that has been unoccupied continuously for 12 months or more, or ***a use that has been discontinued for 12 consecutive months or more, shall not be deemed abandoned if the owner of the structure can provide compelling evidence, to the satisfaction of the code official, that the structure is being actively marketed for sale*** or the owner of the structure otherwise has a reasonably timely and viable plan for resuming occupation of the property or resuming the legally nonconforming use. (emphasis added)



Issue One:

The potential purchaser requests the City of Mercer Island affirm 6053 Island Crest Way, parcel number 192405-9046, commonly referred to as the Stevenson Farm shall maintain its status as a legally nonconforming use to board and maintain horses pursuant to 19.01.050(A)2.

Issue Two

The potential purchaser requests the City of Mercer Island affirm the owner has demonstrated compelling evidence that the property located at 6053 Island Crest Way, parcel number 192405-9046, commonly referred to as the Stevenson Farm has been actively marketed for sale and thus the legal nonconforming use has not been abandoned pursuant to 19.01.050(E)3.

Issue Three:

The potential purchaser requests the City of Mercer Island affirm the owner has demonstrated compelling evidence that the property located at 6053 Island Crest Way, parcel number 192405-9046, commonly referred to as the Stevenson Farm maintained numerous horses, simultaneously, and that owners of the property shall be able to use the property for as many as one dozen horses as a continuation of a legal nonconforming use pursuant to 19.01.050(A)2 and 19.01.050(E)3.

Thank you for your time and consideration.



Exhibit A

To whom it may concern.
Re: 6053 Col. Crest Way.

The chicken house was on the property well before 1951, when my parents bought the property. The cabin had also been there for years before 1951. The Q-hut was there as it is now in 1951.

The horse barn was built around 1953 for over 2 horses. There have been horses there since that time. My dad boarded horses until his death in March of 2011. The horse people were given notice to find other boarding arrangements by, I believe, the middle of May 2011.

We did not take many pictures in those days, but I would be happy to share any information I remember.

Linda E. with Ramsey
425-368-6941

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Exhibit B

Stevenson Farm horses evicted

RELATED STORIES

Mercer Island Reporter

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[Letter | Stevenson Farm's opportunity for open space](#)
[Eviction sets off a frenzy](#)
[The Eucharist: back to the roots... On religion](#)
[This time, let's buy the farm | Editorial](#)

Eastside

[Stevenson again triumphs at chess tourney](#)
[Chess players from Stevenson Elementary meet their strongest challenger](#)
[Stevenson Elementary School's Chess Team wins big at national event](#)

By LINDA BALL

Mercer Island Reporter Staff Writer

Apr 05 2011

Bucolic is how horse owner Lorna Isenberg refers to the Stevenson property where she has boarded her thoroughbred, Rocky, for nine years.

The Stevenson property, an approximately five-acre oasis south of Island Park off of Island Crest Way, is the only place other than the Saddle Club, right down the road, where horses can be found on the Island.

Lewis Stevenson Sr., who owned the property, died March 16, and now his heirs are asking the horse owners to find other lodging for their horses by May 15. There are 10 horses boarded there.

"We are sorry to inform you that, due to the passing of our dad, Lewis Stevenson, it is now necessary to close down his horse boarding operation," the letter from the Stevenson family reads. "Our dad took great pleasure in providing you with a place to enjoy your horse — sadly, it must come to an end."

Isenberg is lucky. Her trainer has a barn in the Maple Valley area where Rocky knows the place and the other horses, and where he will be fine. "We knew it was coming," Isenberg said. "Mr. Stevenson was very elderly. The whole thing is a great loss for Mercer Island."

Isenberg said the Stevenson family has been wonderful. She and the other horse owners are grateful for the time they had at the Stevenson farm.

There are a dozen horse stalls on the property and plenty of area for turnout. Isenberg said it's all self-care — nothing fancy; in fact, it's rather rustic. But it's home for the horses, and a place where kids walking by can stop and pet Rocky, or whatever horse they choose.

The boarders have paid \$200 per month to keep their horses there, not quite enough to cover the annual tax bill of \$27,833 for 2011. The \$200 includes water, and the

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Stevenson family has removed the manure from the pasture. There is no electricity to the stalls.

Connie Clark-Redmond is the president of the Mercer Island Saddle Club. She said they only have 20 stalls at the club, and a waiting list of 40 people. Clark-Redmond said the person at the top of the waiting list has been on the list for six years. She said she is not aware of any other property where people could take their horses.

"The nice thing about Stevenson's is, it's a close ride to the Saddle Club," she said. "We have at least four people on our waiting list that are at Stevenson's." Lori Dawson has two horses at Stevenson. She is fortunate because she is moving to Colorado at the end of June, where her horses will have 10 acres to roam.

"It's a huge loss to the community," Dawson said.

Dawson said the loss of the Stevenson property will impact the health of the horses because there is significant turnout, or room for the horses to roam around on the property, but there is not at the Saddle Club.

"Horses are meant to move around and interact with one another," Dawson said.

Isenberg and Clark-Redmond agree. Isenberg said horses are social animals, and they are in a great place at Stevenson since they can move around.

"Horses are just like people," Clark-Redmond said. "Some don't like being contained to a small space. Horses are more active and need more room."

Lewis Stevenson had four children: Lew Jr., Jim, Nancy Comer and Linda Ramsey. Lew Stevenson Jr. is a CPA in the Bellingham area. The four of them plan to get together after tax season to discuss their options. He said they haven't made any decisions.

A prepared statement from the family reads, "As with every passing of a loved one, things change and we, unfortunately, find ourselves in the position of making some difficult choices — choices we realize may result in change to a property that has been a fixture of the community for the last 60 years.

"While our longtime horse boarders have been aware of our 95-year-old father's increasing health issues and the likelihood of a change in use of the property on his passing, we understand the disruption loss of such a facility can bring.

"One thing is clear to the four siblings and that is with our father no longer keeping an eye on the place, we do not have the ability to manage a horse boarding operation from our distant locations.

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"As with other families of a deceased who must decide on the handling of a loved one's assets, we too will be deciding on the best way to handle the disposition of our parent's property.

"We struggle with the fact our parents worked very hard to preserve their way of life for almost 60 years on the Island, and this included their strong desire to make a horse facility available to young people who had a love of horses in the community. We would love to see the property preserved as one large parcel and are open to the community's efforts to make that happen."

The King County assessor's office has the land assessed at \$3,187,000 and the old house that Stevenson lived in until his death assessed at \$64,000. The roof of the house is caked in moss, and the roof of an outbuilding has caved in. But this is a flat, easily accessible parcel, ripe for development.

Zoned R9.6, if the property were to be subdivided, each lot would have to be a minimum of 9,600 square feet, said George Steirer, the principal planner for the City of Mercer Island. Steirer said he is not aware of any pre-applications to develop the land. He said some land would have to be taken out for roads, and utilities would be underground.

EJ Bowlds, the principal managing broker for Coldwell-Banker Bain on Mercer Island, said about one-third of the property would be lost to roads if it were to be developed.

"A big-production builder might have the horsepower to buy it, but to buy it and subdivide it could take two to two-and-a-half years," Bowlds said. "By then the market would be arguably better, but it's not exactly the best timing for someone to do this."

But, this is Mercer Island, Bowlds said, and people do want to live here. He said it would depend on the product and the price as to whether or not a development would work on the Stevenson property. Bowlds said a developer would look at what he/she could sell individual lots for in a couple of years, taking development expenses into account. That said, he felt the land might be worth \$3.5 to \$4 million now — noting that three years ago it was probably worth \$6 million.

Realtor Diane Rae Jones, with Windermere Real Estate, using a rule of thumb, felt the property might be worth \$4.5 million. But good luck selling it, she said, due to the fact that it has no view, and often the best buyers for large tracts of land — builders — just don't have the money right now.

Mercer Island builder Peter Davis agreed that it's not the market it was five years ago, and acknowledged the difficulty in obtaining financing on raw land for development. But, Davis said, there's always the possibility of somebody getting creative on the financing.

Horse trainer Jacqueline Jacobi, who trains 40 students using her own two horses and one other at the Saddle Club, said there is a possibility of the horse community approaching the Stevenson family with some ideas to perhaps create a nonprofit for use by the



equestrians, or come up with an investor to buy the property, maybe build four homes and devote the balance to horses.

Mercer Island Reporter Staff Writer Linda Ball can be reached at lbali@mi-reporter.com or (206) 232-1215 ext. 5052.



Marcia Fischer

From: Pete Hayes [petehayes@cbbain.com]
Sent: Tuesday, July 31, 2012 11:31 AM
To: John Heller
Subject: Fwd: [SUSPECTED SPAM] Horses

Fyi

Peter C Hayes
206-790-5263
Sent from my iPhone
<http://petehayes.m.cbbain.com/>

Begin forwarded message:

From: Jim Stevenson <Jim.Stevenson3@safeway.com>
Date: July 31, 2012 11:29:32 AM PDT
To: Pete Hayes <petehayes@cbbain.com>
Cc: Nancy Comer <grandpas56@centurylink.net>, Linda Ramsey <grmawillie@gmail.com>, Lew Stevenson <lew@a1cpa.com>, jim <jsstbird@aol.com>
Subject: [SUSPECTED SPAM] Horses

Pete

Per your request here is my statement concerning the number of horses that were boarded at 6053 Island Crest Way, Mercer Island, WA.

When my father was alive and living at the above address he had as many as 20 horses boarded on the property at any one time. At the time of his death I believe there were 12-15 horses being boarded on the property.

Jim

Jim Stevenson
Safeway, Inc.
Portland Division
Director Construction
503-657-6146 Tel
503-819-8621 Cell
623-336-6559 Fax



"Email Firewall" made the following annotations.

Warning: All e-mail sent to this address will be received by the corporate e-mail system, and is subject to archival and review by someone other than the recipient. This e-mail may contain proprietary information and is intended only for the use of the intended recipient(s). If the reader of this message is not the intended recipient(s), you are notified that you have received this message in error and that any review, dissemination, distribution or copying of this message is strictly prohibited. If you have received this message in error, please notify the sender immediately.
=====

Exhibit D

City of Mercer Island
Mercer Island, Washington 98040

Re: Boarding Horses at Stevenson Farm

To Whom It May Concern:

I boarded my horse at the Stevenson Farm located at 6053 Island Crest Way, Mercer Island Washington from May, 2004 to May, 2011. I paid a fee to board my horse on the property.

I declare the foregoing to be true and correct under the penalty of perjury under the laws of the State of Washington.

Date: 7-30-12

Lorna Beckwith Isenberg

Signature

Print Name: Lorna Beckwith Isenberg

To Whom it May Concern -

During our time at Stevenson's, the number of horses on the property was always around a dozen, give or take a few over the years.

Thank you -

Lorna Beckwith Isenberg

P.S. I was mistaken about being on the property for nine years. As you see above, we were there seven years.

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Exhibit E

March 23, 2011

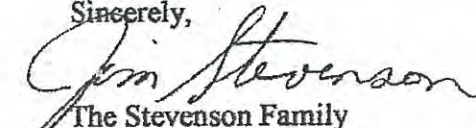
Dear Horse Owners,

We are sorry to inform you that, due to the passing of our dad, Lewis Stevenson, it is now necessary to close down his horse boarding operation. We are asking that you find other "lodging" for your horse as soon as possible, but no later than **May 15, 2011**. You are welcome to dismantle the sheds you have built and take the material you brought in with you. If you just want to take your belongings and leave the sheds, that is OK too.

Our dad took great pleasure in providing you with a place to enjoy your horse, and we sincerely appreciate all you have done to keep this running smoothly as long as possible. Sadly, it must come to an end, but we hope you carry as many wonderful memories of the property and your time there as we do.

If you have any questions, please feel free to call us.

Sincerely,


The Stevenson Family
Jim Stevenson
503-658-7247



STEVENSON FARM

6053 ISLAND CREST WAY, MERCER ISLAND

DEVELOPMENT CODE CONSIDERATIONS

Design Considerations

Zoning: R-9.6 (Min. 9,600 sq ft lot area, 75 ft lot width, and 80 ft lot depth per MICC 19.02.020 A)

Number of Lots: Assuming 30% of the site would be developed for internal access plus the SE 62nd St right-of-way dedication, stormwater management, and utilities, the site may be large enough for 11 to 13 lots (based on the King County Dept. of Assessments information for lot size).

Setbacks: 25-ft front yard; 20-ft rear yard; the sum of the side yards shall be at least 15 feet. Lots abutting Island Crest Way must have the rear or side portion of the lots abut the arterial and the subdivision must have internal access streets per MICC 19.08.030 F.1

Optional Standards: The city code does allow for some variation from some design standards under certain circumstances. Please see MICC 19.08.030 G for details.



City Contact Information: Please contact the City of Mercer Island Development Service Group at (206) 275-7605 or via email at midsg@mercergov.org.

For additional information, including specific municipal code requirements, application forms, and fees, please visit www.mercergov.org/dsg.

Allowed Uses

A summary of allowed uses by the municipal code, subject to meeting all other code requirements and specific conditions, include:

1. Single-family dwelling and the following associated uses:
 Accessory buildings, one Accessory Dwelling Unit, home business, state-licensed day care or preschool
2. Private recreational areas
3. Public schools
4. Public park
5. Special needs group housing
6. Social service transitional housing
7. One accessory building for the housing of domestic animals and fowl, having a floor area not to exceed 36 square feet for each lot and located not less than 65 feet from any place of habitation other than the owners'; provided, the roaming area shall be fenced and located not less than 35 feet from any adjacent place of human habitation.



The following uses are allowed subject to approval of a Conditional Use Permit, which would be reviewed by the Mercer Island Planning Commission:

1. Government services, public facilities, utilities, museums and art exhibitions
2. Places of worship and retirement homes located on property used primarily for a place of worship
3. Noncommercial recreational areas
4. Nonschool uses of school buildings
5. A state-licensed day care or preschool that is not accessory to a single-family home

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EXCLUSIVE SALE AND LISTING AGREEMENT

Nancy Comer, Linda Ramsey, Jim Stevenson and Lewis Stevenson, Trustees ("Seller") 1
 hereby grants to Coldwell Banker Bain ("Real Estate Firm" or "Firm") 2
 from date hereof until midnight of [REDACTED] ("Listing Term"), the sole and exclusive right 3
 to submit offers to purchase, and to receipt for deposits in connection therewith, the real property ("the Property") 4
 commonly known as 6057 Island Crest Way 5
 in the City of Mercer Island, County of King, State of Washington, Zip 98040; 6
 to be listed at \$ 6,000,000.00 and legally described as: LOT _____, BLOCK _____, 7
 DIVISION _____, VOL _____, PAGE _____ 8
See Exhibit "A" 9

1. **DEFINITIONS.** For purposes of this Agreement: (a) "MLS" means the Northwest Multiple Listing Service; and (b) "sell" includes a contract to sell; an exchange or contract to exchange; an option to purchase; and/or a lease with option to purchase. 10-12
2. **AGENCY/DUAL AGENCY.** Seller authorizes Firm to appoint Peter C. Hayes as Seller's Listing Broker. This Agreement creates an agency relationship with Listing Broker and any of Firm's brokers who supervise Listing Broker's performance as Seller's agent ("Supervising Broker"); No other brokers affiliated with Firm are agents of Seller, except to the extent that Firm, in its discretion, appoints other brokers to act on Seller's behalf as and when needed. 13-17
 If the Property is sold to a buyer represented by one of Firm's brokers other than Listing Broker ("Buyer's Broker"), Seller consents to any Supervising Broker, who also supervises Buyer's Broker, acting as a dual agent. If the Property is sold to a buyer who Listing Broker also represents, Seller consents to Listing Broker and Supervising Broker acting as dual agents. Seller acknowledges receipt of the pamphlet entitled "The Law of Real Estate Agency." 18-22
 If any of Firm's brokers act as a dual agent, Firm shall be entitled to the entire commission payable under this Agreement plus any additional compensation Firm may have negotiated with the buyer. 23-24
3. **COMMISSION.** If (a) Firm procures a buyer on the terms in this Agreement, or on other terms acceptable to Seller; or (b) Seller directly or indirectly or through any person or entity other than Firm, during the Listing Term hereof, sells the Property; Seller will pay Firm a commission of (fill in one and strike the other) _____% of the sales price, or \$_____. From Firm's commission, Firm will offer a cooperating member of MLS representing a buyer a commission of (fill in one and strike the other) _____% of the sales price, or \$_____. Further, if Seller shall, within six months after the expiration of the Listing Term, sell the Property to any person to whose attention it was brought through the signs, advertising or other action of Firm, or on information secured directly or indirectly from or through Firm, during the Listing Term, Seller will pay Firm the above commission. Provided, that if Seller pays a commission to a member of MLS or a cooperating MLS in conjunction with a sale, the amount of commission payable to Firm shall be reduced by the amount paid to such other member(s). Provided further, that if Seller cancels this Agreement without legal cause, Seller may be liable for damages incurred by Firm as a result of such cancellation, regardless of whether Seller pays a commission to another MLS member. 25-37
4. **NO DISTRESSED HOME CONVEYANCE.** Firm will not represent or assist Seller in a transaction that is a "Distressed Home Conveyance" as defined by Chapter 61.34 RCW unless otherwise agreed in writing. A "Distressed Home Conveyance" is a transaction where a buyer purchases property from a "Distressed Homeowner" (defined by Chapter 61.34 RCW), allows the Distressed Homeowner to continue to occupy the property, and promises to convey the property back to the Distressed Homeowner or promises the Distressed Homeowner an interest in, or portion of, the proceeds from a resale of the property. 38-43
5. **KEYBOX.** Firm is authorized to install a keybox on the Property. Such keybox may be opened by a master key held by members of MLS and their brokers. A master key also may be held by affiliated third parties such as inspectors and appraisers who cannot have access to the Property without Firm's prior approval which will not be given without Firm first making reasonable efforts to obtain Seller's approval. 44-47

NAC
Seller

L.R.
Seller



EXCLUSIVE SALE AND LISTING AGREEMENT
Continued

B

- 6. **SELLER'S WARRANTIES AND REPRESENTATIONS.** Seller warrants that Seller has the right to sell the Property on the terms herein and that the Property information on the attached additional pages to this Agreement is correct. Further, Seller represents that to the best of Seller's knowledge, there are no structures or boundary indicators that either encroach on adjacent property or on the Property. Seller authorizes Firm to provide the information in this Agreement and the attached additional pages to prospective buyers and to other cooperating members of MLS who do not represent the Seller and, in some instances, may represent the buyer. Seller agrees to indemnify and hold Firm and other members of MLS harmless in the event the foregoing warranties and representations are incorrect. 48-55
- 7. **CLOSING COSTS.** Seller shall furnish and pay for a buyer's policy of title insurance showing marketable title to the Property. Seller shall pay real estate excise tax and one-half of any escrow fees or such portion of escrow fees and any other fees or charges as provided by law in the case of a FHA or VA financed sale. Rent, taxes, interest, reserves, assumed encumbrances, homeowner fees and insurance are to be prorated between Seller and the buyer as of the date of closing. 56-60
- 8. **MULTIPLE LISTING SERVICE.** Firm shall cause this listing to be published by MLS. Seller authorizes MLS to distribute the Property information on the attached additional pages to third parties that provide services to Firm and other members of MLS. Firm may refer this listing to any other cooperating multiple listing service at Firm's discretion. Firm shall cooperate with all other members of MLS, or of a multiple listing service to which this listing is referred, in working toward the sale of the Property. Regardless of whether a cooperating MLS member is the agent of the buyer, Seller, neither or both, such member shall be entitled to receive the selling firm's share of the commission. **IT IS UNDERSTOOD THAT MLS IS NOT A PARTY TO THIS AGREEMENT AND ITS SOLE FUNCTION IS TO FURNISH THE DESCRIPTIVE INFORMATION ON THE ADDITIONAL PAGES ATTACHED TO THIS AGREEMENT TO ITS MEMBERS, WITHOUT VERIFICATION AND WITHOUT ASSUMING ANY RESPONSIBILITY FOR SUCH INFORMATION OR IN RESPECT TO THIS AGREEMENT.** 61-70
- 9. **DISCLAIMER/SELLER'S INSURANCE.** Neither Firm, MLS, nor any members of MLS or of any multiple listing service to which this listing is referred shall be responsible for loss, theft, or damage of any nature or kind whatsoever to the Property and/or to any personal property therein, including entry by the master key to the keybox and/or at open houses. Seller is advised to notify Seller's insurance company that the Property is listed for sale and ascertain that the Seller has adequate insurance coverage. If the Property is to be vacant during all or part of the Listing Term, Seller should request that a "vacancy clause" be added to Seller's insurance policy. 71-77
- 10. **FIRM'S RIGHT TO MARKET THE PROPERTY.** Seller shall not commit any act which materially impairs Firm's ability to market and sell the Property under the terms of this Agreement. In the event of breach of the foregoing, Seller shall pay Firm a commission in the above amount, or at the above rate applied to the listing price herein, whichever is applicable. Unless otherwise agreed in writing, Firm and other members of MLS shall be entitled to show the Property at all reasonable times. Firm need not submit to Seller any offers to lease, rent, execute an option to purchase, or enter into any agreement other than for immediate sale of the Property. 78-83
- 11. **SELLER DISCLOSURE STATEMENT.** Unless Seller is exempt under RCW 64.06, Seller shall provide to Firm as soon as reasonably practicable a completed and signed "Seller Disclosure Statement" (Form 17 (Residential), Form 17C (Unimproved Residential), or Form 17 Commercial). Seller agrees to indemnify, defend and hold Firm harmless from and against any and all claims that the information Seller provides on Form 17, Form 17C, or Form 17 Commercial is inaccurate. 84-88
- 12. **DAMAGES IN THE EVENT OF BUYER'S BREACH.** In the event Seller retains earnest money as liquidated damages on a buyer's breach, any costs advanced or committed by Firm on Seller's behalf shall be paid therefrom and the balance divided equally between Seller and Firm. 89-91
- 13. **ATTORNEYS' FEES.** In the event either party employs an attorney to enforce any terms of this Agreement and is successful, the other party agrees to pay reasonable attorneys' fees. In the event of trial, the successful party shall be entitled to an award of attorneys' fees and expenses; the amount of the attorneys' fees and expenses shall be fixed by the court. The venue of any suit shall be the county in which the Property is located. 92-95

DATED THIS 4th DAY OF October, 2011 Are the undersigned the sole owner(s)? YES NO

FIRM (COMPANY) Coldwell Banker Bain

SELLER: Nancy H. Carter

BY: [Signature]

SELLER: Scott R. Ramsey



APN	MLS #	Change Type	Chg Date	Chg Time	Modified By	Previous Value	New Value
1924059046	<u>281714</u>	STATUS	07/13/2012	07:28:20 PM	3333	A	P
1924059046	<u>281714</u>	STATUS	06/29/2012	11:30:03 AM	3333	CT	A
1924059046	<u>281714</u>	STATUS	03/02/2012	02:45:02 PM	3333	A	CT
1924059046	<u>281714</u>	STATUS	01/05/2012	04:04:14 PM	KDAI	E	A
1924059046	<u>281714</u>	STATUS	01/05/2012	12:01:00 AM	SYSTEM	A	E
1924059046	<u>281714</u>	PRICE	10/04/2011	04:03:30 PM	65894		\$6,000,000
1924059046	<u>281714</u>	STATUS	10/04/2011	04:03:30 PM	65894		A

ACTIVE
on 10/4/2011

ACTIVE

NWMLS PROPERTY MARKETING
HISTORY SHOWING PROPERTY WAS
FORMALLY ON MARKET EFFECTIVE
10/4/11.



Exhibit I

Single Family Full

*CDOM =
Cumulative
Days on Market*

6057 Island Crest Wy, Mercer Island 98040

MLS#: 281714 Area: 510
County: King LT:

CDOM: 283
BLK:

Status: Pending
Proj:
CMTY: Mercer Island

LP: \$6,000,000
OLP: \$6,000,000



Remarks

Spectacular property of nearly 5 acres situated between Island Crest and Pioneer Park on the west side of Island Crest Way.

Agent Remarks

Property is a Trust and may require approval by all Trustees and Trustees attorney. Property is under consideration as a park by the City of Mercer Island. Please contact agent prior to showing at 206-790-5263. Value is in the land.

Show Info: Appointment, Call Listing Office, Renter-Call First, See Remarks

Agent/Office and Contact Information

Agent: Peter C. Hayes (3333)
Office: Coldwell Banker Bain
Comm: 2
Occ Nm: Tenant
Owner Nm: Stevenson
Own City: Vancouver, WA.

Agent Ph: (206) 790-5263
Office Ph: (425) 454-0470
Fax: (425) 455-9659
Occ Typ: Tenant
Own Ph: (360) 695-6108
Ph Show: (206) 790-5263

SFF: 2,220 SFU:
SF: 2,220 SFS: Metroscan

BR: 3 BDA: BTH: 1.75 FBT: 1 QBT: 1 HBT: FP: 1

General Information

Prop Type: Single Family Sub Prop: Residential Yr Built: 1952 Lot Size: 4.890 ac/213,008 sf
List Dt: 10/04/2011 Entry Dt: 10/04/2011 Exp Dt:
Map Book: Thomas Brothers Gd/Map: B7, 596 TaxID: 1924059046 Price/SF: \$2,702.70
Elementary: Lakeridge Elem Jr High: Isler Mid Snr High: Mercer Isl High School D: Mercer Island
Directions: From Bellevue take I-90 west, take exit 8, then left onto 100th Ave SE/E Mercer Way, then right on SE 53rd Pl, then left on Island Crest Way. Property on your right.

Additional Property Info

Ann Taxes: \$27,883 Tax Year: 2011 Snr Expt: No Form 17: Provided
Map Link: Yes Show Pub: Yes Prim Ttl: Yes 3rd Prty: None
Internet Ad: Yes Pro Blog: Yes Allow VI: Yes Bank/REO: No
First Refusal: Terms: Conventional Possession: Closing, Negotiable, Sub. Tenant's Rights

Listing Information

	L	M	U	S	Bld Cond: Fair	Builder:	Style Code: 10 - 1 Story
Beds:		3			View: Territorial		Archctc:
Bath Full:		1			Bld Info: Built On Lot		Exterior: Brick
Bath 3/4:		1			Wtr Ty/Lc: Electric		Foundation: Poured Concrete
Bath 1/2:					Zoning Cd: R9.6		Zoning Jur: City
Fireplaces:					Prk Typ: None		Ttl Cvr Prk: 0
DiningRoom:		X			Heat/Cool: Forced Air		Energy: Electric, See Remarks
LivingRoom:		X			Lot Tp/Vg: Brush, Equestrian, Level, Partial Slope, Pasture		Roof: Composition
DiningRoom:		X			Lot Dtls: Paved Street, Value In Land		Bsmnt: None
Kit w ES:		X			Floor Cvr: Hardwood, Laminate, Wall to Wall Carpet		
Master Bc:		X			Appliances: Dishwasher, Dryer, Range/Oven, Refrigerator, See Remarks, Washer		
FamilyRoom:		X			Interior Ft: Dbl Pane/Storm Windw, Dining Room		
UtilityRoom:		X			Site Feat: Fenced-Partially, Gas Available, Outbuildings, Patio, RV Parking		

Utility Information

Bus Line: Yes Bus Rt#: 204 Pwr Co: PSE Sewer: Available
Water Src: Public Wtr Co: Mercer Island Sewer Co: Mercer Island
Recent: 07/13/2012 : Pending : A->P

RECEIVED

AUG 07 2012

CITY OF MERCER ISLAND
DEVELOPMENT SERVICES

Exhibit J (Pg. 1 of 2)

To the City of Mercer Island:

Lew Stevenson, Jim Stevenson, Nancy Comer and Linda Ramsey, the children of Lewis Stevenson Sr., as evidenced by their respective signatures below, acknowledge they have reviewed the Request for Code Interpretation submission, including the exhibits, and approve and join in the request.

Lew Stevenson

Nancy Comer

Nancy Comer

Jim Stevenson

Jim Stevenson 8/6/12

Linda Ramsey

Linda Ramsey

RECEIVED

AUG 07 2012

CITY OF MERCER ISLAND
DEVELOPMENT SERVICES

To the City of Mercer Island:

Lew Stevenson, Jim Stevenson, Nancy Comer and Linda Ramsey, the children of Lewis Stevenson Sr., as evidenced by their respective signatures below, acknowledge they have reviewed the Request for Code Interpretation submission, including the exhibits, and approve and join in the request.



Lew Stevenson

Jim Stevenson

Nancy Comer

Linda Ramsey

Note: market conditions determined the number of horses boarded. At all times, twenty stalls were available for lease. I ran the horse boarding operation for my father for the last five (plus or minus) years and so have intimate knowledge of the operation.
Lew Stevenson 8/7/12

RECEIVED

AUG 07 2012

CITY OF MERCER ISLAND
DEVELOPMENT SERVICES