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MARKET MAKERS
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REAL ESTATE AUCTION

Oregon Coast Legacy Property

NESTUCCA SANCTUARY

A former Jesuit Retreat

Pacific City, Oregon

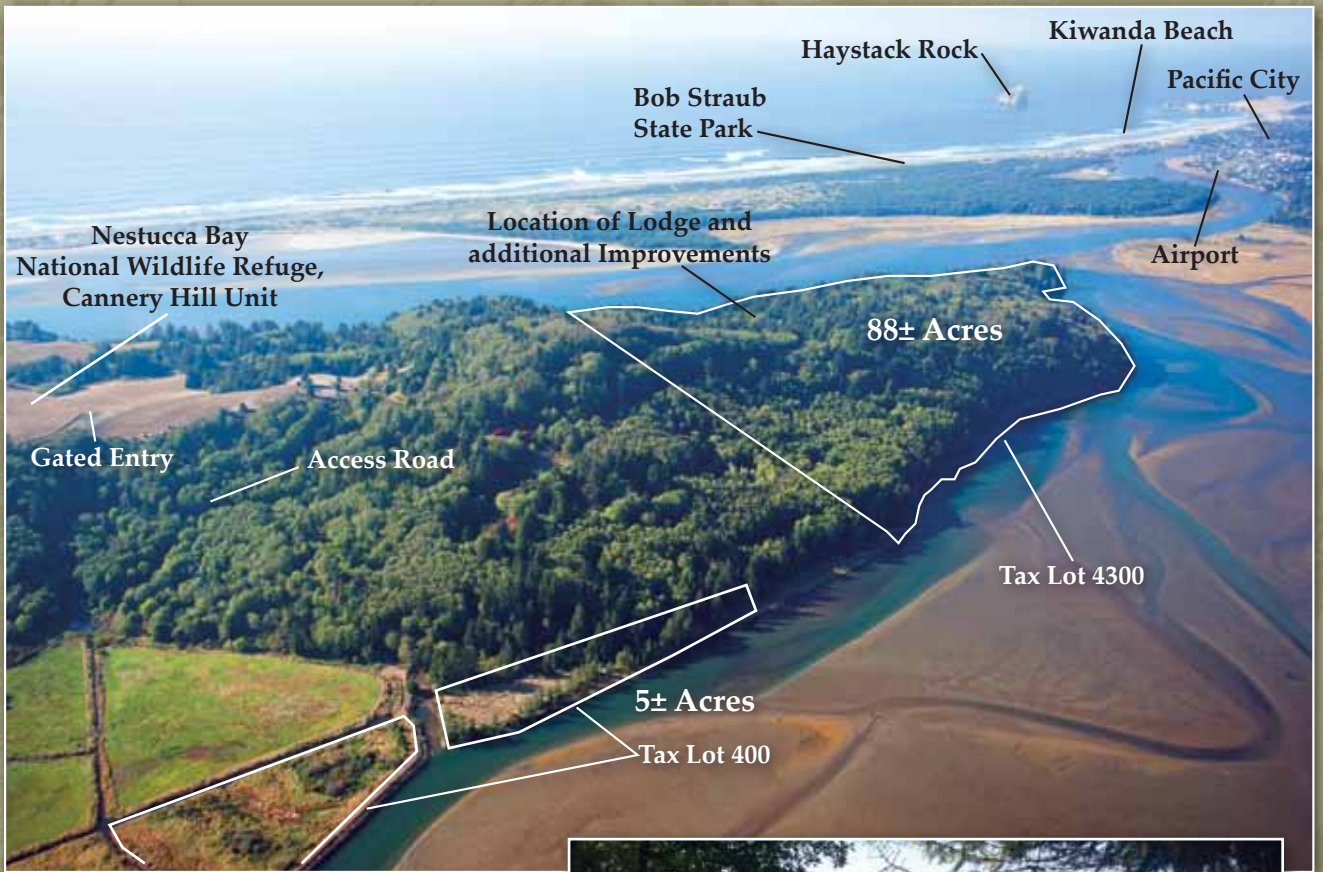


93± ACRE HEADLAND
PENINSULA WITH OVER
ONE MILE OF SHORELINE,
OCEAN AND BAY VIEWS,
AND LOCATION NEXT TO
NESTUCCA BAY NATIONAL
WILDLIFE REFUGE



SEALED BIDS DUE: DECEMBER 5, 2012

THE OPPORTUNITY



The 93± acre Nestucca Sanctuary – a former Jesuit retreat -- is one of the largest north coast ocean and bay view properties still available for potential redevelopment as a camp or retreat, for education or commercial recreation uses, within a two-hour drive of Portland. It is located five miles south of Pacific City, next to the Cannery Hill Unit of the Nestucca Bay National Wildlife Refuge, along a spectacular forested headland peninsula with lodge complex and over one mile of shoreline, providing an opportunity to acquire a Pacific Northwest legacy property with seclusion and significant conservation values.

Nestucca Bay is considered one of the crown jewels of Oregon’s north coast, formed by the Nestucca and Little Nestucca Rivers and tributaries which support large runs of Chinook and Coho salmon, cutthroat trout, and steelhead.

Nestucca Sanctuary



Portland is a two hour drive and Salem a 90 minute drive to the property



Retreat was built by the Jesuits in 1938-1939

The Nestucca Bay National Wildlife Refuge was established in 1991 and is a mosaic of managed pastures, wooded uplands, riparian wetlands, salt marsh and open meadows, all providing important habitat for the only coastal wintering population of Dusky Canada Goose and the world's only population of Semidi Islands Aleutian cackling goose.

The access road from Highway 101 to the Cannery Hill Unit, with trail and observatory, also provides access to the Nestucca Sanctuary property through a controlled gated entry, providing additional seclusion and security to the property.

The property was developed in 1938-1939 by the Jesuits as a summer retreat, to serve the St. Francis Xavier Novitiate located in Sheridan, Oregon. Nestucca Sanctuary was used until the last several years, and is being sold so that proceeds may be reinvested.

The combination of existing improvements to accommodate thirty-eight with lodge, dormitory, dining hall, and cabins, and Recreation Management zoning, provides a new owner with multiple options for potential redevelopment with additional facilities not typically available along Oregon's north coast with its proximity to Portland, Salem, and other Willamette Valley communities.

As well, the estimated 1.1± million board feet of timber provides a potential opportunity for a new owner to manage the property as a working forest with both near-term cash flow and long-term asset growth, or to obtain value from a conservation easement.

Proximity of the Nestucca Sanctuary property to not only Pacific City and Kiwanda Beach, but also south to the resort communities of Neskowin and Lincoln City with golf courses, shopping and Chinook Winds Casino, expands the attraction of the property for reuse or redevelopment.



Estimated 1.1 million board feet of primarily Sitka spruce and red alder timber on the property



Nestucca Bay supports large runs of Chinook and Coho salmon



The Seller is providing financing to qualified buyers as an added incentive to accelerate the sale of this property, which is being offered for the first time to the general public since it was developed seventy years ago.

PUBLISHED RESERVE PRICE: \$1,295,000

LAST ASKING PRICE: First Time Offered

FINANCING: Subject to the Seller's approval of the buyer's credit. Down payment of 30% with balance amortized over 25 years at 6% interest; all due and payable at the end of three years. No timber to be harvested until paid in full.

INSPECTION: Gated Entry – By Appointment Only. Please call the Auction Information Office at 800-845-3524 to schedule an appointment, which will be held on the following dates:

Sunday, November 11, noon to 3:00 pm

Saturday, November 17, noon to 3:00 pm

Saturday, December 1, noon to 3:00 pm

PROPERTY DESCRIPTION

The Nestucca Sanctuary property is located five miles south of Pacific City at the northern end of Cannery Hill, along a forested headland overlooking Nestucca Bay, with an estimated 7,000± feet of shoreline. The main block of land is 87.78± acres and includes a non-contiguous tract of 5.22± acres located just south, with frontage at the mouth of Little Nestucca River and Nestucca Bay. The 5.22± acre tract is primarily wetlands, and has no legal access.

The main block contains the lodge, dining hall, dormitory, shop and cabins, all located at the end of the entry road at a site with views west to Nestucca Bay and the Pacific Ocean. Topography along the peninsula is gentle to rolling, with elevation of 450± feet along ridge

tops. Slopes range from 40% to 60% at the northwest and southeast portions of the shoreline, with other portions of the shoreline accessible by hiking. There are several hiking trails throughout the property that could be improved for mountain biking, horseback riding or ATV use.

The property is well-stocked with primarily Sitka spruce and red alder. (Please see cruise report in Supplemental Information Package.) It is located within the approved boundary of the Nestucca Bay National Wildlife Refuge. Adjoining land to the south is privately owned, with the balance of land to Highway 101 being Nestucca Bay National Wildlife Refuge ownership.

There is an easement from Highway 101, along Christensen Road, with U.S. Fish and Wildlife Service that expires in 2042. It is U.S. Fish and Wildlife policy and practice to assign and extend licenses. The additional easement along Christensen Road is through private land which adjoins the southern boundary of the property.

The gated entry is located .4 mile from Highway 101 at the Cannery Hill parking lot, which provides access to the Pacific Trail and Overlook.

IMPROVEMENTS

The property was originally developed as a Jesuit retreat with lodge, dormitory, dining hall and cabins, all located on a ridge in the western section at the end of the access road. The small cabins are located a short distance from the main complex. The lodge and dormitory have views to both Nestucca Bay and the Pacific Ocean. All buildings have electric heat. Furnishings, personal property and equipment are all included in the sale.

Lodge

The 4,597± square foot lodge was constructed in 1939, with additions made in 2004, 2005 and 2007. The wood-frame building is two



At left: 3 level lodge can accommodate 14 overnight guests



At right: Dining hall located near lodge



At left: Living room located on main floor of lodge



At right: Meeting room in dormitory

stories, with partially finished daylight basement and metal roof. It can accommodate fourteen overnight guests and has views of Nestucca Bay and ocean from a deck. The main level has a large open living area with fireplace, dining area, kitchen and library. A meeting room was added in 2005. There are laundry facilities, a bathroom and bedroom located on the main floor.

The upper floor, which is accessible from both the main floor and an outside stairway, has eleven dorm rooms with bathroom.

The lower level in the daylight basement was added in 2007 and has two rooms and large corner room that was used as a bedroom/office. A storage room is also located on the lower level.

Dormitory

The 2,395± square foot dormitory, or long house, was built in 1940 and is a single story wood-frame structure with basement. The main floor has ten dorm rooms with two bathrooms and a meeting room at the western end. The basement is a work shop/storage area. The dormitory is in need of significant improvements or could be demolished and replaced as a new facility.

Dining Hall

The 1,740± square foot single story, wood-frame building was built in 1941 and is on a raised wood-frame foundation. The dining hall and kitchen have an open floor plan, with large picture windows overlooking the lodge area. The building has two large restrooms, each having three sinks, two showers and toilets that accommodated guests at the retreat. It is in fair condition, and could be renovated, or demolished and replaced as a new facility.

Cabins

There are a total of four cabins located on the property all built in the 1950s that have electric heat and no plumbing. They range in

size from 320± to 354± square feet, and are within a short walk of the dining hall and lodge. Each cabin was designed to accommodate three overnight guests and are all in need of repairs, or should be demolished and replaced.

TIMBER INVENTORY

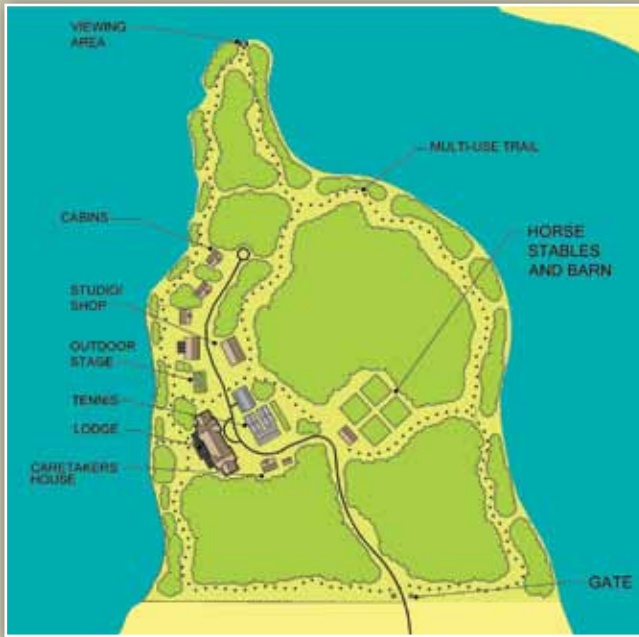
Northwest Forestry Services conducted a timber cruise of the property in 2011. (Please see Supplemental Information Package for cruise summary, log sort, grade and volume.) 70± acres of the Nestucca Sanctuary property contain an estimated 563± MBF of primarily 40± year old Sitka spruce, 524± MBF of red alder, and 10± MBF of hemlock. Although total volumes are almost similar, an estimated 90% of the trees are red alder with almost 78% of this volume being saw log quality, providing opportunity to obtain near term cash flow using selected harvest that could improve long-term productivity and growth of the timber asset.

There is access to domestic and export log markets north to Tillamook, Garibaldi and Astoria, or southeast to Willamina and Philomath. Logging roads would need to be constructed.

ZONING AND LAND USE

The main block of the property is zoned Recreation Management (RM). Current use is a pre-existing, non-conforming land use which may be expanded or altered, subject to certain conditions, according to Tillamook County. Commercial recreation uses are subject to a conditional use and could include campgrounds and group lodging facilities, meeting and recreation facilities, designed primarily to serve the tourism industry. An Estuary Natural Zone Overlay – EN is along the shoreline, with a small portion at the northern tip zoned ECI – Estuary Conservation. The small non-contiguous parcel of 5.22± acres is zoned F-1 Farm but, as outlined in the property description, has no legal access and is primarily wetland. Access is

Please Note: Sketch plan is conceptual only, showing redevelopment of site with new facilities for a retreat. Neither the Seller nor its agents have submitted plan or made any applications to a public agency.



At right: Award winning Pelican Pub and Brewery is located at Kiwanda Beach near Haystack Rock



The location by the Nestucca Bay National Wildlife Refuge with gated entry provides additional seclusion and security to the property.



via boat only. (See Supplemental Information Package for zoning codes.)

UTILITIES

There is power and phone to the improvements. There is a Certificate of Water Rights for domestic use and an on-site well serves the lodge, dormitory and dining hall. The well is located east of the lodge at a higher elevation with distribution via gravity flow. On-site septic systems serve the lodge, dormitory and dining hall.

TAXES

There are two tax lots. Tax lot 4300 is 87.78± acres and is the location of the improvements, which is classified as forestland. Tax lot 400 is 5.25± acres. Both tax lots benefit from a religious exemption.

LOCATION AND DIRECTIONS

Township 4 South, Range 10 West, Section 31, Tax Lot 4300 and Township 5 South, Range 10 West, Section 5, and Tax Lot 400.

From Highway 101 South: At the intersection to Brooten Road (to Pacific City) continue south on Highway 101, 2.2 miles to Christensen Road and turn right and proceed .4 miles to locked entry gate by Cannery Hill parking area (the gate will be open for inspection).

From Highway 101 North: From Lincoln City, proceed north on Highway 101 14.3± miles to Christensen Road and turn right and proceed .4 miles to locked entry gate by Cannery Hill parking area (the gate will be open for inspection).

CONDITIONS OF AUCTION #1205

REALTY MARKETING/NORTHWEST AUCTION INFORMATION OFFICE

Oregon Office:
522 SW Fifth Avenue, Suite 1250
Portland, Oregon 97204

Phones (during regular business hours 8:30 AM to 5:00 PM
Pacific Time):

Portland Metro Area (503) 228 3248
Toll Free (800) 845-3524
Facsimile (503) 242-1814

Email: info@rmnw-auctions.com

SUPPLEMENTAL INFORMATION PACKAGE, WITH BID DOCUMENTS

More detailed information is available on the Nestucca Sanctuary property. A Supplemental Information Package which includes all pertinent data provided by Seller is available either in hard copy form or by email. To request a copy of the Bid Package, please contact the Auction Information Office.

PUBLISHED RESERVE

The property is being offered with a Published Reserve Price of \$1,295,000. When bidding reaches or exceeds the amount of the Published Reserve Price, the Seller is committed to sell the property to the high bidder so long as the parties are able to agree on the terms of the sale. Should the bidding fail to reach the amount of the Published Reserve Price, the Seller reserves the right to accept, counter or reject the high bid no later than five business days following the Sealed Bid due date of December 5, 2012.

SEALED BID DUE DATE

Sealed Bids are due no later than 5:00 PM., December 5, 2012

FINANCING

The Seller is offering financing subject to approval of the buyers' credit. See Supplemental Information Package for details and credit application.

COOPERATING BROKERS

Broker cooperation is invited. A commission of 2% will be paid to the real estate agent whose buyer closes on the purchase of the property. The real estate agent must be a broker currently licensed by his/her state of residence, or a salesperson licensed under such broker. Cooperating broker commission will be paid only upon close of escrow. Cooperating brokers will not share in any payment of liquidated damages.

No commission will be paid to any real estate agent participating as a principal in the purchase of the property. The commission will be earned and paid only upon full and final closing by the buyer on the conveyance of the property and the receipt of the full purchase price by the Seller. No exceptions to this procedure will be made and no oral registrations will be accepted.

CLOSING

Closing must occur no later than January 30, 2013, unless extended by the Seller in writing.

Prior to making a bid, refer to the Supplemental Information Package with regard to customary closing costs including, but not limited to, recording fees, normal prorations, title fees, transfer and/or excise taxes (if applicable), sales tax on personal property (if applicable), local improvements and irrigation district assessments (if applicable), and document preparation fees. Buyers will be responsible for any real estate compensation taxes or rollback taxes and penalties as a result of a change in use or designation of the property including, but not limited to, a change from open space, agriculture, forest land or recreation.

ADDITIONAL CONDITIONS

(A) No claim will be considered for allowance, adjustment or rescission based on failure of the property to correspond to any particular expectation or standard, except for the Preliminary Title Report.

(B) Title insurance is available, ensuring title of the property to be in fee simple, subject to no encumbrances except current taxes and assessments, easements, right of ways, reservations, covenants, conditions and restrictions of record, purchase money financing and printed exceptions in the standard form Owner's Title Policy. A copy of the Preliminary Title Report for the property should be inspected prior to the Auction.

(C) To the extent permitted by law, the property will be sold "As Is". Prospective buyers should examine the property and all supporting documentation carefully. Each bidder is responsible for evaluating whether the property is suitable for its intended purposes and any and all environmental, land use, regulatory and other constraints relating to the use of the property or the harvest of timber therefrom and shall not rely on the Seller or sales agents. The successful bidder will take possession at close of escrow.

(D) Sizes and square footages set forth are approximations only, based on the best information available, but the actual sizes and square footages may be different. All sketch plans are conceptual in nature and neither the Seller nor its agents have submitted plan or made applications to any public agency.

(E) Agency Disclosure. The selling and listing agent, Realty Marketing/Northwest, represents the Seller in this transaction.

(F) The Seller has the right to postpone or cancel the Auction in whole or in part, at its sole discretion, and to modify or add any terms and conditions of sale.

(G) Offer void where prohibited. Catalog will not be mailed to the residents of any state in which this offering is not in compliance with the real estate laws or other laws of that state.

(H) The information contained herein has been gathered from sources deemed reliable; however, the Seller and Realty Marketing/Northwest make no warranties expressed or implied as to the accuracy of the information contained herein.

Need Help?

Realty Marketing/Northwest prides itself on the quality of its service. If at any time you need assistance please contact Steve Dwelle at (800) 845-3524 or (503) 228-3248.

FOR SUPPLEMENTAL INFORMATION PACKAGE WITH BID DOCUMENTS CALL 1-800-845-3524

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