

Merrill, Hannah

From: pearl hewett [REDACTED]
Sent: Thursday, May 17, 2012 7:29 AM
To: zSMP; Gray, Steve
Cc: earnest spees; Lois Perry [REDACTED]; Jay Petersen
Subject: SELLING AND BUYING DOE SMP NON-CONFORMING PROPERTY

This is my comment for the SMP Update
Pearl Rains Hewett Trustee
George C. Rains Sr. Estate
Member SMP Advisory Committee

SELLING AND BUYING DOE SMP NON-CONFORMING PROPERTY

1. Home mortgages are never black and white.
2. Times have changed, with all of the foreclosures and bank ownership of homes, all applications for **home loans are under more scrutiny.**
3. **Appraiser's may RED FLAG the appraisal for your home loan application.**
4. Underwriters may require additional inspections, geological report, etc.
5. **Availability of WATER can red flag your property**
6. **Can a buyer rely on Seller disclosure?**

How can a seller disclose what NOBODY KNOWS?

With all Clallam County marine and freshwater shoreline property in limbo?

(DOE) Dept of Ecology

(SMP) Shoreline Management Update

(SED) Shoreline Environmental Designations

Proposed regulations and restrictions of setback and buffer?

7. Shoreline Environmental Designations (**SED**) **are all black and white**

8. DOE SMP 175 feet plus 150 feet plus 10 setbacks and buffers, mitigate?

9. Mitigation is a thousand unknown shades of grey area.

10. Only the information **recorded with the auditor's office** shows up on the **title search**, applications for home loans.

Will the SMP Update require all **FEMA flood information** to be recorded with the Auditors office?

11. I asked the loan officer could give me **anything in writing regarding the buying and selling of DOE SMP non-conforming shoreline property?** Her answer, "Not without writing it up, sending it to corporate headquarters and having it reviewed and approved by their attorneys".

12. The value of non-conforming **undeveloped or under developed property** is at the greatest risk.

SAN JUAN ISLAND REAL ESTATE MARKET SUMMARY

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We now must caution buyers on the purchase of waterfront lots, parcels with wetlands, properties that are underdeveloped and may become non-conforming should the update increase the buffers to undesirable levels and make a high percentage of the buffer "no touch".(non-conforming)

MY RESEARCH at the two largest banks in Port Angeles

1. 5/ 01/12 I spent 45 minutes being transferred, from one person to another, and finally spoke to a loan officer, at my bank (of 30 years). He was sympathetic, he used to live in Port Townsend. He had

information on non-conforming loans, but **no information on loans on non-conforming property.**

He suggested I talk with the president of my local bank branch.

2. 5/02/12 I drove to and talked with the local bank manager. There **is only one loan officer for this bank, in this area, located at the Sequim Branch.**

3. 5/02/12 I drove from PA to Sequim, the loan officer and I talked for over 30 minutes. **She was very helpful.** She lives on a local marine bluff.

4. 5/03/12 called another local bank (they have two loan officers) The loan officer I spoke with indicated she was not qualified to answer my question.

I was given the bank's Mortgage Director's phone number.

5. 5/04/12 **Mortgage director** returned my call, after a 30 minute conversation. She said, only the information **recorded with the auditor's office** shows up on applications for home loans. **She WAS NOT very helpful.**

SAN JUAN ISLAND REAL ESTATE MARKET SUMMARY

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General Advice: In the old days, we use to advise clients that waterfront homes and anything with a dock would appreciate at the highest rate in our market. We would say “**buy waterfront, and lots of it**”.

Unfortunately, due to the Critical Area Ordinance update we have had to change what we recommend. We now must caution buyers on the purchase of waterfront lots, parcels with wetlands, and those homes or cabins that are underdeveloped and may become non-conforming should the update increase the buffers to undesirable levels and make a high percentage of the buffer “no touch”. Homes that are already developed to their highest and best use, such as a large waterfront home, with guest house and dock, in all likelihood should increase in value since you may not be able to create those improvements or have those views in the future. As those homes are already in place, you won't be concerned over the non-conforming growth restrictions as contained in the current regulations; however, the next owner may have wanted to expand the home. **What you may want to be concerned about is the decrease in value of the waterfront lots, parcels with wetlands and future non-conforming underdeveloped properties and their subsequent impact to not only you directly, but also to our tax rolls and the revenues that our county services depend upon.**

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