



Dry Hill

Proposed Trust Exchange Grays Harbor and Clallam Counties



Dry Hill Exchange

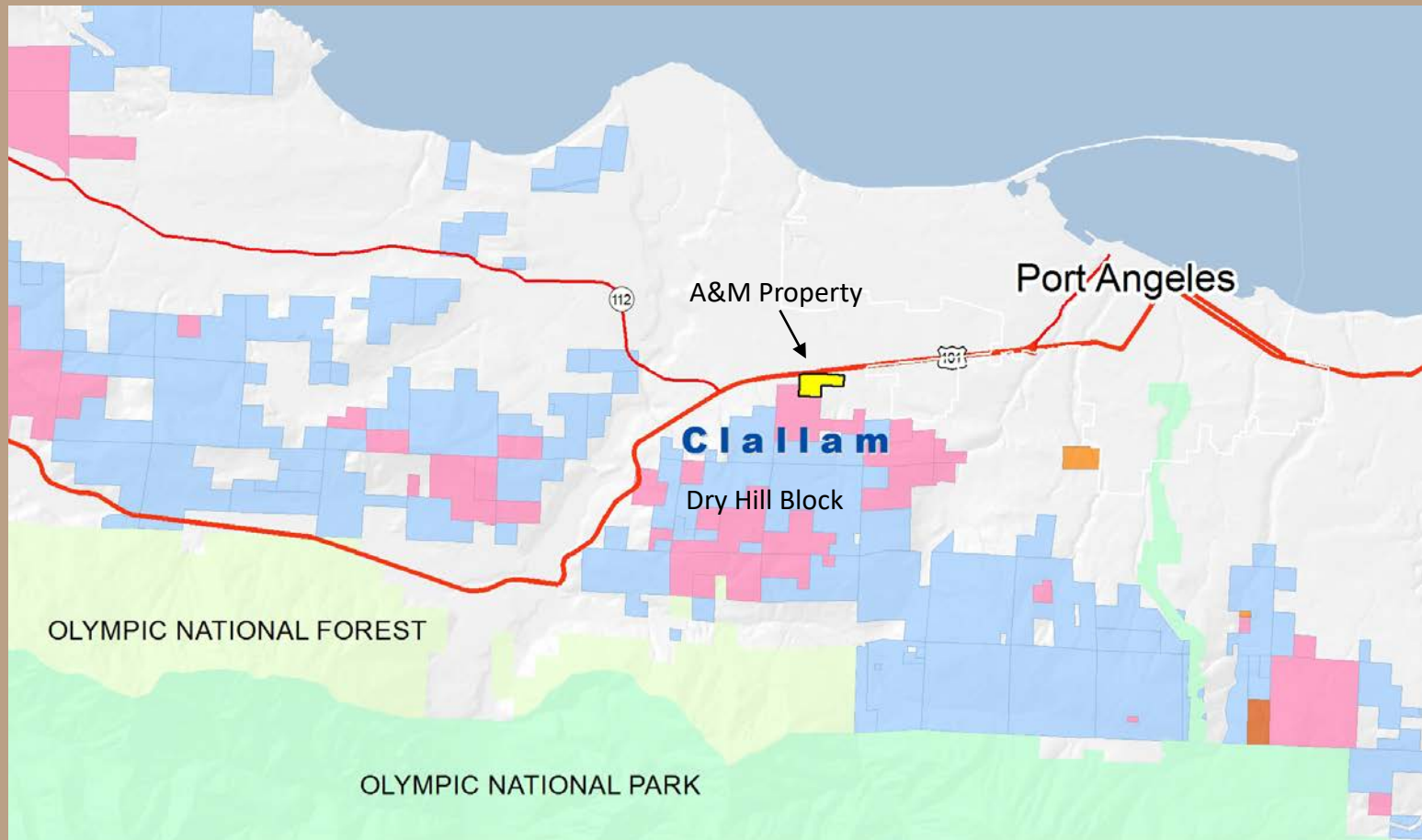
Introduction

- Anderson & Middleton Company proposed an exchange of their Clallam property for trust property in Grays Harbor.
- A&M property is main entrance point to the Dry Hill block in Olympic Region
- Public hearing held November 1, 2018. No testimony was received.



Dry Hill Exchange

Exchanger Parcel located in Clallam County



Dry Hills Exchange

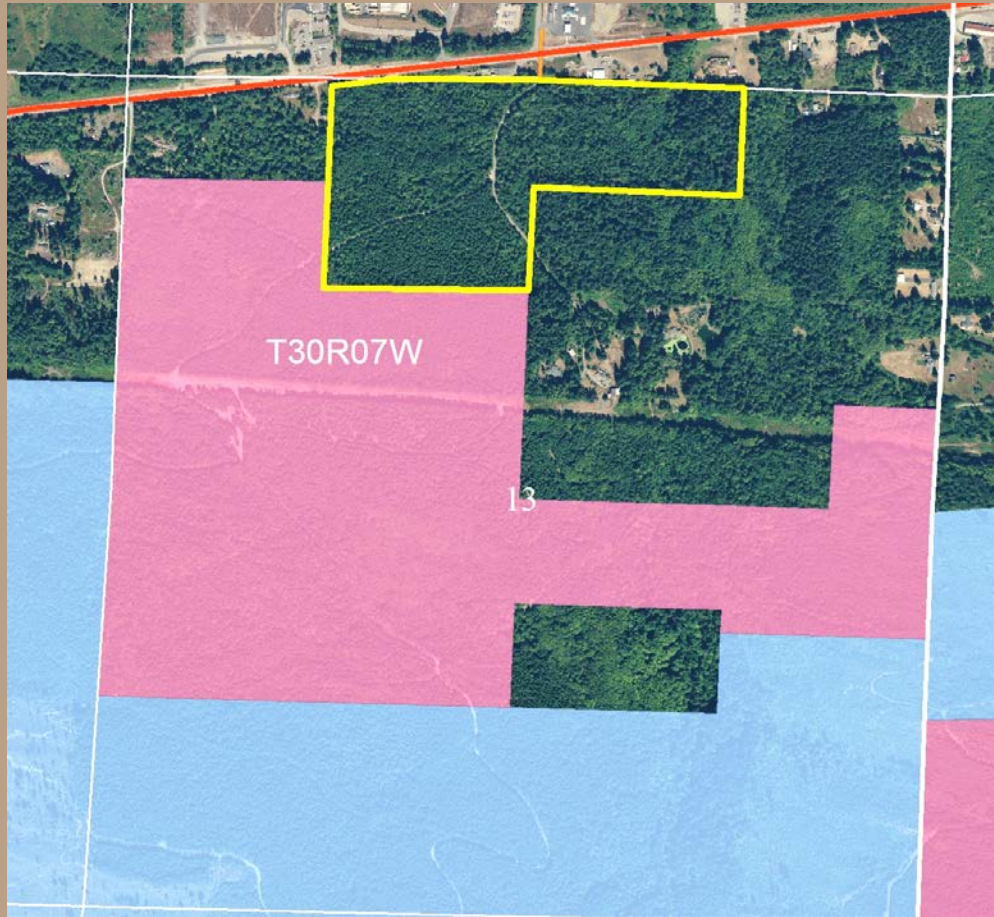
State Parcel located in Grays Harbor County



Dry Hill Exchange

Exchanger Property

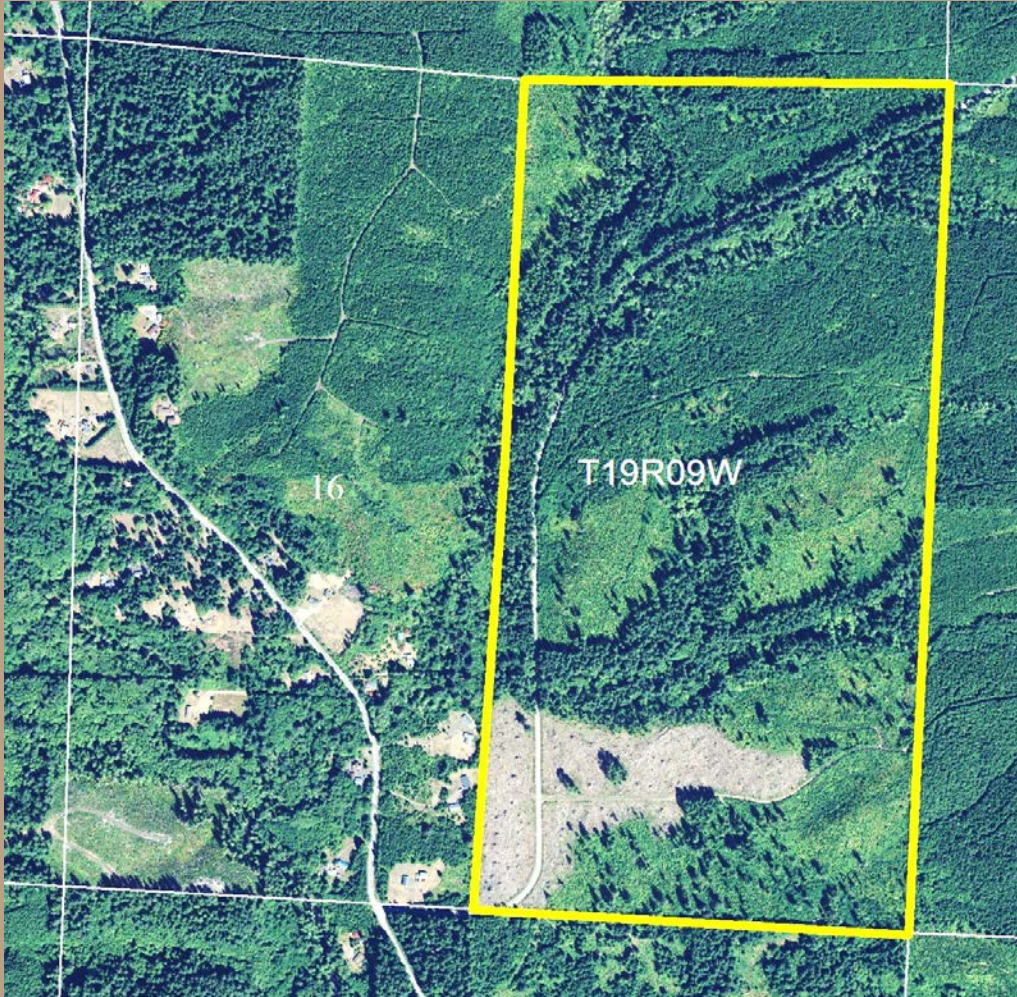
- 60.94 acres
- Access from Hwy 101
- Adjacent to DNR-managed Dry Hill Block
- 53 acres of 25-yr reproduction timber, primarily Douglas-Fir
- Road is gated at property entrance



Section 13, Township 30 N, Range 7 W, Clallam County



Dry Hill Exchange



Section 16, Township 19 N, Range 9 W, Grays Harbor

State Property

- 311.31 acres
- Access from county road
- Isolated from other DNR-managed areas
- 184 ac reproduction timber, age 11-17 yr
- 127 ac riparian & non-forest

Dry Hill Exchange

DNR Exchange Background

- **RCW 79.17.010 Exchange of state lands-Purposes-Conditions.**
 - (1) The DNR may exchange state lands to:
 - (a) Facilitate the marketing of forest products of state lands;
 - (b) Consolidate and block-up state lands;
 - (c) Acquire lands having commercial recreational leasing potential;
 - (2) Land exchanged shall not be used to reduce publicly owned forestland base
 - Records since 1980 show that DNR's land exchange program has produced a net gain of 101,875 forestland acres.

Dry Hill Exchange

Benefits

- The Clallam parcel captures additional value offsetting the acreage imbalance:
 - Secures all-purpose access to the 3000+ acre Dry Hill block.
 - Protects DNR from likely operational restrictions if developed for housing.
 - Avoids potential investment necessary for developing alternative access to the Dry Hill block.
 - Greater rate of return expected for the future land value of the Clallam parcel over the Grays Harbor parcel.



Dry Hill Exchange

Exchange Balance

Asset	Acres	Value
State Parcel		
Land and reproduction timber	311.31	\$575,000
TOTAL		\$575,000
A & M Parcel		
Land and reproduction timber	60.94	\$490,000
Cash		\$85,000
TOTAL		\$575,000

Both properties appraised to market value, based on Forest Practices rules



Dry Hill Exchange

Resolution 1545



