KLICKITAT CANYON INTER-TRUST EXCHANGE 2013-2015

PROPOSAL
The Department of Natural Resources proposes to exchange 286.49 acres, more or less, of Scientific School Trust property in Klickitat County for 195 acres, more or less, of Common School Trust property in Yakima County.

PURPOSE
The purpose of the exchange is to designate the Scientific School Trust land as Common School Trust so that the newly designated Common School Trust land can be included in a proposal to be transferred to the Klickitat Canyon Natural Resource Conservation Area (NRCA).

BENEFITS
- Common School Trust is repositioned for direct transfer at market value.
- Scientific School Trust is repositioned to land that can be managed for timber revenue.
- Facilitates the direct transfer of property as authorized by Trust Land Transfer Legislation.

PUBLIC HEARING
A public hearing was held in Goldendale on August 6, 2014. A summary of the testimony will be presented to the Board of Natural Resources.

GENERAL LOCATION
The Scientific School Trust property is located approximately 3 miles northeast of Glenwood and is within Section 1, Township 6 North, Range 12 East, W.M., and Section 6, Township 6 North, Range 13 East, W.M., in Southeast Region.

The Common School Trust property is located approximately 4 miles north of Glenwood and is within Section 27, Township 7 North, Range 12 East, W.M., in Southeast Region.
KLICKITAT CANYON INTER-TRUST EXCHANGE
VALUATION SUMMARY

Acres and Value by Trust

<table>
<thead>
<tr>
<th>Trust Property</th>
<th>Acres</th>
<th>Timber in Mbf</th>
<th>Timber Value</th>
<th>Land &amp; Reproduction Value</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appraised values for Common School Trust property in Sec. 27, T7N, R12E</td>
<td>195</td>
<td>1,994</td>
<td>$428,000</td>
<td>$163,000</td>
<td>$591,000</td>
</tr>
<tr>
<td>Appraised values for Scientific School Trust property in Sec. 1, T6N, R12E and Sec. 6, T6N, R13E</td>
<td>286.49</td>
<td>2,569</td>
<td>$345,000</td>
<td>$240,000</td>
<td>$585,000</td>
</tr>
<tr>
<td>Value changes in Scientific School Trust +/-</td>
<td>-91.49</td>
<td>-575</td>
<td>+$83,000</td>
<td>-$77,000</td>
<td>+$6,000</td>
</tr>
</tbody>
</table>

COMMENTS

Mineral rights in a portion of Section 1 and in Section 27 were reserved in the past by a prior owner. Mineral Rights are not included in the exchange and will be retained by their existing trust ownerships. This exchange is intended to facilitate Klickitat Canyon Trust Land Transfer #02-090360.

Division Manager

Deputy Supervisor for State Uplands

Date of Board Approval

[Signatures]

Board of Natural Resources • Proposal • Klickitat Canyon Inter-Trust Exchange – File No. 86-091402 Page 2 of 2
Parcel A in portions of Section 1, Township 6 North, Range 12 East and Section 6, Township 6 North, Range 13 East, W.M., will become Common School Trust.

Parcel B in a portion of Section 27, Township 7 North, Range 12 East, W.M., will become Scientific School Trust.
STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
BOARD OF NATURAL RESOURCES

RESOLUTION NO._______

A RESOLUTION relating to the exchange of real property, known as the Klickitat Canyon Inter-Trust Exchange transaction, and the reclassification of Scientific School Trust lands to Common School Trust property as authorized by RCW 79.17.010-.070 under Department of Natural Resources Exchange File No. 86-091402.

BE IT RESOLVED BY THE BOARD OF NATURAL RESOURCES,
DEPARTMENT OF NATURAL RESOURCES, STATE OF WASHINGTON, THAT:

SECTION 1. The State of Washington, Department of Natural Resources, has title to and holds in trust under the provisions of Title 79 RCW the Scientific School Trust property described in Exhibit A attached hereto which by this reference is made a part hereof.

SECTION 2. The State of Washington, Department of Natural Resources, has title to and holds in trust under the provisions of 79 RCW the Common School Trust property described in Exhibit B attached hereto which by this reference is made a part hereof.

SECTION 3. The Board of Natural Resources finds that the exchange of the Scientific School Trust property described in Exhibit A for the Common School Trust property described in Exhibit B is authorized by RCW 79.17.010-.070 and will result in the consolidation and blocking up of State lands, will facilitate the management thereof, and the marketing of forest products therefrom. The Board also finds that the real property described in Exhibit A is equal in value to the real property described in Exhibit B. The Board further finds that this exchange is in the best interest of the trusts for which the land is held.

SECTION 4. The Commissioner of Public Lands is authorized to execute such agreements, writings, and relinquishments as are necessary or proper to complete an exchange of the above referenced property.

SECTION 5. Should the Exchange authorized by this resolution be consummated, the State of Washington, Department of Natural Resources, shall:

A. Transfer the real property described in Exhibit A to the status of Common School Trust property to be administered and provided for under the laws of the State of Washington;

B. Transfer the real property described in Exhibit B to the status of Scientific School Trust property to be held and administered as provided for under the laws of the State of Washington.
C. All oils, gases, coals, ores, minerals and fossils, are not included in this exchange and will be retained by their existing trust ownerships, as provided under RCW 79.11.210.

APPROVED AND ADOPTED by the Board of Natural Resources, Department of Natural Resources, State of Washington, this _____ day of ____________________, 2015.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Commissioner of Public Lands.

____________________
PETER GOLDMARK
Commissioner of Public Lands

Approved as to form this ___
day of February, 2015.

____________________
Assistant Attorney General
EXHIBIT A

LEGAL DESCRIPTION

Scientific School Trust to Common School Trust

The following describes the Scientific School Trust property to be exchanged to Common School Trust property:

Government Lot 2 and 3 and the South Half of the Northeast Quarter and the South Half of the Northwest Quarter of Section 1, Township 6 North, Range 12 East, W.M., Klickitat County, Washington. According to the U.S. subdivision procedures.

AND

Government Lot 5 of Section 6, Township 6 North, Range 13 East, W.M., Klickitat County, Washington. According to the U.S. subdivision procedures.

Rynea L Edwards, PLS 45158
State Land Survey Unit
PO Box 47030
Olympia, WA 98504-7030

Dated 4/2/2014
EXHIBIT B

LEGAL DESCRIPTION

Common School Trust to Scientific School Trust

The following describes the Common School Trust property to be exchanged to Scientific School Trust property:

The Southeast Quarter and the South Half of the Southeast Quarter of the Northeast Quarter and the South half of the North Half of the Southeast Quarter of the Northeast Quarter and the South Half of the North Half of the North Half of the Southeast Quarter of the Northeast Quarter of Section 27, Township 7 North, Range 12 East, W.M., Yakima County, Washington. According to the U.S. subdivision procedures.

Rynea L. Edwards, PLS 45158
Land Description & R/W Specialist
Land Survey Unit
Engineering Division
PO Box 47030
Olympia, WA  98504-7030

Dated: 9/19/2014