

**Appraisal Report
of Sea View I Pump Station Easement
Located at 2875 Sea View Pkwy, Alameda, CA 94502
APN 074-1322-110-00**



**Prepared for:
Ms. Erin Smith
Public Works Coordinator
City of Alameda**

**Real Estate Appraisal
*Fair Market Value of the
“As-Is” Fee Simple Estate*
As of January 4, 2017**



**Real Estate Appraisers & Economists
3093 Citrus Circle, Suite 160
Walnut Creek, CA 94598**

January 13, 2017

Ms. Erin Smith
Public Works Coordinator
City of Alameda
950 West Mall Square Room 110
Alameda, CA 94501

RE: Appraisal Report
Seaview I Pump Station Easement
2875 Sea View Pkwy, Alameda, CA 94502

Dear Ms. Smith:

As a result of your request, I have analyzed the common area/open space property indicated above in order to develop an opinion of the *Fair Market Value "As Is"* in the *Fee Simple Estate* as a result of a proposed sanitary sewer easement acquisition. This report was prepared during January 2017. The *Effective Date of Value* for the valuation scenario is January 4, 2017. This *Appraisal Assignment* is communicated in a written *Appraisal Report* under Standard 2, as defined in the *Uniform Standards of Professional Appraisal Practice (USPAP)*. My opinion of value was developed under the *Scope of Work* that is included in the body of this *Appraisal Report*.

Assignment Conditions

This *Appraisal Report* is subject to (1) *Extraordinary Assumption* and (1) *Hypothetical Condition*. The following details these conditions. Any user or reader of this appraisal report should take note of the *Limiting Conditions* as they relate to the limits in scope of investigation & analysis conducted in this *Appraisal Assignment*.

The appraisal is subject to the following (1) *Extraordinary Assumption*:

(1/1) - It is assumed that the proposed sewer easement will be completed in a reasonable time period and that the expanded sewer pump area will be completed as planned.

The appraisal is subject to the following (1) *Hypothetical Condition*:

(1/1) - The proposed sewer pump station easement that is the subject of this appraisal does not exist as proposed as of the date of this report although it is assumed to exist for the purposes of this appraisal.



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The analysis and conclusions contained herein rely on the assumptions of the *Limiting Conditions* and *Extraordinary Assumptions*. Any inconsistency between any limiting condition and the property will likely negatively impact the conclusions and options reported as well as the marketability and value of the property

Limiting Conditions

For the purposes of this appraisal, it is assumed:

- *That the legal description is correct.*
- *That the title to the property is legally sufficient*
- *That there are no encumbrances or defects of title.*
- *That the property is free and clear of all liens.*
- *That the property will be efficiently managed and properly maintained.*
- *That the present zoning will remain in force.*

The appraisal is made subject to the following conditions:

- *That no liability is assumed as a result of matters of a legal character affecting the property, such as title defects, encroachments, liens, overlapping boundaries, party wall agreements, and easements.*
- *This appraisal is to be used in whole and not in part. No part of it shall be used on conjunction with any other appraisal, and is invalid if so used.*
- *That no survey was made of the property.*
- *The appraisers herein by reason of this appraisal is not required to give testimony in court with reference to the subject unless otherwise previously arranged.*
- *Possession of this report, or copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by anyone but the intended user, without the previous written consent of the appraisers.*
- *Present worth of the purchasing power of the United States Dollar.*
- *This appraisal has been made in conformity with the Uniform Standards of Professional Appraisal Practice as adopted by the Appraisal Institute and the American Society of Appraisers.*
- *Calculation were based upon data assumed to be correct.*
- *The appraiser is not qualified to detect substances such as hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste*

and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment.

- *The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the market value of the property. The appraiser's value opinion is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report.*
- *No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of routine observations made during the appraisal process.*

Certification

- *The undersigned does hereby certify that, except as otherwise noted in this appraisal report:*
- *To the best of my knowledge and belief, the statements of fact contained in this report upon which the analyses, opinion, and conclusions expressed herein are based, are true and correct.*
- *The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.*
- *I have no present or contemplated future interest in the real estate that is the subject of this report.*
- *I have no personal interest or bias with respect to the subject matter of this report nor the parties involved.*
- *Our engagement or compensation is not contingent on any action or event resulting from the analyses, opinions, or conclusions in, or the use of, this appraisal report.*
- *This appraisal was not based on a requested minimum or specific valuation.*
- *Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice in effect as of the date of this report.*
- *The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.*

- *Any professional services related to the property, performed within the three year period immediately preceding acceptance of this assignment, are identified in the Purpose, Intended Use and Effective Dates included in the body of this appraisal report.*
- *Personal observations of the subject, comparable and local market area are detailed in the Scope of Work included in the body of the appraisal report. Mr. Hahn has personally visited the subject of this Appraisal Assignment and made observations of the property's site.*
- *No one other than the undersigned has prepared the analysis, conclusions and opinions concerning the real estate that are set forth in this appraisal report.*
- *The appraised value of the property relies only on the furniture, fixtures and equipment (personal property) described herein.*
- *As of the date of this report, Bruce M. Hahn, MAI, SRA, has completed the requirements of the continuing education program of the Appraisal Institute.*
- *The American Society of Appraisers has a mandatory recertification for all its Senior Members. Bruce M. Hahn, ASA, ARM-RP, is in compliance with this program.*

Restriction Upon Disclosure & Use

Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute.

Neither all nor any part of the contents of this report (especially any conclusions as to market value, the identity of the appraiser, or any reference to the Appraisal Institute) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior written consent of the undersigned.

The values, comments, assumptions and limiting conditions expressed in this letter are considered a part of and pertinent to the report to which it refers. The validity of the report and the values indicated herein are subject to this letter which must be used in conjunction with the report.

Opinion of Fair Market Value

The proposed acquisition area (371 SF) will be a sanitary sewer easement on the Larger Parcel's 0.085 acre common area site. A 10' wide storm drain easement is located contiguous on one side of the proposed acquisition while a 15' x 17' existing sanitary sewer easement is located contiguous on the opposite side of the proposed easement. Several easements burden the bundle of rights that are near the acquisition area. The larger parcel is the common area for homes in Seastrand Owners Association.

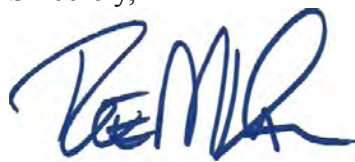
The Fair Market Value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available. Accordingly, based upon available data, premises (including assumptions and special limiting conditions) and the definitions outlined in this report, it is my opinion that the Fair Market Value of the proposed sanitary sewer easement on the subject property Larger Parcel is as follows:

Fair Market Value "As Is" of the Proposed Sanitary Easement as of January 4, 2017

Nominal Value
One Thousand Dollars
\$1,000

Thank you for the opportunity to be of service. Please contact me if there are any questions regarding this valuation matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. M. Hahn", with a stylized flourish at the end.

Bruce M. Hahn, MAI, SRA, ASA
Valuation Analyst
Certified General Real Estate Appraiser
CA AG004370, Exp 6/19/2018

SUMMARY OF PERTINENT FACTS AND CONCLUSIONS

Subject Property:	2875 Sea View Pkwy, Alameda, CA 94502 APN 074-1322-110-00 A HOA common area/open space parcel improved with landscaping and a walking trail.
County:	Alameda
Owner:	Seastrand Owners Association
Most Likely Buyer:	Owner/User
Intended Use:	For eminent domain purposes
Intended Users:	City of Alameda
Legal Description:	See Page 9
Sale History:	The subject has not sold in the last three years.
Current Listing:	Subject is not currently known to be listed for sale.
Land Size:	3,715 SF (0.085 Acre)
Proposed Easement Size:	371 SF (20.55' to 32.87' wide irregular shaped easement)
Year Built:	N/A
Zoning:	R-1-PD - One Family Residential/Planned Development
Highest and Best Use:	As Vacant: Open Space/Common Area
Type of Value:	Fair Market Value - As Is
Hypothetical Condition:	One - See Transmittal Letter Page
Extraordinary Assumptions:	One - See Transmittal Letter Page
Property Rights Appraised:	Fee Simple
Effective Date of Value:	January 4, 2017
Date of Report:	January 13, 2017

VALUE INDICATIONS

Cost Approach	N/A
Sales Comparison Approach	\$1,000
Income Approach	N/A

Fair Market Value Conclusion	\$1,000	Nominal Value
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PURPOSE, INTENDED USE & EFFECTIVE DATES

The purpose of this *Appraisal Assignment* is to develop and report an opinion of the *Fair Market Value "As Is"* in the *Fee Simple Estate* of the proposed sanitary sewer easement located at 2875 Sea View Pkwy, Alameda, CA. I have not provided any *Professional Services* relating to the property in the last three years, other than this *Appraisal Assignment*.

The *Intended Use* of this appraisal is for the exclusive use of the City of Alameda for eminent domain purposes on the subject property. This appraisal may not be used by any other entity or individual for any purpose whatsoever.

The property was observed on January 4, 2017. The *Effective Date of Value* is January 4, 2017. The date of this *Appraisal Report* is January 13, 2017.

Personal Property & Intangibles

Personal property is movable and ***not*** permanently affixed to the real estate. Examples of personal property are freestanding ranges, refrigerators, tables, desks, chairs, beds, linen, silverware, hand tools, and small utensils. An intangible is a nonphysical asset like franchises, trademarks, patents, goodwill, and mineral rights. Personal and intangible property included in this appraisal's value opinion, if any, is considered typical for this type real estate, yet insignificant to the value opinion. Therefore, non-realty is not itemized or valued herein. Moreover, this report's final value conclusion(s) ***excludes*** unaffixed equipment, detached trade fixtures, and chattel unless specifically stated to the contrary. No personal or intangible property is included in the value conclusion of this report.

SCOPE OF WORK

After assessing the quality and nature of the property as well as the *Appraisal Assignment*, I determined that I have adequate education and experience to competently compete the *Appraisal Assignment*. The analysis and conclusions set further herein are solely my own.

Mr. Hahn personally visited the subject of the *Appraisal Assignment* and made observations of the property.

In order to develop *Credible Assignment Results*, in particular my opinion of market value, I have:

- Recognized, considered and employed the methods and techniques appropriate for the property and the *Appraisal Assignment*. The applicable valuation approaches for this *Appraisal Assignment* are the Sales Comparison Approach and the Income Approach.
- Collected, verified and analyses the information applicable to the *Appraisal Assignment*. In order to accomplish this, I have:
 - Spoken with buyers, sellers, brokers, property owners/managers and government officials.
 - Researched and analyzed sales of similar commercial properties.
 - Researched and analyzed lease transaction of similar commercial properties.
 - Investigated the general economy of the area as well as the specifics of the local market.
- Developed an opinion of the property's Highest & Best Use.
- Communicated the results of the *Appraisal Assignment* in a written *Appraisal Report*.

While this summarizes the salient points of the *Scope of Work*, it should be noted that the contents of this appraisal report are, in and of themselves, a de facto representation of the *Scope of Work*.

DEFINITIONS

The following definitions have been used within this report for the analysis of the property.

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.

Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, Sixth Edition (Chicago, IL, 2015), Pg. 90.

Fair Market Value

The Fair Market Value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.

The Fair Market Value of property taken for which there is no relevant, comparable market is its value on the date of valuation as determined by any method of valuation that is just and equitable.

The Fair Market Value of the property taken shall not include any increase or decrease in the value of the property that is attributable to any of the following:

- The project for which the property is taken.
- The eminent domain proceeding in which the property is taken.
- Any preliminary actions of the plaintiff relating to the taking of the property.¹

Eminent Domain

The following definition of *eminent domain* is from the Fifth Edition of the Dictionary of Real Estate which defines eminent domain as:

The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the United States Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property.

¹ California Code of Civil Procedure, Sections 1263.320 & 1263.330.

Larger Parcel

There are three criteria, or tests, for determining the larger parcel. These are unity of ownership; contiguity; and unity of use. The larger parcel is the single parcel APN 074-1322-110-00. It comprises the single economic unit and constitutes the larger parcel.

Preliminary Title Report

A *Preliminary Title Report* prepared by Placer Title Company was provided to the appraiser to review. All references to easement and exceptions to title later in this appraisal are from this *Preliminary Title Report*, which is dated March 13, 2014.

Legal Description

The *Preliminary Title Report* identifies the property in the following *Legal Description*.

EXHIBIT "A"
LEGAL DESCRIPTION

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF ALAMEDA, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

PARCEL A, TRACT 4382, FILED JANUARY 27, 1981, IN BOOK 123, PAGE 81, ALAMEDA COUNTY RECORDS.

EXCEPTING THEREFROM ALL OIL, GAS MINERAL, GEOTHERMAL AND HYDROCARBON SUBSTANCE IN AND UNDER OR THAT MAY BE PRODUCED BELOW A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID PROPERTY WITHOUT ANY RIGHT UPON THE SURFACE OF SAID LAND FOR THE PURPOSE OF MINING, DRILLING, EXPLORING OF EXTRACTING SUCH OIL, GAS, MINERAL, GEOTHERMAL OF HYDROCARBON SUBSTANCES AND WITHOUT ANY RIGHT TO THE USE OF OR RIGHTS IN OR TO ANY PORTION OF THE SURFACE OF SAID LAND TO A DEPTH OF 500 FEET BELOW THE SURFACE THEREOF AS RESERVED IN THE DEED FROM HARBOR BAY ISLE ASSOCIATES, RECORDED APRIL 29, 1987, AS SERIES NO. 87-117612, ALAMEDA COUNTY RECORDS.

EXCEPTING THEREFROM OVERLYING AND WATER RIGHTS INCLUDING, WITHOUT LIMITATION, THE RIGHT TO APPROPRIATE WATER AND DISTRIBUTE IT TO OTHER PROPERTIES WITHOUT ANY RIGHT TO THE USE OF OR RIGHTS IN OR TO ANY PORTION OF THE SURFACE OF SAID LAND AS RESERVED IN THE DEED FROM HARBOR BAY ISLE ASSOCIATES, RECORDED APRIL 29, 1987, SERIES NO. 87-117612, ALAMEDA COUNTY RECORDS.

A.P.N. 074-01322-110

Ownership Interests

The *Preliminary Title Report* indicates that ownership is vested in:

Seastrand Owners Association, A Non-Profit Mutual Benefit Corporation

History of Conveyances

The property last transferred on 3/8/1988.

There are no other known conveyances of the subject property in the last three years. Assessor's Parcel Number, Real Estate Taxes & Assessments

The Alameda County Assessor has assigned the property with Assessor's Parcel Number (APN) 074-1322-1110-00 and this refers to all the real estate herein appraised. The real estate taxes are based on a composite tax rate of 1.1593% which is applied to the assessed value of the real property. For the 2016-2017 tax year, the property is subject to zero special assessment districts which total \$0. As a common area for a PUD the subject parcel is not subject to taxation and no taxes or special assessments are due. The Assessed Values, Taxes & Assessments are detailed below:

Real Estate Taxes & Assessments	
APN 074-1322-110-00	2016-2017
Assessed Values	
Land Value	\$0
Improvement Value	\$0
Total Assessed Value	\$0
Real Estate Taxes:	
County Wide 1%	1.159300%
Total Ad Valorem Tax Rate	1.159300%
Real Estate Taxes:	\$0.00
Special Assessments	\$0.00
Total Amount Due	\$0.00

Alameda County Market Area

Alameda County is a heavily urbanized county with a population of over one and a half million persons. It is comprised of three distinct areas set apart by physical geography. The West County area follows the San Francisco Bay along the west shoreline. The communities of Albany, Berkeley, Emeryville, Oakland, San Leandro, San Lorenzo, Castro Valley, Union City, Newark, and Fremont are located along the Bay shoreline. The Tri Valley area is also a large urban area located about 15 miles inland from the bay near the junction of Interstates 580 and 680 freeways. The Tri-Valley area is comprised of the communities of Dublin, Livermore and Pleasanton. The southern and eastern areas of the County are predominately rural and hills with agricultural uses.

Alameda County is supported by three Interstate freeways, several State Highways, Amtrak passenger rail service and buses, as well as the BART system. Traffic congestion is a problem and infrastructure has not kept pace with the public demand. Both BART and most freeways exceed or are at peak capacities during commute hours, resulting in lengthy commute times. Sacramento, San Francisco, Oakland, and San Jose airports are available within reasonable drive times. Location becomes especially important for many businesses due to congested transportation systems and long drive times during business hours.

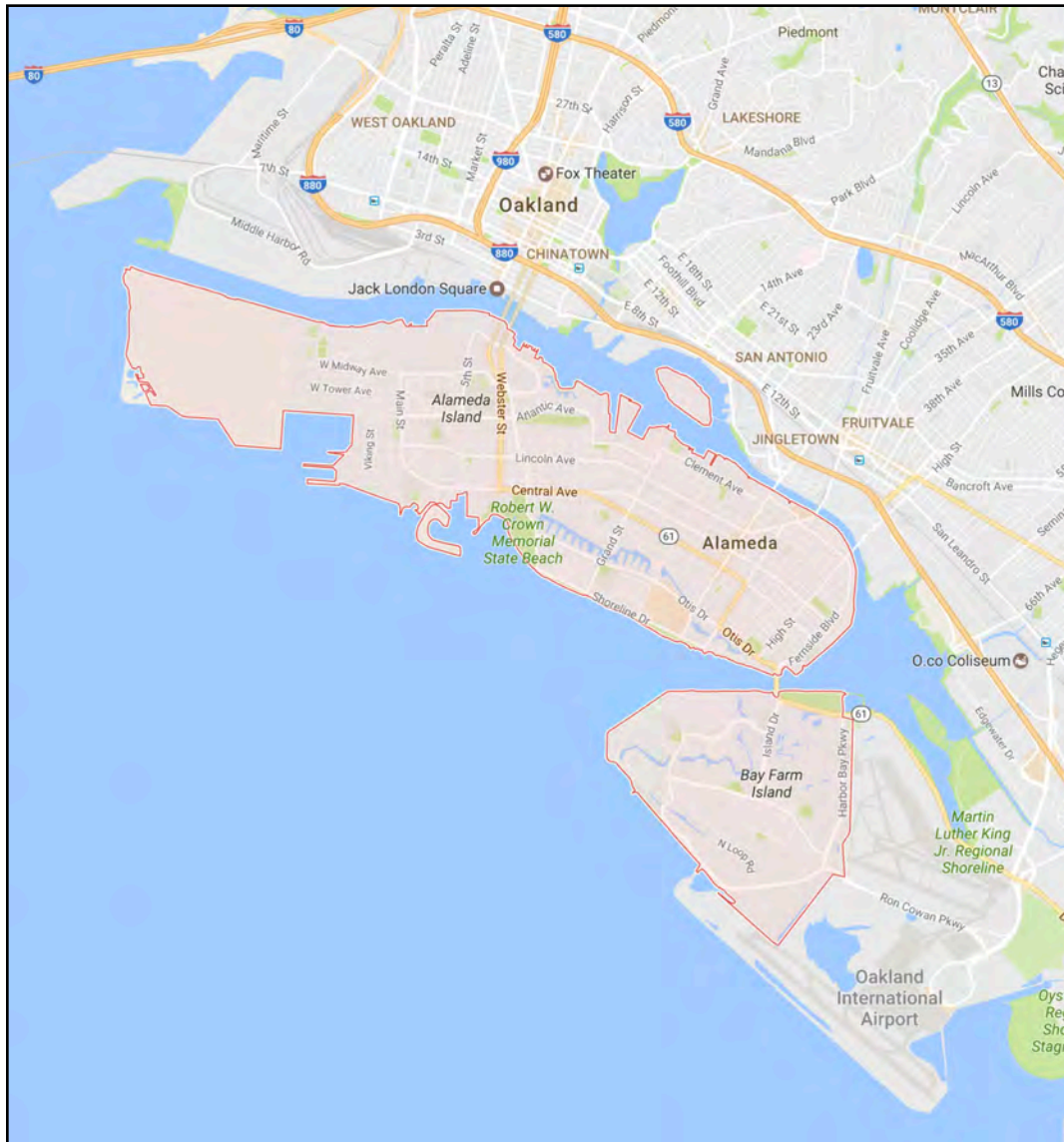
Alameda

Alameda is located just west of Oakland and Interstate 880 and is known as an “island” city. It is not really an island but with the man made Oakland Estuary it does have an island like setting that is accessed via two bridges and a tunnel that goes under the estuary. Part of Alameda is located on Harbor Bay Island adjacent to the Oakland International Airport. The subject is located in the Harbor Bay Business Park which has relatively easy access to Interstate 880 via Hegenberger Road near the airport.

Alameda is a quiet residential community on the “island” and Bay Farm Island areas with some industrial, office and commercial uses intermixed. Most commercial uses are located along major thoroughfares. Marina Village and Harbor Bay are two large business parks with focused commercial manufacturing uses. There are a large number of apartment uses along the San Francisco Bay waterfront. The former Alameda Naval Air Station was decommissioned years ago and much of the base has been redeveloped. The air field has not been redeveloped and is still usable by the military.

Market Area

The market area is generally bounded by the Alameda City Limits as depicted on the map below:



Alameda is an “island city” located west of the Oakland Estuary and City of Oakland, north of the Oakland Airport, and south of the San Francisco Oakland Bay Bridge. The subject is located in the Bay Farm Island portion of the city.

Property Description

The subject property is a rectangular parcel located at the intersection of Sea View Pkwy and Avington Rd, with direct frontage along San Leandro Channel, a portion of the San Francisco Bay, in the Bay Farm Island portion of Alameda, California. The Assessor's Parcel Map (APN 074-1322-110-00) defines the parcel with an area of 3,715 SF (0.085 acre). See the following Aerial Map, Plat Map, and Site Plan for further details.

The subject has 44 feet of frontage along Sea View Parkway and is approximately 85 feet deep. The site is landscaped with a paved and/or concrete walking trail that traverses the length of the parcel.

Infrastructure

All streets surrounding the property are generally residential, with two lanes that are undivided with one for each direction. There are concrete sidewalks, and concrete curbs and gutters. There are electric street lights on poles.

Utilities Service

Local utilities are provided by the following:

Electric & Gas Service	Alameda Municipal Power (City of Alameda)
Sewer Service	City of Alameda
Water Service	East Bay Municipal Utility District
Phone & Cable	Numerous public companies provide these services

Electric lines are above ground on poles.

Topography, Soils and Subsoils

Physical inspection of the subject property found that it was mostly level. Sea View Pkwy (and other nearby highways) are level and all improvements are generally at street grade. It is assumed for purposes of this appraisal that the subsoil conditions are similar to those found in the general area and do not pose any particular hazard to the potential for development with commercial improvements.

Flood Hazard

The subject site has been identified on the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map with the community panel number 06001C0235G , which was dated 8/3/2009, and was found to be in Zone X. Zone X is defined by FEMA as an “*Area of minimal flood hazard, usually depicted on FIRMS as above the 500-year flood level.*”

Seismic Hazard

The subject is not located within an Alquist-Priolo Earthquake Special Studies Zone nor is one located in the immediate vicinity.

Easements, Encroachments & Rights of Way

The *Preliminary Title Report* notes a number of title exceptions for the subject property. The exceptions of note, by exception number in the *Preliminary Title Report*, are summarized below:

(5) Rights and easements for commerce, navigation and fishery.

(8) No trees or permanent structures shall be placed within the distances as measured horizontally from the outside face of the underground lines as tabulated below:

Five feet - storm mains or laterals, sanitary mains or laterals, gas mains or services, water mains, power main conduits, telephone main conduits.

Two feet - water services, power services, telephone services.

(10) An easement over said land for grant of easements and incidental purposes, as granted to City of Alameda, in instrument recorded June 19, 1979, in instrument no. 79-118454, official records.

(11) Dedications as set forth and shown on the official map of said subdivision as follows:

Parcel Map No. 3037 recorded September 7, 1979, in Book 111 Parcel Maps Page 98

A. Public Storm Drain Easement

(12) Dedications as set forth and shown on the official map of said subdivision as follows:

Tract Map 4382 recorded January 27, 1981, in Book 123 of Maps Page 81

A. Owners Certificate

B. Private Storm Drain Easement

C. Existing Storm Drain Easement

D. Existing Sanitary Sewer Easement

(13) An easement over said land for grant of rights and incidental purposes, as granted to City of Alameda, in instrument recorded July 25, 1981, in instrument no. 1981-124202, official records.

(17) An easement over said land for the installation, maintenance and operation of a water well and incidental purposes, as granted to Bay Farm Island Reclamation District NO. 2105, a public agency, in instrument recorded August 9, 1993, in instrument No. 93275626.

All of the above noted *Title Exceptions* as described in the *Preliminary Title Report*, are located within the general portion of the subject larger parcel where the proposed easement will exist. Several of these *Title Exceptions* are located entirely within the proposed easement. There are numerous other *Title Exceptions* that relate to financial encumbrances or CC&Rs, etc.

Furthermore, the existing wet well and pump station are located entirely within, and will stay within, the existing sanitary sewer easement.

Zoning & General Plan

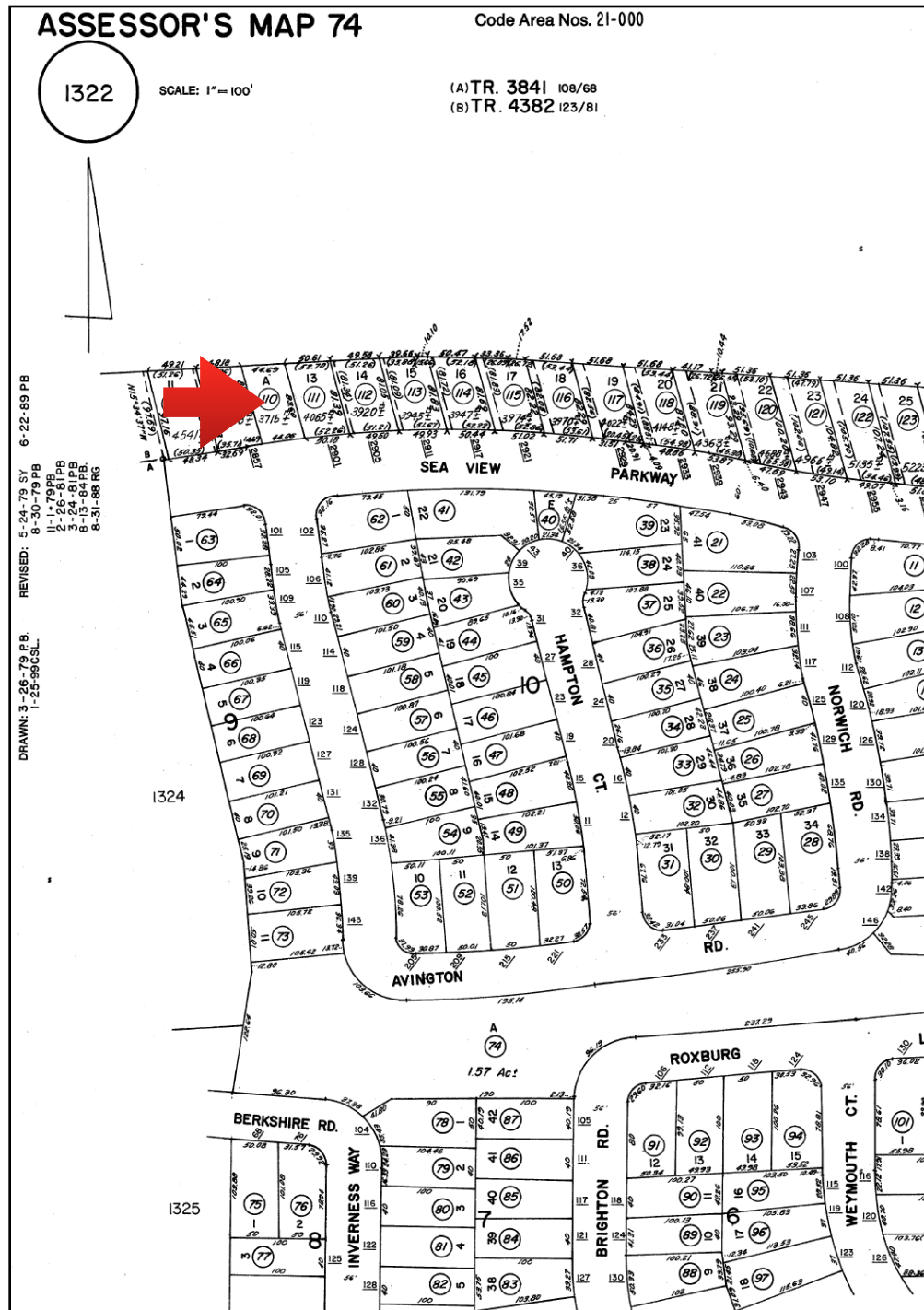
The City of Alameda has jurisdiction and sets the zoning and general plan land use designation. The zoning is R-1-PD - One Family Residence Planned Development. This is a residential zoning district which allows for single family residential uses including complimentary uses such as: underground or above ground utility installations for local service, public parks, schools, playgrounds, libraries, fire stations, and other public buildings. Also family day care facilities, and residential care facilities for no more than six persons, both as licensed by the State of California. Second residential units.

Development Standards - Zoning District

<i>Minimum Lot Area</i>	5,000 Square Feet
<i>Minimum Lot Width</i>	50'
<i>Maximum Coverage</i>	40% - 48%
<i>Maximum Building Height</i>	30 feet total
<i>Minimum Front Yard Setback</i>	20 feet
<i>Minimum Side Yard Setback</i>	5-10 feet, 40% of yard width maximum
<i>Minimum Rear Yard Setback</i>	20 feet
<i>Parking Requirements</i>	2 space per dwelling unit

The General Plan Land Use classification is also Low Density Residential and is conforming with the zoning district. The site is smaller than the minimum lot size and is also less than the minimum lot width.

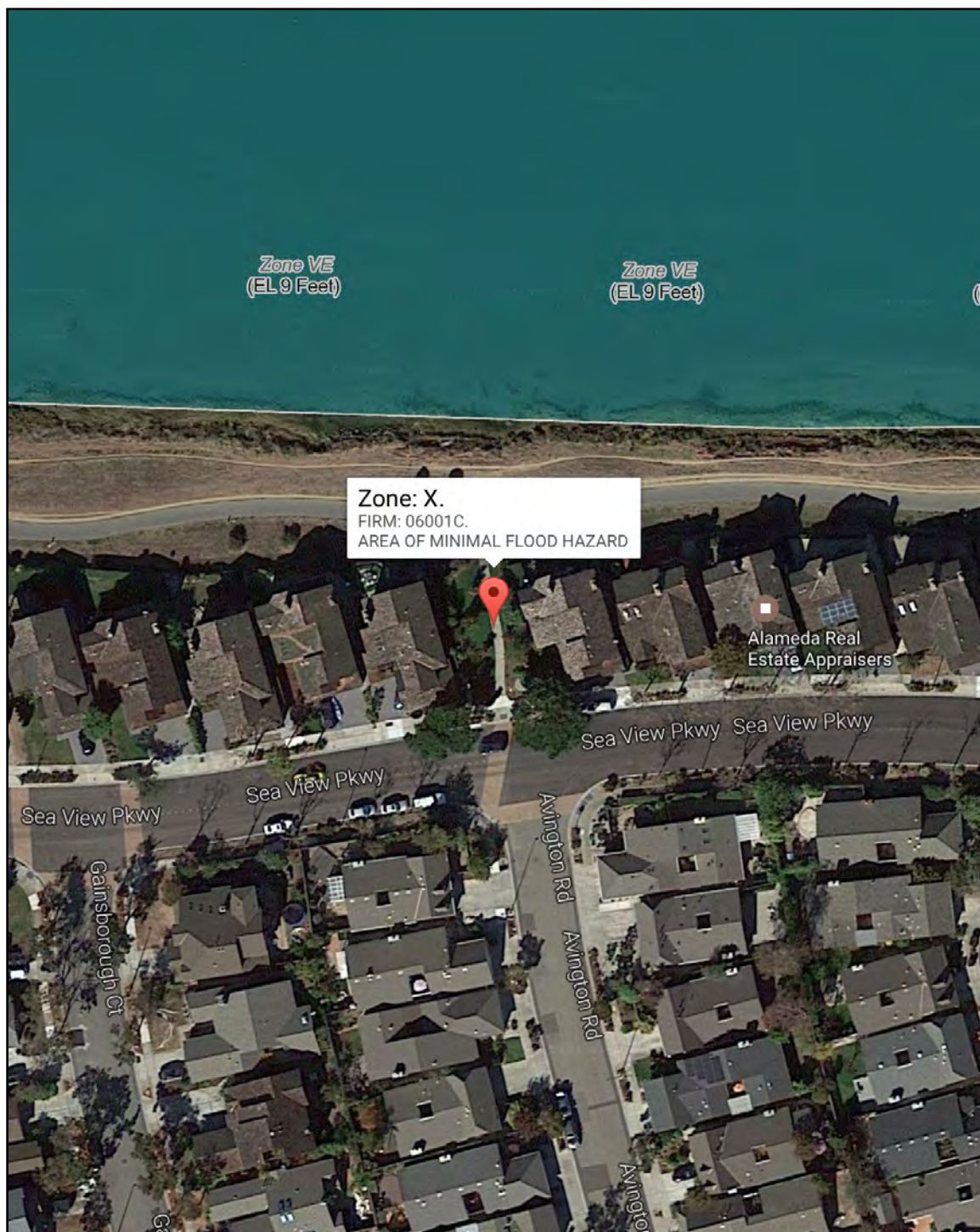
Plat Map



Aerial Photograph



Flood Map



Improvements

The subject site is rectangular and sides along two different homes adjacent to the parcel. It has landscaping improvements and walking trails located along the parcel.

Manhole covers are evident for sanitary sewer and storm drain easements that also cross the parcel. The existing pump station and wet well for sanitary sewer are the only other notable improvements besides sidewalks and landscaping located on the subject site. Any landscaping or sidewalk removed or damaged during construction of the upgraded sewer pump station will be replaced or repaired at project completion.

Proposed Project

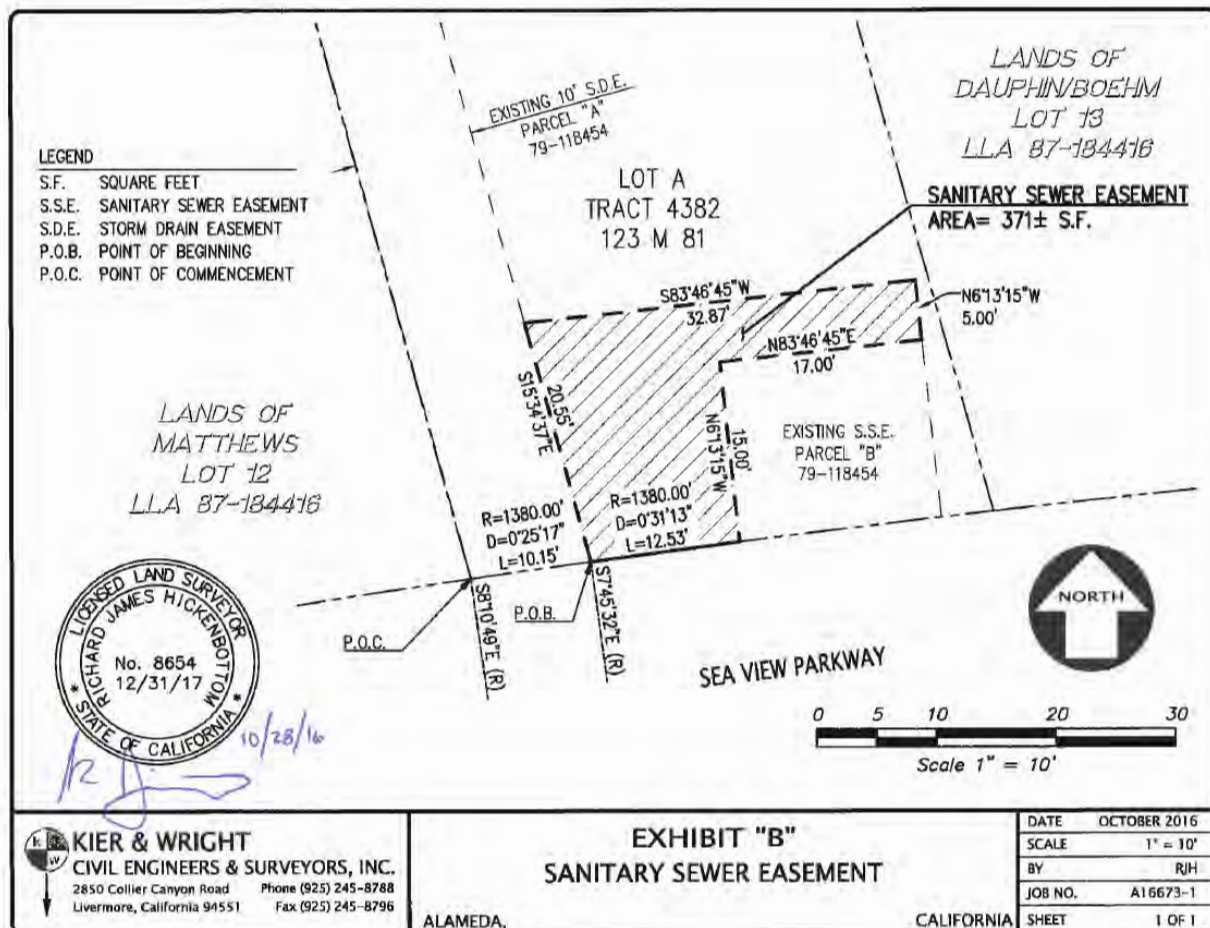
The project involves an upgrade to 36 sewer pump stations throughout the City of Alameda, one of which requires a proposed acquisition over a small portion of the subject site. The proposed easement is a 371 SF sanitary sewer easement over the subject parcel. The proposed easement includes an existing sewer pump station already located on the subject site. The sewer pump station renovations require both underground and above ground improvements. Possible surface improvements include installation of a new motor control cabinet, a new electrical service pedestal box cabinet, an emergency backup generator connection plug, a SCADA alarm pole, and/or a replacement water back flow preventer. A photograph of a recently upgraded sewer station on Sea View Dr that is part of the overall project is shown below.

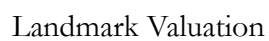


This project will enhance the reliability of the sewer system and is required by the United States EPA. The existing wet well will remain in the original easement area. This project will remove the existing motor control cabinet (MCC) and SCADA pole and relocate them outside the existing easement area on a service pedestal. New landscaping will be installed to cover and buffer the new cabinets. Proposed Easement Area is 371 SF as depicted on the following Improvement Plan.

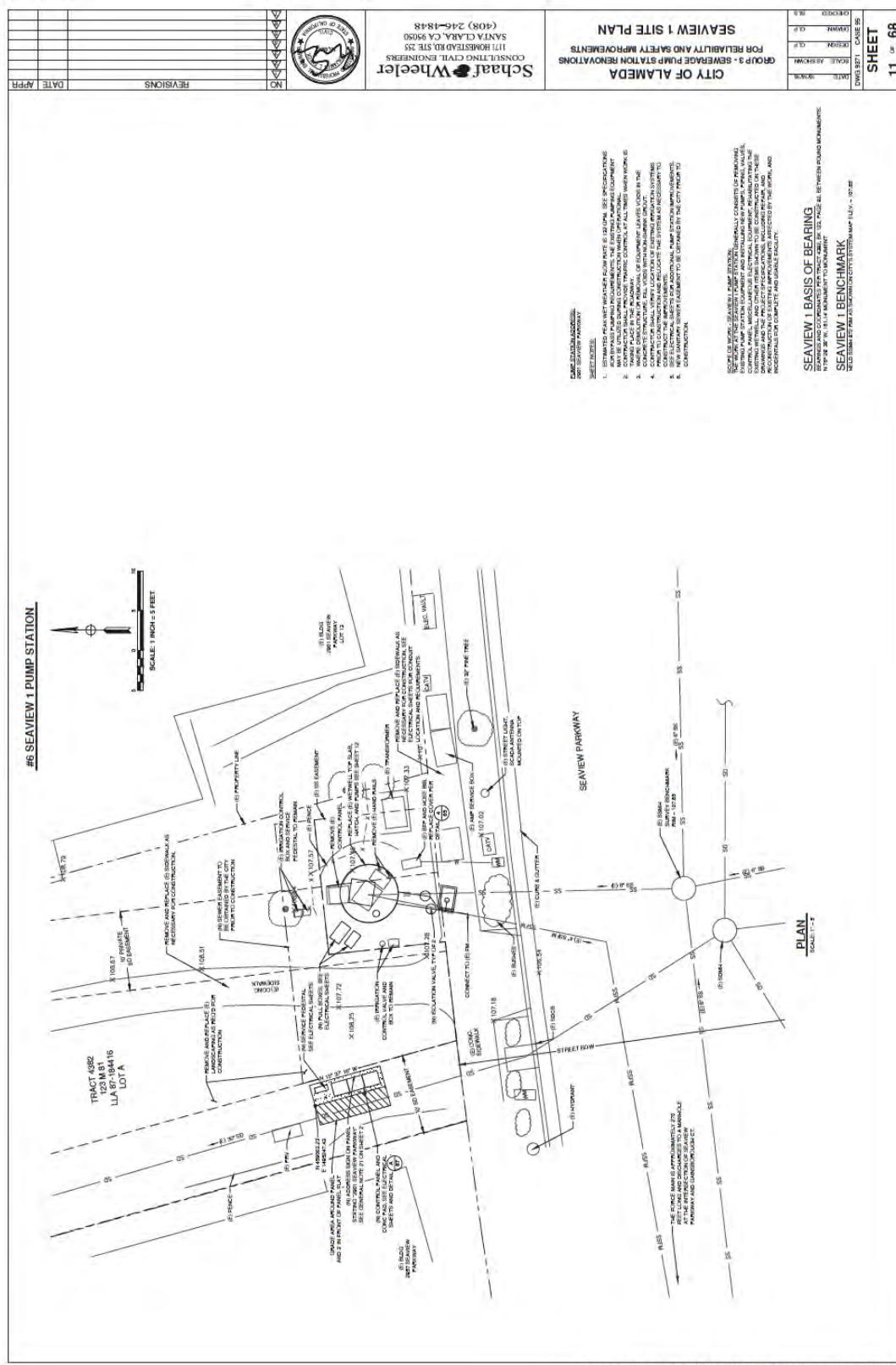
Partial Acquisition

This assignment, requested by the City of Alameda, is for an irregularly shaped sanitary sewer easement that is between 12.53' and 32.87' wide, and 5' to 20' deep, that will be acquired from the existing subject site (Larger Parcel) which is a rectangularly shaped 0.085 acre common area for the Seastrand Owners Association. This proposed acquisition area totals 371 square feet of site area. The partial acquisition is shown below and is located between an existing 255 SF sanitary sewer easement and an existing 10' wide storm drainage easement. This area is located entirely within the 20' front setback area for zoning standards and the partial acquisition will encumber nearly the entire remainder of the street frontage not already encumbered by an easement on the larger parcel.





Site Plan



Effect of Acquisition on Remainder Parcel

The larger parcel is a 3,715 square foot common area for the Seastrand Owners Association. This parcel is common open space for the many homes in the neighborhood that surround the parcel. As common area, this parcel is owned proportionately by all the homes within the homeowner's association. It is important to note that value in real estate is created by these four factors:

Demand, Utility, Scarcity and Transferability. The subject property is unique as common area for a homeowner's association because this limits its transferability and utility to the individual homeowners that the parcel services. As a result, in California, Assessor's do not assign value, or real estate taxes, to common areas in PUD and condominium projects because the value in the common area transfers with the individual units in the project and not the common area parcel itself. Therefore the transferability of the site is limited only to the proportional transfer of ownership by each individual owner's rights in the common area when PUD/Condo units are sold. The common area itself cannot be sold or transferred without the unanimous approval of all members of the homeowners association - a highly unlikely event. Although it can occur.

This is an unusual property type which is intended to serve the nearby and attached properties it serves. The concept is very similar to a public roadway or street which exists only to serve the surrounding and nearby properties. A street, or roadway, has value only because it exists to serve the surrounding properties. It does not have value itself per se. This principle is noted in the Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book), which states "It is customary to say that the value of the land in the streets and alleys is "reflected" in the value of the lots nearby. The subject's common area is very similar in this regard.

The acquisition will have both positive and negative impacts upon the remainder of the subject parcel after the acquisition. The project will improve the overall reliability of the sewer system which is vital to the homes surrounding the subject's larger parcel common area for the Seastrand Owner's Association. However it will have minimal or nominal negative impacts on the remainder as well. The proposed easement will have no adverse effects on the market value of any of the individual residences within the homeowner's association.

The proposed easement is currently utilized as a landscaped common area with plants, trees, shrubs and walkways. As such the area is predominately a landscaped buffer with walking trails. There are no other improvements on the site. A small portion of the new proposed easement will have metal cabinets installed but the remainder of the area (majority of it) will still be landscaped with walking trails. The proposed 371 SF easement area represents about 10% of the larger parcel's total site area. The easement takes some but not all of the bundle of rights in the easement area. These may include both above ground and below ground rights.

There are numerous existing easements located within or adjacent to the proposed easement. These include:

Within:

- a 10' wide private storm drain easement

Adjacent:

- a 10' wide storm drain easement
- a Public Utility Easement along Sea View Pkwy (where an existing wet well and pump station currently exist)

The proposed 371 SF public sewer easement addition to the sewer pump station will not cause any major adverse effect on the remainder parcel in that there is no individual adverse effects on any of the units located on or near the common area. Since no adverse severance damage is indicated, benefits, if any, have not been estimated. That said there is still a minimal adverse effect on the overall larger parcel. Therefore, I have looked to the market to find indications of the value impact of the acquisition area of easement, as detailed further in this report.

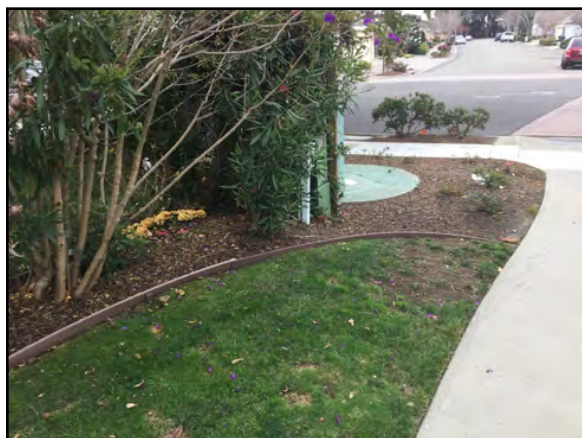
Subject Photographs



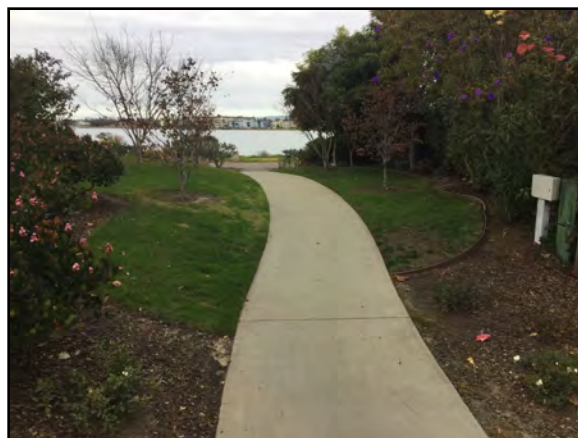
Seaview I Pump Station



Existing Pump Station



Proposed Easement Area



Proposed Easement Area



View from Across Street



Existing Storm Drain Easement



View from Rear Larger Parcel



Sea View Dr to North



Sea View Dr to South

Highest and Best Use - As If Vacant

The four tests to the subject's *Highest & Best Use - As If Vacant* are presented as follows.

Legally Permissible

The subject has general residential zoning which allows for a wide variety of single family residential and complimentary uses including park/open space. The subject parcel has been deeded as common area open space for the neighborhood in which it is located. As such it cannot be developed and must remain part of the larger parcel - the neighborhood homeowner's association.

Physically Possible

The subject's site could accommodate a wide variety of limited residential uses with only one home due to the long, narrow and winding shape of the parcel, with only one possible homesite.

Financially Feasible

Single family residences are currently in strong demand and there is short supply available in the local market. This is an inference that residential development, particularly single family, is financially feasible.

Maximally Productive

The only use that survives all three above tests is to remain part of the larger parcel - as open space for the community homeowner's association. Therefore, I have concluded that the *Highest and Best Use - As If Vacant* is for the existing open space use.

Valuation Methodology

I have analyzed the subject property under the following scenarios:

Fair Market Value “As Is”

In order to develop an opinion of the *Fair Market Value - As Is* I have utilized the *Sales Comparison Approach* to value and the *Cost Approach* and the *Income Capitalization Approach* are not considered necessary for credible results and have been excluded. The *Effective Date of Value* is January 4, 2017.

Sales Comparison Approach

The *Sales Comparison Approach* is applicable when a sufficient number of recent, reliable transactions create a perceptible value pattern in the market. For property types that are routinely bought and sold, the *Sales Comparison Approach* provides a good indication of market value, as it is direct, systematic and overall reflects the motivations of both buyers and sellers.



The market is researched for comparable market activity. Transactions are then verified for accuracy and relevance for comparison with the subject property. The appropriate *Unit(s) of Comparison* are then analyzed and adjusted for differentials in the *Elements of Comparison*. The adjusted comparable sales are then reconciled to determine the best value indication for the subject property.

Comparable Sales

Because common area open space for PUD and HOA almost never sell, there were no recent sales of such property type in the East Bay market area. I have therefore considered properties that have similar open space uses (limited or no development opportunity) throughout the East Bay market area. The most relevant sales that could be located are utilized in this appraisal report. The most common *Unit of Comparison* in the local market is the *Price Per Square Foot of Site Area*. Detailed discussion of each comparable sale is presented below and their approximate location is shown on the *Comparable Sale Location Map* that follows the discussion.

Sale #	Address or Location	City	Sale Date	Sale Price	Land SqFt	Loc Fea	Zon	Misc Comments	Sale \$/SqFt
1	Edinburgh Dr	Livermore	Sep-15	\$525,000	1,077,239	Similar	PUD	Open Space Easement	\$0.49
2	Courtland Ave	Oakland	Mar-15	6,000	750	Superior	RD-1	5' x 150' strip of land	8.00
3	Refugio Valey Rd	Hercules	Mar-15	37,500	350,222	Similar	OS	Public open space zoning	0.11
4	Moraga @ Rheem	Moraga	Mar-14	97,000	377,709	Similar	OS	Private open space zoning	0.26
5	Lowry Rd	Fremont	Nov-11	27,000	18,165	Similar	PUD	10' x 1000' pedestrian easement	1.49
6	1006 Howard Hills Rd	Lafayette	Listing	289,000	204,296	Similar	R-20	Scenic easement limits use to open space or agriculture.	1.41
Statistics			Min	\$6,000	750				\$0.11
			Max	525,000	1,077,239				8.00
			Avg	163,583	338,064				1.96
Subj	2875 Sea View Pkwy	Alameda			3,715	Good	R-1-PD	Common area open space	

Comparable Sale 1

Name	Edinburgh Open Space							
Property Type	Land							
Sub Type	Park/Open Space							
Date	9/18/2015							
Price	\$525,000							
Address	Edinburgh Dr							
City	Livermore							
County	Alameda							
State	CA	Zip	94550	ID	985	Flood Zone		X
Tax ID	099-1336-109-00 & 099-0075			Encumbrance Easement	None noted			
Grantee	Edinburgh Fortunes LLC			Environmental Issues	None Noted			
Grantor	HDA Mortgage Fund LLC			Shape	Irregular	Zoning	PUD 29-89	
Doc Number	15-256966			Topography	Rolling			
Legal Description	Tract 6177 Lots 1-6 and Tract 5645 Lot D							
Acres	24.730	Land SF	1,077,239		Land Units	2		
Price Per Acre	\$21,229		Parcel Map					
Price Per Land SF	\$0.51							
Price Per Land Unit	\$0							
Current Use	Open Space							
Proposed Use	Open Space							
Conditions of Sale	Arm's Length							
Financing	Conventional							
Days On Market	33							
Road Frontage	1,250							
Depth	400							
Comments								

This site is two parcels that are encumbered with an easement that restricts the site to open space to be maintained in as close to "natural condition" as possible. No development is possible on the site as a result. The site was taken back by the lender with a deed in lieu of foreclosure on 2/14/2011 in forgiveness on a \$500,000 remaining balance.

Comparable Sale 2

Name Narrow Unbuildable Lot
Property Type Land
Sub Type Park/Open Space
Date 3/23/2015
Price \$6,000

Address Courtland Ave
City Oakland
County Alameda
State CA **Zip** 94619

Tax ID 036 -2449-035-01
Grantee Brotman Maximilian P
Grantor Shaheen Sabeeha
Doc Number 15-79385

_ID 1627 **Flood Zone** X
Encumbrance Easement None noted
Environmental Issues None noted
Shape Rectangular **Zoning** RD-1
Topography Level

Legal Description

High Street Villa Portion

Acres 0.017 **Land SF** 750 **Land Units** 1

Price Per Acre \$348,480

Price Per Land SF \$8.00

Price Per Land Unit \$6,000

Current Use Open Space

Proposed Use Open Space

Conditions of Sale Arm's Length

Financing All Cash

Days On Market 43

Road Frontage 5

Depth 150

Comments


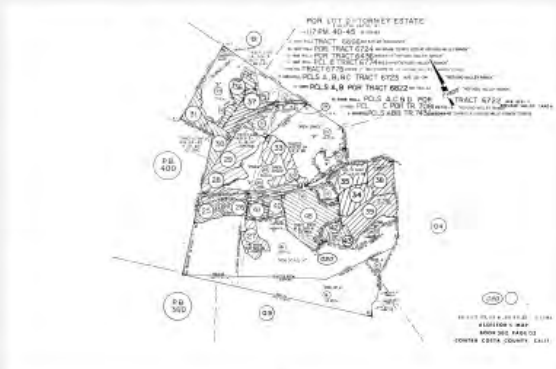
Sold previously at a public auction for \$3,287 on 5/7/2012. Lot is 5' wide by 150' deep and is not buildable. Suitable only for open space or limited storage.




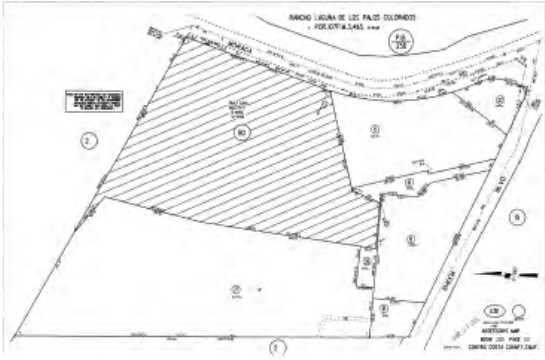
Parcel Map



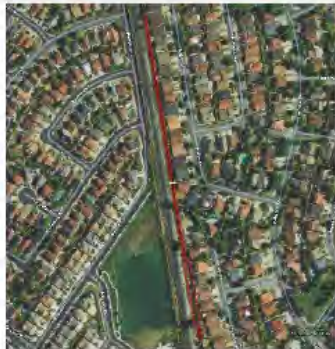

Comparable Sale 3

Name	Refugio Open Space									
Property Type	Land									
Sub Type	Park/Open Space									
Date	3/13/2015									
Price	\$37,500									
Address	Refugio Valley Rd									
City	Hercules									
County	Contra Costa									
State	CA	Zip	94547	_ID	1001	Flood Zone	X			
Tax ID	362-030-050			Encumbrance Easement	None noted					
Grantee	Charles Albert & Betty Siy TRE			Environmental Issues	None Noted					
Grantor	Shea Homes - Hanna Ranch			Shape	Irregular	Zoning	Public Open			
Doc Number	15-45039			Topography	Rolling					
Legal Description	Tract 6822 Portion Lot A									
Acres	8.040	Land SF	350,222	Land Units	1					
Price Per Acre	\$4,664			Parcel Map						
Price Per Land SF	\$0.11									
Price Per Land Unit	\$37,500									
Current Use	Open Space									
Proposed Use	Open Space									
Conditions of Sale	Arm's Length									
Financing	All Cash									
Days On Market										
Road Frontage	737									
Depth	300									
Comments	This parcel is located within the City of Hercules but is contiguous with unincorporated land at the city limits. The parcel has public open space zoning and general plan land use classification.									



Comparable Sale 4

Name	Moraga Open Space						
Property Type	Land						
Sub Type	Park/Open Space						
Date	3/18/2014						
Price	\$97,000						
Address	Moraga Rd						
City	Moraga						
County	Contra Costa						
State	CA	Zip	94556	_ID	982	Flood Zone	X
Tax ID	255-030-027			Encumbrance Easement	Lacks Ingress/Egress		
Grantee	Ravig Inc			Environmental Issues	None Noted		
Grantor	Contra Costa County Tax			Shape	Irregular	Zoning	Moraga Open
Doc Number	14-40487			Topography	Sloped		
Legal Description	Parcel Map 107 Page 3 Portion Parcel A						
Acres	8.670	Land SF	377,709	Land Units	1		
Price Per Acre		\$11,188	Parcel Map				
Price Per Land SF		\$0.26					
Price Per Land Unit		\$97,000					
Current Use	Open Space						
Proposed Use	Open Space						
Conditions of Sale	Arm's Length						
Financing	All Cash						
Days On Market							
Road Frontage	0						
Depth	900						
Comments	 <p>This site is zoned private open space by the Town of Moraga. Slope on the site could preclude any development under the Town's open space ordinance which would allow a maximum of one unit. The site also lacks adequate ingress/egress for development and will continue to be privately owned open space.</p>						

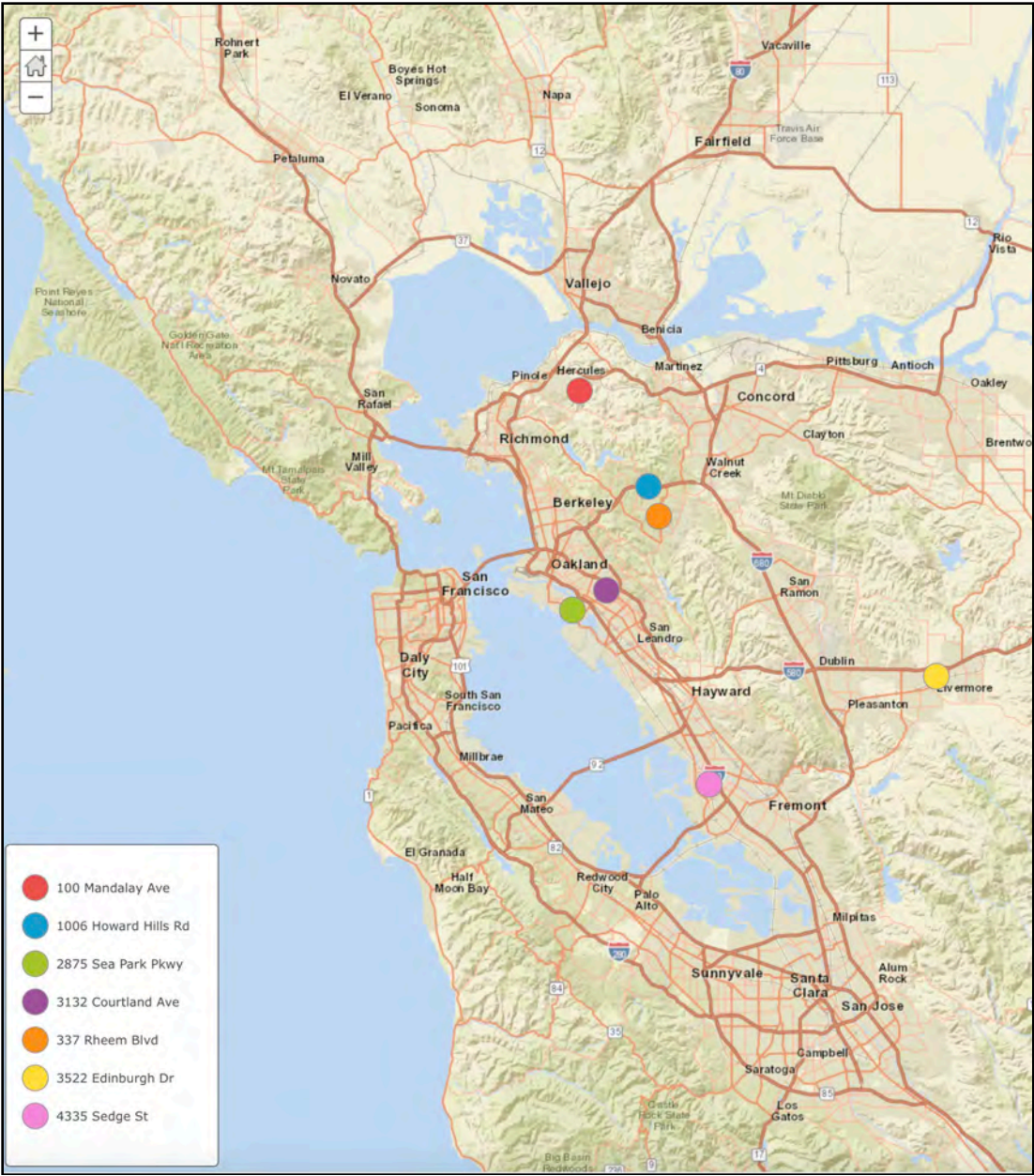
Comparable Sale 5

Name	Lowry Rd						
Property Type	Land						
Sub Type	Park/Open Space						
Date	11/23/2011						
Price	\$27,000						
Address	Lowry Rd						
City	Fremont						
County	Alameda						
State	CA	Zip	94536	_ID	983	Flood Zone	X
Tax ID	543-0408-138-00		Encumbrance Easement		None noted		
Grantee	John Gerber Inc		Environmental Issues		None noted		
Grantor	Ponderosa Homes		Shape	Irregular	Zoning	PUD	
Doc Number	11-335903		Topography		Level		
Legal Description	Tract 3722 (portion)						
Acres	0.420	Land SF	18,165	Land Units	1		
Price Per Acre	\$64,286		Parcel Map				
Price Per Land SF	\$1.49						
Price Per Land Unit	\$27,000						
Current Use	Open Space						
Proposed Use	Open Space						
Conditions of Sale	Arm's Length						
Financing	All Cash						
Days On Market							
Road Frontage	10						
Depth	1,000						
Comments	<p>This parcel was created by terms of development under the PD approval of Tract 3722 which required a 10 to 15 foot pedestrian easement along the then Southern Pacific Railroad right of way. The City of Fremont deleted this requirement of approval for the development in 1983 after Union City approved a subdivision across the railroad tracks without requiring a pedestrian easement. This effectively made this parcel's easement go "nowhere" and it was removed. The parcel is not developable because it ranges in width between 10' and 40' and is over 1000' long. It is effectively rendered as open space along the now Union</p>						

Comparable Sale 6

Name	Howard Hills Open Space						
Property Type	Land						
Sub Type	Park/Open Space						
Date	12/7/2016						
Price	\$289,000						
Address	1004 Howard Hills Rd						
City	Lafayette						
County	Contra Costa						
State	CA	Zip	94549	ID	1626	Flood Zone	X
Tax ID	248-120-010			Encumbrance Easement	Scenic Easement		
Grantee	TBD			Environmental Issues	None noted		
Grantor	Gharechedaghy Bijan / Trinos			Shape	Irregular	Zoning	R-20
Doc Number				Topography	Rolling		
Legal Description	Pcl Map 70 Pg 24 Pcl D						
Acres	4.690	Land SF	204,296	Land Units	1		
Price Per Acre	\$61,621			Parcel Map			
Price Per Land SF	\$1.41						
Price Per Land Unit	\$289,000						
Current Use	Open Space						
Proposed Use	Open Space						
Conditions of Sale	Arm's Length						
Financing	Conventional						
Days On Market							
Road Frontage	585						
Depth	100						
Comments	Vacant and unbuildable lot with a scenic easement and open space as the only allowable use.						

Comparable Sales Summary & Location Map



The comparable sales have been analyzed and adjusted for significant differences in the Elements of Comparison on the following table. The sale prices are first adjusted for transactional elements which include expenditures after sale, property rights, financing terms, conditions of sale and market conditions. Physical elements are then considered and in this case were adjusted for location, quality and condition, land to building ratio and building size. Each of the properties had no identified expenditures immediately after sale so no adjustments are necessary. All sales were fee simple so no adjustments are necessary for property rights.

All sales were cash sales and were arm's length transactions so no adjustments are needed for those elements. No adjustments are considered necessary for market conditions for this property type.

	Subject	Sale #1		Sale #2		Sale #3	
Address	2875 Sea View Pkwy	Edinburgh Dr		Courtland Ave		Refugio Valey Rd	
City	Alameda	Livermore		Oakland		Hercules	
Proximity to Subject	NA	27.5 miles east		4.5 miles east		17.5 miles north	
Current Use	HOA Open Space	Open Space		Unbuildable Strip		Open Space	
Information Source	N/A	MLS/Assessor		MLS/Assessor		MLS/Assessor	
Sale Price	NA	\$525,000		\$6,000		\$37,500	
Site Sq.Ft.	3,715	1,077,239		750		350,222	
Sale \$ per Sq. Ft.	NA	\$0.49		\$8.00		\$0.11	
Property Rights	Fee Simple	Fee Simple	0%	Fee Simple	0%	Fee Simple	0%
Adjusted Sale Price		\$0.49		\$8.00		\$0.11	
Financing	Mkt Rate	Mkt Rate	0%	Mkt Rate	0%	Mkt Rate	0%
Adjusted Sale Price		\$0.49		\$8.00		\$0.11	
Conditions of Sale	Typical	Typical	0%	Typical	0%	Typical	0%
Adjusted Sale Price		\$0.49		\$8.00		\$0.11	
Expendit. After Sale	None	None	0%	None	0%	None	0%
Adjusted Sale Price		\$0.49		\$8.00		\$0.11	
Date of Sale	Jan-17	Sep-15	0%	Mar-15	0%	Mar-15	0%
Adjusted Sale Price		\$0.49		\$8.00		\$0.11	
Location	Good	Similar	0	Good	0	Similar	0
Site Sq.Ft.	3,715	1,077,239	+	750	-	350,222	+
Shape	Irregular	Irregular	0	Narrow Strip	-	Irregular	0
Terrain Slope	Level	Mostly Level	0	Mostly Level	0	Rolling	0
Zoning	R-1-PD	PUD	0	RD-1	0	R-1	0
Net Adjustment		Positive		Negative		Positive	

Before adjustments the comparable sales indicate a range of market value from \$0.11 to \$8.00 per square foot a relatively wide range. Sale 2 is narrow and small and not directly comparable with the subject so it is excluded. Sale 6 is a listing and is included only to show current market activity. It too is excluded because it is not a closed sale. After the exclusion of Sales 2 and 6, the range tightens to between \$0.11/SF and \$1.49/SF before adjustments. After adjustments, the comparable sales indicate a range of market value between approximately \$0.50/SF and \$1.50/SF.

	Subject	Sale #4	Sale #5	Sale #6
Address	2875 Sea View Pkwy	Moraga @ Rheem	Lowry Rd	1006 Howard Hills Rd
City	Alameda	Moraga	Fremont	Lafayette
Proximity to Subject	NA	11 miles east	16 miles south	12 miles east
Current Use	HOA Open Space	Private Open Space	Narrow Strip of Land	Private Open Space
Information Source	N/A	MLS/Assessor	MLS/Assessor	MLS/Assessor
Sale Price	NA	\$97,000	\$27,000	\$289,000
Site Sq.Ft.	3,715	377,709	18,165	204,296
Sale \$ per Sq. Ft.	NA	\$0.26	\$1.49	\$1.41
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple
		0%	0%	0%
Adjusted Sale Price		\$0.26	\$1.49	\$1.41
Financing	Mkt Rate	Mkt Rate	Mkt Rate	Mkt Rate
		0%	0%	0%
Adjusted Sale Price		\$0.26	\$1.49	\$1.41
Conditions of Sale	Typical	Typical	Typical	Typical
		0%	0%	0%
Adjusted Sale Price		\$0.26	\$1.49	\$1.41
Expendit. After Sale	None	None	None	None
		0%	0%	0%
Adjusted Sale Price		\$0.26	\$1.49	\$1.41
Date of Sale	Jan-17	Mar-14	Nov-11	Listing
		0%	0%	-10%
Adjusted Sale Price		\$0.26	\$1.49	\$1.27
Location	Good	Similar	Similar	Similar
		0	0	0
Site Sq.Ft.	3,715	377,709	18,165	204,296
		+	+	+
Shape	Irregular	Irregular	Narrow Strip	Irregular
		0	-	0
Terrain Slope	Level	Upslope	Level	Slope/View
		+	0	0
Zoning	R-1-PD	OS	PUD	R-20
		0	0	0
Net Adjustment		Positive	Similar	Postive

Value of the Part Acquired

The value of the part acquired is based on the value of the whole property in the Before Condition and After Condition. I have previously discussed that the value in the common area is reflected primarily in the individual units within the Homeowner's Association and not as much in the parcel itself. No individual unit will suffer any value impairment as a result of the proposed easement so the before and after value of the larger parcel remains the same.

Nonetheless, some minimal value remains in the open space area, so a minimal impact is still recognized on the overall utility of the common area. The comparable sales were selected to help analyze this impact on the subject site. All of the sales have severe limitations on their use which limit them to open space equivalent to the subject's larger parcel common area for a homeowner's association.

Before Condition Unit Land Value Conclusion

After adjustments, the comparable sales provided a bracketed range of market values for the subject property, between \$0.50 per square foot and \$1.50 per square foot. Therefore, the fair market unit land value for the subject property, is concluded to be \$1.50 per square foot.

Value of the Area to be Acquired

Sanitary Sewer Easement Valuation

The City of Alameda requires one permanent underground sanitary sewer easement as previously described. The easement is located along the westernmost portion of the subject larger parcel. It is located within an area where numerous other existing utility easements already exist - at least five such easements. The addition of one additional sanitary sewer easement will have a moderate impact on the utility of the subject property at its highest and best use. The proposed sanitary sewer easement is predominately underground, with an existing wet well, control boxes that already exist on the site as the only above ground or at grade features. Therefore, a 50% diminution in market value is considered appropriate for the subject easement.

Property Rights Appraised	Estimated Value/SF	Land Area (S.F.)	Diminution in Fee Value	Diminution in Market Value
Sanitary Sewer Easement	1.50	371	50%	278.25

Site Improvements Proposed for Acquisition

As previously described, site improvements located in the proposed acquisition area include landscaping and asphalt paved and concrete sidewalks/trails. All landscaping and walkways that are disturbed as a result of construction for this proposed project will be replaced and repaired to their original condition. As a result, no value is assigned to any site improvement because it will all be replaced at the end of the construction.

Damages and Benefits

The project does not result in any damages to the remainder of the Larger Parcel in the After Condition. In the absence of damages, benefits, if any are not quantified at this time.

Estimated Diminution in Fair Market Value

The estimated fair market value of the proposed acquisition from the Larger Parcel and the estimated diminution in market value is summarized as follows:

Estimated Diminution in Fair Market Value

Permanent Easement Acquisition:	\$278
Site Improvements:	\$0
Damages:	\$0
Benefits:	<u>Unquantified</u>
Total Value: Diminution in Fair Market Value	\$278

This is a nominal amount of diminution in fair market value so I have rounded it to **\$1,000** - a nominal diminution in market value for the Larger Parcel in the after condition.

RECONCILIATION

Market Value “As Is”

This valuation scenario considers the subject’s *Fair Market Value* as of January 4, 2017 in its *As-Is* condition. The three approaches to value indicate the *Fair Market Value - As Is* for the *Proposed Sanitary Easement* in the subject as of January 4, 2017, is as follows:

Cost Approach	Not Applicable
Sales Comparison Approach	\$1,000 - Nominal Value
Income Capitalization Approach	Not Applicable

The *Cost Approach* was not determined to be necessary for credible results and was not developed in this appraisal report.

The *Sales Comparison Approach* was developed and had adequate sales in the local market to provide a reliable indication of market value for the subject property. The subject has appeal to some owner users in the market and as such, this buyer type would rely on the *Sales Comparison Approach* in their buying consideration. I have given this approach primary weight.

The *Income Approach* was also not determined to be necessary and was also not developed. The subject site is not leased, nor is it likely to be leased, therefore, the *Income Approach* is not a meaningful indication of market value for the subject property.

The *Sales Comparison Approach* is the only applicable method for this valuation scenario. I have ultimately concluded a *Fair Market Value - As Is* of the *Proposed Sanitary Easement* in the subject property to be **\$1,000**. A Nominal Value.

Addenda

Legal Description - Acquisition Area

EXHIBIT 'A'
LEGAL DESCRIPTION
SANITARY SEWER EASEMENT

REAL PROPERTY SITUATE IN THE CITY OF ALAMEDA, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEING A PORTION LOT "A" AS SHOWN IN THAT CERTAIN MAP OF TRACT NO. 4382, FILED FOR RECORD JANUARY 27, 1981 IN BOOK 123 OF MAPS AT PAGES 81 AND 82, ALAMEDA COUNTY OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWESTERLY CORNER OF SAID LOT "A", SAID CORNER BEING A POINT ON THE NORTHERLY RIGHT OF WAY OF SEA VIEW PARKWAY AND ALSO BEING THE BEGINNING OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1380.00 FEET, FROM WHICH THE CENTER BEARS SOUTH 8° 10' 49" EAST;

THENCE ALONG SAID NORTHERLY RIGHT OF WAY AND THE SOUTHERLY LINE OF SAID LOT "A", ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 0° 25' 17", FOR AN ARC LENGTH OF 10.15 FEET TO THE **POINT OF BEGINNING**, SAID POINT ALSO BEING THE SOUTHEASTERLY CORNER OF AN EASEMENT FOR STORM DRAINAGE PURPOSES, DESCRIBED AS PARCEL "A" IN THAT CERTAIN DOCUMENT RECORDED JUNE 19, 1979 AS DOCUMENT NO. 79-118454, ALAMEDA COUNTY OFFICIAL RECORDS;

THENCE CONTINUING ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 0° 31' 13", FOR AN ARC LENGTH OF 12.53 FEET TO THE SOUTHWESTERLY CORNER OF AN EASEMENT FOR SANITARY SEWER PURPOSES, DESCRIBED AS PARCEL "B" IN THE ABOVE SAID DOCUMENT (79-118454);

THENCE, ALONG THE WESTERLY LINE OF SAID SANITARY SEWER EASEMENT, NORTH 06° 13' 15" WEST, 15.00 FEET TO THE NORTHWESTERLY CORNER OF SAID EASEMENT;

THENCE ALONG THE NORTHERLY LINE OF SAID SANITARY SEWER EASEMENT, NORTH 83° 46' 45" EAST, 17.00 FEET TO THE NORTHEASTERLY CORNER OF SAID SANITARY SEWER EASEMENT;


THENCE ALONG THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SAID SANITARY SEWER EASEMENT, NORTH 06° 13' 15" WEST, 5.00 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND 5.00 FEET NORTHERLY OF THE NORTHERLY LINE OF SAID SANITARY SEWER EASEMENT;

THENCE ALONG SAID PARALLEL LINE, SOUTH 83° 46' 45" WEST, 32.87 FEET TO A POINT ON THE EASTERLY LINE OF THE ABOVE MENTIONED STORM DRAINAGE EASEMENT (79-118454);

THENCE ALONG SAID EASTERLY LINE, SOUTH 15° 34' 37" EAST, 20.55 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 371 SQUARE FEET OF LAND, MORE OR LESS.

KIER & WRIGHT CIVIL ENGINEERS & SURVEYORS, INC.


RICHARD J. HICKENBOTTOM, LS 8654
LICENSE EXPIRES: 12/31/17

10/28/16
DATE



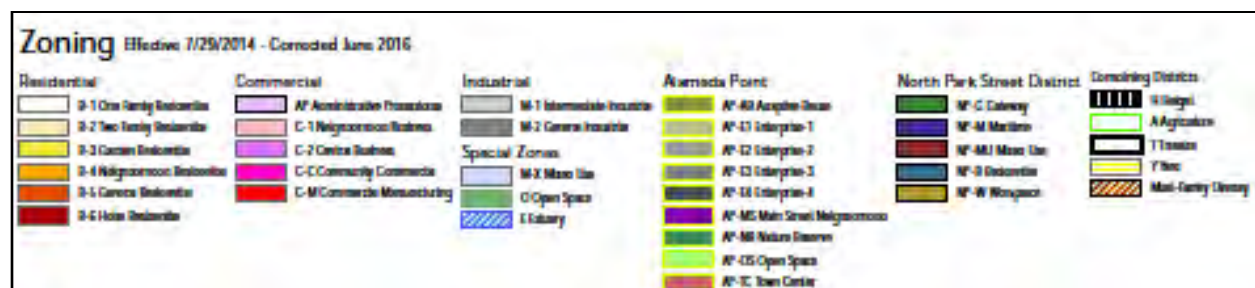
Proposed Acquisition Map



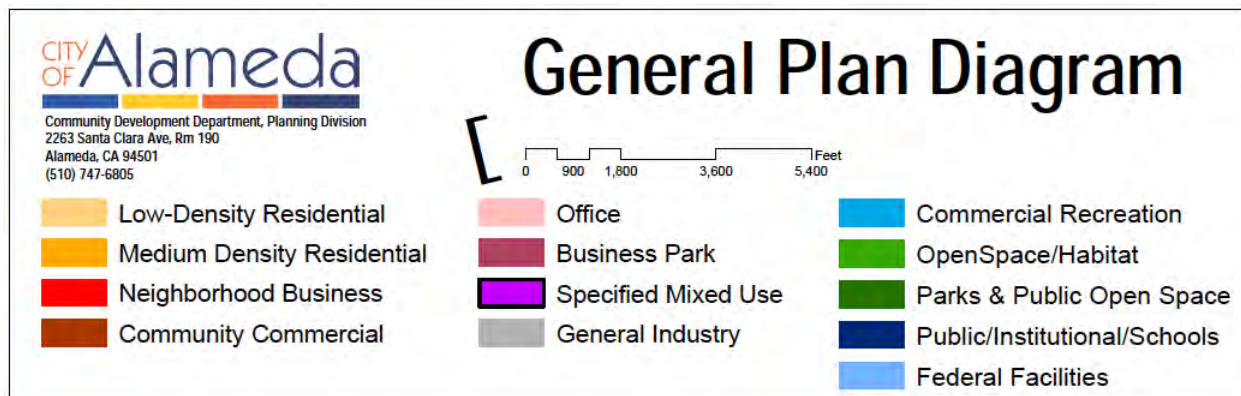
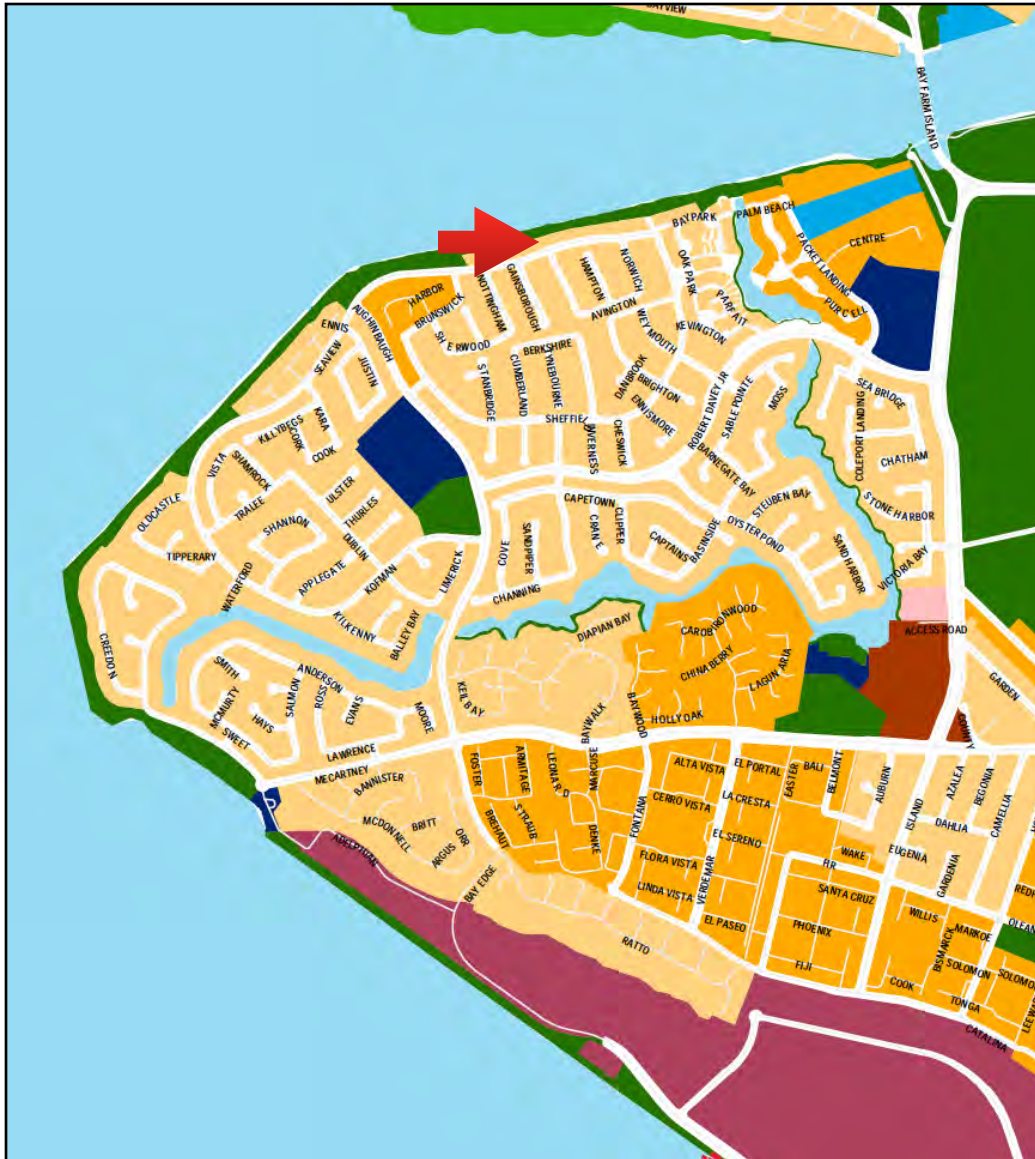
BCDC San Francisco Bay Plan



Zoning Map



General Plan Land Use Map



Placer Title Company
CUSTOMER DISTRIBUTION

Date: 04-01-2014

Property Address:
2875 SEA VIEW PARKWAY

Order Number: 1415-14421
Cust. Ref.: SEWER PUMP STATIONS/SEA V

PLACER TITLE COMPANY
SPECIAL PROJECTS
2145 LARKSPUR LANE, SUITE A
REDDING, CA 96002
Attn: Christy Rudkin
Phone: 530-244-2122
Fax: 530-244-1009
Copies: 1
EMail: crudkin@placertitle.com

CITY OF ALAMEDA, CA PUBLIC WORKS
950 WEST MALL SQUARE
RM 120
ALAMEDA, CA 94501
Attn: CAROL CLARK
Phone: 510-747-7944
Fax: 540-769-6030
Copies: 1
EMail: cclark@alamedaca.gov
E-Mail



Preliminary Report Top Sheet

HELP US STAY ON TOP OF YOUR TRANSACTION

IF ANY OF THESE QUESTIONS ARE ANSWERED "YES", OR IF YOU HAVE QUESTIONS ABOUT THE BELOW, PLEASE CONTACT YOUR ESCROW OFFICER IMMEDIATELY

- * Have any of the principals recently filed bankruptcy?**
- * Do any of the principals plan to use a power of attorney? (vacation, business travel or health reasons)**
- * Are any of the principals going through a divorce? (if so, is there an attorney involved?)**
- * Is anyone currently vested in title deceased? Has a new Tax I.D. Number been established?**
- * Do any of the principals NOT have a valid photo identification?**
- * Is there construction work in progress or incomplete construction?**
- * Is there a mobile or manufactured home on the property?**
- * Are the sellers a non-resident alien or a foreign out of country seller?**
- * Is the property an investment property or not considered seller's principal residence?**
- * Will a new entity be formed? (i.e. Partnership, LLC, Corporation)**
- * If your principals are currently vested or are taking title in their trust, have bank accounts been established in the name of the Trust?**
- * Are any of the principals not able to sign within a Placer Title Office? If so, an approved notary will be required.**

THANK YOU FOR CHOOSING
PLACER TITLE COMPANY

Placer Title Company

Preliminary Report

Issued By:

Order No. 1415-14421

**PLACER TITLE COMPANY
SPECIAL PROJECTS
2145 LARKSPUR LANE, SUITE A
REDDING, CA 96002
Escrow Officer: Christy Rudkin
Phone: 530-244-2122
Fax: 530-244-1009
Escrow Officer Email: crudkin@placertitle.com
Email Loan Docs To: N/A**

Customer Reference: SEWER PUMP STATIONS/SEA VIEW #1

Property Address: 2875 SEA VIEW PARKWAY

In response to the above referenced application for a policy of title insurance, Placer Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in Attachment One. The Policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the Policy forms should be read. They are available from the office which issued this report.

PLEASE READ THE EXCEPTIONS SHOWN OR REFERRED TO BELOW AND THE EXCEPTIONS AND EXCLUSIONS SET FORTH IN ATTACHMENT ONE OF THIS REPORT CAREFULLY. THE EXCEPTIONS AND EXCLUSIONS ARE MEANT TO PROVIDE YOU WITH NOTICE OF MATTERS WHICH ARE NOT COVERED UNDER THE TERMS OF THE TITLE INSURANCE POLICY AND SHOULD BE CAREFULLY CONSIDERED.

IT IS IMPORTANT TO NOTE THAT THIS PRELIMINARY REPORT IS NOT A WRITTEN REPRESENTATION AS TO THE CONDITION OF TITLE AND MAY NOT LIST ALL LIENS, DEFECTS AND ENCUMBRANCES AFFECTING TITLE TO THE LAND.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of March 13, 2014 at 7:30 a.m.

Title Officer: Carinne Kent

Order No. 1415-14421

**The form of policy of title insurance contemplated by this report is:
CLTA Standard Coverage Policy**

The estate or interest in the land hereinafter described or referred to covered by this Report is:

A FEE SIMPLE

Title to said estate or interest at the date hereof is vested in:

SEASTRAND OWNERS ASSOCIATION, A NON-PROFIT MUTUAL BENEFIT CORPORATION

The land referred to herein is described as follows:

SEE EXHIBIT "A" ATTACHED

EXHIBIT "A"
LEGAL DESCRIPTION

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF ALAMEDA, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

PARCEL A, TRACT 4382, FILED JANUARY 27, 1981, IN BOOK 123, PAGE 81, ALAMEDA COUNTY RECORDS.

EXCEPTING THEREFROM ALL OIL, GAS MINERAL, GEOTHERMAL AND HYDROCARBON SUBSTANCE IN AND UNDER OR THAT MAY BE PRODUCED BELOW A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID PROPERTY WITHOUT ANY RIGHT UPON THE SURFACE OF SAID LAND FOR THE PURPOSE OF MINING, DRILLING, EXPLORING OF EXTRACTING SUCH OIL, GAS, MINERAL, GEOTHERMAL OF HYDROCARBON SUBSTANCES AND WITHOUT ANY RIGHT TO THE USE OF OR RIGHTS IN OR TO ANY PORTION OF THE SURFACE OF SAID LAND TO A DEPTH OF 500 FEET BELOW THE SURFACE THEREOF AS RESERVED IN THE DEED FROM HARBOR BAY ISLE ASSOCIATES, RECORDED APRIL 29, 1987, AS SERIES NO. 87-117612, ALAMEDA COUNTY RECORDS.

EXCEPTING THEREFROM OVERLYING AND WATER RIGHTS INCLUDING, WITHOUT LIMITATION, THE RIGHT TO APPROPRIATE WATER AND DISTRIBUTE IT TO OTHER PROPERTIES WITHOUT ANY RIGHT TO THE USE OF OR RIGHTS IN OR TO ANY PORTION OF THE SURFACE OF SAID LAND AS RESERVED IN THE DEED FROM HARBOR BAY ISLE ASSOCIATES, RECORDED APRIL 29, 1987, SERIES NO. 87-117612, ALAMEDA COUNTY RECORDS.

A.P.N. 074-01322-110

EXCEPTIONS

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

1. TAXES, SPECIAL AND GENERAL, ASSESSMENT DISTRICTS AND SERVICE AREAS FOR THE FISCAL YEAR 2014-2015, A LIEN, NOT YET DUE OR PAYABLE.
2. THE LIEN OF SUPPLEMENTAL TAXES, IF ANY, ASSESSED PURSUANT TO THE PROVISIONS OF CHAPTER 3.5, (COMMENCING WITH SECTION 75) OF THE REVENUE AND TAXATION CODE, OF THE STATE OF CALIFORNIA.
3. BAY FARM ISLAND DIKE ASSESSMENT DISTRICT NO. 93-1. ASSESSMENTS THAT MY BE LEVIED BY THE CITY OF ALAMEDA FOR COST AND EXPENSES RELATED TO REPAIRS REQUIRED IN THE EVENT OF "MAJOR FAILURE" IN THE DIKE, PURSUANT TO INSTRUMENT RECORDED AUGUST 09, 1993, INSTRUMENT NO. 93-283274, AND AS ESTABLISHED BY THE CITY OF ALAMEDA RESOLUTION NO. 12429.

NO ASSESSMENTS HAVE BEEN LEVIED BY THE CITY OF ALAMEDA FOR THE FISCAL TAX YEAR.
4. ANY ADVERSE CLAIM BASED UPON THE ASSERTION THAT:

A. SOME PORTION OF SAID LAND IS TIDE OR SUBMERGED LANDS, OR HAS BEEN CREATED BY ARTIFICIAL MEANS, OR HAS ACCRETED TO SUCH PORTION SO CREATED.

B. SOME PORTION OF SAID LAND HAS BEEN LOST BY REASON OF EROSION.
5. RIGHTS AND EASEMENTS FOR COMMERCE, NAVIGATION AND FISHERY.
6. ANY ADVERSE CLAIM BASED UPON THE ASSERTION THAT ANY PORTION OF SAID LAND WAS NOT TIDELAND OR SUBMERGED LAND, SUBJECT TO DISPOSITION BY THE STATE OF CALIFORNIA, OR THAT ANY PORTION THEREOF HAS CEASED TO BE TIDELANDS, OR SUBMERGED LANDS, BY REASON OF EROSION, OR BY REASON OF HAVING BECOME UPLAND BY ACCRETION.
7. TERMS, PROVISIONS AND RESERVATIONS CONTAINED IN THE SUBMERGED LANDS ACT OF MAY 22, 1953, CH 65 (67 STAT 29, 43 U.S.C.A. 1301).
8. NO TREES OR PERMANENT STRUCTURES SHALL BE PLACED WITHIN THE DISTANCES MEASURED HORIZONTALLY FROM THE OUTSIDE FACE OF THE UNDERGROUND LINES AS TABULATED BELOW:

FIVE FEET - STORM MAINS OR LATERALS, SANITARY MAINS OR LATERALS, GAS MAINS OR SERVICES, WATER MAINS, POWER MAIN CONDUITS, TELEPHONE MAIN

**EXCEPTIONS
(Continued)**

CONDUITS

TWO FEET - WATER SERVICES, POWER SERVICES, TELEPHONE SERVICES.

9. **TERMS, PROVISIONS, COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS, PROVIDED IN THE COVENANTS, CONDITIONS AND RESTRICTIONS, BUT OMITTING ANY COVENANT, CONDITION OR RESTRICTION, IF ANY, BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN UNLESS AND ONLY TO THE EXTENT THAT THE COVENANT, CONDITION OR RESTRICTION (A) IS EXEMPT UNDER TITLE 42 OF THE UNITED STATES CODE, OR (B) RELATES TO HANDICAP, BUT DOES NOT DISCRIMINATE AGAINST HANDICAPPED PERSONS, IN DOCUMENT RECORDED JUNE 08, 1977, AS INSTRUMENT NO. 77-110908, REEL 4896 OR IMAGE 270, OFFICIAL RECORDS.**

NOTE: SECTION 12956.1 OF THE GOVERNMENT CODE PROVIDES THE FOLLOWING: "IF THIS DOCUMENT CONTAINS ANY RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, NATIONAL ORIGIN, SOURCE OF INCOME AS DEFINED IN SUBDIVISION (P) OF SECTION 12955, OR ANCESTRY, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID, AND MAY BE REMOVED PURSUANT TO SECTION 12956.2 OF THE GOVERNMENT CODE. LAWFUL RESTRICTIONS UNDER STATE AND FEDERAL LAW ON THE AGE OF OCCUPANTS IN SENIOR HOUSING OR HOUSING FOR OLDER PERSONS SHALL NOT BE CONSTRUED AS RESTRICTIONS BASED ON FAMILIAL STATUS."

CONTAINS: MORTGAGE PROTECTION CLAUSE.

NO REVERSIONARY CLAUSE.

LIEN RIGHT WITH PROVISION THAT ANY LIEN SHALL BE SUBORDINATE TO ANY FIRST MORTGAGE OR DEED OF TRUST MADE IN GOOD FAITH AND FOR VALUE.

SAID COVENANTS, CONDITIONS AND RESTRICTIONS WERE MODIFIED IN PART BY INSTRUMENT RECORDED JULY 14, 1977, AS INSTRUMENT NO. 77-138106, REEL 4953 OR IMAGE 576, OFFICIAL RECORDS.

SAID COVENANTS, CONDITIONS AND RESTRICTIONS WERE MODIFIED IN PART BY INSTRUMENT RECORDED JULY 26, 1978, AS INSTRUMENT NO. 78-142178, OFFICIAL RECORDS.

SAID MODIFICATION WAS RE-RECORDED AUGUST 09, 1978, AS INSTRUMENT NO. 78-152891, REEL 5524 OR IMAGE 546, OFFICIAL RECORDS.

A "DECLARATION OF ANNEXATION" WHEREIN THE HEREIN DESCRIBED LAND WAS ANNEXED TO THE TERMS AND PROVISIONS OF THE ABOVE MENTIONED

EXCEPTIONS
(Continued)

RESTRICTIONS, RECORDED DECEMBER 15, 1978, AS INSTRUMENT NO. 78-244444,
REEL 5720 OR IMAGE 518, OFFICIAL RECORDS.

SAID COVENANTS, CONDITIONS AND RESTRICTIONS WERE MODIFIED IN PART BY
INSTRUMENT RECORDED NOVEMBER 13, 1995, AS INSTRUMENT NO. 95-265567,
OFFICIAL RECORDS.

10. AN EASEMENT OVER SAID LAND FOR GRANT OF EASEMENTS AND INCIDENTAL
PURPOSES, AS GRANTED TO CITY OF ALAMEDA, IN INSTRUMENT RECORDED JUNE
19, 1979, IN INSTRUMENT NO. 79-118454, OFFICIAL RECORDS.

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

11. DEDICATIONS AS SET FORTH AND SHOWN ON THE OFFICIAL MAP OF SAID
SUBDIVISION AS FOLLOWS:

PARCEL MAP NO. 3037 RECORDED SEPTEMBER 7, 1979, IN BOOK 111 PARCEL MAPS
PAGE 98

A. PUBLIC STORM DRAIN EASEMENT

REFERENCE IS MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

12. DEDICATIONS AS SET FORTH AND SHOWN ON THE OFFICIAL MAP OF SAID
SUBDIVISION AS FOLLOWS:

TRACT MAP 4382 RECORDED JANUARY 27, 1981, IN BOOK 123 OF MAPS PAGE 81

- A. OWNERS CERTIFICATE
- B. PRIVATE STORM DRAIN EASEMENT
- C. EXISTING STORM DRAIN EASEMENT
- D. EXISTING SANITARY SEWER EASEMENT

13. AN EASEMENT OVER SAID LAND FOR GRANT OF RIGHTS AND INCIDENTAL PURPOSES,
AS GRANTED TO CITY OF ALAMEDA, IN INSTRUMENT RECORDED JULY 24, 1981, IN
INSTRUMENT NO. 1981-124202, OFFICIAL RECORDS.

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

14. TERMS, PROVISIONS, COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS,
PROVIDED IN THE COVENANTS, CONDITIONS AND RESTRICTIONS, BUT OMITTING
ANY COVENANT, CONDITION OR RESTRICTION, IF ANY, BASED ON RACE, COLOR,
RELIGION, SEX, HANDICAP, FAMILIAL STATUS OR NATIONAL ORIGIN UNLESS AND
ONLY TO THE EXTENT THAT THE COVENANT, CONDITION OR RESTRICTION (A) IS
EXEMPT UNDER TITLE 42 OF THE UNITED STATES CODE, OR (B) RELATES TO

EXCEPTIONS
(Continued)

HANDICAP, BUT DOES NOT DISCRIMINATE AGAINST HANDICAPPED PERSONS, IN DOCUMENT RECORDED NOVEMBER 24, 1987, AS INSTRUMENT NO. SERIES NO. 87-316511, OFFICIAL RECORDS.

NOTE: SECTION 12956.1 OF THE GOVERNMENT CODE PROVIDES THE FOLLOWING: "IF THIS DOCUMENT CONTAINS ANY RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, NATIONAL ORIGIN, SOURCE OF INCOME AS DEFINED IN SUBDIVISION (P) OF SECTION 12955, OR ANCESTRY, THAT RESTRICTION VIOLATES STATE AND FEDERAL FAIR HOUSING LAWS AND IS VOID, AND MAY BE REMOVED PURSUANT TO SECTION 12956.2 OF THE GOVERNMENT CODE. LAWFUL RESTRICTIONS UNDER STATE AND FEDERAL LAW ON THE AGE OF OCCUPANTS IN SENIOR HOUSING OR HOUSING FOR OLDER PERSONS SHALL NOT BE CONSTRUED AS RESTRICTIONS BASED ON FAMILIAL STATUS."

CONTAINS: MORTGAGE PROTECTION CLAUSE.

NO REVERSIONARY CLAUSE.

LIEN RIGHT WITH PROVISION THAT ANY LIEN SHALL BE SUBORDINATE TO ANY FIRST MORTGAGE OR DEED OF TRUST MADE IN GOOD FAITH AND FOR VALUE.

SAID COVENANTS, CONDITIONS AND RESTRICTIONS WERE MODIFIED IN PART BY INSTRUMENT RECORDED NOVEMBER 17, 1988, AS INSTRUMENT NO. SERIES NO. 88-295160, OFFICIAL RECORDS.

SAID COVENANTS, CONDITIONS AND RESTRICTIONS WERE MODIFIED IN PART BY INSTRUMENT RECORDED APRIL 28, 1992, AS INSTRUMENT NO. SERIES NO. 92-130216, OFFICIAL RECORDS.

15. DEED OF TRUST AND ASSIGNMENT OF RENTS TO SECURE AN INDEBTEDNESS OF NONE SHOWN, DATED APRIL 24, 1987, RECORDED APRIL 29, 1987, AS INSTRUMENT NO. 87-117613, OFFICIAL RECORDS.

TRUSTOR: THE REMINGTON OAKWOOD JOINT VENTURE, A CALIFORNIA GENERAL PARTNERSHIP WHOSE GENERAL PARTNERS ARE H.R. REMINGTON PROPERTIES INC., A CALIFORNIA CORPORATION, AND OAKWOOD FINANCIAL SERVICE CORP., A CALIFORNIA CORPORATION

TRUSTEE: WESTERN TITLE INSURANCE COMPANY, A CORPORATION

BENEFICIARY: HARBOR BAY ISLE ASSOCIATES, A PARTNERSHIP

SAID DEED OF TRUST WAS SUBORDINATED TO THE LIEN OF THE DEED OF TRUST IN EXCEPTION NO. 15, BY INSTRUMENT RECORDED JUNE 02, 1987, AS INSTRUMENT NO. 87-154009, OFFICIAL RECORDS.

EXCEPTIONS
(Continued)

SAID DEED OF TRUST WAS SUBORDINATED TO THE LIEN OF THE DEED OF TRUST IN EXCEPTION NO. 15, BY INSTRUMENT RECORDED NOVEMBER 24, 1987, AS INSTRUMENT NO. 87-316512, OFFICIAL RECORDS.

16. THE TERMS, CONDITIONS AND PROVISIONS AS CONTAINED IN THE INSTRUMENT ENTITLED "CERTIFICATE OF COMPLIANCE", EXECUTED BY CITY OF ALAMEDA, DATED JUNE 26, 1987, RECORDED JUNE 30, 1987, IN INSTRUMENT NO. 87-184416, OFFICIAL RECORDS.
17. AN EASEMENT OVER SAID LAND FOR THE INSTALLATION, MAINTENANCE AND OPERATION OF A WATER WELL AND INCIDENTAL PURPOSES, AS GRANTED TO BAY FARM ISLAND RECLAMATION DISTRICT NO. 2105, A PUBLIC AGENCY, IN INSTRUMENT RECORDED AUGUST 09, 1993, IN INSTRUMENT NO. 93275626, OFFICIAL RECORDS.

NO REPRESENTATION IS MADE AS TO THE CURRENT OWNERSHIP OF SAID EASEMENT.

NOTE: THIS COMPANY WILL REQUIRE THE FOLLOWING TO INSURE A LOAN BY OR A CONVEYANCE FROM THE VESTEE CORPORATION NAMED HEREIN:

- (A) A COPY OF THE CORPORATION BY-LAWS OR ARTICLES.
- (B) AN ORIGINAL OR CERTIFIED COPY OF THE RESOLUTION AUTHORIZING THE SUBJECT TRANSACTION.

*** NOTE: (FOR PRO-RATION PURPOSES ONLY)

TAXES, SPECIAL AND GENERAL, ASSESSMENT DISTRICTS AND SERVICE AREAS, FOR THE FISCAL YEAR 2013-2014:

1ST INSTALLMENT: \$0.00 PAID

2ND INSTALLMENT: \$0.00 PAID

ASSESSED VALUATIONS:

LAND: \$0.00

IMPROVEMENTS: \$0.00

EXEMPTION: \$0.00

PARCEL NO.: 74-1322-110

CODE AREA: 21-000

ASSESSMENT NO.:

DISCLOSURE OF DISCOUNTS:

You may be entitled to a discount on your title premiums and/or escrow fees if you meet any of the following conditions:

- 1. You are an employee of the title insurer or Placer Title and the property is your primary residence; or**
- 2. The transaction is a loan, the purpose of which is to rebuild the improvements on the property as a result of a governmentally declared disaster; or**
- 3. The property is being purchased or encumbered by a religious, charitable or nonprofit organization for its use within the normal activities for which such entity was intended.**

Please advise the company if you believe any of the above discounts apply.

LENDER'S NOTE:

In accordance with Executive Order 13224, and the USA Patriot Act, Placer Title Company compares the names of parties to the proposed transaction to the Specially Designated Nationals and Blocked Persons (SDN List) maintained by the United States Office of Foreign Asset Control.

BUYER'S NOTE:

If an ALTA Residential Owner's Policy is requested and if the property described herein is determined to be eligible for this policy, the following Exceptions From Coverage will appear in the policy:

- 1. Taxes or assessments which are not shown as liens by the public records or by the records of any taxing authority.**
- 2. (a) Water rights, claims or title to water; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) unpatented mining claims; whether or not the matters excepted under (a), (b) or (c) are shown by the public records.**
- 3. Any rights, interests or claims of parties in possession of the land which are not shown by the public records.**
- 4. Any easements or liens not shown by the public records. This exception does not limit the lien coverage in Item 8 of the Covered Title Risks.**
- 5. Any facts about the land which a correct survey would disclose and which are not shown by the public records. This exception does not limit the forced removal coverage in Item 12 of the Covered Title Risks.**

CLTA PRELIMINARY REPORT FORM
Attachment One (Revised 6-3-11)
CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning: a. building; b. zoning; c. land use; d. improvements on the Land; e. land division; and f. environmental protection. This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks: a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records; b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date; c. that result in no loss to You; or d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right: a. to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and b. in streets, alleys, or waterways that touch the Land. This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- * For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1% of Policy Amount or \$ 2,500.00 (whichever is less)	\$ 10,000.00
Covered Risk 18:	1% of Policy Amount or \$ 5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 19:	1% of Policy Amount or \$ 5,000.00 (whichever is less)	\$ 25,000.00
Covered Risk 21:	1% of Policy Amount or \$ 2,500.00 (whichever is less)	\$ 5,000.00

**AMERICAN LAND TITLE ASSOCIATION
RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)**

EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:

- * Land use
- * Improvements on the land
- * Land division
- * Environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date.

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:

- * a notice of exercising the right appears in the public records
- * on the Policy Date
- * the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking

3. Title Risks:

- * that are created, allowed, or agreed to by you
- * that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records
- * that result in no loss to you
- * that first affect your title after the Policy Date -- this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks

4. Failure to pay value for your title.

5. Lack of a right:

- * to any land outside the area specifically described and referred to in Item 3 of Schedule A
- OR
- * in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

2006 ALTA LOAN POLICY (06/17/06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

2006 ALTA OWNER'S POLICY (06/17/06)
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (7-26-10)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.

(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.

**NOTICE
FEDERAL FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT OF 1980 (FIRPTA)**

Upon the sale of United States real property, by a non-resident alien, foreign corporation, partnership or trust, the Foreign Investment in Real Property Tax Act of 1980 (FIRPTA), and as revised by the Tax Reform Act of 1984 (26 USCA 897 (C)(1)(A)(1) and 26 USCA 1445) requires the transferee (Buyer) of real property to withhold Internal Revenue Service income taxes in an amount equal to ten (10%) percent of the sale price from seller's proceeds, if ANY of the following conditions are met:

- (1) The selling price is greater than \$300,000.00
- (2) The selling price is less than \$300,000 AND the purchaser does not intend to occupy the property as his residence for at least 50% of the time of the first two 12 month periods following the date of transfer.

Withholding is not required if both of the following conditions are met:

- (1) The selling price is less than \$300,000
and
- (2) The Buyer is acquiring the property as his residence, and the buyer or other qualifying family member will occupy the property for at least 50% of the time during each of the first 12-month periods following transfer of title to the buyer.

If the purchaser who is required to withhold income tax from the seller fails to do so, the purchaser is subject to fines and penalties as provided under Internal Revenue Code Section 1445. The seller may request a waiver or a reduced withholding amount by submitting a written request for a "qualifying statement" or "withholding certificate" (Form 8288-B) to:

Director, Internal Revenue Service
Philadelphia Service Center
P.O. Box 21086
Philadelphia, PA 19114-0586

Escrow Holder will, upon written instructions from the purchaser, withhold Federal Income Tax from the seller and will deposit said tax with the Internal Revenue Service, together with IRS Forms 8288 and 8288-A. The fee charged for this service is \$25.00 payable to the escrow holder.

CALIFORNIA WITHHOLDING

In accordance with Sections 18662 and 18668 of the Revenue and Taxation Code, a transferee (Buyer) may be required to withhold an amount equal to 3 1/3 percent of the sales price or an alternative withholding amount certified to by the seller in the case of a disposition of California real property interest by either:

1. A seller who is an individual or when the disbursement instructions authorize the proceeds to be sent to a financial intermediary or the seller, OR
2. A corporate seller that has no permanent place of business in California.

The buyer may become subject to penalty for failure to withhold an amount equal to the greater of 10 percent of the amount required to be withheld or five hundred dollars (\$500).

However, notwithstanding any other provision included in the California statutes referenced above, no buyer will be required to withhold any amount or be subject to penalty for failure to withhold if:

1. The sales price of the California real property conveyed does not exceed one hundred thousand dollars (\$100,000.00), OR
2. The seller executes a written certificate, under the penalty of perjury, of any of the following:
 - A. The property qualifies as the seller's (or decedent's, if being sold by the decedent's estate) principal residence within the meaning of Internal Revenue Code (IRC) Section 121; or
 - B. The seller (or decedent, if being sold by the decedent's estate) last used the property as the seller's (decedent's) principal residence within the meaning of IRC Section 121 without regard to the two-year time period; or
 - C. The seller has a loss or zero gain for California income tax purposes on this sale; or
 - D. The property is being compulsorily or involuntarily converted and the seller intends to acquire property that is similar or related in service or use to qualify for non-recognition of gain for California income tax purposes under IRC Section 1033; or
 - E. If the transfer qualifies for non-recognition treatment under IRC Section 351 (transfer to a corporation controlled by the transferor) or IRC Section 721 (contribution to a partnership in exchange for a partnership interest); or
 - F. The seller is a corporation (or an LLC classified as a corporation for federal and California income tax purposes) that is either qualified through the California Secretary of State or has a permanent place of Business in California; or
 - G. The seller is a partnership (or an LLC that is not a disregarded single member LLC and is classified as a partnership for federal and California income tax purposes) with recorded title to the property in the name of the partnership of LLC; or
 - H. The seller is a tax-exempt entity under either California or federal law; or
 - I. The seller is an insurance company, individual retirement account, qualified pension/profit sharing plan, or charitable remainder trust; or
 - J. The transfer qualifies as a simultaneous like-kind exchange within the meaning of IRC Section 1031; or
 - K. The transfer qualifies as a deferred like-kind exchange within the meaning of IRC Section 1031; or
 - L. The transfer of this property will be an installment sale that you will report as such for California tax purposes and the buyer has agreed to withhold on each principal payment instead of withholding the full amount at the time of transfer.

The Seller is subject to penalty for knowingly filing a fraudulent certificate for the purpose of avoiding the withholding requirement.

**NOTICE
DEPOSIT OF FUNDS AND DISBURSEMENT DISCLOSURE**

Unless you elect otherwise (as described below), all funds received by **PLACER TITLE COMPANY** (the "Company") in escrow will be deposited with other escrow funds in one or more non-interest bearing escrow accounts of the Company in a financial institution selected by the Company. The depositor acknowledges that the deposit of funds in a non-interest bearing demand account by Escrow Holder may result in said company receiving a range of economic benefits from the bank in the form of services, credits, considerations, or other things of value. The depositor hereby specifically waives any claim to such economic benefits payable to Escrow Holder resulting from non-interest bearing deposits. Unless you direct the Company to open an interest-bearing account (as described below), the Company shall have no obligation to account to you in any manner for the value of, or to compensate any party for, any benefit received by the Company and/or its affiliated company. Any such benefits shall be deemed additional compensation of the Company for its services in connection with the escrow.

If you elect, funds deposited by you prior to the close of escrow may be placed in an individual interest-bearing account arrangement that the Company has established with one of its financial institutions. You do not have an opportunity to earn interest on the funds deposited by a lender. If you elect to earn interest through this special account arrangement, the Company will charge you an additional fee of \$50.00 for the establishment and maintenance of the account. This fee compensates the Company for the costs associated with opening and managing the interest-bearing account, preparing correspondence/documentation, transferring funds, maintaining appropriate records for audit/reconciliation purposes, and filing any required tax withholding statements. It is important that you consider this cost in your decision since the cost may exceed the interest you earn.

Funds deposited in an interest-bearing account will be withdrawn from such account and deposited in the Company's general escrow trust account approximately two business days prior to the scheduled close of escrow or other disbursement of such funds. **If you wish to have your funds placed in an interest bearing account (with an accompanying charge of \$50.00), please mark below, sign and return this form to your escrow officer.** In addition, you must complete and return IRS Form W-9. If you do not want to have your funds deposited in an interest-bearing account, you do not need to sign or return this notice and the Company will understand you to have elected to have your funds deposited in a non-interest bearing account. If you change your mind and later wish to have your funds placed in an interest-bearing account, please contact your escrow officer.

The funds you deposit are insured only to the limit provided by the Federal Deposit Insurance Corporation.

☐ **PLEASE CONSIDER THIS MY/OUR INSTRUCTION TO PLACE MY/OUR DEPOSIT(S) IN A SEGREGATED, INTEREST-BEARING ACCOUNT. I/WE UNDERSTAND THAT AN ADDITIONAL FEE OF \$50.00 WILL BE CHARGED FOR THIS SERVICE. I/WE HAVE READ AND UNDERSTAND ALL OF THE ABOVE INFORMATION.**

Signature

Social Security Number

Date

Signature

Social Security Number

Date

PRIVACY POLICY NOTICE

Purpose Of This Notice

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of a persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of:

**AGTIC Title Insurance Company
American Guaranty Title Insurance Company
Montana Title and Escrow Company
National Closing Solutions
National Closing Solutions of Alabama, LLC
North Idaho Title Insurance Company
North American Title Insurance Company**

**Old Republic National Title Insurance Company
Placer Title Company
Placer Title Insurance Agency of Utah
Stewart Title Guaranty Company
Stewart Title Insurance Company
Westcor Land Title Insurance Company
Wyoming Title and Escrow Company**

We may collect nonpublic personal information about you from the following sources:

- * Information we receive from you, such as on applications or other forms.
- * Information about your transactions we secure from our files, of from our affiliates or others.
- * Information we receive from a consumer reporting agency.
- * Information we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- * Financial service providers such as companies engaged in banking, consumer finances, securities and insurance.
- * Nonfinancial companies such as envelope stuffers and other fulfillment service providers.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

QUALIFICATIONS
BRUCE M. HAHN, MAI, SRA, ASA

Certified General Real Estate Appraiser, California AG004370
Real Estate Broker, California 0118298

**GENERAL
EDUCATION**

B.S. Environmental Policy Analysis & Planning,
College of Agriculture, University of California, Davis

**PROFESSIONAL
EDUCATION**



American Society of Appraisers Courses:

Course ARM 201 Appraisal Review & Management
Course ARM 204 Appraisal Review & Management
Course BV 201 Introduction to Business Valuation
Course RP 401 Allocating Components in Going Concern Appraisals



American Society of Farm Managers and Rural Appraisers Courses:

Course A-20 Principles of Rural Appraisal
Course A-29 Highest and Best Use
Course A-30 Advanced Rural Appraisal
Course 360 Introduction to Appraisal Review
Course 370 Appraisal Review Under USPAP
Course 380 Appraisal Review Under UASFLA
Course 390 Advanced Appraisal Review Case Studies
Seminars: Timber Appraisal, Minerals Appraisal



Appraisal Institute Courses & Seminars:

Course 310 Basic Income Capitalization
Course 320 General Applications
Course 330 Apartment Appraisal
Course 410/420 Standards of Professional Practice A&B
Course 510 Advanced Income Capitalization
Course 520 Highest & Best Use and Market Analysis
Course 530 Advanced Sales Comparison and Cost Approaches
Course 540 Report Writing and Valuation Analysis
Course 550 Advanced Applications
Analytics Quantitative Analysis
Analytics Applications & Interpretation of Simple Linear Regression
Course 600 Income Valuation of Small, Mixed-Use Properties
Course 700 The Appraiser As An Expert Witness
Course 705 Litigation Appraising: Specialized Topics and Applications
Course 710 Condemnation Appraising: Basic Principles and Applications
Course 720 Condemnation Appraising: Advanced Topics and Applications
Review Review Theory – General
Advanced Valuation of Conservation Easements



International Right of Way Association Courses:

Course 403 Easement Valuation
Course 407 Valuation of Contaminated Properties
Course 421 The Appraisal of Partial Acquisitions
Course 431 Problems in the Valuation of Partial Acquisitions



Society of Real Estate Appraisers Courses:

Course 101 Introduction to Appraising Real Property
Course 102 Applied Residential Property Valuation

EXPERT WITNESS	Qualified as an Expert Witness in Alameda, Contra Costa and Solano County Superior Courts, and United States Bankruptcy Court.
EXPERIENCE	Independent Appraiser, 1991 to date Staff Appraiser, Smith & Associates, Inc., 1998 to 2000 Staff Appraiser, Glendale Federal Bank, 1997 to 1998 Staff & Review Appraiser, First Interstate Bank of California, 1989 to 1991 City Planner, US Navy, Naval Facilities Engineering Command, 1988
REVIEW APPRAISER	Compliance and Quality Review of all types of appraisals for Institutions relative to requirements of USPAP and UASFLA.
APPRAISAL ACTIVITIES And LITIGATION SUPPORT	Types of Appraisals: Market Value, Eminent Domain, Partial Takings and Easements, Leasehold, Inverse Condemnation, Construction Defects, Subsidence and Slides, Properties with Toxic and/or Environmental Hazards. Types of Properties Appraised: Agricultural, Agribusiness, Commercial, Day Care Centers, Industrial, Retail, Office, Office Parks, Shopping Centers, Apartment and Single Family Residential, Ranch, Row Crops, Land and Subdivision, Orchards, Restaurants, Mini-Storage, Churches, Nursing Homes, Mobile Home Parks, Grocery Stores, Schools, and other Special Purpose Properties. Partial Client List: Individuals, Corporations, Businesses, Partnerships, Attorneys, Insurance Companies, County Public Agencies, City Governments, Federal Government Agencies, Banks, Savings and Loans, Credit Unions, and Accountants.
PROFESSIONAL AFFILIATIONS	MAI Member, Appraisal Institute SRA Member, Appraisal Institute ASA Member, American Society of Appraisers ARM-RP Member, American Society of Appraisers CDEI, Certified Distance Education Instructor, IDECC GRI, Graduate Realtor's Institute Member, International Right of Way Association Real Estate Broker, 1991 to date Certified General Real Estate Appraiser, 1992 to date Appraisal Institute Professional Development Programs: <ul style="list-style-type: none"> • Valuation of Conservation Easements • Litigation
PROFESSIONAL SERVICE	Past President (2005*), Northern California Chapter, Appraisal Institute *The Chapter won the AIM award for outstanding chapter nationwide in 2005! Executive Committee, 2002-2005, Northern California Chapter, Appraisal Institute Board of Directors, 2001, Northern California Chapter, Appraisal Institute East Bay Branch Chair 2000, Northern California Chapter, Appraisal Institute Residential Guidance Chair 1999-2000, Northern California Chapter, Appraisal Institute Leadership Development & Advisory Council, 2000 & 2004, Appraisal Institute Real Estate Research Council of Northern California, 1995 to 2016



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