

RESTRICTED APPRAISAL REPORT

Soda Bay Road Corridor Improvement Project

Lake County Air Quality Management District Property
2617 S Main St
Lakeport, California 95453

Date of Value: July 9, 2025

Date of Report: July 17, 2025

File No: 25023Q



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EXECUTIVE SUMMARY

Project Name	Soda Bay Road Corridor Improvement Project
Property Address/Location	2617 S Main St, Lakeport, California
Assessor's Parcel Number(s)	005-053-220-000
Owner of Record	Lake County Air Quality Management District, per the Preliminary Title Report provided by First American Title Company, dated April 30, 2025.
Larger Parcel Size	44,371 square feet, or 1.02 acres <i>Source: Lake County Assessor and Plat and Legal Description Dated April 21, 2022</i>
Zoning	The subject is zoned Service Commercial, Design Review, Freeway Frontage Combining District (C3 DR FF) by Lake County.
General Plan	CS – Service Commercial (Lake County)
Current Use	Service Commercial
Highest and Best Use of Larger Parcel (As Vacant)	Service Commercial
(As Improved)	Service Commercial
Purpose of the Appraisal	To provide an opinion of Fair Market Value
Appraisal Assignment	The appraisal assignment is to develop an opinion of the fair market value of the larger parcel and property rights to be acquired for the project as of the date of value.
Client/Intended User(s)	The client of the restricted appraisal report is Consor Engineering. The intended users of this report are Consor Engineering and Lake County.
Intended Use	Assist the Intended User(s) in developing an offer of compensation for the required real property rights.
Proposed Acquisition:	
Fee	6,893 square feet

Opinion of Fair Market Value:

OPINION OF FAIR MARKET VALUE

Total Permanent Acquisition (Land)	\$3,207
Site Improvements Impacted by Permanent Acquisition	\$1,312
Damages (Including Cost to Cure)	\$0
Total	\$4,519
Rounded	\$4,500

Date of Inspection	July 9, 2025
Date of Value	July 9, 2025
Date of Report	July 17, 2025

AERIAL PHOTOGRAPH



SUBJECT PROPERTY PHOTOGRAPHS



Front view of the subject.



Looking north along S. Main St.



Looking south along S. Main St.



Looking north along the proposed acquisition area.



Looking north at the proposed acquisition area.



Looking south at the proposed acquisition area.

INTRODUCTION

DESCRIPTION OF THE PROJECT

Lake County is proceeding with the South Main Street / Soda Bay Road Widening and Bike Lanes Project. The overall goal of the Project is to improve traffic flow and pedestrian safety along South Main Street and Soda Bay Road. The project will include the widening of a 0.5-mile segment along South Main Street from Lakeport city limits to the State Route (SR) 175 extension, and a 0.75-mile segment along Soda Bay Road extending south from SR 175 to approximately 0.1 mile west of Manning Creek. This project will add a continuous center turn lane and bicycle lanes. In conjunction with the widening project, the overhead utility lines will be placed underground.

PURPOSE

The purpose of this appraisal assignment is to provide Consor Engineering and Lake County with an opinion of fair market value of the larger parcel and property rights required for the proposed project.

CLIENT/INTENDED USE/USERS OF THE APPRAISAL

The client of this assignment is Consor Engineering. The intended users are Consor Engineering and Lake County. The intended use of the opinion of fair market value is to assist in developing an offer of compensation for the required real property rights.

DEFINITION OF VALUE

Fair Market Value

[Source: Section 1263.320 of the Code of Civil Procedure]

- A) 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.
- B) 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 Code goes on to say that:

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:

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

All other appraisal definitions can be found in the appendix.

SCOPE OF WORK

The valuation of the larger parcel involved an investigation and analysis of the neighborhood, as well as the region, for social, economic, governmental, and environmental forces and trends that affect or could influence property values. Research was conducted on potentially comparable sales in the subject's competitive market area within a reasonable timeframe around the date of value. The property was inspected on July 9, 2025, by Tom Leonard of Bender Rosenthal, Inc. The inspection will set the effective date of value.

ASSIGNMENT CONDITIONS

None

PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the fee simple estate interest.

REPORT TYPE

The opinion of fair market value is reported in a restricted report format as defined by USPAP.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report and the value estimates it contains are expressly subject to the following assumptions and/or limiting conditions.

1. Title to the property is marketable.
2. No survey of the property has been made by the appraisers and property lines as they appear on the ground are assumed to be correct.
3. Data, maps, and descriptive data furnished by the client or his/her representatives are accurate and correct.
4. No responsibility is assumed for matters of law or legal interpretation.
5. No conditions exist that would affect the use and value of the property, which are not discoverable through normal, diligent investigation.
6. The valuation is based on information from sources believed reliable, and that such information is correct and accurately reported.
7. The value estimate is made subject to the purpose, date, and definition of value.
8. The report is to be considered in its entirety and use of only a portion will invalidate the appraisal.
9. This appraisal was made on the premise that there are no encumbrances prohibiting utilization of the property under the appraiser's estimate of highest and best use.
10. Possession of this report or a copy does not carry with it the right of publication nor may it be used for any purpose by anyone other than the client without the previous written consent of Bender Rosenthal, Inc., and then only with proper qualifications.

11. Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute. No part of this narrative report may be reproduced by any means nor disseminated to the public in any way without the prior written consent of Bender Rosenthal, Inc.
12. Any person or entity who obtains or reads this report, or a copy, other than the client specified in this report, expressly assumes all risk of damages to himself or third persons arising out of reliance on this report and waives the right to bring any action based on the appraisal, and neither the appraisers nor the appraisal firm shall have any liability to any such person or entity.
13. The appraiser shall not be required to give testimony or appear in court by reason of this appraisal with reference to the property described in this report unless prior arrangements have been made.
14. No responsibility is assumed for building permits, zone changes, engineering or any other services or duty connected with legally utilizing the subject property.
15. The property appraised may or may not be subject to the Americans with Disabilities Act of 1990 (ADA). Title III of this act provides for penalties for discrimination in failing "to remove architectural barriers in existing facilities [unless] an entity can demonstrate that the removal is not readily achievable." Unless otherwise noted in this appraisal, it is assumed that the property appraised is not substantially impacted by this law.
16. The presence of such substances as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The 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. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
17. It is assumed that the property appraised is competently managed and marketed.

NON-DISCRIMINATION STATEMENT

This appraisal has been completed without regard to race, color, religion, national origin, sex, marital status or any other prohibited basis, and does not contain references which could be regarded as discriminatory.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

Note to Reader: The subject property is subject to the following extraordinary assumptions and/or hypothetical conditions, which might have affected the assignment results.

EXTRAORDINARY ASSUMPTIONS

None.

HYPOTHETICAL CONDITIONS

1. 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: 1) the project for which the property is taken; 2) the eminent domain proceeding in which the property is taken; and 3) any preliminary actions of the plaintiff relating to the taking of the property. [California Code of Civil Procedure, Section 1263.330] Therefore, the fair market value of the larger parcel assumes the property is appraised as if there is no project.
2. The valuation of the subject property, in the condition after the partial acquisition and the construction and use of the proposed project, is based on a hypothetical condition the project has been completed.

IDENTIFICATION OF LARGER PARCEL / PROPERTY DESCRIPTION

DETERMINATION OF LARGER PARCEL

The process of determining the "Larger Parcel" involves the analysis of an owner's holdings regarding multiple properties, a whole property or portion of a property which has unity of ownership, unity of use, and contiguity.

Ownership records for surrounding properties have been reviewed, and the subject property owner has no title interest in any parcels contiguous to the subject. The impacted parcel is identified as APN: 005-053-220-000 has unity of ownership and unity of use, which meets all the tests of the larger parcel for this appraisal. According to the Lake County Assessor, the parcel comprises 0.88 acres or 38,333 square feet of land area. According to information provided by the client, the subject includes an additional 6,038 square feet of parcel area within the existing roadway, which is encumbered by a prescriptive easement (land within South Main Street) that is also attached to the property. Therefore, the total gross parcel size equates to 44,371 square feet or 1.02 acres.

IDENTIFICATION OF PARCEL OWNERSHIP

Address	2617 S Main St, Lakeport, California.
Location	The subject property is located along the west side of S Main St just outside the city limits of Lakeport in Lake County, California.
Census Tract	06-033-000402
Assessor Parcel Number(s)	005-053-220-000
Owner of Record	Lake County Air Quality Management District, per the Preliminary Title Report provided by First American Title Company, dated April 30, 2025.
Owner's Interest Title	Fee Simple Interest
Ownership History	To our knowledge, there have been no sales, listings or offers to purchase the subject property within the past five years.
Date of Inspection	July 9, 2025
Date of Value	July 9, 2025
Date of Report	July 17, 2025

LARGER PARCEL DESCRIPTION

Size	44,371 square feet, or 1.02 acres <i>Source: Lake County Assessor and Plat and Legal Description Dated April 21, 2022</i>
Site Topography	Level
Corner	No

Site Shape Trapezoid

Site Access Access to the subject site is considered average overall.

STREET & TRAFFIC DETAIL

Street Improvements	Type	Direction	Lanes	Lights	Curbs	Sidewalks	Signals	Median	Parking	Center Lane	Bike Lane
South Main Street	Major arterial	Two-Way	2								
Frontage											
South Main Street	190.7 feet; Yes.										
Traffic Counts	Location	Date	Source							Count	
South Main Street	0	Jan-00	0							0	
	TOTAL									0	

Exposure & Visibility Exposure of the subject is average with frontage along South Main Street, the primary local arterial and from Highway 29 at the rear of the property.

Utilities Available utilities at the site include water, sewer and electricity.

Zoning The subject is zoned Service Commercial, Design Review, Freeway Frontage Combining District (C3 DR FF) by Lake County.

General Plan Designation CS – Service Commercial (Lake County)

Community or Special Plan None

Improvements The property is improved with a service commercial building, which totals approximately 16,000 square feet. The site is fenced and paved. The improvements were constructed in 1975 and appear to be of average quality and condition. The proposed acquisition area is located along the east side of the parcel, adjacent to the roadway. The building improvements will not be impacted by the acquisition.

Site Improvements The subject property is improved with perimeter fencing around all sides of the property, and the parking lot is paved.

Flood Plain The southeast corner of the subject is located within Zone AO and the remainder of the parcel is located within Zone X (unshaded). This is referenced by Panel Number 06033CO493D, dated September 30, 2005. Zone AO is a High Risk Special Flood Hazard Area (SFHA). Special Flood Hazard Areas represent the area subject to inundation by 1% annual chance flood. Structures located within the SFHA have a 26% chance of flooding during the life of a standard 30-year mortgage. Federal floodplain management regulations and mandatory flood insurance purchase requirements apply in these zones. Zone X unshaded, described as an area outside the 0.2% (500-year) annual chance floodplain.

Seismic	The subject property is not within a Fault-Rupture Hazard Zone (formerly an Alquist-Priolo Special Studies Zone), according to Special Publication 42, "Fault-Rupture Hazard Zones in California", published by the California Department of Conservation, Division of Mines and Geology, revised 2007. No active faults are located on or in the proximity of the property. However, strong earthquakes generated along any of the active California faults may affect the site depending on the characteristics of the earthquake and the location of the epicenter. In general, the effects should be confined to shaking and/or acceleration (shock waves) and potential damage to structures should be minimized by employing adequate design and construction procedures. Current engineering design, and construction practices, such as the Uniform Building Code, provides the opportunity to reduce earthquake related hazards.
Easements	According to a preliminary title report provided by First American Title Company, dated April 30, 2025, there are no easements or encumbrances on the subject property. However, according to information provided by the client, the subject includes an additional 6,038 square feet of parcel area within the existing roadway, which is encumbered by a prescriptive easement (land within South Main Street) that is also attached to the property.
Soils	A detailed soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.
Hazardous Waste	As of the date of value, a Phase 1 Environmental Site Assessment report was not provided. Please refer to General Limiting Condition Number 16 regarding hazardous materials.
Wetlands	None
Property Tax Data	The property is owned by a public agency and is not subject to the County tax rate or special assessments.

OVERALL LARGER PARCEL COMMENTS

The larger parcel consists of one Assessor's Parcel, which has a total gross size of 1.02 acres. The property is zoned for Service Commercial, Design Review, Freeway Frontage Combing District uses. The general plan for this property is CS—Service Commercial. It has good access and frontage on S Main Street, towards the southern side of Lakeport. The property also benefits from visibility and exposure from Highway 29. Overall, the property is well suited for service commercial uses.

VALUATION

VALUATION PREMISE

The opinion of value will be developed in accordance with accepted valuation principles, consistent with California eminent domain law (Code of Civil Procedure 1230.010). Every effort has been made to conform to The Uniform Relocation Assistance and Real Property Acquisition Policies Act, 1970 as amended; the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; and Standards of Professional Appraisal Practice of the Appraisal Institute.

The proposed acquisition does not impact the building improvements; as such, this appraisal values the site as if vacant (land only). The three recognized approaches to value are the cost approach, sales comparison approach, and income capitalization approach.

We have utilized the Sales Comparison Approach to develop the opinion of the fair market value for the larger parcel and the remainder parcel(s). The Sales Comparison Approach compares the similar properties that have recently sold in the market area to the larger parcel and is usually the preferred method of valuation. The development of the Income and Cost Approaches are not necessary for credible assignment results and the valuation of the larger parcel is not weakened by the exclusion of the Income and Cost approaches.

Elements of the Cost Approach are often used to estimate the contributory value of site improvements, out buildings and other structures where there is no relevant market data.

The quantitative adjustment process (using paired sales) requires an abundance of market data to develop the monetary or percentage adjustments for the varying economic and physical characteristics. The research of the current market and the lack of sufficient relevant sales data to develop adjustments, we have elected to develop a qualitative analysis. More specifically, a narrative analysis for the economic and physical characteristics of the comparables is developed for comparison with the subject property. Comparable data is ranked and then the subject is bracketed by the most comparable sales.

The proposed acquisition as related to the larger parcel and remainder parcel as improved was analyzed. The existing building and the current use is not affected by the acquisition. Further, no change in the highest and best use results from the proposed acquisition or construction in the manner proposed. As such, the larger parcel is valued as land only, and the valuation of the structural building improvement(s) is not within the scope of this appraisal. It is our opinion that credible results can be achieved with the valuation of land only including the presence and valuation of minor site improvements in the partial acquisition.

VALUATION OF THE LARGER PARCEL

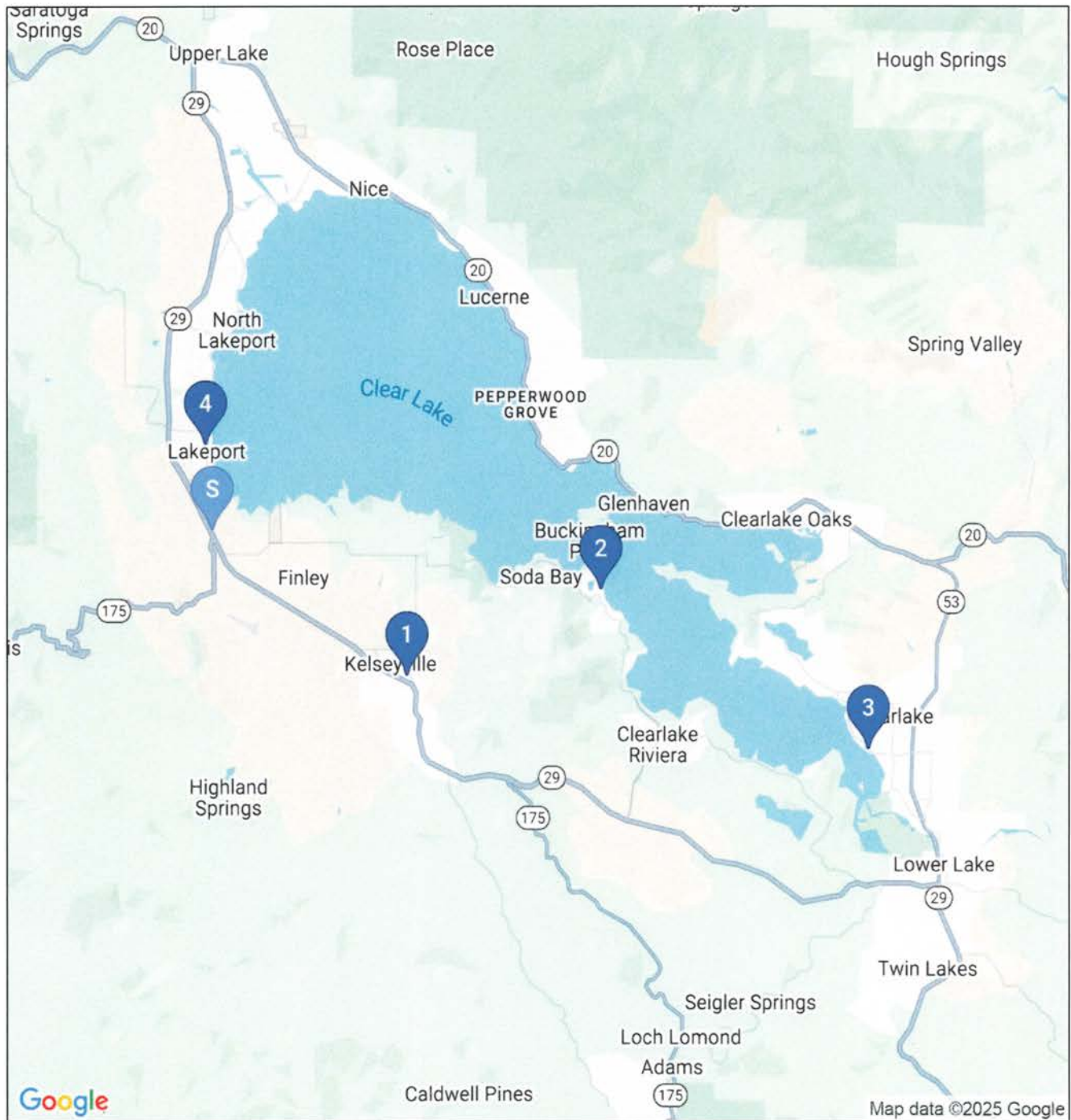
We have estimated the fair market value of the underlying land at its highest and best use as vacant via the sales comparison approach. The sales comparison approach is based on the premise that the buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the sales comparison approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed, and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined which is the price per SF.
- Each comparable sale is analyzed and where appropriate, adjusted to account for differences the subject property.
- The value indication of each comparable sale is analyzed, and the data reconciled for a final indication of value via the sales comparison approach.

A thorough search was made for similar land sales in the area.

COMPARABLE LAND SALES SUMMARY TABLE AND MAP

LAND SALES SUMMARY							
Sale Number BRI Number	Location APN	Grantor Grantee	Sale Date Recording Doc	Sale Price	Land Acres Land SF	Zoning	Price Per SF
COMP1	5530 Live Oak Dr Kelseyville, Lake County, CA	Lynne & Bernard Butcher Revocable Trust	3/14/2025	\$69,000	0.36	C2	\$4.40
10633374	008-710-490-000	Julianne Carter	0002435		15,682		
COMP2	2881 Eastlake Drive Kelseyville, Lake County, CA	Tom Cariveau	8/28/2024	\$43,000	0.28	C1	\$3.53
10555039	044-221-140-000	Allen Edwards and Shirley Edwards	008909		12,197		
COMP3	14530 Lakeshore Dr Clearlake, Lake County, CA	W&R Wedgewood Apartments	10/30/2023	\$102,500	0.66	C	\$3.57
10623452	040-182-350-000	J Alvarez Investments LLC	00.11806		28,750		
COMP4	420 N Forbes St Lakeport, Lake County, CA	The Ross L Kauper Revocable Trust	8/15/2023	\$70,000	0.13	CB	\$12.36
10623356	025-374-090-000	Lakeport Fire Protection District	0009132		5,663		
SUBJECT	2617 S Main St, Lakeport, Lake County, CA				1.02 44,371	C3 DR FF	



LAND VALUATION EXHIBITS



COMPARABLE 1



COMPARABLE 2



COMPARABLE 3



COMPARABLE 4

LAND VALUE CONCLUSION

The comparable sales indicate a unit value, based on a general bracketing analysis, between \$3.53 per SF and \$12.36 per SF as shown below.

Sale No.	Greater Than/ Less Than	Price Per SF	Sale Date	Comparison
Sale 4	<	\$12.36/ SF	August 2023	This sale has a significantly smaller size compared to the subject, indicating a higher unit value. The lot was paved at sale which is a superior characteristic.
Sale 1	<	\$4.40/ SF	March 2025	This sale has a smaller size compared to the subject, indicating a higher unit value. Further, the sale sold above market due to buyer motivation.
<i>The subject property is bracketed by \$3.57 per SF and \$4.40 per SF</i>				
Sale 3	>	\$3.57/ SF	October 2023	Allowable uses are restricted to food-related commercial uses (inferior use restrictions).
Sale 2	>	\$3.53/ SF	August 2024	This sale has a significantly smaller size compared to the subject, indicating a higher unit value. The superior characteristic is more than offset by its inferior market location.

The previous comparable sales indicate a bracketed range for the larger parcel between \$3.57 per SF and \$4.40 per SF. The middle point between these two sales is \$3.99 per SF. Sales 2 and 3 both have offsetting characteristics and indicate a value closer to the lower end of the bracketed range. Based upon the subject's qualities, a value of \$3.75 per SF, as unencumbered, is concluded for the subject property. While the price per square foot equates to a site value well above the comparable range, this is appropriate, as the subject parcel is larger in size compared to the sales.

VALUE OF THE LARGER PARCEL (LAND ONLY)

The preceding analysis and development of the price per SF provides an indication of the fair market value for the larger parcel. According to information provided by the client, the subject includes an additional 6,038 square feet of parcel area within the existing roadway, which is encumbered by a prescriptive easement (land within South Main Street) that is also attached to the property. This area is heavily encumbered by a public roadway. The prescriptive easement is concluded to encumber the property in this area tantamount to fee, less \$1 for consideration of the reversionary rights remaining.

VALUE OF THE LARGER PARCEL						
Item	Size (SF)	x	\$	x	% of Fee	=
Unencumbered Land	38,333	x	\$3.75	x	100%	= \$143,749
Previously Encumbered Land	6,038	x	\$3.75	x	0%	= \$1
						\$143,750

DESCRIPTION OF THE PROPOSED ACQUISITION

The Soda Bay Road Corridor Improvement Project is a road widening project that includes the widening of a 0.5-mile segment along South Main Street, from the Lakeport city limits to the State Route (SR) 175 extension, and a 0.75-mile segment along Soda Bay Road extending south from SR 175 to approximately 0.1 mile west of Manning Creek. The South Main Street portion of the widening will be a 79-foot wide right of way and will include the installation of two travel lanes with a continuous center turning lane, and bicycle lanes in each direction. The Soda Bay Road portion of the widening project will be approximately 56-foot wide and will include the installation two travel lanes with a continuous center turn lane and bike lanes. In conjunction with the widening project the underground overhead utility lines will be placed underground. The project will improve the utility infrastructure on South Main Street and Soda Bay Road in the Lakeport area of Lake County, California. The overall goal of the project is to improve traffic flow and pedestrian safety along South Main Street and Soda Bay Road.

The project proposes to acquire 6,893± square feet (0.16± acres) in fee along the subject's eastern border. Based upon the plat provided by the client 6,038 square feet (0.14± acres) of the proposed fee acquisition are located within the existing prescriptive right-of-way for S. Main Street. Given that the property owner has minimal remaining rights in this area and the limited probability of future reversion, the property owner's remaining rights in this area are valued at \$1.

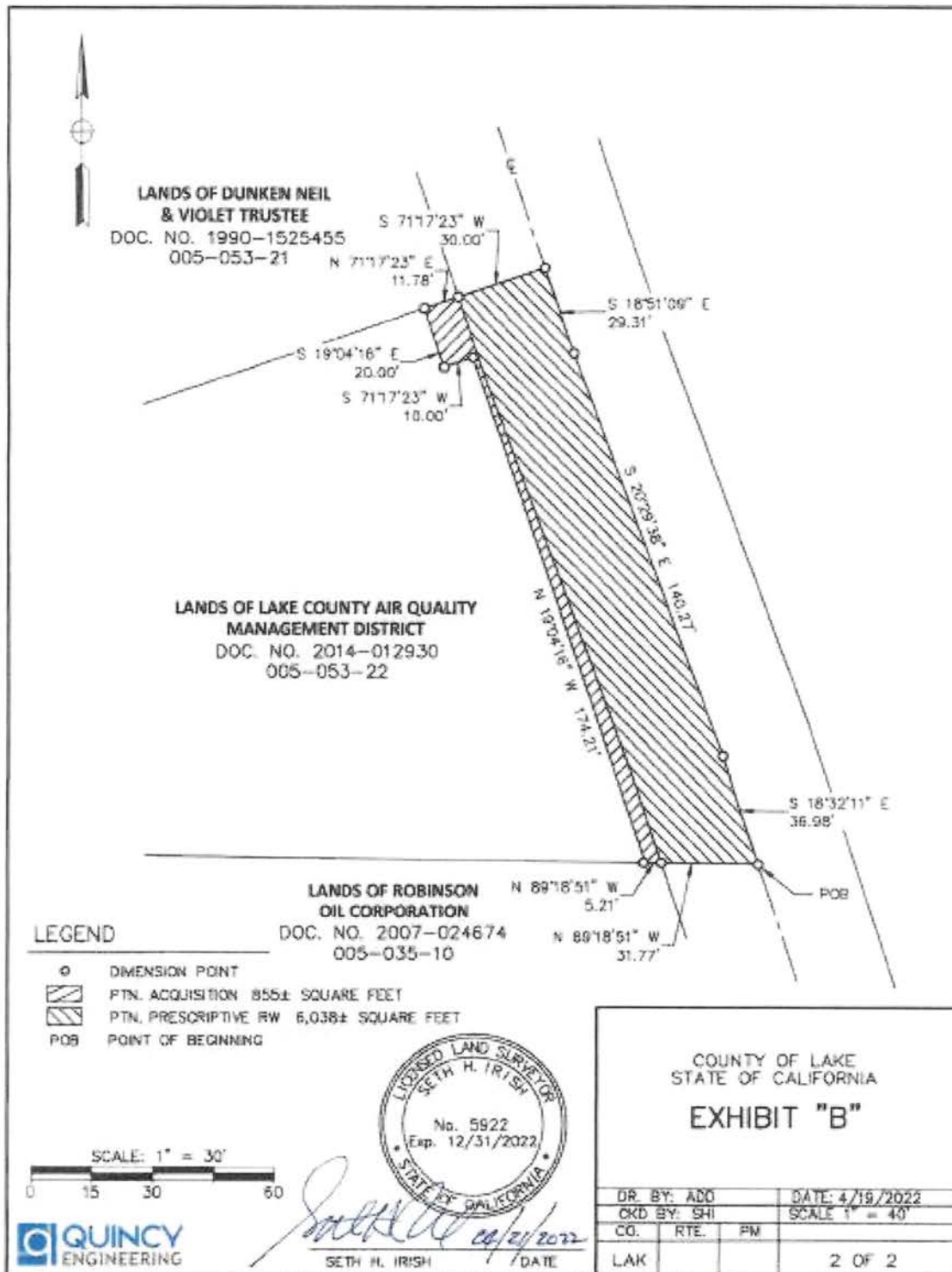
Additionally, approximately 350 square feet of asphalt concrete paving will be impacted by the project. The depreciated cost in place of these improvements will be included in the acquisition value.

A summary of the planned acquisition follows:

PROPOSED ACQUISITION		
Item	Acres	Square Feet
Larger Parcel		
Encumbered by South Main Street	0.14 ± Acres	6,038 ± SF
Unencumbered	0.88 ± Acres	38,333 ± SF
Total Larger Parcel Size	1.02 ± Acres	44,371 ± SF
Acquisition		
Encumbered by South Main Street	0.14 ± Acres	6,038 ± SF
Unencumbered	0.02 ± Acres	855 ± SF
Total Size	0.16 ± Acres	6,893 ± SF
Remainder Parcel		
Total Remainder Parcel Size	0.86 ± Acres	37,478 ± SF

Source: Size information gathered from the Plats and Legals dated April 21, 2022

APPRAISAL EXHIBIT



VALUE OF THE PROPOSED ACQUISITION

LAND

The project proposes to acquire 6,893± square feet (0.16± acres) in fee along the subject's eastern border. Based upon the plat provided by the client 6,038 square feet (0.14± acres) of the proposed fee acquisition are located within the existing prescriptive right-of-way for S. Main Street. Given that the property owner has minimal remaining rights in this area and the limited probability of future reversion, the property owner's remaining rights in this area are valued at \$1, as shown below. The value of the proposed acquisition is presented next.

VALUE OF THE PROPOSED ACQUISITION							
Item	Size	x	\$	x	% of Fee	=	
Encumbered by S. Main Street	6,038	x	\$3.75	x	0% Rights Remaining	=	\$1
Unencumbered	855	x	\$3.75	x	100%	=	\$3,206
Total Fee Acquisition							\$3,207

SITE IMPROVEMENTS IN THE PROPOSED ACQUISITION AREA

The project will acquire approximately 350± square feet of asphalt paving located within the fee acquisition area. The cost new of these site improvements is derived from Marshall and Swift, a cost estimator, from the July 2025 edition. Applicable cost and local multipliers were considered in addition to the base cost of the items. Also, an entrepreneurial incentive of 15% was included. A depreciation level of 30% was added to the asphalt paving.

SITE IMPROVEMENTS WITHIN PERMANENT ACQUISITION AREA												
Item	Amount	x	Base Cost New	x	Current Multiplier	x	Local Multiplier	x	Entrepreneurial Incentive	x	Remaining Economic Life	=
Paving, 4" asphaltic concret, Section 66, Page 1	350	x	\$3.51	x	1.07	x	1.24	x	1.15	x	70%	=
Total												\$1,312

TOTAL VALUE OF THE PROPOSED FEE ACQUISITION

The total value of the proposed permanent acquisition, which includes the land and the site improvements within the acquisition area, is presented below:

TOTAL VALUE OF PROPOSED ACQUISITION	
Land	\$3,207
Site Improvements	\$1,312
Total	\$4,519

VALUE OF THE REMAINDER AS PART OF LARGER PARCEL (LAND ONLY)

The value of the remainder as part of the larger parcel is its contributory value to the larger parcel. Deducting the land value for the part acquired the value of the larger parcel, land only, yields:

VALUE OF THE REMAINDER AS A PART OF THE LARGER PARCEL

Value of the Larger Parcel (Land Only)	\$143,750
Value of the Proposed Acquisition (Land Only)	\$3,207
Value of the Remainder as Part of the Larger Parcel	\$140,543

VALUE OF THE REMAINDER, AFTER ACQUISITION BEFORE BENEFITS

The remainder parcel is appraised as a separate and distinct assignment to develop an opinion of its fair market value before benefits. Damages are considered when there is a demonstrable impact on the fair market value of the remainder that is not conjectural, speculative or a result of an agency's police powers.

DESCRIPTION OF THE REMAINDER

The project proposes to acquire a 6,893± square foot area from the larger parcel along the eastern frontage of the site. The acquisition is minimal, equating to approximately 15% of the larger parcel. The majority of the proposed acquisition, 6,038± square feet, is located within the existing roadway. In the after condition, the subject's usable area will decrease by 855 square feet, or approximately 2%. With respect to the remainder, issues with the size, shape, access, and site utility as well as other physical considerations are considered. It is concluded that the utility and desirability of the remainder will not be adversely affected by the acquisition or construction in the manner proposed.

HIGHEST AND BEST USE OF THE REMAINDER

The project proposes to acquire a narrow fee area along the eastern property boundary adjacent to the existing corridor. In the after condition, the subject's size will decrease minimally. The access and exposure to the subject property will also be unaffected. The fee impacts are limited to the eastern property boundary and no structures are directly or indirectly impacted. The shape, access and other physical characteristics of the remainder property will be adequate to support the legally permissible uses. The highest and best use of the remainder property is not significantly altered as a result of the proposed acquisition. No damages or benefits are anticipated.

DAMAGES

Based upon the preceding analysis, the proposed acquisition does not adversely affect the utility, desirability or marketability of the remainder property. The remainder as valued above is compared to the remainder as part of the larger parcel to measure the loss in market value damages.

LOSS IN MARKET VALUE

LOSS IN MARKET VALUE

Value of the Remainder as Part of the Larger Parcel	\$140,543
Value of the Remainder, After Acquisition, Before Benefits	\$140,543
Loss in Market Value	\$0

CONSTRUCTION CONTRACT WORK

Chain link fencing and a gate are located along the eastern side of the subject, adjacent to the roadway. Any fencing or gate affected by the project will be moved to the remainder property as construction contract work (CCW). Additionally, existing driveways will be re-conformed as CCW.

COST TO CURE

None.

DAMAGE SUMMARY

DAMAGE SUMMARY	
Loss in Market Value	\$0
Net Cost to Cure	\$0
Total Damages	\$0

VALUE OF THE REMAINDER, AFTER ACQUISITION, CONSIDERING BENEFITS

The remainder parcel is appraised as a separate and distinct assignment to develop an opinion of its fair market value considering benefits. Benefits are considered when there is a demonstrable impact on the fair market value of the remainder parcel considering benefits that are not conjectural or speculative and measured as a gain in market value.

On August 25, 1997, the California Supreme Court ended the rule that only benefits identified as "special benefits" could be offset against damages in determining compensation in condemnation actions. Under its decision in the *Continental Development* case, all benefits, general and special can reduce compensation for damage.

We have analyzed the reminder parcel and find no indication of a change in highest and best use or unit value due to the construction in the manner proposed. The unit value derived for the larger parcel is applicable to the reminder parcel valuation considering benefits.

BENEFITS

Under California eminent domain law, any measure of benefits to the remainder can only be used to offset damages to the remainder. The construction in the manner proposed may provide physical improvements to the general area but provides no quantifiable benefits directly to the remainder parcel in the after condition.

BENEFITS	
Gain in Market Value	
Value of the Remainder After Acquisition, Considering Benefits	\$140,543
Less: Value of the Remainder After Acquisition, Before Benefits	\$140,543
Gain in Market Value	\$0

OPINION OF FAIR MARKET VALUE

OPINION OF FAIR MARKET VALUE	
Total Permanent Acquisition (Land)	\$3,207
Site Improvements Impacted by Permanent Acquisition	\$1,312
Damages (Including Cost to Cure)	\$0
Total	\$4,519
Rounded	\$4,500

ADDENDA

DEFINITIONS

Definition of an Appraisal

Source: *The Dictionary of Real Estate Appraisal*, Appraisal Institute, 7th Edition P. 9

The act or process of developing an opinion of value, an opinion of value.

Market Value

Source: *Office of the Comptroller of the Currency. CFR Title 12, Part 34, Subpart C, § 34.42 Definitions*

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Market Value

Source: *The Appraisal of Real Estate (Fifteenth Edition)*, Appraisal Institute, Chicago, Illinois, 2020, P. 48

The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.

Fair Market Value

Source: *Section 1263.320 of the Code of Civil Procedure*

- A) 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.
- B) 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 Code goes on to say that:

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:

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

Fair Market Value

Source: IRS Regulation 20.2031-1

The price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts. The fair market value of a particular item of property includible in the decedent's gross estate is not to be determined by a forced sale price. Nor is the fair market value of an item of property the sale price in a market other than that in which such item is most commonly sold to the public, taking into account the location of the item wherever appropriate.

Market Rent

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 7th Edition, P. 117

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby

- Lessee and lessor are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
- The rent reflects specified terms and conditions typically found in that market, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, frequency of payments (annual, monthly, etc.), and tenant improvements (TIs).

Full Interest Analysis.

The acquisition of all property rights using the applicable valuation methodology.

Partial Acquisition Interest Analysis.

The partial acquisition interest analysis starts with an opinion of fair market value for the undivided fee interest of the larger parcel using the most applicable method for valuing similar properties. Once the larger parcel value is estimated the following partial acquisition appraisal methodology is utilized:

- Value of the part acquired is based on the contributory value in the larger parcel.
- Value of the remainder parcel as part of the larger parcel, is based on its contributory value developed in the larger parcel.
- Value the remainder parcel, after the acquisition and before benefits. When this value is compared to the value of remainder as part of the larger parcel any loss in market value is the measure of damages.
- Value the remainder parcel, after the acquisition with benefits. When this value is compared to the value of the remainder without benefits any gain in market value is the measure of benefits.
- The opinion of fair market value includes the value of the partial acquisition and the net damages.

Unit Rule

Source: *The Dictionary of Real Estate Appraisal*, Appraisal Institute, 7th Edition, P. 197

A valuation premise often applicable in condemnation appraisals. The unit rule has two aspects, the first dealing with ownership interests and the second dealing with physical components. The first aspect of the rule, also referred to as the *undivided fee rule*, requires that property be valued as a whole rather than by the sum of the values of the various interests into which it may have been carved (such as lessor and lessee, life tenant and remainderman, and mortgagor and mortgagee, etc.). This is an application of the principle that it is the property, not the interests, that is being acquired.

The second aspect of the rule is that different physical elements or components of a tract of land (such as the value of timber and the value of minerals on the same land) are not to be separately valued and added together.

Undivided Fee Rule

Source: *The Dictionary of Real Estate Appraisal*, Appraisal Institute, 7th Edition, P. 196

In condemnation appraisal, a rule that states that property is to be valued as if the title were held by a single entity, even if the real property is divided into more than one estate owned by more than one individual or entity.

Retrospective Value Opinion

Source: *The Dictionary of Real Estate Appraisal*, Appraisal Institute, 7th Edition, P. 166

value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."

Investment Value

Source: *The Dictionary of Real Estate Appraisal*, Appraisal Institute, 7th Edition, P. 99

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
2. The value of an asset to the owner or a prospective owner given individual investment or operational objectives (may also be known as worth). (IVS)

Extraordinary Assumption

Source: *Uniform Standards of Professional Appraisal Practice*, 2024 Edition, P. 4

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

Hypothetical Condition

Source: Uniform Standards of Professional Appraisal Practice, 2024 Edition, P. 4

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Jurisdictional Exception

Source: Uniform Standards of Professional Appraisal Practice, 2024 Edition, P. 5.

An assignment condition established by applicable law or regulation, which precludes an appraiser from complying with a part of USPAP.

“As Is.” The state, condition, or premise in which all existing and known future enhancements, faults, encumbrances, and conditions affecting the property rights being appraised are recognized and taken into account in the valuation process. For instance, the value effect of present or future bond encumbrances, likely extraordinary building costs, etc., would be evaluated. The value is based upon the conditions observed upon the most recent inspection, and as the property physically and legally exists without hypothetical conditions, assumptions, or qualifications. The “as is” condition is usually the state in which a property is available for purchase.

Leased Fee Estate

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 7th Edition, P. 105

An ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Estate

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 7th Edition, P. 105

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

Stabilized

A state, condition, or premise under which a property is operating in a normal or usual way: occupancy is at a level that might be expected for an extended period of time, rents are being collected at normal and typical rates (i.e., initial lease-up rent concessions and extraordinary tenant improvement costs have been amortized) and operating expenses have normalized (taxes are fully assessed, etc.).

Exposure Time

Source: Uniform Standards of Professional Appraisal Practice, 2024 Edition, P. 4

An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

Larger Parcel

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 7th Edition P. 105

In governmental land acquisitions and in valuation of charitable donations of partial interests in property such as easements, the tract or tracts of land that are under the beneficial control of a single individual or entity and have the same, or an integrated, highest and best use. Elements for consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use. In most states, unity of ownership, contiguity, and unity of use are the three conditions that establish the larger parcel for the consideration of severance damages. In federal and some state cases, however, contiguity is sometimes subordinated to unitary use.

Temporary Easement

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 7th Edition P. 190

An easement granted for a specific purpose and applicable for a specific time period. A construction easement, for example, is terminated after the construction of the improvement and the unencumbered fee interest in the land reverts to the owner.

Damage to Remainder

Source: Section 1263.420 of the Code of Civil Procedure

Damage to the remainder is the damage, if any, caused to the remainder by either or both of the following:

- (a) The severance of the remainder from the part taken.
- (b) The construction and use of the project for which the property is taken in the manner proposed by the plaintiff whether or not the damage is caused by a portion of the project located on the part taken.

Benefit to Remainder

Source: Section 1263.430 of the Code of Civil Procedure

Benefit to the remainder is the benefit, if any, caused by the construction and use of the project for which the property is taken in the manner proposed by the plaintiff whether or not the benefit is caused by a portion of the project located on the part taken.

Easement

Source: The Appraisal of Real Estate (Fifteenth Edition), Appraisal Institute, Chicago, Illinois, 2020, P. 64

An easement is an interest in real estate that transfers use, but not ownership, of a portion of an owner's property. Easements usually permit a specific portion of a property to be used for identified purposes, such as access to an adjoining property or as the location of a certain underground utility.

Conservation Easement

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 7th Edition P. 38

An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement.

Compensation

Source: Section 1263.310 of the Code of Civil Procedure

Compensation shall be awarded for the property taken. The measure of this compensation is the fair market value of the property taken.

Surplus Land

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 7th Edition P. 186

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel.

Improvements Pertaining to the Realty

Source: Section 1263.205 of the Code of Civil Procedure.

include any machinery or equipment installed for use on property taken by eminent domain, or on the remainder if such property is part of a larger parcel, that cannot be removed without a substantial economic loss or without substantial damage to the property on which it is installed, regardless of the method of installation. In determining whether particular property can be removed "without a substantial economic loss" within the meaning of this section, the value of the property in place considered as a part of the realty should be compared with its value if it were removed and sold.

...the Appraisal Institute

The Appraisal Institute is a national organization of appraisers that self-regulates its members, and the undersigned are designated Members of the Appraisal Institute (MAI). A Member must adhere to the Institute's ethics code and standards.

The U.S. congress has tasked the Appraisal Foundation to set standards and procedures with which state-certified appraisers must comply when appraising property interests involved in federally regulated transactions.

Excess Land

Source: *The Dictionary of Real Estate Appraisal*, Appraisal Institute, 7th Edition, P. 66

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately.

Leased Fee Interest

Source: *The Dictionary of Real Estate Appraisal*, Appraisal Institute, 7th Edition, P. 105

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Highest and Best Use

Source: *The Dictionary of Real Estate Appraisal*, Appraisal Institute, 7th Edition P. 88

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)
4. [For fair value determination] The use of a nonfinancial asset by market participants that would maximize the value of the asset or the group of assets and liabilities (for example, a business) within which the asset would be used. (FASB Glossary) The highest and best use of a nonfinancial asset takes into account the use that is physically possible, legally permissible, and financially feasible. (FASB 820-10-35-10B). The highest and best use of a nonfinancial asset establishes the valuation premise used to measure the fair value of the asset, as follows: (a) The highest and best use of a nonfinancial asset might provide maximum value to market participants through its use in combination with other assets as a group (as installed or otherwise configured for use) or in combination with other assets and liabilities (for example, a business). (b) The highest and best use of the asset might provide maximum value to market participants on a standalone basis. (FASB 820-10-35-10E)

Value in Use

Source: *The Dictionary of Real Estate Appraisal*, Appraisal Institute, 7th Edition P. 201

1. The amount determined by discounting the future cash flows (including the ultimate proceeds of disposal) expected to be derived from the use of an asset at an appropriate rate that allows for the risk of the activities concerned. (FASB Accounting Standards Codification, Master Glossary)
2. Formerly used in valuation practice as a synonym for contributory value or use value.

Across the Fence (ATF) Method

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 7th Edition P. 3

A land valuation method used in the appraisal of corridors. The across-the-fence method is used to develop a value opinion based on comparison to abutting land.

Special-Purpose Property

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 7th Edition P. 178

An improved property with a unique physical design, special construction materials, or a layout that particularly adapts its utility to the use for which it was built and may be costly to modify to another use; also called a *special-design property*.

Police Power

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 7th Edition P. 144

The inherent power of government to regulate property in order to protect public health, safety, and general welfare.

Transportation Corridor

Source: Caltrans Right of Way Manual, Section 7.13.60.00 (Rev 1/2014)

A corridor which includes existing operating and nonoperating railroad property with reasonably probable future transportation uses, including railroad tracks, excess width, utility lines, pipelines, fiber-optic lines, etc. These uses must not be speculative.

Operating Railroad Property

Source: Caltrans Right of Way Manual, Section 7.13.60.00 (Rev 1/2014)

The property necessary for operation of rail service over the railroad right of way. The area covered by the nonabandoned tracks plus the minimum additional clearance width as set by the Public Utilities Commission (PUC) and/or the safety standards set by the railroad. It may include switching yards, station sites and their parking lots, and crossing gates and associated equipment. All operating railroad property is located within a transportation corridor.

Non-Operating Railroad Property

Source: Caltrans Right of Way Manual, Section 7.13.60.00 (Rev 1/2014)

Anything other than operating railroad property; i.e., property which is not required to operate rail service on a right of way. This may include unused right of way where track has been removed, area required for flood protection, grading, land leased to others, administrative properties, etc. It is important to note that railroad property converted to hiking or biking trails might not change the "transportation corridor" status.

APPRAISAL CERTIFICATIONS

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased and professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. I have made a personal inspection of the property that is the subject of this report.
12. I have not revealed the findings and results of this appraisal to anyone other than the proper officials of the client and I will not do so unless and until authorized by the client, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.
13. Such appraisal has been made in conformity with the appropriate California laws, Title VI of the 1964 Civil Rights Act, and regulations, policies, and procedures applicable to appraisal of right of way.
14. To the best of my knowledge, no portion of the value of the property appraised consists of items which are non-compensable under the established laws of California. It is my understanding that federal funds may be involved in the project that pertains to the subject of this report.
15. Alysia Corey provided significant assistance in the valuation analysis, and the reconciliation in this report under the direct supervision of the undersigned.

16. My opinion of the total fair market value of the appraised property identified in this report was derived without collusion, coercion or direction as to value.



Thomas Leonard

State Certified General Real Estate Appraiser

California License No. 3006441

Expiration Date 4/28/2027

(916) 978-4900

t.leonard@benderrosenthal.com

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased and professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. As of the date of this report, I have completed the continuing education program for Designated Appraisers of the Appraisal Institute.
12. I have not made a personal inspection of the property that is the subject of this report.
13. I have not revealed the findings and results of this appraisal to anyone other than the proper officials of the client and I will not do so unless and until authorized by the client, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.
14. Such appraisal has been made in conformity with the appropriate California laws, Title VI of the 1964 Civil Rights Act, and regulations, policies, and procedures applicable to appraisal of right of way.
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David Houghton, MAI

Appraisal Manager

State Certified General Real Estate Appraiser

California License No.AG039402

Expiration Date 12/26/2025

(916) 978-4900

d.houghton@benderrosenthal.com

NOTICE OF DECISION TO APPRAISE LETTER

June 19, 2025

Lake County Air Quality Management District
2617 S Main Street
Lakeport, CA 95453-5696

Re: Soda Bay Road Corridor Improvement Project
Notice of Decision to Appraise
2617 S. Main Street, Lakeport, California 95453/ APN: 005-053-220

Dear Property Owners:

The County of Lake is proceeding with the South Main Street / Soda Bay Road Widening and Bike Lanes Project ("Project").

The overall goal of the Project is to improve traffic flow and pedestrian safety along South Main Street and Soda Bay Road. The project will include the widening of 0.5-mile segment along South Main Street from the Lakeport city limits to the State Route (SR) 175 extension, and a 0.75-mile segment along Soda Bay Road extending south from SR 175 to approximately 0.1 mile west of Manning Creek. This project will add a continuous center turning and bicycle lanes. In conjunction with the widening project, the overhead utility lines will be placed underground.

In connection with the Project, Consor Engineering and the County of Lake have retained Bender Rosenthal, Inc., Commercial Valuation and Right of Way Services, to prepare an appraisal. The appraisal process starts by inspecting your property for purposes of establishing the fair market value of your property. You or your representative may accompany the appraiser during this inspection if you wish to do so. If you wish to meet for an inspection of your property, please contact me at your earliest convenience at (916) 894-8147 to schedule a mutually agreeable time. In the meantime, if you have any questions regarding the potential acquisition of your property, the process or timing, please feel free to call me at (916) 894-8147, or email me at t.leonard@benderrosenthal.com.

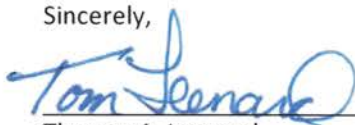
This notice does not constitute an offer to purchase your property, nor does it establish eligibility for you or your occupant for relocation assistance or relocation payments.

All services and/or benefits to be derived from any right of way activity will be administered without regard to race, color, national origin, or sex, in accordance with Title VI of the Civil Rights Act of 1964 and Section 162(a) of the Federal Highway Act of 1973 (23 U.S.C. 324).

Enclosed for your information is a copy of the booklet "Your Property /Your Transportation Project," Caltrans Title VI brochure, and Title VI Statutes and Regulations.

Thank you in advance for your cooperation.

Sincerely,

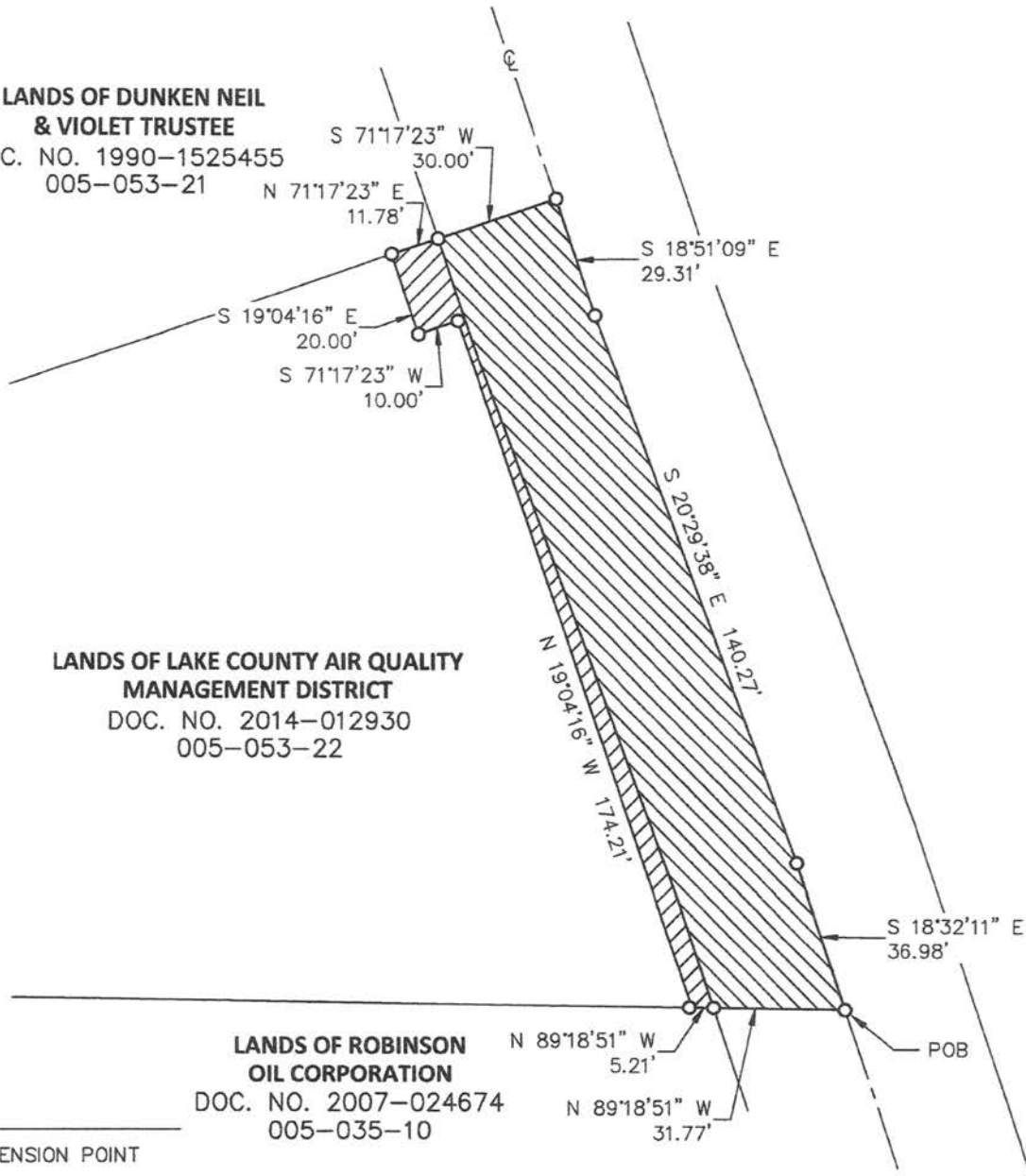


Thomas A. Leonard
Certified General Real Estate Appraiser
California Certificate No. 3006441
Bender Rosenthal, Inc.

Enclosures: Enclosures: Plat Map, Your Property/ Your Transportation Project Brochure and Title VI
2825 Watt Avenue, Suite 200 Sacramento, California 95821 | www.benderrosenthal.com | 916.978.4900



**LANDS OF DUNKEN NEIL
& VIOLET TRUSTEE**
DOC. NO. 1990-1525455
005-053-21



**LANDS OF LAKE COUNTY AIR QUALITY
MANAGEMENT DISTRICT**
DOC. NO. 2014-012930
005-053-22

**LANDS OF ROBINSON
OIL CORPORATION**
DOC. NO. 2007-024674
005-035-10

LEGEND

- DIMENSION POINT
- ▨ PTN. ACQUISITION 855± SQUARE FEET
- ▨ PTN. PRESCRIPTIVE RW 6,038± SQUARE FEET
- POB POINT OF BEGINNING

SCALE: 1" = 30'
0 15 30 60



SETH H. IRISH

DATE

COUNTY OF LAKE
STATE OF CALIFORNIA

EXHIBIT "B"

DR. BY: ADD			DATE: 4/19/2022
CKD BY: SHI			SCALE 1" = 40'
CO.	RTE.	PM	
LAK			2 OF 2

Acquiring Real Property For:

THE COUNTY OF LAKE CALIFORNIA

**SOUTH MAIN / SODA BAY ROAD WIDENING
PROJECT**



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INTRODUCTION

Government programs designed to benefit the public as a whole often result in acquisition of private property, and sometimes in the displacement of people from their residences, businesses, nonprofit organizations or farms. Acquisition of this kind has long been recognized as a right of government and is known as the power of eminent domain. The Fifth Amendment of the Constitution states that private property shall not be taken for public use without just compensation.

California law provides landowners whose property is taken for a public project certain rights and protections. An owner is to be compensated for the property being acquired, severance damages, if any, to the owner's remaining property if the entire property is not taken, and for loss of business goodwill if a business is being conducted on the property being acquired. Additionally, an owner or tenant who has to relocate because of a property acquisition may be entitled to certain relocation assistance and monetary compensation in connection with the relocation.

IMPORTANT TERMS USED IN THIS BROCHURE

Acquisition

Acquisition is the process of acquiring real property (real estate) or some interest therein.

Agency

An agency can be a government organization (Federal, State, or local), a non-government organization (such as a utility company). In this brochure, the word "agency" means the County of Lake, when applicable, (the Agency) which is a local government entity.

Appraisal

An appraisal is a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.

Condemnation

Condemnation is the legal process of acquiring private property for public use or purpose through the agency's power of eminent domain. Condemnation is usually not used until all attempts to reach a mutually satisfactory agreement through negotiations have failed. An agency then goes to court to acquire the needed property.

Easement

In general, an easement is the right of one person to use all or part of the property of another person for some specific purpose. Easements can be permanent or temporary (i.e., limited to a stated period of time). The term may be used to describe either the right itself or the document conferring the right. Examples are: permanent easement for utilities, permanent easement for perpetual maintenance of drainage structures, and temporary easement to allow reconstruction of a driveway during construction.

Eminent Domain

Eminent domain is the right of government to acquire private property for public use, subject to the owner of the property taken being given just compensation.

Fair Market Value

Fair market value is market value that has been adjusted to reflect constitutional and other legal requirements for public acquisition.

Interest

An interest is a right, title, or legal share in something. People who share in the ownership of real property have an interest in the property.

Just Compensation

Just compensation is the price an agency must pay to acquire real property. An agency official must make the estimate of just compensation to be offered to you for the property needed. That amount may not be less than the amount established in the approved appraisal report as the fair market value for your property. If you and the agency cannot agree on the amount of just compensation to be paid for the property needed, and it becomes necessary for the agency to use the condemnation process, the amount determined by the court will be the just compensation for your property.

Lien

A lien is a charge against a property in which the property is the security for payment of a debt. A mortgage is a lien. So are taxes. Customarily, liens must be paid in full when the property is acquired for a public project. Where not all of the property subject to a mortgage is taken, the mortgage need not be paid off unless the lender can demonstrate that its security interest is being impaired.

Market Value

Market value is the sale price that a willing and informed seller and a willing and informed buyer agree to for a particular property.

Negotiation

Negotiation is the process used by an agency to reach an amicable agreement with a property owner for the acquisition of needed property. An offer is made for the purchase of property in person, or by mail, and the offer is discussed with the owner.

Person

A person is an individual, partnership, corporation, or association.

Personal Property

In general, personal property is property that can be moved. It is not permanently attached to, or a part of, the real property. Personal property is not to be included and valued in the appraisal of real property.

Program or Project

A program or project is any activity or series of activities undertaken by an agency in order to build and maintain public works or public facilities.

Waiver Valuation

The term waiver valuation means an administrative process for estimating fair market value for relatively low-value, noncomplex acquisitions. A waiver valuation is prepared in lieu of an appraisal.

PROPERTY APPRAISAL

An agency determines what specific property needs to be acquired for a public program or project after the project has been planned and government requirements have been met.

If your property, or a portion of it, needs to be acquired, you, the property owner, will be notified as soon as possible of (1) the agency's interest in acquiring your property, (2) the agency's obligation to secure any necessary appraisals, and (3) any other useful information.

EMINENT DOMAIN – INFORMATION PAMPHLET (SB 698)

I. Introduction

The Agency, County of Lake, is a local government entity and is vested by law with the authority to exercise the power of eminent domain for this project.

Eminent domain is the power to purchase private property for a "public use" so long as the property owner is paid "just compensation." Whenever possible, the Agency tries to avoid use of the eminent domain power, exercising it only when it is necessary for a public project. The decision to acquire private property for a public project is made by the Agency only after a thorough review of the project, which often includes public hearings.

This pamphlet provides general information about the eminent domain process and the rights of the property owner in that process.¹

- **What is a "public use"?**

A "public use" is a use that confers public benefits, like the provision of public services or the promotion of public health, safety, and welfare. Public uses include a wide variety of projects such as street improvements, construction of water storage facilities, construction of civic buildings, redevelopment of blighted areas, and levee improvements to increase flood protection. Some public uses are for private entities, such as universities, hospitals and public utilities, which serve the public.

- **What is "just compensation"?**

Just compensation is the **fair market value** of the property being acquired by the government. The state law definition of fair market value 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."

II. The Eminent Domain Process and the Property Owner's Rights

The eminent domain process begins with a public use project. When selecting a project location, the goal is to render the greatest public good and the least private injury or inconvenience. If it is determined that all or a portion of your property may be necessary for a public use project, the Agency will begin the appraisal process to determine the property's fair market value.

- **How is the fair market value of my property determined?**

The Agency will hire an independent, accredited appraiser familiar with local property values to appraise your property. The appraiser will invite you to accompany him or her during an inspection of your property. You may give the appraiser any information about improvements and any special features that you believe may affect the value of your property. It is in your best interest to provide the appraiser with all the useful information you can in order to ensure that nothing of value will be overlooked. If you are unable to meet with the appraiser, you may wish to have a person who is familiar with your property meet with the appraiser instead.

After the inspection, the appraiser will complete an appraisal that will include the appraiser's determination of your property's fair market value and the information upon which the fair market value is based. The appraiser will provide the Agency with the appraisal. The Agency will then make a written offer to purchase the property. The offer will also include a summary of the appraisal. The offer will be for no less than the amount of the appraisal.

¹ This pamphlet reflects the current law as of January 1, 2008. However, the information in this pamphlet is not, nor should it be construed as, legal advice. You should consult with qualified legal counsel regarding your specific situation rather than relying on this pamphlet as legal advice.

- **What factors does the appraiser consider in determining fair market value?**

Each parcel of real property is different and, therefore, no single formula can be used to appraise all properties. Among the factors an appraiser typically considers in estimating fair market value are:

- The location of the property;
- The age and condition of improvements on the property;
- How the property has been used;
- Whether there are any lease agreements relating to the property;
- Whether there are any environmental issues, such as contaminated soil;
- Applicable current and potential future zoning and land use requirements;
- How the property compares with similar properties in the area that have been sold recently;
- How much it would cost to reproduce the buildings and other structures, less any depreciation; and
- How much rental income the property produces, or could produce if put to its highest and best use.

- **Will I receive a copy of the appraisal?**

The Agency is required to provide you with its purchase offer, a summary of the appraiser's opinion, and the basis for the Agency's offer. Among other things, this summary must include:

- A general statement of the Agency's proposed use for the property;
- An accurate description of the property to be acquired;
- A list of the improvements covered by the offer;
- The amount of the offer; and
- The amount considered to be just compensation for each improvement which is owned by a tenant and the basis for determining that amount.

However, the Agency is only required to show you a copy of the full appraisal if your property is an owner-occupied residential property with four or fewer residential units. Otherwise, the Agency may, but is not required, to disclose its full appraisal during negotiations (though different disclosure requirements apply during the litigation process if the issue of fair market value goes to court).

- **Can I have my own appraisal done?**

Yes. You may decide to obtain your own appraisal of the property in negotiating the fair market value with the Agency. At the time of making its initial offer to you, the Agency must offer to reimburse you the reasonable costs, not to exceed \$5,000, of an independent appraisal of your property. To be eligible for reimbursement, the selected appraiser must be licensed with the Office of Real Estate Appraisers (OREA) and is to have experience in appraisal of properties required for public acquisition under eminent domain principles. You may contact OREA at (916) 552-9900.

- **What advantages are there in selling my property to the Agency?**

A real estate transaction with the Agency is typically handled in the same way as the sale of private property. However, there may be a financial advantage to selling to the Agency.

- You will not be required to pay for real estate commissions, title costs, preparation of documents, title policy or recording fees required in closing the sale. The Agency will pay all these costs.
- Although the Agency cannot give you tax advice or direction, you might also be eligible for certain property and income tax advantages. You should check with the Internal Revenue Service (IRS) for details or consult your personal tax advisor.

- **If only a portion of my property is taken, will I be paid for the loss to my remaining property?**

In general, when only a part of your property is needed, every reasonable effort is made to ensure you do not suffer a financial loss to the "remainder" property. The Agency will pay you the fair market value of the property being taken as well as compensation for any loss in value to your remaining property that is not offset

by the benefits conferred by the project. The compensation for the loss in value to your remaining property is often referred to as "severance damages."

- **Will I be compensated for loss of goodwill to my business?**

If you are the owner of a business that is conducted on the property being acquired, you may have a right to compensation for lost business goodwill if the loss is caused by the acquisition of the property. "Goodwill" consists of the benefits that accrue to a business as a result of its location, reputation for dependability, skill or quality, and any other circumstances resulting in probable retention of old or acquisition of new patronage.

- **What will happen to the loan on my property?**

Where the Agency is acquiring the entire property, generally the compensation payable to the owner is first used to satisfy outstanding loans or liens as in a typical real estate transaction. Where less than the entire property is being acquired, whether outstanding loans or liens are paid from the compensation will depend on the particular facts and circumstances.

- **Do I have to sell at the price offered?**

No. If you and the Agency are unable to reach an agreement on a mutually satisfactory price, you are not obligated to sign an offer to sell or enter into a purchase agreement.

- **If I agree to accept the Agency's offer, how soon will I be paid?**

If you reach a voluntary agreement to sell your property or an interest in the property to the Agency, payment will be made at a mutually acceptable time. Generally, this should be possible within 30 to 60 days after a purchase/sale contract is signed by all parties.

- **What happens if we are unable to reach an agreement on the property's fair market value?**

The Agency, to the greatest extent practicable, will make every reasonable effort to acquire your property by negotiated purchase. If, however, the negotiations are unsuccessful, the Agency may file an Eminent Domain action in a court located within the same county/city where your property is located.

The first step is for the Agency staff to request authority from the Agency's County Board of Supervisors ("Board") or City Council (Council) to file a condemnation action. The approval from the Board/Council is called a "Resolution of Necessity." In considering whether condemnation is necessary, the Board/Council must determine whether the public interest and necessity require the project, whether the project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury, and whether your property is necessary for the project. You will be given notice (Notice of Intent to Adopt a Resolution of Necessity) and an opportunity to appear before the Board/Council when it considers whether to adopt the Resolution of Necessity. You may want to call an attorney or contact an attorney referral service right away. You or your representatives can raise any objections to the Resolution of Necessity and the condemnation either orally before the Board/Council, or in writing to the Board/Counsel.

If the Agency's Board/Council adopts the Resolution of Necessity, the Agency can file a complaint in court to acquire title to the property upon payment of the property's fair market value. The Agency is the plaintiff. Anyone with a legal interest in the property, generally determined from a title report on the property (including tenants or mortgage holders), are named as defendants. Often, the Agency will also deposit the amount the Agency believes is the "probable amount of compensation" with the Court where the complaint is filed. A deposit must be made if the Agency is seeking to acquire possession of the property before agreement is reached on the fair market value.

- **Can the Agency acquire possession of my property before an agreement is reached as to the property's fair market value?**

In some cases, the Agency may decide it needs possession of the property before the property's fair market value is finally determined. In such a case, the Agency must apply to the Court for an "order for possession" to allow it to take possession and control of the property prior to resolution of the property's fair market value. The Agency is required to schedule a hearing with the Court on the proposed order for possession and to give you notice of the hearing. Notice must generally be sent 90 days before the hearing date if the property is

occupied and 60 days before the hearing date if the property is unoccupied. A judge will decide whether the order for possession should be granted. As noted above, the Agency must deposit with the Court the probable amount of just compensation in order to obtain possession of the property.

- **Can I oppose the motion for an order for possession?**

Yes. You may oppose the motion in writing by serving the Agency and the court with your written opposition within the period of time set forth in the notice from the Agency.

- **Can I withdraw the amount deposited with the State Treasurer before the eminent domain action is completed, even if I don't agree that the amount reflects the fair market value of my property?**

Yes. Subject to the rights of any other persons having a property interest (such as a lender, tenant, or co-owner), you may withdraw the amount deposited with the Court before the eminent domain action is completed. If you withdraw the amount on deposit, you may still seek a higher fair market value during the eminent domain proceedings, but you may not contest the right of the Agency to acquire the property, meaning you cannot contest that the acquisition of your property is for a public purpose or is otherwise improper.

You also have the right to ask the court to require the Agency to increase the amount deposited with the Court if you believe the amount the Agency has deposited less than the "probable amount of compensation."

- **Can I contest the condemning agency's acquisition of the property?**

Yes. Provided you have not withdrawn the amount deposited, you can challenge in court the Agency's right to acquire or condemn the property.

- **What happens in an eminent domain trial?**

The main purpose of an eminent domain trial is to determine the fair market value of your property, including compensable interests such as lost business goodwill caused by the taking. The trial is usually conducted before a judge and jury. You (and any others with interests in the property) and the Agency will have the opportunity to present evidence of value, and the jury will determine the property's fair market value. In cases where the parties choose not to have a jury, the judge will decide the property's fair market value. Generally, each party to the litigation must disclose its respective appraisals to the other parties prior to trial.

If you challenge the Agency's right to acquire the property, the eminent domain trial will also determine whether or not the Agency has the legal right to acquire the property. In such cases, the judge (not the jury) will make this determination before any evidence is presented concerning the property's fair market value.

- **Am I entitled to interest?**

Anyone receiving compensation in an eminent domain action is generally entitled to interest on that compensation from the date the condemning agency takes possession of the property until the person receiving the compensation has been fully paid. The rate and calculation of the interest is determined under formulas in State law.

- **Will the Agency pay my attorneys' fees and costs?**

In an eminent domain action, you are entitled to be reimbursed by the condemning agency for your court costs such as court filing fees. In some circumstances, you may also be entitled to be reimbursed by the condemning agency for your attorneys' fees in the lawsuit. Whether you will be entitled to receive reimbursement for your attorneys' fees will depend on the particular facts and circumstances of the case and the offers and demand for compensation made in the action.

- **Will I receive assistance with relocation?**

Any person, business, or farm operation displaced as a result of the property acquisition is entitled to relocation advisory and financial assistance for eligible relocation expenses, such as moving expenses. The amount of relocation compensation is determined on a case-by-case basis in accordance with prescribed law. Relocation benefits are handled separate and apart from the determination of the property's fair market value and are not part of the eminent domain process.

District 1

**Equal Employment
Opportunity
(EEO) Office**
1656 Union Street
Eureka, CA 95501
(707) 445-5318

District 2

EEO Office
1657 Riverside Drive
Redding, CA 96001
(530) 225-3055

District 3

EEO Office
703 B Street
Marysville, CA 95901
(530) 741-7130

District 4

EEO Office
P.O. Box 23660, MS 6A
Oakland, CA 94623
(510) 286-5871

District 5

EEO Office
50 Higuera Street
San Luis Obispo, CA 93401
(805) 549-3037

District 6

EEO Office
1352 West Olive Avenue
Fresno, CA 93728
(559) 444-2522

District 7

EEO Office
100 S. Main Street
Los Angeles, CA 90012
(213) 897-0797

District 8

EEO Office
464 West 4th Street,
MS 1249
San Bernardino, CA 92401
(909) 383-6396

District 9

EEO Office
500 S. Main Street
Bishop, CA 93514
(760) 872-0752

District 10

EEO Office
1976 East Dr. Martin Luther
King Jr. Blvd.
Stockton, CA 95205
(209) 948-3911

District 11

EEO Office
4050 Taylor Street, MS 251
San Diego, CA 92110
(619) 688-4249

District 12

EEO Office
1750 East 4th Street,
Suite 100
Santa Ana, CA 92705
(657) 328-6595

Headquarters

Title VI Coordinator
1823 14th Street, MS 79
Sacramento, CA 95811
(916) 324-8379

**This publication
will be made
available in
alternative formats:**

Braille
Large print
Computer disc
Audio version or
in a different language
upon request by calling
the Caltrans Office of
Business & Economic
Opportunity
(916) 324-8379
711 (TTY)



Jan 2017

Caltrans & You

race
disability
Executive Order 12898
age

**Your Rights
Under
Title VI
and Related
Statutes**

**This brochure is designed to inform
you of the requirements of Title VI
of the Civil Rights Act of 1964 and
your rights under
those requirements.**



What is Title VI?

Title VI is a statute provision of the Civil Rights Act of 1964.

Title VI (Sec. 601) of the Civil Rights Act of 1964 provides:

*"No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."
(42 U.S.C. Sec. 2000d)*

Additionally, Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations 1994 provides:

"Each Federal agency shall make achieving environmental justice part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations."

Related statutes provide protection against discrimination on the basis of sex, age, or disability by programs receiving federal financial assistance.

What does this mean?

That Caltrans strives to ensure that access to and use of all programs, services, or benefits derived from any Caltrans activity will be administered without regard to race, color, national origin, sex, age, disability or socioeconomic status.

Caltrans will not tolerate discrimination by a Caltrans employee or recipients of federal funds such as cities, counties, contractors, consultants, suppliers, universities, colleges, planning agencies, and any other recipients of federal-aid highway funds.

Caltrans prohibits all discriminatory practices, which may result in:

- **Denial to any individual of any service, financial aid, or benefit provided under the program to which he or she may be otherwise entitled;**
- **Different standards or requirements for participation;**
- **Segregation or separate treatment in any part of the program;**
- **Distinctions in quality, quantity, or manner in which the benefit is provided;**
- **Discrimination in any activities conducted in a facility built in whole or part with federal funds.**

To ensure compliance with Title VI, related statutes, and the Presidential Executive Order on Environmental Justice, Caltrans will:

- **Avoid or reduce harmful human health and environmental effects on minority and low-income populations;**
- **Ensure the full and fair participation by all communities including low-income and minority populations in the transportation decision-making process;**
- **Prevent the denial of, reduction in, or significant delay in the receipt of benefits by minority and low-income populations.**

Additionally, any recipient, including, but not limited to, Metropolitan Planning Organizations and cities and counties, who receive federal financial aid bears a responsibility to administer its program and activities without regard to race, color, national origin, sex, age, disability, or socioeconomic status.

Benefits and Services

Caltrans' mission is to provide the people of California with a safe, efficient, and effective inter-modal transportation system. All of the work Caltrans performs is intended to assist the transportation needs of all the people of California regardless of race, color, national origin, sex, age, disability, or socioeconomic status.

Are your rights being violated?

If you believe that you have been discriminated against because of your race, color, national origin, sex, age, or disability, you may file a written complaint with the Caltrans Equal Employment Opportunity (EEO) Office. District EEO offices are located statewide. The addresses and telephone numbers are located on the back of this brochure. Title VI complaints are forwarded to Sacramento for investigation by the Caltrans Office of Business & Economic Opportunity Title VI Program.

Who bears the responsibility to Title VI?

All of Caltrans employees and its functional programs. The Caltrans Office of Business & Economic Opportunity Title VI Program provides continuous leadership, guidance, and technical assistance to ensure ongoing compliance with Title VI and the Executive Order on Environmental Justice.

NONDISCRIMINATION STATUTES

- **Title VI of the 1964 Civil Rights Act, 42 U.S.C. 2000,** provides in Section 601 that:

“No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.” (PROHIBITS DISCRIMINATION IN IMPACTS, SERVICES, AND BENEFITS OF, ACCESS TO, PARTICIPATION IN, AND TREATMENT UNDER A FEDERAL-AID RECIPIENT’S PROGRAMS OR ACTIVITIES)
- **The Age Discrimination Act of 1975,** as amended 42 U.S.C. 6101, provides:

“No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.” (PROHIBITS DISCRIMINATION BASED ON AGE)
- **The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970,** 42 U.S.C. 4601, provides:

“For the fair and equitable treatment of persons displaced as direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance.” (PROVIDES FOR FAIR TREATMENT OF PERSONS DISPLACED BY FEDERAL AND FEDERAL-AID PROGRAMS AND PROJECTS)
- **The Federal-aid Highway Act, 49 U.S.C. 306**

Outlines the responsibilities of the U.S. Department of Transportation and, at (c) outlines the Secretary’s authority to decide whether a recipient has not complied with applicable Civil Rights statutes or regulations, requires the Secretary to provide notice of the violation, and requires necessary action to ensure compliance.
- **The 1973 Federal-aid Highway Act, 23 U.S.C. 324,** provides:

“No person shall on the ground of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal assistance under this Title or carried on under this title.” (PROHIBITS DISCRIMINATION ON THE BASIS OF SEX)
- **The Civil Rights Restoration Act of 1987, P.L. 100-209,** provides:

Clarification of the original intent of Congress in Title VI of the 1964 Civil Rights Act, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973. (RESTORES THE BROAD, INSTITUTION-WIDE SCOPE AND COVERAGE OF THE NON-DISCRIMINATION STATUTES TO INCLUDE ALL PROGRAMS AND ACTIVITIES OF FEDERAL-AID RECIPIENTS, SUB-RECIPIENTS AND CONTRACTORS, WHETHER SUCH PROGRAMS AND ACTIVITIES ARE FEDERALLY ASSISTED OR NOT)
- **The Uniform Relocation Act Amendments of 1987, P.L. 101-246,** provides:

“For fair, uniform, and equitable treatment of all affected persons; ...(and) minimizing the adverse impact of displacement...(to maintain)...the economic and social well-being of communities; and...to establish a lead agency and allow for State certification and implementation.” (UPDATED THE 1970 ACT AND CLARIFIED THE INTENT OF CONGRESS IN PROGRAMS AND PROJECTS WHICH CAUSE DISPLACEMENT)

- **The Americans with Disabilities Act, P.L. 101-336, provides:**

“No qualified individual with a disability shall, by reason of such disability, be excluded from the participation in, be denied benefits of, or be subjected to discrimination by a department, agency, special purpose district, or other instrumentality of a State or a local government.” (PROVIDED ENFORCEABLE STANDARDS TO ADDRESS DISCRIMINATION AGAINST PEOPLE WITH DISABILITIES)

- **The Civil Rights Act of 1991**, in part, amended Section 1981 of 42 U.S.C. by adding two new sections that provided:

“(b) For the purposes of this section, the term ‘make and enforce contracts’ includes the making, performance, modification, and termination of contracts and the enjoyment of all benefits, privileges, terms, and conditions of the contractual relationship.

(c) The rights protected by this section are protected against impairment by non-governmental discrimination and impairment under color of State law.”

- **Title VIII of the 1968 Civil Rights Act, 42 U.S.C. 3601, provides that:**

“(l) It shall be unlawful...to refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny a dwelling to any person because of race, color, religion or national origin.” (PROHIBITS DISCRIMINATION IN THE SALE OR RENTAL OF HOUSING – HUD is the primary interest agency, but FHWA and States under Title VI are responsible for preventing discrimination in the function of Right-of-Way)

- **The National Environmental Policy Act of 1969, 42 U.S.C. 4321**

Requires the consideration of alternatives, including the “no-build” alternative, consideration of social, environmental and economic impacts, public involvement, and use of a systematic interdisciplinary approach at each decision making stage of Federal-aid project development.

- **Title IX of the Education Amendments of 1972**

Makes financial assistance available to institutions of higher education to: (1) strengthen, improve and, where necessary, expand the quality of graduate and professional programs leading to an advanced degree; (2) establish, strengthen, and improve programs designed to prepare graduate and professional students for public service; and (3) assist in strengthening undergraduate programs of instruction in certain instances.

- **Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 790, provides that:**

“(N)o qualified handicapped person shall, solely by reason of his handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity that receives or benefits from Federal financial assistance.” (PROHIBITS DISCRIMINATION BASED ON PHYSICAL OR MENTAL HANDICAP)

Source: U.S. Department of Transportation
Federal Highway Administration Title VI Handbook
Title VI Nondiscrimination in the Federal-Aid Highway Program
FHWA Publication No. FHWA-HCR-06-006

PLAT AND LEGALS

EXHIBIT "A"

BEING A PORTION OF THE NORTHEAST QUARTER OF SECTION 36, TOWNSHIP 14 NORTH, RANGE 10 WEST, M.D.B. & M. WITHIN THE UNINCORPORATED AREA OF THE COUNTY OF LAKE, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EXISTING CENTERLINE OF SOUTH MAIN STREET (FORMERLY STATE HIGHWAY NO. 29), SAID POINT OF BEGINNING BEING THE SOUTHEAST CORNER OF THAT CERTAIN TRACT OF LAND DESCRIBED IN THE GRANT DEED FROM NESLO GROUP, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY TO LAKE COUNTY AIR QUALITY MANAGEMENT DISTRICT RECORDED AS DOCUMENT NO. 2014012930 ON OCTOBER 24, 2014 IN THE OFFICE OF THE COUNTY RECORDER OF SAID LAKE COUNTY; THENCE, LEAVING SAID CENTERLINE AND ALONG THE SOUTHERLY LINE OF SAID LAKE COUNTY AIR QUALITY TRACT, NORTH 89° 18' 51" WEST (NORTH 89° 11' 00" WEST) 36.98 FEET; THENCE, LEAVING SAID SOUTHERLY LINE, NORTH 19° 04' 16" WEST, 174.21 FEET; THENCE SOUTH 71° 17' 23" WEST, 10.00 FEET; THENCE NORTH 19° 04' 16" WEST 20.00 FEET TO THE NORTHERLY LINE OF SAID LAKE COUNTY AIR QUALITY TRACT; THENCE, ALONG SAID NORTHERLY LINE, NORTH 71° 17' 23" EAST (NORTH 71° 18' 50" EAST) 41.78 FEET TO A POINT ON SAID CENTERLINE; THENCE, ALONG SAID CENTERLINE, SOUTH 18° 51' 09" EAST 29.31 FEET; THENCE, CONTINUING ALONG SAID CENTERLINE, SOUTH 20° 29' 38" EAST 140.27; AND THENCE SOUTH 18° 32' 11" EAST 36.98 FEET (SOUTH 18° 41' 10" EAST 204.59 FEET) TO THE **POINT OF BEGINNING**.

CONTAINS 6,893.00 SQ. FEET OF LAND.

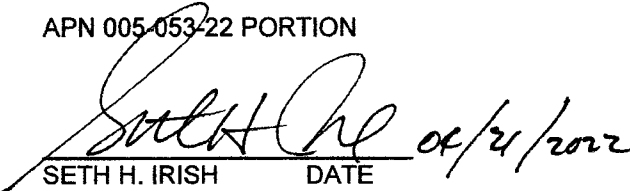
THE BASIS OF BEARINGS FOR THIS DESCRIPTION IS THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 2 (EPOCH 2010.00), AS DETERMINED BY TIES BETWEEN NATIONAL GEODETIC SURVEY, HORIZONTAL CONTROL STATIONS HPGN D CA 01 CH (PID: KT2297) AND 29 LAK 36.18 (PID:DH6294) AND TAKEN AS SOUTH 53°13'09" EAST.

ALL DISTANCES SHOWN HEREON ARE GROUND DISTANCES.

DATA SHOWN IN PARENTHESIS IS RECORD DATA PER BOOK 11 OF PARCEL MAPS, PAGE 7, LAKE COUNTY RECORDS.

SEE EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREIN BY THIS REFERENCE.

APN 005-053-22 PORTION


SETH H. IRISH
PLS 5922

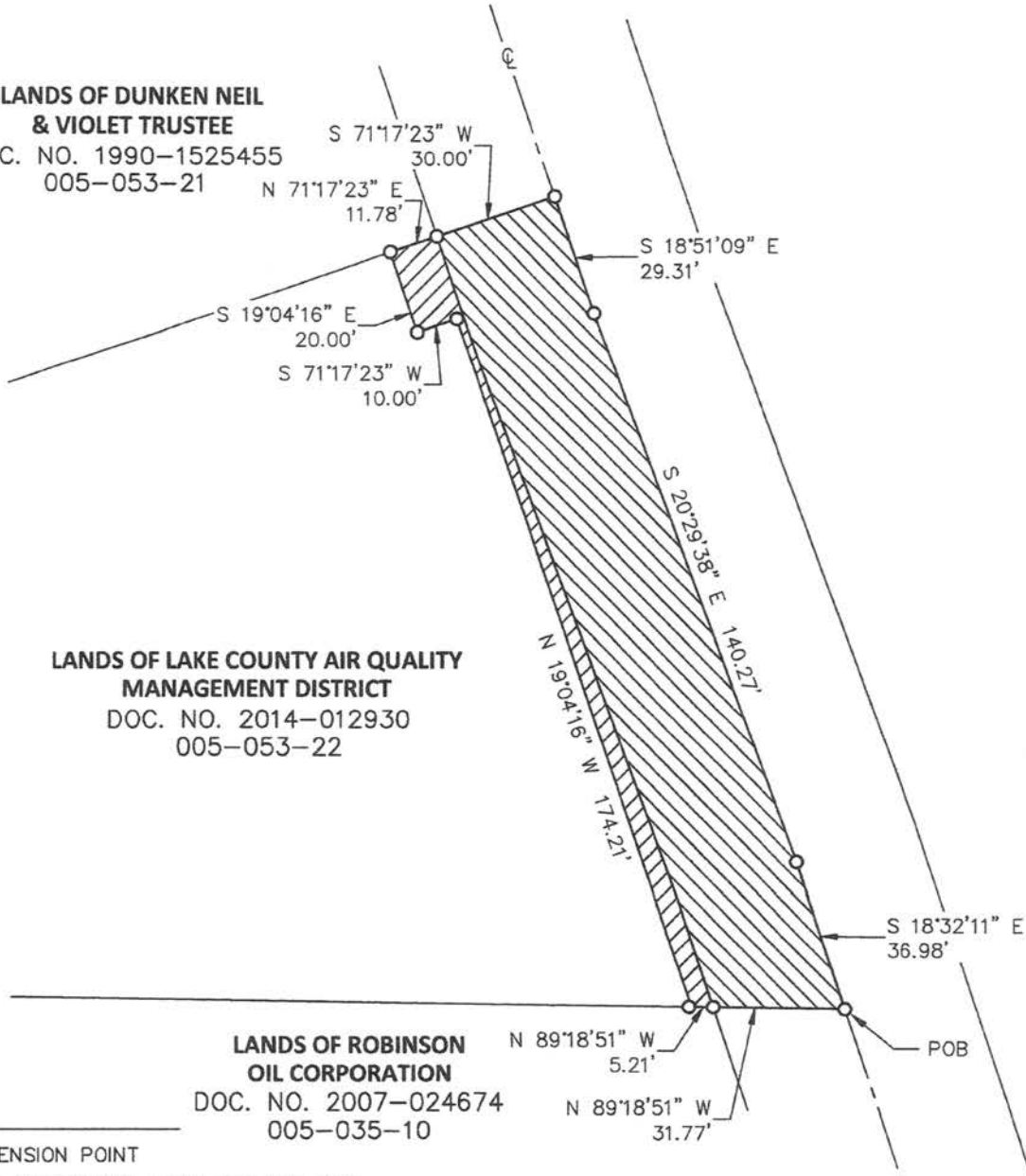
DATE

PAGE 1 OF 2





**LANDS OF DUNKEN NEIL
& VIOLET TRUSTEE**
DOC. NO. 1990-1525455
005-053-21



**LANDS OF LAKE COUNTY AIR QUALITY
MANAGEMENT DISTRICT**
DOC. NO. 2014-012930
005-053-22

**LANDS OF ROBINSON
OIL CORPORATION**
DOC. NO. 2007-024674
005-035-10

LEGEND

- DIMENSION POINT
- ▨ PTN. ACQUISITION 855± SQUARE FEET
- ▨ PTN. PRESCRIPTIVE RW 6,038± SQUARE FEET
- POB POINT OF BEGINNING

SCALE: 1" = 30'

0 15 30 60



SETH H. IRISH

DATE

COUNTY OF LAKE
STATE OF CALIFORNIA

EXHIBIT "B"

DR. BY: ADD			DATE: 4/19/2022
CKD BY: SHI			SCALE 1" = 40'
CO.	RTE.	PM	
LAK			2 OF 2

PRELIMINARY TITLE REPORT



First American Title™

First American Title Company

California Department of Insurance License No. 2549-4

Escrow Officer: Lindsay Ostrand
Phone: (707)262-7142
Fax No.: (866)337-7509
E-Mail: lostrand@firstam.com

E-Mail Loan Documents to: Lenders please contact the Escrow Officer for email address for sending loan documents.

Buyer: County of Lake
Owner: Lake County Air Quality Management
Property: 2617 S Main St
Lakeport, CA 95453

PRELIMINARY REPORT

In response to the above referenced application for a policy of title insurance, this 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 Exhibit A attached. *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 Exhibit A. 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 Exhibit A 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.

Please be advised that any provision contained in this document, or in a document that is attached, linked or referenced in this document, that under applicable law illegally discriminates against a class of individuals based upon personal characteristics such as race, color, religion, sex, sexual orientation, gender identity, familial status, disability, national origin, or any other legally protected class, is illegal and unenforceable by law.

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 April 30, 2025 at 7:30 A.M.

The form of Policy of title insurance contemplated by this report is:

To Be Determined

A specific request should be made if another form or additional coverage is desired.

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

LAKE COUNTY AIR QUALITY MANAGEMENT DISTRICT

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

FEE

The Land referred to herein is described as follows:

(See attached Legal Description)

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

1. General and special taxes and assessments for the fiscal year 2025-2026, a lien not yet due or payable.
2. General and special taxes and assessments for the fiscal year 2024-2025 are exempt.
3. Taxes and assessments, if any, of the LAKE COUNTY SANITATION AND SEWER District.
4. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
5. Abutter's rights of ingress and egress to or from STATE HIGHWAY 29 have been relinquished in the document recorded OCTOBER 24, 1966 as [BOOK 507, PAGE 189](#) of Official Records.
6. A waiver of any claims for damages by reason of the location, construction, landscaping or maintenance of a contiguous freeway, highway or roadway, as contained in the document recorded OCTOBER 24, 1966 as [BOOK 507, PAGE 189](#) of Official Records.

7. An easement shown or dedicated on the Map as referred to in the legal description
For: ROADWAY AND PUBLIC UTILITY EASEMENT and incidental purposes.
8. The effect of a map purporting to show the land and other property, filed IN [BOOK 64, PAGE 41](#) of Record of Surveys.
9. The terms and provisions contained in the document entitled "SPECIAL WARRANTY DEED" recorded OCTOBER 08, 2010 as INSTRUMENT NO. [2010015725](#) of Official Records.
10. The effect of a map purporting to show the land and other property, filed APRIL 23, 2015 IN [BOOK 93, PAGE 22](#) of Record of Surveys.
11. A notice of assessment recorded FEBRUARY 22, 2017 as INSTRUMENT NO. [2017002296](#) of Official Records, executed by CITY CLERK OF THE CITY OF LAKEPORT.
12. Water rights, claims or title to water, whether or not shown by the Public Records.
13. Rights of the public in and to that portion of the Land lying within any Road, Street, Alley or Highway.
14. Rights of parties in possession.

INFORMATIONAL NOTES

Note: The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the certain dollar amount set forth in any applicable 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. If you desire to review the terms of the policy, including any arbitration clause that may be included, contact the office that issued this Commitment or Report to obtain a sample of the policy jacket for the policy that is to be issued in connection with your transaction.

1. The property covered by this report is vacant land.
2. According to the public records, there has been no conveyance of the land within a period of twenty-four months prior to the date of this report, except as follows:

None
3. We find no outstanding voluntary liens of record affecting subject property. Disclosure should be made concerning the existence of any unrecorded lien or other indebtedness which could give rise to any possible security interest in the subject property.

The map attached, if any, may or may not be a survey of the land depicted hereon. First American expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.

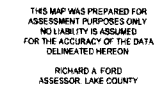
LEGAL DESCRIPTION

Real property in the unincorporated area of the County of Lake, State of California, described as follows:

Parcel 2 as shown on a Map filed in the Office of the County Recorder of Said Lake County on June 29, 1976, in [Book 11 of Parcel Maps at Page 7](#).

APN: [005-053-220-000](#)

FORMERLY PAGE 034



35 PM 3
34 PM 33/34
32 PM 23
31 PM 40/41
28 PM 14
27 PM 39
27 PM 28
27 PM 4
17 PM 48
17 PM 47
13 PM 9
12 PM 21
11 PM 36
11 PM 7
6 PM 6
5 PM 46

Order Number: **1701-7269484**
Page Number: 6

NOTICE

Section 12413.1 of the California Insurance Code, effective January 1, 1990, requires that any title insurance company, underwritten title company, or controlled escrow company handling funds in an escrow or sub-escrow capacity, wait a specified number of days after depositing funds, before recording any documents in connection with the transaction or disbursing funds. This statute allows for funds deposited by wire transfer to be disbursed the same day as deposit. In the case of cashier's checks or certified checks, funds may be disbursed the next day after deposit. In order to avoid unnecessary delays of three to seven days, or more, please use wire transfer, cashier's checks, or certified checks whenever possible.

EXHIBIT A
LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (BY POLICY TYPE)
CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE [(07-01-2021) v. 01.00]
EXCLUSIONS FROM COVERAGE

The following matters are excluded from the coverage of this policy and We 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) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection.
- b. any governmental forfeiture, police, or regulatory, or national security power.
- c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
Exclusion 1 does not modify or limit the coverage provided under Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23, or 27.
2. Any power to take the Land by condemnation. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 17.
3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by You;
 - b. not Known to Us, not recorded in the Public Records at the Date of Policy, but Known to You and not disclosed in writing to Us by You prior to the date You became an Insured under this policy;
 - c. resulting in no loss or damage to You;
 - d. attaching or created subsequent to the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 5, 8.f., 25, 26, 27, 28, or 32); or
 - e. resulting in loss or damage that would not have been sustained if You paid consideration sufficient to qualify You as a bona fide purchaser of the Title at the Date of Policy.
4. Lack of a right:
 - a. to any land outside the area specifically described and referred to in Item 3 of Schedule A; and
 - b. in any street, road, avenue, alley, lane, right-of-way, body of water, or waterway that abut the Land.Exclusion 4 does not modify or limit the coverage provided under Covered Risk 11 or 21.
5. The failure of Your existing structures, or any portion of Your existing structures, to have been constructed before, on, or after the Date of Policy in accordance with applicable building codes. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 14 or 15.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transfer of the Title to You is a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any other reason not stated in Covered Risk 30.
7. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
8. Negligence by a person or an entity exercising a right to extract or develop oil, gas, minerals, groundwater, or any other subsurface substance.
9. Any lien on Your Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 9 does not modify or limit the coverage provided under Covered Risk 8.a. or 27.
10. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

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:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16:	1% of Policy Amount Shown in Schedule A or \$2,500 (whichever is less)	\$10,000
Covered Risk 18:	1% of Policy Amount Shown in Schedule A or \$5,000 (whichever is less)	\$25,000
Covered Risk 19:	1% of Policy Amount Shown on Schedule A or \$5,000 (whichever is less)	\$25,000
Covered Risk 21:	1% of Policy Amount Shown on Schedule A or \$2,500 (whichever is less)	\$5,000

ALTA OWNER'S POLICY [(07-01-2021) V. 01.00]
CLTA STANDARD COVERAGE OWNER'S POLICY [(02-04-22) V. 01.00]
EXCLUSIONS FROM COVERAGE

The following matters are 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) that restricts, regulates, prohibits, or relates to:
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement on the Land;
 - iii. the subdivision of land; or
 - iv. environmental remediation or protection.
 - b. any governmental forfeiture, police, regulatory, or national security power.
 - c. the effect of a violation or enforcement of any matter excluded under Exclusion 1.a. or 1.b.
- Exclusion 1 does not modify or limit the coverage provided under Covered Risk 5 or 6.
2. Any power of eminent domain. Exclusion 2 does not modify or limit the coverage provided under Covered Risk 7.
 3. Any defect, lien, encumbrance, adverse claim, or other matter:
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not Known to the Company, not recorded in the Public Records at the 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 the Date of Policy (Exclusion 3.d. does not modify or limit the coverage provided under Covered Risk 9 or 10); or
 - e. resulting in loss or damage that would not have been sustained if consideration sufficient to qualify the Insured named in Schedule A as a bona fide purchaser had been given for the Title at the Date of Policy.
 4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights law, that the transaction vesting the Title as shown in Schedule A is a:
 - a. fraudulent conveyance or fraudulent transfer;
 - b. voidable transfer under the Uniform Voidable Transactions Act; or
 - c. preferential transfer:
 - i. to the extent the instrument of transfer vesting the Title as shown in Schedule A is not a transfer made as a contemporaneous exchange for new value; or
 - ii. for any other reason not stated in Covered Risk 9.b.
 5. Any claim of a PACA-PSA Trust. Exclusion 5 does not modify or limit the coverage provided under Covered Risk 8.
 6. Any lien on the Title for real estate taxes or assessments imposed or collected by a governmental authority that becomes due and payable after the Date of Policy. Exclusion 6 does not modify or limit the coverage provided under Covered Risk 2.b.
 7. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.

NOTE: The 2021 ALTA Owner's Policy may be issued to afford either Standard Coverage or Extended Coverage. In addition to variable exceptions such as taxes, easements, CC&R's, etc., the Exceptions from Coverage in a Standard Coverage policy will also include the Western Regional Standard Coverage Exceptions listed below as numbers 1 through 7. The 2021 CLTA Standard Coverage Owner's Policy will include the Western Regional Standard Coverage Exceptions listed below as numbers 1 through 7.

EXCEPTIONS FROM COVERAGE

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This policy treats any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document are excepted from coverage.

This policy does not insure against loss or damage and the Company will not pay costs, attorneys' fees, or expenses resulting from the terms and conditions of any lease or easement identified in Schedule A, and the following matters:

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.
6. Any lien or right to a lien for services, labor or material unless such lien is shown by the Public Records at Date of Policy.
7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas,

uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B.

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 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 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.

NOTE: The 2006 ALTA Owner's Policy may be issued to afford either Standard Coverage or Extended Coverage. In addition to variable exceptions such as taxes, easements, CC&R's, etc., the Exceptions from Coverage in a Standard Coverage policy will also include the Western Regional Standard Coverage Exceptions listed below as numbers 1 through 7.

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:

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:

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 at Date of Policy but that could be (a) ascertained by an inspection of the Land, or (b) asserted by persons or parties in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records at Date of Policy.
4. Any encroachment, encumbrance, violation, variation, easement, 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 at Date of Policy.
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, material or equipment unless such lien is shown by the Public Records at Date of Policy.
7. Any claim to (a) ownership of or rights to minerals and similar substances, including but not limited to ores, metals, coal, lignite, oil, gas, uranium, clay, rock, sand, and gravel located in, on, or under the Land or produced from the Land, whether such ownership or rights arise by lease, grant, exception, conveyance, reservation, or otherwise; and (b) any rights, privileges, immunities, rights of way, and easements associated therewith or appurtenant thereto, whether or not the interests or rights excepted in (a) or (b) appear in the Public Records or are shown in Schedule B.

QUALIFICATIONS OF APPRAISER



TOM LEONARD

APPRAISER

YEARS OF EXPERIENCE

18 Years (5 with BRI)

EDUCATION

M.S. Geology Southern Illinois University at Carbondale

B.S. Geology University of Iowa

LICENSES & REGISTRATIONS

CA Certified General Appraiser, License No. AG3006441

American Society of Farm Managers and Rural Appraisers (ASFMRA)

Tom Leonard has been involved in real estate appraising and consulting since 2003 and is a Certified General Real Estate Appraiser State of California. Tom has appraised properties for the purposes of eminent domain for state and local agencies, individual property owners, and lenders. His professional experience in real property appraisal encompasses a wide range of property types that include industrial, office, retail, multifamily, residential, and various types of land. For eminent domain, he has extensive experience appraising for transportation and utility corridor projects, involving partial and full acquisitions of various property types and easements. Tom also provides independent appraisal reviews of reports for other appraisal firms. Prior to his career in real estate, he earned a Master of Science degree in Geology from Southern Illinois University, at Carbondale, IL, and earned a Bachelor of Science degree in Geology from the University of Iowa, IA. He worked as an environmental consultant before beginning his career in real estate in 2003.

REPRESENTATIVE VALUATION EXPERIENCE

- *Single Family Residential*
- *Land*
- *Conservation Easements*
- *Rail Corridors*
- *Agricultural (orchards, grapes, row crops, grazing land)*
- *Eminent Domain*
- *Yellow Book*

SPECIAL QUALIFICATIONS

- *Conservation Easements*
- *Specialized agricultural knowledge and experience*
- *Special use property appraisal experience*
- *Extensive land appraisal work, such as commercial land, retail pad sites, residential land, transitional land, and agricultural/rural residential land*
- *Diverse clients, ranging from municipalities to developers to quasi-public companies*



DAVID HOUGHTON, MAI

APPRAISAL MANAGER

YEARS OF EXPERIENCE

19 Years (11 with BRI)

EDUCATION

B.S. Science of Business Management,
University of Phoenix, Phoenix, AZ

LICENSES & DESIGNATIONS

CA Certified General Appraiser License,
License No. AG039402

Appraisal Institute, Northern California
Chapter, MAI Member

David Houghton is an Appraisal Manager with Bender Rosenthal (BRI). He has been involved in real estate appraisal services since 2005 and is a Certified General Appraiser in the State of California. He has professional experience appraising a wide range of property types, including industrial, office, medical office, retail, multifamily, condemnation, right of way, residential subdivisions, and various agricultural/rural residential property types. Between 2007 and 2014 he worked exclusively on low income housing appraisal assignments. While focused on that specialty, David gained experience appraising affordable housing and conducting market studies for Low Income Housing Tax Credit (LIHTC) developers. In 2014, he began working with BRI and has since shifted his focus and expertise into right of way appraisal assignments for public agencies throughout California. For the past eleven (11) years, David has solely worked with public agencies to provide right of way appraisals throughout California.

REPRESENTATIVE VALUATION EXPERIENCE

- *Single Family Residential*
- *Multi Family Residential*
- *Vacant Land*
- *Commercial*
- *Industrial*
- *Retail*
- *Mixed Use*
- *Surplus Land*
- *Rail Corridors*
- *Special Use*
- *Affordable Housing*
- *Agriculture*
- *Airports*
- *Eminent Domain*
- *Office*
- *Yellow Book*
- *Appraisal Reviews*
- *Medical*
- *Land*

SPECIAL QUALIFICATIONS

- *Extensive public agency experience*
- *Deep understanding of right of way appraisal*
- *Experienced in managing high-volume appraisal projects*
- *Appraisal experience throughout California; understanding of local nuances, rules and regulations*