

Appraisal Report

for

City of Turlock
Regional Surface Water Supply Project

Evangelical Lutheran Church of the Good Shephard of Turlock Property
3500 North Quincy Road
Denair, CA

APN 073-009-014

Prepared by:

Brian C. Drake, R/W-AC
Appraiser

April 2017

No. 17026

April 7, 2017

City of Turlock
Michael G. Pitcock, P.E.
Director of Development Services/City Engineer
156 S. Broadway, Suite 150
Turlock, CA 95380

Re: Regional Surface Water Supply Project
Owner: Evangelical Lutheran Church of the Good Shephard of Turlock
Property Address: 3500 North Quincy Road, Denair, CA
APN 073-009-014

Dear Mr. Pitcock:

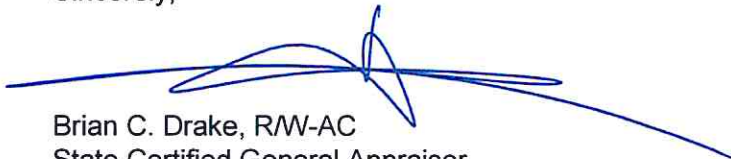
In accordance with our contract with the City of Turlock, an appraisal has been made of the fair market value of the property rights proposed to be acquired from the above referenced parcel as requested for the Regional Surface Water Supply Project. The proposed property interests to be acquired include one partial fee simple acquisition. The final valuation conclusion is included in the following report.

This Appraisal Report is prepared in conformance with the Uniform Standards of Professional Appraisal Practice, Standard Rule 2-2(a). This report contains a description of the subject property, the property rights to be acquired, a valuation conclusion for the property to be acquired and an estimate of just compensation. I have completed an inspection of the subject, gathered pertinent information, sales and other data relevant to the valuation and analyzed the data to reach my conclusions.

The property owner was sent a Notice of Decision to Appraise letter on March 20, 2017. I made contact with Ron Youngdale, a representative for the church. I inspected the property appraised on April 5, 2017, the date of value. I was not accompanied by the owner but was given permission to enter onto the property.

The opinion of the fair market value of the property interests considered for acquisition for the project is as shown in the following Summary of Salient Facts and Estimate of Just Compensation, which is made a part of this transmittal letter and appraisal report. The accompanying report is submitted for your review and approval for acquisition purposes and is subject to the Assumptions and Limiting Conditions included herein.

Sincerely,



Brian C. Drake, R/W-AC
State Certified General Appraiser
CA License No. AG031568

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**Summary of Salient Facts and Estimate of Just Compensation**

Fee Simple Acquisition	Site Improvements	Damages	Benefits	Estimate of Just Compensation
\$294,720	\$0	\$0	Not quantified	\$295,000 (Rounded)

Date of Valuation: April 5, 2017 (date of site visit)

Assessor's Parcel Number: 073-009-014

Property Location/Address: 3500 North Quincy Road, Denair, CA

Owner: Evangelical Lutheran Church of the Good Shephard of Turlock

Owner's Contact Information: Ron Youngdale; (209) 667-7712

Owner's Address: 640 N. Minaret Avenue, Turlock, CA 95380

Owned Since: May 21, 2002

Principal Improvements: The larger parcel is vacant of any structures

Total Site Area (Larger Parcel): 19.09 acres or 831,560 square feet

Proposed Area to be Acquired: 267,300 square feet, or approximately 6.14 acres in fee simple interest

Zoning: A-2-10 – General Agriculture

General Plan (City / County): Urban Reserve / Urban Transition

Highest and Best Use: Interim agriculture, which is the current use, and development of a more intense use as urbanization occurs in the long-term future

Flood Hazard Information: Flood Zone X, Map No. 06099C0600E, dated September 26, 2008

Earthquake Information: Not located in an Earthquake Fault Zone

Construction Contract Work: Reestablish the connection to TID water

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The intent of this appraisal assignment is to conduct an investigation approximating the thoroughness that a typical buyer would conduct when considering similar property on the open market in the subject's neighborhood and competing markets, and in conformance with the necessary policies and techniques used by appraisers in developing an estimate of fair market value.

An inspection of the subject was conducted to determine size, condition and utility of the property. Since the proposed acquisition will affect just land, only the sales comparison approach was utilized for this estimate of market value. The income and cost approaches were not utilized because sellers, buyers, and our peers in this market rarely rely on these approaches when offering, purchasing, or valuing properties similar to the subject that consists of land only.

In the sales comparison approach, searches of public records, real estate listings, and sales services were employed to obtain data. Relevant property sales were researched and confirmed to the extent possible. The conclusion of value for the sales comparison approach is determined following appropriate adjustments to properties that have sold and are similar to the subject, considering the unit prices paid in the market for this type of property. The concluded unit value has been used to value the proposed acquisition.

Damages and benefits, if any, have been analyzed separately considering the proposed acquisition and the construction of the project as planned.

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Subject Location Map



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Introduction

Purpose of the Appraisal

The purpose of this appraisal is to furnish an opinion of the fair market value of one partial fee simple acquisition required from the subject larger parcel. The area is proposed to be acquired for the Regional Surface Water Supply Project.

Scope of Assignment

The Appraisal Report conforms to Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice. The information contained in this report is specific to the needs of the Client and for the intended use stated in this report. The Appraiser is not responsible for unauthorized use of this report. The intent of this report is to provide sufficient data and analysis so as to have no misleading information and a conclusion of value of high reliability.

The Appraiser inspected the subject to determine the size, condition, and utility of the land and any impacted improvements. Descriptive data about the subject was gathered from online data resources, such as public record summary, assessor's parcel map, aerial map and flood map, in addition to any data provided by the Client. Planning department personnel with the County of Stanislaus and the City of Turlock were contacted, and their respective websites utilized to obtain data about land use ordinances as they apply to the subject. Macro and micro-economic information was gathered from the Internet and various news publications. Market participants were interviewed. Analysis of market conditions was completed, both general and specific to the market. Searches of public records, real estate listings and sales services were employed to obtain comparable data. Relevant property sales were researched and confirmed to the extent possible. The data and conclusions are set out in the Valuation section of this report.

Intended Use of the Appraisal

The intended use of the appraisal and report is to provide the City of Turlock with a basis for determining just compensation to be offered and payable to the property owner for the proposed partial acquisition parcel. The appraisal report is subject to administrative review by the Client.

Client and Intended User of the Appraisal

The Client and the intended user of this appraisal report is the City of Turlock.

Date of Valuation

The property in this report has been valued as of April 5, 2017. The date of value is the date of the site inspection.

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Competency Statement

The Uniform Standards of Professional Appraisal Practice require that "prior to accepting an assignment or entering into an agreement to perform any assignment, an appraiser must properly identify the problem to be addressed and have the knowledge and experience to complete the assignment competently." If the appraiser is not qualified, this must be disclosed to the Client and all steps necessary to complete the assignment competently must be taken and described.

The Appraiser responsible for the analysis and conclusions of value for the subject property in this report has the proper background and experience to perform the assignment in a competent manner. This is based on the Appraiser's appraisal experience in valuation analysis of properties similar to the subject property. The Appraiser's qualifications are included in the Addenda and list appraisal education and experience.

Market Value Defined

(California Code of Civil Procedure, Section 1263.320)

- "(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."

Reasonable Exposure Time

Uniform Standards of Professional Appraisal Practice (USPAP 2016/2017 edition: Definitions) defines exposure time as follows:

"EXPOSURE TIME: estimated 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.

Comment: Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market."

Exposure time is presumed to be a reasonably adequate and sufficient period of time with adequate effort necessary to result in a sale fulfilling the definition of value. It is presumed to be a period immediately preceding the effective date of value. However, based on the definition of market value under the Code of Civil Procedure cited above, developing an opinion of exposure time is not required. An opinion of exposure time has not been developed for this appraisal.

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**Certification of Appraiser**

Property Owner	Assessor's Parcel Number
Evangelical Lutheran Church of the Good Shephard of Turlock	073-009-014

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

I have personally inspected the property that is the subject of this report.

The statements of fact contained in the appraisal report are true and correct, and the information upon which the opinions expressed therein are based is correct; subject to the Limiting Conditions therein set forth.

I understand that such appraisal may be used in connection with the proposed acquisition of a portion of the subject larger parcel to be acquired by City of Turlock; that such appraisal has been made in conformity with the appropriate State laws, Title VI of the 1964 Civil Rights Act, and regulations, policies and procedures applicable to the appraisal of right of way for such purposes; and that to the best of my knowledge, no portion of the value assigned to such property consists of items which are non-compensable under the established law of the State of California.

Neither my employment nor my compensation for completing this assignment is in any way contingent upon the values reported herein. My compensation is not contingent upon the developing or reporting of predetermined values or direction in value that favors the cause of the Client, the amounts of the value opinions, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this appraisal.

I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the acquiring agency and I will not do so until so authorized by said officials, 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.

The owner or representative for the owner has been given an opportunity to accompany me during the inspection of the subject property.

I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

I have performed no services as an Appraiser or in any other capacity, regarding the property that is the subject of this report, within a three-year period immediately preceding the acceptance of this assignment.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

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The reported analyses, opinions, and conclusions are limited only by the reported Assumptions and Limiting Conditions, and are my own personal, impartial, unbiased professional analyses, opinions, and conclusions.

Any decrease or increase in the fair market value of the subject real property prior to the date of valuation caused by the project or improvements for which a portion of such property is acquired, or by the likelihood that the property would be acquired for such project or improvements, other than due to physical deterioration within the reasonable control of the owner, has been disregarded in appraising the subject property.

The reported analyses, opinions, and conclusions were developed, and this report, to the best of my knowledge and belief, has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which includes the Uniform Standards of Professional Appraisal Practice (USPAP).

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, I have completed the Standards and Ethics Education Requirement for Practicing Affiliates of the Appraisal Institute.


The opinion of fair market value for the proposed acquisition of a portion of the subject larger parcel as of the date of valuation is set forth in the Summary of Salient Facts and Estimate of Just Compensation and is based upon my independent appraisal and the exercise of professional judgment.

No one provided significant real property assistance to the person signing this Certification.

I hereby certify that my opinion of the market value of the property appraised as described in this report is included herein and that my opinions and conclusions were made subject to the Assumptions and Limiting Conditions in this report and without collusion, coercion or direction from anyone as to value.

April 7, 2017

Date



Brian C. Drake, R/W-AC
State Certified General Appraiser
CA License No. AG031568

Inspection Date(s):

April 5, 2017

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Assumptions and Limiting Conditions

The following Assumptions and Limiting Conditions have been relied upon and used in making this appraisal and estimating the respective values required by the purpose of the appraisal and its intended use.

- No responsibility is assumed for legal or title considerations. Title to the property is assumed to be good and marketable, unless otherwise stated in this report.
- The property is appraised free and clear of any or all liens and encumbrances, unless otherwise stated in this report.
- Responsible ownership and competent property management are assumed, unless otherwise stated in this report.
- The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
- Sketches, plat maps, or photographs contained in this report are included to assist the reader in visualizing properties and no survey has been made of the property by the Appraiser.
- No responsibility is assumed for discovery of hidden or non-apparent conditions of the property, subsoil, or the structures that render it more or less valuable. Encroachment of real property improvements is assumed to not exist. No responsibility is assumed for arranging for engineering studies or a survey, which may be required to discover these conditions.
- It is assumed that the subject is in full compliance with all applicable Federal, State, and local environmental regulations and laws, unless otherwise stated in this report.
- It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in this report.
- It is assumed that all required licenses, certificates of occupancy, or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been, or can be, obtained or renewed for any use on which the value conclusions contained in this report are based.
- The Appraiser is not a soil expert. The existing soil and substructure has been assumed adequate for existing or proposed uses unless contrary information is provided and contained in this report. It is advisable to have a soil analysis and report completed by a qualified soil engineer, or other qualified expert, so that any interested party will become knowledgeable as to the important soil information including seismic data, soil contaminants, type of fill, if any, or other relevant matters.

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- Unless otherwise stated in this report, it is assumed that there are no hazardous or toxic substances in the soil comprising the subject land.
- Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature and would restrict access by disabled individuals may adversely affect the property's values, marketability, or utility.
- The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
- Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written prior consent of the Appraiser, and in any event, only with proper written qualification and only in its entirety.
- The delivery and/or possession of this report does not require the Appraiser to attend or give testimony at any meeting, public hearing, pretrial conference, deposition or court trial unless there is a written agreement between the Appraiser and the party possessing or relying on this report or requesting such services.
- Neither all nor any part of the contents of this report (*especially any conclusions as to value, the identity of the Appraiser, or the firm with which the Appraiser is connected*) shall be disseminated to the public through advertising, public relations, news sales, or other media.

Project Specific Assumptions and Limiting Conditions

- A preliminary title report for the subject larger parcel was reviewed, and is displayed in the Addenda of this report. The Appraiser relied on information contained in the report including the ownership, legal description of the larger parcel, and title exceptions.
- The Appraiser relied on public records, assessor's parcel maps, and/or exhibits provided by the Client to determine the location, size, and shape of the subject larger parcel. Property boundaries were not staked by survey.
- The Appraiser relied on an acquisition exhibit prepared by and obtained from the Client, which is integral to this appraisal and provides size, location and a description of the area to be acquired.
- The Jurisdictional Exception Rule of the Uniform Standards of Professional Appraisal Practice (USPAP) is invoked where the USPAP requirements conflict with federal or state

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laws relating to appraisals for the acquisition of real property by public agencies. The exceptions include the disregard of the proposed public project, which is included as a hypothetical condition within this report. Disregarding the proposed public project as required by California Code of Civil Procedure Section 1263.330 is contrary to Standards Rule 1-2(e) because the effects of the public project and proposed acquisitions on the subject's property value are being ignored. In addition, Evidence Code Section 822 excludes using comparable data involving acquisitions by public agencies having the power of eminent domain, listings and offers, assessed values and appraising any property or property interest other than that being valued. This may conflict with Standards Rule 1-4, which requires the appraiser to collect, verify and analyze all information necessary for credible assignment results and further specifies that the appraiser analyze such comparable sales data as are available to indicate a value conclusion.

- This appraisal assumes that any utilities which may be affected will either be maintained or relocated.

Hypothetical Conditions

Uniform Standards of Professional Appraisal Practice (USPAP 2016/2017 edition: Definitions) defines hypothetical condition as follows:

"HYPOTHETICAL CONDITION: 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.

Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis."

The following hypothetical condition is used for this appraisal and may affect the assignment results:

The before condition analysis of the subject of this appraisal is made under the hypothetical condition that the project and steps leading up to the project do not exist.

Extraordinary Assumptions

Uniform Standards of Professional Appraisal Practice (USPAP 2016/2017 edition: Definitions) defines extraordinary assumptions as follows:

"EXTRAORDINARY ASSUMPTION: an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.

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Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis."

The following extraordinary assumptions are used for this appraisal and may affect the assignment results:

- A preliminary report, prepared by Stewart Title of California, Inc., dated May 07, 2014, was provided by the Client and reviewed by the Appraiser. It is an extraordinary assumption of this appraisal that a current preliminary report would not reveal any conditions that affect market value.
- Portions of the proposed acquisition was planted in seasonal crops (wheat) on the date of value. It is an extraordinary assumption of this appraisal that any crops located within the area to be acquired could be harvested prior to the acquisition.
- Water used to irrigate the crops grown on the subject is delivered by the Turlock Irrigation District (TID) via an underground pipe located along the eastern boundary of the larger parcel. In the after condition, this source of water will no longer be accessible. The Client indicated that it will work with the property owner and TID to provide alternative access to the irrigation facilities. It is an extraordinary assumption of this appraisal that the connection to TID will be reestablished and the cost to do so will be included as construction contract work.

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General Information

Region, City and Neighborhood Data



The subject is located in the Central Valley, which dominates the central portion of California, stretching roughly 400 miles in a north-south direction and spanning an average of about 50 miles wide. The Central Valley has a long history of being one of the most productive agricultural regions. With more than 250 different crops grown using fewer than 1% of U.S. farmland, the Central Valley supplies 8% of the nation's agricultural output (by value) and produces one-quarter of the nation's food, including 40% of all fruits, nuts, and other table foods, according to figures from the USGS website.

The Central Valley is generally divided into two parts, with the northern one-third referred to as the Sacramento Valley and the southern two-thirds as the San Joaquin Valley, encompassing all or parts of 19 counties. Stanislaus County, the region the subject is located in, is at the heart of the San Joaquin Valley, bordered by the counties of San Joaquin, Calaveras, Tuolumne, Mariposa, Merced, Santa Clara, and Alameda. Stanislaus County was formed in 1854 from part of Tuolumne County shortly after California became a state in 1850.

Stanislaus County encompasses 1,515 square miles and is home to about 540,214 people as of January 2016, according to the California Department of Finance.

More than 800,000 acres of farmland in Stanislaus County places the subject in one of the prime agricultural regions in the country, and is among the top 15 counties across the U.S. for agricultural production. In total, Stanislaus County hosts more than 250 major industrial plants focused on food processing and related industries.

There are nine incorporated cities in Stanislaus County and four times as many census designated places and unincorporated communities. With 211,903 people, the City of Modesto is the largest municipality by a wide margin and serves as the County Seat. Modesto's growth in recent decades has bolstered its position as the hub of Stanislaus County. The next largest city is Turlock, with a population of 72,050, which is located just over 10 miles southeast of Modesto along the State Route (SR)-99 corridor.

The subject is located in an unincorporated area of Stanislaus County between the City of Turlock and Denair, a census designated place with a population of 4,404 (2010). Turlock was incorporated in 1908, and like many San Joaquin Valley towns from the time period, it was focused

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around a railroad station, with streets arranged in a grid oriented to the tracks which run diagonally through the city. As Turlock proceeded to expand, the land use pattern and built form was reflective of the City's historical growth within an agricultural area, and the town shifted to an orthogonal north-south grid matching the rural road and parcel pattern around it. Golden State Boulevard, which parallels the railroad, was part of the original highway through the Central Valley that became U.S. 99 in the 1920s. A bypass was completed in the early part of the 1970s, and the highway, now SR-99, was shifted to the west of the railroad right of way, drawing development with it. However, growth in Turlock has mainly occurred east of the railroad tracks and north of the City's core. Turlock currently covers an area that is approximately 17 square miles.

Much of the developed land in Turlock is residential, consisting mostly of detached single-family homes in subdivisions with densities ranging from three to seven dwelling units per acre. Some of the more recently developed neighborhoods include a greater diversity of housing types, including townhouses and garden-style apartment complexes, and there are multifamily units included as a component of mixed-use projects located in the downtown. Altogether, residential uses occupy over 40% of the land within the city limits, according to the Turlock 2012 General Plan.

The largest concentration of retail development in Turlock is Monte Vista Crossings, located just east and south of the Monte Vista interchange with SR-99, and includes numerous large anchor tenants such as Target, Safeway, Home Depot, and Kohl's; two hotels; and numerous smaller national-brand specialty stores and restaurants. Community-oriented shopping areas, comprising both national chains and locally-owned businesses, characterize the City's downtown and commercial corridor along Geer Road. Older automobile-oriented commercial development lines Golden State Boulevard and is also located just south of the downtown area. Emanuel Medical Center is a large office land use that is located northeast of the downtown, with a collection of smaller medical offices surrounding it. The California State University, Stanislaus (CSUS), a four-year public university campus with approximately 6,800 full-time equivalent students, occupies 210 acres within the city limits.

Modesto currently serves as the primary employment center in Stanislaus County, providing about two-thirds of the total jobs, while Turlock represents a significant portion of the remaining one-third. Turlock's agricultural setting has historically provided a basis for the City's industry. Food processing supplies the largest number of jobs in Turlock and four of the top ten employers in the city are food processors. Employing approximately 1,500 workers, Foster Farms is the third-largest employer in Turlock, preceded by Emanuel Medical Center, with over 1,500 employees, and Turlock Unified School District, employing about 2,200. Over ten percent of the City, or just about 1,000 acres, is currently developed with industrial uses, roughly half of which are located in the Turlock Regional Industrial Park (TRIP), a master planned area consisting of roughly 2,000 acres designated for industrial and business park uses, located west of SR-99. Industrial development located east of the freeway is situated immediately south of the downtown area, on both sides of the railroad right of way. Additional industry is concentrated just west of the SR-99/Lander Avenue interchange.

Residential lots improved with very low density "ranchette" style homes, generally on five- to ten-acre parcels, make up much of the eastern border of Turlock near Denair, where the subject property is located. This area functions as part of a rural buffer between the two communities.

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The subject is designated Urban Reserve by the Turlock 2012 General Plan, which covers an area that may eventually give way to urban uses as the City's economic needs continue to evolve over time, but is not likely to occur for a period of decades and should remain rural for the foreseeable future.

A planned expressway is proposed to pass through the subject neighborhood that will connect Christofferson Parkway to master planned areas in the southeast part of the city, which could impact the subject property. There is currently no definitive alignment chosen for the expressway and significant development will need to occur in the Southeast Master Planned Areas to necessitate its construction. A city planner indicated that Morgan Ranch, or Southeast Area 1 (SE1), was recently approved for 800 homes and this master planned area will need to be built-out before SE2 and SE3, which are the developments the expressway is mainly intended to serve. Currently, the City has been issuing an average of 50 residential building permits per year over the past few years and it will be a significant period of time before the expressway is needed.

Market Conditions

A major recession in the U.S. began in 2007 after a period of considerable turmoil ensued from a mix of factors, including low interest rates, widespread mortgage lending, excessive risk taking in the financial sector, high consumer indebtedness, and lax government regulation. The housing market and several major banks collapsed in 2008, and the nation's economy proceeded to contract until the third quarter of 2009 in what was the deepest and longest downturn since the Great Depression. The U.S. government intervened by using \$700 billion to purchase troubled mortgage-related assets and propping up large floundering corporations in order to stabilize the financial system. It also introduced a stimulus package worth a reported \$831 billion to be spent across the following 10 years to boost the economy. It received further support through expansionary monetary policies, including not only holding interest rates at the lower bound, but also the unconventional practice of the government buying huge amounts of financial assets to increase the money supply and hold down long term interest rates. The U.S. economy largely moved out of the shadow of the "Great Recession" in 2014, but while the labor market has recovered significantly and employment has returned to pre-crisis levels, there is still widespread debate regarding the economic health of the nation.

A more favorable assessment of current conditions coupled with a more optimistic short-term outlook has helped boost consumer confidence as of late. The Conference Board Consumer Confidence Index reached a 15-year high in December 2016 (113.3), but experienced a moderate decline in January 2017 (111.8). Despite the negative shift in the index, consumers remain confident that the economy will continue to expand in the coming months, as reported by the Conference Board.

The U.S. economy expanded 1.9% in the fourth quarter 2016, compared to 1.6% for the entire year, which is the lowest reading on record since 2011 and down from 2.6% in 2015. Economists blamed slow growth in 2016 on lackluster business investment, as historically low oil prices during most of the year brought expansion in the U.S. energy sector to a halt. However, reportedly, data showed that business investment increased in the fourth quarter as global oil prices began to rise, a sign that the nation's economy could be turning a corner in 2017.

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While growth of Gross Domestic Product (GDP) has been somewhat tepid, data from the jobs market gives a picture of a stronger economy. In December 2016, the U.S. saw its seventy-fifth straight month of job growth and the nation is in the neighborhood of full employment (the point at which most people in the U.S. who want a job will have one), while wages rose 2.9% from the year before. Consumer spending, which accounts for more than two-thirds of U.S. economic activity, continues to be a relative bright spot in GDP growth.

The Employment Development Department reported that California employers netted 3,700 jobs during the month of December 2016, after a robust year of job growth. The state added jobs at a rate of 2.0% since the prior December, slightly more than the national growth rate. The unemployment rate for California was 5.2% in December, while the national jobless rate was 5.0% and 8.3% was reported for Stanislaus County.

Solid job creation throughout 2016 and exceptionally low mortgage rates translated into an increased demand for homes. According to the National Association of Realtors, 2016 marks the best year for existing-home sales in the U.S. over the past decade, even as sales declined in December as the result of ongoing affordability tensions and historically low supply levels. Total existing-home sales, which are completed transactions that include single-family homes, townhomes, condominiums and co-ops, finished 2016 at 5.45 million and surpassed 2015 (5.25 million) as the highest since 2006 (6.48 million). The median price for all housing types in the U.S. in December was \$232,200, up 4.0% from December 2015 (\$223,200), and the fifty-eighth consecutive month of year-over-year gains.

While median home prices are an imperfect measure of the current value of any individual home, they do provide important information regarding the overall health of residential real estate markets. Using data from the California Association of Realtors (C.A.R.), the median home price of existing single-family homes in Stanislaus County was \$275,000 in December 2016, up 1.3% from the prior month and 10.0% year-over-year. Stanislaus County's median home price is ranked as twenty-ninth out of the 58 counties in the state. San Mateo County had the highest median home price at \$1,332,500 and Glenn County, with \$197,500, was the lowest.

Home sales would likely be even stronger, according to market participants, but there's a lack of available homes for sale in the County and construction activity is too low to meet the demand. Soaring home prices in the San Francisco Bay Area have sent a flood of buyers into the Central Valley, but despite the heightened demand, there is still little residential development because the costs associated with new construction are too high for what the finished product can be sold for. Stanislaus County saw a 60% increase in housing starts in the third quarter 2016, according to a local news article, but while this figure is quite significant, the overall numbers are still small. There is however scattered home building in cities throughout the County. At the current sales pace, it would take only 2.4 months to sell out the available housing inventory in Stanislaus County, according to C.A.R., while 6 months is considered normal.

Agriculture is the largest industry in Stanislaus County. Entering a fifth straight year of drought in 2015 with over 20,000 acres fallowed due to severe water cutbacks to many farmers, the value of agricultural commodities in Stanislaus County decreased by 12% to \$3.88 billion from the all-time high value reached in 2014, according to the most current information reported from state farm officials. Across the state, California's farms and ranches received approximately \$47 billion

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for their output, and this figure represents a decrease of nearly 17% compared to 2014. However, California remains the leading US state in cash farm receipts and Stanislaus County continues to be a world leader in almond production with a 2015 value that almost reached \$1.3 billion.

Despite the negative shift in crop prices, California is in the midst of a historic rise in farmland values. According to the National Agricultural Statistics Service (NASS), the average price of an acre of irrigated cropland was estimated to be \$12,900 in 2016, an increase of 1.6% compared with the estimated value in 2015 and non-irrigated cropland, estimated at \$4,300 per acre, was up 7.5% year-over-year. The scarcity of land suitable for the development of permanent plantings is putting upward pressure on nearly all agricultural land values in California. In Stanislaus County, the price of most types of irrigated crop and orchard lands are, at the worst, holding steady, according to market participants.

Project Description

Turlock is located in the Turlock Sub-basin of the San Joaquin Groundwater Basin. All of the City's current potable water supply comes from a deep groundwater aquifer. However, groundwater levels have fallen in the last decades, and the decline has raised concerns about the sustainability of this resource to meet future water demands. The City has estimated that the groundwater basin can sustain an annual water demand of about 24,550 acre-feet per year. Based on current usage, if the water demands increase at about 1.0% per year, as the city grows, then it is anticipated that the sustainable groundwater supply will be exceeded in the year 2020. This is despite water reuse for non-potable needs, water conservation efforts, and infrastructure improvements, and it does not account for increasingly stringent water quality regulations that are likely to take groundwater wells out-of-service.

The Turlock Sub-basin is the only potable water source for most of southern Stanislaus County, and like Turlock, other municipalities in this area are faced with similar groundwater supply deficiencies. To overcome this water shortfall, Turlock, with the Cities of Ceres, Hughson, and Modesto formed the Stanislaus Regional Water Authority (SRWA) in 2011, which is pursuing the development of the Regional Surface Water Supply Project (RSWSP) that would supply treated Tuolumne River water via the Turlock Irrigation District (TID). The RSWSP facilities and associated downstream improvements (i.e. river intake pump station, water treatment plant, transmission pipelines, and local system improvements), will pump water from the Tuolumne River via an already installed infiltration gallery beneath the river, treat it to drinking water standards, and then deliver it to the service area of the project partners for municipal and industrial uses. The SRWA has developed an agreement with TID (adopted in July 2015) for the provisioning of the drinking water and is pursuing funding for various phases of the project. The total cost of RSWSP is estimated to be in the range of \$180 million to \$200 million. Turlock's share is estimated to be about \$65 million. The City would also have to construct a water storage reservoir (an enclosed water tank), a booster pump station and water distribution pipelines at a cost of about \$20 million.

The RSWSP will provide Turlock and other regional partners with a long-term, sustainable water solution through the conjunctive use of surface water and groundwater. The use of surface water will avoid further over-drafting of the groundwater supply and will allow for the replenishment and

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storage of groundwater for use during emergencies and periods of drought. The RSWSP provides the additional benefits of improved drinking water quality, eliminating low system pressures during peak operating conditions, increased system reliability, and improved operational flexibility for the project partners.

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Subject Parcel Information

Subject Property Data Summary

Assessor's Parcel Number:	073-009-014
Property Location/Address:	3500 North Quincy Road, Denair, CA
Owner:	Evangelical Lutheran Church of the Good Shephard of Turlock
Owner's Contact Information:	Ron Youngdale; (209) 667-7712
Owner's Address:	640 N. Minaret Avenue, Turlock, CA 95380
Owned Since:	May 21, 2002
Principal Improvements:	The larger parcel is vacant of any structures
Total Site Area (Larger Parcel):	19.09 acres or 831,560 square feet
Proposed Area to be Acquired:	267,300 square feet, or approximately 6.14 acres in fee simple interest
Zoning:	A-2-10 – General Agriculture
General Plan (City / County):	Urban Reserve / Urban Transition
Highest and Best Use:	Interim agriculture, which is the current use, and development of a more intense use as urbanization occurs in the long-term future
Flood Hazard Information:	Flood Zone X, Map No. 06099C0600E, dated September 26, 2008
Earthquake Information:	Not located in an Earthquake Fault Zone
Construction Contract Work:	Reestablish the connection to TID water

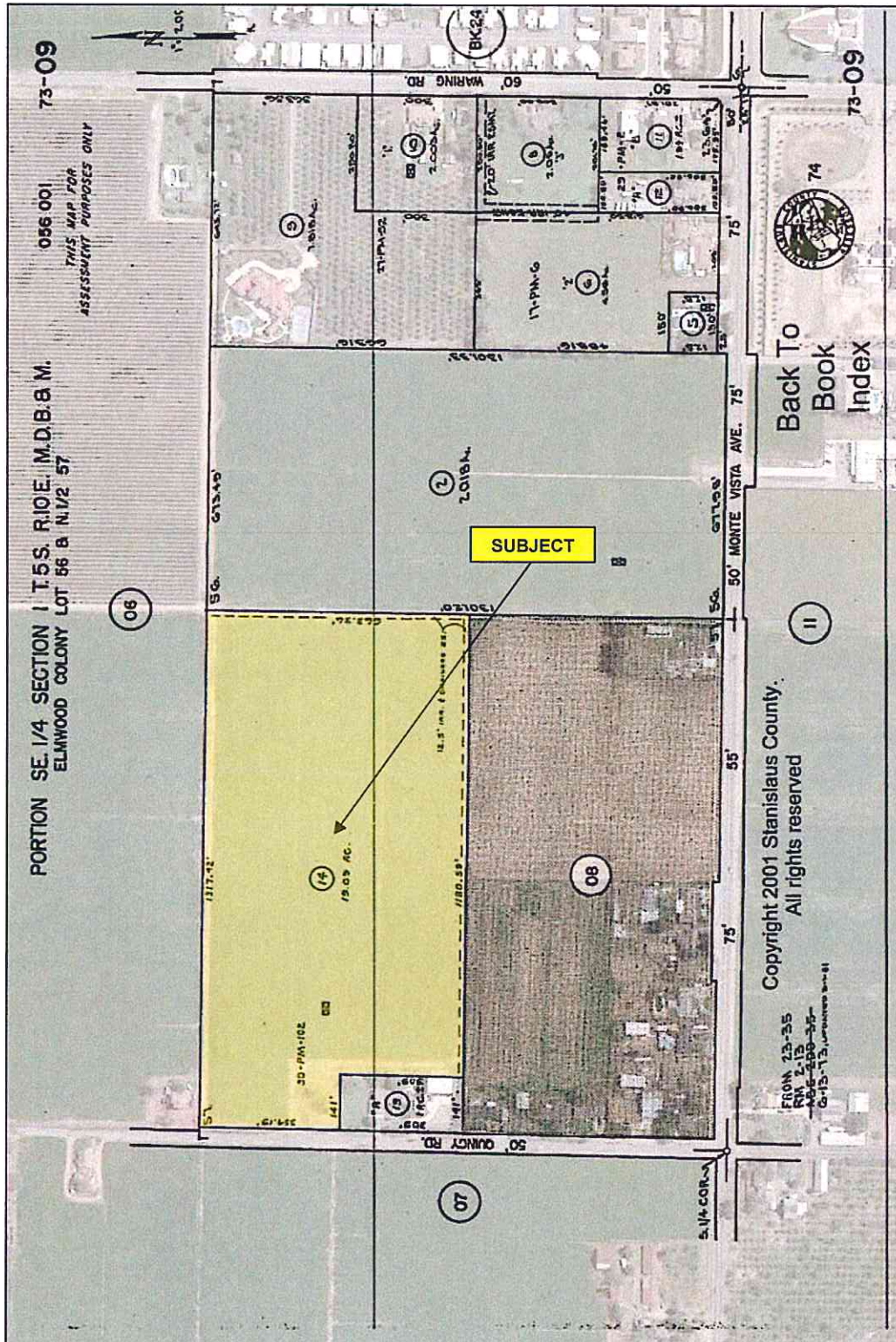
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Assessor's Parcel Map



Subject Aerial Photograph



Subject Property Photographs



View of the acquisition area, as seen from the northwest corner of the larger parcel, facing east



View of the acquisition area, as seen from the northeast corner of the larger parcel, facing west

Subject Property Photographs



View of the acquisition area, as seen from the northeast corner of the larger parcel, facing south



View of N. Quincy Road, as seen from the subject's road frontage, facing north

Subject Property Photographs



View of N. Quincy Road, as seen from the northwest corner of the larger parcel, facing south



View of the well house improved on the larger parcel

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Property Description

Larger Parcel

There are three criteria, or tests, for determining the larger parcel. These are: unity of ownership; contiguity; and unity of use. The area proposed to be acquired is a portion of assessor's parcel number (APN) 073-009-014. Abutting parcels are all under different ownership. It has been concluded that APN 073-009-014 would be viewed in this market as a single economic unit and constitutes the larger parcel.

Site Description

The larger parcel is located on the east side of North Quincy Road, south of East Zeering Road and north of East Monte Vista Avenue, in an unincorporated area of Stanislaus County between the City of Turlock and Denair, a census designated place. The street address for the subject is 3500 North Quincy Road. North Quincy Road is a two-lane street that travels in a north-south direction for a distance of about three miles. The southern two-thirds of North Quincy Road is used to access developed residential areas within the incorporated city, but the other portion remains in the rural county, where the subject is located. Turlock's sphere of influence extends to the south and east of the subject, but the surrounding area continues to be in agricultural production or is being used for rural residential purposes. The northeast part of Turlock is characterized by upscale homes, relative to the rest of the city.

The Assessor's parcel map indicates an area of 19.09 acres for the larger parcel. A one-acre rural home-site separates a portion of the larger parcel's western boundary from North Quincy Road, creating a flag lot shape. However, the subject site has just over 350 feet of frontage on North Quincy Road, and the shape does not inhibit the larger parcel's farming capabilities. There are no curb, gutter or sidewalk improvements along the subject's street frontage, which is typical for the neighborhood.

The larger parcel has been leveled for farming seasonal crops and planted in wheat as of the date of value. It is in the Turlock Irrigation District (TID) and water used to flood irrigate the field is sourced from an underground pipe that passes along the subject's eastern property boundary. Electricity, also provided by TID, is available to the subject, but municipal services currently are not. There is an on-site well located on the property, situated towards the western boundary near the street frontage.

The subject soil data is summarized in the table below, including soil type and Irrigated Capability Class and Subclass ratings, as provided by the USDA Natural Resources Conservation Service.

Soil Type	Approx. % of	Irrigated Capability Rating
Dinuba sandy loam, deep, 0 to 1% slopes	15%	2w
Hanford sandy loam, 0 to 3% slopes	15%	1
Hanford sandy loam, deep over silt, 0 to 1% slopes	70%	1

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Land capability classification shows, in a general way, the suitability of soils for most kinds of field crops. Capability classes are designated 1 through 8 with a higher number indicating progressively greater limitations and narrower choices for practical use. The subject is identified as having a mix of Class 1 and Class 2 soils. Class 1 soils have few limitations that restrict their use, while Class 7 soils have very severe limitations that make them unsuitable for cultivation and that restrict their use mainly to grazing, forestland, or wildlife habitat. Class 8 soils and miscellaneous areas have limitations that preclude commercial plant production and that restrict their use to recreational purposes, wildlife habitat, watershed, or esthetic purposes.

Capability subclasses are soil groups within one capability class. They are designated by adding "e," "w," "s," or "c," to the class numeral. In the case of the subject, the letter "w" shows that water in or on the soil interferes with plant growth or cultivation (in some soils the wetness can be partly corrected by artificial drainage).

Improvement Description

Aside from a small wooden structure that is assumed to house a well and associated equipment, the larger parcel was vacant of any buildings on the date of value.

Personal Property Description

No personal property was observed on the subject property in the area of the proposed acquisition at the time of inspection.

Title and Property History

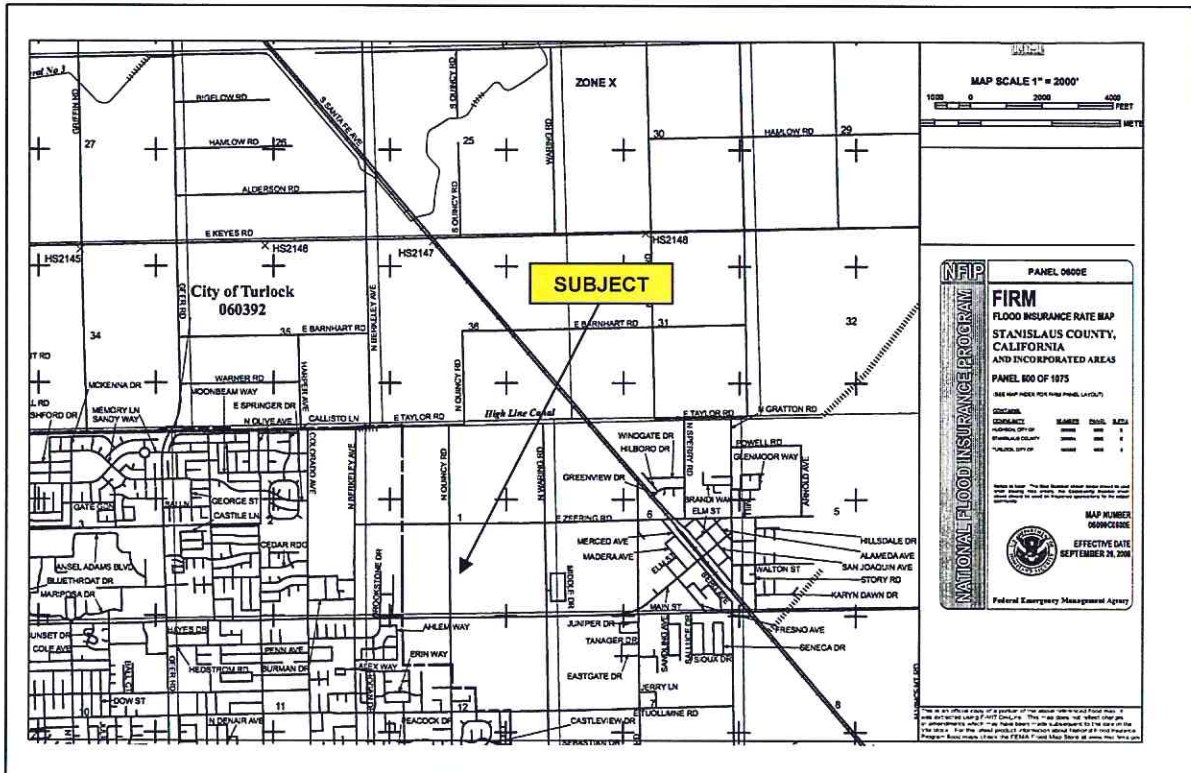
A preliminary report prepared by Stewart Title of California, Inc., dated May 07, 2014, for the subject larger parcel was provided to the Appraiser. According to the preliminary report reviewed, the subject's fee ownership is vested in the Evangelical Lutheran Church of the Good Shephard of Turlock, a California corporation.

The subject has been under the same ownership since May 21, 2002, and it is not currently being offered for sale. The owner had purchased the property for expansion of their existing religious facilities, if the need arose. A member of the committee for the church has been farming the land in the interim, growing and harvesting various seasonal crops, currently wheat, which has been ongoing for many years.

Existing Easements

The preliminary report identifies an existing easement for the purpose of irrigation and drainage that affects the southerly and easterly 12.5 feet of the larger parcel, as shown on a recorded map, dated July 1, 1980. There is a second easement, recorded March 18, 1905, intended for a similar purpose, the location of which cannot be readily identified. These types of easements are typical for agricultural properties like the subject, and it has been judged that they do not adversely affect the utility of the property at its highest and best use.

The subject property is in a mapped area designated to be in Flood Zone X by the Federal Emergency Management Agency (FEMA). Flood zone "X" is defined as areas of minimal flood hazard, usually depicted on FEMA Flood Insurance Rate Maps as above the 500-year flood level. The FEMA Flood Zone Map Panel is 06099C0600E and the effective date is September 26, 2008. A copy of the Flood Insurance Rate Map is included below.



All properties in California are subject to some degree of seismic risk. The Alquist-Priolo special Studies Zone Act of 1972 was enacted by the State of California to regulate development near active earthquake faults. The Act required the State Geologist to delineate "special studies zones" along known active faults in California. Cities and counties affected by the identified zones must limit certain development projects within the zones unless geologic investigation demonstrates that the sites are not threatened by surface displacement from future faulting.

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Environmental Assessment

The Appraiser was not provided with an environmental assessment regarding the subject property. This appraisal assumes that no environmental remediation would be required.

Zoning and General Plan of the Larger Parcel

Parcel (APN)	Zoning	General Plan (City / County)	Current Use
073-009-014	A-2-10 – General Agriculture	Urban Reserve / Urban Transition	Agricultural

Utilization of the subject real property is regulated by the Stanislaus County Code. The laws that govern the use of the land are the county zoning ordinance and General Plan.

The zoning category for the subject is A-2-10 – General Agriculture. It is the intent of the A-2 district to support and enhance agriculture as the predominant land use in the unincorporated areas of the county, as well as protecting open space lands and ensure that all land uses are compatible with agriculture and open space, including natural resources management, outdoor recreation and enjoyment of scenic beauty.

Lot and structure regulations for the A-2-10 zone were reviewed. Most notably, the minimum parcel size within the A-2-10 zone is 10 acres.

The General Plan land use designation for the subject is Urban Transition. The purpose of the Urban Transition designation is to ensure that land remains in agricultural usage until urban development, consistent with a city's (or unincorporated community's) general plan designation, is approved. Until Urban Transition lands within a sphere of influence are annexed, they should be zoned General Agriculture (A-2).

The larger parcel is located in the City of Turlock's sphere of influence. The Turlock General Plan land use designation for the subject is Urban Reserve. This classification is established for the purpose of identifying land that is reserved for future unspecified urban uses. Additional environmental analysis, a General Plan amendment, master planning, and annexation, would be required before development is permitted on land designated Urban Reserve. It is unlikely that areas designated Urban Reserve would be required for urban uses during the buildout period of Turlock's 2030 General Plan. Agricultural uses are permitted on property classified Urban Reserve.

Sections of the zoning and general plan maps, delineating the land use designations in the vicinity of the subject, are displayed at the end of this section.

The California Land Conservation Act of 1965, better known as the Williamson Act, preserves agricultural and open space lands by discouraging conversion to urban uses. The Williamson Act

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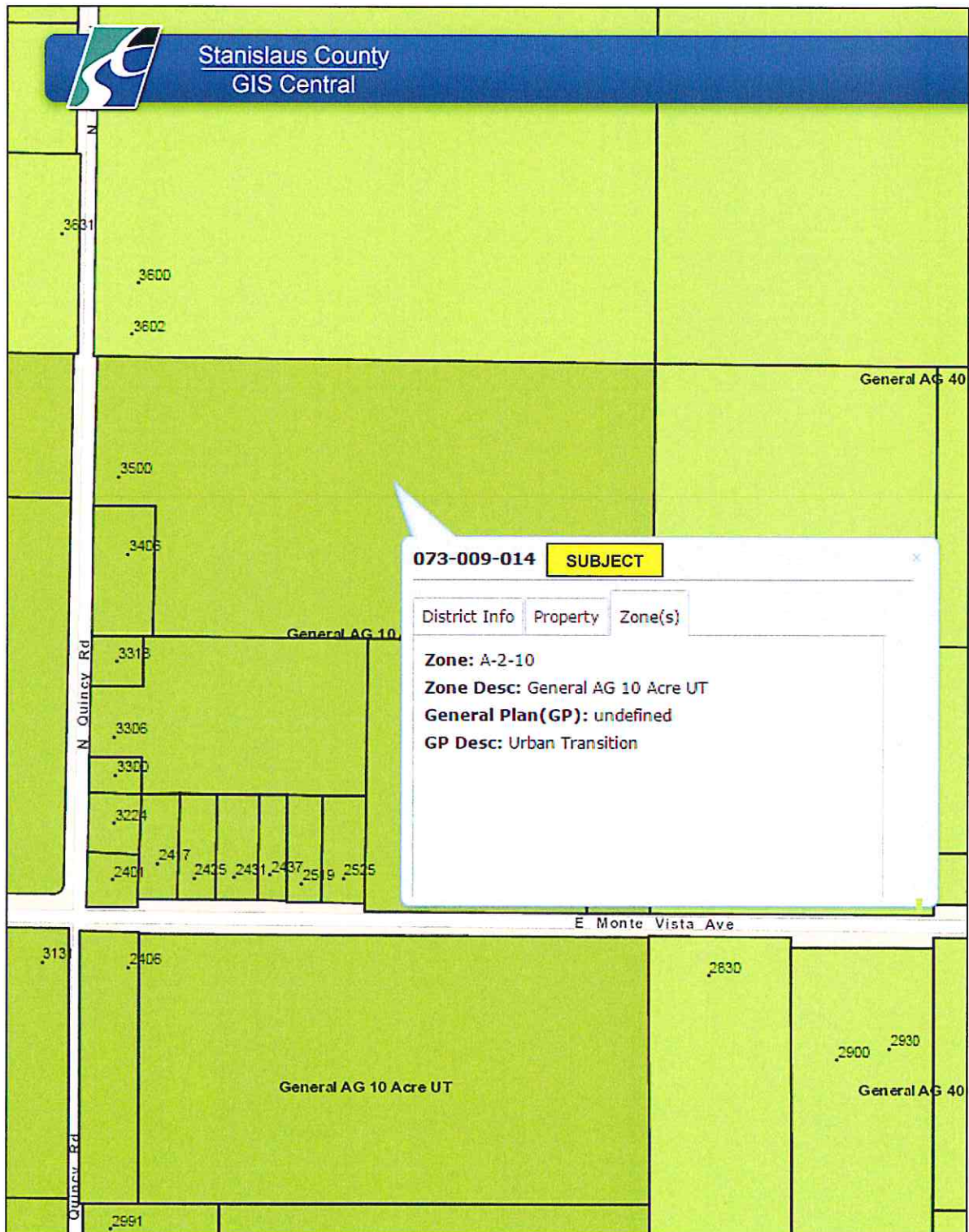


creates an arrangement whereby private landowners contract with counties and cities to voluntarily restrict their land to agricultural and compatible open-space uses. The vehicle for these agreements is a rolling term 10-year contract. In return, restricted parcels are assessed for property tax purposes at a rate consistent with their actual use, rather than their potential market value. Only parcels that are located within a designated agricultural preserve may be enrolled, which includes all lands within the A-2 zoning district. The minimum size parcel of "prime" agricultural land, which will qualify for a contract, is 10 acres. The subject meets these criteria, but is not encumbered by a Williamson Act contract.

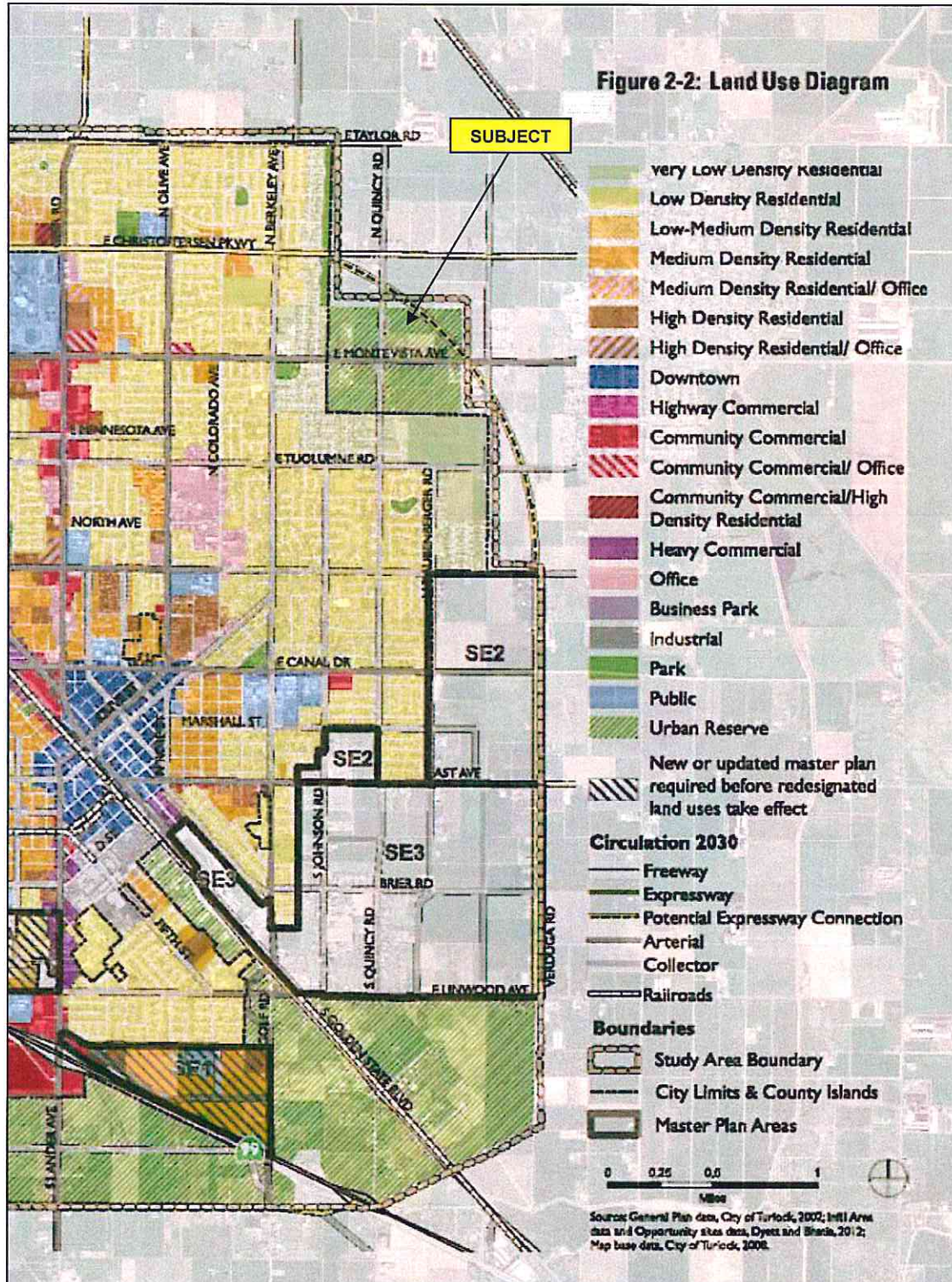
Compliance

The subject conforms to all aspects of the zoning ordinance that were applicable and the use of the larger parcel is consistent with the city and county general plans.

Zoning / General Plan Map (Stanislaus County)



General Plan Map (City of Turlock)



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Highest and Best Use Analysis

The following definition of the term "Highest and Best Use" provides a reasonable basis for analyzing the subject property:

The reasonable, probable and legal use of vacant land or improved properties which is physically possible, appropriately supported, financially feasible, and results in the highest value.

Inherent in this definition are the following four criteria:

- | | |
|------------------------------|--|
| Legally Permissible: | What uses are permitted, given existing deed and lease restrictions, zoning, building codes, historic controls, and environmental regulations? |
| Physically Possible: | What uses of the site are possible, given the physical characteristics as revealed in the site analysis? |
| Financially Feasible: | Which possible and permissible uses will produce positive net income from the development of the site after paying operating expenses and other financial obligations? |
| Maximally Productive: | Which financially feasible use will provide the highest value or rate of return on investment? |

The primary purpose of the highest and best use analysis is to identify the most productive, competitive use to which the property can be put. This analysis is done in two parts. The first part considers the possible uses of the site as if vacant. The second part evaluates the improvements to determine if they represent the highest and best use or if they should be modified.

Another purpose of the highest and best use analysis is to assist in defining the scope of the appraisal. In investigating the highest and best use, items that affect value such as accrued depreciation and functional and external obsolescence are identified. Also, by defining the highest and best use the selection of the comparable sales is narrowed, as they typically have the same or similar highest and best use.

Based on the four tests of legally permissible, physically possible, financially feasible, and maximally productive, the Appraiser analyzed the highest and best use of the subject as if vacant and as improved.

The subject larger parcel is currently vacant of any buildings, excepting a small well house, and it is being used for the purpose of growing seasonal crops. The County's zoning and General Plan designate the subject for agricultural use. Despite the close proximity of the subject to Turlock, urban development within the subject neighborhood is not anticipated for the foreseeable future. The subject is in an agriculturally productive area and the physical characteristics of the larger parcel are conducive to agriculture. Market data presented in a previous section indicates that agricultural use is financially feasible. The Appraiser has concluded that the highest and best use

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of the subject property is for interim agricultural use and development of a more intense use as urbanization occurs in the long-term future.

Property to be Acquired

This assignment, requested by the City of Turlock, is for the market valuation of one partial fee simple acquisition. The area proposed to be acquired is an irregular parcel of land mostly located along the northern and eastern boundaries of the larger parcel with a relatively narrow portion abutting the North Quincy Road frontage. An acquisition exhibit, depicting the proposed acquisition parcel, was provided to the Appraiser, and is displayed on the following page. The exhibit does not provide dimensions, but indicates a total area of 267,300 (49,500 + 217,800) square feet, or approximately 6.14 acres, for the area to be acquired.

There are site improvements located in the fee acquisition that are associated with flood irrigation. The acquisition area was mostly planted in wheat on the date of value. It is an extraordinary assumption of this appraisal that any crops located within the area to be acquired could be harvested prior to the acquisition.

Acquisition Exhibit



Valuation

Valuation Methodology

There are three generally recognized approaches considered in the valuation of real property. These are the cost approach, sales comparison approach, and income approach. The type and age of the property and the quantity and quality of the available data affect the applicability of each approach in a specific appraisal situation.

The **Cost Approach** estimates, through support sources, the cost of constructing the subject improvements. Accrued depreciation from all causes is estimated and deducted from the estimates of cost new of the improvements. The market value of the land is added to this depreciated cost estimate to indicate the value of the subject property by the cost approach. The **Land Value Estimate** in the valuation process is usually a separate step, which is generally accomplished through the application of the sales comparison approach. The land value conclusion is then incorporated into the cost approach.

The **Sales Comparison Approach** involves a search for recent sales of properties similar to the subject. The prices paid for these properties provide the basis for estimating the value of the subject by comparison. Adjustments are made for the differences in the properties as they compare to the subject. A correlation of the data provides a value estimate for the subject. This is the most used, and considered the most reliable, approach to estimating the value of land.

The **Income Approach** looks at the relationship between a property's income producing ability and the value buyers and sellers assign to the income. An estimate is made of the market rent to indicate an annual gross income. Estimated fixed and variable operating expenses are deducted from the annual gross income to provide an annual net operating income. An indicated value of the subject is derived through direct capitalization of the indicated net income by a market derived overall rate or through the use of the discounted cash flow technique.

Reconciliation involves consideration of the relevance and influence of each approach in relation to the actions of typical users and investors of properties and particularly the subject property. The three indications of value are discussed and reconciled into a final conclusion of market value.

The City of Turlock has requested an appraisal of the current market value of the proposed partial acquisition required from the larger parcel.

Since the proposed acquisition will include only land, the subject's land value has been estimated by applying the sales comparison approach. The prices paid for land with similar development potential as the subject provide a basis for estimating the value of the subject by comparison. The concluded per acre value was then used to value the proposed fee acquisition parcel.

The cost and income approaches were not utilized because sellers, buyers, and our peers in this market rarely rely on these approaches when offering, purchasing, or valuing properties similar to the subject land.

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**Sales Comparison Approach**

A search was made for comparable land sales that transacted over the past several years in Stanislaus County, with emphasis on agricultural properties located in Turlock's sphere of influence that have development potential, but not for the foreseeable future. A limited amount of data was uncovered, so the search was expanded geographically to include fringe areas of other cities located in Stanislaus County. The properties considered most comparable are summarized and described following. The comparable sales were researched, inspected, and verified to the extent possible. Comparable data sheets, Assessor's parcel maps, and photographs for each comparable sale are included in the Addenda.

Sales Data Summary

	Address APN	Recording Date	Site Size (Acres)	Zoning	Sales Price \$/Acre
				General Plan (City / County)	
AG-01	2230 E. Service Road Ceres (Unincorp.) 041-010-001	1/13/2017	19.71	A-2-10 Low Density Residential / Urban Transition	\$650,000 \$32,978
AG-02	1720 Kiernan Avenue Modesto (Unincorp.) 046-006-002, -024	9/16/2016	32.21	A-2-10 Village Residential / Urban Transition	\$1,200,000 \$37,256
AG-03	2801 N. Quincy Road Turlock (Unincorp.) 073-010-005	3/2/2016	20.31	A-2-10 Urban Reserve / Urban Transition	\$1,030,000 \$50,714
AG-04	E. Redwood Road Ceres (Unincorp.) 045-002-001	2/26/2016	41.69	A-2-40 Very Low Density Residential / Agriculture	\$1,459,000 \$34,996
AG-05	412 & 550 N. Daubenberger Road Turlock (Unincorp.) 051-005-004, -005	4/17/2015	21.38	A-2-40 Compact Residential Neighborhood / Agriculture	\$1,200,000 \$56,127
Subject	3500 North Quincy Road Turlock (Unincorp.) 073-009-014	DOV 4/5/2017	19.09	A-2-10 Urban Reserve / Urban Transition	

Comparable AG-01 is the sale of 19.71 acres of land located on the south side of East Service Road, in between Central Avenue and Collins Road, just outside of the Ceres city limits. The street address for AG-01 is 2230 East Service Road. Service Road is a major east-west thoroughfare that passes along the southern reaches of the city, and AG-01 is located in Ceres's sphere of influence (SOI). East Service Road intersects Highway 99 one half of a mile to the east. Uses in the vicinity of AG-01 are a mix of agricultural and rural residential, with the exception of a materials yard partially abutting AG-01 to the east and a newly constructed high school located a few parcels to the west. A mobile home park is located across the street from the high school. Public sewer and water are available at the street. The intended use of the buyer is unknown, but the seller had a lease agreement with an alfalfa grower that expired just before the sale. AG-01 is designated Low Density Residential under the Ceres General Plan, which allows up to 7.0 dwelling units per acre. AG-01 has access to TID water used for irrigation that has an underground

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pipeline crossing the parcel in two directions. AG-01 was offered on the market for only a short time and sold for the same price as what it listed for, \$650,000 or \$32,978 per acre. It appears to have been an all cash purchase.

Comparable AG-02 is the sale of two contiguous parcels being farmed together totaling 32.21 acres located at the southwest corner of Kiernan Avenue and Carver Road in an agriculturally productive area to the north of Modesto. The street address for AG-02 is 1720 Kiernan Avenue. Kiernan Avenue is a portion of Highway 219 and Carver Road is a major arterial street that extends for just under four miles through the city. Residential subdivisions improved with homes constructed in the 2000-2005 timeframe are located less than 0.5 miles to the south. The property is located in Modesto's SOI, but AG-02 is encumbered with a Williamson Act contract, and the buyer plans to incorporate the property into an adjacent farm operation and also build a house on the site. Reportedly, the buyer paid a premium for the assemblage condition. In addition to MID water, there is an on-site well used for irrigation. AG-02 sold in September 2016 for \$1,200,000 or \$37,256 per acre. The buyer paid cash.

Comparable AG-03 is the sale of a 20.31 acre parcel of land located in an unincorporated area of Stanislaus County between the City of Turlock and Denair, a quarter of a mile south of the subject. The street address for AG-03 is 2801 North Quincy Avenue. AG-03 is in the same Urban Reserve area as the larger parcel, but adjacent to the city limits. Residential subdivisions of upscale homes, relative to the general area, are located to the west and south of AG-03, but rural residential uses line North Quincy Avenue in the area of the comparable, which are interspersed amongst large parcels of land being used for agricultural purposes. The buyer owns an adjacent parcel and intends to assemble AG-03 with the other and expand an existing walnut orchard. A portion of the adjacent property had also been improved with an estate sized home in 2013. The sale of AG-03 recorded in March 2016 for \$1,030,000 or \$50,714 per acre. AG-03 does not appear to have been openly marketed and it is assumed that the buyer approached the owner with an unsolicited offer. Terms of the sale were cash to the seller.

Comparable AG-04 is the sale of 41.69 acres of land located on the southeast corner of East Redwood Road and Faith Home Road to the north of the unincorporated community of Keyes. Faith Home Road is major arterial that intersects Highway 99 less than one mile to the south. AG-04 is located in an area of mostly agricultural and rural residential uses with the exception of a couple of mobile home parks, and Keyes is relatively close to the property. AG-04 was being sold as part of an estate. The property was offered on the market for only a short time before multiple offers were received, and it sold for \$1,459,000, or \$34,996 per acre, which is more than the list price. The sale of AG-04 recorded in February 2016. AG-04 is located in Ceres's SOI, but the buyer intended to and did improve the property with an almond orchard. The buyer obtained a conventional loan to finance the purchase.

Comparable AG-05 is the sale of two contiguous parcels of similar size that sold together totaling 21.38 acres located on the east side of North Daubenberger Road, north of East Avenue. A residential subdivision of detached single-family homes, built-out in the 1970s, is located across the street from AG-05 within the City of Turlock. However, the neighborhood is comprised of agricultural uses located outside the city limits. The property is in Turlock's SOI, but included in the second phase of a master planned community, the first phase of which has yet to break ground, and urbanization of the area is not likely for the foreseeable future. There is a house located on one of the parcels that was constructed in 1980 and described by the listing agent as

City of Turlock

Regional Surface Water Supply Project

APN 073-009-014 – Evangelical Lutheran Church of the Good Shephard of Turlock



being in poor condition at the time of the transaction. Subsequent to the sale, the seller credited the buyer \$20,000 for repairs. The house is 1,624 square feet in size, according to public records and has three bedrooms and three bathrooms. There is an attached one car garage and detached 20 foot by 50 foot shop building. The seller financed 80% of the purchase price, which helped to facilitate the sale, according to the listing agent. In addition to TID water used for irrigation, there is an on-site well and septic system that serves the house. AG-05 sold in April 2015 for \$1,200,000 or \$56,127 per acre.

Sales Data Analysis

Adjustments are made to the comparable sale prices for the differences in the properties as they compare to the subject. The Appraiser has considered a number of adjustments for the analysis of the comparable data in relation to the subject property. The comparable data has been adjusted for inferior and superior characteristics. For Example: where a comparable had an inferior characteristic, a positive (+) adjustment to the comparable was made. Where the comparable had a superior characteristic, a negative (-) adjustment was made to the comparable. Adjustments were made sequentially for property rights conveyed, financing terms, conditions of sale, expenditures incurred by the buyer immediately after the sale, and market conditions at the time of sale. Adjustments for location characteristics, physical characteristics, use and non-realty components of value are subsequently added and applied. None of the sales, to the Appraiser's knowledge, included non-realty components of value.

Property Rights Conveyed: Each comparable sale involved the conveyance of the fee simple interest. Since the subject's fee simple interest is being appraised, no adjustments are made for this factor.

Financing Terms: The seller of AG-05 financed \$960,000 of the purchase price, which facilitated the sale, according to the listing agent. Although the terms of the agreement were not disclosed, a downward adjustment appeared warranted to AG-05 for this element of comparison. The other comparables were all cash transactions, or a conventional loan was obtained by the buyer, warranting no adjustment.

Conditions of Sale: The buyer of AG-02 reportedly paid an above market price for assemblage, and a downward adjustment has been applied to this comparable for conditions of sale. A downward adjustment has been applied to AG-03 for this factor for similar reasons. The buyer of AG-05 was issued a credit subsequent to the sale and the sales price has been reduced by the amount indicated previously.

Expenditures Incurred: None of the comparables required an adjustment for this factor.

Market Conditions: AG-03, AG-04 and AG-05 sold under inferior market conditions than that on the date of value, for reasons discussed in a previous section, and an upward adjustment has been applied. The other comparables did not warrant an adjustment for this element of comparison.

Location: Despite its close proximity to the City of Turlock, the subject neighborhood continues to be predominantly rural and the timing of any future growth in the area is uncertain. The comparables are either located in Turlock's sphere of influence, or on fringe areas of other cities

City of Turlock

Regional Surface Water Supply Project

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located in Stanislaus County. However, AG-01, AG-02 and AG-04 are judged to have inferior locational appeal, relative to the subject's northeast Turlock location, and upward adjustments have been applied.

Size: The subject is 19.09 acres in size. The data did not suggest an adjustment was warranted for size within the range of the comparables, which are between 19.71 to 41.69 acres, as indicated by AG-01 and AG-04.

Site Utility: Like the subject, all of the comparables are large parcels of land that have been leveled for farming. The subject has a flag lot shape, but with over 350 feet of street frontage, it is not considered to be unusually configured for agricultural use. However, AG-02 and AG-04's corner locations, with an above average amount of street frontage, rated superior to the subject, and downward adjustments have been applied. AG-05 is comprised of two parcels that sold together, and although the buyer intended to farm the parcels combined, individually, they could each be improved with a house, or be sold separately at some point in the future. For this reason, AG-05 is judged to have superior utility, and a downward adjustment is warranted. The other comparables were judged to have similar site utility, as compared to the subject, and did not warrant an adjustment for this element of comparison.

Soil Quality: All of the comparables have similar soil classifications as compared to the subject, warranting no adjustment for this factor.

Contributory Value of Improvements: AG-05 was improved with a house and shop building at the time it sold. The listing agent indicated their condition as being poor, but opined that they contributed value, warranting a downward adjustment. The other comparables sold vacant of any structures.

Utilities: With the exception of AG-02, the comparables have access to Turlock Irrigation District (TID) water used for irrigation, like the subject. AG-02 receives its water deliveries from Modesto Irrigation District (MID), which has proven to be less reliable in times of drought, and the consensus amongst market participants is that MID rates inferior to TID. However, AG-02 is also improved with an on-site well, used for irrigation, and an adjustment did not appear warranted.

Land Use / Zoning: Like the subject, the comparables are zoned Agriculture and general planned to allow for a more intense use as urbanization occurs. Therefore, none of the comparables required an adjustment for this factor.

The adjustments made to each comparable are summarized in the table displayed on the following page. Bold font denotes a more significant adjustment.

City of Turlock**Regional Surface Water Supply Project**

APN 073-009-014 – Evangelical Lutheran Church of the Good Shephard of Turlock



Comparable	AG-01	AG-02	AG-03	AG-04	AG-05
Address	2230 E. Service Road Ceres (Unincorp.)	1720 Kiernan Avenue Modesto (Unincorp.)	2801 N. Quincy Road Turlock (Unincorp.)	E. Redwood Road Ceres (Unincorp.)	Daubenberger Road Turlock (Unincorp.)
Sale Date	Jan-17	Sep-16	Mar-16	Feb-16	Apr-15
Sale Price	\$650,000	\$1,200,000	\$1,030,000	\$1,459,000	\$1,200,000
Size (Acres)	19.71	32.21	20.31	41.69	21.38
<i>Sale Price / Acre</i>	\$32,978	\$37,256	\$50,714	\$34,996	\$56,127
Property Rights Conveyed	Ø	Ø	Ø	Ø	Ø
Financing Terms	Ø	Ø	Ø	Ø	Negative
Conditions of Sale	Ø	Negative	Negative	Ø	Negative
Expenditures After Purchase	Ø	Ø	Ø	Ø	Ø
Market Conditions (Time)	Ø	Ø	Positive	Positive	Positive
Location	Positive	Positive	Ø	Positive	Ø
Size	Ø	Ø	Ø	Ø	Ø
Site Utility	Ø	Negative	Ø	Negative	Negative
Soil Quality	Ø	Ø	Ø	Ø	Ø
Contributory \$ of Improvements	Ø	Ø	Ø	Ø	Negative
Utilities	Ø	Ø	Ø	Ø	Ø
Use/Zoning	Ø	Ø	Ø	Ø	Ø
<i>Net Adjustment</i>	Positive	Positive	Negative	Positive	Negative

Land Value Conclusion (Larger Parcel)

The unit selling prices of the comparables range from \$32,978 to \$56,127 per acre. After adjusting for the various factors considered for this type of property, as compared to the subject, the unit value range narrows to between \$37,256 and \$50,714 per acre, as indicated by AG-02 and AG-03. AG-03 is a similar sized parcel located in the subject neighborhood and warranted the least amount of adjustment. Placing more emphasis on AG-03, and based on the prior analysis and discussion, it has been concluded that the unit market value of the subject, utilizing the sales comparison approach, is **\$48,000** per acre.

The estimated market value of the larger parcel, on the date of value, is indicated in the table below.

Whole Property - Before	Unit Value (\$/Acre)	Land Area (Acres)	Estimated Market Value
Fee Simple Interest: Land Only	\$48,000	× 19.09	= \$916,320

Value of the Area to be Acquired

This assignment, requested by the City of Turlock, is for the market valuation of one partial fee simple acquisition. The area to be acquired in fee is 6.14 acres. The unit value of the larger parcel was previously concluded to be \$48,000 on a per acre basis. The estimated market value for the fee simple acquisition is calculated as follows:

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Property Rights Appraised	Estimated Fee Simple Value (\$/Acre)		Acquisition Area (Acres)		Estimated Market Value
Fee Simple Interest: Land Only	\$48,000	×	6.14	=	\$294,720

Site Improvements in Acquisition Area

Portions of the proposed acquisition was planted in seasonal crops (wheat) on the date of value. It is an extraordinary assumption of this appraisal that any crops located within the area to be acquired could be harvested prior to the acquisition. Site improvements associated with flood irrigation were accounted for in the unit value of the larger parcel concluded to previously. No other site improvements were observed in the area of the proposed fee acquisition that require compensation.

Damages and Benefits

Damages generally occur when the acquisition of a portion of a property results in the remaining property having less value after the acquisition and construction of the project in the manner proposed than it had as part of the original property prior to the taking. Stated another way, after the acquisition of a portion of the property and construction of the project in the manner proposed, the value of the remaining property is less than it was as part of the entire property before the taking.

The subject remainder retains similar physical characteristics to the larger parcel in the before condition. Water used to irrigate the crops grown on the subject is delivered by the Turlock Irrigation District (TID) via an underground pipe located along the eastern boundary of the larger parcel. In the after condition, in the absence of mitigating measures, this source of water would be severed by the project. However, the Client indicated that it will work with the property owner and TID to provide alternative access to the irrigation facilities. It is an extraordinary assumption of this appraisal that the connection to TID will be reestablished and the cost to do so will be included as construction contract work. Therefore, it has been judged that the overall utility of the subject remainder, in comparison with the larger parcel in the before condition, is similar and the highest and best use remains the same. It has been concluded that the proposed project does not result in any damages to the subject property in the after condition. In the absence of damages, benefits have not been quantified.

Construction Contract Work (CCW)

According to the Client, access to flood irrigation will be reestablished on the subject remainder as a cost of the project.

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Estimated Just Compensation

The estimated fair market value of the proposed acquisition and the recommended just compensation are summarized as follows:

Fee Simple Interest:	\$294,720
Site Improvements:	\$0
Damages:	\$0
Benefits:	+ Not Quantified
Total Value: Recommended Just Compensation	\$294,720
Rounded To:	\$295,000

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ADDENDA

COMPARABLE LAND SALES MAP

COMPARABLE LAND SALES MAP

AG-02

AG-04

AG-01

AG-03

AG-05

SUBJECT

Modesto

Riverbank

Oakdale

Turlock

Delhi

Keyes

Ceres

Salida

Del Rio

Waterford

Hickman

Hughson

Denair

Patterson

Crows Landing

Stevenson

Irwin

Hillmar

McConn

Living

99

108

132

120

33

165

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3

4

5

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COMPARABLE LAND SALES MAP

AG-02

AG-04

AG-01

AG-03

AG-05

SUBJECT

Modesto

Del Rio

Riverbank

Oakdale

Waterford

Hickman

Denair

Turlock

Delhi

Stevenson

Irwin

Hillmar

Crows Landing

Patterson

Monterey Park

Cowan

Keyes

Ceres

Bret Harte

West Modesto

Riverdale Park

Salida

Ripon

East Oakdale

8/2017 MAPQUEST

COMPARABLE LAND SALES DATA SHEETS, PHOTOGRAPHS & MAPS

Comparable Land Sale

AG-01

Type of Property:	Agricultural - Land
Address:	2230 E. Service Road Ceres (Unincorp.)
Assessor's Parcel No.:	041-010-001
Buyer:	S.P.N.A. LLC
Seller:	Giovanna Cusenza Rossman
Sale Price:	\$650,000
Indicated Unit Price: \$/Acre	\$32,978
Terms:	Cash to seller
Recording Date:	01/13/17
Document No.:	2017-0002588-00
Parcel Size: Acres	19.71
Soil Type / Quality:	35% Class I; 35% Class II; 30% Class III
Utilities:	TID water, public sewer and water
Zoning / General Plan:	A-2-10 / Low Density Residential / Urban Transition
Williamson Act Contract:	No
Verified By / Contact Info:	Public Records / n/a
Comments:	There is an underground TID pipeline that cross the parcel in two directions. The property was offered on the market for only a short time and it sold for the list price.

Property Photo



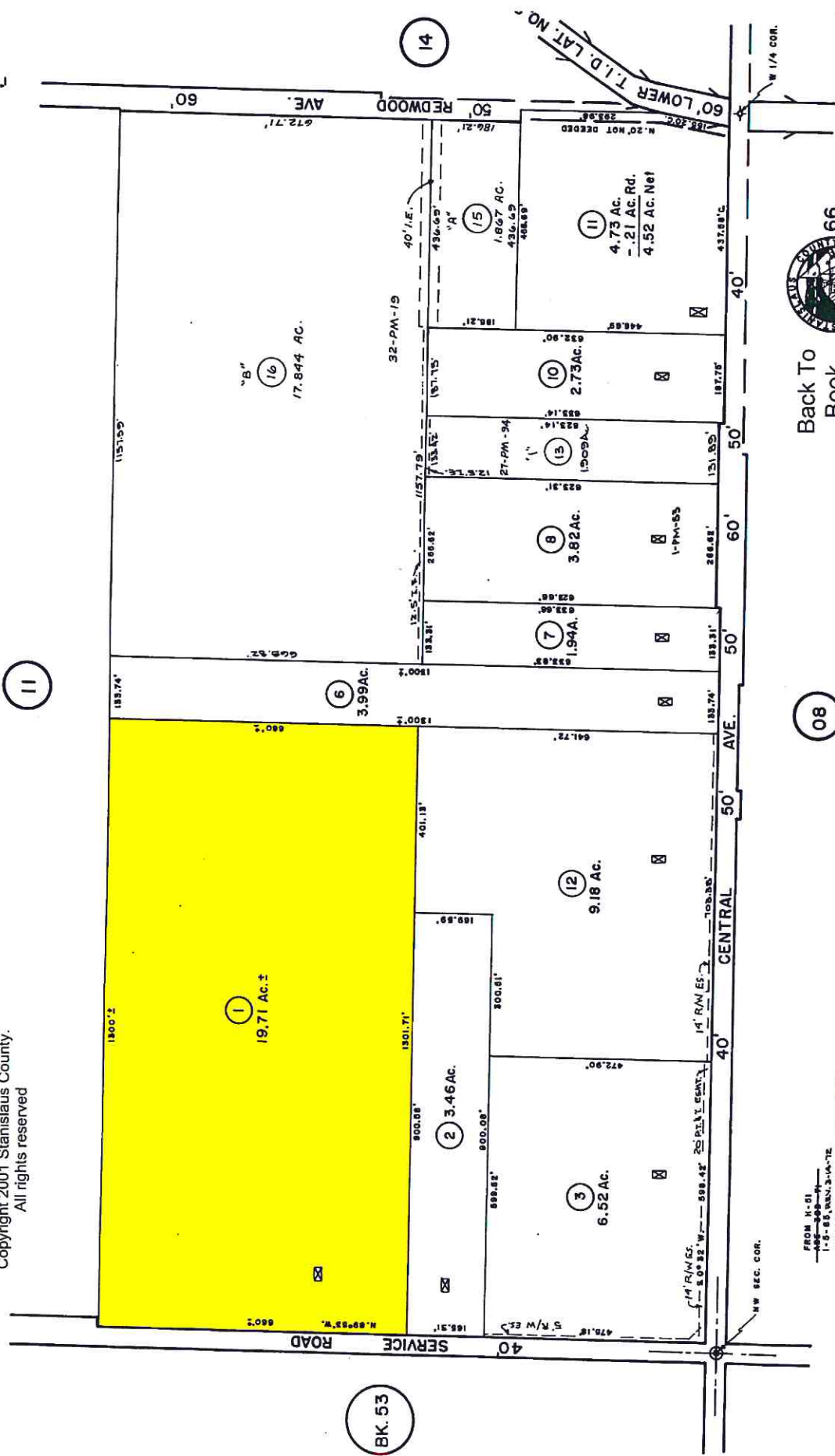
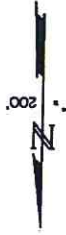
W 1/2 OF NW 1/4 SECTION 23 T.4 S. R.9 E. M. D. B. & M.

054 001

41 - 10

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08

FROM N. 51
1-8-88, REV. 3-14-72
UPDATE 3-1-82, 9-30-03 DH

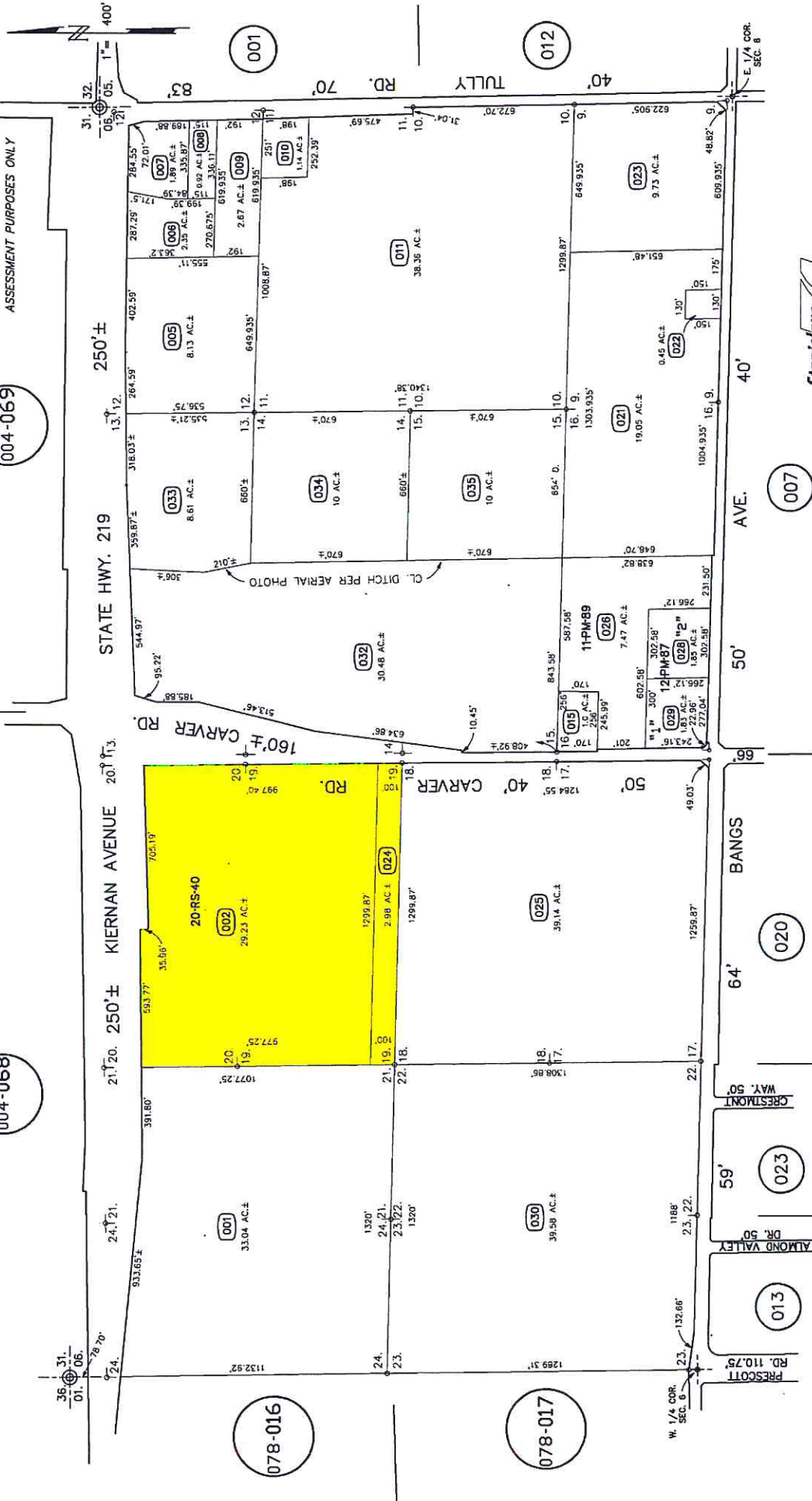
N. 1/2 SECTION 6 T.3S. R.9E. M.D.B.& M.
POR. ALBEMERL TRACT - LOTS 9-24 (04M19)

098 001 046 - 006

THIS MAP FOR
ASSESSMENT PURPOSES ONLY

004-068

004-069



Stanislaus County
Assessor

FROM: F-6, 046-006
DRAWN: *
REVISED: 07-11-79, 10-14-88, 11-8-00 DH., 02-26-07 (V) MB, 6-2-10 MF, 06-08-10 MB,
10-04-10 MB, 11-10-10 MB, 11-29-10 MB, 08-10-11 MB, 2-14-12 MF, 02-16-12 MB

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046 - 006

Comparable Land Sale

AG-03

Type of Property:	Agricultural - Land
Address:	2801 N. Quincy Road Turlock (Unincorp.)
Assessor's Parcel No.:	073-010-005
Buyer:	Parwinder S. Samran (et al)
Seller:	Turlock Christian Schools, Inc.
Sale Price:	\$1,030,000
Indicated Unit Price: \$/Acre	\$50,714
Terms:	Cash to seller
Recording Date:	03/02/16
Document No.:	2016-0015462-00
Parcel Size: Acres	20.31
Soil Type / Quality:	50% Class I; 50% Class II
Utilities:	TID water
Zoning / General Plan:	A-2-10 / Urban Reserve / Urban Transition
Williamson Act Contract:	No
Verified By / Contact Info:	Nelson Gavilani (Seller rep.) / (209) 427-2734
Comments:	Partial verification with the Controller of Turlock Christian Schools who verified the sales price with the true seller Matt Swanson. The buyer owns the adjacent lot and purchased the property to expand a walnut orchard. It does not appear to have been openly marketed and it is assumed that the buyer approached the seller directly.

Property Photo



Comparable Land Sale

AG-04

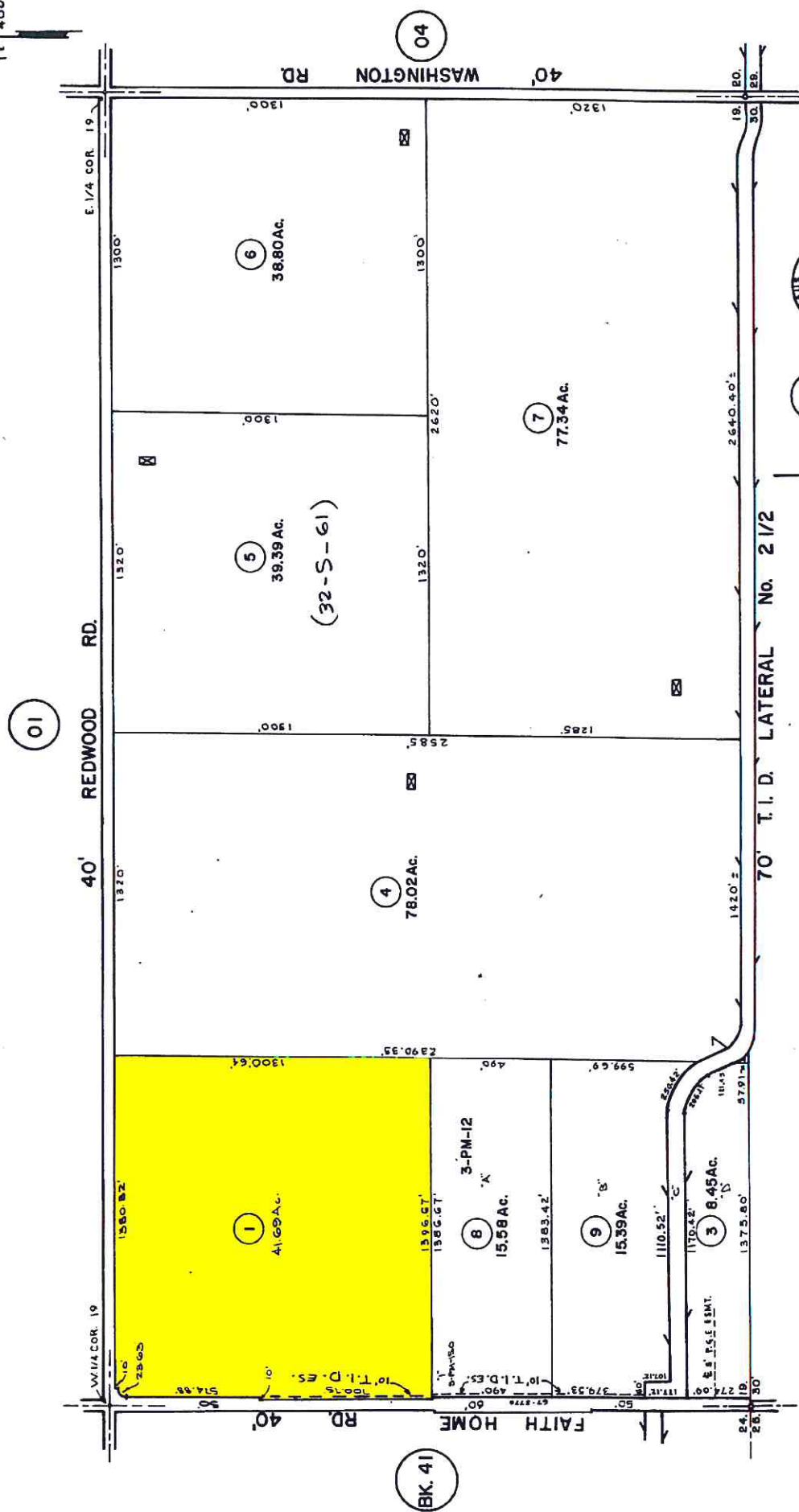
Type of Property:	Agricultural - Land
Address:	E. Redwood Road Ceres (Unincorp.)
Assessor's Parcel No.:	045-002-001
Buyer:	Piazza & Son
Seller:	Brutocao Vineyards, Inc.
Sale Price:	\$1,459,000
Indicated Unit Price: \$/Acre	\$34,996
Terms:	Cash to seller; Conventional Loan
Recording Date:	02/26/16
Document No.:	2016-0014238-00
Parcel Size: Acres	41.69
Soil Type / Quality:	30% Class I; 45% Class II; 25% Class III
Utilities:	TID water; community ag well
Zoning / General Plan:	A-2-40 / Very Low Density Residential / Agriculture
Williamson Act Contract:	Yes
Verified By / Contact Info:	Marcus Haney (Listing Agent) / (209) 847-7475
Comments:	The property is in Ceres's SOI, but the buyer purchased the property intending to plant an orchard. The property was sold as part of an estate. Multiple offers were received and it sold above the list price of \$1,355,000.

Property Photo



S 1/2 SECTION 19 T.4S. R.10E. M.D.B.&M.

400



FROM 18-18, 45-02
~~ABF 3DD-36~~
 9-12-65, RESV. 9-21-70
 UPDATED 3-1-82, 12-24-10



45-02

Comparable Land Sale

AG-05

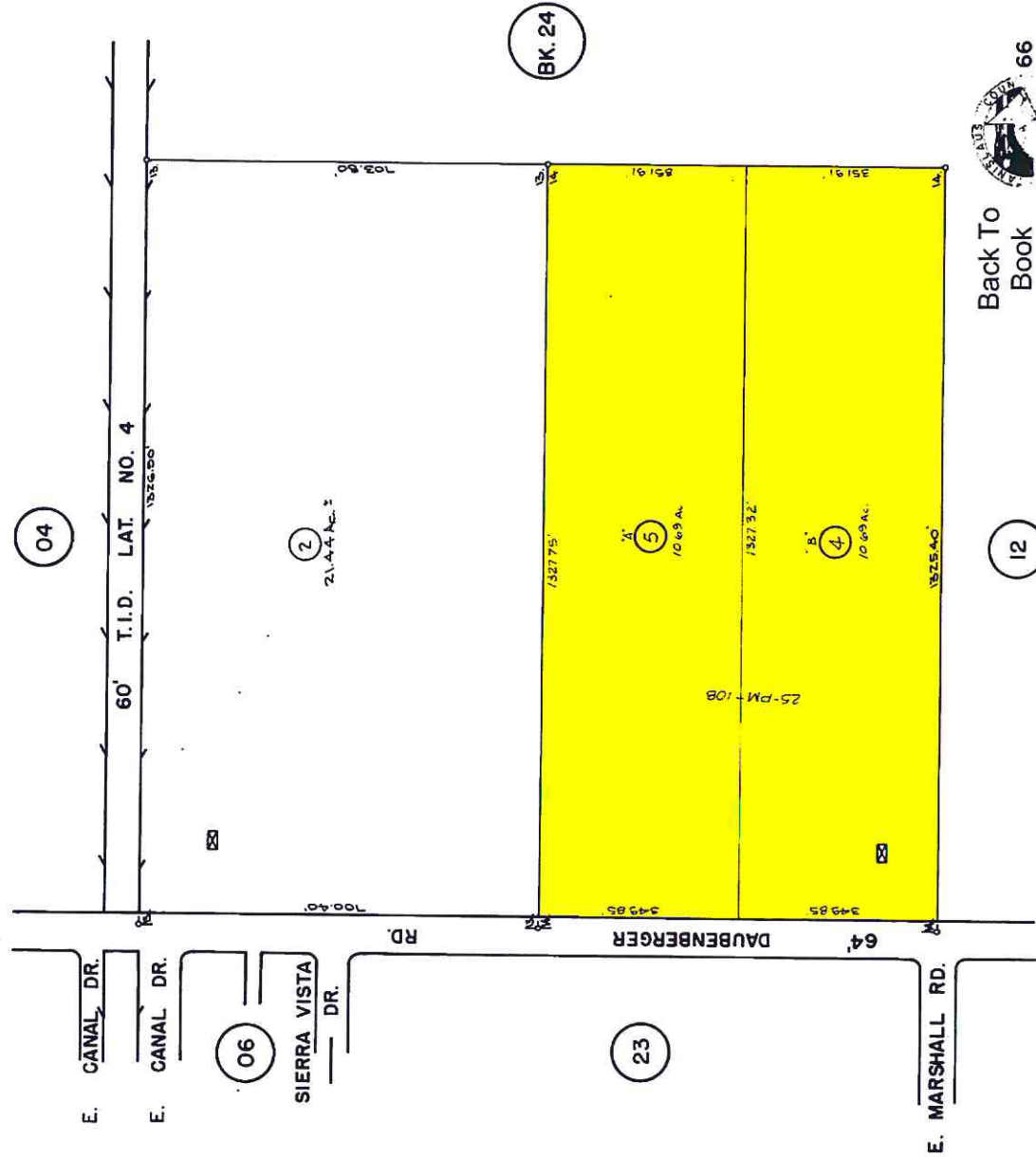
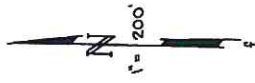
Type of Property:	Agricultural - Land
Address:	412 & 550 N. Daubenberger Road Turlock (Unincorp.)
Assessor's Parcel No.:	051-005-004, -005
Buyer:	Ron & Karen Macedo
Seller:	James Yohannan, Tr.
Sale Price:	\$1,200,000
Indicated Unit Price: \$/Acre	\$56,127
Terms:	Seller Financing; 20% down payment
Recording Date:	04/17/15
Document No.:	2015-0028185-00
Parcel Size: Acres	21.38
Soil Type / Quality:	100% Class II
Utilities:	TID water, on-site domestic well & septic system
Zoning / General Plan:	A-2-40 / Compact Residential Neighborhood / Agriculture
Williamson Act Contract:	No
Verified By / Contact Info:	John Lazar (Selling Agent) / (209) 581-2240
Comments:	This sale consists of two contiguous parcels of similar size that sold together. The property is in Turlock's SOI, but included in the second phase of a master planned community, the first phase of which has yet to break ground, and urbanization of the area is not likely for the foreseeable future. There is a house located on one of the parcels that was constructed in 1980 and described by the listing agent as being in poor condition at the time of the transaction. Subsequent the sale, the seller credited the buyer \$20,000 for repairs. There is an attached one car garage and detached 20 foot by 50 foot shop building. The seller financed 80% of the purchase price, which helped to facilitate the sale, according to the listing agent.

Property Photo



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FROM J-16, 51-05
R.M. 2-36
~~1962-67~~
REDRANN 1-12-75, 3-1-78, 4-16-97



Ann M. Black
Stewart Title of California, Inc.
2850 Cordelia Road, Suite 100
Fairfield, CA 94534
Phone: (707) 430-0061
Fax:

PRELIMINARY REPORT

Order No. : 01180-102476
Title Unit No. : 7531
Your File No. : 7606-01180-102476
Buyer/Borrower Name : To Follow
Seller Name : City of Turlock

Property Address: 3500 North Quincy Road, Denair, CA

In response to the above referenced application for a Policy of Title Insurance, Stewart Title of California, Inc. 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 referenced to as an Exception on Schedule B 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 Limits 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.

This report, (and any supplements or amendments thereto) 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 May 07, 2014 at 7:30 a.m.

Ann M. Black, Title Officer

When replying, please contact: Holly Weston, Escrow Officer

Stewart Title of California, Inc.
2030 West Monte Vista Avenue
Turlock, CA 95382
(209) 632-2341

PRELIMINARY REPORT

The form of Policy of Title Insurance contemplated by this report is:

- ☒ CLTA Standard Coverage Policy
- ☐ CLTA/ALTA Homeowners Policy
- ☐ 2006 ALTA Owner's Policy
- ☒ 2006 ALTA Loan Policy
- ☐ ALTA Short Form Residential Loan Policy
- ☐

SCHEDULE A

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

Fee

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

The Evangelical Lutheran Church of the Good Shephard of Turlock, a California corporation

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Stanislaus Unincorporated and described as follows:

The North half of Lot 57 of ELMWOOD COLONY, as per Map filed April 11, 1905, in Volume 2 of Maps, at page 13, Stanislaus County Records.

EXCEPTING THEREFROM Parcel A as shown on that certain Parcel Map filed for record in the Office of the Stanislaus County Recorder on July 1, 1980, in Book 30 of Parcel Maps, at page 102, being a resubdivision of the North half of Lot 57 of the Elmwood Colony.

Said land is also shown as "Remainder" on that certain Parcel Map filed in Book 30 of Parcel Maps, at Page 102.

APN: 073-009-014
(End of Legal Description)

SCHEDULE B

At the date hereof, exceptions to coverage in addition to the printed exceptions and exclusions contained in said policy or policies would be as follows:

Taxes:

- A. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes, to be levied for the fiscal year 2014 – 2015.
- B. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (commencing with Section 75) of the revenue and taxation code of the State of California.
- C. Assessments, if any, for Community Facility Districts affecting said land which may exist by virtue of assessment maps or notices filed by said districts. Said assessments are collected with the County Taxes.
- D. Taxes and assessments levied by the Turlock Irrigation District.

Exceptions:

- 1. Water rights, claims or title to water in or under said land, whether or not shown by the public records.
- 2. Title to, and easements in, any portion of the land lying within any highways, roads, streets, or other ways.
- 3. An easement for irrigation ditch and rights incidental thereto as set forth in a document recorded March 18, 1905 in Book 95 of Deeds at Page 318.

The exact location of the easement is not disclosed by the instrument.

- 4. An easement or other provisions for the purpose of irrigation and drainage and rights incidental thereto as shown on the recorded map, which affects the Southerly 12.5 feet and the Easterly 12.5 feet.
- 5. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.
- 6. This Company will require the following documents, in order to insure a conveyance or encumbrance by the corporation or unincorporated association named below:

Entity: The Evangelical Lutheran Church of the Good Shephard of Turlock

- a. A copy of the corporation By-Laws or Articles.
- b. An original or certified copy of the Resolution authorizing the subject transaction.
- c. If the Articles or By-Laws require approval by a "parent" organization, we will also require a copy of those By-Laws or Articles.
- d. If an unincorporated association, a statement pursuant to applicable law (such as California Corporation Code Section 20002).

The right is reserved to add requirements or additional items after completion of such review.

7. Minerals of whatsoever kind, subsurface and surface substances, including but not limited to coal, lignite, oil, gas, uranium, clay, rock, sand and gravel in, on, under and that may be produced from the Land, together with all rights, privileges, and immunities relating thereto, whether or not appearing in the Public Records or listed in Schedule B. The Company makes no representation as to the present ownership of any such interests. There may be leases, grants, exceptions or reservations of interests that are not listed.

(End of Exceptions)

NOTES AND REQUIREMENTS

- A. Property taxes, including general and special taxes, personal property taxes, if any and any assessments collected with taxes for the fiscal year shown below, are paid, For proration purposes the amounts are:
- | | |
|-----------------|---------------|
| Fiscal Year | : 2013-2014 |
| 1st Installment | : \$1,735.87 |
| 2nd Installment | : \$1,735.87 |
| APN No. | : 073-009-014 |
- B. 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
- C. This report is preparatory to the issuance of an ALTA loan Policy. We have no knowledge of any fact which would preclude the issuance of the policy with CLTA Endorsement Forms 100 and 116 and if applicable, 115 and 116.2 attached.
- D. When issued, the CLTA Endorsement Form 116 or 116.2, if applicable will reference a(n)
- Vacant/Unimproved-Residential, 3500 North Quincy Road, Denair, CA
- E. The charge for a policy of title insurance, when issued through this title order, will be based on the basic rate.
- F. The map attached, if any, may or may not be a survey of the land depicted hereon. Stewart Title 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.
- G. A Preliminary Change of Ownership Report must be completed by the transferee (buyer) prior to the transfer of property in accordance with the provisions of Section 480.3 of the Revenue and Taxation Code. The Preliminary Change of Ownership Report should be submitted to the recorder concurrent with the recordation of any document effecting a change of ownership. If a document evidencing a change of ownership (i.e. Deed, Affidavit-Death Joint Tenant) is presented to the recorder for recording without a preliminary change of ownership report, the recorder may charge an additional \$20.00
- H. If your property is in San Francisco, it is the requirement of the City and County of San Francisco that a Transfer Tax affidavit to be completed and signed by the Grantor for each deed submitted for recording. This is an addition to a Preliminary Change of Ownership Report.
- I. In addition to County Transfer Tax, any conveyance of the herein described property may be subject to a City Transfer and/or Conveyance Tax, as follows.

J.	Alameda	\$12.00 per thousand
	Albany	\$11.50 per thousand
	Berkeley	\$15.00 per thousand
	Culver City	\$4.50 per thousand
	Hayward	\$4.50 per thousand
	Los Angeles	\$4.50 per thousand
	Mountain View	\$3.30 per thousand
	Oakland	\$15.00 per thousand
	Palo Alto	\$3.30 per thousand
	Petaluma	\$2.00 per thousand

Piedmont	\$13.00 per thousand
Pomona	\$2.20 per thousand
Redondo Beach	\$2.20 per thousand
Richmond	\$7.00 per thousand
Riverside	\$1.10 per thousand
Sacramento	\$2.75 per thousand
San Leandro	\$6.00 per thousand
City and County of San Francisco	Up to \$250,000 = \$5.00 per thousand \$250,000 to \$1,000,000 = \$6.80 per thousand \$1,000,000 to \$5,000,000 = \$7.50 per thousand \$5,000,000 to 10,000,000 = \$20.00 per thousand Above \$10,000,000 = \$25.00 per thousand (Do not add the additional \$1.10 for County Tax, it is included)
San Jose	\$3.30 per thousand
San Mateo	\$5.00 per thousand
San Rafael	\$2.00 per thousand
Santa Monica	\$3.00 per thousand
Santa Rosa	\$2.00 per thousand
Vallejo	\$3.30 per thousand
Waterford	\$0.55 per thousand
Woodland	\$1.10 per thousand

Additional Requirements for "Short Sale" Transactions in which a lender will accept less than the outstanding balance of its loan as full satisfaction of the obligation:

The Company will require, prior to the issuance of a policy of title insurance, evidence that the first position trust deed holder has received and acknowledged all payments to be made to subordinate position lien holders, regardless of whether such payments are to be made from proceeds or from contributions by real estate brokers and/or buyers in the subject transaction, or from other third-party sources. Evidence shall include but not be limited to: (a) a written demand from the first-position deed holder acknowledging and approving payments to subordinate-position lien holders from proceeds and otherwise; or (b) a supplemental letter or amended demand from the first-position lien holder acknowledging payments to be made to subordinate lien holders from sources other than proceeds (including broker commissions and additional buyer deposits).

K.

CALIFORNIA "GOOD FUNDS" LAW

California Insurance Code Section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds received by Stewart Title of California, Inc. via wire transfer may be disbursed upon receipt. Funds received via cashier's checks or teller checks drawn on a California Bank may be disbursed on the next business day after the day of deposit. If funds are received by any other means, recording and/or disbursement may be delayed, and you should contact your title or escrow officer. All escrow and sub-escrow funds received will be deposited with other escrow funds in one or more non-interest bearing escrow accounts in a financial institution selected by Stewart Title of California, Inc.. Stewart Title of California, Inc. may receive certain direct or indirect benefits from the financial institution by reason of the deposit of such funds or the maintenance of such accounts with the financial institution, and Stewart Title of California, Inc. shall have no obligation to account to the depositing party in any manner for the value of, or to pay to such party, any benefit received by Stewart Title of California, Inc.. Such benefits shall be deemed additional compensation to Stewart Title of California, Inc. for its services in connection with the escrow or sub-escrow.

If any check submitted is dishonored upon presentation for payment, you are authorized to notify all principals and/or their respective agents of such nonpayment.

WIRE INSTRUCTIONS

We hereby request that our funds are wire transferred directly to our account. If you have any questions, regarding this matter, please call the number as referenced above.

We do not accept ACH Transfers, these funds will be returned and may cause a delay in closing.

Bank Name: **Union Bank**

Bank Address: **1980 Saturn Street, Monterey Park, CA 91755**

ABA#: **122000496**

Account Name: **Stewart Title of California, Inc.**

Account Number: **0010426502**

REFERENCE OUR FILE NUMBER: **01180-102476**

REFERENCE OUR BUYER/BORROWER NAME: **To Follow**

REFERENCE OUR SELLER NAME: **City of Turlock**

EXHIBIT "A"
LEGAL DESCRIPTION

Order No.: 01180-102476
Escrow No.: 01180-102476

The land referred to herein is situated in the State of California, County of Stanislaus, Unincorporated and described as follows:

The North half of Lot 57 of ELMWOOD COLONY, as per Map filed April 11, 1905, in Volume 2 of Maps, at page 13, Stanislaus County Records.

EXCEPTING THEREFROM Parcel A as shown on that certain Parcel Map filed for record in the Office of the Stanislaus County Recorder on July 1, 1980, in Book 30 of Parcel Maps, at page 102, being a resubdivision of the North half of Lot 57 of the Elmwood Colony.

Said land is also shown as "Remainder" on that certain Parcel Map filed in Book 30 of Parcel Maps, at Page 102.

APN: 073-009-014

(End of Legal Description)

AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

Date: May 13, 2014

Escrow No.: 01180-102476

Property: 3500 North Quincy Road, Denair, CA

From: Stewart Title of California, Inc.

This is to give you notice that Stewart Title of California, Inc. ("Stewart Title") has a business relationship with Stewart Solutions, LLC, DBA – Stewart Specialty Insurance Services, LLC ("Stewart Insurance"). Stewart Information Services Corporation owns 100% of Stewart Insurance and Stewart Title of California. Because of this relationship, this referral may provide Stewart Title a financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. You are NOT required to use the listed provider(s) as a condition for purchase, sale, or refinance of the subject Property. THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

<i>Stewart Insurance Settlement Service</i>	<i>Charge or range of charges</i>
Hazard Insurance	\$400.00 to \$6,500.00
Home Warranty	\$255.00 to \$ 780.00
Natural Hazard Disclosure Report	\$ 42.50 to \$ 149.50

CLTA Preliminary Report Form

Exhibit A (Revised 06-03-11)

**CALIFORNIA LAND TITLE ASSOCIATION
STANDARD COVERAGE POLICY – 1990
EXCLUSIONS FROM COVERAGE**

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

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

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

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

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

2006 ALTA LOAN POLICY (06-17-06) EXCLUSIONS FROM COVERAGE

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

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

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

EXCEPTIONS FROM COVERAGE

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

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, which are 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 not shown by the public records.

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

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

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

EXCEPTIONS FROM COVERAGE

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

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

WARNING: THIS DOCUMENT MUST BE COMPLETED IN ITS ENTIRETY (1 THROUGH 9, BELOW MUST BE FILLED IN) FOR IT TO BE ACCEPTED BY Stewart Title of California, Inc.. IF THIS IS NOT COMPLETED Stewart Title of California, Inc. WILL REQUIRE A COMPLETE COPY OF THE TRUST, WITH A SIGNED AND ACKNOWLEDGED AFFIDAVIT.

TRUSTEE CERTIFICATE
(California Probate Code Section 18100.5)

SCETRUST

STG Privacy Notice Stewart Title Companies

WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its title affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information.	Do we share	Can you limit this sharing?
For our everyday business purposes — to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes — to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes — information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and non-financial companies. <i>Our affiliates may include companies with a Stewart name; financial companies, such as Stewart Title Company</i>	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness.	No	We don't share
For our affiliates to market to you — For your convenience, Stewart has developed a means for you to opt out from its affiliates marketing even though such mechanism is not legally required.	Yes	Yes, send your first and last name, the email address used in your transaction, your Stewart file number and the Stewart office location that is handling your transaction by email to optout@stewart.com or fax to 1-800-335-9591.
For non-affiliates to market to you. Non-affiliates are companies not related by common ownership or control. They can be financial and non-financial companies.	No	We don't share

We may disclose your personal information to our affiliates or to non-affiliates as permitted by law. If you request a transaction with a non-affiliate, such as a third party insurance company, we will disclose your personal information to that non-affiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

SHARING PRACTICES

How often do the Stewart Title Companies notify me about their practices?	We must notify you about our sharing practices when you request a transaction.
How do the Stewart Title Companies protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer, file, and building safeguards.
How do the Stewart Title Companies collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> ▪ request insurance-related services ▪ provide such information to us <p>We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.</p>
What sharing can I limit?	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.

Contact us: If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056

Order No. 01180-102476

AVAILABLE DISCOUNTS DISCLOSURE STATEMENT

This is to give you notice that Stewart Title of California, Inc. ("Stewart Title") is pleased to inform you that upon proper qualification, there are premium discounts available upon the purchase of title insurance covering improved property with a one to four family residential dwelling.

Such discounts apply to and include:

Property located within an area proclaimed a state or federal disaster area;

Property purchased from a foreclosing beneficiary or successful bidder at a foreclosure sale;

Property being refinanced.

Please talk with your escrow or title officer to determine your qualification for any of these discounts.

APPRAISER QUALIFICATIONS

BRIAN DRAKE, R/W-AC*Industry experience since 2004***Current Responsibilities**

Brian C. Drake joined **Associated Right of Way Services, Inc.**, in 2011, with 7 years professional appraisal and valuation experience, and currently serves as **Real Estate Appraiser**. The scope of Mr. Drake's work includes complex appraisals on improved and unimproved properties for public improvement projects, as well as valuations for full and partial acquisitions of residential, commercial, industrial, and agricultural properties for transportation and utility improvement projects. Mr. Drake's work is performed in conformance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act, Uniform Standards of Professional Appraisal Practice, Caltrans standards, and state and federal guidelines.

Prior Experience

Prior to joining the AR/WS team, Mr. Drake was a Real Estate Appraiser at **The Schmidt-Prescott Group** (San Jose, CA), where he appraised proposed and existing commercial, industrial, agricultural, and residential property. His experience includes appraising offices, medical offices, surgery centers, self-storage facilities, warehouses, R&D facilities, retail strip and shopping centers, auto dealerships, restaurants, fast food restaurants, commercial condominiums, apartment complexes, and single-family and multi-family dwellings. Mr. Drake prepared appraisal reports for commercial, retail, industrial and residential properties throughout the greater Bay Area and Central Valley. His assignments also included the preparation of rent surveys for commercial, retail and industrial properties. Mr. Drake gained knowledge in various agricultural specific markets in the counties of Alameda, Contra Costa, Merced, Santa Clara, San Benito, San Joaquin and Stanislaus during his career as an appraiser. Valuation of property rights included fee simple, leased fee, leasehold, and ground rent. His clients included lenders, attorneys, accountants, corporations, municipalities, and individuals for eminent domain, estate planning, mortgage lending, litigation support, partnership disputes, taxation, gifting, investment, purchase, and sale.

Education

San Francisco State University, BA, Broadcast Communications

Mr. Drake has taken several courses in matters of real property appraisal through the Appraisal Institute to broaden his scope of knowledge and provide higher levels of service.

State of California Certified General Real Estate Appraiser No. AG031568

Practicing Affiliate Member, Appraisal Institute

Member, International Right of Way Association

R/W-AC, Appraisal Certified, International Right of Way Association

BRIAN C. DRAKE, R/W-AC

Related Course Work:

The Appraisal Institute

Effective Appraisal Writing; Appraisal Principals; Basic Appraisal Procedures; Uniform Standards of Professional Appraisal Practice; Basic Income Capitalization; General Applications; Report Writing and Valuation Analysis; Business Practices & Ethics; Advanced Income Capitalization; Condemnation Appraising: Principals and Applications; and USPAP Continuing Education

International Right of Way Association (IRWA)

Ethics and the Right of Way Profession; The Valuation of Partial Acquisitions; Easement Valuation

National Highway Institute (US Department of Transportation)

Real Estate Acquisition Under the Uniform Act

Other

Real Estate Principles; Real Estate Practice; Legal Aspects of Real Estate