



SANTA CLARA VALLEY WATER DISTRICT

NON-AGENDA

April 21, 2023

Board Policy EL-7 Communication and Support to the Board

The BAOs shall inform and support the Board in its work.

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CEO BULLETIN

CEO BULLETIN



To: Board of Directors
From: Rick L. Callender, CEO

Weeks of April 7 – April 20, 2023

Board Executive Limitation Policy EL-7:

The Board Appointed Officers shall inform and support the Board in its work. Further, a BAO shall 1) inform the Board of relevant trends, anticipated adverse media coverage, or material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established and 2) report in a timely manner an actual or anticipated noncompliance with any policy of the Board.

| Item | IN THIS ISSUE |
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| <u>3</u> | Safe, Clean Water Grant Closeout: South County Compassion Center's South County Creeks Team Project |
| <u>4</u> | U.S. Army Corps of Engineers (USACE) Engineering with Nature Workshops |
| <u>5</u> | <u>Estremera</u> At the 03/28/23 Board meeting, Director Estremera requested that staff include a draft letter addressed to the San Jose Mayor and Council regarding recycled water commitment and reactivating the Joint RWC Committee, with the RWC recommendation coming to the Board on 4/11/23. R-23-0002 |
| <u>6</u> | <u>Eisenberg</u> Provide Director Eisenberg with the number of severance agreements we've entered into for the past two years. She would like to see the severance agreements as well. I-23-0014 |
| <u>7</u> | <u>Eisenberg</u> Provide Director Eisenberg with the number of PERB, DFEH, and EEOC complaints Valley Water received in the past 5 years. I-23-0015 |

1. Recurring Report on Personnel Vacancies

Valley Water strives to attract, develop and retain a talented and diverse workforce. Our employees come from diverse, cultural and professional backgrounds. The district promotes high performance, diversity and equal employment opportunities.

Per the Board's request, a monthly report on staffing levels and vacancies will be provided. The following is information through March 2023.

Valley Water Staffing Levels:

- 909 - Total Positions
- 847 - Number of positions filled
- 62 - Total Vacant positions
- 7% - Current Vacancy Factor

For further information, please contact Patrice McElroy at (408) 630-3159.

2. Safe, Clean Water Grant Closeout: Milpitas Unified School District's Valley Water Refill Station Grant Project - Milpitas High School

In Fiscal Year 2023, Valley Water awarded Milpitas Unified School District a \$5,000 Safe, Clean Water Program F9 Valley Water Refill Station Grant for their Milpitas High School Project (Project). Milpitas Unified School District completed the Project on February 28, 2023 and submitted the final invoice items on February 28, 2023, allowing for grant closeout.

Milpitas Unified School District is a public school district that primarily serves school-age students (pre-K through 12th grade) within the City of Milpitas. The grant funds were used to install and maintain a new water bottle refill station near a bathroom at Milpitas High School in Milpitas, CA. The Project will continue to increase drinking water access to more than 3,000 students in the 9-12 grades and encourage the use of reusable water bottles. The station features a counter that tracks how many plastic water bottles are saved each time it is used to refill a water bottle. The Project was the first awarded grant under the F9 Valley Water Refill Station Program and was led in part by a Valley Water Youth Commissioner from Milpitas.

Key Outcomes:

- Installed one new water bottle refill station to serve more than 3,000 students at Milpitas High School
- Saved over 150 plastic water bottles within two weeks of installing the water bottle refill station
- Promotes the use of reusable water bottles and reduces the amount of plastic water bottle waste generated by the school.

For further information, please contact Donald Rocha at (408) 630-2338.

3. Safe, Clean Water Grant Closeout: South County Compassion Center's South County Creeks Team Project

In Fiscal Year 2018, Valley Water awarded South County Compassion Center a \$15,000 Safe, Clean Water Program B7 Grant for their South County Creeks Team Project (Project). South County Compassion Center completed the Project on April 30, 2022 and submitted the final invoice items on March 8, 2023, allowing for grant closeout.

The South County Compassion Center, previously known as Gilroy Compassion Center, is a non-profit 501(c)(3) organization committed to providing resources to meet the needs of the unhoused community in the cities of San Martin, Morgan Hill and Gilroy located in South Santa Clara County. South County Compassion Center's Project was a pilot program designed to allow for year-round education and outreach to the unhoused population along creeks in the city of Gilroy, with the goal of reducing contaminants entering the waterways and engaging the population in creek cleanups. The grant funds provided training to staff and unhoused volunteers by educating them about the harmful effects of contaminants entering the waterways and groundwater. South County Compassion Center conducted on-site visits to the creeks to identify hot spot areas and distribute outreach materials including cleanup supplies and resources on shelters and agencies that work with the unhoused population. The grantee developed educational materials, such as flyers, about safety measures and resources when encountering different contaminants while working along the creeks. South County Compassion Center also hired a junk removal service to pick up bagged garbage at the designated locations.

Key Outcomes:

- Engaged 25-50 unhoused individuals who participated in creek cleanup activities.
- Removed 225 cubic yards of garbage that weighed approximately 33.83 tons.
- Developed and distributed educational materials on contaminants and outreach materials for unhoused resources.

For further information, please contact Donald Rocha at (408) 630-2338.

4. U.S. Army Corps of Engineers (USACE) Engineering with Nature Workshops

Engineering With Nature is an initiative of the U.S. Army Corps of Engineers (USACE) that aims to promote more sustainable delivery of economic, social, and environmental benefits associated with infrastructure. Flood risk management projects attempting to integrate the concepts of Engineering with Nature solutions in the San Francisco Bay Area meet significant implementation barriers, largely due to uncertainty in permitting and mitigation requirements for project implementation, as well as the long-term operation and maintenance. The USACE looks to local agency sponsors such as Valley Water to help support their effort to identify and document the technical and regulatory aspects of barriers to Engineering with Nature flood risk management projects via two USACE-sponsored workshops. Evaluation of the issues by Engineering with Nature experts at the USACE with input from local agencies and regional resource agencies will establish a foundation for a shared understanding of the technical and regulatory problems, opportunities, objectives, and constraints in implementing Engineering with Nature solutions.

The desired outcome of this effort is a more efficient process for regulatory approvals for flood risk project implementation and associated maintenance. The Pajaro Regional Flood Management Agency is also a local sponsor for this effort, which is being fully funded by the USACE with in-kind support from Valley Water. The workshops are expected to take place in May and August 2023.

For further information, please contact Bhavani Yerrapotu at (408) 630- 2735.

5. **Estremera**

At the 03/28/23 Board meeting, Director Estremera requested that staff include a draft letter addressed to the San Jose Mayor and Council regarding recycled water commitment and reactivating the Joint RWC Committee, with the RWC recommendation coming to the Board on 4/11/23.

R-23-0002

Item No. *4.2 of the April 11, 2023; Board of Directors regular meeting amended agenda was published that provided draft copies for Board consideration of the letters to the cities of San Jose and Santa Clara to use the existing JRWPAC to continue discussing a purified water project in San Jose.

The following is the link to the published April 11, 2023 meeting agenda:

<https://scvwd.legistar.com/LegislationDetail.aspx?ID=6125581&GUID=0477D4BB-AD4B-4FA7-8500-F56E0E69CA04&Options=&Search=>

For further information, please contact Vincent Gin at (408) 630-2633.

6. **Eisenberg**

Provide Director Eisenberg with the number of severance agreements we've entered into for the past two years. She would like to see the severance agreements as well.

I-23-0014

In response to a request during an in-person meeting with the Chief Executive Officer (CEO), the following is a response to the question of the number of severance agreements, including copies, Valley Water entered into for the past two years.

Valley Water has entered into one severance agreement within the past two years. A copy of the agreement was separately provided to the Board.

For further information, please contact Patrice McElroy at (408) 630-3159.

7. **Eisenberg**

Provide Director Eisenberg with the number of PERB, DFEH, and EEOC complaints Valley Water received in the past 5 years.

I-23-0015

In response to a request during an in-person meeting with the Chief Executive Officer (CEO), the following is a response to the question regarding the number of Public Employment Relations Board (PERB), Department of Fair Employment and Housing (DFEH), and Equal Employment Opportunity Commission (EEOC) complaints that Valley Water had for the past 5 years in the following described categories:

PERB: 1

DFEH: 5

EEOC: 12

For further information, please contact Patrice McElroy at (408) 630-3159.

BOARD MEMBER REQUESTS and Informational Items

Report Name: Board Member Requests

| Request | Request Date | Director | BAO/Chief | Staff | Description | 20 Days Due Date | Expected Completion Date | Disposition |
|-----------|--------------|---------------|---------------|-------------------|---|------------------|--------------------------|-------------|
| I-23-0014 | 04/10/23 | Eisenberg | Yoke Orellana | Mcelroy Hopper | Provide Director Eisenberg with the number of severance agreements we've entered into for the past two years. She would like to see the severance agreements as well. | 04/30/23 | | |
| I-23-0015 | 04/10/23 | Eisenberg | Yoke Orellana | Mcelroy Hopper | Provide Director Eiesenberg with the number of PERB, DFEH, EEOC complaints have we had for the past 5 years. | 04/30/23 | | |
| I-23-0016 | 04/12/23 | Santos Varela | Yerrapotu | Infante Bourgeois | Provide the Board with an update on the Sargent Ranch acquisition (via a Non-agenda report). | 05/02/23 | | |



MEMORANDUM

FC 14 (08-21-19)

TO: Rick L. Callender, Esq.
Chief Executive Officer

FROM: Karl Neuman, P.E., G.E.
Acting Deputy Operating
Officer

SUBJECT: Supplemental Information Regarding
Residential Real Estate Acquisitions for
the Coyote Creek Flood Management
Measures Project, Part of the Federal
Energy Regulatory Commission Order
Compliance Project

DATE: April 3, 2022

On October 25, 2022, the Board of Directors will be asked to consider and approve the purchase of a residential parcel for the Coyote Creek Flood Management Measures Project (CCFMMP), part of the Federal Energy Regulatory Commission Order Compliance Project.

Santa Clara Valley Water District (Valley Water) is undertaking the Anderson Dam Federal Energy Regulatory Commission (FERC) Order Compliance Project (FOCP) as a result of the February 20, 2020, directive from FERC to implement interim risk reduction measures at Anderson Dam to protect the public from risk of dam failure due to seismic activity. The approved FOCP includes four categories of actions including reservoir drawdown, construction of the Anderson Dam Tunnel Project (ADTP) (anticipated to be completed in 2024), operation and maintenance following ADTP construction, and avoidance and minimization measures (AMMs) necessary to reduce environmental and water supply impacts during implementation of FOCP. To address the higher flows from operation of the tunnel after its completion, flood management measures, identified and to be implemented under the Coyote Creek Flood Management Measures Project (CCFMMP), were included in the FOCP to reduce flood risks within urbanized areas of San José. Specifically, the FOCP's flood management measures include possible acquisition of impacted properties or construction of floodwalls. The construction of CCFMMP is also anticipated to be completed in 2024. The overall flood risk reduction objective of CCFMMP is protecting areas of Coyote Creek against a flood event approximately equivalent to the February 2017 flood event. This goal will be met by the completion of CCFMMP.

During the planning process, the flood reduction alternatives for certain low-lying residential parcels along Coyote Creek were considered. Nine residential parcels within the CCFMMP were identified for possible acquisition. Each identified low-lying property is being evaluated further during the design phase, while also soliciting the owner's preference, to determine the most suitable alternative disposition for each property.

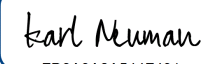
The property to be considered for acquisition by the Board on April 11, 2023, is located at 120 Arroyo Way, San Jose and is owned by Donald Lieberman and Patricia Long, Trustees. After receiving an appraisal from Associated Right of Way Services (Attachment 1), on March 26, 2022, Valley Water made an offer to Mr. and Mrs. Kovacevic in the amount of the appraisal (\$2,475,000) which was deemed to be the fair market value representing just compensation. Subsequently, Mr. Lieberman obtained a statement of valuation from Valbridge Property Advisors dated February 23, 2023, (Attachment 2) which valued the property at \$3,000,000.

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The parties agreed to the \$3,000,000 real property value established by the Valbridge Property Advisors statement of valuation.

On August 4, 2022, Mr. and Mrs. Kovacevic were provided with a Conditional Entitlement Letter (CEL) (Attachment 3) outlining the relocation benefits to which Mr. Lieberman and Ms. Long, as displaced owner/residents, are entitled. One of these benefits is a price differential payment based on the anticipated cost of a decent, safe, and sanitary comparable replacement dwelling. Based a real property value of \$3,000,000, the amount of the price differential payment determined to be the CEL is calculated to be \$401,999. Mr. Lieberman and Ms. Long retained a relocation specialist to review the CEL and provided a separate opinion regarding the anticipated cost of a decent, safe, and sanitary comparable replacement dwelling. In the relocation determination letter (Attachment 4), the relocation specialist recommends a hybrid comparable list price of \$5,106,000. Based on the \$3,000,000 negotiated sale price, the price differential payment would be \$2,106,000. The parties agreed to a settlement of \$800,000 for the relocation costs.

The final sale price of \$3,800,000 represents a settlement of \$3,000,000 for acquisition of the real property and \$800,000 for the price differential payment element of the Relocation Plan.

DocuSigned by:

ED3A9A2A544E491...
Karl Neuman, P.E., G.E.
Acting Deputy Operating Officer
Watersheds Design and Construction

Attachments: Attachment 1 (Appraisal)
Attachment 3 (Statement of Valuation)
Attachment 2 (Conditional Entitlement Letter)
Attachment 4 (Relocation Determination Letter)

ec: M. Richardson, B. Yerrapotu, K. Neuman, B. Magleby

bm:rc



ASSOCIATED
RIGHT OF WAY
SERVICES, INC.



No. 22034

Appraisal Report

for

Santa Clara Valley Water District *Coyote Creek Flood Management Measures Project*

Lieberman / Long Property

120 Arroyo Way
San Jose, CA

APNs: 467-29-027, -037

Prepared by:

Brian C. Drake, R/W-AC
Appraiser

May 2022

Associated Right of Way Services, Inc.

2300 Contra Costa Blvd., Suite 525

Pleasant Hill, CA 94523

925.691.8500

May 26, 2022

Bill Magleby, SR/WA
Real Estate Services Unit Manager
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118

Re: Coyote Creek Flood Management Measures Project
District File No.: 4021-288
Owner: Lieberman / Long
Property Address: 120 Arroyo Way, San Jose, CA
APNs: 467-29-027, -037

Dear Mr. Magleby:

In accordance with our contract with the Santa Clara Valley Water District (Valley Water), an appraisal has been made of the fair market value of the above referenced property as requested for the Coyote Creek Flood Management Measures Project. The proposed property interest to be acquired includes a full fee simple acquisition of the property that is the subject of this appraisal.

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 interests to be acquired, and a valuation conclusion for the property to be acquired. 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 dated April 25, 2022. I visited the property appraised on May 04, 2022, the date of value. Property owners Don Lieberman and Patricia Long were present at the time of the inspection.

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 Conclusions, which is made a part of this transmittal letter and appraisal report and is subject to the Assumptions and Limiting Conditions included herein. The accompanying report is submitted for your review and approval for acquisition purposes.

Sincerely,



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

Summary of Salient Facts and Conclusions

| Fee Simple Interest |
|---------------------|
| \$2,475,000 |

| | |
|-----------------------------------|---|
| Date of Valuation: | May 4, 2022 (date of site visit) |
| Assessor's Parcel Numbers: | 467-29-027, -037 |
| Property Location/Address: | 120 Arroyo Way, San Jose, CA 95112 |
| Owner: | Donald Lieberman and Patricia Long |
| Owner's Address: | 120 Arroyo Way, San Jose, CA 95112 |
| Owned Since: | For more than five years |
| Occupied By: | Property owner |
| Principal Improvements: | Wood-framed, two-story single-family residence built in 1939 and expanded in the late 1940s (recently updated), with 3,696 square feet of livable space, including 4 bedrooms and 3 bathrooms; two-car attached garage; and partial unfinished basement |
| Site Area: | 39,291 square feet or approximately 0.90 acre, with just more than one half located within the confines of Coyote Creek or riparian vegetation |
| Zoning: | R-1-8 – Single-Family Residence District |
| General Plan: | Residential Neighborhood and Open Space, Parklands, and Habitat (portion in Coyote Creek) |
| Highest and Best Use: | |
| As If Vacant | Development of a single-family residence |
| As Improved | Continue the current single-family residential use |
| Flood Hazard Information: | Flood Zone AE, Map No. 06085C0253H, dated May 18, 2009 |
| Earthquake Information: | Not located in an Earthquake Fault Zone |

Valley Water

Coyote Creek Flood Management Measures Project

APNs: 467-29-027, -037 – Lieberman / Long

**Environmental Assessment:**

None provided. This appraisal assumes that no environmental remediation would be required regarding the subject property

**Real Estate Taxes &
Assessment Data:**

Total taxes for the 2021/2022 tax year amount to \$6,517.96, including direct assessments of \$1,406.62. The tax rate is 1.17226%.

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.

The sales comparison approach is commonly the most accepted method to value improved single-family residential properties and has been applied in the valuation of the subject. 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. The income approach is not considered applicable to this assignment, since this approach does not typically apply to the valuation of improved single-family residential properties. The cost approach has not been applied either, given the age of the subject improvements, and the difficulty in estimating depreciation of older buildings.

Subject Location Map

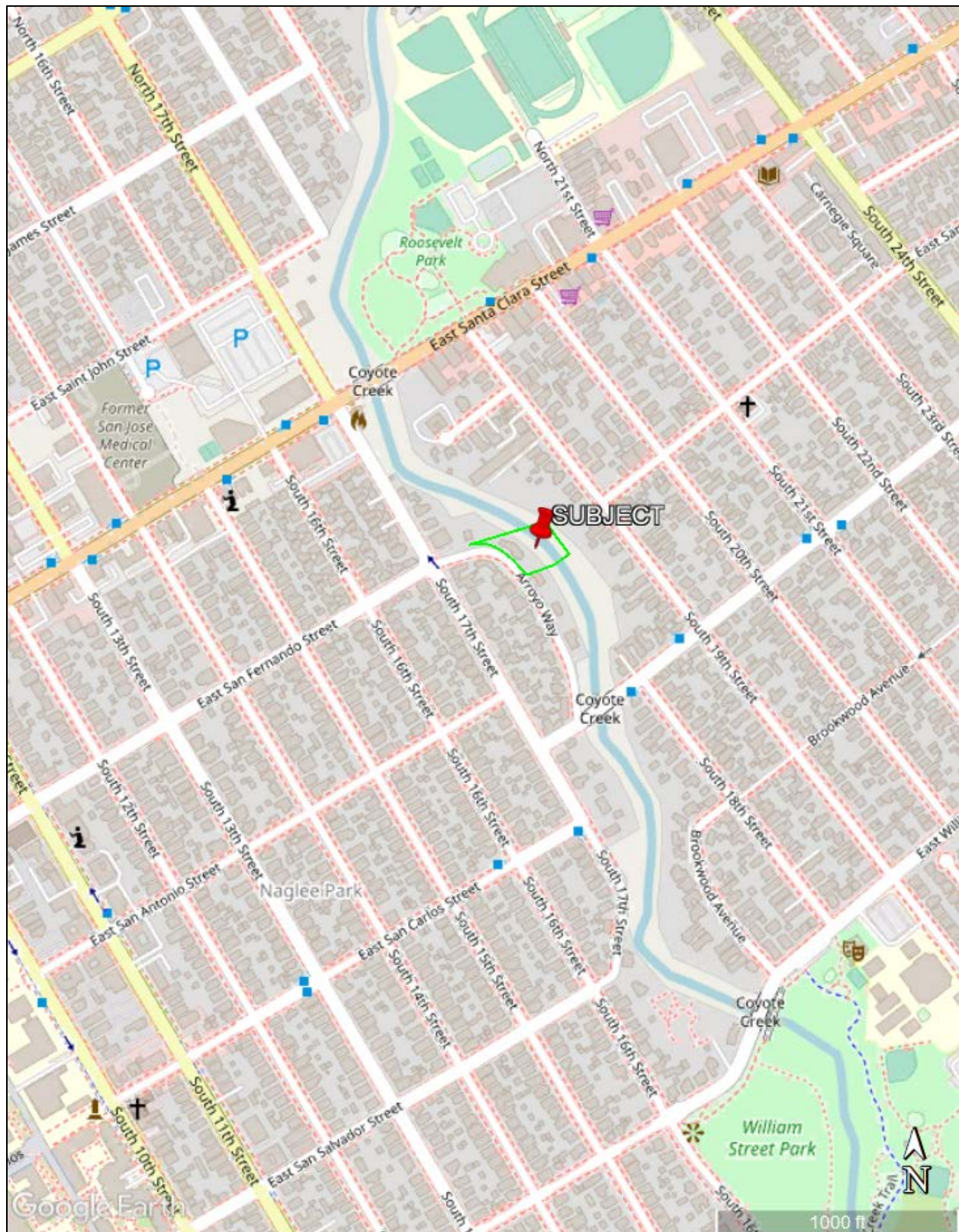


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ADDENDA

COMPARABLE SALES PARCEL MAPS
 NOTICE OF DECISION TO APPRAISE
 PRELIMINARY TITLE REPORT
 APPRAISER QUALIFICATIONS

Introduction

Purpose of the Appraisal

The purpose of this appraisal is to furnish an opinion of the fair market value of a full fee simple acquisition of the property that is the subject of this appraisal for the Coyote Creek Flood Management Measures Project.

Scope of Assignment

I inspected the subject to determine the size, condition, and utility of the land and any 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. The City of San Jose's website was 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.

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. I am 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.

Intended Use of the Appraisal

The intended use of the appraisal and report is to provide Valley Water with a basis for determining just compensation to be offered and payable to the property owner for the proposed full acquisition of the subject property. 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 Valley Water.

Date of Valuation

The property in this report has been valued as of May 4, 2022. The date of value is the date of the site inspection.

Property Interest Appraised

This appraisal addresses the fee simple estate in the subject property. The fee simple estate is defined as follows:

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

(The Dictionary of Real Estate Appraisal, Seventh Edition, published by the Appraisal Institute)

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 2020/2021 edition*: Definitions) defines exposure time as follows:

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

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.

**USPAP’s 2020-21 edition is effective through December 31, 2022.*

Valley Water

Coyote Creek Flood Management Measures Project

APNs: 467-29-027, -037 – Lieberman / Long

**Certification of Appraiser**

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 the entire subject property to be acquired by Valley Water 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.

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 the subject property is acquired, or by the likelihood that the property would be acquired for such project or improvements, other than

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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 Uniform Standards of Professional Appraisal Practice (USPAP).

The opinion of fair market value for the proposed acquisition of the entire subject property as of the date of valuation is set forth in the Summary of Salient Facts and Conclusions and is based upon my independent appraisal and the exercise of professional judgment.

Daniel Gando aided with the confirmation of comparable data. No one else 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.

May 26, 2022
Date



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

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 the subject and I have made no survey of the property.
- 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.
- I am not a soil expert. The existing soil and substructure have 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 my written prior consent, 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 that I attend or give testimony at any meeting, public hearing, pretrial conference, deposition or court trial unless there is a written agreement between myself 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, my identity, or the firm with which I am affiliated*) shall be disseminated to the public through advertising, public relations, news sales, or other media.

Project Assumptions and Limiting Conditions

- A preliminary title report for the subject property was reviewed and is displayed in the Addenda. I relied on information contained in the report including the ownership, legal description of the subject property, and title exceptions.
- I 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 property. Property boundaries were not staked by survey.
- The Jurisdictional Exception Rule of the Uniform Standards of Professional Appraisal Practice (*USPAP*) is invoked where the USPAP requirements conflict with federal or state 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 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.

Hypothetical Conditions

Uniform Standards of Professional Appraisal Practice (USPAP 2020/2021 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(s) is used for this appraisal and may affect the assignment results:

The 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 2020/2021 edition*: Definitions) defines extraordinary assumptions as follows:

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

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”

The following extraordinary assumption(s) is used for this appraisal and may affect the assignment results:

None

General Information

Region, City and Neighborhood Data



The subject is located in the City of San Jose, in Santa Clara County, which is included as one of the nine counties that comprise the San Francisco Bay Area. The counties which border Santa Clara County are Alameda County, Stanislaus, Merced, San Benito, Santa Cruz, and San Mateo. Santa Clara County is situated at the southern end of the San Francisco Bay, in between the Diablo Range to the east and the Santa Cruz Mountains to the west, encompassing 1,304 square miles. Steep slopes, active earthquake faults, and areas of geologic instability are prevalent in both mountain ranges. One of the other major topographical features of Santa Clara County is the Santa Clara Valley, ringed by rolling hills that run its entire length from north to south. The northwestern part of the county, adjacent

to the waters of the San Francisco Bay, consists mostly of vast salt evaporation ponds and remnant areas of salt marsh and wetlands. The Mediterranean climate of the region is temperate year-round due to the area's geography and its proximity to the Pacific Ocean, remaining warm and dry through most of late spring, summer, and early fall. The northern portion of Santa Clara County is extensively urbanized, housing approximately 90% of the County's residents, while the southern part remains predominantly rural. According to the California Department of Finance, the County had a population of 1,934,171, as of January 2021, which is a decrease of 0.6% over the population estimate the year prior.

Santa Clara County is at the center of an area known as "Silicon Valley," so named because this is the birthplace of the computer chip and the resulting high-tech employment sector. Silicon Valley is a region in the southern part of the Bay Area that serves as a global center for high technology, innovation, venture capital, and social media. It corresponds roughly to the geographical Santa Clara Valley. San Jose is Silicon Valley's largest city, and with its strategic central location within this technology industry, it has been nicknamed the capital of Silicon Valley.

Many of the world's largest high-tech corporations are headquartered in Silicon Valley, including more than 30 businesses in the Fortune 1000, according to an online publication. The Bay Area has the largest concentration of high-tech companies in the United States, with about 387,000 high-tech jobs, of which nearly 60% are in Silicon Valley. It also has the highest concentration of high-tech workers of any metropolitan area, as reported by the same web source. In addition, the region has the highest average high-tech salary in the United States, at about \$144,800. Silicon Valley also accounts for one-third of all of the venture capital investment in the United States.

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which has helped it to become a leading hub and startup ecosystem for high-tech innovation and scientific development. The region has also established itself as a leader in bioscience, one of the larger industries in the state, with nearly 430,000 Californians employed in the life sciences. There are more than 1,300 life science establishments in Santa Clara County, which is the largest number in the Bay Area and has contributed to more than 38,000 high-paying jobs.

There are 15 incorporated cities and towns in Santa Clara County, including San Jose. The city covers about 181 square miles located in the northeasterly portion of Santa Clara County, at the south end of the San Francisco Bay. With a current population estimate of 1,029,782, San Jose is the largest city in the Bay Area by a wide margin. The City's population comprises over 53% of the total population in Santa Clara County. The next largest city is Sunnyvale, with 153,827 people.

San Jose was the first incorporated city in California and the site of the first state capital. Once largely an agrarian community up through the 1960s, in recent decades, San Jose has earned a global reputation as the high-tech sector with the largest concentration of high technology engineering, computer, and microprocessor companies. With its strategic central location within this technology industry, San Jose has been nicknamed the capital of Silicon Valley. According to the City's website, San Jose is home to more than 6,600 technology companies that drive the City's economy, employing nearly half of the current workforce of 541,800 (Employment Development Department). Commercial, retail, professional, high-tech manufacturing, electronic assembly, and service businesses all have a presence in San Jose. The table displayed below lists the principal employers in San Jose, according to their 2020 Comprehensive Annual Financial Report.

| CITY OF SAN JOSE PRINCIPAL EMPLOYERS Company or Organization | 2020 | | |
|--|------------------------|------|-----------------------------------|
| | Number of Employees | Rank | Percent of Total Employment |
| County of Santa Clara | 18,873 | 1 | 3.49% |
| Cisco Systems | 9,393 | 2 | 1.74% |
| City of San José | 7,575 ⁽¹⁾ | 3 | 1.40% |
| IBM | 3,872 | 4 | 0.72% |
| San José State University | 3,607 | 5 | 0.67% |
| Paypal, Inc. | 3,600 | 6 | 0.67% |
| eBay | 3,500 | 7 | 0.65% |
| Adobe Systems Inc. | 3,400 | 8 | 0.63% |
| Kaiser Permanente | 3,035 | 9 | 0.56% |
| Western Digital | 2,712 | 10 | 0.50% |
| Good Samaritan Health System | 2,241 | 11 | 0.41% |
| Super Micro Computer | 2,219 | 12 | 0.41% |
| Cadence Design Systems | 1,900 | 13 | 0.35% |
| Intel | 1,800 | 14 | 0.33% |
| Regional Medical Center | 1,625 | 15 | 0.30% |

San Jose is one of the wealthiest major cities in the United States, and has the third highest GDP per capita in the world (after Zürich, Switzerland and Oslo, Norway), according to the Brookings Institution. The U.S. Census Bureau reports that the median household income within the city limits is \$109,593 (2019 dollars), and approximately 84.6% of San Jose's residents over the age of 25 have at least some college experience, with 43.7% having a bachelor's degree or higher.

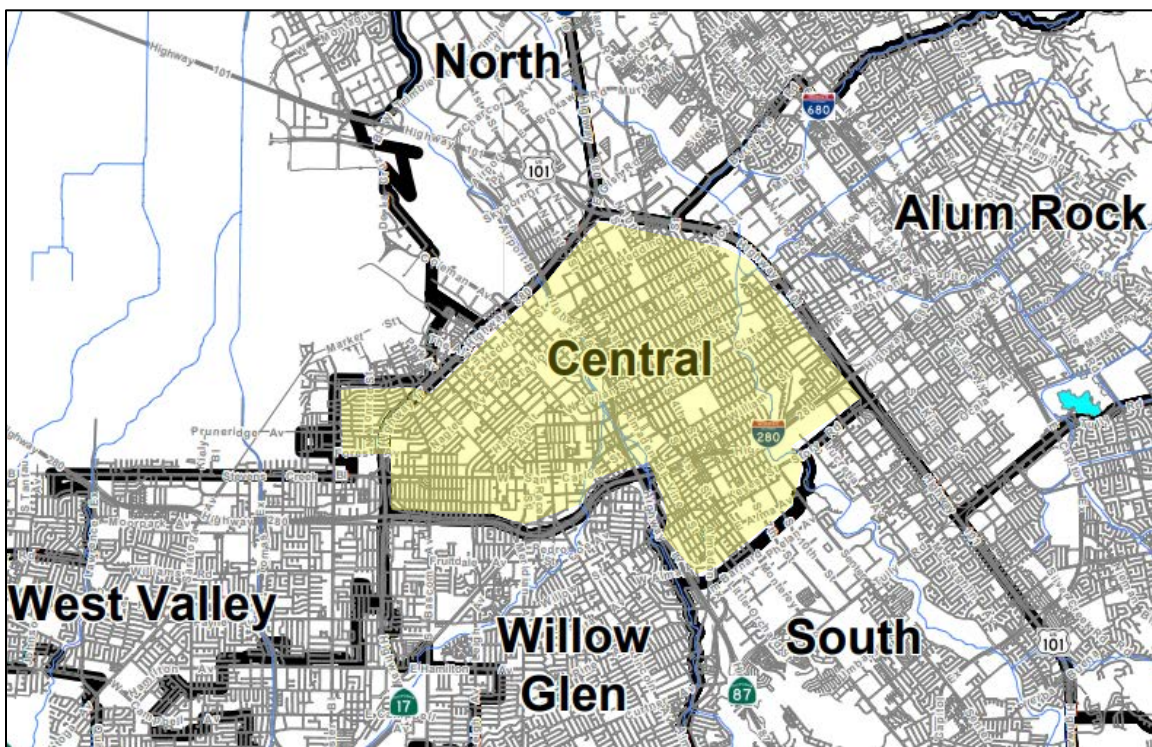
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San Jose benefits from a number of freeways, arterials, and expressways that provide access to most areas of the region, including three interstate highways, I-280, I-880, and I-680, in addition to several federal and state highways, US-101, CA-85, CA-87, CA-17, and CA-237. Santa Clara Valley Transportation Authority (VTA) light rail and bus services provide mass transit for San Jose. San Jose is also serviced by Bay Area Rapid Transit (BART), offering a connection to the rest of the San Francisco Bay Area with the Silicon Valley BART extension that began construction in 2019. In addition to the new Milpitas Station, Berryessa/North San Jose opened for service in June 2020. The extension to downtown San Jose is targeted for completion in 2030 (see Project Description). Located two miles north of the downtown is the Norman Y. Mineta San Jose International Airport.

The subject is located in San Jose's Central Planning Area, one of fifteen subareas of the city, as defined by the General Plan, which divides its sphere of influence into several neighborhood-oriented areas. The Central Planning Area is roughly bounded by US 101 to the north and east, I-880 / Highway 17 to the north and west, and to the south, I-280 to the west of Highway 87 and Story Road and Barnard Avenue to the east of it.

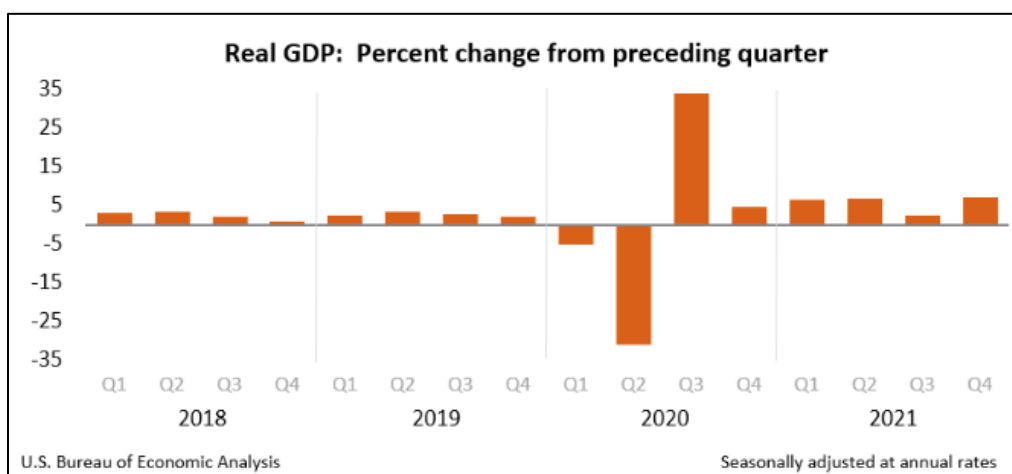


The Central Planning Area is urban in nature and encompasses the City's downtown core and several distinct residential neighborhoods that feather out from it. The subject is included in Naglee Park, a historic single-family residential neighborhood built-out in the early 1900s that is located to the east of the downtown area and San Jose State University. The subject is adjacent to Coyote Creek, which defines the eastern boundary of the neighborhood, and it reaches as far north as East Santa Clara Street and I-280 to the south. In the late 1960s, with the growth of the college, SJSU students were allowed to live off campus, and many of the larger homes were converted into apartments as the result of zoning changes that allowed for multifamily

development. This also attracted board and care facilities for mentally disabled people that moved into the area. However, the zoning was switched back at the request of neighborhood residents, and during the 1990s and 2000s, many of the converted homes were renovated and returned to the single-family dwellings they once had been. The schools that service Naglee Park are Horace Mann Elementary, Muwekma Ohlone Middle School, and San Jose High.

Real Estate Market Conditions

Since March 2020, the world has been dealing with the spread of the coronavirus, COVID-19, a global pandemic. In the initial goings of the outbreak the economy experienced a significant downturn, with most major markets declining by as much as 20%. At that time, one could only speculate on the impact this would have on the real estate market not knowing the duration of the pandemic, and as a result, demand in certain market segments was then and has been limited. Most COVID-19 related restrictions were lifted in mid-2021 throughout the state, with approximately half of Californians vaccinated at that time. The progression of COVID-19 continues with a reemergence through multiple variants, but scientists are predicting that COVID-19 will likely shift from a pandemic to an endemic. The local economy has shown its resilience and the forecast over the long-term is considered to be favorable, according to market participants.

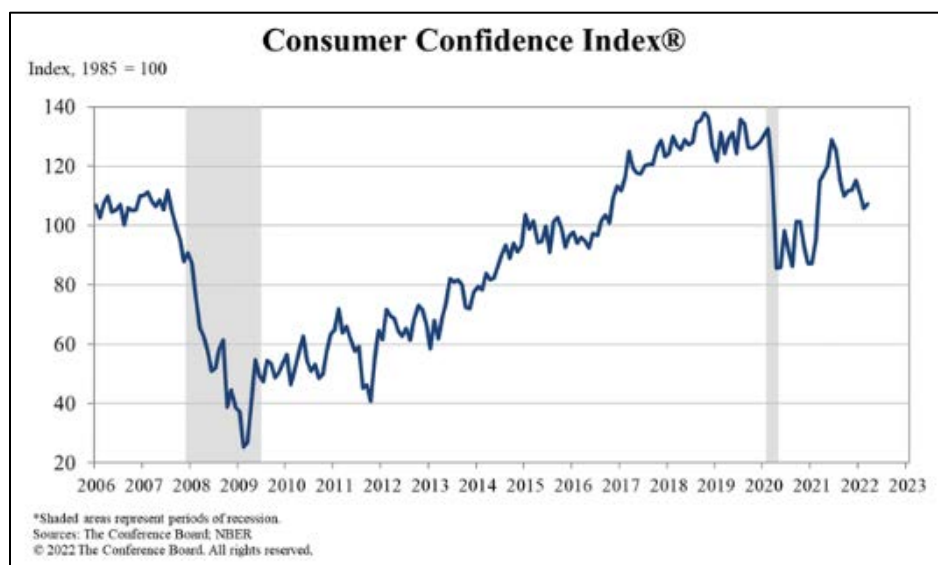


COVID-19's toll on the nation's economy became emphatically clearer with the Bureau of Economic Analysis's (BEA) estimate of real gross domestic product (GDP) for the second quarter 2020, which decreased at an annual rate of 31.4%, after a decline of 5.0% in the first quarter 2020. Real gross domestic product (GDP) is a comprehensive measure of economic activity and the most popular indicator of the nation's overall economic health. The most devastating three-month collapse on record in the second quarter 2020 almost wiped away nearly five years of growth as consumers cut back spending, businesses pared investments, and global trade dried up the Commerce Department said, and it would have been even more severe without trillions of dollars in government aid to households and businesses. The attempt to freeze the economy and defeat the virus had not produced the rapid rebound that many envisioned, and a surge in coronavirus cases and deaths across the country in the second quarter 2020 led to a renewed pullback in economic activity, reflecting consumer unease and renewed shutdowns. Fortunately,

though, a recovery started in the following quarter, as third-quarter (Q3) 2020 GDP increased at an annual rate of 33.4%, according to BEA's third estimate, the largest single quarter of economic growth on record, which recovered two-thirds of the economic output lost due to the pandemic during the first half of the year and bringing the economy back to only 3.5 percentage points below its pre-pandemic level (see graph presented previously).

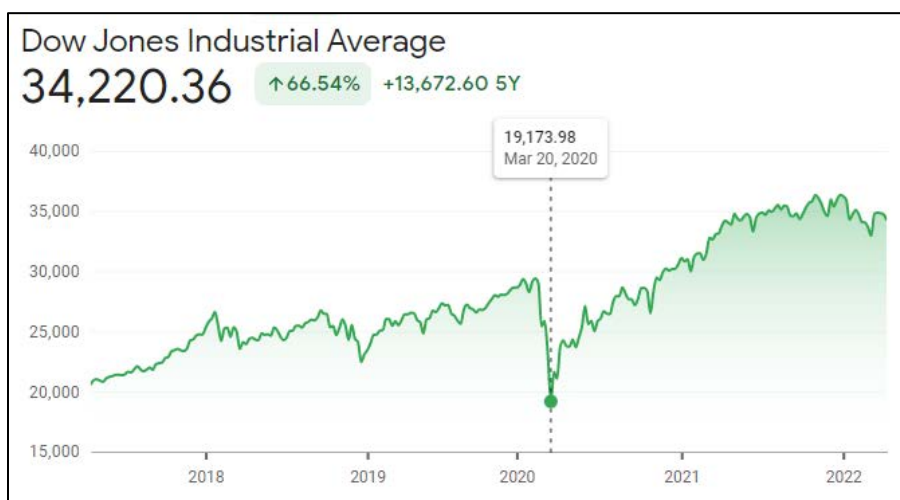
To start 2021, widespread vaccinations and government spending helped get the U.S. closer to where it was before the COVID-19 pandemic struck, the Commerce Department reported, as first-quarter GDP for 2021 increased at a 6.3% rate. This was the second-fastest pace for growth since the second quarter of 2003 and exceeded only by the reopening-fueled burst in Q3 2020, until Q2 2021, when it was followed by an increase in the GDP of 6.7%. While the increase in GDP in the first half of 2021 reflects the continued economic recovery, reopening of establishments, and the unending government response related to the COVID-19 pandemic, a lower increase of 2.3% in Q3 2021 GDP reflected the continued economic impact of the COVID-19 pandemic with a resurgence of COVID-19 cases.

Increasing at a 6.9% annualized pace, the U.S. economy grew at a much better-than-expected pace to end 2021 from sizeable boosts in inventories and consumer spending, and despite signs that the acceleration likely tailed off toward the end of the year; economists surveyed by Dow Jones had been looking for a gain of 5.5%. Gains came from increases in private inventory investment, strong consumer activity as reflected in personal consumption expenditures, exports, and business spending as measured by nonresidential fixed investment. Across-the-board decreases in the pace of government spending subtracted from GDP, as did imports, which are measured as a drag on output.

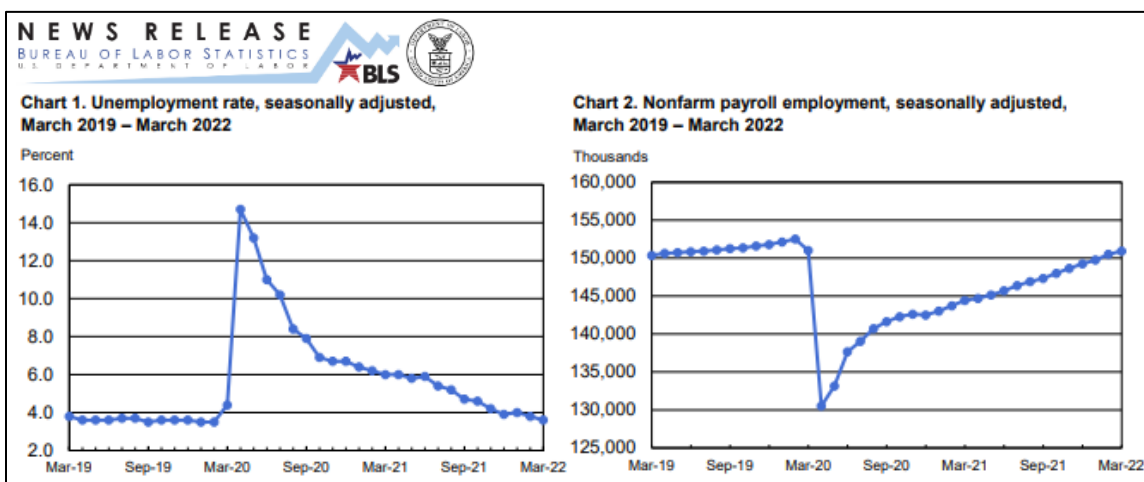


The Conference Board Consumer Confidence Index (CCI) is a barometer of the health of the U.S. economy from the perspective of the consumer. The index is based on consumer's perceptions of current business and employment conditions, as well as their expectations for six months regarding business conditions, employment conditions, and income. The CCI increased for March 2022, after a decrease in February (see graphic above); the Index now stands at 107.2, whereas

100 is the benchmark. Consumer confidence continues to be supported by strong employment growth, according to the Confidence Board; however, expectations have weakened with inflation over the next 12 months anticipated to reach 7.9%, an all-time high, consumers citing rising prices, especially at the gas pump, and the war in Ukraine as factors. Meanwhile, purchasing intentions for big-ticket items like automobiles have softened somewhat over the past few months with rising interest rates anticipated.



Global stock markets initially suffered dramatic falls due to the COVID-19 pandemic, and the Dow Jones Industrial Average (DJIA), one of the most closely watched U.S. benchmark indices tracking targeted stock market activity, reported its largest-ever single day decline of almost 3,000 points on March 16, 2020, beating its previous record of 2,300 points that was set only four days earlier. It had increased steadily since the end of the “Great Recession” to record-high levels but fell sharply in the later part of February 2020 after mounting coronavirus fears. The Dow Jones has been hovering just above 34,000 near to the date of value, recovering the losses seen in the initial stages of the pandemic and setting numerous all-time highs since the later part of 2020, but negatively affected somewhat by geopolitical uncertainties (war in Ukraine) more recently. By comparison, the index was below 7,000 for a portion of 2009, at the time of the Great Recession.



The unemployment rate is the most frequently cited indicator of labor market health, and data from the job market gives the picture of an economy that is continually recovering from the effects of COVID-19 (see graphic displayed on the following page). It declined by 0.2 percentage point to 3.6% in March 2022, while nonfarm payroll employment rose by 431,000 jobs, according to the U.S. Bureau of Labor Statistics (BLS). The national unemployment rate has generally been on a downward trajectory after having spiked to 14.7%, when 870,000 jobs were lost in March 2020, followed by a record 20.5 million in April 2020, when much of the U.S. in self-imposed shutdown mode to prevent the spread of Covid-19. The job losses in those two months were by far the largest decline since the government began tracking the data in 1939, and amount to layoffs so severe, they more than double the 8.7 million jobs lost during the Great Recession and nearly wiped out the 22.8 million jobs gained over 10 years since the 2008 financial crisis. The unemployment rate in April 2020 was the highest level since the BLS started recording the monthly rate in 1948. The last time American joblessness was that severe was the Great Depression, when the unemployment rate peaked at 24.9% in 1933, according to historical annual estimates from the BLS.

The improvements in the labor market starting in May 2020 reflect the continued resumption of economic activity that had been curtailed in March and April due to COVID-19 and efforts to contain it. For March 2022, notable job gains continued in leisure and hospitality, professional and business services, retail trade, and manufacturing. Both the U.S. unemployment rate, at 3.6%, and the number of unemployed persons nationally, at 6.0 million, declined from previous months and nearing their levels prior to COVID-19 (3.5% and 5.7 million, respectively, in February 2020). The unemployment rate in Santa Clara County was 2.5% (not seasonally adjusted) for March 2022, which compares with an unemployment rate of 4.2% for California for the same period.

Generally, housing is seen as one of the sectors to rise or fall as economic conditions improve or degrade. The California housing market ended 2020 on a high note, with the statewide median home price reaching record highs. That same momentum was carried forward in 2021, and in April, the median home price throughout the state reached above the \$800,000 mark for the first time, according to the data released by the California Association of Realtors. 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. For February 2022, the median sales price of existing single-family homes statewide was \$771,270, up 0.7% from January and up 10.3% from a year earlier. Sales of existing homes declined -4.5% and -8.2%, respectively, for all of California over the same time period. Just like the national housing market trends, the tight inventory and low mortgage rates are fueling the rise in California home prices.

Sales of single-family, re-sale homes were down 6.1% year-over-year in March 2022 in Santa Clara County, where 806 homes were sold, according to MLSListings source data. Comparatively, the monthly average since 2000 is 987. April marked the seventh month in a row that home sales were lower than the year before.

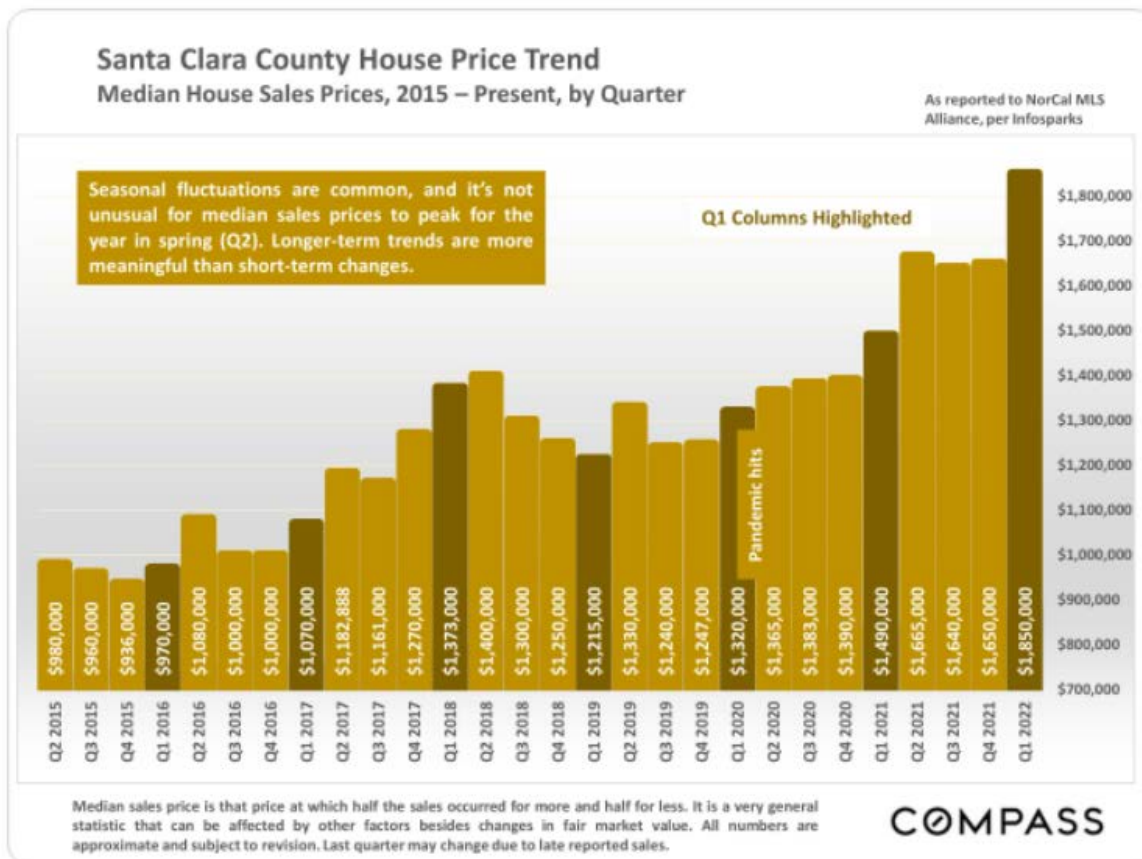
At \$1,950,000, the median sales price for single-family, re-sale homes in Santa Clara County in March 2022 rose 21.9% compared to last year. That is the twenty-ninth month in a row the median sales price has been higher than the year before. The graphic displayed on the following page

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shows the trend for median home sales prices in Santa Clara County over the last five years (by quarter) through the first quarter 2022.



There were 600 homes for sale in Santa Clara County, as of April 5th, while the average since 2000 is 2,703. After being down year-over-year thirty months in a row, inventory of single-family, re-sale homes were up 0.8% compared to last year. At the current rate of sales, it would take 22 days to sell all homes listed for sale, while the average since 2003 is 89.

The graphic presented on the following page shows the median sales price for single-family, re-sale homes in Central San Jose and other relevant data about the local residential real estate market.

March 2022 Report

Single Family Homes in Santa Clara County, San Jose, Central San Jose

| Trends At a Glance | Mar 2022 | Previous Month | Year-over-Year |
|---------------------|----------------------|----------------|----------------------|
| Median Price | \$1,265,000 (+0.6%) | \$1,257,500 | \$1,100,000 (+15.0%) |
| Average Price | \$1,467,500 (+10.0%) | \$1,333,580 | \$1,245,490 (+17.8%) |
| No. of Sales | 34 (+6.3%) | 32 | 47 (-27.7%) |
| Pending | 77 (+28.3%) | 60 | 55 (+40.0%) |
| Active | 37 (+54.2%) | 24 | 50 (-26.0%) |
| Sale vs. List Price | 113.9% (+0.4%) | 113.5% | 106.8% (+6.6%) |
| Days on Market | 31 (+125.2%) | 14 | 23 (+35.9%) |
| Days of Inventory | 33 (+61.2%) | 20 | 32 (+2.3%) |

Project Description

The Coyote Creek Watershed consists of a 322 square mile area with six major tributary creeks and is the largest watershed in Santa Clara County. It extends from the urbanized valley floor upward to the vast natural areas of the Diablo range. Coyote Creek, its main waterway, is the longest creek in the county.

Flooding has occurred repeatedly within the Coyote Creek Watershed, including along portions of Coyote Creek, most recently in February 2017. The worst flooding since the construction of the Anderson Dam in 1950 occurred during the 2017 flood event. Coyote Creek overtopped its banks at several locations between Montague Expressway and Tully Road. Businesses and hundreds of homes were inundated by creek waters, some by up to six feet. Highway 101 near Watson Park and various local streets were closed due to the flooding, and thousands of residents were evacuated and sheltered.

Soon after the 2017 flood, Valley Water, the flood protection agency for Santa Clara Valley, acted on a series of immediate flood risk reduction efforts, the largest of which was the construction of a flood barrier and levee in the Rock Springs, Nordale, and Bevin Brook neighborhoods of San Jose. The primary goal of the Coyote Creek Flood Protection Project and Coyote Creek Flood Management Measures Project is to reduce the risk of flooding to homes, schools, businesses, and highways from a flood event equivalent to the one experienced in February of 2017. The project reach is located in the central section of the Coyote Watershed on the mid-section of Coyote Creek, extending approximately nine miles between Montague Expressway and Tully Road, all within the city limits of San Jose. The Coyote Creek Flood Management Measures

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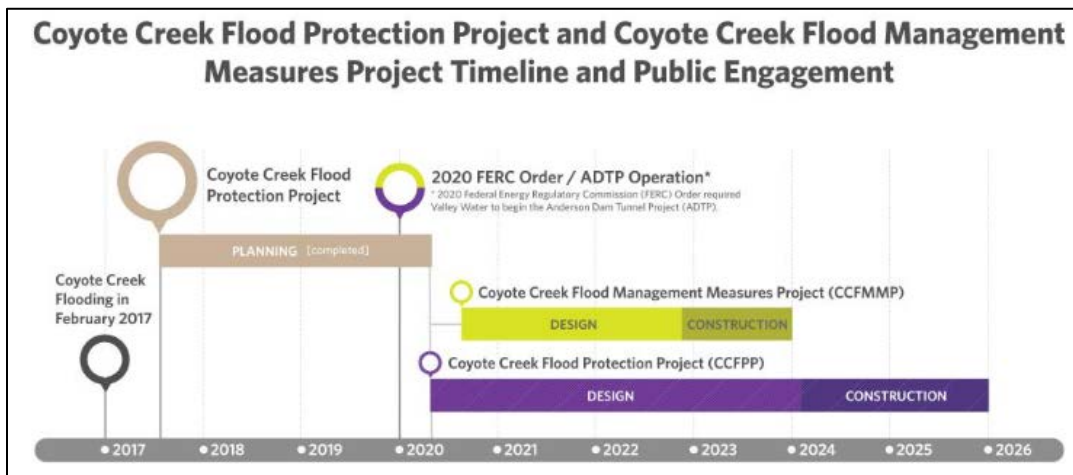
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Project includes Reaches 5, 6, and 7 and the Coyote Creek Flood Protection Project, Reaches 4 and 8 (see Project Exhibit).

Coyote Creek is an active riparian corridor serving as habitat for wildlife. Urban growth has drastically reduced and altered the natural habitat surrounding Coyote Creek. The riparian corridor has become narrow and discontinuous because of adjacent land use. Creek ownership varies from public entities to private owners, creating challenges for consistent and comprehensive maintenance. Non-native and invasive plants have also decreased the value of riparian habitat for native wildlife along the creek. Project objectives will include enhancing and restoring stream habitat, while improving upon water quality within the project limits, and to minimize the need for future operations and maintenance activities to create a self-sustaining natural system. Wherever feasible, the use of non-structural and/or minimal hardscape features will be included for creek improvements.

The Project was originally funded by the countywide Clean, Safe Creeks and Natural Flood Protection Plan parcel tax passed by voters in November 2000. In November 2012, it was transitioned to the Safe, Clean Water and Natural Flood Protection Program.



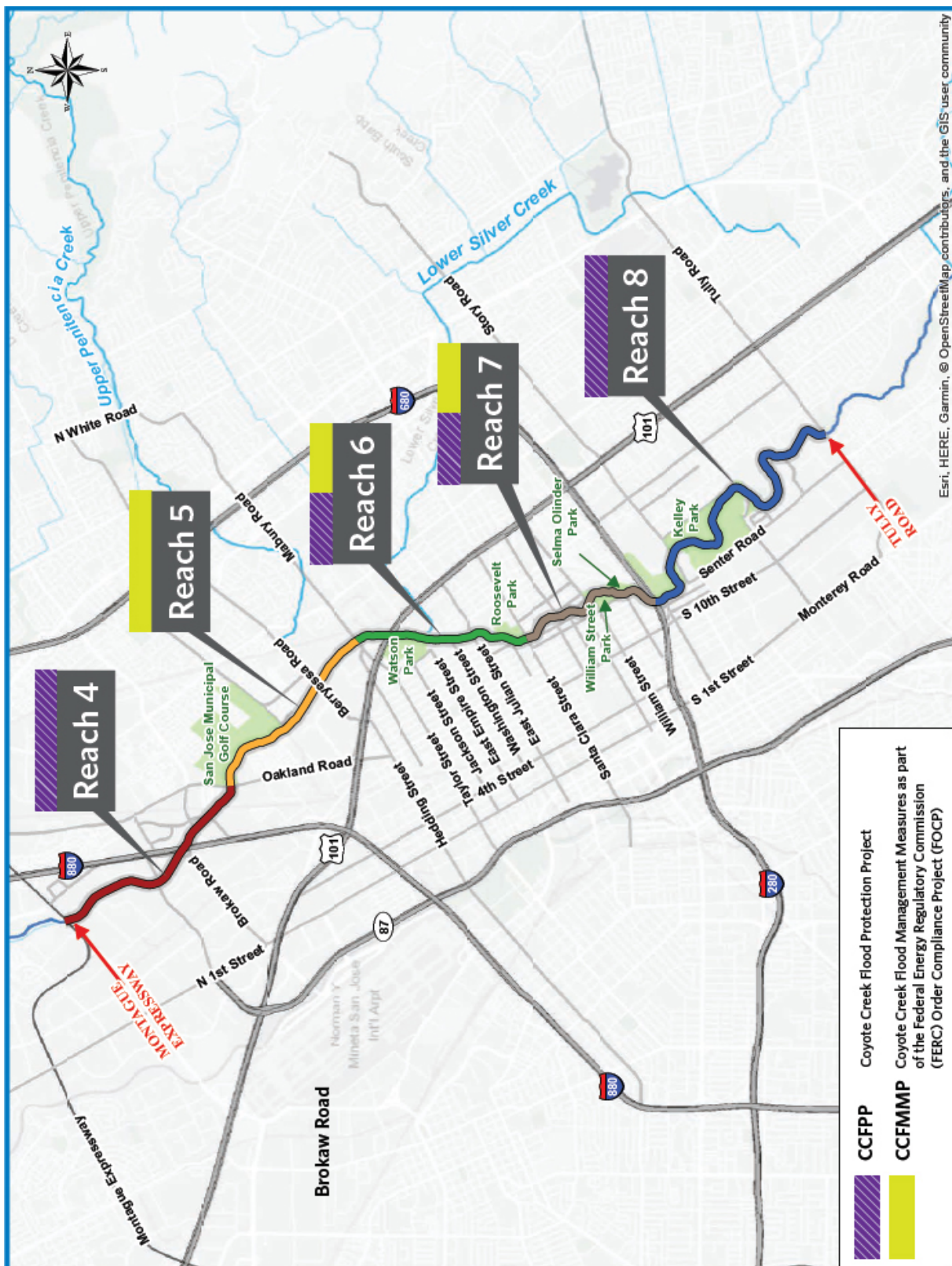
In an effort to implement the Project, Valley Water is proposing to acquire certain properties within the project limits that are located in FEMA flood mapped areas, which includes the subject. Alternatives to owners selling their properties are to elevate existing structures above the flood level or to construct a flood wall as another protective measure.

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Project Exhibit



Subject Parcel Information

Subject Property Data Summary

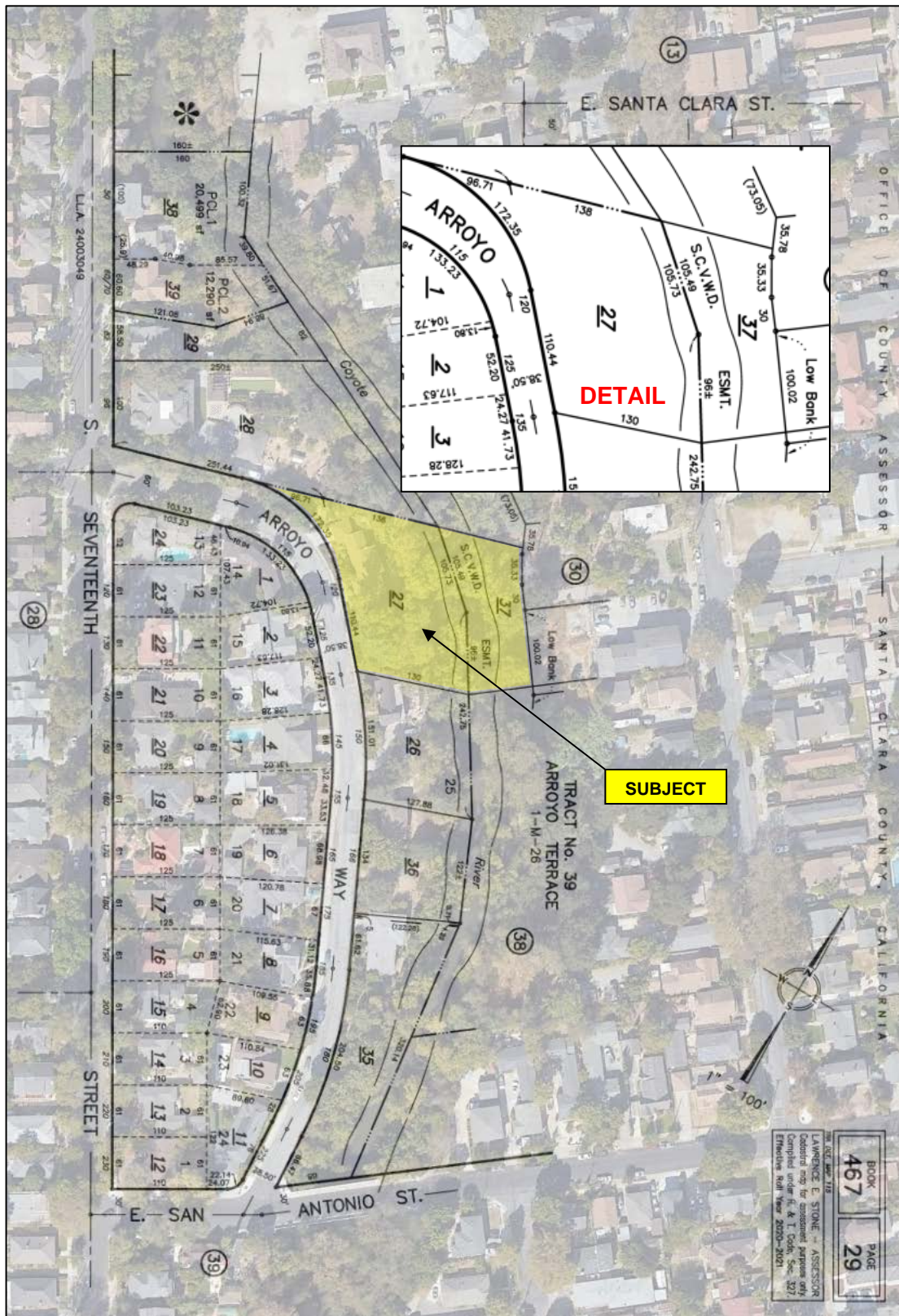
| | |
|---|---|
| Assessor's Parcel Numbers: | 467-29-027, -037 |
| Property Location/Address: | 120 Arroyo Way, San Jose, CA |
| Owner: | Donald Lieberman and Patricia Long |
| Owned Since: | For more than five years |
| Occupied By: | Property owner |
| Principal Improvements: | Wood-framed, two-story single-family residence built in 1939 and expanded in the late 1940s (recently updated), with 3,696 square feet of livable space, including 4 bedrooms and 3 bathrooms; two-car attached garage; and partial unfinished basement |
| Site Area: | 39,291 square feet or approximately 0.90 acre, with just more than one half located within the confines of Coyote Creek or riparian vegetation |
| Flood Hazard Information: | Flood Zone AE, Map No. 06085C0253H, dated May 18, 2009 |
| Earthquake Information: | Not located in an Earthquake Fault Zone |
| Environmental Assessment: | None provided. This appraisal assumes that no environmental remediation would be required regarding the subject property |
| Real Estate Taxes & Assessment Data: | Total taxes for the 2021/2022 tax year amount to \$6,517.96, including direct assessments of \$1,406.62. The tax rate is 1.17226%. |
| Zoning: | R-1-8 – Single-Family Residence District |
| General Plan: | Residential Neighborhood and Open Space, Parklands, and Habitat (portion in Coyote Creek) |
| Highest and Best Use: | |
| As If Vacant | Development of a single-family residence |
| As Improved | Continue the current single-family residential use |

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Assessor's Parcel Map



Subject Aerial Photograph



Subject Property Photographs



View of the front elevation of the house located on the subject site, as seen from Arroyo Way



View of the southwest elevation of the house, as seen from the landscaped front yard space

Subject Property Photographs



View of the southeast elevation of the house, as seen from the landscaped rear yard space



View of the northeast elevation of the house, as seen from the landscaped rear yard space

Subject Property Photographs



View of the northeast elevation of the house, as seen from the rear yard space



View of the northwest elevation of the house, as seen from the northern portion of the parcel

Subject Property Photographs



View of the two-car attached garage, as seen from Arroyo Way



View of the living room located on the lower floor

Subject Property Photographs



View of the kitchen located on the upper floor



View of the formal dining room located off the kitchen

Subject Property Photographs



View of the master bedroom (upper floor)



View of a typical bathroom, as seen from the upper floor hallway

Subject Property Photographs



View of the enclosed patio located on the lower floor included in the livable space



View of the home theater room located on the lower floor

Subject Property Photographs



View of the partial unfinished basement



View of Arroyo Way, as seen from in front of the subject property facing south

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Property Description

Site Description

The subject property is located on the east side of Arroyo Way, north of East San Antonio Street and east of South 17th Street. There is a barricade located where Arroyo Way meets South 17th Street that restricts vehicular traffic. The street address for the subject is 120 Arroyo Way. Arroyo Way is a relatively short, interior residential street comprised of two lanes, one in each direction, and travels generally north-south in the Naglee Park Conservation area of San Jose. Curbs and gutters line both sides of the street, and there is a sidewalk on the west side. The subject is in an area of predominately single-family residential uses with improvements that were mostly built prior to the 1950s. Single-family residential properties are located directly to the north and south, across Coyote Creek to the east, and across Arroyo Way to the west. William Street Park is located within walking distance and offers the potential for recreational activities. Commercial services available to neighborhood residents are concentrated along Santa Clara Street at the point where South 17th Street transitions to North 17th Street. From this location, Santa Clara Street leads to the downtown area heading west. The light rail line runs along Santa Clara Street, and a station is nearby. Highway 101 is the closest freeway access, which is roughly one mile to the east via Santa Clara Street.

The subject site, identified as APNs 467-29-027, -037 on the Assessor's parcel map, is a slightly irregular shaped parcel with approximately 283 feet of frontage along Arroyo Way. Public record summaries reviewed for the two parcels indicate a combined lot area of 45,514 square feet, according to assessor information. However, this area seems to be overstated, and 39,291 square feet has been used for this assignment based on 0.279 acre indicated in a recorded document for an easement that seems to encumber all of APN 467-29-037 (see Existing Easements) and area calculated for APN 467-29-027 using a GIS application. The parcel is terraced, with a slope down from street grade before it meets Coyote Creek and extending across to the eastern bank. The natural riparian area seems to occupy just more than one half of the site.

Improvement Description

A single-family residence of wood-framed construction is located on the parcel towards the western portion of the site. The house was built in 1939 and expanded in the late 1940s. Through its form and detailing, and with its long, rectangular footprint, it embodies a distinctive early Ranch-style. Set into the hillside, the structure has a single-story front at grade with Arroyo Way and two stories in the rear that face Coyote Creek. The house has 3,696 square feet of livable space based on measurements taken at the time of inspection, all over a slab foundation and concrete retaining wall with seismic retrofit. There are four bedrooms and three bathrooms on the upper floor, in addition to a kitchen and separate formal dining room. There is also a 2-car attached garage at this level (see Upper Floor Plan). The lower floor consists of a living room, room without a closet (labeled 'den' on the floor plan); large bonus room set-up as a home theater, with a projector and large screen that drops out of the ceiling (labeled 'play room' on the floor plan); enclosed patio that is airconditioned space (separate air handler from the main heating/cooling system); and partial unfinished basement (see Lower Floor Plan).

With no sidewalk, an exposed aggregate-concrete walkway located behind a split-rail fence leads to the house from the front curb to a slightly raised, small covered brick stoop roughly centered in the width of the front elevation. The walkway passes through a moderately shallow, level front yard with manicured landscaping consisting of complimentary shrubs and low-lying plants located amongst mature trees. An automatic irrigation system was observed. Stepping stones meander through the landscaping, and the pathways are illuminated with decorative light fixtures.

Recessed within the entry alcove is a weathered mahogany door accented with glass-block sidelights. The exterior wall of the front façade is clad in red brick contrasted with vertical wood siding that has been stained a dark brown. A wide brick chimney extends the full height of the house protruding through the architectural composition shingled (reroof done in 2008), low-sloped hip roof near the southern corner of the building where a brick retaining wall holds back the hillside to expose the lower level and steps provide access to the enclosed patio at ground level. The roof projects beyond the exterior walls of the house creating deep eaves boxed with v-groove soffits directly above the window line and incorporating integral metal gutters into the fascia. Windows are modest steel, single pane in fixed sashes or casement type. The wood siding on the front of the house carries over to the other elevations of the building, in horizontal as well as vertical alignment, but the windows increase in size to take advantage of the view of Coyote Creek.

A standard-sized concrete driveway serves the two-car garage attached to the northwest portion of the house that is also used to access a side yard with raised garden beds and a brick patio secured with metal rail fencing and screened from the roadway with landscaping. The patio wraps the corner of the house held back by wood and rock retaining walls, and steps fashioned from wooden timbers cascade down to the rear yard space.

Wooden and rock retaining walls interrupt the gradual slope of the land on the south side of the lot in an expansive landscaped area where the front yard transitions to the backside of the property. Steps similar to those on the north side of the house connect the yard spaces. Off the backside of the house is a large concrete patio surrounded by similar themed plantings and lighted pathways and edged by the riparian landscape along Coyote Creek that includes large shade trees. The parcel crosses the creek and steps that once lead down to the water disappear into the dense vegetation that has been left in its natural state, but low-lying as to not obstruct the view. A recessed corner room of the house that was initially an open brick patio, featuring a built-in BBQ and fireplace, has been enclosed with glass, and sliders provide a large walk-out to the rear yard space.

The front entry door to the house opens into a small foyer that connects with a long hallway and bedroom wing, which includes the bathrooms; dining room, kitchen with a small enclosed laundry area and there is a door to the garage; and open staircase leading to the lower floor and two-story living room that has a high sloped ceiling open to the public space above. The upper floor protrudes into the living room the width of the staircase that runs along a wall and a built-in custom-made wood cabinet with display shelves above it is beneath the cantilevered section, similar to one in the home theater room. A storage area is underneath the stairs. The living room also features a fireplace and two large banks of windows that look out onto the landscaped rear yard and riparian area. There is a door that leads to the back patio from the living room and another at the base of the stairs connects with a short hallway and the other rooms at the lower level.

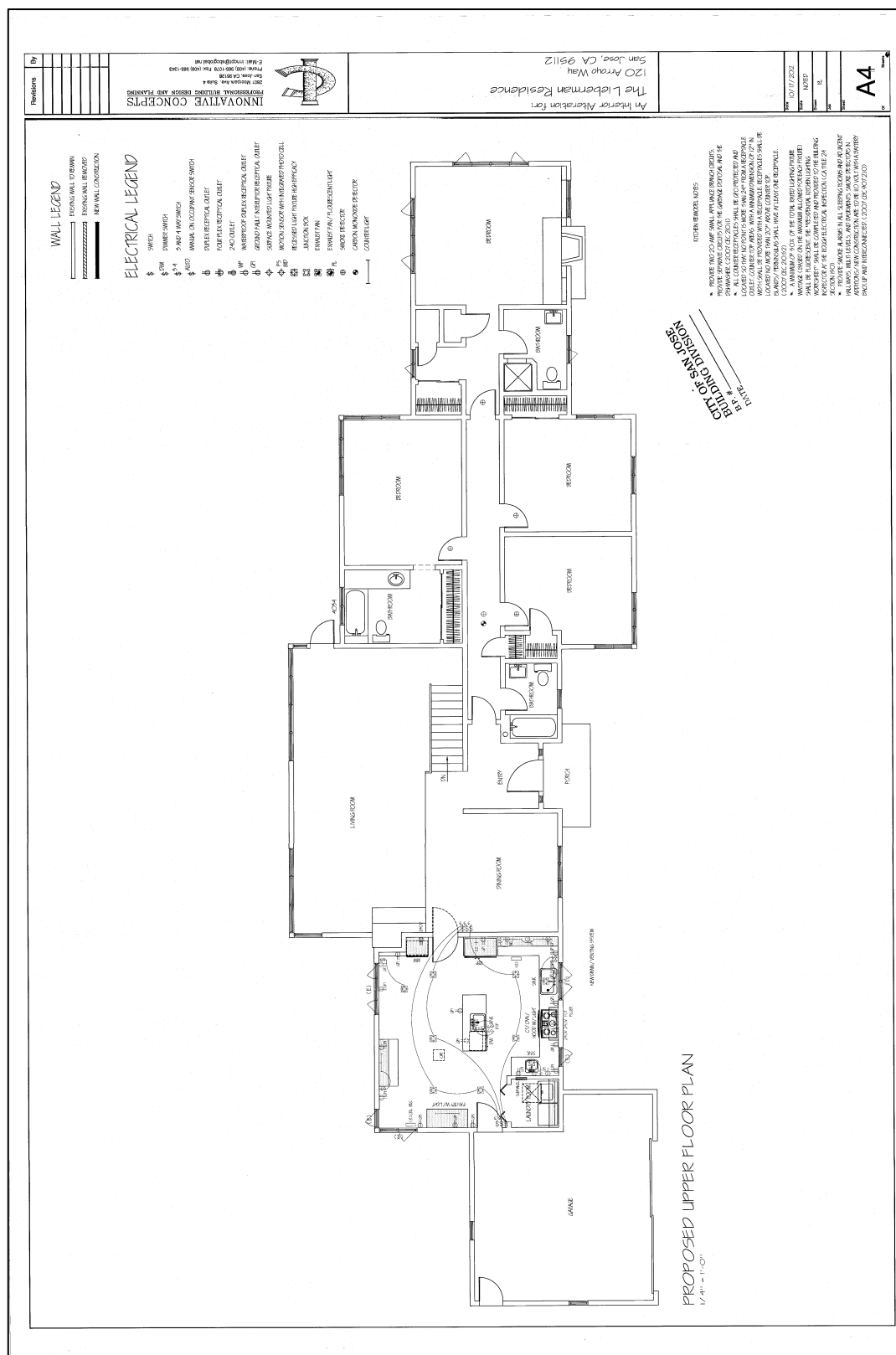
The kitchen has been modernized from the original design and is one open room with a center island surrounded by an abundance of custom-made cabinets; there is also a built-in cabinet in the separate formal dining area. The kitchen features slab countertops, tiled backsplash, multiple sinks, and built-in appliances, including a combination oven and stove cook top with a range hood; microwave; combination refrigerator and freezer; and dishwasher. Various species of wood with a natural finish has been used for the cabinetry as well as decorative elements. In addition to windows that bring natural light into the space, ceiling mounted or hanging light fixtures illuminate the kitchen and provide task lighting; these same light fixtures have been used in other areas of the house. There is a skylight in the laundry area. The walls and ceiling in the kitchen are painted sheetrock or plaster, similar to the bedroom wing, but various types of high-end wood paneling and integrated wood moldings have mostly been used in the other public spaces. The floors in the kitchen and bathrooms have been tiled; however, various types of hardwood have been used to finish the floors throughout the rest of the house, except for the enclosed patio and the partial basement and garage, which have unfinished floors.

A modest-sized master suite has its own bathroom, his-and-her closets, in addition to a closet for linens, and this space also has a fireplace; there is a linen closet common to the other bedrooms, accessed by the hallway that connects them as well as individual reach-in closets. There is another ensuite and the other two bedrooms share a bathroom with the public spaces; there is no bathroom outside of the bedroom wing. A door can be closed to separate the bedroom wing from the public spaces. The bathrooms include either a tiled shower-over-tub design or single stall shower; pedestal sink; ornate wood vanities with integrated mirrors that match wood window treatments; and wall sconces. Wainscoting adds to the motif. The fenestration of the bedrooms and bathrooms are typical.

The basement and garage are unfinished but have above average lighting and electrical. These spaces are accessible from the exterior or interior. The basement houses the mechanical systems, which includes central heating and air conditioning. Copper piping was observed and the original knob and tube has been replaced through extensive rewiring of the electrical system, which includes 5.9kW photovoltaic solar panels (installed in 2014). The mechanicals were replaced after the most recent 2017 flood event as part of the repairs completed to fix damage to the lower floor that had been inundated with several feet of water. There is a security system with video surveillance.

The house has a distinctive character and composition that is expressed through its preserved materials, workmanship, and eclectic design. A review of city permits reveals that the subject improvements have undergone routine maintenance, updating, and remodeling, display above average condition, and the effective age is much lower than the chronological age.

Upper Floor Plan



WALL LEGEND

EXISTING WALL (FORMER)
NEW WALL (CONCEPT)
NEW WALL (CONCEPT)

EXISTING LOWER FLOOR PLAN

1/4" = 1'-0"

Revisions

| No. | Description | Date |
|-----|----------------|-----------|
| 1 | Initial Design | 10/1/2020 |
| 2 | Revisions | 10/1/2020 |
| 3 | Revisions | 10/1/2020 |
| 4 | Revisions | 10/1/2020 |
| 5 | Revisions | 10/1/2020 |
| 6 | Revisions | 10/1/2020 |
| 7 | Revisions | 10/1/2020 |
| 8 | Revisions | 10/1/2020 |
| 9 | Revisions | 10/1/2020 |
| 10 | Revisions | 10/1/2020 |

INNOVATIVE CONCEPTS
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E-Mail: info@innovative.com

An Interior Alteration for:
The Lieberman Residence
120 Arroyo Way
San Jose, CA 95112

A3

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Personal Property Description

A detailed inventory of personal property was not taken at the time of inspection but is considered to be typical of a single-family residence similar to the subject improvements.

Title and Property History

A preliminary title report for the subject property was provided for use in this assignment, and is included in the Addenda. The title report was prepared by Old Republic Title Company and dated October 2, 2020. According to the title report reviewed, the subject's fee ownership is vested in:

Donald Lieberman and Patricia A. Long, Trustees of the Donald Lieberman and Patricia A. Long Revocable Trust dated 10/30/04

The subject has been under the same ownership for more than five years, according to a transaction history disclosed on a summary of the public record reviewed for the property. The subject is currently not being offered for sale or lease, and I am not aware of any offers to purchase the subject property, other than that being proposed by the Client. The property owner occupies the property.

The subject lot was created as part of the Arroyo Terrace subdivision, a sub-neighborhood of the Naglee Park Conservation Area, in the early 1900s. Naglee Park is an approximately 140-acre neighborhood that was once the estate of General Henry Morris Naglee. Arroyo Terrace remained mostly vacant until the late 1930s, originally slated for use as a public park with other adjacent lots.

A house was improved on the site in 1939 and the subject has been used for single-family residential purposes since that time. It represents a very early local implementation of the ranch-style and was featured in the local newspapers in 1941. Chester Root, a well-known local architect, used a mix of modern and traditional materials and forms to create a distinctive, unified composition. A 1949 addition, by Kress & Gibson, is harmonious with the original design in massing, materials, and features.

At the time the house was constructed, the subject was owned by former San Jose mayor Ernest Renzel and his wife Emily who occupied the property until his death in 2007. It has been historically known as the Ernest & Emily Renzel House. Renzel was instrumental in bringing the Norman Y. Mineta San Jose International Airport to the city; establishment of Kelley Park; and the formation of the Historic Landmarks Commission. Because of the historical, architectural, and aesthetic interest and value to the community the Renzel House was designated a City Landmark in 2008 (Historic Landmark No. 174). It was also added to the National Register of Historic Places in 2010.

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Existing Easements

The title report reviewed identifies the following recorded easements encumbering the subject property:

11. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

| | | |
|------------|---|--|
| Instrument | : | Easement |
| Granted To | : | City of San Jose, a municipal corporation |
| For | : | Sewer purposes |
| Recorded | : | May 27, 1939 in Book 937 of Official Records, Page 101 under Recorder's Serial Number 161029 |
| Affects | : | As described therein |

12. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

| | | |
|------------|---|---|
| Instrument | : | Easement |
| Granted To | : | Santa Clara Valley Water District, a public corporation |
| For | : | Water management and/or storm water drainage purposes |
| Recorded | : | September 7, 1994 in Book N587 of Official Records, Page 1242 under Recorder's Serial Number 12642033 |
| Affects | : | As described therein |

The second existing easement identified above appears to be encumbering all of APN 467-29-037. It is indicated in the easement deed that the area shall be kept clear of any type of building, fences, structure, pavement, or trees.

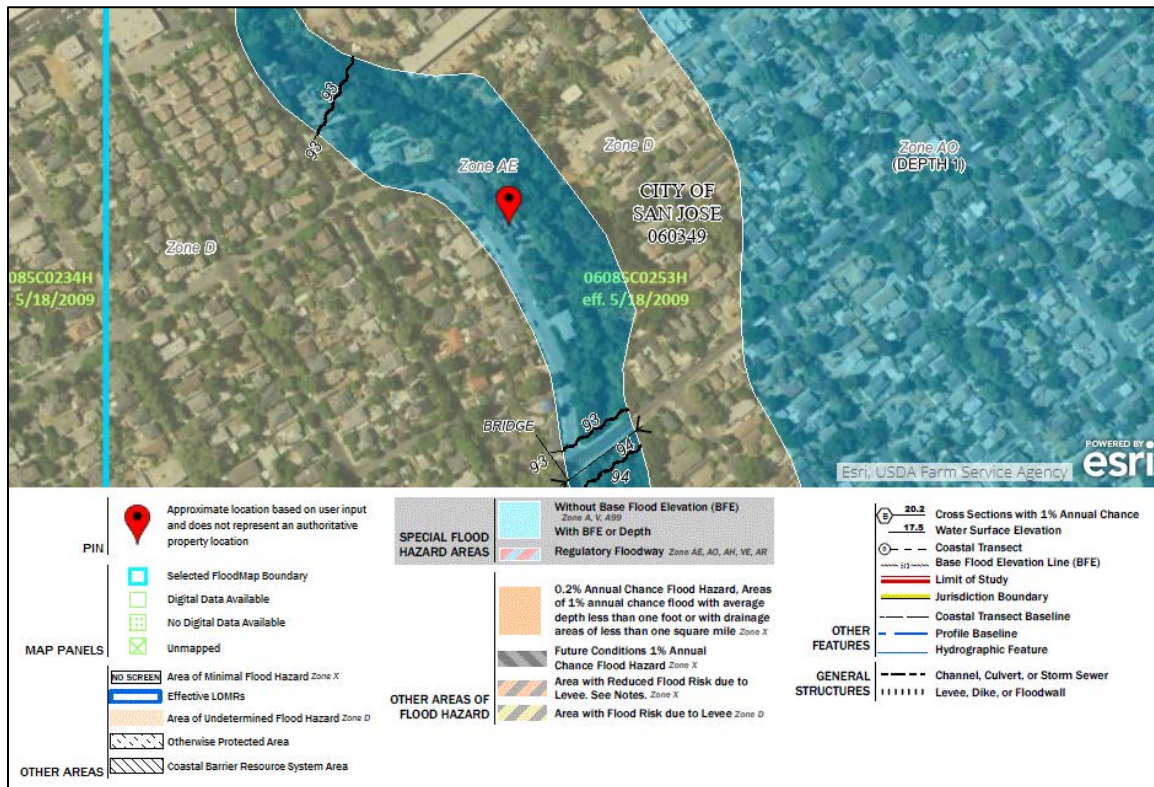
Flood Hazard Information

The subject property is in a mapped area designated to be in Flood Zone AE by the Federal Emergency Management Agency (FEMA). Flood Zone "AE" is defined as the base floodplain where base flood elevations are provided on the FEMA Flood Insurance Rate Map. The FEMA Flood Zone Map Panel is 06085C0253H and the effective date is May 18, 2009. A copy of the Flood Insurance Rate Map is included on the following page.

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Earthquake Information

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.

According to the California Department of Conservation, California Geological Survey, the subject property is not located in an Earthquake Fault Zone as designated under the Alquist-Priolo Earthquake Fault Zoning Act. Related development limitations, therefore, do not apply.

Environmental Assessment

An environmental assessment regarding the subject property has not been provided, and this appraisal assumes that no environmental remediation would be required.

Real Estate Taxes and Assessment Data

California law permits maximum annual property assessment increases of 2% unless a property has been sold. In practice, the maximum 2% increase is nearly universally imposed. Property is reassessed at the time of sale, typically for an amount approximated by the selling price. Taxes are typically estimated by California appraisers to be equal to the imputed tax rate, derived by dividing the net tax (total tax minus assessment bonds and direct assessments) by the assessed value, times the appraised value. If assessment district bonds encumber a property, they are itemized separately.

The current real estate taxes assessed for the subject property were reviewed. Total taxes for the 2021/2022 tax year amount to \$6,517.96, including direct assessments of \$1,406.62. The tax rate is 1.17226%.

Because of the subject's City Landmark status (see Title and Property History), the property is in a Historic Landmark Preservation Agreement (Mills Act Historical Property Contract), a contract between the City of San Jose and the owner of a designated City Landmark which allows the owner to enjoy a reduced property tax rate from the County Assessor in exchange for the preservation, and in some cases restoration and rehabilitation, of the historic property. The purpose of the agreement is to provide greater protection for the City Landmark property than is otherwise provided by the historic preservation regulations in the City Municipal Code. The required provisions of Historical Property Contracts are as follows:

- A provision that the term of the contract is a minimum period of ten years;
- A requirement that the property owner annually expend an amount equal to a minimum of 10% of the tax savings attributed to the Contract to the preservation and maintenance of the Landmark Property;
- A provision that the Contract is binding upon and shall inure to the benefit of, all successors in interest of the owners; and
- A successor in interest shall have the same rights and obligations under the Contract as the original owners who entered into the Contract.

Under a Historical Property Contract, a property receives a lower tax bill based on the property's potential rental income rather than its full market value and the property tax relief utilized to maintain the property. The amount of tax savings varies from property to property and year to year, depending on circumstances such as the size of the building and current rental rates. Because of Proposition 13, the percent difference between a new "income-based" assessment and a property's current assessment level is also affected by how long a given property owner has owned a building.

Zoning and General Plan of the Subject Property

| Zoning | General Plan | Current Use |
|--|--|---------------------------|
| R-1-8 – Single-Family Residence District | Mix of Residential Neighborhood & Open Space, Parklands, and Habitat (portion in Coyote Creek) | Single-Family Residential |

Utilization of the subject real property is regulated by the City of San Jose Code of Ordinances. The laws that govern the use of the land are the Zoning Ordinance and the Envision San Jose 2040 General Plan.

The zoning category for the subject is R-1-8 – Single-Family Residence District, synonymous with Single-Family Residential (Up to 8 Dwelling Units per Acre), as indicated on the zoning map, a section of which is displayed following this report section. The purpose of this district is to reserve land for the construction, use and occupancy of single-family subdivisions, with an allowable density range of one to eight dwelling units per acre. The following table depicts some of the significant development standards that must be adhered within the zoning district.

| Building and Site Standards | R-1-8 District |
|------------------------------------|----------------|
| Minimum Lot Size | 5,445 |
| Maximum Building Height / Stories: | 35 feet / 2.5 |
| <u>Yard Setbacks (Minimums)*</u> | |
| Front: | 20 feet |
| Side (Interior Lots): | 5 feet |
| Rear: | 20 feet |

San Jose has more than 30 streams that form approximately 136 miles of riparian corridors. The City has policies and requirements for the protection of riparian resources, habitat, flood safety, and bird-safe design in the General Plan, the Habitat Plan, the San Jose Municipal Code, and other City Council Policies. The Riparian Corridor Policy Study, revised in 1999, analyzed numerous streams and riparian corridors found within San Jose and provided detailed policy recommendations on how various types of development should be designed to protect and preserve the City's riparian corridors. The General Plan incorporates by reference the policy recommendations in the Policy Study for protecting riparian corridors. The General Plan goals, policies, and implementing actions further riparian protection, including establishment of a standard *100-foot riparian corridor setback, with an exception for projects where no significant environmental impact will occur.

The General Plan land use designation for the developable portion of the subject property is Residential Neighborhood and Open Space, Parklands, and Habitat (portion in Coyote Creek). It is stated in the General Plan that this designation is applied broadly throughout the City to encompass most of the established, single-family residential neighborhoods, including both the suburban and traditional residential neighborhood areas which comprise the majority of its

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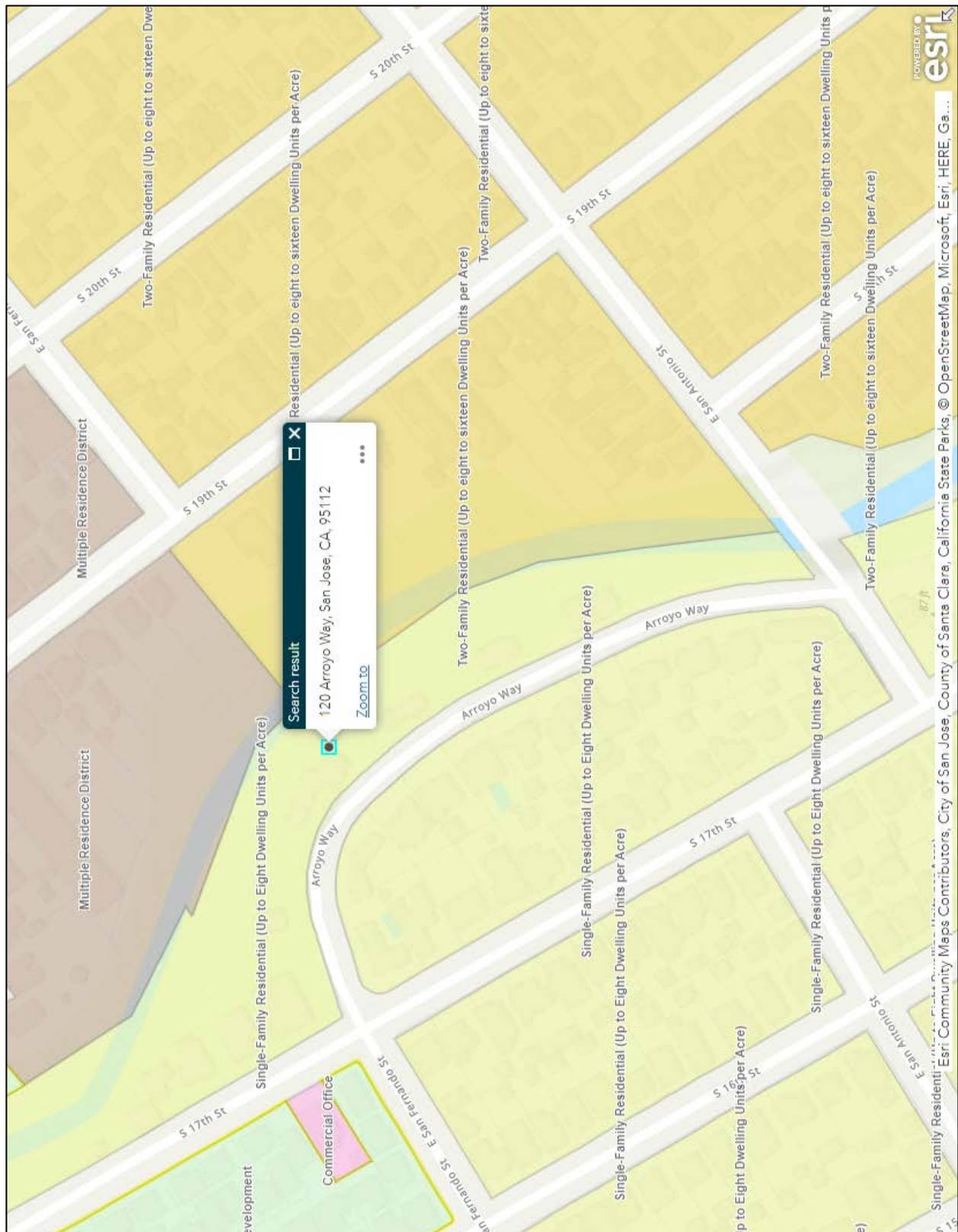
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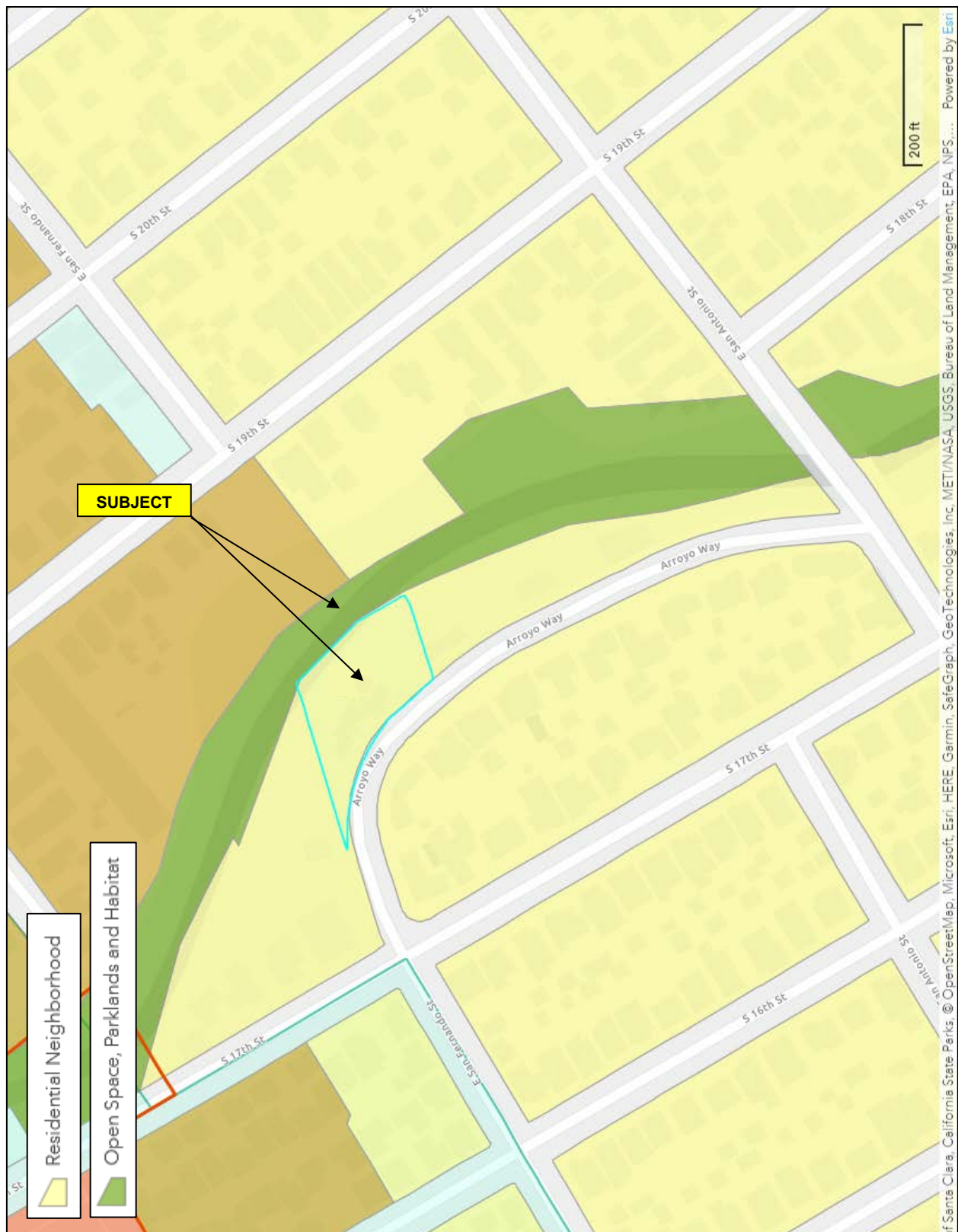
developed land. The intent of this designation is to preserve the existing character of these neighborhoods and to strictly limit new development to infill projects which closely conform to the prevailing existing neighborhood character as defined by density, lot size and shape, massing and neighborhood form and pattern. The portion of the subject property located in the confines of Coyote Creek has been designated Open Space, Parklands, and Habitat by the General Plan. A section of the General Plan map, delineating the land use designations in the vicinity of the subject, is included following the zoning map.

The subject property does not meet all of the minimum building setbacks, and seems to be legal non-conforming in this regard, but otherwise appears to conform to the other applicable land use ordinance requirements.

Zoning Map



General Plan Map



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 highest and best use of the subject as if vacant and as improved has been analyzed.

As If Vacant

Single-family housing is the principal use type allowed under the subject zoning. The subject is an approximately 39,291 square foot lot and the zoning allows for a minimum lot size of 5,445 square feet. However, considering the subject's other physical characteristics, including more than half of the site being located in the riparian area along Coyote Creek, as well as its downward slope, subdivision of the lot is unlikely. This is additionally supported by the fact that the subject and adjacent lots located along the creek, being of similar size, have never been split since they were created in the early 1900s. The subject parcel can accommodate a single-family residential

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use, as it is currently improved; there is a standard 100-foot riparian corridor setback, but the City's Habitat Plan provides a number of options for minimum required setbacks, including an allowance for reduction of the otherwise required minimum setback based on the extent to which meeting the required setback would result in demonstrable hardship (i.e. denies an owner any economically viable use of the land or adversely affects recognized real property interest). Market data gathered during the valuation process (see Real Estate Market Conditions) suggests that a single-family residential use is financially feasible. It has been concluded that the maximumly productive use and the highest and best use of the subject (as if vacant) is to improve the property with a single-family residence.

As Improved

The subject's current use is consistent with the highest and best use conclusion of the subject (as if vacant). The house located on the property was occupied at the time of inspection, and based on the quality and condition of the subject improvements, could endure under the current utilization for many years. It has been concluded that the highest and best use of the subject (as improved) is the continued use of the improvements located on the property.

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.

Valley Water has requested an appraisal of the current fair market value of the proposed full acquisition of the subject property.

The fair market value of the improved subject property has been estimated by applying the sales comparison approach. The cost and income approaches did not offer substantial insight into this estimate of market value. Sellers, buyers, and my peers in this market rarely rely on the cost and income approaches when offering, purchasing, or valuing properties similar to the subject. Therefore, the income and cost approaches were not utilized.

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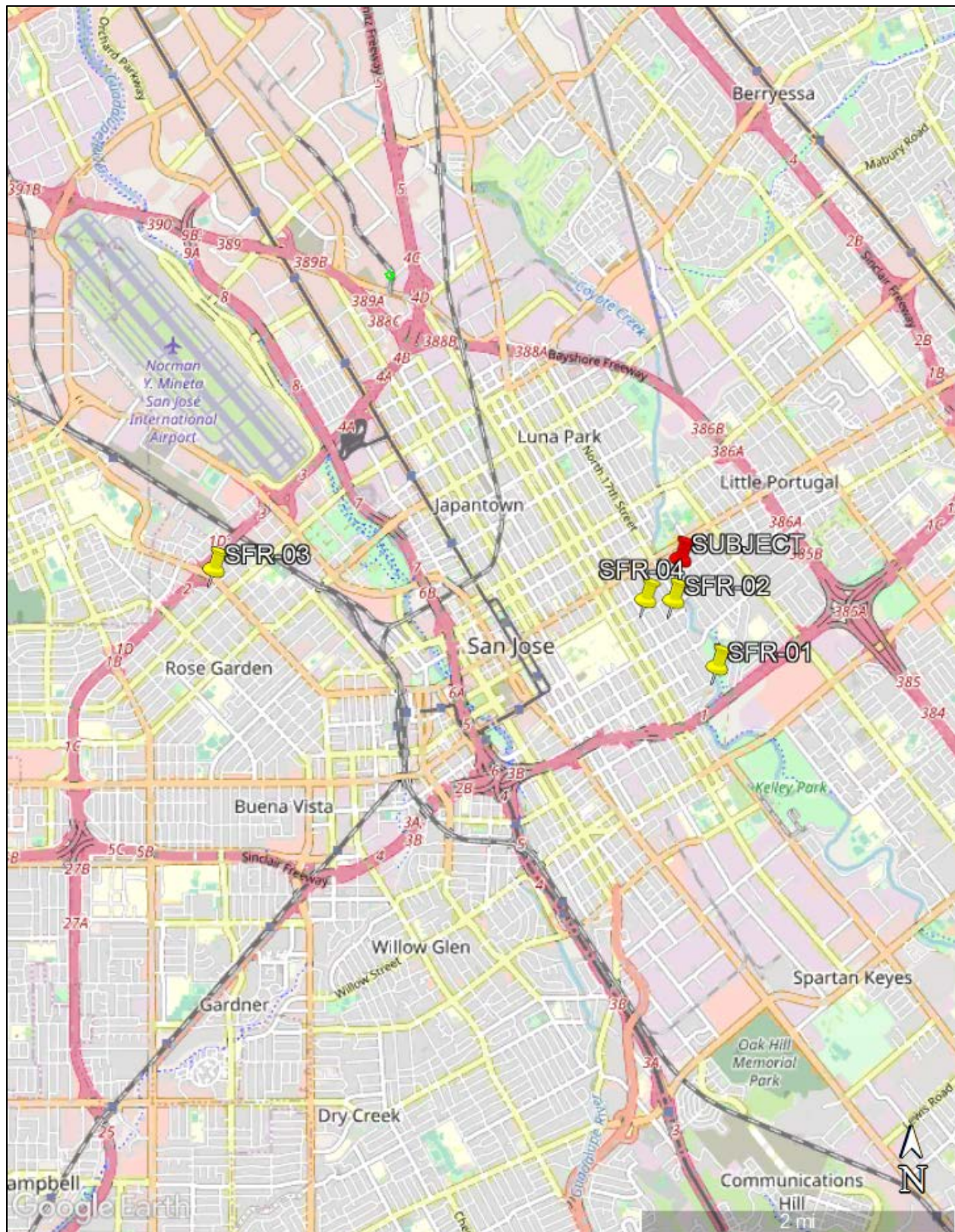
Sales Comparison Approach

A search was made for improved single-family residential properties that transacted over the past several months in the Naglee Park neighborhood of San Jose, with emphasis on similar houses on large lots that are located next to a natural watercourse and in the flood plain, like the subject. A limited number of recent sales were uncovered that met these criteria, so the timeline and other criteria were expanded. The following table displays a summary of the selected sales reflecting the actions of buyers and sellers in the marketplace and judged to be the most representative of an indicator of value for the property under analysis. The comparable sales were researched, inspected, and verified to the extent possible. A location map and comparable data sheets, including photographs for each comparable sale, are presented on the following pages, and Assessor's parcel maps are included in the Addenda.

Sales Data Summary

| No. | Address City, State APN | Type of Transaction COE | Sq. Ft. (Building) Improvements Parcel Size (Sq. Ft.) | Bedrooms/ Bathrooms Year Built | Sales Price \$/Sq. Ft. (Building) |
|----------------|---|-------------------------------|---|--------------------------------------|--------------------------------------|
| SFR-01 | 720 Margaret Street San Jose, CA 472-21-100 | Sale 04/14/22 | 2,335 SFR w/Attached 2-Car Garage 14,059 | 4/2.5 1964 (Updated) | \$2,225,000 \$952.89 |
| SFR-02 | 298 S. 15th Street San Jose, CA 467-39-085 | Sale 04/04/22 | 2,698 SFR w/Partial Basement, Detached 2-Car Garage, Bonus Room 6,398 | 4/3 1908 (Updated) | \$2,158,000 \$799.85 |
| SFR-03 | 1155 Mckendrie Street San Jose, CA 230-44-038 | Sale 04/04/22 | 4,349 SFR w/Partial Basement; Detached 2-Car Tandem Garage; Accessory Structure 16,531 | 4/3.5 1941 (Updated) | \$2,475,000 \$569.10 |
| SFR-04 | 201 S. 13th Street San Jose, CA 467-41-001 | Sale 08/02/21 | 4,618 SFR w/Basement, 2-car Detached Garage and 406 SF ADU 8,960 | 4/3.5 1911 (Updated) | \$2,200,000 \$476.40 |
| Subject | 120 Arroyo Way San Jose, CA 467-29-027,-037 | DOV 05/04/22 | 3,696 SFR w/Partial Basement & 2-Car Attached Garage 39,291 (Approx One Half in Coyote Creek) | 4/3 1939 (Updated) | |

Comparable Sale Location Map



Valley Water

Coyote Creek Flood Management Measures Project

APNs: 467-29-027, -037 – Lieberman / Long

Comparable Sale Data Sheet**SFR-01**

Property Type Single Family Res. - Improved
Type of Transaction Sale
COE 04/14/22
Sales Contract Date 03/24/22
Sales Price \$2,225,000
\$/Sq. Ft. (Building) \$952.89

Address 720 Margaret Street
City, State San Jose, CA
Zip 95112
APN 472-21-100

Buyer Thomas Chin
Seller Matthew R. and Saipin Ward
Document # 25282569
Terms All Cash

Parcel Size (Sq. Ft.) 14,059
Improvements SFR w/Attached 2-Car Garage
Sq. Ft. (Building) 2,335
Bedrooms/Bathrooms 4/2.5
Year Built 1964 (Updated)

Zoning R-1-8
General Plan Residential Neighborhood

Verified By See Comments

Comments The property is in San Jose's historic Naglee Park neighborhood, adjacent to Coyote Creek and in the flood plain (house was not impacted by 2017 flood). From MLS: "This 4 bedroom, 2.5 bath mid-century ranch-style home will wow you with its sweeping interior and exceptional lot. The floor plan features a foyer entrance that balances privacy with a desire to entertain as it leads to an expansive backyard and separates bedrooms from public spaces. Features include stainless steel appliances, six-burner gas stove, skylights, great room with built-in temperature-controlled wine cabinet, vaulted open beam ceiling, brick fireplace and glass doors leading to panoramic rear grounds. Relax in primary en-suite with french doors to a patio, and spa-like bathroom with towel warmer, TOTO bidet, and frameless rain shower. The laundry room has a half bath and is located off the attached 2-car garage. The sprawling backyard is a must-see retreat made for entertaining with its built-in BBQ/kitchen area, gas fire pit, bench seating, mature plants & trees, putting green. There is multizone heating and cooling." The property sold for more than the list price of \$1,798,888 after a short marketing period of one week. Attempts were made to reach the parties involved but were unsuccessful, and public records, subscription services, and other information were used to confirm the details of the sale.



Valley Water

Coyote Creek Flood Management Measures Project

APNs: 467-29-027, -037 – Lieberman / Long

Comparable Sale Data Sheet**SFR-02**

Property Type Single Family Res. - Improved
Type of Transaction Sale
COE 04/04/22
Sales Contract Date 03/10/22
Sales Price \$2,158,000
\$/Sq. Ft. (Building) \$799.85

Address 298 S. 15th Street
City, State San Jose, CA
Zip 95112
APN 467-39-085



Buyer Michael Arthur Gallagher and Jason Bong Chan
Seller Ping and Jacqueline Frances Wu
Document # 25275231
Terms Cash to Seller; Conventional Loan, 20% Down Payment

Parcel Size (Sq. Ft.) 6,398
Improvements SFR w/Partial Basement, Detached 2-Car Garage, Bonus Room
Sq. Ft. (Building) 2,698
Bedrooms/Bathrooms 4/3
Year Built 1908 (Updated)

Zoning R-1-8
General Plan Residential Neighborhood

Verified By Matt Taylor - Listing Agent

Comments The property occupies a corner location in San Jose's Naglee Park neighborhood. From MLS: "Arts and crafts home immaculately preserved and well-appointed. Spacious rooms with a first-floor ensuite, as well as a grand primary suite upstairs with large dressing room and ensuite bath tastefully remodeled with a large walk-in shower and dual sink vanity. The recently remodeled and expanded kitchen is a chefs dream with large breakfast bar and soapstone counters, built-in stainless steel oven, microwave, and dishwasher, downdraft gas cooktop, and custom cabinetry. Original pocket doors and refinished hardwood floors. French doors open to a landscaped private yard with stone walkways, flower beds, mature plants, heated spa, and built-in BBQ. An additional room accessed from the yard is ideal for a media/recreation room or office. There is a detached 2-car garage and partial basement. There is a woodburning fireplace in the living room." The property sold for more than the list price of \$1,899,000 after being marketed for about one week.

Valley Water

Coyote Creek Flood Management Measures Project

APNs: 467-29-027, -037 – Lieberman / Long

Comparable Sale Data Sheet**SFR-03**

Property Type Single Family Res. - Improved
Type of Transaction Sale
COE 04/04/22
Sales Contract Date 03/01/22
Sales Price \$2,475,000
\$/Sq. Ft. (Building) \$569.10

Address 1155 Mckendrie Street
City, State San Jose, CA
Zip 95126
APN 230-44-038



Buyer Selvin Quadros and Pealine Lavista Dsa
Seller The President and Board of Trustees of Santa Clara College
Document # 25275531
Terms Cash to Seller; Conventional Loan, 52.52% Down Payment

Parcel Size (Sq. Ft.) 16,531
Improvements SFR w/Partial Basement; Detached 2-Car Tandem Garage; Accessory Structure
Sq. Ft. (Building) 4,349
Bedrooms/Bathrooms 4/3.5
Year Built 1941 (Updated)

Zoning R-1-8
General Plan Residential Neighborhood

Verified By Brooks Nicholson - Listing Agent

Comments The property is located in the Rose Garden neighborhood of San Jose, just south of The Alameda. It backs to the off-ramp to I-880, which is visible from the second story, according to the listing agent. The property was originally listed for \$2,998,000, but the price was dropped and it sold for less than the list price at the time of sale of \$2,648,000 after an approximately 8 month marketing period that the listing agent said was due to the freeway. From MLS: "Recently remodeled with modern amenities and all the charm of yesterday, with many features throughout. Restored w/attention to detail. Oversized kitchen renovation w/luxury appliances, large granite slab island, 2 sub zero refrigerators, Miele appliances, and a wet bar. Beautiful hardwood floors. The backyard has a Bocce Ball court, barn/office/storage building, and small tailored gardens. Deep 16,553 SF lot (Assessor: 13,275 SF) w/tandem, detached 2-car garage and long driveway for additional parking. The lot configuration creates an opportunity for possible ADU or conversion of the accessory building." Other amenities include a wood burning fireplace, multizone forced air heating and cooling, and partial basement.

Valley Water

Coyote Creek Flood Management Measures Project

APNs: 467-29-027, -037 – Lieberman / Long

Comparable Sale Data Sheet**SFR-04**

Property Type Single Family Res. - Improved
Type of Transaction Sale
COE 08/02/21
Sales Contract Date 07/18/21
Sales Price \$2,200,000
\$/Sq. Ft. (Building) \$476.40

Address 201 S. 13th Street
City, State San Jose, CA
Zip 95112
APN 467-41-001



Buyer Haibin Du and Hong Tao
Seller Peter A. Smith
Document # 25050926
Terms All Cash

Parcel Size (Sq. Ft.) 8,960
Improvements SFR w/Basement, 2-car Detached Garage and 406 SF ADU
Sq. Ft. (Building) 4,618
Bedrooms/Bathrooms 4/3.5
Year Built 1911 (Updated)

Zoning R-1-8
General Plan Residential Neighborhood

Verified By See Comments

Comments Historic Miller-Hubbard House designed by Frank Delos Wolfe located in Naglee Park. From MLS: "House has been on Historic Home Tours. Property was completely renovated in 2007. Updated: Electrical w/400amp service, Plumbing, Brazilian Cherry flooring, Gourmet Kitchen with Top of the Line Commercial Grade Appliances, 3 HVAC Systems, Paint Inside and Out, 406 SF Guest House above 2-Car Detached Garage, Bar off Second Story Sun Porch, 10 Person Spa, Sidewalks, Driveway, Landscaping, etc. Home is under Mills Act that has \$8,000 Property Tax as well as Massive Owned Solar Panel System reduces Electric bill by 90%." The property sold for less than the list price \$2,399,621 after an approximately 5 month marketing period. Attempts were made to reach the parties involved but were unsuccessful, and public records, subscription services, and other information were used to confirm the details of the sale.

Sales Data Analysis

Adjustments are made to the comparable sale prices for the differences in the properties as they compare to the subject. A number of adjustments have been considered 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 comparables used are known to have included non-realty components of value.

A summary of the adjustments made to the comparable sales for the various factors affecting value, as compared to the subject, is included in the table below, followed by a discussion that expands upon the adjustments made in greater detail. Bold and/or larger font reflects a more significant adjustment.

| Comparable | SFR-01 | SFR-02 | SFR-03 | SFR-04 |
|---|---------------------|--------------------|-----------------------|--------------------|
| Address | 720 Margaret Street | 298 S. 15th Street | 1155 Mckendrie Street | 201 S. 13th Street |
| City, State | San Jose, CA | San Jose, CA | San Jose, CA | San Jose, CA |
| Sale Date | Apr-22 | Apr-22 | Apr-22 | Aug-21 |
| Sales Price | \$2,225,000 | \$2,158,000 | \$2,475,000 | \$2,200,000 |
| Sq. Ft. (Building) | 2,335 | 2,698 | 4,349 | 4,618 |
| Property Rights Conveyed | Ø | Ø | Ø | Ø |
| Financing Terms | Ø | Ø | Ø | Ø |
| Conditions of Sale | Ø | Ø | Ø | Ø |
| Expenditures After Purchase | Ø | Ø | Ø | Ø |
| Market Conditions (Time) | Ø | Ø | Ø | Positive |
| Location | Ø | Negative | Ø | Negative |
| Building Size / # of Beds/Baths | Positive | Positive | Negative | Negative |
| Age / Condition / Quality of Improv. | Negative | Positive | Ø | Positive |
| Historic Status (Mills Act) | Positive | Positive | Positive | Ø |
| Amenities / Features | Ø | Ø | Ø | Ø |
| Lot Size | Ø | Positive | Ø | Positive |
| Net Adjustment | Positive | Positive | Similar | Positive |

The comparables sold in a housing market with property values that are trending upward (see Real Estate Market Conditions); however, with the exception of SFR-04, which received significant positive adjustment for having transacted eight months prior, the other comparable sales sold around the date of value, warranting no adjustment.

No additional adjustments were determined to be warranted for the other transactional elements of comparison.

The subject is in the Naglee Park neighborhood of San Jose, backing to Coyote Creek and in a FEMA flood mapped area. Flooding has occurred along Coyote Creek, most recently in February 2017, as previously discussed in prior report sections. With the exception of SFR-03, the other

Valley Water

Coyote Creek Flood Management Measures Project

APNs: 467-29-027, -037 – Lieberman / Long



comparables are in Naglee Park, and SFR-01 is adjacent to Coyote Creek and in the same flood plain as the subject. Downward adjustments have been applied to SFR-02 and SFR-04 for their location in the neighborhood not susceptible to flood hazards. SFR-03 is located in San Jose's more desirable Rose Garden area, but backs to I-880, which had a significant impact on the sales price due to the negative freeway influence. Adjustments for differences in location between the subject and SFR-03 were concluded to be offsetting.

The subject has 3,696 square feet of livable space, with 4 bedrooms and 3 bathrooms. There is also a partial unfinished basement and attached two car garage (see Improvement Description). All of the comparable sales have the same bedroom count as the subject, but SFR-01 and SFR-02 have less square footage and SFR-01 has 2.5 bathrooms and no basement. Conversely, SFR-03 and SFR-04 have more livable space. These two comparables also have an extra half bath and SFR-04 has an ADU. Upward adjustments have been applied to SFR-01 and SFR-02 for this factor, and downward adjustments were warranted for SFR-03 and SFR-04, with more significant adjustments to SFR-01 and SFR-04.

The house located on the subject property was built in 1939 and expanded in the late 1940s, but has had extensive updating (see Improvement Description). Like the subject, all of the comparable sales have received many upgrades (see Comparable Sale Data Sheets) and rate similar in their quality and condition; however, SFR-02 and SFR-04 were built around 1910 and slight upward adjustments were deemed to be warranted. A downward adjustment of similar magnitude to that applied to SFR-02 and SFR-04 has been given to SFR-01 for this factor for having been constructed a couple of decades after the subject.

The subject is known as the Ernest & Emily Renzel House, and has been designated as a City Landmark and listed on the National Register of Historic Places (see Title and Property History). This qualifies the subject for reduced property tax under the Mills Act, but where a portion of the savings is obligated to be invested into maintaining the property (see Real Estate Taxes and Assessment Data). Property taxes for upscale homes in neighborhoods like Naglee Park can be substantial, given current selling prices, and to substantiate the value of these homes, updating and maintain them is already common place, as indicated by the comparable data. SFR-04 is also registered as a historic city landmark, known as the Miller-Hubbard House, but the other comparables are not. Upward adjustments are determined to be warranted for SFR-01 through SFR-03 for this factor, as supported by the data.

The subject site has an extensive amount of landscaping and hardscaping, especially to the rear of the property to take advantage of the view and serenity of the creek, which can also be enjoyed through the above average fenestration along the backside of the house. Additional amenities include the built-in BBQ and fireplace in the enclosed patio area, there is also a fireplace in the master suite, and home theater set-up. The electrical has been upgraded and garage outfitted for use as a workshop that can accommodate high-power tools and there is a PV system. The comparable sales also have various amenities beyond what would be considered typical for the market (see Comparable Sale Data Sheets), and after weighting these features compared to the subject's, no adjustments to the comparables were necessitated.

The subject's lot size is 39,291 square feet, which includes just over one half of the parcel located in the riparian area along Coyote Creek. Market data suggests that larger single-family residential

Valley Water

Coyote Creek Flood Management Measures Project

APNs: 467-29-027, -037 – Lieberman / Long



sites are more desirable to buyers in this market, and therefore upward adjustments have been applied to SFR-02 and SFR-04 for their smaller lot sizes. SFR-01 and SFR-03 are slightly smaller than the net useable portion of the subject, but are large lots nonetheless, and when considering the slight irregularity of the subject parcel and below average site utility due to the slope, an adjustment to these comparables for this factor did not appear warranted.

Sales Comparison Approach Value Conclusion

The unadjusted selling prices of the comparable sales range from \$2,158,000 to \$2,475,000. After adjustments, the comparable sales indicate a value for the subject property similar to that of SFR-03, with no overall net adjustment and the least amount of gross adjustment. Based on the prior analysis and discussion, and in view of the definition of market value, the estimated fair market value for the subject property, utilizing the sales comparison approach, is concluded to be \$2,475,000.

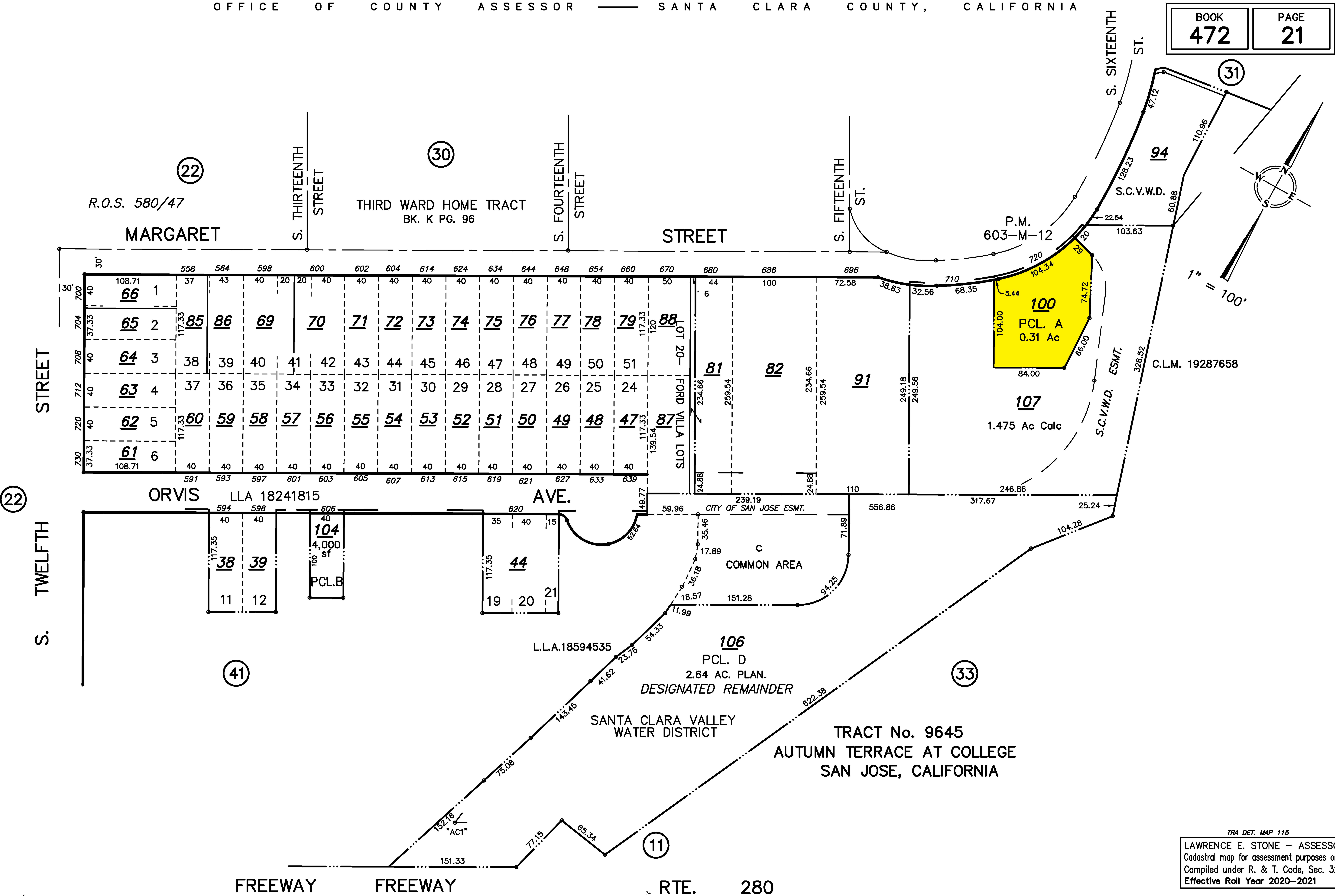
Estimated Fair Market Value Conclusion

Based on the forgoing data and analysis, my opinion of the fair market value of the fee simple interest in the subject property, to be used as a basis for determining just compensation, is as follows:

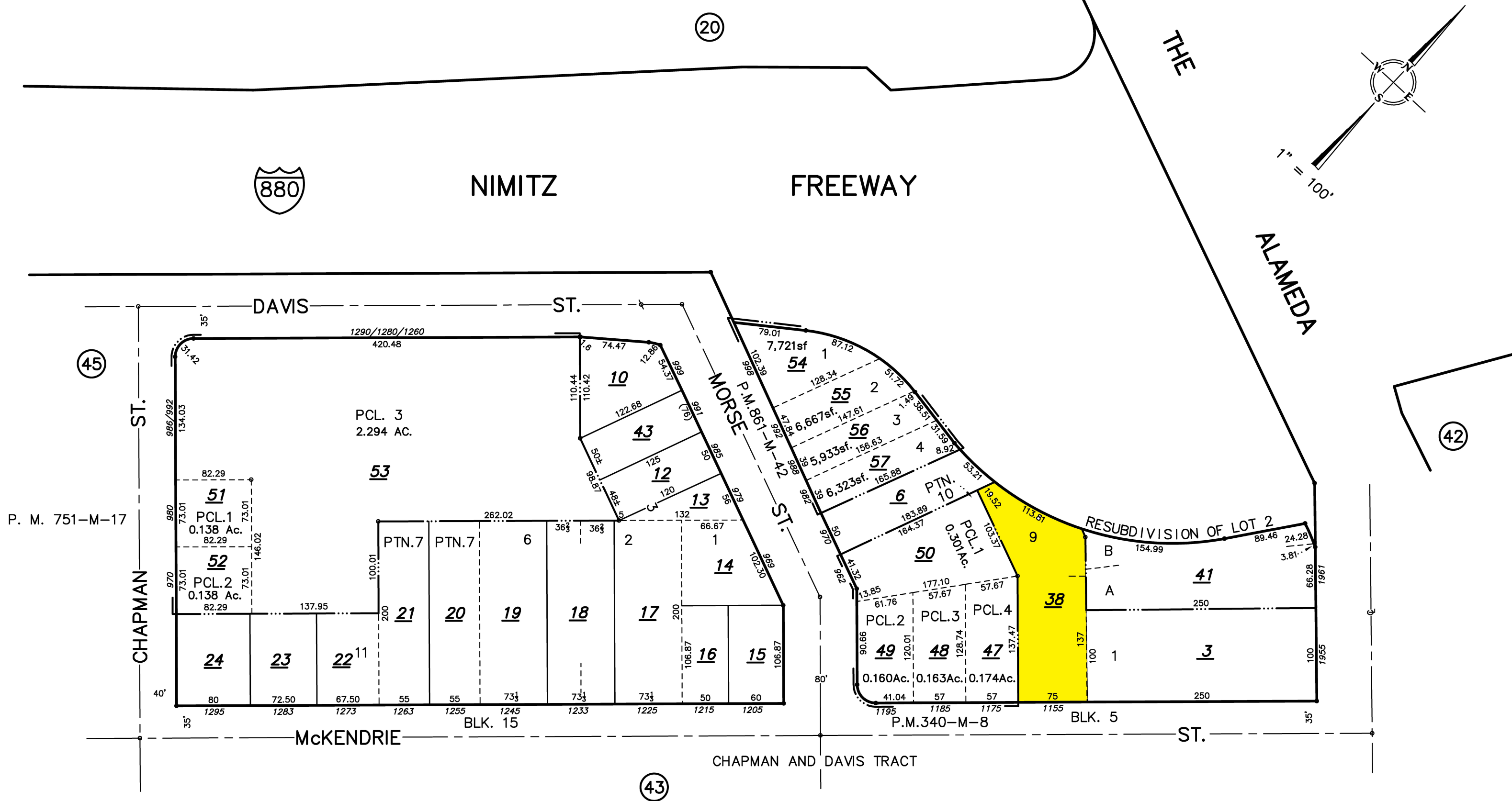
Estimated Fair Market Value: \$2,475,000

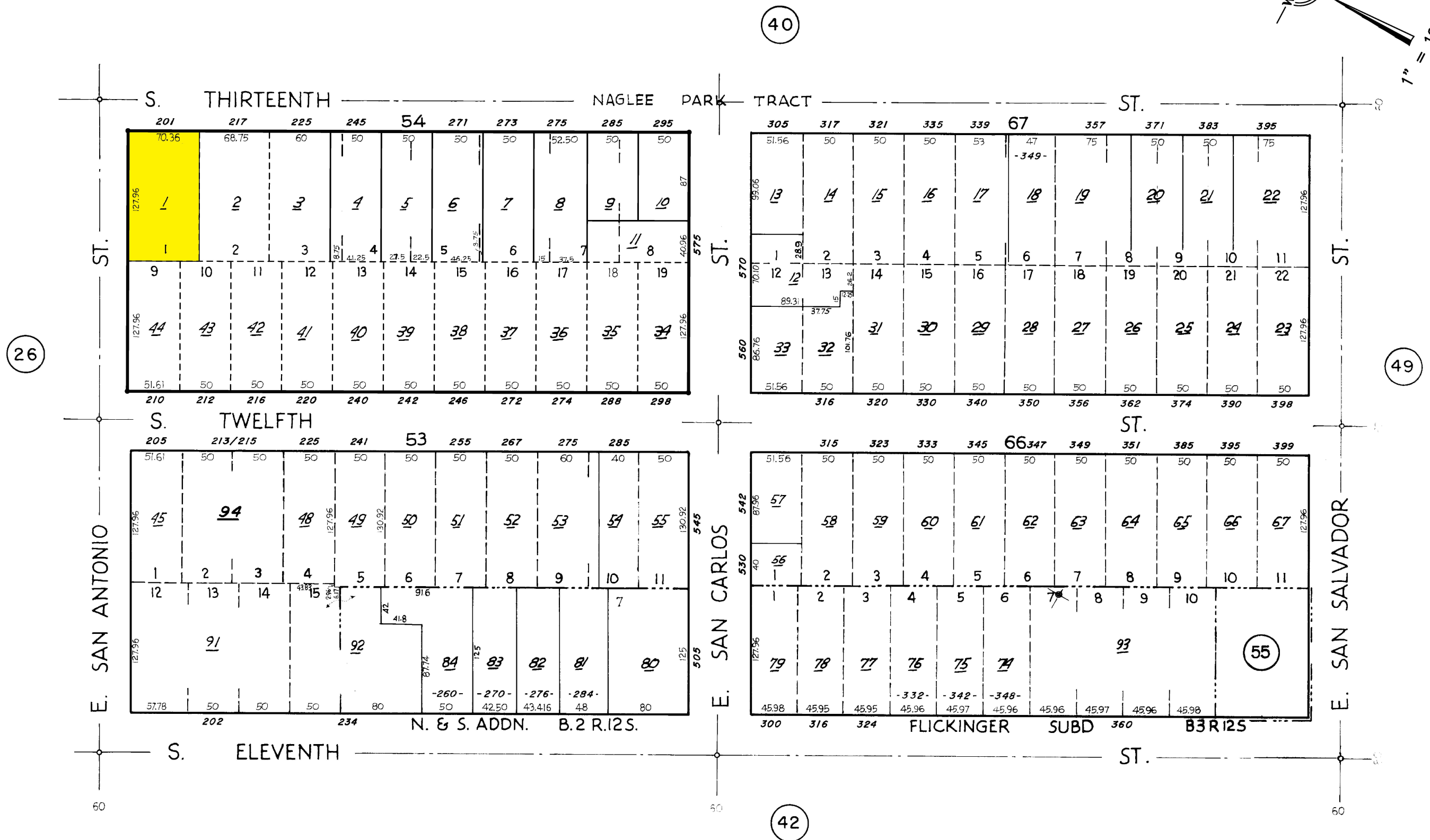
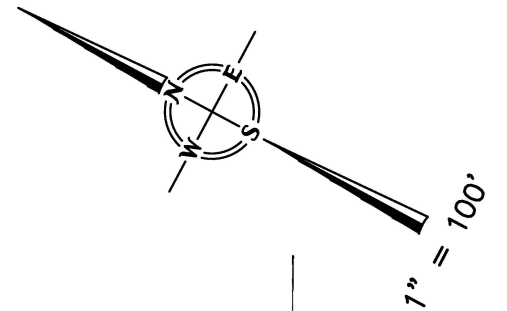
ADDENDA

COMPARABLE SALES PARCEL MAPS









NOTICE OF DECISION TO APPRAISE

April 25, 2022

Notice of Decision to Appraise

Donald Lieberman and Patricia Long
120 Arroyo Way
San Jose, CA 95112

Project: Coyote Creek Flood Management Measures Project
District File No.: 4021-288
Property Address: 120 Arroyo Way, San Jose, CA 95112
APN: 467-29-027, -037

Subject: Notice of Decision to Appraise (Invitation to Accompany the Appraiser)

Dear Mr. Lieberman and Ms. Long:

As I believe you are aware, the Santa Clara Valley Water District (Valley Water) is considering the potential acquisition of your property referenced above for the Coyote Creek Flood Management Measures Project.

Associated Right of Way Services, Inc. (AR/WS) will be making a fair market value appraisal of your property to assist Valley Water in its determination of the amount of probable compensation for your property for the project. I would like to contact you for the purposes of conducting an inspection of your property. You have a right to accompany me on this site visit or any representative you designate. You can reach me by phone at 925-315-5065 (mobile) or email bdrake@arws.com to arrange a mutually convenient time to visit or discuss your property. This will give you an opportunity to advise me of facts that may bear on determining fair market value.

If Valley Water is still contemplating acquiring your property after completion of the appraisal, then one of Valley Water's representatives will contact you to make an offer to purchase in an amount determined to be just compensation, and in no event less than the value reported in the approved appraisal.

This is not a notice to vacate your property and does not establish eligibility for relocation payments or other relocation assistance.

Sincerely,



Brian Drake, R/W-AC
State Certified General Appraiser
CA License No. 031568

cc: Bill Magleby, SR/WA, Senior Real Estate Agent – Valley Water
Julianne O'Brien, Associate Engineer – Valley Water
Ty Cademartori, Right of Way Consultant – AR/WS

PRELIMINARY TITLE REPORT

EXHIBIT A

The land referred to is situated in the County of Santa Clara, City of San Jose, State of California, and is described as follows:

Parcel One:

Beginning at a 2" x 3" stake set in the Northern line of Arroyo Way distant thereon N. 73° 20' E. 154.73 feet from the point of intersection of the Easterly line of Seventeenth Street with said Northerly line of Arroyo Way as shown on the Map of Tract No. 39, Arroyo Terrace recorded in Vol. 1 of Maps, Page 26 and 27 in the office of the County Recorder of Santa Clara County, California, said point of beginning being also the Westernmost corner of Lot 25 as shown on said Map, running thence Southeasterly along the Northerly and Easterly lines of said Arroyo Way as shown on said Map, curving to the right on a curve of 152.39 feet radius (the center point of which curve bears S. 16° 40' E. 152.39) feet through an angle of 64° 48' for an arc distance of 172.35 feet to a 2" x 3" stake marked "BC", thence tangent to said curve S. 41° 52' E. 110.44 feet to a 2" x 3" stake marked "EC", thence curving tangentially to the right of a curve of 538.50 feet radius through an angle of 16° 04' for an arc distance of 151.01 feet to a 2" x 3" stake marked "BC"; thence leaving said line of said Arroyo Way and running N. 69° 48' E. 127.88 feet to a point in the centerline of the Northwesterly along said centerline of said Coyote Creek and along said Easterly line of said Lot 25 as shown on said Map the two following courses and distances: N. 32° 28' W. 272.75 feet and N. 48° 42' W. 105.89 feet to the Northernmost corner of said Lot 25; and thence leaving said Creek and running Southwesterly along the Northerly line of said Lot 25, S. 73° 20' W. 234.71 feet to the point of beginning and being a part of said Lot 25 of said Tract No. 39, Arroyo Terrace as shown on said Map recorded as aforesaid.

Excepting therefrom that portion described as follows:

Beginning at the stake marked BC standing in the Northeasterly line of Arroyo Way, at the most Southerly corner of that certain Parcel of land described in the Deed from Charles C. Derby and Mary C. Derby, to E. H. Renzel, Jr. dated July 24, 1936, and recorded August 12, 1936 in Book 785 of Official Records, Page 165, Santa Clara County Records, running thence along said line of Arroyo Way on a curve to the left from a tangent bearing N. 25 deg. 48 W. with a radius of 538.50 feet thru an arc distance of 151.01 feet to a stake marked E. C. thence leaving said line of arroyo Way and running parallel with the Southeasterly line of so conveyed to Renzel, N. 69 deg. 48' E. 130 feet, more or less to the Northeasterly line of Lot 25, as shown on the Map of Tract No. 39, Arroyo Terrace, of record in Book 1 (One) of Maps, Pages 26 and 27, Santa Clara County Records, California, thence along the Northeasterly line of said Lot 25 and center line of Coyote Creek as shown on said Map, S. 32 deg. 28' E. 147 feet, more or less, to a corner in said Northeasterly line of said Lot 25, and most Easterly corner of land so conveyed to Renzel; thence leaving said center line and running S. 69 deg. 48' W. 127.88 feet to the point of beginning, being a part of Lot 25, of said Tract No. 39 Arroyo Terrace, as shown on said Map recorded as aforesaid.

Parcel Two:

Beginning at the Northernmost corner of Lot 25, as said Lot is shown upon that certain Map entitled, "Tract No. 39 Arroyo Terrace", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California in Book 1 of Maps, at Pages 26 and 27, Santa Clara County Records; thence South 48° East along the Northeasterly line of said Lot 25 for a distance of 105.49 feet; thence South $32^{\circ} 20'$ East and continuing along last mentioned line 96 feet, more or less, to the Northernmost corner of that certain Parcel of land described in the Deed to Dorothy Smith Recorded on February 8, 1938 in Book 859 of Official Records, at Page 392, Santa Clara County Records; thence North $51^{\circ} 59'$ East and Parallel with the Northwesterly line of San Antonio Street to the point of Intersection thereof with the Southwesterly line of that certain parcel of land described in the Deed to James W. Bishop, Recorded on March 19, 1925 in Book 145 Official Records, at Page 156, Santa Clara County Records; thence North $36^{\circ} 26'$ West along the said Southwesterly line of Lands described in the Deed to said Bishop to the point of intersection thereof with the Northeasterly prolongation of the Northwesterly prolongation of the Northwesterly line of said Lot 25 above referred to; thence South $73^{\circ} 20''$ West along said Prolongation to the point of beginning.

APN: 467-29-037 and 467-29-027



OLD REPUBLIC
TITLE COMPANY

226 Airport Parkway, Suite 200
San Jose, CA 95110
(408) 557-8400 Fax: (408) 249-2314

PRELIMINARY REPORT

Our Order Number 0616019388-IM

SANTA CLARA VALLEY WATER DISTRICT
5750 Almaden Expy
San Jose, CA 95118

Attention: BLISS QUILATAN

When Replying Please Contact:

Ida Maciel
imaciel@ortc.com
(408) 557-8400

Property Address:

120 Arroyo Way, San Jose, CA 95112

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

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in Exhibit I 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 Homeowner's Policy of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit I. 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 I of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

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

Dated as of October 2, 2020, at 7:30 AM

OLD REPUBLIC TITLE COMPANY
For Exceptions Shown or Referred to, See Attached

OLD REPUBLIC TITLE COMPANY
ORDER NO. 0616019388-IM

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

Homeowner's Policy of Title Insurance - 2013; and ALTA Loan Policy - 2006. A specific request should be made if another form or additional coverage is desired.

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

Fee

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

Donald Lieberman and Patricia A. Long, Trustees of the Donald Lieberman and Patricia A. Long Revocable Trust dated 10/30/04

The land referred to in this Report is situated in the County of Santa Clara, City of San Jose, State of California, and is described as follows:

Parcel One:

Beginning at a 2" x 3" stake set in the Northern line of Arroyo Way distant thereon N. 73° 20' E. 154.73 feet from the point of intersection of the Easterly line of Seventeenth Street with said Northerly line of Arroyo Way as shown on the Map of Tract No. 39, Arroyo Terrace recorded in Vol. 1 of Maps, Page 26 and 27 in the office of the County Recorder of Santa Clara County, California, said point of beginning being also the Westernmost corner of Lot 25 as shown on said Map, running thence Southeasterly along the Northerly and Easterly lines of said Arroyo Way as shown on said Map, curving to the right on a curve of 152.39 feet radius (the center point of which curve bears S. 16° 40' E. 152.39) feet through an angle of 64° 48' for an arc distance of 172.35 feet to a 2" x 3" stake marked "BC", thence tangent to said curve S. 41° 52' E. 110.44 feet to a 2" x 3" stake marked "EC", thence curving tangentially to the right of a curve of 538.50 feet radius through an angle of 16° 04' for an arc distance of 151.01 feet to a 2" x 3" stake marked "BC"; thence leaving said line of said Arroyo Way and running N. 69° 48' E. 127.88 feet to a point in the centerline of the Northwesterly along said centerline of said Coyote Creek and along said Easterly line of said Lot 25 as shown on said Map the two following courses and distances: N. 32° 28' W. 272.75 feet and N. 48° 42' W. 105.89 feet to the Northernmost corner of said Lot 25; and thence leaving said Creek and running Southwesterly along the Northerly line of said Lot 25, S. 73° 20' W. 234.71 feet to the point of beginning and being a part of said Lot 25 of said Tract No. 39, Arroyo Terrace as shown on said Map recorded as aforesaid.

Excepting therefrom that portion described as follows:

Beginning at the stake marked BC standing in the Northeasterly line of Arroyo Way, at the most Southerly corner of that certain Parcel of land described in the Deed from Charles C. Derby and Mary C. Derby, to E. H. Renzel, Jr. dated July 24, 1936, and recorded August 12, 1936 in Book 785 of Official Records, Page 165, Santa Clara County Records, running thence along said line of Arroyo Way on a curve to the left from a tangent bearing N. 25 deg. 48 W. with a radius of 538.50 feet thru an arc distance of 151.01 feet to a stake marked E. C. thence leaving said line of arroyo Way and running parallel with the Southeasterly line of so conveyed to Renzel, N. 69 deg. 48' E. 130 feet, more or less to the Northeasterly line of Lot 25, as shown on the Map of Tract No. 39, Arroyo Terrace, of record in Book 1 (One) of Maps, Pages 26 and 27, Santa Clara County Records, California, thence along the Northeasterly line of said Lot 25 and center line of Coyote Creek as shown on said Map, S. 32 deg. 28' E. 147 feet, more or less, to a corner in said Northeasterly line of said Lot 25, and most Easterly corner of land so conveyed to Renzel; thence leaving said center line and running S.

OLD REPUBLIC TITLE COMPANY
ORDER NO. 0616019388-IM

69 deg. 48' W. 127.88 feet to the point of beginning, being a part of Lot 25, of said Tract No. 39 Arroyo Terrace, as shown on said Map recorded as aforesaid.

Parcel Two:

Beginning at the Northernmost corner of Lot 25, as said Lot is shown upon that certain Map entitled, "Tract No. 39 Arroyo Terrace", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California in Book 1 of Maps, at Pages 26 and 27, Santa Clara County Records; thence South 48° East along the Northeasterly line of said Lot 25 for a distance of 105.49 feet; thence South 32° 20' East and continuing along last mentioned line 96 feet, more or less, to the Northernmost corner of that certain Parcel of land described in the Deed to Dorothy Smith Recorded on February 8, 1938 in Book 859 of Official Records, at Page 392, Santa Clara County Records; thence North 51° 59' East and Parallel with the Northwesterly line of San Antonio Street to the point of Intersection thereof with the Southwesterly line of that certain parcel of land described in the Deed to James W. Bishop, Recorded on March 19, 1925 in Book 145 Official Records, at Page 156, Santa Clara County Records; thence North 36° 26' West along the said Southwesterly line of Lands described in the Deed to said Bishop to the point of intersection thereof with the Northeasterly prolongation of the Northwesterly prolongation of the Northwesterly line of said Lot 25 above referred to; thence South 73° 20" West along said Prolongation to the point of beginning.

APN: 467-29-037 and 467-29-027

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

1. Taxes and assessments, general and special, for the fiscal year 2020 - 2021, as follows:

| | | | |
|----------------------|---|--------------|-----------------|
| Assessor's Parcel No | : | 467-29-027 | |
| Code No. | : | 017-194 | |
| 1st Installment | : | \$2,875.12 | NOT Marked Paid |
| 2nd Installment | : | \$2,875.12 | NOT Marked Paid |
| Land Value | : | \$278,800.00 | |
| Imp. Value | : | \$108,600.00 | |
| Exemption | : | \$7,000.00 | Homeowner's |

2. Taxes and assessments, general and special, for the fiscal year 2020 - 2021, as follows:

| | | | |
|----------------------|---|------------|-----------------|
| Assessor's Parcel No | : | 467-29-037 | |
| Code No. | : | 69 | |
| 1st Installment | : | \$92.78 | NOT Marked Paid |
| 2nd Installment | : | \$92.78 | NOT Marked Paid |
| Land Value | : | \$1,194.00 | |

3. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Section 75, et seq., of the Revenue and Taxation Code of the State of California.

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4. Any easement for water course over that portion of said land lying within the banks of Coyote River and any changes in the boundary lines of said land that have occurred or may hereafter occur from natural causes.
5. Any adverse claim based upon the assertion that:
 - (a) Said land or any part thereof is now or at any time has been below the highest of the high water marks of the Coyote River in the event the boundary of said Coyote River has been artificially raised or is now or at any time has been below the high water mark, if Coyote River is in its natural state.
 - (b) Some portion of said land has been created by artificial means or has accreted to such portion so created.
 - (c) Some portion of said land has been brought within the boundaries thereof by an avulsive movement of the Coyote River, or has been formed by accretion to any such portion.
6. Any rights in favor of the public which may exist on said land if said land or portions thereof are or were at any time used by the public.
7. Rights and easements for commerce, navigation and fishery.
8. Covenants, Conditions and Restrictions which do not contain express provision for forfeiture or reversion of title in the event of violation, but omitting any covenants or restriction if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Recorded : [April 14, 1905 in Book 290 of Official Records, Page 189](#)

NOTE: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

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9. Covenants, Conditions and Restrictions which do not contain express provision for forfeiture or reversion of title in the event of violation, but omitting any covenants or restriction if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Recorded : [January 19, 1911 in Book 365 of Official Records, Page 373](#)

NOTE: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

10. Covenants, Conditions and Restrictions which do not contain express provision for forfeiture or reversion of title in the event of violation, but omitting any covenants or restriction if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Recorded : [April 9, 1936 in Book 763 of Official Records, Page 547](#)

NOTE: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

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11. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Easement
Granted To : City of San Jose, a municipal corporation
For : Sewer purposes
Recorded : [May 27, 1939 in Book 937 of Official Records, Page 101 under Recorder's Serial Number 161029](#)
Affects : As described therein

As to Parcel One

12. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument : Easement
Granted To : Santa Clara Valley Water District, a public corporation
For : Water management and/or storm water drainage purposes
Recorded : [September 7, 1994 in Book N587 of Official Records, Page 1242 under Recorder's Serial Number 12642033](#)
Affects : As described therein

As to Parcel Two

13. Matters as contained or referred to in an instrument,

Entitled : Resolution No. 84691
Recorded : [December 10, 2008 in Official Records under Recorder's Serial Number 20064648](#)

Which Among
Other Things : The Renzel house located at 120 Arroyo Way as a City landmark of
Provides : special historical, architectural, cultural, aesthetic or engineering
interest or value of a historic nature

14. Matters as contained or referred to in an instrument,

Entitled : Resolution 74692
Historic Landmark Preservation Agreement With Donald A. Lieberman
And Patricia A. Long For The Renzel House Landmark Number HL08-174
Recorded : [December 17, 2008 in Official Records under Recorder's Serial Number 20071466](#)

15. Terms and conditions contained in the Donald Lieberman and Patricia A. Long Revocable Trust dated 10/30/04 as disclosed by Grant Deed.

Recorded [June 27, 2008 in Official Records under Recorder's Serial Number 19899881](#)

The requirement that:

A Certification of Trust be furnished in accordance with Probate Code Section 18100.5; and

If the acting trustee is a successor trustee the additional requirement the Company is provided a complete copy of the trust, with all amendments and any intervening trustee is no longer acting in that capacity by providing copies of resignation letters, etc.

The Company reserves the right to make additional exceptions and/or requirements upon review of the above.

16. The requirement that this Company be provided with a suitable Owner's Declaration (form ORT 174). The Company reserves the right to make additional exceptions and/or requirements upon review of the Owner's Declaration.

----- Informational Notes -----

- A. The applicable rate(s) for the policy(s) being offered by this report or commitment appears to be section(s) 1.1 & 2.1.

OLD REPUBLIC TITLE COMPANY
ORDER NO. 0616019388-IM

- B. The above numbered report (including any supplements or amendments thereto) is hereby modified and/or supplemented to reflect the following additional items relating to the issuance of an American Land Title Association loan form policy:

NONE

NOTE: Our investigation has been completed and there is located on said land a single family residence known as 120 Arroyo Way, San Jose, CA 95112.

The ALTA loan policy, when issued, will contain the CLTA 100 Endorsement and 116 series Endorsement.

Unless shown elsewhere in the body of this report, there appear of record no transfers or agreements to transfer the land described herein within the last three years prior to the date hereof, except as follows:

NONE

- C. NOTE: The last recorded transfer or agreement to transfer the land described herein is as follows:

Instrument

Entitled : Grant Deed

By/From : Emily M. Renzel, Successor Trustee of the Renzel Family Trust under Agreement dated June 14, 1991 and Emily M. Renzel Trustee of the Renzel Revocable Trust dated June 14, 1991

To : Donald Lieberman and Patricia A. Long, Trustees of the Donald Lieberman and Patricia A. Long Revocable Trust dated 10/30/04

Recorded : [June 27, 2008 in Official Records under Recorder's Serial Number 19899881](#)

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12/02/13)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE
EXCLUSIONS

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

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:

- a. building;
- b. zoning;
- c. land use;
- d. improvements on the Land;
- e. land division; and
- f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.

3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.

4. Risks:

- a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
- b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
- c. that result in no loss to You; or
- d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.

5. Failure to pay value for Your Title.

6. Lack of a right:

- a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
- b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.

7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake or subsidence.

9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

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

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

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

| | <u>Your Deductible Amount</u> | <u>Our Maximum Dollar Limit of Liability</u> |
|------------------|---|--|
| Covered Risk 16: | 1.00% of Policy Amount or \$5,000.00 (whichever is less) | \$25,000.00 |
| Covered Risk 18: | 1.00% of Policy Amount or \$5,000.00 (whichever is less) | \$25,000.00 |
| Covered Risk 19: | 1.00% of Policy Amount or \$5,000.00 (whichever is less) | \$25,000.00 |
| Covered Risk 21: | 1.00% of Policy Amount or \$5,000.00 (whichever is less) | \$25,000.00 |

AMERICAN LAND TITLE ASSOCIATION LOAN POLICY OF TITLE INSURANCE (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

SCHEDULE B - PART I

Except as provided in Schedule B - Part II, this policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

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



FACTS

WHAT DOES OLD REPUBLIC TITLE DO WITH YOUR PERSONAL INFORMATION?

| | |
|--------------|--|
| Why? | Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do. |
| What? | <p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number and employment information • Mortgage rates and payments and account balances • Checking account information and wire transfer instructions <p>When you are no longer our customer, we continue to share your information as described in this notice.</p> |
| How? | All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Old Republic Title chooses to share; and whether you can limit this sharing. |

| Reasons we can share your personal information | Does Old Republic Title share? | Can you limit this sharing? |
|---|--------------------------------|-----------------------------|
| For our everyday business purposes — such as to process your transactions, maintain your account(s), or respond to court orders and legal investigations, or report to credit bureaus | Yes | No |
| For our marketing purposes — to offer our products and services to you | No | We don't share |
| For joint marketing with other financial companies | No | We don't share |
| For our affiliates' everyday business purposes — information about your transactions and experiences | Yes | No |
| For our affiliates' everyday business purposes — information about your creditworthiness | No | We don't share |
| For our affiliates to market to you | No | We don't share |
| For non-affiliates to market to you | No | We don't share |

Go to www.oldrepublictitle.com (Contact Us)

| Who we are | |
|-------------------------------|--|
| Who is providing this notice? | Companies with an Old Republic Title name and other affiliates. Please see below for a list of affiliates. |

| What we do | |
|--|--|
| How does Old Republic Title 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 safeguards and secured files and buildings. For more information, visit https://www.oldrepublictitle.com/privacy-policy |
| How does Old Republic Title collect my personal information? | <p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> • Give us your contact information or show your driver's license • Show your government-issued ID or provide your mortgage information • Make a wire transfer <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p> |
| Why can't I limit all sharing? | <p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes - information about your creditworthiness • Affiliates from using your information to market to you • Sharing for non-affiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing. See the State Privacy Rights section location at https://www.oldrepublictitle.com/privacy-policy for your rights under state law.</p> |

| Definitions | |
|-----------------|---|
| Affiliates | <p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • Our affiliates include companies with an Old Republic Title name, and financial companies such as Attorneys' Title Fund Services, LLC, Lex Terrae National Title Services, Inc., Mississippi Valley Title Services Company, and The Title Company of North Carolina. |
| Non-affiliates | <p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> • Old Republic Title does not share with non-affiliates so they can market to you |
| Joint marketing | <p>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • Old Republic Title doesn't jointly market. |

| Affiliates Who May be Delivering This Notice | | | | |
|---|---|---|---|--|
| American First Title & Trust Company | American Guaranty Title Insurance Company | Attorneys' Title Fund Services, LLC | Compass Abstract, Inc. | eRecording Partners Network, LLC |
| Genesis Abstract, LLC | Guardian Consumer Services, Inc. | iMarc, Inc. | Kansas City Management Group, LLC | L.T. Service Corp. |
| Lenders Inspection Company | Lex Terrae National Title Services, Inc. | Lex Terrae, Ltd. | Mississippi Valley Title Services Company | National Title Agent's Services Company |
| Old Republic Branch Information Services, Inc. | Old Republic Diversified Services, Inc. | Old Republic Escrow of Vancouver, Inc. | Old Republic Exchange Company | Old Republic National Ancillary Services, Inc. |
| Old Republic National Commercial Title Services, Inc. | Old Republic Title and Escrow of Hawaii, Ltd. | Old Republic National Title Insurance Company | Old Republic Title Company | Old Republic Title Companies, Inc. |
| Old Republic Title Company of Conroe | Old Republic Title Company of Indiana | Old Republic Title Company of Nevada | Old Republic Title Company of Oklahoma | Old Republic Title Company of Oregon |
| Old Republic Title Company of St. Louis | Old Republic Title Company of Tennessee | Old Republic Title Information Concepts | Old Republic Title Insurance Agency, Inc. | Old Republic Title, Ltd. |
| RamQuest Software, Inc. | Republic Abstract & Settlement, LLC | Sentry Abstract Company | Surety Title Agency, Inc. | The Title Company of North Carolina |
| Trident Land Transfer Company, LLC | | | | |

Updated: January 1, 2020

Privacy Notice for California Consumers

This Privacy Notice for California Consumers supplements the information contained in the Master Privacy Notice for Old Republic Title and applies to consumers that reside in the State of California. The terms used in this Privacy Notice have the same meaning as the terms defined in the California Consumer Privacy Act (“CCPA”).

What Personal Information We Collect

In accordance with the CCPA, personal information is information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. Personal information does not include:

Information outside the scope of the CCPA such as:

- Health or medical information covered by the Health Insurance Portability Act of 1996 (HIPAA) and the California Confidentiality of Medical Information Act (CMIA).
- Personal Information covered by the Gramm-Leach-Bliley Act (GLBA), the Fair Credit Reporting Act (FCRA), the California Financial Information Privacy Act (FIPA), and the Driver’s Privacy Protection Act of 1994,
- Publicly available information that is available from federal, state, or local government records, and
- De-identified or aggregated consumer information.

Please see the chart below to learn what categories of personal information we may have collected about California consumers within the preceding twelve months, the sources of and business purposes for that collection and the third parties with whom the information is shared, if any.

| Category | Examples | Collected | Sources | Business Purpose for Collection | Categories of Third Parties with Whom Information is Shared |
|-------------|--|-----------|--|--|--|
| Identifiers | Real name, alias, postal address, unique personal identifier, online identifier, Internet protocol address, email address, account name, social security number, driver’s license number, passport number or other similar identifiers | Yes | Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction | Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints, detecting security incidents, protecting against malicious, | Service providers associated with the transaction for a business purpose |

| | | | | | |
|---|---|-----|--|---|--|
| | | | | deceptive, fraudulent, or illegal activity. Other audit or operational purposes. | |
| Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e)) | Name, signature, social security number, physical characteristics or description, address, telephone number, passport number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, or any other financial information, medical information, or health insurance information. "Personal information" does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records. | Yes | Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction | Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints, detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes. | Service providers associated with the transaction for a business purpose |
| Characteristics of protected classifications under California or federal law | Age (40 years or older), race, color, ancestry, national origin, citizenship, religions or creed, marital status, medical condition, physical or mental disability, sex (including gender, gender identity, gender expression, pregnancy or childbirth and related | Yes | Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction | Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints. Other audit or operational purposes. | Service providers associated with the transaction for a business purpose |

| | | | | | |
|---|---|-----|--|--|---------------|
| | medical conditions), sexual orientation, veteran or military status, or genetic information (including familial genetic information). | | | | |
| Internet or other electronic network activity | Browsing history, search history, information about a consumer's interaction with a website, application, or advertisement. | Yes | Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction | To provide access to certain online services. To understand the interests of visitors to our online services, to support certain features of our site, for navigation and to display certain features more effectively. Detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes. | Not Disclosed |
| Geolocation data | Geographic tracking data, physical location and movements | Yes | Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction | To provide access to certain online services. To understand the interests of visitors to our online services, to support certain features of our site, for navigation and to display certain features more effectively. Other audit or operational purposes. | Not Disclosed |

What Personal Information We Share and Why We Share It

The CCPA requires us to tell you what categories of personal information we “sell” or “disclose.” We do not sell and will not sell your personal information as that term is commonly understood. We also do not sell and will not sell your personal information, including the personal information of persons under 16 years of age, as that term is defined by the CCPA. When it is necessary for a business purpose, we share or disclose your personal information with a service provider, and we enter a contract with the service provider that limits how the information may be used and requires the service provider to protect the confidentiality of the information.

In the preceding twelve months, we have disclosed the following categories of personal information for the following business purposes. Where the personal information is shared with third parties, as that term is defined in the CCPA, the category of the third party is indicated.

| Category | Examples | Business Purpose for Disclosure | Categories of Third Parties with Whom Information is Shared |
|---|--|---|--|
| Identifiers | Real name, alias, postal address, unique personal identifier, online identifier, internet protocol address, email address, account name, social security number, driver’s license number, passport number or other similar identifiers | Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints, detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes. | Service providers associated with the transaction for a business purpose |
| Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e)) | Name, signature, social security number, physical characteristics or description, address, telephone number, passport number, driver’s license or state identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, or any other financial information, medical information, or health insurance information. “Personal information” does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records. | Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints, detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes. | Service providers associated with the transaction for a business purpose |

| | | | |
|--|--|--|--|
| Characteristics of protected classifications under California or federal law | Age (40 years or older), race, color, ancestry, national origin, citizenship, religions or creed, marital status, medical condition, physical or mental disability, sex (including gender, gender identity, gender expression, pregnancy or childbirth and related medical conditions), sexual orientation, veteran or military status, or genetic information (including familial genetic information). | Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints. Other audit or operational purposes. | Service providers associated with the transaction for a business purpose |
| Internet or other electronic network activity | Browsing history, search history, information about a consumer's interaction with a website, application, or advertisement. | To provide access to certain online services. To understand the interests of visitors to our online services, to support certain features of our site, for navigation and to display certain features more effectively. Detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes. | Not Disclosed |
| Geolocation data | Geographic tracking data, physical location and movements | To provide access to certain online services. To understand the interests of visitors to our online services, to support certain features of our site, for navigation and to display certain features more effectively. Other audit or operational purposes. | Not Disclosed |

We may also transfer to a third party the personal information of a consumer as an asset that is part of a merger, acquisition, bankruptcy, or other transaction in which the third party assumes control of all or part of the business.

Your Rights and Choices

The CCPA provides California consumers with certain rights regarding their personal information. This chart describes those rights and certain limitations to those rights.

| Right | What This Means |
|--------|--|
| Notice | At or before the time your personal information is collected, you will be given written notice of the categories of personal information to be collected and the purposes for which the categories of personal information will be used. |
| Access | At your verifiable request, but no more than twice in a twelve month period, we shall disclose to you: 1) the categories of personal information we have collected about you, 2) the |

| | |
|--------------------|---|
| | <p>categories of sources for the personal information we collected about you, 3) our business and commercial purpose for collecting or selling your personal information, 4) the categories of third parties with whom we share your personal information, 5) The specific pieces of information we have collected about you, 6) the categories of personal information disclosed for a business purpose, and</p> <p>7) If we sold personal information, the categories of personal information sold and the categories of third parties to whom it was sold.</p> |
| Deletion | <p>You have the right to request that we delete any of your personal information that we collected from you, subject to certain exceptions. Once we receive and verify your request, we will delete (and direct our service providers to delete) your personal information from our records unless an exception applies. We may deny your request if retention of the information is necessary for us or our service providers to:</p> <ul style="list-style-type: none"> • Complete the transaction for which we collected the personal information, provide a good or service that you requested, take actions reasonably anticipated within the context of our ongoing business relationship with you, or otherwise perform our contract with you. • Detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity, or prosecute those responsible for such activities. • Debug products to identify and repair errors that impair existing intended functionality. • Exercise free speech, ensure the right of another consumer to exercise their free speech rights, or exercise another right provided for by law. • Comply with the California Electronic Communications Privacy Act (Cal. Penal Code §1546 et seq.) • Engage in public or peer reviewed scientific, historical, or statistical research in the public interest that adheres to all other applicable ethics and privacy laws, when the information's deletion may likely render impossible or seriously impair the research's achievement, if you previously provided informed consent. • Enable solely internal uses that are reasonably aligned with consumer expectations based on your relationship with us. • Comply with a legal obligation. • Make other internal and lawful uses of that information that are compatible with the context in which you provided it. • Or if it is the type of personal information that falls outside the scope of the CCPA, (HIPAA, CIMA, GLBA, or publicly available information) |
| Opt-Out of Sale | <p>With some limitations, you may direct a business that sells personal information to third parties not to sell the personal information to these third parties.</p> <p>A business may not sell the personal information of persons less than sixteen years of age without their affirmative consent, and in the case of those less than thirteen years of age, the consent must come from a parent.</p> |
| Opt-In to Sale | |
| Non-Discrimination | <p>We will not discriminate against you for exercising your rights under the CCPA. Unless otherwise permitted by the CCPA we will not:</p> <ul style="list-style-type: none"> • Deny you goods or service • Charge you different prices or rates for goods or services, including through granting discounts or other benefits, or imposing penalties • Provide a different level or quality of goods or services • Suggest that you will receive a different price or rate for goods or services or a different level or quality of goods or services |

To Exercise Your Rights

To Opt-out of the Sale of Your Personal Information

The CCPA gives consumers the right to direct a business that sells personal information about the consumer to third parties not to sell the consumer's personal information. We do not sell and will not sell your personal information as that term is commonly understood. We also do not sell and will not sell your personal information, as that term is defined by the CCPA.

To Request Access to or Deletion of Your Personal Information

To exercise your access or deletion rights described above, please submit a verifiable consumer request to us by either: Calling us at 1-855-557-8437 or contacting us through our website [CCPA Consumer Request](#).

Only you or your representative that you authorize to act on your behalf (Authorized Agent) can make a verifiable consumer request for your personal information. You may also make a request for your minor child. The verifiable request must provide enough information that allows us to reasonably verify you are the person about whom we collected personal information. We cannot respond to your request or provide you with personal information if we cannot verify your identity or authority to make the request and to confirm the personal information relates to you.

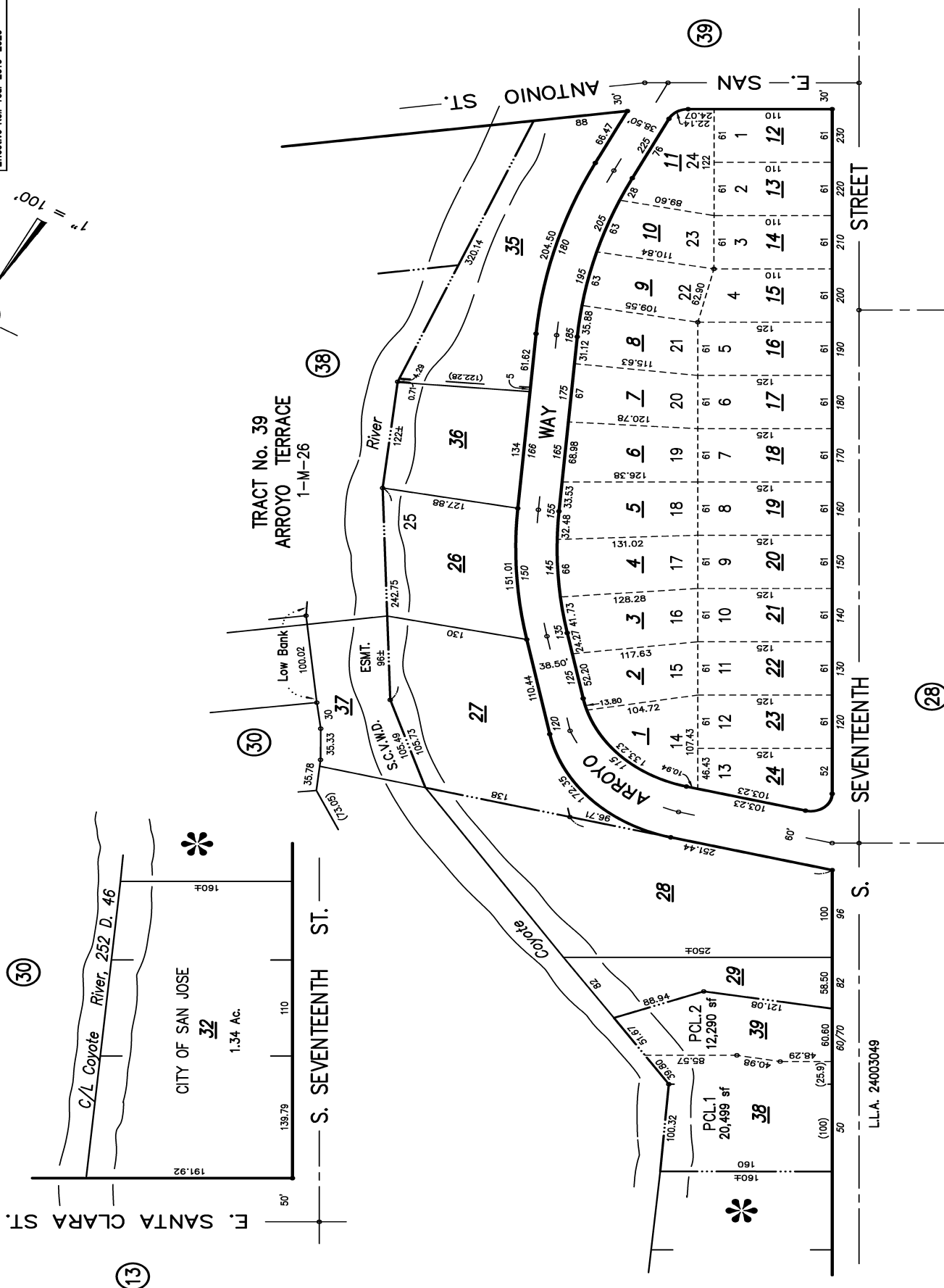
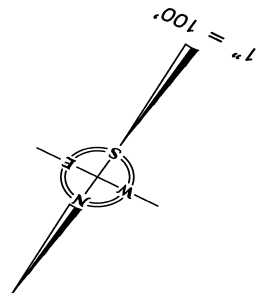
We work to respond to a verifiable consumer request within 45 days of its receipt. If we require additional time, we will inform you of the extension period (up to an additional 45 days), and the reason for the extension in writing. If you have an account with us, we will deliver our response to that account. If you do not have an account with us, we will deliver our response by mail or electronically, depending on your preference. The response we provide will also explain any reasons why we cannot comply with a request.

You may only make a consumer request for access twice within a twelve-month period. Any disclosures we provide will apply to the twelve-month period preceding the consumer request's receipt.

Contact Us

If you have any questions regarding our Privacy Notice or practices, please contact us via phone at 1-855-557-8437 or send your written request to: CCPA@oldrepublictitle.com, or Old Republic Title c/o CCPA Consumer Request Group, 275 Battery Street, Suite 1500, San Francisco, CA 94111-3334.

TRA DET. MAP 115
LAWRENCE E. STONE – ASSESSOR
Cadastral map for assessment purposes only.
Compiled under R. & T. Code, Sec. 327.
Effective Roll Year 2019–2020



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 and IRWA to broaden his scope of knowledge and provide higher levels of service.

State of California Certified General Real Estate Appraiser No. AG031568

Member, International Right of Way Association (IRWA)

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

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; Supervisory Appraiser/Trainee Appraiser Course; Eminent Domain and Condemnation; and USPAP Continuing Education

International Right of Way Association (IRWA)

Ethics and the Right of Way Profession; The Valuation of Partial Acquisitions; Easement Valuation; Principals of Real Estate Engineering; Property Descriptions; Standards of Practice for the Right of Way Professional; Environmental Due Diligence and Liability; Non-Residential Relocation Assistance; Principles of Real Estate Negotiation; and Reviewing Appraisals in Eminent Domain

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

NORMAN C. HULBERG, MAI
Valbridge Property Advisors | Hulberg & Associates, Inc.
55 South Market Street, Suite 1210
San Jose, California 95113

| | | |
|----------|---|--|
| A | Value of Whole Property | \$3,000,000 |
| | a Value of the taking | \$3,000,000 |
| | b Severance Damages | \$0 |
| | c Benefits | \$0 |
| | d Probable Just compensation | \$3,000,000 |
| B | Property and Valuation Data and Opinions | |
| | 1 Interest valued | Fee Simple |
| | 2 Date of valuation | 4/30/2022 |
| | 3 Highest and best use | Single Family Residential |
| | 4 Applicable zoning and probability of any change in zoning. | R-1-8 - Single-Family Residence District. A zoning change is not likely. |
| | 5 Comparable Sales Data: | Market Data is Attached |
| | 6 Sales Comparison Approach Valuation | \$3,000,000 (Whole Property) |
| | 7 Cost Approach Valuation | Not Applicable |
| | 8 Income Approach Valuation | Not Applicable |
| | 9 Description of Larger Parcel and Taking | See Attached Plats |
| C | Purpose of the Appraisal: | |
| | The purpose of the appraisal is to estimate the fair market value of the whole property for a full taking. Fair market value is defined by Section 1263.320 of the California Code of Civil Procedure. | |
| D | Intended Use and Users: | |
| | The intended use of the appraisal is in conjunction with the proposed acquisition by the Santa Clara Valley Water District for the Coyote Creek Flood Management Measures Project. The proposed taking is for a full take of the Lieberman/Long property. The intended users of the report are the property owners – Donald Lieberman, Patricia Long and their Attorney, Norman E. Matteoni, Esq. | |

- E** Ownership and Sales History:
Title to the subject property is held by Donald Lieberman and Patricia Long. The owners purchased the property in June 2008 for \$1,250,000. To the best of my knowledge, no listing or sale has occurred in the last 5 years and the property is not currently listed for sale.
- F** Scope of Work:
The scope of the assignment is to provide an opinion of the fair market value of the subject property and associated interests. Values have been opined for: (1) the fee simple interest in the property acquired and (2) probable just compensation
- G** Comparable Data
- | | |
|--|---|
| 1 Principals to transaction. | See Attached |
| 2 Location of property subject to transaction. | See Attached |
| 3 Date of transaction. | See Attached |
| 4 Recording Information | See Attached |
| 5 Price and terms of transaction | Documents available for review at County Recorder's Office during normal business hours |
| 6 Size and shape of transacted property | See Attached |
- H** My opinion is based in whole or in substantial part upon the opinions of: N/A
- I** Competency Statement:
Because of my experience in part take condemnation valuation; in the subject's market area, and with the property type, I am competent to perform this appraisal assignment.
- J** I have read this statement of valuation and it fairly and correctly states my opinions and knowledge as to the matters stated herein.



Norman C. Hulberg, MAI
Certified-General Appraiser #AG003542
Expires June 26, 2024

Date: February 22, 2023

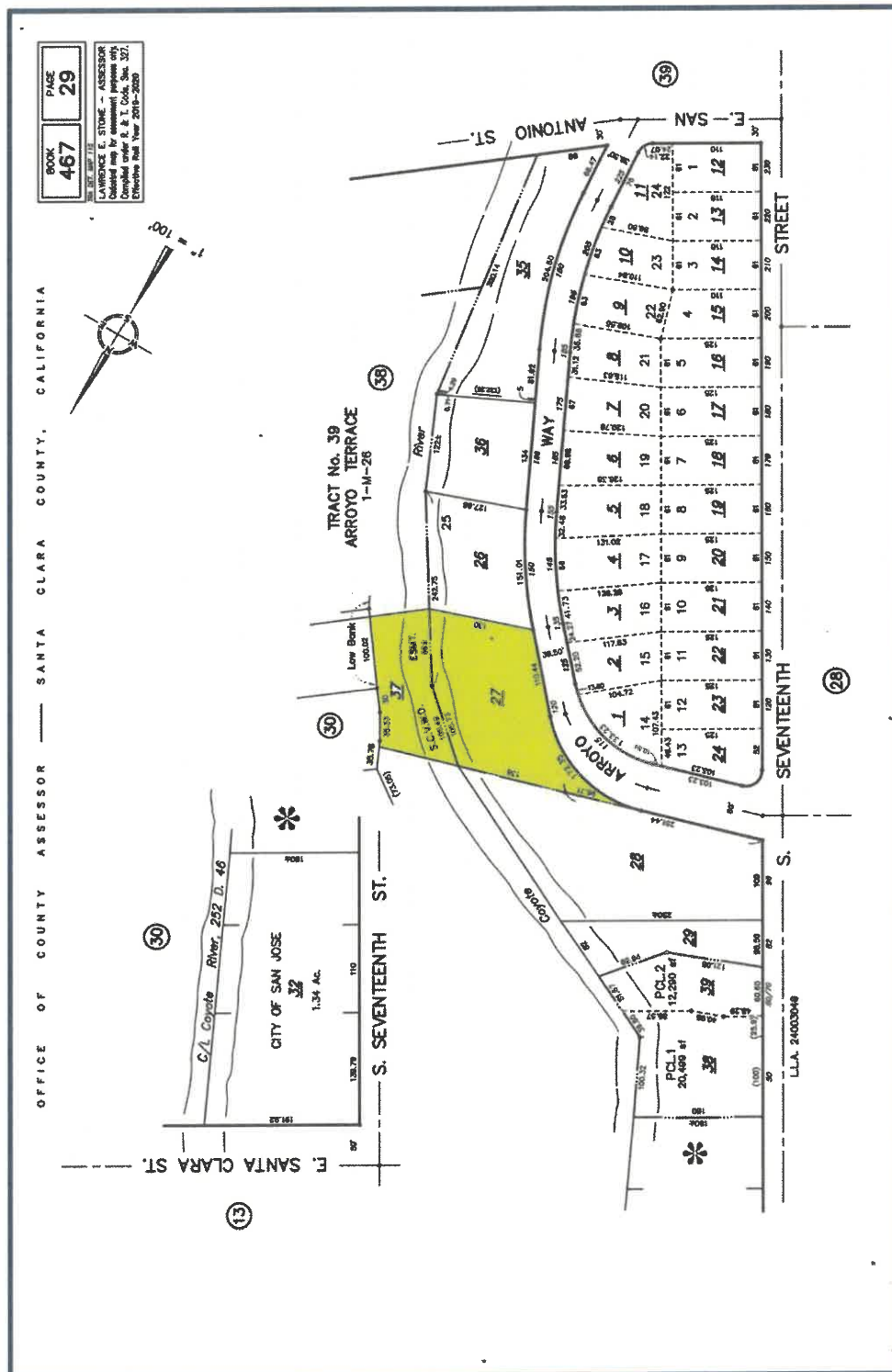
Attachments

SUMMARY OF VALUATION - LIEBERMAN & LONG PROPERTY
120 Arroyo Way, San Jose, CA 95112 - APN: 467-29-027 & -037
Effective Date of Value: April 30, 2022

| | |
|--|--------------------|
| Total Value of Property - Before Taking | \$3,000,000 |
| Total Value of the Taking | \$3,000,000 |
| Just Compensation | \$3,000,000 |

ADDENDUM

Santa Clara Co. APN: 467-29-027 & -037



LEGAL DESCRIPTION – LIEBERMAN PROPERTY

Parcel One:

Beginning at a 2" x 3" stake set in the Northern line of Arroyo Way distant thereon N. 73° 20' E. 154.73 feet from the point of intersection of the Easterly line of Seventeenth Street with said Northerly line of Arroyo Way as shown on the Map of Tract No. 39, Arroyo Terrace recorded in Vol. 1 of Maps, Page 26 and 27 in the office of the County Recorder of Santa Clara County, California, said point of beginning being also the Westernmost corner of Lot 25 as shown on said Map, running thence Southeasterly along the Northerly and Easterly lines of said Arroyo Way as shown on said Map, curving to the right on a curve of 152.39 feet radius (the center point of which curve bears S. 16° 40' E. 152.39) feet through an angle of 64° 48' for an arc distance of 172.35 feet to a 2" x 3" stake marked "BC", thence tangent to said curve S. 41° 52' E. 110.44 feet to a 2" x 3" stake marked "EC", thence curving tangentially to the right of a curve of 538.50 feet radius through an angle of 16° 04' for an arc distance of 151.01 feet to a 2" x 3" stake marked "BC"; thence leaving said line of said Arroyo Way and running N. 69° 48' E. 127.88 feet to a point in the centerline of the Northwesterly along said centerline of said Coyote Creek and along said Easterly line of said Lot 25 as shown on said Map the two following courses and distances: N. 32° 28' W. 272.75 feet and N. 48° 42' W. 105.89 feet to the Northernmost corner of said Lot 25; and thence leaving said Creek and running Southwesterly along the Northerly line of said Lot 25, S. 73° 20' W. 234.71 feet to the point of beginning and being a part of said Lot 25 of said Tract No. 39, Arroyo Terrace as shown on said Map recorded as aforesaid.

Excepting therefrom that portion described as follows:

Beginning at the stake marked BC standing in the Northeasterly line of Arroyo Way, at the most Southerly corner of that certain Parcel of land described in the Deed from Charles C. Derby and Mary C. Derby, to E. H. Renzel, Jr. dated July 24, 1936, and recorded August 12, 1936 in Book 785 of Official Records, Page 165, Santa Clara County Records, running thence along said line of Arroyo Way on a curve to the left from a tangent bearing N. 25 deg. 48 W. with a radius of 538.50 feet thru an arc distance of 151.01 feet to a stake marked E. C. thence leaving said line of arroyo Way and running parallel with the Southeasterly line of so conveyed to Renzel, N. 69 deg. 48' E. 130 feet, more or less to the Northeasterly line of Lot 25, as shown on the Map of Tract No. 39, Arroyo Terrace, of record in Book 1 (one) of Maps, Pages 26 and 27, Santa Clara County Records, California, thence along the Northeasterly line of said Lot 25 and center line of Coyote Creek as shown on said Map, S. 32 deg. 28' E. 147 feet, more or less, to a corner in said Northeasterly line of said Lot 25, and most Easterly corner of land so conveyed to Renzel; thence leaving said center line and running S. 69 deg. 48' W. 127.88 feet to the point of beginning, being a part of Lot 25, of said Tract No. 39 Arroyo Terrace, as shown on said Map recorded as aforesaid.

Parcel Two:

Beginning at the Northernmost corner of Lot 25, as said Lot is shown upon that certain Map entitled, "Tract No. 39 Arroyo Terrace", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California in Book 1 of Maps, at Pages 26 and 27. Santa Clara County Records; thence South 48° East along the Northeasterly line of said Lot 25 for a distance of 105.49 feet; thence South 32° 20' East and continuing along last mentioned line 96 feet, more or less, to the Northernmost corner of that certain Parcel of land described in the Deed to Dorothy Smith Recorded on February 8, 1938 in Book 859 of Official Records, at Page 392, Santa Clara County Records; thence North 51° 59' East and Parallel with the Northwesterly line of San Antonio Street to the point of Intersection thereof with the Southwesterly line of that certain parcel of land described in the Deed to James W. Bishop, Recorded on March 19, 1925 in Book 145 Official Records, at Page 156, Santa Clara County Records; thence North 36° 26' West along the said Southwesterly line of Lands described in the Deed to said Bishop to the point of Intersection thereof with the Northeasterly prolongation of the Northwesterly prolongation of the Northwesterly line of said Lot 25 above referred to; thence South 73° 20' West along said Prolongation to the point of beginning.

APN: 467-29-037 & 467-29-027

COMPARABLE MARKET DATA – SINGLE FAMILY DWELLINGS

| No. | Location | Sale Date | Sale Price | GLA (SF) | Lot (SF) | Yr. Built | Price/SF GLA | Comment |
|---|-----------------------|-----------|--------------------|--------------|---------------|------------------|--------------|---|
| 1 | 875 Chapman Street | Apr-22 | \$3,900,000 | 3,788 | 18,750 | 1937/1989 | \$1,030 | Remodeled, pool/spa, unfinished basement; detached 2-car garage |
| 2 | 1290 Mckendrie Street | Sep-20 | \$3,300,000 | 3,684 | 23,250 | 1912 | \$896 | Remodeled Charles McKenzie design; pool; pool house; detached 4-car garage |
| Subject 120 Arroyo Way | | | | | | | | |
| | | | \$3,000,000 | 3,638 | 45,514 | 1939/2020 | \$825 | Good condition; +/- 630 sf basement; backs Coyote Creek; 2-car garage. |
| 3 | 125 S. 14th Street | Jun-22 | \$2,700,000 | 4,547 | 8,960 | 1909 | \$594 | Renovated/restored George E. Page designed; 3-car garage; separate 2-level guesthouse |
| 4 | 1156 Mckendrie Street | May-20 | \$2,600,000 | 3,569 | 12,400 | 1917/2002 | \$728 | Historic "Wilmer & Dorothy Gross House; remodeled; detached 3-car garage; Mills Act |
| 5 | 1155 Mckendrie Street | Apr-22 | \$2,475,000 | 4,349 | 13,275 | 1941/1996 | \$569 | Remodeled; 2-car garage; additional media/rec. room; backs freeway off-ramp |
| 6 | 424 N. 3rd Street | Jun-22 | \$2,300,000 | 3,332 | 9,453 | 1900 | \$690 | Historic "The Nobel Mansion;" remodeled; large basement; no garage but ample parking |
| 7 | 720 Margaret Street | Apr-22 | \$2,225,000 | 2,335 | 14,059 | 1964 | \$953 | Updated interiors; 2-car garage; in flood zone |
| 8 | 201 S. 13th Street | Aug-21 | \$2,200,000 | 4,618 | 8,960 | 1903/2007 | \$476 | Historic Miller-Hubbard house; guest house above 2-car garage; solar panels; Mills Act |
| 9 | 298 S. 15th Street | Apr-22 | \$2,158,000 | 2,698 | 6,398 | 1908 | \$800 | Remodeled; 2-car garage; additional media/rec. room |
| 10 | 398 S. 17th Street | May-19 | \$1,849,000 | 3,464 | 21,850 | 1990 | \$534 | Remodeled; basement in-law unit; 2-car garage; backs Coyote Creek; in flood zone |
| 11 | 225 Arroyo Way | Apr-22 | \$1,730,000 | 1,716 | 7,427 | 1941 | \$1,008 | Good condition; guest cottage; 3-car garage. |
| 12 | 382 S. 17th Street | Jan-21 | \$1,700,000 | 2,608 | 30,000 | 1991 | \$652 | Renovated throughout; 2-car garage; backs Coyote Creek; in flood zone. |
| Valbridge Property Advisors / Northern California | | | | | | | | |

**ASSUMPTIONS AND LIMITING CONDITIONS
CERTIFICATION OF APPRAISAL
QUALIFICATIONS OF APPRAISER**

This appraisal is subject to the following limiting conditions:

ASSUMPTIONS AND LIMITING CONDITIONS

1. The legal description – if furnished us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Northern California will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Northern California is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.

10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters
11. The information, estimates and opinions which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
13. No claim is intended to be expressed for matters of expertise which would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Northern California and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.
15. Distribution of this report is at the sole discretion of the client, but no third-parties not listed as an intended user on the face of the appraisal or the engagement letter may rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Northern California.
17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
18. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
19. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.

20. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Instituted is such disclose is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.
21. You and Valbridge Property Advisors | Northern California both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Northern California and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Valbridge Property Advisors | Northern California or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Northern California for this assignment, and under no circumstances shall any claim for consequential damages be made.
22. Valbridge Property Advisors | Northern California shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Northern California. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Northern California and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Northern California harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Northern California in such action, regardless of its outcome.
23. The value opinion(s) provided herein is subject to any and all predications set forth in this report.
24. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Valbridge Property Advisors | Hulberg & Associates, Inc. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.
25. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this

report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.

26. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.
27. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.



Valbridge
PROPERTY ADVISORS

INDEPENDENT VALUATIONS FOR
A VARIABLE WORLD



NORMAN C. HULBERG, MAI
Valbridge Property Advisors |
Northern California
nhulberg@valbridge.com

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San Jose, California 95126

Main: 408.279.1520 x7142
Direct: 408-722-9102
Fax: 408.279.3428

STATE CERTIFICATION
California

EDUCATION
Master's Degree, Business Administration
Bachelor of Science, Real Estate
San Jose State University

www.valbridge.com

Norman C. Hulberg, MAI

Senior Managing Director

Valbridge Property Advisors | Northern California

MEMBERSHIPS & AFFILIATIONS

Appraisal Institute, Member

- MAI Designation, 1982

Santa Clara County Estate Planning Council

- Director

Rotary Club of San Jose

- Member

APPRAISAL INSTITUTE & RELATED COURSES

Continuing education courses taken through the Appraisal Institute and other real estate organizations.

EXPERIENCE

Valbridge Property Advisors | Northern California

- Senior Managing Director, 2013-Present

Valbridge Property Advisors, Inc.

- National Director, 2013-Present
- Member, Board of Directors, 2013-Present

Hulberg & Associates, Inc.

- President, 1976-2013

Mr. Hulberg has provided valuation services in a wide variety of complex civil litigation including real estate, land use cases, condemnation, estate matters, property taxation, contract disputes, partnership and corporate disputes, environmental lawsuits, professional negligence cases, construction defect, and bankruptcy/creditors matters.

He is qualified as an expert witness in most counties in the San Francisco Bay Area, Monterey Bay, and Central Valley regions, as well as and in the U.S. Tax Court in the U.S. District Courts in San Jose, San Francisco, Oakland, and Las Vegas. Mr. Hulberg is a highly experienced forensic appraiser, having provided testimony on over 300 occasions. This includes over 100 jury trials in state and federal courts in addition to numerous court trials. He has also testified in major arbitrations and before state and federal courts, as well as private arbitrations.

Appraisal/valuation and consulting assignments include: Residential (Single-family, condominium, apartments, land, mobile home parks), office buildings, hotels/motels, service stations, general retail, vacant land, industrial (plants, research and development, warehouses, data centers). Fractional interest valuations, contaminated properties, special purpose properties, feasibility studies, market studies, condemnation, construction defects, litigation support, mediations, arbitrations, and review appraisals.



Valbridge
PROPERTY ADVISORS

INDEPENDENT VALUATIONS FOR
A VARIABLE WORLD



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Valbridge Property Advisors |
Northern California
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STATE CERTIFICATION
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Valbridge Property Advisors | Northern California

CERTIFICATION



August 4, 2022

Donald Lieberman and Patricia Long
120 Arroyo Way
San Jose, CA 95112

Re: Conditional Entitlement Letter
Santa Clara Valley Water District – Coyote Creek Flood Management Measures Project
Affected Property: 120 Arroyo Way, San Jose, CA
APN: 467-29-027, and -037

Dear Mr. Lieberman and Ms. Long:

Previously, the Santa Clara Valley Water District (Valley Water) notified you of its efforts to acquire the property that you own and occupy at 120 Arroyo Way in San Jose, California. Valley Water also notified you of your eligibility to receive relocation assistance under its Relocation Assistance Program. Valley Water has developed its Relocation Assistance Program to ensure that uniform, fair, and equitable treatment is afforded to all persons displaced from their homes as a result of its actions so that no person shall suffer disproportionate injury as a result of a project created to benefit the public as a whole.

Based upon the information provided to Valley Water and its relocation consultant, Associated Right of Way Services, Inc., it has been determined that you have been an occupant of the property noted above for 90 consecutive days or more immediately preceding the date Valley Water initiated negotiations with you. Therefore, you are eligible to receive assistance in accordance with the following laws and regulations governing relocation assistance:

Law: California Government Code §7260 et seq.

Regulations: California Code of Regulations, Title 25, Chapter 6

Your Relocation Advisor, Ms. Emily Plurkowski of Associated Right of Way Services, Inc., is available to explain these benefits to you if you have any questions. A more detailed description of this assistance is available in the enclosed Relocation Assistance Handbook. In general, these benefits include the following:

- I. **Relocation Advisory Services.** Your Relocation Advisor, Ms. Plurkowski, will help you find comparable replacement housing in the area. She will also help you file claims for payment with Valley Water and will deliver all necessary notices.

Your Relocation Advisor will identify comparable replacement dwellings within your financial means that are available to you and will provide assistance in obtaining comparable housing of your choice, including assistance in the referral of complaints of discrimination to the appropriate Federal, State, or local fair housing enforcement agency. Please continue to

communicate with Ms. Plurkowski and provide her with information as requested so that she can provide you with assistance as needed.

All services will be provided to you in such a way as to ensure that the relocation process does not result in different or separate treatment on account of race, color, religion, national origin, sex, marital status, familial status, or any basis protected by state and federal anti-discrimination laws, or any other arbitrary circumstances.

II. Payment for Moving Expenses. You may choose one of the following options to cover costs related to moving your personal property to a replacement site;

- (A) pay a professional moving company to move your personal property and be reimbursed by Valley Water upon completion,
- (B) receive a fixed moving expense and dislocation allowance of \$2,690 to move eight (8) rooms worth of items if you choose to move your own personal property, or
- (C) choose a combination of the two moving options, depending upon your circumstances.

You may also be eligible for certain storage costs for up to 12 months. More detail on what is covered under Moving Expenses can be found in the enclosed Relocation Assistance Handbook.

III. Replacement Housing Payment. Since you have occupied the property as your primary residence for at least 90 days immediately prior to the initiation of negotiations, you are eligible to receive a replacement housing payment to help you rent or purchase a replacement dwelling. The payment will be based on the cost of a comparable replacement dwelling that has been determined, as well as the actual cost you pay to acquire a new permanent dwelling.

Valley Water has determined that you are eligible to receive assistance under the Last Resort Housing Program so that the cost to purchase a comparable house is affordable to you. Valley Water recently approved a Last Resort Housing Plan to support your household's effort to relocate. Under this Plan, you may choose one of two options for your Replacement Housing Payment. It is important that you understand the options presented here. Please meet with your Relocation Advisor and your attorney to ensure that you have an opportunity to understand the Relocation Assistance Program and the options presented to you before making any decisions.

A. Option 1: Traditional Price Differential Payment

Comparable Replacement Dwelling. Valley Water will assist you with purchasing a comparable home that is Decent, Safe, and Sanitary¹. Valley Water has determined that a comparable replacement dwelling would be \$2,999,999. This determination was based upon a review of comparable replacement housing in the community including the property listed at 1072 Micro Court Way in San Jose. This property is a 3,522 square foot single family residence with 4 bedrooms and 3 bathrooms situated on a 9,178 square foot lot. Given the current housing

¹ State regulations define Decent, Safe, and Sanitary as housing that is sound, weather tight condition, and in good repair. It is housing that meets local occupancy codes, safe electrical wiring system for lighting and other devices; contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees). Please speak with your Relocation Advisor.

market, this property may no longer be available for sale. However, Valley Water will continue to provide referrals to you for similar properties for sale at \$2,999,999 or less and will adjust its determination of the cost of most comparable replacement dwelling if such an adjustment is warranted.

Valley Water has offered to purchase your property for \$2,475,000. In order to receive the maximum Price Differential Payment of \$524,999, you would need to purchase a home for \$2,999,999 or greater. Your maximum Price Differential Payment under this option is shown below.

| Option 1: Traditional Price Differential Payment | |
|---|----------------------|
| List Price of Most Comparable Replacement Property | \$2,999,999 |
| Minus Valley Water's Offer to Purchase Current Home | <u>(\$2,475,000)</u> |
| Maximum Price Differential Payment | \$524,999 |

Under Option 1, you could claim payment for the following under the Relocation Assistance Program if you purchase and occupy a replacement property within 12 months of the date you receive just compensation for your current property or the date you vacate your current home (whichever is later).

- Valley Water would deposit a Price Differential Payment into the escrow for your replacement home based on the calculations shown in the above Traditional Price Differential Payment. If you purchase a replacement property that costs less than \$2,999,999 or if Valley Water pays more than \$2,475,000 for your current home, your Price Differential Payment would be adjusted to reflect the difference between the cost of your replacement property and the amount Valley Water pays you for your current property.
- Valley Water would reimburse you for non-recurring closing costs to support your purchase of a comparable replacement property valued at \$2,999,000 or less.
- Valley Water would assess increased mortgage costs owed to you for a reasonable replacement loan.

You would need to fully document your claims. This includes submitting documentation related to your replacement home purchase, certified copies of your closing statement, a copy of a professional Home Inspection Report, and cooperation with Valley Water to allow an inspection of your replacement property to ensure it meets Decent, Safe, and Sanitary standards. Your Relocation Advisor will work with you to help secure the necessary documentation to support your claims.

B. Option 2: Settlement Agreement under Housing of Last Resort

Comparable Replacement Dwelling. Valley Water has considered the current housing market and the fact that homes are selling for above list price. As a result, Valley Water proposes to adjust its determination of the cost of a comparable, Decent, Safe, and Sanitary replacement home. Under this option, Valley Water would adjust the cost of a comparable by 113.4%.

Under this option, Valley Water would adjust the list price of the most comparable property at 1072 Micro Court in San Jose by 113.4% resulting in an anticipated sale price of \$3,401,999. This property is a 3,522 square foot single family residence with 4 bedrooms and 3 bathrooms situated on a 9,178 square foot lot. Given the current housing market, this property may no longer be available for sale. Valley Water can provide referrals to other comparable properties listed for \$3,401,999 or less upon request.

Under this option, Valley Water would enter into a settlement agreement with you for \$3,401,999. This settlement would include the following:

- The purchase of your current property
- Any Price Differential Payment you would receive under the Relocation Assistance Program

The settlement would not include the following, and therefore, you could claim these costs under the Relocation Assistance Program if you purchase and occupy a replacement property within 12 months of the date you receive just compensation for your current property.

- Reimbursement for non-recurring closing costs to support your purchase of a comparable replacement property valued at \$3,401,999 or less.
- Payment of increased mortgage costs for a reasonable replacement loan.

You would need to fully document your request for non-recurring closing costs and increased mortgage costs. This includes submitting documentation related to your replacement home purchase, certified copies of your closing statement, a copy of a professional Home Inspection Report, and cooperation with Valley Water to allow an inspection of your replacement property to ensure it meets Decent, Safe, and Sanitary standards.

Payment of Claims. You must move into a replacement rental dwelling within one year of the date you vacate the home acquired by Valley Water. You must file all claims for payment within 18 months of the date you vacate. Your Relocation Advisor can help you to prepare all claims under the Relocation Program. You should submit all signed and documented claims to your Relocation Advisor for processing. Please note that it typically takes three weeks to receive payment for a claim once all documentation has been submitted and approved.

- IV. **Your Right to Appeal.** If you do not agree with a decision made by Valley Water related to the Relocation Assistance Program, you may appeal the decision. All appeals must be submitted within 18 months following the date you move from the property you currently occupy. Information on the Appeal Process is available upon request. Please speak with your Relocation Advisor for additional information on the appeal process.
- V. **Relocation Payments are Not Considered Income.** 42 U.S.C. 4636 states that payments are not to be considered as income for revenue purposes or for eligibility for assistance under Social Security Act or other Federal Law. No payment received under 49 CFR 24 shall be considered as income for the purposes of title 26, U.S. Code; or for the purposes of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act [42 U.S.C. 301 et seq.] or any other Federal law (except for any Federal law providing low-income housing assistance).

- VI. This is not a notice to vacate. Valley Water intends to continue negotiating with you in good faith. You have at least 90 days from the date of this notice before you would be required to vacate.
- VII. Renting from Valley Water. If you continue to live on the property after Valley Water takes possession, you are required to pay rent. Failure to pay rent can result in eviction. If you receive a Notice to Vacate from Valley Water and it is required to take legal action to move you from the property, Valley Water will seek rent and damages.

Please refer to the enclosed Relocation Assistance Handbook. It explains your rights and some things you must do to obtain relocation payments. Therefore, do not commit yourself to rent or buy a replacement dwelling until you arrange to have the home inspected by your Relocation Advisor. Your Relocation Advisor will be available to assist you in the relocation process and will explain your rights and help you obtain the relocation payments and other assistance for which you are eligible. If you have any questions, please contact your Relocation Advisor, Ms. Plurkowski by phone at (925) 691-2863 or via electronic mail at EPlurkowski@arws.com.

We appreciate your cooperation in this process as Valley Water continues its efforts to improve our community.



Sincerely,

Bill Magleby

Bill Magleby, SR/WA
Senior Real Estate Agent

Enclosures

Cc: Gerry Houlihan, Matteoni O'Laughlin & Hechtman
Emily Plurkowski, AR/WS, Inc.

| Certification of Delivery | |
|--|--|
| This Notice and enclosures were sent to the business owner via USPS First Class and Certified Mail Return Receipt Requested. | |
|  Signature |  Date |



November 16, 2022

Norman E Matteoni
Matteoni, O'Laughlin & Hechtman
848 The Alameda
San Jose, California 95126

RE: Consulting Assignment – Analysis of Santa Clara Valley Water District's
Relocation Determination Provided to Don Lieberman and Patricia Long
Property Address: 120 Arroyo Way, San Jose
APN: 467-29-027

Dear Mr. Matteoni:

The Santa Clara Valley Water District (Valley Water) is currently in the process of negotiating the purchase of real property owned by Don Lieberman and Patricia Long (Lieberman/Long) located at 120 Arroyo Way, San Jose, CA. The real property is situated along Coyote Creek. Valley Water has initiated the Coyote Creek Flood Protection Project (Project) to implement flood improvement measures along Coyote Creek to protect against future flood events equivalent to the February 2017 flood or approximately a 20-year flood event.

In the case of Lieberman/Long, Valley Water's actions will cause displacement from their property. As such, Valley Water is required to conduct its land acquisition and relocation activities compliant with the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601 *et seq*) ("Uniform Relocation Act") and applicable state laws and regulations found in California Government Code Section 7260 *et seq.*, and the California Code of Regulations, Title 25, Chapter 6. Compliance with the Uniform Relocation Act and state laws and regulations are intended to ensure all persons affected by the Project, including Lieberman/Long, are treated fairly, consistently, and equitably so that they do not suffer disproportionate injuries as a result of the Project.

Valley Water provided Lieberman/Long with a "Conditional Entitlement Letter" also known as a "Notice of Relocation Eligibility" on August 4, 2022, informing them they were entitled to certain relocation payments and other assistance in accordance with the California Government Code Section 7260 *et seq.*, and the California Code of Regulations, Title 25, Chapter 6 (Exhibit A). In its letter, Valley Water identified what it believed to be one comparable property located 1072 Micro Court, San Jose used to compute a price differential payment in which Lieberman/Long are entitled to receive. The comparable property used to compute the payment listed for \$2,999,999. Valley Water used its purchase offer amount of \$2,475,000 for the Lieberman/Long



property to arrive at a maximum price differential payment in the amount of \$524,999 (\$2,999,999 - \$2,475,000). This amount is intended to be used toward the purchase of a comparable replacement dwelling of Lieberman/Long's choosing.

SECTION 1 - Assignment

Valley Water is legally required to provide relocation assistance to Lieberman/Long by providing comparable replacement housing, assistance in moving, and making certain payments to facilitate relocation. My assignment for this report is to 1) review Valley Water's relocation process to determine if it fairly, consistently, and equitably provided Lieberman/Long with a comparable replacement dwelling in which to compute the price differential payment pursuant to state and federal requirements; and 2) review the replacement dwelling Valley Water provided to Lieberman/Long to determine if the property complies with the definition of a "comparable replacement dwelling" pursuant to the Uniform Relocation Act.

To assist in my review, I have been provided several documents associated with the Lieberman/Long's relocation that Mr. Lieberman and his attorney, Norm Matteoni, Esq. requested and received from Valley Water, along with information obtained from internet searches and conversations I had with Don Lieberman and Patricia Long.

SECTION 2 - Summary of Qualifications

I have served in the right-of-way industry for thirty years and have an extensive knowledge and expertise in the interpretation and implementation of federal and state relocation regulations. I assist displaced persons and businesses nationwide in planning and executing moves within the context of federal and state relocation regulations. My services ensure persons and businesses receive the amounts of relocation payments they are entitled to receive and to ensure their relocation rights are properly administered. I have represented and assisted in numerous relocation appeals on behalf of persons and businesses. Further qualifications are listed below.

SECTION 3 - Relocation Planning as a Project Requirement

Before land acquisition and relocation efforts can begin, both the Uniform Relocation Act and state regulations require programs or projects be planned so that any problems associated with displacements are identified at an early stage and resolution to those anticipated problems are provided. Planning is a good management tool used to achieve a predetermined objective. For relocation, the objective is an orderly and humane means to move persons displaced by a project without adverse impacts or costly delays to the project.

To comply with federal and state requirements, Valley Water prepared a plan entitled "*Final Relocation Impact Study and Last Resort Housing Plan*", dated February 2022 (Relocation Plan). The purpose of the plan is to assess potential relocation impacts to

displaced persons and to ensure that sufficient replacement housing is available for persons who may be required to relocate as a result of the Project. According to the document, a total of thirteen (13) homes are potentially impacted by the Project. The Relocation Plan further states it must conform with the “*Uniform Relocation Act, California Relocation Assistance Law, and other applicable local ordinances.*”

According to Valley Water, the purpose of the Relocation Plan is to:

- a) Describe the flood protection and management portion of the project, its schedule and financing plan.
- b) Identify the anticipated impact that the project would have on the occupants of property that may be acquired or require temporary housing.
- c) Identify the availability of potential replacement sites for impacted occupants.
- d) Explain Valley Water’s Relocation Assistance Program.

The Relocation Plan further states:

Relocation Advisors meet with households to explain the Relocation Assistance Program, provide information to occupants about available replacement housing, and determine the feasibility of relocating the occupants into the surrounding community. Occupant interviews provide insight into household characteristics, replacement housing needs, and any special assistance that may be required to successfully relocate the occupants. A survey was conducted to determine the availability of comparable replacement housing in the community that could accommodate the needs of the affected occupants.

Once the pertinent information stated above is collected by Valley Water, the Relocation Plan then states it can proceed with the relocation of affected persons. For those property owners that choose to sell their home to Valley Water those persons would be eligible to receive relocation advisory assistance, move cost assistance, and a replacement housing payment. A function of determining a replacement housing payment is to first identify and provide each displaced person or household with at least one “comparable replacement dwelling” in which to purchase or rent.

SECTION 4 – Valley Water is Required to Provide Comparable Replacement Dwellings to Lieberman/Long.

As previously stated, all public agencies using federal funds or intending to use federal funds and who require persons to move must find each eligible person a

home to purchase or rent. Pursuant to the Uniform Relocation Act, no person to be displaced shall be required to move from his or her dwelling unless at least one comparable replacement dwelling has been made available to the person. When possible, three or more comparable replacement dwellings shall be made available.

In determining what is considered a comparable replacement dwelling, agencies must conduct what is known as a "comparable housing study" (Valley Water describes this as a "Housing Valuation Study"). Procedurally, this occurs during or shortly after the appraisal process. First, an agency must fully understand the physical characteristics of the displacement dwelling such as size, number of rooms, age, condition, location, etc. Information is typically provided by information found in the real estate appraisal report, but also includes an inspection of the dwelling by a qualified relocation agent and information obtained from interviews with the homeowners. The next step is to find dwellings that are equal to or greater than the displacement dwelling and available on the open market for purchase. The comparable dwellings must be located as closely to the displacement dwelling as possible and from similar neighborhoods or areas. There are certain criteria stated in the Uniform Relocation Act and state regulations that assist in establishing what is defined as comparable. Specifically, the Uniform Relocation Act requires the following:

§ 24.2 Definitions and acronyms.

(a) **Definitions.** Unless otherwise noted, the following terms used in this part shall be understood as defined in this section:

(6) **Comparable replacement dwelling.** The term *comparable replacement dwelling* means a dwelling which is:

(i) **Decent, safe and sanitary** as described in paragraph 24.2(a)(8) of this section;

(ii) **Functionally equivalent to the displacement dwelling.** The term *functionally equivalent* means that it performs the same function and provides the same utility. While a comparable replacement dwelling need not possess every feature of the displacement dwelling, the principal features must be present. Generally, functional equivalency is an objective standard, reflecting the range of purposes for which the various physical features of a dwelling may be used. However, in determining whether a replacement dwelling is functionally equivalent to the displacement dwelling, the Agency may consider reasonable trade-offs for specific features when the replacement unit is equal to or better than the displacement dwelling (See appendix A, § 24.2(a)(6));

- (iii) Adequate in size to accommodate the occupants;
- (iv) In an area not subject to unreasonable adverse environmental conditions;
- (v) In a location generally not less desirable than the location of the displaced person's dwelling with respect to public utilities and commercial and public facilities, and reasonably accessible to the person's place of employment;
- (vi) **On a site that is typical in size** for residential development with normal site improvements, including customary landscaping. The site need not include special improvements such as outbuildings, swimming pools, or greenhouses. (See also § 24.403(a)(2));
- (vii) **Currently available to the displaced person** on the private market except as provided in paragraph (a)(6)(ix) of this section (See Appendix A, §24.2(a)(6)(vii)); and
- (viii) Within the financial means of the displaced person.

Many of the criteria above are self-evident. However, there are four (4) criteria requiring further discussion within the context of this report.

First, in §24.2(a)(6)(i) the definition of “*decent, safe and sanitary*” means a dwelling which meets or exceeds applicable housing and occupancy codes. Displaced persons shall not be relocated to inadequate, substandard housing as a consequence of public acquisition. The definition of “*decent, safe and sanitary*” is further expounded in the state regulations, §6008(c)(1), to include a standard that comparable dwellings must be comparable to the acquired dwelling with respect to “*type and quality of construction*”. In rare situations when an acquired dwelling is architecturally significant, such as being placed on the National Register of Historic Places, particular attention should be given to finding similar dwellings that compare well with respect to type and quality of construction. Dwellings on the National Register of Historic Places tend to embody distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values. Therefore, comparables used should also reflect this embodiment when possible.

Second, in §24.2(a)(6)(ii) the term “*functionally equivalent*” for a comparable dwelling should be interpreted as performing the same function and providing the same utility as the displacement dwelling. In other words, functionally it should work and perform similarly to the displacement dwelling and from a utility standpoint, should provide similar satisfaction to the displaced person. Additionally, a comparable dwelling must

be “*capable of contributing to a comparable style of living*”, according to Valley Water’s Relocation Plan (Section 5.1.1(b)).

Third, §24.2(a)(6)(vi) requires a comparable replacement dwelling be located on a “*site that is typical in size*” to the displacement site for residential development. This means if a displacement site is located in a high-density urban neighborhood, for example, comparable dwellings shall also be located on lots typical in size for high-density urban neighborhoods. Same holds true if the displacement site is in a suburb, rural area, or other area. This argument is bolstered by the additional Uniform Relocation Act definition of a “*dwelling site*” as it relates to comparable replacement dwelling stated below:

§ 24.2(a) Definitions and acronyms.

(11) ***Dwelling site.*** The term *dwelling site* means a land area that is typical in size for similar dwellings located in the same neighborhood or rural area.

To the extent feasible, comparable replacement dwellings shall be selected from the neighborhood in which the displacement dwelling was located or, if that is not possible, in nearby or similar neighborhoods where housing costs are generally the same or higher. As an example, if the displacement dwelling site is in an older, mature suburban subdivision, comparables should be selected from similar older, mature subdivisions where the lots are similar in size.

The objective of uniformly and consistently applying these standards in real-life situations is supported in an article written by Willie L. Patterson, entitled “Industry Insights – Comparable Replacement Dwelling”, *Right of Way*, January/February 2001 (Exhibit B). Mr. Patterson is the Chief of Real Estate Division for the U.S. Army Corps of Engineers Mobile District. In his article, Mr. Patterson emphasizes the importance of selecting comparable dwellings in locations that are: “*a) In the same or same type of residential development as the acquired dwelling*” and, “*b) On a site typical in size for that development.*”

The fourth comparable criteria set forth in §24.2(a)(6)(vii) is a paramount requirement of the Uniform Relocation Act – a comparable replacement dwelling must be “*currently available to the displaced person*”. This means no person shall be required to move until the agency provides the following: 1) the identity of a comparable replacement dwelling that is available on the open market to purchase; 2) make available the just compensation amount for the taking of the displacement dwelling; and, 3) make available all necessary relocation funds, if any, for the displaced person to purchase the comparable replacement dwelling if the person chooses. This requirement is promulgated in the following section of the Uniform Relocation Act:

§ 24.204 Availability of comparable replacement dwelling before displacement.

(a) **General.** No person to be displaced shall be required to move from his or her dwelling unless at least one comparable replacement dwelling (defined at § 24.2 (a)(6)) has been made available to the person. When possible, three or more comparable replacement dwellings shall be made available. A comparable replacement dwelling will be considered to have been made available to a person, if:

- (1) The person is informed of its location;
- (2) The person has sufficient time to negotiate and enter into a purchase agreement or lease for the property; and
- (3) Subject to reasonable safeguards, the person is assured of receiving the relocation assistance and acquisition payment to which the person is entitled in sufficient time to complete the purchase or lease of the property.

Procedurally, the agency identifies one or more available comparable dwellings during the comparable housing study. Once the study is complete and the agency determines the price differential payment amount, the comparables are then presented to the displaced person in the Notice of Relocation Eligibility (or Conditional Entitlement Letter). The agency is obligated to verify the availability of all comparables presented to the displaced person on the very day the Notice of Relocation Eligibility is presented.

SECTION 5 - Determination whether Valley Water provided Lieberman/Long with a minimum of one comparable replacement dwelling that complies with the Uniform Relocation Act

Valley Water failed to provide Lieberman/Long with a requisite comparable replacement dwelling in which to base the maximum monetary limit of the price differential payment. In the August 4, 2022 “Conditional Entitlement Letter”, Valley Water informed Lieberman/Long it found only one dwelling located at 1072 Micro Court, San Jose it believed to be similar to their home. This particular property was then used to compute the maximum price differential payment amount of \$524,999 that Lieberman/Long could use toward the purchase of either that dwelling or another replacement dwelling of their choice.

Pursuant to federal and state requirements, the dwelling used by Valley Water does not satisfy the definition of a “comparable replacement dwelling” for the following reasons:

1. The comparable dwelling used does not meet the standard of “*decent, safe, and sanitary*” pursuant to §24.2(a)(6)(i) and does not physically compare to the “*type and quality of construction*” of the displacement dwelling based on:

- a. The Lieberman/Long home is historically significant and is registered on the National Register of Historic Places as it is considered a San Jose landmark. The home embodies distinct characteristics of mid-century modern from the 1930s with many highly customized and complementary craftsman style updates to the interior that include hand constructed methods of mahogany paneling, walnut molding, walnut/oak/ebony kitchen cabinets, walnut/oak/ebony recreation room cabinets, mahogany/ebony great room cabinets. Many modern updates have been made structurally and mechanically that were done in such a way as to preserve the historical character of the home.

The comparable, on the other hand, is not historic in type and lacks a craftsman-style quality of construction. The home was built in 1987 and since has been updated minimally. The comparable nowhere meets the standard of “*type and quality of construction*” compared to the Lieberman/Long home.

- b. The Lieberman/Long home recently underwent a comprehensive earthquake retrofit making the structure much safer for the inhabitants in California’s earthquake prone environment. The comparable does not have such modifications making it far less safe.
- c. In recent years, the Lieberman/Long dwelling has undergone several comprehensive upgrades and updates to ensure the home remains safe for habitation; this in addition to the earthquake retrofit. Upgrades and updates include: 1) new electrical wiring along with an upgrade to the master panel and the addition of two new subpanels for a total of five subpanels; 2) water lines were all replaced with copper tubing along with a hot water recirculation system; 3) installation of three new HVAC units for zoned heating and cooling; 4) installation of a basement and garage sump pump; 5) installation of a security system with cameras; 6) asbestos abatement throughout the home; and, 7) installation of solar panels on the roof.

The comparable, on the other hand, indicates in its listing description that solar panels were installed, and the HVAC was upgraded. These

minimal efforts to ensure a safer home pale in comparison to the efforts made to the Lieberman/Long home.

- d. Valley Water is obligated to assure all comparables used satisfy the decent, safe, and sanitary standards. This is typically accomplished by a physical inspection of each property by the agency. Inspections are then properly documented. In the case of Lieberman/Long, no decent, safe, and sanitary inspection was performed at 1072 Micro Court. There is no evidence provided that confirms that Valley Water physically inspected the comparable dwelling. Therefore, Valley Water failed to satisfy this Uniform Relocation Act requirement.
2. The comparable does not meet the standard of “*functionally equivalent*” pursuant to §24.2(a)(6)(ii). A comparable dwelling should be interpreted as performing the same function and providing the same utility as the displacement dwelling. In other words, functionally it should work and perform similarly to the displacement dwelling and from a utility standpoint, should provide similar satisfaction to the displaced person. Additionally, a comparable dwelling must be “*capable of contributing to a comparable style of living*”, according to Valley Water’s Relocation Plan (Section 5.1.1(b)).
 - a. The layout of the Lieberman/Long’s great room makes it ideal for entertaining large groups of people and contains a full-sized grand piano. The high ceiling and open floor plan make this space ideal for large gatherings. Previous events have hosted up to forty (40) people. This is an important feature of the home that greatly contributes to the Lieberman/Long’s style of living. The comparable does not have such a space nor could the dwelling be modified in which to do so.
 - b. The Lieberman/Long home contains a room in the lower level that has been modified to be used as a home theater. Mr. Lieberman has invested much into making such modifications to accommodate the home theater equipment. This is an important feature of the home that lends to the Lieberman/Long’s style of living. The comparable does not have such a space nor could the dwelling be effectively modified in which to do so.
 - c. The daily physical living essentials that include the master bedroom and bathroom; kitchen; dining; laundry; garage; and ingress/egress are all uniquely situated on the main floor making the home ideal for “aging-in-place”. This type of layout is essential to Lieberman/Long long-term life plans thus making the home conducive to their style of living. The

comparable floor plan layout of does not effectively provide for "aging-in-place".

- d. The Lieberman/Long home is subject to the Mills Act of 1972. This Act is considered the single most important economic incentive program in California for the restoration and preservation of qualified historic buildings by private property owners. Lieberman/Long have pledged their commitment to rehabilitate and maintain the historical and architectural character of their home. In exchange they enjoy significant property tax relief for doing so. Keeping the Mills Act designation is imperative to the Lieberman/Long style of living. The comparable, on the other hand, does not qualify as a Mills Act property, nor will it ever qualify.
 - e. The Lieberman/Long home is situated on .65 acres adjacent to Coyote Creek. The yard contains an abundance of trees along with draught resistant landscaping and no shortage of wildlife both in the yard and on the creek. The larger-than-typical lot for the neighborhood offers a quieter, more tranquil environment. This bucolic setting works well with the mid-century modern style of the home by providing much enjoyment and entertainment for Lieberman/Long. The comparable is situated on .21 acres (one-third the size) in a densely developed subdivision. The lot is landscaped but is fenced in by wood fencing with no views. This comparable does not provide a similar style of living as Lieberman/Long's site.
3. The comparable dwelling is located on a lot much small than Lieberman/Long's dwelling and do not satisfy the requirement of a comparable "dwelling site" pursuant to §24.2(a)(6)(vi), §24.2(a)(11) and §24.403(a)(7) based on:
- a. The selected comparable is located on a .21 acre lot. This lot is not comparable to the displacement site of .65 acres in size.
 - b. Valley Water failed to identify comparable sites in the same neighborhood or area with respect to the Lieberman/Long lot being larger than typical for its neighborhood. As stated in Mr. Patterson's article referenced above, there is a necessary importance of selecting comparable dwellings in locations that are: "*a) in the same or same type of residential development as the acquired dwelling*" and, "*b) on a site typical in size for that development.*" What makes the Lieberman/Long lot unique is that it is larger than typical for the overall

neighborhood. In fact, most of the lots along the creek are larger than the neighborhood lots not adjacent to the creek. The creek lots are essentially its own neighborhood unique to Coyote Creek. The comparable dwelling’s lot is not located in a “*same type of residential development*” but is in fact located in a much higher density subdivision, which is not considered comparable.

4. Pursuant to §24.2(a)(6), the definition of “*comparable replacement dwelling*” also requires that a dwelling must be currently available to the displaced person on the private market. The selected comparable dwelling located at 1072 Micro Court, San Jose, used to compute the price differential payment, however, was not available for purchase on August 4, 2022, when the Conditional Entitlement Letter was presented to Lieberman/Long. It is clearly stated in the regulations that comparable dwellings, especially the comparable used to compute the price differential payment, must be available for purchase on the day it is presented to a displaced person. Again, Valley Water failed to satisfy this Uniform Relocation Act requirement.

Therefore, it is my opinion the Valley Water failed to comply with the Uniform Relocation Act and state requirements of providing, at a minimum, one comparable replacement dwelling, defined as such, that was available for purchase on the open market as of August 4, 2022.

SECTION 6 – Identification of Additional Comparable Dwellings

Another element of this assignment was to identify other comparable properties that are currently or were recently available on the open market and are considered to be comparable to Lieberman/Long’s dwelling and lot. Several properties were reviewed applying the relative sections of the Uniform Relocation Act’s definition of Comparable Replacement Dwelling and other criteria as stated throughout this report.

A total of nine (9) comparables were identified and used in the evaluation. Exhibit C is a side-by-side comparison matrix of the subject property, the 1072 Micro Way property used by Valley Water and the nine comparables listed below:

| | | |
|------------------|-----------------------------------|-------------|
| Comparable No. 1 | 325 Harcross Rd., Woodside | (Exhibit D) |
| Comparable No. 2 | 2213 Canyon Cliff Ct., San Jose | (Exhibit E) |
| Comparable No. 3 | 201 Nevada Ave., Moss Beach | (Exhibit F) |
| Comparable No. 4 | 4149 Jefferson Ave., Redwood City | (Exhibit G) |
| Comparable No. 5 | 1483 Kiner Ave., San Jose | (Exhibit H) |
| Comparable No. 6 | 757 Moreno Ave., Palo Alto | (Exhibit I) |
| Comparable No. 7 | 907 Dry Creek Rd., San Jose | (Exhibit J) |

| | | |
|------------------|--------------------------------|-------------|
| Comparable No. 8 | 12731 Chaparral Ave., Saratoga | (Exhibit K) |
| Comparable No. 9 | 818 Seale Ave., Palo Alto | (Exhibit L) |

SECTION 7 – Comparable Replacement Dwelling Criteria Applied to Nine Comparables Pursuant to §24.2(a)(6)

The nine comparables used in this analysis are currently the most comparable to the Lieberman/Long dwelling and site with respect to physical attributes, but in limited ways. Some have more comparable attributes than others with respect to physical attributes of the dwelling itself, while others have more comparable attributes with respect to the dwelling site. Below analyzes how comparable each of the nine properties are to the Lieberman/Long dwelling and site by applying the relevant criteria found in §24.2(a)(6). It should be noted that none of the nine can be considered truly and completely comparable to the Lieberman/Long dwelling and lot. This is simply unattainable. Nonetheless, the analysis focuses on both the primary and unique physical attributes that best compare to the attributes of Lieberman/Long’s dwelling and site.

All the comparables were located and researched using both Zillow and Redfin websites.

The analysis below applies the relevant §24.2(a)(6) criteria to all nine comparables and highlights those that meet or exceed the criteria standards.

1. **Decent, safe, and sanitary.** The nine comparables were evaluated to determine if any meet or exceed the criteria found in §24.2(a)(6)(i).
 - a. None of the nine comparables are registered on the National Register of Historic Places for the mere reason they are not considered historical nor are eligible. Finding registered historic homes for sale are generally few and far between. To find registered historic homes for sale that are comparable to Lieberman/Long’s are extremely difficult to find and if found generally come at a premium price. Therefore, none of the nine properties compare in this respect.
 - b. Three of the comparables are similar to the Lieberman/Long home with respect to “*type and quality of construction*”. Comparables 1, 3 and 4 embody the distinct characteristics of mid-century modern construction methods with custom wood paneling, custom hardwood flooring, and custom cabinetry and built-ins throughout each home.
 - c. From listing information, it appears none of the comparables have earthquake retrofits. Aside from the nine comparables, many homes that

received earthquake retrofits or similar modifications are typically noted in the listing descriptions on either Zillow or Redfin. Therefore, it can be concluded that none of the nine received such retrofitting and are not comparably safe as the Lieberman/Long home.

- d. Most of the nine comparables listing descriptions indicate recent upgrading or updating of certain decent and safety aspects. For example, some have had HVAC systems upgraded or the installation of a security systems, but none to the extent of what occurred at the Lieberman/Long home as stated previously. Therefore, it can be concluded that none of the nine have received upgrades or updates to the extent that make them as comparable to the Lieberman/Long home.

2. **Functionally Equivalent.** The nine comparables were evaluated to determine if any meet or exceed the criteria found in §24.2(a)(6)(ii).

- a. Lieberman/Long’s use of their great room is an important feature of the home that greatly contributes to their style of living. None of the comparables have stand-alone rooms with similar floor square footage and ceiling height. Five have spaces that could accommodate both a grand piano and larger gatherings – Comparables 1, 3, 4, 7 and 8. These five comparables tend to have somewhat larger spaces and high ceilings compared to the other four that do not. However, the spaces in these five comparables are adjoined to either a dining area or kitchen or both which can cause the spaces to compete with each other. This is not true for the Lieberman/Long great room. Without making significant modifications to the spaces to these five comparables, none would be considered functionally equivalent.
- b. Like the great room, Lieberman/Long’s use of their home theater room is an important feature that greatly contributes to their style of living. The ideal dimensions for this type of room are fifteen feet (15’) wide by twenty feet (20’) deep. Lieberman/Long’s room is fifteen feet (15’) wide by thirty feet (30’) deep. Only four comparables have family rooms or bonus-type rooms that could be modified into a home theater. Those would be Comparables 1, 4, 6 and 9 and could be considered comparable based on the criteria and the ability to modify the space to accommodate a home theater.
- c. Six of the comparables contain floor plans considered conducive for “aging-in-place”. Comparables 1, 3, 6, 7, 8 and 9 appear to provide daily physical living essentials that include the master bedroom and bathroom;

kitchen; dining; laundry; garage; and ingress/egress situated on the main floor. These types of layouts are comparable to Lieberman/Long's style of living.

- d. None of the nine comparables qualify under the Mills Act of 1972, therefore, none can compare to the Lieberman/Long style of living. In fact, the inability to replicate the Mills Act designation in any of the comparables or any home, for that matter, will cause a profound impact on Lieberman/Long with respect to monthly housing costs. The current monthly savings realized in the Lieberman/Long dwelling is about \$1,200 per month. No dwelling found by either Valley Water or in this analysis can provide this unique benefit to Lieberman/Long.
 - e. Only three of the comparables have lots larger-than-typical for the neighborhood offering a quieter, more tranquil environment. Comparable 1 lies on a 2.05 acre lot and is densely wooded. It contains a manmade koi pond and fountain. The construction style of the dwelling fits nicely on this lot. However, in the absence of natural water views Comparable 1 provides a somewhat lesser style of living to Lieberman/Long's dwelling site. Comparable 4 lies on 1.27 acres on a densely wooded lot and like Comparable 1 falls short of providing a similar style of living. Comparable 3, on the other hand, lies on a .46 acre lot with coastal ocean view; it is well landscaped; and, capable of providing a quieter and tranquil environment all of which provides a similar style of living to Lieberman/Long. Nonetheless, the lots of Comparables 1, 3 and 4 are considered the most comparable out of the nine with respect to providing a similar style of living.
3. **Adequate in Size to Accommodate the Occupants.** The nine comparables were evaluated to determine if any meet or exceed the criteria found in §24.2(a)(6)(iii).
- a. Particular attention was given to identifying comparables that truly matched up well with the Lieberman/Long dwelling with respect to finished square feet, bedroom count, bathroom count and total room count. All nine comparables were specifically selected for this reason.
 - b. The Lieberman/Long dwelling contains 3,700 finished square feet. The nine comparables range from a low of 3,141 to a high of 4,410 finished square feet. The average of the nine is 3,736. All nine comparables match well to the Lieberman/Long dwelling's finished square feet.

- c. The Lieberman/Long dwelling contains 4 bedrooms and 3 bathrooms. All nine comparables have 4 bedrooms. Bathrooms range from a low of 2.5 (only one of the comparables) to a high of 4.5 (only one of the comparables). The average of the nine is 3.5 bathrooms. All nine comparables match well to the Lieberman/Long dwelling's bedroom and bathroom count.
 - d. Total room count for the Lieberman/Long dwelling is 12 rooms that include the essential rooms of bedrooms, bathrooms, living room, dining room, kitchen, etc. The nine comparables range from a low of 12 rooms to a high of 13. All nine contain the essential rooms of bedrooms, bathrooms, living room, dining room, and kitchen along with an assortment of other type rooms such as office, porch, bonus room, etc. The average total room count of the nine is 12.5. All nine comparables match well to the Lieberman/Long dwelling's total room count.
4. **Comparable Dwelling Site.** The nine comparables were evaluated to determine how well each one's site or lot compared to the Lieberman/Long site using the criteria found in §24.2(a)(6)(vi) and §24.2(a)(11).
- a. Six of the nine comparables are located on lots much smaller than Lieberman/Long's lot of .65 acres. The average sized lot for these six is .24 acres. Many are on lots with less than ten feet (10') side yard setbacks and less than thirty feet (30') rear yard setbacks. These six lots are located in higher density subdivisions containing typical-sized smaller lots and are not considered comparable to the Lieberman/Long lot.
 - b. Two of the comparables are on lots greater in size to Lieberman/Long's. Comparables 1 and 4 are on lots 2.05 and 1.27 acres, respectively. These two comparables are located in neighborhoods considered same or same type of residential development as the Lieberman/Long neighborhood and on sites typical in size for each respective development. The dwelling sites of Comparables 1 and 4 are considered comparable to the Lieberman/Long dwelling site.
 - c. Comparable 3 is worth consideration as comparable. Its lot is slightly less than Lieberman/Long's at .46 acres. However, what makes this comparable uniquely similar is its larger-than-typical size lot compared to the surrounding neighborhood lots that are much smaller. Like the Lieberman/Long lot adjacent to a creek this lot is adjacent to the coastline. These coastline lots, too, are typically larger than the surrounding lots not

adjacent to the coastline. That make Comparable 3 much more comparable to the Lieberman/Long dwelling site.

- d. Comparables 1, 3 and 4 are on lots typical in size for each one's unique location making each one ideally comparable to Lieberman/Long's dwelling site. Therefore, conducting a carve-out on the excess land on Lieberman/Long's lot, as required in §24.403(a)(2) would not be warranted.

SECTION 8 - Establishment of a Comparable Replacement Dwelling in which to Calculate a Price Differential Payment

None of the nine comparables possess all the physical attributes contained in the Lieberman/Long dwelling and site. To find an "exact match" is simply unattainable. However, many of the comparables possess similar principal physical attributes present in Lieberman/Long's that include finished square feet, bedroom count, bathroom count and total room count. Some fall short, but not substantially. In all, none of the comparables drastically fall short of the minimum comparable replacement dwelling criteria nor excessively exceed the criteria.

In addition to the principal physical attributes, the Lieberman/Long dwelling and site possess several unique physical attributes, many of which cannot be found in the nine comparables. Of all the comparables, Comparables 1, 3 and 4 possess more unique physical attributes both within each dwelling and on the dwelling site that are similar to Lieberman/Long. Therefore, more emphasis should be placed on these three comparables than the other six.

To establish a comparable replacement dwelling to be used to calculate a price differential payment, it is necessary to create a hybrid comparable that best encompasses all or nearly all principal and unique physical attributes of the Lieberman/Long property as well as reflects the property's true value. Creating a hybrid comparable is necessary to establish a selling price to be used in the calculation. The methodology in deriving a hybrid comparable is simple. Comparables 1, 3 and 4 are considered most similar to the Lieberman/Long dwelling. Therefore, the comparable's finished square footage is used. As previously stated, the Lieberman/Long dwelling has 3,700 finished square feet. The average of the three comparables is 3,967 finished square feet and is used to reflect the average physical size of the hybrid comparable.

Next, is to establish a listing price that is reflective of both the primary physical attributes of the Lieberman/Long dwelling such as finished square feet, bedroom count, bathroom count and total room count as well as reflective of the unique physical attributes found in the type and quality of construction of the dwelling and capable of providing a similar style of living. For this part of the calculation, a per

square foot cost is established for each comparable by dividing the finished square feet by the list price as follows:

| | |
|--------------|---|
| Comparable 1 | List price: \$5,388,000 ÷ 4,410 sq ft = \$1,222/sq ft |
| Comparable 3 | List price: \$5,950,000 ÷ 3,900 sq ft = \$1,526/sq ft |
| Comparable 4 | List price: \$3,995,000 ÷ 3,590 sq ft = \$1,113/sq ft |

The average per square foot cost is determined for the three comparables which yields an average of \$1,287/square foot. Finally, the hybrid comparable list price is established by multiplying the average finished square feet of the three, 3,967, by the average per square foot cost of the three, \$1,287, for a rounded list price of \$5,106,000. This now becomes the hybrid comparable that can be used to calculate the price differential payment as follows:

| | |
|------------------------------|------------------|
| Hybrid Comparable List Price | \$5,106,000 |
| Valley Water Purchase Offer | <u>2,475,000</u> |
| Proposed PDP | \$2,631,000 |

SECTION 9 – Conclusion and Proposed Mitigation

Based on the information provided to me regarding the Lieberman/Long relocation I have concluded Valley Water’s relocation actions and procedures do not comply with the Uniform Relocation Act and industry standards. My conclusions are summarized below:

- 1) Valley Water failed to provide Lieberman/Long with a comparable replacement dwelling. By doing so the Valley Water did not treat Lieberman/Long fairly, consistently, and equitably. As a result, Lieberman/Long have suffered and will continue to suffer disproportionate injuries as a result. Valley Water’s actions, or lack thereof, directly violates the Uniform Relocation Act.
- 2) Valley Water failed to provide Lieberman/Long with a comparable replacement dwelling that complies with the standard of “*decent, safe, and sanitary*” and does not physically compare to the “*type and quality of construction*” of the displacement dwelling pursuant the regulations.
- 3) Valley Water failed to provide Lieberman/Long with a comparable replacement dwelling that complies with the standard of “*functionally equivalent*” and “*capable of contributing to a comparable style of living*” pursuant the regulations.

- 4) Valley Water failed to provide Lieberman/Long with a comparable replacement dwelling site that complies with the standard of a comparable "*dwelling site*" pursuant the regulations.
- 5) Valley Water failed to provide Lieberman/Long with a comparable replacement dwelling that was available on August 4, 2022, the day the Conditional Entitlement Letter was presented to Lieberman/Long pursuant the regulations.
- 6) Valley Water at the time the Conditional Entitlement Letter was presented failed provide the necessary assurances to Lieberman/Long that it would make available the just compensation amount for the taking of the displacement dwelling and make available all necessary relocation funds for Lieberman/Long to purchase a comparable replacement dwelling pursuant the regulations.

To mitigate these matters, it is recommended Valley Water comply with the Uniform Relocation Act. First and foremost, Valley Water should take every action to ensure it is treating Lieberman/Long fairly, consistently, and equitably throughout their relocation. Secondly, Valley Water should accept the Lieberman/Long hybrid comparable as being more comparable to the displacement dwelling than the Valley Water comparable. Finally, Valley Water should accept the proposed revised price differential payment amount of \$2,631,000.

Sincerely



Robert B. Swenson
Partner

Exhibits

Qualifications

Mr. Swenson has served the right-of-way industry for thirty years. His extensive knowledge of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, has allowed him to successfully provide right-of-way services in the areas of land acquisition; relocation; easements; program management oversight; property management; cost estimating/budget control; and, project quality control. Service areas include airports, highways, transit, telecommunications, utilities, and public housing authorities, as well as clients from the private sector. Mr. Swenson has also provided clients with extensive regulatory expertise in the area of quality assurance and regulatory compliance; program policies and procedures development; program and file auditing; program analysis; and, cost saving management practices.

Mr. Swenson started Firm70, LLC – a firm dedicated to providing socially responsible right-of-way services to those affected by public works projects. With offices in Phoenix and Minneapolis, Firm70, LLC delivers these services to its clients by correctly interpreting and applying the federal, state and local laws that govern.

Mr. Swenson has further applied his extensive knowledge of the relocation laws by providing relocation services to displaced persons. These services strive to insure all displaced persons receive fair and equitable treatment and that they receive the maximum amount of relocation benefits afforded under the law. By interpreting applicable relocation laws affecting his clients, he assists in identifying equipment and personal property to move; development of move specifications; relocation plans; and, coordinates with other key persons in executing the move. Mr. Swenson represents clients throughout the country and has worked with various acquiring agencies. Mr. Swenson has worked for agencies and has opposed agencies. Some of these agencies are as follows.

Agencies work for:

- Federal Aviation Administration
- United States Army Corps of Engineers
- Metropolitan Airports Commission (Minnesota)
- Hennepin County (Minnesota)
- City of Phoenix (Arizona)
- Los Angeles World Airports (California)
- Sonoma County Airport (California)
- South San Joaquin Irrigation District (California)

Agencies opposed:

- Virginia DOT
- Florida DOT
- Minnesota DOT
- Caltrans (California)
- Colorado DOT
- Indiana DOT
- Nevada DOT
- Texas DOT
- Wisconsin DOT
- California High Speed Rail Authority
- LA Metro (Los Angeles)
- Northern Indiana Commuter Train District (NICTD)
- Great River Energy (Minnesota)
- Hennepin County (Minnesota)
- Metropolitan Council (Minnesota)
- Alameda County Transportation Commission (California)
- Solano Transportation Authority (California)
- Bay Area Rapid Transit (BART) (California)
- Santa Clara Valley Transportation Authority (VTA) (California)
- City of Denver (Colorado)
- City of Santa Clara (California)

On several occasions, Mr. Swenson has spoken on acquisition and relocation topics to various audiences that include federal agency symposiums, industry conferences and eminent domain attorney groups.



August 4, 2022

Donald Lieberman and Patricia Long
120 Arroyo Way
San Jose, CA 95112

Re: Conditional Entitlement Letter
Santa Clara Valley Water District – Coyote Creek Flood Management Measures Project
Affected Property: 120 Arroyo Way, San Jose, CA
APN: 467-29-027, and -037

Dear Mr. Lieberman and Ms. Long:

Previously, the Santa Clara Valley Water District (Valley Water) notified you of its efforts to acquire the property that you own and occupy at 120 Arroyo Way in San Jose, California. Valley Water also notified you of your eligibility to receive relocation assistance under its Relocation Assistance Program. Valley Water has developed its Relocation Assistance Program to ensure that uniform, fair, and equitable treatment is afforded to all persons displaced from their homes as a result of its actions so that no person shall suffer disproportionate injury as a result of a project created to benefit the public as a whole.

Based upon the information provided to Valley Water and its relocation consultant, Associated Right of Way Services, Inc., it has been determined that you have been an occupant of the property noted above for 90 consecutive days or more immediately preceding the date Valley Water initiated negotiations with you. Therefore, you are eligible to receive assistance in accordance with the following laws and regulations governing relocation assistance:

Law: California Government Code §7260 et seq.
Regulations: California Code of Regulations, Title 25, Chapter 6

Your Relocation Advisor, Ms. Emily Plurkowski of Associated Right of Way Services, Inc., is available to explain these benefits to you if you have any questions. A more detailed description of this assistance is available in the enclosed Relocation Assistance Handbook. In general, these benefits include the following:

- I. **Relocation Advisory Services.** Your Relocation Advisor, Ms. Plurkowski, will help you find comparable replacement housing in the area. She will also help you file claims for payment with Valley Water and will deliver all necessary notices.

Your Relocation Advisor will identify comparable replacement dwellings within your financial means that are available to you and will provide assistance in obtaining comparable housing of your choice, including assistance in the referral of complaints of discrimination to the appropriate Federal, State, or local fair housing enforcement agency. Please continue to

communicate with Ms. Plurkowski and provide her with information as requested so that she can provide you with assistance as needed.

All services will be provided to you in such a way as to ensure that the relocation process does not result in different or separate treatment on account of race, color, religion, national origin, sex, marital status, familial status, or any basis protected by state and federal anti-discrimination laws, or any other arbitrary circumstances.

II. **Payment for Moving Expenses.** You may choose one of the following options to cover costs related to moving your personal property to a replacement site;

- (A) pay a professional moving company to move your personal property and be reimbursed by Valley Water upon completion,
- (B) receive a fixed moving expense and dislocation allowance of \$2,690 to move eight (8) rooms worth of items if you choose to move your own personal property, or
- (C) choose a combination of the two moving options, depending upon your circumstances.

You may also be eligible for certain storage costs for up to 12 months. More detail on what is covered under Moving Expenses can be found in the enclosed Relocation Assistance Handbook.

III. **Replacement Housing Payment.** Since you have occupied the property as your primary residence for at least 90 days immediately prior to the initiation of negotiations, you are eligible to receive a replacement housing payment to help you rent or purchase a replacement dwelling. The payment will be based on the cost of a comparable replacement dwelling that has been determined, as well as the actual cost you pay to acquire a new permanent dwelling.

Valley Water has determined that you are eligible to receive assistance under the Last Resort Housing Program so that the cost to purchase a comparable house is affordable to you. Valley Water recently approved a Last Resort Housing Plan to support your household's effort to relocate. Under this Plan, you may choose one of two options for your Replacement Housing Payment. It is important that you understand the options presented here. Please meet with your Relocation Advisor and your attorney to ensure that you have an opportunity to understand the Relocation Assistance Program and the options presented to you before making any decisions.

A. Option 1: Traditional Price Differential Payment

Comparable Replacement Dwelling. Valley Water will assist you with purchasing a comparable home that is Decent, Safe, and Sanitary¹. Valley Water has determined that a comparable replacement dwelling would be \$2,999,999. This determination was based upon a review of comparable replacement housing in the community including the property listed at 1072 Micro Court Way in San Jose. This property is a 3,522 square foot single family residence with 4 bedrooms and 3 bathrooms situated on a 9,178 square foot lot. Given the current housing

¹ State regulations define Decent, Safe, and Sanitary as housing that is sound, weather tight condition, and in good repair. It is housing that meets local occupancy codes, safe electrical wiring system for lighting and other devices; contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees). Please speak with your Relocation Advisor.

market, this property may no longer be available for sale. However, Valley Water will continue to provide referrals to you for similar properties for sale at \$2,999,999 or less and will adjust its determination of the cost of most comparable replacement dwelling if such an adjustment is warranted.

Valley Water has offered to purchase your property for \$2,475,000. In order to receive the maximum Price Differential Payment of \$524,999, you would need to purchase a home for \$2,999,999 or greater. Your maximum Price Differential Payment under this option is shown below.

| Option 1: Traditional Price Differential Payment | |
|---|----------------------|
| List Price of Most Comparable Replacement Property | \$2,999,999 |
| Minus Valley Water's Offer to Purchase Current Home | <u>(\$2,475,000)</u> |
| Maximum Price Differential Payment | \$524,999 |

Under Option 1, you could claim payment for the following under the Relocation Assistance Program if you purchase and occupy a replacement property within 12 months of the date you receive just compensation for your current property or the date you vacate your current home (whichever is later).

- Valley Water would deposit a Price Differential Payment into the escrow for your replacement home based on the calculations shown in the above Traditional Price Differential Payment. If you purchase a replacement property that costs less than \$2,999,999 or if Valley Water pays more than \$2,475,000 for your current home, your Price Differential Payment would be adjusted to reflect the difference between the cost of your replacement property and the amount Valley Water pays you for your current property.
- Valley Water would reimburse you for non-recurring closing costs to support your purchase of a comparable replacement property valued at \$2,999,000 or less.
- Valley Water would assess increased mortgage costs owed to you for a reasonable replacement loan.

You would need to fully document your claims. This includes submitting documentation related to your replacement home purchase, certified copies of your closing statement, a copy of a professional Home Inspection Report, and cooperation with Valley Water to allow an inspection of your replacement property to ensure it meets Decent, Safe, and Sanitary standards. Your Relocation Advisor will work with you to help secure the necessary documentation to support your claims.

B. Option 2: Settlement Agreement under Housing of Last Resort

Comparable Replacement Dwelling. Valley Water has considered the current housing market and the fact that homes are selling for above list price. As a result, Valley Water proposes to adjust its determination of the cost of a comparable, Decent, Safe, and Sanitary replacement home. Under this option, Valley Water would adjust the cost of a comparable by 113.4%.

Under this option, Valley Water would adjust the list price of the most comparable property at 1072 Micro Court in San Jose by 113.4% resulting in an anticipated sale price of \$3,401,999. This property is a 3,522 square foot single family residence with 4 bedrooms and 3 bathrooms situated on a 9,178 square foot lot. Given the current housing market, this property may no longer be available for sale. Valley Water can provide referrals to other comparable properties listed for \$3,401,999 or less upon request.

Under this option, Valley Water would enter into a settlement agreement with you for \$3,401,999. This settlement would include the following:

- The purchase of your current property
- Any Price Differential Payment you would receive under the Relocation Assistance Program

The settlement would not include the following, and therefore, you could claim these costs under the Relocation Assistance Program if you purchase and occupy a replacement property within 12 months of the date you receive just compensation for your current property.

- Reimbursement for non-recurring closing costs to support your purchase of a comparable replacement property valued at \$3,401,999 or less.
- Payment of increased mortgage costs for a reasonable replacement loan.

You would need to fully document your request for non-recurring closing costs and increased mortgage costs. This includes submitting documentation related to your replacement home purchase, certified copies of your closing statement, a copy of a professional Home Inspection Report, and cooperation with Valley Water to allow an inspection of your replacement property to ensure it meets Decent, Safe, and Sanitary standards.

Payment of Claims. You must move into a replacement rental dwelling within one year of the date you vacate the home acquired by Valley Water. You must file all claims for payment within 18 months of the date you vacate. Your Relocation Advisor can help you to prepare all claims under the Relocation Program. You should submit all signed and documented claims to your Relocation Advisor for processing. Please note that it typically takes three weeks to receive payment for a claim once all documentation has been submitted and approved.

IV. **Your Right to Appeal.** If you do not agree with a decision made by Valley Water related to the Relocation Assistance Program, you may appeal the decision. All appeals must be submitted within 18 months following the date you move from the property you currently occupy. Information on the Appeal Process is available upon request. Please speak with your Relocation Advisor for additional information on the appeal process.

V. **Relocation Payments are Not Considered Income.** 42 U.S.C. 4636 states that payments are not to be considered as income for revenue purposes or for eligibility for assistance under Social Security Act or other Federal Law. No payment received under 49 CFR 24 shall be considered as income for the purposes of title 26, U.S. Code; or for the purposes of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act [42 U.S.C. 301 et seq.] or any other Federal law (except for any Federal law providing low-income housing assistance).

August 4, 2022

Page 5 of 5

- VI. **This is not a notice to vacate.** Valley Water intends to continue negotiating with you in good faith. You have at least 90 days from the date of this notice before you would be required to vacate.
- VII. **Renting from Valley Water.** If you continue to live on the property after Valley Water takes possession, you are required to pay rent. Failure to pay rent can result in eviction. If you receive a Notice to Vacate from Valley Water and it is required to take legal action to move you from the property, Valley Water will seek rent and damages.

Please refer to the enclosed Relocation Assistance Handbook. It explains your rights and some things you must do to obtain relocation payments. Therefore, do not commit yourself to rent or buy a replacement dwelling until you arrange to have the home inspected by your Relocation Advisor. Your Relocation Advisor will be available to assist you in the relocation process and will explain your rights and help you obtain the relocation payments and other assistance for which you are eligible. If you have any questions, please contact your Relocation Advisor, Ms. Plurkowski by phone at (925) 691-2863 or via electronic mail at EPlurkowski@arws.com.

We appreciate your cooperation in this process as Valley Water continues its efforts to improve our community.



Sincerely,

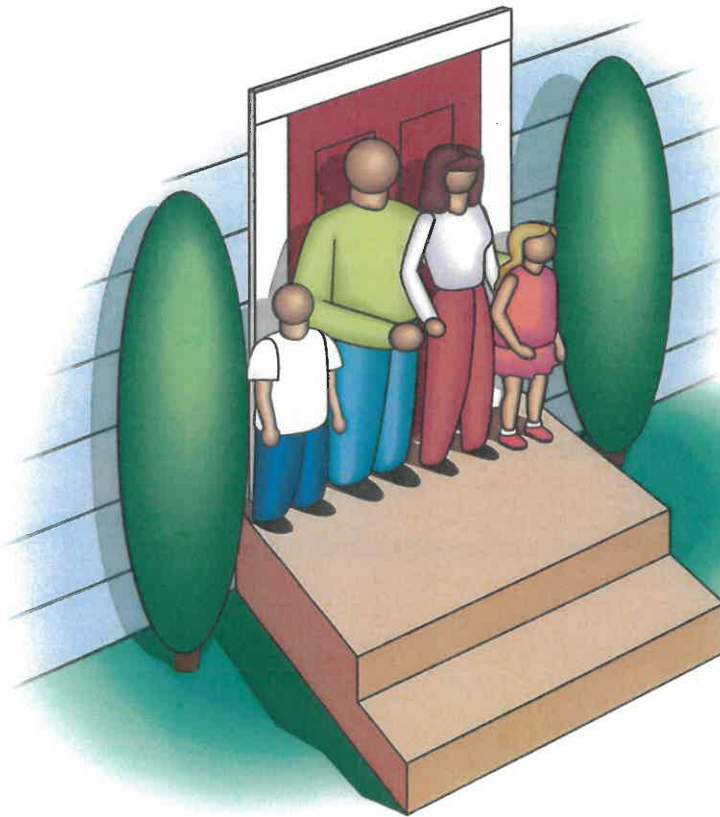
Bill Magleby

Bill Magleby, SR/WA
Senior Real Estate Agent

Enclosures

Cc: Gerry Houlihan, Matteoni O'Laughlin & Hechtman
Emily Plurkowski, AR/WS, Inc.

| Certification of Delivery | |
|--|--|
| This Notice and enclosures were sent to the business owner via USPS First Class and Certified Mail Return Receipt Requested. | |
|  Signature |  Date |



Comparable Replacement Dwelling

By Willie L. Patterson

Recently, I participated in several discussions with Headquarters Army Corps of Engineers Real Estate personnel and with the Environmental Protection Agency regarding the term “comparable replacement dwelling” (CRD). It seems to be a mystery to many, and rather abstract and vague to others. I will attempt to shed some light on the terminology and the approach one should take when selecting a CRD.

First, always refer to the Uniform Relocation Assistance and Real Property Acquisition Regulations for federal and federally assisted programs, commonly referred to as URA.¹ The URA is authored by the Federal Highway Administration (FHWA), Department of Transportation (DOT), and other federal agencies are given an opportunity to provide input to the regulation before the single rule is passed to all for implementation.

When you attempt to locate a CRD, I strongly encourage you to first look at

the section by section analysis of the URA. In Section 24.2 (d), you will note the comments received concerning the term CRD. A couple of important points are highlighted here:

1. Comparable style of living and functionally equivalent mean that the CRD selected for computing the replacement housing payment is:

- a. In the same or same type of residential development as the acquired dwelling.
- b. On a site typical in size for that development.

Always refer to the Uniform Relocation Assistance and Real Property Acquisition Regulations for federal and federally assisted programs.

- c. In the same type of dwelling, i.e., single family for single family, apartment for apartment, etc.
- d. Capable of providing the same type or similar amenities within the dwelling. (The regulation uses as an example of a person who entertains large groups frequently. If the acquired dwelling is arranged to accommodate this type of living style, the comparable home should be capable of being arranged in this fashion.)

After reading the section by section analysis, refer to the appendix for more Information (Appendix A to part 24—Additional Information. Section 24.2 (d) (2). Definition of comparable replacement dwelling). The appendix addresses the portion that says the dwelling must be functionally equivalent. That means, according to the regulation:

1. It must perform the same function, provide the same utility, and be capable of contributing to a comparable style of living as the displacement dwelling. The

principal features must be present.

The appendix gives examples of tradeoffs when looking at comparable homes. *Note: Only in unusual circumstances may a comparable home contain fewer rooms, or less living space than the displaced dwelling. One instance would be when the acquired dwelling was run down, and sub-standard. As long as the comparable replacement dwelling is adequate to accommodate the displaced family.*

After examining the beginning and end of the regulation, go to the core of the regulation, the actual section itself. Seemingly, this is not a normal practice, but it has proven beneficial when you are trying to understand a URA concept.

Subpart A—General, Subsection 24.2 Definitions. This section defines CRD. It is a rather extravagant and detailed definition, but in short, it means the following:

1. Decent, safe and sanitary as described in paragraph (f) of this section. Naturally, you have to go to the decent, safe and sanitary section. It addresses applicable housing and occupancy codes.

2. Functionally equivalent to the displacement dwelling. It should perform the same function, provide the same utility, and is capable of contributing to a comparable style of living. Functionally equivalent is an "objective standard."

3. Adequate in size to accommodate occupants.

4. In an area not subject to unreasonable adverse environmental considerations.

5. In a location generally not less desirable than the location of the displaced person's dwelling with respect to utilities and commercial and public facilities, and reasonably accessible to the person's place of employment.

6. On a site that is typical in size for residential development.

7. Currently available to the displaced person on the private market.

8. Within the financial means of the displaced person... The regulations clearly explain within the person's financial means in this section, so you should pay close attention to the details.

Having read all of this government jargon, most people whom I have worked with realize the importance of translating the requirements to an easy-

to-use matrix. Based on the language above, we created an easy-to-follow form to determine comparability. You establish all the factors used to determine a comparable. Always list the features of the acquired dwelling, which helps when presenting to a displaced person. It helps to remind them of their dwelling features. Sometimes they forget they only had 1,200 square feet, with a window unit, and a space heater. They tend to create features in their mind, so it is always a good idea to present your findings at their home.

You can always say, "Let me take a look at the basement." Only to discover

it is crawl space, with dirt! Try to get the most comparable home to be the obvious one out of the three you select. I always would review the features of the acquired dwelling, and compare with the features of the most comparable dwelling, then summarize. For example: Most comparable dwelling has 1,800 square feet; your home has 1,750 square feet. Your home is 45 years old, the comparable dwelling is 35 years old. You have a window unit, the comparable has central air; you have a carport, but the comparable has a two-car garage. **You are in a Residential 4 zone; the comparable is in a Residential 4 zone.** Last, but not

Determination of Comparable

Project:

Displaced Person _____ Tract Number _____ No. in family _____

Bedrooms required _____ Owner _____ Tenant _____

COMP FACTORS

Decent, Safe and Sanitary

Address

Access

Lot Size

Size of Entirety

Type Neighborhood

Approx. age

Condition

No. Stories

Type Construction

No. Rooms/Bedrooms/Baths

Living Area (SF) Total Area

Basement

Parking (No. of cars)

Type Heating System

Type Heating Fuel

Type A/C System

Type Sewage System

Type Water Supply

Other

Public Transportation

Distance to Work

School Districts/Distance

Shopping-Distance

Churches/Synagogues-Distance

Adequate to accommodate DP

Available to DP

Asking Price/Rent

Est. FMV

SUBJECT

CRD

CRD

CRD



least, pay close attention to the exterior feature. If they have an all brick home, it is a difficult sell to show them a brand new vinyl siding home, although their home is 45 years old. Look for brick!

Most comparable dwelling is determined based on the factors reviewed in the matrix. This matrix addresses the comparability requirements based on the regulation. As a reminder: *Never* pre-determine a price range to start in when seeking CRDs. *Be realistic* in terms of a comparable community. *Do not* go to extreme communities to look for a comparable.

Relocation Specialists should have a checklist to help guide them when seeking a comparable community. If you want to just move the folks, and throw money at the project, you will end up in far superior communities.

The socioeconomic factors are mildly addressed in the regulation, that is, income and class of community. But the regulation does explicitly say not to seek

comparable homes "in a location subject to unreasonable adverse environmental considerations." Some would argue they came from an adverse environment. That may be true, but you should avoid adverse environments for comparability determination. A person can obviously choose to purchase in any environment he or she desires. Whatever you do, be consistent and fair. Never let race, color, creed, or national origin interfere in your decision making.

Relocation and Comparability will always be a challenge because there are some displaced persons who view government with deep pockets, thus will wander into upscale communities for their replacement home and argue the home is in fact comparable. They are probably correct in their assertion, but we have to do our best to keep folks in a realistic frame of mind. We are not in the business to present windfalls to displaced persons, but we should make them whole. ■

Willie L. Patterson is a Senior Realty Specialist, Acquisition, for North Atlantic Division US Army Corps of Engineers. Member of the IRWA Potomac Chapter 14, Willie was the former Chief of Acquisition for New Orleans District Army Corps of Engineers; and former chief of Purchase Section, Mobile District Army Corps of Engineers. He instructs the Corps of Engineers Prospect Relocation course, and serves on the IRWA Federal Relocations Roundtable at the annual Educational Seminar.



NOTES:

¹Uniform Relocation Assistance and Real Property Acquisition Regulations for Federal and Federally Assisted Programs as published in the Federal Register, Vol. 54, No. 40/Thursday, March 2, 1989/ Rules and Regulations.

• Title Research

• Due Diligence

• Litigation Support

• Feasibility / Valuation Studies

• Route / Site Selection

• Relocation Assistance

• Project Control / Scheduling

• Project Management

• Asset / Property Management

• Right of Way / Real Property Acquisition

• Environmental Permitting

• Franchise Permitting

• PDQ Information Delivery System

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EXHIBIT C

RESIDENTIAL RELOCATION COMPARABLE HOUSING STUDY for Don Lieberman & Patty Long

| | Displacement | VW Comparable | | Comparable 1 | |
|-------------------------------|--|---|---|---|---|
| Address | 120 Aroyo Way San Jose | 1072 Micro Court San Jose | | 325 Harcross Rd Woodside | |
| List Price | | \$2,999,999.00 | | \$5,388,000.00 | |
| Sale Price | | | | | |
| List Price/square feet | | \$852 | | \$1,222 | |
| Distance from Displacement | | 9.8 miles | | 27.6 miles | |
| Dwelling Type | SFR | SFR | | SFR | |
| Style | two-story walkout | conventional/two-story | = | two-story walkout | = |
| Location | mature urban residential; riparian view | mature urban residential | = | mature urban residential | = |
| Bedrooms | 4 | 4 | = | 4 | = |
| Bathrooms | 3 | 3 | = | 2.5 | = |
| Kitchen | yes; large 400 sq.ft. | yes | = | yes | = |
| Living Room | yes; 2-story great room | yes | = | yes | = |
| Dining Room | yes | yes | = | yes | = |
| Family/Rec Room | yes; home theater 465 sq.ft. | yes; home theater | = | yes | = |
| Other Room | | | | | |
| Other Room | enclosed patio w/ bbq | | | enclosed patio | = |
| Other Room | partial basement | | | | |
| Total Room Count | 12 | 11 | - | 12 | = |
| Dwelling Size (sq.ft.) | 3,700 | 3,522 | - | 4,410 | + |
| Lot Size (acres) | 0.65 | 0.21 | + | 2.05 | + |
| Year Built | 1939 | 1987 | = | 1978 | + |
| Parking | 2-car garage attached | 3-car garage attach | = | 2-car garage attached | = |
| Pool | no | yes + hot tub | + | | = |
| Fireplace | 3-fireplaces | 3-fireplaces | = | 1-fireplace | - |
| Security System | yes | unknown | | unknown | |
| Utilities | | | | | |
| Electric | public | public | = | public | = |
| Heating | central forced air, 3 units | central forced air | = | central forced air | = |
| Cooling | central forced air, 3 units | central forced air | = | no | = |
| Gas | n/a | propane | = | unknown | = |
| Water | public | well | = | public | = |
| Sewer/Septic | public | public | = | public | = |
| Additional Amenities | | | | | |
| Site | Lot is larger than typical for neighborhood; well landscaped and heavily wooded | Lot is typical in size to neighborhood; well landscaped | - | Lot is typical in size to neighborhood; well landscaped, wooded | = |
| View | Lot located on riparian corridor with creek view | | - | Heavily wooded | = |

EXHIBIT C

RESIDENTIAL RELOCATION COMPARABLE HOUSING STUDY for Don Lieberman & Patty Long

| | Displacement | Comparable 2 | Comparable 3 | |
|-------------------------------|--|-----------------------------------|---|---|
| Address | 120 Aroyo Way San Jose | 2213 Canyon Cliff Ct. San Jose | 201 Nevada Ave. Moss Beach | |
| List Price | | \$3,488,000.00 | \$5,950,000.00 | |
| Sale Price | | | | |
| List Price/square feet | | \$987 | \$1,526 | |
| Distance from Displacement | | 8.9 miles | 47.8 miles | |
| Dwelling Type | SFR | SFR | SFR | |
| Style | two-story walkout | conventional/two-story | conventional/two-story | = |
| Location | mature urban residential; riparian view | mature urban residential | mature urban residential, oceanside | = |
| Bedrooms | 4 | 4 | 4 | = |
| Bathrooms | 3 | 3 | 3.5 | + |
| Kitchen | yes; large 400 sq.ft. | yes - open concept | yes | = |
| Living Room | yes; 2-story great room | yes | yes | = |
| Dining Room | yes | yes | yes | = |
| Family/Rec Room | yes; home theater 465 sq.ft. | yes | yes | = |
| Other Room | | yes, bonus rm, 2nd floor | office | + |
| Other Room | enclosed patio w/ bbq | yes, office, 1st floor | | = |
| Other Room | partial basement | | | |
| Total Room Count | 12 | 13 | 13 | + |
| Dwelling Size (sq.ft.) | 3,700 | 3,535 | 3,900 | + |
| Lot Size (acres) | 0.65 | 0.39 | 0.46 | - |
| Year Built | 1939 | 2000 | 1964 | = |
| Parking | 2-car garage attached | 3 car garage attach | 3 car garage attach | + |
| Pool | no | no | no | = |
| Fireplace | 3-fireplaces | 4-fireplaces | 1-fireplace | - |
| Security System | yes | yes | unknown | |
| Utilities | | | | |
| Electric | public | public | public | = |
| Heating | central forced air, 3 units | forced air - gas | forced air | - |
| Cooling | central forced air, 3 units | central | central | - |
| Gas | n/a | unknown | unknown | = |
| Water | public | public | public | = |
| Sewer/Septic | public | public | public | = |
| Additional Amenities | | | | |
| Site | Lot is larger than typical for neighborhood; well landscaped and heavily wooded | Smaller than subject | Lot is typical in size to neighborhood; well landscaped | = |
| View | Lot located on riparian corridor with creek view | No view | Ocean, water front | = |

EXHIBIT C

RESIDENTIAL RELOCATION COMPARABLE HOUSING STUDY for Don Lieberman & Patty Long

| | Displacement | Comparable 4 | Comparable 5 | |
|-------------------------------|--|---|---|---|
| Address | 120 Aroyo Way San Jose | 4149 Jefferson Ave. Redwood City | 1483 Kiner Ave. San Jose | |
| List Price | | \$3,995,000.00 | \$3,550,000.00 | |
| Sale Price | | | | |
| List Price/square feet | | \$1,113 | \$893 | |
| Distance from Displacement | | 30.4 miles | 6.4 miles | |
| Dwelling Type | SFR | SFR | SFR | |
| Style | two-story walkout | conventional/two-story | conventional/two-story | = |
| Location | mature urban residential; riparian view | mature urban residential | mature urban residential | = |
| Bedrooms | 4 | 4 | 4 | = |
| Bathrooms | 3 | 3.5 | 4 | + |
| Kitchen | yes; large 400 sq.ft. | yes | yes | = |
| Living Room | yes; 2-story great room | yes | yes | = |
| Dining Room | yes | yes + breakfast dm | yes | = |
| Family/Rec Room | yes; home theater 465 sq.ft. | yes, large bonus | no | - |
| Other Room | | | | |
| Other Room | enclosed patio w/ bbq | office | office | = |
| Other Room | partial basement | sunroom | | = |
| Total Room Count | 12 | 12 | 12 | = |
| Dwelling Size (sq.ft.) | 3,700 | 3,590 | 3,975 | + |
| Lot Size (acres) | 0.65 | 1.27 | 0.2 | - |
| Year Built | 1939 | 1930 | 1960 | = |
| Parking | 2-car garage attached | no garage, 10 parking spaces outside | 2 car detached | - |
| Pool | no | no | yes | + |
| Fireplace | 3-fireplaces | 3-fireplaces | 2-fireplace | - |
| Security System | yes | | unknown | |
| Utilities | | | | |
| Electric | public | public | public | = |
| Heating | central forced air, 3 units | forced air - gas, heat pump | Other | = |
| Cooling | central forced air, 3 units | central | unknown | = |
| Gas | n/a | unknown | natural | = |
| Water | public | public | public | = |
| Sewer/Septic | public | septic | public | = |
| Additional Amenities | | | | |
| Site | Lot is larger than typical for neighborhood; well landscaped and heavily wooded | Lot is typical in size to neighborhood; well landscaped, wooded | Well landscaped in both front & rear | - |
| View | Lot located on riparian corridor with creek view | Heavily wooded | Fenced w/ pool view | - |

EXHIBIT C

RESIDENTIAL RELOCATION COMPARABLE HOUSING STUDY for Don Lieberman & Patty Long

| | Displacement | Comparable 6 | | Comparable 7 | |
|-------------------------------|--|---|---|---|---|
| Address | 120 Aroyo Way San Jose | 757 Moreno Ave. Palo Alto | | 907 Dry Creek Rd. San Jose | |
| List Price | | \$5,688,888.00 | | \$4,788,000.00 | |
| Sale Price | | | | \$4,700,000.00 | |
| List Price/square feet | | \$1,505 | | \$1,290 | |
| Distance from Displacement | | 18.6 miles | | 6.9 miles | |
| Dwelling Type | SFR | SFR | | SFR | |
| Style | two-story walkout | conventional/1.5-story | = | conventional/1-story | = |
| Location | mature urban residential; riparian view | mature urban residential | = | mature urban residential | = |
| Bedrooms | 4 | 4 | = | 4 | = |
| Bathrooms | 3 | 4 | + | 4 | = |
| Kitchen | yes; large 400 sq.ft. | yes | = | yes | = |
| Living Room | yes; 2-story great room | yes | = | yes | = |
| Dining Room | yes | yes | = | yes | = |
| Family/Rec Room | yes; home theater 465 sq.ft. | yes | = | porch | = |
| Other Room | | bonus/office | + | | |
| Other Room | enclosed patio w/ bbq | | | | |
| Other Room | partial basement | | | | |
| Total Room Count | 12 | 13 | + | 12 | = |
| Dwelling Size (sq.ft.) | 3,700 | 3,779 | = | 3,712 | = |
| Lot Size (acres) | 0.65 | 0.15 | - | 0.24 | - |
| Year Built | 1939 | 2016 | + | 2017 | = |
| Parking | 2-car garage attached | 1 car garage attach | - | 3 car garage attach | - |
| Pool | no | no | = | no | = |
| Fireplace | 3-fireplaces | 2-fireplace | - | 1-fireplace | - |
| Security System | yes | unknown | | unknown | |
| Utilities | | | | | |
| Electric | public | public | = | public | = |
| Heating | central forced air, 3 units | central forced air | = | central forced air | = |
| Cooling | central forced air, 3 units | central | = | central | = |
| Gas | n/a | natural | = | natural | = |
| Water | public | public | = | public | = |
| Sewer/Septic | public | public | = | public | = |
| Additional Amenities | | | | | |
| Site | Lot is larger than typical for neighborhood; well landscaped and heavily wooded | Well landscaped in front, nothing in rear, very shallow rear yard | - | Well landscaped in front, nothing in rear, very shallow rear yard | - |
| View | Lot located on riparian corridor with creek view | No, wood fence | - | rear view is wood fence | - |

EXHIBIT C

RESIDENTIAL RELOCATION COMPARABLE HOUSING STUDY for Don Lieberman & Patty Long

| | Displacement | Comparable 8 | | Comparable 9 | |
|-------------------------------|--|--|---|---|---|
| Address | 120 Aroyo Way San Jose | 12731 Chaparral Ave Saratoga | | 818 Seale Ave Palo Alto | |
| List Price | | \$4,250,000.00 | | \$5,995,000.00 | |
| Sale Price | | \$4,140,000.00 | | | |
| List Price/square feet | | \$1,185 | | \$1,909 | |
| Distance from Displacement | | 11.4 miles | | 18.5 miles | |
| Dwelling Type | SFR | SFR | | SFR | |
| Style | two-story walkout | conventional/1.5-story | - | conventional/2-story | = |
| Location | mature urban residential; riparian view | mature urban residential | = | mature urban residential | = |
| Bedrooms | 4 | 4 | = | 4 | = |
| Bathrooms | 3 | 4.5 | + | 3.5 | = |
| Kitchen | yes; large 400 sq.ft. | yes | = | yes | = |
| Living Room | yes; 2-story great room | yes | = | yes | = |
| Dining Room | yes | yes | = | yes | = |
| Family/Rec Room | yes; home theater 465 sq.ft. | yes | = | yes | = |
| Other Room | | | | | |
| Other Room | enclosed patio w/ bbq | | | office | + |
| Other Room | partial basement | | | | |
| Total Room Count | 12 | 13 | + | 13 | + |
| Dwelling Size (sq.ft.) | 3,700 | 3,585 | = | 3,141 | - |
| Lot Size (acres) | 0.65 | 0.21 | - | 0.22 | - |
| Year Built | 1939 | 2022 | = | 1949 | = |
| Parking | 2-car garage attached | 2 car garage attach | - | 2 car garage attach | - |
| Pool | no | no, potential | = | no | = |
| Fireplace | 3-fireplaces | 1-fireplace | - | 2-fireplace | - |
| Security System | yes | yes | = | yes | = |
| Utilities | | | | | |
| Electric | public | public | = | public | = |
| Heating | central forced air, 3 units | central forced air | = | central forced air | = |
| Cooling | central forced air, 3 units | central | = | central | = |
| Gas | n/a | natural | = | natural | = |
| Water | public | public | = | public | = |
| Sewer/Septic | public | public | = | public | = |
| Additional Amenities | | | | | |
| Site | Lot is larger than typical for neighborhood; well landscaped and heavily wooded | Well landscaped in front, nothing in rear | - | Well landscaped in both front & rear | - |
| View | Lot located on riparian corridor with creek view | No, wood fence | - | No, wood fence | - |

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325 Harcross Rd, WOODSIDE, CA 94062

\$5,388,000Buy with Redfin: **\$5,374,875** >**4**

Beds

2.5

Baths

4,410

Sq Ft

**Go tour this home**

WEDNESDAY

16

NOV

THURSDAY

17

NOV

FRIDAY

18

NOV



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(415) 548-9232

About This Home

First time on the market in over 4 decades, this gated treasure is situated on a private street on just over 2 acres. Surrounded by nature, this home is a one-of-a-kind retreat. The fountains and koi pond set a stage upon entry that is both calm and comforting. Dramatic large wood beams and a

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Listed by David Kelsey • DRE #01242399 • Compass

Contact: 650-388-2086

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Home Facts

| | | | |
|---------------|---------------------------|----------------|-------------------|
| Status | Active | Time on Redfin | 44 days |
| Property Type | Single Family Home | Year Built | 1978 |
| Community | WOODSIDE | Lot Size | 2.05 Acres |
| MLS# | ML81909240 | | |

Price Insights

| | | | |
|--------------------------|--------------------|------------------|-----------------|
| List Price | \$5,388,000 | Est. Mo. Payment | \$34,326 |
| Redfin Estimate | \$5,232,842 | Price/Sq.Ft. | \$1,222 |
| Buyer's Agent Commission | 2.5% | | |

Silver

Las Pulgas Dr



Flood Factor: 1/10



Street View



Directions



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2213 Canyon Cliff Ct, SAN JOSE, CA 95138

\$3,288,000

Buy with Redfin: \$3,279,686 >

4 Beds

3 Baths

3,535 Sq Ft



Price Drop
List price was lowered by \$200K. Tour it in person or via video chat before it's gone!

Today: 5:00 pm • 6:00 pm • 7:00 pm • More times



Go tour this home

WEDNESDAY
16
NOV

THURSDAY
17
NOV

FRIDAY
18
NOV

Tour in person

Tour via video chat

Schedule tour

It's free, with no obligation — cancel anytime.

OR

Start an offer

Buy with a Redfin Agent and get \$8,314 back.

Ask a question (650) 227-4536

About This Home

This exquisite home is located on one of the quietest cul de sacs in the highly desirable Bel Aire neighborhood. 4 BDs + bonus room + office all on a flat .39 acre lot. Excellent curb appeal w/ professionally landscaped front yard & a welcoming patio area. The double door entry w/ high

Continue reading
Listed by Thao Dang & Brian Ng • DRE #70013767 • Block Change Real Estate
Contact: 408-655-0878
Redfin checked: just now (Nov 16, 2022 at 3:51pm) • Source: MLSListings #ML81908362

Home Facts

| | | | |
|---------------|--------------------------------|----------------|------------|
| Status | Active | Time on Redfin | 53 days |
| Property Type | Single Family Home | Year Built | 2000 |
| Style | Contemporary, Modern/High Tech | Community | SAN JOSE |
| Lot Size | 0.39 Acres | MLS# | ML81908362 |

Price Insights

| | | | |
|------------|-------------|------------------|----------|
| List Price | \$3,288,000 | Est. Mo. Payment | \$20,947 |
|------------|-------------|------------------|----------|

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Overview

Property Details

Sale & Tax History

Schools



201 Nevada Ave, MOSS BEACH, CA 94038

\$5,950,000

Buy with Redfin: \$5,935,777 >

4

Beds

3.5

Baths

3,900

Sq Ft



Go tour this home

WEDNESDAY

16

NOV

THURSDAY

17

NOV

FRIDAY

18

NOV

Tour in person

Tour via video chat

Schedule tour

It's free, with no obligation -- cancel anytime.

OR

Start an offer

Buy with a Redfin Agent and get \$14,223 back.

Ask a question

(650) 516-4162

About This Home

PRICE IMPROVEMENT ON THIS SPECTACULAR OCEANFRONT HOME! Enjoy stunning coastal ocean views. This timeless custom home was designed to take advantage of the views that dominate the living room, kitchen, dining room, primary BD, multiple decks & gardens that are all

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Listed by Alicia Sanguinetti · DRE #01183262 · Compass
Contact: 650-888-6432
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Home Facts

| | | | |
|---------------|--------------------|----------------|------------|
| Status | Active | Time on Redfin | 154 days |
| Property Type | Single Family Home | Year Built | 1964 |
| Style | Cape Cod | Community | MOSS BEACH |
| Lot Size | 0.46 Acres | MLS# | ML81896024 |

Price Insights

| | | | |
|--------------------------|-------------|------------------|----------|
| List Price | \$5,950,000 | Est. Mo. Payment | \$37,906 |
| Redfin Estimate | \$5,748,873 | Price/Sq.Ft. | \$1,526 |
| Buyer's Agent Commission | 2.5% | | |

←

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Overview

Property Details

Sale & Tax History

Schools



Video Tour

Floor Plans

Street View

See all 52 photos

4149 Jefferson Ave, REDWOOD CITY, CA 94062

\$3,995,000

Buy with Redfin: \$3,984,999 >

4

Beds

3.5

Baths

3,590

Sq Ft



Go tour this home

WEDNESDAY

16

NOV

THURSDAY

17

NOV

FRIDAY

18

NOV

Tour in person

Tour via video chat

Schedule tour

It's free, with no obligation — cancel anytime.

OR

Start an offer

Buy with a Redfin Agent and get \$10,001 back.

Ask a question

(415) 548-9232

About This Home

Villa Serena is a stunning European Country Home located in Emerald Hills just half mile off Canada Road and close to lovely Woodside. This 1930s home is an entertainers dream property with a luxurious blend of classic style and modern refinement. With 4 Bedrooms (3 en suite), 3.5

Continue reading

Listed by Owen Halliday • DRE #01453658 • Christie's International Real Estate Sereno
Contact: 650-492-0062
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Home Facts

| | | | |
|---------------|--------------------|----------------|--------------|
| Status | Active | Time on Redfin | 69 days |
| Property Type | Single Family Home | Year Built | 1930 |
| Style | Mediterranean | Community | REDWOOD CITY |
| Lot Size | 1.27 Acres | MLS# | ML81906489 |

Price Insights

| | | | |
|--------------------------|-------------|------------------|----------|
| List Price | \$3,995,000 | Est. Mo. Payment | \$25,451 |
| Redfin Estimate | \$3,962,751 | Price/Sq.Ft. | \$1,113 |
| Buyer's Agent Commission | 3% | | |

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Log In

**Overview**

Property Details

Sale & Tax History

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Schools

OFF MARKET



Street View



See all 8 photos

1483 KINER Ave, San Jose, CA 95125

\$3,336,727

Redfin Estimate

4

Beds

4

Baths

3,830

Sq Ft



Off Market

This home last sold for \$1,650,000 on May 18, 2011.

About This Home

Another Closed Transaction!! A Custom Built Willow Glen Home and no expense was spared on this remodel. The home boasts 9ft ceilings, 400 bottle Wine Cellar, Beautiful Master Bedroom, Large Guest room W/ sitting area, Outstanding Office, large windows, hardwood floors and HUGE kitchen to the lush resort like backyard and entertaining area with a 30,000 gallon salt water pool, spa and fireplace

Listed by Bill Robertson • DRE #01362607 • Coldwell Banker Realty

Redfin checked: 2 minutes ago (Nov 16, 2022 at 3:53pm) • Source: MLSListings #ML81037390

Bought with Nicki Brown • DRE #01205095 • Compass

Is this your home?

Track your home's value and update facts and photos

View homeowner tools

Get a Redfin Home Sales Advisor's opinion on your home's value and the state of the San Jose market.

Estimated Sale Price

\$3.27M - \$3.60M

Request a free analysis

OR

Schedule selling consultation

Redfin Estimate for 1483 KINER Ave

Edit home facts to improve accuracy.

Create an Owner Estimate

\$3,336,727

Track this estimate

+\$1.7M since sold in 2011 See estimate history

Redfin Estimate based on recent home sales. ⓘ



←

Feed

Overview

Property Details

Sale & Tax History

Schools



Floor Plans

Street View

See all 46 photos

757 Moreno Ave, PALO ALTO, CA 94303

\$5,688,888

4

4

3,779

Buy with Redfin: \$5,675,169 >

Beds

Baths

Sq Ft



Go tour this home

WEDNESDAY

16

NOV

THURSDAY

17

NOV

FRIDAY

18

NOV

Tour in person

Tour via video chat

Schedule tour

It's free, with no obligation — cancel anytime.

OR

Start an offer

Buy with a Redfin Agent and get \$13,719 back.

Ask a question (415) 548-9232

About This Home

Chic, newer and warm-contemporary style single family house. Walkable: one block to Midtown shopping and dining. Palo Alto schools. Great room with high ceilings. Natural light abounds. Flexible floor plan. Space for 5th bedroom or whatever your life style desires . Ground floor bedroom with patio. Green features such as solar ready and EV charger. And more for you to discover !!

Listed by Cynthia Chang · DRE #01887695 · Coldwell Banker Realty
Contact: 408-219-9117
Redfin checked: 3 minutes ago (Nov 16, 2022 at 3:53pm) · Source: MLSListings #ML81900078

Home Facts

| | | | |
|---------------|--------------------|----------------|---------------|
| Status | Active | Time on Redfin | 98 days |
| Property Type | Single Family Home | Year Built | 2016 |
| Community | PALO ALTO | Lot Size | 6,600 Sq. Ft. |
| MLS# | ML81900078 | | |

Price Insights

| | | | |
|--------------------------|-------------|------------------|----------|
| List Price | \$5,688,888 | Est. Mo. Payment | \$36,243 |
| Redfin Estimate | \$5,702,530 | Price/Sq.Ft. | \$1,505 |
| Buyer's Agent Commission | 2.5% | | |

Street View

Directions



907 Dry Creek Rd, SAN JOSE, CA 95124

\$4,700,000

4

3.5

3,712

Sold Price

Beds

Baths

Sq Ft



Is this your home?

Track your home's value and update facts and photos

View homeowner tools

Sell your home for more, pay a 1% listing fee when you sell and buy

Estimated sale price
\$4.19M - \$4.62M

Schedule selling consultation

It's free, with no obligation - cancel anytime

Recently Sold
This home sold 4 months ago.

About This Home

This Contemporary Mediterranean masterpiece is exceptional in every way. Located on coveted Dry Creek Rd, minutes to downtown Willow Glen, Campbell & Los Gatos. Welcome home to this stunning single level, recently built estate offering 3,712 SqFt, 4 bedrooms, including office, wine

Continue reading
Listed by Don Perry • DRE #00613226 • Coldwell Banker Realty
Listed by Michael Lomonaco • DRE #01242514 • Coldwell Banker Realty
Redfin checked: just now (Nov 16, 2022 at 3:55pm) • Source: MLSListings #ML81887574

Bought with Ralph Rodriguez • DRE #01169616 • Compass
Bought with Rachel T. Rodriguez • DRE #01415559 • Compass

Home Facts

| | | | |
|------------|------------|---------------|--------------------|
| Status | Sold | Property Type | Single Family Home |
| Year Built | 2017 | Style | Mediterranean |
| Community | SAN JOSE | Lot Size | 10,063 Sq. Ft. |
| MLS# | ML81887574 | | |

Price Insights

| | | | |
|--------------------------|-------------|--------------|---------|
| Redfin Estimate | \$4,278,503 | Price/Sq.Ft. | \$1,266 |
| Buyer's Agent Commission | 2.5% | | |



12731 Chaparral Ave, SARATOGA, CA 95070

\$4,140,000

4

4.5

3,585

Sold Price

Beds

Baths

Sq Ft



Recently Sold
This home sold 4 months ago.

About This Home

Welcome to 12731 Chaparral, a breathtaking brand-new home located in the highly desirable city of Saratoga. Featuring 4 bedrooms & 4.5 bathrooms, this stunning masterpiece includes 3,585 SF of living space on a flat 9048 SF lot. As you step inside, you are immediately immersed by soaring

Continue reading
Listed by Russ Sadykhov • DRE #01891106 • Coldwell Banker Realty
Redfin checked: 1 minute ago (Nov 16, 2022 at 3:55pm) • Source: MLSListings #ML81888851
Bought with Russ Sadykhov • DRE #01891106 • Coldwell Banker Realty

Home Facts

| | | | |
|------------|------------|---------------|--------------------|
| Status | Sold | Property Type | Single Family Home |
| Year Built | 2022 | Style | Modern/High Tech |
| Community | SARATOGA | Lot Size | 9,048 Sq. Ft. |
| MLS# | ML81888851 | | |

Price Insights

| | | | |
|--------------------------|-------------|--------------|---------|
| Redfin Estimate | \$4,499,771 | Price/Sq.Ft. | \$1,155 |
| Buyer's Agent Commission | 2.5% | | |

Is this your home?

Track your home's value and update facts and photos

View homeowner tools

Sell your home for more, pay a 1% listing fee when you sell and buy

Estimated sale price
\$4.41M - \$4.86M

Schedule selling consultation

It's free, with no obligation - cancel anytime



818 Seale Ave, PALO ALTO, CA 94303

\$5,995,000
Buy with Redfin: **\$5,980,691** >

4
Beds

3.5
Baths

3,141
Sq Ft



Go tour this home

WEDNESDAY
16
NOV

THURSDAY
17
NOV

FRIDAY
18
NOV

>

Tour in person

Tour via video chat

Schedule tour

It's free, with no obligation — cancel anytime.

OR

Start an offer

Buy with a Redfin Agent and get **\$14,309** back.

Ask a question (415) 548-9232

About This Home

This exquisite home sits on an expansive 9,514 square foot lot. Featuring a chef's kitchen with professional grade appliances as well as three full and one half bath, all recently remodeled. Offering four bedrooms, including an en suite bedroom upstairs and the spectacular primary suite

[Continue reading](#) ▾
Listed by Sherry Bucolo • DRE #00613242 • Compass
Contact: 650-207-9909
Redfin checked: **2 minutes ago** (Nov 16, 2022 at 3:55pm) • Source: MLSListings #ML81912087

Home Facts

| | | | |
|---------------|--------------------|----------------|---------------|
| Status | Active | Time on Redfin | 13 days |
| Property Type | Single Family Home | Year Built | 1949 |
| Community | PALO ALTO | Lot Size | 9,514 Sq. Ft. |
| MLS# | ML81912087 | | |

Price Insights

| | | | |
|--------------------------|-------------|------------------|----------|
| List Price | \$5,995,000 | Est. Mo. Payment | \$38,193 |
| Redfin Estimate | \$6,086,760 | Price/Sq.Ft. | \$1,909 |
| Buyer's Agent Commission | 2.5% | | |



INCOMING BOARD CORRESPONDENCE

Board Correspondence (open)

| Correspond No | Rec'd By District | Rec'd By COB | Letter To | Letter From | Description | Disposition | BAO/ Chief | Staff | Draft Response Due Date | Draft Response Submitted | Writer Ack. Sent | Final Response Due Date |
|---------------|-------------------|--------------|-----------|------------------|--|----------------|-----------------|--------------------|-------------------------|--------------------------|------------------|-------------------------|
| C-23-0030 | 01/18/23 | 01/18/23 | All | STEPHEN QUAN | Email from Stephen Quan, to the Board of Directors, dated 01/18/23, regarding Dam Levels and the Drought. | Refer to Staff | Baker | Williams | 01/26/23 | 01/31/23 | n/a | 02/01/23 |
| C-23-0045 | 02/23/23 | 02/24/23 | All | MELISSA MALLORY | EMail from Melissa Mallory regarding unhouse along Los Gatos Creek Trail. | Refer to Staff | Blank | Yerrapotu Codianne | 03/04/23 | 03/03/23 | n/a | 03/10/23 |
| C-23-0069 | 03/27/23 | 03/28/23 | All | KHADIJEH HOSEINI | Email from Khadijeh Hoseini to the Board, dated 3/27/23, regarding unhoused located on Valley Water Property next to their home. | Refer to Staff | Yerrapotu Blank | Codianne | 04/05/23 | 04/04/23 | n/a | 04/11/23 |
| C-23-0074 | 04/04/23 | 04/04/23 | All | KAREN CHAKMAKIAN | Email from Karen Chakmakian to the Board dated 4/4/23 regarding Palo Alto water service. | Refer to Staff | Baker | Gin | 04/12/23 | 04/13/23 | n/a | 04/18/23 |
| C-23-0076 | 03/31/23 | 04/03/23 | All | H.K. WILLARD | Email from H.K. Willard | Refer to Staff | Gibson | Rocha | 04/11/23 | 04/07/23 | n/a | 04/17/23 |

| Correspond No | Rec'd By District | Rec'd By COB | Letter To | Letter From | Description | Disposition | BAO/ Chief | Staff | Draft Response Due Date | Draft Response Submitted | Writer Ack. Sent | Final Response Due Date |
|---------------|-------------------|--------------|-----------|---------------|--|----------------|-----------------|------------|-------------------------|--------------------------|------------------|-------------------------|
| | | | | | to the Board dated 3/31/23 regarding misleading information in March Water News. | | | | | | | |
| C-23-0079 | 04/11/23 | 04/11/23 | All | JANICE BARTON | Email from Janice Barton, to the Board, dated 4/11/23, suggesting that Valley Water provide free California native wildflower seeds to residents to help low income residents that can't afford to convert lawns. Also consider making goats available to residents for a small fee to remove flowers after bloom. | Refer to Staff | Baker | Struve Gin | 04/19/23 | - | n/a | 04/25/23 |
| C-23-0083 | 04/13/23 | 04/14/23 | Keegan | IRENE MARIN | Email from Irene Marin to Director Keegan, regarding unhoused performing unlawful acts | Refer to Staff | Yerrapotu Blank | Codianne | 04/22/23 | - | n/a | 04/28/23 |

| Correspond No | Rec'd By District | Rec'd By COB | Letter To | Letter From | Description | Disposition | BAO/ Chief | Staff | Draft Response Due Date | Draft Response Submitted | Writer Ack. Sent | Final Response Due Date |
|---------------|-------------------|--------------|-----------|-------------|--|----------------|------------------------|---------------------|-------------------------|--------------------------|------------------|-------------------------|
| C-23-0084 | 04/05/23 | 04/14/23 | Varela | MARK TURNER | complex. Email from Moran Hill Mayor Mark Turner, to Chair Varela, regarding unhoused encampment s on creek between Edes Ct. and Cosmo Ave. and questions on AB 1469. | Refer to Staff | Yerrapotu Gibson Blank | Stine Lugo Codianne | 04/22/23 | - | n/a | 04/28/23 |