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<tr>
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<td>Email from Jim Stallman, to Director Hsueh, dated 12/02/22, regarding Water Conservation (C-22-0207).</td>
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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.

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1. **Results of the Sale of Safe Clean Water Debt Obligations**

On December 6, 2022, Valley Water closed on a debt issuance to finance capital improvement costs for the Safe, Clean Water program. The financing was authorized by Valley Water’s Board of Directors at its October 25, 2022, regular meeting.

Total debt proceeds of $133.1 million were used to repay $85.5 million of short-term debt that was issued as interim financing for previously incurred costs, fund an $8.5 million capitalized interest account, and generate $38.5 million in new money to fund eligible capital costs over the next 1-2 years, as well as fund costs of issuance. Valley Water received AA+ and Aa1 credit ratings from Fitch and Moody’s, respectively. The 2022A Refunding Revenue Bonds ($75.3M par amount) will be repaid over 27 years at fixed rates, and the 2022B Certificate of Participation ($46.5M par amount) will be repaid at maturity on December 1, 2026.

Valley Water achieved very favorable pricing with an aggregate, all-in true interest cost of 3.95% vs. 4.05% estimated in the October 25, 2022 Board Agenda Memo and achieved total debt service savings of approximately $4 million. The successful transaction was a result of the Board’s strong leadership and a fiscally prudent executive management team.

For further information, please contact Darin Taylor at (408) 630-3068.
2. Update on State and Federal Actions Related to PFAS

Valley Water continues to track the rapidly evolving science and regulatory developments related to per- and polyfluoroalkyl substances (PFAS), and evaluate potential impacts on local water supplies. PFAS are a group of thousands of man-made chemicals that have been widely used in consumer and industrial products such as stain-resistant fabrics, food packaging, and firefighting foam. PFAS break down slowly and can accumulate in humans, animals, and the environment.

The State Water Resources Control Board Division of Drinking Water (DDW) continues to issue non-enforceable advisory levels for specific PFAS. On October 31, 2022, DDW issued notification and response levels for Perfluorohexane Sulfonic Acid (PFHxS) at 3 and 20 parts per trillion, respectively. When chemicals are found above a notification level, drinking water providers must notify their governing bodies and DDW recommends they inform customers. If the detection is above the response level, DDW recommends removal of a drinking water source from service.

PFHxS is one of the more commonly detected PFAS in water supplies; over one third of water supply wells tested statewide have PFHxS above the notification level. In Santa Clara County, PFHxS has not been detected in Valley Water’s treated surface water but has been observed in over 45 water retailer wells. PFHxS was also detected just above the notification level in two of the three wells at Valley Water’s Campbell Well Field. However, water from these emergency supply wells has never been served to the public. No water supply wells in the county have detected PFHxS above the response level, at which DDW recommends removing the source from service.

In December 2022, the U.S. Environmental Protection Agency (EPA) is expected to release draft drinking water standards for two common PFAS chemicals (PFOA and PFOS). Once released, Valley Water will evaluate the potential local implications of the draft federal standards. Valley Water will continue to work with regulatory agencies and water retailers to evaluate potential sources and treatment technologies, and will continue to provide timely, transparent communication to our customers and the public.

For further information, please contact Greg Williams at (408) 630-2867.

3. Hsueh

Staff to prepare a response to 11/8/22 Item 2.9 public speaker Susan Hinton answering question - Due to the evaporation exceeding rainfall, shouldn’t we be planning more on recharge?

R-22-0007

At the November 8, 2022 public hearing of Valley Water’s 2022 Central Valley Project Improvement Act Water Management Plan (WMP), a member of the public asked questions on whether evaporation in the county exceeds rainfall and therefore Valley Water should be planning more groundwater recharge. Valley Water appreciates the member's interest in our work and wishes to provide below clarification and responses to the questions.

Evaporation doesn’t exceed rainfall in our county in water volume. As is standard practice in water resources management, the WMP reports average annual evaporation and rainfall as depth (in inches), with evaporation of 49.6 inches and rainfall 23.2 inches. To get the actual volume of water evaporated or falling as rainfall in a year, each depth needs to be multiplied by their applicable surface areas. Since evaporation only applies to water bodies (reservoirs and ponds county-wide) whereas rainfall applies to the whole county’s area, rainfall (as a yearly volume) far exceeds evaporation, even in a drought.
Valley Water was formed in response to groundwater overpumping, which also led to the land sinking in Santa Clara Valley (some areas as much as 13 feet). Santa Clara County’s groundwater pumping exceeds the volume of precipitation that naturally recharges the aquifer. To ensure sustainable groundwater supplies and prevent the land from sinking again, Valley Water conducts extensive groundwater recharge using local and imported surface water in 102 percolation ponds and about 90 miles of streams. Imported water, which is water brought from outside the county (Sierras and Delta) is about half the water used in our county. In normal and wet years, groundwater recharge is maximized to keep local groundwater basins full to support ongoing use and to provide storage of water that can be used in dry years, and there is not much unused storage capacity within the groundwater basins to accept additional recharge. In the dry years, maintaining adequate recharge is more challenging since surface water supplies are generally more limited. With more frequent and/or severe droughts more likely due to climate change, Valley Water is pursuing the use of purified recycled water as a drought-resilient supply for groundwater recharge. We continue to evaluate if additional recharge facilities are needed to address future demands and are also exploring the potential use of agricultural or other open lands for stormwater or flood flow recharge.

In addition to in-county groundwater storage that we have maximized, Valley Water has also invested in out-of-county groundwater storage. Participation in the Semitropic Groundwater Storage Bank in Kern County provides additional storage for Valley Water’s imported water supplies and allows us to draw on critical water supply for Santa Clara County during droughts. Valley Water is exploring additional groundwater banking opportunities outside of Santa Clara County to further diversify our water portfolio in the face of climate change.

Valley Water has a Water Supply Master Plan (Master Plan) that guides our investment strategy to ensure a clean, reliable future water supply. Through the Master Plan, Valley Water is evaluating dozens of potential water supply projects, such as recycled water, desalination, storage, and surface water capture. With the Master Plan projects that Valley Water decides to invest in, Valley Water will ensure our groundwater remains sustainable in the future.

For further information, please contact Vincent Gin at (408) 630-2633.
Outlook as of December 1, 2022

On December 1, 2022, the California Department of Water Resources announced an initial State Water Project allocation of 5% of contract amount for 2023. An initial Central Valley Project allocation for 2023 has not come out yet. In 2022, both the State Water Project and Central Valley Project have allocated Valley Water with emergency public health and safety water supplies. Santa Clara County continues to be in a water shortage emergency. Due to severe drought and increased reliance on imported water in the next 10 years while Anderson Reservoir storage is unavailable, meeting the Board of Directors call for 15% water use reduction relative to 2019 is essential.

Weather

- Rainfall in San José:
  » Month of November, City of San José = 2.05 inches
- Rainfall year total = 2.56 inches or 104% of average to date (rainfall year is July 1 to June 30)
- San José average daily high temperature was 64.7 degrees Fahrenheit in November, which is lower than the five-year average for November (68.2 degrees Fahrenheit)

Local Reservoirs

- Total December 1 storage = 23,928 acre-feet

<table>
<thead>
<tr>
<th>Reservoir Storage</th>
<th>All Ten Valley Water Reservoirs</th>
<th>All Reservoirs Excluding Anderson</th>
</tr>
</thead>
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<tr>
<td>Current storage as % of unrestricted capacity</td>
<td>14%</td>
<td>27%</td>
</tr>
<tr>
<td>Current storage as % of restricted capacity (1)</td>
<td>38%</td>
<td>35%</td>
</tr>
<tr>
<td>Current storage as % of the 20-year average for December 1</td>
<td>38%</td>
<td>87%</td>
</tr>
</tbody>
</table>

1) Per the Federal Energy Regulatory Commission’s order, the capacity of Anderson Reservoir was restricted to the deadpool storage of about 3,050 acre-feet. The total restricted capacity for all ten reservoirs is 62,592 acre-feet.

- No imported water delivered into Calero Reservoir during November 2022
- Total estimated releases to streams (local and imported water) during November were 2,530 acre-feet (based on preliminary hydrologic data)

Treated Water

- Below average demands of 4,980 acre-feet delivered in November
- This total is 70% of the five-year average for the month of November
- Year-to-date deliveries are 84,370 acre-feet or 88% of the five-year average

Groundwater

- Groundwater levels have stabilized in much of the county and continue to increase in many areas due to Valley Water’s managed recharge operations and ongoing water conservation by the community. Groundwater levels in many monitoring wells are currently higher than last month and November 2021. The end of 2022 groundwater storage is projected to be in low Stage 1 (Normal) of the Water Shortage Contingency Plan

All volumes are in acre-feet. All data is for 2022 except where noted. YTD = Year-to-Date
### Imported Water
- In November, the State Water Project operated Banks pumping plant with an average daily export of 1,294 acre-feet, resulting in a total export of 37,536 acre-feet from the delta.
- In November, the Central Valley Project operated Jones pumping plant with an average daily export of 2,718 acre-feet, resulting in a total export of 78,830 acre-feet from the delta.
- There were no interruptions to delta pumping operations, due to water quality or otherwise, during the month of November.

<table>
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<tr>
<th>WY 2022 Imported Water Allocations</th>
<th>Allocation (acre-feet)</th>
<th>Additional Allocation</th>
</tr>
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<tr>
<td>State Water Project</td>
<td>5%</td>
<td>5,000</td>
</tr>
<tr>
<td>Central Valley Project</td>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

### Consered Water
- Saved 76,584 acre-feet in FY21 through Valley Water’s long-term conservation program (baseline year is 1992).
- Long-term program goal is to save nearly 100,000 acre-feet by 2030 and 110,000 acre-feet by 2040.
- On June 9, 2021, the Board called for a 15% reduction in water use compared to 2019 and for retailers, cities, and the County to implement local water restrictions. On May 24, 2022, the Board approved an ordinance to enforce outdoor water waste restrictions against runoff, midday watering, and watering after rainfall, and a limit of two days a week of watering for non-functional turf. On September 13, 2022, this ordinance was amended to include the State’s ban against watering commercial, industrial, and institutional non-functional turf amongst its list of enforceable restrictions.
- The water savings achieved are shown in the table below.

<table>
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<tr>
<th>Estimated SFPUC Deliveries</th>
<th>October (acre-feet)</th>
<th>2022 Total to Date (acre-feet)</th>
<th>Five-year annual average (acre-feet)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,453</td>
<td>38,640</td>
<td>48,700</td>
</tr>
</tbody>
</table>

### Recycled Water
- Estimated November 2022 production = 929 acre-feet.
- Estimated year-to-date through November = 16,369 acre-feet or 101% of the five-year average.
- Silicon Valley Advanced Water Purification Center produced an estimated 1.7 billion gallons (5,150 acre-feet) of purified water in 2021. Since the beginning of 2022, about 4,657 acre-feet of purified water has been produced. The purified water is blended with existing tertiary treated recycled water for South Bay Water Recycling Program customers.

### Alternative Sources
- As of December 10, 2019, Valley Water’s wastewater contract right from Palo Alto/ Mountain View remains at 11,200 acre-feet/year.

### CONTACT US
To find out the latest information on Valley Water projects or to submit questions or comments, email info@valleywater.org or use our Access Valley Water customer request system at https://deliver.com/2yuxk.
BOARD MEMBER REQUESTS
and Informational Items
## Report Name: Board Member Requests

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<th>BAO/Chief</th>
<th>Staff</th>
<th>Description</th>
<th>20 Days Due Date</th>
<th>Expected Completion Date</th>
<th>Disposition</th>
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<td>11/08/22</td>
<td>Hsueh</td>
<td>Baker</td>
<td>Gin</td>
<td>Staff to prepare a response to 11/8/22 Item 2.9 public speaker, Susan Hinton, answering question - Due to evaporation exceeding rainfall, shouldn’t we be planning more on recharge? (There is no email or contact info in the Zoom report, so staff should place the response in the CEO Bulletin.)</td>
<td>11/28/22</td>
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MEMORANDUM

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

FROM: Rachael Gibson
Chief of External Affairs
External Affairs Division

SUBJECT: Safe, Clean Water Grant Cancellation: Bay Area Older Adults FY 2021 B7 Watershed Waste Reduction Program Project

DATE: November 18, 2022

In FY 2021, Valley Water awarded Bay Area Older Adults (Grantee) a $40,985 Safe, Clean Water Program B7 Support Volunteer Cleanup Efforts and Education Grant for the Watershed Waste Reduction Program (Project). The Grantee requested to cancel the grant on August 8, 2022.

The grant would have funded activities that reduce pharmaceutical waste in Santa Clara County’s waterways and groundwater by educating seniors and disadvantaged communities about proper pharmaceutical disposal. The Project scope included in-person events and a multi-lingual, educational video.

Due to the COVID-19 pandemic's impacts on in-person events for high-risk populations and the organization's limited capacity and resources to facilitate the events, the Grantee requested to cancel the standard grant agreement. The Grantee instead plans to change their approach and transition some of the program activities into a mini-grant project.

Rachael Gibson
Chief of External Affairs
External Affairs Division

cc: Peggy Lam, Amy Fonseca, Kristen Yasukawa, Sherilyn Tran, Donald Rocha, Grants Files
MEMORANDUM

TO: Rick L. Callender, Esq.
    Chief Executive Officer
FROM: Rachael Gibson
      Chief of External Affairs
      External Affairs Division

SUBJECT: Safe, Clean Water Grant Cancellation:
         Community Express FY 2021 D3 Watershed
         La Sendera Community Art Trail Project
DATE: November 18, 2022

In FY 2021, Valley Water awarded Community Express (Grantee) a $25,530 Safe, Clean Water
Program D3 Access to Trails and Open Space Grant for the La Sendera Community Art Trail Project
(Project). The Grantee requested to cancel the grant on October 20, 2022.

The grant would have funded community art and cleanup activities on a two-mile neighborhood trail
near the Lower Silver Creek pedestrian bridge in San Jose. The Project included the installation of
murals and art on community-owned and private sound walls and fences that line the trail.

The Project required developing agreements with private homeowners and easement holders. These
unknown elements and other unforeseen personnel issues impacted the Grantee's ability to develop a
scope and deliverables since the grant award in February 2021. The Grantee has requested to cancel
the standard grant agreement due to the organization's limited capacity and resources to complete the
Project as initially proposed and in a timely manner. The Grantee is developing a new approach that
will align with their available resources and preferred project approach and will transition the Project
into a mini-grant.

Rachael Gibson
Chief of External Affairs
External Affairs Division

cc: Peggy Lam, Amy Fonseca, Kristen Yasukawa, Sherilyn Tran, Donald Rocha, Grants Files
On December 13, 2022, the Board of Directors will be asked to consider and approve the acquisition of two permanent easements and two temporary construction easements from Granite Rock Company 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 CCFMMP, were included in the FOCP to reduce flood risks within urbanized areas of San José. Specifically, the FOCP’s flood management measures include possibly acquisition of properties, elevation of structures, or construction of floodwall or levees. 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.

The acquisition from Granite Rock Company includes a 102 square foot permanent easement and 1,113 square foot temporary construction easement on APN 241-05-001, and a 12,754 square foot permanent easement and 10,652 square foot temporary construction easement on APN 241-05-014, all located at 11711 Berryessa Road, San Jose, CA. The acquisition is necessary to implement the flood risk reduction goals of CCFMMP. Valley Water obtained an appraisal of the property which established the fair market value of the combined permanent easements and temporary construction easements as $1,108,000 (Attachment 1). An offer in this amount was made to Granite Rock Company on October 5, 2022.
which is deemed to be the fair market value and represents just compensation. Granite Rock Company accepted the offer, and the proposed acquisition will be presented to the Board of Directors for consideration and approval on December 13, 2022.

Bhavani Yerrapotu, P.E.
Deputy Operating Officer
Watersheds Design and Construction

Attachments: Attachment 1 (Appraisal)

dc: M. Richardson, R. Blank, K. Bradley, Julianne O'Brien, B. Magleby

bm:rc
Attachments: Attachment 1 (Appraisal)
Appraisal Report

for

Santa Clara Valley Water District
Coyote Creek Flood Management Measures Project

Graniterock Property
11711 Berryessa Road
San Jose, CA
APNs: 241-05-001, -014

Prepared by:
Brian C. Drake, R/W-AC
Appraiser

September 2022
September 21, 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.: 4021-295, -296, -378, -379
   Owner: Graniterock
   Property Address: 11711 Berryessa Road, San Jose, CA
   APNs: 241-05-001, -014

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 property rights proposed to be acquired from the above referenced parcels as requested for the Coyote Creek Flood Management Measures Project. The proposed property interests to be acquired include two permanent easements and two temporary easements.

This Appraisal Report is prepared in conformance with the Uniform Standards of Professional Appraisal Practice, Standard Rule 2-2(a). This report contains a description of the subject property, the property rights to be acquired, 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.

I previously appraised the above referenced property on July 8, 2022, with a date of value of June 29, 2022 for the same purpose. The original appraisal is being revised because the areas of PE-295 and TCE-378 have changed, as shown on updated exhibits provided. The date of value is the date of the most recent site visit, September 14, 2022, which was conducted from the street (see Extraordinary Assumptions). The property owner was sent a Notice of Decision to Appraise letter dated May 5, 2022. Pat Mapelli, Land Use Manager/Bay Restoration Lead for Graniterock accompanied me during an inspection of the property on May 9, 2022. Other representatives with Graniterock and Ty Cademartori with ARWS were also present at the time of that site visit.

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

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<th>Damages</th>
<th>Benefits</th>
<th>Estimate of Fair Market Value</th>
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</thead>
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<tr>
<td>$533,555</td>
<td>$244,612</td>
<td>$16,158</td>
<td>$313,893</td>
<td>$0</td>
<td>$1,108,000 (Rounded)</td>
</tr>
</tbody>
</table>

**Date of Valuation:** September 14, 2022 (date of most recent site visit)

**Assessor's Parcel Numbers:** 241-05-001, -014

**Property Location/Address:** 11711 Berryessa Road, San Jose, CA

**Owner:** Granite Rock Company (Graniterock)

**Owner’s Address:** 5225 Hellyer Ave Suite 220, San Jose, CA 95138; attn. Pat Mapelli

**Owned Since:** For more than five years

**Occupied By:** Property owner

**Principal Improvements:** Two small office structures, utility building, and facilities associated with concrete mixing and materials storage

**Total Site Area (Larger Parcel):** 6.46 acres or approximately 281,398 square feet (Assessor’s parcel map) with about 2,530 square feet located in the confines of Coyote Creek (Client)

**Proposed Areas to be Acquired:**
- Permanent Easement (PE 295) 102 square feet
- Permanent Easement (PE 296) 12,754 square feet
- Temporary Easement (TCE 378) 1,113 square feet
- Temporary Easement (TCE 379) 10,652 square feet

**Zoning:** HI – Heavy Industrial

**General Plan:** Heavy Industrial

**Highest and Best Use:**
- As If Vacant: Industrial development
- As Improved: Continue the current industrial use
Flood Hazard Information: Flood Zone AE, Map No. 06085C0232H, 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.

Construction Contract Work: Restore disturbed areas within the TCEs to pre-construction conditions, aside from replacing site improvements removed from within the easement areas that have already been compensated for.

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

An inspection of the subject was conducted to determine size, condition and utility of the property. Since the proposed acquisitions will include just land and minor site improvements, market value has been estimated by applying just the sales comparison approach. The income approach was not utilized because sellers, buyers, and my peers in this market rarely rely on this approach when offering, purchasing, or valuing properties similar to the subject that consists of land only. A modified cost approach was used to value site improvements that will be affected as a result of the project.

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

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

Purpose of the Appraisal

The purpose of this appraisal is to furnish an opinion of the fair market value of two permanent easements and two temporary easements required from the subject property. The areas are proposed to be acquired 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 impacted improvements. Descriptive data about the property was gathered from online data resources, such as public record summary, Assessor’s parcel map, aerial map and flood map, in addition to any data provided by the Client. Planning department personnel with the City of San Jose were contacted and their website 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 easement acquisitions. 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 September 14, 2022. The date of value is the date of the most recent site visit.
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.
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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 portions of the subject property to be acquired by Valley Water; that such appraisal has been made in conformity with the appropriate State laws and regulations, policies and procedures applicable to the appraisal of right of way for such purposes; and that to the best of my knowledge, no portion of the value assigned to such property consists of items which are non-compensable under the established law of the State of California.

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

I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the acquiring agency and I will not do so until so authorized by said officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

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 previously appraised the subject property for the same purpose on July 8, 2022, with a date of value of June 29, 2022.

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 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 a portion of such property is acquired, or by the likelihood that the property would be acquired for such project or improvements, other
than due to physical deterioration within the reasonable control of the owner, has been disregarded in appraising the subject property.

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

Joe Castellanos aided with market data research and the confirmation of comparable data. No one else provided significant real property assistance to the person signing this certification.

The opinion of fair market value for the proposed acquisition of portions of the 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.

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.

September 21, 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 properties 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

- Preliminary title reports for the subject property were reviewed, and are displayed in the Addenda. I relied on information contained in the reports about the subject property including the ownership, legal descriptions, 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 site. Property boundaries were not staked by survey.

- I relied on various exhibits prepared by and obtained from the Client, which are integral to this appraisal and provide size, location and a description of the areas to be acquired.

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

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

Hypothetical Conditions

Uniform Standards of Professional Appraisal Practice (USPAP 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 before condition analysis of the subject of this appraisal is made under the hypothetical condition that the project and steps leading up to the project do not exist.

- The valuation of the subject remainder property in the condition after the partial acquisitions and the construction and use of the project presumes a hypothetical condition. This is due to the fact that, as of the effective date of value, the parts being acquired as permanent easements have not yet been severed from the subject property and the project has not yet been constructed.
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:

- It is an extraordinary assumption of this appraisal that information about the project as proposed, which is relied upon in analyzing the impacts it will have on the subject property in its remainder condition, is accurate in its representation.

- Preliminary title reports for the subject property were prepared in November 2020. It is assumed for this appraisal that current title reports would not reveal any conditions that affect market value.

- The subject property was inspected on May 9, 2022 and viewed from the public right of way on more than one occasion, most recently September 14, 2022, the date of value. This appraisal assumes that there were no material changes to the subject from when the property was inspected compared to that on the date of value.
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, 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 an estimated population of 1,894,783, as of January 2022, a minimal decrease 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. 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, 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 976,482, San Jose is the largest city in the Bay Area by a wide margin. The City’s population comprises over 50% of the total population in Santa Clara County. The next largest city is Sunnyvale, with 156,234 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 548,200 (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.

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

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.
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, the Berryessa/North San Jose Station opened for service in June 2020. The extension to downtown San Jose is targeted for completion in 2030. Located two miles north of the downtown is the Norman Y. Mineta San Jose International Airport.

The subject is located in the eastern part of San Jose in the Berryessa 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 Berryessa Planning Area is roughly bounded by Montague Expressway and Landess Avenue to the north, Berryessa Road and Penitencia Creek Road to the South, the foothills of the Diablo Range to the east, and I-880 to the west. The Berryessa Planning Area is generally urban in nature, outside the portion included in the foothills of the Diablo Range.

The subject property is located in a large, industrialized area that stretches for miles along the northside of US-101 and generally south of Coyote Creek. The subject is situated towards the southern end of this industrial neighborhood adjacent to Coyote Creek. Coyote Creek is the main watercourse of a larger watershed (see Project Description) that originates in the mountains east of Morgan Hill, feeding Anderson Lake and then flowing northwards through Coyote Valley to San Jose, where it empties into the San Francisco Bay. The neighborhood houses a wide range of industries including heavy industrial operations as allowed by the zoning (see General Plan Map).
Improvements in the area were mostly constructed from the 1960s through the 1980s but several of these industrial sites have been redeveloped more recently with modern facilities.

**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 stages 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.

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. According to the Commerce Department, 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 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 of 2020 led to a renewed pullback in economic activity, reflecting consumer unease and renewed shutdowns. Fortunately, a recovery started in the following quarter. According to the BEA’s third estimate, third-quarter (Q3) 2020 GDP increased at an annual rate of 33.4%, the largest single quarter of economic growth on record. This rebound recovered two-thirds of the economic output lost due to the pandemic during the first half of the year and brought the economy back to only 3.5 percentage points below its pre-pandemic level (see graph displayed previously).
To start 2021, widespread vaccinations and government spending helped bring the U.S. closer to where it was before the COVID-19 pandemic struck, the Commerce Department reported. First-quarter GDP for 2021 increased at a rate of 6.3%, followed by 6.7% in Q2 2021. The increase in GDP in Q1 2021 was the second-fastest pace for growth since the second quarter of 2003 and exceeded only by the reopening-fueled burst in Q3 2020, that was until Q2 2021 saw a GDP increase of 6.7%. The increase in GDP in the first half of 2021 reflected the continued economic recovery influenced by the reopening of establishments, and the unending government response related to the COVID-19 pandemic. A lower GDP increase of 2.3% in Q3 2021 was the result of the continued economic impact of COVID-19 with a resurgence of COVID-19 cases. The U.S. economy grew more-than-expected to end 2021. Despite signs that the acceleration would likely tail off toward the end of the year, Q4 2021 GDP increased at a 6.9% annualized pace influenced by sizeable boosts in inventories and consumer spending.

GDP contracted for the first half of 2022, decreasing at an annual rate of 1.6% in Q1 2022 and 0.9% in Q2 2022, according to the “advance” estimate. Q1 2022 was the first decline recorded since the major losses of Q2 2020. The decline in GDP for the most recent three-month period came from a broad range of factors, including decreases in inventories, residential and nonresidential investment, and government spending at the federal, state and local levels. Gross private domestic investment tumbled 13.5%. Consumer spending, as measured through personal consumption expenditures, increased just 1% for Q2 2022 as inflation accelerated. Spending on services also accelerated during the period by 4.1%, but that was offset by declines in nondurable goods of 5.5% and durable goods of 2.6%. Inventories, which helped boost GDP in 2021, were a drag on growth in Q2 2022, subtracting 2 percentage points from the total.

Inflation is at the root of much of the economy’s troubles in 2022. The consumer price index rose 8.6% in Q2 2022, the fastest pace since Q4 1981. The Federal Reserve over the past four months has raised benchmark borrowing rates by 2.25 percentage points in an attempt to fight inflation.

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 decreased for third month in a row as of July 26, 2022; the Index now stands at 95.7, whereas 100 is the benchmark. The Conference Board sites concerns about inflation in addition to rising gas and food prices as the leading influences on decreasing CCI. As interest rates increased in attempt to limit inflation, purchasing intentions for big ticket items such as cars, homes and appliances further pulled back. According to the Conference Board, “…inflation and additional rate hikes are likely to continue posing strong headwinds for consumer spending and economic growth over the next six months.”

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. Since the dips in February and March of 2020, the DJIA was on an upward trajectory through 2021, setting numerous all-time highs since the later part of 2020. The trajectory reversed direction in 2022, although still well above the losses seen in the initial stages of COVID-19. The recent losses in 2022 can be attributed to rising inflation and fear of interest rate hikes; however, losses of May and June have been recovered through July and August.

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 below). For July 2022, the unemployment rate edged down to 3.5%. Nonfarm payroll employment rose by 528,000 jobs, according to the U.S. Bureau of Labor Statistics (BLS). Generally, the national unemployment rate has 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, with 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 doubled 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 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 July 2022, notable job gains continued in leisure and hospitality, in professional and business services, and healthcare while employment declined in retail trade. With the unemployment rate at 3.5% and unemployed persons at 5.7 million, July marks the return of the unemployment to levels seen prior to COVID-19 (3.5% and 5.7 million, respectively, in February 2020). The unemployment rate in Santa Clara County was 2.1% (not seasonally adjusted) for July 2022, which compares with an unemployment rate of 3.5% 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 July 2022, the median sales price of existing single-family homes statewide was $833,910, down 3.5% from June and up 2.8% from a year earlier. While the number of sales of existing homes declined by 14.4% and 31.1%, respectively, for all of California over the same time period. The tight inventory and high demand fueling California’s high home prices has begun to taper through 2022.

In Santa Clara County, sales of single-family re-sale homes were down 44.8% year-over-year in May 2022 with 603 homes sold, according to MLSListings source data. Comparatively, the monthly average since 2000 is 987. July marked the eleventh month in a row that home sales were lower than the year before.
At $1,750,000, the median sales price for single-family, re-sale homes in Santa Clara County in July 2022 rose about 5.1% compared to last year. That is the thirty second month in a row the median sales price has been higher than the prior year. The chart displayed below shows the trend for median home sales prices in Santa Clara County over the last four years (by month) through July 2022.

There were 1,119 homes for sale in Santa Clara County, as of August 5th, while the average since 2000 is 2,703. Inventory of single-family re-sale homes was up for the fifth month in a row, increasing by 45.7% compared to last year. At the current rate of sales, it would take 56 days to sell all homes listed for sale, while the average since 2003 is 89.

**Industrial Market**

Cushman & Wakefield, in their *Silicon Valley Industrial Marketbeat Q2 2022*, reported that the Silicon Valley industrial market closed the second quarter 2022 (2Q22) with a negative 61,000 square feet (sf) of net absorption. The majority of the loss is attributed to manufacturing product, with negative 216,000 sf. The last time manufacturing had an occupancy loss was 3Q20. Warehouse recorded a 155,000-sf gain for 2Q22. The market total follows the first quarter figure of 437,000 sf and compares to the annual 2021 number of 3.3 million square feet (msf).
Leasing activity increased to 2.1 msf in 2Q22, after two quarters where the activity was below 2.0 msf. This brings the year-to-date gross absorption to 3.8 msf. At this pace, the market is on track to surpass the annual 2021 number of 7.4 msf.

Silicon Valley’s industrial vacancy rate increased 40 basis points (bps) to 3.3% for 2Q22, an increase from 2.9% in 1Q22 and back to the 4Q21 level. The current overall vacancy rate translates into 3.9 msf of space, which is down from 5.7 msf one year ago. Sublease space accounts for approximately 19.2% of the current figure, which is an increase from 9.4% in 1Q22. The vacancy rate for warehouse product decreased to 3.0% in 2Q22 from 3.5% in the prior quarter, while manufacturing product increased to 3.4% from 2.6% over the same period. Vacancy for the subject’s North San Jose submarket was 2.2% in 2Q22.

Construction has slowed, but there are several projects in the pipeline that could be starting over the next few quarters. However, recent history indicates that new product is leased prior to or shortly after completion, so vacancy is expected to be relatively stable and to trend down towards pre-pandemic levels. Currently, there is approximately 320,000 sf of industrial product under construction, all in the Fremont submarket. Of that number, 110,000 sf has been preleased. The five-building manufacturing project in the Morgan Hill/Gilroy submarket has just finished construction this quarter.

The average asking rent for industrial space in Silicon Valley in the second quarter was $1.32 per square foot (psf) on a monthly triple net (NNN) basis, following the $1.37 psf recorded in 1Q22. The average asking rent for warehouse and manufacturing space was $1.15 psf and $1.42 psf, respectively. For the subject’s North San Jose submarket, the average asking rent for warehouse space in 2Q22 was $1.33 psf, and $1.23 psf for manufacturing space. According to Cushman & Wakefield, new buildings are becoming more technologically advanced, and therefore are a tailwind for increasing rents, while functionally obsolete buildings and subleases remain a headwind, ultimately keeping average rents effectively static.
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. A sheet pile wall of varying height is proposed as a flood mitigation measure within the project limits (see Project Plan Sheet TC-01 in the Addenda), 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 Project includes Reaches 5, 6, and 7 and the Coyote Creek Flood Protection Project includes 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 private property within the project limits, which includes portions of the subject.
Subject Property Information

Subject Property Data Summary

Assessor's Parcel Numbers: 241-05-001, -014

Property Location/Address: 11711 Berryessa Road, San Jose, CA

Owner: Graniterock

Owned Since: For more than five years

Occupied By: Property owner

Principal Improvements: Two small office structures, utility building, and facilities associated with concrete mixing and materials storage

Total Site Area (Larger Parcel): 6.46 acres or approximately 281,398 square feet (Assessor’s parcel map) with about 2,530 square feet located in the confines of Coyote Creek (Client)

Flood Hazard Information: Flood Zone AE, Map No. 06085C0232H, 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.

Zoning: HI – Heavy Industrial

General Plan: Heavy Industrial

Highest and Best Use: Industrial development
Valley Water
Coyote Creek Flood Management Measures Project
APNs: 241-05-001, -014 – Graniterock

Assessor’s Parcel Map
Subject Property Photographs

View of the concrete operation located on the subject property, as seen from near the Berryessa Road frontage

View of Berryessa Road, as seen from in front of the subject property, facing southwest
Subject Property Photographs

View of PE 295 and TCE 378 located near the street frontage, as seen from northeast portion of the subject site looking towards Berryessa Road

View of the TCE 378 located to the east of the utility building
View of TCE 378 located to the west of the utility building, as seen from along the northeastern boundary, facing northwest

View of TCE 379 located on the rear parcel, facing southeast
Subject Property Photographs

View of the TCE 379 located on the rear parcel, facing northwest

View of PE 296 and TCE 379 located on the rear parcel, as seen from along the northeastern property boundary, facing southeast
View of PE 296 and TCE 379 on the rear parcel, as seen from the subject’s northeastern lot line facing northwest

View of the improvements associated with the on-site storm drainage system that are impacted
Subject Property Photographs

View of the improvements associated with the on-site storm drainage system that are impacted.

View of PE 296 and TCE 379 located on the rear parcel, as seen from the northern most part of the site.
Property Description

Larger Parcel

There are three criteria, or tests, for determining the larger parcel. These are: unity of ownership; contiguity; and unity of use. The proposed acquisitions are a portion of Assessor’s parcel numbers (APNs) 241-05-001 and 241-05-014. These two parcels are under the same ownership. They are physically separated by another parcel (APN 241-05-015) with a different owner, San Jose Water Company (SJW), but are connected by an access easement through that property (see Berryessa Road Station Map in the Addenda). APN 241-05-014 lacks any street frontage and is only accessible through the other two parcels. APNs 241-05-001, -014 are both being used for the same industrial operation. It has been concluded that APNs 241-05-001, -014 would be viewed in this market as a single economic unit and constitute the larger parcel or “subject property.”

Site Description

The subject property is located on the northwest side of Berryessa Road to the northeast of Commercial Street in the City of San Jose, in Santa Clara County (see Region, City and Neighborhood Data). The street address 11711 Berryessa Road, as identified on a summary of the public record reviewed for the property. Berryessa Road is a major arterial that becomes East Hedding Street after it crosses US 101 to the southwest, roughly one quarter of a mile from the subject, and it extends for miles to the northeast terminating just before the foothills. Commercial Street is bidirectional with three travel lanes that extends for about one half of a mile within the subject’s neighborhood, lending access to several properties being used for a range of industrial uses. The SJW parcel that divides the subject property is a former well site that is partially being used to support the industrial operation on the subject property. There is an auto salvage yard on 8.51 acres and a recycling center on 4.84 acres to the southwest across a railroad spur. Coyote Creek runs along the subject’s northeast property boundary.

The subject property forms an irregular shape with approximately 489 feet of frontage on Berryessa Road and it tapers to about 26 feet at the rear of the site. As previously mentioned, the SJW property separates the two parcels, but they are connected via an access easement. The Assessor’s parcel map indicates a total site area of 6.46 acres or approximately 281,398 square feet for the subject property. Approximately 2,528 square feet of this area is below the top of the creekbank, according to the Client. The subject is generally flat, level and at street grade, and there is curb, gutter and sidewalk improvements along the street frontage, typical of the neighborhood. Public utilities are available and serve the subject improvements.

Improvement Description

The subject property is improved with a couple of small office structures, a similar-sized metal utility building, and various facilities associated with the owner’s concrete business. However, none of these improvements are impacted by the proposed acquisitions, so no measurements were taken and they were only viewed from a distance. Sections of fencing that separate the subject industrial operations from the riparian area along Coyote Creek will need to be removed for access to TCE areas. A barrier made from large concrete blocks with conduit running over top, intended to be movable, will also need to be shifted (see Personal Property). According to
the Client, concrete paving in the temporary easement will remain and improvements associated with on-site drainage will be protected in place.

**Personal Property Description**

A detailed inventory of personal property located on the property was not taken, since there are no anticipated displacements. Large concrete blocks being used to form a barrier (see Subject Property Photographs) are located in the acquisition areas and will need to be moved.

**Title and Property History**

Preliminary title reports for the subject property were provided for use in this assignment and are displayed in the Addenda. The title reports were prepared by Old Republic Title Company and dated November 18, 2020 and November 25, 2020. According to the title reports, the subject's fee ownership is vested in:

Granite Rock Company, a California corporation

The subject has been under the same ownership for many years and has been used by the owner to support their concrete business. The property is currently not being offered for sale.

**Existing Easements**

The following recorded easements are encumbering the subject property, as taken from the exception list of the preliminary title report for APN 241-05-001.

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

   Granted To : County of Santa Clara
   For : Public street and road and incidental purposes
   Recorded : April 12, 1966 in Book 8067 of Official Records, Page 714
   Affects : A portion of said land

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

   Granted To : City of San Jose
   For : Underground Sanitary Sewer pipeline and the right of ingress and egress and incidental purposes
   Recorded : September 17, 1970 in Book 9056 of Official Records, Page 701 under Recorder's Serial Number 3873196
   Affects : A portion of said land
8. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Granted To: Santa Clara County Flood Control and Water District
For: Flood control and/or storm water drainage and incidental purposes
Recorded: January 14, 1975 in Book B244 of Official Records, Page 254 under Recorder's Serial Number 4929011
Affects: A portion of said land

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

Granted To: San Jose Water Company
For: Ingress and egress and incidental purposes
Recorded: May 14, 1993 in Book M776 of Official Records, Page 1004 under Recorder's Serial Number 11905427
Affects: A portion of said land

The preliminary title report for APN 241-05-014 shows the following recorded easements within the list of exceptions.

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

Instrument: Deed
Granted To: Pacific Gas and Electric Company, a California corporation
For: The construction, installation, maintenance, repair and operation of a single line of poles for public utilities
Affects: The exact location is not clearly defined of record

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

Instrument: Grant of Easement
Granted To: City of San Jose, a municipal corporation
For: The construction, installation, maintenance, repair and operation of a storm sewer pipe line
Affects: A central portion of the land

The first two existing easements appear to be located in the operating right of way (Berryessa Road). The proposed permanent easement acquisitions are intended to expand the footprint of the existing easement identified in Exception 8 for flood control purposes in favor of the Client. Exception 11 is for a 10-foot-wide ingress/egress easement that extends the length of the front parcel (APN 241-05-001) at or about the middle connecting the SJW property (see Site Description) to Berryessa Road. As a result of a lot line adjustment, Exception 4 no longer seems to be encumbering the subject and is located on the SJW property. The last existing easement in the above list is for a 20-foot-wide underground pipe line that cuts across the rear parcel (APN 241-05-014) in a southwesterly-northeasterly direction and is partially located in the proposed easement acquisition on this portion of the subject.
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 06085C0232H and the effective date is May 18, 2009. A copy of the Flood Insurance Rate Map is included below.

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 for use in this assignment. It is not shown as a current cleanup site with either the California Department of Toxic Substances Control (EnviroStor) or the California State Water Resources Control Board (GeoTracker). This appraisal assumes that no environmental remediation would be required.

Zoning and General Plan of the Subject Property

<table>
<thead>
<tr>
<th>Zoning</th>
<th>General Plan</th>
<th>Current Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>HI – Heavy Industrial</td>
<td>Heavy Industrial</td>
<td>Industrial</td>
</tr>
</tbody>
</table>

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 HI – Heavy Industrial, as shown on a section of the Zoning Map displayed on the following page. It is indicated in the Zoning Ordinance that the HI District is intended for industrial uses with nuisance or hazardous characteristics which for reasons of health, safety, environmental effects, or general welfare are best segregated from other uses. Extractive and primary processing industries are typical of this district.

The table below depicts some of the significant development standards that must be adhered to within the HI District, as they pertain to the subject property.

<table>
<thead>
<tr>
<th>Building and Site Standards</th>
<th>HI District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot Size:</td>
<td>6,000 Sq. Ft.</td>
</tr>
<tr>
<td>Street Frontage:</td>
<td>60 feet</td>
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<tr>
<td>Building Height (Maximum):</td>
<td>50 feet</td>
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<tr>
<td>Yard Setbacks*</td>
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<tr>
<td>Front:</td>
<td>15 feet</td>
</tr>
<tr>
<td>Side:</td>
<td>0 feet</td>
</tr>
<tr>
<td>Rear:</td>
<td>0 feet</td>
</tr>
</tbody>
</table>

(Development Regulations are minimums unless specified otherwise)

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 subject is Heavy Industrial, as shown on the General Plan Map that is displayed after the Zoning Map. It is indicated in the General Plan that office and research and development uses are discouraged under this designation in order to reserve development sites for traditional industrial activities, such as heavy and light manufacturing and warehousing. The Heavy Industrial designation is also the appropriate category for solid waste transfer and processing stations, if those sites meet other General Plan policies. The Heavy Industrial designation is applied only to areas where heavy industrial uses presently predominate. Because of the limited supply of land available for heavy industrial uses, the Land Use Policies in the General Plan restrict land use changes in areas reserved exclusively for industrial uses. The maximum FAR is 1.5 within 1 to 3 stories.

The subject appears to conform to all aspects of the applicable Zoning Ordinance, and the use is consistent with the General Plan.
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 has been analyzed as if vacant and as improved.

**As if Vacant**

The subject zoning permits a wide variety of industrial uses. However, it is considered to have below average utility, the result of the site being divided by another parcel under different ownership and connected through an access easement (see Property Description), as well as its irregular shape, the fact that it is located in a flood plain (see Flood Hazard Information), and subject to a riparian setback (see Zoning and General Plan of the Subject Property) due to the proximity of Coyote Creek. These physical attributes would be limiting factors in the development
of the property with an industrial use, but given the size at 6.46 acres, it has been judged that the subject could accommodate many of the legal uses allowed under the zoning. As discussed in a prior section of this report (see Real Estate Market Conditions) and will be shown in the following analysis, the demand for industrial product exists in the local market, and industrial construction is occurring throughout the region, demonstrating that industrial use is financially feasible. Therefore, it has been concluded that the maximally productive use, and highest and best use of the subject (as if vacant), is for development of an industrial use on the property.

**As Improved**

The subject is improved with various improvements (see Improvement Description) being used to support the owner’s concrete business and who has occupied the site for decades. It has been judged that the subject improvements could endure under the current utilization for many years. It has therefore been concluded that the highest and best use of the subject (as improved) is to continue the current industrial use.
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 market value of the proposed acquisitions required from the subject property. Since the proposed acquisitions will include just land and minor site improvements, market value has been estimated by applying just the sales comparison approach. The income approach was not utilized because sellers, buyers, and my peers in this market rarely rely on this approach when offering, purchasing, or valuing properties similar to the subject that consists of land only. A modified cost approach was used to value site improvements that will be affected as a result of the project.
Sales Comparison Approach

A search was made for comparable land sales that transacted over the past several years in the subject and competing markets. The following table displays a summary of the selected sales reflecting the actions of buyers and sellers in the marketplace and judged to be most representative of current market conditions. A location map, comparable data sheets, including photographs for each comparable sale, and Assessor’s parcel maps are presented on the following pages.

Sales Data Summary

<table>
<thead>
<tr>
<th>No.</th>
<th>Address</th>
<th>Type of Transaction</th>
<th>Parcel Size (Acres)</th>
<th>Zoning</th>
<th>General Plan</th>
<th>Sales Price</th>
<th>$/Squ. Ft. (Land)</th>
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<tbody>
<tr>
<td>IL-01</td>
<td>451 Queens Ln; 1610-1650 Old Bayshore Hwy; 1623 Rogers Ave San Jose, CA 237-21-076, -077, -080, -091, -092</td>
<td>Sale</td>
<td>5.10</td>
<td></td>
<td>Heavy Industrial</td>
<td>$21,500,000</td>
<td>$96.78</td>
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<tr>
<td>IL-02</td>
<td>1300 Berryessa Road San Jose, CA 254-13-090</td>
<td>Sale</td>
<td>6.32</td>
<td>Heavy Industrial</td>
<td>$23,000,000</td>
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<tr>
<td>IL-03</td>
<td>560 E Gish Road San Jose, CA 237-06-045</td>
<td>Sale</td>
<td>2.24</td>
<td>Heavy Industrial</td>
<td>$8,004,500</td>
<td>$72.04</td>
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<tr>
<td>IL-04</td>
<td>1535-1575 Industrial Avenue San Jose, CA 237-30-020, -025</td>
<td>Sale</td>
<td>3.62</td>
<td>Heavy Industrial</td>
<td>$12,625,000</td>
<td>$80.06</td>
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<tr>
<td>IL-05</td>
<td>648-656 N King Road San Jose, CA 254-54-023, 254-55-013</td>
<td>Sale</td>
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<td>Light Industrial</td>
<td>$29,500,000</td>
<td>$73.56</td>
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<tr>
<td>IL-06</td>
<td>1338-1420 Old Bayshore Hwy San Jose, CA 237-06-014, -015, -087</td>
<td>Sale</td>
<td>6.98</td>
<td>Heavy Industrial</td>
<td>$18,358,500</td>
<td>$83.15</td>
<td></td>
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<tr>
<td>IL-07</td>
<td>1660-1720 Old Bayshore Hwy San Jose, CA 237-12-098, -101, -117, -118</td>
<td>Sale</td>
<td>6.02</td>
<td>Heavy Industrial</td>
<td>$19,500,000</td>
<td>$84.76</td>
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<td>SUBJECT</td>
<td>11711 Berryessa Road DOV San Jose, CA 241-05-001, -014</td>
<td>Sale</td>
<td>6.46</td>
<td>Heavy Industrial</td>
<td>$281,398</td>
<td>$34.92</td>
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Comparable Land Sale Location Map
Comparable Land Sale Data Sheets

**IL-01**

<table>
<thead>
<tr>
<th>Property Type</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Type of Transaction</td>
<td>Sale</td>
</tr>
<tr>
<td>COE</td>
<td>01/12/22</td>
</tr>
<tr>
<td>Sales Contract Date</td>
<td>Oct-21</td>
</tr>
<tr>
<td>Sales Price</td>
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</tr>
<tr>
<td>$/Sq. Ft. (Land)</td>
<td>$96.78</td>
</tr>
<tr>
<td>Address</td>
<td>451 Queens Ln; 1610-1650</td>
</tr>
<tr>
<td></td>
<td>Old Bayshore Hwy; 1623</td>
</tr>
<tr>
<td></td>
<td>Rogers Ave</td>
</tr>
<tr>
<td>City, State</td>
<td>San Jose, CA</td>
</tr>
<tr>
<td>Zip</td>
<td>95112</td>
</tr>
<tr>
<td>APN</td>
<td>237-21-076, -077, -080, -091, -092</td>
</tr>
<tr>
<td>Buyer</td>
<td>R &amp; C Brown Associates</td>
</tr>
<tr>
<td>Seller</td>
<td>Menlo Land &amp; Capital IX, LLC</td>
</tr>
<tr>
<td>Document #</td>
<td>25217298; 314; 575; 878</td>
</tr>
<tr>
<td>Terms</td>
<td>Cash to Seller; Conventional Loan(s)</td>
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<tr>
<td>Parcel Size (Acres)</td>
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<tr>
<td>Approx. Dimensions</td>
<td>See Comments</td>
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<tr>
<td>Improvements</td>
<td>See Comments</td>
</tr>
<tr>
<td>Utilities</td>
<td>All to Site</td>
</tr>
<tr>
<td>Zoning</td>
<td>HI</td>
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<tr>
<td>General Plan</td>
<td>Heavy Industrial</td>
</tr>
<tr>
<td>Entitlements</td>
<td>None</td>
</tr>
<tr>
<td>Verified By</td>
<td>Drew Brown - Buyer</td>
</tr>
<tr>
<td>Comments</td>
<td>This sale is made up of four industrial properties located in an industrialized section of San Jose near the intersection of US-101 and I-880, with good freeway access. There are a total of five parcels that sold, one of which is used to provide access to an off-street parcel. There are four buildings on these sites that total 79,304 square feet (public records), and occupied with below average quality tenants including a produce distribution business, cabinetry sales, moving and storage companies, and a carpet company. The buildings were constructed in the 1950s-60s and their condition was reported as being fair with deferred maintenance. The sale price for the four properties combined, derived from the Documentary Transfer Tax, equates to $21,500,000; the price was negotiated on both a per property and portfolio basis. The buyer could not confirm the sale price due to a confidentiality agreement; however, it was indicated that the all-in sale price was higher than $21,500,000, and the market has improved since the price was negotiated, in the buyer’s opinion. The buyer plans to continue leasing the properties, but at some point will assemble and re-develop them with a logistics or manufacturing use. The Assessor indicates 5.1 total acres for all five of the parcels; however, the buyer recalled the size being less than 5 acres but was unable to specify. One of the properties is separated from the others and the buyer is pursuing the purchase of the neighboring properties. The results of a recent Phase 1 did not uncover any environmental concerns; however, previous known contamination, indicated to have been remediated in the 1990s, was taken into consideration by the buyer.</td>
</tr>
</tbody>
</table>
## Comparable Land Sale Data Sheets

<table>
<thead>
<tr>
<th>Property Type</th>
<th>Industrial - Land</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Transaction</td>
<td>Sale</td>
</tr>
<tr>
<td>COE</td>
<td>10/29/21</td>
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<tr>
<td>Sales Contract Date</td>
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<tr>
<td>Sales Price</td>
<td>$23,000,000</td>
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<tr>
<td>$/Sq. Ft. (Land)</td>
<td>$83.48</td>
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<tr>
<td>Address</td>
<td>1300 Berryessa Road</td>
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<tr>
<td>City, State</td>
<td>San Jose, CA</td>
</tr>
<tr>
<td>Zip</td>
<td>95133</td>
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<tr>
<td>APN</td>
<td>254-13-090</td>
</tr>
<tr>
<td>Buyer</td>
<td>Terreno Berryessa LLC</td>
</tr>
<tr>
<td>Seller</td>
<td>SRDC, INC</td>
</tr>
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<td>Document #</td>
<td>25149697</td>
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<tr>
<td>Terms</td>
<td>All Cash</td>
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<tr>
<td>Parcel Size (Acres)</td>
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<td>Approx. Dimensions</td>
<td>Slightly Irregular</td>
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<tr>
<td>Improvements</td>
<td>None</td>
</tr>
<tr>
<td>Utilities</td>
<td>All to Site</td>
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<td>Zoning</td>
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<tr>
<td>General Plan</td>
<td>Heavy Industrial</td>
</tr>
<tr>
<td>Entitlements</td>
<td>None</td>
</tr>
<tr>
<td>Verified By</td>
<td>Cody Saunders - Senior Vice President at Terreno Realty Corporation</td>
</tr>
</tbody>
</table>

**Comments**

The property is located in an industrialized area of San Jose situated to the north of US 101. The Berryessa BART station is one half mile to the northeast. An abandoned UPRR right of way (APNs 254-13-098, -101, -139) separates the site from Berryessa Road. The buyer has approached UPRR regarding purchasing these parcels but they wanted to lease them for 10 years and the buyer was not interested and will pursue purchasing them in the future. There is also a prescriptive right to use a portion of this property in favor of the adjacent property at 11740 Berryessa Road (APNs 254-17-043, -13-025) that wraps around this parcel to the northeast and southeast. The gross area of the site is 7.2 acres, but the sale price was based on the "rentable area" of the parcel, which excludes the portion encumbered by the prescriptive easement. The buyer has also approached this adjacent owner about acquiring their property but they have been resistant. The buyer will pursue a purchase of these parcels in the future like the UPRR parcels. Subsequent to the sale, the buyer made the land available for lease and will hold for development. The buyer is a publicly traded REIT and approached the seller with an unsolicited offer. A broker made the buyer aware of the property. It took the owner 60 days to vacate and it was delivered vacant. A Phase I resulted in no environmental issues. The seller, who occupied the property, was in the concrete business and prior to that it had been used as a slaughterhouse.
Comparable Land Sale Parcel Maps
## Comparable Land Sale Data Sheets

### IL-03

<table>
<thead>
<tr>
<th>Property Type</th>
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<tr>
<td>Type of Transaction</td>
<td>Sale</td>
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<td>COE</td>
<td>04/21/21</td>
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<tr>
<td>Sales Contract Date</td>
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<td>Sales Price</td>
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<tr>
<td>$/Sq. Ft. (Land)</td>
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<tr>
<td>Address</td>
<td>560 E Gish Road</td>
</tr>
<tr>
<td>City, State</td>
<td>San Jose, CA</td>
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<tr>
<td>Zip</td>
<td>95112</td>
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<td>APN</td>
<td>237-06-045</td>
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<tr>
<td>Buyer</td>
<td>Terreno East Gish LLC aka Terreno Realty Corporation</td>
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<tr>
<td>Seller</td>
<td>Dino Tomassi, SR.</td>
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<td>Document #</td>
<td>24930081</td>
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<tr>
<td>Terms</td>
<td>Conventional</td>
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<tr>
<td>Parcel Size (Acres)</td>
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<td>Parcel Size (Sq. Ft.)</td>
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<tr>
<td>Approx. Dimensions</td>
<td>Slightly Irregular</td>
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<tr>
<td>Improvements</td>
<td>See Comments</td>
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<tr>
<td>Utilities</td>
<td>All to Site</td>
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<tr>
<td>Zoning</td>
<td>HI</td>
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<tr>
<td>General Plan</td>
<td>Heavy Industrial</td>
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<tr>
<td>Entitlements</td>
<td>None</td>
</tr>
<tr>
<td>Verified By</td>
<td>Dino Tomassi - Seller; Buyer's Press Release</td>
</tr>
</tbody>
</table>

**Comments**

This property is located just off the southeast corner of the E Gish Road and Old Bayshore Hwy intersection, with above average access to US 101. A UPRR right of way runs along the eastern boundary of the property. It is improved with a 1950s vintage building that was recently updated and in great condition for its age, according to the seller. Public records indicate a size of 7,200 square feet for the building. The lot is paved. The west 25 feet of the site is encumbered with a 50-foot-wide right-of-way easement that appears to be shared with the adjacent properties to the west and south. The property was occupied by a bus company that had signed a lease a year or so prior to the sale, and according to the seller, there were eight or nine years left on the term. There are also two smaller commercial billboards located on the property with low visibility. The buyer reported a stabilized cap rate of 4.8% in a press release. The buyer is a publicly traded REIT that has other assets in the region. The seller indicated that the transaction was very straight forward and that the sale price reflected market value. A Phase 2 environmental site assessment was done and revealed no issues.
Comparable Land Sale Parcel Maps
### Comparable Land Sale Data Sheets

**IL-04**

<table>
<thead>
<tr>
<th>Property Type</th>
<th>Industrial - Land</th>
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<td>Type of Transaction</td>
<td>Sale</td>
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<td>COE</td>
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<td>Sales Contract Date</td>
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<tr>
<td>Address</td>
<td>1535-1575 Industrial Avenue</td>
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<td>City, State</td>
<td>San Jose, CA</td>
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<td>Zip</td>
<td>95112</td>
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<tr>
<td>APN</td>
<td>237-30-020, -025</td>
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<td>Buyer</td>
<td>LBA RVI-Company XLIV LLC</td>
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<tr>
<td>Seller</td>
<td>1551 Industrial LLC &amp; Frank J. Mangione</td>
</tr>
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<td>Document #</td>
<td>24900918 &amp; 24902328</td>
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<td>Terms</td>
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<td>Parcel Size (Acres)</td>
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<td>Approx. Dimensions</td>
<td>Combined Site is Slightly Irregular</td>
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<td>Improvements</td>
<td>Older (1950s Vintage) Metal Industrial Buildings to be Demolished</td>
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<tr>
<td>Utilities</td>
<td>All to Site</td>
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<tr>
<td>Zoning</td>
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<td>General Plan</td>
<td>Heavy Industrial</td>
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<tr>
<td>Entitlements</td>
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<tr>
<td>Verified By</td>
<td>Nick Whitstone - Listing Agent</td>
</tr>
<tr>
<td>Comments</td>
<td>The property is comprised of two parcels that had been marketed for sale together or separate located in a heavy industrial section of San Jose situated along I-880. The buyer is the owner of the adjacent 10.26-acre parcel, which had been improved with older metal industrial buildings that were demolished, and is currently being developed with a 179,600 square foot distribution building. The buyer proposes a similar development on this property, and the various older 1950s vintage metal buildings located on the two parcels were given no value. The listing agent indicated that the unit sale price is at the upper end of what land is selling for in the neighborhood. The buyer purchased the adjacent property for just over $47 per square foot, but at a time of inferior market conditions (September 2018), according to the listing agent. The listing agent indicated that the cost to clear the site was considered to be negligible.</td>
</tr>
</tbody>
</table>
Comparable Land Sale Parcel Maps
Comparable Land Sale Data Sheets

<table>
<thead>
<tr>
<th>Property Type</th>
<th>Industrial - Land</th>
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</thead>
<tbody>
<tr>
<td>Type of Transaction</td>
<td>Sale</td>
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<td>01/29/21</td>
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<td>Sales Price</td>
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<td>$/Sq. Ft. (Land)</td>
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<tr>
<td>Address</td>
<td>648-656 N King Road</td>
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<tr>
<td>City, State</td>
<td>San Jose, CA</td>
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<tr>
<td>Zip</td>
<td>95133</td>
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<td>APN</td>
<td>254-54-023, 254-55-013</td>
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<tr>
<td>Buyer</td>
<td>BTC III San Jose Logistics Center LP</td>
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<td>Seller</td>
<td>650 N. King Road LLC</td>
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<td>Document #</td>
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<td>Parcel Size (Acres)</td>
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<td>Flag-shaped</td>
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<td>Improvements</td>
<td>Older manufacturing facility (to be demolished)</td>
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<tr>
<td>Utilities</td>
<td>All to Site</td>
</tr>
<tr>
<td>Zoning</td>
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<td>General Plan</td>
<td>Light Industrial</td>
</tr>
<tr>
<td>Entitlements</td>
<td>None</td>
</tr>
<tr>
<td>Verified By</td>
<td>Mark English, Buyer; Chip Sutherland - Listing and Selling Agent</td>
</tr>
<tr>
<td>Comments</td>
<td>This is the sale of two parcels that combined total 10.71 acres that are currently improved with an older manufacturing facility. The property was acquired for redevelopment, to be improved with a 225,000-square foot light industrial building, according to a development proposal filed with the City. The site includes a separate long, narrow portion of a former railroad corridor (1.76 acres) that is partially improved for use as parking that supported the existing industrial use. The buyer indicated that a lot line adjustment will be processed to incorporate the portion of the former railroad corridor adjacent to the main portion of the property that is 637.89 feet by 37.01 feet or 0.54 acre, and the remaining approximately 1.22 acres will be unusable. Therefore, the unit selling price was based on the net useable area of 9.49 acres. The existing buildings included leases that were set to expire by the end of 2021. The site is reportedly clear of any environmental contaminants. Demolition costs and interim income were reportedly insignificant.</td>
</tr>
</tbody>
</table>
## Comparable Land Sale Data Sheets

<table>
<thead>
<tr>
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</tr>
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<tbody>
<tr>
<td>Type of Transaction</td>
<td>Sale</td>
</tr>
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<td>COE</td>
<td>01/22/21</td>
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<tr>
<td>Sales Contract Date</td>
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<td>Sales Price</td>
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<tr>
<td>$/Sq. Ft. (Land)</td>
<td>$62.42</td>
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<tr>
<td>Address</td>
<td>1336-1420 Old Bayshore Hwy</td>
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<tr>
<td>City, State</td>
<td>San Jose, CA</td>
</tr>
<tr>
<td>Zip</td>
<td>95112</td>
</tr>
<tr>
<td>APN</td>
<td>237-06-014, -015, -087</td>
</tr>
<tr>
<td>Buyer</td>
<td>Exchange 1336 Old Bayshore Hwy, LLC</td>
</tr>
<tr>
<td>Seller</td>
<td>OBS Investors, LLC &amp; Old Bayshore North LLC (Pannatoni Development Co.)</td>
</tr>
<tr>
<td>Document #</td>
<td>24797896 &amp; 24797898</td>
</tr>
<tr>
<td>Terms</td>
<td>Cash to seller</td>
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<tr>
<td>Parcel Size (Acres)</td>
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<tr>
<td>Parcel Size (Sq. Ft.)</td>
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<tr>
<td>Approx. Dimensions</td>
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<tr>
<td>Improvements</td>
<td>Older metal storage buildings (See Comments)</td>
</tr>
<tr>
<td>Utilities</td>
<td>All to Site</td>
</tr>
<tr>
<td>Zoning</td>
<td>HI</td>
</tr>
<tr>
<td>General Plan</td>
<td>Heavy Industrial</td>
</tr>
<tr>
<td>Entitlements</td>
<td>None</td>
</tr>
<tr>
<td>Verified By</td>
<td>Tim Schaedler - Listing Broker; Jim Kovaleski, Broker who represented seller in a different transaction and is familiar with the details of this transaction</td>
</tr>
<tr>
<td>Comments</td>
<td>This is the sale of 3 parcels that sold together totaling 6.98 acres (Assessor's parcel map) located in the southern part of the North San Jose planning area where US 101 and I-880 intersect. The sale recorded across two separate transactions between the same buyer and seller that recorded on the same day, likely due to a ground lease in place across 2.97 acres of the combined site (1336-90 Old Bay Shore). The lease was to a bus company with at least 5 to possibly 7 years remaining on the term. Other details regarding the lease were not disclosed. There are also two commercial billboards (low visibility) located on this portion of the property. The 2.97-acre portion has an open case for environmental contamination and is currently unbuildable. The other portion of the property (1420 Old Bay Shore) was originally acquired for use as a parking lot for Amazon.com delivery trucks, but is now being marketed for lease by the buyer for parking (250+ paved spaces) or for a shovel ready 69,192 square foot warehouse from entitlements obtained subsequent to the sale. The property included two older metal storage buildings, 12,809 square feet total (current marketing flyer) that would require demolition to accommodate redevelopment, but are useable and included in the ground lease offering.</td>
</tr>
</tbody>
</table>
Comparable Land Sale Parcel Maps
## Comparable Land Sale Data Sheets

**IL-07**

<table>
<thead>
<tr>
<th>Property Type</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Type of Transaction</td>
<td>Sale</td>
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<tr>
<td>COE</td>
<td>03/04/20</td>
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<tr>
<td>Sales Contract Date</td>
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<td>Sales Price</td>
<td>$19,500,000</td>
</tr>
<tr>
<td>$/Sq. Ft. (Land)</td>
<td>$74.36</td>
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</tbody>
</table>

**Address**

1660-1720 Old Bayshore Hwy

**City, State**

San Jose, CA

**Zip**

95112

**APN**

237-12-098, -101, -117, -118

**Buyer**

Prologis-Exchange 1660 Old Bayshore Highway LLC

**Seller**

Mohawk Land & Cattle Co., LLC

**Document #**

24420772

**Terms**

All Cash

**Parcel Size (Acres)**

6.02

**Parcel Size (Sq. Ft.)**

262,231

**$/Sq. Ft. (Land)**

$74.36

**Approx. Dimensions**

Slightly Irregular

**Improvements**

Older Metal Industrial Buildings (See Comments)

**Utilities**

All to Site

**Zoning**

HI

**General Plan**

Heavy Industrial

**Entitlements**

None

**Verified By**

Public Records

**Comments**

The property is located in a heavy industrial section of San Jose, situated just east of Highway 101, with partial visibility from the freeway. The property is comprised of four lots that sold together improved with various buildings constructed in the 1950s and 1970s (public records), with a significant portion of these parcels being used for yard space. The buyer was unable to be contacted to confirm their plans for the property, but a development proposal was submitted to the City subsequent to the sale for the construction of a warehouse/distribution center over the entire site. City documents show that the existing buildings on the property will be demolished, except one that will remain to be rehabbed.
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 sales 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 land 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.

<table>
<thead>
<tr>
<th>Comparable</th>
<th>IL-01</th>
<th>IL-02</th>
<th>IL-03</th>
<th>IL-04</th>
<th>IL-05</th>
<th>IL-06</th>
<th>IL-07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>451 Queens Ln, 1610-50 Old Bayshore Hwy San Jose, CA</td>
<td>1300 Berryessa Road San Jose, CA</td>
<td>560 E Gish Road San Jose, CA</td>
<td>1535-1575 Industrial Avenue San Jose, CA</td>
<td>648-656 N King Road San Jose, CA</td>
<td>1336-1420 Old Bayshore Hwy San Jose, CA</td>
<td>1666-1720 Old Bayshore Hwy San Jose, CA</td>
</tr>
<tr>
<td>City, State</td>
<td>San Jose, CA</td>
<td>San Jose, CA</td>
<td>San Jose, CA</td>
<td>San Jose, CA</td>
<td>San Jose, CA</td>
<td>San Jose, CA</td>
<td>San Jose, CA</td>
</tr>
<tr>
<td>Sale Date</td>
<td>Jan-22</td>
<td>Oct-21</td>
<td>Apr-21</td>
<td>Apr-21</td>
<td>Jan-21</td>
<td>Jan-21</td>
<td>Mar-20</td>
</tr>
<tr>
<td>Sales Price</td>
<td>$21,500,000</td>
<td>$23,000,000</td>
<td>$8,004,500</td>
<td>$12,625,000</td>
<td>$29,500,000</td>
<td>$18,358,500</td>
<td>$19,500,000</td>
</tr>
<tr>
<td>Parcel Size (Acres)</td>
<td>5.10</td>
<td>6.32</td>
<td>2.24</td>
<td>3.62</td>
<td>9.49</td>
<td>6.98</td>
<td>6.02</td>
</tr>
<tr>
<td>Sales Price / Sq. Ft.</td>
<td>$96.78</td>
<td>$83.48</td>
<td>$82.04</td>
<td>$80.06</td>
<td>$71.36</td>
<td>$62.42</td>
<td>$74.36</td>
</tr>
<tr>
<td>Property Rights Conveyed</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
</tr>
<tr>
<td>Financing Terms</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
</tr>
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<td>Conditions of Sale</td>
<td>Positive</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
</tr>
<tr>
<td>Expenditures After Purchase</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
</tr>
<tr>
<td>Location</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
</tr>
<tr>
<td>Size</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
</tr>
<tr>
<td>Site Utility / Constraints</td>
<td>Negative</td>
<td>Negative</td>
<td>Negative</td>
<td>Negative</td>
<td>Positive</td>
<td>Negative</td>
<td>Negative</td>
</tr>
<tr>
<td>Utilities / Off-Sites</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
</tr>
<tr>
<td>Contributory $ of Improvements</td>
<td>Negative</td>
<td>Ø</td>
<td>Negative</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
</tr>
<tr>
<td>Land Use / Zoning</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Ø</td>
<td>Positive</td>
<td>Ø</td>
<td>Ø</td>
</tr>
</tbody>
</table>

The fee simple interest is being appraised for this analysis. IL-01 had several leases in place to below average quality tenants. The exact terms of these rental agreements were not discovered; however, the buyer intends to continue renting the properties only while pursuing negotiations with neighboring property owners for the purchase of their properties and ultimately redeveloping the assembled sites, indicated that the lease arrangements are likely short-term. IL-03 and a portion of IL-06 were ground leased at the time of sale to long-term tenants. These agreements were signed not too long before these properties sold and were considered to be at or close to market. The comparable data suggests that there is demand in the subject market for outside storage, and ground leasing is a viable alternative to constructing a building, which buyers also desire. Therefore, an adjustment was determined not to be warranted for IL-01, IL-03, and IL-06 for fee simple versus leased fee.
The buyer for IL-01 indicated that the all-in purchase price was more than what was reported in public records, necessitating an upward adjustment for conditions of sale, but could not disclose exactly what IL-01 sold for due to a confidentiality agreement.

IL-04 through IL-07 were improved at the time of sale, and the buyers in these transactions intended to pursue entitlements for redevelopment of these properties, incurring the cost of clearing the sites; however, demolition was reported as being negligible relative to the purchase price, and adjustments were determined not to be warranted.

Upward adjustments have been applied to the comparables for having sold at a time of increasing market conditions, supported by data presented in a prior report section (see Real Estate Market Conditions) and conversations with market participants.

IL-01, IL-03, IL-04, IL-06, and IL-07 are located in an industrialized area of San Jose where US 101 and I-880 converge and have above average access. The subject property is located in the same general area (see Region, City and Neighborhood Data), and is considered to have average freeway access, but is located near the recently opened Berryessa BART Station, which is considered to be an equally positive attribute. IL-02, which is situated across the street from the subject, and IL-05, are judged to share similar locations. Adjustments for differences between the subject and the other comparables for this factor are concluded to be offsetting. Therefore, no adjustments are warranted for location.

The comparables range in size from 2.24 to 9.49 acres, and bracket the size of the subject property at 6.46 acres. All of the comparables were judged to be in a similar size class, and therefore no adjustments have been applied.

The subject property is comprised of two separate sites that are connected by an access easement across the SJW parcel (see Property Description). The subject has an average amount of street frontage, but tapers to a point at the rear of the combined site. With the exception of IL-05 and IL-06, downward adjustments have been applied to the other comparables for their superior site utility. No adjustment has been applied to IL-05 because of the irregularity of the parcel (see Datasheet). A significant upward adjustment is necessitated for IL-06 due to soil contamination on two of the three parcels that comprise the site, which the buyer will need to remediate if this portion is developed.

IL-01 is improved with four older industrial buildings totaling over 79,000 square feet of rentable area that were tenant occupied at the time of sale. As previously stated, the buyer plans on redeveloping the sites at some point in the future, but will continue leasing the properties in the interim, and a downward adjustment has been applied for the contributory value of the improvements. Most of the value for IL-03 is reportedly in the land, but a small building with an approximately 0.07 FAR contributes to income generated from a long-term ground lease in place at the time of sale, and a downward adjustment has been applied to IL-03 for this element of comparison.

An upward adjustment has been applied to IL-05 for its Light Industrial zoning, which allows for a narrower range of uses and more restrictive development requirements.
Valley Water  
Coyote Creek Flood Management Measures Project  
APNs: 241-05-001, -014 – Graniterock

**Land Value Conclusion (Before Condition)**

The selling prices of the comparables range from $62.42 to $96.78 on a per square foot basis. After adjusting for the various factors considered for this type of property, as compared to the subject, the data points towards a unit value conclusion similar to IL-02. IL-02 is a relatively recent sale of a similar sized parcel located across the street from the subject. IL-02 required the least amount of gross adjustment, which nets to zero when including the transactional elements of comparison. Placing more emphasis on IL-02, but also supported by the other comparable data after adjustments, the estimated fair market value for the underlying land of the subject property, utilizing the sales comparison approach, is concluded to be $83.50 on a per square foot basis.

A small portion of the subject site is located below the top of the creekbank (see Site Description) and judged to have nominal value, equal to 1% of the fee simple value as a result of its very limited use. This conclusion is supported by properties that have sold in the marketplace which are only suitable for use as open space.

The fair market value of the subject’s underlying land is calculated as follows:

<table>
<thead>
<tr>
<th>Whole Property - Before</th>
<th>Unit Value  ($/Sq. Ft.)</th>
<th>% of Fee Simple Interest Remaining</th>
<th>Land Area (Sq. Ft.)</th>
<th>Indicated Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Area</td>
<td></td>
<td></td>
<td>281,398</td>
<td></td>
</tr>
<tr>
<td>Above Creekbank</td>
<td>$83.50</td>
<td>100%</td>
<td>278,868</td>
<td>$23,285,478</td>
</tr>
<tr>
<td>Below Creekbank</td>
<td>$83.50</td>
<td>1%</td>
<td>2,530</td>
<td>$2,113</td>
</tr>
<tr>
<td><strong>Fee Simple Interest: (Land Only)</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$23,287,591</strong></td>
</tr>
</tbody>
</table>

**Property to be Acquired**

This assignment, requested by Valley Water, is for the market valuation of two permanent easements and two temporary easements to be acquired from the subject property for the proposed project (see Project Description). The permanent easements (PE 295 and PE 296) are needed for water management and/or storm water drainage purposes and the temporary easements (TCE 378 and TCE 379) are required to construct the project. Legal descriptions and plat maps depicting the proposed easement acquisitions have been provided and appear in the Addenda. The sizes of the acquisitions are shown in the table below, as taken from the plat maps and legal descriptions.

<table>
<thead>
<tr>
<th>Interest to be Acquired</th>
<th>Area (Sq. Ft.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent Easement (PE 295)</td>
<td>102</td>
</tr>
<tr>
<td>Permanent Easement (PE 296)</td>
<td>12,754</td>
</tr>
<tr>
<td>Temporary Easement (TCE 378)</td>
<td>1,113</td>
</tr>
<tr>
<td>Temporary Easement (TCE 379)</td>
<td>10,652</td>
</tr>
</tbody>
</table>

The boundaries of the acquisitions were not identified at the site by staking, but the Client has provided exhibits with the acquisition areas delineated that have been overlaid onto aerial imagery.
and used as an aid in establishing the locations of the areas to be acquired, which are displayed after this report section.

PE 295 forms an irregular shaped parcel of land located at the eastern portion of the subject abutting the Berryessa Road right of way where it is just over 22 feet wide, and extending into the parcel coming to a point after a distance of about 25 feet (see Plat Map - PE 295). PE 295 is adjacent to an existing easement in favor of the Client (see Existing Easements) and Coyote Creek, with approximately 14 square feet located below the top of the bank and 88 feet above it (see Acquisition Exhibit – PE 295). This area of the subject property appears to be included in the riparian area along the creek and separated from the portion of the property being used for industrial purposes by a chain link fence.

PE 296 is a strip of land that is slightly more or less 20 feet wide that extends for approximately 475 feet (see Plat Map - PE 295) located in the riparian area along the northeastern portion of the rear subject parcel and partially covered in volunteer vegetation, including mature trees. A moveable barrier comprised of large concrete blocks (see Personal Property Description) separates this area from the industrial yard space and it is being treated as surplus land. Approximately 63 square feet is located below the top of the creekbank, with 12,691 square feet above it (see Acquisition Exhibit – PE 296).

TCE 378 is comprised of narrow slivers of land located adjacent to the existing Valley Water easement and PE 295, and in an area that has been paved with concrete, included as part of the industrial yard space. The Client has indicated that the concrete paving within the acquisition areas will remain and be repaired by the project contractor if damaged during the construction of the project. Sections of chain link fencing within the TCE that separates the industrial yard space from the creek will need to be removed, but a small block structure (see Subject Property Photographs), which may be impacted, is assumed will be protected in place.

Like TCE 378, TCE 379 is part of the industrial yard space, but located on the rear parcel and abutting PE 296. The moveable concrete block barrier separates the two acquisitions. Most of this area has been paved with concrete and a portion is improved with facilities that handle drainage for the parcel (see Subject Property Photographs). These improvements are to be protected in place, according to the Client; however, there are sections of fencing that secure the drainage facilities that will need to be removed within the TCE for the construction of the project. Temporary fencing will be erected in its place during the project construction.
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Appraiser Exhibit – TCE 379

T.C.E. ABOVE T.O.B.
AREA = 10,652 SQ.FT.±

T.C.E.: TEMPORARY CONSTRUCTION EASEMENT
T.O.B.: TOP OF BANK

Scale: 1" = 100'

RESU FILE NO. 4021-379
APN 241-05-014
TITLE REPORT NO. 616019587
DRAWN B. BAINS

SANTA CLARA VALLEY WATER DISTRICT

APPRAISER’S COPY

GRAINITE ROCK CO

66
Value of the Areas to be Acquired

Easement Valuation

An easement is defined as an interest in the land of another person or entity, which entitles the owner of such an interest to a limited use, or enjoyment of the land area so encumbered. It can either be affirmative by allowing some act or actions on the land, or negative by precluding doing certain things with the land so encumbered. The easement is an interest in real property and is considered non-possessory. The holder of an easement has only such control of the land as is necessary for the purpose of using the easement. Others using the land may not interfere with the use of the easement.

It is commonly understood that the fee interest in land is a 100% ownership. Because land can be divided into various rights, a concept of a “Bundle of Rights” exists. The proposed easement requires only specific rights, which are a portion of the rights. An easement deed defines those rights. The fee ownership will remain the same.

The imposition of an easement requires that the appraiser analyze the effect on the land and any existing or proposed improvements. The valuation of the rights to be acquired and the limitations imposed on the grantor’s use of the easement area have been analyzed to determine a reasonable allocation for the rights acquired and those remaining to the property owner/grantor. This division or allocation may be expressed as a percentage of the fee simple interest. The valuation of a temporary use of a portion of a property is based on an estimated reasonable rental rate for the land and/or a reasonably expected rate of return for an alternative short-term investment for a specified period of time. Upon expiration of the temporary easement, all previous land rights and use of the land revert back to the owner.

Permanent Easement

According to a sample easement deed, the permanent easement (PE) is “…an easement for water management and/or storm water drainage purposes in, upon, over, and across that certain real property… The easement shall include the right to construct, reconstruct, inspect, maintain, and repair a channel, protection works, and appurtenant structures, together with the right to trim or remove such trees or brush within the easement area as may constitute a hazard to persons or property or may interfere with the use of said area for the purpose granted. It also shall include the right to enter upon said land with vehicles, tools, implements, and other materials, take there from and use earth, rock, sand, and gravel for construction, maintenance, and repair of said channel, protections work, and appurtenant structures … whenever and wherever necessary for flood control or storm drainage purposes. Said easement area shall be kept clear of any type of building, fences, structure, or pavement, unless prior written approval is obtained… The easement shall also include the non-exclusive right of ingress from and egress to public streets to the easement area…, over and across the property of the grantor by such route or routes as shall occasion the least practicable damage to the property and inconvenience to grantor for the purposes of routine inspection and maintenance of the improvements within the easement…” The sample easement deed appears in the Addenda.
A varying high (6 to 10 feet) sheet pile wall is to be erected within the proposed permanent easements, approximately 3 feet from the inward boundary of the acquisition area. Therefore, access to most of the encumbered area will be restricted (see Project Plan Sheet TC-01 displayed in the Addenda). In addition, the construction of any building or other permanent structures as well as paving not being permitted will result in a significant impact on the useability of these areas of the subject property and a high percent diminution in fee value. However, the portion located above the top of the creekbank is in a riparian setback area imposed by the City (see Zoning and General Plan of the Subject Property), and therefore this portion of the site is already precluded from development, limited to low utility uses such as outside storage or buffer area from the creek as it is currently being used. An existing sewer easement for an underground pipeline that crosses a portion of PE 296 (see Existing Easements) is judged to have little to no additional impact on value being in the riparian setback area. Based on the foregoing, the PEs are considered to cause a moderate diminution in value of 50% of the fee value.

The portion located within the creek (see Property to be Acquired) has been judged to have nominal value, or 1% of the unit value conclusion of the subject property (see Sales Comparison Approach), which equates to $0.835 per square foot ($83.50 x 0.01).

The estimated market value of the permanent easement is calculated as follows:

<table>
<thead>
<tr>
<th>Property Rights Appraised</th>
<th>Estimated Unencumbered Value/Sq. Ft.</th>
<th>% Diminution in Value due to the Proposed Easement</th>
<th>Land Area (Sq. Ft.)</th>
<th>Indicated Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>PE 295</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Above Creekbank</td>
<td>$83.50</td>
<td>50%</td>
<td>x 88</td>
<td>$3,674</td>
</tr>
<tr>
<td>Below Creekbank</td>
<td>$0.835</td>
<td>50%</td>
<td>x 14</td>
<td>$6</td>
</tr>
<tr>
<td>PE 296</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Above Creekbank</td>
<td>$83.50</td>
<td>50%</td>
<td>x 12,691</td>
<td>$529,849</td>
</tr>
<tr>
<td>Below Creekbank</td>
<td>$0.835</td>
<td>50%</td>
<td>x 63</td>
<td>$26</td>
</tr>
<tr>
<td><strong>Total Value of Permanent Easement Acquisitions:</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$533,555</strong></td>
</tr>
</tbody>
</table>

**Temporary Easement**

The temporary easements proposed to be acquired from the subject property for the project are for construction purposes (TCE), as indicated in a sample easement deed, which is displayed in the Addenda. According to the Client, the TCEs will be needed for a period of 30 months.

An appropriate rental rate for the temporary easement acquisitions could not be extracted from the market, given the physical nature of the area to be rented. Therefore, a rate of return on the value of land that could be achieved in the marketplace, on a temporary basis, was used in the valuation of the TCEs. Because the areas of the TCEs are substandard, they would be expected to command a higher rate of return than typical ground lease rates in the subject market, which are generally below 6%. A 10% annual rate of return has been used in the valuation of the TCE or a monthly rate of 0.83%.

The unit value used to value the proposed permanent easements, $83.50 per square foot, has been used to value the TCEs.
The estimated fair market value for the TCEs is calculated as follows:

<table>
<thead>
<tr>
<th>Property Rights Appraised</th>
<th>Estimated Value ($/Sq. Ft.)</th>
<th>Monthly Rental Rate</th>
<th>Number of Months Required</th>
<th>Land Area (Sq. Ft.)</th>
<th>Indicated Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary Construction Easement</td>
<td>$83.50</td>
<td>x 0.83%</td>
<td>x 30</td>
<td>1,113</td>
<td>= $23,141</td>
</tr>
<tr>
<td>TCE 378</td>
<td>$83.50</td>
<td>x 0.83%</td>
<td>x 30</td>
<td>10,652</td>
<td>= $221,471</td>
</tr>
<tr>
<td><strong>Total Value of Temporary Easement Acquisitions:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$244,612</strong></td>
</tr>
</tbody>
</table>

**Site Improvement Acquisitions**

Chain link fencing located along Coyote Creek that partially separates the current industrial operations located on the subject property from the surplus land along the creek and sections that secure drainage facilities impacted by the proposed acquisitions will need to be removed for the construction of the project; it is assumed that the chain link gates will remain. A barrier created from large concrete blocks that is being used as a security measure in place of fencing is intended to be moveable and deemed personal property (see Personal Property Description).

The Client has indicated that the improvements associated with on-site drainage and concrete paving within the acquisition areas will be protected in place and it is also assumed that a small concrete block structure that may be partially located in the temporary easement acquisition on the front parcel will as well. If any of these improvements are damaged as a result of the project construction, they will be repaired by the project contractor.

The contributory value of the fencing to be removed has been considered and it has been concluded that the depreciated replacement cost is equal to market value. Marshall Valuation Service (MVS), a construction cost service widely in use by appraisers, was utilized to estimate the replacement cost of the fencing.

Depreciation can occur from physical deterioration, functional obsolescence, and external obsolescence. The fencing suffers from physical deterioration due to normal wear and tear and impact from the elements and judged to be in below average or above average condition (see Subject Property Photographs).

Most of the permanent easement acquisitions are in surplus land areas that have been left in their natural state and partially covered in vegetation. The trees and plant life show as being allowed to grow volunteer and determined not to contribute any value to the property when put to its highest and best use.

The depreciated value of the fencing is itemized in the following table.
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Coyote Creek Flood Management Measures Project
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Damages

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

Coyote Creek, which has overflowed its banks several times in its history, passes through the subject neighborhood (see Project Description). It is located adjacent to the subject property, and the entire site was inundated with water several feet high from the most recent flood event in 2017, according to an owner representative. The purpose of the proposed project is to provide the surrounding area with 20-year flood protection.

The existing Valley Water easement encumbering the subject property (see Existing Easements) adjacent to Coyote Creek is being expanded and will extend along the entire northeastern boundary of the subject property in the after condition. It is intended to be for water management and/or storm water drainage purposes. This area is located within the confines of the creek or a riparian setback area that is precluded from any development and is currently surplus land being used as a buffer area between the creek and the industrial operations being conducted on the property. However, a floodwall is proposed to be erected within the expanded easement three feet from the inward boundary (see Project Plan Sheet TC-01), and it will separate a portion of the property that will not be accessible in the after condition; a flood gate is proposed on the adjacent SJW parcel, which is partially being used to support the industrial operations on the subject (see Property Description), but direct access will be eliminated. According to the Client, 2,453 square feet of the property separated by the floodwall is located below the top of the bank of Coyote Creek, but 7,418 square feet is located above it and part of the surplus land area that is determined to have similar utility to the area of the proposed permanent easements (PEs). Therefore, it has been judged that cutting off access to this portion of the property results in a damage to the subject remainder equal to the diminution in value to the fee value concluded to for the proposed PEs (see Value of the Areas to be Acquired). The damage is calculated as follows:

<table>
<thead>
<tr>
<th>Site Improvement Acquisitions</th>
<th>Ln. Ft.</th>
<th>Replacement Cost New ($/Unit)</th>
<th>Less Depreciation</th>
<th>Estimated Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>6’ Tall Chain Link Fencing w/Barbed Wire</td>
<td>605</td>
<td>$44.00</td>
<td>75%</td>
<td>$6,655</td>
</tr>
<tr>
<td>9’ Tall Chain Link Fencing w/Barbed-Razor Wire</td>
<td>140</td>
<td>$90.50</td>
<td>25%</td>
<td>$9,503</td>
</tr>
<tr>
<td>Total Value of Depreciated Site Improvements:</td>
<td></td>
<td></td>
<td></td>
<td>$16,158</td>
</tr>
</tbody>
</table>

A portion of the 6’ tall chain link fencing has a windscreen.

Site Improvement Acquisitions

<table>
<thead>
<tr>
<th>Site Improvement Acquisitions</th>
<th>Replacement Cost New ($/Unit)</th>
<th>Less Depreciation</th>
<th>Estimated Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>6’ Tall Chain Link Fencing w/Barbed Wire</td>
<td>$44.00</td>
<td>75%</td>
<td>$6,655</td>
</tr>
<tr>
<td>9’ Tall Chain Link Fencing w/Barbed-Razor Wire</td>
<td>$90.50</td>
<td>25%</td>
<td>$9,503</td>
</tr>
<tr>
<td>Total Value of Depreciated Site Improvements:</td>
<td></td>
<td></td>
<td>$16,158</td>
</tr>
</tbody>
</table>
Sections of fencing securing on-site drainage facilities will be removed for the construction of the project (see Site Improvements in Acquisition Areas). It has been judged that there would be a diminution in value to the remainder by not replacing the fencing. The cost to cure the damage is the replacement cost less the depreciated value previously indicated and accounted for. Additional fencing located outside of the acquisition areas that separate the industrial operations from the creek area will also need to be removed for access to the floodwall for ongoing maintenance; however, the floodwall will replace the function of this fencing. The calculation for the cost to cure is indicated below.

<table>
<thead>
<tr>
<th>Severance Damages</th>
<th>Estimated Value/Sq. Ft.</th>
<th>% Diminution in Value</th>
<th>Land Area (Sq. Ft.)</th>
<th>Indicated Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area Inaccessible in the After Condition</td>
<td>9,871</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Above Creekbank</td>
<td>$83.50</td>
<td>x</td>
<td>50%</td>
<td>x</td>
</tr>
<tr>
<td>Below Creekbank</td>
<td>$0.835</td>
<td>x</td>
<td>50%</td>
<td>x</td>
</tr>
<tr>
<td>Permanent Damage Due to Loss of Access:</td>
<td></td>
<td></td>
<td></td>
<td>$310,726</td>
</tr>
</tbody>
</table>

Total damages to the remainder parcel are as follows:

- Permanent Damage Due to Loss of Access: $310,726
- Cost to Cure Damages: + $3,167
- **Total Damages to the Remainder Parcel:** $313,893

**Benefits**

The proposed project will provide the properties within the project limits with 20-year flood protection from future flood events, but it has been determined that no specific benefits accrue to the subject property as a result of the project as planned.

**Construction Contract Work (CCW)**

Upon expiration of the TCE, the project contractor will restore disturbed areas to pre-construction conditions, aside from replacing site improvements removed from within the temporary easement that have already been compensated for.
Estimated Fair Market Value

The total estimated fair market value to be used as a basis for determining just compensation for the proposed acquisitions needed from the subject property for the Coyote Creek Flood Management Measures Project is summarized as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent Easements</td>
<td>$533,555</td>
</tr>
<tr>
<td>Temporary Construction Easements</td>
<td>$244,612</td>
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<tr>
<td>Site Improvements</td>
<td>$16,158</td>
</tr>
<tr>
<td>Damages</td>
<td>$313,893</td>
</tr>
<tr>
<td>Benefits</td>
<td>+ $0</td>
</tr>
<tr>
<td><strong>Total Estimated Fair Market Value:</strong></td>
<td><strong>$1,108,218</strong></td>
</tr>
<tr>
<td><strong>Rounded To:</strong></td>
<td><strong>$1,108,000</strong></td>
</tr>
</tbody>
</table>
ADDENDA
BERRYESSA ROAD STATION MAP
NOTICE OF DECISION TO APPRAISE
May 5, 2022

Notice of Decision to Appraise

Pat Mapelli | Land Use Manager/Bay Restoration Lead
Graniterock
5225 Hellyer Ave Suite 220
San Jose, CA 95138

Project: Coyote Creek Flood Management Measures Project
District File No.: 4021-295, -296; -378, -379
Property Address: 11711 Berryessa Road, San Jose, CA 95133
APNs: 241-05-001, -014

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

Dear Mr. Mapelli:

The Santa Clara Valley Water District (Valley Water) is proposing to acquire property rights from portions of the above-referenced parcels for its Coyote Creek Flood Management Measures Project. The enclosed exhibits show the general area and the location of the areas that Valley Water is seeking to acquire.

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

For questions relating to the purpose of the proposed acquisitions, please contact Jacqui Carrasco, Associate Real Estate Agent at 408 613-4428. If Valley Water is still contemplating acquiring the proposed acquisitions 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.

Sincerely,

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

cc: Jacqui Carrasco, Associate Real Estate Agent – Valley Water
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
SAMPLE EASEMENT DEEDS
APN: _____

DOCUMENT NO.: 4021-

EASEMENT DEED

, hereinafter “Grantor,” do(es) hereby grant, convey and dedicate to the SANTA CLARA VALLEY WATER DISTRICT, a Special District, created by the California Legislature (Valley Water), an easement for water management and/or storm water drainage purposes in, upon, over, and across that certain real property in the City of San Jose, County of Santa Clara, State of California, described in Exhibit A attached hereto and made a part hereof by this reference.
Said easement area shall be kept clear of any type of building, fences, structure, pavement, or trees unless prior written approval is obtained from Valley Water.

The easement shall include the right to construct, reconstruct, inspect, maintain, and repair a channel, protection works, and appurtenant structures, together with the right to trim or remove such trees or brush within the easement area as may constitute a hazard to persons or property or may interfere with the use of said area for the purpose granted. It also shall include the right to enter upon said land with vehicles, tools, implements, and other materials, take there from and use earth, rock, sand, and gravel for construction, maintenance, and repair of said channel, protections work, and appurtenant structures by Valley Water, its officers, agents, and employees, and by persons under contract with it and their employees whenever and wherever necessary for flood control or storm drainage purposes.

The easement shall also include the non-exclusive right of ingress from and egress to public streets to the easement area described in Exhibit A, over and across the property of the Grantor by such route or routes as shall occasion the least practicable damage to the property and inconvenience to Grantor for the purposes of routine inspection and maintenance of the improvements within the easement. Valley Water shall provide reasonable advance notification of its intent to enter Grantor's property.

(As used above, the term “grantor” shall include the plural as well as the singular number. The words “himself” and “his” shall include the feminine gender as the case may be.)

Dated this day of 20
STATE OF CALIFORNIA  
COUNTY OF SANTA CLARA  

On this ____ day of_______________, in the year 20__, before me______________________, Notary Public, personally appeared ________________________________________________

 Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_________________________________
Notary Public in and for said County and State

CAPACITY CLAIMED BY SIGNER

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

☐ Individual  ☐ Corporate Officer(s): _____  ☐ Trustee(s)  ☐ Guardian/Conservator  
☐ Partner(s)  ☐ Limited  ☐ General  ☐ Other: _____  
☐ Attorney-In-Fact _____

Signer is Representing (Name of Person(s) or Entity(ies)_______________________________
________________________________________________________

________________________________________

SS

101
CERTIFICATE OF CONSENT AND ACCEPTANCE

This is to certify that the interest in real property conveyed by the attached Deed or Grant to the Santa Clara Valley Water District, also referred to herein as the Grantee, is hereby accepted by the undersigned duly authorized agent on behalf of the Board of Directors of said Santa Clara Valley Water District, pursuant to authority conferred by Resolution No. 14-79 of said Board of Directors adopted on the 9th day of September 2014, and the Grantee consents to recordation thereof by its said duly authorized agent.

Dated: ________________, 20__

Santa Clara Valley Water District

By: ________________________________

Chief Executive Officer/Clerk of the Board of Directors

(Strike out inapplicable one)
TEMPORARY CONSTRUCTION EASEMENT

, hereinafter referred to as “Grantor,” grants to the Santa Clara Valley Water District, a Special District, created by the California Legislature (Valley Water) hereinafter referred to as “Grantee,” a temporary construction easement over, upon and across a portion of that real property in the City of , County of Santa Clara, State of California, described as:
See Exhibit “A” attached hereto and made a part hereof.

This temporary construction easement is granted under the express conditions listed below:

1. Grantor represents and warrants that she/he is the owner of the property described in “Exhibit A” attached hereto and made a part hereof, and that Grantor has the exclusive right to grant the easement.

2. This easement is necessary for the purpose of constructing the Coyote Creek Flood Management Measures Project and related activities incident to construction. This temporary construction easement shall not be revoked and shall continue in full force and effect until December 31, 2024, at which time the temporary construction easement shall terminate unless otherwise agreed by the parties hereto.

3. Grantee agrees to use all reasonable efforts to keep any roadway covered by this easement open to traffic and to not interfere with residential occupants or construction activity of Grantor on site. Grantee will keep area covered by the easement clean and remove all debris related to its construction.
4. Grantee agrees to indemnify and hold harmless Grantor from and against any all claims, damages, liabilities, costs, or any expenses whatsoever, arising from or caused, directly or indirectly by the entry onto the property by Grantee or its agent’s, employees, invitees, contractors, and subcontractors.

Dated this ___________ day of ____________ , 20__________

__________________________________________________________

__________________________________________________________

__________________________________________________________

__________________________________________________________
ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

On this ____ day of_______________, in the year 20__, before me______________________, Notary Public, personally appeared

________________________________________________

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_________________________________
Notary Public in and for said County and State

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

☐ Individual ☐ Corporate Officer(s): ____ ☐ Guardian/Conservator

☐ Partner(s) ☐ Limited ☐ General ☐ Other: ____

☐ Attorney-In-Fact _____

Signer is Representing (Name of Person(s) or Entity(ies)

_____________________________________         _________________________________
CERTIFICATE OF CONSENT AND ACCEPTANCE

This is to certify that the interest in real property conveyed by the attached Deed or Grant to Santa Clara Valley Water District is hereby accepted by the undersigned duly authorized agent on behalf of the Board of Directors of said Santa Clara Valley Water District, pursuant to authority conferred by Resolution No. 68-25 of said Board of Directors adopted on the 26th day of March 1968, recorded March 27, 1968, in Book 8069 Page 535, Official Records of Santa Clara County, California, and the Grantee consents to recordation thereof by its said duly authorized agent.

Dated: _____________________, 20___

Santa Clara Valley Water District

By:

_____________________________
Chief Executive Officer/Clerk of the Board of Directors
(Strike out inapplicable one)
PROJECT PLAN SHEET TC-01
LEGAL DESCRIPTIONS AND PLAT MAPS OF PROPOSED ACQUISITIONS
Santa Clara Valley Water District
San Jose, California

PROJECT: COYOTE CREEK FLOOD MANAGEMENT MEASURE PROJECTS

RESU File No.: 4021-295
By: B. Bains

An easement over that certain real property situate in the City of San Jose, County of Santa Clara, State of California, as described in that certain Deed in Book 140 of Deeds at Pages 240 thru 242, filed on October 14, 1891, in the Office of the Recorder, County of Santa Clara, State of California, more particularly described as follows:

Permanent Easement (P.E.)

COMMENCING at an ¾” iron pipe (LS 2693) at the most easterly corner of the lands shown as “5.536 Ac ±” on that certain Record of Survey filed on January 7, 1960, in Book 115 of Maps at Page 31, in the Office of the Recorder, County of Santa Clara, State of California;

Thence along the northeasterly line of said “5.536 Ac ±”, N61° 55’ 02”W, 70.34 feet to the POINT OF BEGINNING;

Thence leaving said northeasterly line the following four (4) courses:

1) S35° 06’ 34”W, 17.55 feet;
2) S42° 46’ 27”W, 4.64 feet;
3) N47° 13’ 33”W, 24.99 feet;
4) N56° 06’ 12”W, 5.61 feet; to a point on the southwesterly line of the lands described in that certain Deed recorded as Document Number 4929011 on January 14, 1975 in Book B244 of Official Records, Pages 254 thru 258, in the Office of the Recorder, County of Santa Clara, State of California;

Thence along said southwesterly line S61° 55’ 02”E, 30.65 feet, to the most southerly corner of said lands;

Thence along the southeasterly line of said lands, N37° 16’ 49”E, 15.20 feet to the POINT OF BEGINNING.

Containing 102 square feet of land, more or less.

BASIS OF BEARINGS:
The bearing of N61° 55’ 02”W, described as N62° 56’W along the northeasterly line of “5.536 Ac ±” as shown on the Record of Survey filed on January 7, 1960, in Book 115 of Maps at Page 31,
in the Office of the Recorder, County of Santa Clara, State of California was used as Basis of Bearings shown hereon.

SURVEYOR'S STATEMENT:
The description was prepared by me or under my direction in conformance with the requirements of the Land Surveyor's Act.

Jessica DeMartini, PLS 9095

Date

9/9/02

[Stamp: Licensed Land Surveyor]

Jessica R. E. DeMartini

L9095

STATE OF CALIFORNIA
An easement over that certain real property situate in the City of San Jose, County of Santa Clara, State of California, as described in that certain Lot Line Adjustment, recorded as Document Number 12059654 filed on August 20, 1993, in Book M953 at Pages 292 thru 298, in the Office of the Recorder, County of Santa Clara, State of California, more particularly described as follows:

**Permanent Easement (P.E.)**

**BEGINNING** at a 1” iron pipe at the most northerly corner of “PARCEL A” as shown on that certain Amended Record of Survey filed on October 31, 1958, in Book 99 of Maps at Page 30, in the Office of the Recorder, County of Santa Clara, State of California, said point is also described in said Lot Line Adjustment;

Thence along the northeasterly line of said “PARCEL A”, S59° 43' 01"E, 22.12 feet;

Thence leaving said northeasterly line, S53° 04' 30"E, 87.73 feet to the beginning of a curve concave northeasterly and having a radius of 185.00 feet;

Thence easterly along said curve thru a central angle of 05° 17' 49", an arc distance of 17.10 feet;

Thence S58° 22' 19"E, 475.86 feet to the beginning of a curve concave northeasterly and having a radius of 185.00 feet;

Thence easterly along said curve thru a central angle of 14° 38' 46", an arc distance of 47.29 feet;

Thence S73° 01' 05"E, 22.38 feet to a point on the northwesterly line of the lands described in that certain Official Record recorded as Document Number 11905427 filed on May 14, 1993, in Book M776 at Pages 0988 through 1003, in the Office of the Recorder, County of Santa Clara, State of California;

Thence along said northwesterly line, S42° 51' 44"W, 21.12 feet;

Thence leaving said northwesterly line N73° 01' 05"W, 13.16 feet to the beginning of a curve concave northeasterly and having a radius of 204.00 feet;

Thence westerly along said curve thru a central angle of 14° 38' 46", an arc distance of 52.15 feet;

Thence N58° 22' 19"W, 475.86 feet to the beginning of a curve concave northeasterly and having
a radius of 204.00 feet;

Thence northwesterly along said curve thru a central angle of 05° 17' 49", an arc distance of 18.86 feet;

Thence N53° 04' 30"W, 113.66 feet to a point on the northwesterly line of said lands of Lot Line Adjustment and said point also being on the northwesterly line of said "PARCEL A";

Thence along said northwesterly line, N50° 26' 53"E, 16.91 feet to the POINT OF BEGINNING.

Containing 12,754 square feet of land, more or less.

BASIS OF BEARINGS:
The bearing of N59° 43' 01"W, described as N60° 50' 05"W along the northeasterly line of the lands of that certain Lot Line adjustment, recorded as Document Number 12059654 filed on August 20, 1993, in Book M953 at Pages 292 thru 298, in the Office of the Recorder, County of Santa Clara, State of California was used as Basis of Bearings shown hereon.

SURVEYOR’S STATEMENT:
The description was prepared by me or under my direction in conformance with the requirements of the Land Surveyor’s Act.

Jessica DeMartini, PLS 9095

4/27/22

Date

LICENSED LAND SURVEYOR
JESSICA R. E. DEMARTINI
STATE OF CALIFORNIA
L.9095
### Line Table

<table>
<thead>
<tr>
<th>Line #</th>
<th>Bearings</th>
<th>Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>L1</td>
<td>S59°43'01&quot;E</td>
<td>22.12'</td>
</tr>
<tr>
<td>L2</td>
<td>S53°04'30&quot;E</td>
<td>87.73'</td>
</tr>
<tr>
<td>L3</td>
<td>S73°01'05&quot;E</td>
<td>22.38'</td>
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<tr>
<td>L4</td>
<td>S42°51'44&quot;W</td>
<td>21.12'</td>
</tr>
<tr>
<td>L5</td>
<td>N73°01'05&quot;W</td>
<td>13.16'</td>
</tr>
<tr>
<td>L6</td>
<td>N53°04'30&quot;W</td>
<td>113.66'</td>
</tr>
<tr>
<td>L7</td>
<td>N50°26'53&quot;E</td>
<td>16.91'</td>
</tr>
</tbody>
</table>

### BASIS OF BEARINGS

- **R = 185.00'**
- **Δ = 5°17'49"**
- **L = 17.10'**

- **R = 204.00'**
- **Δ = 5°17'49"**
- **L = 18.86'**

### Area Calculation

```
Area = 12,754 SQ.FT.±
```

### Title Report Information

- **APN**: 241-05-014
- **DOC**: 12059654

### Permanent Easement

- **AMENDED RDO 99 M 30 PARCEL A**
An easement over that certain real property situate in the City of San Jose, County of Santa Clara, State of California, as described in that certain Deed in Book 140 of Deeds at Pages 240 thru 242, filed on October 14, 1891, in the Office of the Recorder, County of Santa Clara, State of California, more particularly described as follows:

Temporary Construction Easement (T.C.E.)

COMMENCING at an \( \frac{3}{4}'' \) iron pipe (LS 2693) at the most northerly corner of the lands shown as "5.536 Acre ±" on the certain Record of Survey filed on January 7, 1960, in Book 115 of Maps at Page 31, said point also being the most northerly corner of the lands described in that certain Deed recorded as Documents Number 4929011 on January 14, 1975, in Book B244 of Official Records, Pages 254 thru 258, all in the Office of the Recorder, County of Santa Clara, State of California;

Thence along the northwesterly line of said lands described in said Deed, S50° 24' 42"W, 25.00 feet to the POINT OF BEGINNING, said point also being on the westerly corner of the lands described in said Deed;

Thence along the general southerly line of the lands described in said Deed the following three (3) courses:
1) S58° 36' 43"E, 100.76 feet;
2) S53° 19' 35"E, 139.01 feet;
3) S61° 55' 02"E, 297.85 feet

Thence leaving said general southerly line the following twelve (12) courses:
1) S56° 06' 12"E, 5.61 feet;
2) S47° 13' 33"E, 24.77 feet;
3) S37° 17' 09"W, 2.01 feet;
4) N47° 13' 33"W, 25.20 feet;
5) N56° 08' 36"W, 23.28 feet;
6) N61° 55' 02"W, 32.16 feet;
7) S29° 36' 05"W, 6.78 feet;
8) N56° 46' 55"W, 75.76 feet;
9) N61° 55' 02"W, 171.74 feet;
10) N53° 19' 35"W, 33.49 feet;
11) N56° 48' 23"W, 147.78 feet;
12) N53° 32' 04"W, 58.36 feet to the POINT OF BEGINNING.
Containing 1,113 square feet of land, more or less.

BASIS OF BEARINGS:
The bearing of 'S61° 55' 02"E, described as 'S62° 56' 00"E along the general southerly line of the lands described in that certain Deed recorded as Documents Number 4929011 on January 14, 1975, in Book B244 of Official Records, Pages 254 thru 258, in the Office of the Recorder, County of Santa Clara, State of California was used as Basis of Bearings shown hereon.

SURVEYOR'S STATEMENT:
The description was prepared by me or under my direction in conformance with the requirements of the Land Surveyor's Act.

Jessica DeMartini, PLS 9095

Date 9/15/22
GRANITE ROCK CO
APN 241-05-001
O.R. 140 P 240

GRANITE ROCK CO
APN 241-05-001
O.R. 140 P 240

ROS 115 M 31
5,536 Ac ±

SANTA CLARA VALLEY WATER DISTRICT

SCALE: 1" = 70'

RESU FILE NO. 4021-378
APN 241-05-001
TITLE REPORT NO. 616019583
DRAWN B. BAINS

S.C.V.W.D.
EASEMENT
DOC. 4929011

T.C.E.: TEMPORARY CONSTRUCTION EASEMENT

JESSICA DeMARTINI
PROFESSIONAL LAND SURVEYOR
STATE OF CALIFORNIA

PLS 9095
<table>
<thead>
<tr>
<th>Line #</th>
<th>Bearings</th>
<th>Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>L1</td>
<td>S50°24'42&quot;W</td>
<td>25.00'</td>
</tr>
<tr>
<td>L2</td>
<td>S58°36'43&quot;E</td>
<td>100.76'</td>
</tr>
<tr>
<td>L3</td>
<td>S53°19'35&quot;E</td>
<td>139.01'</td>
</tr>
<tr>
<td>L4</td>
<td>S56°06'12&quot;E</td>
<td>5.61'</td>
</tr>
<tr>
<td>L5</td>
<td>N47°13'33&quot;W</td>
<td>24.77'</td>
</tr>
<tr>
<td>L6</td>
<td>S37°17'09&quot;W</td>
<td>2.01'</td>
</tr>
<tr>
<td>L7</td>
<td>N47°13'33&quot;W</td>
<td>25.20'</td>
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<td>L8</td>
<td>N56°06'36&quot;W</td>
<td>23.28'</td>
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<td>L9</td>
<td>N61°55'02&quot;W</td>
<td>32.16'</td>
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<tr>
<td>L10</td>
<td>S29°36'05&quot;W</td>
<td>6.78'</td>
</tr>
<tr>
<td>L11</td>
<td>N56°46'55&quot;W</td>
<td>75.76'</td>
</tr>
<tr>
<td>L12</td>
<td>N53°19'35&quot;W</td>
<td>33.49'</td>
</tr>
<tr>
<td>L13</td>
<td>N53°32'04&quot;W</td>
<td>58.36'</td>
</tr>
</tbody>
</table>
PROJECT: COYOTE CREEK FLOOD MANAGEMENT MEASURE PROJECTS

RESU File No.: 4021-379
By: B.Bains

An easement over that certain real property situate in the City of San Jose, County of Santa Clara, State of California, as described in that certain Lot Line Adjustment, recorded as Document Number 12059654 filed on August 20, 1993, in Book M953 at Pages 292 thru 298, in the Office of the Recorder, County of Santa Clara, State of California, more particularly described as follows:

Temporary Construction Easement (T.C.E.)

COMMENCING at a 1" iron pipe at the most northerly corner of "PARCEL A" as shown on the Amended Record of Survey filed on October 31, 1958, in Book 99 of Maps at Page 30, in the Office of the Recorder, County of Santa Clara, State of California, said point is also described in said Lot Line Adjustment;

Thence along the northwesterly line of said "PARCEL A", S50° 26' 53"W, 16.91 feet to the POINT OF BEGINNING;

Thence leaving said northwesterly line, S53° 04' 30"E, 113.66 feet to the beginning of a curve concave northeasterly and having a radius of 204.00 feet;

Thence southeasterly along said curve thru a central angle of 05° 17' 49", an arc distance of 18.86 feet;

Thence S58° 22' 19"E, 475.86 feet to the beginning of a curve concave northeasterly and having a radius of 204.00 feet;

Thence easterly along said curve thru a central angle of 14° 38' 46", an arc distance of 52.15 feet;

Thence S73° 01' 05"E, 13.16 feet to a point on the northwesterly line of the lands as described in that certain Official Record recorded as Document Number 11905427 filed on May 14, 1993, in Book M776 at Pages 0988 through 1003, in the Office of the Recorder, County of Santa Clara, State of California;

Thence along said northwesterly line, S42° 51' 44"W, 12.23 feet;

Thence leaving said northwesterly line N73° 01' 05"W, 7.82 feet to the beginning of a curve concave northeasterly and having a radius of 215.00 feet;

Thence westerly along said curve thru a central angle of 4° 16' 46", an arc distance of 16.06 feet;
Thence the following seven (7) courses:
1) S30° 20' 53"W, 6.97 feet;
2) S44° 10' 06"W, 17.49 feet;
3) N70° 44' 54"W, 64.10 feet;
4) N04° 58' 56"E, 30.32 feet;
5) N62° 02' 03"W, 109.17 feet;
6) N28° 07' 36"E, 14.16 feet;
7) N58° 22' 19"W, 324.88 feet to the beginning of a curve concave northeasterly and having a radius of 215.00 feet;

Thence northwesterly along said curve thru a central angle of 05° 17' 49", an arc distance of 19.88 feet;

Thence N53° 04' 30"W, 98.15 feet to a point on the southwesterly line of the said lands as described in said Lot Line Adjustment and said point also being on the southwesterly line of said "PARCEL A";

Thence along said southwesterly line N46° 08' 23"W, 17.77 feet to the northwesterly of said lands as described in said Lot Line Adjustment and said point also being on the northwesterly line of said "PARCEL A";

Thence along said northwesterly line, N50° 26' 53"E, 9.11 feet to the POINT OF BEGINNING.

Containing 10,652 square feet of land, more or less.

**BASIS OF BEARINGS:**
The bearing of N50° 26' 53"E, described as N49° 16' 00"E along the northwesterly line of the lands as described in that certain Lot Line adjustment, recorded as Document Number 12059654 filed on August 20, 1993, in Book M953 at Pages 292 thru 298, in the Office of the Recorder, County of Santa Clara, State of California was used as Basis of Bearings shown hereon.

**SURVEYOR'S STATEMENT:**
The description was prepared by me or under my direction in conformance with the requirements of the Land Surveyor's Act.

\[Signature\]
Jessica DeMartini, PLS 9095

\[Date\]
5/2/99

[Signature]
LICENSED LAND SURVEYOR
JESSICA R. E. DEMARTINI
STATE OF CALIFORNIA
L9095
### Line Table

<table>
<thead>
<tr>
<th>Line #</th>
<th>Bearings</th>
<th>Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>L1</td>
<td>S53°04'30&quot;E</td>
<td>113.66'</td>
</tr>
<tr>
<td>L2</td>
<td>S73°01'05&quot;E</td>
<td>13.16'</td>
</tr>
<tr>
<td>L3</td>
<td>S42°51'44&quot;W</td>
<td>12.23'</td>
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<tr>
<td>L4</td>
<td>N73°01'05&quot;W</td>
<td>7.82'</td>
</tr>
<tr>
<td>L5</td>
<td>S30°20'53&quot;W</td>
<td>6.97'</td>
</tr>
<tr>
<td>L6</td>
<td>S44°10'06&quot;W</td>
<td>17.49'</td>
</tr>
<tr>
<td>L7</td>
<td>N70°44'54&quot;W</td>
<td>64.10'</td>
</tr>
<tr>
<td>L8</td>
<td>N04°58'56&quot;E</td>
<td>30.32'</td>
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<tr>
<td>L9</td>
<td>N62°02'03&quot;W</td>
<td>109.17'</td>
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<tr>
<td>L10</td>
<td>N28°07'36&quot;E</td>
<td>14.16'</td>
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<tr>
<td>L11</td>
<td>N53°04'30&quot;W</td>
<td>98.15'</td>
</tr>
<tr>
<td>L12</td>
<td>N46°08'23&quot;W</td>
<td>17.77'</td>
</tr>
<tr>
<td>L13</td>
<td>N50°26'53&quot;E</td>
<td>9.11'</td>
</tr>
</tbody>
</table>
PRELIMINARY TITLE REPORT
PRELIMINARY REPORT

Our Order Number 0616019583-IM

Customer Reference 4021-295

When Replying Please Contact:
Ida Maciel
imaciel@ortc.com
(408) 557-8400

Attention: BLISS QUILATAN

Buyer: BLISS QUILATAN

Property Address:
11711 Berryessa Road, San Jose, CA 95133

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 November 25, 2020, at 7:30 AM
The form of policy of title insurance contemplated by this report is:

CLTA Standard Coverage Policy -1990; 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 or covered by this Report is:

Fee

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

Granite Rock Company, a California corporation

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:

BEGINNING AT A STAKE MARKED N.S. STANDING IN THE NORTHERLY LINE OF THE BERRYESSA ROAD WHICH STAKE IS DISTANT NORTH 46º 38' EAST 362.74 FEET FROM THE MOST SOUTHERLY CORNER OF THE TRACT OF LAND CONVEYED TO CHARLES A. SAWYER, BY DEED RECORDED IN BOOK 140 OF DEEDS, PAGE 240, RECORDS OF SANTA CLARA COUNTY; THENCE RUNNING ALONG THE NORTHERLY LINE OF SAID BERRYESSA ROAD, NORTH 46º 36' EAST 3.66 1/2 CHAINS TO A FENCE POST MARKED A; THENCE ALONG SAID LINE NORTH 37º 5' EAST 4.11 1/2 CHAINS; THENCE NORTH 62º 38' WEST 6.08 CHAINS TO A STAKE MARKED G; THENCE NORTH 54º 06' WEST 3.53 1/2 CHAINS TO A STAKE MARKED G.3; THENCE SOUTH 49º 34' WEST 5.02 CHAINS TO A STAKE MARKED W.4; AND THENCE SOUTH 43º 04' EAST 10.10 CHAINS TO THE PLACE OF BEGINNING.

EXCEPTING THEREFROM THAT CERTAIN PARCEL OF LAND DESCRIBED IN THE DEED FROM PAOLINA PIAZZA, ET UX, TO THE STATE OF CALIFORNIA, RECORDED OCTOBER 28, 1957 IN BOOK 3923 OF OFFICIAL RECORDS, PAGE 102, DESCRIBED AS FOLLOWS:

A PORTION OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN THAT DEED TO PAOLINA PIAZZA, ET AL, RECORDED MARCH 3, 1927 IN BOOK 304 OF OFFICIAL RECORDS, PAGE 125, SANTA CLARA COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST WESTERLY CORNER OF SAID PARCEL;THENCE ALONG THE NORTHWESTERLY LINE OF SAID PARCEL, NORTH 50º 20' 32" EAST 65.87 FEET; THENCE SOUTH 42º 05' 14" EAST 136.90 FEET; THENCE SOUTH 37º 57' 59" EAST 210.45 FEET; THENCE ALONG A TANGENT CURVE TO THE RIGHT WITH THE RADIUS OF 434.49 FEET, THROUGH AN ANGLE OF 23º 37' 25" AN ARC LENGTH OF 179.14 FEET TO THE SOUTHWESTERLY LINE OF SAID PARCEL; THENCE ALONG SAID SOUTHWESTERLY LINE NORTH 42º 17' 28" WEST 520.65 FEET TO THE POINT OF COMMENCEMENT.

APN: 241-05-001
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 : 241-05-001
   Code No. : 017-072
   1st Installment : $32,106.11 NOT Marked Paid
   2nd Installment : $32,106.11 NOT Marked Paid
   Land Value : $259,195.00
   Imp. Value : $3,168,914.00
   P.P. Value : $650,384.00

2. 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.

3. Rights of the public, County and/or City, in and to that portion of said land lying within the lines of Berryessa Road.

4. (1) Any adverse claim based upon the assertion that:
   (a) Some portion of said land has been created by artificial means, or has accreted to such portion so created.
   (b) Some portion of said land has been brought within the boundaries thereof by an avulsive movement of Coyote Creek, or has been formed by accretion to any such portion.

   (2) Rights and easements for navigation and fishery which may exist over that portion of said land lying beneath the waters of Coyote Creek.

5. Any right, title, claims, or other interest, and such rights as may be incidental thereto, whether or not shown by the public records to the waters of Coyote Creek.

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

   Granted To : County of Santa Clara
   For : Public street and road and incidental purposes
   Recorded : April 12, 1968 in Book 8087 of Official Records, Page 714
   Affects : A portion of said land
7. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Granted To: City of San Jose
For: Underground Sanitary Sewer pipeline and the right of ingress and egress and incidental purposes
Recorded: September 17, 1970 in Book 9056 of Official Records, Page 701 under Recorder’s Serial Number 3873198
Affects: A portion of said land

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

Granted To: Santa Clara County Flood Control and Water District
For: Flood control and/or storm water drainage and incidental purposes
Recorded: January 14, 1975 in Book B244 of Official Records, Page 254 under Recorder’s Serial Number 4929011
Affects: A portion of said land

9. Redevelopment Plan, as follows:

Entitled: Rincon De Los Esteros Redevelopment Project Area
Recorded: July 11, 1975 in Book B502 of Official Records, Page 711

And any amendments thereto.

10. Terms and provisions as contained in an instrument,

Entitled: Agreement
Executed By: Santa Clara Valley Water District
Recorded: March 4, 1977 in Book C645 of Official Records, Page 88 under Recorder’s Serial Number 5571446

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

Granted To: San Jose Water Company
For: Ingress and egress and incidental purposes
Recorded: May 14, 1993 in Book M776 of Official Records, Page 1004 under Recorder’s Serial Number 11905427
Affects: A portion of said land
12. Redevelopment Plan, as follows:

   Entitled: Strong Neighborhoods Initiative Redevelopment Project Area
   Recorded: August 1, 2002 in Official Records under Recorder's Serial Number 16397034

   And any amendments thereto.

13. Terms and provisions as contained in an instrument,

   Entitled: Certificate of Permit
   Recorded: March 17, 2004 in Official Records under Recorder's Serial Number 17666036

14. Satisfactory evidence furnished to this Company:

   a) as to the due formation and continued existence of Granite Rock Company as a legal
      entity under the laws of California; and

   b) documents from its board of directors authorizing this transaction and specifying the
      officers to execute on behalf of the corporation.

15. Any unrecorded and subsisting leases.

16. 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.

17. 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.

18. The requirement that this Company be provided with an opportunity to inspect the land (the
    Company reserves the right to make additional exceptions and/or requirements upon
    completion of its inspection).
19. 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. Upon sale or transfer, this property will be subject to the City of San Jose Conveyance Tax.

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

C. 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 commercial building known as 11711 Berryessa Road, San Jose, CA 95133.

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
Exhibit I

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990 (11/09/18)

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the land;
   (ii) the character, dimensions, or location of any improvement now or hereafter erected on the land;
   (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or
   (iv) environmental protection; or the effect of any violation of these laws, ordinances, or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims, or other matters:
   (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy; or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing-business laws of the state in which the land is situated.

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.

6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors’ rights laws.

EXCEPTIONS FROM COVERAGE

SCHEDULE B - PART I

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

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

6. Any lien or right to a lien for services, labor or material unless such lien is shown by the public records at Date of Policy.
Exhibit I

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) Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 6.

2. Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

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.
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.

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and employment information
- Mortgage rates and payments and account balances
- Checking account information and wire transfer instructions

When you are no longer our customer, we continue to share your information as described in this notice.

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.

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

Go to [www.oldrepublictitle.com](http://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? | We collect your personal information, for example, when you:  
- 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  
We also collect your personal information from others, such as credit bureaus, affiliates, or other companies. |
| Why can’t I limit all sharing? | Federal law gives you the right to limit only:  
- 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  
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. |

### Definitions

| Affiliates | Companies related by common ownership or control. They can be financial and nonfinancial companies.  
- 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 | Companies not related by common ownership or control. They can be financial and non-financial companies.  
- Old Republic Title does not share with non-affiliates so they can market to you |
| Joint marketing | A formal agreement between non-affiliated financial companies that together market financial products or services to you.  
- Old Republic Title doesn’t jointly market. |
<table>
<thead>
<tr>
<th>Affiliates Who May be Delivering This Notice</th>
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<tbody>
<tr>
<td>American First Title &amp; Trust Company</td>
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<tr>
<td>American Guaranty Title Insurance Company</td>
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<tr>
<td>Attorneys’ Title Fund Services, LLC</td>
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<tr>
<td>Compass Abstract, Inc.</td>
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<tr>
<td>eRecording Partners Network, LLC</td>
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<td>Genesis Abstract, LLC</td>
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<tr>
<td>Guardian Consumer Services, Inc.</td>
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<td>iMarc, Inc.</td>
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<tr>
<td>Kansas City Management Group, LLC</td>
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<tr>
<td>L.T. Service Corp.</td>
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<td>Lenders Inspection Company</td>
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<td>Lex Terae National Title Services, Inc.</td>
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<td>Lex Terae, Ltd.</td>
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<td>Mississippi Valley Title Services Company</td>
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<td>National Title Agent’s Services Company</td>
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<td>Old Republic Branch Information Services, Inc.</td>
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<td>Old Republic Diversified Services, Inc.</td>
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<td>Old Republic Escrow of Vancouver, Inc.</td>
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<td>Old Republic Exchange Company</td>
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<td>Old Republic Title Company of Tennessee</td>
</tr>
<tr>
<td>Old Republic Title Information Concepts</td>
</tr>
<tr>
<td>Old Republic Title Insurance Agency, Inc.</td>
</tr>
<tr>
<td>Old Republic Title, Ltd.</td>
</tr>
<tr>
<td>RamQuest Software, Inc.</td>
</tr>
<tr>
<td>Republic Abstract &amp; Settlement, LLC</td>
</tr>
<tr>
<td>Sentry Abstract Company</td>
</tr>
<tr>
<td>Surety Title Agency, Inc.</td>
</tr>
<tr>
<td>The Title Company of North Carolina</td>
</tr>
<tr>
<td>Trident Land Transfer Company, LLC</td>
</tr>
</tbody>
</table>
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.

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples</th>
<th>Collected</th>
<th>Sources</th>
<th>Business Purpose for Collection</th>
<th>Categories of Third Parties with Whom Information is Shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifiers</td>
<td>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</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>Underwriting or providing other products or services, responding to policyholder/consomer claims, inquiries or complaints, detecting security incidents, protecting against malicious,</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
</tbody>
</table>

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| 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 |
| 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.

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples</th>
<th>Business Purpose for Disclosure</th>
<th>Categories of Third Parties with Whom Information is Shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifiers</td>
<td>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</td>
<td>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.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e))</td>
<td>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.</td>
<td>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.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
</tbody>
</table>

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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.

<table>
<thead>
<tr>
<th>Right</th>
<th>What This Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice</td>
<td>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.</td>
</tr>
<tr>
<td>Access</td>
<td>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</td>
</tr>
<tr>
<td><strong>Deletion</strong></td>
<td>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:</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>• 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.</td>
</tr>
<tr>
<td></td>
<td>• Detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity, or prosecute those responsible for such activities.</td>
</tr>
<tr>
<td></td>
<td>• Debug products to identify and repair errors that impair existing intended functionality.</td>
</tr>
<tr>
<td></td>
<td>• Exercise free speech, ensure the right of another consumer to exercise their free speech rights, or exercise another right provided for by law.</td>
</tr>
<tr>
<td></td>
<td>• Comply with the California Electronic Communications Privacy Act (Cal. Penal Code §1546 et seq.)</td>
</tr>
<tr>
<td></td>
<td>• 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.</td>
</tr>
<tr>
<td></td>
<td>• Enable solely internal uses that are reasonably aligned with consumer expectations based on your relationship with us.</td>
</tr>
<tr>
<td></td>
<td>• Comply with a legal obligation.</td>
</tr>
<tr>
<td></td>
<td>• Make other internal and lawful uses of that information that are compatible with the context in which you provided it.</td>
</tr>
<tr>
<td></td>
<td>• Or if it is the type of personal information that falls outside the scope of the CCPA, (HIPAA, CIMA, GLBA, or publicly available information)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Opt-Out of Sale</strong></th>
<th>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.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opt-In to Sale</strong></td>
<td>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.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Non-Discrimination</strong></th>
<th>We will not discriminate against you for exercising your rights under the CCPA. Unless otherwise permitted by the CCPA we will not:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Deny you goods or service</td>
</tr>
<tr>
<td></td>
<td>• Charge you different prices or rates for goods or services, including through granting discounts or other benefits, or imposing penalties</td>
</tr>
<tr>
<td></td>
<td>• Provide a different level or quality of goods or services</td>
</tr>
<tr>
<td></td>
<td>• Suggest that you will receive a different price or rate for goods or services or a different level or quality of goods or services</td>
</tr>
</tbody>
</table>
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, Suite1500, San Francisco, CA 94111-3334.
PRELIMINARY REPORT

Our Order Number 0616019587-IM

Customer Reference 4021-296

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

Buyer: BLISS QUILATAN

Property Address:
An unimproved parcel 241-05-014, San Jose, CA

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 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 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 November 18, 2020, at 7:30 AM
The form of policy of title insurance contemplated by this report is:

CLTA Standard Coverage Policy -1990. 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 or covered by this Report is:

Fee as to Parcel(s) Parcel One and an Easement as to Parcel(s) Parcel Two

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

Granite Rock Company, a California corporation

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:

Being a portion of that certain 2.739 acre parcel of land designated as Parcel "A", as said parcel is shown on that certain map entitled "Amended Record of Survey Map No. 129 San Jose Water Works Lands Assessment Lot No. 183, being filed for record on October 31, 1958 in Book 99 of Maps at Page 30, Santa Clara County Records and pursuant to that certain Lot Line Adjustment recorded August 20, 1993 in Book M953 of Official Records, at Page 1292, Santa Clara County Records and being more particularly described as follows:

Beginning at the most easterly point of Parcel "A" herein above described; thence Northwesterly along the northeasterly line of said Parcel "A", North 54° 24' 00" West, 79.87 feet; continuing along said northeasterly line, North 60° 50' 05" West, 673.44 feet to the northwesterly line of said Parcel "A"; thence Southwesterly along the southwesterly line of said Parcel "A", South 49° 16' 00" West, 26.11 feet to the true point of beginning of this description; thence along a tangent curve to the right having a radius of 1185.01 feet, through a central angle of 4° 09' 14", an arc length of 85.91 feet; thence continuing along the southeasterly line of said Parcel "A"; South 43° 07' 51" East, 330.62 feet; thence North 41° 43' 02" East, 210.82 feet to the true point of beginning.

Parcel Two:

An easement, for the purposes of ingress and egress, over and upon that certain parcel of land situate in the City of San Jose, County of Santa Clara, State of California and as granted in the deed to Granite Rock Company, a California corporation, dated August 13, 1993 and recorded August 31, 1993 in Book M972, Page 1617, Official Records, Santa Clara County Records, being described as follows:

A portion of Parcel "A", as said parcel is shown upon that certain map entitled “Amended Record of Survey” which map filed for record on October 31, 1958 in Book 99 of Maps, Page 30, said easement being more particularly described as follows:

Beginning at the most easterly corner of said Parcel “A”, hereinabove described; thence along the southeasterly line of said parcel, South 49° 16' West, 58.28 feet to the true point of beginning of this description; thence continuing along said line, South 49° 16' West, 121.94 feet; thence leaving said line, North 43° 07' 51" West, 86.73 feet; thence North 57° 45' 39" West, 98.15 feet; thence North 41° 43' 02" East, 50.00 feet; thence South 43° 07' 51" East, 35.00 feet; thence South 74° 54' 42" East, 183.85 feet to the said true point of beginning.

APN: 241-05-014
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: 241-05-014  
   Code No.: 017-072  
   1st Installment: $876.34, NOT Marked Paid  
   2nd Installment: $876.34, NOT Marked Paid  
   Land Value: $132,091.00

2. 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.

3. 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.

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

   Instrument: Deed  
   Granted To: Pacific Gas and Electric Company, a California corporation  
   For: The construction, installation, maintenance, repair and operation of a single line of poles for public utilities  
   Affects: The exact location is not clearly defined of record

5. Redevelopment Plan, as follows:

   Entitled: Rincon de los Esteros  
   Executed By: City of San Jose, a municipal corporation  
   Recorded: July 11, 1975 in Book B508 of Official Records, Page 711
6. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following

Instrument: Grant of Easement
Granted To: City of San Jose, a municipal corporation
For: The construction, installation, maintenance, repair and operation of a storm sewer pipe line
Affects: A central portion of the land

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

Entitled: Easement
Executed By: Granite Rock Company, a California corporation and between San Jose Water Company, a California corporation
Dated: April 15, 1993
Recorded: May 11, 1993 in Official Records under Recorder's Serial Number 11905426

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

Entitled: Easement
Executed By: San Jose Water Company, a California corporation and between Granite Rock Company, a California corporation
Dated: April 15, 1993
Recorded: May 11, 1993 in Official Records under Recorder's Serial Number 11905427

9. 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.

10. Satisfactory evidence furnished to this Company:

   a) as to the due formation and continued existence of Granite Rock Company as a legal entity under the laws of California; and

   b) documents from its board of directors authorizing this transaction and specifying the officers to execute on behalf of the corporation.
-- 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 and 2.1.

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 vacant land known as An unimproved parcel 241-05-014, San Jose, CA.

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 : San Jose Water Company, a California corporation
To : Granite Rock Company, a California corporation
Dated : August 13, 1993
Recorded : August 31, 1993 in Book M972 of Official Records, Page 1617
EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the land;
   (ii) the character, dimensions, or location of any improvement now or hereafter erected on the land;
   (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or
   (iv) environmental protection; or the effect of any violation of these laws, ordinances, or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims, or other matters:
   (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy; or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing-business laws of the state in which the land is situated.

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.

6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE

SCHEDULE B - PART I

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

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
   Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

6. Any lien or right to a lien for services, labor or material unless such lien is shown by the public records at Date of Policy.
**FACTS**

**WHAT DOES OLD REPUBLIC TITLE DO WITH YOUR PERSONAL INFORMATION?**

<table>
<thead>
<tr>
<th>Why?</th>
<th>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.</th>
</tr>
</thead>
</table>
| What? | The types of personal information we collect and share depend on the product or service you have with us. This information can include:  
  - Social Security number and employment information  
  - Mortgage rates and payments and account balances  
  - Checking account information and wire transfer instructions  
When you are no longer our customer, we continue to share your information as described in this notice. |
| 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. |

<table>
<thead>
<tr>
<th>Reasons we can share your personal information</th>
<th>Does Old Republic Title share?</th>
<th>Can you limit this sharing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>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</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our marketing purposes — to offer our products and services to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For joint marketing with other financial companies</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For our affiliates' everyday business purposes — information about your transactions and experiences</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our affiliates' everyday business purposes — information about your creditworthiness</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For our affiliates to market to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For non-affiliates to market to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
</tbody>
</table>

**Go to [www.oldrepublictitle.com](http://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

<table>
<thead>
<tr>
<th>How does Old Republic Title protect my personal information?</th>
<th>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 <a href="https://www.oldrepublictitle.com/privacy-policy">https://www.oldrepublictitle.com/privacy-policy</a></th>
</tr>
</thead>
</table>
| How does Old Republic Title collect my personal information? | We collect your personal information, for example, when you:  
- 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  
We also collect your personal information from others, such as credit bureaus, affiliates, or other companies. |
| Why can’t I limit all sharing? | Federal law gives you the right to limit only:  
- 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  
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](https://www.oldrepublictitle.com/privacy-policy) for your rights under state law. |

### Definitions

| Affiliates | Companies related by common ownership or control. They can be financial and nonfinancial companies.  
- 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 | Companies not related by common ownership or control. They can be financial and nonfinancial companies.  
- Old Republic Title does not share with non-affiliates so they can market to you |
| Joint marketing | A formal agreement between non-affiliated financial companies that together market financial products or services to you.  
- Old Republic Title doesn’t jointly market. |
<table>
<thead>
<tr>
<th>Affiliates Who May be Delivering This Notice</th>
</tr>
</thead>
<tbody>
<tr>
<td>American First Title &amp; Trust Company</td>
</tr>
<tr>
<td>Genesis Abstract, LLC</td>
</tr>
<tr>
<td>Lenders Inspection Company</td>
</tr>
<tr>
<td>Old Republic National Commercial Title Services, Inc.</td>
</tr>
<tr>
<td>Old Republic Title Company of Conroe</td>
</tr>
<tr>
<td>Old Republic Title Company of St. Louis</td>
</tr>
<tr>
<td>RamQuest Software, Inc.</td>
</tr>
<tr>
<td>Trident Land Transfer Company, LLC</td>
</tr>
</tbody>
</table>
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.

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples</th>
<th>Collected</th>
<th>Sources</th>
<th>Business Purpose for Collection</th>
<th>Categories of Third Parties with Whom Information is Shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifiers</td>
<td>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</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>Underwriting or providing other products or services, responding to policyholder/consu mer claims, inquiries or complaints, detecting security incidents, protecting against malicious,</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e))</td>
<td>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.</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>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.</td>
<td>Service providers associated with the transaction for a business purpose</td>
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</tr>
<tr>
<td>Characteristics of protected classifications under California or federal law</td>
<td>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</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints. Other audit or operational purposes.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Category</td>
<td>Data Description</td>
<td>May Be Shared</td>
<td>Purpose</td>
<td>Disclosure Status</td>
<td></td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
<td>---------------</td>
<td>--------------------------------------------------------------------------------------------------</td>
<td>------------------</td>
<td></td>
</tr>
<tr>
<td>Internet or other electronic network activity</td>
<td>Browsing history, search history, information about a consumer’s interaction with a website, application, or advertisement.</td>
<td>Yes</td>
<td>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.</td>
<td>Not Disclosed</td>
<td></td>
</tr>
<tr>
<td>Geolocation data</td>
<td>Geographic tracking data, physical location and movements</td>
<td>Yes</td>
<td>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.</td>
<td>Not Disclosed</td>
<td></td>
</tr>
</tbody>
</table>
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.

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples</th>
<th>Business Purpose for Disclosure</th>
<th>Categories of Third Parties with Whom Information is Shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifiers</td>
<td>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</td>
<td>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.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e))</td>
<td>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. &quot;Personal information&quot; does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.</td>
<td>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.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
</tbody>
</table>
### Characteristics of protected classifications under California or federal law

| 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

| 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

| 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.

<table>
<thead>
<tr>
<th>Right</th>
<th>What This Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice</td>
<td>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.</td>
</tr>
<tr>
<td>Access</td>
<td>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</td>
</tr>
<tr>
<td><strong>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 7) If we sold personal information, the categories of personal information sold and the categories of third parties to whom it was sold.</strong></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td></td>
</tr>
</tbody>
</table>
| **Deletion** 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:
| • 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** 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. |
| **Opt-In to Sale** 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. |
| **Non-Discrimination** We will not discriminate against you for exercising your rights under the CCPA. Unless otherwise permitted by the CCPA we will not:
| • 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, Suite1500, San Francisco, CA 94111-3334.
NOTICE...This is neither a plat nor a survey, it is furnished merely as a convenience to aid you in locating the land indicated hereon with reference to streets and other land. No liability is assumed by reason of any reliance hereon.
APPRAISER QUALIFICATIONS
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
MEMORANDUM

TO: Board of Directors

FROM: David Cahen
Risk Manager

DATE: December 5, 2022

SUBJECT: Risk Management Communication

The purpose of this memorandum is to provide you with a copy of recent Risk Management staff’s communication with parties/individuals that have filed a claim against Valley Water.

Please find the following:

1) October 20, 2022 – Letter to LuAnn Bertrand, CBA obo H&E Equipment Services Inc. acknowledging receipt of claim and claim settlement
2) October 24, 2022 – Letter to Bruce and Debbie Skelton acknowledging receipt of claim.
3) November 15, 2022 – Letter to Paul Coghlan acknowledging receipt of claim.
4) November 29, 2022 – Letter to Mae Valentino Pickett acknowledging receipt of claim.

For additional information, please contact me at 408-630-2213.

[Signature]
David Cahen
Risk Manager
October 20, 2022

LuAnn Bertrand, CBA
Regional Credit Manager
H&E Equipment Services Inc.
4129 Losee Road
North Las Vegas, NV 89030

Re: Claim – L2120028

Dear Ms. Bertrand:

We received your claim and invoice regarding the rental skid steer damage.

We have investigated this claim and will be processing a check in the amount of $360.52 to settle this claim. You should be receiving a check in approximately two weeks.

If you have any questions, please don't hesitate to contact me at (408) 630-2213 or at dcahen@valleymwater.org

Sincerely,

David Cahen
Risk Manager
CLAIM AGAINST THE SANTA CLARA VALLEY WATER DISTRICT
California Government Code Sections 900 and following

The completed form can be mailed, sent electronically or hand delivered. Mail or deliver to:
Clerk of the Board
Santa Clara Valley Water District-HQ
5700 Almaden Expressway
San Jose, CA 95118

Or submit the completed form electronically to:
clerkoftheboard@valleywater.org

Clerk of the Board’s Date Stamp

For SCVWD Use Only

Date Received:

ROUTING

☐ Via U.S. Mail:

☐ CEO:

☐ Hand Delivered:

☐ District Counsel

☐ E-mail:

☐ Risk Management

☐ Other:

☐ COB

☐ BOD (District #):

With certain exceptions, claims for personal injury or property damage MUST be filed within six months of the incident giving rise to the claim. Claimant must complete each section. If information is unknown, write “unknown” in the appropriate box. Please use additional pages if necessary. Please attach itemized receipts, witness statements, photos and all other documentation that you believe will be helpful to process your claim. Claimant MUST sign and date the form; see last page.

Name of Claimant: HVE EQUIPMENT SERVICES INC #4069

Address of Claimant:
2060 S. 10th STREET
City: SAN JOSE
State: CA
Zip: 95112

Mailing Address to Which Notices Should be Sent If Different From Above:

City:

State:

Zip:

Home Phone Number:

Cell Phone Number:

Work Phone Number:

408. 610. 7300

Is this claim being filed on behalf of a minor?

☐ Yes ☒ No

If so, please indicate minor’s date of birth: _______

Relationship to the minor: _______

Date and time of Incident or loss:

UNKNOWN

Location of Incident or Loss (address):

5750 ALMADEN EXPRESSWAY
SAN JOSE, CA 95123

Is there a police report?

☐ Yes ☐ No

If Yes, Police Report #:

Describe how the incident or loss happened, and the reason you believe the Santa Clara Valley Water District is responsible for your damages (Please attach additional sheets if necessary):

UNKNOWN HOW DAMAGE OCCURRED.

UNIT WAS NOT DAMAGED PRIOR TO RENTAL. UNIT WAS DAMAGED UPON RETURN FROM RENTAL.
In detail, describe the damage or injury (Please attach additional sheets if necessary):

LOWER HINGE FOR DOOR WAS BENT.

List Name(s) and contact information of any witness(es) or District employee involved (if any):

RICHARD OILMORE. - COPY OF EMAIL ATTACHED.

DAMAGES CLAIMED: Basis for computation of amounts claimed (Include copies of bills, invoices, estimates, receipts, photos, police case # or other documentation.) Note: If your claim is more than $10,000, you need not fill in an amount, but must state whether jurisdiction for the claim would be in the Limited Jurisdiction (up to $25,000) or Unlimited jurisdiction of the Superior Court.

Is the amount of the claim under $10,000?  
☐ Yes  ☐ No

Court Jurisdiction: (Check One)  
☐ Limited Civil  ☐ Unlimited Civil

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>CLAIM AMOUNT</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>$</td>
</tr>
<tr>
<td>2.</td>
<td>$</td>
</tr>
<tr>
<td>3.</td>
<td>$</td>
</tr>
<tr>
<td>4.</td>
<td>$</td>
</tr>
</tbody>
</table>

TOTAL AMOUNT $  

WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE OR FRAUDULENT CLAIM (Penal Code Section 72 and 550)

I have read the matters and statements made in the above claim and I know the same to be true of my own knowledge, except to those matters stated upon information and belief and as to such matters I believe the same to be true. I certify under penalty of perjury that the foregoing is TRUE and CORRECT.

Signed this 19 day of OCTOBER, 2022

Claimant’s signature

Government Code Section 945.6 provides that, with limited exceptions, any suit brought against a public entity must be commenced:

(1) If written notice is given of a denial of claim in accordance with Section 913, not later than six months after the date such notice is personally delivered or deposited in the mail.
(2) If written notice is not given of a denial of claim in accordance with Section 913, within two years from the accrual of the cause of action.
October 24, 2022

Bruce and Debbie Skelton  
1045 Fremont Ave.  
Los Altos, CA 94024

Re: Receipt of Potential Claim – L2230003

Dear Bruce and Debbie:

We received your claim regarding property damage resulting from oak tree that fell on your property on September 10, 2022.

We are currently investigating the claim and will notify you of our findings.

If you have any questions, please don't hesitate to contact me at (408) 630-2213 or at dcahen@valleywater.org

Sincerely,

David Cahen  
Risk Manager
CLAIM AGAINST THE SANTA CLARA VALLEY WATER DISTRICT
California Government Code Sections 900 and following

The completed form can be mailed, sent electronically
or hand delivered. Mail or deliver to:
Clerk of the Board
Santa Clara Valley Water District-HQ
5700 Almaden Expressway
San Jose, CA 95118

Or submit the completed form electronically to:
clerkoftheboard@valleywater.org

With certain exceptions, claims for personal injury or property damage MUST be filed within six months of the incident giving rise to the claim. Claimant must complete each section. If information is unknown, write "unknown" in the appropriate box. Please use additional pages if necessary. Please attach itemized receipts, witness statements, photos and all other documentation that you believe will be helpful to process your claim. Claimant MUST sign and date the form; see last page.

Name of Claimant: Bruce and Debbie Skelton
Address of Claimant: 1045 Fremont Ave.
Mailing Address to Which Notices Should be Sent if Different From Above: Same as above
City: Los Altos
State: CA
Zip: 94024

Home Phone Number: Debo's cell 650 279-4340
Cell Phone Number: Debo's cell
Work Phone Number: 650 279-4340

Is this claim being filed on behalf of a minor? Yes No
If so, please indicate minor's date of birth: 09/01/2000
Relationship to the minor: Father

Date and time of incident or loss: 9/10/2022 5:00 AM
Location of incident or loss (address): 1045 Fremont Ave/
Permanente Creek
Los Altos, CA 94024

Is there a police report? Yes No
If Yes, Police Report #: 090111
* Police were called. Fire Dept. responded on-site

Describe how the incident or loss happened, and the reason you believe the Santa Clara Valley Water District is responsible for your damages (Please attach additional sheets if necessary):

Our home, at 1045 Fremont Avenue, is adjacent to Permanente Creek. On Saturday, 9/10/22, around 5:00AM, a huge Oak tree fell. The tree was located on the bank of the creek, on Valley Water property. It fell primarily on our property, and partially in the creek. The tree took down our PG&E and AT&T lines, and we had a live wire dangling in the creek. I called and emailed Valley Water, but it was on the weekend, and I could not get through to a live person. I also called PG&E, AT&T, and 911. The down tree was blocking access to the poles, so they were not able to get to the poles, or run lines between them, until we had much of the tree cleared. Due to the need to reconnect our electrical, I had a tree company come out that day.

We believe Valley Water is responsible for damages because the tree was on Valley Water property. Additionally, we placed multiple phone calls and sent email on 9/10/22 (Saturday morning) asking for help. A Valley Water representative returned my call on Monday, 9/12/22. Valley Water representatives visited the site on Wednesday, 9/14/22, and they were awesome, however, we could not wait for Valley Water to clear the tree because the fallen tree blocked access to PG&E poles, and made stringing the line impossible. It was necessary to clear much of the tree in order to restore service, and for safety reasons.
CLAIM AGAINST THE SANTA CLARA VALLEY WATER DISTRICT
California Government Code Sections 900 and following

Page 2 of 2

In detail, describe the damage or injury (Please attach additional sheets if necessary):

Fortunately, there were no injuries, and our home was not damaged. The tree demolished a 35' long by 6' wide buffer of mature landscape, leaving our home and yard completely exposed to a major vehicle intersection, Miramonte Ave, Fremont Ave, and Foothill Expressway. We will have to replace with mature shrubs, and we plan to use shrubs native to the area. We understand Valley Water is not responsible for re-landscaping our yard, however, given the massive size of this, we would appreciate any help or support. If you have any large, native shrubs that could be relocated along the edge of the riparian, we would be grateful.

List Name(s) and contact information of any witness(es) or District employee involved (if any):

Rebecca Wolff
Ray Bramer
(Note: there was a third Valley Water employee, but I don’t remember their name)

DAMAGES CLAIMED: Basis for computation of amounts claimed (include copies of bills, invoices, estimates, receipts, photos, police case # or other documentation.) Note: If your claim is more than $10,000, you need not fill in an amount, but must state whether jurisdiction for the claim would be in the Limited Jurisdiction (up to $25,000) or Unlimited jurisdiction of the Superior Court.

Is the amount of the claim under $10,000?  X Yes  No

Court Jurisdiction: (Check One)  □ Limited Civil  □ Unlimited Civil

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>CLAIM AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Tree removal  ^ partial removal</td>
<td>$6,500.00</td>
</tr>
<tr>
<td>2.</td>
<td>$</td>
</tr>
<tr>
<td>3.</td>
<td>$</td>
</tr>
<tr>
<td>4.</td>
<td>$</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>$6,500.00</td>
</tr>
</tbody>
</table>

WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE OR FRAUDULENT CLAIM (Penal Code Section 72 and 550)

I have read the matters and statements made in the above claim and I know the same to be true of my own knowledge, except to those matters stated upon information and belief and as to such matters I believe the same to be true. I certify under penalty of perjury that the foregoing is TRUE and CORRECT.

Signed this 23rd day of October 2022

Claimant’s signature

Government Code Section 945.6 provides that, with limited exceptions, any suit brought against a public entity must be commenced:

(1) If written notice is given of a denial of claim in accordance with Section 913, not later than six months after the date such notice is personally delivered or deposited in the mail.

(2) If written notice is not given of a denial of claim in accordance with Section 913, within two years from the accrual of the cause of action.
### Residential & Commercial Tree Care Specialist

**CSL #1046813**

24/7 Emergency Service

**FREE ESTIMATES & EVALUATION**

Serving the Entire Bay Area

Fully Insured & Licensed

"We go out on a limb for you."

Se Habla Español

www.mgtreeservice.net

---

**Date**: 9-14-22

<table>
<thead>
<tr>
<th>Work To Be Performed</th>
<th>Estimate</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRUNING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOPPING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WEIGHT REDUCTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRIMMING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>REMOVAL</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YARD &amp; CDF HILL CLEARING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CHIPPING &amp; HAULING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STUMP GRINDING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PALMS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LANDSCAPING</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CONCRETE WORK</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OAK Tree</strong></td>
<td></td>
<td>6500</td>
</tr>
</tbody>
</table>

Total: $6500

---

**NOTE**: ALL permits plus any unforeseen damage to underground lines is a sole responsibility of the owner.

Estimate good for 105 days.

**SCHED. FOR**

**NAME**: Debbie + Bruce Skelton

**ADDRESS**: 1045 Fremont Ave

**CITY**: Los Altos

**ZIP**: 94024

**PHONE #**: 650-279-4340

**CUSTOMER SIGNATURE**: [Signature]

---
November 15, 2022

Paul Coghlan  
686 Bicknell Road  
Los Gatos, CA 95030

Re: Receipt of Claim – L2230004

Dear Mr. Coghlan:

We received your claim regarding the damages to your pool related to Valley Water work being performed for the Rinconada Pond Rehabilitation Project.

We will investigate this claim and notify you of our findings.

If you have any questions, please don’t hesitate to contact me at (408) 630-2213 or at dcahen@valleywater.org

Sincerely,

David Cahen  
Risk Manager
CLAIM AGAINST THE SANTA CLARA VALLEY WATER DISTRICT
California Government Code Sections 900 and following

The completed form can be mailed, sent electronically or hand delivered. Mail or deliver to:

Clerk of the Board
Santa Clara Valley Water District-HQ
5700 Almaden Expressway
San Jose, CA 95118

Or submit the completed form electronically to:
clerkoftheboard@valleywater.org

Clerk of the Board's Date Stamp

For SCWWD Use Only

Date Received: 11/4/22

☐ Via U.S. Mail: 11/4/22
☐ Hand Delivered:
☐ E-mail: Risk Management
☐ Other:
☐ CEO:
☐ District Counsel
☐ COB
☐ BOD (District #):

With certain exceptions, claims for personal injury or property damage MUST be filed within six months of the incident giving rise to the claim. Claimant must complete each section. If information is unknown, write "unknown" in the appropriate box. Please use additional pages if necessary. Please attach itemized receipts, witness statements, photos and all other documentation that you believe will be helpful to process your claim. Claimant MUST sign and date the form; see last page.

Name of Claimant: Paul Cochlan

Address of Claimant: 656 Bicknell Rd
City: Los Gatos
State: CA
Zip: 95030

Mailing Address to Which Notices Should Be Sent if Different From Above:

City: State: Zip:

Home Phone Number: 408-658-8382
Cell Phone Number: 408-658-8382
Work Phone Number:

Is this claim being filed on behalf of a minor? ☐ Yes ☑ No
If so, please indicate minor's date of birth: 
Relationship to the minor: 

Date and time of incident or loss: October 1, 2022
Location of incident or loss (address):

SAME AS ABOVE
656 Bicknell Rd
Los Gatos CA 95030

Is there a police report? ☐ Yes ☑ No
If Yes, Police Report #: 

Describe how the incident or loss happened, and the reason you believe the Santa Clara Valley Water District is responsible for your damages (Please attach additional sheets if necessary):

SEE COPY OF ATTACHED EMAIL SENT TO DAVID CAHEN ON 11/2/22.
I ALSO SENT 2 VIDEOS TO MR CAHEN THAT SHOW THE PROXIMITY OF THE EQUIPMENT TO MY PROPERTY.

OTHER ATTACHMENTS:
- PHOTO OF CRACK IN POOL AND ON POOL COPING
- PHOTO (2) OF LARGE CRANE DIGGING NEXT TO MY PROPERTY
- REPAIR ESTIMATE FROM 'SCUBA POOL REPAIR COMPANY'
In detail, describe the damage or injury *(Please attach additional sheets if necessary)*:

List Name(s) and contact information of any witness(es) or District employee involved (if any):

I HAVE HAD EMAIL CONTACT WITH DAVID CAHEN, RISK MANAGER
AND TONY ARCANDO NEIGHBORHOOD LIASON OFFICER
WITH THE VALLEY WATER DISTRICT EMPLOYEES

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>CLAIM AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. REPAIR ESTIMATE SCUBA POOL REPAIR <em>(SEE ATTACHED)</em></td>
<td>$4,000.00</td>
</tr>
<tr>
<td>2.</td>
<td>$</td>
</tr>
<tr>
<td>3.</td>
<td>$</td>
</tr>
<tr>
<td>4.</td>
<td>$</td>
</tr>
</tbody>
</table>

TOTAL AMOUNT $4,000.00

WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE OR FRAUDULENT CLAIM (Penal Code Section 72 and 550)

I have read the matters and statements made in the above claim and I know the same to be true of my own knowledge, except to those matters stated upon information and belief and as to such matters I believe the same to be true. I certify under penalty of perjury that the foregoing is TRUE and CORRECT.

Signed this 9th day of NOVEMBER, 2022

Claimant's signature

Government Code Section 945.6 provides that, with limited exceptions, any suit brought against a public entity must be commenced:

1. If written notice is given of a denial of claim in accordance with Section 913, not later than six months after the date such notice is personally delivered or deposited in the mail.
2. If written notice is not given of a denial of claim in accordance with Section 913, within two years from the accrual of the cause of action.
Hi David

My name is Paul Coghlan and I abut the Rinconada Water Treatment plant on the south east side. Recently you have had a project digging and dredging your pond on the lower east side of your property. This project has been involving heavy equipment: large cranes, trucks, etc. Some of the work has been done within 30 - 40 feet of my property and pool. During your work a crack occurred in my pool due to the ground vibration from all your heavy equipment. I have attached a photo which if you enlarge will show the crack starting in the coping and proceeding underwater across a ledge down to the bottom of the pool. You can see the crack underwater just to the left of a floating green leaf.

I also will send you in separate emails 2 videos showing the closeness of your cranes and trucks to my property.

I believe that I have been a good and understanding neighbor during your major project which has lasted over 8 years. However this problem is now going to be costly to fix

I have worked over the years with Tony Mercado who is your neighborhood liaison officer. I think he can attest to my patience with all the noise, dust, varments, etc.

My phone is 408-888-8382 and you have my email.

Please contact me and I will show first hand the damage.

Sincerely

Paul Coghlan
Dear Paul Coghlan,

Please review the estimate below. Feel free to contact us if you have any questions. We look forward to working with you.

Thanks for your business!

---

**Estimated**

800 Cristich Lane  
CAMPBELL, CA  95008 US  
(408) 886-1945

**Estimate #:** 2072  
**Date:** 11/03/2022  
**Exp. Date:**  
**USD 4,000.00**

---

**Address:**  
Paul Coghlan  
668 Bicknell Road  
Los Gatos, California  95030

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Rate</th>
<th>Amount (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/03/2022</td>
<td>Crack Treatment crack treatment</td>
<td>4,000.00</td>
<td>4,000.00</td>
</tr>
<tr>
<td></td>
<td>preformed by Scuba Pool Repair is a plunger, or</td>
<td></td>
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<tr>
<td></td>
<td>epoxy and fiberglass treatment that is designed</td>
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<td></td>
<td>to stop water intrusion through the pool shell</td>
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<td></td>
<td>in order to protect the structural steel (rebar)</td>
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<td></td>
<td>within, and stop the saturation of the ground</td>
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<td>below. This treatment will have no direct effect</td>
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<tr>
<td></td>
<td>on the structural integrity of the pool shell,</td>
<td></td>
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<tr>
<td></td>
<td>and holds no guarantees. Aquatic Solutions 88A</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Scuba Pool Repair cannot be held responsible any</td>
<td></td>
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<tr>
<td></td>
<td>future cracking.</td>
<td></td>
<td></td>
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<tr>
<td>11/03/2022</td>
<td>Late Fee Notice:</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td></td>
<td>Invoices 30 days past due will be subject to</td>
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<td>finance charges in the amount of 1.5% per month</td>
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<td></td>
<td>or the maximum rate allowable by law, and</td>
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<td>attorney fees, in the end of default. It is</td>
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<td></td>
<td>understood that if payment is not received within</td>
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<td></td>
<td>these terms, Scuba Pool Repair Inc. may</td>
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<td></td>
<td>exercise its rights to place a mechanics lien on</td>
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<td></td>
<td>the property.</td>
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<tr>
<td>11/03/2022</td>
<td>In December of 2007, Congress passed the Virginia</td>
<td>0.00</td>
<td>0.00</td>
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<td></td>
<td>Graeme Baker Pool and Spa Safety Act. The law</td>
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<tr>
<td></td>
<td>mandates that public swimming pools and spa</td>
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<td></td>
<td>be equipped with anti-entrapment</td>
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<td></td>
<td>main drain covers that meet the ASME/ANSI 112.19</td>
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<td>B-2007 performance standard (or any successor</td>
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<tr>
<td></td>
<td>standard). Scuba Pool Repair is now assisting</td>
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<td></td>
<td>customers in complying with the Federal</td>
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<td>standards by offering a discounted cost for</td>
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<td></td>
<td>replacing any non-compliant main drain cover</td>
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<tr>
<td></td>
<td>during our any of our services. Though, not</td>
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<td></td>
<td>mandated for residential pools under the VGB</td>
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<td>Act, any person planning to rent, sell, or</td>
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<td>obtain a permit for their property will be</td>
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<td></td>
<td>required to change the non-compliant main</td>
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<td></td>
<td>drain cover. If you are interested in</td>
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<td></td>
<td>this add on service, please contact</td>
<td></td>
<td></td>
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<td></td>
<td>the office.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total:**  
**USD 4,000.00**
We look forward to working with you!

PDF

Estimate_2072_0
rom_Sc_alp.pdf
**Scuba Pool Repair**  
800 Cristich Lane  
CAMPBELL, CA 95008 US  
(408) 866-1945  
office@scubapoolrepair.com

### Estimate

**ADDRESS**  
Paul Coghlan  
686 Bicknell Road  
Los Gatos, California 95030

**ESTIMATE # 2072**  
**DATE 11/03/2022**

<table>
<thead>
<tr>
<th>DATE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Crack Treatment crack treatment preformed by Scuba Pool Repair is a plaster, or epoxy and fiberglass treatment that is designed to stop water intrusion through the pool shell in order to protect the structural steel (rebar) within, and stop the saturation of the ground below. This treatment will have no direct effect on the structural integrity of the pool shell, and holds no guarantee. Aquatic Solutions DBA Scuba Pool Repair cannot be held responsible any future cracking. Late Fee Notice:</td>
</tr>
</tbody>
</table>
|      | Invoices 30 days past due will be subject to finance charges in the amount of 1.5% per month (18% APR) or the maximum rate allowable by law, and attorney fees, in the end of default. It is understood that if payment is not received within these terms, Scuba Pool Repair Inc. may exercise its rights to place a mechanics lien on the property.  
In December of 2007, Congress passed the Virginia Graeme Baker Pool and Spa Safety Act. The law mandates that public swimming pools and spa be equipped with anti-entrainment main drain covers that meet the ASME/ANSIA 112.19.8-2007 performance standard (or any successor standard). Scuba Pool Repair is now assisting customers in complying with the Federal standards by offering a discounted cost for replacing any non-compliant main drain cover during any of our services. Though, not mandated for residential pools under the VGB Act, any person planning to rent, sell, or obtain a permit for their property will be required to change the non-compliant drain cover. If you are interested in this add on service, please contact the office. |

<table>
<thead>
<tr>
<th>RATE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,000.00</td>
<td>4,000.00</td>
</tr>
<tr>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

We look forward to working with you!

**TOTAL**  
USD 4,000.00
November 29, 2022

Mae Valentino Pickett
712 Antonio Court
Gilroy, CA 95020

Re: Receipt of Potential Claim – L2230005

Dear Ms. Pickett:

We received your claim regarding property damage related to Valley Water work being performed for the South County Recycled Water Project.

We are currently investigating the claim and will notify you of our findings.

If you have any questions, please don't hesitate to contact me at (408) 630-2213 or at dcahen@valleywater.org

Sincerely,

David Cahen
Risk Manager
CLAIM AGAINST THE SANTA CLARA VALLEY WATER DISTRICT
California Government Code Sections 900 and following

The completed form can be mailed, sent electronically or hand delivered. Mail or deliver to:
Clerk of the Board
Santa Clara Valley Water District-HQ
5700 Almaden Expressway
San Jose, CA 95118

Or submit the completed form electronically to:
clerkoftheboard@valleywater.org

With certain exceptions, claims for personal injury or property damage MUST be filed within six months of the incident giving rise to the claim. Claimant must complete each section. If information is unknown, write “unknown” in the appropriate box. Please use additional pages if necessary. Please attach itemized receipts, witness statements, photos and all other documentation that you believe will be helpful to process your claim. Claimant MUST sign and date the form; see last page.

<table>
<thead>
<tr>
<th>Name of Claimant:</th>
<th>Mae Valentino Pickett</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address of Claimant:</td>
<td>712 Antonio Court</td>
</tr>
<tr>
<td>City:</td>
<td>Gilroy</td>
</tr>
<tr>
<td>State:</td>
<td>CA</td>
</tr>
<tr>
<td>Zip:</td>
<td>95020</td>
</tr>
<tr>
<td>Mailing Address to Which Notices Should be Sent if Different From Above:</td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td></td>
</tr>
<tr>
<td>State:</td>
<td></td>
</tr>
<tr>
<td>Zip:</td>
<td></td>
</tr>
<tr>
<td>Home Phone Number:</td>
<td></td>
</tr>
<tr>
<td>Cell Phone Number:</td>
<td>408-310-8523</td>
</tr>
<tr>
<td>Work Phone Number:</td>
<td></td>
</tr>
<tr>
<td>Is this claim being filed on behalf of a minor?</td>
<td>Yes</td>
</tr>
<tr>
<td>If so, please indicate minor’s date of birth:</td>
<td></td>
</tr>
<tr>
<td>Relationship to the minor:</td>
<td></td>
</tr>
<tr>
<td>Date and time of incident or loss:</td>
<td>Summer 2022</td>
</tr>
<tr>
<td>Location of incident or loss (address):</td>
<td>712 Antonio Court</td>
</tr>
<tr>
<td>Is there a police report?</td>
<td>Yes</td>
</tr>
<tr>
<td>If Yes, Police Report #:</td>
<td></td>
</tr>
</tbody>
</table>

Describe how the incident or loss happened, and the reason you believe the Santa Clara Valley Water District is responsible for your damages (Please attach additional sheets if necessary):

There was tremendous shaking and booming noises directly behind my house (I first thought it was an earthquake) but it went on and on. At one point, I walked down the hallway and saw two big custom drawings/portraits fell and broke. I cleaned up the glass and eventually, purchased two frames from Amazon to re-frame what broke.
In detail, describe the damage or injury (Please attach additional sheets if necessary):

I wasn’t aware who or how to notify of this incident until I recently attended a City Council meeting.

List Name(s) and contact information of any witness(es) or District employee involved (if any):

---

DAMAGES CLAIMED: Basis for computation of amounts claimed (include copies of bills, invoices, estimates, receipts, photos, police case # or other documentation.) Note: If your claim is more than $10,000, you need not fill in an amount, but must state whether jurisdiction for the claim would be in the Limited Jurisdiction (up to $25,000) or Unlimited jurisdiction of the Superior Court.

Is the amount of the claim under $10,000? 
☐ Yes 
☐ No

Court Jurisdiction: (Check One) 
☐ Limited Civil 
☐ Unlimited Civil

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>CLAIM AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Two Frames</td>
<td>$137.48</td>
</tr>
<tr>
<td>2.</td>
<td>$</td>
</tr>
<tr>
<td>3.</td>
<td>$</td>
</tr>
<tr>
<td>4.</td>
<td>$</td>
</tr>
</tbody>
</table>

TOTAL AMOUNT: $ 

WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE OR FRAUDULENT CLAIM (Penal Code Section 72 and 550)

I have read the matters and statements made in the above claim and I know the same to be true of my own knowledge, except to those matters stated upon information and belief and as to such matters I believe the same to be true. I certify under penalty of perjury that the foregoing is TRUE and CORRECT.

Signed this 23 day of Nov., 2022

Claimant’s signature

---

Government Code Section 945.6 provides that, with limited exceptions, any suit brought against a public entity must be commenced:

(1) If written notice is given of a denial of claim in accordance with Section 913, not later than six months after the date such notice is personally delivered or deposited in the mail.
(2) If written notice is not given of a denial of claim in accordance with Section 913, within two years from the accrual of the cause of action.
Final Details for Order #113-3342719-3914644

Order Placed: September 8, 2022
Amazon.com order number: 113-3342719-3914644
Order Total: $137.48

Shipped on September 9, 2022

Items Ordered
2 of: BarnwoodUSA | Farmhouse Style Rustic 18x24 Picture Frame | Signature Molding | $62.99
100% Reclaimed Wood | Rustic | Red
Sold by: BARNWOOD USA (seller profile)
Condition: New

Shipping Address:
Mae Valentino
712 ANTONIO CT
GILROY, CA 95020-6720
United States

Shipping Speed:
Standard Shipping

Payment information

Payment Method:
Amazon.com Visa ending in 5026

Billing address
Mae Valentino
712 ANTONIO CT
GILROY, CA 95020-6720
United States

Credit Card transactions
Visa ending in 5026: September 9, 2022: $137.48

To view the status of your order, return to Order Summary.
MEMORANDUM

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

FROM: Chris Hakes
Deputy Operating Officer

SUBJECT: Supplemental Information Regarding Real Estate Acquisitions for the Anderson Dam Tunnel Project, Part of the Federal Energy Regulatory Commission Order Compliance Project

DATE: December 6, 2022

On December 13, 2022, the Board of Directors will be asked to consider and approve the acquisition of the following four full fee acquisitions for the Anderson Dam Tunnel Project (ADTP), part of the Federal Energy Regulatory Commission Order Compliance Project.

1) 9186-43 Rebecca Grace Watkins and Hao Tan Le Et Al
2) 9186-44 Rebecca Grace Watkins and Hao Tan Le
3) 9186-46 Laura C. Nuno
4) 9186-47 Guy Trujillo

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. ADTP, Project No. 91864006, is one of five Capital Construction Projects comprising the FOCP. ADTP is currently being constructed and includes building a diversion system to augment the existing outlet, consisting of a new diversion tunnel, an outlet structure, a micro-tunnel lake tap, and modifications to Coyote Creek just downstream of the base of the dam. ADTP also includes reservoir bank and rim stability improvements, and existing intake structure modification.

The purpose of the ADTP reservoir bank and rim stability improvements is to address ground movement associated with pre-existing landslide areas around Anderson Reservoir. One of the landslide areas that requires stabilization is known as the “Hoot Owl Way Landslide,” located on the reservoir slope below Hoot Owl Way in the Holiday Lake Estates community. Slope movements at the Hoot Owl Way Landslide have been documented in the past during reservoir operations, seismic events, and other drought and flood related circumstances, and were monitored during the drawdown of Anderson Reservoir in 2020.

When the new diversion system becomes operational, rapid drawdowns during heavy storms may contribute to subsequent slope movement. The ADTP team developed alternatives to mitigate future slope movements around the reservoir using engineering...
solutions such as soil nails, retaining walls, regrading, shear keys, and drainage improvements. However, analyses of the Hoot Owl Way landslide area determined these solutions may not fully prevent further movement of the slope. Valley Water also considered precautionary acquisition of the nine parcels that are materially threatened by the Hoot Owl Way Landslide as a mitigation alternative. After evaluating the various mitigation alternatives, Valley Water determined that the most feasible option is to pursue acquisition of all nine parcels that may be affected by the Hoot Owl Way Landslide.

The following properties are located on the reservoir slope and has been identified as a property where ground movement associated with pre-existing landslide requires stabilization. Precautionary acquisition of these properties and restoration to a more natural condition is determined to be the most appropriate way to address risks threatened by the Hoot Owl Way Landslide.

9186-43 Rebecca Grace Watkins and Hao Tan Le Et Al
The full fee acquisition from Rebecca Grace Watkins and Hao Tan Le (3/5 interest), Nicole Marie and Robert Tomio Weir (1/5 interest), and John B. Schlaefer (1/5 interest) is a total of 12,742 square feet, APN 729-37-017 located at 17508 Hoot Owl Way, Morgan Hill, CA.

Valley Water retained Chapman & Patton, Real Estate Appraisers and Consultants, to appraise the property which established the fair market value as $450,000. An offer in this amount was made to the owners on April 14, 2022.

The owners obtained a second appraisal from Metropolitan Appraisal Services (Metro). Valley Water received a copy of the appraisal report from Metro with a Date of Appraised Value of May 7, 2022. The fair market value established by the Metro appraisal was $575,000.

On June 1, 2022, Watkins and Le retained legal representation from Norman E. Matteoni with Matteoni, O'Laughlin & Hechtman Lawyers.

After reviewing the offer packet and the Metro appraisal with Mr. Matteoni, on September 7, 2022, Valley Water submitted a second offer for the fair market value determined by Metro appraisal, $575,000.

Rebecca Grace Watkins and Hao Tan Le Et Al accepted the offer on October 5, 2022. The final sale price of $575,000, represents a final settlement for acquisition of the real property at the appraised value.

Both the ARWS appraisal and the Metro appraisal are included with this package. (Attachments 1 and 2)

9186-44 Rebecca Grace Watkins and Hao Tan Le
The full fee acquisition from Rebecca Grace Watkins and Hao Tan Le is a total of 14,252 square feet, APN 729-37-018 located at 17510 Hoot Owl Way, Morgan Hill, CA.
Valley Water retained Chapman & Patton, Real Estate Appraisers and Consultants, to appraise the property which established the fair market value as $850,000. An offer in this amount was made to the owners on April 13, 2022.

The owners obtained a second appraisal from Metropolitan Appraisal Services (Metro). Valley Water received a copy of the appraisal report from Metro with a Date of Appraised Value of May 7, 2022. The fair market value established by the Metro appraisal was $950,000.

On June 1, 2022, Watkins and Le retained legal representation from Norman E. Matteoni with Matteoni, O’Laughlin & Hechtman Lawyers.

After reviewing the offer packet and the Metro appraisal with Mr. Matteoni, on September 7, 2022, Valley Water submitted a second offer for the fair market value determined by Metro appraisal, $950,000.

Ms. Watkins and Mr. Le accepted the offer on October 6, 2022. The final sale price of $950,000, represents a final settlement for acquisition of the real property at the appraised value.

Both the ARWS appraisal and the Metro appraisal are included with this package. (Attachments 3 and 4)

9186-46 Laura C. Nuno

The full fee acquisition from Laura C. Nuno is a total of 12,703 square feet, APN 729-37-029 located at 17496 Hoot Owl Way, Morgan Hill, CA.

Valley Water retained Chapman & Patton, Real Estate Appraisers and Consultants, to appraise the property which established the fair market value as $1,550,000. An offer in this amount was made to the owner on April 7, 2022.

The owner obtained a second appraisal with a Date of Appraised Value of June 1, 2022, from Metropolitan Appraisal Services (Metro). The fair market value established by the Metro appraisal was $1,625,000.

On August 12, 2022, Ms. Nuno retained legal representation from Barton G. Hechtman with Matteoni, O’Laughlin & Hechtman Lawyers.

On November 22, 2022, the Valley Water Board approved the Relocation Impact Study and Last Resort Housing Plan for the Anderson Dam Tunnel Project as Part of the Federal Energy Regulatory Commission Order Compliance Project, Under the Anderson Dame Seismic Retrofit Project, Project No. 91864006. As provided in the Relocation Plan, on August 25, 2022, Ms. Nuno was provided with a Conditional Entitlement Letter (CEL) (Attachment 3) outlining the relocation benefits to which she, as a displaced owner/resident, is entitled. One of these benefits is a price differential payment based on the anticipated cost of a decent, safe, and sanitary comparable replacement dwelling. The amount of the price differential payment is determined to be $174,000, as set forth in Section III. Replacement Housing Payment, in the CEL.
After reviewing the offer packet, the Meto appraisal, the CEL, and further negotiations with Mr. Hechtman, on October 28, 2022, Valley Water submitted an offer of $1,799,000.

Laura C. Nuno accepted the offer on November 1, 2022. The final sale price of $1,799,000, represents a final settlement for acquisition of the real property at the appraised value and settlement of the price differential payment element of the Relocation Plan.

In the Right of Way Agreement, a standard contamination provision permitting Valley Water to offset contamination remediation costs against the sale price has been removed at the request of the owner. It is replaced by a representation from the owner that she has no actual knowledge of any hazardous materials affecting the property. Based on valley Water’s inspection of the property and Valley Water’s intended uses of the property, it is staff’s determination that removing the contamination provision will not likely subject Valley Water to significantly increased risks.

Both the ARWS appraisal and the Metro appraisal are included with this package. (Attachments 5 and 6)

9186-47 Guy Trujillo

The full fee acquisition from Guy Trujillo is a total of 12,867 square feet, APN 729-37-030 located at 17500 Hoot Owl Way, Morgan Hill, CA.

Valley Water retained Chapman & Patton, Real Estate Appraisers and Consultants, to appraise the property which established the fair market value as $1,480,000. An offer in this amount was made to the owner on April 7, 2022.

The owner obtained a second appraisal with a Date of Appraised Value of June 1, 2022, from Metropolitan Appraisal Services (Metro). The fair market value established by the Metro appraisal was $1,525,000. Valley Water offered to acquire the property for this amount, but Mr. Trujillo made a counteroffer in excess of $2,000,000.

Mr. Trujillo obtained a third appraisal which he has chosen to not share with Valley Water as is his right. However, on September 16, 2022, he submitted an invoice for this appraisal. Valley Water reimbursed him for the cost of this appraisal. Mr. Trujillo reiterated his demand in excess of $2,000,000.

On October 11, 2022, Valley Water made a written offer of $1,750,000, stating this was a “final offer”.

Shortly after receipt of the October 11, 2022, letter, in email and phone communication with Valley Water Associate Real Estate Agent Edna Campero, Mr. Trujillo indicated that he would accept $1,850,000, as a settlement for the sale of his property.

While the sales price is $325,000, above the amount of the second appraisal, it is not inconsistent with other settlements for properties along Hoot Owl Way.
On October 31, 2022, Valley Water staff submitted an offer in the amount of $1,850,000. Mr. Trujillo accepted the offer on November 4, 2022.

The proposed acquisitions of all four properties above will be presented to the Board of Directors for consideration and approval on December 13, 2022.

Both the ARWS appraisal and the Metro appraisal are included with this package.
(Attachments 7 and 8)

Christopher Hakes  
Deputy Operating Officer  
Dam Safety & Capital Delivery Division  

Attachments:  
Attachment 1, Watkins & Le Et Al (VW Appraisal)  
Attachment 2, Watkins & Le Et Al (Owner Appraisal)  
Attachment 3, Watkins & Le (VW Appraisal)  
Attachment 4, Watkins & Le (Owner Appraisal)  
Attachment 5, Laura C. Nuno (VW Appraisal)  
Attachment 6, Laura C. Nuno (Owner Appraisal)  
Attachment 7, Guy Trujillo (VW Appraisal)  
Attachment 8, Guy Trujillo (Owner Appraisal)

ec: R. Blank, M. Richardson, K. Bradley, B. Magleby

ch: rc
LE/WATKINS, WEIR and SCHLAEFER PROPERTY
FILE # 9186-43
17508 HOOT OWL WAY
MORGAN HILL, CALIFORNIA

PREPARED FOR

SANTA CLARA VALLEY WATER DISTRICT

PREPARED BY

CHAPMAN & PATTON

EFFECTIVE DATE OF VALUE

JANUARY 22, 2022
March 15, 2022

Edna Campero  
Santa Clara Valley Water District  
5750 Almaden Expressway  
San Jose, CA 95118

Dear Ms. Campero,

Pursuant to our agreement, an appraisal has been made of the Fair Market Value of the Le/Watkins, Weir and Schlaefer property identified as Assessor’s Parcel Number 729-37-017 located at 17508 Hoot Owl Way in (unincorporated) Morgan Hill, California. The property being appraised will be referred to as the Subject property in this report.

The purpose of this appraisal is to provide you with an opinion of the Fair Market Value of the Subject property, which will potentially be acquired for the Santa Clara Valley Water District’s (SCVWD) Anderson Dam Tunnel Project. The effective date of value for this assignment is January 22, 2022.

This report contains a description of the entire property in the before condition. The appraisal of the property in the before condition is made under the hypothetical condition that the proposed Anderson Dam Tunnel Project does not exist.

A Notice of Decision to Appraise was sent to the property owners by this office on January 13, 2022. The appraiser met with Mr. Schlaefer and Mr. Wier at the subject site on January 19, 2022 and again with Mr. Le on January 22, 2022. The property was previously viewed from the roadway on numerous occasions in February 2021.

I have gathered pertinent information, sales and other data relevant to the valuation of the property and analyzed the data to reach my conclusions. In my opinion, the fair market value of the Subject property as of January 22, 2022 was $450,000.

This is a Restricted Appraisal Report that may not be understood properly without reviewing additional information retained in the appraiser’s file. This report is performed in accordance with generally accepted reporting requirements for Uniform Standards of Professional Appraisal Practice 2-2(b). Please refer to the General Assumptions and Limiting Conditions found in the Introduction & Summary section of this report.

Very truly yours,

CHAPMAN & PATTON

Michelle Patton, MAI, SR/WA, R/W-AC  
Certified General Real Estate Appraiser # AG030012
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INTRODUCTION & SUMMARY

Purpose of the Appraisal
The purpose of this appraisal is to estimate the Fair Market Value of a 0.28-acre (net) vacant residential property in an unincorporated area of Santa Clara County near Morgan Hill, California. This report serves to update a prior appraisal of the Subject in February 2021 with a current valuation date and a change in the proposed acquisition.

Appraisal Report Format
This is a Restricted Appraisal Report, in accordance with the requirements identified in Standard Rule 2-2(b) of USPAP. It is intended to provide a brief description of the entire property in the before condition, ignoring project influence. It should be noted that the appraiser’s opinions and conclusions set forth in the report may not be understood properly without reviewing additional information retained in the appraiser’s work file. The report format had been mutually agreed upon by the client prior to completion of this assignment. Additional supporting documentation and analyses, as appropriate, is retained in the appraiser’s file.

Scope of the Assignment
A Notice of Decision to Appraise was sent to the current owners on January 13, 2022. The scope of inspection consisted of Michelle Patton viewing the Subject property on-site on January 19 and 22, 2022 in the presence of Mr. Le, Mr. Schlaefer and Mr. Wier, as well as Ms. Edna Campero of Valley Water.

Verification of the sales was made using public records, and when possible, parties to the transactions (primarily real estate brokers who handled the transactions). Each comparable sale was viewed, photographed and verified by Michelle Patton. The comparables cited herein should be construed as being a pertinent sampling, which were selected based upon physical and location similarities relative to the property under appraisement and/or the credibility of the data.

The geographic scope of research was focused in Morgan Hill and surrounding communities.

The following scope of resources was used in the development of the market value opinion expressed herein. Information provided by the client consisted of a Preliminary Report, Legal Description and Plat Map of the Subject property, and description of the Project.

Sources used in the process of analyzing the Subject property included:
- Assessor’s map
- Flood hazard map
- Discussions with local brokers
- Zoning ordinance for Santa Clara County
- General Plan for Santa Clara County
- Engineering maps for the property to be acquired
- Discussions with Bill Magleby, Senior Real Estate Agent with SCVWD

Sources used in the process of estimating value for the Subject included:
- Assessor’s records
- Multiple Listing Service (MLS)
- Local brokers
- CoStar
Intended Use
The intended use of the appraisal and report is to provide Santa Clara Valley Water District and their legal representatives with a basis for determining just compensation to be offered to the property owner. It is not intended for any other use.

Intended User and Client
The intended user and client of this appraisal is Santa Clara Valley Water District and their legal representatives. The appraisal is not intended for any other user.

Definitions
Appraisal Report (Restricted) - A written appraisal report prepared under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice.

Before Condition - The before condition is the condition of the property on the valuation date (as if) prior to the project, planning and steps leading up to the project.

Benefits - A benefit is an increase in value accruing specially to a remainder property as a result of a partial acquisition or project construction.¹

Easement - The right to use another’s land for a stated purpose.²

Encumbrance - Any claim or liability that affects or limits the title to property. An encumbrance can affect the title such as a mortgage or other lien, or it can affect the physical condition of the property such as an easement. An encumbrance cannot prevent the transfer of possession, but it does remain after the transfer.³

Exposure Time - estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.⁴

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.⁵ An extraordinary assumption may be used in an assignment only if:

• It is required to properly develop credible opinions and conclusions;
• The appraiser has a reasonable basis for the extraordinary assumption;
• Use of the extraordinary assumption results in a credible analysis; and
• The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

Fee Simple - 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.⁶

¹ Source: Section 1263.430 from the Code of Civil Procedure
² Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
³ Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
⁴ Source: 2020-2021 Edition USPAP, Page 4
⁵ Source: 2020-2021 Edition of USPAP, Pages 4 & 17
⁶ Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
**Highest And Best Use** - The following explanation is taken directly from the 14th Edition of The Appraisal of Real Estate:

>The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.

**Hypothetical Condition** - A Hypothetical Condition is “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 the analysis.”

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

**Market Value** -

(a) The fair market value of the property taken is the highest price on the date of the valuation that would be agreed to by a seller, being willing to sell, but under no particular or urgent necessity of 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 each other with full knowledge of 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.

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7 Source: 2020-2021 Edition of USPAP, page 4
8 Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
9 Source: Code of Civil Procedure, Section 1263.320(a)
General 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.

1) 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.

2) The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.

3) Responsible ownership and competent property management are assumed unless otherwise stated in this report.

4) The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.

5) Sketches, plats, or photographs contained in this report are included to assist the reader in visualizing properties and no survey has been made of the property in the report.

6) The Appraiser assumes no responsibility 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 engineering studies or a survey, which may be required to discover these conditions.

7) It is assumed that there is full compliance with all applicable Federal, State, and local environmental regulations and laws unless otherwise stated in this report.

8) 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 appraisal report.

9) 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.

10) The Appraiser is not a soil expert. The existing soil and substructure has been assumed adequate for existing or proposed uses unless contrary information is provided and contained in this report. It is advisable to have a soil analysis and report completed by a qualified soil engineer or other qualified expert so that any interested party will become knowledgeable as to the important soil information including seismic data, soil contaminants, type of fill, if any, or other relevant matters.

11) 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.

12) 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.
13) Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written prior consent of the Appraiser, and in any event, only with proper written qualifications and only in its entirety.

14) Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the Appraiser, or the firm with which the Appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media.

**Extraordinary Assumptions and Hypothetical Conditions**

Please note that all Extraordinary Assumptions and Hypothetical Conditions could have an effect on the results of this appraisal.

**Extraordinary Assumptions**

1) It is assumed that no hazardous or toxic substances exist on the Subject property or the soils comprising the Subject land.

2) It is assumed that no other easements exist on the entire property that could affect use and/or value other than those noted in this report.

**Hypothetical Condition**

1) This assignment was prompted by the Anderson Dam Tunnel Project. Therefore, the project will be disregarded in the appraisal of the Subject in the before condition.
Certification of Appraiser
I certify that, to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 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 no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- I made a personal inspection of the property that is the subject of this report.
- I previously appraised the Subject in February 2021 for this same client and this same Project. Except for that appraisal, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the 3-year period immediately preceding acceptance of this assignment.
- no one provided significant real property appraisal assistance to the person signing this certification.
- the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- as of the date of this report, Michelle Patton has completed the continuing education program for designated members of the Appraisal Institute.

March 15, 2022
Date

Michelle Patton, MAI, SR/WA, R/W-AC
Certified General Real Estate Appraiser #AG030012
Subject Property Photographs

Left: Northwesterly view of Hoot Owl Way – Subject on right
Right: Southeasterly view of Hoot Owl Way – Subject on left

View of Subject property from Hoot Owl Way – driveway crosses to adjacent APNs 729-37-018 and 019. Gravel parking area is on Subject parcel.

Left: Northeasterly view of southeasterly property boundary – Existing storm drain easement
Right: Northeasterly view of Subject from near top of site – structure is on adjacent parcel

Left: Typical easterly view – Anderson Lake bed
Right: Typical northeasterly view – Anderson Lake bed
Subject Property Identification

Address
17508 Hoot Owl Way, Morgan Hill, California

Location
The Subject property is located on the northeasterly side of Hoot Owl Way, north of Holiday Drive and just west of Anderson Lake in Santa Clara County.

Assessor’s Parcel No.
729-37-017

County
Santa Clara

Owners of Record
According to the Preliminary Report prepared by Old Republic Title Company and updated November 3, 2021, ownership is vested in: Robert Tomio Weir and Nicole Marie Weir, a married couple, as community property with right of survivorship, as to an undivided 1/5 interest; John B. Schlaefer, a married man, as his sole and separate, as to an undivided 1/5 interest; Rebecca Grace Watkins an unmarried woman and Hao Tan Le an unmarried man as Joint Tenants, as to an undivided 3/5 interest.

History of Ownership
According to public records, a 60% interest in the Subject property was transferred to Mr. Le and Ms. Watkins via Grant Deed 2021-24803318 on February 3, 2021. The partial interest of the Subject was marketed along with the adjoining improved parcel (APN 729-37-018). Together, the property (60% interest in the Subject and 100% interest in the adjoining parcel) was listed on the MLS in September 2020 at an asking price of $798,800, which was subsequently lowered to $699,999. It sold after roughly 3 months on the market at the $710,000 sale price. Prior to the 2021 sale, the 60% interest had been owned by David and Kelli Frazer since 2012.

It appears Mr. and Mrs. Weir acquired their 1/5 interest in the property in July 2020, along with their purchase of a nearby property.

Mr. Schlaefer reported he has owned his interest since 1999. He stated that his family has used the property for lake access (he owns a residence across the street on Manzanita Avenue) and to store canoes during the summer.

Larger Parcel
The larger parcel is the single Assessor’s parcel noted above.

Size/Shape/Topography
According to public records, the Subject property consists of one parcel that contains 0.32 acre (14,036 square feet) gross. However, the property is encumbered by a road easement for Hoot Owl Way, which contains approximately 2,000 square feet at the southwesterly edge of the site. While it provides access to the property, the road easement also precludes private use of this area. The resulting net size of the lot is 12,036 square feet (0.28 acre). It is generally rectangular in shape, is down-sloping from the Hoot Owl Drive street frontage, and has a level building pad area.
Utilities
The Subject’s neighborhood is served with electricity and public water. However, development requires private on-site septic systems and propane, as sewer services and natural gas are not available to the neighborhood.

Access
The Subject has one point of access from Hoot Owl Way, which crosses diagonally over the Subject and connects to adjoining APNs 729-37-0018 and 19. This shared driveway has been in place for decades. For purposes of this assignment, it is assumed the Subject has legal access from Hoot Owl Way, with one parking spot near the street frontage. There is no driveway access developed solely for use of the Subject parcel. Hoot Owl Way is an asphalt-paved public road that is approximately 40’ wide near the Subject, with a cul-de-sac that is situated just northwest of the Subject site. The street frontage lacks offsite improvements such as curbs, gutters and sidewalks, which is typical for this neighborhood.

Current Use/Improvements
Except for the single gravel parking spot, the Subject property is unimproved. There is no formal landscaping, but the site includes numerous mature trees.

Easements and Encroachments
The Preliminary Report (found as Addendum B) prepared by Old Republic Title Company refers to various exceptions to title, including several easements that encumber the Subject Property, as described below:

4) An easement for electric transmission lines in favor of Coast Counties Gas and Electric Corporation.

5) An easement to flood and inundate with water in favor of Santa Clara Valley Water District contained in the deed with document number 2089101.

6) An easement for storm drainage, an anchor easement and a right of way easement as shown on the map below.

10) An easement for ingress and egress and for the installation and maintenance of public utilities in favor of Carl Alfred Young and Dawn H. Young.

The preliminary report also refers to covenants, declarations, easements and restrictions.

With regards to Item 5, the Deed (Document Number 2089101) can be found as Addendum D to this report. This deed was recorded in 1961 and effectively allows SCVWD “the absolute and permanent right to flood and inundate the said lands with water, whether or not such water is local in origin, and without regard to origin, to a height of 640 feet”.

The deed further states that the District “shall have no liability of any nature to the Grantee, or any person, firm or corporation, claiming under him, on account of the fact that the District may raise or lower the level of water in said reservoir...” Furthermore, “structures and improvements have been erected by such parties on said lands shall in no wise (sic) limit the force and generality of the reservations and agreements of this deed...”

The inundation easement was fully considered in the valuation of the Subject. It is assumed that no other easements or encroachments exist that could negatively affect the property’s value or marketability other than those mentioned in this report.
Easements Identified on Assessor Map

Aerial with Topographic Overlay – Yellow line is 640’ Elevation Mark

Subject
Zoning and General Plan: County of Santa Clara

The Subject is under the jurisdiction of Santa Clara County Planning Department and has a zoning designation of HS (Hillside) and a General Plan designation of USA (Regional Parks, Existing). Hillside zoning allows for various residential uses and its intent is as follows:

The purpose of the Hillside district, also known as the HS district, is to preserve mountainous lands unplanned or unsuited for urban development primarily in open space and to promote those uses which support and enhance a rural character, which protect and promote wise use of natural resources, and which avoid the risks imposed by natural hazards found in these areas. These lands are watersheds and may also provide such important resources as minerals, forests, animal habitat, rare or locally unique plant and animal communities, historic and archeological sites, scenic beauty, grazing lands, and recreational areas. Additionally, lands zoned Hillside define the setting or viewed for the urban area of the County.

Development shall be limited to avoid the need for public services and facilities. Permitted uses include agriculture and grazing, very low-density residential use, low density, low-intensity recreation, mineral and other resource extraction, and land in its natural state. Low-intensity commercial, industrial, and institutional uses may also be allowed if they require a remote, rural setting in order to primarily serve the rural residents or community, or if they support the recreational or productive use, study, appreciation, or enhancement of the natural environment. Clustering of development, particularly residential, is encouraged in order to preserve contiguous open space and achieve efficiency in the provision of access to dwellings. This district is meant to apply to all parcels designated Hillside in the general plan.

The Subject is also within the city of Morgan Hill’s Sphere of Influence, which designates the Subject as Residential Detached Low (up to 4 dwelling units/acre).

Probability of a Zoning Change

A change in zoning is not likely. The Subject is in an area primarily reserved for low-density residential uses.
Geologic Hazards
Though the Subject is not located in a Special Earthquake Studies Zone, it is subject to ground shaking as are all properties in this region. However, ground movement and shaking in liquefaction areas is greatly amplified.

The combination of nearby fault lines and probable landslides represent a serious geologic hazard. It should be remembered that the project for this appraisal was prompted by the potential for a “geologic hazard.”

Hazardous Material Sites
No Environmental Site Assessments were provided for this assignment. There are no known or apparent adverse environmental conditions that would negatively impact the value of the Subject Property. The appraiser is not qualified to make a hazardous waste determination. Please refer to the Limiting Conditions section of this report.

FEMA Flood Hazard Area
As shown on the map on the following page, the Subject is shown in FEMA Zone D flood hazard areas. The Zone D designation is used for areas with a potentially moderate to high risk of flooding, but the probability has not been determined. Although some federally backed lenders may still require it, in a Zone D, there are no mandatory flood insurance requirements. Also, there are no minimum building requirements by FEMA. However, Zone D indicates that there is a risk of flooding; the level of risk is just unknown.

The site is adjacent to Anderson Lake which is designated as FEMA Flood Zone A.

Legal Description
The legal description of the Subject can be found in the Preliminary Report, found as Addendum B to this report.
Assessed Value and Taxes (2021-2022)

Ad Valorem taxes in California are limited by Proposition 13. This law, enacted in 1978, sets property taxes at 1% of acquisition price, plus 2% annual increases in the tax. In order to fund infrastructure and other services ordinarily paid for by property taxes, local agencies and municipalities have a complicated system of direct levies, which act as a special tax, to fund infrastructure development or school systems. Upon sale, the property would be reassessed per Proposition 13.

The following table indicates the assessed values and real estate taxes for the 2021-22 tax year.

<table>
<thead>
<tr>
<th>Assessed Values</th>
<th>729-37-017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$20,000</td>
</tr>
<tr>
<td>Improvements</td>
<td>$0</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$20,000</td>
</tr>
<tr>
<td>Less. Homeowners Exemption</td>
<td>-$0</td>
</tr>
<tr>
<td>Total</td>
<td>$20,000</td>
</tr>
<tr>
<td>RE Taxes</td>
<td>$314.08</td>
</tr>
</tbody>
</table>
**Highest And Best Use - As Vacant**

Highest and best use is defined as that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value. It may also be referred to as the most efficient and profitable permissible use. The size, shape, area, and terrain of a parcel of land affect the uses to which it can be developed. The utility of a parcel may depend on its frontage and depth. Irregular-shaped parcels can cost more to develop and, after development, may have less utility than typically shaped parcels in the same area.

**Legal Permissibility Test** – The Subject property is zoned Hillside, which is intended for the preservation of open space, but also allows for low density, single-family residential use.

**Physical Possibility Test** – The Subject property contains 0.28 acre (net) and includes a hillside lot that abuts Anderson Lake. Front, side and rear setbacks in the Hillside district are 30’. For the Subject, there are no physical site characteristics that would preclude development of legal uses, except that existing easement may not be built on. The size and shape of the Subject’s site are fairly typical for the area. Access to the site is good along Hoot Owl Way.

**Financial Feasibility Test** - The neighborhood is nearly 100% built-out with primarily residential uses, in addition to several open space areas maintained by the Holiday Lake Estates Homeowner’s Association. The neighborhood is adjacent to Anderson Lake County Park, which includes ~4,275 acres of open space, trails, recreational uses and the reservoir.

The financial feasibility of immediate development of the Subject takes into consideration the demand for various potential uses. The residential market in the Morgan Hill area has experienced a significant increase in value for single-family properties. Lack of available inventory is partially responsible for the surge in values from 2013 to the present. There are very few lots available for development within the immediate vicinity. The Subject benefits from its location in that the surrounding infrastructure (roadways) is already in place. Furthermore, its lakefront setting is a desirable amenity. The highest and best use for the Subject property is for development with a single-family dwelling.

**Project Description**

There are two projects currently underway regarding Anderson Dam; the Anderson Dam Tunnel Project (ADTP), and the Anderson Dam Seismic Retrofit Project (ADSRP). The project that prompted the Subject property acquisition is the proposed Santa Clara Valley Water District (SCVWD) Anderson Dam Tunnel Project. The proposed acquisition of the Subject and other neighboring properties was prompted by the Hoot Owl Way Slide and Boat Marina Slide; two landslides along the lakebed that require securing.

Anderson Dam, which was built in 1950, requires significant upgrades for seismic retrofitting. The project will rebuild the dam in compliance with today’s seismic and safety standards and regulations. It will increase the dam’s spillway and outlet capacity to allow a rapid, controlled drawdown in emergencies and to enhance incidental flood protection.

Around October 2020, SCVWD began releasing water from Anderson Lake, the County’s largest surface water reservoir, that stores rainfall-runoff and imported water from the Central Valley Project. As of the Effective Date of Value, the lake bed near the Subject neighborhood was nearly empty.

**Project Acquisition**

The Subject will be acquired in fee for the Project. The Subject is appraised in the Before Condition under the Hypothetical Condition that the SCVWD Project does not exist.
VALUATION

Approaches to Value
In valuing real estate, three valuation methodologies are typically accepted in the appraisal process. These are the sales comparison approach, the income approach, and the cost approach. They are further described below.

Sales Comparison Approach
The sales comparison approach utilizes the principle of substitution, wherein recently sold comparable properties are found and analyzed for comparability to the subject property. The underlying assumption is that market support will be either similar to, or identical to any of a group of adjusted substitute properties; thus, the indicated value for the subject is based on a range of adjusted values for the “substitute” or “comparable” transactions.

Income Approach
Generally, the income approach converts income expectations into market value. The assumptions for the investment model can either be implicit in the model (direct capitalization, which converts a single year’s expected income into value using a ratio from the market), or explicit (yield capitalization, or DCF, which converts each year’s net income over a specified holding period).

Cost Approach
The cost approach identifies market supported improvements costs, subtracts a market supported amount assignable to accrued depreciation, adds land value, and derives a value based on the cost to reproduce the improvements. This “cost approach” presumes that a typical buyer would not pay more for an existing improved property (or a finished lot) than it would cost to reproduce the same improvements on a highly similar (substitute) site.

Value Methodology Used for the Subject Property
The Sales Comparison Approach is applicable when a sufficient number of recent, reliable transactions create a perceptible value pattern in the market. For properties that are bought and sold regularly, the Sales Comparison Approach provides a good indication of market value, as it generally reflects the motivations of buyers and sellers. Since the Subject is unimproved, raw land, the Sales Comparison Approach was used to estimate the value of the land in the before condition.

The Income Capitalization Approach and the Cost Approach were not utilized, as they do not reflect the primary motivations of market participants for this property type.

Sales Comparison Approach - Value of the Land - As Vacant
The process of developing comparable sales included searching public record and published data sources for the most relevant sales of similar, competing properties in the Subject’s market area.

The Subject includes a residential property zoned Hillside. The following analysis includes sales of similar vacant, low-density, single-family lots in the surrounding community. The sales were chosen based on their similarities to the Subject with respect to site size, zoning, location and time of sale. The most appropriate unit of comparison is the price per lot. Since there were very few recent vacant lot sales within the immediate Subject environs, sales were researched throughout Morgan Hill.

The following table summarizes the sales utilized in this assignment to appraise the Subject, as vacant.
## Comparable Land Sales

| #  | Address                     | Size - acres | Shape | Access | Topography | Zoning | General Plan | Easements | Flood Zone | Grantor | Grantee | Doc. # | Rec. date  | Price   |
|----|-----------------------------|--------------|-------|--------|------------|--------|--------------|-----------|------------|---------|---------|--------|-----------|---------|---------|
| L-1| 17108 Shady Lane Drive      | 0.72         | Atypical | Typical | Hillside   | HS     | Res Detached Low | Typical   | Zone D     | Clet Trust       | Tran                | 8/11/2021 | $475,000 |
|    | Morgan Hill                 | 31,456       |   |   |  |   |   |   |   |        |                |                    | 26052239 |
| L-2| 17381 Holiday Drive         | 0.52         | Typical | Typical | Hillside   | HS     | Res Detached Low | Typical   | Zone D     | Hosseini       | Jaso                | 6/15/2021 | $300,000 |
|    | Morgan Hill                 | 22,463       |   |   |  |   |   |   |   |        |                |                    | 25011409 |
| L-3| 15860 Jackson Oaks Dr       | 0.33         | Typical | Typical | Hillside   | RDL/RPD | Res Detached Low | Typical   | Shaded Zone X | Shapourzadeh | Ebrahimi        | 6/10/2021 | $526,000 |
|    | Morgan Hill                 | 14,523       |   |   |  |   |   |   |   |        |                |                    | 24992394 |
| L-4| 16050 Jackson Oaks Dr       | 0.34         | Typical | Typical | Hillside   | RDL/RPD | Res Detached Low | Typical   | Shaded Zone X | Gephart Trust | Machuca          | 4/2/2018  | $350,000 |
|    | Morgan Hill                 | 15,002       |   |   |  |   |   |   |   |        |                |                    | 23900126 |
| L-5| 17211 Holiday Drive         | 0.54         | Atypical | Typical | Hillside   | HS     | Res Detached Low | Typical   | Zone D     | Edwards        | Perex             | 5/10/2017 | $340,000 |
|    | Morgan Hill                 | 23,435       |   |   |  |   |   |   |   |        |                |                    | 23900126 |
| A  | 17700 Manzanita Drive       | 0.52         | Atypical | Typical | Hillside   | HS     | Res Detached Low | Typical   | Zone D     | TBD               | TBD                | Active Listing  | $449,000 |
|    | Morgan Hill                 | 22,446.468   |   |   |  |   |   |   |   |        |                |                    |  |         |

### Sale Map

[Map of Comparable Land Sales]
Land Sale 1 includes the sale of a vacant 0.72-acre (Hillside) residential site located at 17108 Shady Lane Drive, just south of the Subject. The property sold in August 2021 for $475,000, which is equivalent to $15 per square foot of land. The property included numerous mature trees and had all public utilities available to the site. The lot is lakefront with approximately 300’ of Anderson Lake shoreline. As compared to the Subject, the sale is inferior for time of sale. It is superior for site size and availability of utilities. It is similar for topography, access and zoning. Overall, this sale is considered superior to the Subject.

Land Sale 2 is the sale of a vacant 0.52-acre (Hillside) residential site located at 17381 Holiday Drive in Holiday Lake Estates, just south of the Subject. The property sold in June 2021 for $300,000, which is equivalent to $13 per square foot of land. The property is generally rectangular in shape, is a hillside lot with City water available, although a private septic system would be required. The property has hillside views, but no lake view. As compared to the Subject, the sale is inferior for time of sale and location. It is superior for site size, but similar for zoning and topography. Overall, it is considered inferior to the Subject, primarily for time of sale and lack of lake frontage.

Land Sale 3 is the sale of a 0.33-acre vacant (RPD) residential site located at 15860 Jackson Oaks Drive in Morgan Hill, just south of the Subject. The property sold in June 2021 for $526,000, which is equivalent to $36 per square foot of land. This property also sold three years prior in June 2018 for $455,000. The appreciation indicated between these two sales is roughly 0.5% per month over the three-year period. This site has views of Anderson Lake and the opposing mountains. It is a hillside lot, but not very steep. All utilities are available to the site. As compared to the Subject, this site is superior for its location, access, topography and availability of utilities. It’s inferior for time of sale and lack of lake frontage. Zoning and size are similar. Overall, this property is slightly superior to the Subject.

Land Sale 4 is the sale of a 0.34-acre single-family residential lot located at 16050 Jackson Oaks Drive, within Jackson Oaks Estates, the neighborhood just south of the Subject’s. The property sold in April 2018 for $350,000, which is equivalent to $23 per square foot of land. The property is a hillside lot with hillside views, but is not very steep. All utilities are available to the site. As compared to the Subject, this sale is inferior for time of sale, but superior for location and topography. Its views are considered inferior, whereas the site size is generally similar. Overall, this sale is similar to the Subject.

Land Sale 5 is the sale of a vacant 0.54-acre (hillside) residential site located at 17211 Holiday Drive, just south of the Subject property. It sold in May 2017 for $340,000, which is equivalent to $15 per square foot of land. The property includes a hillside lot, with gently sloping topography. All public utilities are available to the site, including sewer services through the City of Morgan Hill. As compared to the Subject, the sale is inferior for time of sale. Its location is close to the Subject, but it is inferior due to not being adjacent to Anderson Lake. The site size is slightly superior, but views are inferior. Overall, it is considered slightly inferior to the Subject.

Active Listing A includes a 0.51-acre hillside lot located at 17700 Manzanita Drive just northwest of the Subject. This lakefront lot was listed in March 2021 at an initial asking price of $500,000, which was subsequently lowered to $479,999. The listing was canceled, and the property was relisted with a different agent in September 2021 for $449,000 ($20/sf). According to Tiffany Stickle, the listing agent for the property, the property is not too steep, and is walkable, but still a hillside lot. The perc test on this site revealed a septic system would be limited to development with a 2-bedroom house, which is why the first offer the received fell out of escrow. She reported that interest has been “here and there”, with the dry lakebed impacting marketability, since buyers have to imagine what the views will be like once the lake is refilled. Her Sellers do not anticipate doing a price reduction anytime soon. Overall, the property has been listed for 11 months.
Summary of Sales Comparison Approach
Adjustments for the Elements of Comparison are made qualitatively, not quantitatively. It should also be noted that not all Elements of Comparison are weighted equally.

Prior to 2021, there were very few residential lot sales in the immediate Subject neighborhood. However, in the past 8 months, there have been three sales, one of which was lakefront, in addition to a couple of lot sales in the Jackson Oaks neighborhood, just south of Holiday Lake Estates. All of the sales occurred between May 2017 and August 2021, which was a time period of increasing residential values in the Subject’s market area. The Market Conditions during this period of time were generally increasing at a rate of 0.5% per month, which is supported by Sale 3, which sold twice in the past three years. As such, each of the sales is adjusted upwards to reflect the respective increase in values over the time period. The adjusted sale prices for the comparable sales range from $312,000 to $547,040 per lot.

Despite the potential impacts COVID-19 pandemic may have on the overall economy and real estate market, the residential market is expected to remain strong due to housing demand in the market area.

Sales 1 and 3 (time-adjusted sale prices of $489,250 and $547,040, respectively) are both considered superior for various reasons. The Subject’s value is expected to be below Sales 1 and 3.

On the other hand, Sale 2 (time-adjusted sale price of $312,000) is inferior and would indicate a higher price for the Subject property.

While Active Listing A is not a closed sale and not relied upon for the valuation analysis, it was included here as a representation of the market demand and expectations in the immediate neighborhood.

One last consideration in the valuation of the Subject site is the previously discussed Inundation Easement. The easement encumbers approximately 5,300 square feet of the site near the northeasterly portion, nearest the lakebed. Ultimately, this portion of the lot is technically buildable, but would be a risk to the developer, given the underlying rights of flooding. While it does encumber roughly 44% of the net site area, it does not preclude development of a home on the remainder of the site.

It should be remembered that this valuation of the Subject in the Before Condition is completed under the Hypothetical Condition that the Project does not exist and that there is no negative impact on values due to the Project. In other words, the Fair Market Value of the Subject is predicated on the highest price, without negative Project influence.

The ranking analysis below includes the sales arrayed from highest to lowest based on the total sale price with the Subject in its respective place.

<table>
<thead>
<tr>
<th>Sale No.</th>
<th>Overall Comparison</th>
<th>Time-adjusted Sale Price</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Superior</td>
<td>$547,040</td>
<td>0.33-acre lot - Superior location, topography, utilities and access</td>
</tr>
<tr>
<td>1</td>
<td>Superior</td>
<td>$489,250</td>
<td>0.72-acre lot – Superior size and utilities</td>
</tr>
<tr>
<td>Subject</td>
<td></td>
<td>$450,000</td>
<td>0.28-acre (net) lot – Anderson Lake frontage</td>
</tr>
<tr>
<td>5</td>
<td>Slt Inf</td>
<td>$436,900</td>
<td>0.54-acre lot – Inferior location and views. Superior size</td>
</tr>
<tr>
<td>4</td>
<td>Similar</td>
<td>$430,500</td>
<td>0.34-acre lot – Inferior views, similar size, superior location</td>
</tr>
<tr>
<td>2</td>
<td>Inferior</td>
<td>$312,000</td>
<td>0.52-acre lot – Superior size, inferior location and views</td>
</tr>
</tbody>
</table>
Indicated Value of the Whole (land only) using the Sales Comparison Approach
Taking into consideration the Subject’s location and accessibility, size and availability of utilities, topography, zoning and site size, a value of $450,000 is estimated for the Subject land (as vacant) in the before condition. This figure is equivalent to $37 per square foot, based on the net size of 0.28 acre.

Value Conclusion
$450,000

Exposure Time
The estimated exposure time for the Subject is 1 to 3 months.
ADDENDA

ADDENDUM A – QUALIFICATIONS of APPRAISER
Michelle Patton MAI, SR/WA, R/W-AC
President, Chapman & Patton

Experience:
2014 - Present
Senior Appraiser: Chapman & Patton
Oakdale, California. (formerly Dean Chapman & Associates)

2008-2013
Senior Appraiser: Craig Owyang Real Estate, Inc.
Elk Grove, California.

2003-2008
Staff Appraiser: Robert Ford & Associates, Inc.
Modesto, California.

Memberships:
The Appraisal Institute
International Right-of-Way Association
National Association of Realtors®
American Society of Farm Managers and Rural Appraisers (ASFMRA)

Appraisal Designations:
MAI (Designated Member of Appraisal Institute)

Right-of-Way Designation:
SR/WA (Senior Right-of-Way Agent – IRWA)
R/W-AC (Right-of-Way Appraisal Certification – IRWA)

State Certification:
Certified General Real Estate Appraiser
State of California (AG030012)

Other Licensure:
Real Estate Broker - Bureau of Real Estate
State of California (BRE 01767847)

Appraiser Profile
Michelle Patton, MAI, SR/WA, R/W-AC was born and raised in California, originally from Danville but now resides near Oakdale.

Mrs. Patton began her appraisal career in 2003 with Robert Ford and Associates, a commercial appraisal firm in Modesto, California. In 2009, the firm was purchased by Craig Owyang Real Estate where Mrs. Patton was a senior appraiser for over four years. She officially joined Dean Chapman & Associates as a staff appraiser in 2014. She earned the MAI designation from the Appraisal Institute in 2012 and the SR/WA and R/W-AC (Right-of-Way Appraisal Certification) from the International Right of Way Association in 2017 and 2013, respectively. She served as President on the Northern California Chapter of the Appraisal Institute’s board of directors in 2018. In 2019, she co-authored an article entitled “Transitional Use TCE”, which appeared in Right of Way magazine published by the International Right of Way Association.

Ms. Patton has five children: two daughters and three sons. Her free time is spent hiking, running, wood-working and cheering for her kids on soccer fields all over California.
Examples of Appraisal Assignments by Michelle Patton

Gas Transmission Line Projects
Variety of property types in Placer County, Sutter County, Yolo County, San Jose, Redwood City, Woodside, Lodi, Thornton, Graton, Tracy, Sacramento, Patterson

High Speed Rail Project
Industrial Property: Fresno
Commercial Properties: Fresno
Agricultural Properties: Corcoran, Fresno, Selma

Overhead Transmission Line Projects:
Solar Facility: Santa Nella
Orchards: Linden, Buttonwillow, Bakersfield, Coalinga

Highest and Best Use Consulting
Utility Corridor: Mountain View

Damage from Fire
Residential Land: Santa Cruz

Contaminated Sites
Union City

Misc. Consulting
Highest and Best Use – excess land
Gas Transmission Lines – stigma
Airport District: Rent Study
Parkland Proximity: Effect on Market Value
Property Line Dispute: San Leandro

Railroad Corridor Acquisition
Ione School District: Ione
Road Widening along BNSF: Riverbank
Turn Signal/Road Widening: Riverbank

Underground Utility Easements
Rural Residential/Ag: Bakersfield
Rangeland: Coalinga
Transitional Land: Manteca
Shopping Mall: San Jose
Subsurface Easements: S. San Francisco

Road Widening/Improvement Projects
Balfour Road/Hwy 4: Brentwood
Claribel Road Widening: Riverbank
Bridge Replacement: San Jose
Bridge Replacement: Brentwood
SR-84 Widening: Livermore
SR-101: Carpinteria
BART Station Project: Milpitas
Petaluma
Davis Road: Salinas
Hartnell Road: Salinas
Bridge Replacement: West Point

Possible Encroachment Issues
Fence Line Dispute: Redwood City
Tree Root Encroachment: Pacific Grove
Parking Encroachment: Lafayette

Round About Projects
Bardin Road: Salinas
Danville Boulevard: Alamo
David Avenue: Salinas

Landslides
Pacifica

Title Disputes
Driveway Easement: Mill Valley
Sewer Line Easement: Walnut Creek
Pedestrian Access: Lafayette
Locations of properties appraised by Chapman & Patton
ADDENDUM B – PRELIMINARY REPORT
EXHIBIT A

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

Portion of Lot 170, as shown upon that certain map entitled, "Tract No. 3453 Holiday Lake Estates Unit No. 1", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California, in November 14, 1963 in Book 169 of Maps, at Pages 29, 30, 31, 32 and 33, and more particularly described as follows:

Beginning at a point in the Southwesterly line of Lot 170, as said lot is shown upon the Map above referred to, distant thereon South 58° 26' East 59.00 feet from the westernmost corner thereof; thence from said point of beginning South 58° 26' East along said Southwesterly line of Lot 170 for a distance of 0.10 feet to an angle corner therein; thence continuing along said last mentioned line South 29° 50' East 49.98 feet to the southermost corner of said Lot 170; thence North 51° 52' 06" East along the southeasterly line of Lot 170 for a distance of 249.95 feet to the easternmost corner thereof; thence North 55° 23' West along the northeasterly line of said Lot 170 for a distance of 60.27 feet; thence leaving said last mentioned line southwesterly in a direct line to the point of beginning.

APN: 729-37-017
PRELIMINARY REPORT

SANTA CLARA VALLEY WATER DISTRICT
, CA

THIRD UPDATED REPORT

Our Order Number: 0616019450-IM
Customer Reference: FRAZER

When Replying Please Contact:
Ida Maciel
imaciel@ortc.com
(+48) 557-8400

Property Address:
An unimproved parcel known as 17508 Hoot Owl Way, Morgan Hill, CA 95037
[Unincorporated area of Santa Clara County]

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 November 3, 2021, at 7:30 AM

OLD REPUBLIC TITLE COMPANY
For Exceptions Shown or Referred to, See Attached
Page 1 of 9 Pages
The form of policy of title insurance contemplated by this report is:

CLTA Standard Coverage Policy - 1990. 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 covered by this Report is:

Fee

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

Robert Tomio Weir and Nicole Marie Weir, a married couple, as community property with right of survivorship, as to an undivided 1/5 interest;

John B. Schlafly, a married man, as his sole and separate, as to an undivided 1/5 interest;

Rebecca Grace Watkins an unmarried woman and Hao Tan Le an unmarried man as Joint Tenants, as to an undivided 3/5 interest.

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

Portion of Lot 170, as shown upon that certain map entitled, "Tract No. 3453 Holiday Lake Estates Unit No. 1", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California, in November 14, 1963 in Book 159 of Maps, at Pages 29, 30, 31, 32 and 33, and more particularly described as follows:

Beginning at a point in the Southwesterly line of Lot 170, as said lot is shown upon the Map above referred to, distant thereon South 58º 26' East 59.00 feet from the westernmost corner thereof; thence from said point of beginning South 58º 26' East along said Southwesterly line of Lot 170 for a distance of 0.10 feet to an angle corner therein; thence continuing along said last mentioned line South 29º 50' East 49.98 feet to the southernmost corner of said Lot 170; thence North 51º 52' 06" East along the southeasterly line of Lot 170 for a distance of 249.95 feet to the easternmost corner thereof; thence North 55º 23' West along the northeasterly line of said Lot 170 for a distance of 60.27 feet; thence leaving said last mentioned line southwesterly in a direct line to the point of beginning.

APN: 729-37-017
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 2021 - 2022, as follows:
   - Assessor’s Parcel No. : 729-37-017
   - Code No. : 087-001
   - 1st Installment : $157.04 NOT Marked Paid
   - 2nd Installment : $157.04 NOT Marked Paid
   - Land Value : $20,000.00

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

3. Any special tax which is now a lien and that may be levied within the Library JPA CFD 2013-Mello Roos, a notice(s) for which having been recorded.

   NOTE: Among other things, there are provisions in said Notice for a special tax to be levied annually, the amounts of which are to be added to and collected with the property taxes.

   NOTE: The current annual amount levied against this land is $3.00.

4. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following:
   - Granted To : Coast Counties Gas and Electric Company
   - For : Electric Transmission Lines
   - Dated : October 29, 1953
   - Recorded : November 19, 1953 in Book 2760 of Official Records, Page 257 under Recorder’s Serial Number 929639
   - Affects : The exact location and extent of said Easement is not disclosed of Record


   Affects Parcel Two
6. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as shown on the filed map.

For Affects
: Right of Way : Southwesterly portion of the land

For Affects
: Storm Drainage Easement : Southeasterly 10 feet and Southwesterly 10 feet of the land

For Affects
: Anchor Easement : A northwesterly portion of the land

7. Any rights, easements, interests or claims that may exist or arise by reason of, or reflected by, recitals shown or noted in the filed map(s) referenced in the legal description herein.

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.

Entitled
: Declaration of Restrictions, Covenants, Easements and Charges Affecting Real Property

Executed by
: Holiday Lake Estates, Inc., a California corporation

Dated
: November 13, 1963

Recorded

Modification thereof, but omitting any covenants or restrictions 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.

Executed By
: Modification and Amendment of Restriction, Covenants, Easements, and Charges Affecting Real Property Known as Tract No. 3453

Dated
: October 10, 1963

Recorded

Said Covenants, Conditions and Restrictions provide that a violation thereof shall not defeat or render invalid the lien of any Mortgage or Deed of Trust made in good faith and for value.
9. Liens and charges for upkeep and maintenance as provided in the above mentioned Covenants, Conditions and Restrictions, if any, where no notice thereof appears on record.

For information regarding the current status of said liens and/or assessments
Contact: Holiday Lake Estates Maintenance Association

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

Instrument: Corporation Joint Tenancy Grant Deed
Granted To: Carl Alfred Young and Dawn H. Young, his wife, as joint tenants
For: Ingress and Egress and for the installation and maintenance of Public Utilities
Dated: October 12, 1967
Recorded: October 13, 1967 in Book 7890 of Official Records, Page 547 under Recorder’s Serial Number 3301839
Affects: A portion of said land

11. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof,

Amount: $800,000.00
Trustor/Borrower: Robert Tomio Weir and Nicole Marie Weir, a married couple, as community property with right of survivorship
Trustee: Navy Federal Credit Union
Beneficiary/Lender: Navy Federal Credit Union
Dated: June 30, 2020
Recorded: July 1, 2020 in Official Records under Recorder’s Serial Number 24524617
Loan No.: 8041519409

Affects this and other property.
12. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof,

Amount: $674,500.00
Trustor/Borrower: Rebecca Grace Watkins, unmarried woman and Hao Tan Le, an unmarried man, as joint tenants
Trustee: John D. Duncan, ESQ, Pite Duncan, LLP
Beneficiary/Lender: Mortgage Electronic Registration Systems, Inc., solely as nominee for United Wholesale Mortgage, LLC
Dated: January 30, 2021
Recorded: February 3, 2021 in Official Records under Recorder's Serial Number 24813319
Loan No.: 1220930283
"MIN": 100932412209302832

Affects this and other property.

13. 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.

14. The requirement that satisfactory evidence be furnished to this Company of compliance with applicable statutes, ordinances and charters governing the ownership and disposition of the herein described land.

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

Instrument
Entitled : Grant Deed
By/From : Anthony S. Ageno and Terese L. Ageno, husband and wife as joint tenants
To : Robert Tomio Weir and Nicole Marie Weir, a married couple, as community property with right of survivorship
Dated : June 25, 2020
Recorded : July 1, 2020 in Official Records under Recorder's Serial Number 24524616

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

Instrument
Entitled : Grant Deed
By/From : Bank One, NA
To : David R. Frazer, a married man, as his sole and separate property
Dated : April 17, 2003
Recorded : April 25, 2003 in Official Records under Recorder's Serial Number 16990346

Grant Deed executed by James D. Sweet, a married man, as his sole and separate property to David R. Frazer, a married man, as his sole and separate property recorded July 12, 2004 in Official Records under Recorder's Serial Number 17891541.

Interspousal Transfer Grant Deed executed by Kelli K. Frazer to David R. Frazer, a married man, as his sole and separate property recorded July 12, 2004 in Official Records under Recorder's Serial Number 17891542.

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

Instrument
Entitled : Grant Deed
By/From : Leonard J. Zanoni and Sandra Zanoni
To : John B. Schlaefer and Kimberly Schlaefer, husband and wife, as joint tenants
Dated : September 23, 1999
Recorded : September 30, 1999 in Official Records under Recorder's Serial Number 15002524
OLD REPUBLIC TITLE COMPANY
ORDER NO. 0616019450-JM
THIRD UPDATED REPORT

Quitclaim Deed executed by Kimberly Schlaefer, wife of grantee to John B. Schlaefer, a married man, as his sole and separate property recorded December 13, 2013 in Official Records under Recorder’s Serial Number 22471605.

Grant Deed executed by David R. Fraser, a married man, as his sole and separate property to David R. Fraser and Kelli K. Fraser, husband and wife as community property with right of survivorship recorded February 3, 2021 in Official Records under Recorder’s Serial Number 24613317.

Grant Deed executed by David R. Fraser and Kelli K. Fraser, husband and wife as community property with right of survivorship to Rebecca Grace Watkins, an unmarried woman and Hao Tan Le, an unmarried man, as joint tenants recorded February 3, 2021 in Official Records under Recorder’s Serial Number 24813318.

Affects this and other property.

E. NOTICE: FinCEN COMPLIANCE

Closing the residential purchase and/or issuing title insurance contemplated by this Preliminary Report may be subject to compliance with the recently issued Confidential Geographic Targeting Order (GTO) from the US Treasury’s Financial Crimes Enforcement Network (FinCEN). The GTO requires Old Republic National Title Insurance Company to report information about certain transactions involving residential property.

FinCEN has the authority to compel this reporting under the USA PATRIOT Act. FinCEN prohibits Old Republic from disclosing the specific terms of the GTO. You may wish to contact the FinCEN Resource Center directly at (800) 767-2825 for more information.

The failure and/or refusal of a party to provide information for a "covered transaction" will preclude Old Republic from closing the transaction and/or issuing title insurance.

O.N.

F. March 8, 2021 The above 2nd Updated Preliminary Report, has been modified for the following:

- Taxes
- Plant Date
- added new 2 deeds and Deed of trust
G. 

November 9, 2021 The above 3rd Updated Preliminary Report, has been modified for the following:

- [x] Taxes
- [x] Plant Date
EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting, or relating to:
   (i) the occupancy, use, or enjoyment of the land;
   (ii) the character, dimensions, or location of any improvement now or hereafter erected on the land;
   (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or
   (iv) environmental protection, or the effect of any violation of these laws, ordinances, or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims, or other matters:
   (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy;
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing-business laws of the state in which the land is situated.

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.

6. Any claim, which arises out of the transaction creating the interest insured by this policy or the transaction creating the interest of the insured lender; by reason of the operation of federal bankruptcy, state insolvency or similar creditors’ rights laws.

EXCEPTIONS FROM COVERAGE

SCHEDULE B - PART I

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

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or titles 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

**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?**
The types of personal information we collect and share depend on the product or service you have with us. This information can include:
- Social Security number and employment information
- Mortgage rates and payments and account balances
- Checking account information and wire transfer instructions

When you are no longer our customer, we continue to share your information as described in this notice.

**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.

<table>
<thead>
<tr>
<th>Reasons we can share your personal information</th>
<th>Does Old Republic Title share?</th>
<th>Can you limit this sharing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>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</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our marketing purposes — to offer our products and services to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For joint marketing with other financial companies</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For our affiliates’ everyday business purposes — information about your transactions and experiences</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our affiliates’ everyday business purposes — information about your creditworthiness</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For our affiliates to market to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For non-affiliates to market to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
</tbody>
</table>

Go to [www.oldrepublictitle.com](http://www.oldrepublictitle.com) (Contact Us)
<table>
<thead>
<tr>
<th>Who we are</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Who is providing this notice?</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What we do</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How does Old Republic Title protect my personal information?</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How does Old Republic Title collect my personal information?</th>
<th>We collect your personal information, for example, when you:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Give us your contact information or show your driver’s license</td>
</tr>
<tr>
<td></td>
<td>• Show your government-issued ID or provide your mortgage information</td>
</tr>
<tr>
<td></td>
<td>• Make a wire transfer</td>
</tr>
<tr>
<td></td>
<td>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Why can’t I limit all sharing?</th>
<th>Federal law gives you the right to limit only:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Sharing for affiliates’ everyday business purposes - information about your creditworthiness</td>
</tr>
<tr>
<td></td>
<td>• Affiliates from using your information to market to you</td>
</tr>
<tr>
<td></td>
<td>• Sharing for non-affiliates to market to you</td>
</tr>
<tr>
<td></td>
<td>State laws and individual companies may give you additional rights to limit sharing. See the State Privacy Rights section located at <a href="https://www.oldrepublictitle.com/privacy-policy">https://www.oldrepublictitle.com/privacy-policy</a> for your rights under state law.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Affiliates</strong></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non-affiliates</th>
<th>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Old Republic Title does not share with non-affiliates so they can market to you</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Joint marketing</th>
<th>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Old Republic Title doesn’t jointly market...</td>
</tr>
</tbody>
</table>
### Affiliates Who May be Delivering This Notice

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Company Name</th>
<th>Company Name</th>
<th>Company Name</th>
<th>Company Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>American First Title &amp; Trust Company</td>
<td>American Guaranty Title Insurance Company</td>
<td>Attorneys' Title Fund Services, LLC</td>
<td>Compass Abstract, Inc.</td>
<td>eRecording Partners Network, LLC</td>
</tr>
<tr>
<td>Lenders Inspection Company</td>
<td>Lex Terrae National Title Services, Inc.</td>
<td>Lex Terrae, Ltd.</td>
<td>Mississippi Valley Title Services Company</td>
<td>National Title Agent's Services Company</td>
</tr>
<tr>
<td>Old Republic National Commercial Title Services, Inc.</td>
<td>Old Republic Title and Escrow of Hawaii, Ltd.</td>
<td>Old Republic National Title Insurance Company</td>
<td>Old Republic Title Company</td>
<td>Old Republic Title Companies, Inc.</td>
</tr>
<tr>
<td>Old Republic Title Company of Conroe</td>
<td>Old Republic Title Company of Indiana</td>
<td>Old Republic Title Company of Nevada</td>
<td>Old Republic Title Company of Oklahoma</td>
<td>Old Republic Title Company of Oregon</td>
</tr>
<tr>
<td>Old Republic Title Company of St. Louis</td>
<td>Old Republic Title Company of Tennessee</td>
<td>Old Republic Title Information Concepts</td>
<td>Old Republic Title Insurance Agency, Inc.</td>
<td>Old Republic Title, Ltd.</td>
</tr>
<tr>
<td>RamQuest Software, Inc.</td>
<td>Republic Abstract &amp; Settlement, LLC</td>
<td>Sentry Abstract Company</td>
<td>Surety Title Agency, Inc.</td>
<td>The Title Company of North Carolina</td>
</tr>
<tr>
<td>Trident Land Transfer Company, LLC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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.

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples</th>
<th>Collected</th>
<th>Sources</th>
<th>Business Purpose for Collection</th>
<th>Categories of Third Parties with Whom Information is Shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifiers</td>
<td>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</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>Underwriting or providing other products or services, responding to policyholder/consu mer claims, inquiries or complaints, detecting security incidents, protecting against malicious, Service providers associated with the transaction for a business purpose</td>
<td></td>
</tr>
<tr>
<td>Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.20(e))</td>
<td>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.</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>Underwriting or providing other products or services, responding to policyholder/consomer claims, inquiries or complaints, detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Characteristics of protected classifications under California or federal law</td>
<td>Age (40 years or older), race, color, ancestry, national origin, citizenship, religion or creed, marital status, medical condition, physical or mental disability, sex (including gender, gender identity, gender expression, pregnancy or childbirth and related</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>Underwriting or providing other products or services, responding to policyholder/consomer claims, inquiries or complaints. Other audit or operational purposes.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Internet or other electronic network activity</td>
<td>Browsing history, search history, information about a consumer's interaction with a website, application, or advertisement.</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>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.</td>
<td>Not Disclosed</td>
</tr>
<tr>
<td>Geolocation data</td>
<td>Geographic tracking data, physical location and movements</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>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.</td>
<td>Not Disclosed</td>
</tr>
</tbody>
</table>
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.

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples</th>
<th>Business Purpose for Disclosure</th>
<th>Categories of Third Parties with Whom Information is Shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifiers</td>
<td>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</td>
<td>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.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e))</td>
<td>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.</td>
<td>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.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Characteristics of protected classifications under California or federal law</td>
<td>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).</td>
<td>Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints. Other audit or operational purposes.</td>
<td>Service providers associated with the transaction for a business purpose.</td>
</tr>
<tr>
<td>Internet or other electronic network activity</td>
<td>Browsing history, search history, information about a consumer’s interaction with a website, application, or advertisement.</td>
<td>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.</td>
<td>Not Disclosed</td>
</tr>
<tr>
<td>Geolocation data</td>
<td>Geographic tracking data, physical location and movements</td>
<td>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.</td>
<td>Not Disclosed</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Right</th>
<th>What This Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice</td>
<td>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.</td>
</tr>
<tr>
<td>Access</td>
<td>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</td>
</tr>
<tr>
<td>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 7) If we sold personal information, the categories of personal information sold and the categories of third parties to whom it was sold.</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td></td>
</tr>
<tr>
<td><strong>Deletion</strong></td>
<td></td>
</tr>
<tr>
<td>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:</td>
<td></td>
</tr>
<tr>
<td>- 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.</td>
<td></td>
</tr>
<tr>
<td>- Detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity, or prosecute those responsible for such activities.</td>
<td></td>
</tr>
<tr>
<td>- Debug products to identify and repair errors that impair existing intended functionality.</td>
<td></td>
</tr>
<tr>
<td>- Exercise free speech, ensure the right of another consumer to exercise their free speech rights, or exercise another right provided for by law.</td>
<td></td>
</tr>
<tr>
<td>- Comply with the California Electronic Communications Privacy Act (Cal. Penal Code §1546 et seq.)</td>
<td></td>
</tr>
<tr>
<td>- 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.</td>
<td></td>
</tr>
<tr>
<td>- Enable solely internal uses that are reasonably aligned with consumer expectations based on your relationship with us.</td>
<td></td>
</tr>
<tr>
<td>- Comply with a legal obligation.</td>
<td></td>
</tr>
<tr>
<td>- Make other internal and lawful uses of that information that are compatible with the context in which you provided it.</td>
<td></td>
</tr>
<tr>
<td>- Or if it is the type of personal information that falls outside the scope of the CCPA, (HIPAA, CIMA, GLBA, or publicly available information)</td>
<td></td>
</tr>
<tr>
<td><strong>Opt-Out of Sale</strong></td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
<tr>
<td><strong>Opt-In to Sale</strong></td>
<td></td>
</tr>
<tr>
<td>We will not discriminate against you for exercising your rights under the CCPA. Unless otherwise permitted by the CCPA we will not:</td>
<td></td>
</tr>
<tr>
<td>- Deny you goods or service</td>
<td></td>
</tr>
<tr>
<td>- Charge you different prices or rates for goods or services, including through granting discounts or other benefits, or imposing penalties</td>
<td></td>
</tr>
<tr>
<td>- Provide a different level or quality of goods or services</td>
<td></td>
</tr>
<tr>
<td>- Suggest that you will receive a different price or rate for goods or services or a different level or quality of goods or services</td>
<td></td>
</tr>
</tbody>
</table>
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, Suite1500, San Francisco, CA 94111-3334.
ADDENDUM C - COMPARABLE SALES – SATELLITE IMAGES

Sale 1 – Satellite Image

Sale 2 – Satellite Image
ADDENDUM D – DOCUMENT NUMBER 2089101
DEED

SANTA CLARA VALLEY WATER CONSERVATION DISTRICT, a public corporation, the first party, for and in consideration of Ten ($10.00) Dollars, lawful money of the United States, hereby GRANTS to

ALVIN J. HOFFMAN

the second party,

ALL THAT real property situated in the County of Santa Clara, State of California, comprising approximately 1.78 acres, platted and described upon that certain Right of Way Plat numbered SURVEY NO. 5-15, consisting of three sheets, dated August 21, 1961, entitled "LANDS OF SANTA CLARA VALLEY WATER CONSERVATION DISTRICT", which said Right of Way Plat is hereunto attached, marked Exhibit "A", and made a part hereof.

RESERVING; NEVERTHELESS, unto the first party (hereafter called the District) the absolute and permanent right to flood and inundate the said lands with water, whether or not such water is local in origin, and without regard to origin, to a height of six hundred and forty (640) feet, USGS datum; it being by the parties declared, fully understood and AGREED AS FOLLOWS:

THAT the District operates its adjoining Leroy Anderson Reservoir to store and conserve water and said reservoir will be used for such purposes;

THAT the District will operate said reservoir and will raise and lower the level of water therein at its sole discretion;

THAT the District shall have no liability of any nature to the Grantee, or any person, firm or corporation, claiming under him, on account of the fact that the District may raise or lower the level of water in said reservoir, or by reason of the manner of such raising or lowering of water, or the timing thereof, or for the presence or absence of water in said reservoir, without regard to the source or origin of said water; and

THAT the fact, which the parties recognize, that a portion of the said lands is subject to lease to third parties and to sublease to other parties and that structures and improvements have been erected by such parties on said lands shall in no wise limit the force and generality of the reservations and agreements of this deed; and

THAT immediately upon the execution of this deed second party shall cause notice of it and of its terms to be served upon all persons claiming any right whatever in or to said lands, said notice to be served personally or by registered United States mail and second party shall, within sixty (60) days of the execution of this deed file satisfactory proof of such service with the District; and

THAT this deed shall be by second party recorded in the office of the County Recorder of the County of Santa Clara promptly following execution and delivery; that the District shall be at no expense therefor or at any other expense whatever in connection with this deed; and

/
THAT it is further understood and agreed that the foregoing agreements shall constitute conditions and inducements to the giving of this deed, and that in the event second party or any person, firm, or corporation, claiming under him, shall violate the agreements contained herein, such violation shall work a forfeiture of this grant and the property herein described shall revert to the District, provided that second party and/or his heirs, successors or assigns, shall have the opportunity to defend the District against any cause of action or claim asserted against the District by reason of its right to do or perform any of the acts for which the right is reserved by this deed and the agreements contained herein and shall, in the event any unfavorable judgment is rendered against the District on account of such causes of action or claims, within 10 days after demand, pay or fully satisfy the same so that the grantor is fully and finally discharged from any such financial obligation, and upon performance of these provisions by grantee no default in the conditions of this deed shall be declared and no reversion shall take place to the District, and further provided that in the event a forfeiture and reversion to the District takes place by the terms and conditions hereof, the grantee and any persons, firms or corporations, claiming under him, may have, and the District hereby grants to them, the right to remove any structure or improvements located on the described lands conveyed by this deed within ninety (90) days following said reversion, thereafter such structures and improvements shall become the property of the District.

IN WITNESS WHEREOF, said public corporation has caused its corporate name and seal to be affixed hereeto and this instrument to be executed by its duly authorized officers, this 27th day of October, 1961.

SANTA CLARA VALLEY WATER CONSERVATION DISTRICT, a public corporation.

By

Hermann C. L. Schwartz

President

By

Violet Kenner

Secretary

STATE OF CALIFORNIA,
County of SANTA CLARA

On this 27th day of October, in the year one thousand nine hundred and sixty-one, before me, ALBERT T. HENLEY, a Notary Public in and for the said County, personally appeared HERMANN J. CHERNER and VIOLET V. KENNER known to me to be the President and Secretary Pro Tem, respectively of the corporation described in and that executed the within instrument, and also known to me to be the persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same. IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the County of Santa Clara the day and year in this certificate first above written.

Notary Public in and for the County of Santa Clara

My Commission Expires 9/15/63

State of California.
ADDENDUM E – LEGAL DESCRIPTION and PLAT MAP
Santa Clara Valley Water District  
San Jose, California  

PROJECT: ANDERSON DAM SEISMIC RETROFIT (TUNNEL PROJECT)  
RESU File No.: 9186-43  
By: B.Bains  

All that certain real property situate in the unincorporated area of Morgan Hill, County of Santa Clara, State of California, described as follows:  

Being all of the lands described as “PARCEL THREE” in the Deed recorded as Document Number 24813318 of Official Records, in the Office of the Recorder, County of Santa Clara.  

Containing 12,742 square feet of land, more or less.  

BASIS OF BEARINGS:  
The bearing of N52° 26' 15"E, shown as N51° 52' 06"E along the southeasterly line of Lot 170 on the certain Tract Map filed on November 14, 1963 in Book 169 of Maps at Pages 29 through 33, in the Office of the Recorder, County of Santa Clara, State of California, was used as Basis of Bearings shown hereon.  

SURVEYOR'S STATEMENT:  
The description was prepared by me or under my direction in conformance with the requirements of the Land Surveyor's Act.  

[Signature]  
Jessica DeMartini, PLS 9095  
3/10/22  
Date  

LICENSED LAND SURVEYOR  
DEPARTMENT OF THE COMMISSIONER OF PUBLIC LANDS  
STATE OF CALIFORNIA  
JESSICA R. E. DeMartini  
L0995
APPRAISAL REPORT

OF

17508 Hoot Owl Way
Morgan Hill, CA 95037

PREPARED FOR

Hao Tan Le and Rebecca Grace Watkins
17510 Hoot Owl Way
Morgan Hill, Ca 95037

AS OF

05/07/2022

PREPARED BY

Metropolitan Appraisal Services/Patrick W. McElroy AG010778
1935 Giampaoli Drive, C
San Martin. Ca 95046
(408) 683-4923
metro1234@aol.com
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<tr>
<td>Santa Clara County Records Pg3</td>
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<td>Photo Subject Extra</td>
<td>19</td>
</tr>
<tr>
<td>Photo Subject Extra</td>
<td>20</td>
</tr>
<tr>
<td>Photo Subject Extra</td>
<td>21</td>
</tr>
<tr>
<td>Photo Subject Extra</td>
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<tr>
<td>Sales Location Map</td>
<td>23</td>
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<td>24</td>
</tr>
<tr>
<td>Photo Comparables 4-5-6</td>
<td>25</td>
</tr>
<tr>
<td>Comp 1 - 17620 Manzanita Drive, Morgan Hill, Ca 95037</td>
<td>26</td>
</tr>
<tr>
<td>Comp 2 - 17108 Shady Lane Drive Morgan hill, Ca 95037</td>
<td>27</td>
</tr>
<tr>
<td>Comp 3 - 17684 Raccoon Court, Morgan Hill, Ca 95037</td>
<td>28</td>
</tr>
<tr>
<td>Comp 4 - 17470 Hoot Owl Way, Morgan Hill, Ca 95037</td>
<td>29</td>
</tr>
<tr>
<td>Comp 5 - 17452 Hoot Owl Way, Morgan Hill, Ca 950372</td>
<td>30</td>
</tr>
<tr>
<td>Comp 6 - 17700 Manzanita Drive, Morgan Hill, Ca 95037</td>
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<tr>
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<td>32</td>
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<td>37</td>
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</table>
Hao Tan Le and Rebecca Grace Watkins  
17518 Hoot Owl Way  
Morgan Hill, Ca. 95037  

Subject: Land Appraisal of 17508 Hoot Owl Way, Morgan Hill, Ca. 95037  
APN# 729-37-017  

Dear Hao and Rebecca:  

In accordance with your request, I have appraised the subject property. I understand this appraisal is to determine the estimated market value for subject property that is being purchased by the Santa Clara Valley Water District for flood control purposes (Eminent Domain).  

The property rights appraised are fee simple title assuming no indebtedness against the property. The purpose of this appraisal is to estimate the market value of the subject property as of May 07, 2022, and determine value of a portion of land of an easement that is being purchased by the Santa Clara Valley Water District (See Attached SCVWD Eminent Domain Analysis). Market value as defined in this appraisal is defined elsewhere in this report.  

Your attention is invited to the attached pages indicating data collected and analyzed by this appraiser in formulating the opinion of value. Also attached is a resume of the Appraiser's Qualifications and Certification and Statement of Limiting Conditions. As a result of my investigation and analysis, some of which is described in this report, it is my opinion that as of May 07, 2022, the market estimate of partial interest of subject property is:  

FIVE HUNDRED SEVENTY FIVE THOUSAND DOLLARS  

Cordially,  

Patrick W. McElroy  
State Certified General Appraiser  
California AG010778
The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable property is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of subject. The sales comparison approach is the most common technique for valuing land, and is the preferred method when comparables are available. Most weight was given to Comps 1, 3, 4 & 5 with lots fronting on Anderson Reservoir, and was supported by Comp 2 & 6.

The location, zoning, land use, utilities, setting, topography, public improvement, and all surrounding data is taken into consideration. The report includes the specifics of the property in question, its location, its size, its zoning, and its condition.

The report concludes with a final reconciliation of the market value for estate purposes and eminent domain.

The undersigned, Patrick W. McElroy, has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable property is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of subject.

The sales comparison approach is the most common technique for valuing land, and is the preferred method when comparables are available. Most weight was given to Comps 1, 3, 4 & 5 with lots fronting on Anderson Reservoir, and was supported by Comp 2 & 6.
The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

### MARKET DATA ANALYSIS

<table>
<thead>
<tr>
<th>SUBJECT PROPERTY</th>
<th>COMPARABLE NO. 4</th>
<th>COMPARABLE NO. 5</th>
<th>COMPARABLE NO. 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>17508 Hoot Owl Way Morgan Hill, CA 95037</td>
<td>17470 Hoot Owl Way Morgan Hill, CA 95037</td>
<td>17452 Hoot Owl Way Morgan Hill, CA 95037</td>
</tr>
<tr>
<td>Proximity to Subject</td>
<td>0.07 miles SE</td>
<td>0.13 miles SE</td>
<td>0.22 miles NW</td>
</tr>
<tr>
<td>Sales Price</td>
<td>$975,000 MV</td>
<td>$1,070,000</td>
<td>$730,000</td>
</tr>
<tr>
<td>Price/Price Per SF</td>
<td>$45.13 MV $41.25</td>
<td>$54.97 $54.97</td>
<td>$40.24 $40.24</td>
</tr>
<tr>
<td>Data Source</td>
<td>Inspection</td>
<td>DESCRIPTION</td>
<td>DESCRIPTION</td>
</tr>
<tr>
<td>Date of Sale and Time Adjustment</td>
<td>10/30/2020 (+19%)</td>
<td>DESCRIPTION</td>
<td>DESCRIPTION</td>
</tr>
<tr>
<td>Location</td>
<td>Good/Lake Front</td>
<td>DESCRIPTION</td>
<td>DESCRIPTION</td>
</tr>
<tr>
<td>Site/View</td>
<td>12,742 sf</td>
<td>13,468 SF</td>
<td>9,016 SF</td>
</tr>
<tr>
<td>Flood Zone/Site Utility</td>
<td>No/Down Slope</td>
<td>No/Down Slope</td>
<td>No/Down Slope</td>
</tr>
<tr>
<td>Improvements</td>
<td>As if Vacant Land</td>
<td>House/2.535 SF</td>
<td>Cabin 810 SF</td>
</tr>
<tr>
<td>Zoning</td>
<td>HS/Unincorporated</td>
<td>HS/Unincorporated</td>
<td>HS/Unincorporated</td>
</tr>
<tr>
<td>Sales or Financing Concessions</td>
<td>N/A</td>
<td>Conventional</td>
<td>Conventional</td>
</tr>
<tr>
<td>Net Adj (Total)</td>
<td>Plus $X Minus $503,960</td>
<td>Plus $X Minus $28,560</td>
<td>Plus $X Minus $102,950</td>
</tr>
<tr>
<td>Indicated Value of Subject</td>
<td>Net=47%</td>
<td>Net=4%</td>
<td>Net=23%</td>
</tr>
<tr>
<td></td>
<td>Gross=85%</td>
<td>Gross=48%</td>
<td>Gross=66%</td>
</tr>
<tr>
<td></td>
<td>$566,040</td>
<td>$758,560</td>
<td>$551,950</td>
</tr>
</tbody>
</table>

Comments on Market Data: See Comment Addendum
Neighborhood

Subject is located in the Holiday Lake Estates Development of good quality homes, which is located in the East foothills in the unincorporated area of Santa Clara County around Anderson Reservoir. The neighborhood is made up of a mixture of older and newer homes, with an average age of 45 years old. The homes in the immediate neighborhood are well maintained. The neighborhood has its own schools and shopping facilities in Morgan Hill. Silicon Valley provides a broad and stable employment base. The community is served by a variety of recreational facilities.

Site

Subject is located in the unincorporated area of Santa Clara County in the Holiday Lakes Development around Anderson Reservoir, in the East foothills of Morgan Hill. Subject property is in the sphere of influence of the City of Morgan Hill. Subject property is part of a Di Minimus PUB where there is minimal effect on value. Streets are privately maintained by the Holiday Lake Estates Development Home Owner's Association thru monthly dues of $62 per month, except subject's street which is considered a driveway, privately maintained by homeowners on Hoot Owl Way. The subject property located at 17508 Hoot Owl Way, APN #729-37-017, has access from Hoot Owl Way, which crosses diagonally over the adjoining APNs 729-37-016 & 019. There is no existing driveway off Hoot Owl Way, and parking is one space at the top of subject's site. Hoot Owl Way is a private street that is approximately 40 feet wide near the subject, with a cul-de-sac that encumbers the southwesterly portion of subject's site. This shared driveway has been in place for decades, although no recorded easement was found for benefit of subject property. Subject's site has 12,742 gross square feet.

Hoot Owl Way is a private street that is approximately 40 feet wide near the subject, with a cul-de-sac Hoot Owl Way encumbers the southwesterly portion of subject's site, approximately 2,360 SF at the southwesterly edge of subject's site nearest the water edge. The street frontage is not improved with curbs, gutters, or sidewalks, which is typical for subject's neighborhood. Subject has electric, and it will have propane for gas. Water is provided by the City of Morgan Hill, and subject will have a septic system. There is a water drain pipe that runs along the western boundard. Subject is located on Anderson Reservoir, and it has a mountain and lake view. Subject's site has a down slope from Hoot Owl Way to the lake front. Subject is zone HS, hillside site. Subject is located on or near the Coyote Creek Fault, Silver Creek Fault, and the Calaveras Fault, and this typical for subject's area, and does not effect subject's marketability. Subject's site is adjacent to Anderson Lake, which is designated as FEMA flood zone A. There are no other apparent adverse influences and/or conditions. There are two projects currently underway regarding Anderson Dam; the Anderson Dam Tunnel Project and the Anderson Dam Retrofit Project. The projects have prompted the subject property acquisition by the Santa Clara Valley Water District for slope anchor system. The location of proposed slope anchors was prompted by Hoot Owl Way Slide and Boat Marina Slide; two land slides along the lake bed that requires securing. Previously, SCVWD was going to install slope anchors beginning on SCVWD property within the lake bed and extend into and beneath the subject property, terminating some 50-75 feet below. The project would require one slope anchor easement on subject's site to facilitate construction of the project. SCVWD decided it was better to purchase subject property fully than to purchase an anchor easement. The top of the slope anchors will be at an elevation not higher than 605 feet, 10 feet above the maximum top of the slope anchors. Anderson Dam was built in 1950, and currently requires significant upgrades for seismic retrofitting. The project will rebuild the dam in compliance with todays seismic and safety standards. The project will increase the dam's spillway and outlet capacity to allow a rapid, controlled draw down in emergencies and enhance incidental flood protection. SCVWD has a deed restriction area, recorded in 1961 that allows "SCVWD the absolute right to flood and inundate the said lands with water, whether or not such water is local in origin, and without regards to origin, to a height of 640 feet." Owners purchased a 60% interest in subject property when owners purchased the adjoining lot APN #729-37-016, and the remaining 40% is owned by two separate parties. According to public records Robert Tomio Weir and Nicole Marie Weir, a married couple, as community property with right of survivorship, as to 1/5 interest, John B. Schlaefer, a married man, as his sole and separate property, as to 1/5 interest, and Rebecca Grace Watkins, an unmarried woman and Hao Tan Le, an unmarried man as Joint Tenants, as to an undivided 3/5 interest. Owners purchased 17510 Hoot Owl Way February 3, 2021 for $710,000. Price included 60% interest in 17508 Hoot Owl Way, APN #729-37-017, this vacant lot.

Comments on Market Data

All comparable sales and listing are the most recent and are taken from subject's site of Morgan Hill market area, and are the most recent and best available. All comparable sales are typical arms length transactions. Comps 1, 2, 3, 4, & 5, all lake front properties in subject's development with improvements. Comps 1 & 2 are vacant sites that have lake frontage similar to subject property. Comps 3, 4, 5 & 6, land value by abstraction. Comps 2 & 6 have inferior steeper sites, inferior site utility.

Comp 1 is located in the subject's Holiday Estates Development. It is located at 17620 Manzanita Drive. It has a larger 18,710 SF site with a view of the surrounding hills and lake view.. It has a log cabin style house with 2br-1.1ba. It has 780 square feet. It has a HS hillside zoning. It has a lower level bonus room it sold for $600,000 or $45.54 adjusted land value per square foot. It sold with conventional financing. The HOA fee is $800 per year.

Comp 2 is located in the subject's Holiday Estates Development. It is located at 17108 Sandy Lane Drive. It has a 31,456 SF site of steep vacant land with a view of the surrounding hills and lake view. It has 300 feet on lake frontage. It has a HS hillside zoning. It sold for $475,000 or $39.06 adjusted land value per square foot. It sold with FHA financing. The HOA fee is $750 per year.

Comp 3 is located at 17684 Raccoon Court with lake frontage similar to subject. It has a 19,664 square feet of land. It has a small 456 SF cabin on it. Land value was by the Abstraction Approach. It has inferior site utility. It is zoned HS. It sold for $635,000. It has a good view of the lake and surrounding hills. Adjusted land value is $544,552 or $42.49 adjusted land value per square foot. It sold for cash. The Home Owner's Fee is $734 per year.

Comp 4 is located at 17470 Hoot Owl Way on a 13,438 SF site. It has a down slope from Hoot Owl Way to the lake front similar to subject. It has a HS zoning similar to subject. It has a 2-story 2,535 SF home, and land value was determined by Abstraction. It sold for $1,070,000 or $41.25 per adjusted square foot. It sold with conventional financing. The HOA fee is $612 per year.

Comp 5 is located at 17452 Hoot Owl Way on a smaller 9,016 SF lot. It is zoned HS, Hillside residential, same zoning as...
subject. It has down slope from Hoot Owl Way to the lake similar to subject. It has a 810 SF cabin on it, and land value was determined by abstraction. It sold for $730,000 or $54.97 per adjusted square foot. It sold with conventional financing. The HOA fee is $612 per year.

Comp 6 is a larger size vacant lot that is currently listed. It was taken from a subject's development, Holiday Lake Estates Development around Anderson Reservoir. It is located at 17700 Mazanita Drive. It has an similar view of the surrounding mountains. It has a HOA fee of $700/yr. It's an active listing. It's site has site approval and perc test revealed a septic system would limit development to a 2 bedroom house.

This comparable is not closed and it is not relied upon for valuation analysis, it was included as a representation of market demand and expectations in the immediate neighborhood.

An adjustment of $10.00 per square foot was used for differences in lot size.

No location adjustment required.

Improvements of comparables ranged from $100,000 to $700,000 for abstraction approach to land value.

Site utility ranged from $100,000 to $200,000 for Comps 2 & 6.

1% per month was used as time adjustment for this time period.

Comp 6 site has limited development size potential, 2br-1ba maximum size house, and it was adjusted -$100,000.

It was necessary to exceed a 1 mile radius for comparable sales and listings.

Due to the complexities of this appraisal, it was necessary to exceed a 10% line adjustment, 15% net adjustment, and a 25% gross adjustment on comparables.

The comparables used in this appraisal report are considered the best available indicators among closed, pending, and current listings considered in the final analysis. All comparables used were typical arms length sales/listings. Additional comparables were viewed and given secondary consideration in the overall analysis.

Subject's indicated a reasonable exposure time of 6 to 12 months.

Adjusted price per square foot ranged from $39.06 to $54.97 centering on $45.13 for subject property.

Subject's site was reconciliation of $575,000 or $45.13 per square foot.

Priority Services Statement

I have performed no appraisal services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Extent of the Appraisal Process

The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of subject property and neighborhood, and selection of comparable sales within the subject's market area. The original source of comparables is shown in the data source selection of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable was used. Data believed to be unreliable was not included in the appraisal report.

This appraisals not been unduly influenced in the development of this appraisal report as it relates to Dodd-Frank or AIR.

Appraiser's Independence

Said appraiser, Patrick W. McElroy, has competent to complete this appraisal report in accordance with the competency provision in the USPAP.

Said appraiser, Patrick W. McElroy, has acted in an independent capacity and that the appraisal assignment is not based on requested minimum valuation. A specific valuation or approval of a loan.

Said appraiser, Patrick W. McElroy, has no direct or indirect interest in the property or transaction and/or bias with respect to the parties involved.

The purpose of this appraisal is regarding the proposed acquisition of subject property by the Santa Clara Valley Water District's (SCVWD) Anderson Reservoir Dam Tunnel Project. The hypothetical condition is that the proposed Anderson Dam Tunnel Project does not exist yet. This is a Restricted Appraisal Report that may not be totally understood without reviewing additional information retained in this appraiser's file.
17508 Hoot Owl Way, Morgan Hill, CA 95037, Santa Clara County
APN: 729-37-617  CLIP: 834485701

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**OWNER INFORMATION**

- **Owner Name**: Fraser David R
- **Tax Billing Address**: 17790 Mauvamine Dr
- **Tax Billing City & State**: Morgan Hill, CA
- **Tax Billing Zip**: 95037
- **Tax Billing Zip**: 95037
- **Tax Billing Zip**: 95037
- **Owner Name**: Fraser Kelli K
- **Owner Occupied**: No
- **Owner Name 2**: 

**LOCATION INFORMATION**

- **School District**: Morgan Hill
- **Community College District**: General
- **Location Influence**: Lake
- **Census Tract**: 012308
- **Property Carrier Route**: RD08
- **Zoning**: HB
- **Market Area**: 1

**TAX INFORMATION**

- **APN**: 729-37-617
- **Tax Area**: 07001
- **Legal Description**: TRACT 3453 PART OF LOT 170

**ASSESSMENT & TAX**

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- **Tax Year**: 2021
- **Total Tax**: $321
- **Change ($)**: -$12
- **Change (%)**: -3.65%
- **Year**: 2020
- **Year**: 2021
- **Year**: 2022

**SPECIAL ASSESSMENT**

- **Socio Economic**: $1.02
- **Library Asmt ID 3013-1**: $2.00
- **Sewer Assessment**: $10.42
- **Sewer Assessment**: $12.60
- **Sewer Assessment**: $24.00
- **Sewer Assessment**: $35.40
- **Total Special Assessments**: $86.34

**PROPERTY DETAILS**

- **Land Use - CoreLogic**: Vacant Land (NRE)
- **Land Use - CoreLogic**: Vacant Urban
- **Lot Acres**: 0.3187
- **Lot Area**: 13,750
- **Year Built**: 1900
- **Effective Year Built**: 1900
- **Heat Type**: None
- **Cooling Type**: None
- **Parking Type**: None
- **Condition**: Average
- **Value As Of**: 06/07/2022
- **Value As Of**: 06/07/2022

**SOLD PRICE**

- **Value As Of**: 06/07/2022

The data within this report is compiled by CoreLogic from public and private sources. The data is deemed reliable, but is not guaranteed. The accuracy of the data provided herein can be independently verified by the recipient of this report with the applicable county or municipality.
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### FORECLOSURE HISTORY

- Document Type: Notice Of Trustee's Sale
- Document Date: 05/17/2002
- Document Number: 16270362
- Final Judgment Amount: $362,463
- Original Doc Date: 03/20/2000
- Original Document Number: 181885519
Legal Description

Le/Watkins, Weir & Schlaefer Property
17508 Hoot Owl Way, Morgan Hill, CA

FILE NO.

Case No. 05072022

937

Attachment 2
Pg. 11 of 39

265
**Flood Map Addendum**

**Borrower**

Property Address: 17508 Hoot Owl Way

City: Morgan Hill

County: Santa Clara

State: CA

Zip Code: 95037

**Lender/Client**

Hao Tan Le and Rebecca Grace Watkins

Address: 17510 Hoot Owl Way, Morgan Hill, CA 95037

---

**Flood Map Legends**

- **Flood Zones**
  - Areas inundated by 100-year flooding
  - Areas inundated by 500-year flooding
  - Areas of undetermined but possible flood hazards
  - Floodway areas with velocity hazard
  - Floodway areas
  - COBRA zone

**Flood Zone Determination**

In Special Flood Hazard Area (Flood Zone):

- **Within 250 ft. of multiple flood zones?**
  - Out
  - Not within 250 feet

Community:

- **Community Name:** SANTA CLARA COUNTY

Map Number:

- 06085C0461H

FIPS Code:

- 06085

Census Tract:

- 5123.08

This Report is for the sole benefit of the Customer that ordered and paid for the Report and is based on the property information provided by that Customer. That Customer's use of this Report is subject to the terms agreed to by that Customer when accessing this product. THE SELLER OF THIS REPORT MAKES NO REPRESENTATIONS OR WARRANTIES TO ANY PARTY CONCERNING THE CONTENT, ACCURACY, OR COMPLETENESS OF THIS REPORT INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. The seller of this Report shall not have any liability to any third party for any use or misuse of this Report.
Le/Watkins, Weir & Schlaefer Property
17508 Hoot Owl Way, Morgan Hill, CA

Easements Identified on Assessor Map

Aerial with Topographic Overlay – Yellow line is 640' Elevation Mark

CHAPMAN & PATTON
Page 12
Zoning and General Plan: County of Santa Clara

The Subject is under the jurisdiction of Santa Clara County Planning Department and has a zoning designation of HS (Hillside) and a General Plan designation of USA (Regional Parks, Existing). Hillside zoning allows for various residential uses and its intent is as follows:

The purpose of the Hillside district, also known as the HS district, is to preserve mountainous lands unplanned or unsuit for urban development primarily in open space and to promote those uses which support and enhance a rural character, which protect and promote wise use of natural resources, and which avoid the risks imposed by natural hazards found in these areas. These lands are watersheds and may also provide such important resources as minerals, forests, animal habitat, rare or locally unique plant and animal communities, historic and archaeological sites, scenic beauty, grazing lands, and recreational areas. Additionally, lands zoned Hillside define the setting or viewpoint for the urban area of the County.

Development shall be limited to avoid the need for public services and facilities. Permitted uses include agriculture and grazing, very low-density residential use, low density, low-intensity recreation, mineral and other resource extraction, and land in its natural state. Low-intensity commercial, Industrial, and institutional uses may also be allowed if they require a remote, rural setting in order to primarily serve the rural residents or community, or if they support the recreational or productive use, study, appreciation, or enhancement of the natural environment. Clustering of development, particularly residential, is encouraged in order to preserve contiguous open space and achieve efficiency in the provision of access to dwellings. This district is meant to apply to all parcels designated Hillside in the general plan.

The Subject is also within the city of Morgan Hill’s Sphere of Influence, which designates the Subject as Residential Detached Low (up to 4 dwelling units/acre).

Zoning Map

Probability of a Zoning Change

A change in zoning is not likely. The Subject is in an area primarily reserved for low-density residential uses.
Geologic Hazards

Though the Subject is not located in a Special Earthquake Studies Zone, it is subject to ground shaking as are all properties in this region. However, ground movement and shaking in liquefaction areas is greatly amplified.

The combination of nearby fault lines and probable landslides represent a serious geologic hazard. It should be remembered that the project for this appraisal was prompted by the potential for a "geologic hazard."

Hazardous Material Sites

No Environmental Site Assessments were provided for this assignment. There are no known or apparent adverse environmental conditions that would negatively impact the value of the Subject Property. The appraiser is not qualified to make a hazardous waste determination. Please refer to the Limiting Conditions section of this report.

FEMA Flood Hazard Area

As shown on the map on the following page, the Subject is shown in FEMA Zone D flood hazard areas. The Zone D designation is used for areas with a potentially moderate to high risk of flooding, but the probability has not been determined. Although some federally backed lenders may still require it, in a Zone D, there are no mandatory flood insurance requirements. Also, there are no minimum building requirements by FEMA. However, Zone D indicates that there is a risk of flooding; the level of risk is just unknown.

The site is adjacent to Anderson Lake which is designated as FEMA Flood Zone A.

Legal Description

The legal description of the Subject can be found in the Preliminary Report, found as Addendum B to this report.
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<td>County</td>
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<td>Lender/Client</td>
<td>Hao Tan Le and Rebecca Grace Watkins</td>
</tr>
<tr>
<td>Address</td>
<td>17510 Hoot Owl Way, Morgan Hill, CA 95037</td>
</tr>
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### FRONT OF SUBJECT PROPERTY
17508 Hoot Owl Way
Morgan Hill, CA 95037

### REAR OF SUBJECT PROPERTY
LOOKING SOUTH

### STREET SCENE
SUBJECT'S PRIVATE STREET
LOOKING WEST/SUBJECT TO THE LEFT
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<tbody>
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<tr>
<td>Address</td>
<td>17510 Hoot Owl Way, Morgan Hill, Ca 95037</td>
</tr>
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</table>

**SUBJECT'S PRIVATE STREET**
LOOKING EAST/SUBJECT TO THE RIGHT

**SUBJECT'S WEST BOUNDARY**
LOOKING EAST/DRAINAGE PIPE

**SUBJECT'S EASEMENT AREA**
SUBJECT PHOTO ADDENDUM

Borrower: n/a
Property Address: 17508 Hoot Owl Way
City: Morgan Hill  County: Santa Clara  State: CA  Zip Code: 95037
Lender/Client: Hao Tan Le and Rebecca Grace Watkins  Address: 17510 Hoot Owl Way, Morgan Hill, CA 95037

SUBJECT'S SITE
TAKEN FROM HOOT OWL WAY

SUBJECT FRONTAGE ON LAKE
LOOKING NORTH

LAKE SEISMIC DETECTOR
SUBJECT PHOTO ADDENDUM

Property Address: 17508 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037

Borrower: n/a
Lender/Client: Hao Tan Le and Rebecca Grace Watkins
Address: 17510 Hoot Owl Way, Morgan Hill, CA 95037

SUBJECT'S VIEW
LOOKING NORTHEAST

SUBJECT'S VIEW
LOOKING EAST

SUBJECT'S SEISMIC DETECTOR
Borrower: n/a

Property Address: 17508 Hoot Owl Way

City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037

Lender/Client: Hao Tan Le and Rebecca Grace Watkins

Address: 17510 Hoot Owl Way, Morgan Hill, CA 95037

COMPARABLE SALE # 1

17620 Manzanita Drive
Morgan Hill, CA 95037

COMPARABLE SALE # 2

17108 Shady Lane Drive
Morgan Hill, CA 95037

COMPARABLE SALE # 3

17684 Raccoon Ct
Morgan Hill, CA 95037
Borrower: n/a

Property Address: 17508 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037

Lender/Client: Hao Tan Le and Rebecca Grace Watkins
Address: 17510 Hoot Owl Way, Morgan Hill, Ca 95037

COMPARABLE SALE # 4
17470 Hoot Owl Way
Morgan Hill, CA 95037

COMPARABLE SALE # 5
17452 Hoot Owl Way
Morgan Hill, CA 95037

COMPARABLE SALE # 6
17700 Mazanita Drive
Morgan Hill, Ca 95037
This appraisal report is subject to the scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment.

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

**INTENDED USE:** The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

**INTENDED USER:** The intended user of this appraisal report is the lender/client.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.

2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.

4. The appraiser has noted in this appraisal report any adverse conditions (such as the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent deficiencies or adverse conditions of the property (such as, but not limited to, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

5. If the appraiser has based his or her appraisal report and valuation conclusion for an appraisal subject to certain conditions, it is assumed that the conditions will be met in a satisfactory manner.
APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.

2. I performed a complete visual inspection of the subject property. I reported the site characteristics in factual, specific terms.

3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment.

5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.

6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.

7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.

8. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.

9. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.

10. I have knowledge and experience in appraising this type of property in this market area.

11. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

12. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.

13. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.

14. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.

15. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.

16. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.

17. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).

18. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

19. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

20. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).
21. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

22. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.
APPRAYER'S QUALIFICATIONS

PATRICK W. MCIELROY
STATE CERTIFIED GENERAL REAL ESTATE APPRAISER
REAL ESTATE BROKER & CONSULTANT
1935 GIAMPAOLI DRIVE
SAN MARTIN, CA. 95046
Office: (408) 683-4923 FAX: (408) 683-4925 Cell: (408) 843-8876
E-Mail: metro1234@aol.com

QUALIFICATIONS

PATRICK W. MCIELROY, State Certified General Real Estate Appraiser - AG010778 and Independent Real Estate Broker

PROFESSIONAL EXPERIENCE

1. Presently and for last forty years: Independent Real Estate Broker and Certified General Real Estate Appraiser
3. March 1983 - February 1985: Appraiser Associate of Lou Berger, Real Estate Appraiser, Milpitas, California

TYPES OF PROPERTY APPRAISED

1. Single Family Residential including New Construction, Condominiums, Cluster Homes, Rowhouses, Patio Homes, Standard Detached Homes, and Residential Subdivisions
2. Commercial Properties: Shopping Centers, Restaurants, Retail Stores, Professional Offices, including New Construction and Vacant Land
3. Industrial Properties including New Construction and Vacant Land
4. Ranch, Ocean, and Mountain Properties
5. Special Use Properties including Churches, Gas Stations, Health Club, and Minority Interest Properties
6. Properties suffering from Toxic or Hazardous Material Problems

AREAS APPRAISED

Santa Clara County, Santa Cruz County, San Benito County, Monterey County, Alameda County, Contra Costa County, San Mateo County, and San Francisco County

EDUCATIONAL QUALIFICATIONS

1. California State University, Hayward: B.S. in Mathematics 1971
2. California State University, San Jose
   West Valley College, Saratoga
   San Jose City College, San Jose
College accredited courses include: Real Estate Finance, Legal Aspects of Real Estate, Professional Skill Development, Real Estate Economics, Real Estate Practice, Real Estate Principles, Real Estate Property Management, Real Estate Appraisal I and II
4. State of California Real Estate Brokers License
5. State of California Certified General Real Estate Appraiser, AG010778

PROFESSIONAL AFFILIATIONS

Member of Santa Clara County Real Estate Board
Member of California Association of Realtors
Member of National Association of Realtors
Affiliate Member of Appraisal Institute
Appraiser’s License

File No. 05072022
Case No. 05072022

BUREAU OF REAL ESTATE APPRAISERS
REAL ESTATE APPRAISER LICENSE

Patrick W. McElroy

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title: "Certified General Real Estate Appraiser".

This license has been issued in accordance with the provisions of the Real Estate Appraisers Licensing and Certification Law.

BREAPRAISER IDENTIFICATION NUMBER: AG 010778
Effective Date: June 1, 2021
Date Expires: May 31, 2023

Loretta Dillon, Deputy Bureau Chief, BREA

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Attachment 2
Pg. 38 of 39
HUDSON INSURANCE COMPANY
100 William Street, 5th Floor
New York, NY 10038

REAL ESTATE APPRAISERS ERRORS AND OMISSIONS INSURANCE
POLICY DECLARATIONS

NOTICE: THIS IS A "CLAIMS MADE AND REPORTED" POLICY. THIS POLICY REQUIRES THAT A CLAIM
BE MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER, IN
WRITING, DURING THE POLICY PERIOD OR AUTOMATIC EXTENDED REPORTING PERIOD.

THIS POLICY MAY CONTAIN PROVISIONS WHICH LIMIT THE AMOUNT OF CLAIM EXPENSES WHICH THE INSURER IS
RESPONSIBLE TO PAY IN CONNECTION WITH CLAIMS. CLAIM EXPENSES SHALL BE SUBJECT TO ANY
DEDUCTIBLE AMOUNT. THE PAYMENT OF CLAIM EXPENSES WILL REDUCE THE LIMITS OF LIABILITY
STATED IN ITEM 4. OF THE DECLARATIONS. PLEASE READ YOUR POLICY CAREFULLY.

PLEASE READ THIS POLICY CAREFULLY.

Policy Number: PRA-1AX-1000955
Renewal of:
1. Named Insured: Patrick W. McElroy dba Metropolitan Appraisal Services
2. Address: 1935 Giampaoli Drive, Unit C
San Martin, CA 95046
12:01 A.M. Standard Time at the address of the Named Insured as stated in Number 2 above
4. Limit of Liability
   Each Claim
   A. Damages Limit of Liability $1,000,000
   B. Claims Expense Limit of Liability $1,000,000
   C. $2,000,000
   D. $2,000,000
5. Deductible (Inclusive of Claims Expenses):
   5A. $500 Each Claim
   5B. $1,000 Aggregate
6. Policy Premium: $851.00
7. Retroactive Date: September 21, 2007
8. Notice to Company: Notice of a Claim or Potential Claim should be sent to:
   Hudson Insurance Group
   100 William Street, 5th Floor
   New York, NY 10038
   Fax: 646-216-3786
   Email: hudsonclaims300@hudsoninsgroup.com
   On weekends or holidays: 866-546-3981 (Toll Free)
   B. Agent/Broker: AIJA (Riverton Insurance Agency Corp.)

IN WITNESS WHEREOF, We have caused this policy to be executed by our President and our
Corporate Secretary at New York, New York

President

Secretary

PRA100 (01/20)
Appraisal Report

LE/WATKINS PROPERTY
FILE #9186-44
17510 Hoot Owl Way
Morgan Hill, California

Prepared for
Santa Clara Valley Water District

Prepared by
Chapman & Patton

Effective Date of Value
January 22, 2022
March 15, 2022

Edna Campero  
Santa Clara Valley Water District  
5750 Almaden Expressway  
San Jose, CA 95118

Dear Ms. Campero,

Pursuant to our agreement, an appraisal has been made of the Fair Market Value of the Le/Watkins property identified as Assessor’s Parcel Number 729-37-018 located at 17510 Hoot Owl Way in (unincorporated) Morgan Hill, California. The property being appraised will be referred to as the Subject property in this report.

The purpose of this appraisal is to provide you with an opinion of the Fair Market Value of the Subject property, which will potentially be acquired for the Santa Clara Valley Water District’s (SCVWD) Anderson Dam Tunnel Project. The effective date of value for this assignment is January 22, 2022.

This report contains a description of the entire property in the before condition. The appraisal of the property in the before condition is made under the hypothetical condition that the proposed Anderson Dam Tunnel Project does not exist.

A Notice of Decision to Appraise was sent to the property owners by this office on January 14, 2022. The appraiser met with Mr. Le on January 22, 2022. The property was previously viewed from the roadway on numerous occasions in February 2021.

I have gathered pertinent information, sales and other data relevant to the valuation of the property and analyzed the data to reach my conclusions. In my opinion, the fair market value of the Subject property as of January 22, 2022 was $850,000.

This is a Restricted Appraisal Report that may not be understood properly without reviewing additional information retained in the appraiser’s file. This report is performed in accordance with generally accepted reporting requirements for Uniform Standards of Professional Appraisal Practice 2-2(b). Please refer to the General Assumptions and Limiting Conditions found in the Introduction & Summary section of this report.

Very truly yours,

CHAPMAN & PATTON

Michelle Patton, MAI, SR/WA, R/W-AC  
Certified General Real Estate Appraiser # AG030012
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INTRODUCTION & SUMMARY

Purpose of the Appraisal
The purpose of this appraisal is to estimate the Fair Market Value of an improved 0.25-acre (net) residential property in an unincorporated area of Santa Clara County near Morgan Hill, California. This report serves to update a prior appraisal of the Subject in February 2021 with a current valuation date and a change in the proposed acquisition.

Appraisal Report Format
This is a Restricted Appraisal Report, in accordance with the requirements identified in Standard Rule 2-2(b) of USPAP. It is intended to provide a brief description of the entire property in the before condition, ignoring project influence. It should be noted that the appraiser’s opinions and conclusions set forth in the report may not be understood properly without reviewing additional information retained in the appraiser’s work file. The report format had been mutually agreed upon by the client prior to completion of this assignment. Additional supporting documentation and analyses, as appropriate, is retained in the appraiser’s file.

Scope of the Assignment
A Notice of Decision to Appraise was sent to the current owners on January 14, 2022. The scope of inspection consisted of Michelle Patton viewing the Subject property on-site on January 22, 2022 in the presence of Mr. Le, as well as Ms. Edna Campero of Valley Water.

Verification of the sales was made using public records, and when possible, parties to the transactions (primarily real estate brokers who handled the transactions). Each comparable sale was viewed, photographed and verified by Michelle Patton. The comparables cited herein should be construed as being a pertinent sampling, which were selected based upon physical and location similarities relative to the property under appraisement and/or the credibility of the data.

The geographic scope of research was focused in Morgan Hill and surrounding communities.

The following scope of resources was used in the development of the market value opinion expressed herein. Information provided by the client consisted of a Preliminary Report, Legal Description and Plat Map of the Subject property, and description of the Project.

Sources used in the process of analyzing the Subject property included:
- Assessor’s map
- Flood hazard map
- Discussions with local brokers
- Zoning ordinance for Santa Clara County
- General Plan for Santa Clara County
- Engineering maps for the property to be acquired
- Discussions with Bill Magleby, Senior Real Estate Agent with SCVWD

Sources used in the process of estimating value for the Subject included:
- Assessor’s records
- Multiple Listing Service (MLS)
- Local brokers
- CoStar
**Intended Use**
The intended use of the appraisal and report is to provide Santa Clara Valley Water District and their legal representatives with a basis for determining just compensation to be offered to the property owner. It is not intended for any other use.

**Intended User and Client**
The intended user and client of this appraisal is Santa Clara Valley Water District and their legal representatives. The appraisal is not intended for any other user.

**Definitions**

**Appraisal Report (Restricted)** - A written appraisal report prepared under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice.

**Before Condition** - The before condition is the condition of the property on the valuation date (as if) prior to the project, planning and steps leading up to the project.

**Benefits** - A benefit is an increase in value accruing specially to a remainder property as a result of a partial acquisition or project construction.¹

**Easement** - The right to use another’s land for a stated purpose.²

**Encumbrance** - Any claim or liability that affects or limits the title to property. An encumbrance can affect the title such as a mortgage or other lien, or it can affect the physical condition of the property such as an easement. An encumbrance cannot prevent the transfer of possession, but it does remain after the transfer.³

**Exposure Time** - estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.⁴

**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.”⁵ An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

**Fee Simple** - 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.⁶

¹ Source: Section 1263.430 from the Code of Civil Procedure
² Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
³ Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
⁴ Source: 2020-2021 Edition USPAP, Page 4
⁵ Source: 2020-2021 Edition of USPAP, Pages 4 & 17
⁶ Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
Highest And Best Use - The following explanation is taken directly from the 14th Edition of The Appraisal of Real Estate:

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.

Hypothetical Condition - A Hypothetical Condition is “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 the analysis.”

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

Market Value -

(a) The fair market value of the property taken is the highest price on the date of the valuation that would be agreed to by a seller, being willing to sell, but under no particular or urgent necessity of 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 each other with full knowledge of 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.

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7 Source: 2020-2021 Edition of USPAP, page 4
8 Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
9 Source: Code of Civil Procedure, Section 1263.320(a)
General 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.

1) 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.

2) The property is appraised free and clear of any or all liens and encumbrances unless otherwise
stated in this report.

3) Responsible ownership and competent property management are assumed unless otherwise stated
in this report.

4) The information furnished by others is believed to be reliable. However, no warranty is given
for its accuracy.

5) Sketches, plats, or photographs contained in this report are included to assist the reader in
visualizing properties and no survey has been made of the property in the report.

6) The Appraiser assumes no responsibility 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
engineering studies or a survey, which may be required to discover these conditions.

7) It is assumed that there is full compliance with all applicable Federal, State, and local
environmental regulations and laws unless otherwise stated in this report.

8) 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 appraisal report.

9) 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.

10) The Appraiser is not a soil expert. The existing soil and substructure has been assumed adequate
for existing or proposed uses unless contrary information is provided and contained in this report.
It is advisable to have a soil analysis and report completed by a qualified soil engineer or other
qualified expert so that any interested party will become knowledgeable as to the important soil
information including seismic data, soil contaminants, type of fill, if any, or other relevant
matters.

11) 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.

12) 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.
13) Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written prior consent of the Appraiser, and in any event, only with proper written qualifications and only in its entirety.

14) Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the Appraiser, or the firm with which the Appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media.

**Extraordinary Assumptions and Hypothetical Conditions**

Please note that all Extraordinary Assumptions and Hypothetical Conditions could have an effect on the results of this appraisal.

**Extraordinary Assumptions**

1) It is assumed that no hazardous or toxic substances exist on the Subject property or the soils comprising the Subject land.

2) It is assumed that no other easements exist on the entire property that could affect use and/or value other than those noted in this report.

3) The age of the primary dwelling predates the County’s building permit records. It is assumed for purposes of this analysis that the Gross Living Area (GLA) identified in the report is accurate and that any unpermitted space has been grandfathered-in as permitted, livable space.

**Hypothetical Condition**

1) This assignment was prompted by the Anderson Dam Tunnel Project. Therefore, the project will be disregarded in the appraisal of the Subject in the before condition.
Certification of Appraiser
I certify that, to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 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 no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- I made a personal inspection of the property that is the subject of this report.
- I previously appraised the Subject in February 2021 for this same client and this same Project. Except for that appraisal, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the 3-year period immediately preceding acceptance of this assignment.
- no one provided significant real property appraisal assistance to the person signing this certification.
- the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- as of the date of this report, Michelle Patton has completed the continuing education program for designated members of the Appraisal Institute.

March 15, 2022
Michelle Patton, MAI, SR/WA, R/W-AC
Certified General Real Estate Appraiser #AG030012
Subject Property Photographs

Left: Northeasterly view of residence from Hoot Owl Way
Right: Northerly elevation

Left: Northeasterly view of residence from Hoot Owl Way
Right: Northerly elevation

Left: Dining Room
Right: Typical interior improvements

Left: Bedroom
Right: Living Room
Left: Kitchen
Right: Kitchen

Left: Kitchen
Right: Deck on northwesterly side of residence

Left: Deck
Right: Deck on northerly side of residence

Left: View of Anderson Lake bed
Right: Parking space near residence and westerly view of lot
Left: Parking space on southwesterly elevation
Right: Southeasterly elevation

Left: Outbuilding
Right: Northeasterly elevation

Left: View of Anderson Lake bed
Right: View of Anderson Lake bed
Subject Property Identification

Address
17510 Hoot Owl Way, Morgan Hill, California

Location
The Subject property is located on the northeasterly side of Hoot Owl Way, north of Holiday Drive and just west of Anderson Lake in Santa Clara County.

Assessor’s Parcel No.
729-37-018

County
Santa Clara

Owners of Record
According to the Preliminary Report prepared by Old Republic Title Company and dated November 3, 2021, ownership is vested in: Rebecca Grace Watkins, an unmarried woman and Hao Tan Le, an unmarried man as Joint Tenants.

History of Ownership
According to public records, the property was transferred to Mr. Le and Ms. Watkins via Grant Deed 2021-24803318 on February 3, 2021. The Subject was listed on the MLS in September 2020 at an asking price of $798,800, which was subsequently lowered to $699,999. It sold after roughly 3 months on the market at the $710,000 sale price. The sale included 60% ownership in the adjacent parcel (APN 729-37-017), which is a vacant lot and not included in the Subject for purposes of this appraisal.

Prior to the 2021 sale, the property had been owned by David and Kelli Frazer since 2012.

Larger Parcel
Although Mr. Le and Ms. Watkins also purchased a 60% ownership in the adjoining parcel (APN 729-37-017), the remaining 40% interest is owned by two separate parties. Additionally, the adjoining parcel has a highest and best use as a stand-alone homesite, as opposed to being assembled with the Subject. As such, the larger parcel is the single Assessor’s parcel noted above.

Size/Shape/Topography
According to public records, the Subject property consists of one parcel that contains 0.31-acre (13,397 square feet) gross. However, the property is encumbered by a road easement for Hoot Owl Way, which contains approximately 2,360 square feet at the southwesterly edge of the site. While it provides access to the property, the road easement also precludes private use of this area. The resulting net size of the lot is 11,037 square feet (0.25 acre). It is generally rectangular in shape, is down-sloping from the Hoot Owl Drive street frontage, and has a level building pad area.

Utilities
The Subject’s neighborhood is served with electricity and public water. However, development requires private on-site septic systems and propane, as sewer services and natural gas are not available to the neighborhood. It is assumed the Subject’s existing water supply and septic system is adequate for the continued residential use.

Access
The Subject has one point of access from Hoot Owl Way, which crosses diagonally over APN 729-37-017 (to the south), then over the Subject and connects to adjoining APN 729-37-019 (to the north). This shared
driveway has been in place for decades and provides access to a concrete parking area near the residence. For purposes of this assignment, it is assumed the Subject has legal access from Hoot Owl Way and across APN 729-37-019 via this asphalt-paved access. Portions of the driveway are asphalt and brick, whereas the area extending down to the lake (on the adjacent parcel) is concrete. Hoot Owl Way is an asphalt-paved public road that is approximately 40’ wide near the Subject, with a cul-de-sac that is situated just northwest of the Subject site. The street frontage lacks offsite improvements such as curbs, gutters and sidewalks, which is typical for this neighborhood.

**Current Use/Improvements**

The property is improved with a two-story, single-family dwelling that was originally constructed in 1953. According to public records, the house contains 1,062 square feet and has two bedrooms and one bathroom. The dwelling is a wood-framed structure with composition shingle roofing. There is no garage. Upon inspection, the primary improvement appears to be in average condition.

Interior walls are primarily textured and painted drywall. The ceiling in the main living area is exposed beam with pine paneling. The bedrooms and living room areas are carpeted, whereas the entryway, and kitchen have laminate flooring. The downstairs bedroom has ceramic tile floors and built-in cabinetry. Windows are dual pane in vinyl frames. The kitchen has granite counters, maple cabinetry and electric oven/range combo.

There is a free-standing wood stove and central heating and air conditioning throughout. There is a free-standing wood stove and a wrap-around deck.

Site improvements include a concrete retaining wall and rock wall. The site also includes numerous mature trees. While there is no garage, there is one small outbuilding which is located near the lake frontage.

**Easements and Encroachments**

The Preliminary Report (found as Addendum B) prepared by Old Republic Title Company refers to various exceptions to title, including several easements that encumber the Subject Property, as described below:

5) **Rights of the public, in and to that portion of said land lying within the lines of Hoot Owl Way.**

6) **An easement for electric transmission lines in favor of Coast Counties Gas and Electric Corporation.**

7) **An easement to flood and inundate with water in favor of Santa Clara Valley Water District contained in the deed with document number 2089101.**

9) **An easement for storm drainage, an anchor easement and a right of way easement as shown on the map below.**

The preliminary report also refers to covenants, declarations, easements and restrictions. With regards to Item 5, the Deed (Document Number 2089101) can be found as Addendum D to this report. This deed was recorded in 1961 and effectively allows SCVWD “the absolute and permanent right to flood and inundate the said lands with water, whether or not such water is local in origin, and without regard to origin, to a height of 640 feet”.

The deed further states that the District “shall have no liability of any nature to the Grantee, or any person, firm or corporation, claiming under him, on account of the fact that the District may raise or lower the level of water in said reservoir...” Furthermore, “structures and improvements have been erected by such
parties on said lands shall in no wise (sic) limit the force and generality of the reservations and agreements of this deed…”

The inundation easement was fully considered in the valuation of the Subject. It is assumed that no other easements or encroachments exist that could negatively affect the property’s value or marketability other than those mentioned in this report.
Zoning and General Plan: County of Santa Clara

The Subject is under the jurisdiction of Santa Clara County Planning Department and has a zoning designation of HS (Hillside) and a General Plan designation of USA (Regional Parks, Existing). Hillside zoning allows for various residential uses and its intent is as follows:

The purpose of the Hillside district, also known as the HS district, is to preserve mountainous lands unplanned or unsuited for urban development primarily in open space and to promote those uses which support and enhance a rural character, which protect and promote wise use of natural resources, and which avoid the risks imposed by natural hazards found in these areas. These lands are watersheds and may also provide such important resources as minerals, forests, animal habitat, rare or locally unique plant and animal communities, historic and archeological sites, scenic beauty, grazing lands, and recreational areas. Additionally, lands zoned Hillside define the setting or viewed for the urban area of the County.

Development shall be limited to avoid the need for public services and facilities. Permitted uses include agriculture and grazing, very low-density residential use, low density, low-intensity recreation, mineral and other resource extraction, and land in its natural state. Low-intensity commercial, industrial, and institutional uses may also be allowed if they require a remote, rural setting in order to primarily serve the rural residents or community, or if they support the recreational or productive use, study, appreciation, or enhancement of the natural environment. Clustering of development, particularly residential, is encouraged in order to preserve contiguous open space and achieve efficiency in the provision of access to dwellings. This district is meant to apply to all parcels designated Hillside in the general plan.

The Subject is also within the city of Morgan Hill’s Sphere of Influence, which designates the Subject as Residential Detached Low (up to 4 dwelling units/acre).

Zoning Map

Probability of a Zoning Change

A change in zoning is not likely. The Subject is in an area primarily reserved for low-density residential uses.
Geologic Hazards
Though the Subject is not located in a Special Earthquake Studies Zone, it is subject to ground shaking as are all properties in this region. However, ground movement and shaking in liquefaction areas is greatly amplified.

The combination of nearby fault lines and probable landslides represent a serious geologic hazard. It should be remembered that the project for this appraisal was prompted by the potential for a “geologic hazard.”

Hazardous Material Sites
No Environmental Site Assessments were provided for this assignment. There are no known or apparent adverse environmental conditions that would negatively impact the value of the Subject Property. The appraiser is not qualified to make a hazardous waste determination. Please refer to the Limiting Conditions section of this report.

FEMA Flood Hazard Area
As shown on the map on the following page, the Subject is shown in FEMA Zone D flood hazard areas. The Zone D designation is used for areas with a potentially moderate to high risk of flooding, but the probability has not been determined. Although some federally backed lenders may still require it, in a Zone D, there are no mandatory flood insurance requirements. Also, there are no minimum building requirements by FEMA. However, Zone D indicates that there is a risk of flooding; the level of risk is just unknown.

The site is adjacent to Anderson Lake which is designated as FEMA Flood Zone A.

Legal Description
The legal description of the Subject can be found in the Preliminary Report, found as Addendum B to this report.
Assessed Value and Taxes (2021-2022)

Ad Valorem taxes in California are limited by Proposition 13. This law, enacted in 1978, sets property taxes at 1% of acquisition price, plus 2% annual increases in the tax. In order to fund infrastructure and other services ordinarily paid for by property taxes, local agencies and municipalities have a complicated system of direct levies, which act as a special tax, to fund infrastructure development or school systems. Upon sale, the property would be reassessed per Proposition 13.

The following table indicates the assessed values and real estate taxes for the 2021-22 tax year.

<table>
<thead>
<tr>
<th>Assessed Values</th>
<th>729-37-018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$278,302</td>
</tr>
<tr>
<td>Improvements</td>
<td>$20,060</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$298,362</td>
</tr>
<tr>
<td>Less. Homeowners Exemption</td>
<td>-$0</td>
</tr>
<tr>
<td>Total</td>
<td>$298,362</td>
</tr>
<tr>
<td>RE Taxes</td>
<td>$3,554.12</td>
</tr>
</tbody>
</table>
**Highest And Best Use - As if Vacant**

Highest and best use is defined as that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value. It may also be referred to as the most efficient and profitable permissible use. The size, shape, area, and terrain of a parcel of land affect the uses to which it can be developed. The utility of a parcel may depend on its frontage and depth. Irregular-shaped parcels can cost more to develop and, after development, may have less utility than typically shaped parcels in the same area.

**Legal Permissibility Test** – The Subject property is zoned Hillside, which is intended for the preservation of open space, but also allows for low density, single-family residential use.

**Physical Possibility Test** – The Subject property contains 0.25 acre (net) and includes a hillside lot that abuts Anderson Lake. Front, side and rear setbacks in the Hillside district are 30’. For the Subject, there are no physical site characteristics that would preclude development of legal uses, except that existing easements may not be built on. The size and shape of the Subject’s site are fairly typical for the area. Access to the site is good along Hoot Owl Way.

**Financial Feasibility Test** - The neighborhood is nearly 100% built-out with primarily residential uses, in addition to several open space areas maintained by the Holiday Lake Estates Homeowner’s Association. The neighborhood is adjacent to Anderson Lake County Park, which includes ~4,275 acres of open space, trails, recreational uses and the reservoir.

The financial feasibility of immediate development of the Subject takes into consideration the demand for various potential uses. The residential market in the Morgan Hill area has experienced a significant increase in value for single-family properties. Lack of available inventory is partially responsible for the surge in values from 2013 to the present. There are very few lots available for development within the immediate vicinity. The Subject benefits from its location in that the surrounding infrastructure (roadways) is already in place. Furthermore, its lakefront setting is a desirable amenity. The highest and best use for the Subject property as if vacant is for development with a single-family dwelling.

**Highest And Best Use – As Improved**

The highest and best use of the Subject “As Improved” is for the continued single-family residential use.
Project Description
There are two projects currently underway regarding Anderson Dam; the Anderson Dam Tunnel Project (ADTP), and the Anderson Dam Seismic Retrofit Project (ADSRP). The project that prompted the Subject property acquisition is the proposed Santa Clara Valley Water District (SCVWD) Anderson Dam Tunnel Project. The proposed acquisition of the Subject and other neighboring properties was prompted by the Hoot Owl Way Slide and Boat Marina Slide; two landslides along the lakebed that require securing.

Anderson Dam, which was built in 1950, requires significant upgrades for seismic retrofitting. The project will rebuild the dam in compliance with today’s seismic and safety standards and regulations. It will increase the dam’s spillway and outlet capacity to allow a rapid, controlled drawdown in emergencies and to enhance incidental flood protection.

Around October 2020, SCVWD began releasing water from Anderson Lake, the County’s largest surface water reservoir, that stores rainfall-runoff and imported water from the Central Valley Project. As of the Effective Date of Value, the lake bed near the Subject neighborhood was nearly empty.

Project Acquisition
The Subject will be acquired in fee for the Project. The Subject is appraised in the Before Condition under the Hypothetical Condition that the SCVWD Project does not exist.
VALUATION

Approaches to Value
In valuing real estate, three valuation methodologies are typically accepted in the appraisal process. These are the sales comparison approach, the income approach, and the cost approach. They are further described below.

Sales Comparison Approach
The sales comparison approach utilizes the principle of substitution, wherein recently sold comparable properties are found and analyzed for comparability to the subject property. The underlying assumption is that market support will be either similar to, or identical to any of a group of adjusted substitute properties; thus, the indicated value for the subject is based on a range of adjusted values for the “substitute” or “comparable” transactions.

Income Approach
Generally, the income approach converts income expectations into market value. The assumptions for the investment model can either be implicit in the model (direct capitalization, which converts a single year’s expected income into value using a ratio from the market), or explicit (yield capitalization, or DCF, which converts each year’s net income over a specified holding period).

Cost Approach
The cost approach identifies market supported improvements costs, subtracts a market supported amount assignable to accrued depreciation, adds land value, and derives a value based on the cost to reproduce the improvements. This “cost approach” presumes that a typical buyer would not pay more for an existing improved property (or a finished lot) than it would cost to reproduce the same improvements on a highly similar (substitute) site.

Value Methodology Used for the Subject Property
Of the three approaches to value, only the Sales Comparison Approach is utilized. The Sales Comparison Approach is applicable when a sufficient number of recent, reliable transactions create a perceptible value pattern in the market. For properties that are bought and sold regularly, the Sales Comparison Approach provides a good indication of market value, as it generally reflects the motivations of buyers and sellers.

The Cost Approach and Income Approach were not utilized because they do not reflect the motivations of typical buyers and sellers for this property type.

Sales Comparison Approach – As Improved
The process of developing comparable sales included searching public record and published data sources for the most relevant sales of similar, competing properties in the Subject’s market area. Each sale was then verified by interviewing brokers, agents, buyers or sellers. The sales prices were adjusted as necessary for transactional elements such as financing, conditions of sale, post-sale expenditures, and market conditions. Finally, the sale properties were compared to the Subject for property characteristic differences. Primary elements of comparison are location, size, shape, access, topography, dwelling size, quality and condition.

Improved sales of similar single-family homes in Morgan Hill were researched and analyzed for this assignment. The selected sales are presented on the following comparable sales summary table and location map. Photographs of each comparable sale can be found as Addendum C. The most appropriate unit of comparison for this assignment is the price per dwelling. The following table summarizes the sales utilized in this assignment to appraise the Subject, as improved.
### Comparable Improved Sales

<table>
<thead>
<tr>
<th>#</th>
<th>Address</th>
<th>Lot Size</th>
<th>Shape</th>
<th>Gross Living Area</th>
<th>Grantor</th>
<th>Rec. date</th>
<th>List Price</th>
<th>Sale Price</th>
<th>Sale Price/SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>17620 Manzanita Dr</td>
<td>0.43</td>
<td>Atypical</td>
<td>780</td>
<td>N/A</td>
<td>3/11/2022</td>
<td>$798,888</td>
<td>$800,000</td>
<td>$1,026</td>
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<tr>
<td></td>
<td>Morgan Hill</td>
<td>18,709</td>
<td>Typical</td>
<td>2-bed/1.5-bath</td>
<td>N/A</td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>729-39-006</td>
<td></td>
<td>Sloping</td>
<td>1954</td>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>17684 Raccoon Ct.</td>
<td>0.45</td>
<td>Atypical</td>
<td>456</td>
<td>Behzad</td>
<td>3/16/2021</td>
<td>$675,000</td>
<td>$635,000</td>
<td>$1,393</td>
</tr>
<tr>
<td></td>
<td>Morgan Hill</td>
<td>19,663</td>
<td>Typical</td>
<td>1-bed/1-bath</td>
<td>Pascoal</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>729-43-032</td>
<td></td>
<td>Hillside</td>
<td>1954</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>17440 Holiday Dr.</td>
<td>0.31</td>
<td>Atypical</td>
<td>900</td>
<td>Espino</td>
<td>12/7/2020</td>
<td>$624,950</td>
<td>$615,000</td>
<td>$683</td>
</tr>
<tr>
<td></td>
<td>Morgan Hill</td>
<td>13,316</td>
<td>Typical</td>
<td>1-bed/1-bath</td>
<td>Le</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>729-37-002</td>
<td></td>
<td>Gently Sloping</td>
<td>1950</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>17452 Hoot Owl Way</td>
<td>0.21</td>
<td>Typical</td>
<td>810</td>
<td>Martin</td>
<td>8/28/2020</td>
<td>$799,000</td>
<td>$730,000</td>
<td>$901</td>
</tr>
<tr>
<td></td>
<td>Morgan Hill</td>
<td>9,017</td>
<td>Typical</td>
<td>1-bed/1-bath</td>
<td>Schulz</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>729-37-006</td>
<td></td>
<td>Gently Sloping</td>
<td>1955</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub</td>
<td>17510 Hoot Owl Way</td>
<td>0.25</td>
<td>Typical</td>
<td>1,062</td>
<td>N/A</td>
<td>1/22/2022</td>
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<td>N/A</td>
<td>DOV</td>
</tr>
<tr>
<td></td>
<td>Morgan Hill</td>
<td>11,037</td>
<td>Shared</td>
<td>2 bed/1-bath</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>729-37-018</td>
<td></td>
<td>Hillside</td>
<td>1953</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Sale Map

[Sale Map Image]

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**Sale 1** is located at 17620 Manzanita Drive in Holiday Lake Estates, just northwest of the Subject. This property includes a 0.43-acre site improved with a 780-square-foot single-family home that was constructed in 1954. It includes 2 bedrooms and 1.5 bathrooms, according to public records. This small log cabin is located on Anderson Lake, with view of the lake and Henry Coe Park. There is a large deck inside laundry room, and wood burning stove. The property was listed on February 1, 2022 and went pending in 8 days. It closed on March 11, 2022 for a sale price of $800,000, slightly above the asking price and equivalent to $1,026 per square foot.

As compared to the Subject, this sale is similar for time of sale, lakefront location and quality & condition of the improvements. It is slightly superior for site size but slightly inferior for dwelling size.

**Sale 2** is located at 17684 Raccoon Court in the Holiday Lake Estates neighborhood. This property includes a 0.45-acre site improved with a small cabin/cottage totaling 456 square feet, which was constructed in 1954. The home included 1 bedroom and 1 full bathroom. It sold in March 2021 for $635,000, or $1,393 per square foot based on the GLA. The property included numerous mature trees and was lakefront. The small home included an expansive deck with view of Henry Coe Park and Anderson Lake.

As compared to the Subject, the sale is inferior for time of sale and dwelling size, but superior for site size. It’s location, topography and utilities are generally similar. Overall, this sale is considered inferior to the Subject, primarily for its smaller dwelling.

**Sale 3** is located at 17440 Holiday Drive in the Holiday Lake Estates neighborhood, just south of the Subject. The property includes a 0.31-acre site improved with a 900 square foot residence, which was constructed in 1950. There is 1 bedroom and 1 full bathroom. It sold in December 2020 for $615,000, or $683 per square foot of GLA. The site was mostly level to gently sloping and included views of Anderson Lake. The listing described the property with many upgrades including HVAC, dual pane windows, electric vehicle charger, new paint inside and out, new custom wrought iron fencing and a 350 square foot covered deck.

As compared to the Subject, this sale is inferior for time of sale and room count. It is in the same general size category as the Subject and also has a similar sized site. While the location is overall slightly inferior, as it lacks lakefront, it does have lake views. On the other hand, the topography is superior. Overall, this sale is inferior to the Subject.

**Sale 4** is located at 17452 Hoot Owl Way, just south of the Subject. This property includes a 0.21-acre lakefront site improved with an 810-square-foot home, which was constructed in 1955 with 1 bedroom and 1 full bathroom. It sold in August 2020 for $730,000, which is equivalent to $901 per square foot of GLA. The listing described the dwelling with hardwood floors, a pellet stove an updated kitchen with stainless steel appliances and Corian countertops, and a wrap-around deck with panoramic views of Anderson Lake. Its interior quality and condition were average.

As compared to the Subject, this sale is slightly inferior for its dwelling and site sizes, whereas it’s similar for access, utilities and lake frontage. Its topography is slightly superior. However, it is considered inferior for time of sale and requires an upward adjustment. After the time adjustment is made, this sale would be considered generally similar to the Subject property.
Summary of Sales Comparison Approach
Adjustments for the Elements of Comparison are made qualitatively, not quantitatively. It should also be noted that not all Elements of Comparison are weighted equally.

Very few lakefront homes have sold in the past year. Despite a considerable upward adjustment for time of sale, the few that were found were included as they are the most similar to the Subject geographically and topographically. All of the sales occurred between August 2020 and March 2021, which was a time period of substantially increasing residential values in the Subject’s market area. The Market Conditions during this period of time were generally increasing at a rate of 1.0% per month for improved residential properties. As such, each of the sales is adjusted upwards by 1% per month to reflect the respective increase in values over the time period. The adjusted sale prices for the comparable sales range from $694,950 to $854,100.

Also taken into consideration is the prior Subject sale, which closed in February 2021. The sale price of $710,000 included both the Subject property, and the 60% ownership interest in the adjoining vacant lot. No specific value allocation was made for this split, but it stands to reason the value of the improved property far outweighed the value of the partial interest for the adjoining lot. If the prior Subject sale was adjusted for time, similar to the comparables, the time-adjusted sale price would be $880,400. However, this value would include the 60% interest in the adjoining lot. As such, the independent value of the Subject should fall below that of the time-adjusted prior sale price of $880,400.

Despite the potential impacts COVID-19 pandemic may have on the overall economy and real estate market, the residential market is expected to remain strong due to housing demand in the market area.

The ranking analysis below includes the sales arrayed from highest to lowest based on the total sale price with the Subject in its respective place.

<table>
<thead>
<tr>
<th>Sale No.</th>
<th>Overall Comparison</th>
<th>Time-adjusted Sale Price</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject</td>
<td>Similar</td>
<td>$854,100</td>
<td>0.21-acre lot – 810 square foot dwelling</td>
</tr>
<tr>
<td>1</td>
<td>Slightly Inferior</td>
<td>$800,000</td>
<td>0.43-acre lot – 780 square foot dwelling</td>
</tr>
<tr>
<td>3</td>
<td>Inferior</td>
<td>$774,900</td>
<td>0.31-acre lot – 900 square foot dwelling</td>
</tr>
<tr>
<td>2</td>
<td>Inferior</td>
<td>$762,000</td>
<td>0.45-acre lot – 456 square foot dwelling</td>
</tr>
</tbody>
</table>

Indicated Value of the Whole (land only) using the Sales Comparison Approach
Taking into consideration the Subject’s location and accessibility, dwelling size and availability of utilities, topography, zoning and site size, as well as lake frontage and views, a value of $850,000 is estimated for the Subject. This figure is equivalent to $800 per square foot, which is bracketed by the comparable sales.

Value Conclusion
$850,000

Exposure Time
The estimated exposure time for the Subject is 1 to 3 months.
ADDENDA

ADDENDUM A – QUALIFICATIONS of APPRAISER
Michelle Patton MAI, SR/WA, R/W-AC
President, Chapman & Patton

Experience:
2014 - Present
Senior Appraiser: Chapman & Patton
Oakdale, California. (formerly Dean Chapman & Associates)

2008-2013
Senior Appraiser: Craig Owyang Real Estate, Inc.
Elk Grove, California.

2003-2008
Staff Appraiser: Robert Ford & Associates, Inc.
Modesto, California.

Memberships:
The Appraisal Institute
International Right-of-Way Association
National Association of Realtors®
American Society of Farm Managers and Rural Appraisers (ASFMRA)

Appraisal Designations:
MAI (Designated Member of Appraisal Institute)

Right-of-Way Designation:
SR/WA (Senior Right-of-Way Agent – IRWA)
R/W-AC (Right-of-Way Appraisal Certification – IRWA)

State Certification:
Certified General Real Estate Appraiser
State of California (AG030012)

Other Licensure:
Real Estate Broker - Bureau of Real Estate
State of California (BRE 01767847)

Appraiser Profile
Michelle Patton, MAI, SR/WA, R/W-AC was born and raised in California, originally from Danville but now resides near Oakdale.

Mrs. Patton began her appraisal career in 2003 with Robert Ford and Associates, a commercial appraisal firm in Modesto, California. In 2009, the firm was purchased by Craig Owyang Real Estate where Mrs. Patton was a senior appraiser for over four years. She officially joined Dean Chapman & Associates as a staff appraiser in 2014. She earned the MAI designation from the Appraisal Institute in 2012 and the SR/WA and R/W-AC (Right-of-Way Appraisal Certification) from the International Right of Way Association in 2017 and 2013, respectively. She served as President on the Northern California Chapter of the Appraisal Institute’s board of directors in 2018. In 2019, she co-authored an article entitled “Transitional Use TCE”, which appeared in Right of Way magazine published by the International Right of Way Association.

Ms. Patton has five children: two daughters and three sons. Her free time is spent hiking, running, wood-working and cheering for her kids on soccer fields all over California.
Examples of Appraisal Assignments by Michelle Patton

**Gas Transmission Line Projects**
- Variety of property types in Placer County, Sutter County, Yolo County, San Jose, Redwood City, Woodside, Lodi, Thornton, Graton, Tracy, Sacramento, Patterson

**High Speed Rail Project**
- Industrial Property: Fresno
- Commercial Properties: Fresno
- Agricultural Properties: Corcoran, Fresno, Selma

**Overhead Transmission Line Projects:**
- Solar Facility: Santa Nella
- Orchards: Linden, Buttonwillow, Bakersfield, Coalinga

**Highest and Best Use Consulting**
- Utility Corridor: Mountain View

**Damage from Fire**
- Residential Land: Santa Cruz

**Contaminated Sites**
- Union City

**Misc. Consulting**
- Highest and Best Use – excess land
- Gas Transmission Lines – stigma
- Airport District: Rent Study
- Parkland Proximity: Effect on Market Value
- Property Line Dispute: San Leandro

**Railroad Corridor Acquisition**
- Ione School District: Ione
- Road Widening along BNSF: Riverbank
- Turn Signal/Road Widening: Riverbank

**Underground Utility Easements**
- Rural Residential/Ag: Bakersfield
- Rangeland: Coalinga
- Transitional Land: Manteca
- Shopping Mall: San Jose
- Subsurface Easements: S. San Francisco

**Road Widening/Improvement Projects**
- Balfour Road/Hwy 4: Brentwood
- Claribel Road Widening: Riverbank
- Bridge Replacement: San Jose
- Bridge Replacement: Brentwood
- SR-84 Widening: Livermore
- SR-101: Carpinteria
- BART Station Project: Milpitas
- Petaluma
- Davis Road: Salinas
- Hartnell Road: Salinas
- Bridge Replacement: West Point

**Possible Encroachment Issues**
- Fence Line Dispute: Redwood City
- Tree Root Encroachment: Pacific Grove
- Parking Encroachment: Lafayette

**Round About Projects**
- Bardin Road: Salinas
- Danville Boulevard: Alamo
- David Avenue: Salinas

**Landslides**
- Pacifica

**Title Disputes**
- Driveway Easement: Mill Valley
- Sewer Line Easement: Walnut Creek
- Pedestrian Access: Lafayette
Locations of properties appraised by Chapman & Patton
EXHIBIT A

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

PARCEL ONE:

Portion of Lot 170, as shown upon that certain Map entitled "Tract No. 3453 Holiday Lake Estates Unit No. 1", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, on November 14, 1963 in Book 169 of Maps, at Pages 29, 30, 31, 32 and 33, and more particularly described as follows:

Beginning at a point in the Southwesterly line of Lot 170, as said Lot 18 shown upon the Map referred to, distant thereon South 58° 26' East 59.00 feet from the Western most corner thereof; thence from said point of beginning North 58° 26' West along said Southerly line of Lot 170 for a distance of 68.00 feet to the Western most corner thereof; thence North 46° 21' 52" East along the Northwesterly line of said Lot 170 for a distance of 225.01 feet to the Northern most corner thereof; thence South 55° 23' East along the Northeasternly line of said Lot 170 for a distance of 72.15 feet; thence leaving said last mentioned line Southwesterly in a direct line to the point of beginning.

PARCEL TWO:

A non-exclusive easement for ingress and egress, appurtenant to the above described Parcel One, over the following described parcel of land:

Beginning at a point in the Southwesterly line of Lot 170, as said Lot is shown upon that certain Map entitled, "Tract No. 3453 Holiday Lake Estates Unit No. 1", which Map was filed for record in the Office of the County Recorder of Santa Clara, on November 14, 1963 in Book 169 of Maps, at Pages 29, 30, 31, 32 and 33, distant thereon North 51° 52' 08" East 40.42 feet from the Southern most corner thereof said point of beginning also being the Northeasternly line of Hoot Owl Way, a 40 foot right of way, as shown upon the Map above referred to; thence from said point of beginning for a distance of 50 feet, more or less, to a point in the Northwesterly line of the certain Tract of land described as Parcel Two in the Deed from Holiday Lake Estates, Inc., a corporation to Carl Alfred Young, et ux, dated October 12, 1967, recorded October 13, 1967 in Book 7890 Official Records, Page 547, Santa Clara County Records; thence Northeasternly along the Northwesterly line of said Parcel Two for a distance of 12.00 feet; thence Southerly in a direct line to the point of beginning.


Parcel Three:

An undivided 3/5 of interest in and to the following property:
Portion of Lot 170, as shown upon that certain Map entitled "Tract No. 3453 Holiday Lake Estates Unit No. 1", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, on November 14th, 1963 in Book 169 of Maps, at Page 29, 30, 31, 32 and 33, and more particularly described as follows:

Beginning at a point in the Southwesterly line of Lot 170, as said Lot is shown upon the Map referred to, distant thereon South 58° 26' East 59.00 feet from the Westernmost corner thereof; thence from said point of beginning South 58° 26' East along said Southwesterly line of Lot 170 for a distance of .10 feet to an angle corner therein; thence continuing along said last mentioned line South 29° 50' East 49.98 feet to the Southern most corner of said Lot 170 thence North 51° 52' 06" East long the Southeasterly line of said Lot 170 for a distance of 249.95 feet to the Eastern most corner thereof; thence North 55° 23' West along the Northeasterly line of said Lot 170 for a distance of 60.27 feet; thence leaving said last mentioned line Southwesterly in a direct line to the point of beginning.

APN: 729-37-018 APN: 729-37-017
ARB: 727-34-125
PRELIMINARY REPORT

SANTA CLARA VALLEY WATER DISTRICT
5750 ALMADEN EXPY
SAN JOSE, CA 95118

SECOND UPDATED REPORT

Our Order Number 0616019448-IM

When Replying Please Contact:
Ida Maciel
imaciel@ortc.com
(408) 557-8400

Buyer:
SANTA CLARA VALLEY WATER DISTRICT

Property Address:
17510 Hoot Owl Way, Morgan Hill, CA 95037
[Unincorporated area of Santa Clara County]

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 November 3, 2021, at 10:00 AM
OLD REPUBLIC TITLE COMPANY
ORDER NO. 0616019448-IM
SECOND UPDATED REPORT

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

CLTA Standard Coverage Policy -1990; 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 covered by this Report is:

Fee as to Parcel(s) One and an Easement as to Parcel(s) Two

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

Rebecca Grace Watkins, an unmarried woman and Hao Tan Le, an unmarried man as Joint Tenants

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

PARCEL ONE:

Portion of Lot 170, as shown upon that certain Map entitled "Tract No. 3453 Holiday Lake Estates Unit No. 1", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, on November 14, 1963 in Book 169 of Maps, at Pages 29, 30, 31, 32 and 33, and more particularly described as follows:

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PARCEL TWO:

A non-exclusive easement for ingress and egress, appurtenant to the above described Parcel One, over the following described parcel of land:

Beginning at a point in the Southwesterly line of Lot 170, as said Lot is shown upon that certain Map entitled, "Tract No. 3453 Holiday Lake Estates Unit No. 1", which Map was filed for record in the Office of the County Recorder of Santa Clara, on November 14, 1963 in Book 169 of Maps, at Pages 29, 30, 31, 32 and 33, distant thereon North 51° 52' 08" East 40.42 feet from the Southern most corner thereof said point of beginning also being the Northeasternly line of Hoot Owl Way, a 40 foot right of way, as shown upon the Map above referred to; thence from said point of beginning for a distance of 50 feet, more or less, to a point in the Northwesterly line of the certain Tract of land described as Parcel Two in the Deed from Holiday Lake Estates, Inc., a corporation to Carl Alfred Young, et ux, dated October 12, 1967, recorded October 13, 1967 in Book 7890 Official Records, Page 547, Santa Clara County Records; thence Northeastwesterly along the Northwesterly line of said Parcel Two for a distance of 12.00 feet; thence Southerly in a direct line to the point of beginning.

Parcel Three:

An undivided 3/5 of interest in and to the following property:

Portion of Lot 170, as shown upon that certain Map entitled "Tract No. 3453 Holiday Lake Estates Unit No. 1", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, on November 14th, 1963 in Book 169 of Maps, at Page 29, 30, 31, 32 and 33, and more particularly described as follows:

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APN: 729-37-018 APN: 729-37-017
ARB: 727-34-125

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 2021 - 2022, as follows:
   
<table>
<thead>
<tr>
<th>Assessor's Parcel No</th>
<th>Code No.</th>
<th>1st Installment</th>
<th>2nd Installment</th>
<th>Land Value</th>
<th>Imp. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>729-37-018</td>
<td>067-001</td>
<td>$1,777.06</td>
<td>$1,777.06</td>
<td>$278,302.00</td>
<td>$20,060.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NOT Marked Paid</td>
<td>NOT Marked Paid</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Taxes and assessments, general and special, for the fiscal year 2021 - 2022, as follows:

<table>
<thead>
<tr>
<th>Assessor's Parcel No</th>
<th>Code No.</th>
<th>1st Installment</th>
<th>2nd Installment</th>
<th>Land Value</th>
<th>Imp. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>729-37-017</td>
<td>067-001</td>
<td>$157.04</td>
<td>$157.04</td>
<td>$20,000.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>NOT Marked Paid</td>
<td>NOT Marked Paid</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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.
4. Any special tax which is now a lien and that may be levied within the Santa Clara County Library District, notice(s) for which having been recorded.

NOTE: Among other things, there are provisions in said notice(s) for a special tax to be levied annually, the amounts of which are to be added to and collected with the property taxes.

NOTE: The current annual amount levied against this land is $33.66.

NOTE: Further information on said assessment or special tax can be obtained by contacting:

Name: Fiscal Agent of the Santa Clara County Library District, Joint Powers Authority
Address: 14600 Winchester Blvd., Los Gatos, CA 95032
Telephone No.: (408) 293-2326, Ext. 3004

5. Rights of the public, County and/or City, in and to that portion of said land lying within the lines of Hoot Owl Way.

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

Granted To: Coast Counties Gas and Electric Company
For: Electric transmission lines
Affects: The exact location and extent of said easement is not disclosed of record.

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

Reserved By: Santa Clara Valley Water Conservation District
For: To flood and inundate with water
Recorded: November 7, 1961 in Book 5356 of Official Records, Page 489
Affects: As described therein


Affects Parcel Two
9. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as shown on the filed map.

   For: Storm Drainage
   Affects: As shown on said Map as 10' S.D.E.

   For: Anchor
   Affects: parcel One as shown on said Map as 2' x 30' A.E.

   For: Right of way
   Affects: Southwesterly 40 feet

10. Any rights, easements, interests or claims that may exist or arise by reason of, or reflected by, recitals shown or noted upon a filed map, as follows:

   Map Entitled: Tract No. 3453
   Filed On: in Book 169 of Maps, at Page 29 through 33

11. Premises subject to various leasehold, beneficial and Mortgagor interests as disclosed by the following Instruments:


12. Any rights, easements, interests or claims that may exist or arise by reason of, or reflected by, recitals shown or noted in the filed map(s) referenced in the legal description herein.

13. 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.

Modification thereof, but omitting any covenants or restrictions 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.


Said Covenants, Conditions and Restrictions provide that a violation thereof shall not defeat or render invalid the lien of any Mortgage or Deed of Trust made in good faith and for value.

NOTE: "If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, 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."

14. Liens and charges for upkeep and maintenance as provided in the above mentioned Covenants, Conditions and Restrictions, if any, where no notice thereof appears on record.

For information regarding the current status of said liens and/or assessments
Contact: Holiday Lake Estates Maintenance Association

15. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof,

| Amount | $165,000.00 |
| Trustor/Borrower | David R. Frazer and Kelli K. Frazer, husband and wife as community property with right of survivorship |
| Trustee | Old Republic Title Company |
| Beneficiary/Lender | Mortgage Electronic Registration Systems, Inc., solely as nominee for Western Bancorp, a California corporation |
| Dated | January 6, 2012 |
| Recorded | January 13, 2012 in Official Records under Recorder's Serial Number 21497512 |
| Loan No. | 0201107031 |
| "MIN" | 1008221-0201107031-3 |
| Returned to | 5671 Santa Teresa Boulevard, Suite 103, San Jose, CA 95123 |
Affects this and other property.

NOTE: This loan appears to be registered with Mortgage Electronics Registration Systems, Inc. ("MERS"). Accordingly, the name, address and telephone number of the loan servicer should be obtained by calling the toll-free number, 1-888-679-MERS, and referring to the Mortgage Identification Number ("MIN") shown above.

NOTE: In connection therewith, the following:

Document: Full Reconveyance
Executed in the: 
Name of: David R. Frazer and Kelli K. Frazer, husband and wife, as community property with right of survivorship
Dated: December 26, 2019
Recorded: December 31, 2019 in Official Records under Recorder’s Serial Number 24370133
Returned to: David Frazer
Address: 17750 Manzanita Drive
Morgan Hill, CA 95037

Upon receipt of evidence satisfactory to this Company that the indebtedness and/or obligations secured by said Deed of Trust have been satisfied, or that the property in question is no longer to be security for said indebtedness or obligations, we will supplement our report accordingly.

16. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof,

Amount: $674,500.00
Trustor/Borrower: Rebecca Grace Watkins, an unmarried woman and Hao Tan Le, an unmarried man as Joint Tenants
Trustee: John D. Duncan, ESQ. Pite Duncan L.L.P.
Beneficiary/Lender: Mortgage Electronic Registration Systems, Inc., solely as nominee for United Wholesale Mortgage, LLC
Dated: January 30, 2021
Recorded: February 3, 2021 in Official Records under Recorder’s Serial Number 24813319.

Loan No.: 1220930283
"MIN": 100032412209302832

Affects this and other property.
17. Any statutory lien for services, labor or material arising from an improvement or work related to the land, unless notice thereof appears on record prior to Date of Policy.

18. 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(ies) being offered by this report or commitment appears to be section(s) 1.1 and 2.1.

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 17510 Hoot Owl Way, Morgan Hill, CA 95037.

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: David R. Frazer, a married man as his sole and separate property
To: David R. Frazer and Kelli K. Frazer, husband and wife as community property with right of survivorship
Dated: January 6, 2012
Recorded: January 13, 2012 in Official Records under Recorder's Serial Number 21497511

Affects this and other property.

Grant Deed executed by David R. Frazer and Kelli K. Frazer, husband and wife as community property with right of survivorship to Rebecca Grace Watkins, an unmarried woman and Hao Tan Le, an unmarried man as Joint Tenants recorded February 3, 2021 in Official Records under Recorder's Serial Number 24813318.

Said matters affect APN: 729-37-018 and 017

D. NOTICE: FinCEN COMPLIANCE

Closing the residential purchase and/or issuing title insurance contemplated by this Preliminary Report may be subject to compliance with the recently issued Confidential Geographic Targeting Order (GTO) from the US Treasury’s Financial Crimes Enforcement Network (FinCEN). The GTO requires Old Republic National Title Insurance Company to report information about certain transactions involving residential property.

FinCEN has the authority to compel this reporting under the USA PATRIOT Act. FinCEN prohibits Old Republic from disclosing the specific terms of the GTO. You may wish to contact the FinCEN Resource Center directly at (800) 767-2825 for more information.

The failure and/or refusal of a party to provide information for a "covered transaction" will preclude Old Republic from closing the transaction and/or issuing title insurance.

O.N.
AN/js
E. November 9, 2021 The above 2nd Updated Preliminary Report, has been modified for the following:

- [x] Taxes
- [x] Plant Date
EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the land;
   (ii) the character, dimensions, or location of any improvement now or hereafter erected on the land;
   (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or
   (iv) environmental protection, or the effect of any violation of these laws, ordinances, or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy;

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy;

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims, or other matters:
   (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy;
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing-business laws of the state in which the land is situated.

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.

6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE

SCHEDULE B - PART I

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

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

   Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

6. Any lien or right to a lien for services, labor or material unless such lien is shown by the public records at Date of Policy.
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 0.

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 ascertained 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.
**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?**

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and employment information
- Mortgage rates and payments and account balances
- Checking account information and wire transfer instructions

When you are no longer our customer, we continue to share your information as described in this notice.

**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.

<table>
<thead>
<tr>
<th>Reasons we can share your personal information</th>
<th>Does Old Republic Title share?</th>
<th>Can you limit this sharing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>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</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our marketing purposes — to offer our products and services to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For joint marketing with other financial companies</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For our affiliates’ everyday business purposes — information about your transactions and experiences</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our affiliates’ everyday business purposes — information about your creditworthiness</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For our affiliates to market to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For non-affiliates to market to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
</tbody>
</table>

Go to [www.oldrepublictitle.com](http://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

<table>
<thead>
<tr>
<th>How does Old Republic Title protect my personal information?</th>
<th>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 <a href="https://www.oldrepublicititle.com/privacy-policy">https://www.oldrepublicititle.com/privacy-policy</a></th>
</tr>
</thead>
</table>
| How does Old Republic Title collect my personal information? | We collect your personal information, for example, when you:  
  - 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  
We also collect your personal information from others, such as credit bureaus, affiliates, or other companies. |
| Why can't I limit all sharing? | Federal law gives you the right to limit only:  
  - 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  
State laws and individual companies may give you additional rights to limit sharing. See the State Privacy Rights section located at https://www.oldrepublicititle.com/privacy-policy for your rights under state law. |

## Definitions

| Affiliates | Companies related by common ownership or control. They can be financial and nonfinancial companies.  
  - 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 | Companies not related by common ownership or control. They can be financial and nonfinancial companies.  
  - Old Republic Title does not share with non-affiliates so they can market to you |
| Joint marketing | A formal agreement between non-affiliated financial companies that together market financial products or services to you.  
  - Old Republic Title doesn’t jointly market. |
<table>
<thead>
<tr>
<th>Affiliates Who May be Delivering This Notice</th>
<th>American Guaranty Title Insurance Company</th>
<th>Attorneys' Title Fund Services, LLC</th>
<th>Compass Abstract, Inc.</th>
<th>eRecording Partners Network, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>American First Title &amp; Trust Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lenders Inspection Company</td>
<td>Lex Terra Title Services, Inc.</td>
<td>Lex Terra, Ltd.</td>
<td>Mississippi Valley Title Services Company</td>
<td>National Title Agent's Services Company</td>
</tr>
<tr>
<td>Old Republic National Commercial Title Services, Inc.</td>
<td>Old Republic Title and Escrow of Hawaii, Ltd.</td>
<td>Old Republic Title Insurance Company</td>
<td>Old Republic Title Company</td>
<td>Old Republic Title Companies, Inc.</td>
</tr>
<tr>
<td>Old Republic Title Company of Conroe</td>
<td>Old Republic Title Company of Indiana</td>
<td>Old Republic Title Company of Nevada</td>
<td>Old Republic Title Company of Oklahoma</td>
<td>Old Republic Title Company of Oregon</td>
</tr>
<tr>
<td>Old Republic Title Company of St. Louis</td>
<td>Old Republic Title Company of Tennessee</td>
<td>Old Republic Title Information Concepts</td>
<td>Old Republic Title Insurance Agency, Inc.</td>
<td>Old Republic Title, Ltd.</td>
</tr>
<tr>
<td>RamQuest Software, Inc.</td>
<td>Republic Abstract &amp; Settlement, LLC</td>
<td>Sentry Abstract Company</td>
<td>Surety Title Agency, Inc.</td>
<td>The Title Company of North Carolina</td>
</tr>
<tr>
<td>Trident Land Transfer Company, LLC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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.

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples</th>
<th>Collected</th>
<th>Sources</th>
<th>Business Purpose for Collection</th>
<th>Categories of Third Parties with Whom Information is Shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifiers</td>
<td>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</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>Underwriting or providing other products or services, responding to policyholder/consomer claims, inquiries or complaints, detecting security incidents, protecting against malicious,</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e))</td>
<td>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.</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>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.</td>
<td>Service providers associated with the transaction for a business purpose.</td>
</tr>
<tr>
<td>Characteristics of protected classifications under California or federal law</td>
<td>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</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints. Other audit or operational purposes.</td>
<td>Service providers associated with the transaction for a business purpose.</td>
</tr>
<tr>
<td>Internet or other electronic network activity</td>
<td>Browsing history, search history, information about a consumer's interaction with a website, application, or advertisement.</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>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.</td>
<td>Not Disclosed</td>
</tr>
<tr>
<td>Geolocation data</td>
<td>Geographic tracking data, physical location and movements</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>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.</td>
<td>Not Disclosed</td>
</tr>
</tbody>
</table>
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.

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples</th>
<th>Business Purpose for Disclosure</th>
<th>Categories of Third Parties with Whom Information is Shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifiers</td>
<td>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</td>
<td>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.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e))</td>
<td>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.</td>
<td>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.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Characteristics of protected classifications under California or federal law</td>
<td>Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints. Other audit or operational purposes.</td>
<td>Service providers associated with the transaction for a business purpose</td>
<td></td>
</tr>
<tr>
<td>Internet or other electronic network activity</td>
<td>Browsing history, search history, information about a consumer's interaction with a website, application, or advertisement.</td>
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</tr>
<tr>
<td></td>
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</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Right</th>
<th>What This Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice</td>
<td>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.</td>
</tr>
<tr>
<td>Access</td>
<td>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</td>
</tr>
<tr>
<td>Deletion</td>
<td>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:</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>• 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.</td>
</tr>
<tr>
<td></td>
<td>• Detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity, or prosecute those responsible for such activities.</td>
</tr>
<tr>
<td></td>
<td>• Debug products to identify and repair errors that impair existing intended functionality.</td>
</tr>
<tr>
<td></td>
<td>• Exercise free speech, ensure the right of another consumer to exercise their free speech rights, or exercise another right provided for by law.</td>
</tr>
<tr>
<td></td>
<td>• Comply with the California Electronic Communications Privacy Act (Cal. Penal Code §1546 et seq.).</td>
</tr>
<tr>
<td></td>
<td>• 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.</td>
</tr>
<tr>
<td></td>
<td>• Enable solely internal uses that are reasonably aligned with consumer expectations based on your relationship with us.</td>
</tr>
<tr>
<td></td>
<td>• Comply with a legal obligation.</td>
</tr>
<tr>
<td></td>
<td>• Make other internal and lawful uses of that information that are compatible with the context in which you provided it.</td>
</tr>
<tr>
<td></td>
<td>• Or if it is the type of personal information that falls outside the scope of the CCPA, (HIPAA, CIMA, GLBA, or publicly available information)</td>
</tr>
<tr>
<td>Opt-Out of Sale</td>
<td>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.</td>
</tr>
<tr>
<td>Opt-In to Sale</td>
<td>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.</td>
</tr>
<tr>
<td>Non-Discrimination</td>
<td>We will not discriminate against you for exercising your rights under the CCPA. Unless otherwise permitted by the CCPA we will not:</td>
</tr>
<tr>
<td></td>
<td>• Deny you goods or service</td>
</tr>
<tr>
<td></td>
<td>• Charge you different prices or rates for goods or services, including through granting discounts or other benefits, or imposing penalties</td>
</tr>
<tr>
<td></td>
<td>• Provide a different level or quality of goods or services</td>
</tr>
<tr>
<td></td>
<td>• Suggest that you will receive a different price or rate for goods or services or a different level or quality of goods or services</td>
</tr>
</tbody>
</table>
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, Suite1500, San Francisco, CA 94111-3334.
ADDENDUM C - COMPARABLE SALES PHOTOS & SATELLITE IMAGES

Sale 1 – Residence Photo

Sale 1 – Satellite Image
Sale 4 – Residence Photo

Sale 4 – Satellite Image
Pending Sale A – Satellite Image
ADDENDUM D – DOCUMENT NUMBER 2089101
DEED

SANTA CLARA VALLEY WATER CONSERVATION DISTRICT, a public corporation, the first party, for and in consideration of Ten ($10.00) Dollars, lawful money of the United States, hereby grants to

ALVIN J. HOFFMAN

the second party,

ALL THAT real property situated in the County of Santa Clara, State of California, comprising approximately 1.78 acres, platted and described upon that certain Right of Way plat numbered SURVEY NO. 5-15, consisting of three sheets, dated August 21, 1961, entitled "LANDS OF SANTA CLARA VALLEY WATER CONSERVATION DISTRICT", which said Right of Way plat is hereunto attached, marked Exhibit "A", and made a part hereof.

RESERVING; NEVERTHELESS, unto the first party (hereafter called the District) the absolute and permanent right to flood and inundate the said lands with water, whether or not such water is local in origin, and without regard to origin, to a height of six hundred and forty (640) feet, U.S.G.S. datum; it being by the parties declared, fully understood and AGREED AS FOLLOWS:

THAT the District operates its adjoining Leroy Anderson Reservoir to store and conserve water and said reservoir will be used for such purposes;

THAT the District will operate said reservoir and will raise and lower the level of water therein at its sole discretion;

THAT the District shall have no liability of any nature to the Grantee, or any person, firm or corporation, claiming under him, on account of the fact that the District may raise or lower the level of water in said reservoir, or by reason of the manner of such raising or lowering of water, or the timing thereof, or for the presence or absence of water in said reservoir, without regard to the source or origin of said water; and

THAT the fact, which the parties recognize, that a portion of the said lands is subject to lease to third parties and to sublease to other parties and that structures and improvements have been erected by such parties on said lands shall in no wise limit the force and generality of the reservations and agreements of this deed; and

THAT immediately upon the execution of this deed second party shall cause notice of it and of its terms to be served upon all persons claiming any right whatever in or to said lands, said notice to be served personally or by registered United States mail and second party shall, within sixty (60) days of the execution of this deed file satisfactory proof of such service with the District; and

THAT this deed shall be by second party recorded in the office of the County Recorder of the County of Santa Clara promptly following execution and delivery; that the District shall be at no expense therefor or at any other expense whatever in connection with this deed; and
THAT it is further understood and agreed that the foregoing agreements shall constitute conditions and inducements to the giving of this deed, and that in the event second party or any person, firm, or corporation, claiming under him, shall violate the agreements contained herein, such violation shall work a forfeiture of this grant and the property herein described shall revert to the District, provided that second party and/or his heirs, successors or assigns, shall have the opportunity to defend the District against any cause of action or claim asserted against the District by reason of its right to do or perform any of the acts for which the right is reserved by this deed and the agreements contained herein and shall, in the event any unfavorable judgment is rendered against the District on account of such causes of action or claims, within 10 days after demand, pay or fully satisfy the same so that the grantor is fully and finally discharged from any such financial obligation, and upon performance of these provisions by grantee no default in the conditions of this deed shall be declared and no reversion shall take place to the District, and further provided that in the event a forfeiture and reversion to the District takes place by the terms and conditions hereof, the grantee and any persons, firms or corporation, claiming under him, may have, and the District hereby grants to them, the right to remove any structure or improvements located on the described lands conveyed by this deed within ninety (90) days following said reversion, thereafter such structures and improvements shall become the property of the District.

IN WITNESS WHEREOF, said public corporation has caused its corporate name and seal to be affixed hereto and this instrument to be executed by its duly authorized officers, this 27th day of October, 1961.

SANTA CLARA VALLEY WATER CONSERVATION DISTRICT, a public corporation.

By

Hermann J. Gehrel
President

By

Violet V. Edmonder
Secretary

STATE OF CALIFORNIA,
County of SANTA CLARA

On this 27th day of October, in the year one thousand nine hundred and sixty-one, before me, ALBERT T. HENLEY, a Notary Public in and for the County of SANTA CLARA, State of California, duly commissioned and sworn, personally appeared HERMANN J. GEHRLE and VIOLET V. EDMONDER, known to me to be the President and Secretary Pro Tem, respectively of the corporation described in and that executed the within instrument, and also known to me to be the person or persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal in the County of SANTA CLARA the day and year in this certificate first above written.

ALBERT T. HENLEY
Notary Public in and for the County of SANTA CLARA

My Commission Expires 9/15/63
State of California.
ADDENDUM E – LEGAL DESCRIPTION and PLAT MAP
Santa Clara Valley Water District
San Jose, California

PROJECT: ANDERSON DAM SEISMIC RETROFIT (TUNNEL PROJECT)  
RESU File No.: 9186-44  
By: B.Bains

All that certain real property situate in the unincorporated area of Morgan Hill, County of Santa Clara, State of California, as shown on that certain map entitled “TRACT NO. 3435” filed on November 14, 1963 in Book 169 of Maps at Pages 29 through 33, in the Office of the Recorder, County of Santa Clara, State of California, more particularly described as follows:

All of the lands described as “PARCEL ONE” in the Deed recorded as Document Number 24813318 of Official Records, in the Office of the Recorder, County of Santa Clara.

Containing 14,252 square feet of land, more or less.

BASIS OF BEARINGS:
The bearing of N46° 56' 44"E, shown as N46° 21' 52"E along the northwesterly line of Lot 170 on the certain Tract Map filed on November 14, 1963 in Book 169 of Maps at Pages 29 through 33, in the Office of the Recorder, County of Santa Clara, State of California, was used as Basis of Bearings shown hereon.

SURVEYOR'S STATEMENT:
The description was prepared by me or under my direction in conformance with the requirements of the Land Surveyor’s Act.

[Signature]
Jessica DeMartini, PLS 9095

[Date]
5/10/22

[Stamp]
STATE OF CALIFORNIA
JESSICA R. E.
DE MARTINI
L10095

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S:\REQUESTS\ANDERSON DAM AND RESERVOIR2022\13892 Working\Office\ROW2022-138_9186-44_LegalJD.docx

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Attachment 3
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APPRAISAL REPORT
OF
17510 Hoot Owl Way
Morgan Hill, CA 95037-6524

PREPARED FOR
Hao Tan Le and Rebecca Grace Watkins
17510 Hoot Owl Way
Morgan Hill, CA 95037

AS OF
05/07/2022

PREPARED BY
Metropolitan Appraisal Services
1935 Giampaoli Drive
San Martin, CA 95046
metro1234@aol.com
408) 683-4923
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<td>Price per Square Foot $</td>
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<tr>
<td>Age</td>
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<tr>
<td>Baths</td>
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<tr>
<td>Final Opinion of Value $</td>
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</tbody>
</table>
Hao Tan Le and Rebecca Grace Watkins  
17510 Hoot Owl Way  
Morgan Hill, Ca. 95037  

Subject: Land Appraisal of 17510 Hoot Owl Way, Morgan Hill, Ca. 95037  
APN# 729-37-018  

Dear Hao Tan Le and Rebecca Grace Watkins:  

In accordance with your request, I have appraised the subject property. I understand this appraisal is to determine the estimated market value for subject property that is being purchased by the Santa Clara Valley Water District for the Anderson Dam Tunnel Project purposes(Eminent Domain).  

The property rights appraised are fee simple title assuming no indebtedness against the property. The purpose of this appraisal is to estimate the market value of the subject property as of May 07, 2022, and it is being purchased by the Santa Clara Valley Water District. Market value as defined in this appraisal is defined elsewhere in this report.  

Your attention is invited to the attached pages indicating data collected and analyzed by this appraiser in formulating the opinion of value. Also attached is a resume of the Appraiser's Qualifications and Certification and Statement of Limiting Conditions. As a result of my investigation and analysis, some of which is described in this report, it is my opinion that as of May 07, 2022, the market estimate of subject property is:  

NINE HUNDRED FIFTY THOUSAND DOLLARS $950,000  

Cordially,  

Patrick W. McElroy  
State Certified General Appraiser  
California AG010778
The purpose of this appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address: 17510 Hoot Owl Way
City: Morgan Hill
State: CA
Zip Code: 95037-6524

Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? Yes

Report data source(s) used, offerings price(s), and date(s). MLS

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes

Exact location: 17510 Hoot Owl Way, Morgan Hill, CA 95037-6524

Utilities: Electric X Gas X Water X

Is the property seller the owner of public record? Yes

FEMA special flood hazard area? Yes

Is the property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? Yes

Is there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes

Is there any financial assistance (loan charges, sale concessions, gift or down payment assistance, etc.) to be paid by any party on behalf of the borrower? Yes

Additional features (special energy efficient items, etc.) See Comment Addendum

Uniform Residential Appraisal Report

Freddie Mac Form 70 March 2005

Metropolitan Appraisal Services

File No. 05072022
Case No. 05072022

Hao Tan Le and Rebecca Grace Watkins
17510 Hoot Owl Way, Morgan Hill, Ca 95037

Case No. 05072022

Freddie Mac Form 70 March 2005

UAD Version 9/2011 Produced by ClickFORMS Software 800-622-8727

Attachment 4

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March 2005

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### Sales Comparison Analysis

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<th>COMPARABLE SALE # 1</th>
<th>COMPARABLE SALE # 2</th>
<th>COMPARABLE SALE # 3</th>
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<tbody>
<tr>
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<td>05/07/2022</td>
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<tr>
<td>Date of Prior Sale/Transfer</td>
<td>05/07/2022</td>
<td>05/07/2022</td>
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<tr>
<td>Data Source(s)</td>
<td>County Recorders/CoreLogic</td>
<td>County Recorders/CoreLogic</td>
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<tr>
<td>Sales Comparison Approach</td>
<td>See Comment Addendum</td>
<td></td>
<td></td>
<td></td>
</tr>
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</table>

**Summary of Sales Comparison Approach**

- The Market Approach, being the prevailing approach to value, was given primary consideration in the final reconciliation.
- Recent Comparable sales, 1, 3, 4, and 5, all lake front properties, were given most weight in the Market Analysis, and was supported by Comp 2 & Comp 6, an active listing.
- My research did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

**RECONCLUSION**

- This appraisal is made "as is," subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, and subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:
- Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value is defined, of the real property that is the subject of this report is

<table>
<thead>
<tr>
<th>FEATURE</th>
<th>SUBJECT</th>
<th>COMPARABLE SALE # 1</th>
<th>COMPARABLE SALE # 2</th>
<th>COMPARABLE SALE # 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>17150 Hoot Owl Way</td>
<td>17620 Manzanita Drive</td>
<td>17195 Quail Ln</td>
<td>17684 Raccoon Ct</td>
</tr>
<tr>
<td>Proximity to Subject</td>
<td>0.13 miles W</td>
<td>0.50 miles SE</td>
<td>0.48 miles W</td>
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</tr>
<tr>
<td>Sale Price</td>
<td>$ 3,750,000</td>
<td>$ 4,400,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale Price/Gross Liv. Area</td>
<td>$ 1,205.64 sq. ft.</td>
<td>$ 781.25 sq. ft.</td>
<td>$ 1,425.44 sq. ft.</td>
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<tr>
<td>Data Source(s)</td>
<td>MLS #81876070;DOM 8</td>
<td>MLS #8183017;DOM 5</td>
<td>MLS #8182848;DOM 18</td>
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<td>Verification Source(s)</td>
<td>Doc #25258155</td>
<td>Doc #24943741</td>
<td>Doc #24875403</td>
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</table>

**RECONCILIATION**

- There are 23 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 899,988 to $ 3,750,000.
- There are 87 comparable sales in the subject neighborhood within the past twelve months ranging in price from $ 800,000 to $ 4,400,000.
### Uniform Residential Appraisal Report

**ADDITIONAL COMMENTS**

**COST APPROACH TO VALUE (not required by Fannie Mae.)**

Provide adequate information for the lender/client to replicate your cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) . Land Value was derived by the abstraction method. This involves subtracting the depreciated cost of the improvements from the comparable sales to obtain the contributory value of land. Subject's high land value to improvements is typical for this area.

<table>
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<th>Source of cost data</th>
<th>Marshall &amp; Swift/Appraisers Estimate</th>
<th>Quality rating from cost service</th>
<th>Effective date of cost data</th>
<th>Comments on Cost Approach (gross living area calculations, depreciation, etc.)</th>
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<td></td>
<td></td>
<td>Good</td>
<td>May/2022</td>
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Replacement costs of the improvements are based on Marshall & Swift residential cost handbook, as well as input from contractors. Subject is located on or near the Coyote Creek Fault, Silver Creek Fault, and the Calaveras Fault. No other functional or economic obsolescence apparent. Subject has a life expectancy of 70 years, and an effective age of 30 years. It has 40 years of remaining life.

Estimated Remaining Economic Life (HUD and VA only) 40 Years

**INCOME APPROACH TO VALUE (not required by Fannie Mae.)**

Estimated Monthly Market Rent $ X Gross Multiplier = $ Indicated Value by Income Approach

**INCOME APPROACH TO VALUE (not required by Fannie Mae.)**

**PROJECT INFORMATION FOR PUDs (if applicable)**

Is the developer/builder in control of the Homeowner's Association (HOA)? [ ] Yes [X] No Unit type(s) [X] Detached [ ] Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

Total number of phases

Total number of units

Total number of units rented

Total number of units for sale

Was the project created by the conversion of existing building(s) into a PUD? [X] Yes [ ] No If Yes, date of conversion.

Does the project contain any multi-dwelling units? [ ] Yes [X] No Data source.

Are the units, common elements, and recreation facilities complete? [ ] Yes [X] No If No, describe the status of completion.

Are the common elements leased to or by the Homeowner's Association? [X] Yes [ ] No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.
### Sales Comparison Approach

**Feature** | **Subject** | **Comparable Sale # 4** | **Comparable Sale # 5** | **Comparable Sale # 6**
---|---|---|---|---
Address | 17510 Hoot Owl Way | 17470 Hoot Owl Way | 17452 Hoot Owl Way | 17574 Holiday Drive
Proximity to Subject | 0.08 miles SE | 0.14 miles SE | 0.34 miles W | 
Sale Price | $ | $1,070,000 | $730,000 | $1,199,999
Sale Price/Gross Liv. Area | $0.00 sq. ft | $422.09 sq. ft | $901.23 sq. ft | $711.32 sq. ft
Data Source(s) | MLS #81807481; DOM 9 | MLS #81800784; DOM 21 | MLS #81889418; DOM 11 | 
Verification Source(s) | Doc #24679633 | Doc #24592616 | Active Listing | 
**Value Adjustments** | **Description** | **+(-) $ Adjustment** | **Description** | **+(-) $ Adjustment** | **Description** | **+(-) $ Adjustment** |
Sale or Financing | Arm.Lth (+19%) | +203,300 | Arm.Lth (+21%) | +153,300 | Listing (-5%) | -60,000 |
Leasehold/Fee Simple | Fee Simple | Conv:0 | Fee Simple | Conv:0 | Fee Simple | Conv:0 |
Site | 14252 sf | 13468 sf | 9016 sf | 52,360 | 26112 sf | -118,600 |
View | B:Res; Wtr; Fr | B: Wtr; Mtn | B: Wtr; Mtn | N: Res; Wtr | |
Design (Style) | DT2; Contemporary | DT2; Contemporary | DT1; Cabin | +50,000 | DT2; Contemporary | |
Quality of Construction | Q3 | Q2 | Q3 | Q2 | | -20,000 |
Actual Age | 68 | 66 | -10,000 | 44 | 23 | -10,000 |
Condition | C3 | C2 | -20,000 | C3 | C2 | -20,000 |
Above Grade Total Bdrms | Total Sq. Feet | Total Bathrooms | Total Sq. Feet | Total Bathrooms | Total Sq. Feet | Total Bathrooms |
Room Count | 4 | 1.0 | 8 | 3.0 | 40,000 | 6 | 3 | 2.0 | -20,000 |
Gross Living Area | 1,105 sq. ft | 2,535 sq. ft | -214,500 | 810 sq. ft | +44,250 | 1,687 sq. ft | -87,300 |
Basement & Finished Rooms Below Grade | 0 sf | 0 sf | 0 sf | |
Functional Utility | Average/Mud-silt | Average/Block | Average/P & P | Average/ | |
Heating/Cooling | FWA/No CA | FWA/Central Air | FP/No CA | +8,000 | FWA/No CA | |
Garage/Carport | None | None | None | 3cp3dw | -16,000 |
Porch/Patio/Deck | Porch/Deck/Patio | Porch/Deck/Patio | Porch/Deck/Patio | Porch/Deck/Patio | |
Fireplaces | 1 FP | 3 FP | -8,000 | 1 FP | 2 FP | -4,000 |
Misc/Solar System | NO SF Storage Bld | Solar System | -10,000 | None | +10,000 | None | +10,000 |
HOA Fee | $624/yr | $612/yr | 0 | $612/yr | 0 | $880/yr | 0 |
Net Adjustment (Total) | Net Adj: -10% | | Net Adj: -20% | | Net Adj: -20% | |
Adjusted Sale Price of Comparables | Net Adj: -10% | | Net Adj: -20% | | Net Adj: -20% | |
Gross Adj: 50% | $958,640 | | $1,047,910 | | $954,099 | |

**Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales**

**ITEM** | **SUBJECT** | **Comparable Sale # 4** | **Comparable Sale # 5** | **Comparable Sale # 6**
---|---|---|---|---
Date of Prior Sale/Transfer | | | | |
Price of Prior Sale/Transfer | | | | |
Data Source(s) | County Recorders/CoreLogic | County Recorders/CoreLogic | County Recorders/CoreLogic | County Recorders/CoreLogic |
Effective Date of Data Source(s) | 05/07/2022 | 05/07/2022 | 05/07/2022 | 05/07/2022 |
Analysis of Prior Sale or Transfer History of the Subject Property and Comparable Sales | See Page 2 for Comments | |

**Summary of Sales Comparison Approach**

See Comment Addendum
Neighborhood:
Subject is located in the Holiday Lake Estates Development of good quality homes, which is located in the East foothills in the City of Morgan Hill around Anderson Reservoir. The neighborhood is made up of a mixture of older and newer homes, with an average age of 45 years old. The homes in the immediate neighborhood are well maintained. The neighborhood has its own schools and shopping facilities in Morgan Hill. Silicon Valley provides a broad and stable employment base. The community is served by a variety of recreational facilities.

Site:
Subject is located in the unincorporated area of Santa Clara County in the Holiday Lake Estates Development around Anderson Reservoir, in the East foothills of Morgan Hill. Subject property is in the sphere of influence of the City of Morgan Hill. Subject property is benefited by it's location on Lake Anderson, fronts to lake. Subject property is part of a Di Minimis PUD where there is minimal effect on value. Streets are privately maintained by the Holiday Lake Estates Development Home Owner's Association thru monthly dues of $52 per month, except subject's street which is considered a driveway, privately maintained by homeowners on Hoot Owl Way. The subject property is located at 17510 Hoot Owl Way has access from Hoot Owl Way, which crosses diagonally over the adjoining APNs 729-37-017 & 019. This shared driveway has been in place for decades, although no recorded easement was found for benefit of subject property. Subject's site has 14,252 gross square feet and 11,037 net square feet. Hoot Owl Way is a private street that is approximately 40 feet wide near the subject, with a cul-de-sac Hoot Owl Way encumbers the southwesterly portion of subject's site, approximately 2,360 SFat the southwesterly edge of subject's site. The street frontage is not improved with curbs, gutters, or sidewalks, which is typical for subject's neighborhood. Subject has electric, septic system, and propane for gas. Water is provided by the City of Morgan Hill, and subject has a septic system. Subject is located on Anderson Reservoir, and it has a mountain and lake view. Subject's site has a down slope from Hoot Owl Way to the lake front. Subject is zoned HS, hillside site. Subject is located on or near the Coyote Creek Fault, Silver Creek Fault, and the Calaveras Fault, and this typical for subject's area, and does not effect subject's marketability. Subject's site is adjacent to Anderson Lake, which is designated as FEMA flood zone A. There are no other apparent adverse influences and/or conditions. There are two projects currently underway regarding Anderson Dam; the Anderson Dam Tunnel Project and the Anderson Dam Retrofit Project. The projects have prompted the subject property acquisition proposed by Santa Clara Valley Water District for slope anchor system. The location of proposed slope anchors was prompted by Hoot Owl Way Slide and Boat Marina Slide; two land slides along the lake bed that requires securing. Previously, SCVWD was going to install slope anchors beginning on SCVWD property within the lake bed and extend into and beneath the subject property, terminating some 50-75 feet below. The project would of require one slope anchor easement on subject's site to facilitate construction of the project. SCVWD decided it was better to purchase subject property fully than to purchase an anchor easement. Anderson Dam was built in 1950, and currently requires significant upgrades for seismic retrofitting. The project will rebuild the dam in compliance with today's seismic and safety standards and regulations. It will increase the dam's spillway and outlet capacity to allow a rapid, controlled draw down in emergencies and enhance incidental flood protection. SCVWD has a deed restriction area, recorded in 1961 that allows "SCVWD the absolute right to flood and inundate the said lands with water, whether or not such water is local in origin, and without regards to origin, to a hight of 640 feet." The existing structures are not affected by the proposed acquisition. The property is improved with a 1-story single family home that was originally built in 1954. As per County records the house contains 1,062 square feet and it has two bedrooms and one bathroom. My measurements show subject has 1,119 square feet. The dwelling is wood framed with a composition roof. It has a concrete perimeter foundation.

Description of Condition of Property:
Subject has a contemporary 2-story style. It has a composition shingle roof that appears to be in good condition. It has a wood exterior is in good condition. Subject is in overall good condition. Subject has a 2br-1ba contemporary style home. It is improved with hardwood floors, carpet in living room and bedrooms, granit tile kitchen counters, custom wood cabinets, gas fireplace, skylights, builtin cabinets, cultured marble bathroom vanity, vinyl bathroom floor, laundry room, lower level bedroom, forced air heat, central air conditioning, dual pane windows, patio, wood deck, detached storage storage, no garage, and natural
landscaping. It has drainage appears adequate; however, with site movement and settlement drainage may not be adequate. There appears to be some settlement and ground movement along the lake frontage on subject's site.

Summary of Sales Comparison Approach:
All comparables were taken from subject's Holliday Estate Development. Most weight was given to Comps 1, 3, 4, & 5 are closed sales and part of subject's Holiday Lake Estates Development with lake frontage similar to subject. All comparables used are located on or near the Coyote Creek Fault, Silver Creek Fault, and the Calaveras Fault.

Comp 1 is similar size 1-story cabin style home located at 17620 Manzanita Drive. It is part of subject's Holiday Lake Estates Development with lake frontage similar to subject property. It has a similar down slope to the lake as subject. It has a good mountain & lake view and similar site utility. It is a smaller 780 square foot cabin style home on a larger 18,710 square foot site. It has similar fair quality, and it is in similar fair condition. It has a steep driveway, patio, wood decking, partial basement, no covered parking. It has a HOA fee of $880/yr. It sold with conventional financing.

Comp 2 is a smaller size 1-story home located at 17195 Quail Court taken from a subject's development, Holiday Lake Estates Development around Anderson Reservoir. It has a an inferior mountain & lake view. It is in superior condition, and it has superior quality of construction. As per MLS, this is a remodeled home with three wood decks, rooftop deck, sloped lot, fire pit, open beamed ceiling, custom wood cabinets, garden window, quartz counters, tile floors in bathrooms, dual pane windows, skylights, 1 fireplace, central air conditioning, and attached 2-car garage. It has a HOA fee of $734/mo. It sold with conventional financing.

Comp 3 is located at 17684 Raccoon Court with lake frontage similar to subject. It has a larger 19,664 square feet of land. It has a similar down slope to the lake as subject. It has a smallerl 456 SF cabin on it. It is zoned R1. It sold for $635,000. It has a good view of the lake and surrounding hills. It sold for cash. The Home Owner's Fee is $734 per year.

Comp 4 is located at 17470 Hoot Owl Way on a 13,468 SF site. It has a down slope from Hoot Owl Way to the lake front similar to subject. It has a HS zoning similar to subject. It has a larger 2-story 2,535 SF home. As per MLS, it is improved with open beam ceilings, custom cabinets, skylights, 2 fireplaces, wood decks, sun room, loft bedroom, extra storage space, granite kitchen counters, kitchen island, updated bathrooms, marble tub & shower, solar system, patio, and no garage. It sold with conventional financing.

Comp 5 is located at 17452 Hoot Owl Way on a smaller 9,016 SF lot. It is zoned HS, Hillside residential, same zoning as subject. It has a down slope from Hoot Owl Way to the lake. similar to subject. It has a 810 SF cabin on it. As per MLS, it is improved with new hardwood floors, new pellet stove, recessed lighting, updated kitchen with stainless steel appliances, Corian counters, wrap around wood deck, office or 2nd bedroom, but no garage. It sold for $730,000. It sold with conventional financing.

Comp 6 is a larger size 2-story contemporary style home taken from a subject's development, Holiday Lake Estates Development around Anderson Reservoir. It is located at 17574 Holiday Drive, a feeder street for the development. It is in superior condition, and it has superior quality. It is not located on the Lake. It has an inferior view of the surrounding mountains. It has 3br-2.0ba with a 1,687 SF. As per MLS, updated home with, cathedral ceilings, upgraded kitchen galley, new interior & exterior paint, wood decks, 1 fireplace, open patio, circular driveway, natural landscaping, and 3-car carport. It has a HOA fee of $880/yr. It an active listing.

A time adjustment was required, due to an increasing market over that past 24 months, and uniqueness of subject property with lake frontage. This made it necessary to use older sales that also have lake frontage like subject property. 1% per month was used for time adjustment for this time period.

Appraiser's estimate $10.00 per square foot was used for the difference in lot size.
$150 per square foot was used on difference in building size. No adjustment was used for room count difference, which is included in the square foot adjustment.

$50,000 was used for view adjustment. A $50,000 adjustment was made for site utility.

A $50,000 adjustment was used for lake frontage.

$25,000 was used for style adjustment, contemporary vs log cabin style.

A $10,000 adjustment was used for 1/2 bathroom difference, and $20,000 was used for a full bathroom difference.

$20,000 to $40,000 was used for quality of construction adjustment, based on my inspection compared to MLS information on comparables used.

$20,000 to $40,000 was used for condition adjustment, based on my inspection compared to MLS information on comparables used.

$2,000 per year was used for effective age adjustment.

A $4,000 adjustment was used for fireplace difference.

A $8,000 was used for garage stall difference. $4,000 was used for carport stall difference.

$10,000 was used for solar system adjustment.

A 1% per month was adjusted for time. (See Attached MLS Statistics)

5% adjustment was used for Comp 6, an active listing.

Due to the complexities of this appraisal, it was necessary to exceed a 10% line adjustment, 15% net adjustment, and a 25% gross adjustment on comparables.

Also, due to complexities of this appraisal it was necessary to exceed 1-mile from subject property. Subject property is under the predominante value for subject's market area, and there is no impact on subject's marketability.

The Cost Approach is typically higher than the market approach for subject's market area and current economic environment. Market value is less than the cost to build new or replace.

Subject's indicated a reasonable exposure time of 3 to 6 month.

The comparables used in this appraisal report are considered the best available indicators among closed, pending, and current listings considered in the final analysis. All comparables used were typical arms length sales/listings. Additional comparables were viewed and given secondary consideration in the overall analysis.

I have performed a land appraisal service as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

This appraisal report was developed in adherence to lender appraiser independence requirements.

The comparables used in this appraisal report are considered the best available indicators among closed,
pending, and current listings considered in the final analysis. All comparables used were typical arms length sales/listings. Additional comparables were viewed and given secondary consideration in the overall analysis.

Priority Services Statement
I have performed no appraisal services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Extent of the Appraisal Process
The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of subject property and neighborhood, and selection of comparable sales within the subject's market area. The original source of comparables is shown in the data source selection of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable was used. Data believed to be unreliable was not included in the appraisal report.

Appraiser's Independence
Said appraiser, Patrick W. McElroy, is competent to complete this appraisal report in accordance with the competency provision in the USPAP.

Said appraiser, Patrick W. McElroy, has acted in an independent capacity and that the appraisal assignment is not based on requested minimum valuation. A specific valuation or approval of a loan.

Said appraiser, Patrick W. McElroy, has no direct or indirect interest in the property or transaction and/or bias with respect to the parties involved.
<table>
<thead>
<tr>
<th><strong>Borrower</strong></th>
<th>n/a</th>
</tr>
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<tbody>
<tr>
<td><strong>Property Address</strong></td>
<td>17510 Hoot Owl Way</td>
</tr>
<tr>
<td><strong>City</strong></td>
<td>Morgan Hill</td>
</tr>
<tr>
<td><strong>County</strong></td>
<td>Santa Clara</td>
</tr>
<tr>
<td><strong>State</strong></td>
<td>CA</td>
</tr>
<tr>
<td><strong>Zip Code</strong></td>
<td>95037-6524</td>
</tr>
</tbody>
</table>

| **Lender/Client** | Hao Tan Le and Rebecca Grace Watkins |
| **Address** | 17510 Hoot Owl Way, Morgan Hill, CA 95037 |

### Subject's County Record Pg1

**File No.** 05072022  
**Case No.** 05072022

#### 17510 Hoot Owl Way, Morgan Hill, CA 95037-6524, Santa Clara County

<table>
<thead>
<tr>
<th><strong>APN:</strong></th>
<th>729-37-018</th>
<th><strong>CLIP:</strong></th>
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<tr>
<td><strong>MLS Beds</strong></td>
<td>2</td>
<td><strong>MLS Bath</strong></td>
<td>1</td>
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<tr>
<td><strong>MLS Sq Ft</strong></td>
<td>1,082</td>
<td><strong>Lot Sq Ft</strong></td>
<td>16,200</td>
</tr>
<tr>
<td><strong>Type</strong></td>
<td>SFR</td>
<td></td>
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</tbody>
</table>

#### Owner Information

| **Owner Name** | Watkins Rebecca G |
| **Tax Billing Zip** | 95037 |
| **Tax Billing Address** | Morgan Hill, CA 95037 |

#### Location Information

| **School District** | Morgan Hill |
| **Community College District** | Milpitas |
| **Location Influence** | Lake |
| **Census Tract** | 5123.08 |

#### Tax Information

| **APN** | 729-37-018 | **Tax Area** | 07001 |
| **% Improved** | 7% | **Lot Number** | 170 |
| **Legal Description** | TRACT 3453 PART OF LOT 170 |

#### Assessment & Tax

| **Assessment Year** | 2021 | **Assessed Value - Total** | $398,182 |
| **Assessed Value - Land** | $278,302 | **Assessed Value - Improved** | $20,680 |
| **Assessed Value - Similar** | $308,284 | **Market Area** | 9865 |
| **YOF Assessed Change ($)** | $2,053 | **YOF Assessed Change (%)** | 0.64%
| **Tax Year** | 2019 | **Charge ($)** | $3,565 |
| **Total Tax** | $3,565 | **Change (%)** | -0.72%

#### Special Assessment

| **Ssco Vector Corpo** | $1.69 | **Tax Amount** | $4.38 |
| **Mosquito Amt #2** | $4.38 | **Sfwa Measure Aa** | $12.00 |
| **Svred Flood Cont** | $30.00 | **Bocca Measure T** | $34.00 |
| **Library Jpa Ord 2013-1** | $33.55 | **Safe Clean Water** | $89.44 |

#### Characteristics

| **Land Use - CoreLogic** | SFR  
| **Lot Area** | 16,200 |
| **Style** | U-Shape |
| **Yr Built** | 1953 |
| **Building Sq Ft** | 1,082 |
| **Basement Sq Ft** | 192 |
| **Basement Type** | MLS: Other |
| **Total Baths** | 1 |
| **Bedrooms** | 3 |

#### Property Details

- **Full Baths:** 1
- **Heat Type:** None
- **Cooling Type:** None
- **Parking Type:** None
- **Garage Capacity:** 463
- **Construction:** Wood
- **Pool:** Spa
- **Condition:** Average
- **Quality:** Average

---

Generated on 05/04/2022
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<tr>
<th>Subject's County Record Pg2</th>
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**Property Details**
- **MLS Listings Number:** MLS1811177
- **MLS Status:** Sold
- **MLS Listing Date:** 06/29/2020
- **MLS Listing Price:** $556,000
- **MLS Sold Date:** 05/03/2021
- **MLS Closing Price:** $716,000
- **MLS Listing Agent:** COLDWELL BANKER REALTY
- **MLS Selling Agent:** Keller Williams East Court

**Recording Date:** 02/10/2021
- **Deed Type:** Grant Deed
- **Tax:** 11/02/2021 MLS: 3053/3021
- **Owner Name:** Watkins Rebecca G
- **Owner Name 2:** Le Hao T
- **Sale Price:** $716,000
- **Price Per Square Foot:** $698.35
- **Saled:**

**Recording Date:** 04/27/2002
- **Deed Type:** Grant Deed
- **Tax:** 04/26/2001
- **Owner Name:** Le Hao T
- **Owner Name 2:** Frazer David R & Kelly K
- **Sale Price:** $356,000
- **Price Per Square Foot:** $689.89
- **Saled:**

**Recording Date:** 03/27/2001
- **Deed Type:** Grant Deed
- **Tax:** 04/25/2000
- **Owner Name:** Le Hao T
- **Owner Name 2:** Frazer David R & Kelly K
- **Sale Price:** $716,000
- **Price Per Square Foot:** $689.89
- **Saled:**

**Mortgage Date:** 08/03/2021
- **Mortgage Amount:** $974,000
- **Mortgage Under:** United Wholesale Mfg
- **Mortgage Type:** Conventional

**Mortgage Date:** 11/03/2012
- **Mortgage Amount:** $195,000
- **Mortgage Under:** Bank of America
- **Mortgage Type:** Conventional

**Mortgage Date:** 10/16/2004
- **Mortgage Amount:** $106,000
- **Mortgage Under:** Bank of America
- **Mortgage Type:** Conventional

**Mortgage Date:** 11/05/2003
- **Mortgage Amount:** $47,000
- **Mortgage Under:** Bank of America
- **Mortgage Type:** Conventional

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- **Mortgage Type:** Conventional
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<td>Refi</td>
<td>Refi</td>
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</tbody>
</table>
17510 Hoot Owl Way, Morgan Hill, California 95037

MLS #: ML81811177

Subject's MLS Listing Pg1

File No. 05072022
Case No. 05072022

17510 Hoot Owl Way, Morgan Hill 95037

County: Santa Clara
Area: 1 - Morgan Hill / Gilroy / San Martin
Class: Res. Single Family / Detached
Land Use: SF
Comm: 2.5%
L-Type/Service: Exclusive Right to Sell,
Special Info: Not Applicable
Ownership: Cash or Conventional Loan
Public: Location, Location! If working from home is starting to feel more like working from solitary confinement, then this cabin in luxurious Holiday Lake Estates may offer the change of scenery you need. Nestled on an oak-studded 1/3 acre lot near the end of a cul-de-sac, this cute cottage provides a private storybook setting in one of Morgan Hills' nicest neighborhoods. Wake up to picturesque views every day with visions of Tule Elk, Bald Eagle, Deer, Fox, Wild Turkey and more! The cabin features an open living area with exposed truss ceiling, a wall of windows to soak in the views, new presidential lifetime roof, forced air heating, new granite kitchen counters, huge walk in closet, indoor washer & dryer, free standing fireplace, ceiling fans, wrap around deck with spectacular vistas, and more. The median home price in Holiday Lake Estates is at $1.2M so far in 2023, and this could be your opportunity to buy in one of the best areas around for under $800K. Say goodbye to stress and hello Hoot Owl!

Private: Disclosures coming soon. Brand new roof/gutters & Section 1 was cleared for the house in 08/20, but Section 1 was not cleared for anything deck related. Deck needs work and is sold as-is. The driveway is steep and don't drive down it unless you're a good driver and have plenty of tire tread (you've been warned!) Includes 60% ownership of vacant lot to the right of the home (APN 739-37-017 aprox 13K sq ft.) Current Property Detail report shows 1582 SqFt and previous MLS entry from 2003 shows 697 SqFt. Seller is unaware of the reason for SF discrepancy and is unaware of permit status for total SqFt. Seller is a licensed real estate salesperson. Text or call w requested apppt time AND email me PEAD-V and pre-approval letter. I will confirm appointment. Agents, please follow ALL Covid related protocols: Appointments with only two visitors at a time. Each visitor must complete and sign a PEAD-V form prior to entering. Each agent must sanitize after a showing.

Showing Information

Occupied By: Call Agent
Show Contact: Jeff Sheets
Phone: (408) 710-3963
Instructions: Appointment Only

Map
X Street: Holiday Drive
Directions: Appointment Only
Prop Facets:

# offers:
Buyer Finance: Type - Conventional

Closing Details
Sold Remarks: Concession:
LOE: 35

Accessibility:
Bathroom: Shower over Tub - 1
Communication:

Construct Type: Wood Frame
Cooling: Ceiling Fan
Dining Rm: Dining Area in Living Room
Energy Sav: Double Pane Windows

Features:
Horse: No
Interior: High Ceiling, Vaulted Ceiling, Walk-in Closet
Kitchen: Gas Hookup, Inside, Washer/Dryer
Lot Desc: -
Other Rooms: Bonus/Hobby Room
Pool YN: -
Pool / Spa: -
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<tr>
<th>Ext. Amenities: Deck</th>
<th>Prop Condition: Composition</th>
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<tbody>
<tr>
<td>Family Room: No Family Room</td>
<td>Roof:</td>
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<tr>
<td>Fireplace: #1 / Living Room</td>
<td>Security:</td>
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<td>Flooring: Carpet, Tile, Vinyl/Linoleum</td>
<td>Soil Condition:</td>
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<tr>
<td>Foundation: Other</td>
<td>Stories: 1</td>
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<tr>
<td>Heating: Central Forced Air - Gas</td>
<td>Style: Cabin, Cottage</td>
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<tr>
<td>Garage/Parking</td>
<td>View:</td>
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<tr>
<td>Garage: 1</td>
<td>Structure(s):</td>
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<tr>
<td>Carport:</td>
<td>Type:</td>
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<td>Open Parking: Detached Garage</td>
<td>G.S. Desc:</td>
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<td>Complex Name: Holiday Lake Estates</td>
<td>G.S. Size:</td>
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<td>C. Amenities: Holiday Estates Maintenance Assoc</td>
<td>Complex/HOA</td>
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<tr>
<td>HOA Name: Holiday Estates Maintenance Assoc</td>
<td>#Units N Con: 512</td>
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<td>HOA Fee: $52/Monthly</td>
<td>C. Restrictions: Parking, Other</td>
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<tr>
<td>HOA Docs:</td>
<td>HOA Phone: (408) 370-9062</td>
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<tr>
<td>HOA Doc Fee:</td>
<td>HOA Covers: Insurance - Common Area, Maintenance - Common Area, Maintenance - Roof</td>
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<td>Sewer: Septic Connected</td>
<td>HOA Fees:</td>
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<td>Water: Public</td>
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<tr>
<td>Consumer Site: Yes</td>
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<td>Distribution</td>
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<td>Consumer Site: Yes</td>
<td>VOI-AVM:</td>
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<td>VOW-Comment: Yes</td>
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<td>Green Rated: No</td>
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<td>POS Ord.:</td>
<td>Trnsf Tx: No</td>
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<tr>
<td>Hazard: Lead Base Disclosure, Natural Hazard Disclosure</td>
<td>Other: Seller is Licensed R.E. Agent</td>
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<tr>
<td>Other:</td>
<td>Disclosures URL:</td>
</tr>
</tbody>
</table>

**Contact Information**

<table>
<thead>
<tr>
<th>LA: Jeff Sheets</th>
<th>LA Ph: (408) 710-3963</th>
</tr>
</thead>
<tbody>
<tr>
<td>LA Lic#: 01393831</td>
<td>LA Em: <a href="mailto:jeff@jeffsheets.com">jeff@jeffsheets.com</a></td>
</tr>
<tr>
<td>LO: Caldwell Banker Realty (Off.Lic#01953204)</td>
<td>LO Ph: (408) 779-5000</td>
</tr>
<tr>
<td>BA: Johnny Hoang</td>
<td>BA Ph: (408) 765-8121</td>
</tr>
<tr>
<td>BA Lic#: 02024441</td>
<td>BA Em: <a href="mailto:johnny.hoang@cb.com">johnny.hoang@cb.com</a></td>
</tr>
<tr>
<td>BO: Keller Williams East County (Off.Lic#01424224)</td>
<td>BO Ph: (925) 634-0033</td>
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**Disclaimer:** The above information is deemed to be accurate but not guaranteed. Source: MLSListings Inc. ©2022 MLSListings Inc.

*Data provided by RealEstate.com, compiled by CoreLogic® from public and private sources, and accuracy of the data is deemed reliable but not guaranteed.*
ORDER NO.: 0515019446

EXHIBIT A

The land referred to is located in the unincorporated area of the County of Santa Clara, State of California, and is described as follows:

PARCEL ONE:

Portion of Lot 170, as shown upon that certain Map entitled "Tract No. 3453 Holiday Lake Estates Unit No. 1", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, on November 14, 1953, in the Book 169 of Maps, at Pages 29, 30, 31, 32 and 33, and more particularly described as follows:

Beginning at a point in the Southwesterly line of Lot 170, as said Lot 18 shown upon the Map referred to, distant thereon South 58° 20' West 90.00 feet from the Western most corner thereof; thence from said point of beginning North 58° 20' East along said Southerly line of Lot 170 for a distance of 68.00 feet to the Western most corner thereof; thence North 46° 21' 52" East along the Northwesterly line of said Lot 170 for a distance of 225.01 feet to the Northern most corner thereof; thence South 55° 23' East along the Northeastwesterly line of said Lot 170 for a distance of 72.15 feet; thence bearing said last mentioned line Southwesterly in a direct line to the point of beginning.

PARCEL TWO:

A non-exclusive easement for ingress and egress, appurtenant to the above described Parcel One, over the following described parcel of land:

Beginning at a point in the Southwesterly line of Lot 170, as said Lot is shown upon that certain Map entitled "Tract No. 3453 Holiday Lake Estates Unit No. 1", which Map was filed for record in the Office of the County Recorder of Santa Clara, on November 14, 1953, in Book 169 of Maps, at Pages 29, 30, 31, 32 and 33, distant thereon North 51° 52' 08" East 40.62 feet from the Southern most corner thereof; said point of beginning also being the Northeastwesterly line of Hoot Owl Way, a 40 feet right of way, as shown upon the Map above referred to; thence from said point of beginning for a distance of 50 feet, more or less, to a point in the Northwesterly line of the certain Tract of land described as Parcel Two in the Deed from Holiday Lake Estates, Inc., a corporation to Carl Alfred Young, et ux, dated October 12, 1967, recorded October 13, 1967 in Book 7890 Official Records, Page 547, Santa Clara County Records; thence Northeastwesterly along the Northwesterly line of said Parcel Two for a distance of 120.00 feet; thence Southerly in a direct line to the point of beginning.

The inundation easement was fully considered in the valuation of the Subject. It is assumed that no other easements or encroachments exist that could negatively affect the property's value or marketability other than those mentioned in this report.

Subject's Lot and Easements

Attachment 4
Pg. 21 of 52
Sale Prices Over Time

Time frame is from Jun 2021 to May 2022
Zip Code is '99937'
Property Type is 'Residential'
Property Sub Type is 'Single Family Home'
Results calculated from 533 listings
Zoning and General Plan: County of Santa Clara

The Subject is under the jurisdiction of Santa Clara County Planning Department and has a zoning designation of HS (Hillside) and a General Plan designation of USA (Regional Parks, Existing). Hillside zoning allows for various residential uses and its intent is as follows:

The purpose of the Hillside district, also known as the HS district, is to preserve mountainous lands unplanned or unsuited for urban development primarily in open space and to promote those uses which support and enhance a rural character, which protect and promote wise use of natural resources, and which avoid the risks imposed by natural hazards found in these areas. These lands are watersheds and may also provide such important resources as minerals, forests, animal habitat, rare or locally unique plant and animal communities, historic and archeological sites, scenic beauty, grazing lands, and recreational areas. Additionally, lands zoned Hillside define the setting or viewshed for the urban areas of the County.

Development shall be limited to avoid the need for public services and facilities. Permitted uses include agriculture and grazing, very low-density residential use, low density, low-intensity recreation, mineral and other resource extraction, and land in its natural state. Low-intensity commercial, industrial, and institutional uses may also be allowed if they require a remote, rural setting in order to primarily serve the rural residents or community, or if they support the recreational or productive use, study, appreciation, or enhancement of the natural environment. Clustering of development, particularly residential, is encouraged in order to preserve contiguous open space and achieve efficiency in the provision of access to dwellings. This district is meant to apply to all parcels designated Hillside in the general plan.

The Subject is also within the city of Morgan Hill's Sphere of Influence, which designates the Subject as Residential Detached Low (up to 4 dwelling units/acre).

Probability of a Zoning Change
A change in zoning is not likely. The Subject is in an area primarily reserved for low-density residential uses.
CALCULATIONS

MAIN LEVEL

- 20.5' X 34.0' = 697 SF
- 05.0' X 14.0' = 70 SF
- 08.0' X 12.0' = 96 SF

TOTAL MAIN LEVEL = 863 SF

LOWER LEVEL

- 09.5' X 25.5' = 242.25 SF

TOTAL = 1,105.25 SF

ROUNDED = 1,105 SF
SUBJECT PHOTO ADDENDUM

Borrower: n/a

Property Address: 17510 Hoot Owl Way

City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037-6524

Lender/Client: Hao Tan Le and Rebecca Grace Watkins
Address: 17510 Hoot Owl Way, Morgan Hill, Ca 95037

FRONT OF SUBJECT PROPERTY
17510 Hoot Owl Way
Morgan Hill, CA 95037-6524

REAR OF SUBJECT PROPERTY

STREET SCENE
SUBJECT'S PRIVATE STREET
LOOKING WEST/SUBJECT TO THE LEFT
SUBJECT PHOTO ADDENDUM

Borrower: n/a

Property Address: 17510 Hoot Owl Way

City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037-6524

Lender/Client: Hao Tan Le and Rebecca Grace Watkins
Address: 17510 Hoot Owl Way, Morgan Hill, CA 95037

SUBJECT'S PRIVATE STREET
LOOKING EAST/SUBJECT TO THE RIGHT

SUBJECT'S NORTHERN SIDE

SUBJECT'S SOUTHERN SIDE
Borrower: n/a
Property Address: 17510 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037

Lender/Client: Hao Tan Le and Rebecca Grace Watkins
Address: 17510 Hoot Owl Way, Morgan Hill, CA 95037

SUBJECT'S PROPANE TANK

SUBJECT'S SHARED DRIVEWAY
SUBJECT TO THE RIGHT

SUBJECT'S SHARED DRIVEWAY
SUBJECT TO THE LEFT
SUBJECT PHOTO ADDENDUM

Borrower: n/a

Property Address: 17510 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037-6524

Lender/Client: Hao Tan Le and Rebecca Grace Watkins
Address: 17510 Hoot Owl Way, Morgan Hill, CA 95037

SUBJECT'S LAKE & MOUNTAIN VIEW
REAR BOUNDARY

SUBJECT'S DRIVEWAY
LOOKING EAST/SUBJECT TO THE RIGHT

SUBJECT'S LAKE FRONTAGE
<table>
<thead>
<tr>
<th>Subject</th>
<th>Image Description</th>
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<tbody>
<tr>
<td>Northern Boundary</td>
<td><img src="image1.jpg" alt="Image of the northern boundary of the subject property." /></td>
</tr>
<tr>
<td>Western Boundary</td>
<td><img src="image2.jpg" alt="Image of the western boundary of the subject property." /></td>
</tr>
<tr>
<td>Storage Building</td>
<td><img src="image3.jpg" alt="Image of the storage building." /></td>
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</table>
SUBJECT'S LAKE BOUNDARY

SUBJECT'S SITE

SUBJECT'S LAKE BOUNDARY
**SUBJECT PHOTO ADDENDUM**

**Borrower**  
n/a

**Property Address**  
17510 Hoot Owl Way

**City**  
Morgan Hill

**County**  
Santa Clara

**State**  
CA

**Zip Code**  
95037-6524

**Lender/Client**  
Hao Tan Le and Rebecca Grace Watkins

**Address**  
17510 Hoot Owl Way, Morgan Hill, Ca 95037

---

**SUBJECT'S LIVING ROOM**

![SUBJECT'S LIVING ROOM]

**SUBJECT'S KITCHEN**

![SUBJECT'S KITCHEN]

**SUBJECT'S DINING ROOM**

![SUBJECT'S DINING ROOM]
<table>
<thead>
<tr>
<th>Borrower</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Property Address</td>
<td>17510 Hoot Owl Way</td>
</tr>
<tr>
<td>City</td>
<td>Morgan Hill</td>
</tr>
<tr>
<td>County</td>
<td>Santa Clara</td>
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<td>CA</td>
</tr>
<tr>
<td>Zip Code</td>
<td>95037-6524</td>
</tr>
<tr>
<td>Lender/Client</td>
<td>Hao Tan Le and Rebecca Grace Watkins</td>
</tr>
<tr>
<td>Address</td>
<td>17510 Hoot Owl Way, Morgan Hill, CA 95037</td>
</tr>
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</table>

**SUBJECT PHOTO ADDENDUM**

**SUBJECT'S LAUNDRY ROOM**

**SUBJECT'S STAIRWAY TO LOWER LEVEL**
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Property Address</td>
<td>17510 Hoot Owl Way</td>
</tr>
<tr>
<td>City</td>
<td>Morgan Hill</td>
</tr>
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<td>CA</td>
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<tr>
<td>Zip Code</td>
<td>95037-6524</td>
</tr>
<tr>
<td>Lender/Client</td>
<td>Hao Tan Le and Rebecca Grace Watkins</td>
</tr>
<tr>
<td>Address</td>
<td>17510 Hoot Owl Way, Morgan Hill, Ca 95037</td>
</tr>
</tbody>
</table>

### SALES LOCATION MAP

**Subject**
- Address: 17510 Hoot Owl Way, Morgan Hill, CA 95037
- APN: 729-87-019

**Comparable Properties**

<table>
<thead>
<tr>
<th>Comp 1</th>
<th>17508 Menzella Drive, Morgan Hill, CA 95037</th>
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<tbody>
<tr>
<td>Sale</td>
<td>$830,000</td>
</tr>
<tr>
<td>Distance</td>
<td>0.13 miles W</td>
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<table>
<thead>
<tr>
<th>Comp 2</th>
<th>17105 Quail Ln, Morgan Hill, CA 95037</th>
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<tbody>
<tr>
<td>Sale</td>
<td>$1,203,000</td>
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<tr>
<td>Distance</td>
<td>0.59 miles ESE</td>
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<table>
<thead>
<tr>
<th>Comp 3</th>
<th>17504 Racoon Ct, Morgan Hill, CA 95037</th>
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<tbody>
<tr>
<td>Sale</td>
<td>$950,000</td>
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<tr>
<td>Distance</td>
<td>2.48 miles W</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Comp 4</th>
<th>17470 Hoot Owl Way, Morgan Hill, CA 95037</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale</td>
<td>$778,000</td>
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<tr>
<td>Distance</td>
<td>0.31 miles ENE</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Comp 5</th>
<th>17452 Hoot Owl Way, Morgan Hill, CA 95037</th>
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</thead>
<tbody>
<tr>
<td>Sale</td>
<td>$778,000</td>
</tr>
<tr>
<td>Distance</td>
<td>0.31 miles NE</td>
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</tbody>
</table>

Property Address: 17510 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037

Lender/Client: Hao Tan Le and Rebecca Grace Watkins
Address: 17510 Hoot Owl Way, Morgan Hill, CA 95037

COMPARABLE SALE # 1
17620 Manzanita Drive
Morgan Hill, CA 95037

COMPARABLE SALE # 2
17195 Quail Ln
Morgan Hill, CA 95037

COMPARABLE SALE # 3
17684 Raccoon Ct
Morgan Hill, CA 95037
<table>
<thead>
<tr>
<th>COMPARABLE SALE #</th>
<th>Address</th>
<th>City</th>
<th>County</th>
<th>State</th>
<th>Zip Code</th>
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</thead>
<tbody>
<tr>
<td>4</td>
<td>17470 Hoot Owl Way</td>
<td>Morgan Hill</td>
<td>CA</td>
<td>95037</td>
<td>95037-6524</td>
</tr>
<tr>
<td>5</td>
<td>17452 Hoot Owl Way</td>
<td>Morgan Hill</td>
<td>CA</td>
<td>95037</td>
<td>95037-6524</td>
</tr>
<tr>
<td>6</td>
<td>17574 Holiday Drive</td>
<td>Morgan Hill</td>
<td>CA</td>
<td>95037</td>
<td>95037-6524</td>
</tr>
</tbody>
</table>
This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum; (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeable and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.

2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.

3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.

5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.
APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.

2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.

3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.

5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.

6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.

7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.

8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.

9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.

10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.

11. I have knowledge and experience in appraising this type of property in this market area.

12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.

14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.

15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.

16. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.

17. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.

18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).

19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

**SUPERVISORY APPRAISER'S CERTIFICATION:** The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

**APPRAISER SUPERVISORY APPRAISER (ONLY IF REQUIRED)**

<table>
<thead>
<tr>
<th>Signature</th>
<th>Patrick W. McElroy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Patrick W. McElroy</td>
</tr>
<tr>
<td>Company Name</td>
<td>Metropolitan Appraisal Services</td>
</tr>
<tr>
<td>Company Address</td>
<td>1935 Giampaoli Drive San Martin, CA 95046</td>
</tr>
<tr>
<td>Telephone Number</td>
<td>4086834923</td>
</tr>
<tr>
<td>Email Address</td>
<td><a href="mailto:metro1234@aol.com">metro1234@aol.com</a></td>
</tr>
<tr>
<td>Date of Signature and Report</td>
<td>05/16/2022</td>
</tr>
<tr>
<td>Effective Date of Appraisal</td>
<td>05/07/2022</td>
</tr>
<tr>
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<td>AG010778</td>
</tr>
<tr>
<td>or State License #</td>
<td>State #</td>
</tr>
<tr>
<td>or Other (describe) State</td>
<td>CA</td>
</tr>
<tr>
<td>Expiration Date of Certification or License</td>
<td>05/31/2023</td>
</tr>
</tbody>
</table>

**ADDRESS OF PROPERTY APPRAISED**

17510 Hoot Owl Way
Morgan Hill, CA 95037-6524

**APPRaised VALUE OF SUBJECT PROPERTY $ 950,000**

**LENDER/CLIENT**

<table>
<thead>
<tr>
<th>Name</th>
<th>Hao Tan Le and Rebecca Grace Watkins</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Name</td>
<td>Hao Tan Le and Rebecca Grace Watkins</td>
</tr>
<tr>
<td>Company Address</td>
<td>17510 Hoot Owl Way Morgan Hill, CA 95037</td>
</tr>
<tr>
<td>Email Address</td>
<td><a href="mailto:Hao.t.le@gmail.com">Hao.t.le@gmail.com</a></td>
</tr>
</tbody>
</table>
PATRICK W. MCELROY
STATE CERTIFIED GENERAL REAL ESTATE APPRAISER
REAL ESTATE BROKER, & CONSULTANT
1935 GIAMPAOLI DRIVE
SAN MARTIN, CA. 95046
Office:(408) 683-4923 FAX:(408) 683-4925 Cell:(408) 843-8876
E-Mail metro1234@aol.com

QUALIFICATIONS

PATRICK W. MCELROY, State Certified General Real Estate Appraiser - AG010778 and Independent Real Estate Broker

PROFESSIONAL EXPERIENCE

1. Presently and for last forty years: Independent Real Estate Broker and Certified General Real Estate Appraiser
3. March 1983 - February 1985: Appraiser Associate of Lou Berger, Real Estate Appraiser, Milpitas, California

TYPES OF PROPERTY APPRAISED

1. Single Family Residential including New Construction, Condominiums, Cluster Homes, Rowhouses, Patio Homes, Standard Detached Homes, and Residential Subdivisions
2. Commercial Properties: Shopping Centers, Restaurants, Retail Stores, Professional Offices, including New Construction and Vacant Land
3. Industrial Properties including New Construction and Vacant Land
4. Ranch, Ocean, and Mountain Properties
5. Special Use Properties including Churches, Gas Stations, Health Club, and Minority Interest Properties
6. Properties suffering from Toxic or Hazardous Material Problems

AREAS APPRAISED

Santa Clara County, Santa Cruz County, San Benito County, Monterey County, Alameda County, Contra Costa County, San Mateo County, and San Francisco County

EDUCATIONAL QUALIFICATIONS

1. California State University, Hayward: B.S. in Mathematics 1971
2. California State University, San Jose
   West Valley College, Saratoga
   San Jose City College, San Jose
College accredited courses include: Real Estate Finance, Legal Aspects of Real Estate, Professional Skill Development, Real Estate Economics, Real Estate Practice, Real Estate Principles, Real Estate Property Management, Real Estate Appraisal I and II
4. State of California Real Estate Brokers License
5. State of California Certified General Real Estate Appraiser, AG010778

PROFESSIONAL AFFILIATIONS

Member of Santa Clara County Real Estate Board
Member of California Association of Realtors
Member of National Association of Realtors
Affiliate Member of Appraisal Institute

Attachment 4
Pg. 46 of 52
Patrick W. McElroy

Certified General Real Estate Appraiser

Effective Date: June 1, 2021
Date Expires: May 31, 2023

BREA Appraiser Identification Number: AG 010778

This license has been issued in accordance with the provisions of the Real Estate Appraisers Licensing and Certification Law. It is valid only in the State of California and is, therefore, entitled to use the title:

"Certified General Real Estate Appraiser"

June 1, 2021

Loretta Dillion, Deputy Bureau Chief, BREA

File No. 05072022
Case No. 05072022

Attachment 4
Pg. 47 of 52
HUDSON INSURANCE COMPANY
100 William Street, 5th Floor
New York, NY 10038

REAL ESTATE APPRAISERS ERRORS AND OMISSIONS INSURANCE POLICY DECLARATIONS

NOTICE: THIS IS A "CLAIMS MADE AND REPORTED" POLICY. THIS POLICY REQUIRES THAT A CLAIM BE MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER, IN WRITING, DURING THE POLICY PERIOD OR AUTOMATIC EXTENDED REPORTING PERIOD.

THIS POLICY MAY CONTAIN PROVISIONS WHICH LIMIT THE AMOUNT OF CLAIM EXPENSES THE INSURER IS RESPONSIBLE TO PAY IN CONNECTION WITH CLAIMS. CLAIM EXPENSES SHALL BE SUBJECT TO ANY DEDUCTIBLE AMOUNT. THE PAYMENT OF CLAIM EXPENSES WILL REDUCE THE LIMITS OF LIABILITY STATED IN ITEM 4. OF THE DECLARATIONS. PLEASE READ YOUR POLICY CAREFULLY.

PLEASE READ THIS POLICY CAREFULLY.

Policy Number: PRA-1AX-1000955
Renewal of: [Blank]

1. Named Insured: Patrick W. McElroy dba Metropolitan Appraisal Services
2. Address: 1935 Giampaoli Drive, Unit C
   San Martin, CA 95046
   12:01 A.M. Standard Time at the address of the Named Insured as stated in Number 2 above

4. Limit of Liability
   Damages Limit of Liability
   A. $1,000,000
   B. $2,000,000
   Claims Expense Limit of Liability
   C. $1,000,000
   D. $2,000,000

5. Deductible (Inclusive of Claims Expenses):
   5A. $500 Each Claim
   5B. $1,000 Aggregate

6. Policy Premium: $851.00
    State Taxes/Surcharges:

7. Retroactive Date: September 21, 2007

8. Notice to Company: Notice of a Claim or Potential Claim should be sent to:
   Hudson Insurance Group
   100 William Street, 5th Floor
   New York, NY 10038
   Fax: 646-216-3786
   Email: hudsoninsurancegroup@hudsoninsurancegroup.com
   On weekends or holidays: 866-546-3981 (Toll Free)

    B. Agent/Broker: ALIA (Riverton Insurance Agency Corp.)

IN WITNESS WHEREOF, We have caused this policy to be executed by our President and our Corporate Secretary at New York, New York

President
[Signature]

Secretary
[Signature]

PRA100 (01/20)
Requirements - Condition and Quality Ratings Usage

Appraisers must utilize the following standardized condition and quality ratings within the appraisal report.

Condition Ratings and Definitions

C1
The improvements have been recently constructed and have not been previously occupied. The entire structure and all components are new and the dwelling features no physical depreciation.

Note: Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/remanufactured into like-new condition. Improvements that have not been previously occupied are not considered "new" if they have significant physical depreciation (that is, newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).

C2
The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinshed, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category are either almost new or have been recently completely renovated and are similar in condition to new construction.

Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.

C3
The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. It's estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.

C4
The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.

C5
The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability are somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.

C6
The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.
Quality Ratings and Definitions

Q1  Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are exceptionally high quality.

Q2  Dwellings with this quality rating are often custom designed for construction on an individual property owner’s site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residences constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high-quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

Q3  Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner’s site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from “stock” standards.

Q4  Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

Q5  Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6  Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure.

Requirements - Definitions of Not Updated, Updated and Remodeled

Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes.

Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is ‘Not Updated’ may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.

A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of square footage). This would include a complete gutting and rebuild.

Explanation of Bathroom Count

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

Example:

3.2 indicates three full baths and two half baths.
<table>
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<tr>
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<th>Full Name</th>
<th>May Appear in These Fields</th>
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<td>Garage/Carport</td>
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(Updated 1/2014)
SUBJECT CONDITION
See Comment Addendum
Appraisal Report

NUNO PROPERTY
FILE #9186-46
17496 HOOT OWL WAY
MORGAN HILL, CALIFORNIA

PREPARED FOR
SANTA CLARA VALLEY WATER DISTRICT

PREPARED BY
CHAPMAN & PATTON

EFFECTIVE DATE OF VALUE
JANUARY 19, 2022
March 15, 2022

Edna Campero
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118

Dear Ms. Campero,

Pursuant to our agreement, an appraisal has been made of the Fair Market Value of the Nuno property identified as Assessor’s Parcel Number 729-37-029 located at 17496 Hoot Owl Way in (unincorporated) Morgan Hill, California. The property being appraised will be referred to as the Subject property in this report.

The purpose of this appraisal is to provide you with an opinion of the Fair Market Value of the Subject property, which will potentially be acquired for the Santa Clara Valley Water District’s (SCVWD) Anderson Dam Tunnel Project. The effective date of value for this assignment is January 19, 2022.

This report contains a description of the entire property in the before condition. The appraisal of the property in the before condition is made under the hypothetical condition that the proposed Anderson Dam Tunnel Project does not exist.

A Notice of Decision to Appraise was sent to the property owners by this office on January 11, 2022. The appraiser met with Ms. Nuno on January 19, 2022. The property was previously viewed on numerous occasions in February 2021.

I have gathered pertinent information, sales and other data relevant to the valuation of the property and analyzed the data to reach my conclusions. In my opinion, the fair market value of the Subject property as of January 19, 2022 was $1,550,000.

This is a Restricted Appraisal Report that may not be understood properly without reviewing additional information retained in the appraiser’s file. This report is performed in accordance with generally accepted reporting requirements for Uniform Standards of Professional Appraisal Practice 2-2(b). Please refer to the General Assumptions and Limiting Conditions found in the Introduction & Summary section of this report.

Very truly yours,

CHAPMAN & PATTON

Michelle Patton, MAI, SR/WA, R/W-AC
Certified General Real Estate Appraiser # AG030012
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INTRODUCTION & SUMMARY

Purpose of the Appraisal
The purpose of this appraisal is to estimate the Fair Market Value of an improved 0.22-acre (net) residential property in an unincorporated area of Santa Clara County near Morgan Hill, California. This report serves to update a prior appraisal of the Subject in February 2021 with a current valuation date and a change in the proposed acquisition.

Appraisal Report Format
This is a Restricted Appraisal Report, in accordance with the requirements identified in Standard Rule 2-2(b) of USPAP. It is intended to provide a brief description of the entire property in the before condition, ignoring project influence. It should be noted that the appraiser’s opinions and conclusions set forth in the report may not be understood properly without reviewing additional information retained in the appraiser’s work file. The report format had been mutually agreed upon by the client prior to completion of this assignment. Additional supporting documentation and analyses, as appropriate, is retained in the appraiser’s file.

Scope of the Assignment
A Notice of Decision to Appraise was sent to the current owners on January 11, 2022. The scope of inspection consisted of Michelle Patton viewing the Subject property on-site on January 19, 2022 in the presence of Ms. Nuno, as well as Ms. Edna Campero of Valley Water.

Verification of the sales was made using public records, and when possible, parties to the transactions (primarily real estate brokers who handled the transactions). Each comparable sale was viewed, photographed and verified by Michelle Patton. The comparables cited herein should be construed as being a pertinent sampling, which were selected based upon physical and location similarities relative to the property under appraisal and/or the credibility of the data.

The geographic scope of research was focused in Morgan Hill and surrounding communities.

The following scope of resources was used in the development of the market value opinion expressed herein. Information provided by the client consisted of a Preliminary Report, Legal Description and Plat Map of the Subject property, and description of the Project.

Sources used in the process of analyzing the Subject property included:
- Assessor’s map
- Flood hazard map
- Discussions with local brokers
- Zoning ordinance for Santa Clara County
- General Plan for Santa Clara County
- Engineering maps for the property to be acquired
- Discussions with Bill Magley, Senior Real Estate Agent with SCVWD

Sources used in the process of estimating value for the Subject included:
- Assessor’s records
- Multiple Listing Service (MLS)
- Local brokers
- CoStar
Intended Use
The intended use of the appraisal and report is to provide Santa Clara Valley Water District and their legal representatives with a basis for determining just compensation to be offered to the property owner. It is not intended for any other use.

Intended User and Client
The intended user and client of this appraisal is Santa Clara Valley Water District and their legal representatives. The appraisal is not intended for any other user.

Definitions
Appraisal Report (Restricted) - A written appraisal report prepared under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice.

Before Condition - The before condition is the condition of the property on the valuation date (as if) prior to the project, planning and steps leading up to the project.

Benefits - A benefit is an increase in value accruing specially to a remainder property as a result of a partial acquisition or project construction.¹

Easement - The right to use another’s land for a stated purpose.²

Encumbrance - Any claim or liability that affects or limits the title to property. An encumbrance can affect the title such as a mortgage or other lien, or it can affect the physical condition of the property such as an easement. An encumbrance cannot prevent the transfer of possession, but it does remain after the transfer.³

Exposure Time - estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.⁴

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.⁵ An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

Fee Simple - 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.⁶

¹ Source: Section 1263.430 from the Code of Civil Procedure
² Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
³ Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
⁴ Source: 2020-2021 Edition USPAP, Page 4
⁵ Source: 2020-2021 Edition of USPAP, Pages 4 & 17
⁶ Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
Highest And Best Use - The following explanation is taken directly from the 14th Edition of The Appraisal of Real Estate:

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.

Hypothetical Condition - A Hypothetical Condition is “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 the analysis.”

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

Market Value -

(a) The fair market value of the property taken is the highest price on the date of the valuation that would be agreed to by a seller, being willing to sell, but under no particular or urgent necessity of 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 each other with full knowledge of 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.
General 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.

1) 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.

2) The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.

3) Responsible ownership and competent property management are assumed unless otherwise stated in this report.

4) The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.

5) Sketches, plats, or photographs contained in this report are included to assist the reader in visualizing properties and no survey has been made of the property in the report.

6) The Appraiser assumes no responsibility 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 engineering studies or a survey, which may be required to discover these conditions.

7) It is assumed that there is full compliance with all applicable Federal, State, and local environmental regulations and laws unless otherwise stated in this report.

8) 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 appraisal report.

9) 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.

10) The Appraiser is not a soil expert. The existing soil and substructure has been assumed adequate for existing or proposed uses unless contrary information is provided and contained in this report. It is advisable to have a soil analysis and report completed by a qualified soil engineer or other qualified expert so that any interested party will become knowledgeable as to the important soil information including seismic data, soil contaminants, type of fill, if any, or other relevant matters.

11) 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.

12) 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.
13) Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written prior consent of the Appraiser, and in any event, only with proper written qualifications and only in its entirety.

14) Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the Appraiser, or the firm with which the Appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media.

**Extraordinary Assumptions and Hypothetical Conditions**

Please note that all Extraordinary Assumptions and Hypothetical Conditions could have an effect on the results of this appraisal.

**Extraordinary Assumptions**

1) It is assumed that no hazardous or toxic substances exist on the Subject property or the soils comprising the Subject land.

2) It is assumed that no other easements exist on the entire property that could affect use and/or value other than those noted in this report.

3) The age of the dwelling predates the County’s building permit records. It is assumed for purposes of this analysis that the Gross Living Area (GLA) identified in the report is accurate and that any unpermitted space has been grandfathered-in as permitted, livable space.

**Hypothetical Condition**

1) This assignment was prompted by the Anderson Dam Tunnel Project. Therefore, the project will be disregarded in the appraisal of the Subject in the before condition.
Certification of Appraiser

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

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 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 no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- I made a personal inspection of the property that is the subject of this report.
- I previously appraised the Subject in February 2021 for this same client and this same Project. Except for that appraisal, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the 3-year period immediately preceding acceptance of this assignment.
- no one provided significant real property appraisal assistance to the person signing this certification.
- the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- as of the date of this report, Michelle Patton has completed the continuing education program for designated members of the Appraisal Institute.

March 15, 2022
Date

Michelle Patton, MAI, SR/WA, R/W-AC
Certified General Real Estate Appraiser #AG030012
Subject Property Location Map

Satellite Image
Subject Property Photographs

Left: Driveway easement across adjoining parcel
Right: Southwesterly view of Hoot Owl Way – Subject on left

Left: Northeasterly view of Hoot Owl Way – Subject on right
Right: Looking up driveway easement on northern side of property

Left: Northeasterly elevation – faces Anderson Lake
Right: Rear patio
Left: Southwesterly elevation – main facade
Right: Southwesterly elevation and front landscaping

Left: Southwesterly elevation and parking area
Right: Retaining wall and backyard improvements

Left: Lower parking area accessed via easement
Right: Parking area along Hoot Owl Way frontage
Left: Southeasterly view of Anderson Lake
Right: Northeasterly view of Anderson Lake

Left: Balcony
Right: View from balcony

Left: View from balcony
Right: Master bedroom
Left: Master bedroom
Right: Spiral staircase

Left: Living Room
Right: Living Room

Left: Dining Room and Living Room
Right: Dining Room and Family Room

Left: Kitchen
Right: Kitchen
Left: Kitchen
Right: Kitchen

Left: Office/Den
Right: Family Room and Living Room

Left: View of living area from elevated foyer
Right: View of living area from elevated foyer

Left: Bedroom
Right: Bedroom
Subject Property Identification

Address
17496 Hoot Owl Way, Morgan Hill, California

Location
The Subject property is located on the northeasterly side of Hoot Owl Way, north of Holiday Drive and just west of Anderson Lake in Santa Clara County.

Assessor’s Parcel No.
729-37-029

County
Santa Clara

Owners of Record

History of Ownership
According to public records, the property has been owned by Ms. Nuno since 2003. The only recent transfers were internal transfers. Due to the length of ownership, no further investigation was made into the history of ownership. The property was listed on the MLS in 2015 for several months at an asking price of $849,000, but the listing expired, and the property never sold.

Larger Parcel
The larger parcel is the single Assessor’s parcel noted above.

Size/Shape/Topography
According to public records, the Subject property consists of one parcel that contains 0.30 acre (12,945 square feet). However, the property is encumbered by a road easement for Hoot Owl Way, which contains approximately 3,400 square feet at the southwesterly edge of the site. While it provides access to the property, the road easement also precludes private use of this area. The resulting net size of the lot is 9,545 square feet (0.22 acre). It has an irregular shape, is down-sloping from the Hoot Owl Drive street frontage and has a level building pad area.

Utilities
The Subject’s neighborhood is served with electricity and public water. However, development requires private on-site septic systems and propane, as sewer services and natural gas are not available to the neighborhood. It is assumed the Subject’s existing water supply and septic system is adequate for the continued residential use.

Access
The Subject has vehicular access from Hoot Owl Way, which leads to a parking area with stone pavers. An additional parking area is found at the rear of the site, accessed by a shared driveway with the adjacent parcel (APN 729-37-030). However, no easement was identified in the preliminary report for this shared access. Hoot Owl Way is an asphalt-paved public road that is approximately 40’ wide near the Subject. The street frontage lacks offsite improvements such as curbs, gutters and sidewalks, which is typical for this neighborhood.
Current Use/Improvements
The property is improved with a two-story, single-family dwelling that was originally constructed in 1959. According to public records, the house contains 2,740 square feet and has five bedrooms and three bathrooms. The dwelling is a wood-framed structure with painted exterior wood siding walls and composition shingle roofing.

Interior finishes include primarily taped, textured and painted drywall walls and ceilings. The kitchen and bathrooms have ceramic tile flooring, whereas the living areas and bedrooms have laminate wood floors. The large kitchen includes granite counters, oak cabinetry and a stainless steel dual sink. The appliances are also stainless steel and include a dishwasher, built-in microwave and gas dual oven/range combo. The main living areas have vaulted ceilings and a fireplace insert with stone hearth. There are custom built-in cabinets in the living room and a double sliding glass door leading to a large deck overlooking Anderson Lake. The master bedroom is on the main (street) level. A spiral staircase leads to the lower level of the home, which contains a laundry room with washer and dryer hookups and cabinetry, a full bathroom with tile counters and floors, dual sink vanity and a shower over tub combo. There are three bedrooms downstairs; one with a loft area.

There is no garage. Site improvements include wood fencing, a terraced landscaped area with masonry retaining walls, wrought irons fencing, a brick patio, and numerous mature trees. There is one outbuilding which is located near the lake frontage.

Easements and Encroachments
The Preliminary Report (found as Addendum B) prepared by Old Republic Title Company refers to various exceptions to title, including several easements that encumber the Subject Property, as described below:

4) An easement for electric transmission lines in favor of Coast Counties Gas and Electric Corporation.

5) Reservations, conditions and restrictions contained in the deed from SCVWD with document number 2089101.

5) A storm drain easement affecting the southwesterly 10 feet and a utilities and roadway easement affecting the portion of land within Hoot Owl Way.

The preliminary report also refers to covenants, declarations, easements and restrictions. With regards Item 5, the Deed (Document Number 2089101) can be found as Addendum D to this report. This deed was recorded in 1961 and effectively allows SCVWD “the absolute and permanent right to flood and inundate the said lands with water, whether or not such water is local in origin, and without regard to origin, to a height of 640 feet”.

The deed further states that the District “shall have no liability of any nature to the Grantee, or any person, firm or corporation, claiming under him, on account of the fact that the District may raise or lower the level of water in said reservoir...” Furthermore, “structures and improvements have been erected by such parties on said lands shall in no wise (sic) limit the force and generality of the reservations and agreements of this deed...” This deed gives SCVWD the authority to inundate the Subject parcel with water up to the 640’ elevation mark, which can be seen on the aerial exhibit on the following page.

The inundation easement was fully considered in the valuation of the Subject. It is assumed that no other easements or encroachments exist that could negatively affect the property’s value or marketability other than those mentioned in this report.
Easements identified on Parcel Map

Aerial with Topographic Overlay – Yellow line is 640’ Elevation Mark
Zoning and General Plan: County of Santa Clara
The Subject is under the jurisdiction of Santa Clara County Planning Department and has a zoning designation of HS (Hillside) and a General Plan designation of USA (Regional Parks, Existing). Hillside zoning allows for various residential uses and its intent is as follows:

The purpose of the Hillside district, also known as the HS district, is to preserve mountainous lands unplanned or unsuited for urban development primarily in open space and to promote those uses which support and enhance a rural character, which protect and promote wise use of natural resources, and which avoid the risks imposed by natural hazards found in these areas. These lands are watersheds and may also provide such important resources as minerals, forests, animal habitat, rare or locally unique plant and animal communities, historic and archaeological sites, scenic beauty, grazing lands, and recreational areas. Additionally, lands zoned Hillside define the setting or viewshed for the urban area of the County.

Development shall be limited to avoid the need for public services and facilities. Permitted uses include agriculture and grazing, very low-density residential use, low density, low-intensity recreation, mineral and other resource extraction, and land in its natural state. Low-intensity commercial, industrial, and institutional uses may also be allowed if they require a remote, rural setting in order to primarily serve the rural residents or community, or if they support the recreational or productive use, study, appreciation, or enhancement of the natural environment. Clustering of development, particularly residential, is encouraged in order to preserve contiguous open space and achieve efficiency in the provision of access to dwellings. This district is meant to apply to all parcels designated Hillside in the general plan.

The Subject is also within the city of Morgan Hill’s Sphere of Influence, which designates the Subject as Residential Detached Low (up to 4 dwelling units/acre).

![Zoning Map](image)

Probability of a Zoning Change
A change in zoning is not likely. The Subject is in an area primarily reserved for low-density residential uses.
Geologic Hazards
Though the Subject is not located in a Special Earthquake Studies Zone, it is subject to ground shaking during an earthquake as are all properties in this region. However, ground movement and shaking in liquefaction areas is greatly amplified.

The combination of nearby fault lines and probable landslides represent a serious geologic hazard. It should be remembered that the project for this appraisal was prompted by the potential for a “geologic hazard.”

Hazardous Material Sites
No Environmental Site Assessments were provided for this assignment. There are no known or apparent adverse environmental conditions that would negatively impact the value of the Subject Property. The appraiser is not qualified to make a hazardous waste determination. Please refer to the Limiting Conditions section of this report.

FEMA Flood Hazard Area
As shown on the map on the following page, the Subject is shown in FEMA Zone D flood hazard areas. The Zone D designation is used for areas with a potentially moderate to high risk of flooding, but the probability has not been determined. Although some federally backed lenders may still require it, in a Zone D, there are no mandatory flood insurance requirements. Also, there are no minimum building requirements by FEMA. However, Zone D indicates that there is a risk of flooding; the level of risk is just unknown.

The site is adjacent to Anderson Lake which is designated as FEMA Flood Zone A.

Legal Description
The legal description of the Subject can be found in the Preliminary Report, found as Addendum B to this report.
Assessed Value and Taxes (2021-2022)

Ad Valorem taxes in California are limited by Proposition 13. This law, enacted in 1978, sets property taxes at 1% of acquisition price, plus 2% annual increases in the tax. In order to fund infrastructure and other services ordinarily paid for by property taxes, local agencies and municipalities have a complicated system of direct levies, which act as a special tax, to fund infrastructure development or school systems. Upon sale, the property would be reassessed per Proposition 13.

The following table indicates the assessed values and real estate taxes for the 2021-22 tax year.

<table>
<thead>
<tr>
<th>Assessed Values</th>
<th>729-37-029</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$221,265</td>
</tr>
<tr>
<td>Improvements</td>
<td>$260,731</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$481,996</td>
</tr>
<tr>
<td>Less. Homeowners Exemption</td>
<td>-$0</td>
</tr>
<tr>
<td>Total</td>
<td>$481,996</td>
</tr>
<tr>
<td>RE Taxes</td>
<td>$5,474.28</td>
</tr>
</tbody>
</table>
Highest And Best Use - As if Vacant

Highest and best use is defined as that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value. It may also be referred to as the most efficient and profitable permissible use. The size, shape, area, and terrain of a parcel of land affect the uses to which it can be developed. The utility of a parcel may depend on its frontage and depth. Irregular-shaped parcels can cost more to develop and, after development, may have less utility than typically shaped parcels in the same area.

Legal Permissibility Test – The Subject property is zoned Hillside, which is intended for the preservation of open space, but also allows for low density, single-family residential use.

Physical Possibility Test – The Subject property contains 0.22 acre (net) and includes a hillside lot that abuts Anderson Lake. Front, side and rear setbacks in the Hillside district are 30’. For the Subject, there are no physical site characteristics that would preclude development of legal uses, except that existing easements may not be built on. The size and shape of the Subject’s site are fairly typical for the area. Access to the site is good along Hoot Owl Way.

Financial Feasibility Test - The neighborhood is nearly 100% built-out with primarily residential uses, in addition to several open space areas maintained by the Holiday Lake Estates Homeowner’s Association. The neighborhood is adjacent to Anderson Lake County Park, which includes ~4,275 acres of open space, trails, recreational uses and the reservoir.

The financial feasibility of immediate development of the Subject takes into consideration the demand for various potential uses. The residential market in the Morgan Hill area has experienced a significant increase in value for single-family properties. Lack of available inventory is partially responsible for the surge in values from 2013 to the present. There are very few lots available for development within the immediate vicinity. The Subject benefits from its location in that the surrounding infrastructure (roadways) is already in place. Furthermore, its lakefront setting is a desirable amenity. The highest and best use for the Subject property as if vacant is for development with a single-family dwelling.

Highest And Best Use – As Improved

The highest and best use of the Subject “As Improved” is for the continued single-family residential use.
Project Description

There are two projects currently underway regarding Anderson Dam; the Anderson Dam Tunnel Project (ADTP), and the Anderson Dam Seismic Retrofit Project (ADSRP). The project that prompted the Subject property acquisition is the proposed Santa Clara Valley Water District (SCVWD) Anderson Dam Tunnel Project. The proposed acquisition of the Subject and other neighboring properties was prompted by the Hoot Owl Way Slide and Boat Marina Slide; two landslides along the lakebed that require securing.

Anderson Dam, which was built in 1950, requires significant upgrades for seismic retrofitting. The project will rebuild the dam in compliance with today’s seismic and safety standards and regulations. It will increase the dam’s spillway and outlet capacity to allow a rapid, controlled drawdown in emergencies and to enhance incidental flood protection.

Around October 2020, SCVWD began releasing water from Anderson Lake, the County’s largest surface water reservoir, that stores rainfall-runoff and imported water from the Central Valley Project. As of the Effective Date of Value, the lake bed near the Subject neighborhood was nearly empty.

Project Acquisition

The Subject will be acquired in fee for the Project. The Subject is appraised in the Before Condition under the Hypothetical Condition that the SCVWD Project does not exist.
VALUATION

Approaches to Value
In valuing real estate, three valuation methodologies are typically accepted in the appraisal process. These are the sales comparison approach, the income approach, and the cost approach. They are further described below.

Sales Comparison Approach
The sales comparison approach utilizes the principle of substitution, wherein recently sold comparable properties are found and analyzed for comparability to the subject property. The underlying assumption is that market support will be either similar to, or identical to any of a group of adjusted substitute properties; thus, the indicated value for the subject is based on a range of adjusted values for the “substitute” or “comparable” transactions.

Income Approach
Generally, the income approach converts income expectations into market value. The assumptions for the investment model can either be implicit in the model (direct capitalization, which converts a single year’s expected income into value using a ratio from the market), or explicit (yield capitalization, or DCF, which converts each year’s net income over a specified holding period).

Cost Approach
The cost approach identifies market supported improvements costs, subtracts a market supported amount assignable to accrued depreciation, adds land value, and derives a value based on the cost to reproduce the improvements. This “cost approach” presumes that a typical buyer would not pay more for an existing improved property (or a finished lot) than it would cost to reproduce the same improvements on a highly similar (substitute) site.

Value Methodology Used for the Subject Property
Of the three approaches to value, only the Sales Comparison Approach is utilized. The Sales Comparison Approach is applicable when a sufficient number of recent, reliable transactions create a perceptible value pattern in the market. For properties that are bought and sold regularly, the Sales Comparison Approach provides a good indication of market value, as it generally reflects the motivations of buyers and sellers.

The Cost Approach and Income Approach were not utilized because they do not reflect the motivations of typical buyers and sellers for this property type.

Sales Comparison Approach – As Improved
The process of developing comparable sales included searching public record and published data sources for the most relevant sales of similar, competing properties in the Subject’s market area. Each sale was then verified by interviewing brokers, agents, buyers or sellers. The sales prices were adjusted as necessary for transactional elements such as financing, conditions of sale, post-sale expenditures, and market conditions. Finally, the sale properties were compared to the Subject for property characteristic differences. Primary elements of comparison are location, size, shape, access, topography, dwelling size, quality and condition.

Improved sales of similar single-family homes in Morgan Hill were researched and analyzed for this assignment. The selected sales are presented on the following comparable sales summary table and location map. Photographs of each comparable sale can be found as Addendum C. The most appropriate unit of comparison for this assignment is the price per dwelling. The following table summarizes the sales utilized in this assignment to appraise the Subject, as improved.
## Comparable Improved Sales

<table>
<thead>
<tr>
<th>#</th>
<th>Address</th>
<th>Lot Size</th>
<th>Shape</th>
<th>Gross Living Area</th>
<th>Grantor</th>
<th>Rec. date</th>
<th>Grantee</th>
<th>Sale Price</th>
<th>Sale Price/SF</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>City</td>
<td></td>
<td>Access</td>
<td>Room Count</td>
<td>Year Built</td>
<td></td>
<td>Doc. #</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>APN</td>
<td>Acres SF</td>
<td>Topography</td>
<td>Year</td>
<td>Garage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>17431 Holiday Dr.</td>
<td>0.48</td>
<td>Typical</td>
<td>3,216</td>
<td>Nedbal</td>
<td>11/17/2021</td>
<td>Ingalls</td>
<td>$1,428,888</td>
<td>$1,450,000</td>
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<tr>
<td></td>
<td>Morgan Hill</td>
<td>20,909</td>
<td>Typical</td>
<td>4-bed/4-bath</td>
<td>1977</td>
<td></td>
<td>25170345</td>
<td>$1,450,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>729-38-029</td>
<td></td>
<td>Gently Sloping</td>
<td>3-car</td>
<td></td>
<td></td>
<td></td>
<td>$451</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>17031 Holiday Dr.</td>
<td>0.82</td>
<td>Atypical</td>
<td>2,360</td>
<td>Sarhaddi</td>
<td>11/3/2021</td>
<td>Ye</td>
<td>$1,498,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Morgan Hill</td>
<td>35,501</td>
<td>Typical</td>
<td>4-bed/3-bath</td>
<td>2019</td>
<td></td>
<td>25151263</td>
<td>$1,590,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>729-28-016</td>
<td></td>
<td>Gently Sloping</td>
<td>2-car</td>
<td></td>
<td></td>
<td></td>
<td>$674</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>17205 Quail Ct.</td>
<td>0.66</td>
<td>Atypical</td>
<td>2,316</td>
<td>Guerrero</td>
<td>9/9/2021</td>
<td>Gonzalez</td>
<td>$1,299,000</td>
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</tr>
<tr>
<td></td>
<td>Morgan Hill</td>
<td>28,562</td>
<td>Typical</td>
<td>4-bed/4-bath</td>
<td>1975</td>
<td></td>
<td>25094412</td>
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<td></td>
<td>729-33-029</td>
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<td>Sloping</td>
<td>2-car</td>
<td></td>
<td></td>
<td></td>
<td>$604</td>
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</tr>
<tr>
<td>4</td>
<td>17220 Holiday Dr.</td>
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<td>1,873</td>
<td>Mills</td>
<td>9/3/2021</td>
<td>Crawford</td>
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</tr>
<tr>
<td></td>
<td>Morgan Hill</td>
<td>21,449</td>
<td>Typical</td>
<td>3-bed/2-bath</td>
<td>1975</td>
<td></td>
<td>25088535</td>
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<tr>
<td></td>
<td>729-32-013</td>
<td></td>
<td>Sloping</td>
<td>2-car</td>
<td></td>
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<td>$694</td>
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</tr>
<tr>
<td>5</td>
<td>17890 Holiday Dr.</td>
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<td>Atypical</td>
<td>2,359</td>
<td>Protsman</td>
<td>6/25/2021</td>
<td>Milshtein</td>
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<tr>
<td></td>
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<td>32,949</td>
<td>Typical</td>
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<td>1971</td>
<td></td>
<td>25009104</td>
<td>$1,550,000</td>
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<td></td>
<td>729-45-006</td>
<td></td>
<td>Hillside</td>
<td>2-car</td>
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<td></td>
<td>$657</td>
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</tr>
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<td>6</td>
<td>17240 Holiday Dr.</td>
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<td>Atypical</td>
<td>2,555</td>
<td>Lucero</td>
<td>6/7/2021</td>
<td>Franzen/Card</td>
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<td></td>
<td>Morgan Hill</td>
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<td></td>
<td>24987077</td>
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<tr>
<td></td>
<td>729-32-014</td>
<td></td>
<td>Sloping</td>
<td>3-car</td>
<td></td>
<td></td>
<td></td>
<td>$650</td>
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<tr>
<td>Sub</td>
<td>17496 Hoot Owl Way</td>
<td>0.22</td>
<td>Atypical</td>
<td>2,740</td>
<td>N/A</td>
<td>1/19/2022</td>
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<td>DOV</td>
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<tr>
<td></td>
<td>Morgan Hill</td>
<td>9,545</td>
<td>Typical</td>
<td>5-bed/3-bath</td>
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<tr>
<td></td>
<td>729-37-029</td>
<td></td>
<td>Sloping</td>
<td>1959</td>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Sale 1 is located at 17431 Holiday Drive in the Holiday Lake Estates neighborhood, just south of the Subject. This property includes a 0.48-acre site improved with two-story home with 3,216 square feet. It was originally constructed in 1977 and contains 4 bedrooms and 4 full bathrooms. The property sold in November 2021 for $1,450,000, which is equivalent to $451 per square foot. The home included customs finishes with a large master suite with its own fireplace, spacious decks on both levels, and a fully finished 800 square foot basement (not included in the GLA). There was a 3-car garage and paved areas for guest and/or RV parking.

As compared to the Subject, the sale is slightly inferior for time of sale and location, but superior for its larger dwelling and site sizes. The quality and condition were also superior, as was the topography. The location is slightly inferior, as it is not lakefront. Overall, this sale is considered slightly inferior to the Subject.

Sale 2 is located at 17031 Holiday Drive, just south of the Subject in the Holiday Lakes Estates neighborhood. This property includes a 0.82-acre corner site improved with a single-story home with 2,360 square feet. It sold in November 2021 for $1,590,000, or $674 per square foot. This home is fairly new construction, having been built in 2019 and in excellent condition. It contains 4 bedrooms and 3 full bathrooms. The home is completely custom, with Verona chefs oven, double built-in refrigerator, marble slab counters and rain showers in every bath.

As compared to the Subject, this property is far superior for its age, quality and condition, as well as its site size. However, it in inferior for location, view and dwelling size. An upward time-adjustment is also required for market conditions. Overall, this sale is superior to the Subject and would indicate a lower value for the Subject property.

Sale 3 is located at 17205 Quail Court in the Holiday Lakes Estates neighborhood. The property includes a 0.66-acre site improved with a 2,316 square foot two-story residence, originally constructed in 1975. It sold in September 2021 for $1,400,000, which is equivalent to $604 per square foot. It includes 4 bedrooms and 4 bathrooms. The kitchen includes granite countertops and stainless-steel appliances. There is a built-in pool, two fire pits, a large, covered carport and a 2-car garage. The home also had solar panels to be leased by the buyer.

As compared to the Subject, this property is inferior for location and view, as well as time of sale. It’s slightly inferior for dwelling size and room count, but superior for site size and quality and condition. Overall, this sale is rated somewhat inferior to the Subject.

Sale 4 is located at 17220 Holiday Drive in Holiday Lakes Estates, just north of the Subject. This p0.49-acre site is improved with an 1,873 square foot single-story home constructed in 1975. It sold in September 2021 for $1,300,000, or $694 per square foot. The dwelling included 3 bedrooms and 2 full bathrooms, with high-quality custom finishes that have been updated over the years. There is a panoramic view, including a view of Anderson Lake (when it’s full), and well as landscaped grounds and a large, generally level homesite. There is a 2-car garage and custom storage shed, as well as plenty of on-site parking for guests or RV.

As compared to the Subject, this property is inferior for time of sale and room count. It is also inferior for its smaller dwelling size. The lakeside location is similar, as well as the view, but the topography and gated access are superior to the Subject’s. The quality and condition of the improvements are superior. Overall, this sale is inferior, primarily based on its much smaller dwelling size.

Sale 5 is located at 17890 Holiday Drive, just north of the Subject. This 0.77-acre lot is improved with a two-story single-family home that contains 2,359 square feet. It sold in June 2021 for $1,550,000, which
is equivalent to $657 per square foot. The home included 4 bedrooms and two and one half bathrooms, with panoramic views of Anderson Lake bed and the mountains. The home has vaulted open beam ceilings, a rock hearth and wood stove, kitchen with granite counters and an island. The large lot provides ample parking space, a garden area and hot tub.

As compared to the Subject, this property is superior for its large lot and level topography. It is slightly inferior for dwelling size and room count, as well as time of sale. Quality and condition are similar. While it is inferior for its location (no lake frontage), it does have a lake view. Overall it is considered slightly superior, primarily based on the extra ½ acre included.

**Sale 6** is located at 17240 Holiday Drive, just south of the Subject. This 0.95-acre lakefront lot is improved with a one-story single-family home with 2,555 square feet. It sold in June 2021 for $1,660,000, or $650 per square foot. The home was very-well maintained and included panoramic lake views in the landscaped back yard, terraced landscaping and a built-in swimming pool. The home also had a 3-car garage and plenty of on-site parking. While it was built in 1977, it had been recently remodeled and included hardwood floors, updated bathrooms, high-quality appliances and a remodeled kitchen.

As compared to the Subject, this property is similar for its lakeside location and view, but inferior for time of sale, its smaller dwelling size and room count. On the other hand, it is superior for topography, 3-car garage, quality and condition, pool, and meticulously landscaped grounds. Its site size is far superior to the Subject’s. Overall, this sale is superior to the Subject and would indicate a lower price.

**Summary of Sales Comparison Approach**
Adjustments for the *Elements of Comparison* are made qualitatively, not quantitatively. It should also be noted that not all *Elements of Comparison* are weighted equally.

Very few lakefront homes have sold in the past year. Despite a considerable upward adjustment for time of sale, the few that were found were included as they are the most similar to the Subject geographically and topographically. All of the sales occurred between June 2021 and November 2021, which was a time period of substantially increasing residential values in the Subject’s market area. The *Market Conditions* during this period of time were generally increasing at a rate of 1.0% per month for improved residential properties. As such, each of the sales is adjusted upwards by 1% per month to reflect the respective increase in values over the time period. The adjusted sale prices for the comparable sales range from $1,352,000 to $1,776,200.

Despite the potential impacts COVID-19 pandemic may have on the overall economy and real estate market, the residential market is expected to remain strong due to housing demand in the market area.

The ranking analysis below includes the sales arrayed from highest to lowest based on the total sale price with the Subject in its respective place.

<table>
<thead>
<tr>
<th>Sale No.</th>
<th>Overall Comparison</th>
<th>Time-adjusted Sale Price</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Superior</td>
<td>$1,776,200</td>
<td>0.95-acre lot – 2,555 square foot dwelling</td>
</tr>
<tr>
<td>5</td>
<td>Superior</td>
<td>$1,658,500</td>
<td>0.76-acre lot – 2,359 square foot dwelling</td>
</tr>
<tr>
<td>2</td>
<td>Superior</td>
<td>$1,621,800</td>
<td>0.82-acre lot – 2,360 square foot dwelling</td>
</tr>
<tr>
<td>Subject</td>
<td>-</td>
<td>$1,550,000</td>
<td>0.22-acre lot – 2,740 square foot dwelling</td>
</tr>
<tr>
<td>1</td>
<td>Slt Inferior</td>
<td>$1,479,000</td>
<td>0.48-acre lot – 3,216 square foot dwelling</td>
</tr>
<tr>
<td>3</td>
<td>Inferior</td>
<td>$1,456,000</td>
<td>0.66-acre lot – 2,316 square foot dwelling</td>
</tr>
<tr>
<td>4</td>
<td>Inferior</td>
<td>$1,352,000</td>
<td>0.49-acre lot – 1,873 square foot dwelling</td>
</tr>
</tbody>
</table>
Indicated Value of the Whole (land only) using the Sales Comparison Approach
Taking into consideration the Subject’s location and accessibility, dwelling size and availability of utilities, topography, zoning and site size, as well as lake frontage and views, a value of $1,550,000 is estimated for the Subject. This figure is equivalent to $566 per square foot, which is bracketed by the comparable sales.

Value Conclusion – As Improved
$1,550,000

Exposure Time
The estimated exposure time for the Subject is 1 to 3 months.
ADDENDA

ADDENDUM A – QUALIFICATIONS of APPRAISER
Michelle Patton MAI, SR/WA, R/W-AC
President, Chapman & Patton

Experience:
2014 - Present
Senior Appraiser: Chapman & Patton
Oakdale, California. (formerly Dean Chapman & Associates)

2008-2013
Senior Appraiser: Craig Owyang Real Estate, Inc.
Elk Grove, California.

2003-2008
Staff Appraiser: Robert Ford & Associates, Inc.
Modesto, California.

Memberships:
The Appraisal Institute
International Right-of-Way Association
National Association of Realtors®
American Society of Farm Managers and Rural Appraisers (ASFMRA)

Appraisal Designations:
MAI (Designated Member of Appraisal Institute)

Right-of-Way Designation:
SR/WA (Senior Right-of-Way Agent – IRWA)
R/W-AC (Right-of-Way Appraisal Certification – IRWA)

State Certification:
Certified General Real Estate Appraiser
State of California (AG030012)

Other Licensure:
Real Estate Broker - Bureau of Real Estate
State of California (BRE 01767847)

Appraiser Profile
Michelle Patton, MAI, SR/WA, R/W-AC was born and raised in California, originally from Danville but now resides near Oakdale.

Mrs. Patton began her appraisal career in 2003 with Robert Ford and Associates, a commercial appraisal firm in Modesto, California. In 2009, the firm was purchased by Craig Owyang Real Estate where Mrs. Patton was a senior appraiser for over four years. She officially joined Dean Chapman & Associates as a staff appraiser in 2014. She earned the MAI designation from the Appraisal Institute in 2012 and the SR/WA and R/W-AC (Right-of-Way Appraisal Certification) from the International Right of Way Association in 2017 and 2013, respectively. She served as President on the Northern California Chapter of the Appraisal Institute’s board of directors in 2018. In 2019, she co-authored an article entitled “Transitional Use TCE”, which appeared in Right of Way magazine published by the International Right of Way Association.

Ms. Patton has five children: two daughters and three sons. Her free time is spent hiking, running, wood-working and cheering for her kids on soccer fields all over California.
Examples of Appraisal Assignments by Michelle Patton

**Gas Transmission Line Projects**
- Variety of property types in Placer County, Sutter County, Yolo County, San Jose, Redwood City, Woodside, Lodi, Thornton, Graton, Tracy, Sacramento, Patterson

**High Speed Rail Project**
- Industrial Property: Fresno
- Commercial Properties: Fresno
- Agricultural Properties: Corcoran, Fresno, Selma

**Overhead Transmission Line Projects:**
- Solar Facility: Santa Nella
- Orchards: Linden, Buttonwillow, Bakersfield, Coalinga

**Highest and Best Use Consulting**
- Utility Corridor: Mountain View

**Damage from Fire**
- Residential Land: Santa Cruz

**Contaminated Sites**
- Union City

**Misc. Consulting**
- Highest and Best Use – excess land
- Gas Transmission Lines – stigma
- Airport District: Rent Study
- Parkland Proximity: Effect on Market Value
- Property Line Dispute: San Leandro

**Railroad Corridor Acquisition**
- Ione School District: Ione
- Road Widening along BNSF: Riverbank
- Turn Signal/Road Widening: Riverbank

**Underground Utility Easements**
- Rural Residential/Ag: Bakersfield
- Rangeland: Coalinga
- Transitional Land: Manteca
- Shopping Mall: San Jose
- Subsurface Easements: S. San Francisco

**Road Widening/Improvement Projects**
- Balfour Road/Hwy 4: Brentwood
- Claribel Road Widening: Riverbank
- Bridge Replacement: San Jose
- Bridge Replacement: Brentwood
- SR-84 Widening: Livermore
- SR-101: Carpinteria
- BART Station Project: Milpitas
- Petaluma
- Davis Road: Salinas
- Hartnell Road: Salinas
- Bridge Replacement: West Point

**Possible Encroachment Issues**
- Fence Line Dispute: Redwood City
- Tree Root Encroachment: Pacific Grove
- Parking Encroachment: Lafayette

**Round About Projects**
- Bardin Road: Salinas
- Danville Boulevard: Alamo
- David Avenue: Salinas

**Landslides**
- Pacifica

**Title Disputes**
- Driveway Easement: Mill Valley
- Sewer Line Easement: Walnut Creek
- Pedestrian Access: Lafayette
Locations of properties appraised by Chapman & Patton
ADDENDUM B – PRELIMINARY REPORT
ORDER NO.: 0616019452

EXHIBIT A

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

Being a portion of Lots 167 and 168, as shown on that certain Map entitled, "Holiday Lake Estates-Tract No. 3453", recorded in Book 169 of Maps, Page(s) 29 through 33, Santa Clara County Records, and more particularly described as follows:

Beginning at the Southeasterly corner of said Lot 167; thence along the Southwesterly line thereof North 60° 35' 53" West 55.10 feet to the Southwesterly corner of said Lot 167 and Southeasterly corner of said Lot 168; thence along the Southwesterly line of said Lot 168 North 50° 51' 04" West 29.87 feet; thence North 51° 00' 00" East 40.87 feet; thence North 68° 00' 00" East 95.00 feet; thence North 72° 58' 57" East 44.26 feet; thence North 55° 00' 00" East 88.00 feet to the Northeasterly line of said Lot 167; thence along the Northeasterly thereof of South 17° 56' 03" East 23.00 feet to the Northeasterly corner of said Lot 167; thence along the Southeasterly line of said Lot 167, South 43° 44' 30" West 68.42 feet and South 51° 02' 48" West 157.99 feet to the point of beginning and containing therein 0.292 acres, more or less, as set forth in Certificate of Compliance recorded July 17, 1997, Instrument No. 13778279, Official Records.

APN: 729-37-029
PRELIMINARY REPORT

SANTA CLARA VALLEY WATER DISTRICT
5750 ALMADE EXPY
SAN JOSE, CA 95118

Attention: BLISS QUILATAN

Buyer:
BLISS QUILATAN

Property Address:
APN: 729-37-029, Morgan Hill, CA 95037
[Unincorporated area of Santa Clara County]

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 November 3, 2021, at 7:30 AM

OLD REPUBLIC TITLE COMPANY
For Exceptions Shown or Referred to, See Attached
The form of policy of title insurance contemplated by this report is:

CLTA Standard Coverage Policy - 1990. 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 covered by this Report is:

Fee

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

Laura C. Nuno, Trustee of the Laura Nuno Living Trust dated August 13, 2021

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

Being a portion of Lots 167 and 168, as shown on that certain Map entitled, "Holiday Lake Estates-Tract No. 3453", recorded in Book 169 of Maps, Page(s) 29 through 33, Santa Clara County Records, and more particularly described as follows:

Beginning at the Southeasterly corner of said Lot 167; thence along the Southwesterly line thereof North 60° 35' 53" West 55.10 feet to the Southwesterly corner of said Lot 167 and Southeasterly corner of said Lot 168; thence along the Southwesterly line of said Lot 168 North 50° 51' 04" West 29.87 feet; thence North 51° 00' 00" East 40.87 feet; thence North 68° 00' 00" East 95.00 feet; thence North 72° 58' 57" East 44.26 feet; thence North 55° 00' 00" East 88.00 feet to the Northeasterly line of said Lot 167; thence along the Northeasterly thereof of South 17° 56' 03" East 23.00 feet to the Northeasterly corner of said Lot 167; thence along the Southerly line of said Lot 167, South 43° 44' 30" West 68.42 feet and South 51° 02' 48" West 157.99 feet to the point of beginning and containing therein 0.292 acres, more or less, as set forth in Certificate of Compliance recorded July 17, 1997, Instrument No. 13778279, Official Records.

APN: 729-37-029

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 2021 - 2022, as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessor's Parcel No</td>
<td>729-37-029</td>
<td></td>
</tr>
<tr>
<td>Bill No.</td>
<td>729-37-029-00</td>
<td></td>
</tr>
<tr>
<td>Code No.</td>
<td>087-001</td>
<td></td>
</tr>
<tr>
<td>1st Installment</td>
<td>$2,819.67</td>
<td>NOT Marked Paid</td>
</tr>
<tr>
<td>2nd Installment</td>
<td>$2,819.67</td>
<td>NOT Marked Paid</td>
</tr>
<tr>
<td>Land Value</td>
<td>$221,265.00</td>
<td></td>
</tr>
<tr>
<td>Imp. Value</td>
<td>$250,731.00</td>
<td></td>
</tr>
</tbody>
</table>
2. 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.

3. Any special tax which is now a lien and that may be levied within the Library JPA Community Facilities District 2013-1 Mello Roos, a notice(s) for which having been recorded.

NOTE: Among other things, there are provisions in said Notice for a special tax to be levied annually, the amounts of which are to be added to and collected with the property taxes.

NOTE: The current annual amount levied against this land is $33.66.

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

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Easement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Granted To</td>
<td>Coast Counties Gas and Electric Company</td>
</tr>
<tr>
<td>For</td>
<td>Electric transmission lines</td>
</tr>
<tr>
<td>Dated</td>
<td>October 29, 1953</td>
</tr>
<tr>
<td>Recorded</td>
<td>November 19, 1953 in Book 2760 of Official Records, Page 257 under Recorder's Serial Number 929639</td>
</tr>
<tr>
<td>Affects</td>
<td>The exact route of said right of way is not disclosed of record</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Entitled</th>
<th>Deed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executed By</td>
<td>Santa Clara Valley Water Conservation District, a public corporation</td>
</tr>
<tr>
<td>Recorded</td>
<td>November 7, 1961 in Book 5356 of Official Records, Page 489</td>
</tr>
</tbody>
</table>

The exact location of the property encumbered by this document is not accurately described of record.

6. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as shown on the filed map.

<table>
<thead>
<tr>
<th>For</th>
<th>Storm Drainage Easement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affects</td>
<td>The Southwesterly 10 feet</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>For</th>
<th>Utilities and Roadway</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affects</td>
<td>All of that portion lying within &quot;Hoot Owl Way&quot;</td>
</tr>
</tbody>
</table>
OLD REPUBLIC TITLE COMPANY
ORDER NO. 0616019452-IM
THIRD UPDATED REPORT

7. Covenant, 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 restrictions 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.

Entitled: Declaration of Restrictions, Covenants, Easements and Charges Affecting Real Property known as Holiday Lake Estates Unit No. 1 Tract No. 3453

Executed by: Holiday Lake Estates, Inc., a California corporation
Dated: November 13, 1963
Recorded: November 14, 1963 in Book 6271 of Official Records, Page 169 under Recorder's Serial Number 2519203

Modification thereof, but omitting any covenants or restrictions 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.

Executed By: Holiday Lake Estates, Inc., a California corporation
Dated: December 10, 1963
Recorded: December 13, 1963 in Book 6308 of Official Records, Page 392 under Recorder's Serial Number 2536869

Said Covenants, Conditions and Restrictions provide that a violation thereof shall not defeat or render invalid the lien of any Mortgage or Deed of Trust made in good faith and for value.

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 12955.2 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."

8. Liens and charges for upkeep and maintenance as provided in the above mentioned Covenants, Conditions and Restrictions, if any, where no notice thereof appears on record.
9. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts payable under the terms thereof:

- **Amount**: $570,000.00
- **Trustor/Borrower**: Laura Nuno, a married woman
- **Trustee**: Alexis Alan
- **Beneficiary/Lender**: Mortgage Electronic Registration Systems, Inc., solely as nominee for Quicken Loans Inc.

**Dated**: October 3, 2018
**Recorded**: October 11, 2018 in Official Records under Recorder's Serial Number 24041101
**"MIN"**: 100039034146532157

**NOTE**: This loan appears to be registered with Mortgage Electronics Registration Systems, Inc. ("MERS"). Accordingly, the name, address and telephone number of the loan servicer should be obtained by calling the toll-free number, 1-888-679-MERS, and referring to the Mortgage Identification Number ("MIN") shown above.

10. The requirement that satisfactory evidence be furnished to this Company of compliance with applicable statutes, ordinances and charters governing the ownership and disposition of the herein described land.

--- 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.

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

- **Instrument**: Grant Deed
- **By/From**: Laura Nuno, a married woman, as her sole and separate property
- **To**: Laura Nuno, an unmarried woman
- **Dated**: October 4, 2018
- **Recorded**: October 11, 2018 in Official Records under Recorder's Serial Number 24041100
Grant Deed - Trust Transfer executed by Laura Nuno, an unmarried woman to Laura C. Nuno, Trustee of the Laura Nuno Living Trust dated August 13, 2021 recorded September 13, 2021 in Official Records under Recorder’s Serial Number 25097955.

C. NOTICE: FinCEN COMPLIANCE

Closing the residential purchase and/or issuing title insurance contemplated by this Preliminary Report may be subject to compliance with the recently issued Confidential Geographic Targeting Order (GTO) from the US Treasury’s Financial Crimes Enforcement Network (FinCEN). The GTO requires Old Republic National Title Insurance Company to report information about certain transactions involving residential property.

FinCEN has the authority to compel this reporting under the USA PATRIOT Act. FinCEN prohibits Old Republic from disclosing the specific terms of the GTO. You may wish to contact the FinCEN Resource Center directly at (800) 767-2825 for more information.

The failure and/or refusal of a party to provide information for a "covered transaction" will preclude Old Republic from closing the transaction and/or issuing title insurance.

O.N.

D. March 12, 2021 The above Second Updated Preliminary Report, has been modified for the following:

x Plant Date
x Item #5 has been added.

E. November 9, 2021 The above 2nd Updated Preliminary Report, has been modified for the following:

x Taxes
x Plant Date
x New Buyer/Seller/Borrower
x Property Address and/or Vesting and/or Legal Description
x New deed
Exhibit I
CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990 (11/09/18)

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting, or relating to:
   (i) the occupancy, use, or enjoyment of the land;
   (ii) the character, dimensions, or location of any improvement now or hereafter erected on the land;
   (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or
   (iv) environmental protection, or the effect of any violation of these laws, ordinances, or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims, or other matters:
   (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy;
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable laws and the applicable laws of the state in which the land is situated.

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.

6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors’ rights laws.

EXCEPTIONS FROM COVERAGE

SCHEDULE B - PART I

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

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.

Easements, liens or encumbrances, or claims thereof, not shown by the public records.

3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

6. Any lien or right to a lien for services, labor or material unless such lien is shown by the public records at Date of Policy.
OLD REPUBLIC TITLE

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?
The types of personal information we collect and share depend on the product or service you have with us. This information can include:
- Social Security number and employment information
- Mortgage rates and payments and account balances
- Checking account information and wire transfer instructions
When you are no longer our customer, we continue to share your information as described in this notice.

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.

<table>
<thead>
<tr>
<th>Reasons we can share your personal information</th>
<th>Does Old Republic Title share?</th>
<th>Can you limit this sharing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>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</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our marketing purposes — to offer our products and services to you</td>
<td>No</td>
<td>We don't share</td>
</tr>
<tr>
<td>For joint marketing with other financial companies</td>
<td>No</td>
<td>We don't share</td>
</tr>
<tr>
<td>For our affiliates' everyday business purposes — information about your transactions and experiences</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our affiliates' everyday business purposes — information about your creditworthiness</td>
<td>No</td>
<td>We don't share</td>
</tr>
<tr>
<td>For our affiliates to market to you</td>
<td>No</td>
<td>We don't share</td>
</tr>
<tr>
<td>For non-affiliates to market to you</td>
<td>No</td>
<td>We don't share</td>
</tr>
</tbody>
</table>

Go to www.oldrepublictitle.com (Contact Us)
<table>
<thead>
<tr>
<th>Who we are</th>
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<tbody>
<tr>
<td><strong>Who is providing this notice?</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>What we do</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How does Old Republic Title protect my personal information?</strong></td>
</tr>
</tbody>
</table>
| **How does Old Republic Title collect my personal information?** | We collect your personal information, for example, when you:  
  - 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  
We also collect your personal information from others, such as credit bureaus, affiliates, or other companies. |
| **Why can't I limit all sharing?** | Federal law gives you the right to limit only:  
  - 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  
State laws and individual companies may give you additional rights to limit sharing. See the State Privacy Rights section located at [https://www.oldrepublictitle.com/privacy-policy](https://www.oldrepublictitle.com/privacy-policy) for your rights under state law. |

<table>
<thead>
<tr>
<th>Definitions</th>
</tr>
</thead>
</table>
| **Affiliates** | Companies related by common ownership or control. They can be financial and nonfinancial companies.  
  - Our affiliates include companies with an Old Republic Title name, and financial companies such as Attorneys’ Title Fund Services, LLC, Lex Terrac National Title Services, Inc., Mississippi Valley Title Services Company, and The Title Company of North Carolina. |
| **Non-affiliates** | Companies not related by common ownership or control. They can be financial and nonfinancial companies.  
  - *Old Republic Title does not share with non-affiliates so they can market to you* |
| **Joint marketing** | A formal agreement between non-affiliated financial companies that together market financial products or services to you.  
  - *Old Republic Title doesn’t jointly market* |
<table>
<thead>
<tr>
<th>Affiliates Who May be Delivering This Notice</th>
</tr>
</thead>
<tbody>
<tr>
<td>American First Title &amp; Trust Company</td>
</tr>
<tr>
<td>American Guaranty Title Insurance Company</td>
</tr>
<tr>
<td>Attorneys' Title Fund Services, LLC</td>
</tr>
<tr>
<td>Compass Abstract, Inc.</td>
</tr>
<tr>
<td>eRecording Partners Network, LLC</td>
</tr>
<tr>
<td>Genesis Abstract, LLC</td>
</tr>
<tr>
<td>Guardian Consumer Services, Inc.</td>
</tr>
<tr>
<td>IMarc, Inc.</td>
</tr>
<tr>
<td>Kansas City Management Group, LLC</td>
</tr>
<tr>
<td>L.T. Service Corp.</td>
</tr>
<tr>
<td>Lenders Inspection Company</td>
</tr>
<tr>
<td>Lex Terra National Title Services, Inc.</td>
</tr>
<tr>
<td>Lex Terra, Ltd.</td>
</tr>
<tr>
<td>Mississippi Valley Title Services Company</td>
</tr>
<tr>
<td>National Title Agent's Services Company</td>
</tr>
<tr>
<td>Old Republic Branch Information Services, Inc.</td>
</tr>
<tr>
<td>Old Republic Diversified Services, Inc.</td>
</tr>
<tr>
<td>Old Republic Escrow of Vancouver, Inc.</td>
</tr>
<tr>
<td>Old Republic Exchange Company</td>
</tr>
<tr>
<td>Old Republic National Ancillary Services, Inc.</td>
</tr>
<tr>
<td>Old Republic Title and Escrow of Hawaii, Ltd.</td>
</tr>
<tr>
<td>Old Republic National Title Insurance Company</td>
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<td>Old Republic Title Company of Nevada</td>
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<td>Old Republic Title Company of Oklahoma</td>
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<td>Old Republic Title Company of Oregon</td>
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<td>Old Republic Title Company of St. Louis</td>
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<td>Old Republic Title Company of Tennessee</td>
</tr>
<tr>
<td>Old Republic Title Information Concepts</td>
</tr>
<tr>
<td>Old Republic Title Insurance Agency, Inc.</td>
</tr>
<tr>
<td>Old Republic Title, Ltd.</td>
</tr>
<tr>
<td>RamQuest Software, Inc.</td>
</tr>
<tr>
<td>Republic Abstract &amp; Settlement, LLC</td>
</tr>
<tr>
<td>Sentry Abstract Company</td>
</tr>
<tr>
<td>Surety Title Agency, Inc.</td>
</tr>
<tr>
<td>The Title Company of North Carolina</td>
</tr>
<tr>
<td>Trident Land Transfer Company, LLC</td>
</tr>
</tbody>
</table>
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:

- 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.

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<thead>
<tr>
<th>Category</th>
<th>Examples</th>
<th>Collected</th>
<th>Sources</th>
<th>Business Purpose for Collection</th>
<th>Categories of Third Parties with Whom Information is Shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifiers</td>
<td>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</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>Underwriting or providing other products or services, responding to policyholder/consomer claims, inquiries or complaints, detecting security incidents, protecting against malicious</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Characteristics of protected classifications under California or federal law</td>
<td>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.</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>Underwriting or providing other products or services, responding to policyholder/consu mer claims, inquiries or complaints, detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
</tbody>
</table>

| Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e)) | 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/consu mer 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 | Medical conditions, sexual orientation, veteran or military status, or genetic information (including familial genetic information). | 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.

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples</th>
<th>Business Purpose for Disclosure</th>
<th>Categories of Third Parties with Whom Information is Shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifiers</td>
<td>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</td>
<td>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.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e))</td>
<td>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.</td>
<td>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.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Characteristics of protected classifications under California or federal law</td>
<td>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).</td>
<td>Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints. Other audit or operational purposes.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Internet or other electronic network activity</td>
<td>Browsing history, search history, information about a consumer's interaction with a website, application, or advertisement.</td>
<td>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.</td>
<td>Not Disclosed</td>
</tr>
<tr>
<td>Geolocation data</td>
<td>Geographic tracking data, physical location and movements</td>
<td>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.</td>
<td>Not Disclosed</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Right</th>
<th>What This Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice</td>
<td>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.</td>
</tr>
<tr>
<td>Access</td>
<td>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</td>
</tr>
<tr>
<td>Categories of Sources</td>
<td>Action</td>
</tr>
<tr>
<td>-----------------------</td>
<td>--------</td>
</tr>
<tr>
<td>1) Personal information collected about you, 2) Business and commercial purpose for collecting or selling your personal information, 3) Categories of third parties with whom we share your personal information, 4) The specific pieces of information we have collected about you, 5) The categories of personal information disclosed for a business purpose, and 6) If we sold personal information, the categories of personal information sold and the categories of third parties to whom it was sold.</td>
<td></td>
</tr>
</tbody>
</table>

**Deletion**

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:

- 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**

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.

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.

**Opt-In to Sale**

We will not discriminate against you for exercising your rights under the CCPA. Unless otherwise permitted by the CCPA we will not:

- 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

---

**CHAPMAN & PATTON**

466 51

Attachment 5

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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, Suite1500, San Francisco, CA 94111-3334.
ADDENDUM C - COMPARABLE SALES PHOTOS & SATELLITE IMAGES

Sale 1 – Residence Photo

Sale 1 – Satellite Image
Sale 3 – Residence Photo

Sale 3 – Satellite Image
Sale 4 – Residence Photo

Sale 4 – Satellite Image
Sale 6 – Residence Photo

Sale 6 – Satellite Image
ADDENDUM D – DOCUMENT NUMBER 2089101
DEED

SANTA CLARA VALLEY WATER CONSERVATION DISTRICT, a public corporation, the first party, for and in consideration of Ten ($10.00) Dollars, lawful money of the United States, hereby
GRANTS to

ALVIN J. HOFFMAN

the second party,

ALL THAT real property situated in the County of Santa Clara, State of California, comprising approximately 1.78 acres, platted and described upon that certain Right of Way plat numbered SURVEY NO. 5-15, consisting of three sheets, dated August 21, 1961, entitled "LANDS OF SANTA CLARA VALLEY WATER CONSERVATION DISTRICT", which said Right of Way plat is hereunto attached, marked Exhibit "A", and made a part hereof.

RESEIVING, NEVERTHELESS, unto the first party (hereafter called the District) the absolute and permanent right to flood and inundate the said lands with water, whether or not such water is local in origin, and without regard to origin, to a height of six hundred and forty (640) feet, USGS datum; it being by the parties declared, fully understood and AGREED AS FOLLOWS:

THAT the District operates its adjoining Leroy Anderson Reservoir to store and conserve water and said reservoir will be used for such purposes;

THAT the District will operate said reservoir and will raise and lower the level of water therein at its sole discretion;

THAT the District shall have no liability of any nature to the Grantee, or any person, firm or corporation, claiming under him, on account of the fact that the District may raise or lower the level of water in said reservoir, or by reason of the manner of such raising or lowering of water, or the timing thereof, or for the presence or absence of water in said reservoir, without regard to the source or origin of said water; and

THAT the fact, which the parties recognize, that a portion of the said lands is subject to lease to third parties and to sublease to other parties and that structures and improvements have been erected by such parties on said lands shall in no wise limit the force and generality of the reservations and agreements of this deed; and

THAT immediately upon the execution of this deed second party shall cause notice of it and of its terms to be served upon all persons claiming any right whatever in or to said lands, said notice to be served personally or by registered United States mail and second party shall, within sixty (60) days of the execution of this deed file satisfactory proof of such service with the District; and

THAT this deed shall be by second party recorded in the office of the County Recorder of the County of Santa Clara promptly following execution and delivery; that the District shall be at no expense therefor or at any other expense whatever in connection with this deed; and
THAT it is further understood and agreed that the foregoing agreements shall constitute conditions and inducements to the giving of this deed, and that in the event second party or any person, firm, or corporation, claiming under him, shall violate the agreements contained herein, such violation shall work a forfeiture of this grant and the property herein described shall revert to the District, provided that second party and/or his heirs, successors or assigns, shall have the opportunity to defend the District against any cause of action or claim asserted against the District by reason of its right to do or perform any of the acts for which the right is reserved by this deed and the agreements contained herein and shall, in the event any unfavorable judgment is rendered against the District on account of such causes of action or claims, within 10 days after demand, pay or fully satisfy the same so that the grantor is fully and finally discharged from any such financial obligation, and upon performance of these provisions by grantee no default in the conditions of this deed shall be declared and no reversion shall take place to the District, and further provided that in the event a forfeiture and reversion to the District takes place by the terms and conditions hereof, the grantee and any persons, firms or corporation, claiming under him, may have, and the District hereby grants to them, the right to remove any structure or improvements located on the described lands conveyed by this deed within ninety (90) days following said reversion, thereafter such structures and improvements shall become the property of the District.

IN WITNESS WHEREOF, said public corporation has caused its corporate name and seal to be affixed hereto and this instrument to be executed by its duly authorized officers, this 27th day of October, 1961.

SANTA CLARA VALLEY WATER CONSERVATION DISTRICT, a public corporation:

By

Hermann Chapman
President

By

Violet E. Knapp
Secretary

STATE OF CALIFORNIA,

County of SANTA CLARA

On this 27th day of October, in the year one thousand nine hundred and sixty-one

before me, Albert T. Henley, a Notary Public in and for the County of

SANTA CLARA

Hermann J. Gerret, and Violet V. Knapp

known to me to be the President and Secretary Pro Temp, respectively of the corporation described in and that executed the within instrument, and also known to me to be the person by whom the within instrument was executed, the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the County of Santa Clara the day and year in this certificate first above written.

Albert T. Henley

Notary Public in and for the County of Santa Clara

My Commission Expires 9/15/63

State of California
ADDENDUM E – LEGAL DESCRIPTION and PLAT MAP
Santa Clara Valley Water District
San Jose, California

PROJECT: ANDERSON DAM SEISMIC RETROFIT (TUNNEL PROJECT)
RESU File No.: 9186-46
By: B. Bains

All that certain real property situate in the unincorporated area of Morgan Hill, County of Santa Clara, State of California, as shown on that certain map entitled "TRACT NO. 3453" filed on November 14, 1963 in Book 169 of Maps at Pages 29 through 33, in the Office of the Recorder, County of Santa Clara, State of California, more particularly described as follows:

All of the lands described in the Deed recorded as Document Number 22899017 of Official Records, in the Office of the Recorder, County of Santa Clara.

Containing 12,703 square feet of land, more or less.

BASIS OF BEARINGS:
The bearing of N51° 37' 38"E, shown as N51° 02' 48"E along the southeasterly line of Lot 167 on the certain Tract Map filed on November 14, 1963 in Book 169 of Maps at Pages 29 through 33, in the Office of the Recorder, County of Santa Clara, State of California, was used as Basis of Bearings shown hereon.

SURVEYOR'S STATEMENT:
The description was prepared by me or under my direction in conformance with the requirements of the Land Surveyor's Act.

Jessica DeMartini, PLS 9095

Date

Page 1 of 1
APPRAISAL REPORT

OF

17496 Hoot Owl Way
Morgan Hill, CA 95037-6515

PREPARED FOR

Laura Nuno Living Trust
17496 Hoot Owl Way
Morgan Hill, Ca 95037

AS OF

06/01/2022

PREPARED BY

Metropolitan Appraisal Services
1935 Giampaoli Drive
San Martin, CA 95046
metro1234@aol.com
408) 683-4923
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<td>URAR Page 2</td>
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<td>Comment Addendum</td>
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<td>Comments Page 3</td>
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<tr>
<td>Subject's Site</td>
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<td>Subject's Lot and Easements</td>
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</tr>
<tr>
<td>Assessor's Parcel Map &amp; Tract Map No 3453</td>
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</tr>
<tr>
<td>Sales Price Over Time 1yr</td>
<td>18</td>
</tr>
<tr>
<td>Sales Price Over Time 3yr</td>
<td>19</td>
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<td>Zoning Map</td>
<td>20</td>
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<td>Subject's Map Exhibit</td>
<td>21</td>
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<tr>
<td>Aerial Map</td>
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<td>Plat Map</td>
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<td>Flood Map</td>
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<td>Sketch</td>
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<td>Photo Subject</td>
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<tr>
<td>Sales Location Map</td>
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<td>Photo Comparables 1-2-3</td>
<td>40</td>
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<td>Photo Comparables 4-5-6</td>
<td>41</td>
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<td>42</td>
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<td>URAR Page 5</td>
<td>43</td>
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<tr>
<td>URAR Page 6</td>
<td>44</td>
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<td>Appraiser's Qualifications</td>
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<td>49</td>
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<td>UAD Definition of Terms p3</td>
<td>50</td>
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<td>51</td>
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### SUBJECT INFORMATION

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
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<tbody>
<tr>
<td>Subject Address</td>
<td>17496 Hoot Owl Way</td>
</tr>
<tr>
<td>Legal Description</td>
<td>Tract 3453 Holiday Lake Estates Book 169 Page 29 Page 33 Lot 168)</td>
</tr>
<tr>
<td>City</td>
<td>Morgan Hill</td>
</tr>
<tr>
<td>County</td>
<td>Santa Clara</td>
</tr>
<tr>
<td>State</td>
<td>CA</td>
</tr>
<tr>
<td>Zip Code</td>
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<tr>
<td>Census Tract</td>
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### SALES PRICE

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<tbody>
<tr>
<td>Sale Price</td>
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<td>Date of Sale</td>
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### CLIENT

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<tr>
<td>Borrower</td>
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<tr>
<td>Lender/Client</td>
<td>Laura Nuno Living Trust</td>
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### DESCRIPTION OF IMPROVEMENT

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
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<tr>
<td>Size (Square Feet)</td>
<td>2,688</td>
</tr>
<tr>
<td>Price per Square Foot</td>
<td>$ 604.54MV</td>
</tr>
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<td>Location</td>
<td>B;Res;WtrFr</td>
</tr>
<tr>
<td>Age</td>
<td>63</td>
</tr>
<tr>
<td>Condition</td>
<td>C2</td>
</tr>
<tr>
<td>Total Rooms</td>
<td>10</td>
</tr>
<tr>
<td>Bedrooms</td>
<td>5</td>
</tr>
<tr>
<td>Baths</td>
<td>2.1</td>
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### APPRAISER

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Appraiser</td>
<td>Patrick W. McElroy AG010778</td>
</tr>
<tr>
<td>Date of Appraised Value</td>
<td>06/01/2022</td>
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### VALUE

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Final Opinion of Value</td>
<td>$ 1,625,000</td>
</tr>
</tbody>
</table>
Laura Nuno
17496 Hoot Owl Way
Morgan Hill, Ca. 95037

Subject: Land Appraisal of 17500 Hoot Owl Way, Morgan Hill, Ca. 95037
APN# 729-37-029

Dear Laura:

In accordance with your request, I have appraised the subject property. I understand this appraisal is to
determine the estimated market value for subject property that is being purchased by the Santa Clara
Valley Water District for the Anderson Dam Tunnel Project purposes (Eminent Domain).

The property rights appraised are fee simple title assuming no indebtedness against the property. The
purpose of this appraisal is to estimate the market value of the subject property as of June 01, 2022, and
it is being purchased by the Santa Clara Valley Water District. Market value as defined in this appraisal is
defined elsewhere in this report.

Your attention is invited to the attached pages indicating data collected and analyzed by this appraiser in
formulating the opinion of value. Also attached is a resume of the Appraiser’s Qualifications and
Certification and Statement of Limiting Conditions. As a result of my investigation and analysis, some of
which is described in this report, it is my opinion that as of June 01, 2022, the market estimate of subject
property is:

ONE MILLION SIX HUNDRED TWENTY FIVE THOUSAND DOLLARS $1,625,000

Cordially,

Patrick W. McElroy
State Certified General Appraiser
California AG010778
The purpose of this appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

**Uniform Residential Appraisal Report**

**Property Address:** 17496 Hoot Owl Way  
**City:** Morgan Hill  
**State:** CA  
**Zip Code:** 95037-6515

**Borrower:** n/a  
**Owner of Public Record:** Laura Nuno Living Trust  
**County:** Santa Clara

**Legal Description:** Tract 3453 Holiday Lake Estates Book 169 Page 29 Page 33 Lot 168

**Assessor's Parcel #** 729-37-029  
**Tax Year:** 2021  
**R.E. Taxes:** $ 5,639

**Neighborhood Name:** Holiday Lake Estates  
**Map Reference:** Barclay 116PG-72VT-40HZ Census Tract 5123.08

**Occupant**  
**X** Owner  
**T** Tenant  
**V** Vacant

**Special Assessments:** $ none known  
**PUD/HOA:** $ 624  
**per year**  
**per month**

**Property Rights Appraised:** Fee Simple  
**Leasehold:** Other (describe)  
**Di Minimis PUD/Common area has minimal effect on subject's value**

**Assignment Type:** Purchase Transaction  
**Refinance Transaction:** Other (describe)

**Lender/Client:** Laura Nuno Living Trust  
**Address:** 17496 Hoot Owl Way, Morgan Hill, Ca 95037

**Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal?**  
**Yes**  
**X** No

Report data source(s) used, offerings price(s), and date(s).  
**MLS**

---

1. **CONTRACT**

   **Contract Price:** $  
   **Date of Contract:**  
   **Is the property seller the owner of public record?**  
   **Yes**  
   **No**  
   **Data Source(s):**

2. **Is there any financial assistance (loan charges, sale concessions, gift or down payment assistance, etc.) to be paid by any party on behalf of the borrower?**  
   **Yes**  
   **No**  
   **If Yes, report the total dollar amount and describe the items to be paid.**

---

3. **SUBJECT**

   **IMPROVEMENTS**

   **Type**  
   **Units**

   **Finished area** above

   **Additional features (special energy efficient items, etc.)**  
   **See Comment Addendum**

4. **SITE**

   **Utilities**  
   **Public**  
   **Other (describe):**

   **Public**  
   **Off-site improvements--Type**  
   **Public**  
   **Private**

   **Other Pool**  
   **Other (describe):**

   **Additional features (special energy efficient items, etc.)**  
   **See Comment Addendum**

---

5. **NEIGHBORHOOD**

   **Subject is located on or near the Coyote Creek Fault, Hayward Fault, and the Calaveras Fault. No other functional or external obsolescence apparent.**

   **Dimensions**  
   **Area:** 1,2703 sf  
   **Shape:** Irregular Rectangle  
   **View:** B, W, Mtn

   **Specific Zoning Classification:** HS  
   **Zoning Description:** HS-(Residential Hillside)

   **Is the highest and best use of subject property as improved (or as proposed on plans and specifications) the present use?**  
   **Yes**  
   **No**  
   **If No, describe.**

---

6. **MARKET CONDITIONS**

   **Subject’s neighborhood is bordered by Cochrane Road North; East foothills of**

   **Cermack Road West; South of South Baseline Road; North of Morgan Hill Road.**

   **Subject’s neighborhood is bordered by Cochrane Road North; East foothills of**

   **Cermack Road West; South of South Baseline Road; North of Morgan Hill Road.**

   **Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property?**  
   **Yes**  
   **No**

   **If Yes, describe.**

---

7. **OTHER**

   **Forbidding**

   **Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)?**  
   **Yes**  
   **No**  
   **If No, describe.**

   **See Comment Addendum**

---

8. **GENERAL**

   **Foundation:**  
   **Exterior Description:**  
   **materials/condition:**

   **Interior Description:**  
   **materials/condition:**

   **Effective Age (Yrs):** 15  
   **Evidence of:**  
   **Settlement:**  
   **Screens:**

   **Driveaway # of Cars:** 0

   **Heating:**  
   **Humid:**  
   **Radiant:**  
   **Amenities:**  
   **Wood stove(s):** # 0

   **Drop Star:**  
   **Stairs:**  
   **Other:**  
   **Fence:**

   **Garage # of Cars:** 0

   **Porch (Deck):**  
   **Att.**  
   **Det.**  
   **Built-in:**

   **Finished:**  
   **Heated:**  
   **Individual:**  
   **Other:**

   **Att.**  
   **Det.**  
   **Built-in:**

   **Finished area above grade contains:** 10 Rooms 5 Bedrooms 2.1 Bath(s) 2,688 Square Feet of Gross Living Area Above Grade

---

**Additional comments:**

---

**NOTE:** Race and the racial composition of the neighborhood are not appraisal factors.

---

**DISCLAIMER:**

---

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### Uniform Residential Appraisal Report

**There are** 23 comparable properties currently offered for sale in the subject neighborhood ranging in price from $899,988 to $3,750,000.

**There are** 87 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $800,000 to $4,400,000.

#### SALES COMPARISON ANALYSIS

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<tr>
<th>FEATURE</th>
<th>SUBJECT</th>
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<th>COMPARABLE SALE # 2</th>
<th>COMPARABLE SALE # 3</th>
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<td>17496 Hoot Owl Way Morgan Hill, CA 95037-6515</td>
<td>17559 Manzanita Drive Morgan Hill, CA 95037</td>
<td>17665 Racoon Road Morgan Hill, CA 95037</td>
<td>17660 Racoon Road Morgan Hill, CA 95037</td>
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<tr>
<td>Proximity to Subject</td>
<td>0.13 miles W</td>
<td>0.50 miles W</td>
<td>0.49 miles W</td>
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<tr>
<td>Sale Price</td>
<td>$1,685,000</td>
<td>$1,675,000</td>
<td>$1,600,000</td>
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<td>$604.54 sq ft</td>
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<td>Verification</td>
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<td>s04/22/c03/22</td>
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<td>DT3;Contemorary</td>
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<td>Age</td>
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<td>Condition</td>
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<td>Above Grade</td>
<td>Total Bdrms</td>
<td>Total Bdrms</td>
<td>Total Bdrms</td>
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<tr>
<td>Room Count</td>
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<td>10</td>
<td>5</td>
<td>2</td>
<td>1</td>
<td>3</td>
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<tr>
<td>2,688</td>
<td>3,319</td>
<td>3,095</td>
<td>2,650</td>
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<td>Gararge/Carport</td>
<td>Porch/Patio/Deck</td>
<td>Fireplce</td>
<td>HOA Fee</td>
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<tr>
<td>HOA Fee</td>
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<td>$458/yr</td>
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<td>Net Adjust (Total)</td>
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<td>-</td>
<td>$ -90,986</td>
<td>+</td>
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<td>Adjusted Sale Price of Comparables</td>
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<td>Net Adj: -4%</td>
<td>Gross Adj: 18%</td>
<td>$ 1,594,014</td>
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</tbody>
</table>

**My research, did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.**

**Data Source(s):** MetroScan/County Recorder/MLS

**My research, did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.**

**Data Source(s):** CoreLogic/County Recorders

**The Market Approach, being the prevailing approach to value, was given primary consideration in the final reconciliation. Recent Comparable sales 1, 2, 3, & 4, were given most weight in the final analysis. No recent comparable sales found that have lake frontage similar to subject property. All comparable sales have larger sites.**

This appraisal is made **"as is, "** subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed. **subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair.**

**Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser’s certification, my (our) opinion of the market value is, defined, of the real property that is the subject of this report is $1,625,000 as of 06/01/2022, which is the date of inspection and the effective date of this appraisal.**

**Attachment 6**

Freddie Mac Form 70  March 2005

UAD Version 9/2011 Produced by ClickFORMS Software 800-622-8277

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## Additional Comments

**Cost Approach to Value (not required by Fannie Mae)**

Provide adequate information for the lender/client to replicate your cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value). Land value was derived by the abstraction method. This involves subtracting the depreciated cost of the improvements from the comparable sales to obtain the contributory value of land.

Subject’s high land value to improvements is typical for this area.

<table>
<thead>
<tr>
<th>Source of cost data</th>
<th>Marshall &amp; Swift/Appraisers Estimate</th>
<th>Opinion of Site Value</th>
<th>$</th>
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<tr>
<td>Dwelling Sq. Ft. @ $</td>
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<td>$940,800</td>
</tr>
<tr>
<td>Storage Sq. Ft. @ $</td>
<td>128</td>
<td>50.00</td>
<td>$6,400</td>
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<tr>
<td>Total Estimate of Cost-new</td>
<td>$1,122,200</td>
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<td></td>
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</tbody>
</table>

- **Calaveras Fault. No other functional or economic obsolescence apparent.**
- **Subject has a life expectancy of 70 years, and an effective age of 15 years. It has 50 years of remaining life.**

- **As-is** Value of Site Improvements = $886,538

- **Estimated Remaining Economic Life (HUD and VA only) Years Indicated Value By Cost Approach = $40,000**

**Estimated Monthly Market Rent $ X Gross Multiplier = $ Indicated Value By Income Approach**

**Income Approach to Value (not required by Fannie Mae)**

Summary of Income Approach (including support for market rent and GRM):

**PUD Information (if applicable)**

Is the developer/builder in control of the Homeowner’s Association (HOA)? Yes [X] No

Unit type(s) [X] Detached [ ] Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

Total number of phases

Total number of units

Total number of units rented

Total number of units sold

Data source(s)

Was the project created by the conversion of existing building(s) into a PUD? Yes [ ] No [x] If Yes, date of conversion.

Does the project contain any multi-dwelling units? Yes [ ] No [x] Data source.

Are the units, common elements, and recreational facilities complete? Yes [ ] No [x] If No, describe the status of completion.

Are the commons elements leased to or by the Homeowner’s Association? Yes [ ] No [x] If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.
<table>
<thead>
<tr>
<th>FEATURE</th>
<th>SUBJECT</th>
<th>COMPARABLE SALE # 4</th>
<th>COMPARABLE SALE # 5</th>
<th>COMPARABLE SALE # 6</th>
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</thead>
<tbody>
<tr>
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<td>$673.73 sq ft</td>
<td>$552.27 sq ft</td>
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<tr>
<td>Price</td>
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Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales.

Date of Prior Sale/Transfer

Price of Prior Sale/Transfer

Data Source(s)

Effective Date of Data Source(s)

Analysis of prior sale or transfer history of the subject property and comparable sales See Page 2 for Comments

Summary of Sales Comparison Approach See Comment Addendum
Neighborhood:
Subject is located in the Holiday Lake Estates Developments of good quality homes, which is located in the East foothills in the City of Morgan Hill around Anderson Reservoir. The neighborhood is made up of a mixture of older and newer homes, with an average age of 45 years old. The homes in the immediate neighborhood are well maintained. The neighborhood has its own schools and shopping facilities in Morgan Hill. Silicon Valley provides a broad and stable employment base. The community is served by a variety of recreational facilities.

Site:
Subject is located in the unincorporated area of Santa Clara County in the Holiday Lake Estates Development around Anderson Reservoir, in the East foothills of Morgan Hill. Subject property is in the sphere of influence of the City of Morgan Hill. Subject property is benefited by it's location on Lake Anderson, fronts to lake. Subject property is part of a Di Minimis PUD where there is minimal effect on value. Subject has a good view of Anderson lake and mountains. Streets are privately maintained by the Holiday Lake Estates Development Home Owner's Association thru monthly dues of $52 per month, except subject's street which is considered a driveway, privately maintained by homeowners on Hoot Owl Way. The subject property is located at 17496 Hoot Owl Way with access from Hoot Owl Way. The shared driveway has been in place for decades, although no recorded easement was found for benefit of subject property. There is a ten foot drain easement along the southwesterly 10 feet. Portions of the driveway are asphalt with concrete at the lake. Subject's site has 12,703 square feet. Hoot Owl Way is a private street that is approximately 40 feet wide near the subject. The street frontage is not improved with curbs, gutters, or sidewalks, which is typical for subject's neighborhood. Subject has electric, septic system, and propane for gas. Water is provided by the City of Morgan Hill. Subject is located on Anderson Reservoir, and it has a good mountain and lake view. Subject's site has a down slope from Hoot Owl Way to the lake front. Subject is zoned HS, hillside site. Subject is located on or near the Coyote Creek Fault, Silver Creek Fault, and the Calaveras Fault, and this typical for subject's area, and does not effect subject's marketability. Subject's site is adjacent to Anderson Lake, which is designated as FEMA flood zone A. There are no other apparent adverse influences and/or conditions. There are two projects currently underway regarding Anderson Dam; the Anderson Dam Tunnel Project and the Anderson Dam Retrofit Project. The projects have prompted the subject property acquisition proposed by Santa Clara Valley Water District for slope anchor system. The location of proposed slope anchors was prompted by Hoot Owl Way Slide and Boat Marina Slide; two land slides along the lake bed that requires securing. Previously, SCVWD was going to install slope anchors beginning on SCVWD property within the lake bed and extend into and beneath the subject property, terminating some 50-75 feet below. The project would of require one slope anchor easement on subject's site to facilitate construction of the project. SCVWD decided it was better to purchase subject property fully than to purchase an anchor easement. Anderson Dam was built in 1950, and currently requires significant upgrades for seismic retrofitting. The project will rebuild the dam in compliance with today's seismic and safety standards and regulations. It will increase the dam's spillway and outlet capacity to allow a rapid, controlled draw down in emergencies and enhance incidental flood protection. SCVWD has a deed restriction area, recorded in 1961 that allows "SCVWD the absolute right to flood and inundate the said lands with water, whether or not such water is local in origin, and without regards to origin, to a height of 640 feet."

Description of Condition of Property:
Subject has a 2-story contemporary style. It has a composition shingle roof that appears to be in good condition. It has a wood exterior is in good condition. Subject has a 5br-2.1ba contemporary style home with 2,688 square feet County Records shows 2,740 square feet. It is improved with hardwood floors t/o, vaulted open beam ceilings, recess lighting, granite tile kitchen counters, custom oak cabinets, stainless steel appliances, skylights, built in cabinets, ceramic tile bathroom vanities, tile bathroom floors, tile wainscot, jacuzzi tub & shower in master bathroom, lower level 3 bedrooms two with lofts, laundry room lower level, master bathroom, mirrored bedroom closet doors, forced air heat, central air conditioning, dual pane windows, patio, wood decks, wrought iron circular staircase from main level to lower level, no garage, wood decks, Tuff Storage shed, slate covered front porch, wrought iron & wood fences, and natural landscaping. It has drainage appears adequate.
Current Market Conditions:
The City of Morgan Hill/Bay Area trends, as well as national trends, are on an upturn since January of 2012 when a combination of low interest rates, a recovering economy, and low price levels after the economic crisis of 2007-2009 created the conditions for rapid price increases. Since then the market is on an uptrend fueled by low interest rates and increasing demand. California markets are projected to remain stable with further increases. Marketing conditions for subject property are currently good, due to the improvement of residential and commercial markets. Employment and economic trends are good in Silicon Valley, and residential and commercial real estate is stable. Housing supply is stable, and demand is currently moderate.

Extraordinary Assumption
An Extraordinary Assumption is something the appraiser believes to be true. If it is later found to be untrue, it could change the results of appraisal. The age of subject's improvements predates the County's building permit records. It is assumed subject's gross living area is accurate, and that any unpermitted area has been grandfathered in as permitted, livable space. It is assumed that there is no hazardous or toxic substances existing on subject property. It is also assumed that there are no other easements on subject property.

Hypothetical Conditions
A condition directly related to a specific assignment, which is contrary to what is known by appraiser to exist on effective date of the assignment results, but used for purpose of analysis. The Anderson Dam Tunnel Project has not been completed as of the date of this appraisal.

Summary of Sales Comparison Approach:
All comparables were taken from subject's Holliday Estate Development. Most weight was given to Comps 1, 2, 3, & 4, the most recent sales. All comparables used are located on or near the Coyote Creek Fault, Silver Creek Fault, and the Calaveras Fault. No recent comparables were found that front to Anderson Lake like subject property. All comparable sales have larger sites than subject's lake front site.

Comp 1 is larger in size 2-story Spanish style home located at 17555 Manzanita Drive. It is part of subject's Holiday Lake Estates Development. It has a good mountain & lake view and similar site utility. It is a 5br-3.5ba home with 3,319 square foot on a larger 20,745 square foot site. It has superior quality, and it is in superior condition. As per MLS, it is improved with gated entrance, courtyard, fountain, marble entry, crown molding, chef's kitchen, kitchen island, granite kitchen counters, Wolf gas range, garden window, Sub Zero builtin refrigerator plus second, masder suite w/jacuzzi tub, dual pane windows, patio, wood decking, and attached 2-car garage. It has a HOA fee of $458/yr. It sold with conventional financing. It sold for $1,685,000 or $507.68 per square foot.

Comp 2 is a larger size 2-story contemporary style home located at 17665 Raccoon Court taken from a subject's development, Holiday Lake Estates Development around Anderson Reservoir. It has a similar mountain & lake view. It is in superior condition, and it has superior quality of construction. As per MLS, this is a remodeled home with open beamed ceiling, custom wood cabinets, solid stone kitchen counters, refaced shaker kitchen cabinets, wood decks, 17 foot long Pacific swim spa, 1,00 sf storage, counters, tile floors in bathrooms, dual pane windows, skylights, 1 fireplaces, central air conditioning, and attached 2-car garage. It has a HOA fee of $864/mo. It sold with conventional financing. It sold for $1,675,000 or $541.20 per square foot.

Comp 3 is located at 17660 Raccoon Court taken from a subject's development, Holiday Lake Estates Development around Anderson Reservoir. It has a larger 27,822 square feet of land. It has a similar down slope as subject. It has a 2,650 SF 2-story contemporary style home. It is in simialr condition, and it has similar quality of construction. As per MLS, this has a 5br-2.5ba floor plan with granite kitchen counters, stainless steel appliances, dual pane windows, central air, and 3-cat garage. It is zoned HS, like subject. It sold for $1,675,000 or $603.77 per square foot. It sold with conventional financing. The Home Owner's Fee is $734 per year.
Comp 4 is located at 17031 Holiday Drive, a feeder street for the area, on a larger 35,502 SF site. It has a down slope similar to subject. It has a HS zoning similar to subject. It has a similar size 2-story 2,360 SF 4br-3ba 1-story ranch style home. It is a younger home, built in 2019. It is in superior condition, and it has superior quality. As per MLS, it is improved with open beam ceilings, custom cabinets, skylights, 1 fireplace, wood decks, marble kitchen counters, patio, game court, dual pane windows, central air, and 2-car garage. It sold with other/private financing. It has a HOA fee of $612 per year. It sold for $1,590,000 or $673.73 per square foot.

Comp 5 is located at 17205 Qual Court on a larger 28,561 SF lot. It is zoned HS, Hillside residential, same zoning as subject. It has a down slope similar to subject. It has a 2,315 square foot 2-story contemporary style 3br-2ba home on it. As per MLS, it is improved with granite kitchen counters, stainless steel appliances, trash compactor, storage, leased solar system, dual pane windows, central air, and covered carport and 2 car garage, wood deck, office or 2nd bedroom, but 2-car garage. It has a leased solar system that was given no value. It sold for $1,400,000 or $604.49 per square foot. It sold with conventional financing. It has a HOA fee of $612 per year.

Comp 6 is a larger size 2-story contemporary style home taken from a subject's development, Holiday Lake Estates Development around Anderson Reservoir. It has a larger 32,948 square foot site. It is located at 17890 Holiday Drive, a feeder street for the development. It is in similar condition, and it has similar quality. It has a similar view of the surrounding mountains and lake. It has 4br-2.5ba with a 2,359 square foot 2-story contemporary style home. As per MLS, updated home with, vaultes open beam ceilings, granite kitchen counters, kitchen island, den/office, 1 fireplace, dual pane windows, central air, wood decks, open patio, natural landscaping, and 2 car bulin garage. It has a HOA fee of $612/yr. It sold for $1,550,000 or $657.06 per square foot.

A time adjustment was required, due to an increasing market over that past 24 months, and uniqueness of subject property with lake frontage. 1.0% per month was used for time adjustment for this time period.(See Attached MLS, Sales Price Over Time)

Appraiser's estimate $10.00 per square foot was used for the difference in lot size.

$150 per square foot was used on difference in building size. No adjustment was used for room count difference, which is included in the square foot adjustment.

$50,000 was used for subject's superior lake front location on the lake.

A $10,000 adjustment was used for 1/2 bathroom difference, and $20,000 was used for a full bathroom difference.

$20,000 was used for quality of construction adjustment, based on my inspection compared to MLS information on comparables used.

$20,000 was used for condition adjustment, based on my inspection compared to MLS information on comparables used.

$2,000 per year was used for effective age adjustment.

A $4,000 adjustment was used for fireplace difference.

A $16,000 was used for garage stall difference.

A 1.0% per month was adjusted for time. (See Attached MLS Statistics)
Due to the complexities of this appraisal, it was necessary to exceed a 10% line adjustment, 15% net adjustment, and a 25% gross adjustment on comparables.

Also, due to complexities of this appraisal it was necessary to exceed 1-mile from subject property. Subject property is under the predominate value for subject's market area, and there is no impact on subject's marketability.

Subject's indicated a reasonable exposure time of 3 to 6 months.

The comparables used in this appraisal report are considered the best available indicators among closed, pending, and current listings considered in the final analysis. All comparables used were typical arms length sales/listings. Additional comparables were viewed and given secondary consideration in the overall analysis.

I have performed a land appraisal service as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

This appraisal report was developed in adherence to lender appraiser independence requirements.

The comparables used in this appraisal report are considered the best available indicators among closed, pending, and current listings considered in the final analysis. All comparables used were typical arms length sales/listings. Additional comparables were viewed and given secondary consideration in the overall analysis.

Priority Services Statement
I have performed no appraisal services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Extent of the Appraisal Process
The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of subject property and neighborhood, and selection of comparable sales within the subject's market area. The original source of comparables is shown in the data source selection of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable was used. Data believed to be unreliable was not included in the appraisal report.

Appraiser's Independence
Said appraiser, Patrick W. McElroy, is competent to complete this appraisal report in accordance with the competency provision in the USPAP.

Said appraiser, Patrick W. McElroy, has acted in an independent capacity and that the appraisal assignment is not based on requested minimum valuation. A specific valuation or approval of a loan.

Said appraiser, Patrick W. McElroy, has no direct or indirect interest in the property or transaction and/or bias with respect to the parties involved.
Borrower: n/a

Property Address: 17496 Hoot Owl Way

City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037-6515

Lender/Client: Laura Nuno Living Trust
Address: 17496 Hoot Owl Way, Morgan Hill, CA 95037

Subject's County Record Pg1
File No.: 06012022
Case No.: 06012022

17496 Hoot Owl Way, Morgan Hill, CA 95037-6515, Santa Clara County

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ML Sq Ft: 2,740
Lot Sq Ft: 12,500
Yr Built: 1999
Type: SFR

OWNER INFORMATION
Owner Name: Nuno Laura Living Trust
Tax Billing Address: 17496 Hoot Owl Way
Tax Billing City & State: Morgan Hill, CA

LOCATION INFORMATION
School District: Morgan Hill
Community College District: Gavilan
Location Influence: Lake
Census Tract: 5123.08

TAX INFORMATION
APN: 729-37-029
% Improved: 56%
Legal Description: HOLIDAY LAKE EST 1 UN 1 MAP 4 917

ASSESSMENT & TAX
Assessment Year: 2021
Assessed Value - Total: $411,980
Assessed Value - Land: $221,266
Assessed Value - Improved: $190,713
Yoy Assessed Value ($): $4,941
Yoy Assessed Value (%): 1.04%

2019 Total Tax: $5,659
2020 Total Tax: $5,503
2021 Total Tax: $5,639

Special Assessment: n/a
Socio Vector Control: $1.62
Mosquito Aerm #2: $4.38
Sfta Measure As: $13.60
Screed Dflood Contr: $20.88
Sccosa Measure T: $34.00
Library Jpa Old 2013-1: $33.86
Safe Clean Water: $99.12
Total Of Special Assessments: $165.06

CHARACTERISTICS
Land Use - CoreLogic: SFR
Land Use - County: Residential Single Family
Lot Acres: 0.267
Lot Area: 12,500
Style: Rectangular Design
Year Built: 1969
Effective Year Built: 1975
Building Sq Ft: 2,740
Stories: Tax: 1 MLS: 2
Basement Type: MLS: Concrete Perimeter
Total Rooms: 10
Bedrooms: 5

BUILDING

Property Details: Surveying of Patrick McHargh, MLS (Hanging)

Generated on: 06/01/22
Page 1/2

Attachment 6
Pg. 14 of 54

494
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Property Details: (Courtesy of Patrick W Brien, MIR Listings)

The data within this report is compiled by ColdList from public and private sources. The data is deemed reliable, but is not guaranteed. The accuracy of the data contained herein can be independently verified by the recipient of this report with the applicable county or municipality.
EXHIBIT A

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

Being a portion of Lots 167 and 168, as shown on that certain Map entitled, "Holiday Lake Estates-Tract No. 3463", recorded in Book 169 of Maps, Page(s) 29 through 33, Santa Clara County Records, and more particularly described as follows:

Beginning at the Southwesterly corner of said Lot 167; thence along the Southwesterly line thereof North 60° 30' 53" West 55.10 feet to the Southwesterly corner of said Lot 167 and Southwesterly corner of said Lot 168; thence along the Southwesterly line of said Lot 168 North 50° 51' 04" West 29.87 feet; thence North 51° 00' 00" East 40.87 feet; thence North 68° 00' 00" East 95.00 feet; thence North 72° 59' 37" East 44.26 feet; thence North 55° 00' 00" East 88.00 feet to the Northeastly line of said Lot 167; thence along the Northeastly line of said Lot 167, South 17° 50' 03" East 23.00 feet to the Northeastly corner of said Lot 167; thence along the Southwesterly line of said Lot 167, South 43° 44' 30" West 68.62 feet and South 51° 02' 48" West 157.99 feet to the point of beginning and containing therein 0.292 acres, more or less, as set forth in Certificate of Compliance recorded July 17, 1997, Instrument No. 13779279, Official Records.

APN: 720-37-029
Nuno Property
17496 Hoot Owl Way, Morgan Hill, CA

Assessor's Parcel Map

Recorded Subdivision Map

TRACT NO. 3453
HOLIDAY LAKE ESTATES
UNIT NO. 1
PORTION OF BLOCK 105, HOLIDAY LAKE ESTATES, HOLIDAY LAKE ESTATES, UNIT NO. 1, SANTA CLARA COUNTY, CALIFORNIA

Chapman & Patton
Page 8

SUBJECT

500
Sales Prices Over Time

Time frame is from Jun 2021 to May 2022
Zip Code is '99337'
Property Type is 'Residential'
Property Sub Type is 'Single Family Home'
Results calculated from 533 listings

501
Sales Price Over Time 3yr

Time frame is from Jan 2019 to Apr 2022
Zip Code is '95037'
Property Type is 'Residential'
Property Sub Type is 'Single Family Home'
Results calculated from 1,777 listings
Zoning and General Plan: County of Santa Clara
The Subject is under the jurisdiction of Santa Clara County Planning Department and has a zoning designation of HS (Hillside) and a General Plan designation of USA (Regional Parks, Existing). Hillside zoning allows for various residential uses and its intent is as follows:

The purpose of the Hillside district, also known as the HS district, is to preserve mountainous lands unplanned or unsuited for urban development primarily in open space and to promote those uses which support and enhance a rural character, which protect and promote wise use of natural resources, and which avoid the risks imposed by natural hazards found in these areas. These lands are watersheds and may also provide such important resources as minerals, forests, animal habitat, rare or locally unique plant and animal communities, historic and archeological sites, scenic beauty, grazing lands, and recreational areas. Additionally, lands zoned Hillside define the setting or viewed for the urban area of the County.

Development shall be limited to avoid the need for public services and facilities. Permitted uses include agriculture and grazing, very-low-density residential use, low density, low-intensity recreation, mineral and other resource extraction, and land in its natural state. Low-intensity commercial, industrial, and institutional uses may also be allowed if they require a remote, rural setting in order to primarily serve the rural residents or community, or if they support the recreational or productive use, study, appreciation, or enhancement of the natural environment. Clustering of development, particularly residential, is encouraged in order to preserve contiguous open space and achieve efficiency in the provision of access to dwellings. This district is meant to apply to all parcels designated Hillside in the general plan.

The Subject is also within the city of Morgan Hill’s Sphere of Influence, which designates the Subject as Residential Detached Low (up to 4 dwelling units/acre).

Zoning Map

Probability of a Zoning Change
A change in zoning is not likely. The Subject is in an area primarily reserved for low-density residential uses.

CHAPMAN & PATTON
Page 19

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Attachment 6
Flood Map Addendum

Borrower: n/a
Property Address: 17496 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037-6515
Lender/Client: Laura Nuno Living Trust
Address: 17496 Hoot Owl Way, Morgan Hill, CA 95037

Flood Map Legends
- Areas inundated by 100-year flooding
- Areas inundated by 500-year flooding
- Areas of undetermined but possible flood hazards
- Floodway areas with velocity hazard
- COBRA zone

Flood Zone Determination
- In Special Flood Hazard Area (Flood Zone): Not within 250 feet
- Community Name: SANTA CLARA COUNTY
- Map Number: 06085C0463H
- FIPS Code: 06085
- Census Tract: 5123.08
- Panel: 06085C 0463H
- Panel Date: 05/18/2009

This Report is for the sole benefit of the Customer that ordered and paid for the Report and is based on the property information provided by that Customer. That Customer's use of this Report is subject to the terms agreed to by that Customer when accessing this product. THE SELLER OF THIS REPORT MAKES NO REPRESENTATIONS OR WARRANTIES TO ANY PARTY CONCERNING THE CONTENT, ACCURACY, OR COMPLETENESS OF THIS REPORT INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. The seller of this Report shall not have any liability to any third party for any use or misuse of this Report.
CALCULATIONS

MAIN LEVEL
26.0' X 52.0' = 1,352 SF
12.0' X 32.0' = 384 SF
10.0' X 12.0' = 120 SF
TOTAL MAIN LEVEL = 1,856 SF

LOWER LEVEL
26.0' X 32.0' = 832 SF
TOTAL = 2,688 SF

UPPER LEVEL
SUBJECT PHOTO ADDENDUM

Borrower: n/a

Property Address: 17496 Hoot Owl Way

City: Morgan Hill

County: Santa Clara

State: CA

Zip Code: 95037-6515

Lender/Client: Laura Nuno Living Trust

Address: 17496 Hoot Owl Way, Morgan Hill, CA 95037

FRONT OF SUBJECT PROPERTY
17496 Hoot Owl Way
Morgan Hill, CA 95037-6515

REAR OF SUBJECT PROPERTY

STREET SCENE
SUBJECT'S PRIVATE STREET
LOOKING EAST/SUBJECT TO THE RIGHT
SUBJECT PHOTO ADDENDUM

Borrower: n/a

Property Address: 17496 Hoot Owl Way

City: Morgan Hill  County: Santa Clara  State: CA  Zip Code: 95037-6515

Lender/Client: Laura Nuno Living Trust  Address: 17496 Hoot Owl Way, Morgan Hill, Ca 95037

SUBJECT'S PRIVATE STREET
LOOKING WEST/SUBJECT TO THE LEFT

SUBJECT'S SHARED DRIVEWAY
SUBJECT TO THE RIGHT

SUBJECT'S SOUTH SIDE
Borrower: n/a  
Property Address: 17496 Hoot Owl Way  
City: Morgan Hill  
County: Santa Clara  
State: CA  
Zip Code: 95037-6515  

Lender/Client: Laura Nuno Living Trust  
Address: 17496 Hoot Owl Way, Morgan Hill, Ca 95037

SUBJECT'S NORTH SIDE  
LOOKING EAST

SUBJECT'S EASTERN LAKE BOUNDARY

SUBJECT'S FIRE HYDRATE IN FRONT
Borrower: n/a
Property Address: 17496 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037-6515

Lender/Client: Laura Nuno Living Trust
Address: 17496 Hoot Owl Way, Morgan Hill, CA 95037

SUBJECT'S LOWER PARKING AREA
LOOKING EAST

SUBJECT'S VIEW
LOOKING EAST

SUBJECT'S WESTERN BOUNDARY

Case No.: 06012022
File No.: 06012022
SUBJECT'S KITCHEN
MAIN LEVEL

SUBJECT'S KITCHEN
MAIN LEVEL

SUBJECT'S FAMILY ROOM
MAIN LEVEL
SUBJECT'S 1/2 BATHROOM
MAIN LEVEL

SUBJECT'S MASTER BEDROOM 1
MAIN LEVEL

SUBJECT'S MASTER BATHROOM 1
MAIN LEVEL
<table>
<thead>
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</tr>
<tr>
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<td>95037-6515</td>
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<tr>
<td>Address</td>
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</tr>
</tbody>
</table>

**SUBJECT PHOTO ADDENDUM**

- **SUBJECT'S MASTER BATH SHOWER MAIN LEVEL**
- **SUBJECT'S OPEN BEAM CEILING MAIN LEVEL**
- **SUBJECT'S OFFICE MAIN LEVEL**
SUBJECT PHOTO ADDENDUM

Property Address: 17496 Hoot Owl Way
City: Morgan Hill, County: Santa Clara, State: CA, Zip Code: 95037

Lender/Client: Laura Nuno Living Trust
Address: 17496 Hoot Owl Way, Morgan Hill, CA 95037

SUBJECT'S DEN/OFFICE/bedroom 2
UPPER LEVEL

SUBJECT'S HALL BATHROOM
UPPER LEVEL

SUBJECT'S LAUNDRY ROOM
UPPER LEVEL
SUBJECT PHOTO ADDENDUM

Borrower: n/a
Property Address: 17496 Hoot Owl Way
City: Morgan Hill, County: Santa Clara, State: CA, Zip Code: 95037
Lender/Client: Laura Nuno Living Trust
Address: 17496 Hoot Owl Way, Morgan Hill, Ca 95037

SUBJECT'S LAUNDRY AREA 5
LOWER LEVEL

SUBJECT'S HALLWAY
UPPER LEVEL
Borrower: n/a

Property Address: 17496 Hoot Owl Way

City: Morgan Hill  County: Santa Clara  State: CA  Zip Code: 95037-6515

Lender/Client: Laura Nuno Living Trust  Address: 17496 Hoot Owl Way, Morgan Hill, CA 95037

---

**COMPARABLE SALE # 1**

17555 Manzanita Drive
Morgan Hill, CA 95037

---

**COMPARABLE SALE # 2**

17665 Raccoon Court
Morgan Hill, CA 95037

---

**COMPARABLE SALE # 3**

17660 Raccoon Court
Morgan Hill, CA 95037
Borrower: n/a
Property Address: 17496 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037-6515
Lender/Client: Laura Nuno Living Trust
Address: 17496 Hoot Owl Way, Morgan Hill, CA 95037

COMPARABLE SALE # 4
17031 Holiday Drive
Morgan Hill, CA 95037

COMPARABLE SALE # 5
17205 Qual Court
Morgan Hill, CA 95037

COMPARABLE SALE # 6
17890 Holiday Drive
Morgan Hill, CA 95037
This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

**INTENDED USE:** The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

**INTENDED USER:** The intended user of this appraisal report is the lender/client.

**DEFINITION OF MARKET VALUE:** The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

**STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.

2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.

3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.

5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.
APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.

2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.

3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.

5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.

6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.

7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.

8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.

9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.

10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.

11. I have knowledge and experience in appraising this type of property in this market area.

12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.

14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.

15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.

16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.

17. I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.

18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).

19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

**SUPERVISORY APPRAISER’S CERTIFICATION:** The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

**APPRAISER**

<table>
<thead>
<tr>
<th>Signature</th>
<th>Patrick W. McElroy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Metropolitan Appraisal Services</td>
</tr>
<tr>
<td>Company Address</td>
<td>1935 Giampaoli Drive San Martin, CA 95046</td>
</tr>
<tr>
<td>Telephone Number</td>
<td>4086834923</td>
</tr>
<tr>
<td>Email Address</td>
<td><a href="mailto:metro1234@aol.com">metro1234@aol.com</a></td>
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<tr>
<td>State</td>
<td>CA</td>
</tr>
<tr>
<td>Expiration Date of Certification or License</td>
<td>05/31/2023</td>
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**ADDRESS OF PROPERTY APPRAISED**

| 17496 Hoot Owl Way | Morgan Hill, CA 95037-6515 |

**APPRAISED VALUE OF SUBJECT PROPERTY**

| $ 1,625,000 |

**LENDER/CLIENT**

| Name | Laura Nuno Living Trust |
| Company Address | 17496 Hoot Owl Way Morgan Hill, CA 95037 |
| Email Address | laura@360realestatepro.com |

**SUPERVISORY APPRAISER (ONLY IF REQUIRED)**

<table>
<thead>
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<tr>
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</tr>
<tr>
<td>Expiration Date of Certification or License</td>
<td></td>
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</tbody>
</table>

**SUBJECT PROPERTY**

| Did not inspect subject property |
| Did inspect exterior of subject property from street |
| Date of Inspection | |
| Did inspect interior and exterior of subject property |

**COMPARABLE SALES**

| Did not inspect exterior of comparable sales from street |
| Did inspect exterior of comparable sales from street |
| Date of Inspection | |
PATRICK W. MCELROY
STATE CERTIFIED GENERAL REAL ESTATE APPRAISER
REAL ESTATE BROKER, & CONSULTANT
1935 GIAMPAOLI DRIVE
SAN MARTIN, CA. 95046
Office: (408) 683-4923 FAX: (408) 683-4925 Cell: (408) 843-8876
E-Mail metrol234@aol.com

QUALIFICATIONS

PATRICK W. MCELROY, State Certified General Real Estate Appraiser - AG010778 and Independent Real Estate Broker

PROFESSIONAL EXPERIENCE

1. Presently and for last forty years: Independent Real Estate Broker and Certified General Real Estate Appraiser
3. March 1983 - February 1985: Appraiser Associate of Lou Berger, Real Estate Appraiser, Milpitas, California

TYPES OF PROPERTY APPRAISED

1. Single Family Residential including New Construction, Condominiums, Cluster Homes, Rowhouses, Patio Homes, Standard Detached Homes, and Residential Subdivisions
2. Commercial Properties: Shopping Centers, Restaurants, Retail Stores, Professional Offices, including New Construction and Vacant Land
3. Industrial Properties including New Construction and Vacant Land
4. Ranch, Ocean, and Mountain Properties
5. Special Use Properties including Churches, Gas Stations, Health Club, and Minority Interest Properties
6. Properties suffering from Toxic or Hazardous Material Problems

AREAS APPRAISED

Santa Clara County, Santa Cruz County, San Benito County, Monterey County, Alameda County, Contra Costa County, San Mateo County, and San Francisco County

EDUCATIONAL QUALIFICATIONS

1. California State University, Hayward: B.S. in Mathematics 1971
2. California State University, San Jose
   West Valley College, Saratoga
   San Jose City College, San Jose
College accredited courses include: Real Estate Finance, Legal Aspects of Real Estate, Professional Skill Development, Real Estate Economics, Real Estate Practice, Real Estate Principles, Real Estate Property Management, Real Estate Appraisal I and II
4. State of California Real Estate Brokers License
5. State of California Certified General Real Estate Appraiser, AG010778

PROFESSIONAL AFFILIATIONS

Member of Santa Clara County Real Estate Board
Member of California Association of Realtors
Member of National Association of Realtors
Affiliate Member of Appraisal Institute
BUREAU OF REAL ESTATE APPRAISERS

REAL ESTATE APPRAISER LICENSE

Patrick W. McElroy

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title: "Certified General Real Estate Appraiser".

This license has been issued in accordance with the provisions of the Real Estate Appraisers Licensing and Certification Law.

BREA Appraiser Identification Number: AG 010778

Effective Date: June 1, 2021
Date Expires: May 31, 2023

30589727

Loretta Dutton, Deputy Bureau Chief, BREA

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Attachment 6
Pg 49 of 54
HUDSON INSURANCE COMPANY
100 William Street, 5th Floor
New York, NY 10038

REAL ESTATE APPRAISERS ERRORS AND OMISSIONS INSURANCE
POLICY DECLARATIONS

NOTICE: THIS IS A "CLAIMS MADE AND REPORTED" POLICY. THIS POLICY REQUIRES THAT A CLAIM
BE MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER, IN
WRITING, DURING THE POLICY PERIOD OR AUTOMATIC EXTENDED REPORTING PERIOD.

THIS POLICY MAY CONTAIN PROVISIONS WHICH LIMIT THE AMOUNT OF CLAIM EXPENSES THE INSURER IS
RESPONSIBLE TO PAY IN CONNECTION WITH CLAIMS. CLAIM EXPENSES SHALL BE SUBJECT TO ANY
DEDUCTIBLE AMOUNT. THE PAYMENT OF CLAIM EXPENSES WILL REDUCE THE LIMITS OF LIABILITY
STATED IN ITEM 4. OF THE DECLARATIONS. PLEASE READ YOUR POLICY CAREFULLY.

PLEASE READ THIS POLICY CAREFULLY.

Policy Number: PRA-1AX-1000955
Renewal of: 
1. Named Insured: Patrick W. McElroy dba Metropolitan Appraisal Services
2. Address: 1935 Giampaoli Drive, Unit C
   San Martin, CA 95046
   12:01 A.M. Standard Time at the address of the Named Insured as stated in Number 2 above
4. Limit of Liability
   Each Claim Policy Aggregate
   Damages Limit of Liability
   A. $1,000,000
   B. $2,000,000
   Claims Expense Limit of Liability
   C. $1,000,000
   D. $2,000,000
5. Deductible (Inclusive of Claims Expenses):
   5A. $500 Each Claim
   5B. $1,000 Aggregate
6. Policy Premium: $851.00
7. Retroactive Date: September 21, 2007
8. Notice to Company: Notice of a Claim or Potential Claim should be sent to:
   Hudson Insurance Group
   100 William Street, 5th Floor
   New York, NY 10038
   Fax: 646-216-3786
   Email: hudsonclaims300@hudsoninsgroup.com
   On weekends or holidays: 866-546-3981 (Toll Free)
    B. Agent/Broker: ALIA (Riverton Insurance Agency Corp.)

IN WITNESS WHEREOF, We have caused this policy to be executed by our President and our
Corporate Secretary at New York, New York

Signed
President

Signed
Secretary

PRA100 (01/20)
## Requirements - Condition and Quality Ratings Usage

Appraisers must utilize the following standardized condition and quality ratings within the appraisal report.

### Condition Ratings and Definitions

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
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</table>
| C1 | The improvements have been recently constructed and have not been previously occupied. The entire structure and all components are new and the dwelling features no physical depreciation.  
**Note:** Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/remanufactured into like-new condition. Improvements that have not been previously occupied are not considered “new” if they have significant physical depreciation (that is, newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep). |
| C2 | The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category are either almost new or have been recently completely renovated and are similar in condition to new construction.  
**Note:** The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated. |
| C3 | The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.  
**Note:** The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. It's estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation. |
| C4 | The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.  
**Note:** The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property. |
| C5 | The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability are somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.  
**Note:** Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional. |
| C6 | The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.  
**Note:** Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements. |
Quality Ratings and Definitions

Q1
Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are exceptionally high quality.

Q2
Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residences constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high-quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

Q3
Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4
Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

Q5
Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6
Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure.

Requirements - Definitions of Not Updated, Updated and Remodeled

Not Updated
Little or no updating or modernization. This description includes, but is not limited to, new homes.

Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is ‘Not Updated’ may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

Updated
The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled
Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.

A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of square footage). This would include a complete gutting and rebuild.

Explanation of Bathroom Count
Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

Example:
3.2 indicates three full baths and two half baths.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Name</th>
<th>May Appear in These Fields</th>
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<td>Acres</td>
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<td>Adjacent to Power Lines</td>
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</table>
**SUBJECT CONDITION**

See Comment Addendum
Appraisal Report

TRUJILLO PROPERTY
FILE #9186-47
17500 HOOT OWL WAY
MORGAN HILL, CALIFORNIA

PREPARED FOR
SANTA CLARA VALLEY WATER DISTRICT

PREPARED BY
CHAPMAN & PATTON

EFFECTIVE DATE OF VALUE
JANUARY 19, 2022
March 16, 2022

Edna Campero  
Santa Clara Valley Water District  
5750 Almaden Expressway  
San Jose, CA 95118

Dear Ms. Campero,

Pursuant to our agreement, an appraisal has been made of the Fair Market Value of the Trujillo property identified as Assessor’s Parcel Number 729-37-030 located at 17500 Hoot Owl Way in (unincorporated) Morgan Hill, California. The property being appraised will be referred to as the Subject property in this report.

The purpose of this appraisal is to provide you with an opinion of the Fair Market Value of the Subject property, which will potentially be acquired for the Santa Clara Valley Water District’s (SCVWD) Anderson Dam Tunnel Project. The effective date of value for this assignment is January 19, 2022.

This report contains a description of the entire property in the before condition. The appraisal of the property in the before condition is made under the hypothetical condition that the proposed Anderson Dam Tunnel Project does not exist.

A Notice of Decision to Appraise was sent to the property owners by this office on January 11, 2022. The appraiser met with Mr. Trujillo on January 19, 2022. The property was previously viewed on numerous occasions in February 2021.

I have gathered pertinent information, sales and other data relevant to the valuation of the property and analyzed the data to reach my conclusions. In my opinion, the fair market value of the Subject property as of January 19, 2022 was $1,480,000.

This is a Restricted Appraisal Report that may not be understood properly without reviewing additional information retained in the appraiser’s file. This report is performed in accordance with generally accepted reporting requirements for Uniform Standards of Professional Appraisal Practice 2-2(b). Please refer to the General Assumptions and Limiting Conditions found in the Introduction & Summary section of this report.

Very truly yours,

CHAPMAN & PATTON

Michelle Patton, MAI, SR/WA, R/W-AC  
Certified General Real Estate Appraiser # AG030012
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INTRODUCTION & SUMMARY

Purpose of the Appraisal
The purpose of this appraisal is to estimate the Fair Market Value of an improved 0.25-acre (net) residential property in an unincorporated area of Santa Clara County near Morgan Hill, California. This report serves to update a prior appraisal of the Subject in February 2021 with a current valuation date and a change in the proposed acquisition.

Appraisal Report Format
This is a Restricted Appraisal Report, in accordance with the requirements identified in Standard Rule 2-2(b) of USPAP. It is intended to provide a brief description of the entire property in the before condition, ignoring project influence. It should be noted that the appraiser’s opinions and conclusions set forth in the report may not be understood properly without reviewing additional information retained in the appraiser’s work file. The report format had been mutually agreed upon by the client prior to completion of this assignment. Additional supporting documentation and analyses, as appropriate, is retained in the appraiser’s file.

Scope of the Assignment
A Notice of Decision to Appraise was sent to the current owners on January 11, 2022. The scope of inspection consisted of Michelle Patton viewing the Subject property on-site on January 19, 2022 in the presence of Mr. Trujillo, as well as Ms. Edna Campero of Valley Water.

Verification of the sales was made using public records, and when possible, parties to the transactions (primarily real estate brokers who handled the transactions). Each comparable sale was viewed, photographed and verified by Michelle Patton. The comparables cited herein should be construed as being a pertinent sampling, which were selected based upon physical and location similarities relative to the property under appraisement and/or the credibility of the data.

The geographic scope of research was focused in Morgan Hill and surrounding communities.

The following scope of resources was used in the development of the market value opinion expressed herein. Information provided by the client consisted of a Preliminary Report, Legal Description and Plat Map of the Subject property, and description of the Project.

Sources used in the process of analyzing the Subject property included:
- Assessor’s map
- Flood hazard map
- Discussions with local brokers
- Zoning ordinance for Santa Clara County
- General Plan for Santa Clara County
- Engineering maps for the property to be acquired
- Discussions with Bill Magleby, Senior Real Estate Agent with SCVWD

Sources used in the process of estimating value for the Subject included:
- Assessor’s records
- Multiple Listing Service (MLS)
- Local brokers
- CoStar
Intended Use
The intended use of the appraisal and report is to provide Santa Clara Valley Water District and their legal representatives with a basis for determining just compensation to be offered to the property owner. It is not intended for any other use.

Intended User and Client
The intended user and client of this appraisal is Santa Clara Valley Water District and their legal representatives. The appraisal is not intended for any other user.

Definitions
Appraisal Report (Restricted) - A written appraisal report prepared under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice.

Before Condition - The before condition is the condition of the property on the valuation date (as if) prior to the project, planning and steps leading up to the project.

Benefits - A benefit is an increase in value accruing specially to a remainder property as a result of a partial acquisition or project construction.\(^1\)

Easement - The right to use another’s land for a stated purpose.\(^2\)

Encumbrance - Any claim or liability that affects or limits the title to property. An encumbrance can affect the title such as a mortgage or other lien, or it can affect the physical condition of the property such as an easement. An encumbrance cannot prevent the transfer of possession, but it does remain after the transfer.\(^3\)

Exposure Time - estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.\(^4\)

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.”\(^5\) An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.

Fee Simple - 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.\(^6\)

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\(^1\) Source: Section 1263.430 from the Code of Civil Procedure
\(^2\) Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
\(^3\) Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
\(^4\) Source: 2020-2021 Edition USPAP, Page 4
\(^5\) Source: 2020-2021 Edition of USPAP, Pages 4 & 17
\(^6\) Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
Highest And Best Use - The following explanation is taken directly from the 14th Edition of The Appraisal of Real Estate:

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.

Hypothetical Condition - A Hypothetical Condition is “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 the analysis.”

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

Market Value -

(a) The fair market value of the property taken is the highest price on the date of the valuation that would be agreed to by a seller, being willing to sell, but under no particular or urgent necessity of 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 each other with full knowledge of 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.

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7 Source: 2020-2021 Edition of USPAP, page 4
8 Source: The Dictionary of Real Estate Appraisal, 7th Ed., published by the Appraisal Institute, 2022
9 Source: Code of Civil Procedure, Section 1263.320(a)
General 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.

1) 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.

2) The property is appraised free and clear of any or all liens and encumbrances unless otherwise stated in this report.

3) Responsible ownership and competent property management are assumed unless otherwise stated in this report.

4) The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.

5) Sketches, plats, or photographs contained in this report are included to assist the reader in visualizing properties and no survey has been made of the property in the report.

6) The Appraiser assumes no responsibility 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 engineering studies or a survey, which may be required to discover these conditions.

7) It is assumed that there is full compliance with all applicable Federal, State, and local environmental regulations and laws unless otherwise stated in this report.

8) 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 appraisal report.

9) 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.

10) The Appraiser is not a soil expert. The existing soil and substructure has been assumed adequate for existing or proposed uses unless contrary information is provided and contained in this report. It is advisable to have a soil analysis and report completed by a qualified soil engineer or other qualified expert so that any interested party will become knowledgeable as to the important soil information including seismic data, soil contaminants, type of fill, if any, or other relevant matters.

11) 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.

12) 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.
13) Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written prior consent of the Appraiser, and in any event, only with proper written qualifications and only in its entirety.

14) Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the Appraiser, or the firm with which the Appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media.

Extraordinary Assumptions and Hypothetical Conditions
Please note that all Extraordinary Assumptions and Hypothetical Conditions could have an effect on the results of this appraisal.

Extraordinary Assumptions
1) It is assumed that no hazardous or toxic substances exist on the Subject property or the soils comprising the Subject land.

2) It is assumed that no other easements exist on the entire property that could affect use and/or value other than those noted in this report.

3) The age of the dwelling predates the County’s building permit records. It is assumed for purposes of this analysis that the Gross Living Area (GLA) identified in the report is accurate and that any unpermitted space has been grandfathered-in as permitted, livable space.

Hypothetical Condition
This assignment was prompted by the Anderson Dam Tunnel Project. Therefore, the project will be disregarded in the appraisal of the Subject in the before condition.
Certification of Appraiser
I certify that, to the best of my knowledge and belief:

– the statements of fact contained in this report are true and correct.

– the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

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

– my engagement in this assignment was not contingent upon developing or reporting predetermined results.

– my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

– I made a personal inspection of the property that is the subject of this report.

– I previously appraised the Subject in February 2021 for this same client and this same Project. Except for that appraisal, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the 3-year period immediately preceding acceptance of this assignment.

– no one provided significant real property appraisal assistance to the person signing this certification.

– the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.

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

– as of the date of this report, Michelle Patton has completed the continuing education program for designated members of the Appraisal Institute.

March 16, 2022
Date

Michelle Patton, MAI, SR/WA, R/W-AC
Certified General Real Estate Appraiser #AG030012
Subject Property Photographs

Left: Northwesterly view of Hoot Owl Way frontage – Subject driveway on right
Right: Southeasterly view of Hoot Owl Way – Subject driveway on left

Left: Looking down Subject driveway from Hoot Owl Way
Right: Looking up driveway towards Hoot Owl Way

Left: Subject parking area
Right: Southwesterly elevation of residence
Left: Northerly view of Subject residence
Right: Concrete driveway extending to lakebed – driveway is shared with property adjacent to the south

Left: Westerly view of residence
Right: Southwesterly view of driveway and residence on right (structure on left not a part of Subject)

Left: Family room
Right: Family room

Left: Family room
Right: Master bedroom
Left: Master bathroom
Right: Master bathroom

Left: Living room
Right: View from balcony

Left: Balcony
Right: View of Anderson Lake bed
Left: Kitchen
Right: Kitchen

Left: Bathroom
Right: Bedroom

Left: Deck
Right: Covered outdoor kitchen

Left: View of Anderson Lake bed
Right: Spa and uncovered patio
Subject Property Identification
Address
17500 Hoot Owl Way, Morgan Hill, California

Location
The Subject property is located on the northeasterly side of Hoot Owl Way, north of Holiday Drive and just west of Anderson Lake in Santa Clara County.

Assessor’s Parcel No.
729-37-030

County
Santa Clara

Owners of Record
According to the Preliminary Report prepared by Old Republic Title Company and updated March 5, 2021, ownership is vested in: Guy Trujillo, an unmarried man.

History of Ownership
According to public records, the property has been owned by Mr. Trujillo since 1997. The only recent transfers were internal transfers. Due to the length of ownership, no further investigation was made into the history of ownership. No sales or listings of the property were found in the past 10 years.

Larger Parcel
The larger parcel is the single Assessor’s parcel noted above.

Size/Shape/Topography
According to public records, the Subject property consists of one parcel that contains 0.28 acre (12,021 square feet). However, the property is encumbered by a road easement for Hoot Owl Way, which contains approximately 920 square feet at the southwesterly edge of the site. While it provides access to the property, the road easement also precludes private use of this area. The resulting net size of the lot is 11,101 square feet (0.25 acre). It has an irregular shape, is down-sloping from the Hoot Owl Drive street frontage and has a level building pad area.

Utilities
The Subject’s neighborhood is served with electricity and public water. However, development requires private on-site septic systems and propane, as sewer services and natural gas are not available to the neighborhood. It is assumed the Subject’s existing water supply and septic system is adequate for the continued residential use.

Access
The Subject has one point of access from Hoot Owl Way. The driveway is asphalt paved and appears to be shared with the adjacent parcel to the south, although no easement was identified in the preliminary report for this shared access. Portions of the driveway are asphalt, whereas the area extending down to the lake is concrete. Hoot Owl Way is an asphalt-paved public road that is approximately 40’ wide near the Subject. The street frontage lacks onsite improvements such as curbs, gutters and sidewalks, which is typical for this neighborhood.
Current Use/Improvements
The property is improved with a two-story, single-family dwelling that was originally constructed in 1955. While public records indicate the house has 1,282 square feet, on-site measurements resulted in a gross living area of approximately 2,365 square feet. It has three bedrooms and two bathrooms. The dwelling is a wood-framed structure with composition shingle roofing.

Interior finishes include taped, textured and painted drywall walls and ceilings. The ceiling are vaulted in the living room and family room and include ceiling fans and can lights. There are extensive windows offering natural light, and they are dual pane in vinyl frames. Flooring includes hardwood in the living room and kitchen, as well as the bedrooms. There is ceramic tile in the bathrooms and laundry room. All areas of the house have been updated over the years. The kitchen has granite tile counters and an island, stainless steel appliance and custom cabinetry throughout.

The quality and condition of the improvements is good. There is no garage, but there is adequate on-site uncovered parking.

Site improvements include wood fencing, a wood deck near the lake front and modest landscaping including artificial grass. A wrought iron spiral staircase leads from the upper balcony deck to the lower deck and outdoor kitchen, which includes slate tile counters and a built-in BBQ.

There are numerous mature trees and shrubs on the site.

Easements and Encroachments
The Preliminary Report (found as Addendum B) prepared by Old Republic Title Company refers to various exceptions to title, including several easements that encumber the Subject Property, as described below:

5) An easement for electric transmission lines in favor of Coast Counties Gas and Electric Corporation.

6) Reservations, conditions and restrictions contained in the deed from SCVWD with document number 2089101.

7) A storm drain easement affecting the southwesterly 10 feet

The preliminary report also refers to covenants, declarations, easements and restrictions. With regards Item 6, the Deed (Document Number 2089101) can be found as Addendum D to this report. This deed was recorded in 1961 and effectively allows SCVWD “the absolute and permanent right to flood and inundate the said lands with water, whether or not such water is local in origin, and without regard to origin, to a height of 640 feet”.

The deed further states that the District “shall have no liability of any nature to the Grantee, or any person, firm or corporation, claiming under him, on account of the fact that the District may raise or lower the level of water in said reservoir...” Furthermore, “structures and improvements have been erected by such parties on said lands shall in no wise (sic) limit the force and generality of the reservations and agreements of this deed...”

The inundation easement was fully considered in the valuation of the Subject. It is assumed that no other easements or encroachments exist that could negatively affect the property’s value or marketability other than those mentioned in this report.
Easements identified on Parcel Map

Aerial with Topographic Overlay – Yellow line is 640’ Elevation Mark
Zoning and General Plan: County of Santa Clara
The Subject is under the jurisdiction of Santa Clara County Planning Department and has a zoning designation of HS (Hillside) and a General Plan designation of USA (Regional Parks, Existing). Hillside zoning allows for various residential uses and its intent is as follows:

The purpose of the Hillside district, also known as the HS district, is to preserve mountainous lands unplanned or unsuited for urban development primarily in open space and to promote those uses which support and enhance a rural character, which protect and promote wise use of natural resources, and which avoid the risks imposed by natural hazards found in these areas. These lands are watersheds and may also provide such important resources as minerals, forests, animal habitat, rare or locally unique plant and animal communities, historic and archeological sites, scenic beauty, grazing lands, and recreational areas. Additionally, lands zoned Hillside define the setting or viewed for the urban area of the County.

Development shall be limited to avoid the need for public services and facilities. Permitted uses include agriculture and grazing, very low-density residential use, low density, low-intensity recreation, mineral and other resource extraction, and land in its natural state. Low-intensity commercial, industrial, and institutional uses may also be allowed if they require a remote, rural setting in order to primarily serve the rural residents or community, or if they support the recreational or productive use, study, appreciation, or enhancement of the natural environment. Clustering of development, particularly residential, is encouraged in order to preserve contiguous open space and achieve efficiency in the provision of access to dwellings. This district is meant to apply to all parcels designated Hillside in the general plan.

The Subject is also within the city of Morgan Hill’s Sphere of Influence, which designates the Subject as Residential Detached Low (up to 4 dwelling units/acre).

Zoning Map
Probability of a Zoning Change
A change in zoning is not likely. The Subject is in an area primarily reserved for low-density residential uses.

Geologic Hazards
Though the Subject is not located in a Special Earthquake Studies Zone, it is subject to ground shaking during an earthquake as are all properties in this region. However, ground movement and shaking in liquefaction areas is greatly amplified.

The combination of nearby fault lines and probable landslides represent a serious geologic hazard. It should be remembered that the project for this appraisal was prompted by the potential for a “geologic hazard.”

Hazardous Material Sites
No Environmental Site Assessments were provided for this assignment. There are no known or apparent adverse environmental conditions that would negatively impact the value of the Subject Property. The appraiser is not qualified to make a hazardous waste determination. Please refer to the Limiting Conditions section of this report.

FEMA Flood Hazard Area
As shown on the map on the following page, the Subject is shown in FEMA Zone D flood hazard areas. The Zone D designation is used for areas with a potentially moderate to high risk of flooding, but the probability has not been determined. Although some federally backed lenders may still require it, in a Zone D, there are no mandatory flood insurance requirements. Also, there are no minimum building requirements by FEMA. However, Zone D indicates that there is a risk of flooding; the level of risk is just unknown.

The site is adjacent to Anderson Lake which is designated as FEMA Flood Zone A.

Legal Description
The legal description of the Subject can be found in the Preliminary Report, found as Addendum B to this report.
Assessed Value and Taxes (2021-2022)

Ad Valorem taxes in California are limited by Proposition 13. This law, enacted in 1978, sets property taxes at 1% of acquisition price, plus 2% annual increases in the tax. In order to fund infrastructure and other services ordinarily paid for by property taxes, local agencies and municipalities have a complicated system of direct levies, which act as a special tax, to fund infrastructure development or school systems. Upon sale, the property would be reassessed per Proposition 13.

The following table indicates the assessed values and real estate taxes for the 2021-22 tax year.

<table>
<thead>
<tr>
<th>Assessed Values</th>
<th>729-37-030</th>
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</thead>
<tbody>
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<td>Land</td>
<td>$184,387</td>
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<td>Improvements</td>
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<td>Subtotal</td>
<td>$295,011</td>
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<td>Less. Homeowners Exemption</td>
<td>-50</td>
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<tr>
<td>Total</td>
<td>$295,061</td>
</tr>
<tr>
<td>RE Taxes</td>
<td>$3,350.56</td>
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</tbody>
</table>
Highest And Best Use - As if Vacant

Highest and best use is defined as that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value. It may also be referred to as the most efficient and profitable permissible use. The size, shape, area, and terrain of a parcel of land affect the uses to which it can be developed. The utility of a parcel may depend on its frontage and depth. Irregular-shaped parcels can cost more to develop and, after development, may have less utility than typically shaped parcels in the same area.

Legal Permissibility Test – The Subject property is zoned Hillside, which is intended for the preservation of open space, but also allows for low density, single-family residential use.

Physical Possibility Test – The Subject property contains 0.25 acre (net) and includes a hillside lot that abuts Anderson Lake. Front, side and rear setbacks in the Hillside district are 30’. For the Subject, there are no physical site characteristics that would preclude development of legal uses, except that existing easements may not be built on. The size and shape of the Subject’s site are fairly typical for the area. Access to the site is good along Hoot Owl Way.

Financial Feasibility Test - The neighborhood is nearly 100% built-out with primarily residential uses, in addition to several open space areas maintained by the Holiday Lake Estates Homeowner’s Association. The neighborhood is adjacent to Anderson Lake County Park, which includes ~4,275 acres of open space, trails, recreational uses and the reservoir.

The financial feasibility of immediate development of the Subject takes into consideration the demand for various potential uses. The residential market in the Morgan Hill area has experienced a significant increase in value for single-family properties. Lack of available inventory is partially responsible for the surge in values from 2013 to the present. There are very few lots available for development within the immediate vicinity. The Subject benefits from its location in that the surrounding infrastructure (roadways) is already in place. Furthermore, its lakefront setting is a desirable amenity. The highest and best use for the Subject property as if vacant is for development with a single-family dwelling.

Highest And Best Use – As Improved

The highest and best use of the Subject “As Improved” is for the continued single-family residential use.
Project Description
There are two projects currently underway regarding Anderson Dam; the Anderson Dam Tunnel Project (ADTP), and the Anderson Dam Seismic Retrofit Project (ADSRP). The project that prompted the Subject property acquisition is the proposed Santa Clara Valley Water District (SCVWD) Anderson Dam Tunnel Project. The proposed acquisition of the Subject and other neighboring properties was prompted by the Hoot Owl Way Slide and Boat Marina Slide; two landslides along the lakebed that require securing.

Anderson Dam, which was built in 1950, requires significant upgrades for seismic retrofitting. The project will rebuild the dam in compliance with today’s seismic and safety standards and regulations. It will increase the dam’s spillway and outlet capacity to allow a rapid, controlled drawdown in emergencies and to enhance incidental flood protection.

Around October 2020, SCVWD began releasing water from Anderson Lake, the County’s largest surface water reservoir, that stores rainfall-runoff and imported water from the Central Valley Project. As of the Effective Date of Value, the lake bed near the Subject neighborhood was nearly empty.

Project Acquisition
The Subject will be acquired in fee for the Project. The Subject is appraised in the Before Condition under the Hypothetical Condition that the SCVWD Project does not exist.
VALUATION

Approaches to Value
In valuing real estate, three valuation methodologies are typically accepted in the appraisal process. These are the sales comparison approach, the income approach, and the cost approach. They are further described below.

Sales Comparison Approach
The sales comparison approach utilizes the principle of substitution, wherein recently sold comparable properties are found and analyzed for comparability to the subject property. The underlying assumption is that market support will be either similar to, or identical to any of a group of adjusted substitute properties; thus, the indicated value for the subject is based on a range of adjusted values for the “substitute” or “comparable” transactions.

Income Approach
Generally, the income approach converts income expectations into market value. The assumptions for the investment model can either be implicit in the model (direct capitalization, which converts a single year’s expected income into value using a ratio from the market), or explicit (yield capitalization, or DCF, which converts each year’s net income over a specified holding period).

Cost Approach
The cost approach identifies market supported improvements costs, subtracts a market supported amount assignable to accrued depreciation, adds land value, and derives a value based on the cost to reproduce the improvements. This “cost approach” presumes that a typical buyer would not pay more for an existing improved property (or a finished lot) than it would cost to reproduce the same improvements on a highly similar (substitute) site.

Value Methodology Used for the Subject Property
Of the three approaches to value, only the Sales Comparison Approach is utilized. The Sales Comparison Approach is applicable when a sufficient number of recent, reliable transactions create a perceptible value pattern in the market. For properties that are bought and sold regularly, the Sales Comparison Approach provides a good indication of market value, as it generally reflects the motivations of buyers and sellers.

The Cost Approach and Income Approach were not utilized because they do not reflect the motivations of typical buyers and sellers for this property type.

Sales Comparison Approach – As Improved
The process of developing comparable sales included searching public record and published data sources for the most relevant sales of similar, competing properties in the Subject’s market area. Each sale was then verified by interviewing brokers, agents, buyers or sellers. The sales prices were adjusted as necessary for transactional elements such as financing, conditions of sale, post-sale expenditures, and market conditions. Finally, the sale properties were compared to the Subject for property characteristic differences. Primary elements of comparison are location, size, shape, access, topography, dwelling size, quality and condition.

Improved sales of similar single-family homes in Morgan Hill were researched and analyzed for this assignment. The selected sales are presented on the following comparable sales summary table and location map. Photographs of each comparable sale can be found as Addendum C. The most appropriate unit of comparison for this assignment is the price per dwelling. The following table summarizes the sales utilized in this assignment to appraise the Subject, as improved.
## Comparable Improved Sales

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<thead>
<tr>
<th>#</th>
<th>Address</th>
<th>Lot Size</th>
<th>Shape</th>
<th>Gross Living Area</th>
<th>Grantor</th>
<th>Rec. date</th>
<th>List Price</th>
<th>Sale Price</th>
<th>Sale Price/SF</th>
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<tbody>
<tr>
<td>1</td>
<td>17031 Holiday Dr.</td>
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<td></td>
<td>Morgan Hill</td>
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<td></td>
<td>Saraddi</td>
<td>11/3/2021</td>
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<td>$1,590,000</td>
<td>$674</td>
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<td></td>
<td>Gently Sloping</td>
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<td>Mills</td>
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<td>1955</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Sale Map

(Sale map of the area around 17500 Hoot Owl Way, Morgan Hill, CA)
Sale 1 is located at 17031 Holiday Drive, just south of the Subject in the Holiday Lakes Estates neighborhood. This property includes a 0.82-acre corner site improved with a single-story home with 2,360 square feet. It sold in November 2021 for $1,590,000, or $674 per square foot. This home is fairly new construction, having been built in 2019 and in excellent condition. It contains 4 bedrooms and 3 full bathrooms. The home is completely custom, with Verona chefs oven, double built-in refrigerator, marble slab counters and rain showers in every bath.

As compared to the Subject, this property is far superior for its age, quality and condition, as well as its site size. However, it is inferior for location and view. An upward time-adjustment is also required for market conditions. Its dwelling size is very similar to the Subject’s. Overall, this sale is superior to the Subject and would indicate a lower value for the Subject property.

Sale 2 is located at 17205 Quail Court in the Holiday Lakes Estates neighborhood. The property includes a 0.66-acre site improved with a 2,316 square foot two-story residence, originally constructed in 1975. It sold in September 2021 for $1,400,000, which is equivalent to $604 per square foot. It includes 4 bedrooms and 4 bathrooms. The kitchen includes granite countertops and stainless-steel appliances. There is a built-in pool, two firepits, a large, covered carport and a 2-car garage. The home also had solar panels to be leased by the buyer.

As compared to the Subject, this property is inferior for location and view, as well as time of sale. It is similar for dwelling size but superior for room count and site size. Overall, this sale is rated generally similar to the Subject.

Sale 3 is located at 17220 Holiday Drive in Holiday Lakes Estates, just north of the Subject. This 0.49-acre site is improved with an 1,873 square foot single-story home constructed in 1975. It sold in September 2021 for $1,300,000, or $694 per square foot. The dwelling included 3 bedrooms and 2 full bathrooms, with high-quality custom finishes that have been updated over the years. There is a panoramic view, including a view of Anderson Lake (when it’s full), and well as landscaped grounds and a large, generally level homesite. There is a 2-car garage and custom storage shed, as well as plenty of on-site parking for guests or RV.

As compared to the Subject, this property is inferior for time of sale and for its smaller dwelling size. The room count and lakeside location is similar, as well as the view, but the topography and gated access are superior to the Subject’s. The quality and condition of the improvements are superior. The inferior and superior attributes offset each other and the end result is that this property is a good indicator of value for the Subject.

Sale 4 is located at 17890 Holiday Drive, just north of the Subject. This 0.77-acre lot is improved with a two-story single-family home that contains 2,359 square feet. It sold in June 2021 for $1,550,000, which is equivalent to $657 per square foot. The home included 4 bedrooms and two and one half bathrooms, with panoramic views of Anderson Lake bed and the mountains. The home has vaulted open beam ceilings, a rock hearth and wood stove, kitchen with granite counters and an island. The large lot provides ample parking space, a garden area and hot tub.

As compared to the Subject, this property is superior for its large lot and level topography, as well as room count. It is similar for dwelling size, quality and condition. While it is inferior for its location (no lake frontage), it does have a lake view. Overall, it is considered slightly superior, primarily based on the extra ½ acre included.

Sale 5 is located at 17240 Holiday Drive, just south of the Subject. This 0.95-acre lakefront lot is improved with a one-story single-family home with 2,555 square feet. It sold in June 2021 for $1,660,000, or $650
per square foot. The home was very-well maintained and included panoramic lake views in the landscaped back yard, terraced landscaping and a built-in swimming pool. The home also had a 3-car garage and plenty of on-site parking. While it was built in 1977, it had been recently remodeled and included hardwood floors, updated bathrooms, high-quality appliances and a remodeled kitchen.

As compared to the Subject, this property is similar for its lakeside location and view, but inferior for time of sale. On the other hand, it is superior for dwelling size, room count, topography, 3-car garage, quality and condition, pool, and meticulously landscaped grounds. Its site size is far superior to the Subject’s. Overall, this sale is superior to the Subject and would indicate a lower price.

Summary of Sales Comparison Approach
Adjustments for the Elements of Comparison are made qualitatively, not quantitatively. It should also be noted that not all Elements of Comparison are weighted equally.

Very few lakefront homes have sold in the past year. Despite a considerable upward adjustment for time of sale, the few that were found were included as they are the most similar to the Subject geographically and topographically. All of the sales occurred between June 2021 and November 2021, which was a time period of substantially increasing residential values in the Subject’s market area. The Market Conditions during this period of time were generally increasing at a rate of 1.0% per month for improved residential properties. As such, each of the sales is adjusted upwards by 1% per month to reflect the respective increase in values over the time period. The adjusted sale prices for the comparable sales range from $1,352,000 to $1,776,200.

Despite the potential impacts COVID-19 pandemic may have on the overall economy and real estate market, the residential market is expected to remain strong due to housing demand in the market area.

The ranking analysis below includes the sales arrayed from highest to lowest based on the total sale price with the Subject in its respective place.

<table>
<thead>
<tr>
<th>Sale No.</th>
<th>Overall Comparison</th>
<th>Time-adjusted Sale Price</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Superior</td>
<td>$1,776,200</td>
<td>0.95-acre lot – 2,555 square foot dwelling</td>
</tr>
<tr>
<td>4</td>
<td>Superior</td>
<td>$1,658,500</td>
<td>0.76-acre lot – 2,359 square foot dwelling</td>
</tr>
<tr>
<td>1</td>
<td>Superior</td>
<td>$1,621,800</td>
<td>0.82-acre lot – 2,360 square foot dwelling</td>
</tr>
<tr>
<td>Subject</td>
<td>-</td>
<td>$1,480,000</td>
<td>0.25-acre lot – 2,365 square foot dwelling</td>
</tr>
<tr>
<td>2</td>
<td>Similar</td>
<td>$1,456,000</td>
<td>0.66-acre lot – 2,316 square foot dwelling</td>
</tr>
<tr>
<td>3</td>
<td>Similar</td>
<td>$1,352,000</td>
<td>0.49-acre lot – 1,873 square foot dwelling</td>
</tr>
</tbody>
</table>

Indicated Value of the Whole (land only) using the Sales Comparison Approach
Taking into consideration the Subject’s location and accessibility, dwelling size and availability of utilities, topography, zoning and site size, as well as lake frontage and views, a value of $1,480,000 is estimated for the Subject. This figure is equivalent to $625 per square foot, which is bracketed by the comparable sales.

Value Conclusion – As Improved
$1,480,000

Exposure Time
The estimated exposure time for the Subject is 1 to 3 months.
ADDENDA

ADDENDUM A – QUALIFICATIONS of APPRAISER
Michelle Patton MAI, SR/WA, R/W-AC
President, Chapman & Patton

Experience:
2014 - Present  
Senior Appraiser: Chapman & Patton 
Oakdale, California. (formerly Dean Chapman & Associates)

2008-2013  
Senior Appraiser: Craig Owyang Real Estate, Inc. 
Elk Grove, California.

2003-2008  
Staff Appraiser: Robert Ford & Associates, Inc. 
Modesto, California.

Memberships:  
The Appraisal Institute
International Right-of-Way Association
National Association of Realtors®
American Society of Farm Managers and Rural Appraisers (ASFMRA)

Appraisal Designations:  
MAI (Designated Member of Appraisal Institute)

Right-of-Way Designation:  
SR/WA (Senior Right-of-Way Agent – IRWA)
R/W-AC (Right-of-Way Appraisal Certification – IRWA)

State Certification:  
Certified General Real Estate Appraiser 
State of California (AG030012)

Other Licensure:  
Real Estate Broker - Bureau of Real Estate 
State of California (BRE 01767847)

Appraiser Profile
Michelle Patton, MAI, SR/WA, R/W-AC was born and raised in California, originally from Danville but now resides near Oakdale.

Mrs. Patton began her appraisal career in 2003 with Robert Ford and Associates, a commercial appraisal firm in Modesto, California. In 2009, the firm was purchased by Craig Owyang Real Estate where Mrs. Patton was a senior appraiser for over four years. She officially joined Dean Chapman & Associates as a staff appraiser in 2014. She earned the MAI designation from the Appraisal Institute in 2012 and the SR/WA and R/W-AC (Right-of-Way Appraisal Certification) from the International Right of Way Association in 2017 and 2013, respectively. She served as President on the Northern California Chapter of the Appraisal Institute’s board of directors in 2018. In 2019, she co-authored an article entitled “Transitional Use TCE”, which appeared in Right of Way magazine published by the International Right of Way Association.

Ms. Patton has five children: two daughters and three sons. Her free time is spent hiking, running, wood-working and cheering for her kids on soccer fields all over California.
Examples of Appraisal Assignments by Michelle Patton

Gas Transmission Line Projects
Variety of property types in Placer County,
Sutter County, Yolo County, San Jose,
Redwood City, Woodside, Lodi, Thornton,
Graton, Tracy, Sacramento, Patterson

High Speed Rail Project
Industrial Property: Fresno
Commercial Properties: Fresno
Agricultural Properties: Corcoran, Fresno,
Selma

Overhead Transmission Line Projects:
Solar Facility: Santa Nella
Orchards: Linden, Buttonwillow, Bakersfield,
Coalinga

Highest and Best Use Consulting
Utility Corridor: Mountain View

Damage from Fire
Residential Land: Santa Cruz

Contaminated Sites
Union City

Misc. Consulting
Highest and Best Use – excess land
Gas Transmission Lines – stigma
Airport District: Rent Study
Parkland Proximity: Effect on Market Value
Property Line Dispute: San Leandro

Railroad Corridor Acquisition
Ione School District: Ione
Road Widening along BNSF: Riverbank
Turn Signal/Road Widening: Riverbank

Underground Utility Easements
Rural Residential/Ag: Bakersfield
Rangeland: Coalinga
Transitional Land: Manteca
Shopping Mall: San Jose
Subsurface Easements: S. San Francisco

Road Widening/Improvement Projects
Balfour Road/Hwy 4: Brentwood
Claribel Road Widening: Riverbank
Bridge Replacement: San Jose
Bridge Replacement: Brentwood
SR-84 Widening: Livermore
SR-101: Carpinteria
BART Station Project: Milpitas
Petaluma
Davis Road: Salinas
Hartnell Road: Salinas
Bridge Replacement: West Point

Possible Encroachment Issues
Fence Line Dispute: Redwood City
Tree Root Encroachment: Pacific Grove
Parking Encroachment: Lafayette

Round About Projects
Bardin Road: Salinas
Danville Boulevard: Alamo
David Avenue: Salinas

Landslides
Pacifica

Title Disputes
Driveway Easement: Mill Valley
Sewer Line Easement: Walnut Creek
Pedestrian Access: Lafayette
Locations of properties appraised by Chapman & Patton
ADDENDUM B – PRELIMINARY REPORT
ORDER NO.: 0616019453

EXHIBIT A

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

Being a portion of Lots 167 and 168, as shown on that certain Map entitled, "Holiday Lake Estates-Tract No. 3453", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California, In, Book 169 of Maps, page 29 through 33, Santa Clara County Records, and more particularly described as follows:

Beginning at the Southeasterly corner of said Lot 167; thence along the Southwesterly line thereof North 60° 35' 53" West 155.10 feet to the Southwesterly corner of said Lot 167 and Southeasterly corner of said Lot 168; thence continuing along said Southeasterly line of said Lot 168 North 50° 51' 04" West 29.87 feet to the True Point of Beginning; thence continuing along said Southwesterly line thereof North 51° 51' 04" West 23.00 feet to the Southwesterly corner of said Lot 168; thence along the Northwesterly line of said Lot 168 North 52° 03' 56" East 275.55 feet to the Northwesterly corner of said Lot 168; thence along the Northeasterly line of said Lot 168 South 55° 23' 01" East 24.41 feet; thence along the Northeasterly lines of Lots 168 and 167 South 17° 55' 03" East 47.63 feet; thence South 55° 00' 00" West 88.00 feet; thence South 72° 58' 57" West 44.26 feet; thence South 68° 00' 00" West 95.00 feet; thence South 51° 00' 00" West 40.87 feet to the True Point of Beginning, as set forth in the Certificate of Compliance recorded July 17, 1997, under Recorder's Series No. 13778279, Official Records.

729-37-030

Page 1 of 1
PRELIMINARY REPORT

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

Attention: BLISS QUILATAN

Buyer: SANTA CLARA VALLEY WATER DISTRICT

Property Address:

APN: 729-37-030, Morgan Hill, CA 95037
[Unincorporated area of Santa Clara County]

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 February 18, 2022, at 7:30 AM

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

Page 1 of 9 Pages

Attachment 7
Pg. 35 of 66
The form of policy of title insurance contemplated by this report is:

CLTA Standard Coverage Policy - 1990. 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 or covered by this Report is:

Fee

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

Guy Trujillo, an unmarried man

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

Being a portion of Lots 167 and 168, as shown on that certain Map entitled, "Holiday Lake Estates-Tract No. 3453", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California, In, Book 169 of Maps, page 29 through 33, Santa Clara County Records, and more particularly described as follows:

Beginning at the Southeasterly corner of said Lot 167; thence along the Southwesterly line thereof North 60° 35' 53" West 155.10 feet to the Southwesterly corner of said Lot 167 and Southwesterly corner of said Lot 168; thence continuing along said Southeasterly line of said Lot 168 North 50° 51' 04" West 29.87 feet to the True Point of Beginning; thence continuing along said Southwesterly line thereof North 51° 51' 04" West 23.00 feet to the Southwesterly corner of said Lot 168; thence along the Northwesterly line of said Lot 168 North 52° 03' 56" East 275.55 feet to the Northwesterly corner of said Lot 168; thence along the Northeasterly line of said Lot 168 South 55° 23' 01" East 24.41 feet; thence along the Northeasterly lines of Lots 168 and 167 South 17° 56' 03" East 47.63 feet; thence South 55° 00' 00" west 88.00 feet; thence South 72° 58' 57" West 44.26 feet; thence South 66° 00' 00" West 95.00 feet; thence South 51° 00' 00" West 40.87 feet to the True Point of Beginning, as set forth in the Certificate of Compliance recorded July 17, 1997, under Recorder's Series No. 13770279, Official Records.

729-37-030

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 2022 - 2023, a lien, but not yet due or payable.
2. Taxes and assessments, general and special, for the fiscal year 2021 - 2022, as follows:

   Assessor's Parcel No  :  729-37-030  
   Bill No.             :  729-37-030-00  
   Code No.             :  087001  
   1st Installment     :  $1,757.84  
                        :  Marked Paid  
   2nd Installment     :  $1,757.84  
                        :  NOT Marked Paid  
   Land Value           :  $184,387.00  
   Imp. Value           :  $110,624.00  

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.

4. Any special tax which is now a lien and that may be levied within the Santa Clara County Library District, a notice of which was recorded as follows:

   Instrument Entitled :  Notice of Special Tax Lien  
   By                  :  Santa Clara County  
   Recorded            :  June 24, 2005 in Official Records under Recorder's Serial Number 18438576  

   NOTE: Among other things, there are provisions in said Notice for a special tax to be levied annually, the amounts of which are to be added to and collected with the property taxes.

   NOTE: The current annual amount levied against this land is $33.66.

   Further information may be obtained by contacting:

   Name                  :  Fiscal Agent of the Santa Clara County Library District Joint powers Authority  
   Address               :  14600 Winchester Blvd., Los Gatos, CA 95032  
   Phone                 :  (408)293-2326  

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

   Granted To           :  Coast Counties Gas and Electric Company  
   For                  :  Electric Transmission Lines  
   Dated                :  October 29, 1953  
   Recorded             :  November 19, 1953 in Book 2760 of Official Records, Page 257  
   Affects              :  The exact route of said Right of Way is not disclosed of Record
6. Matters as contained or referred to in an instrument,

Entitled: Deed  
Executed By: Santa Clara Valley Water Conservation District, a public corporation 
Recorded: November 7, 1961 in Book 5356 of Official Records, Page 489

The exact location of the property encumbered by this document is not accurately described of record.

7. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as shown on the filed map.

For: Storm Drainage Easement  
Affects: The Southwesterly 10 feet

8. The right of way for the exclusive use of the Lot Owners in the Subdivision and their licensees, as dedicated and shown on the Tract Map.

9. Covenants, Conditions, Restrictions, Limitations, Easements, Assessments, Reservations, Exceptions, Terms, Liens or Charges, but omitting any covenants or restrictions 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.

Entitled: Declarations, covenants, Easements and Charges Affecting Real Property Known as Holiday Lake Estates Unit No.1  
Executed By: Holiday Lake Estates, Inc., a California corporation  
Dated: November 13, 1963  
Recorded: November 14, 1963 in Book 6271 of Official Records, Page 169 under Recorder's Serial Number 2519203

Modification thereof, but omitting any covenants or restrictions 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.

Executed By: Modification and Amendment of Restriction, Covenants, Easements and Charges Affecting Real Property Known as Tract No. 3453  
Dated: December 10, 1963  
Recorded: December 13, 1963 in Book 6308 of Official Records, Page 392 under Recorder's Serial Number 2536869
Said Covenants, Conditions and Restrictions provide that a violation thereof shall not
defeat or render invalid the lien of any Mortgage or Deed of Trust made in good faith
and for value.

Liens and charges for upkeep and maintenance as provided in the above mentioned
Covenants, Conditions and Restrictions, if any, where no notice thereof appears on
record.

For information regarding the current status of said liens and/ or assessments
Contact : Holiday Estates Maintenance Association

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. Deed of Trust to secure an indebtedness of the amount stated below and any other amounts
payable under the terms thereof,

Amount : $633,750.00
Trustor/Borrower : Guy Trujillo, an unmarried man
Trustee : California Reconveyance Company
Beneficiary/Lender : Washington Mutual Bank, FA, a Federal Association
Dated : June 21, 2005
Recorded : June 28, 2005 in Official Records under Recorder's Serial Number
18442406
Loan No. : 03-2241-069989848-2
OLD REPUBLIC TITLE COMPANY  
ORDER NO. 0616019453-IM  
FOURTH UPDATED REPORT

The record beneficial interest under said Deed of Trust as a result of the last recorded assignment thereof is,

Vested In: U.S. Bank National Association as Trustee, Successor in Interest to Bank of America, National Association as Trustee, Successor by Merger to LaSalle Bank NA as Trustee for WAMU Mortgage Pass-Through Certificates Series 2005-AR19 Trust

By Assignment From: Federal Deposit Insurance Corporation, as Receiver of Washington Mutual Bank F/K/A Washington Mutual Bank, FA

Dated: June 27, 2013
Recorded: July 2, 2013 in Official Records under Recorder’s Serial Number 22287748

Loan No.: 1022925111
Returned to: C/O NTC 2100 Alt 19 North, Palm Harbor, FL 94683

Address:

11. The requirement that satisfactory evidence be furnished to this Company of compliance with applicable statutes, ordinances and charters governing the ownership and disposition of the herein described land.

12. The effect of instruments, proceedings, liens, decrees or other matters which do not specifically describe said land but which, if any do exist, may affect the title or impose liens or encumbrances thereon. The name search necessary to ascertain the existence of such matters has not been completed and in order to do so we require a signed Confidential Statement of Information from or on behalf of Trujillo Guy.

------------------ 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.
OLD REPUBLIC TITLE COMPANY
ORDER NO. 0616019453-M
FOURTH UPDATED REPORT

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

Instrument
Entitled : Grant Deed
By/From : Guy Trujillo who acquired title as a married man as his sole and separate property
To : Guy Trujillo, an unmarried man
Dated : September 26, 2003
Recorded : October 3, 2003 in Official Records under Recorder's Serial Number 17394520

C. NOTICE: FinCEN COMPLIANCE

Closing the residential purchase and/or issuing title insurance contemplated by this Preliminary Report may be subject to compliance with the recently issued Confidential Geographic Targeting Order (GTO) from the US Treasury's Financial Crimes Enforcement Network (FinCEN). The GTO requires Old Republic National Title Insurance Company to report information about certain transactions involving residential property.

FinCEN has the authority to compel this reporting under the USA PATRIOT Act. FinCEN prohibits Old Republic from disclosing the specific terms of the GTO. You may wish to contact the FinCEN Resource Center directly at (800) 767-2825 for more information.

The failure and/or refusal of a party to provide information for a "covered transaction" will preclude Old Republic from closing the transaction and/or issuing title insurance.

D. March 6, 2021 The above Second Updated Preliminary Report, has been modified for the following:

x Plant Date
x New Item #5 added.

E. December 2, 2021 The above 2ND Updated Preliminary Report, has been modified for the following:

X Taxes
X Plant Date
X New Buyer/Seller/Borrower
OLD REPUBLIC TITLE COMPANY
ORDER NO. 0616019453-IM
FOURTH UPDATED REPORT

F. February 28, 2022 The above Fourth Updated Preliminary Report, has been modified for the following:

X Taxes
X Plant Date
NOTE:
The following statement is deemed attached as a coversheet to any declaration, governing document, or deed identified in the above exceptions:

If this document contains any restriction based on age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, 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 by submitting a "Restrictive Covenant Modification" form, together with a copy of the attached document with the unlawful provision redacted to the county recorder’s office. The “Restrictive Covenant Modification” form can be obtained from the county recorder’s office and may be available on its internet website. The form may also be available from the party that provided you with this document. 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.

Information for processing a “Restrictive Covenant Modification” form:

1. Print a complete copy of the document in question. Strike out what you believe to be unlawful restrictive language in the document.
2. Print and complete the “Restrictive Covenant Modification” ("RCM") form. Note that the signature on the form must be acknowledged by a notary public or other qualified officer.
3. Submit the completed RCM form and the document with your strike-outs to the County Clerk-Recorder’s Office for the county where the property is located. No fee is required for this service.
4. The County Clerk-Recorder’s Office will forward the RCM form and the document with your strike-outs to the Office of the County Counsel, who will determine whether the document contains any unlawful restrictions.
5. The Office of the County Counsel will return the RCM form and the document with your strike-outs to the County Clerk-Recorder’s Office along with its determination. If approved, a Deputy County Counsel will sign the RCM, and the County Clerk-Recorder’s Office will record, image and index it. If the Office of the County Counsel determines that the document does not contain an unlawful restriction, the County Clerk-Recorder’s Office will not record the RCM.
6. The approved RCM will be returned to the submitter by mail.

The "Restrictive Covenant Modification" form is linked below:

Restrictive Covenant Modification form
Exhibit I
CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990 (11/09/18)

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting, or relating to:
   (i) the occupancy, use, or enjoyment of the land;
   (ii) the character, dimensions, or location of any improvement now or hereafter erected on the land;
   (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or
   (iv) environmental protection, or the effect of any violation of these laws, ordinances, or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims, or other matters:
   (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy; or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing-business laws of the state in which the land is situated.

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.

6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors’ rights laws.

EXCEPTIONS FROM COVERAGE

SCHEDULE B - PART I

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

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

6. Any lien or right to a lien for services, labor or material unless such lien is shown by the public records at Date of Policy.
OLD REPUBLIC TITLE

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?
The types of personal information we collect and share depend on the product or service you have with us. This information can include:
- Social Security number and employment information
- Mortgage rates and payments and account balances
- Checking account information and wire transfer instructions

When you are no longer our customer, we continue to share your information as described in this notice.

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.

<table>
<thead>
<tr>
<th>Reasons we can share your personal information</th>
<th>Does Old Republic Title share?</th>
<th>Can you limit this sharing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>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</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our marketing purposes — to offer our products and services to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For joint marketing with other financial companies</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For our affiliates’ everyday business purposes — information about your transactions and experiences</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our affiliates’ everyday business purposes — information about your creditworthiness</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For our affiliates to market to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For non-affiliates to market to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
</tbody>
</table>

Go to www.oldrepublictitle.com (Contact Us)
<table>
<thead>
<tr>
<th>Who we are</th>
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<tr>
<td><strong>Who is providing this notice?</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>What we do</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How does Old Republic Title protect my personal information?</strong></td>
</tr>
</tbody>
</table>
| **How does Old Republic Title collect my personal information?** | We collect your personal information, for example, when you:
* 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
We also collect your personal information from others, such as credit bureaus, affiliates, or other companies. |
| **Why can’t I limit all sharing?** | Federal law gives you the right to limit only:
* 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
State laws and individual companies may give you additional rights to limit sharing. See the State Privacy Rights section located at [https://www.oldrepublictitle.com/privacy-policy](https://www.oldrepublictitle.com/privacy-policy) for your rights under state law. |

<table>
<thead>
<tr>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Affiliates</strong></td>
</tr>
<tr>
<td>- 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.</td>
</tr>
<tr>
<td><strong>Non-affiliates</strong></td>
</tr>
<tr>
<td>- Old Republic Title does not share with non-affiliates so they can market to you</td>
</tr>
<tr>
<td><strong>Joint marketing</strong></td>
</tr>
<tr>
<td>- Old Republic Title doesn’t jointly market...</td>
</tr>
<tr>
<td>Affiliates Who May be Delivering This Notice</td>
</tr>
<tr>
<td>--------------------------------------------</td>
</tr>
<tr>
<td>Lenders Inspection Company</td>
</tr>
<tr>
<td>Old Republic National Commercial Title Services, Inc.</td>
</tr>
<tr>
<td>Old Republic Title Company of Conroe</td>
</tr>
<tr>
<td>Old Republic Title Company of St. Louis</td>
</tr>
<tr>
<td>RamQuest Software, Inc.</td>
</tr>
<tr>
<td>Trident Land Transfer Company, LLC</td>
</tr>
</tbody>
</table>
Updated: January 1, 2021

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.

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<thead>
<tr>
<th>Category</th>
<th>Examples</th>
<th>Collected</th>
<th>Sources</th>
<th>Business Purpose for Collection</th>
<th>Categories of Third Parties with Whom Information is Shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifiers</td>
<td>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</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>Underwriting or providing other products or services, responding to policyholder/consu mer claims, inquiries or complaints, detecting security incidents, protecting against malicious,</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.20(e))</td>
<td>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.</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>Underwriting or providing other products or services, responding to policyholder/consomer claims, inquiries or complaints, detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes.</td>
<td>Service providers associated with the transaction for a business purpose.</td>
</tr>
<tr>
<td>Internet or other electronic network activity</td>
<td>Browsing history, search history, information about a consumer's interaction with a website, application, or advertisement.</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>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.</td>
<td>Not Disclosed</td>
</tr>
<tr>
<td>Geolocation data</td>
<td>Geographic tracking data, physical location and movements</td>
<td>Yes</td>
<td>Consumers, Lenders, Brokers, Attorneys, Real Estate Agents, and Title Agents associated with the transaction</td>
<td>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.</td>
<td>Not Disclosed</td>
</tr>
</tbody>
</table>
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 into 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.

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples</th>
<th>Business Purpose for Disclosure</th>
<th>Categories of Third Parties with Whom Information is Shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifiers</td>
<td>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</td>
<td>Underwriting or providing other products or services, responding to policyholder/consumer claims, inquires or complaints, detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Personal information described in California Customer Records statute (Cal. Civ. Code § 1798.80(e))</td>
<td>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.</td>
<td>Underwriting or providing other products or services, responding to policyholder/consumer claims, inquires or complaints, detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity. Other audit or operational purposes.</td>
<td>Service providers associated with the transaction for a business purpose</td>
</tr>
<tr>
<td>Characteristics of protected classifications under California or federal law</td>
<td>Underwriting or providing other products or services, responding to policyholder/consumer claims, inquiries or complaints. Other audit or operational purposes.</td>
<td>Service providers associated with the transaction for a business purpose</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
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<td></td>
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<tr>
<td>Internet or other electronic network activity</td>
<td>Browsing history, search history, information about a consumer's interaction with a website, application, or advertisement.</td>
<td>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.</td>
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<tr>
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<td>Not Disclosed</td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th>Right</th>
<th>What This Means</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice</td>
<td>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.</td>
</tr>
<tr>
<td>Access</td>
<td>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</td>
</tr>
<tr>
<td>Categories of Sources</td>
<td>Deletion</td>
</tr>
<tr>
<td>-----------------------</td>
<td>----------</td>
</tr>
<tr>
<td>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 7) If We Sold Personal Information, the Categories of Personal Information Sold and the Categories of Third Parties to Whom It Was Sold.</td>
<td></td>
</tr>
</tbody>
</table>

**Deletion**

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:

- 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**

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.

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.

**Opt-In to Sale**

We will not discriminate against you for exercising your rights under the CCPA. Unless otherwise permitted by the CCPA we will not:

- 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, Suite1500, San Francisco, CA 94111-3334.
ADDENDUM C - COMPARABLE SALES PHOTOS & SATELLITE IMAGES

Sale 1 – Residence Photo

Sale 1 – Satellite Image
Sale 2 – Residence Photo

Sale 2 – Satellite Image
Sale 5 – Residence Photo

Sale 5 – Satellite Image
ADDENDUM D – DOCUMENT NUMBER 2089101
DEED

SANTA CLARA VALLEY WATER CONSERVATION DISTRICT, a public corporation, the first party, for and in consideration of Ten ($10.00) Dollars, lawful money of the United States, hereby
GRANTS to

ALVIN J. HOFFMAN

the second party,

ALL THAT real property situated in the County of Santa Clara, State of California, comprising approximately 1.78 acres, platted and described upon that certain Right of Way plat numbered SURVEY NO. 5-13, consisting of three sheets, dated August 21, 1961, entitled "LANDS OF SANTA CLARA VALLEY WATER CONSERVATION DISTRICT", which said Right of Way plat is hereunto attached, marked Exhibit "A", and made a part hereof.

RESERVING, NEVERTHELESS, unto the first party (hereafter called the District) the absolute and permanent right to flood and inundate the said lands with water, whether or not such water is local in origin, and without regard to origin, to a height of six hundred and forty (640) feet, USGS datum; it being by the parties declared, fully understood and AGREED AS FOLLOWS:

THAT the District operates its adjoining Leroy Anderson Reservoir to store and conserve water and said reservoir will be used for such purposes;

THAT the District will operate said reservoir and will raise and lower the level of water therein at its sole discretion;

THAT the District shall have no liability of any nature to the Grantee, or any person, firm or corporation, claiming under him, on account of the fact that the District may raise or lower the level of water in said reservoir, or by reason of the manner of such raising or lowering of water, or the timing thereof, or for the presence or absence of water in said reservoir, without regard to the source or origin of said water; and

THAT the fact, which the parties recognize, that a portion of the said lands is subject to lease to third parties and to sublease to other parties and that structures and improvements have been erected by such parties on said lands shall in no wise limit the force and generality of the reservations and agreements of this deed; and

THAT immediately upon the execution of this deed second party shall cause notice of it and of its terms to be served upon all persons claiming any right whatever in or to said lands, said notice to be served personally or by registered United States mail and said second party shall, within sixty (60) days of the execution of this deed file satisfactory proof of such service with the District; and

THAT this deed shall be by second party recorded in the office of the County Recorder of the County of Santa Clara promptly following execution and delivery, that the District shall be at no expense therefor or at any other expense whatever in connection with this deed; and
THAT it is further understood and agreed that the foregoing agreements shall constitute conditions and inducements to the giving of this deed, and that in the event second party or any person, firm, or corporation, claiming under him, shall violate the agreements contained herein, such violation shall work a forfeiture of this grant and the property herein described shall revert to the District, provided that second party and/or his heirs, successors or assigns, shall have the opportunity to defend the District against any cause of action or claim asserted against the District by reason of its right to do or perform any of the acts for which the right is reserved by this deed and the agreements contained herein and shall, in the event any unfavorable judgment is rendered against the District on account of such causes of action or claims, within 10 days after demand, pay or fully satisfy the same so that the grantor is fully and finally discharged from any such financial obligation, and upon performance of these provisions by grantee no default in the conditions of this deed shall be declared and no reversion shall take place to the District, and further provided that in the event a forfeiture and reversion to the District takes place by the terms and conditions hereof, the grantee and any persons, firms or corporation, claiming under him, may have, and the District hereby grants to them, the right to remove any structure or improvements located on the described lands conveyed by this deed within ninety (90) days following said reversion, thereafter such structures and improvements shall become the property of the District.

IN WITNESS WHEREOF, said public corporation has caused its corporate name and seal to be affixed hereto and this instrument to be executed by its duly authorized officers, this 27th day of October, 1961.

SANTA CLARA VALLEY WATER CONSERVATION DISTRICT, a public corporation:

By

President

By

Secretary

STATE OF CALIFORNIA,
County of SANTA CLARA

On this 27th day of October, in the year one thousand nine hundred and sixty-one, a Notary Public in and for the County of SANTA CLARA, State of California, duly commissioned and sworn, personally appeared

HERMANN J. GERDES and VIOLET V. FRAZIER

known to me to be the President and Secretary Pro Tem, respectively of the corporation described in and that executed the within instrument, and also known to me to be the person or persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the County of SANTA CLARA, this 27th day of October, 1961.

Notary Public in and for the County of SANTA CLARA

My Commission Expires 9/15/63

State of California
ADDENDUM E – LEGAL DESCRIPTION and PLAT MAP
Santa Clara Valley Water District  
San Jose, California

PROJECT: ANDERSON DAM SEISMIC RETROFIT (TUNNEL PROJECT)  
RESU File No.: 9186-47  
By: B. Bains

All that certain real property situate in the unincorporated area of Morgan Hill, County of Santa Clara, State of California, as shown on that certain map entitled "TRACT NO. 3453" filed on November 14, 1963 in Book 169 of Maps at Pages 29 through 33, in the Office of the Recorder, County of Santa Clara, State of California, more particularly described as follows:

All of the lands described in the Deed recorded as Document Number 16157024 of Official Records, in the Office of the Recorder, County of Santa Clara.

Containing 12,867 square feet of land, more or less.

BASIS OF BEARINGS:
The bearing of N52° 38’ 48”E, shown as N51° 03’ 56”E along the northwesterly line of Lot 168 on the certain Tract Map filed on November 14, 1963 in Book 169 of Maps at Pages 29 through 33, in the Office of the Recorder, County of Santa Clara, State of California, was used as Basis of Bearings shown hereon.

SURVEYOR’S STATEMENT:
The description was prepared by me or under my direction in conformance with the requirements of the Land Surveyor’s Act.

[Signature]
Jessica DeMartini, PLS 9095  
3/10/22  
Date

Page 1 of 1  
S:\REQUESTS\ANDERSON DAM AND RESERVOIR\2022 1382 Work\Office\ROW\2022-138_9186-47_LegalJD.docx
APPRAISAL REPORT

OF

17500 Hoot Owl Way
Morgan Hill, CA 95037-6524

PREPARED FOR

Guy Trujillo
17500 Hoot Owl Way
Morgan Hill, Ca 95037

AS OF

06/01/2022

PREPARED BY

Metropolitan Appraisal Services
1935 Giampaoli Drive
San Martin, CA 95046
metro1234@aol.com
408) 683-4923
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<td>6</td>
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<td>7</td>
</tr>
<tr>
<td>Comment Addendum</td>
<td>8</td>
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<td>9</td>
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<tr>
<td>Comments Page 4</td>
<td>10</td>
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<tr>
<td>Subject's County Record Pg1</td>
<td>11</td>
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<td>Subject's County Record Pg2</td>
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<tr>
<td>Subject's County Record Pg3</td>
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<td>Sales Price Over Time 3yr</td>
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<td>Zoning Map</td>
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<td>Subject's Map Exhibit</td>
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<td>Aerial Map</td>
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<td>Photo Subject Extra</td>
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<td>Photo Comparables 4-5-6</td>
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### SUBJECT INFORMATION

<table>
<thead>
<tr>
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<tr>
<td>Subject Address</td>
<td>17500 Hoot Owl Way</td>
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<tr>
<td>Legal Description</td>
<td>Tract 3453 Holiday Lake Estates Book 169 Page 29 Page 33 Lot 167)</td>
</tr>
<tr>
<td>City</td>
<td>Morgan Hill</td>
</tr>
<tr>
<td>County</td>
<td>Santa Clara</td>
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### SALES PRICE

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<tr>
<td>Sale Price</td>
<td>$ n/a</td>
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<tr>
<td>Date of Sale</td>
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### CLIENT

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<th>Field</th>
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<tr>
<td>Borrower</td>
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<tr>
<td>Lender/Client</td>
<td>Guy Trujillo</td>
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### DESCRIPTION OF IMPROVEMENT

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<tr>
<td>Size (Square Feet)</td>
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<td>Price per Square Foot</td>
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<td>Location</td>
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<td>Age</td>
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<td>Condition</td>
<td>C3</td>
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<tr>
<td>Total Rooms</td>
<td>7</td>
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<tr>
<td>Bedrooms</td>
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<td>Baths</td>
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### APPRAISER

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<th>Field</th>
<th>Details</th>
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<tr>
<td>Appraiser</td>
<td>Patrick W. McElroy</td>
</tr>
<tr>
<td>Date of Appraised Value</td>
<td>06/01/2022</td>
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### VALUE

<table>
<thead>
<tr>
<th>Field</th>
<th>Details</th>
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</thead>
<tbody>
<tr>
<td>Final Opinion of Value</td>
<td>$ 1,525,000</td>
</tr>
</tbody>
</table>
Guy Trujillo
17500 Hoot Owl Way
Morgan Hill, Ca. 95037

Subject: Land Appraisal of 17500 Hoot Owl Way, Morgan Hill, Ca. 95037
APN# 729-37-030

Dear Guy Trujillo:

In accordance with your request, I have appraised the subject property. I understand this appraisal is to determine the estimated market value for subject property that is being purchased by the Santa Clara Valley Water District for the Anderson Dam Tunnel Project purposes (Eminent Domain).

The property rights appraised are fee simple title assuming no indebtedness against the property. The purpose of this appraisal is to estimate the market value of the subject property as of June 01, 2022, and it is being purchased by the Santa Clara Valley Water District. Market value as defined in this appraisal is defined elsewhere in this report.

Your attention is invited to the attached pages indicating data collected and analyzed by this appraiser in formulating the opinion of value. Also attached is a resume of the Appraiser’s Qualifications and Certification and Statement of Limiting Conditions. As a result of my investigation and analysis, some of which is described in this report, it is my opinion that as of June 01, 2022, the market estimate of subject property is:

**ONE MILLION FIVE HUNDRED TWENTY FIVE THOUSAND DOLLARS** $1,525,000

Cordially,

Patrick W. McElroy
State Certified General Appraiser
California AG010778
Uniform Residential Appraisal Report

The purpose of this appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address: 17500 Hoot Owl Way

Borrower: n/a

Owner of Public Record: Guy Trujillo

City: Morgan Hill

State: CA

Zip Code: 95037-6524

Legal Description: Tract 3453 Holiday Lake Estates Book 169 Page 29 Page 33 Lot 167

Assessor's Parcel #: 729-37-030

Tax Year: 2021

R.E. Taxes $ 3,554

Occupant: Owner

Tenant: Vacant

Special Assessments $ none known

Property Rights Appraised: Fee Simple

Leasehold: Other (describe) Di Minimis PUD/Common area has minimal effect on subject's value

Assignment Type: Purchase Transaction

Refinance Transaction: X Other (describe) Emminent Domain

Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? Yes X No

Report data source(s) used, offerings price(s), and date(s). MLS

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? X Yes No

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No

FEMA Special Flood Hazard Area Yes No

FEMA Flood Zone

FEMA Map #: 06085C0463

FEMA Map Date: 05/18/2009

Market Conditions (including support for the above conclusions). There has been an up turn in subject's market area over the past 10 years. Property values presently appear to be stable over the last 12 months; and there is a current low supply of properties for sale, and a low number of sales. When sales concessions occur, they appear to be reasonable, with little or no effect upon values.

Neighborhood Characteristics

Market Trends

Neighborhood Characteristic

One-Unit Housing Trends

One-Unit Housing

Present Land Use %

Is there any financial assistance (loan charges, sale concessions, gift or down payment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No

X 1,500 Pred. 43

Other Vacant 20

Region

Price

Age

One-Unit

75%

Contract Price $ Date of Contract

Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? Yes X No

Report data source(s) used, offerings price(s), and date(s). MLS

Are the utilities and/or off-site improvements typical for the market area? Yes

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No

See Comment Addendum

Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No

See Comment Addendum

Property Address: 17500 Hoot Owl Way

Lender/Custodian: Guy Trujillo

Address: 17500 Hoot Owl Way, Morgan Hill, CA 95037

Effective Age (Yrs) Dampness

Year Built 1955

Evidence of Infestation

Attic	None	Heating	X PVA

Drop Stair	X	Stairs	Other	Fuel None

First Floor	X	Soffite	Cooling	X Central Air Conditioning

Finished	Heated	Individual	Other	0

Finished	Heated	X Range/Oven	X Dishwasher	X Disposal	X Microwave

Finished area above ground: 3849 sq. ft.

Additional features (special energy efficient items, etc.) See Comment Addendum

Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). C3: Kitchen-remodeled-six to ten years ago/Bathrooms-remodeled-six to ten years ago; See comments - SUBJECT CONDITION

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? X Yes No

Subject is located on or near the Coyote Creek Fault, Hayward Fault, and the Calaveras Fault. No other functional or external obsolescence apparent.

There is ground movement and settlement around the lake edge and subject's site.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? X Yes No

Freddie Mac Form 70 March 2005

UAD Version 9/2011 Produced by ClickFORMS Software 800-622-8727

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<table>
<thead>
<tr>
<th>FEATURE</th>
<th>SUBJECT</th>
<th>COMPARABLE SALE # 1</th>
<th>COMPARABLE SALE # 2</th>
<th>COMPARABLE SALE # 3</th>
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<tbody>
<tr>
<td>Address</td>
<td>17500 Hoot Owl Way</td>
<td>Morgan Hill, CA 95037-6524</td>
<td>17555 Manzanita Drive</td>
<td>Morgan Hill, CA 95037</td>
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<tr>
<td></td>
<td>17665 Racoon Court</td>
<td>Morgan Hill, CA 95037</td>
<td>17660 Racoon Court</td>
<td>Morgan Hill, CA 95037</td>
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<tr>
<td>Proximity to Subject</td>
<td>0.12 miles W</td>
<td>0.49 miles W</td>
<td>0.49 miles W</td>
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<tr>
<td>Sale Price</td>
<td>$6,368 sq. ft.</td>
<td>$6,400 sq. ft.</td>
<td>$6,364 sq. ft.</td>
<td>$6,364 sq. ft.</td>
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<td>Sale Price/Gross Living Area</td>
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**SALES COMPARISON ANALYSIS**

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<th>Item</th>
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<td>3,095 sq. ft.</td>
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<td>Adjusted Sale Price of Comparables</td>
<td>Net Adj: -13%</td>
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</tr>
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<td>$1,462,330</td>
<td>$1,534,530</td>
<td>$1,500,295</td>
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</table>
COST APPROACH TO VALUE (not required by Fannie Mae.)

Provide adequate information for the lender/client to replicate your cost figures and calculations.
Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) . Land Value was derived by the abstraction method. This involves subtracting the depreciated cost of the improvements from the comparable sales to obtain the contributory value of land.
Subject’s high land value to improvements is typical for this area.

<table>
<thead>
<tr>
<th>Source of cost data</th>
<th>Marshall &amp; Swift/Appraisers Estimate</th>
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</thead>
<tbody>
<tr>
<td>Quality rating from cost service</td>
<td>Good</td>
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<tr>
<td>Effective date of cost data</td>
<td>May/2022</td>
</tr>
<tr>
<td>Replacement costs of the improvements are based on Marshall &amp; Swift residential cost handbook, as well as input from contractors. Subject is located on or near the Coyote Creek Fault, Silver Creek Fault, and the Calaveras Fault. No other functional or economic obsolescence apparent. Subject has a life expectancy of 70 years, and an effective age of 20 years. It has 50 years of remaining life.</td>
<td></td>
</tr>
</tbody>
</table>

| Storage | $350.00 |
| Dwelling | $836,600 |
| Garage/Carport | $8,000 |
| Decks/Patio/Driveway/Walkways/Outdoor Built-in BBQ | $150,000 |
| Total Estimate of Cost-new | $1,522,586 |
| Less Physical Functional | $289,014 |
| Depreciated Cost of Improvements | $707,586 |
| As-is Value of Site Improvements | $40,000 |

INCOME APPRAISAL TO VALUE (not required by Fannie Mae.)

Estimated Monthly Market Rent $ X Gross Multiplier =$ Indicated Value By Income Approach

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| Less Physical Functional | $289,014 |
| Depreciated Cost of Improvements | $707,586 |
| As-is Value of Site Improvements | $40,000 |

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowner's Association (HOA)? Yes No Unit(s) Detached Attached
Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.
Legal Name of Project

<table>
<thead>
<tr>
<th>Total number of phases</th>
<th>Total number of units rented</th>
<th>Total number of units sold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of units</td>
<td>Total number of units for sale</td>
<td>Data source(s)</td>
</tr>
<tr>
<td>Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the project contain any multi-dwelling units? Yes No Data source.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are the common elements leased to or by the Homeowner's Association? Yes No If Yes, describe the rental terms and options.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Describe common elements and recreational facilities.
### SALES COMPARISON ANALYSIS

**SALES COMPARISON ANALYSIS** 4-5-6

**Borrower** n/a

**Property Address** 17500 Hoot Owl Way

**City** Morgan Hill  
**County** Santa Clara  
**State** CA  
**Zip Code** 95037-6524  

**Lender/Client** Guy Trujillo  
**Address** 17500 Hoot Owl Way, Morgan Hill, CA 95037

---

<table>
<thead>
<tr>
<th>FEATURE</th>
<th>SUBJECT</th>
<th>COMPARABLE SALE # 4</th>
<th>COMPARABLE SALE # 5</th>
<th>COMPARABLE SALE # 6</th>
</tr>
</thead>
</table>
| **Address** | 17500 Hoot Owl Way | 17031 Holiday Drive  
Morgan Hill, CA 95037-6524 | 17205 Qual Court  
Morgan Hill, CA 95037 | 17890 Holiday Drive  
Morgan Hill, CA 95037 |
| **Proximity to Subject** | 0.77 miles SE | 0.32 miles SE | 0.80 miles W |
| **Sale Price** | $636,48 sq. ft | $673.73 sq. ft | $552.27 sq. ft | $657.06 sq. ft |
| **Data Source(s)** | MLS #1865971;DOM 5 | MLS #1855748;DOM 8 | MLS #18184204;DOM 10 |
| **Verification Source(s)** | Doc #25151263 | Doc #25094412 | Doc #25009104 |
| **Concessions** | ArmLn | ArmLn | ArmLn |
| **Date of Sale/Time** | 11/21/2021 (7.7%) | +111,300 | +126,000 | +186,000 |
| **Location** | B:Res;WtrFr | N:Res;Feeder St | N:Res;Feeder St | +50,000 |
| **Leasehold/Fee Simple** | Fee Simple | Fee Simple | Fee Simple | Fee Simple |
| **Site** | 11101 sf net | 35502 sf | 28561 sf | 32948 sf |
| **View** | B:Wtr;Mtn | B:Wtr;Mtn | B:Wtr;Mtn | B:Wtr;Mtn |
| **Design (Style)** | DT2;Contemporary | DT1;Ranch | DT2;Contemporary | DT2;Contemporary |
| **Quality of Construction** | Q3 | Q2 | Q3 | Q3 |
| **Actual Age** | 67 | 21 | -10,000 | 46 |
| **Condition** | C3 | C2 | -20,000 | C3 |
| **Above Grade** | Total Bdrms | 3 | 3 | 3 | 3 | 3 |
| **Room Count** | 7 | 2 | 1 | 3 | 3 | 3 | 3 | 3 |
| **Gross Living Area** | 2,396 sq. ft | 2,360 sq. ft | +5,400 | 2,535 sq. ft | +20,850 | 2,359 sq. ft | +5,550 |
| **Basement & Finished** | 0sf | 0sf | 0sf |
| **Functional Utility** | Average | Average | Average | Average |
| **Heating/Cooling** | FWA/CA | FWA/CA | FWA/CA | FWA/CA |
| **Energy Efficient Items** | Standard | Standard | Standard |
| **Garage/Carport** | None | None | None |
| **Porch/Patio/Deck** | None | None | None |
| **Fireplaces** | None | None | None | None |
| **Pool/Spa/Solar/Misc** | None | None | None | None |
| **HOA Fee** | $612/yr | $612/yr | $612/yr | $612/yr |
| **Net Adjustment (Total)** | $ -69,305 | $132,850 | $88,315 |
| **Adjusted Sale Price of Comparables** | 1,520,695 | $1,523,850 |

### Summary of Sales Comparison Approach

See Comment Addendum
**Neighborhood:**
Subject is located in the Holiday Lake Estates Developments of good quality homes, which is located in the East foothills in the City of Morgan Hill around Anderson Reservoir. The neighborhood is made up of a mixture of older and newer homes, with an average age of 45 years old. The homes in the immediate neighborhood are well maintained. The neighborhood has its own schools and shopping facilities in Morgan Hill. Silicon Valley provides a broad and stable employment base. The community is served by a variety of recreational facilities.

**Site:**
Subject is located in the unincorporated area of Santa Clara County in the Holiday Lake Estates Development around Anderson Reservoir, in the East foothills of Morgan Hill. Subject property is in the sphere of influence of the City of Morgan Hill. Subject property is benefited by it's location on Lake Anderson, fronts to lake. Subject property is part of a Di Minimis PUD where there is minimal effect on value. Streets are privately maintained by the Holiday Lake Estates Development Home Owner's Association thru monthly dues of $52 per month, except subject's street which is considered a driveway, privately maintained by homeowners on Hoot Owl Way. The subject property is located at 17500 Hoot Owl Way with access from Hoot Owl Way. The shared driveway has been in place for decades, although no recorded easement was found for benefit of subject property. There is a ten foot drain easement along the southwesterly 10 feet. Portions of the driveway are asphalt with concrete at the lake. Subject's site has 12,021 gross square feet and 11,101 net square feet. Hoot Owl Way is a private street that is approximately 40 feet wide near the subject. The street frontage is not improved with curbs, gutters, or sidewalks, which is typical for subject's neighborhood. Subject has electric, septic system, and propane for gas. Water is provided by the City of Morgan Hill. Subject is located on Anderson Reservoir, and it has a good mountain and lake view. Subject's site has a down slope from Hoot Owl Way to the lake front. Subject is zoned HS, hillside site. Subject is located on or near the Coyote Creek Fault, Silver Creek Fault, and the Calaveras Fault, and this typical for subject's area, and does not appear to effect subject's marketability. Subject's site is adjacent to Anderson Lake, which is designated as FEMA flood zone A .There are no other apparent adverse influences and/or conditions. There are two projects currently underway regarding Anderson Dam; the Anderson Dam Tunnel Project and the Anderson Dam Retrofit Project. The projects have prompted the subject property acquisition proposed by Santa Clara Valley Water District for slope anchor system. The location of proposed slope anchors was prompted by Hoot Owl Way Slide and Boat Marina Slide; two land slides along the lake bed that requires securing. Previously, SCVWD was going to install slope anchors beginning on SCVWD property within the lake bed and extend into and beneath the subject property, terminating some 50-75 feet below. The project would of require one slope anchor easement on subject's site to facilitate construction of the project. SCVWD decided it was better to purchase subject property fully than to purchase an anchor easement. Anderson Dam was built in 1950, and currently requires significant upgrades for seismic retrofitting. The project will rebuild the dam in compliance with today's seismic and safety standards and regulations. It will increase the dam's spillway and outlet capacity to allow a rapid, controlled draw down in emergencies and enhance incidental flood protection. SCVWD has a deed restriction area, recorded in 1961 that allows "SCVWD the absolute right to flood and inundate the said lands with water, whether or not such water is local in origin, and without regards to origin, to a hight of 640 feet."

**Description of Condition of Property:**
Subject has a 2-story contemporary style. It has a composition shingle roof that appears to be in good condition. It has a wood exterior is in good condition. Subject is in overall good condition. Subject has a 3br-2.5ba contemporary style home with 2,396 square feet County Records shows 1,282 square feet. There appears to be some additions. It is improved with hardwood floors t/o, vaulted ceilings in living room and recreation area, recess lighting, granite tile kitchen counters, custom wood cabinets, kitchen island, stainless steel appliances, two laundry areas, skylights, built in cabinets, cultured marble bathroom vanity, tile bathroom floors, lower level bedroom, forced air heat, central air conditioning, dual pane windows, patio, wood deck, artificial grass, built in BBQ, wrought iron staircase from upper deck to lower deck, no garage, and natural landscaping. It has drainage appears adequate. The kitchen, dining room, 1 bedroom, an 1 bathroom are located on the lower level.
Current Market Conditions:
The City of Morgan Hill/Bay Area trends, as well as national trends, are on an upturn since January of 2012 when a combination of low interest rates, a recovering economy, and low price levels after the economic crisis of 2007-2009 created the conditions for rapid price increases. Since then the market is on an uptrend fueled by low interest rates and increasing demand. California markets are projected to remain stable with further increases. Marketing conditions for subject property are currently good, due to the improvement of residential and commercial markets. Employment and economic trends are good in Silicon Valley, and residential and commercial real estate is stable. Housing supply is stable, and demand currently is moderate.

Extraordinary Assumption
An Extraordinary Assumption is something the appraiser believes to be true. If it is later found to be untrue, it could change the results of appraisal. The age of subject's improvements predates the County's building permit records. It is assumed subject's gross living area is accurate, and that any non-permitted area has been grandfathered in as permitted, livable space. It is assumed that there is no hazardous or toxic substances existing on subject property. It is also assumed that there are no other easements on subject property.

Hypothetical Conditions
A condition directly related to a specific assignment, which is contrary to what is known by appraiser to exist on effective date of the assignment results, but used for purpose of analysis. The Anderson Dam Tunnel Project has not been completed as of the date of this appraisal.

Summary of Sales Comparison Approach:
All comparables were taken from subject's Holiday Estate Development. Most weight was given to Comps 1, 2, 3, & 4, the most recent sales. All comparables used are located on or near the Coyote Creek Fault, Silver Creek Fault, and the Calaveras Fault. No recent comparables were found that front to Anderson Lake like subject property. All comparable sales have larger sites than subject's lake front site.

Comp 1 is larger in size 2-story Spanish style home located at 17555 Manzanita Drive. It is part of subject's Holiday Lake Estates Development. It has a good mountain & lake view and similar site utility. It is a 5br-3.5ba home with 3,319 square foot on a larger 20,745 square foot site. It has superior quality, and it is in superior condition. As per MLS, it is improved with gated entrance, courtyard, fountain, marble entry, crown molding, chef's kitchen, kitchen island, granite kitchen counters, Wolf gas range, garden window, Sub Zero built in refrigerator plus second, master suite w/jacuzzi tub, dual pane windows, patio, wood decking, and attached 2-car garage. It has a HOA fee of $458/yr. It sold with conventional financing. It sold for $1,685,000 or $507.68 per square foot.

Comp 2 is a larger size 2-story contemporary style home located at 17665 Raccoon Court taken from a subject's development, Holiday Lake Estates Development around Anderson Reservoir. It has a similar mountain & lake view. It is in superior condition, and it has superior quality of construction. As per MLS, this is a remodeled home with open beamed ceiling, custom wood cabinets, solid stone kitchen counters, refaced shaker kitchen cabinets, wood decks, 17 foot long Pacific swim spa, 1,00 sf storage, counters, tile floors in bathrooms, dual pane windows, skylights, 1 fireplaces, central air conditioning, and attached 2-car garage. It has a HOA fee of $864/mo. It sold with conventional financing. It sold for $1,675,000 or $541.20 per square foot.

Comp 3 is located at 17660 Raccoon Court taken from a subject's development, Holiday Lake Estates Development around Anderson Reservoir. It has a larger 27,822 square feet of land. It has a similar down slope as subject. It has a 2,650 SF 2-story contemporary style home. It is in similar condition, and it has similar quality of construction. As per MLS, it has a 5br-2.5ba floor plan with granite kitchen counters, stainless steel appliances, dual pane windows, central air, and 3-cat garage. It is zoned HS, like subject. It sold for $1,675,000 or $603.77 per square foot. It sold with conventional financing. The Home Owner's Fee is $734 per year.
Comp 4 is located at 17031 Holiday Drive, a feeder street for the area, on a larger 35,502 SF site. It has a down slope similar to subject. It has a HS zoning similar to subject. It has a similar size 2-story 2,360 SF 4br-3ba 1-story ranch style home. It is a younger home, built in 2019. It is in superior condition, and it has superior quality. As per MLS, it is improved with open beam ceilings, custom cabinets, skylights, 1 fireplace, wood decks, marble kitchen counters, patio, game court, dual pane windows, central air, and 2-car garage. It sold with other/private financing. It has a HOA fee of $612 per year. It sold for $1,590,000 or $673.73 per square foot.

Comp 5 is located at 17205 Qual Court on a larger 28,561 SF lot. It is zoned HS, Hillside residential, same zoning as subject. It has a down slope similar to subject. It has a 2,315 square foot 2-story contemporary style 3br-2ba home on it. As per MLS, it is improved with granite kitchen counters, stainless steel appliances, trash compactor, storage, leased solar system, dual pane windows, central air, and covered carport and 2-car garage, wood deck, office or 2nd bedroom, but 2-car garage. It has a leased solar system that was given no value. It sold for $1,400,000 or $604.49 per square foot. It sold with conventional financing. It has a HOA fee of $612 per year.

Comp 6 is a larger size 2-story contemporary style home taken from a subject’s development, Holiday Lake Estates Development around Anderson Reservoir. It has a larger 32,948 square foot site. It is located at 17890 Holiday Drive, a feeder street for the development. It is in similar condition, and it has similar quality. It has a similar view of the surrounding mountains and lake. It has 4br-2.5ba with a 2,359 square foot 2-story contemporary style home. As per MLS, updated home with vaulted open beam ceilings, granite kitchen counters, kitchen island, den/office, 1 fireplace, dual pane windows, central air, wood decks, open patio, natural landscaping, and 2 car built-in garage. It has a HOA fee of $612/yr. It sold for $1,550,000 or $657.06 per square foot.

A time adjustment was required, due to an increasing market over that past 24 months, and uniqueness of subject property with lake frontage. 1.0% per month was used for time adjustment for this time period. (See Attached MLS, Sales Price Over Time)

Appraiser’s estimate $10.00 per square foot was used for the difference in lot size.

$150 per square foot was used on difference in building size. No adjustment was used for room count difference, which is included in the square foot adjustment.

$50,000 was used for subject’s superior lake front location on the lake.

A $10,000 adjustment was used for 1/2 bathroom difference, and $20,000 was used for a full bathroom difference.

$20,000 was used for quality of construction adjustment, based on my inspection compared to MLS information on comparables used.

$20,000 was used for condition adjustment, based on my inspection compared to MLS information on comparables used.

$2,000 per year was used for effective age adjustment.

A $4,000 adjustment was used for fireplace difference.

A $16,000 was used for garage stall difference.

$50,000 adjustment was used for Design & Appeal.

A 1.0% per month was adjusted for time. (See Attached MLS Statistics)
Due to the complexities of this appraisal, it was necessary to exceed a 10% line adjustment, 15% net adjustment, and a 25% gross adjustment on comparables.

Also, due to complexities of this appraisal it was necessary to exceed 1-mile from subject property. Subject property is under the predominate value for subject's market area, and there is no impact on subject's marketability.

Subject's indicated a reasonable exposure time of 3 to 6 months.

The comparables used in this appraisal report are considered the best available indicators among closed, pending, and current listings considered in the final analysis. All comparables used were typical arms length sales/listings. Additional comparables were viewed and given secondary consideration in the overall analysis.

I have performed a land appraisal service as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

This appraisal report was developed in adherence to lender appraiser independence requirements.

The comparables used in this appraisal report are considered the best available indicators among closed, pending, and current listings considered in the final analysis. All comparables used were typical arms length sales/listings. Additional comparables were viewed and given secondary consideration in the overall analysis.

Priority Services Statement
I have performed no appraisal services as an appraiser regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Extent of the Appraisal Process
The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of subject property and neighborhood, and selection of comparable sales within the subject's market area. The original source of comparables is shown in the data source selection of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable was used. Data believed to be unreliable was not included in the appraisal report.

Appraiser's Independence
Said appraiser, Patrick W. McElroy, is competent to complete this appraisal report in accordance with the competency provision in the USPAP.

Said appraiser, Patrick W. McElroy, has acted in an independent capacity and that the appraisal assignment is not based on requested minimum valuation. A specific valuation or approval of a loan.

Said appraiser, Patrick W. McElroy, has no direct or indirect interest in the property or transaction and/or bias with respect to the parties involved.
<table>
<thead>
<tr>
<th>Borrower</th>
<th>Property Address</th>
<th>City</th>
<th>County</th>
<th>State</th>
<th>Zip Code</th>
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<tbody>
<tr>
<td>n/a</td>
<td>17500 Hoot Owl Way</td>
<td>Morgan Hill</td>
<td>Santa Clara</td>
<td>CA</td>
<td>95037-6524</td>
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<tr>
<th>Lender/Client</th>
<th>Address</th>
<th>File No.</th>
<th>Case No.</th>
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<tr>
<td>Guy Trujillo</td>
<td>17500 Hoot Owl Way, Morgan Hill, Ca 95037</td>
<td>06012022</td>
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### Subject’s County Record Pg1

**APN:** 729-37-030

**CLIP:** 5592243329

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<td>N/A</td>
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**Bldg Sq Ft:** 1,282

**Lot Sq Ft:** 13,000

**Yr Built:** 1955

**Type:** SFR

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### Owner Information

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<th>Tax Billing Address</th>
<th>Tax Billing Zip</th>
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<th>Owner Occupied</th>
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<tr>
<td>Trujilo Guy</td>
<td>17500 Hoot Owl Way</td>
<td>95037</td>
<td>6524</td>
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### Location Information

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### Assessment & Tax

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<td>2019</td>
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**Special Assessment:**

- **Sido Vector Condo:** $1.62
- **Mosquito Amt #2:** $4.38
- **Sifra Measure A:** $12.00
- **Sowed Flood Cond:** $20.00
- **Sococa Measure T:** $24.00

**Library: Jpa Cld 2013-1:** $33.66

**Save Clean Water:** $68.16

**Total Of Special Assessments:** $155.12

### Characteristics

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<tr>
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**Sell Score**

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**Property Details**

- **Property Details courtesy of Parncro McClary, MLS Listings**
- The data within this report is compiled by CoreLogic from public and private sources. The data is deemed reliable, but is not guaranteed. The accuracy of the data referenced herein can be independently verified by the recipient of this report with the applicable county or municipality.

---

Generated on: 06/01/22

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**Attachment 8**

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### ESTIMATED VALUE

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<tr>
<th>Value As Of</th>
<th>RealAVM™</th>
<th>Confidence Score</th>
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<td>59</td>
<td>$1,037,168 - $1,330,032</td>
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(1) RealAVM™ is a CoreLogic derived value and should not be used in lieu of an appraisal.
(2) The Confidence Score is a measure of the extent to which sales data, property characteristics, and comparable sales support the property valuation analysis process. The confidence score range is 1 to 100. Lower confidence scores indicate less agreement of confidence scores while higher confidence scores indicate more diversity in data, lower quality and quantity of data, and/or limited similarity of the subject property to comparable sales.
(3) The FSD denotes confidence in an AVM estimate and uses a consistent scale and meaning to generate a standardized confidence metric. The FSD is a statistic that measures the likely range or dispersion an AVM estimate will fall within, based on the variability of the information available to the FSD at the time of estimation. The FSD can be used to gauge confidence that the true value has a specified degree of certainty.

### LAST MARKET SALE & SALES HISTORY

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### MORTGAGE HISTORY

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### PROPERTY DETAILS

- **Subject's County Record Pg2**
- **Case No. 06012022**
- **File No. 06012022**
- **Generated on: 06/15/2012**

The data within this report is compiled by CoreLogic from public and private sources. The data is deemed reliable, but is not guaranteed. The accuracy of the data contained herein can be independently verified by the requestor at the report with the applicable county or municipality.
EXHIBIT A

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

Being a portion of Lots 167 and 168, as shown on that certain Map entitled, "Holiday Lake Estates-tract No. 3493", which Map was filed for record in the Office of the Recorder of the County of Santa Clara, State of California, In, Book 169 of Maps, page 29 through 33; Santa Clara County Records, and more particularly described as follows:

Beginning at the Southwesterly corner of said Lot 167; thence along the Southwesterly line thereof North 60° 35' 53" West 135.10 feet to the Southwesterly corner of said Lot 167 and Southwesterly corner of said Lot 168; thence continuing along said Southwesterly line of said Lot 166 North 50° 51' 04" West 25.87 feet to the True Point of Beginning; thence continuing along said Southwesterly line thereof North 51° 51' 04" West 23.00 feet to the Southwesterly corner of said Lot 168; thence along the Northwesterly line of said Lot 169 North 52° 03' 56" East 275.55 feet to the Northwesterly corner of said Lot 169; thence along the Northwesterly line of said Lot 168 South 55° 23' 01" East 24.41 feet; thence along the Northwesterly lines of Lots 168 and 167 South 72° 58' 07" East 47.63 feet; thence South 52° 00' 00" West 88.00 feet; thence South 72° 58' 07" West 44.26 feet; thence South 68° 00' 00" West 95.00 feet; thence South 51° 00' 00" West 40.67 feet to the True Point of Beginning, as set forth in the Certificate of Compliance recorded July 17, 1997, under Recorder's Series No. 1376239, Official Records.

729-37-030
Sale Prices Over Time

Time frame is from Jun 2021 to May 2022
Zip Code is '99337'
Property Type is 'Residential'
Property Sub Type is 'Single Family Home'
Results calculated from 533 listings

System Presets
- 5 counties New vs Sold
- Avg DOM & Sales to List Price Ratio
- Days to Sell Over Time
- Listings by Price Range ($,000)
- Months of Inventory (3YRS)
- Number of Homes For Sale vs Sold
- Sale Prices Over Time
- Sales to List Price Ratio
- Sales by Price Range ($,000)
- Sales Volume
- Sales Volume by Area

Preset Customize Save
Time frame is from Jan 2019 to Apr 2022
Zip Code is 95037
Property Type is Residential
Property Sub Type is Single Family Home
Results calculated from 1,777 listings
Zoning and General Plan: County of Santa Clara
The Subject is under the jurisdiction of Santa Clara County Planning Department and has a zoning designation of HS (Hillside) and a General Plan designation of USA (Regional Parks, Existing). Hillside zoning allows for various residential uses and its intent is as follows:

The purpose of the Hillside district, also known as the HS district, is to preserve mountainous lands unplanned or unsuitable for urban development primarily in open space and to promote those uses which support and enhance a rural character, which protect and promote wise use of natural resources, and which avoid the risks imposed by natural hazards found in these areas. These lands are watersheds and may also provide such important resources as minerals, forests, animal habitat, rare or locally unique plant and animal communities, historic and archeological sites, scenic beauty, grazing lands, and recreational areas. Additionally, lands zoned Hillside define the setting or viewed for the urban area of the County.

Development shall be limited to avoid the need for public services and facilities. Permitted uses include agriculture and grazing, very low-density residential use, low density, low-intensity recreation, mineral and other resource extraction, and land in its natural state. Low-intensity commercial, industrial, and institutional uses may also be allowed if they require a remote, rural setting in order to primarily serve the rural residents or community, or if they support the recreational or productive use, study, appreciation, or enhancement of the natural environment. Clustering of development, particularly residential, is encouraged in order to preserve contiguous open space and achieve efficiency in the provision of access to dwellings. This district is meant to apply to all parcels designated Hillside in the general plan.

The Subject is also within the city of Morgan Hill’s Sphere of Influence, which designates the Subject as Residential Detached Low (up to 4 dwelling units/acre).
Flood Map Legends

- Flood Zones
  - Areas inundated by 100-year flooding
  - Areas inundated by 500-year flooding
  - Areas of undetermined but possible flood hazards
  - Floodway areas with velocity hazard
  - Floodway areas
  - COBRA zone

Flood Zone Determination

In Special Flood Hazard Area (Flood Zone):

- Out
- Not within 250 feet

Community Name: SANTA CLARA COUNTY

Map Number: 06085C0463H

Zone: D Panel: 06085C 0463H Panel Date: 05/18/2009

FIPS Code: 06085 Census Tract: 5123.08

This Report is for the sole benefit of the Customer that ordered and paid for the Report and is based on the property information provided by that Customer. That Customer's use of this Report is subject to the terms agreed to by that Customer when accessing this product. THE SELLER OF THIS REPORT MAKES NO REPRESENTATIONS OR WARRANTIES TO ANY PARTY CONCERNING THE CONTENT, ACCURACY, OR COMPLETENESS OF THIS REPORT INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. The seller of this Report shall not have any liability to any third party for any use or misuse of this Report.
CALCULATIONS

MAIN LEVEL

33.0' X 39.0' = 1,287.0 SF
06.0' X 17.0' = 102.0 SF
06.0' X 13.0' = 98.0 SF
1/2(6.0' X 6.0') = 18.0 SF
TOTAL MAIN LEVEL = 1,505 SF

LOWER LEVEL

27.0' X 33.0' = 891 SF

TOTAL = 2,396 SF

BBQ/PATIO

33.0'

27.0'

K DR ba

B S

WOOD DECK

33.0'

39.0'

FR REC

MB LR

5'

6'

12'

17.0'

E

m b a

17.0'

13.0'

17.0'

17.0'

METROPOLITAN APPRAISAL SERVICES
SUBJECT PHOTO ADDENDUM

File No. 06012022
Case No. 06012022

Borrower: n/a
Property Address: 17500 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037-6524

Lender/Client: Guy Trujillo
Address: 17500 Hoot Owl Way, Morgan Hill, CA 95037

FRONT OF SUBJECT PROPERTY
17500 Hoot Owl Way
Morgan Hill, CA 95037-6524

REAR OF SUBJECT PROPERTY

STREET SCENE
SUBJECT'S PRIVATE STREET
LOOKING EAST/SUBJECT TO THE RIGHT
SUBJECT PHOTO ADDENDUM

Borrower: n/a

Property Address: 17500 Hoot Owl Way

City: Morgan Hill  County: Santa Clara  State: CA  Zip Code: 95037-6524

Lender/Client: Guy Trujillo

Address: 17500 Hoot Owl Way, Morgan Hill, CA 95037

SUBJECT'S PRIVATE STREET
LOOKING WEST/SUBJECT TO THE LEFT

SUBJECT'S SOUTH SIDE

SUBJECT'S NORTH SIDE
Borrower: n/a
Property Address: 17500 Hoot Owl Way
City: Morgan Hill  County: Santa Clara  State: CA  Zip Code: 95037-6524
Lender/Client: Guy Trujillo  Address: 17500 Hoot Owl Way, Morgan Hill, CA 95037

SUBJECT'S ADDRESS VERIFICATION

SUBJECT'S SHARED DRIVEWAY
SUBJECT TO THE RIGHT

SUBJECT'S PROPANE TANK
SUBJECT PHOTO ADDENDUM

Borrower: n/a
Property Address: 17500 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037-6524
Lender/Client: Guy Trujillo
Address: 17500 Hoot Owl Way, Morgan Hill, CA 95037

Case No.: 06012022
File No.: 06012022

Subject's Lake & Mountain View

Subject's Eastern Lake Boundary

Subject's Covered Patio/BBQ
SUBJECT PHOTO ADDENDUM

Borrower: n/a
Property Address: 17500 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037
Lender/Client: Guy Trujillo
Address: 17500 Hoot Owl Way, Morgan Hill, CA 95037

SUBJECT'S WOOD DECK
LOOKING EAST

SUBJECT'S VIEW
LOOKING EAST

SUBJECT'S FRONT DOOR
SUBJECT'S NORTHERN BOUNDARY

SUBJECT'S WESTERN BOUNDARY

SUBJECT'S LIVING ROOM
MAIN LEVEL
SUBJECT’S STAIRS FAMILY ROOM
AND REC ROOM MAIN LEVEL

SUBJECT’S SITE
MAIN LEVEL

SUBJECT’S REC AREA
MAIN LEVEL
SUBJECT'S 1/2 BATH
MAIN LEVEL

SUBJECT'S MASTER BEDROOM
MAIN LEVEL

SUBJECT'S MASTER BATHROOM
MAIN LEVEL
SUBJECT'S MASTER BATH SHOWER
MAIN LEVEL

SUBJECT'S LAUNDRY AREA
MAIN LEVEL

SUBJECT'S BEDROOM 2
MAIN LEVEL
SUBJECT PHOTO ADDENDUM

Borrower: n/a
Property Address: 17500 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037-6524

Lender/Client: Guy Trujillo
Address: 17500 Hoot Owl Way, Morgan Hill, CA 95037

SUBJECT'S STAIRWAY TO LOWER LEVEL

SUBJECT'S KITCHEN/LOER LEVEL
LOWER LEVEL

SUBJECT'S KITCHEN
LOWER LEVEL
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**SUBJECT PHOTO ADDENDUM**

**SUBJECT'S DINING ROOM**

**SUBJECT'S BEDROOM 3**
LOWER LEVEL

**SUBJECT'S BATHROOM**
LOWER LEVEL
SUBJECT PHOTO ADDENDUM

File No. 06012022
Case No. 06012022

Borrower: n/a

Property Address: 17500 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037

Lender/Client: Guy Trujillo
Address: 17500 Hoot Owl Way, Morgan Hill, Ca 95037

SUBJECT'S LAUNDRY AREA 2
LOWER LEVEL

SUBJECT'S STORAGE AREA
LOWER LEVEL
Borrower: n/a
Property Address: 17500 Hoot Owl Way
City: Morgan Hill  County: Santa Clara  State: CA  Zip Code: 95037-6524
Lender/Client: Guy Trujillo
Address: 17500 Hoot Owl Way, Morgan Hill, CA 95037

**COMPARABLE SALE # 1**
17555 Manzanita Drive
Morgan Hill, CA 95037

**COMPARABLE SALE # 2**
17665 Raccoon Court
Morgan Hill, CA 95037

**COMPARABLE SALE # 3**
17660 Raccoon Court
Morgan Hill, CA 95037
Borrower: n/a
Property Address: 17500 Hoot Owl Way
City: Morgan Hill
County: Santa Clara
State: CA
Zip Code: 95037
Lender/Client: Guy Trujillo
Address: 17500 Hoot Owl Way, Morgan Hill, CA 95037

COMPARABLE SALE # 4
17031 Holiday Drive
Morgan Hill, CA 95037

COMPARABLE SALE # 5
17205 Qual Court
Morgan Hill, CA 95037

COMPARABLE SALE # 6
17890 Holiday Drive
Morgan Hill, CA 95037
This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser’s continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.

2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.

3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.

5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.
APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.

2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.

3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.

5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.

6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.

7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.

8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.

9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.

10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.

11. I have knowledge and experience in appraising this type of property in this market area.

12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.

14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.

15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.

16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.

17. I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicapped family status or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.

18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).

19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.
21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser’s or supervisory appraiser’s (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

**SUPERVISORY APPRAISER’S CERTIFICATION:** The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

**APPRAISER**

<table>
<thead>
<tr>
<th>Signature</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patrick W. McElroy</td>
<td>Metropolitan Appraisal Services</td>
</tr>
<tr>
<td>1935 Giampaoli Drive</td>
<td>San Martin, CA 95046</td>
</tr>
<tr>
<td>4086834923</td>
<td><a href="mailto:metro1234@aol.com">metro1234@aol.com</a></td>
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<td>State</td>
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<td>Expiration Date of Certification or License</td>
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</tbody>
</table>

**ADDRESS OF PROPERTY APPRAISED**

| 17500 Hoot Owl Way | Morgan Hill, CA 95037-6524 |

**APPRaised VALUE OF SUBJECT PROPERTY $ 1,525,000**

**LENDER/CLIENT**

<table>
<thead>
<tr>
<th>Name</th>
<th>Guy Trujillo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Name</td>
<td>17500 Hoot Owl Way</td>
</tr>
<tr>
<td>Company Address</td>
<td>Morgan Hill, CA 95037</td>
</tr>
<tr>
<td>Email Address</td>
<td><a href="mailto:guyshvac@yahoo.com">guyshvac@yahoo.com</a></td>
</tr>
</tbody>
</table>

**SUBJECT PROPERTY**

- Did not inspect subject property
- Did inspect exterior of subject property from street
- Did inspect interior and exterior of subject property

**COMPARABLE SALES**

- Did not inspect exterior of comparable sales from street
- Did inspect exterior of comparable sales from street
PATRICK W. MCELROY
STATE CERTIFIED GENERAL REAL ESTATE APPRAISER
REAL ESTATE BROKER, & CONSULTANT
1935 GIAMPAOLI DRIVE
SAN MARTIN, CA. 95046
Office: (408) 683-4923 FAX: (408) 683-4925 Cell: (408) 843-8876
E-Mail metro1234@aol.com

QUALIFICATIONS

PATRICK W. MCELROY, State Certified General Real Estate Appraiser - AG010778 and Independent Real Estate Broker

PROFESSIONAL EXPERIENCE

1. Presently and for last forty years: Independent Real Estate Broker and Certified General Real Estate Appraiser
3. March 1983 - February 1985: Appraiser Associate of Lou Berger, Real Estate Appraiser, Milpitas, California

TYPES OF PROPERTY APPRAISED

1. Single Family Residential including New Construction, Condominiums, Cluster Homes, Rowhouses, Patio Homes, Standard Detached Homes, and Residential Subdivisions
2. Commercial Properties: Shopping Centers, Restaurants, Retail Stores, Professional Offices, including New Construction and Vacant Land
3. Industrial Properties including New Construction and Vacant Land
4. Ranch, Ocean, and Mountain Properties
5. Special Use Properties including Churches, Gas Stations, Health Club, and Minority Interest Properties
6. Properties suffering from Toxic or Hazardous Material Problems

AREAS APPRAISED

Santa Clara County, Santa Cruz County, San Benito County, Monterey County, Alameda County, Contra Costa County, San Mateo County, and San Francisco County

EDUCATIONAL QUALIFICATIONS

1. California State University, Hayward: B.S. in Mathematics 1971
2. California State University, San Jose
   West Valley College, Saratoga
   San Jose City College, San Jose
College accredited courses include: Real Estate Finance, Legal Aspects of Real Estate, Professional Skill Development, Real Estate Economics, Real Estate Practice, Real Estate Principles, Real Estate Property Management, Real Estate Appraisal I and II
4. State of California Real Estate Brokers License
5. State of California Certified General Real Estate Appraiser, AG010778

PROFESSIONAL AFFILIATIONS

Member of Santa Clara County Real Estate Board
Member of California Association of Realtors
Member of National Association of Realtors
Affiliate Member of Appraisal Institute
HUDSON INSURANCE COMPANY
100 William Street, 5th Floor
New York, NY 10038

REAL ESTATE APPRAISERS ERRORS AND OMISSIONS INSURANCE
POLICY DECLARATIONS

NOTICE: THIS IS A "CLAIMS MADE AND REPORTED" POLICY. THIS POLICY REQUIRES THAT A CLAIM
BE MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER, IN
WRITING, DURING THE POLICY PERIOD OR AUTOMATIC EXTENDED REPORTING PERIOD.

THIS POLICY MAY CONTAIN PROVISIONS WHICH LIMIT THE AMOUNT OF CLAIM EXPENSES THE INSURER IS
RESPONSIBLE TO PAY IN CONNECTION WITH CLAIMS. CLAIM EXPENSES SHALL BE SUBJECT TO ANY
DEDUCTIBLE AMOUNT. THE PAYMENT OF CLAIM EXPENSES WILL REDUCE THE LIMITS OF LIABILITY
STATED IN ITEM 4. OF THE DECLARATIONS. PLEASE READ YOUR POLICY CAREFULLY.

PLEASE READ THIS POLICY CAREFULLY.

Policy Number: PRA-1AX-1000955
Renewal of:
1. Named Insured: Patrick W. McElroy dba Metropolitan Appraisal Services
2. Address: 1935 Giampaoli Drive, Unit C
San Martin, CA 95046
12:01 A.M. Standard Time at the address of the Named Insured as stated in Number 2 above
4. Limit of Liability
   Each Claim Policy Aggregate
   Damages Limit of Liability A. $1,000,000 B. $2,000,000
   Claims Expense Limit of Liability C. $1,000,000 D. $2,000,000
5. Deductible (Inclusive of Claims Expenses):
   5A. $500 Each Claim 5B. $1,000 Aggregate
6. Policy Premium: $850.00 State Taxes/Surcharges:
7. Retroactive Date: September 21, 2007
8. Notice to Company: Notice of a Claim or Potential Claim should be sent to:
   Hudson Insurance Group
   100 William Street, 5th Floor
   New York, NY 10038
   Fax: 646-216-3786
   Email: hudsonclaims300@hudsoninsgroup.com
   On weekends or holidays: 866-546-3981 (Toll Free)
   B. Agent/Broker: ALIA (Riverton Insurance Agency Corp.)

IN WITNESS WHEREOF, We have caused this policy to be executed by our President and our
Corporate Secretary at New York, New York

[Signature]
President

[Signature]
Secretary

PRA100 (01/20)
Requirements - Condition and Quality Ratings Usage

Appraisers must utilize the following standardized condition and quality ratings within the appraisal report.

Condition Ratings and Definitions

C1
The improvements have been recently constructed and have not been previously occupied. The entire structure and all components are new and the dwelling features no physical depreciation.

Note: Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/renovated into like-new condition. Improvements that have not been previously occupied are not considered "new" if they have significant physical depreciation (that is, newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).

C2
The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category are either almost new or have been recently completely renovated and are similar in condition to new construction.

Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.

C3
The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. It's estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.

C4
The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.

C5
The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability are somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.

C6
The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.
Property Condition and Quality Rating Definitions

Quality Ratings and Definitions

Q1
Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are exceptionally high quality.

Q2
Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residences constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high-quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

Q3
Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4
Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

Q5
Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6
Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure.

Requirements - Definitions of Not Updated, Updated and Remodeled

Not Updated
Little or no updating or modernization. This description includes, but is not limited to, new homes.
Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is "Not Updated" may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

Updated
The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.
An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled
Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.
A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of square footage). This would include a complete gutting and rebuild.

Explanation of Bathroom Count
Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.
Example: 3.2 indicates three full baths and two half baths.
### Abbreviation Description

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<th>May Appear in These Fields</th>
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<td>Adverse</td>
<td>Location &amp; View</td>
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<td>ac</td>
<td>Acres</td>
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<td>ba</td>
<td>Bathroom(s)</td>
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**SUBJECT CONDITION**

See Comment Addendum