

APPRAISAL REPORT



Humboldt Bay Trail Project

McMurray and Allpoints Outdoor Inc., Property
U.S. Highway 101
Eureka, California 95503
APNs: 404-141-002, -003 and -005; 501-241-005 and -027

Date of Value: August 28, 2019

Date of Report: November 7, 2019

BRI 18-219

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November 7, 2019

Ms. Deb Vining
Senior Real Property Agent
Land Use Division, Department of Public Works
County of Humboldt
Clark Complex – 3033 H Street, Room 17
Eureka, California 95501

Re: Appraisal of the McMurray and Allpoints Outdoor Inc. Property for the
Humboldt Bay Trail Project (DPW2018-003-T03)
U.S. Highway 101
Eureka, California 95503
APNs: 404-141-002, 404-141-003, 404-141-005, 501-241-005, and 501-241-027

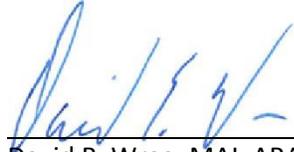
Dear Ms. Vining,

As you requested, we have appraised the above identified property that consists of 23.98± acres located on U.S. Highway 101 and Humboldt Bay northeast of Eureka, California. The purpose of the appraisal assignment is to develop an opinion of the fair market value of the proposed fee acquisitions for trail right-of-way and shoreline protection, along with analysis of damages and/or benefits to the remainder. The client and intended user of this appraisal report is the County of Humboldt. The intended use is to assist the County in establishing the fair market value for purchase of a portion of the property for the project.

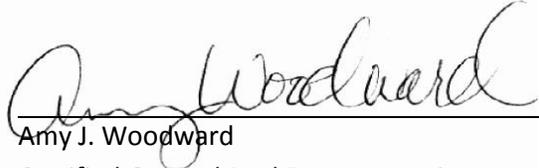
This is a narrative Appraisal Report as defined by USPAP. As such, it fully presents the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. The depth of discussion contained in this report is specific to the needs of the client and of the intended use stated in this report. The following report sets forth the descriptive and factual data, the assumptions and conditions affecting the appraisal, and the findings and analyses that lead to and support our value opinion. The appraiser is not responsible for unauthorized use of this report. Every effort has been made to conform to the Standards of Professional Practice of the Appraisal Institute, which fully incorporate the Uniform Standards of Professional Appraisal Practice (USPAP). In addition, we have intended to comply with applicable laws. The undersigned conducted the appraisal and prepared the report.

We are pleased to have this opportunity to provide you with professional appraisal services.

BENDER ROSENTHAL, INC.



David B. Wraa, MAI, ARA, AI-GRS
Certified General Real Estate Appraiser
California Certificate No. AG023713



Amy J. Woodward
Certified General Real Estate Appraiser
California Certificate No. AG044210

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PROPERTY IDENTIFICATION AND SUMMARY OF SALIENT FACTS

Project Name	Humboldt Bay Trail Project
Client	Humboldt County
Intended User	Humboldt County
Intended Use	To assist the county in determining the fair market value of rights purchased for land needed for the Humboldt Bay Trail Project.
Type of Values	Fee Simple and Encumbered Fee
Appraisal Assignment	<p>To develop an opinion of the fair market value of the proposed fee acquisition to be acquired by Humboldt County, together with any net damages accruing to the remainder parcel for the Humboldt Bay Trail Project.</p> <p>The opinion of fair market value for this parcel will include the value of the property with income generated by four signboard display ground leases; the contributory value of the land only is also identified.</p> <p>The Caltrans Outdoor Advertising Signs Schedule, as required by the Caltrans R/W Manual, provides initially for the removal of the ODA structures. The value of the signboard and goodwill resulting from the advertising revenue is not valued in a real property appraisal.</p>

PROPERTY DATA

Property Location	The property described herein is in the jurisdiction of the County of Humboldt, northeast of Eureka, California. Please refer to the parcel map and aerial photos for identification of the appraised property.
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Assessor's Parcel Numbers

404-141-002, 404-141-003, 404-141-005, 501-241-005, and 501-241-027

The preliminary title report prepared by Fidelity National Title Company, dated August 9, 2017, identifies the property as APNs: 501-241-005, 404-141-002, 002-111-002, 002-111-003, 002-113-001, 002-113-004, 002-115-002, 002-116-003 and 002-116-004. The title report indicates portions of the property are within the highway right of way as well as the railroad right of way. The highway portions of the property are not included in this report.

According to discussions with the county, APNs: 404-141-003, 404-141-005, and 501-241-027 consist of the railroad right of way portions of the subject property which were created and re-numbered for assessment purposes. APNs: 501-241-005 and 404-141-002 are the portions of the property west of the tracks and partially within the bay.

Owner of Record

According to recorded public documents, title to the property is held by Thomas J. McMurray, Jr. and Gretha E. McMurray, as to a 1/2 interest and Allpoints Outdoor, Inc., as to a 1/2 interest, according to the Grant Deed Docs# 1995-4245, 1995-6299 and 2018-016675.

After reviewing the maps and title report dated 2017, the California and Northern Railway Company only has an easement (right of way) across the property. The underlying fee is held partially by HoffUSA, a former owner, which appears to have been acquired by Allpoints Outdoor, Inc. in 2018. We assume the underlying fee owners of the subject (APNs: 404-141-002, 404-141-003, 404-141-005, 501-241-005, and 501-241-027) are held by Thomas J. McMurray, Jr. and Gretha E. McMurray, as to a 1/2 interest and Allpoints Outdoor, Inc., as to a 1/2 interest.

Larger Parcel Size

23.98± acres (1,044,569± square-feet), according to Humboldt County assessed land areas.

Site Description

The subject property consists of five irregular shaped parcels, two of which consist of shoreline wetlands, with frontage on U.S. Highway 101. The other three parcels are encumbered by railroad right of way. The property is located northeast of the city limits of Eureka, California on the shore of Humboldt Bay, west of the intersection of U.S. Highway 101 and Indianola Cut-off.

The neighborhood northwest of U.S. Highway 101 primarily consists of tidal flats of Humboldt Bay, with the exception of the railroad and two industrial sites. Southeast of the highway is the Brainard neighborhood consisting of Murray Field Airport, two new automobile dealerships, and wetland agriculture. Farther inland along Old Arcata Road/Myrtle Avenue (old U.S. Highway 101) in the Indianola neighborhood are rural residences and mobile home parks.

The property is improved with four advertising signboards. The signboards are within the area of acquisition. The Caltrans Outdoor Advertising Signs Schedule, as required by the Caltrans R/W Manual, provides initially for the removal of the ODA structures. The value of the signboard and goodwill resulting from the advertising revenue is not valued in a real property appraisal.

The signboards are single-sided, and according to the permits, range in sizes from 12' by 25', 10' by 30' and (2) 10' by 40'. The structures are built on wood uprights, wood bracing with metal panels. The boards are not illuminated.

Zoning

NR/D, W, Natural Resources/Other Airport Environs, Coastal Wetlands.

General Plan Designation	MG, General Industrial and NR, Natural Resources
Community Plan	Humboldt Bay Area Plan
Flood Information	Zone AE, an area inundated by 1% annual chance flooding, for which a base flood elevation (BFE) of 11-feet has been determined. FEMA Flood Map Community Panel No 06023C0855G, effective date June 21, 2017.
Property Rights Appraised	
Fee Acquisition	22.07± acres (961,539± SF)
Opinions of Fair Market Value:	
Partial Acquisition	
Fee Acquisition	\$529,243
Damages	<u>\$ 0</u>
Fair Market Value of Acquisition	\$529,243
Rounded	\$530,000
Date of Inspection	June 17, 2019
Date of Value	August 28, 2019, date of the most recent sales survey
Date of Report	November 7, 2019

INTRODUCTION

PURPOSE OF THE APPRAISAL

The purpose of the appraisal assignment is to develop an opinion of the fair market value of the larger parcel and proposed fee acquisition to be acquired by Humboldt County, together with any net damages and benefits accruing to the remainder parcel for the Humboldt Bay Trail Project.

CLIENT, INTENDED USE, INTENDED USER OF THE APPRAISAL

The client and intended user of the appraisal is Humboldt County. The intended use is to assist the County in its determination of the amount to be paid as compensation for the purchase of a portion of the site in fee for the project.

SCOPE OF WORK

Humboldt County intends to purchase a portion of the subject property in fee for the trail project. This appraisal provides an opinion of the fair market value to be utilized in negotiations with the County for the acquisition. The date of value is based on the inspection date, unless noted otherwise in the appraisal. The date of the report is the date the appraisal is transmitted to the client. The value estimates are stated in terms of cash, or terms equivalent to cash.

VALUATION / RESEARCH OVERVIEW

The following is an overview of the valuation process and research involved for the subject property and comparable sales. The valuation of the property involved an investigation and analysis of the neighborhood, as well as the entire regional area, for social, economic, governmental, and environmental forces and trends that affect or could influence property values.

- The property was inspected on June 17, 2019 by Amy Woodward from Bender Rosenthal, Inc. together with Deb Vining from Humboldt County and property owners Thomas McMurray and Geoff Wills with Allpoints Outdoor Inc.
- Research the area, community, and neighborhood to determine market influences/conditions.
- Research of public records to verify information about the subject property and comparable sales to ensure they are factually accurate and that there are no terms or additional influences that affect price or value.
- Research zoning and general plan information obtained from Humboldt County Planning Department and other department websites, and research of the real estate markets.
- Review of applicable soil surveys, flood and seismic hazard areas from appropriate source data.
- Review public records obtained from the various county governmental agencies including the Planning Department, Assessor's Office, and Tax Collector's Office.

- A search of specific property transfers occurring during the past five years was conducted for the subject property.
- Research and Analysis of the Larger Parcel
- Determine highest and best use of the property.
- Research comparable property sales, listings, and offers to purchase or sales involving properties similar to the subject property and within the subject's or competing market areas.
- Interview comparable property owners and/or brokers.
- Review and analyze the value of the income generated by the land leases for the billboard structures.
- Reconcile data and valuation approach to estimate the value of the larger parcel and acquisition.

VALUATION APPROACHES

The appraisal process includes the investigation and analysis of the subject, market, and other relevant data for the purpose of providing an opinion of the defined value for the subject property. All economic forces and factors are considered in arriving at the highest and best use and valuation of the subject property.

There are typically three approaches to value that may be used in the real property valuation process. They are the Sales Comparison Approach, Income Approach, and Cost Approach. Each approach provides an indicated value that is reconciled into a final estimate of value for the subject based on the interests appraised the defined objective of the valuation and the stated definition of value. An appraisal may include one, two or all three approaches to value based on the data available, the type of property and appraisal valuation problem.

SALES COMPARISON APPROACH

A value indication is derived by comparing the property being appraised to similar properties that have sold recently; making qualitative or quantitative comparisons to the subject; then applying units of comparisons to indicate a value for the larger parcel or remainder parcel. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant; it is the most common and preferred method of valuation when an adequate supply of comparable sales is available. Sales, listings and current escrows of comparable sales were considered in this analysis. Primary reliance has been placed on closed sales transactions.

INCOME APPROACH

A value indication is derived for income-producing property by converting its anticipated benefits (cash flows and reversion) into a value for real property interests. Typically, the annual net income is capitalized at a market-derived capitalization rate to estimate the desired value. The income approach is most often used for income producing properties or real estate acquired as an investment.

COST APPROACH

A value indication is derived for a property by estimating the current cost to construct a replacement/reproduction of the existing structure(s); deducting depreciation from all sources; and adding the estimated land value. The cost approach is most often used when valuing properties with new or relatively new improvements and also special use properties.

RIGHT-OF-WAY APPRAISALS

Appraisals for public acquisitions involve acquiring fee title and/or easement rights from an owner. In situations, whereby a property is leased, the property is valued as if title were held by a single entity, consistent with the “unit rule” or the “undivided fee rule”. Improvements not impacted by the project may not be included in the analysis.

PARTIAL ACQUISITION INTEREST ANALYSIS

Under the provisions of California eminent domain law and the state summation process, the appraisal process requires in-depth analysis to develop the “taking plus damages” opinion of the fair market value for the proposed acquisition. The procedure requires three appraisal processes.

A fair market value opinion appraisal is developed for the larger parcel (land and improvements, if required). The allocated market value of the land and improvements is used to develop the contributory value of land and improvements in the partial acquisition area. The partial acquisition value is deducted from the larger parcel to determine the value of the remainder as part of the larger parcel.

The appraiser then develops an opinion of fair market value for the remainder parcel without benefits, after acquisition, as a distinct property, considering possible changes in highest and best use and all the economic forces that indicate a diminution in fair market value due to the severance and the construction in the manner proposed. This value is compared to the value of the remainder as part of the larger parcel to measure a loss in fair market value for the remainder. The difference in market values is the damages to the remainder. Damages may also be measured using curative costs which are designed to offset large losses in market value.

Finally, the appraiser develops an opinion of value for the remainder parcel with benefits, after acquisition, as a distinct property, considering possible changes in highest and best use and all the economic forces that indicate an increase in market value due to the construction in the manner proposed. This value is compared to the value of the remainder without benefits to measure any increase in market value for the remainder. This difference in market values is the benefits to the remainder.

These three opinions of fair market value help to develop a final opinion of fair market value for the acquisition. Under California law a property owner is entitled to compensation for the partial acquisition value plus damages. However, the measure of benefits may be used to offset the compensation for damages, but not the compensation for the partial acquisition.

REPORT TYPE

The opinion of fair market value is reported in a narrative Appraisal Report format as defined by USPAP.

SPECIAL ASSIGNMENT CONDITIONS

There were no special assignment conditions given for this appraisal.

DEFINITIONS USED IN THE REPORT

Definition of an Appraisal

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 6th Edition P. 10.

The act or process of developing an opinion of value.

Fair Market Value

Source: Section 1263.320 of the Code of Civil Procedure.

- A) The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing, and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.
- B) The fair market value of property taken for which there is no relevant, comparable market is its value on the date of valuation as determined by any method of valuation that is just and equitable.

The Code goes on to say that:

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

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

Larger Parcel

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 6th Edition P. 127.

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.

Damage to Remainder

Source: Section 1263.420 of the Code of Civil Procedure.

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

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

Benefit to Remainder

Source: Section 1263.430 of the Code of Civil Procedure.

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

Extraordinary Assumption

Source: Uniform Standards of Professional Appraisal Practice 2018-2019 Edition, P. 4.

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

Hypothetical Condition

Source: Uniform Standards of Professional Appraisal Practice 2018-2019 Edition, P. 4.

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

Fee Simple Estate

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 6th Edition, P. 90.

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.

Leased Fee Estate

Source: The Dictionary of Real Estate Appraisal, Appraisal Institute, 6th Edition, P. 128.

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

Easement

Source: The Appraisal of Real Estate (Fourteenth Edition), Appraisal Institute, Chicago, Illinois, 2013, P. 74.

This is an interest in real property that conveys use, but not ownership, of a portion of an owner's property. Access or right-of-way easements may be acquired by private parties or public utilities. Governments dedicate conservation, open space, and preservation easements.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

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

1. Title to the property is marketable.
2. No survey of the property has been made by the appraisers and property lines as they appear on the ground are assumed to be correct.
3. Data, maps, and descriptive data furnished by the client or his/her representatives are accurate and correct.
4. No responsibility is assumed for matters of law or legal interpretation.
5. No conditions exist that would affect the use and value of the property, which are not discoverable through normal, diligent investigation.
6. The valuation is based on information from sources believed reliable, and that such information is correct and accurately reported.
7. The value estimate is made subject to the purpose, date, and definition of value.
8. The report is to be considered in its entirety and use of only a portion will invalidate the appraisal.
9. This appraisal was made on the premise that there are no encumbrances prohibiting utilization of the property under the appraiser's estimate of highest and best use.

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

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

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

EXTRAORDINARY ASSUMPTION

1. After reviewing the maps, title report dated August 9, 2017, and discussions with the client, the California and Northern Railway Company only has an easement (right of way) across the property. The underlying fee is held partially by Hoff USA, a former owner, which appears to have been acquired by Allpoints Outdoor, Inc. in 2018. We assume the underlying fee owners of the subject (APNs: 404-141-002, 404-141-003, 404-141-005, 501-241-005, and 501-241-027) are held by Thomas J. McMurray, Jr. and Gretha E. McMurray, as to a 1/2 interest and Allpoints Outdoor, Inc., as to a 1/2 interest.

HYPOTHETICAL CONDITIONS

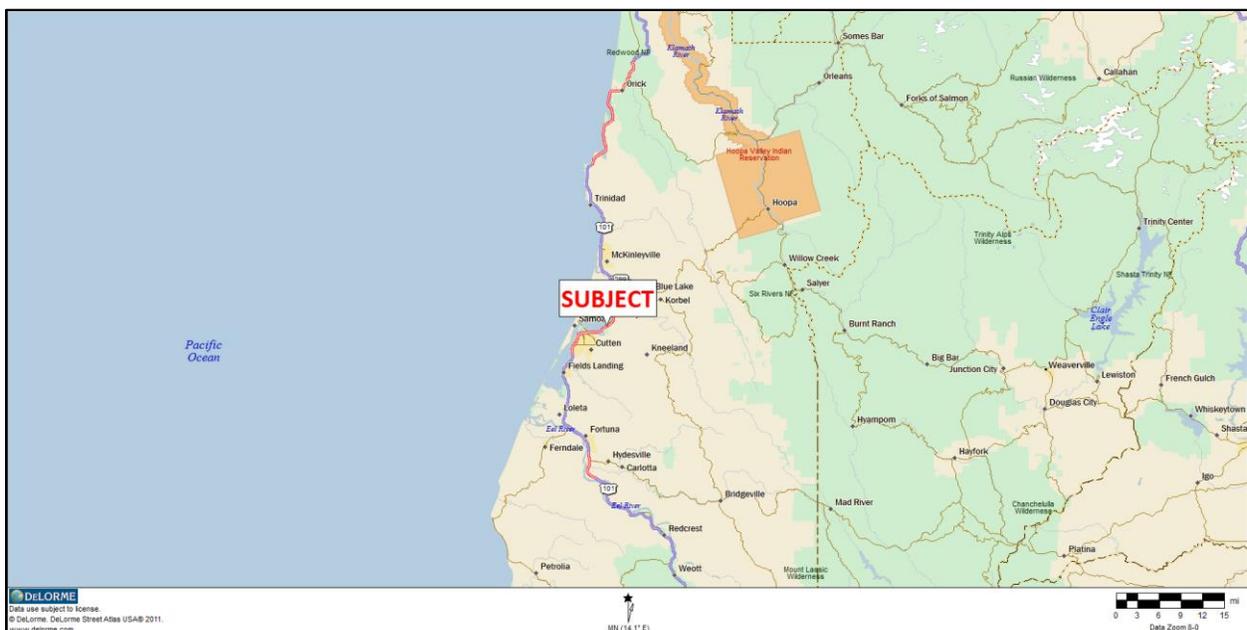
1. The fair market value of the property taken shall not include any increase or decrease in the value of the property that is attributable to any of the following: 1) the project for which the property is taken; 2) the eminent domain proceeding in which the property is taken; and 3) any preliminary actions of the plaintiff relating to the taking of the property. [California Code of Civil Procedure, Section 1263.330] Therefore, the fair market value of the larger parcel assumes the property is appraised as if there is no project.
2. The valuation of the subject property, in the condition after the partial acquisition (remainder parcel) and the construction and use of the proposed project, is based on a hypothetical condition the project has been completed.

HUMBOLDT COUNTY OVERVIEW

GEOGRAPHIC CONSIDERATIONS

Humboldt County comprises the Eureka–Arcata–Fortuna, CA Micropolitan Statistical Area. It is located on the far North Coast of California, about 270 miles north of San Francisco. Its primary population centers of Eureka, the site of College of the Redwoods and the smaller college town of Arcata, site of Humboldt State University, are located adjacent to Humboldt Bay, California's second largest natural bay.

REGIONAL MAP



Humboldt County is a densely forested, mountainous, and rural county with about 110 miles of coastline situated along the Pacific coast in Northern California's rugged Coast (Mountain) Ranges. With nearly 1,500,000 acres of combined public and private forest in production, Humboldt County alone produced twenty percent of total volume and thirty percent of the total value of all forest products produced in California as of 2000. The county contains over forty percent of all remaining old growth Coast Redwood forests, the vast majority of which is protected or strictly conserved within dozens of national, state, and local forests and parks, totaling approximately 680,000 acres.

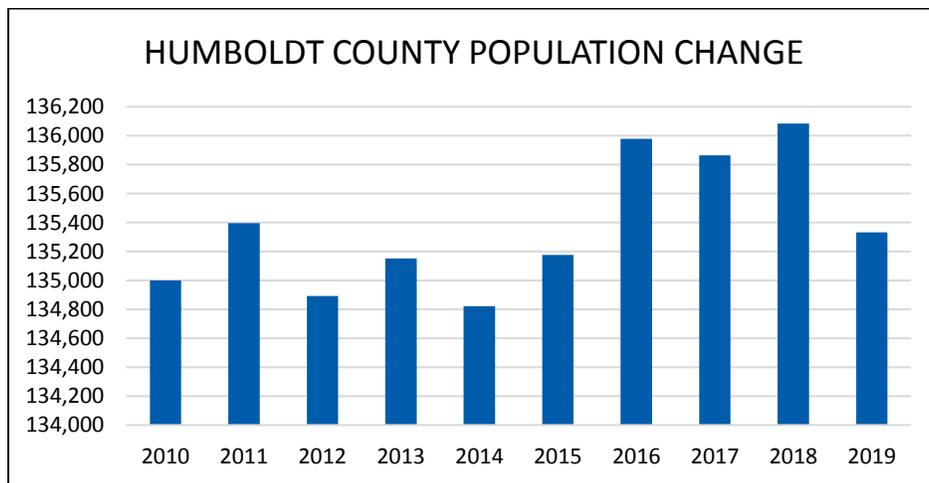
ACCESS AND TRANSPORTATION

U.S. Route 101, or the Redwood Highway, extends through Humboldt County and provides vehicle access in a north/south direction. Route 101 is continuous from the City of Los Angeles to the northern border of Washington State and provides direct access to Crescent City and the Oregon Coast to the north and the San Francisco Bay area to the south. East/west access is provided by State Routes 36 and 299, both of

which connect to Interstate 5 in the east. State Route 36 provides access to Forest Glen/central Trinity County and Red Bluff on, while State Route 299 provides access to Weaverville/north Trinity County and Redding.

POPULATION

Humboldt County’s population decreased by 0.6% between 2018 and 2019, according to the State of California Department of Finance Demographic Research Unit. For the five years prior to 2019, the county’s population grew by an average of 0.19% per year. The county has been generally increasing, albeit slowly over the last five years, with cities such as Eureka, Arcata, and Fortuna having the highest population in the region, outside of the unincorporated county area.

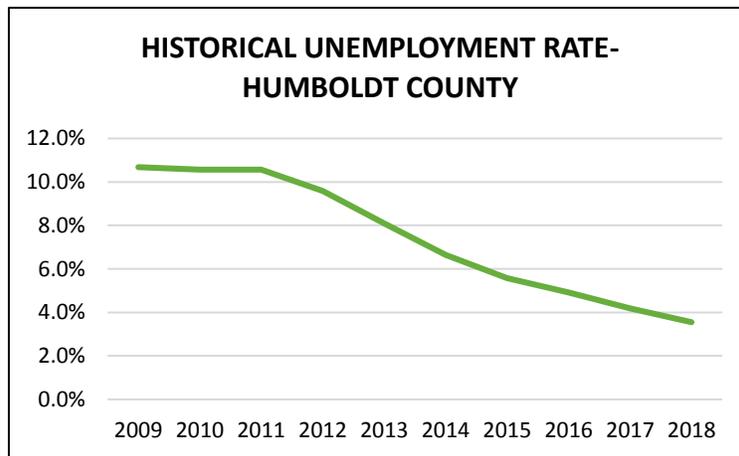


Source: Department of Finance, Population Estimates.

ECONOMIC PROFILE

UNEMPLOYMENT RATES

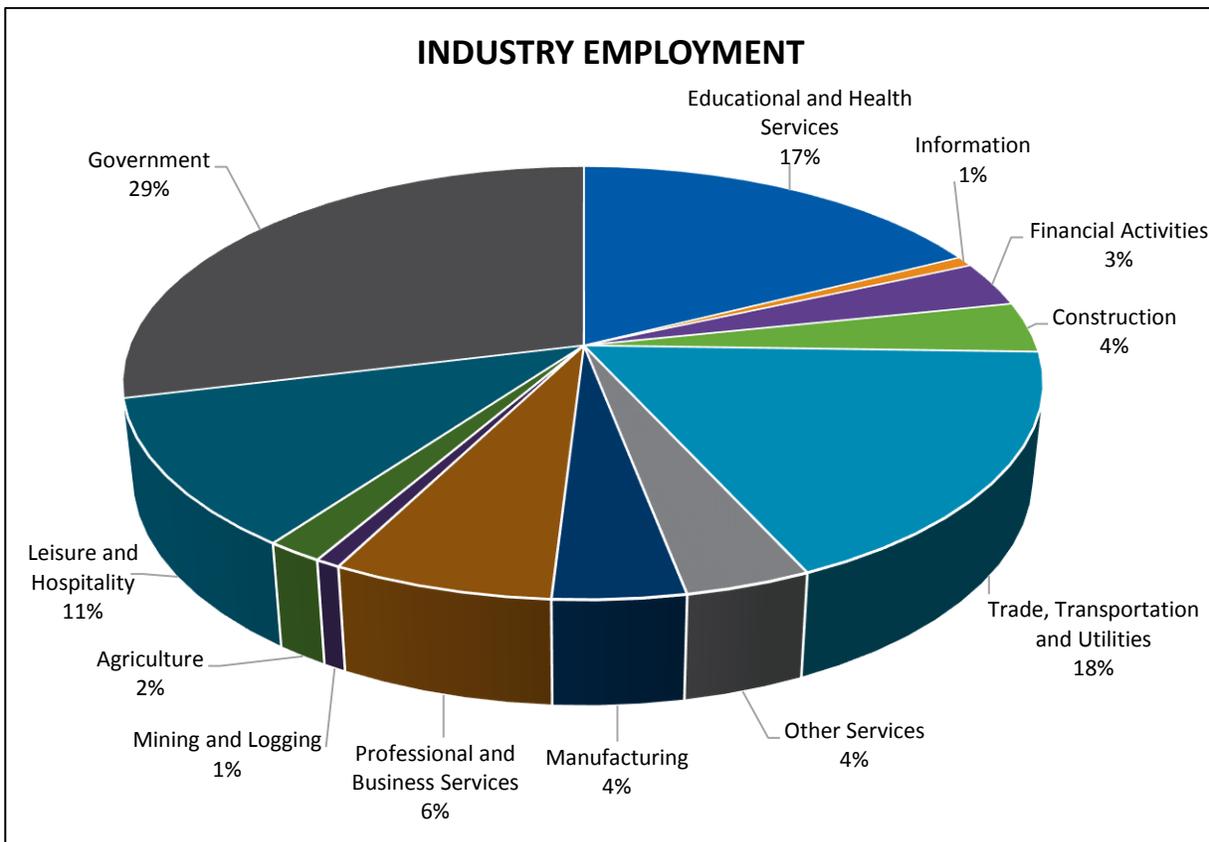
According to the Employment Development Department, the preliminary unemployment rate in the Humboldt County was 2.9% in May 2019, down from a revised 3.6% in April 2019, and similar to the year-ago estimate of 3.0%. This compares with an unadjusted unemployment rate of 3.5% for California and 3.4% for the nation during the same period. As can be seen from the graph presented below, the county’s annualized unemployment rate has been falling throughout the last five years.



Source: California Employment Development Department: Labor force Data.

INDUSTRY DATA

The economy of Humboldt County provides a desirable mix of jobs for those migrating to the area. Per the May 2019 statistics provided by the California Employment Development Department (latest data available), Government is the County’s leading employer, followed by Trade, Transportation and Utilities. The chart below shows the leading industries and their respective percentage of Humboldt County’s total employment.



Source: Employment Development Department, Humboldt Press Release, Dated May 2019.

MAJOR EMPLOYERS

Shown below are the major employers within the region.

Employer Name	Location	Industry	No. of Employees		
St Joseph Health	Eureka	Hospitals	1,000	to	4,999
St Joseph Hospital-Admin	Eureka	Health Services	1,000	to	4,999
Sun Valley Group	Arcata	Importers (whls)	500	to	999
Bettendorf Trucking	Arcata	Trucking	250	to	499
Blue Lake Casino & Hotel	Blue Lake	Casinos	250	to	499
Eureka City Clerk	Eureka	Government Offices-City/Village & Twp	250	to	499
Green Diamond Resource Co	Korbel	Foresters-Consulting	250	to	499
Humboldt County Office of Educ	Eureka	County Government-Education Programs	250	to	499
Newmarket International Inc	Eureka	Hospitality Training	250	to	499
Trinidad Rancheria	Trinidad	Associations	250	to	499
Umpqua Bank	Eureka	Banks	250	to	499
Costco Wholesale	Eureka	Wholesale Clubs	100	to	249
Eureka High School	Eureka	Schools	100	to	249
Humboldt County Dept-Health	Eureka	Clinics	100	to	249
Humboldt County Dept-Pubc Hlth	Eureka	Government Offices-County	100	to	249
Humboldt County Mental Health	Eureka	Hospitals	100	to	249
Humboldt County Sheriff Dept	Eureka	Government Offices-County	100	to	249
Mad River Community Hospital	Arcata	Hospitals	100	to	249
Pacific Seafood Co	Eureka	Prepared Fish & Seafood Products (mfrs)	100	to	249
Redwood Memorial Hospital	Fortuna	Hospitals	100	to	249
Schmidbauer Lumber Inc	Eureka	Logging (mfrs)	100	to	249
Target	Eureka	Department Stores	100	to	249
US Post Office	Eureka	Post Offices	100	to	249
Walmart	Eureka	Department Stores	100	to	249
Winco Foods	Eureka	Grocers-Retail	100	to	249

The chart above demonstrates again that the leading employers in Humboldt County are government offices, schools, and hospitals. Several employers on this list are government related employers, such as the Department of Public Health and Social Services. Other notable employers include hospitals, which appear on the list above several times, and wholesale grocers and importers.

THE EMERALD TRIANGLE

The Emerald Triangle, a triumvirate including Humboldt, Mendocino, and Trinity counties, is known for its skilled production of cannabis. According to an article published by Leafly, one of the largest cannabis online information resources, the Emerald Triangle currently supports more than 20,000 cannabis growers, by conservative estimates, and is thought by many as America's cannabis epicenter.

However, according an article in The Atlantic, by January 1, 2018—the first day of adult-use legalization in California—only 3,500 growers had applied for a license. Growers interviewed cited costly regulations, while others were simply evading taxes. These illegal “grows” are vulnerable to theft of processed marijuana because the thieves know the illicit farmers are unwilling to file police reports. Meanwhile, legal growers have been moving out of the mountain “grows,” purchasing industrial buildings in areas with permissive zoning regulations. These interiors “grows” are much easier to secure against thieves and other intruders.

The post-legalization has led cannabis prices in California to plummet. This increases the incentive to sell out of state. A pound of marijuana typically now sells for \$300 in state, whereas in New York City, California grown cannabis commands \$3,000 per pound on the black market.

A study has not yet been conducted to measure cannabis’ economic importance in the region, given the only recent legalization of the product; however, local growers’ organizations report that cannabis is one of the tri-county area’s most important industries. While the region is already famous for its production, distinctive growing areas within the tri-county area will perhaps be highlighted even more so under the new program, designed to divide the cannabis industry into appellations.

The idea behind appellations—a concept borrowed from the wine industry—is to highlight distinctive growing areas and prevent outside producers from capitalizing on the names of those regions as part of their branding. The first step was to get the appellations process written into state law, which happened in late June of 2017, when then California Governor Jerry Brown signed a trailer bill requiring the California Food and Drug Administration (CDFA) to allow county of origin appellations by January 1, 2018. By 2021, the department will create a framework for establishing appellations of standards, practices and varieties for geographic areas. The California Growers Association is now working with the CDFA to set baseline appellation parameters, and Mendocino and Humboldt counties are busy creating an additional set of standards for their own regions.

According to brokers and market participants in the region, the cannabis market may be pulling back a bit in both demand and pricing as the area reaches saturation. In addition, taxes and government restrictions, which came into place after legalization, have put strain on the grower’s financial ability to profit from the crop. However, despite this pull-back, cannabis is still driving the market for land in the region, with a premium placed on properties which has sufficient water sources and water storage capabilities, as well as land with more level topography which is easier to cultivate and more cost-effective for cannabis crops. It is important to note that cannabis related property uses are not permitted within the Coastal Zone.

REGIONAL ANALYSIS CONCLUSION

Humboldt County is employed largely by government work and the trade, transportation, and utilities industry; however, medical institutions and education also employ a large percentage of the area's employment base. While the farm industry does not employ a large percentage of people in the area, the industry is a major source of revenue for the county in both timber and cannabis production. The remote and coastal nature of the region provides an incentive for tourists to visit the area, another source of revenue for the rural county. The unemployment rate has been steadily falling throughout the region since the high in 2011. The population in the county has remained stable with slow increases, and the county profits from a California State University as well. Looking to the future, continued stabilization of the markets is expected.

INDUSTRIAL MARKET

First quarter 2019 Industrial Market data for Humboldt County was obtained from *CoStar Realty Information, Inc.*

VACANCY

At the close of the first quarter 2019, Humboldt County had an industrial inventory of nearly 3 million square-feet according to. Vacancies for the quarter totaled 91,200 square-feet, or 3.1% according to CoStar Realty Information, Inc. This is a 20-basis point increase from the fourth quarter 2018, when the Vacancy Rate was 1.1%. Furthermore, a total of 173,000 square-feet, or 5.8%, was available for lease. Looking forward, CoStar predicts the county wide vacancy rate will steadily climb to 5.9% by the first quarter 2024.

ABSORPTION

Beginning with the third quarter 2015, the absorption rate in the county market has been fairly steady with only two quarters with negative absorption. However, the first quarter 2019 saw a dramatic swing with 58,200 square-feet of negative absorption, the largest single-quarter adjustment in the last decade. Given the limited number of tenant turnover, this data could be skewed by the sale of just one property near Brainard, wherein the seller, an owner/user, vacated the premises to facilitate the sale. CoStar predicts continued negative absorption through the first quarter 2024, though generally less than 2,500 square feet annually.

ASKING RENT

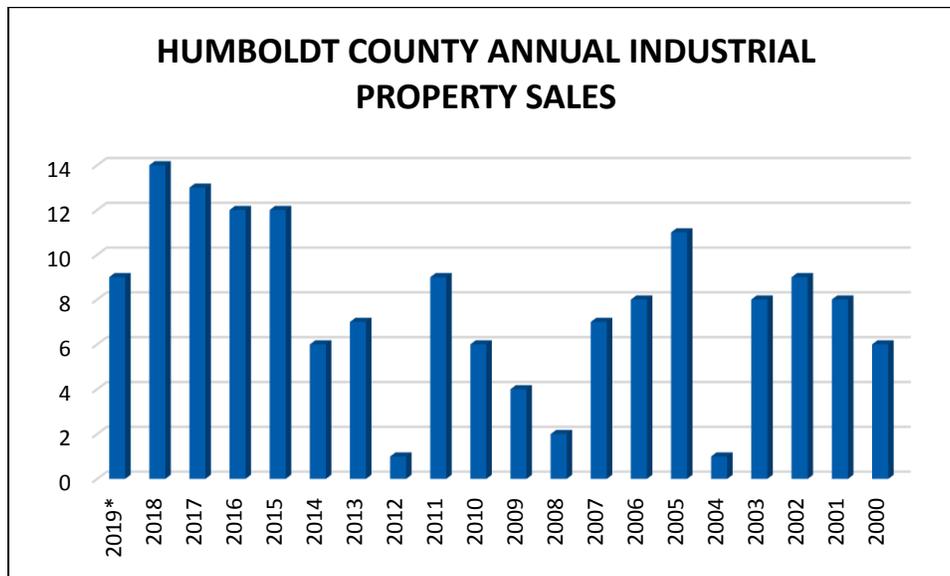
In 2016 the asking rent in the county was below \$5.00 per square-foot. As of the first quarter 2019, the asking rent had increased to nearly \$19.00 per square-foot. However, in light of the negative absorption and increased vacancies last quarter, CoStar predicts the asking rent will fall below \$15.00 per square-foot in the second quarter 2019.

NEW DELIVERIES

Construction of new industrial space in Humboldt County remains a rare occurrence. The most recent delivery, in the first quarter 2018, was for less than 5,000 square-feet. Only two other deliveries occurred during the previous decade, 35,000± square-feet was delivered in the third quarter 2016, and another 2,000± square-feet in the fourth quarter 2011. CoStar anticipates another 2,500± square-feet to be delivered by the end of 2019.

SALES

The Industrial Market in Humboldt County historically has seen few sales annually. Sales information on industrial sales was compiled from data obtained from LandVision. As shown in the following chart, the most active period in the last two decades has been the most recent five years. Through June 11, 2019, the current year has already recorded nine sales, which is on pace to exceed the previous highwater mark of fourteen sales set just last year. The average market time for the 2018 sales was 10.7 months.



Source: LandVision.

Since the latest recession ended, Humboldt County has seen positive growth in the industrial market, with the most recent five-years having the greatest growth. However, it is noted that just one sale of a large industrial complex can affect the quarterly metrics.

INDUSTRIAL MARKET CONCLUSION

There has been some improvement over the past few years with regard to absorption, vacancy and lease rates for commercial and industrial space; however, there has been very little new development in the market area over the last several years. Given the lack of new construction in recent years, demand for new space is expected to increase with continued strengthening of the market. As will be seen in the valuation, there has been moderate sales activity for commercial land in the market, indicating current demand for land available for development. Overall, the neighborhood benefits from its proximity to Eureka and Arcata, proximity to services, as well as exposure and easy access from State Route 101.

DEMOGRAPHIC TRENDS

The subject property is located near the city of Eureka and an analysis of the demographic and housing trends presented by Site to Do Business (STDB) for 2018 (the most recent data available) in the area follows below.

Eureka Neighborhood Demographics			
Population		Income	
2023 Total Population	29,088	2018 Per Capita Income	\$22,408
2018 Total Population	28,333	2018 Median Household Income	\$37,247
2010 Total Population	27,191	2018 Average Household Income	\$53,108
% Population Change 2010-2023	6.98%		
Households		Households by Income (2017)	
		< \$15,000	17.4%
2023 Total Households	11,708	\$15,000-\$24,999	16.4%
2018 Total Households	11,431	\$25,000-\$34,999	13.3%
2010 Total Households	11,150	\$35,000-\$49,999	14.4%
% Households Change 2010-2023	5.00%	\$50,000-\$74,999	16.9%
		\$75,000-\$99,999	10.8%
		\$100,000-\$149,999	7.0%
Housing Tenure (2017)		\$150,000-\$199,999	1.5%
No. of Renters	505,818	\$200,000+	2.2%
No. of Homeowners	637,503		

Source: Site to Do Business.

Population in the city has been rising and was at 28,333 in 2018. This is expected to rise by 2.7% over the next five years. Population is projected to rise from 2010 to 2023 by nearly 7.0% with number of households increasing by 5.0%. Generally, the neighborhood is comprised of more renters than owners in the housing market, which is 51.8% occupied to renters. The 2018 vacancy rate was at 7.1% for the city. According to STDB, the median household income in the city of Eureka was \$37,247. If income levels continue to increase at a similar pace as over the past few years, the median income is projected to reach \$38,636 by 2023, an increase of 3.7% or approximately 0.75% per year.

The median home price in 2018 was reported to be at \$286,807 and is expected to increase to \$294,872 by 2023, a 2.8% increase over the next five years. Overall, housing prices are expected to continue rising, albeit slowly, and are projected to rise proportionally with household income levels in the area.

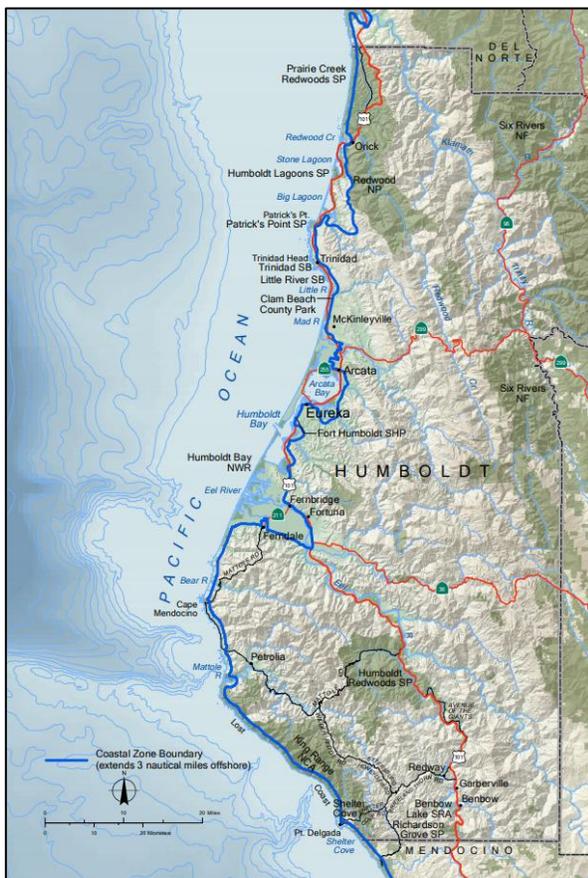
THE HUMBOLDT BAY AREA PLAN

The Humboldt Bay region of Humboldt County has the highest concentration of people, development, and coastal agriculture on the North Coast of California. Humboldt Bay is the second largest estuary and bay in California. The Bay is surrounded by 102 miles of shoreline and several critical regional assets (port/harbor and coastal-dependent infrastructure, U.S. Highway 101, Humboldt Bay Power Plant and

spent nuclear fuel storage facility, two municipal wastewater treatment plants, and miles of various types of utility infrastructure), and several cities and communities that are exposed to sea level rise. The unincorporated portion (85%) of the Humboldt Bay region is located within the Humboldt Bay Area Plan (HBAP) planning area.

The HBAP is one of six coastal plans that comprise the County’s Local Coastal Program. The Humboldt Bay planning area encompasses two incorporated cities, numerous service districts and several private providers of water service. The California Coastal Act requires that all development within the Coastal Zone have a Coastal Development Permit in addition to any other permit required for development by a local or State agency. In most cases, the Coastal Development Permit is issued by Humboldt County. In some cases, specified types of development are exempt from the requirement for a Coastal Development Permit. The plan identifies land uses and standards by which development will be evaluated within the Coastal Zone with the goal of protecting, maintaining, and, where feasible, enhancing or restoring the overall quality of the coastal zone environment and its natural resources.

COASTAL AREA



The California Coastal Commission was established by voter initiative in 1972 (Proposition 20) and later made permanent by the Legislature through adoption of the California Coastal Act of 1976. The Humboldt County area regulated under the Coastal Commission is shown on the map presented here (within the blue outline).

In partnership with coastal cities and counties, The Coastal Commission plans and regulates the use of land and water in the coastal zone. Development activities, which are broadly defined by the Coastal Act to include (among others) construction of buildings, divisions of land, and activities that change the intensity of use of land or public access to coastal waters, generally require a coastal permit from either the Coastal Commission or the local government.

The Coastal Act includes specific policies (see Division 20 of the Public Resources Code) that address issues such as shoreline public access and recreation in addition to many others. The policies of the Coastal

Act constitute the statutory standards applied to planning and regulatory decisions made by the Commission and by local governments, pursuant to the Coastal Act.

Due to the nature of the Coastal Zone, which is specifically mapped by Legislature, areas within the Coastal Zone are more heavily regulated and are required to be approved for development by the Commission.

NEIGHBORHOOD CONCLUSION

The subject's neighborhood is situated in the northwestern portion of Humboldt County, on the east shore of Humboldt Bay within the northeastern section of the city of Eureka. The Bayshore area immediately to the northeast between the cities of Eureka and Arcata is primarily rural in nature, consisting of mostly grazing land and open space, with limited industrial development. The property is located within the Coastal Zone and has been designated under the Humboldt County Bay Area Plan as property which could potentially be impacted by the rise in tide levels. Overall, the neighborhood benefits from its proximity to the bay and to cities such as Eureka and Arcata and the subject benefits from Highway 101 exposure.

IDENTIFICATION OF LARGER PARCEL / PROPERTY DESCRIPTION

DETERMINATION OF LARGER PARCEL

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

We have reviewed ownership records for surrounding properties and there are two parcels found to be under similar ownership identified as APNs 404-141-002 and 501-241-005. Based upon information provided by the client, APNs 404-141-003, 404-141-005 and 501-241-027 are also under similar fee ownership, but were created by the Assessor for assessment purposes for the railroad right of way. The subject larger parcel is concluded to be all the parcels and represents a 23.98± acre property with four signboard structures.

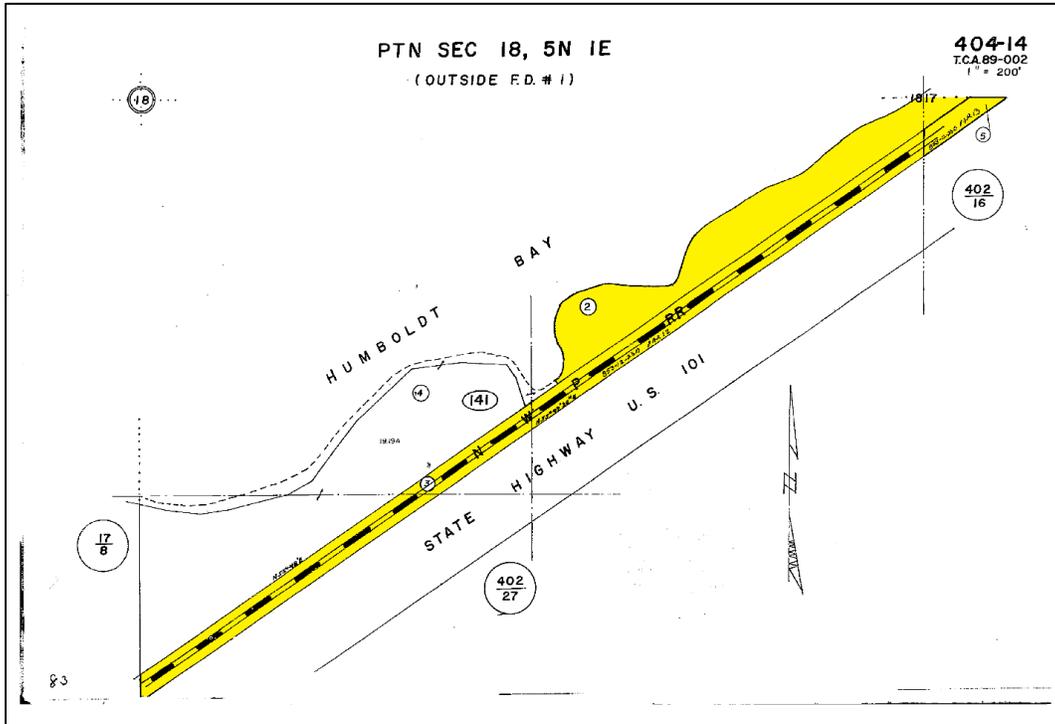
IDENTIFICATION OF PARCEL OWNERSHIP

Property Address	Northeast of Intersection U.S. Highway 101 and Indianola Cutoff Eureka, California 95503
Assessor’s Parcel Numbers	404-141-002, 404-141-003, 404-141-005, 501-241-005, and 501-241-027
Owner	Thomas J. McMurray, Jr. and Gretha E. McMurray, as to a 1/2 interest; and Allpoints Outdoor, Inc. as to a 1/2 interest, according to the Grant Deed Doc# 1995-4245, 1995-6299 and 2018-016675.
Mailing Address (McMurray)	P. O. Box 1032 Eureka, California 95502
Representatives (McMurray)	Thomas McMurray
Telephone (McMurray)	(707) 499-0901
Mailing Address (Allpoints)	3408 Jacobs Avenue Eureka, California 95501
Representatives (Allpoints)	Geoff Wills
Telephone (Allpoints)	(714) 655-0763

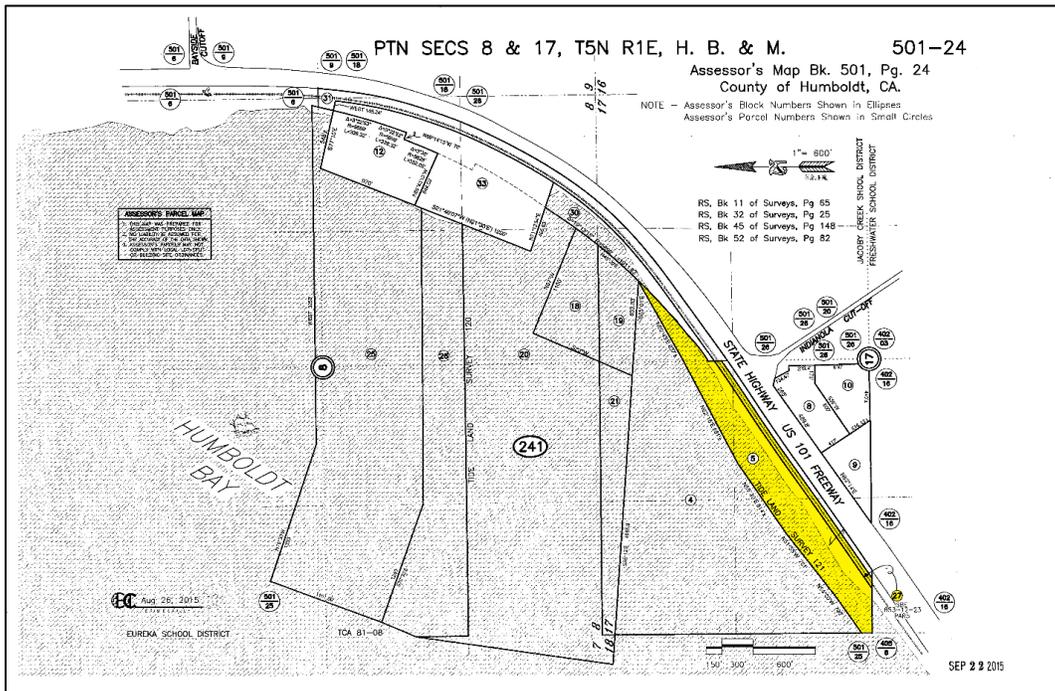
Owner Title of Interest	Encumbered Fee and Fee Simple
Ownership History	<p>The most recent transfer of the property was the ½ interest ownership of the land by Hoff USA Inc. (James Hoff) to Allpoints Outdoor Inc. in September of 2018, Doc#2018-016675. The purchase price was not disclosed; however, Geoff Wills with Allpoints Outdoor Inc. indicated the purchase included the value of the Hoff USA Inc. corporation as well as several other properties and billboard sites in addition to the subject purchase.</p> <p>Due to the limited information regarding this sale we are unable to reconcile the recent purchase with the concluded values in this report.</p> <p>There have been no other transfers of the property within the five years prior to the date of value.</p>
Date of Inspection	June 17, 2019
Date of Value	August 28, 2019, as of the most recent land sales survey.
Date of Report	November 7, 2019

ASSESSOR'S PARCEL MAPS

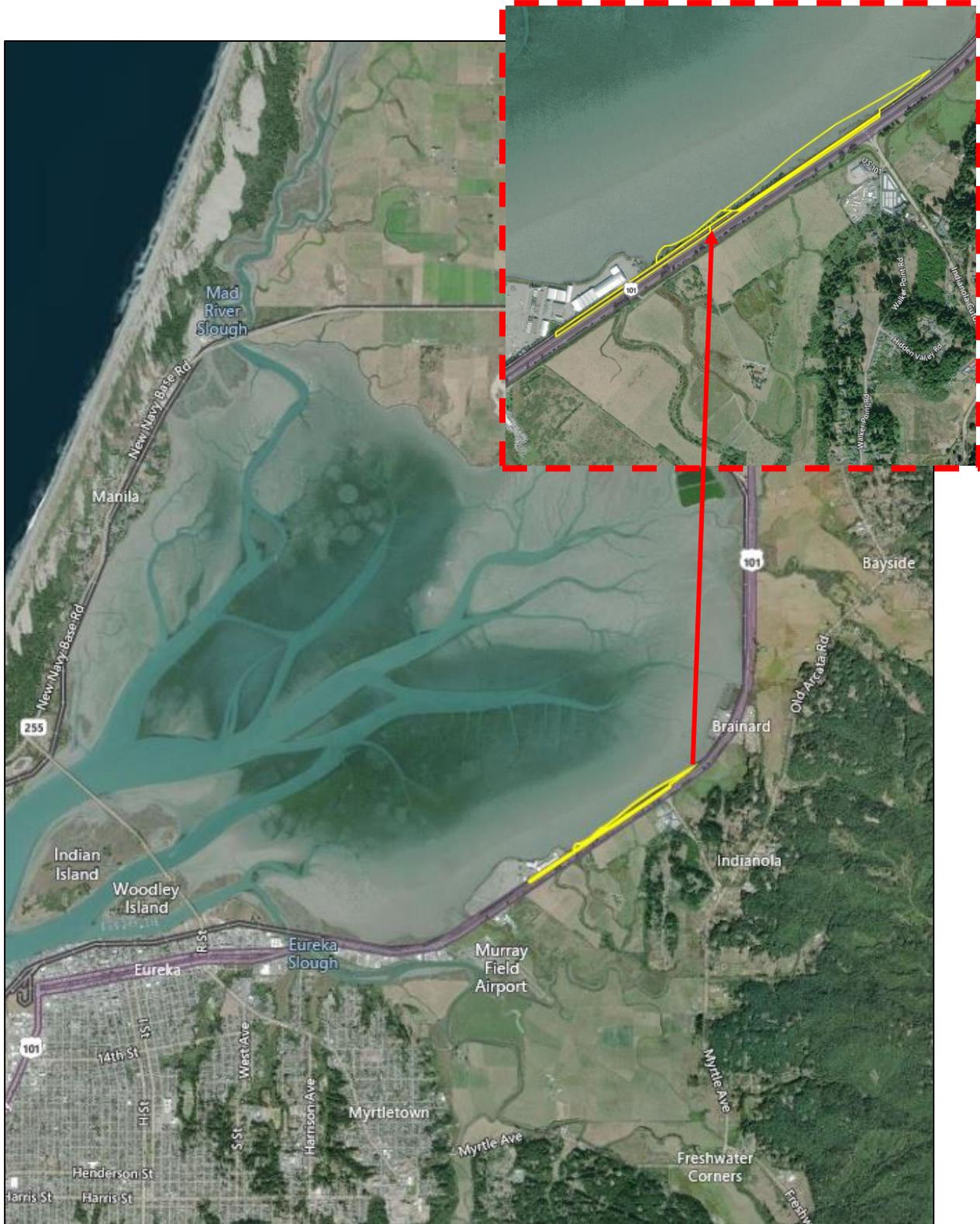
APNS 404-141-002, -003, and -005



APNs: 501-241-005 and -027



AERIAL PHOTOGRAPH



SUBJECT PROPERTY PHOTOGRAPHS



View of subject property facing north, along the northern portion of the site, near the Indianola Cutoff.



View of subject signboard #04567A.

SUBJECT PROPERTY PHOTOGRAPHS



View of subject signboard #04568A.



View of subject signboard #04566A.

SUBJECT PROPERTY PHOTOGRAPHS



View of subject signboard #20690C.



View facing south, of wetlands and railroad areas along the shoreline of the subject property.

SUBJECT PROPERTY PHOTOGRAPHS



View of railroad right of way extending in front of the California Redwood Company property.



View of railroad right of way extending in front of the California Redwood Company property.

LARGER PARCEL DESCRIPTION

Size	23.98± acres (1,044,569± square-feet), according to Humboldt County GIS assessed land areas.
Shape	Irregular
Frontage / Exposure	The subject property has approximately 6,150± linear feet of frontage and exposure along U.S. Highway 101. According to the Caltrans Traffic Counts census, the annual average daily traffic at this location is 37,600 vehicles per day in the southbound direction.
Access	Access to the subject is only available from the U.S. Highway 101 right of way or navigated to from the waters of the bay.
Topography	The property gently slopes from the top of the railroad/U.S. Highway 101 causeway down into Humboldt Bay.
Utilities	There are overhead power lines at the southernmost portion of the site, where utilities have been developed to the adjacent California Redwood Company, but no utilities have been developed to the subject.
Soil Conditions	No specific soil or subsoil stability survey was provided to the appraisers for the subject property. Full analysis of the soil is typically assessed prior to construction of an improvement.
Zoning	NR/D, W, Natural Resources/Other Airport Environs, Coastal Wetlands. The Natural Resources zone allows for fish and wildlife habitat management. Conditionally permitted uses include: Minor Utilities, oil and gas pipelines, major electrical distribution lines, major and minor generation and distribution facilities, aquaculture, surface mining, watershed management, wetland management, boating facilities, resource-related recreation and coastal access facilities.

The purpose of the Coastal Wetland provisions is to establish regulations to provide that any development in coastal wetlands will not degrade the wetland but will maintain optimum populations of marine or freshwater organisms and, where feasible, will enhance wetland resources. These areas have significant restrictions to the allowed use and given the limitations to the utility, the property is valued as recreational open space.

The property is located in the Coastal Zone and also has combining zone of Airport Runway Protection Zone.

Airport/Land Use Safety Compatibility Criteria for the Airport Runway Protection Zone prohibits dwelling units and assembly of persons, with 10 persons per acre maximum allowed with property uses. There are also restrictions to tall signs, large trees and building height. Based on the recreational open space use of the property, these restrictions do not appear to have a significant impact on the existing use of the property.

Special Plan

Humboldt Bay Area Plan (HBAP)

The California Coastal Act requires that all development within the Coastal Zone have a Coastal Development Permit in addition to any other permit required for development by a local or State agency. In most cases, the Coastal Development Permit is issued by Humboldt County.

General Plan Designation

MG, General Industrial and NR, Natural Resource,

NR, Natural Resources adjacent to the wetland areas and MG, Industrial adjacent to the Industrial developed area near the southern end of the property.

Improvements

The property is developed with four advertisement signboards along the northwest frontage of southbound Highway 101. Since the billboards are impacted by the acquisition, this appraisal includes the value to the landowner for the signboard land leases.

Lease or Rental Status

There is a total of four Outfront signboards on the subject property which generate ground lease income to the landowners. The lease term from the most recent lease modification is from August 1, 2008 for thirty-five years (expiring on August 1, 2043). Lease payments are \$600/year per billboard or 40% (forty percent) of gross income, whichever is greater.

Analysis of the income will be presented in the valuation section of the report.

Easements

According to the preliminary title report the subject is encumbered with various easements including railroad right of way, conditions regarding drainage facilities and crossings, embankment slopes and utility easements. The easements and encumbrances, together with the zoning and topography of the site significantly limit the utility of the property. The highest and best use of the site and the concluded value will take into consideration the limited utility of the larger parcel due to these legal and physical issues.

It is noted that the Humboldt County Assessor's Office subdivided the parcels impacted by the railroad right of way into APNs 404-141-003, 404-141-005, and 501-241-027.

Encroachments

None were noted or reported.

Private Restrictions

None known to exist, other than the restrictions already noted in the easements section from the review of the title report.

Flood Zone

The property is within Zone AE, an area inundated by 1% annual chance flooding, for which a base flood elevation (BFE) of 11-feet has been determined. FEMA Flood Map Community Panel No 06023C0855G, effective date June 21, 2017.

Wetlands

The subject property has areas that have been delineated by the county as Coastal Wetlands and a significant portion of the property is within the waters of the bay. The presence of wetland areas is common in this area, particularly parcels that front waterways and this will be considered in the highest and best use of the property and overall value conclusion.

Seismic Information

Humboldt County is located within a seismically active area of California. It is in the two highest seismic risk zones of the Uniform Building Code, and Cape Mendocino experiences the highest concentration of earthquake events in the continental United States. In addition to causing ground shaking, an earthquake can trigger other natural disasters such as fire, landslides, and flooding, resulting in loss of life and extensive property damage. Seismic hazards in the county include earthquake ground shaking, surface fault rupture, liquefaction, and tsunami potential in the coastal zone areas. Geologic hazards not specifically related to earthquakes include landslides and soil stability.

According to County seismic safety maps the subject property is in an area determined to have relatively stable slopes. However, the area is prone to liquefaction.

Cultural Recreational and Historic Significance

None known or suspected to be present.

Toxic Hazards

The client did not provide a Phase 1 Environmental Site Assessment Report.

The appraiser did not observe any unusual conditions while performing the inspection. Furthermore, a review of the State of California website for ground water contaminants, GeoTracker, revealed no open cases on site. However, Bender Rosenthal, Inc. and the representatives thereof, are not experts in this field. Please refer to Item 16 of the Assumptions and Limiting Conditions.

Property Tax Data and Projected Taxes

Property taxes are current for the subject property. County Assessor’s records show the following assessed values (2018-2019 tax year) and taxes, including direct levies and special assessments.

Only subject APNs 404-141-002 and 501-241-005 are included in the tax table on the following page, as the owner is not assessed taxes on the balance of the railroad parcels.

Tax Code Areas 081 066 & 102 003	Total
Land Value	\$7,359.00
Structural Improvements	\$0.00
Fixed Improvements	\$0.00
Personal Property	\$0.00
Exceptions	\$0.00
Total Assessed Value	\$7,359.00
Base Tax Rate	1.08181%
Base Taxes	\$79.61
Special Assessments	
ARCATA FIRE TAX 1997	\$5.00
ARCATA FIRE ASMT	\$22.00
Total Special Assessments	\$27.00
Total Tax Amount	\$106.61
Late Fees	\$0.00
Effective Tax Rate	1.448702%
Total Paid	\$106.61

The property taxes and assessments paid are typical in the Humboldt County market and no adjustment is warranted for atypical taxes.

OVERALL COMMENTS

The subject is comprised of five parcels totaling 23.98± acres located on the southeast shore of Humboldt Bay, northeast of the City of Eureka. The parcels consist of shoreline habitat and railroad right of way, and are improved with four billboards, which have unobstructed views from southbound U.S. Highway 101, also known as the safety corridor. Rights to the railroad right of way are currently held by North Coast Railroad Authority (NCRA). Public utilities are not developed to the parcels and the property enjoys direct access to Humboldt Bay and is a short distance to central Eureka and the City of Arcata, California. Slightly negative features of the property are that the lower elevation of the site is within a flood hazard area, which is prone to flooding due to Humboldt Bay and rising tides. Although the property has a long, irregular shape, this does not appear to negatively impact the utility of the site for recreational open space and billboard income and it is believed the property would have good market appeal.

PROJECT DESCRIPTION AND PROPOSED ACQUISITION

DESCRIPTION OF THE PROJECT

The Humboldt Bay Trail is envisioned as a network of trails providing non-motorized access for transportation and recreational use throughout the Humboldt Bay region. The Humboldt Bay Trail is being developed as a collaborative effort between the Humboldt County Association of Governments Humboldt County, City of Arcata, City of Eureka, California Department of Transportation (Caltrans), State Coastal Conservancy, North Coast Railroad Authority (NCRA), and a variety of other agencies and organizations.

The current focus is on developing a continuous trail from central Arcata to south Eureka over the next several years for a total length of approximately 13 miles. Public support is high for a trail between the two largest cities in Humboldt County, and the project has been a regional priority for many years.

The portion of the Humboldt Bay Trail between Eureka and Arcata is proposed to be situated within the U.S. Highway 101 and railroad transportation corridors, apart from the subject property. The portion of the trail in the area of the subject will use the railroad right of way. The trail is being developed in conjunction with the Highway 101 Eureka-Arcata Corridor Improvement Project, which will improve highway safety and operations at six at-grade intersections and has been a regional priority since 2000. Completion of the Humboldt Bay Trail between Eureka and Arcata was made a permit condition by the California Coastal Commission in September 2013. In addition to improving transportation safety and making Highway 101 corridor a “complete street,” the proposed Humboldt Bay Trail will achieve a critical link in the state-wide California Coastal Trail. The trail project also provides an opportunity to improve and stabilize the deteriorating railroad grade.

As such, the Humboldt Bay Trail reflects a convergence of State mandates and represents an opportunity to partner with multiple agencies to leverage funding sources in order to provide transportation, recreation, and coastal access opportunities.

HUMBOLDT BAY TRAIL SOUTH

The Humboldt Bay Trail – Bay Trail South Project, as updated in County Job Number 11110166, revision B, dated February 26, 2018, extends approximately 3.9 miles along the east shore of Humboldt Bay from Eureka Slough to just north of the Bracut Industrial Center in unincorporated Humboldt County. With the exception of the bayside detour around the edge of the California Redwood Company property, the trail parallels the U.S. Highway 101 and railroad transportation corridors. Just north of the California Redwood Company property the trail will leave the landside, cross a small portion of the bay and a bridge will be built to connect the trail to the levee berm along the outside edge of the California Redwood Company property and will follow along the berm edge of the property until it will once again join up and parallel the U.S. Highway 101 and railroad transportation corridors to the south.

The trail will consist of a 10-foot paved class 1 path with 2-foot gravel shoulders and a 42” safety railing along the edges of the shoulder areas.

DESCRIPTION OF THE PROPOSED ACQUISITION

The County requires a fee acquisition of 961,539± square feet (22.07 acres) for trail corridor and shoreline protection. The acquisition area is the entirety of the property located between the bay and Highway 101, which includes the land, railroad corridor and the four billboards, with a small portion of the railroad parcel remaining in the after condition in front of the California Redwood Company property, where the trail deviates from the highway frontage and follows the berm around the California Redwood Company property.

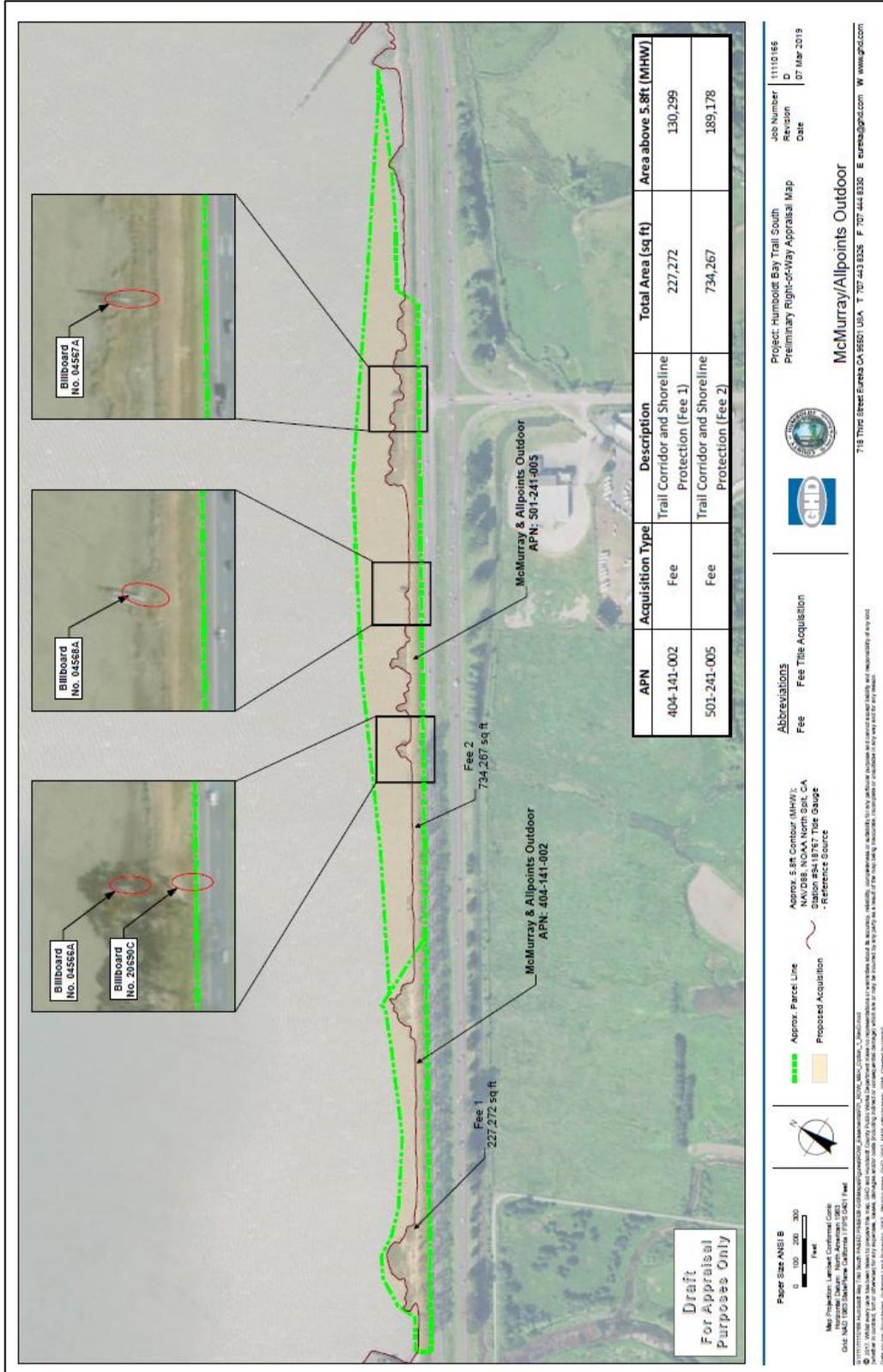
A summary of the planned acquisition follows:

Land Required						
Larger Parcel	23.98	±	AC	1,044,569	±	SF
Fee Acquisition	22.07	±	AC	961,539	±	SF
Remainder Parcel	1.91	±	AC	83,030	±	SF

Source: Humboldt County GIS land sizes and Right Of Way Map provided by client.

The following is a map which presents the location of the proposed fee acquisition, which also identifies the locations of the billboards.

RIGHT-OF-WAY MAP



DESCRIPTION OF THE REMAINDER

In the after condition the remainder will consist of a small, 1.91± acre remnant of the railroad corridor encumbered by railroad right-of-way easement. The remainder parcel will have similar potential recreational open space use as in the before condition given the existing encumbrances and this use will be enhanced by the new trail improvements, with no changes to the highest and best use of the remainder as a result of the project.

HIGHEST AND BEST USE ANALYSIS

Highest and best use may be defined as the reasonably probable use of property that results in the highest value.

There are four criteria used in the highest and best use analysis process. These are:

1. Legally Permissible Use

What uses are permitted legally under existing zoning, building codes, historic district controls, environmental regulations, deed (private) restrictions, and long-term lease provisions on the site in question?

2. Physically Possible Use

What uses of the site are physically possible, given its size, shape, area, terrain, soils composition, accessibility, assembly potential, and risk potential from natural disasters?

3. Financially Feasible Use

Which possible and permissible uses will produce a positive net return to the owner of the property?

4. Maximally Productive Use

Among the feasible uses, which use will produce the highest residual land value consistent with the rate of return warranted by the market for that use?

HIGHEST AND BEST USE OF THE SITE, AS VACANT

LEGALLY PERMISSIBLE USES

Possible uses are constrained by legal restrictions on a property both private and public. The General Plan designation for the property is primarily NR, Natural Resources between the bay and highway and MG, Industrial along the small strip of railroad corridor that is adjacent to the industrial developed area near the southern end of the property.

The Humboldt County Zoning Ordinance is the primary implementation tool for regulating more precise land use and development standards. According to the County's Zoning Ordinance, the subject is zoned NR/D, W, Natural Resources/Other Airport Environs, Coastal Wetlands. The Natural Resources zone allows for fish and wildlife habitat management. Conditionally permitted uses include: Minor Utilities, oil and gas pipelines, major electrical distribution lines, major and minor generation and distribution facilities, aquaculture, surface mining, watershed management, wetland management, boating facilities, resource-related recreation and coastal access facilities.

The purpose of the Coastal Wetland provisions is to establish regulations to provide that any development in coastal wetlands will not degrade the wetland but will maintain optimum populations of marine or freshwater organisms and, where feasible, will enhance wetland resources.

Due to the zoning on the property, the concluded legally permissible use of the property as vacant is for recreational open space.

PHYSICALLY POSSIBLE USES

The size, topography, and location of the subject are important factors in determining the use of the property. The size of the site can significantly affect the type of development that is possible, as the “economies of scale” notion often comes into play. The subject larger parcel totals 23.98 acres in size, which is large enough to facilitate the legally permissible use. A significant portion of the property (approximately 61%) is below the 5.8-foot mean highwater mark and subject to tidal waters and flooding, with portions within the bay as well as wetland areas which cannot be developed. These areas are restricted to open space wetland uses, which is the most physically possible use. The railroad corridor portions of the property are also restricted from development and take on similar characteristics as the adjacent open space lands, which is also the most physically possible use given the current encumbrances.

FINANCIALLY FEASIBLE / MAXIMALLY PRODUCTIVE USES

A proposed property improvement must be able to deliver an income return that, in turn, generates a market value sufficient to pay for the developmental costs, the undertaking of the risks involved, and a profit appropriate for the development.

Due to the physical and legal restrictions on development, the financially feasible and maximally productive use of the property as vacant is concluded as recreational open space use.

HIGHEST AND BEST USE OF THE SITE AS IF VACANT – CONCLUSION

Considering all the preceding factors, the highest and best use of the subject as vacant is concluded as recreational open space use

HIGHEST AND BEST USE OF THE SITE AS IMPROVED

The subject property is improved with four billboards (with Caltrans permits), which are on ground leases with CBS Outdoor Inc. The subject has significant frontage along Highway 101 with good exposure from the southbound lanes and approximately 37,600 vehicles travel this route as surveyed by Caltrans. Caltrans recently removed ten billboards along U.S. Highway 101 between Eureka and Arcata to meet one of the California Coastal Commission’s conditions for permitting the Eureka-Arcata Route 101 Corridor Improvement Project. The Eureka-Arcata Route 101 Corridor Improvement Project is a safety project to reduce collisions at intersections on Route 101 and has been a regional priority for several years. The Coastal Commission, in its Consistency Certification, required removing billboards in the Coastal Zone, to the maximum extent feasible, to mitigate the proposed project’s visual impacts at Indianola Cutoff. Additional permits for billboards on the subject property is highly unlikely to be approved.

The removal of several billboards proximate to the subject has increased tenant demand at the subject's location. Billboard rents have been increasing with the decrease in supply and according to Geoff Wills with Allpoints, land rents are typically 15% to 25% of billboard income; the subject is leased above market at 40% of the billboard income and has full occupancy along with a waiting list of local and national tenants.

The current billboards provide good income to the property and appear to be the only evident economic use present in the market. As will be seen in the valuation utilizing the Income Approach, the value of the income stream from the ground leases far exceeds the value of the land as if vacant open space and therefore the highest and best use of the property as improved is concluded as a use for highway billboard advertisement.

HIGHEST AND BEST USE OF THE REMAINDER

The project proposes to acquire a large portion of the subject property in fee for shoreline protection and the construction of a multi-use trail. The acquisition area consists of the open space/wetland areas, railroad corridor and the areas leased for the four billboard improvements. The remainder will consist of a small, 1.91± acre remnant of the railroad corridor encumbered by railroad right-of-way easement. The remainder parcel will have similar recreational open space use as in the before condition given the existing encumbrances and this use will be slightly enhanced by the new trail improvements, with no changes to the highest and best use of this remainder area as a result of the project. The highest and best use of the remainder parcel as if vacant remains the same as in the "before" condition, for recreational open space use.

VALUATION

VALUATION PREMISE

The subject is comprised of a 23.98± acre open space property fronting Humboldt Bay. The property has a significant portion (61%) of the site that is below the mean highwater level and/or within the waters of the bay. The dry areas of the site have significant frontage and exposure along Highway 101 and four permitted billboards providing land rent income.

The three accepted approaches to value are the Sales Comparison Approach, the Income Approach and the Cost Approach. To determine the value of the larger parcel, we utilize the Income Approach to value the property with income from the ground leases for the improvements. We were unable to find sales of land with ground leases similar to the subject for direct comparison and therefore have not used the Sales Comparison to value the subject as improved. The Sales Comparison Approach is utilized to estimate the contributory value of the land only. The Sales Comparison Approach compares the subject property to other vacant sites that have recently sold in the market area and is usually the preferred method of valuation when comparable sales data are available. All properties were compared based on a price per square foot unit value, consistent with the market.

The Caltrans Outdoor Advertising Signs Schedule, as required by the Caltrans R/W Manual, provides initially for the removal of the ODA structures. The value of the signboard and goodwill resulting from the advertising revenue is not valued in a real property appraisal.

Once the larger parcel value opinion is concluded we then develop an opinion of the fair market value assuming a partial acquisition that includes the land and improvements in the acquisition area, then severance damages and benefits associated with the proposed acquisition.

VALUATION OF THE LARGER PARCEL

BILLBOARD LAND LEASES

There are a total of four Outfront Inc. signboards on the subject property which generate ground lease income to the land owners. The lease term from the most recent lease modification is from August 1, 2008 for thirty-five years (expiring on August 1, 2043). Lease payments are \$600/year per billboard or 40% (forty percent) of gross income, whichever is greater. The following chart provides the income generated for the 2018-2019 lease year for each board.

Board #	Annual Income	Percentage	2018 - 2019 Rental Income
4566A	\$12,849.00	40%	\$5,139.60
4567A	\$22,800.00	40%	\$9,120.00
4568A	\$18,119.00	40%	\$7,247.60
20690C	\$9,496.00	40%	\$3,798.40
Total Paid			\$25,305.60

In addition, the owner noted that board #20690C has been leased to a local business owner for over ten years and is well below market and up for renegotiation this month. The board rent is being increased to \$26,000 and the owner has a letter of intent from another tenant on the waiting list for \$28,000 per year if the current tenant decides to vacate rather than renew at the new rate. It is likely that the current tenant will renew the lease at the new rate given the decrease in supply of boards and current rates. The board leases have annual increases of approximately 5%. According to the owner, the stated income is a year old. We have not been provided with copies of the billboard contracts and although requested, do not have information on contract renewal dates or current income information. Utilizing last year's income and adjusting for the market rent for board #20690C as well as typical annual increases of 5% for the rest of the boards indicates a total land rent income for the current year of \$32,983 as shown below.

Board #	Annual Income	Percentage	2019 - 2020 Rental Income
4566A	\$13,491.45	40%	\$5,397
4567A	\$23,940.00	40%	\$9,576
4568A	\$19,024.95	40%	\$7,610
20690C	\$26,000.00	40%	\$10,400
Total			\$32,983

Typically, the sign company has the right to terminate the lease or be entitled to rental rate reduction with 15-30 days' notice if any of the following conditions exist: Diversion of traffic occurs; permit cannot be obtained/maintained; sign becomes obstructed from view or destroyed; advertising value of structure is diminished; sign company is unable to sell advertising space on the sign for 90 days, and other conditions at the sole discretion of the sign company. The appraiser's research indicates that lease cancellations, particularly in good locations such as a highway, are rare. Lease renewals after the initial lease period are the norm with a renewal rate above 90%, according to an appraiser who specializes in these situations.

Whether or not this rental rate is consistent with a market rate must be considered. The subject's lease rates were stated as between approximately \$13,500 and up to \$26,000 for the new negotiated lease. Leases observed in the Eureka market along Highway 101 range from \$12,000 to \$25,000 per year depending on location and the subject owner indicated a letter of intent for \$28,000 on his waiting list.

The subject boards are located along one of the highest traffic exposure areas along Highway 101, with an average of 37,600 vehicles per day. The tenants are a mix of local and national tenants, including Les Schwab and Chevron.

There has also been a significant increase in demand and decrease in supply with Caltrans having removed ten signboards along this corridor in recent years for a pending highway project. According to the property owner, he anticipates rents will continue to climb significantly and the income to the land leases is anticipated to be at \$50,000 by 2020.

The appraiser's research suggests that it is fairly common for lease rates to vary significantly and ultimately what the sign owner is willing to pay the property owner is a function of the advertising revenue the sign owner is able to generate. Given the actual leases in place (which most have been in place for several years), and considering the location of the subject signboards, the annual rents are concluded to be a market rental rate.

The appraiser recognizes that the quality of the income stream associated with the signboards is different than an improved commercial property. Given the lack of management and operating costs associated with the income stream, typically a capitalization rate would typically be toward the lower end of observed capitalization rates in the commercial market. Capitalization rates for real estate are currently in the 5%-8% range depending upon asset class, quality of the income stream, and financial strength of the tenant. Based on this discussion and analysis, a capitalization rate of 6% is considered reasonable.

Dividing the annual projected net income from the ground leases by the concluded capitalization rate yields the following present value of the projected income stream associated with the signboards.

Annual Net Income	\$	32,983
Divided by Capitalization Rate		6.00%
Present Value	\$	549,717
Rounded Value	\$	550,000

CONTRIBUTORY VALUE OF THE LAND ONLY

The Sales Comparison Approach involves direct comparison of the appraised property with other properties that have sold or have been offered for sale in the open, competitive market. This approach is based upon the principle that a prudent investor would pay no more for real property than the cost of acquiring an equally desirable substitute property of similar utility. While buyers of income-producing properties typically focus on a property's economic characteristics, sales of similar properties analyzed from a physical viewpoint (i.e., based on price per acre or per square foot) can indicate value patterns and trends in the market.

The Sales Comparison Approach requires several steps. They include:

- Researching the market for information on sales transactions, listings, and offers to purchase or sell involving properties that are similar to the subject property.
- Verifying the information by confirming that the data are factually accurate and that the transactions reflect arm's-length, market considerations.
- Selecting the relevant units of comparison and develop a comparative analysis for each.
- Comparing sale properties with the subject property using the elements of comparison and adjust the price of each relative to the subject property.
- Reconciling the various value indications produced from the analysis of comparable sales into a single value indication or a range of values.

In the Sales Comparison Approach to value, the subject property should be compared to other similar properties that have recently sold in the market area or competing market areas. A concerted effort was made to locate properties that have similar utility as the subject, for open space.

A map of the comparable land sales and summary table are on the following pages, followed by a discussion of the comparable sales and comparison to the subject property.

COMPARABLE OPEN SPACE LAND SALES TABLE AND MAP

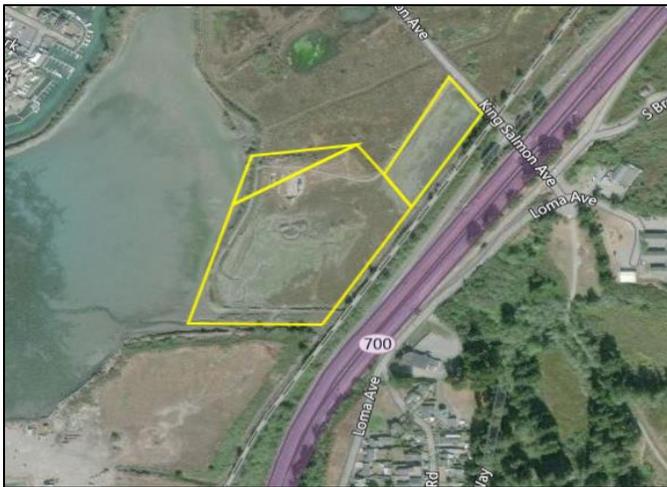
Sale #	Location	Seller	Sale Date	Zoning	Size Acres	Sale Price
DC #	APN No.(s)	Buyer	Doc #	Flood Zone		
LS-1	1938 King Salmon Avenue Eureka, CA	Allpoints Outdoor Inc.	9/2018	CR/C,W,F	14.22± AC	\$47,000
4264	APNs: 305-162-006, -008 and -011	Humboldt Bay Harbor Recreation & Conservation District	201817810	AE	619,493± SF	\$0.08
LS-2	South Bank of Elk River Eureka CA	Allpoints Outdoor Inc.	8/2018	CA	1.26± AC	\$30,000
4262	APN: 302-181-039	City of Eureka	2018015640	AE	54,886± SF	\$0.55
LS-3	End of Scenic Drive Trinidad, CA	Green Diamond Resource Company	4/2015	PR/W,D,B	15.07± AC	\$120,000
4481	APN: 513-171-009	Trinidad Coastal Land Trust	2015008162-03	AE & X	656,640± SF	\$0.18
LS-4	2201 W Manthey Road Lathrop, CA	Solara Investment Advisors, LLC	1/2015	UR	29.26± AC	\$180,000
843	APN: 213-280-09	Anthony Alegre Shandi Alegre Trust	201508757	AE	1,274,566± SF	\$0.14
SUBJECT	U.S. Highway 101 Eureka, CA	Appraisal	---	NR/D,W	23.98± AC	-----
	APNs: 404-141-002, -003, -005, 501-241-005 and -027			AE	1,044,569± SF	



DISCUSSION OF SALE COMPARABLES

Property rights and financing are all similar for these sales. Although there are several years in between these sales, open space land does not transact often and is less sensitive to market condition changes; market conditions are all considered similar.

The elements of comparison include property conditions of sale (motivation), location, physical characteristics (including access, topography, overall utility), and the overall appeal of the property for open space use. The comparables are then analyzed to determine the relative position of the subject property within the array of unit prices. A discussion of the comparable sales follows.



Comparable Land Sale 1

This is the sale of a 14.22-acre site located just east of the shoreline of Humboldt Bay, northwesterly of the railroad right of way and U.S. Highway 101, and southwesterly of King Salmon Avenue. According to the seller, Geoff Wills, President of Allpoints Outdoor, Inc., the Humboldt Bay Harbor Recreation & Conservation District approached him directly for the purchase of his property for use as mitigation land due to the tidal and wetland components of his property along the

outskirts of the bay. The property sold in September of 2018 for \$47,000, or \$0.08 per square foot in an all-cash transaction. The Humboldt County General Plan designates the property as MR/CR - Resource Dependent and Commercial Recreation, and the zoning is CR/C,W,F - Commercial Recreation, with combining districts of Coastal Resource Dependent, Coastal Wetlands, and Flood Hazard Areas with flood zone AE. Topographic maps illustrate generally flat lying site topography, with minor surface elevation variances typical of tidal flat and salt marsh topography. Pacific Gas & Electric's Humboldt Bay Power Plant (HBPP), an active nuclear decommissioning project, as well as Humboldt Bay Generating Station (HBGS), an active natural gas-powered electrical generating station, adjoins parcel 305-162-008 to the north. The Generating Station site is undergoing a significant restoration, including increased natural habitats, as part of the conversion to a natural gas powered facility. The portion of APN 305-131-035 adjoining the parcel is occupied by a saltwater marsh and slough. A narrow parcel (APN 305-131-003), zoned railroad, adjoins parcel 305-162-008 to the northeast; the railroad is currently inactive. The adjoining parcel to the south (APN 305-171-015) is zoned industrial coastal dependent and is the location of shipping docks. The site is an active leaking underground storage tank cleanup site (Humboldt Bay Forest Products, North Coast Regional Water Quality Control Board [RWQCB] case number 1THU743) that currently has several buildings, multiple vehicles, and equipment stored onsite, and multiple stockpiles and numerous debris

piles. Mr. Wills, the seller, reported he was not aware of any environmental cleanup lien or activity and use limitation (AUL) associated with his property; and indicated the property value was not reduced due to environmental concerns.

Topography of this site has some similar elements to the subject with significant Highway 101 exposure, tidal flat and salt marsh lands; however, the location of this site in the King Salmon area is considered inferior for open space primarily due to the lack of direct bay frontage, the heavy industrial feel of the area and less appealing recreational use of the site. This sale is considered inferior and indicates a value above \$0.08 per square foot for the subject open space land.

Comparable Land Sale 2

This is the sale of a 50-foot wide narrow strip of land (1.26-acres) on the south bank of Elk River Slough between the railroad right of way and U.S. Highway 101 in Eureka. According to the seller, Geoff Wills, President of Allpoints Outdoor, Inc., the City of Eureka approached him directly for the purchase of his property for use as open space/mitigation land. According to City documents, the property was purchased for the Elk River Estuary/Inter-



Tidal Wetlands Enhancement and Coastal Access Project. Elk River Slough includes inter-tidal channels, salt marsh, windblown sand deposits, and riparian forest. The portion that was purchased by the city is predominantly salt marsh and has no independent public access. The property sold in August of 2018 for \$30,000, or \$0.55 per square foot in an all-cash transaction (not verified in public record as no transfer tax is collected for city purchases). The City of Eureka General Plan designates the property as NR, Natural Resource, and the zoning is CA, Coastal Agriculture. Topography is a gentle slope down to the river; the shape is somewhat rectangular and the site is in a flood zone designated AE.

This site has tidal wetland components similar to the subject, but is significantly smaller in size, which puts upward pressure on the unit price (1.26 acres vs. 23.98 acres for the subject) and has significantly less portions of the property under water, indicating a much lower unit value for the subject. This is slightly offset by the lack of access, location (slough frontage vs. Humboldt Bay) and inferior appeal for recreational open space use. Overall, this comparable is superior after considering the slightly inferior attributes versus the more offsetting superior size and greater portions above the water level, indicating a value for the subject open space below \$0.55 per square foot.



Comparable Land Sale 3

This is the sale of a 15.07-acre parcel located above Moonstone Beach and the Little River estuary, at the south end of Scenic Drive in Trinidad, California. This property sold in April of 2015 for \$120,000 or \$0.18 per square foot in an all-cash transaction. We were unable to confirm details of this transaction with the buyers or sellers but have verified the sales information through recorded documents as well as the buyer's online website regarding the intent of the purchase. The property was purchased by the Trinidad Coastal Land Trust, a non-profit group organized by volunteers and landowners for public access, recreation and open space protections.

This property adjoins the Little River State Beach and the buyers propose this property to be utilized for the California Coastal Trail. They are currently seeking funding for a new trail and pedestrian/ bicycle/ equestrian bridge to be constructed across the Little River. This new trail will connect the existing Hammond Trail in McKinleyville to Trinidad's scenic coast and public trails.

The Humboldt County General Plan designates the property as PR - Public Recreation, and the zoning is PR/W,D,B – Public Recreation, with combining districts of Coastal Wetlands, Beach and Dune Areas and Design Review. Topography has tree coverage and steep slopes from near Highway 101 down to the beach and river at the lower elevation of the site. The lot is nearly rectangular in shape and the property is in Flood Zone AE in the lower elevation and X in the higher elevation.

This site has significant portions of the property that are below water, similar to the subject, but the site is bifurcated by the Little River on the lower elevation and has significant slopes from the access point at Scenic Drive down to the river, making most of the site difficult to access for recreational and open space uses. For these reasons, this comparable is considered inferior to the subject, indicating a value above \$0.18 per square foot for the subject open space land.

Comparable Land Sale 4

This is the sale of 29.26 acres of vacant land in San Joaquin County. The property lies at the southwestern border of the Lathrop city boundaries, to the north of Interstate 5. The property is irregular in shape, conforming to flood control channels which border its eastern side. The property is surrounded by mostly agricultural land and has good access from West Manthey Road. The property is zoned Urban Reserve, which can be used for some agricultural purposes, grazing, flood control channels, and only allows building if the site meets development standards. This property is zoned urban reserve due to it being in a flood zone AE and adjacent to the flood control channels. The broker reported that the land flooded twice every ten years, and while it would be possible to plant some crops on the land, it is mostly unusable and unbuildable. The site does have good access to water via a river pump which also was available at the time of sale, and 100% of the soil has an irrigated capability class II. However, it was reported that due to the restrictions, the buyers intended to keep the property open space, using it for gravel deposits. The property sold in January of 2015 for \$180,000, or \$0.14 per square foot.



This property is similar in size to the subject larger parcel and has similar restrictions to development. Although this property has interstate frontage and limited utility for agricultural and gravel yard uses, this property does not have a waterfront location and is significantly inferior for open space and recreational use. A value well above \$0.14 per square foot is considered appropriate for the subject open space.

OPEN SPACE LAND VALUE CONCLUSION

Based on the previous discussion, the comparable sales indicate a bracketed value range for the subject from approximately \$0.18 to \$0.55 per square foot as shown in the following table.

Comp No.	Subject Value Less Than / Greater Than	Sale Price / SF	Sale Date	Parcel Size (Acres)
LS-2	<	\$0.55	8/2018	1.26±
<i>Subject Range from \$0.18 to \$0.55 per SF</i>				
LS-3	>	\$0.18	4/2015	15.07±
LS-4	>	\$0.14	1/2015	29.26±
LS-1	>	\$0.08	9/2018	14.22±

After qualitative analysis, the subject property is bracketed by inferior Land Sale 3 (\$0.18/SF) and significantly superior Land Sale 2 (\$0.55/SF). Land Sale 3 at the low end of the indicated range is inferior primarily due to topography, with inferior access for recreation and open space uses but similar to the subject, has significant portions of the property below water and subject to rising tides. Land Sale 2 is similar in shape and has several superior and inferior characteristics, but is superior due to the significantly smaller size and most of this parcel is not under water. Considering a significant portion of the subject property is below the 5.8-foot MHW level, greater emphasis is placed on Sale 3. Given the subject's significant bay frontage and appeal for recreational open space, a value above this indicator is concluded at \$0.25 per square foot for the subject's open space land value.

Contributory Value of the Land Only			
1,044,569 square feet x \$0.25/SF	=	\$	261,142

The value attributable to the land lease income is calculated as follows:

Value of the Larger Parcel		\$	550,000
Less: Contributory Value of the Land Only	-	\$	<u>261,142</u>
Value Attributable to the Land Lease Income		\$	288,858

IMPACTED SITE IMPROVEMENTS

The value of the signboard structures will be included in the goodwill appraisal.

VALUE OF THE LARGER PARCEL

Land		\$	261,142
Value of Income from Ground Leases		\$	<u>288,858</u>
Total		\$	550,000

VALUE OF THE PROPOSED ACQUISITION

The County requires a fee acquisition of 961,539± square feet (22.07 acres) for trail corridor and shoreline protection. The acquisition area is the entirety of the property located between the bay and Highway 101, which includes the land, railroad corridor and the four billboards, with a small portion of the railroad parcel remaining in the after condition in front of the California Redwood Company property. The unit value of the subject was previously determined to be \$0.25 per square foot plus the value attributed to the ground lease income. The value of the acquisition is presented as follows.

Fee Acquisition:

Contributory Value of the Land: 961,539± SF x \$0.25/SF	=	\$	240,385
Value of Income from the Ground Leases		\$	<u>288,858</u>
Total		\$	529,243

VALUE OF THE REMAINDER AS PART OF LARGER PARCEL

The value of the remainder as part of the larger parcel is its contributory value to the larger parcel. Deducting the part acquired (land & improvements) from the value of the larger parcel, yields:

\$550,000 - \$529,243		\$	20,757
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VALUE OF THE REMAINDER AFTER ACQUISITION, BEFORE BENEFITS

The appraisal process requires valuation of the remainder parcel as a separate and distinct parcel considering all the market forces that indicate a diminution in value to the remainder property. The Sales Comparison Approach was utilized to estimate the value of the remainder. The loss in the area required for the project does not reduce the value of the remainder land. The remainder consists of a small portion of the railroad in front of the California Redwood Company property. This portion of the property has similar attributes in the "after" condition as it did before the acquisition. The acquisition was determined not to negatively affect the utility, desirability, or marketability of the remainder property.

The Value of the Remainder, After Acquisition, Before Benefits is:

83,030± SF x \$0.25/SF	=	\$	20,757
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SEVERANCE DAMAGES

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

LOSS IN MARKET VALUE

Value of the Remainder as Part of the Larger Parcel		\$	20,757
Less: Value of the Remainder After Acquisition, Before Benefits	-	\$	20,757
Loss in Market Value		\$	0

CONSTRUCTION CONTRACT WORK

None

VALUE OF THE REMAINDER AFTER ACQUISITION, CONSIDERING BENEFITS

The appraisal process requires the valuation of the remainder as a separate and distinct parcel considering all the market forces that indicate any increase in value to the remainder property.

The Value of the Remainder After Acquisition Considering benefits is:		\$	20,757
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BENEFITS

Under California eminent domain law, any potential benefits to the remainder can only be used to offset damages to the remainder. The proposed project may provide trail and recreational enhancements to the general market area. There are no measured benefits at this time as there are no anticipated resultant damages; however, we reserve the right to revisit the estimation of benefits in the future if circumstances change.

GAIN IN MARKET VALUE

Value of the Remainder After Acquisition, Considering Benefits		\$	20,757
Less: Value of the Remainder After Acquisition, Before Benefits	-	\$	20,757
Gain in Market Value		\$	<u>0</u>

FAIR MARKET VALUE CONCLUSION

Fee Acquisition		\$	529,243
Severance Damages		\$	<u>0</u>
Total		\$	529,243
Rounded		\$	530,000

APPENDIX

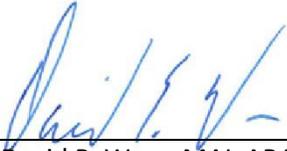
APPRAISERS' CERTIFICATIONS

APPRAISER'S CERTIFICATION

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

1. The statements of fact contained in this report are true and correct.
2. The analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased and professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
4. I have neither appraised nor provided any service pertaining to the subject property in the past three years.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. As of the date of this report, I have completed the continuing education program of the Appraisal Institute.
12. I did not make a personal inspection of the property that is the subject of this report.
13. I have not revealed the findings and results of this appraisal to anyone other than the proper officials of the client and I will not do so unless and until authorized by the client, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

14. Such appraisal has been made in conformity with the appropriate California laws, Title VI of the 1964 Civil Rights Act, and regulations, policies, and procedures applicable to appraisal of right-of-way.
15. To the best of my knowledge, no portion of the value of the property appraised consists of items which are non-compensable under the established laws of California. It is my understanding that federal funds may be involved in the project that pertains to the subject of this report.
16. My opinion of the total fair market value of the appraised property identified in this report was derived without collusion, coercion or direction as to value.



David B. Wraa, MAI, ARA, AI-GRS
Certified General Real Estate Appraiser
California Certificate No. AG023713

APPRAISER'S CERTIFICATION

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

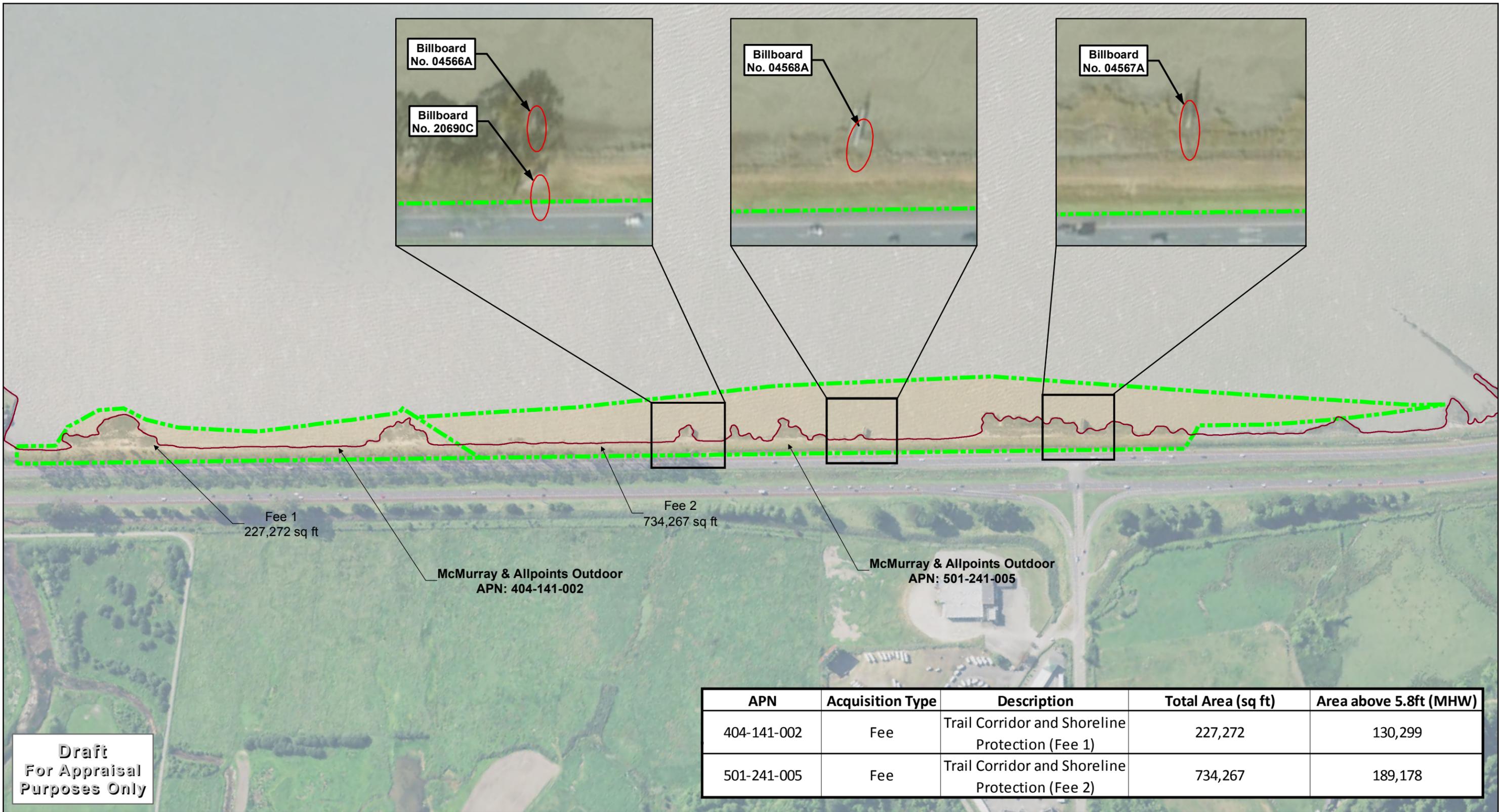
1. The statements of fact contained in this report are true and correct.
2. The analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased and professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
4. I have neither appraised nor provided any service pertaining to the subject property in the past three years.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. I did make a personal inspection of the property that is the subject of this report together with the property owners.
12. I have not revealed the findings and results of this appraisal to anyone other than the proper officials of the client and I will not do so unless and until authorized by the client, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

13. Such appraisal has been made in conformity with the appropriate California laws, Title VI of the 1964 Civil Rights Act, and regulations, policies, and procedures applicable to appraisal of right-of-way.
14. To the best of my knowledge, no portion of the value of the property appraised consists of items which are non-compensable under the established laws of California. It is my understanding that federal funds may be involved in the project that pertains to the subject of this report.
15. My opinion of the total fair market value of the appraised property identified in this report was derived without collusion, coercion or direction as to value.



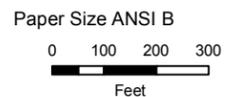
Amy J. Woodward
Certified General Real Estate Appraiser
California Certificate No. AG044210

RIGHT OF WAY MAP



**Draft
For Appraisal
Purposes Only**

APN	Acquisition Type	Description	Total Area (sq ft)	Area above 5.8ft (MHW)
404-141-002	Fee	Trail Corridor and Shoreline Protection (Fee 1)	227,272	130,299
501-241-005	Fee	Trail Corridor and Shoreline Protection (Fee 2)	734,267	189,178



--- Approx. Parcel Line
 Proposed Acquisition

~ Approx. 5.8ft Contour (MHW);
 NAVD88, NOAA North Spit, CA
 Station #9418767 Tide Gauge
 - Reference Source

Abbreviations
 Fee Fee Title Acquisition



Project: Humboldt Bay Trail South
 Preliminary Right-of-Way Appraisal Map

Job Number 11110166
 Revision D
 Date 07 Mar 2019

McMurray/Allpoints Outdoor

SUMMARY OF OUTDOOR ADVERTISING STRUCTURES (RW 7-8)

SUMMARY OF OUTDOOR ADVERTISING STRUCTURES

RW 7-8 (REV 9/2002)

Parcel	Eng. Sta. or Address	In City Limits?	Sign Owner	Permit No. and Year	Type (1)	HAGL (2)	Size (3)	Schedule & Category (4)	Rate (5)	Sign Value (6)
	PM 82.410	Yes	Outfront	15335	Poster Panel	4	12 x 25	Schedule E Good	\$75.10	\$23,326
	PM 82.410	Yes	Outfront	6278	Poster Panel	5	12 x 32	Schedule E Good	\$69.09	\$26,530
	PM 82.540	Yes	Outfront	6269	Poster Panel	6	10 x 40	Schedule E Good	\$69.09	\$27,636
	PM 82.680	Yes	Outfront	6277	Poster Panel	6	12 x 40	Schedule E Good	\$69.09	\$33,163

Total \$ 110,655.00

Remarks and Sources:

ADA Notice

For individuals with sensory disabilities, this document is available in alternate formats. For information, call (916) 445-1233, TTY 711, or write to Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

**INSTRUCTIONS FOR COMPLETION OF
SUMMARY OF OUTDOOR ADVERTISING STRUCTURES**

Structures located within the existing right of way will be listed and noted as such on the Summary with a zero payment. The source of cost estimates for other than amounts derived from payment schedules will be indicated in the Remarks and Sources section.

Provide information as indicated under the following headings:

1. Type - Poster panel, urban rotate, painted bulletin (professional or miscellaneous), metal vs. wood, illuminated vs. unilluminated, backups, reflectorized material, etc.
2. HAGL - Height above ground level. The average distance between the ground and the bottom of the sign panel.
3. Size - Dimensions and square meters; and areas for any adjustments.
4. Schedule and Category - The schedule used and, if Schedule "E" or "G" is utilized, the Depreciation Category - good, fair or poor - should be indicated.
5. Rate - Appropriate unit value.
6. Sign Value - Show value from appropriate payment schedule. If the sign can be relocated onto grantor's remaining property, or to another location pursuant to Business and Professions Code Sections 5412 or 5443.5, show the relocation cost in parentheses below sign value.

APPRAISERS' QUALIFICATIONS

PROFESSIONAL QUALIFICATIONS



YEARS OF EXPERIENCE

30 Years (15 with BRI)



EDUCATION

BS, Agricultural Science and
Management,
University of California, Davis, CA



PROFESSIONAL REGISTRATIONS

California Certified General
Real Estate Appraiser
AG 023713

Nevada Certified General
Real Estate Appraiser
A.0207023-CG



PROFESSIONAL AFFILIATIONS

Sacramento-Sierra Chapter of
Appraisal Institute, Past President



DESIGNATIONS

MAI and AI-GRS, Appraisal Institute

Accredited Rural Appraiser (ARA)
American Society of Farm Managers
and Rural Appraisers, Inc.

DAVID B. WRAA, MAI, ARA, AI-GRS

President of BRI

David B. Wraa, MAI, ARA, AI-GRS has been involved in real estate appraising and consulting since 1989. His professional experience in real estate appraisal encompasses a broad range of property types that include industrial, office, retail, multi-family, mobile home parks, self-storage facilities, elderly housing, condemnation, right-of-way, residential subdivisions, theaters, schools, marinas, and various agricultural/rural residential property types. He is a member of the Appraisal Institute with the MAI and AI-GRS designations, a member of the American Society of Farm Managers and Rural Appraiser, Inc. with the designation of ARA, a Certified General Real Estate Appraiser in the State of California and the State of Nevada.

Dave is a former President of the Sacramento-Sierra Chapter of the Appraisal Institute, as well as the past Education Chair and Secretary Treasurer for the chapter. Prior to his career in real estate, Dave attended UC Davis, majoring in Agricultural Science and Management (Bachelor of Science degree). Upon graduation, he immediately entered the appraisal field with a specialty in wineries and vineyards (1989-1995). Dave also has a diverse commercial background appraising various property types.

REPRESENTATIVE VALUATIONS INCLUDE

Industrial – Existing and proposed industrial properties including distribution warehouses, storage warehouses, light industrial/manufacturing and research and development properties.

Office – Existing and proposed office developments for lending institutions and owners.

Retail – Proposed and existing shopping centers, free standing buildings, mixed-use buildings, and restaurants.

Multi-Family Residential – Existing and proposed apartment complexes.

Medical – Existing and proposed medical clinics and dental offices.

Residential – Proposed and existing residential subdivisions throughout the Central Valley.

Agricultural – Vineyards, wineries, orchards, field/row crop land, and rural residential properties.

Special Use Properties – Special use properties include churches and self-storage facilities.

Land – Various types of land appraised such as commercial land, retail pad sites, residential land, transitional land, and agricultural/rural residential land.

Eminent Domain – Improved and unimproved properties involving full and partial takings for municipalities, quasi-public companies, developers, and property owners.

Litigation – Valuations performed on various property types for eminent domain, arbitration, and divorce cases.

PROFESSIONAL QUALIFICATIONS



YEARS OF EXPERIENCE

14 Years (with BRI since 2004)



EDUCATION

BS, Business Administration,
Real Estate & Land Use
Concentration,
California State University,
Sacramento, California



PROFESSIONAL REGISTRATIONS

California Certified General
Real Estate Appraiser
AG 044210



PROFESSIONAL AFFILIATIONS

Sacramento-Sierra Chapter of
Appraisal Institute

AMY WOODWARD

Senior Appraiser

Amy Woodward is employed as a Senior Appraiser with BRI and has been involved in real estate appraising and consulting since 2004. Her professional experience in real estate appraisal encompasses a broad range of property types, with a specialty in right-of-way assignments.

Amy received her Bachelor of Science in Business Administration at the California State University, Sacramento with an emphasis in Real Estate and Land Use. She continues her education with courses from the Appraisal Institute and the International Right of Way Association.

REPRESENTATIVE VALUATIONS INCLUDE

Industrial – Existing and proposed industrial properties including distribution warehouses, storage warehouses, light industrial/manufacturing and research and development properties.

Office – Existing and/or proposed office developments for lending institutions and owners.

Medical – Existing and proposed medical, dental, and veterinary clinics.

Retail – Proposed and/or existing shopping centers, free standing buildings, mixed-use buildings, and restaurants.

Residential Developments – Proposed and existing residential subdivisions.

Single-Family and Multi-Family Residential – Existing and proposed apartment complexes, condominiums, mobile home parks and single-family residential properties.

Agricultural – Rice Dryer and Processing/Packaging Facilities, Vineyards, orchards, field/row crop land, and rural residential properties.

Land – Various types of land appraised such as commercial land, retail pad sites, residential land, transitional land, and agricultural/rural residential land.

Special Use – Alternative energy/Solar land leases, schools, churches, community centers, railroad corridors, seed tree orchards for nursery use, historic buildings.

Eminent Domain – Improved and unimproved properties of partial takings representing municipalities, conservancies, and property owners.

APPRAISAL REVIEW

November 12, 2019

Ms. Brenda Schimpf, Vice President
Bender Rosenthal, Inc.
2825 Watt Avenue, Suite 200
Sacramento, California 95821

Re: Appraisal Review Report and Review Certificate
Property of: Thomas J. & Gretha K. McMurray Revocable Trust
APN's: 404-141-002, -003 & -005 and 501-241-005 & -027
West Side of US Highway 101, north of Eureka, Humboldt County
Project: Humboldt Bay Trail, Eureka, California

Dear Ms. Schimpf:

I have completed a review of the narrative Appraisal by your firm for a partial acquisition from a 23.98 acre property located on the southeast shore of Humboldt Bay and the west side of US Highway 101 (the 'Redwood Highway') to the north of Eureka, California. The city is the county seat of Humboldt County and its largest population center. The subject is an elongated north-south property which is largely submerged land within the "coastal wetlands" of the Bay.

The subject is improved with four outdoor advertising signs (ODA's) owned by CBS Outdoor, the land leases for which are held by the subject property owners. A railroad right of way easement exists on a strip situated between the Highway 101 right of way and the subject's dry land. The property is general planned "MG", general industrial, but its highest and best is aligned to its "NR/D, W" zoning for natural resource/open space use within the Coastal Wetlands area. As it is located within the boundary of the Humboldt Coastal Zone, any development on the property, if possible, would require additional layers of approvals by the County and the Coastal Commission.

The proposed Humboldt Bay Trail project is part of the plan to connect central Arcata to south Eureka with a continuous 13± mile multi-purpose trail chiefly located along the Highway 101 corridor. The "Bay Trail South" portion of the project, of which the subject is a part, extends 3.9 miles along the eastern shore of Humboldt Bay from Eureka Slough to just southwest of the Indianola cut-off. The standard portions of the trail will consist of a 10-foot wide asphalt traveled way with two 2-foot gravel shoulders. For the most part the trail will be placed between the railroad tracks and the highway. However, the trail swerves to the west at the northeastern corner of the California Redwood Company property and follows a flood protection levee along its western boundary at the southeastern edge of the Bay.

The pathway project will require 22.07 acres in fee from the 23.98 acre property leaving only the 1.91 acre portion of the 'larger parcel' as the right of way for the railroad line. The acquisition is classified as being for "trail right of way and shoreline protection". The four ODA signs will be removed and there is little chance they can be permitted elsewhere along Highway 101 in this area. David Wraa, MAI, ARA, AI-GRS and Amy Woodward, both with your firm, appraised the proposed acquisition. The appraisal is dated November 7, 2019 with a valuation date of August 28, 2019 and concludes fair market compensation for the takings of **\$530,000**.

My Clients are considered to be representatives of Bender Rosenthal, Inc. [BRI] who are representing the County of Humboldt. The users of the review report are intended to be BRI and representatives of Humboldt County; the intended use of the review report is to determine the adequacy of the BRI appraisal as a basis for establishing an offer of just compensation for the owners of this property.

This appraisal review and the appraisal completed by the BRI appraisers are subject to the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) and the Code of Ethics of the Appraisal Institute. Both the appraisal and the appraisal review are subject to review by representatives of the Appraisal Institute for conformity to those standards. Please refer to the attached Certificate of Review for further information and for the assumptions and limiting conditions of the appraisal review.

The appraisal under review is considered to be in conformance with the requirements of USPAP and the Uniform Act; the value conclusions are considered 'fair and reasonable' based on the information provided by the appraisers, both written and verbal, to this reviewer. The content, analysis and conclusions stated in the appraisal report under review are in compliance with applicable standards and regulations.

I, therefore, approve the BRI appraisal as the basis for the offer of just compensation to the owners of the *Thomas J. & Gretha K. McMurray Revocable Trust* property, Humboldt County APN's 404-141-002, -003 & -005 and 501-241-005 & -027, as of the August 28, 2019 date of value, in the amount of:

**FIVE HUNDRED THIRTY THOUSAND DOLLARS
(\$530,000)**

Thank you for the opportunity to prepare this appraisal review report for your company and the County of Humboldt.

(continued)

Ms. Brenda Schimpf
November 12, 2019
Page 3 of 3

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Tim Landes". The signature is fluid and cursive, with a large initial "T" and a long, sweeping underline.

Tim Landes, MBA, SR/WA
Sierra West Valuation, Inc.
CA Certified General Real Estate Appraiser # AG005980
(Certified through May 24, 2021)

THIS APPRAISAL REVIEW REPORT CONTAINS THE FOLLOWING ATTACHMENTS:

1. Summary of Assignment – Client, Intended Use and Intended Users of the Review
2. Reviewer’s Scope of Work
3. Salient Facts of the Appraisal Report
4. Critique of the Appraisal Reviewed
5. Certificate of Review Appraiser
6. Statement of Assumptions and Limiting Conditions
7. Addenda
 - Appraisal Review Checklist
 - Qualifications of Review Appraiser
 - Copy of the Bureau of Real Estate Appraisers (BREA) Certification of Tim Landes

APPRAISAL REVIEW REPORT

TITLE PAGE

Project:	Humboldt Bay Trail
Property Owner:	Thomas J. & Gretha K. McMurray Revocable Trust
Assessor's Parcel #'s:	404-141-002, -003 & -005 and 501-241-005 & -027, Humboldt County
Address of Property:	West Side of US Highway 101, Eureka, CA.

Client & Other Intended

Users of the Review Report: My Client is Bender Rosenthal, Inc. (BRI), acting on behalf of the County of Humboldt. Representatives of BRI and the County are the only intended users of the review report.

Intended Use of the Review: To assist the Client in determining the adequacy of the appraisal under review as a basis of an offer of just compensation for property rights to be acquired for the project.

Purpose of the Review: Provide the Clients with a technical appraisal review of the November 7th, 2019 appraisal report. This review includes:

1. Review of the appraisal work for compliance with USPAP, the Uniform Relocation Act and Appraisal Institute standards.
2. Review of the appraisal report for conformity with eminent domain law in the state of California.
3. Review of the appraisal report and comments on the appropriateness of the market evidence presented, the relevance of the information provided, the reasonableness of the conclusion of value and whether the conclusions therein are credible.
4. Approving the appraisal report, if warranted, as the basis for an offer of just compensation to be made to the property owners.

Subject of the Review: Appraisal report dated November 7th, 2019 as prepared by Amy Woodward and David Wraa, MAI, ARA, AI-GRS.

Ownership Interest of the Property Under Review: Fee Simple

Effective Dates of the Review: August 9th (reviewer's site inspection); November 8-12, 2019

Date of Review Report: November 12, 2019

Sierra West Valuation, Inc.

Review of an appraisal of property owned by the: **Thomas J. & Gretha K. McMurray Revocable Trust**
Project: *Humboldt Bay Trail, Eureka to Arcata, Humboldt County, California*

REVIEWER'S SCOPE OF WORK

The appraisal review process involved the following steps:

- A thorough review of the Bender Rosenthal Inc. appraisal report was made by this reviewer. The review was completed for the purpose of analyzing the factual data and the appraisal methodology presented therein for conformance with contemporary appraisal standards and California eminent domain law.
- An off-site inspection of the subject property has been made by the review appraiser. No property owner contact has been made by the reviewer.
- The reviewer has inspected the general neighborhood and is familiar with the area from having completed another eminent domain litigation appraisal assignment in the County.
- An offsite inspection of the sales used by the appraisers has not been made by this writer; however, I have confirmed factual information on the sales and subject from various on-line sources such as Real Quest, MLS data, Google Earth, applicable deeds and other official records and have viewed the sale and subject property from an aerial prospective on Google Earth and the mapping service on RealQuest.
- I have discussed the appraisal and the appraisal methodology used therein with the primary appraiser completing this assignment.
- The reviewer has confirmed land use designations with publicly available on-line services and/or Planning Department representatives.
- I have conducted a review of the appropriateness of the appraisal methodology and the reasonableness of the conclusions of value as estimated by the appraisers.
- A written review appraisal report has been completed outlining the salient features of the appraisals and approving, if warranted, the appraisal report. The total amount of the estimate of just compensation concluded in the BRI appraisal report should be presented to the property owner in subsequent negotiations.
- The reviewer will be available to answer questions, or to add to the content of the narrative herein presented as requested by the Client.
- The review appraiser was not asked to provide, and the assignment does not include, a separate value conclusion/appraisal by the review appraiser.

APPRAISAL REPORT UNDER REVIEW

Appraisers: Amy Woodward & David Wraa

Appraisal Firm: Bender Rosenthal, Inc.

Date of Appraisal Report: November 7, 2019

Date of Valuation: August 28, 2019

Type of Appraisal Report: Narrative Appraisal

Client: County of Humboldt

Intended Users of the Appraisal: BRI acting on behalf of the County of Humboldt

Purpose of the Appraisal Report: Estimate the fair market value of the property rights to be acquired from the subject property for the proposed project.

SALIENT FACTS OF THE APPRAISAL REPORT

Project: Humboldt Bay Trail, Eureka.

APN's: 404-141-002, -003 & -005 and 501-241-005 & -027, Humboldt County, California

Address/Location: East side of Humboldt Bay and west of Highway 101, Eureka

Interest Appraised: Fee simple

Ownership History: The property is titled to the Thomas J. & Gretha K. McMurray Revocable Trust, as to an undivided ½ interest, and; Allpoints Outdoor, Inc., also to an undivided ½ interest. (Note: While the preliminary title report provided indicates ½ ownership to HoffUSA, a grant deed passed that portion of the ownership to Allpoints Outdoor Inc. in September 2018 in document #17801. Price unknown). The McMurray share of the ownership was acquired in the late 1990's. The property is not actively listed for sale.

Sierra West Valuation, Inc.

Property Description:

- Size:** 23.98± acres
- Shape:** Irregular; narrow, elongated property located on the southeast side of Humboldt Bay.
- Topography:** Slight slope to the west and Humboldt Bay. Over 60% of the property is considered submerged wetlands of the Bay.
- Access/frontage:** The subject has 6,150± feet of frontage on the west side of Highway 101. The property is encumbered by a railroad right of way held by the North Coast Railroad Authority (NCRA).
- Flood zone:** Zone "AE" – an area with 1% annual chance of flooding. The property is in the Humboldt County Tsunami Hazard Zone.

Environmental Assessment: Reports relating to toxic and/or hazardous material present on this site or in the immediate area were not made available to the appraisers. Neither the reviewer nor the appraisers are expert at hazardous condition recognition. If subsequent field surveys and/or reports determine the presence of hazardous or toxic elements on the subject, the cost of the associated clean-up should be subtracted from the just compensation estimate. *The client should be aware that environmental contamination may have a significant effect on real property value and that liability for clean-up passes with the chain of title.*

The property is adjacent to a rail line. Railroads frequently haul hazardous and/or toxic materials. It is unknown if any such materials have ever spilled or leaked within the railroad right of way. Railroad operations will routinely include the use of petroleum products for lubrication and maintenance of equipment. Pesticides and herbicides are also frequently used to clear railroad rights of way.

The property is appraised as if "environmentally clean".

From an earthquake standpoint, the property is in an area of relatively stable slopes, but is prone to liquefaction.

- Wetlands:** The subject has identified coastal wetlands along its entire bay frontage which have significant restrictions on use; over 60% of the gross area is submerged coastal wetlands. The area is subject to rising tides as well.
- Utilities:** None currently serving the subject property.

Sierra West Valuation, Inc.

Encumbrances: The appraiser and the reviewer were provided a preliminary title report on this property by Fidelity National Title Company dated August 9, 2017. There are several encumbrances including:

- Easements for a public highway granted to the State of California;
- Easements granted to the California Northern Railway Company in 1900;
- An easement granted to the Pacific Gas & Electric Company for utilities in 1940;
- Access rights to the highway were relinquished in 1957; and;
- Easements for embankment slopes were granted to the City of Eureka in September 1967.

These encumbrances were considered in the valuation process.

Encroachments: None noted.

Zoning/General Plan: The subject "larger parcel" is zoned "NR/D, W", Natural Resources/Airport environs, and Coastal Wetlands. The general plan designation is "MG, General Industrial".

The subject is in the Humboldt Bay Area Plan (HBAP) which requires a Coastal Development Permit for any change in land use.

Improvements: The property is improved with four outdoor advertising signs owned by others, the "goodwill" and structures for which are to be valued in a subsequent appraisal by another firm. The four ODA's are to be removed; the railroad tracks are to remain on the 1.91 acre remaining property after the project acquisition. The signs are properly described and identified as per Caltrans standards in the BRI report.

Offsite Improvements: There are no sidewalks, curbs or gutters along Highway 101 in this location.

Existing use: Use as the location for four highway billboard signs.

Highest and Best Use:
Before the Project: The subject land is appraised "as if vacant" and "as improved" with the ODA's generating land lease income to the property owners. Its highest and best use is for generating outdoor advertising income and as open space/recreational land.

After the Project: The signs will be removed with no likelihood of any future signs as permits will not be granted due to the Coastal Commission's "Consistence Certification" policy designed to create and maintain a scenic envelop along the California coastline.

Sierra West Valuation, Inc.

VALUATION:

The appraisers have utilized two of the three traditional approaches in the valuation process. The income approach is used to determine the value of the larger parcel by capitalizing the estimated market rent from the ground leases for the four ODA's. The sales comparison approach is used to value the land as if vacant for allocation purposes between land and improvement contributions to the whole, and to estimate the value of the remaining sliver of land after the acquisition. The cost approach is not used in this appraisal. (Note: The valuation of the signboards and the associated 'goodwill' attributed to their advertising revenue will be valued in an another appraisal and are not included in this real property appraisal.)

Income Approach:

The appraisers relied on actual rents and a proposed renewal lease for one of the signs to estimate a market rent at \$32,983 annually. Expenses to the landowner are nominal. The appraisers estimate a capitalization rate at 6% representing the relative safety of the income flow for the highly desirable outdoor advertising location. Their income approach is summarized below:

Annual Net Income	\$	32,983
Divided by Capitalization Rate		6.00%
Present Value	\$	549,717
Rounded Value	\$	550,000

Sierra West Valuation, Inc.

Contributory Land Value:

Open space and limited use land sales are used to value the land's contribution to the whole.

Sale #	Location	Seller	Sale Date	Zoning	Size Acres	Sale Price
DC #	APN No.(s)	Buyer	Doc #	Flood Zone		
LS-1	1938 King Salmon Avenue Eureka, CA	Allpoints Outdoor Inc.	9/2018	CR/C,W,F	14.22± AC	\$47,000
4264	APNs: 305-162-006, -008 and -011	Humboldt Bay Harbor Recreation & Conservation District	201817810	AE	619,493± SF	\$0.08
LS-2	South Bank of Elk River Eureka CA	Allpoints Outdoor Inc.	8/2018	CA	1.26± AC	\$30,000
4262	APN: 302-181-039	City of Eureka	2018015640	AE	54,886± SF	\$0.55
LS-3	End of Scenic Drive Trinidad, CA	Green Diamond Resource Company	4/2015	PR/W,D,B	15.07± AC	\$120,000
4481	APN: 513-171-009	Trinidad Coastal Land Trust	2015008162-03	AE & X	656,640± SF	\$0.18
LS-4	2201 W Manthey Road Lathrop, CA	Solara Investment Advisors, LLC	1/2015	UR	29.26± AC	\$180,000
843	APN: 213-280-09	Anthony Alegre Shandi Alegre Trust	201508757	AE	1,274,566± SF	\$0.14
SUBJECT	U.S. Highway 101 Eureka, CA	Appraisal	---	NR/D,W AE	23.98± AC 1,044,569± SF	-----
	APNs: 404-141-002, -003, -005, 501-241-005 and -027					

The sales have been properly analyzed and adjusted by the appraisers in order to estimate the subject's land value at **\$0.25/s.f.**

Contributory Value of the Land Only

1,044,569 square feet x \$0.25/SF = \$ 261,142

The value attributable to the land lease income is calculated as follows:

Value of the Larger Parcel	\$	550,000
Less: Contributory Value of the Land Only	-	\$ 261,142
Value Attributable to the Land Lease Income	\$	288,858

IMPACTED SITE IMPROVEMENTS

The value of the signboard structures will be included in the goodwill appraisal.

VALUE OF THE LARGER PARCEL

Land	\$	261,142
Value of Income from Ground Leases	\$	288,858
Total	\$	550,000

Sierra West Valuation, Inc.

Part Taken:

The project will include the value of the 22.91 acres to be acquired in fee and the supplemental income contribution of the sign ground leases.

Land in fee: 961,539 s.f. @ \$0.25/s.f.	=	\$240,385
Plus: Value of the income from the ground leases.	=	<u>\$288,858</u>
<i>Total Part Taken</i>	=	\$529,243

Damages and Costs-to-cure: None = \$ 0

No resultant damages are foreseen to result to the remainder.

Benefits: = \$ 0

There may be benefits resulting from the construction of the project as proposed. However, they are not measured at this time as there are no damages foreseen.

Temporary Construction Easement (TCE): \$ 0

None

ESTIMATED "FAIR MARKET" COMPENSATION: = \$529,243
Rounded to **\$530,000**

Construction Contract Work (CCW):

None

Sierra West Valuation, Inc.

Review of an appraisal of property owned by the: **Thomas J. & Gretha K. McMurray Revocable Trust**
Project: *Humboldt Bay Trail, Eureka to Arcata, Humboldt County, California*

Reviewer's Analyses, Opinions and Conclusions:

It is the reviewer's opinion that the BRI appraisal is adequate and complete in its analyses and results in a 'fair and reasonable' conclusion of compensation as of the date of value.

Based on the widely accepted steps in the "Appraisal and Review Appraisal Process" as promoted by the Appraisal Institute, the following are my conclusions of this review assignment.

Completeness:

- The appraisal is complete in the presentation of the elements and data required.

Accuracy:

- The factual information in the report was substantiated by the reviewer through other sources and was shown to be accurate to my satisfaction. The mathematical processes were appropriate, complete and accurate.

Adequacy:

- The amount of data presented and the extent of the analyses to reach the value conclusions are considered to be adequate to meet state and federal requirements and those of the Appraisal Foundation.

Relevance:

- The market data gathered, presented and analyzed in the appraisal report is considered relevant to the appraisal problem in this assignment.

Reasonableness:

- The conclusions of the appraisal are considered to be reasonable and supported by the information contained in the BRI report.

Reviewer's Conclusions of Credibility of Appraisers' Conclusions:

It is my opinion that the BRI appraisal report is appropriate for the assignment and should be used as the basis of an offer of compensation to the property owners.

Exposure time: Not necessary for eminent domain appraisals.

Sierra West Valuation, Inc.

CERTIFICATE OF REVIEW APPRAISER

Project:	Humboldt Bay Trail
Property Owner:	Thomas J. & Gretha K. McMurray Revocable Trust
Assessor's Parcel #'s:	404-141-002, -003 & -005 and 501-241-005 & -027, Humboldt County, California
Address of Property:	West Side of Highway 101, North of Eureka

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

I have completed the review of the BRI appraisal report on the property identified above and approve the appraisal.

The facts and data reported by the review appraiser used in the review process are subject to all of the assumptions, extraordinary assumptions and limiting conditions stated in the attached Appraisal Review Statement of Assumptions and Limiting Conditions.

The liability of Tim Landes, SR/WA is limited to the client only and to the amount of the fee actually paid to Tim Landes for the appraisal review services rendered as liquidated damages if any related disputes arise. If this report is placed in the hands of anyone but the client, client shall make such party aware of all of the assumptions, limiting conditions, restrictions and caveats of the assignment and related discussions. The reviewer is in no way responsible for any costs to discover or correct any deficiencies of any type present in the property, physically, financially and/or legally.

The appraisal report has been reviewed in accordance with contemporary appraisal review standards and I am satisfied with the apparent adequacy and relevance of the data contained in the report and the propriety of any adjustments to the data; the appropriateness of the appraisal methods and techniques used and the appropriateness and reasonableness of the analyses, opinions and conclusions presented in the report is subject to the Assumptions and Limiting Conditions in the appraisal report and the Assumptions and Limiting Conditions contained in the appraisal review report.

Neither my employment nor my compensation for making this review report is in any way contingent upon the values reported herein.

Such appraisal review has been made in conformity with the appropriate State laws, Title VI of the 1964 Civil Rights Act, regulations and policies and procedures applicable to eminent domain real estate appraisals and, that to the best of my knowledge, no portion of the value assigned to this property consists of items which are non-compensable under law of California.

(continued)

Sierra West Valuation, Inc.

Review of an appraisal of property owned by the: **Thomas J. & Gretha K. McMurray Revocable Trust**
Project: *Humboldt Bay Trail, Eureka to Arcata, Humboldt County, California*

CERTIFICATION OF REVIEW APPRAISER (con't)

The analysis, opinions, and conclusions in this appraisal review report were developed, and this review report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Professional Practice of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. The use of this review report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

The reviewer has inspected the general neighborhood and is familiar with the area, having completed another eminent domain appraisal litigation assignment in the County.

An offsite inspection of the subject property has been made by the review appraiser. I have not viewed the sales used in the report; however, I have confirmed factual information on the sales from various on-line sources such as Real Quest, MLS data, Google Earth, applicable deeds and other official records and have viewed the sale and subject property from an aerial perspective on Google Earth and the mapping service on RealQuest.

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

I have no direct or indirect present or contemplated future personal interest in the property under appraisal or in any benefit from the acquisition of such property appraised.

The undersigned Review Appraiser has the necessary appraisal education and experience to competently complete the assignment.

I have completed the continuing education requirements to satisfy the International Right of Way Association for the SRWA designation.

I have completed the continuing education requirements to satisfy the Appraisal Institute to qualify as a "Practicing Affiliate" of that organization. I am also a "Candidate" for the Institute's AI-GRS designation.

I have not revealed the findings and/or results of this appraisal to anyone other than Bender Rosenthal, Inc. or the County of Humboldt. The users of the report are intended to be BRI and the County of Humboldt. I will not reveal the findings or the results of the report to others until I am required to do so by due process of law, or until I am relieved of this obligation by having publicly testified as to such findings.

(continued)

Sierra West Valuation, Inc.

CERTIFICATION OF REVIEW APPRAISER (con't)

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

No one provided professional assistance in the preparation of this review report to the undersigned in the course of this assignment.

I hereby approve the BRI appraisal valuing the partial acquisition from the *Thomas J. & Gretha K. McMurray Revocable Trust* property, *Humboldt County APN's 404-141-002, -003 & -005 and 501-241-005 & -027*, as of August 28, 2019, in the amount of:

**FIVE HUNDRED THIRTY THOUSAND DOLLARS
(\$530,000)**



November 12, 2019

Tim Landes, MBA, SR/WA
Sierra West Valuation, Inc.
CA Certified General Real Estate Appraiser #AG005980
(Certified through May 24, 2021)

Date

Sierra West Valuation, Inc.

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal review has been made with the following general assumptions:

1. This appraisal review has been prepared for the use of the addressee only. No responsibility is assumed for its possession, use, or reliance upon factual data, or conclusions contained herein by anyone other than the addressee. The appraisal review is intended solely for the purpose stated herein.
2. The Review Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Review Appraiser render any opinion as to the title, which is assumed to be good and marketable.
3. Responsible ownership and competent property management are assumed.
4. The Review Appraiser has made no survey of the property under appraisal and assumes no responsibility in connection with such matters.
5. The Review Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Review Appraiser assumes no responsibility for such conditions, or for engineering studies which might be required to discover such factors.
6. The information identified in the BRI appraisal reports as being gathered from other sources is believed to be reliable, but no responsibility for its accuracy is assumed.
7. The "Estimate of Fair Market Value" in this appraisal review is not based in whole or in part upon the race, color, or national origin of the prospective owners or occupants of the property appraised, or upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.
8. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions, unless a nonconformity has been identified, described and considered in the appraisal report.
9. It is assumed that the property under appraisal has been under competent ownership and management over the entire life of the property. If prudent and competent management are not provided, this factor could have an adverse effect upon the value of the property appraised.
10. The appraisal and the estimate of just compensation have been completed as if the subject site were free of any and all contamination and hazardous materials. The appraiser and the review appraiser are not experts in the field of toxic or hazardous material recognition or identification. If subsequent field surveys and/or reports determine the presence of hazardous or toxic elements or molds, the cost of the associated clean-up should be subtracted from the just compensation estimate. The client should be aware that environmental contamination may have a significant effect on real property value and that liability for clean-up passes with the chain of title.

Sierra West Valuation, Inc.

ASSUMPTIONS AND LIMITING CONDITIONS (con't)

11. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.
12. It is assumed that the property conforms to all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization and that they have been, or can be, obtained or renewed for any use on which the value estimate contained in the appraisal report is based.
13. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is not encroachment or trespass unless otherwise noted in the appraisal report.
14. It is assumed that the project will be completed substantially as described to the fee appraiser and this reviewer. Both appraiser and the review appraiser reserve the right to re-value the taking if construction differs significantly from what has been so described.
15. An appraisal is the product of a professionally trained person and is an opinion only, not a provable fact. As a personal opinion, a valuation may vary between appraisers based upon the same facts. Therefore, the review appraiser warrants only that the value conclusions are the appraisers' best estimate as of the date of valuation. There are no guarantees, either written or implied, that the property would sell for the expressed estimate of value.
16. The contract with the Client for appraisal review services is fulfilled and the total fee payable upon the completion of the report. The review appraiser or those assisting in the preparation of the review report will not be asked or required to give testimony in court or hearing because of having made the review appraisal report in full or in part, nor will they be asked or required to engage in post-review appraisal consultation with the client or any third parties except under separate and special arrangement and at an additional fee.

Sierra West Valuation, Inc.

EXTRAORDINARY ASSUMPTIONS:

The appraisers included the following extraordinary assumption in their report:

1. After reviewing the maps, title report dated August 9, 2017, and discussions with the client, the California and Northern Railway Company only has an easement (right of way) across the property. The underlying fee is held partially by Hoff USA, a former owner, which appears to have been acquired by Allpoints Outdoor, Inc. in 2018. We assume the underlying fee owners of the subject (APNs: 404-141-002, 404-141-003, 404-141-005, 501-241-005, and 501-241-027) are held by Thomas J. McMurray, Jr. and Gretha E. McMurray, as to a 1/2 interest and Allpoints Outdoor, Inc., as to a 1/2 interest.

The review appraiser adds these extraordinary assumptions:

2. The property is assumed to be free of any contamination or hazardous waste and has been appraised as if "clean".
3. The reviewer assumes that information provided by the appraisers is accurate and factual and represents their unbiased opinions leading to a value conclusion.

HYPOTHETICAL CONDITIONS:

This appraisal review is subject to the following hypothetical conditions:

1. The fair market value of the property taken shall not include any increase or decrease in the value of the property that is attributable to any of the following: a) the project for which the property is taken; b) the eminent domain proceeding in which the property is taken; and c) any preliminary actions of the plaintiff relating to the taking of the property. *[California Code of Civil Procedure, Section 1263.330]*
4. For California eminent domain projects, the fair market value of the property in the after condition recognizing the project as completed is a hypothetical condition, as the project does not currently exist, but it must be analyzed as such in order to consider potential severance damages and benefits as compensable under California law.

Sierra West Valuation, Inc.

ADDENDA

**Appraisal Review Checklist
Review Appraiser's Qualifications
Copy of Review Appraiser's BRE A Certification**

APPRAISAL REVIEW CHECKLIST

REVIEWED BY: Tim Landes, SR/WA
Sierra West Valuation, Inc.
Certified General Real Estate Appraiser
State of California #AG005980

The following is a comprehensive list of required elements for inclusion in eminent domain appraisals in the state of California under Caltrans reporting requirements and under standards contained in the Uniform Act. The level of conformity required by the appraisal review will vary with the value of the taking, the complexity of the appraisal problem, and the competence reflected in the appraiser's treatment of the valuation process.

The reviewer hereby certifies that the appraisal reviewed meets minimum requirements under the above standards and is acceptable for the determination of an estimate of just compensation to be presented the subject property owners.

GENERAL:

- Title page
- Letter of transmittal
- Statements of limiting conditions and assumptions
- Certificate of Appraiser
 - Date of personal inspection
 - Property owner afforded opportunity to be present at inspection
 - Statement true and information correct
 - Compliance with State laws and regulations
 - Employment and compensation not contingent upon value conclusions
 - No personal interest or benefit from acquisition of property
 - Findings not revealed
 - Appraiser's signature and date
- Value conclusion and that such conclusion was derived without collusion, coercion, or direction as to value
- Appraisers' qualifications
- Review appraiser's certificate
- Table of contents
- Copy of "Notice of Intent to Appraise" letter
- Photographs
- Parcel Number
- Parcel inspection date
- Property owner/representative present
- Date of value
- Purpose of appraisal (include market value definition – CA CCP Eminent Domain Code Sec 1263.320 - and indicate rights/interest being appraised)
- Names of owners of each interest valued
- General description of project
- Appraisal map
- Area, city and neighborhood data

PROPERTY DATA:

- Five year delineation of title
- Location
- Plot of subject/floor plan [N/A]
- Site description (topography, mineral deposits, easements, access, location factors)
- Present use
- Total/sub-parcel areas
- Zoning/general plan
- Utilities
- Hazardous waste and materials (appraised as if free and clear)
- Highest & best use of subject and remainder, justification if different from present use
- Unusual features
- Realty/personality distinguished
- Improvements pertaining to realty itemized, measure, purpose, ownership, condition and quality described [N/A]
- Description of outdoor advertising signs including measurements and photographs.

VALUATION:

- Property valued conforms with the appraisal map
- Approach used, explanation if not used
 - Cost – data source, all depreciation, reasoning [N/A]
 - Sales comparison – comparison of each comparable data item (sale, listing, option) to subject narratively describing, if not quantitatively displaying, the reasoning for adjustments.
 - Income – income, expenses, interest and cap rates and contract/economic rents supported.
 - Reconciliation
- Calculations and rounding correct
- Benefits and compensable damages considered according to State Law
- Before and after method used
- Remainder
 - Tenant owned improvements separately listed and valued as to their contributory and salvage values [N/A]
 - Improvements to realty (show RCN, depreciated/salvage value, relocation estimate) [N/A]
- Value conclusion allocated – property to be acquired and damages to remainder
- Correlation and conclusion of value – reasonable explanation for final conclusion of value

Comparable Sales Data Information:

- Comparable sales location map
- Comparable sales data detail sheet
- Assessor parcel map
- Photographs
- Parcel number
- Location
- Sale's date
- Buyer and seller
- Consideration – amount paid
- Total area
- Financing
- Conditions of sale
- Present use at time of sale
- HBU at time of sale

Zoning (verified and source)
Type of improvements
Unusual features
Date and person sale was verified by
Inspection date

- Dual appraisals required? NO

APPRAISAL QUALIFICATIONS
~ TIM LANDES, MBA, SR/WA ~

General Experience

Entered the real estate field with the Maryland Department of Transportation as: Negotiator; Relocation Officer; Appraiser, and; Senior Review Appraiser. Independent appraiser, review appraiser and consultant in California since 1986.

Types of Property Appraised

Commercial retail/office, medical office, industrial, multi-family residential, single-family residential, subdivisions, agricultural, recreational and various special purpose properties. Experienced in eminent domain appraising, partial acquisitions, leasehold interests, easements, toxic contamination, railroad rights of way valuation. Appraisal review services for governmentally funded projects involving all property types.

Formal Education

- Master of Business Administration (MBA)
University of Maryland @ Frostburg University, Frostburg, Maryland
- Bachelor of Arts (BA)
Virginia Polytechnic Institute, Blacksburg, Virginia

Specialized Education

Appraisal Institute & International Right of Way Association Courses & Seminars

IR/WA Symposium – Relocations & Restrictive Easements in Seattle Light Rail Cases	Boise, ID
Review Appraisals: Case Studies – General	Ontario, CA
Spring Litigation Seminar 2015 thru 2019	Woodside, CA
Standards & Ethics (USPAP)	On-line Class
Problems in Part Take Acquisitions	Boise, Idaho
Integrating Appraisal Standards, IRWA #409	Boise, Idaho
Review Appraising Theory – General	Sacramento, CA
2011 and 2012 Annual Spring Conference	Modesto, CA
Introduction to Green Buildings	Sacramento, CA
Appraisal Curriculum	Boise, Idaho
Business Practices & Ethics	On-line Class
Standards & Ethics (USPAP)	On-line Class
Condemnation Appraising: Advanced	Tucson, Arizona
Standards & Ethics (USPAP)	On-line Class
Land Valuation Adjustments	Lake Tahoe, Nevada
Appraisal Consulting	Reno, Nevada
Corridors and Rights of Way	Washington, DC
Valuation of Detrimental Conditions	Jacksonville, Florida
Mineral Valuation	Denver, Colorado

Professional Affiliations and Licenses

- "Certified General" Appraiser, State of California; #AG005980
- Senior Member (SR/WA), International Right of Way Association (IRE/WA), Sacramento Chapter #27
- "Practicing Affiliate Appraiser" with the Appraisal Institute.
- "Candidate" for the Appraisal's Institute's AI-GRS designation.

Other:

- Qualified as an Expert Witness in Superior Court of California for Sacramento, Tuolumne, Placer, Humboldt, Nevada, Stanislaus and Amador Counties.
- Instructor for eminent domain appraisal courses (401- Partial Acquisitions, and 403 - Easement Valuation) for the International Right of Way Association.
- 2003 President, Chapter 27, International Right of Way Association.
- Instructor – Public Real Estate Transactions, U.C. Davis Extension; 2002-2005.
- Speaker – Sacramento-Sierra Chapter (AI) "Summer Update Seminar", Aug. 2010.

QUALIFICATIONS OF TIM LANDES (continued)

Partial List of Clients Served

The following is a partial list of clients that have had appraisal reports or appraisal reviews prepared by Tim Landes, SR/WA, as the principal appraiser/review appraiser:

Bender Rosenthal, Inc.
Associated Right of Way Services
City of Lodi, California
Interwest Consulting Group
County of Nevada, California
Santa Cruz County Regional Transportation
Commission, Santa Cruz County, CA
County of Lassen, Public Works Dept., CA
Hansen's Truck Stop, Inc., Fortuna, CA
Freeman, D'Aiuto, Pierce, Gurev, Keeling &
Wolf, Stockton, CA
San Joaquin Regional Transit District,
Stockton, CA
Sacramento Regional County Sanitary
District
Yuba County Public Works Department
South Placer Municipal Utility District
City of Paso Robles, California
Teichert Land Company, Sacramento, CA
City of Folsom, California
Sacramento Housing and Redevelopment
Agency
City of Elk Grove, California
San Joaquin Council of Governments,
Stockton, CA
City of Lincoln, California
McDonough, Holland & Allen, Inc.,
Sacramento, CA
City of Chico, California
County of Butte, Public Works
Desmond, Nolan, Livaich & Cunningham,
Sacramento, CA
Hyde, Miller, Owen & Trost, Sacramento, CA
State of California, Department of Justice
State of California, Department of Fish and
Game
Sacramento Municipal Utility District (SMUD)
O'Brien & Brown, LLP, Sacramento, CA
Grupe Company, Sacramento, CA
Placer County Water Agency (PCWA)
City of Newman, California
Placer Savings Bank, Auburn, CA
Natomas (Sacramento) Unified School
District
City of Citrus Heights, California
City of Modesto, California
County of Glenn, California
Wells Fargo Bank, Sacramento, California
U.S. Army Corps of Engineers

County of El Dorado, California
U.S. Bank, Sacramento, California
County of Placer, California
El Dorado County Transit Authority
Sacramento Regional Transit District
City of Manteca, California
California Department of Water Resources
City of West Sacramento, California
East Bay Municipal Utilities District, Oakland,
California
The Spink Corporation, Sacramento,
California
Whitney Development Company,
Sacramento, California
City of Sonora, Tuolumne County, California
Willdan Associates, Sacramento, California
County of Amador, California
City of Sacramento, California
County of Sacramento, California
Morse Laboratories, Inc., California
Mariposa County, California
Aba Daba Rental Company, Sacramento,
California
J.J. Re-Bar Corporation, Sacramento,
California
City of Roseville, California
California Department of Transportation
County of Tuolumne, CA, Dept. of
Transportation
City of Vacaville, CA, Public Works
Department
City of Woodland, CA, Public Works
Department
Yolo County, California, Board of Education
City of Woodland Parks and Recreation
Department
Maryland Dept. of Trans., State Highway
Admin; Dept. of General Services
Chesapeake and Potomac Telephone
Company, Inc., Maryland
First Federal Savings of Western Maryland,
Cumberland, Maryland



Business, Consumer Services & Housing Agency
BUREAU OF REAL ESTATE APPRAISERS
REAL ESTATE APPRAISER LICENSE

Warren T. Landes

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 005980

Effective Date: May 25, 2019
 Date Expires: May 24, 2021

Jim Martin
 Jim Martin, Bureau Chief, BREA

3046720

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "CHAIN LINK"