

**REPORT TO MAYOR AND COUNCIL**

TO THE HONORABLE MAYOR AND COUNCIL:

DATE: March 25, 2014

SUBJECT: CONSIDERATION OF RESOLUTION NO. 14-17 AUTHORIZING THE SALE OF AN UNUSED 12,075 SQUARE FOOT PORTION OF PROPERTY LOCATED AT 4050 PORT CHICAGO HIGHWAY (APN 100-370-009) TO PACIFIC RANCH INVESTMENTS FOR AN APPRAISED VALUE OF \$42,504

Report in Brief

Pacific Ranch Investments proposes to purchase a vacant piece of property (Property) owned by the City of Concord located at 4050 Port Chicago Highway. A map showing a representation of the Property is included as Attachment 1 to this report. The Property is part of the Diablo Creek Golf Course parcel and all but approximately 1,200 square feet is located outside the fenced area. There are no future plans for use of the property by the City. The only likely buyer of the property is Pacific Ranch Investments as this company owns the adjacent office development at 4080 Port Chicago Hwy. The Property is intended to be developed as additional parking to serve the existing office development.

At the time of public noticing, Pacific Ranch Investments did not desire to purchase approximately 700 square feet (4 feet x 175 feet) of frontage property along Port Chicago Highway and as a result the “noticed” Property total square footage was 11,375 square feet. Subsequent to public noticing of this item, Pacific Ranch Investments indicated to staff that it now desires to purchase an additional, approximately, 700 square feet. Because this additional amount of area is de minimus, the City Attorney has determined that this item does not need to be re-noticed. Additionally, staff strongly believes that it is more appropriate to sell the property with the frontage as opposed to leaving the frontage as a remainder parcel.

As a result of the request to purchase the Property, City staff commissioned an appraisal in October 2013, based upon an 11,375 square foot site which included the frontage along Port Chicago Highway. The appraiser determined the value of the property to be \$40,000 (\$3.52 per square foot). Applying the same price per square foot for the additional 700 square feet now incorporated as part of the property to be sold; the new total value of the property is \$42,504 (12,075 x \$3.52). Pacific Ranch Investments representatives and City staff negotiated a purchase and sale agreement at the appraised square foot value, included as Attachment 2 to this report.

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Staff recommends that the City Council adopt Resolution 14-17 (Attachment 3) authorizing the Mayor to execute a purchase and sales agreement for a 12,075 square foot portion of property located at 4050 Port Chicago Highway at a value of \$42,504.

Background

The Property proposed to be sold is an unimproved portion of land that is a part of the parcel that includes the back nine holes of Diablo Creek Golf Course. The Property is not part of the functioning operational area of the golf course. A small portion (approximately 7 foot x 175 foot) of the Property to be sold includes unimproved land and a portion of an asphalt path located to the east side of the golf course fence line. The land area is rectangular shaped with level topography and has a number of existing easements to address utilities and other infrastructure access. The site is a vacant, graded dirt parking lot, and is not landscaped. The property zoning is "Parks and Recreation" and it has a General Plan land use designation of "Parks." Under these land use regulations, the use of property can include a parking lot, playing fields, golf courses, trails or other recreational facilities.

City staff conducted a site visit with Joe Fernandez, Golf Director at Diablo Creek Golf Course regarding the potential sale of the Property and location of the proposed property line. Mr. Fernandez was agreeable to and acknowledges the potential sale of the Property.

Several months ago, Pacific Ranch Investments approached staff expressing an interest in acquiring the City's property to develop an improved parking lot for the existing office development located adjacent to the vacant land. The current zoning of the proposed land to be sold would permit it to be used as a parking lot serving the existing commercial offices and Section 122-31 of the City's Municipal Code provides that only parking uses are allowed when lots are divided by zoning district boundaries as is the case here. The development code sets forth certain development standards such as front, side and back setbacks to be provided in the development of the property. As discussed in detail in the following section, the prospective buyer's interest to maximize the number of parking spaces on the Property would not meet the setback requirements.

The survey and appraisal costs associated with this land sale were overseen by staff and funded by Pacific Ranch Investments.

Discussion

Under California State Code Section 37350, a City may purchase, lease, receive, hold, and enjoy real and personal property, and control and dispose of it for the common benefit. The Property is currently unused by the City and it is not anticipated that it will be necessary for future development of the golf course. Because of the small size, zoning and location of the property, the adjacent property owner, Pacific Ranch Investments, is the only logical potential buyer of the Property. If the Purchase and Sales agreement is executed as recommended, the legal transfer mechanism would be a lot line adjustment pursuant to Subdivision Map Act Section 66412(d), merging the approximately 12,075 square foot site into the adjacent commercial parcel.

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Because this parcel is not currently used by the City nor are there any plans to use the property and its location and shape make it highly unlikely to be used in the future, selling the property is appropriate. Additionally, there is community benefit to selling it for fair-market-value to the adjacent property owner. It is the intention of Pacific Ranch Investments to purchase this site and combine it with their commercial property located at 4080 Port Chicago Highway in order to increase the parking supply. Increasing the parking supply would be a benefit to potential tenants looking to occupy the office building and would facilitate the attraction of new businesses to Concord. The sale would support the City's economic development efforts to facilitate business attraction and retention in Concord. Staff understands that a potential tenant is interested in locating at 4080 Port Chicago Highway building and the additional parking would be an attractive amenity to the potential tenant.

The City commissioned an appraisal of the Property by retaining Smyers and Krauss Appraisal LLC. This firm has more than 30 years of real estate experience and has Member Appraisal Institute (MAI) certification which is one the highest levels of real estate appraiser designations. The City through its former redevelopment agency has retained Smyers and Krauss for land acquisition appraisal purposes in the past.

The appraiser's estimate of value was arrived at by using a price per square foot unit of comparison. In the final estimate of market value, the Appraiser reviewed data from the subject market, as well as competing markets and reached a final estimate of value. The final estimate of market value for the fee simple interest in the 11,375 square feet of excess land, as of October 7, 2013 is: \$40,000 (\$3.52 per square foot). The appraisal is attached to this report as Attachment 4 as well as the appraiser's supplemental letter dated March 11, 2014 stating \$3.52 as the price per square foot value for the property. With the additional 700 square feet added to the original area of 11, 375 square feet, the new total area is 12,075 (700 + 11,375) and the new total value of the property is \$42,504 (12,075 x \$3.52).

The potential sale of the property is classified under the California Environmental Quality Act as Categorically Exempt pursuant to Section 15305(a), Class 5, "Minor Alterations in Land use Limitations."

Future Development of Property

Pacific Ranch Investments intends to construct a surface parking lot on the Property to provide additional parking for the commercial building located at 4080 Port Chicago Highway. The existing parking for the commercial building already meets parking requirements as set forth in the Development Code.

Pacific Ranch Investments has provided staff with a preliminary parking lot plan for review that would result in approximately 35 parking spaces, but this plan does not meet development standards relating to setbacks. To develop the parking plan as envisioned, the future owner of the property must apply for and be granted a variance to these development standards.

To grant a variance, the Development Code requires the approving body to make findings that the "strict application of the Development Code denies the property owner privileges enjoyed by other property owners in the vicinity and within the same Zoning District due to special circumstances applicable to the property, including location, shape, size, surroundings, topography, or other conditions." Staff believes a variance could not be supported because (1) the commercial building already meets current parking standards

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and (2) the Property is not limited in regard to location, shape, size, surroundings, topography, etc. In this case, it is staff's recommendation that a variance application on the Property be directed to the Planning Commission rather than Planning staff or the Zoning Administrator. If the Planning Commission does not approve the variance, that decision may be appealed to the City Council. The City Council's decision would be final.

To provide information to the prospective buyer, staff reviewed a preliminary parking plan for the Property that would meet all Development Code requirements. This particular parking layout conforming to the required setbacks would yield approximately 23 compact spaces and have one drive way in and one drive way out for cars. This compliant parking plan would result in approximately 12 less parking spaces than the Pacific Ranch Investments' preliminary plan.

Pacific Ranch Investments has agreed to develop the parking area (whatever its size) to allow for runoff from the golf cart washing area to drain into the parking lot drainage system, thereby resolving a golf course operational issue with Central Contra Costa Sanitary District concerning golf cart waste water going into storm drains. This requirement will be built into the condition of approvals when a parking lot development application is reviewed and approved.

Pacific Ranch Investments would also need to accommodate a number of existing easements on the property and would be required to have an approximately 3 foot "no-build" area on the parking lot property to address Building Code fire separation requirements related to the proximity of the new property line and the cart barn building which is located directly to the east of the Property.

Fiscal Impact

The sale of the property would generate \$42,504. Staff proposes that the sales proceeds be directed into the Golf Course Enterprise Fund. Staff believes this is a logical placement for the sales proceeds as the Property is currently part of the golf course. Sales proceed would go towards capital improvement projects at the golf course facility including repaving certain areas of the parking lot.

Public Contact

Meeting was noticed and the agenda was posted. Additionally, the operator of the City owned golf course met with staff prior to this report being written.

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Recommendation for Action

Adopt Resolution No.14-17, authorizing the Mayor to enter into the purchase and sales agreement with Pacific Ranch Investments for a 12,075 square foot portion of property locate at 4050 Port Chicago Highway at a value of \$42,504.

Prepared by: John Montagh
Economic Development and Housing
Manager
John.Montagh@cityofconcord.org



Valerie J. Barone
City Manager
Valerie.Barone@cityofconcord.org

Reviewed by: Victoria Walker
Director of Community and Economic
Development
Victoria.Walker@cityofconcord.org

Attachment 1: Map of 4050 Port Chicago Highway Property
Attachment 2: Purchase of Sale Agreement
Attachment 3: Resolution No. 14-17
Attachment 4: Appraisal



Diablo Creek G.C. 

 4080 Port Chicago Hwy

Proposed property to be sold 



Google earth

**AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS**

This Agreement of Purchase and Sale and Joint Escrow Instructions ("**Agreement**"), dated as of _____, 2014 ("**Effective Date**"), is between the City of Concord, a California municipal corporation ("**Seller**"), and Pacific Ranch Investments, L.P., a California limited partnership ("**Buyer**").

RECITALS

A. Seller currently owns property located at 4050 Port Chicago Highway, Concord, CA, APN 100-370-009 ("**Seller's Property**"). Portions of Seller's Property are used for golf course purposes and are subject to an independent contractor agreement for professional services dated October 27, 2008 (as amended) between the City of Concord and Joseph Fernandez dba East Bay Golf Centers Inc. ("**Management Agreement**"). Seller's Property is zoned Parks and Recreation.

B. Buyer currently owns property located at 4080 Port Chicago Highway, Concord, CA, APN 100-370-011 ("**Buyer's Property**"). Buyer's Property is currently improved with an office building and parking lot, and is located directly adjacent to Seller's Property. Buyer's Property is zoned Office Business Park.

C. Buyer desires to purchase a portion of Seller's Property as more particularly described in the legal description attached hereto as Exhibit A and depicted in the plat attached hereto as Exhibit B ("**Property**"). The Property is not used in golf course operations and to Seller's knowledge is not subject to the Management Agreement. The Property consists of a graded dirt parking area. Parks and Recreation zoning allows the Property to be used for parking.

D. Smyers & Krauss Appraisal, LLC conducted an appraisal of the Property and prepared an Appraisal Report dated October 31, 2013 ("**Appraisal**"). A letter dated March 11, 2014 from Smyers and Krauss Appraisal, LCC concluded the square foot market value of the property is \$3.52.

E. Buyer desires to purchase the Property and combine it with Buyer's Property in order to increase the overall size and parking capacity of Buyer's Property. The legal transfer mechanism would be a lot line adjustment pursuant to Subdivision Map Act Section 66412(d).

F. Execution and consummation of the Property transfer as contemplated hereunder is exempt from the California Environmental Quality Act of 1970, Public Resources Code § 21000, et seq., as amended, and the CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations, including under CEQA Guidelines Sections 15061(b)(3) and 15305(a).

**ARTICLE I
PURCHASE AND SALE OF PROPERTY**

Section 1.1 Sale. Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, on the terms and conditions set forth herein, the Property, but specifically excluding

Seller's interest the Management Agreement to the extent (if at all) such Management Agreement affects the Property or any interest therein, and the Easements (defined in Section 5.2).

Section 1.2 Purchase Price. The purchase price of the Property is \$42,504 without any deductions or offsets ("**Purchase Price**"). On or before Closing (as defined in Section 6.3), Buyer shall deposit in escrow with Old Republic Title Company, 1000 Burnett Avenue, Suite 100, Concord CA 94520, Attention: Donna Jones ("**Title Company**" or "**Escrow Agent**") cash in the amount of the Purchase Price. All funds shall be held by Title Company in non-interest bearing account. The Purchase Price shall be paid to Seller all in cash at Closing.

ARTICLE II CONDITIONS

Section 2.1 Buyer's Conditions Precedent. Buyer's obligation to purchase the Property is conditioned upon the following:

(a) Buyer shall have approved or shall have been deemed to have approved the Easements.

(b) Seller shall have delivered each of the documents described in Section 6.4(a), before Closing, and shall have performed all of its obligations under this Agreement in accordance with the provisions hereof.

(c) Title Company shall have issued an irrevocable and unconditional commitment to issue the Title Policy (as defined in Section 5.2) upon recordation of the Deed and Recordable Lot Line Adjustment Documents (as defined in Section 5.2).

The foregoing conditions precedent are solely for the benefit of Buyer and may be waived only by Buyer. No such waiver shall be binding upon Buyer unless made in writing by an authorized representative of Buyer. Buyer shall, at all times before the termination of this Agreement, have the right to waive any of these conditions. Any such waiver shall not affect Buyer's ability to pursue any remedy it may have with respect to any breach hereunder by Seller.

Section 2.2 Seller's Conditions Precedent. Seller's obligation to sell the Property is conditioned upon the following:

(a) All of the representations and warranties made by Buyer to Seller pursuant to this Agreement shall be true and correct in all material respects as of Closing, as if made on such date.

(b) Seller shall have approved the Easements, and the Deed shall have been recorded or shall be ready to record concurrently at Closing (but in any event before recordation of the Recordable Lot Line Adjustment Documents).

(c) Buyer shall have delivered each of the items described in Section 6.4(b), before Closing, and shall have performed all of its obligations under this Agreement in accordance with the provisions hereof.

The foregoing conditions precedent are solely for the benefit of Seller and may be waived only by Seller. No such waiver shall be binding upon Seller unless made in writing by an authorized representative of Seller. Seller shall, at all times before the termination of this Agreement, have the right to waive any of these conditions.

ARTICLE III REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties of Seller. Seller hereby makes the following representations and warranties.

(a) Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended and any related regulations.

(b) Seller is duly formed, validly existing and in good standing under the laws of the State of California and has the power and authority to enter into this Agreement and to perform its obligations hereunder. This Agreement shall be considered duly authorized, executed and delivered by and binding on Seller only after necessary approval of the City Council of the City of Concord ("**City Council**") is obtained in accordance with applicable laws.

For purposes of this Agreement and any document delivered at Closing, whenever the phrase "knowledge" of Seller or words of similar import are used, they shall be deemed to refer to the actual knowledge of John Montagh, Economic Development & Housing Manager, and not any implied, imputed or constructive knowledge persons or entities other than the aforementioned person or of information contained in Seller's files.

Section 3.2 Representations and Warranties of Buyer. Buyer represents and warrants to Seller as follows:

(a) This Agreement and all documents executed by Buyer which are to be delivered to Seller at Closing do not and at the time of Closing will not violate any provision of any agreement or judicial order to which Buyer is a party or to which Buyer is subject.

(b) Buyer has not: (i) made a general assignment for the benefit of creditors; (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Buyer's creditors; (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of Buyer's assets; (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Buyer's assets; (v) admitted in writing its inability to pay its debts as they come due; or (vi) made an offer of settlement, extension or composition to its creditors generally.

(c) Buyer is duly formed, validly existing and in good standing under the laws of the State of California. Buyer has duly authorized, executed and delivered this Agreement.

Section 3.3 Survival of Representations and Warranties. Each of the representations and warranties of Buyer or Seller above: (a) is true as of the Effective Date; (b) shall be deemed remade by Buyer or Seller, as applicable, as of Closing, and (c) shall survive for a period of twelve (12) months after Closing.

ARTICLE IV AS IS SALE

Section 4.1 Buyer's Independent Investigation. Buyer acknowledges, agrees, represents, and warrants that, before and after the Effective Date, it has been given a full opportunity to obtain, review, inspect and investigate each and every aspect of the Property, either independently or through agents of Buyer's choosing, including the following:

- (a) The size and dimensions of the Property.
- (b) The availability and adequacy of water, sewage, fire protection, and any utilities serving the Property.
- (c) All matters relating to title including extent and conditions of title to the Property, taxes, assessments, and liens.
- (d) All legal and governmental laws, statutes, rules, regulations, ordinances, limitations on title, restrictions or requirements concerning the Property including zoning, use permit requirements and building codes.
- (e) Natural hazards, including flood plain issues, currently or potentially concerning or affecting the Property.
- (f) The physical, legal, economic and environmental condition and aspects of the Property, and all other matters concerning the conditions, use or sale of the Property, including any permits, licenses, agreements, and liens, zoning reports, engineers' reports and studies and similar information relating to the Property. Such examination of the condition of the Property has included examinations for the presence or absence of Hazardous Materials (defined below) as Buyer deemed necessary or desirable.

(1) "**Hazardous Materials**" means any and all substances, contaminants, chemicals, wastes, sewage, materials or emissions which are now or hereafter regulated, controlled, prohibited or otherwise affected by any present or future local, state or federal statute, ordinance, code, rule, regulation, order, decree, permit or other law now or hereafter in effect including but not limited to (a) any substance defined as a "hazardous substance," "hazardous material," "hazardous waste," "toxic substance," or "air pollutant" in (i) the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. § 9601, et seq., (ii) the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801, et seq., (iii) the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901, et seq., (iv) the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, et seq., (v) the Clean Air Act, as amended, 42 U.S.C. § 7401, et seq., (vi) the Toxic Substances Control Act, as amended, 15 U.S.C. § 2601, et seq., (vii) the Clean Water Act, as amended, 33 U.S. Code § 1251, et seq., (viii) the Oil Pollution Act, as amended, 33 U.S.C. § 2701, et seq., (ix) California Health & Safety Code ("**H&S Code**") § 25100, et seq. (Hazardous Waste Control), (x) the Hazardous Substance Account Act, as amended, H&S Code § 25300, et seq., (xi) the Unified Hazardous Waste and Hazardous Materials Management Regulatory Program, as amended, H&S Code § 25404, et seq., (xii) H&S Code § 25531, et seq. (Hazardous Materials Management), (xiii) the California Safe Drinking Water and Toxic Enforcement Act, as amended, H&S Code §

25249.5, et seq., (xiv) H&S Code § 25280, et seq. (Underground Storage of Hazardous Substances), (xv) the California Hazardous Waste Management Act, as amended, H&S Code § 25170.1, et seq., (xvi) H&S Code § 25501, et seq. (Hazardous Materials Response Plans and Inventory), (xvii) H&S Code § 18901, et seq. (California Building Standards), (xviii) the Porter-Cologne Water Quality Control Act, as amended, California Water Code § 13000, et seq., (xix) California Fish and Game Code § 5650-5656 and (xx) or any other federal, state or local laws, ordinances, rules, regulations, court orders or common law related in any way to the protection of the environment, health or safety; (b) any substance the presence of which at the Property causes or threatens to cause a nuisance upon the Property or to adjacent properties or poses or threatens to pose a hazard to the health or safety of human beings; and (c) any substance the presence of which at the Property or at nearby or adjacent properties could constitute a trespass. In addition to the foregoing, to the extent not already included therein, the term "Hazardous Materials" also means (i) asbestos (including asbestos-containing materials); (ii) flammable, explosive, infectious, carcinogenic, mutagenic, or radioactive materials; (iii) petroleum or any substance containing or consisting of petroleum hydrocarbons (including gasoline, diesel fuel, motor oil, waste oil, grease or any other fraction of crude oil); (iv) paints and solvents; (v) lead; (vi) cyanide; (vii) DDT; (viii) printing inks; (ix) acids; (x) pesticides; (xi) ammonium compounds; (xii) polychlorinated biphenyls; (xiii) radon and radon gas; and (xiv) electromagnetic or magnetic materials, substances or emissions.

(g) Any easements and/or access rights affecting the Property, including the Easements.

(h) The scope and effect of the Management Agreement on the Property.

(i) Any contracts and other documents or agreements affecting the Property.

(j) All other matters of material significance affecting the Property.

Buyer hereby approves the physical, legal, economic and environmental condition and aspects of the Property, and all other matters concerning the legal status, condition, use or sale of the Property as set forth above.

Section 4.2 Entry and Indemnity. Before the Effective Date, Seller has provided, and after the Effective Date shall continue to provide, Buyer with reasonable access to the Property and the records of Seller relating thereto. Without limiting the foregoing, before any entry to perform any invasive on-site testing, Buyer shall give Seller written notice thereof, including the identity of the company or persons who will perform such testing and the proposed scope of the testing. Seller or its representative may be present to observe any testing (whether or not invasive) or other inspection performed on the Property. Buyer shall maintain, and shall assure that its contractors maintain public liability and property damage insurance in amounts and in form and substance adequate to insure against all liability of Buyer and its officers, employees, volunteers, agents, invitees, or contractors (each, a "**Buyer Party**"), arising out of any entry or inspections of the Property pursuant to the provisions hereof, and Buyer shall provide Seller with evidence of such insurance coverage upon request by Seller. Buyer shall indemnify and hold Seller harmless from and against any costs, damages, liabilities, losses, expenses, liens or claims (including, without limitation, reasonable attorney's fees), arising out of or relating to any entry on or about the Property, Seller's Property, or Buyer's Property by Buyer

or any Buyer Party in the course of performing any inspection, testing, or other investigation thereof. Buyer shall keep the Property free from any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of Buyer or any Buyer Party with respect to any such inspection, testing, or other investigation. If any such lien at any time shall be filed, Buyer shall cause the same to be discharged of record within ten (10) days thereafter by satisfying the same or, if Buyer, in its discretion and in good faith determines that such lien should be contested, by recording a bond. Failure by Buyer to discharge any lien shall be a material breach of this Agreement, Seller may terminate this Agreement, and Buyer shall pay all losses, damages, costs and expenses, including, but not limited to, Seller's reasonable attorneys' fees, incurred in connection with such breach, including interest, carrying costs associated with the Property from the date of Buyer's failure to comply with this Section and costs of clearing any such cloud on title. This Section shall survive Closing, expiration, or other termination of this Agreement.

Section 4.3 Disclaimers. Buyer acknowledges and agrees that: (a) neither Seller nor Seller Party has made any representations, warranties, or promises to Buyer, or to anyone acting for or on behalf of Buyer, concerning the condition of the Property or any other aspect of the Property; (b) the condition of the Property has been independently evaluated by Buyer before both its election to enter into this Agreement and the Effective Date; and (c) any information including any engineering reports, architectural reports, feasibility reports, marketing reports, title reports, soils reports, environmental reports, analyses or data or other similar reports, analyses, data or information of whatever type or kind, if any, which Buyer has received or may hereafter receive from Seller or its agents or consultants (collectively, "**Seller Materials**") were and are furnished without warranty of any kind and on the express condition that Buyer has made its own independent verification of the accuracy, reliability and completeness of such information and that Buyer will not rely on the Seller Materials.

Section 4.4 AS IS SCOPE. BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SELLER IS SELLING AND BUYER IS PURCHASING THE PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS, CONDITION AND STATE OF REPAIR INCLUSIVE OF ALL FAULTS AND DEFECTS, WHETHER KNOWN OR UNKNOWN, AS MAY EXIST AS OF CLOSING ("**As Is Scope**") AND THAT BUYER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES FROM SELLER OR ANY SELLER PARTY AS TO ANY MATTERS CONCERNING THE PROPERTY.

Section 4.5 Release.

(a) Buyer hereby releases Seller from any and all manner of rights, liabilities, claims, actions, causes of action, suits, proceedings, demands, damages, costs, expenses (including attorneys fees and costs) or other compensation whatsoever, in law or equity, of whatever kind or nature, whether known or unknown, direct or indirect, foreseeable or unforeseeable, absolute or contingent that Buyer now has or may have or which may arise in the future arising out of, directly or indirectly, or in any way connected with: (i) all warranties of whatever type or kind with respect to the physical or environmental condition of the Property, whether express, implied or otherwise, including those of fitness for a particular purpose, tenantability, habitability or use; (ii) the Management Agreement; (iii) use, management, ownership or operation of the Property, whether before or after Closing; (iv) the physical, environmental or other condition of the Property; (v) the application of, compliance with or

failure to comply with any applicable laws; (vi) Hazardous Materials; (vii) any Seller Materials; (viii) relocation of any person or persons, business or businesses, or other occupant or occupants located on the Property, including any right to any relocation benefits, assistance and/or payments under California Government Code Section 7260, et seq., notwithstanding that such relocation assistance, benefits and/or payments may be otherwise required under said sections or other state or federal law; (ix) compensation for any interest in the Property or the business operations conducted thereon, including, but not limited to, land and improvements, fixtures, furniture, or equipment thereon, goodwill, severance damage, attorneys' fees or any other compensation of any nature whatsoever; and (x) the As Is Scope. The foregoing are collectively referred to herein as "**Claims**". Buyer acknowledges and agrees that it understands that factual matters now unknown to it may have given or may hereafter give rise to Claims that are presently unknown, unanticipated and unsuspected, and Buyer further acknowledges and agrees that the releases herein have been negotiated and agreed upon in light of that realization and that Buyer nevertheless intends to release, discharge and acquit Seller from any such unknown Claims, except to the extent such Claims are the result of contamination from Hazardous Materials on the Property that is directly caused by Seller or Seller's officials, employees, volunteers, agents, or contractors (each, a "**Seller Party**"). Notwithstanding any other provision hereof to the contrary, the foregoing waiver and release (and the defined term "Claims") shall exclude those losses, liabilities, damages, costs or expenses, and claims therefor, arising from or attributable to: (y) a material matter actually known to Seller that is not disclosed to Buyer or not discovered by Buyer before Closing; or (z) a breach by Seller of its material obligations under this Agreement.

(b) It is hereby intended that the above release relates to any and all Claims that the Buyer or any Buyer Party may have, or claim to have, against the Seller. By releasing and forever discharging the Claims, Buyer expressly waives any rights under California Civil Code Section 1542, which provides:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

Section 4.6 Indemnification. Buyer shall save, protect, indemnify and defend Seller against and hold Seller harmless from any claim, loss, damage, or expense, including any reasonable attorneys' fees, asserted against or suffered by Seller resulting from: (a) this Agreement, including any breach by Buyer of this Agreement; (b) the untruth, inaccuracy or breach of any of the representations or warranties made by Buyer pursuant to this Agreement; (c) any liability or obligation arising in connection with the Property and accruing on or after Closing; and (d) the Claims.

Section 4.7 Materiality. The provisions of this ARTICLE IV are a material portion of the consideration given by each party to the other in exchange for such party's performance under this Agreement and shall survive Closing, expiration, or other termination hereof.

ARTICLE V
TITLE

Section 5.1 Title Review. Buyer has had the opportunity to obtain, review, inspect and investigate any and all matters of and exceptions to title of the Property, as disclosed by the following documents and instruments (collectively, "**Title Documents**"): (a) a preliminary title report for Seller's Property dated November 13, 201, Order No. 0147012952-DJ issued by title company with respect to the Property ("**Preliminary Report**") and all matters referenced therein; (b) legible copies of all documents, whether recorded or unrecorded, referred to in such Preliminary Report; and (c) an updated survey of the Property. If, Seller causes or allows any matters or liens to encumber title before Closing, other than the Approved Conditions of Title (defined in Section 5.3) then at Buyer may either: (y) take title to the Property despite the existence of such matter; or (z) terminate this Agreement.

Section 5.2 Easements. Before or concurrent with Closing, Seller will record against the Property an easement agreement, transfer deed, or similar document, which reserves to Seller sanitary sewer, storm drain, and such other easement rights, including rights of ingress and egress and other rights necessary or ancillary thereto, necessary to accommodate City's identified needs ("**Easements**"). A draft transfer deed conveying the Property to Buyer, containing the reservation of Easements and a final plat and legal description of the Property, is attached hereto as Exhibit C ("**Deed**"). If a separate instrument is used to create the Easements, for purposes of this Agreement, such instrument shall be included in the defined term "Deed" but shall be recorded immediately before recordation of the transfer deed.

Section 5.3 Conditions of Title. Buyer hereby approves the exceptions disclosed in the Title Documents and the Easements (collectively, "**Approved Conditions of Title**") and shall take title to the Property subject to the Approved Conditions of Title.

Section 5.4 Evidence of Title. Delivery of title in accordance with the foregoing shall be evidenced by the irrevocable commitment of title company to issue, at Closing, its Owner's CLTA or ALTA Policy of Title Insurance in the amount of the Purchase Price showing title to the Property vested in Buyer, subject to the Approved Conditions of Title and with such endorsements as may be requested by Buyer ("**Title Policy**").

Section 5.5 Lot Line Adjustment Documents. With ten (10) business days after the Effective Date, Buyer at its sole cost and expense, shall prepare documents necessary to effect the Property transfer from Seller to Buyer and merger of the Property into Buyer's Property, including a lot line adjustment application, traverse closure calculations prepared by a registered civil engineer or licensed land surveyor, a final plat of showing the adjusted boundaries of Buyer's Property and Seller's Property signed and sealed by a registered civil engineer or licensed land surveyor ("**Final Plat**"), a legal description of the adjusted boundaries of Buyer's Property and Seller's Property signed and sealed by a registered civil engineer or licensed land surveyor ("**Final Legal**"), , preliminary title reports Seller's Property and Buyer's Property, and written approval from all lienholders (collectively, "**Lot Line Adjustment Documents**"), and the Deed, and submit the same for the City Engineer's review and approval. The City of Concord City Engineer ("**City Engineer**") shall approve or disapprove the Lot Line Adjustment Documents. Approval thereof shall be evidenced by City's issuance of a "**Certificate of Compliance**" (which shall thereafter be included in the defined term "Lot Line Adjustment

Documents”); failure by Seller to issue a Certificate of Compliance shall be deemed Seller's disapproval. If Seller approves the Lot Line Adjustment Documents, Buyer and/or Seller, as applicable, shall deposit executed and acknowledged originals of the Final Plat, Final Legal, Certificate of Compliance, and Deed. If Seller disapproves or is deemed to have disapproved the Lot Line Adjustment Documents within the time provided above, this Agreement shall terminate. “**Recordable Lot Line Adjustment Documents**” means the Final Plat, Final Legal, and Certificate of Compliance.

ARTICLE VI CLOSING AND ESCROW

Section 6.1 Escrow Instructions. Seller shall deposit an executed counterpart of this Agreement with Title Company, which shall serve as the instructions to Title Company/Escrow Agent for consummation of the purchase and sale transaction contemplated hereby (“**Transaction**”). The parties agree to execute such reasonable additional and supplementary escrow instructions as may be appropriate to enable Title Company to comply with the terms of this Agreement; provided, however, that in the event of any conflict between the provisions of this Agreement and any supplementary escrow instructions, this Agreement shall control. On behalf of Seller, the City Council hereby delegates authority to revise these escrow instructions, or draft additional escrow instructions, to the City Attorney.

Section 6.2 Escrow Agent Authorization. Escrow Agent is authorized to, and shall:

(a) **Pay and Charge Buyer.** Pay and charge Buyer for all Transaction Costs (defined in Section 6.5), and other costs and expenses of escrow payable.

(b) **Disbursement.** When conditions of the escrow have been fulfilled by the parties: disburse funds; record (in the following order) the Deed, and then the Recordable Lot Line Adjustment Documents,; return two (2) conformed copies to the City Engineer; deliver the originals to Buyer; and deliver the Title Policy (if any) to Buyer. Each party instructs Escrow Agent to release a copy of such party’s closing statement to the other party.

Section 6.3 Closing. “**Closing**” means the consummation of the Transaction as described herein as evidenced by the performance by each party of its obligations hereunder, recordation and delivery of the Deed and the Recordable Lot Line Adjustment Documents as set forth in this Agreement, Title Company's irrevocable and unconditional commitment to issue the Title Policy upon recordation of the Deed and Recordable Lot Line Adjustment Documents, and the payment of the Purchase Price by Buyer. Closing shall be held and delivery of all items to be made at Closing under the terms of this Agreement shall be made at the offices of Title Company on the date which is sixty (60) days following the Effective Date, or such other earlier date and time as the parties mutually agree upon in writing. Such date may not be extended without the prior written approval of both parties; on behalf of Seller, the City Council hereby delegates such authority to the City of Concord City Manager (“**City Manager**”).

Section 6.4 Escrow Deposits.

(a) **Seller.** At or before Closing, Seller shall deposit into escrow the following:

(1) one (1) original Deed duly executed and acknowledged by the City of Concord and/or other appropriate governmental entity;

(2) duly executed and acknowledged Lot Line Adjustment Documents; and

(3) an affidavit pursuant to Section 1445(b)(2) of the Federal Code, and on which Buyer is entitled to rely, that Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Federal Code; and

(4) California 597-W Certificate.

(b) **Buyer.** At or before Closing, Buyer shall deposit into escrow the following:

(1) duly executed and acknowledged Lot Line Adjustment Documents; and

(2) funds necessary to close the Transaction.

(c) The parties hereby designate Title Company as the "Reporting Person" for the Transaction pursuant to Section 6045(e) of the Internal Revenue Code and the regulations promulgated thereunder and agree to execute such documentation as is reasonably necessary to effectuate such designation. Each party agrees to cooperate with the other in Closing the Transaction and in that regard, to sign any and all documents which may be reasonably necessary, helpful, or appropriate to carry out the purposes and intent of this Agreement, including the deposit of such other instruments as are reasonably required by title company or otherwise required to close the escrow and consummate the Transaction in accordance with the material terms hereof. On behalf of Seller, the City Council hereby delegates such authority to the City Manager.

Section 6.5 Prorations. The provisions of this Section 6.5 shall survive Closing.

(a) Buyer, at its sole cost and expense, shall pay the following "**Transaction Costs:**" (i) the premium for the Title Policy, including that portion of the premium for the Title Policy that is attributable to an ALTA policy and endorsements over and above a CLTA policy; (ii) escrow fees; (iii) recording fees; (iv) all costs associated with preparation, review, approval, processing, and recordation of the Deed and Recordable Lot Line Adjustment Documents (including survey services, and any fees, costs or charges imposed by the City of Concord, Contra Costa County, or other governmental authorities); (v) all costs associated with the Appraisal; (vi) all transfer taxes applicable to the Transaction, if any; and (vii) all other expenses of the escrow for the Transaction. Each party shall bear its own legal fees and due diligence costs in connection with the Transaction.

(b) Buyer shall not be entitled to rent or any other payments or monies due under the Management Agreement.

(c) Seller is a public body corporate and politic and, as such, is a tax-exempt entity and shall not pay any real property or other taxes, or pay any bond or assessment that is a

lien customarily paid with real property taxes.

(d) All prorations which can be liquidated accurately or reasonably estimated as of Closing shall be made in escrow at Closing. The parties hereby agree that if any of the aforesaid prorations and credits cannot be calculated accurately at Closing, or if there are any adjustments to initially estimated prorations, then the same shall be calculated or adjusted as soon as reasonably practicable after Closing and either party owing the other party a sum of money based on such subsequent proration(s) or credits shall promptly pay said sum to the other party.

**ARTICLE VII.
MISCELLANEOUS**

Section 7.1 Notices. Any notices required or permitted to be given hereunder shall be given in writing and shall be delivered (a) in person, (b) by certified mail, postage prepaid, return receipt requested, or (c) by a commercial overnight courier that guarantees next day delivery and provides a receipt, and such notices shall be addressed as below or to such other address as either party may from time to time specify in writing to the other party. Any notice shall be effective only upon delivery or refusal to accept delivery by the intended recipient.

To Seller: City of Concord
 1950 Parkside Drive, MS/1B
 Concord, California 94519
 Attention: John Montagh
 Telephone: (925) 671-3082

with a copy to: City of Concord
 1950 Parkside Drive
 Concord, California 94519
 Attention: City Attorney
 Telephone: (925) 671-3160

To Buyer: _____

 Telephone: _____

Section 7.1 Loss or Damage to Property. Buyer shall be bound to purchase the Property for the full Purchase Price, without regard to the occurrence or effect of any damage to the Property or destruction of any improvements thereon or condemnation of any portion of the Property, provided that at Closing there shall be a credit against the cash portion of the Purchase Price equal to the amount of any insurance proceeds or condemnation awards actually collected by Seller as a result of any such damage or destruction or condemnation, less any sums claimed by or paid under the Management Agreement or any mortgagee of the Property, and less any sums expended or committed by Seller toward restoration or repair of the Property. If any portion of the net proceeds or awards have not been collected as of Closing, then Seller shall cease

collection efforts and the right to collect such net proceeds or awards shall be assigned to Buyer.

Section 7.2 Entire Agreement. This Agreement (including the exhibits hereto and the Lot Line Adjustment Documents, all of which are hereby incorporated by reference as though fully restated herein, and which constitute part hereof) contains all representations, warranties and covenants made by the parties and constitutes the entire understanding between the parties hereto with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are replaced in total by this Agreement.

Section 7.3 Time. Time is of the essence in the performance of each of the parties' respective obligations contained herein.

Section 7.4 Interpretation. This Agreement shall be construed and interpreted in accordance with the laws of the State of California, excluding any choice of law rules. If any party brings a suit hereunder, trial shall be held exclusively in a state court in Contra Costa County, California. Each party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of its provisions. The provisions of this Agreement shall be construed as to their fair meaning, and not for or against any party based upon any attribution of the language in question to such party. Headings used herein are for convenience only and shall not be used in construing this Agreement. Where the context so requires, the use of the singular shall include the plural and vice versa and the use of the masculine shall include the feminine and the neuter. The term "person" shall include any individual, partnership, joint venture, corporation, trust, unincorporated association, any other entity and any government or any department or agency thereof, whether acting in an individual, fiduciary or other capacity. The words "include" and "including" shall in all instances be interpreted as though followed by the words "without limitation."

Section 7.5 No Assignment; No Third Party Beneficiary; No Partnership. Neither party may assign its rights and obligations hereunder without the prior written consent of the other party. Any attempted assignment or transfer in breach of this provision shall be void. The provisions of this Agreement are not intended to benefit any third parties. The relationship of the parties hereto is solely that of buyer and seller with respect to the Property and no joint venture, other partnership or agency relationship exists between the parties hereto. Neither party has any fiduciary relationship hereunder to the other.

Section 7.6 Execution; Counterparts; Amendments; Joint and Several Liability. Each individual or entity executing this Agreement on behalf of Buyer represents and warrants that he or she or it is duly authorized to execute and deliver this Agreement on behalf of Buyer, and that such execution is binding upon Buyer. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Except as provided in Section 6.3 and Section 6.4(a), this Agreement may be amended or modified only by a written instrument signed by the parties and duly authorized by the City Council. The liability of all persons and entities obligated in any manner under this Agreement shall be joint and several.

Section 7.7 No Recordation. Buyer shall not record this Agreement, any memorandum of this Agreement, any assignment of this Agreement or any other document which would cause a cloud on the title to the Property.

Section 7.8 Severability. If any term, covenant, condition or provision of this Agreement, or the application thereof to any person or circumstance, to any extent, shall be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, covenants, conditions or provisions of this Agreement, or the application thereof to any person or circumstance, shall remain in full force and effect and in no way shall be affected, impaired or invalidated thereby; except that if the court which determines the provision to be invalid also determines such provision to be of such materiality as to make enforcement of the remaining terms inequitable, then this Agreement shall terminate.

Section 7.9 Default; No Waiver; Termination. Failure or delay by either party to perform any covenant, condition or provision of this Agreement within the time provided herein constitutes a default under this Agreement. The injured party shall give written notice of default to the party in default, specifying the default complained of. The defaulting party shall immediately commence to cure such default and shall diligently complete such cure within ten (10) days from the date of the notice. The injured party shall have the right to terminate this Agreement by written notice to the other party in the event of a default which is not cured within such ten (10) day period. The waiver by either party of any breach of any term, covenant, or condition contained in the Agreement, or any default in their performance of any obligations under the Agreement shall not be deemed to be a waiver of any other breach or default of the same or any other term, covenant, condition, or obligation, nor shall any waiver of any incident of breach of default constitute a continuing waiver of same. In addition to other provisions hereof, if this Agreement expires or is otherwise terminated, Title Company shall: (a) immediately return the Lot Line Adjustment Documents and the Deed to Seller; and (b) after receipt of written permission from Seller, refund to Buyer that portion of the Purchase Price (if any) held in escrow less any amounts claimed in writing by Seller). Upon expiration or other termination hereof, neither Buyer nor Seller shall have any further liabilities, obligations or rights with regard to this Agreement, which shall then become null and void and of no further force or effect (except for matters that by the express terms hereof survive Closing, expiration, or other termination of this Agreement).

Section 7.10 No Brokers. The parties represent and warrant to each other that no broker or finder was instrumental in arranging or bringing about the Transaction. If any person brings a claim for a commission or finder's fee based upon any contact, dealings or communication with Buyer or Seller, then the party through whom such person makes his or her claim shall defend the other party ("**Indemnified Party**") from such claim, and shall indemnify the Indemnified Party and hold the Indemnified Party harmless from any and all costs, damages, claims, liabilities or expenses (including without limitation, reasonable attorneys' fees and disbursements) incurred by the Indemnified Party in defending against the claim. This Section shall survive Closing, expiration, or other termination of this Agreement.

Section 7.11 Effect of City Approvals. Notwithstanding anything to the contrary herein, Buyer acknowledges and agrees that Seller is entering into this Agreement as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, variances, land uses, or operations contemplated or performed by Buyer with respect to the Property may require further authorizations, approvals, or permits from the City of Concord, as well as other governmental and/or regulatory agencies. Nothing in this Agreement

shall limit Buyer's obligation to obtain such other authorizations, approvals, or permits, or pre-commit the City of Concord to any course of action.

[Signature page follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on their behalf by their respective officers thereunto duly authorized as of the Effective Date.

BUYER:

PACIFIC RANCH INVESTMENTS, L.P.,
a California limited partnership

By: _____

Name: _____

Its: _____

By: _____

Name: _____

Its: _____

SELLER:

CITY OF CONCORD,
a California municipal corporation

By: _____

Timothy S. Grayson, Mayor

ATTEST:

By: _____

Mary Rae Lehman, City Clerk

APPROVED AS TO FORM:

By: _____

Mark S. Coon, City Attorney

CONSENT OF ESCROW AGENT

Escrow Agent hereby acknowledges receipt of three (3) counterparts of this Agreement, each of which has been executed by the parties. Escrow Agent hereby agrees (a) to be and serve as Escrow Agent pursuant to this Agreement; and (b) subject to further escrow instructions mutually agreeable to the parties and Escrow Agent, to be bound by the Agreement in the performance of its duties as Escrow Agent and to hold and disburse all funds received by Escrow Agent in accordance with the provisions of this Agreement; provided, however, Escrow Agent shall have no obligation, liability, or responsibility under any amendment to the Agreement unless and until the same is accepted by Escrow Agent in writing. Escrow Agent further agrees to immediately deliver to each party one (1) original counterpart of this Agreement executed by the parties and Escrow Agent.

Escrow Agent has assigned this Agreement file number _____.

ESCROW AGENT:

By: _____
Name: _____
Its: _____
Date: _____

EXHIBIT A

Legal Description of Property

(attached)

EXHIBIT B

Plat Depicting Property

(attached)

EXHIBIT C

Grant Deed

(attached)

EXHIBIT A

LEGAL DESCRIPTION

PACIFIC RANCH INVESTMENTS, LP LOT LINE ADJUSTMENT

TAKE PARCEL

ALL THAT REAL PROPERTY SITUATE IN THE CITY OF CONCORD, IN THE COUNTY OF CONTRA COSTA COUNTY, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

A PORTION OF RANCHO MONTE DEL DIABLO, ALSO BEING A PORTION OF THE PARCELS DESCRIBED IN THE DEEDS TO THE CITY OF CONCORD, RECORDED OCTOBER 31, 1963 IN BOOK 4483 OF OFFICIAL RECORDS, AT PAGE 539, AND APRIL 30, 1999, SERIES NO. 99-0115575, OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF LOT 1 SUBDIVISION 9024 "PORT CHICAGO PLAZA" (499M22).

THENCE ALONG THE COMMON LINE BETWEEN SAID CITY OF CONCORD PARCELS (4483 OR 539 AND 99-0115575) NORTH 69°05'38" EAST 69.00 FEET.

THENCE LEAVING SAID COMMON LINE SOUTH 20°54'22" EAST 175.00 FEET

THENCE SOUTH 69°05'38" WEST 69.00 FEET TO THE WEST LINE OF SAID CITY OF CONCORD PARCEL OF LAND (99-0115575) SAID WEST LINE ALSO BEING THE EAST LINE OF PORT CHICAGO HIGHWAY.

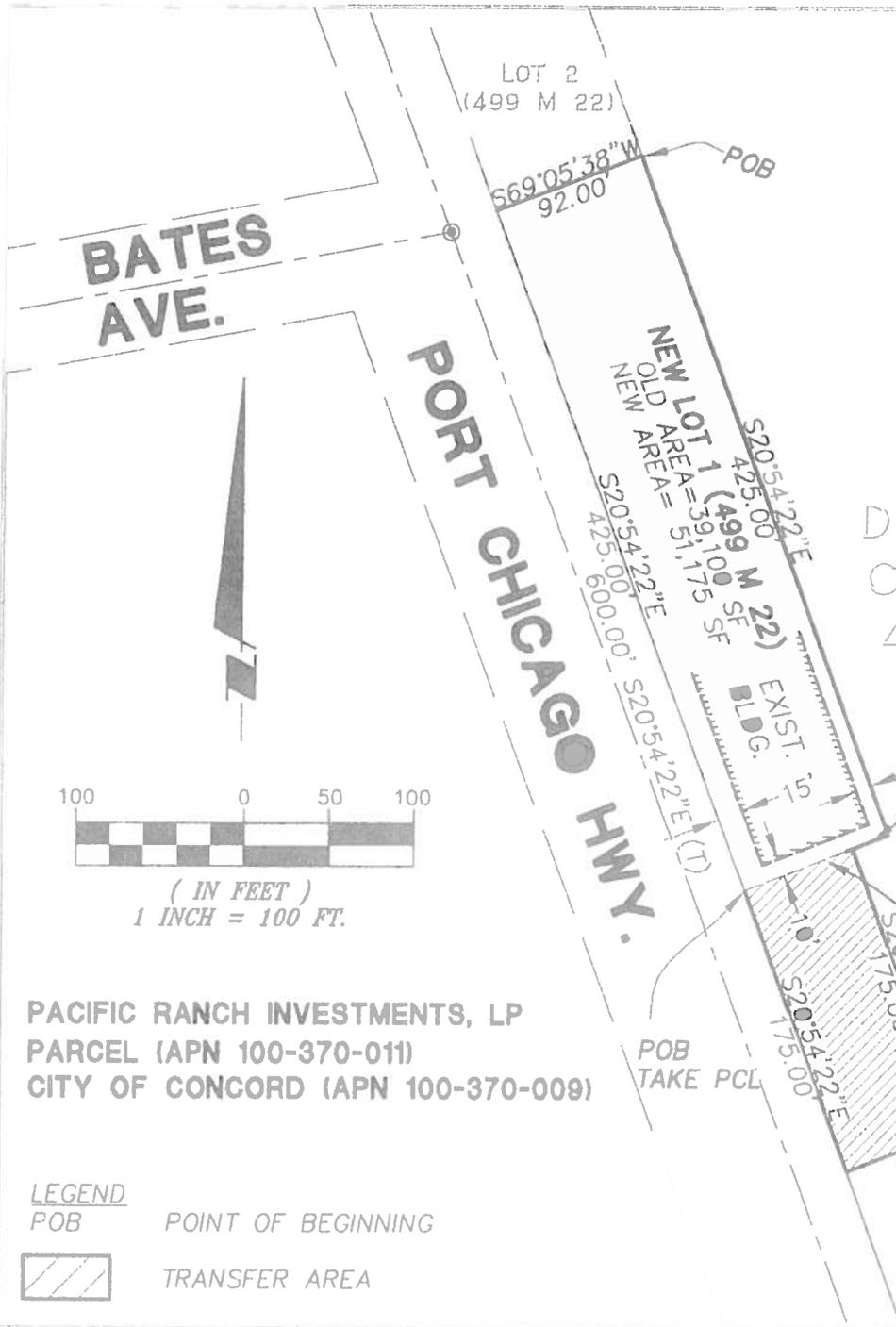
THENCE ALONG SAID EAST LINE OF PORT CHICAGO HIGHWAY NORTH 20°54'22" WEST 175.00 FEET TO THE POINT OF BEGINNING .

CONTAINING 12,075 SQUARE FEET MORE OR LESS.





DIABLO CREEK
COLF COURSE
448 OR 537



PACIFIC RANCH INVESTMENTS, LP
PARCEL (APN 100-370-011)
CITY OF CONCORD (APN 100-370-009)

LEGEND
 POB POINT OF BEGINNING
 [Hatched Box] TRANSFER AREA

EXHIBIT 'B' PLAT MAP

- Lot Line Adjustment
- Parcel Merge

File Number: MM- 13001008

OWNER(S) Pacific Ranch Investments ASSESSOR'S PARCEL NO. 100-370-009, 011

ADDRESS 4080 Port Chicago Hwy., Concord, CA 94520

APPROVED
 CITY ENGINEER _____ DATE _____ ZONING ADMINISTRATOR _____ DATE _____

RECORDING REQUESTED BY AND WHEN
RECORDED MAIL TO:

City Clerk
City of Concord
1950 Parkside Drive, MS 03
Concord, CA 94519-2578

(Space Above This Line for Recorder's Use Only)
[Exempt from recording fee per Gov. Code § 27383]

GRANT DEED

This Grant Deed ("**Grant Deed**") is between the City of Concord, a California municipal corporation, as grantor ("**City**" or "**Grantor**"), and Pacific Ranch Investments, L.P., a California limited partnership, as grantee ("**Grantee**").

NOW THEREFORE, for valuable consideration, Grantor hereby grants to Grantee, without warranty or covenant of any kind, express or implied, all of Grantor's right, title, and interest in the real property legally described in Exhibit A and depicted on Exhibit B, which exhibits are attached hereto and incorporated by reference ("**Property**"); BUT

RESERVING THEREFROM THE FOLLOWING:

(1) the existing forty-eight (48) inch diameter storm drain generally located along the easterly border of the Property and related manhole ("**Existing Drain**"); AND

(2) a twenty (20) foot wide perpetual strip easement and right of way in, over, under, along, and across the easterly border of the Property for public storm drain purposes and facilities (including but not limited to storm, flood, surface water, and other drainage); AND

(3) an approximately three (3) foot wide perpetual easement and right of way in, over, under, along, and across the easterly border of the Property for fire separation distance purposes, upon which no buildings or other structures (including projections) may be placed or constructed absent the express written consent of the City of Concord Building Official in compliance with the intent and purpose of the California Building Code and related regulations (as such may be amended, renumbered, or reissued from time to time) ("**No Build Easement**"). One purpose of the No Build Easement is to ensure an adequate fire separation distance (currently, ten (10) feet) between the easterly border of the Property and buildings or other structures on the adjacent City-owned property. The current width and location of the No Build Easement is shown on Exhibit C hereto; AND

(4) a five (5) foot wide perpetual strip easement and right of way in, over, under, along, and across the westerly border of the Property abutting Port Chicago Highway, for public utility purposes and facilities (including but not limited to sanitary sewers; water mains or lines; gas mains or lines; street lighting; electricity and other energy lines and conduits; fiber optic, telephone, television, internet, cable, and other transmission and communication lines and conduits; and other public utilities and services), public access purposes and facilities (including but not limited to pedestrian access ways, sidewalks, and curb ramps; which are currently

existing or which City determines necessary or desirable for the benefit of the public, or development, redevelopment and operation of the public right of way or adjacent property; AND

(5) rights of ingress and egress in, over, under, along, and across the Property in order to use, install, maintain, repair, replace, relocate, or clear obstructions to any of the facilities, or as City determines necessary or desirable for easement purposes; AND

(6) rights of ingress and egress in, over, under, along, and across the Property in order to provide the Contra Costa Fire Department with access to adjacent structures on City Property.

NOTICE: Nothing in this Grant Deed is intended or shall be construed to alter Grantee's obligations and liabilities under the City of Concord Municipal Code, including but not limited to Section 90-343 (Maintenance and repair of sidewalks) and Section 90-344 (Liability for personal injury and property damage).

IN WITNESS WHEREOF, each party has caused this instrument to be executed on its behalf by its officers thereunto duly authorized as of the date set forth below.

GRANTEE:

PACIFIC RANCH INVESTMENTS, L.P.,
a California limited partnership

By:

[signature must be notarized]

Name:

Its:

By:

[signature must be notarized]

Name:

Its:

CITY/GRANTOR:

CITY OF CONCORD,
a California municipal corporation

By:

Timothy S. Grayson, Mayor
[signature must be notarized]

ATTEST:

By:

Mary Rae Lehman, City Clerk

APPROVED AS TO FORM:

By:

Mark S. Coon, City Attorney

**BEFORE THE CITY COUNCIL OF THE CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONCORD
APPROVING THE DISPOSITION OF A PORTION OF CITY-OWNED
PROPERTY LOCATED AT 4050 PORT CHICAGO HIGHWAY, CONCORD
CALIFORNIA, APN 100-370-009, AND AUTHORIZING A PURCHASE AND
SALE AGREEMENT FOR SAID PROPERTY**

Resolution No. 14-17

WHEREAS, the City of Concord (“City”) owns a parcel of real property, located at 4050 Port Chicago Highway, Concord CA, APN 100-370-009 and commonly known as Diablo Creek Golf Course (“City Property”); and

WHEREAS, Pacific Ranch Investments, LP, a California limited partnership (“Buyer”) currently owns property located at 4080 Port Chicago Highway, Concord, CA, APN 100-370-011 (“Buyer’s Property”) and is zoned Office Business Park; and

WHEREAS, Buyer’s Property is approximately 0.9 acres or 39,204 square feet, which falls below the current minimum lot size of 40,000 square feet for Office Business Park zoning; and

WHEREAS, Buyer desires to purchase a portion of Seller’s Property as more particularly described and depicted in Exhibit A attached hereto and incorporated by reference (“Property”); and

WHEREAS, the Property consists of an approximately 12,075 square foot graded dirt parking area, located directly adjacent to Buyer’s Property; and

WHEREAS, the Property is not part of the daily operations of the Diablo Creek Golf Course and is largely unusable to the City and the public; and

WHEREAS, the City has determined that the Property has no potential to be developed as a City facility; and

WHEREAS, due to the size and location of the Property, it is infeasible to develop and has minimal value to anyone other than an adjacent property owner; and

WHEREAS, Smyers & Krauss Appraisal, LLC conducted an appraisal of the Property and prepared an Appraisal Report dated October 31, 2013, and a follow up letter dated March 11, 2014 which concluded that the market value of the Property is \$3.52 per square foot;

1 WHEREAS, the total market value of the Property is \$42,504 (\$3.52 per square foot x 12,075
2 square foot and

3 **WHEREAS**, Buyer desires to purchase the Property and combine it with Buyer's Property in
4 order to increase the overall size of Buyer's Property so that it meets the current minimum lot size for
5 Office Business Park zoning, and to increase the future parking capacity of Buyer's Property; and

6 **WHEREAS**, California Government Code Section 37350 provides that a city may dispose of
7 real property for the common benefit; and

8 **WHEREAS**, City desires to sell the Property to Buyer for the common benefit of its citizens,
9 at a price equal to the appraised market value of the Property; and

10 **WHEREAS**, City and Buyer desire to effect such sale via a lot line adjustment pursuant to
11 Subdivision Map Act Section 66412(d), and in accordance with the terms and conditions of the
12 Agreement of Purchase and Sale and Joint Escrow Instructions ("Agreement") between City and
13 Buyer, attached hereto as Exhibit B and incorporated by reference; and

14 **WHEREAS**, the proposed disposition and use of the Property conforms to the City of General
15 Plan in accordance with Government Code Section 65402, including furtherance of General Plan
16 Policy LU-9.2.1 (Encourage land assembly to achieve building sites large enough for safe, efficient,
17 on-site vehicular circulation, and ample landscaping); and

18 **WHEREAS**, the sale of the Property is exempt from the California Environmental Quality
19 Act of 1970, Public Resources Code § 21000, et seq., as amended, and the CEQA Guidelines, Title
20 14, Chapter 3 of the California Code of Regulations, including under CEQA Guidelines Sections
21 15061(b)(3), and 15305(a).Class 5, "Minor Alterations in Land Use Limitations".

22 **NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY**
23 **CITY OF CONCORD DOES RESOLVE AS FOLLOWS:**

24 **Section 1.** The sale of the Property to Buyer is for the common benefit of the citizens of the
25 City of Concord.

26 **Section 2.** The Agreement (including Grant Deed) is hereby approved, and the Mayor is
27 authorized to make revisions to the same to conform to Council's direction, and execute the same on
28

1 behalf of the City, all subject to approval of the City Attorney.

2 **Section 3.** The Mayor is hereby authorized to execute a deed in favor of Buyer to affect such
3 sale, to the extent consistent with the Agreement and subject to approval of the City Attorney.

4 **Section 4.** The City Manager and/or Mayor, as applicable, are/is hereby authorized to
5 negotiate and draft all other documents associated with the sale of the Property to Buyer, to execute
6 the same on behalf of the City, and to take such other actions as are necessary to effect such sale; all to
7 the extent consistent with the Agreement and subject to approval of the City Attorney.

8
9 **PASSED, APPROVED AND ADOPTED** on _____, 2014,

10
11 **AYES:**

12 **NOES:**

13 **ABSTAIN:**

14 **ABSENT:**

15
16 **I HEREBY CERTIFY** that the foregoing Resolution No. 14-17 was duly and regularly
17 adopted at a meeting of the City Council of the City of Concord on _____, 2014.

18
19
20
21 _____
Mary Rae Lehman, CMC
Clerk of the Board

22 **APPROVED AS TO FORM:**

23
24 _____
Mark S. Coon
City Attorney



DIABLO CREEK
COLF COURSE
448 OR 537

PORT CHICAGO HWY.

BATES AVE.

LOT 2
(499 M 22)

669'05'38"W
92.00

NEW LOT 1 (499 M 22)
OLD AREA = 39,100 SF
NEW AREA = 51,175 SF

S20'54'22"E
425.00
S20'54'22"E
425.00
600.00

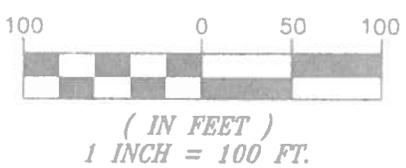
EXIST. BLDG.

23.00'
S69'05'38"W

69.00'
S69'05'38"W
OLD LOT LINE

69.00'
S69'05'38"W

POB TAKE PCL



PACIFIC RANCH INVESTMENTS, LP
PARCEL (APN 100-370-011)
CITY OF CONCORD (APN 100-370-009)

LEGEND
POB POINT OF BEGINNING
 TRANSFER AREA

EXHIBIT 'B' PLAT MAP

- Lot Line Adjustment
- Parcel Merge

File Number: MM- 13001008

OWNER(S) Pacific Ranch Investments ASSESSOR'S PARCEL NO. 100-370-009, 011

ADDRESS 4080 Port Chicago Hwy., Concord, CA 94520

APPROVED
CITY ENGINEER DATE ZONING ADMINISTRATOR DATE

APPRAISAL REPORT
11,375 SQUARE FEET OF EXCESS LAND WHICH
IS PART OF APN 100-370-009
CONCORD, CALIFORNIA
DATE OF VALUE – OCTOBER 7, 2013



Prepared for:
City of Concord
1950 Parkside Drive
Concord, CA 94519-2578

Prepared by:
Smyers and Krauss Appraisal, LLC
Trentin P. Krauss, MAI
1839 Ygnacio Valley Road, #171
Walnut Creek, CA 94598



October 31, 2013

John Montagh
City of Concord
1950 Parkside Drive
Concord, CA 94519-2578

Dear Mr. Montagh:

In response to your request, I prepared the following appraisal, which estimates the market value of a 11,375 square foot portion of Contra Costa County Assessor's Parcel Number 100-370-009. Ownership of the larger parcel is held by the City of Concord.

The purpose of this appraisal is to estimate the market value of the fee simple interest in the 11,375 square feet of excess land to aid in the possible sale of the land to the adjacent property owner. The effective date of value of this report is October 7, 2013. This report is a complete appraisal presented in summary format to be used by the City of Concord in negotiations to sell the excess land.

The data, analysis, and conclusions contained in the accompanying appraisal report, plus Addenda, provide the reasoning and support leading to my opinion of the market value for the excess land, which is: **\$40,000**, rounded. There are no hypothetical conditions, extraordinary assumptions, limiting conditions or legal instructions made in this report.

The value opinions that are summarized in the Statement of Facts and Conclusions are qualified by certain definitions, limiting conditions and certification included at the conclusion of the report. This appraisal has been prepared in compliance with the Uniform Standards of Professional Appraisal Practice. This report is intended as a complete appraisal presented in summary format.

Respectfully,

A handwritten signature in blue ink that reads 'Trentin P. Krauss'.

Trentin P. Krauss, MAI

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SUMMARY OF SALIENT FACTS AND CONCLUSIONS

<u>Subject Property Identification:</u>	This appraisal report addresses the fee simple interest of 11,375 square feet of excess land that is part of APN 100-370-009. The larger parcel is improved as part of Diablo Creek Golf Course in northern Concord, California. The property is accessed from Port Chicago Highway and ownership is held by the City of Concord.
<u>Purpose of Appraisal:</u>	The purpose of this appraisal is to estimate the market value of the fee simple interest in the excess land as of October 7, 2013. The function of this appraisal is to assist the City of Concord in the possible sale of the excess land to the adjacent property owner at 4080 Port Chicago Highway, also known as Contra Costa County Assessor's Parcel Number (APN) 100-370-011. APN 100-370-011 is under the ownership of Pacific Ranch Investments.
<u>Intended Use and Users:</u>	The intended use of this appraisal is to assist the City of Concord in negotiations of the sale of the 11,375 square feet of excess land. The intended user of this report is the client, the City of Concord.
<u>Neighborhood Description:</u>	The subject is located in the city of Concord in Contra Costa County. The excess land is rectangular shaped and has level, at street grade topography. The neighborhood is delineated by Warwick Lane to the north, Kinne Boulevard to the east, State Route 4 (SR-4) to the south, and Solano Way to the west.
<u>Zoning:</u>	Parks and Recreation
<u>General Plan Designation:</u>	Parks and Recreation
<u>Urban Limit Line (ULL):</u>	The property is located inside of the ULL.

Flood Hazard Zone:

The subject is entirely located in flood Zone A per FEMA Community Map Panel 06013C0095F dated June 16, 2009. Areas in Zone A may require flood insurance.

Site Analysis:

The larger, subject property has a total land area of 58.18 acres and is assembled with the adjacent 120.62 acre parcel (APN 100-370-002) to be the Diablo Creek Golf Course. The site has mostly level, at street grade, topography. The 11,375 square foot, excess land portion of the subject parcel is rectangular shaped, with level topography. The excess land fronts along Port Chicago Highway which provides access to the site. Access to public utilities are in place, in the street.

Improvement Description:

The larger parcel is improved with a public golf course. The excess land portion of the site that this report values is unimproved and is fenced off from the golf course. The property is improved with concrete curbs and gutters along Port Chicago Highway. The perimeter of the property is fenced along three sides, one has chain-link fencing and the other has a partial steel fence. There are no significant improvements on the property.

Legal Description:

A Title Report that was prepared by Old Republic Title Company, dated July 7, 2013 was provided to the appraiser. A legal description of the property can be found in the title report provided in the Addenda. A survey map showing the location of the property was provided. The map was prepared by Isakson & Associated, Inc. and a copy can be found later in this report.

Highest and Best Use Estimate:

As Vacant

The highest and best use of the excess land is to assemble the property with the adjacent property, APN 100-370-011.

As Improved

The highest and best use of the subject, as improved, was not analyzed because the property is not improved.

Assessed Value and Property**Taxes:**

The assessed value of APN 100-370-009 is \$2,504,022 (\$1,732,813 land and \$771,209 improvements). Public records indicate the property taxes paid are \$75. This property is owned by the City of Concord and is tax exempt.

**Final Estimated Value of the
11,375 SqFt of Excess Land:****\$40,000****Marketing and Exposure Time:**

Six to twenty four months / Six to twenty four months

Effective Date of Value:

October 7, 2013

Date of Inspection:

October 7, 2013

Date of Report:

October 31, 2013

Extraordinary Assumptions:

None

Hypothetical Conditions:

None

Jurisdictional Exceptions:

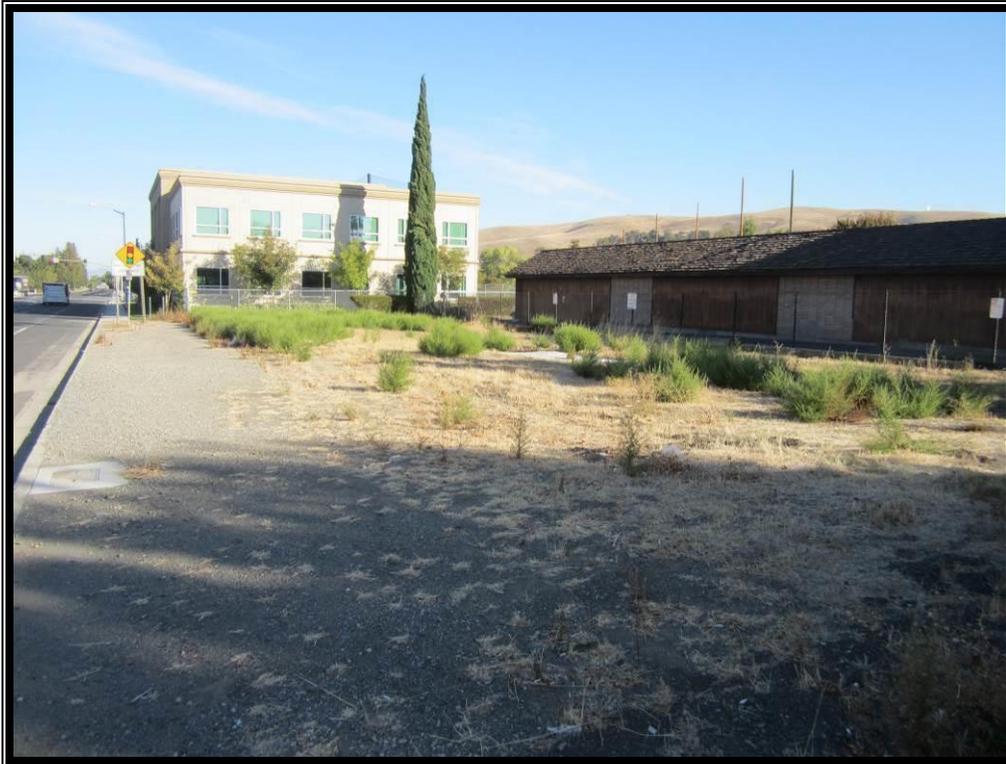
None

Special Limiting Conditions:

The above value estimate specifically ignores any hidden or unapparent environmental and/or adverse subsoil contamination or conditions, or any building materials which may have an impact on the development costs, marketability, or mortgageability of the subject property.



Aerial Photograph (approximate parcel location outlined in red)



**1 – Excess Land Looking North
(October 7, 2013 by TPK)**



**2 – Excess Land Looking South
(October 7, 2013 by TPK)**



**3 – Street Scene- Looking South, Subject is on the Left
(October 7, 2013 by TPK)**



**4 – Excess Land
(October 7, 2013 by TPK)**

EFFECTIVE DATE AND PURPOSE

The effective date of value used in this appraisal is October 7, 2013. The property was most recently inspected by Trentin P. Krauss, MAI on October 7, 2013. The purpose of this appraisal is to estimate the market value of the fee interest in 11,375 square feet of excess land. The appraisal is to be used to assist the City of Concord in selling the excess land to the adjacent property owner. The intended user of this report is limited to the City of Concord and their agents or representatives.

INTEREST APPRAISED

In this appraisal, the appraiser estimated the market value of the fee simple interest for the subject property, subject to covenants, conditions, restrictions, rights of way, and easements of record. The appraiser was provided with a Preliminary Title Report for the subject.

SCOPE OF ASSIGNMENT

It is the intent that all appropriate data deemed pertinent to the solution of the appraisal problem be collected, confirmed, and reported in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation and the Code of Professional Ethics of the Appraisal Institute. The appraisal problem for this assignment is to estimate the fee simple interest in the subject property under two premises. This appraisal is intended to be a complete summary appraisal report as defined by USPAP.

Activities undertaken during the course of this appraisal are as follows:

- Trentin P. Krauss, MAI conducted a physical inspection of the subject property and surrounding neighborhood on October 7, 2013. Trentin P. Krauss, MAI is the appraiser signing this report by virtue of his education and specific appraisal experience has the knowledge and experience to competently complete this appraisal assignment.
- Reviewed several documents regarding the subject property including the appropriate zoning ordinance, General Plan, topography map, soils map, title report, and FEMA Flood Plain Map.
- Researched current market conditions relative to the property type being appraised, as well as the market sector with which the subject is identified. The market sector relevant to this

appraisal includes land properties of two acres or less, located in Contra Costa and Alameda Counties.

- As part of the market data gathering process, the appraiser interviewed brokers, property owners and/or managers regarding specific sales information and market conditions. The city of Concord Planning Department and the property owner were interviewed regarding the development potential of the property.
- Listings, pending sales, and real estate transactions of properties in the general market area of the subject were reviewed with brokers, agents, property owners, the local Multiple Listing Service, and other online sources. The market area researched for this purpose includes areas of Alameda and Contra Costa Counties. The time frame reviewed is three years prior to the date of value. The market data used in this appraisal was selected based on similarity to the subject with regard to location, size, potential use and date of sale. All the data selected was confirmed with at least one person involved in the transaction, when possible.
- The final value conclusion is the result of the information gathered regarding the subject and its potential use, an analysis of the appropriate data, along with the appraisers' experience in the appraisal of this type of property in Contra Costa and Alameda Counties over many years.

IDENTIFICATION OF THE SUBJECT PROPERTY

This report estimates the value of an 11,375 square foot portion of excess land that is part of APN 100-370-009. The larger parcel is irregular shaped with mostly level topography and is under the ownership of the City of Concord. The larger parcel has a total land area of 58.18 acres and is improved as part of the Diablo Creek Golf Course. The excess land portion totals 11,375 square feet and has level topography. This portion of the parcel has no improvements and is not used as part of the existing golf course.

The survey map provided indicates the excess land is crossed by a twenty foot wide easement that runs north to south across the entire parcel. This easement is held by the Contra Costa County Transit Authority. The map and title report also indicate that the southern property line has a five foot wide "future pvt. ss" easement. A review of the title report suggests that this is a sanitary easement. There was one manhole noted on the subject near the northeast corner of the site. There are no other known easements or encroachments that would negatively impact the value of the excess land.

This report is intended to aid in the possible sale of the excess land to the adjacent property owner at 4080 Port Chicago Highway. The adjacent property that the excess land may be assembled with is 0.90 acres and is improved with a two story office building with a gross building area of 20,060 square feet. This property has level, at street grade, topography. Both properties are accessed from Port Chicago Highway.

PROPERTY HISTORY

The historical use of the larger subject property is as a public golf course. The excess land portion is not and has not historically been used as part of the golf course. The site was at one time part of a right of way that serviced the nearby Concord Naval Weapons Station. The right of way was acquired by the City of Concord over ten years ago and portions of it have since been sold and developed. The adjacent property at 4080 Port Chicago Highway and several other adjacent properties were developed with mixed use office/flex buildings around 2007.

Public records indicate that there have been no sales or transfers of the subject property in the last five years.

MARKETING AND EXPOSURE TIME

Exposure time is the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value as of the effective value of the appraisal; a retrospective estimate based upon an analysis of past events, assuming a competitive, and open market. As such, exposure time is a retrospective concept based on historical information.

In contrast, marketing time is a forward-looking estimate or a projection of future events. Marketing time is the amount of time it might take to sell a property interest in real estate at the estimated market value level during the period immediately after the effective date of an appraisal. Marketing is a function of market conditions, as well as asking price, credit availability, investor activity, location, and the physical and economic characteristic of a property. Over the last year demand for real estate has been improving. As the economy continues to improve demand is anticipated to increase.

Interviews with local brokers suggest the number of motivated buyers in the market has been increasing over the last year. As demand increases, listing prices have also increased and listing periods have shortened. The Bay Area real estate market is the healthiest it's been in the last five years and the health of the market is closely related to the health of the economy and the lowering unemployment rate. Both of these factors have improved significantly over the last year.

Exposure time is always presumed to precede the effective date of the appraisal and incorporates the same factors as marketing time. Based on the appraisers' research of exposure time for comparable properties and conversations with brokers active in the market, the opinion of market value in this report incorporates an exposure time assumption of six to twenty-four months.

A marketing time of six to twenty-four months is estimated to achieve a typical arm's length purchase agreement for the subject. This analysis relies on the hypothetical condition that the excess land is a standalone parcel and ready to be sold.

REGIONAL DESCRIPTION

CONTRA COSTA COUNTY

The subject is located in Concord in Contra Costa County, one of nine major counties comprising the greater Bay Area (the other counties are Marin, Napa, Solano, Sonoma, San Francisco, San Mateo, Santa Clara, and Alameda). This nine county region has an estimated 2010 population of 7,341,000 according to the Association of Bay Area Governments (ABAG). ABAG projects that the Bay Area population will grow to 8,018,000 by the year 2020.

Contra Costa County is divided into approximately 30 towns or cities, not all of which are incorporated and comprises about 733 square miles. It has the ninth largest population in the state and is one of the fastest growing counties in the San Francisco Bay Area. Contra Costa County has become the third most populous county in the Bay Area, behind Alameda and Santa Clara Counties.

Most development in the county over the past 20+ years has followed the corridors of the major interstates and highways in the area. The major Interstates include I-680, I-80, and Highway 4. The majority of the acreage in the County is rural and undeveloped, consisting of either agricultural/residential and grazing activities, or commercial farming in the East County area. A large portion of this land is preserved as watershed land or publicly held park land.

When the real estate bubble burst in late 2007, Contra Costa County was hard hit, especially areas in the east county, which saw real estate values decline as much as 50%. The economy has improved over the last year plus and the Bay Area real estate market has followed. The improving economy and the decreasing unemployment rate have had a positive impact on real estate prices. Over the last year real estate prices in the Bay Area have seen rapid appreciation, although the recent increase in interest rates did slow the market down. The future of the economy is unknown, but recent indicators suggest the economy will remain strong throughout 2013.

Transportation

Availability of a broad transportation network has been a key factor in the county's economic and population growth. Interstate 680 traverses the county from north to south and intersects with State Highway 24 in Walnut Creek, State Highway 4 in Concord, and 580 in Dublin. State Highway 24 heads west from Walnut Creek, bisecting Orinda on its way toward Oakland and the San Francisco Bay Bridge. State Highway 4 traverses the county in an east-west direction

starting at Interstate 80 at Hercules in the west and extending to Discovery Bay in the east. Interstate 80 traverses the western portion of Contra Costa County in a north-to-south direction. Interstate 80 provides access to the Bay Bridge and connects with Interstates 680 and 780 in the north, providing access to Solano and Sacramento Counties.

In addition to its network of freeways, Contra Costa County is linked to the region by the BART system, which has stations in Alameda, Contra Costa, and San Francisco Counties, while the Alameda-Contra Costa (AC) Transit, Tri-Delta Transit, and the Greyhound Bus Lines provide bus service to points throughout the county and beyond. The BART system connects the County to Alameda County, San Francisco, Millbrae, and Colma in San Mateo County with two main lines, one from the San Francisco area to Richmond and the other to the Concord/Walnut Creek/Pittsburg area. BART now has 43 stations and 104 miles of roadway in its system, and an extension to the San Francisco International Airport was opened in June of 2003.

Passenger and freight rail service is provided by two railroads, the Burlington Northern Santa Fe and the Union Pacific. The western termini of both Union Pacific transcontinental railroad routes are in Oakland, located in Alameda County.

Employment

The county's diversified economy helps make it the sixth most affluent county in California; home to one of the fastest growing work forces in the Bay Area. The leading sources of this income are retail and wholesale trade, services, manufacturing and government employment. Between the years 2000 and 2015, the largest growth will be in the Health, Education and Recreational sector, followed by the Financial and Professional Service sector. Agriculture, including cattle grazing, was the most important segment of the economy until World War II. Development and rising land prices have limited this activity to smaller and smaller areas of the eastern county.

Due to the presence of relatively high wage skilled jobs and relatively wealthy residents, the County achieves high ranking among all California counties on a variety of income measurements. In the past twenty years, the County has seen the emergence of a trend toward the location of large office facilities by major companies in the central areas of the County, most notably Concord, Walnut Creek, and most recently the Pleasant Hill BART station. Many major corporations have chosen Contra Costa County as an alternative because of easier commutes, the availability of affordable housing and the large pool of well educated workers.

Unemployment Trends

The unemployment rate for Contra Costa County was 7.3% as of August 2013. During this same time period, the unemployment rates for Alameda and San Francisco Counties were 7.4% and 5.6%, respectively. The state-wide average for the same time period was 8.8%. In all of these locations the rate has declined significantly over the last couple of years but increased over the last couple of months. The declining unemployment rate has helped to support the improving economy, but recent increases promote uncertainty in the health of the economy.

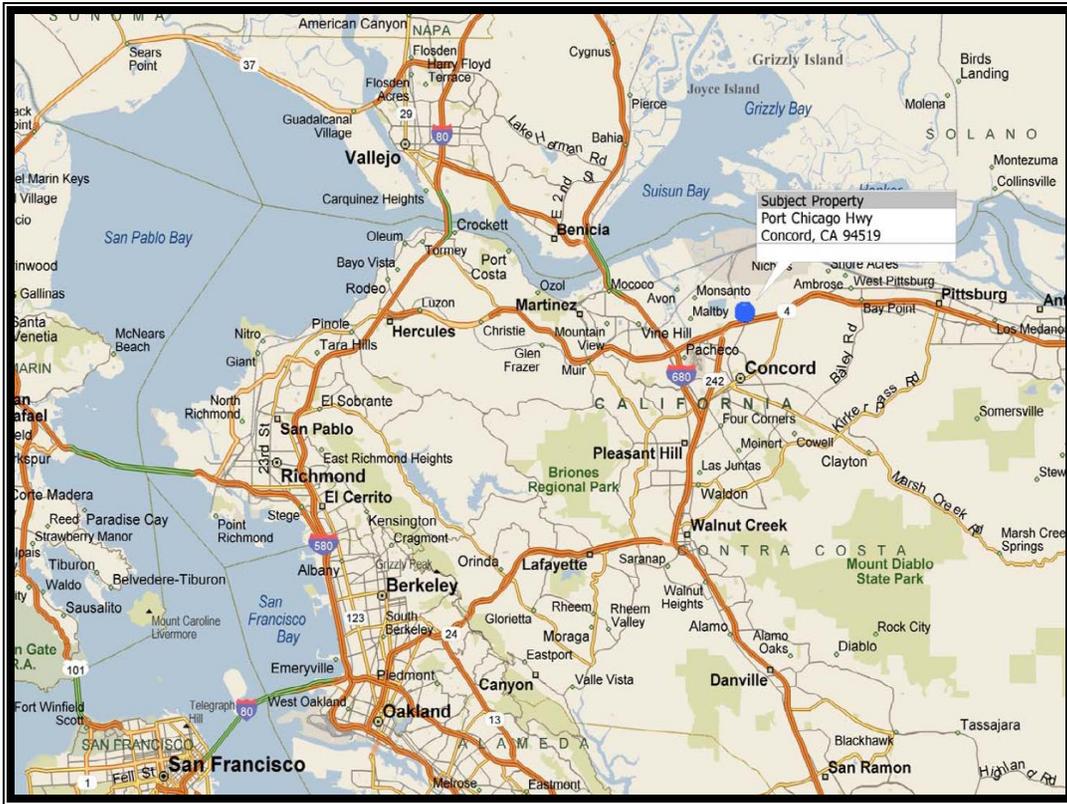
Market Trends - Housing

The San Francisco Bay Area has among the highest housing costs and rental rates in the nation. Contra Costa County; however, offers a wide variety of housing types, price and rental ranges, including some of the most affordable housing alternatives in the Bay Area. Since late 2000, interest rates have been very low by historic standards, but have recently started to increase.

After steep declines in recent years, news from the local housing markets has been positive over the last year plus. Residential prices are nearing their highs from 2007 after having declined by as much as 50% or more in some areas. Recent data suggests that the number of sales of existing homes has been strong throughout 2013 and asking real estate prices have continued to increase. The recent increase in interest rates has caused a slowdown in the market but the limited supply and increasing demand for residential properties has kept the market strong.

Conclusion

In the long term, Contra Costa County is expected to continue its growth as a commercial and residential center, with the majority of the residential growth occurring in the eastern areas of the county. The economy has continued to improve and the unemployment rate is significantly lower than just one year ago. All of these factors have helped the local real estate market to improve. Real estate prices are anticipated to continue to increase but at a slower rate than the last year. Demand for commercial land is anticipated to increase as developers look to get back into the market because of increasing demand.



Regional Map

NEIGHBORHOOD DESCRIPTION

The subject is located in the city of Concord in Contra Costa County. A neighborhood is defined as a group of complementary land uses. The subject neighborhood can be delineated by Warwick Lane to the north, Kinne Boulevard to the east, State Route 4 (SR-4) to the south, and Solano Way to the west. This area is commonly referred to as North Concord.

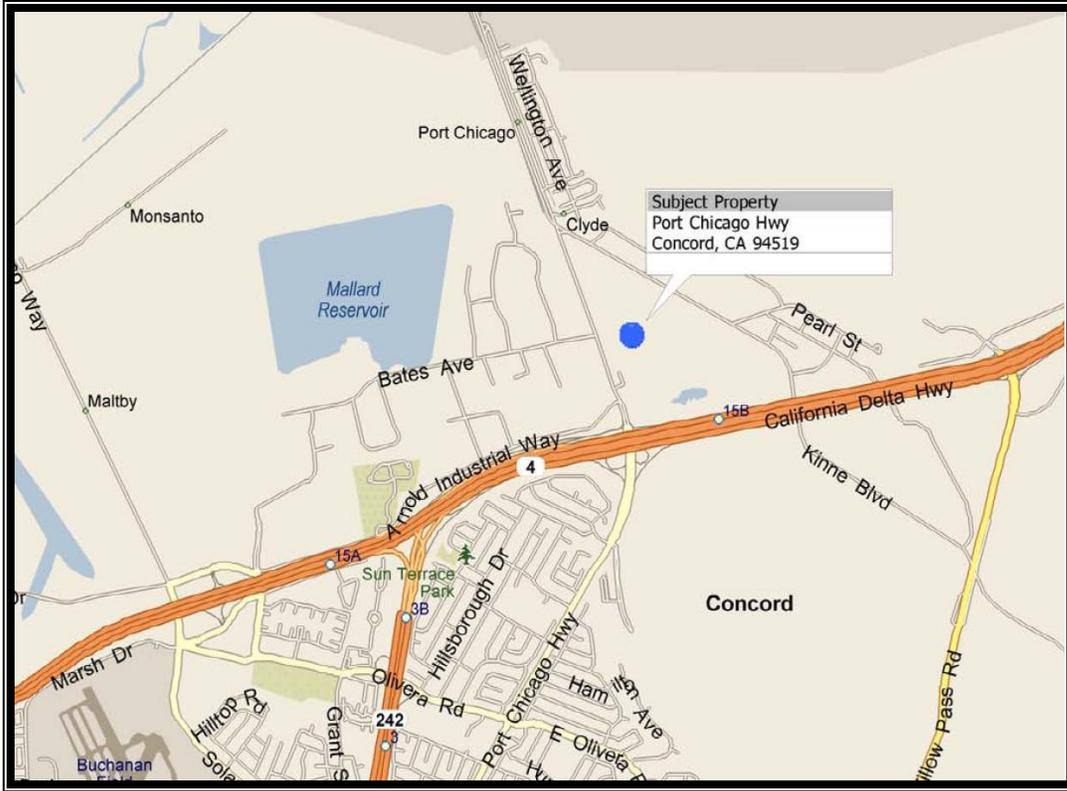
The topography of this area is mostly level. The subject is located in a mixed use area with most uses being light industrial or office oriented. This area has been in the process of being developed for many years and still has a large amount of vacant land that is ready for development.

Land use in this area is consistent with the surrounding uses and is typical of a light industrial community within the Bay Area. Port Chicago Highway is an arterial route for this area and connects the north Concord industrial market with downtown Concord and the North Concord Bart Station to the south. No significant land use is anticipated in this location in the near future.

The nearest BART station is the North Concord BART station, which is less than a mile south of the subject, along Port Chicago Highway.

The largest employment opportunities are primarily located in Oakland and San Francisco to the west. There are also employment centers to the west in the cities of Walnut Creek and Concord.

The subject area is a light industrial neighborhood that is located in northern Concord, in the Bay Area. Concord has historically been a middle-class city that offers affordable real estate prices within the County. Land use in the subject neighborhood is not anticipated to change in the near future. If the sale of the Concord Naval Weapons Station is completed this would increase the developable land in the area significantly. At this point there is only speculation as to the possible development of this area which has little impact on the subject property.



Neighborhood Map

SITE DESCRIPTION

Physical Description

The subject property is located along the eastern line of Port Chicago Highway between Arnold Industrial Way and Bates Avenue in Concord, California. This section will describe only the 11,375 square foot portion of the larger property that the City of Concord is interested in selling. The excess land area is rectangular shaped with level topography. Access to the site is from Port Chicago Highway but there is currently no curb-cut to the excess land portion.

Soils and Geology

The appraiser is not aware of any recent geotechnical analyses of soils or bedrock conditions on any portion of the property. The Soils Survey of Contra Costa County, published by the USDA Soils Conservation Service was reviewed to estimate what soils are present on the subject. There are no apparent commercially viable mineral deposits on either parcel. No soils analysis of the properties was provided to the appraiser.

A review of the Soil Survey of Contra Costa County indicates that the soils that are located on the property are Clear Lake Clay (Cc). This soil is typical of the area.

Topography

The excess land has level, at street grade, topography.

Vegetation

The only vegetation on the property is unplanned weeds.

Utilities

All standard public utilities can be found in the road along Port Chicago Highway. The property is crossed by an easement, and a manhole was noted at the northeastern corner of the site. The manhole had no markings that depicted what it was used for.

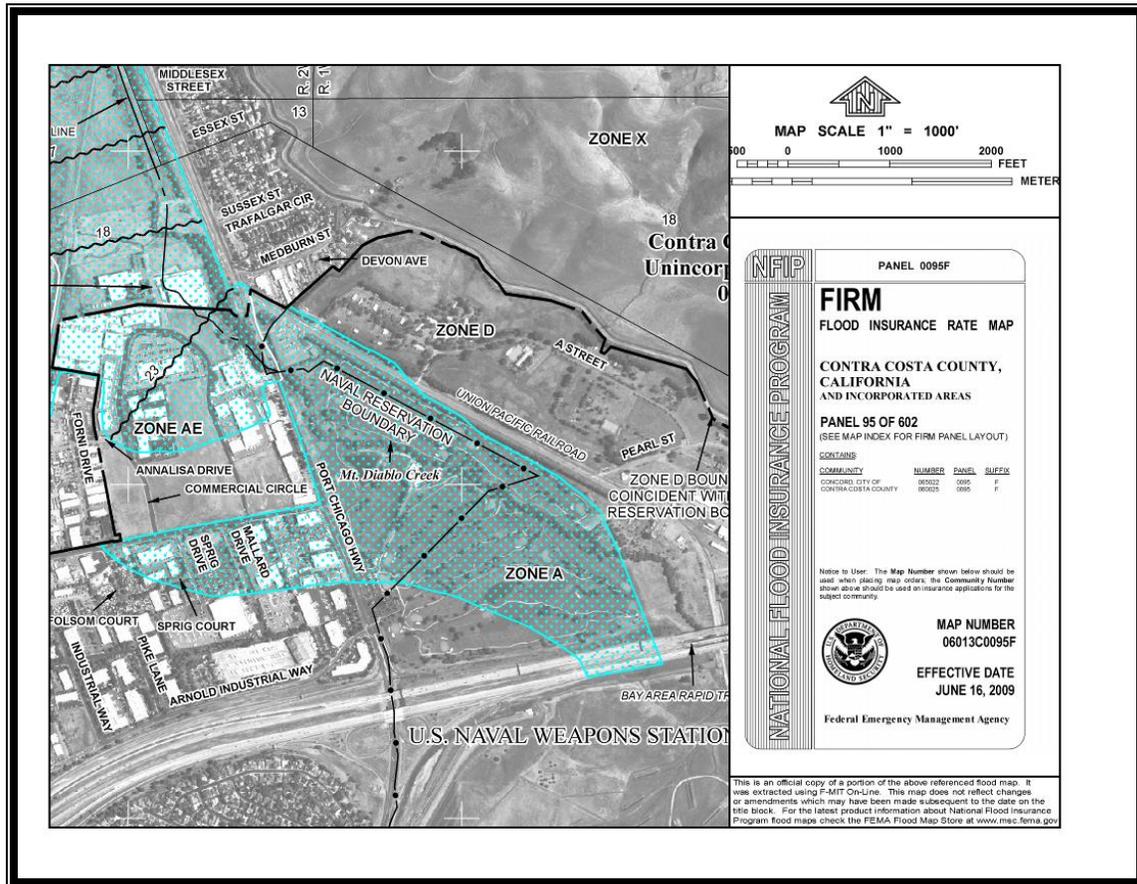
Seismic Hazard

The property is located in the San Francisco Bay Area, which is recognized by geologists and seismologists as one of the most seismically active regions in the United States. Several active faults that are capable of strong earthquakes are located within ten miles of the property. The property is not located within a Special Study Zone as defined by the Alquist-Priolo Earthquake

Fault Zoning Act, which establishes zones along geologic faults considered by the State Division of Mines and Geology to be active. An active fault is defined as an area that has experienced surface displacement during the past 11,000 years, considered to be recent geologic time, indicating that further movement may occur. County records indicate an unnamed earthquake fault is located within a mile of the subject to the northeast.

Flood Hazard Zone

The subject property is located in Flood Zone A, per Federal Emergency Management Agency (FEMA) Community Map Panel Number's 06013C0095F, dated June 16, 2009. Flood Zone A is defined as areas subject to a one percent or greater annual chance of flooding in any given year. Development of areas in Zone A may require flood insurance. The following FEMA flood plain map shows the property and the flood plains.



FEMA Flood Plain Map

Easements and Encroachments

A Title Report that was prepared by Old Republic Title Company and dated July 7, 2013 was

provided to the appraiser. The relevant County assessor's maps and available data were reviewed. The title report indicated the following exceptions to coverage from the policy.

- 1-4) Deal with property and school taxes (there are no delinquent taxes as of the date of value)
- 5) Waiver of any claims for damages to property by reason of location, construction, landscaping or maintenance of the freeway adjoining the property.
- 6) An easement granted to the City of Concord for Sanitary sewer lines.
- 7) A 20-foot wide easement granted to the Central Contra Costa Transit Authority for pipes and pipelines.
- 8) Notice of intent to preserve mineral rights by the Sacramento Northern Railway
- 9) An easement granted to Contra Costa County for flood control and transmission of drainage water, a pipe or pipeline, culverts or ditches.
- 10) An unrecorded lease from the city of concord to GTE Mobilnet.
- 11-13) Are exceptions held by the Old Republic Title Company.

The survey map provided, indicates the likely locations of exceptions 6 and 7. There are no other known easements or encroachments that affect the property.

Access

The excess land has 175 feet of frontage along Port Chicago Highway, which provides access to the site. The site has concrete curbs and gutters, but no sidewalks along the frontage. There are currently no curb-cuts that provide access from the road. There is a gate between the excess land portion and the larger area of the subject property.

Port Chicago Highway has a center median along most of the subject's frontage that does not allow the property to be accessed when travelling southbound along Port Chicago Highway. The median terminates near the southern border of the excess land area.

Environmental

No known hazards were reported to the appraiser or observed on site; however, the appraiser is not an environmental expert. This appraisal report is conducted absent any consideration of the effect on value of any hazardous or toxic materials subsequently discovered on or under the surface of the subject property.

Implied Dedication

"Implied dedication" refers to prescriptive rights on behalf of the public that are acquired over

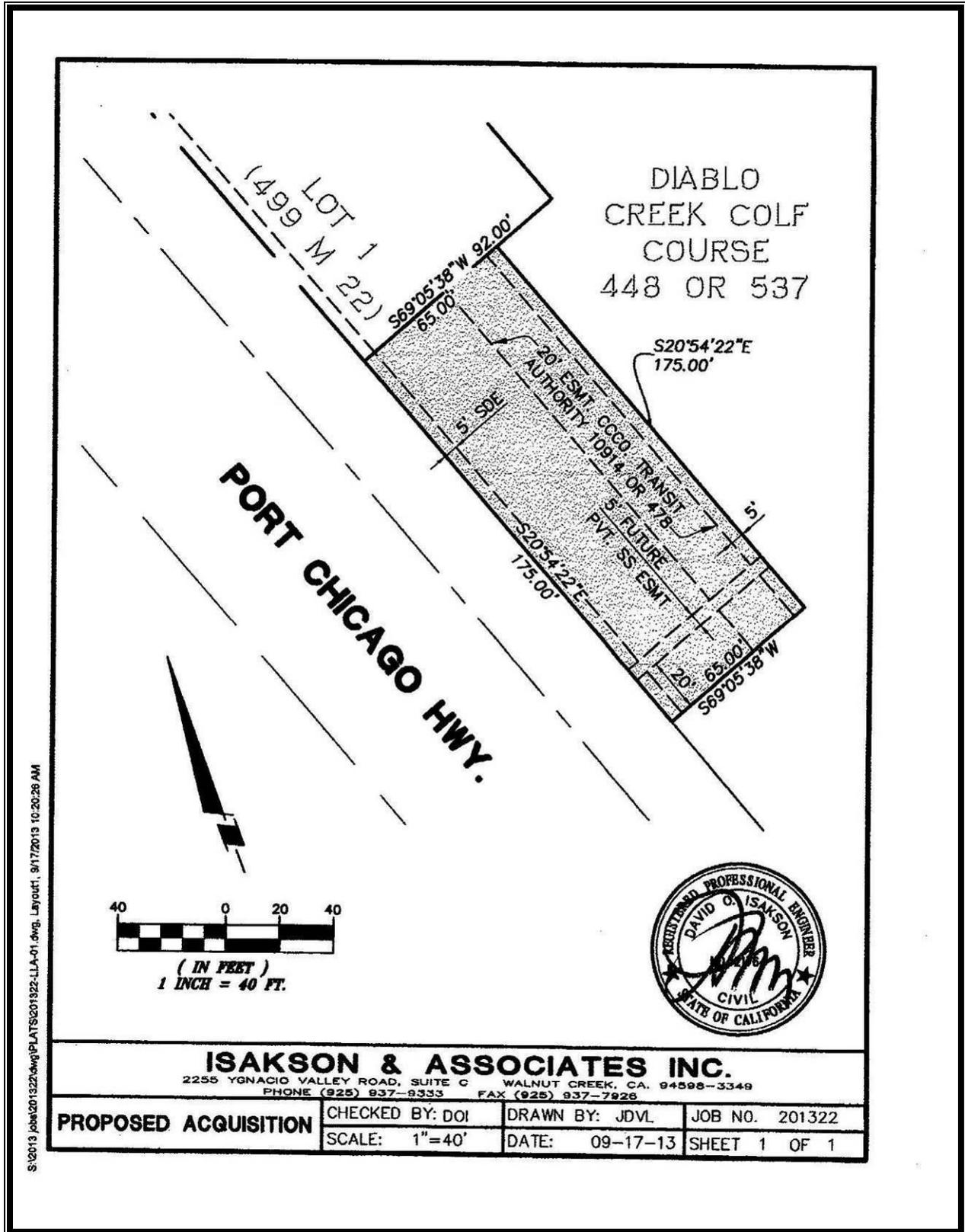
private lands through use without the explicit consent of the owner. An inspection of the subject property did not suggest any unauthorized guests or occurrences of trespass over the property that could be interpreted as a prescriptive right by the public to use the property.

Conclusions

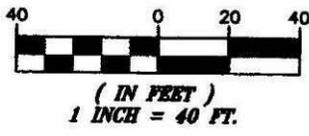
The excess land portion of APN 100-370-009 is located along the eastern line of Port Chicago Highway, which provides access to the site. The property is rectangular shaped with level topography and benefits from its visibility along Port Chicago Highway. All standard public utilities are in place adjacent to the site.



Contra Costa County Assessor's Map



S:\2013\09\201322\dwg\PLATS\201322-LLA-01.dwg, Layout1, 9/17/2013 10:20:26 AM



ISAKSON & ASSOCIATES INC.

2255 YGNACIO VALLEY ROAD, SUITE C WALNUT CREEK, CA. 94598-3349
 PHONE (925) 937-9333 FAX (925) 937-7926

PROPOSED ACQUISITION	CHECKED BY: DOI	DRAWN BY: JDVL	JOB NO. 201322
	SCALE: 1"=40'	DATE: 09-17-13	SHEET 1 OF 1

Isakson & Associates, Inc. Survey Map

IMPROVEMENT DESCRIPTION

The excess land is unimproved, other than some perimeter fencing along the north, east, and southern property lines. The northern and eastern property lines have chain-link fencing and the southern property line is partially enclosed with a steel fence.

ZONING - LAND USE

The excess land that is the subject of this report is zoned for Parks and Recreation as part of the adjacent golf course. This zoning allows a variety of mostly public uses and sets no minimum lot size, but suggests lots should conform in size with adjacent parcels.

The excess land area is not currently and has not historically been used in conjunction with the golf course. The adjacent properties that are privately owned are zoned Office Business Park with a general plan designation for Business Park. If the property were not owned as part of the City owned golf course it would have a zoning that is consistent with the surrounding uses.

Under the current zoning, the property would retain its Parks and Recreation zoning under a lot line adjustment. If the adjacent property were to absorb the 11,375 square feet, the new parcel would have a dual zoning of Office Business Park and Parks and Recreation. The Parks and Recreation zoning would allow the area to be used for parking.

The Parks and Recreation zoning is almost exclusively applied to public properties. As a result there are very few sales of land that is zoned for parks and recreation. A search of the market for comparables sale of Parks and Recreation land turned up no sales. For the purpose of this report the value of the excess land is based on the sale of land that is zoned consistent with the adjacent uses. This is further supported by City of Concord Development Code Section 122-31 that suggests "If more than 60 percent of a lot is located in one District, the Planning Commission may grant a Use Permit that allows an exception to the provisions of this Section, according to the procedures in Article VII, Division 8." In the case of the adjacent property, if it were to assemble the 11,375 square feet of excess land the property would be 78% zoned Office Business Park and could apply for a Use Permit.

The excess land is most closely associated with APN 100-370-011 and for the purpose of this report it is assumed the excess land shares a common zoning and General Plan designation as the adjacent parcel.

ZONING DESIGNATION- Office Business Park (OBP)**Uses Permitted**

The OBP District is applied to areas of the City appropriate for campus-like office complexes and business parks at an intensity of 0.8 FAR. This District allows ancillary restaurant, retail, and service activities that serve employees and provide business-support services. Commercial recreation and similar uses that require large warehouse-style buildings may be allowed. The OBP District does not allow uses that require outdoor facilities, storage, or activities. The OBP District is found in North Concord including North Point, Concord North Industrial, and Willow Pass Business parks, along Arnold Industrial Way and Bates Avenue bounded by Port Chicago Highway and Solano Way; Stanwell Business Park; and the northern portion of the Detroit Avenue/Shary Circle Business Park. The OPB District is consistent with and implements the Business Park (BP) land use designation of the General Plan. Additional zoning information is included in the Addenda. This zoning sets a minimal lot size of 40,000 square feet.

Conformance

The current use of the subject, as vacant land, conforms to the zoning of the property. However, the excess land portion of the property is smaller than the minimum allowable lot size which makes the subdivision of the larger property unlikely.

GENERAL PLAN DESIGNATION

This designation allows a mix of commercial, office, and light industrial uses which, by the high quality of their development and the nature of their operations, demonstrate compatibility with adjacent commercial and residential uses. In addition, smaller commercial establishments which serve on-site employees such as business services and local-serving retail uses are allowed. Adherence to landscaping, buffering and design standards provides the means for achieving a high level of amenity for employees and neighboring uses. The following standards apply:

- (1) Maximum site coverage: 40 percent
- (2) Maximum building height: 60 feet
- (3) Maximum floor area ratio: 1.5
- (4) Average employees per gross acre: 100 employees

Uses Permitted

This land use designation allows for a variety of office and commercial oriented uses.

Conformance

Use of the site, as vacant land, conforms to the General Plan designation.

Conclusion

The existing use of the subject, as vacant land, is in conformance with the sites current Parks and Recreation General Plan and zoning designations. However, if the site were to be sold and assembled with the adjacent property the site would be zoned OBP with a General Plan designation of Business Park. As an assembled property the property would conform to the zoning and General Plan designation. The small area of the excess land is below the minimum allowable lot size set by the zoning, 40,000 square feet, which makes and subdivision of the area unlikely.

MARKET TRENDS

The subject is located in an industrial and commercial neighborhood in northern Concord. Concord has historically been near the middle of real estate values in Contra Costa County. The subject is located along an arterial route for this area, which connects this area with downtown Concord. For the past few decades, land uses for the subject and surrounding properties that are privately owned have not changed significantly.

Recent news out of the local housing markets is more optimistic with real estate values increasing throughout 2013. MLS data shows that the average detached single-family home price in Concord increased 21.8% to \$423,513 since January 2013. The rapid appreciation is consistent with the East Bay real estate market, which has seen prices increase rapidly over the last year and a half. While prices are still not at their highs from 2007-2008, there is returned optimism in the market. This optimism has been fueled by low interest rates and a low unemployment rate. Although, recently interest rates have increased, which has had a noticeable effect on the real estate market.

Historically the commercial market has lagged behind the residential market, which is also the case in today's market. While there has been an increase in leasing activity, the sales market has remained stagnant. The market for raw land in this area has been non-existent over the last several years. Brokers interviewed suggested that only recently have they started to see an increase in activity for vacant land. Development costs and low rents for most types of real estate still make new construction unfeasible. A search of online sources indicated that there were very few actively marketed vacant land sites in the area.

There are currently three vacant sites in the subject neighborhood that are listed for sale. The properties range in size from 1.24 and 2.18 acres and only one of the properties is listed with a price. The 2.18 acre parcel is currently listed at \$20.00 per square foot, however, it has been on the market for over a year. Attempts were made to contact the selling broker to confirm this sale, but they were unsuccessful.

Land use in the subject neighborhood is not anticipated to change in the near future. If the sale at the nearby Concord Naval Weapons Station is completed this would increase the developable land in the area significantly. However, there are currently no plans to rezone the land and there is no definitive timeline for the sale of the land. Any sale or development of the

area is speculative and the lack of uncertainty of the future zoning makes it even more speculative as to if the land would compete with the subject. It is not anticipated that this area will be developed in the immediate future and as a result it has little impact on the current value of the subject property.

As the economy continues to improve, it is anticipated that demand for office and commercial uses as well as vacant land, will increase. In the short term, it is anticipated that prices will remain flat until the available vacant office and flex space in the northern Concord area leases are up and the supply is reduced in order to create additional demand. The second quarter industrial market report prepared by Collier International indicates that industrial vacancy has returned to pre-recession levels.

The market report indicates that the overall industrial market in Concord has a current vacancy rate of 8.3%, which is down from 9.2% in the first quarter. Warehouse and industrial space have reported vacancies of 6.2% and 7.6%, while research and design/flex spaces have vacancy of 16.0%. The subject location has a blend of light industrial and office space. The Colliers Market Report for office space indicates the office market in Concord has an 18.9% vacancy rate for the same period. The office market continues to struggle with absorbing vacancies. The reports are both optimistic about the remainder of 2013.

The subject is in a desirable location with good frontage and access to SR-4. As long as the economy continues to improve, the Bay Area real estate market is anticipated to continue improving. The subject location will likely lag behind the markets that are closer to the Bay Area job markets, but it is anticipated to improve.

HIGHEST AND BEST USE

Highest and best use is defined as the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. This analysis is applied to the property as though vacant and as improved. The “as though vacant” analysis will estimate whether the highest and best use is to leave the site vacant or to improve it. If the conclusion is to improve the site, an ideal improvement is also concluded. The “as improved” analysis compares the existing improvements to the ideal improvements.

The four tests or criteria applied in the highest and best use analysis are:

- 1) Legally permissible (conforming to zoning, general plan, and any other legal restrictions)
- 2) Physically possible (site topography, size, access, utilities, etc.)
- 3) Financially feasible (Is there market demand for the site/improvements?)
- 4) Maximum productivity (Which use that meets the first three tests will produce the highest return?)

For the purpose of this analysis the excess land is analyzed under the hypothetical condition that the site is zoned Office Business Park, consistent with surrounding privately owned uses.

AS VACANT

Legally Permissible

The property is located in an area that is zoned for Office Business Park which supports a variety of uses. The prescribed zoning allows a variety of office, flex, and commercial uses. The General Plan designation, Business Park, is consistent with the zoning. The excess land is smaller than the minimum lot size prescribed by the zoning which suggests it would not be allowed to be subdivided as a standalone parcel. It is legally permissible to perform a lot line adjustment and assemble the area with the adjacent property.

Physically Possible

The physical limitations of the property are detailed earlier in this report. The property has mostly level topography that is crossed by several easements that limit the utility of the property. The small size of the property suggests the site could benefit from being assembled with the adjacent property located at 4080 Port Chicago Highway. Together the combined property would have a total land area of 50,579 square feet, which is typical of the parcels in

the area. An estimated 3,825 square feet of the site is encumbered by easements, which limits the developable area of the site. Brokers familiar with the area suggested that most buyers are more interested in parcels that are at least an acre in size in this area.

Financially Feasible

A determination of financial feasibility is dependent primarily upon the demand for similar properties in the real estate market that includes the subject. It appears that the subject is readily suitable to be assembled with the adjacent property and used to expand the existing improvements or as additional onsite parking. Land uses in the neighborhood suggest that developing the property with a similar use is possible.

The demand for light industrial and flex properties has been limited over the last year, but has started to increase over the last six months as the real estate market continues to improve. The subject has good access and signage and the financially feasible use of the subject is to assemble it with the adjacent property at 4080 Port Chicago Highway. There has been little development in this area in recent years due to new construction not being a financially feasible use. Interviews with brokers suggest this is changing slowly, but there has still been no new development.

Maximally Productive

The most maximally productive use of this site is to assemble the parcel with the adjacent property.

Conclusion

The highest and best use of the excess land, as vacant, is to assemble the property with the adjacent parcel, APN 100-370-011.

AS IMPROVED

There are no significant improvements on the excess land and the highest and best use as improved is not analyzed in this report.

THE APPRAISAL PROCESS

In the appraisal of real property, there are three approaches by which market data may be processed into an indication of value. These are the cost approach, the income approach, and the sales comparison approach. The subject has historically operated as vacant land with no significant income potential. The income potential of the subject in its current state is not enough to support a sale to an investor. Therefore, the income approach is not considered a valid indicator for the market value of the subject.

The cost approach is used to estimate the replacement or reproduction cost of an improved property. The subject has no significant improvements and the cost approach is not analyzed.

The last approach, sales comparison, is the only appropriate approach to value for the subject. In the sales comparison approach to value, the appraisers select comparable sales that are similar with respect to location, size, and use potential. The sales comparison approach is based on the concept that an informed buyer would pay no more for a property than the cost of acquiring a similar property with the same utility – i.e., the economic principle of substitution. This approach is most useful when an active market provides sufficient quantities of reliable data that can be verified from reliable sources. The comparable sales will indicate a range of values applicable to the subject. The sales prices taken from the market are compared with the unit of comparison most often used by the market.

SALES COMPARISON APPROACH

The sales comparison approach is a method of comparing the subject property to recent sales, listings and offers of similar types of properties located in the subject or competing areas. The most similar sales are analyzed based on the degree of comparability between the subject and the comparable sales, the length of time since the sale transactions were completed, the accuracy of the sales data, and the absence of unusual conditions affecting the sale. Appropriate units of comparison are identified and compared to the subject property.

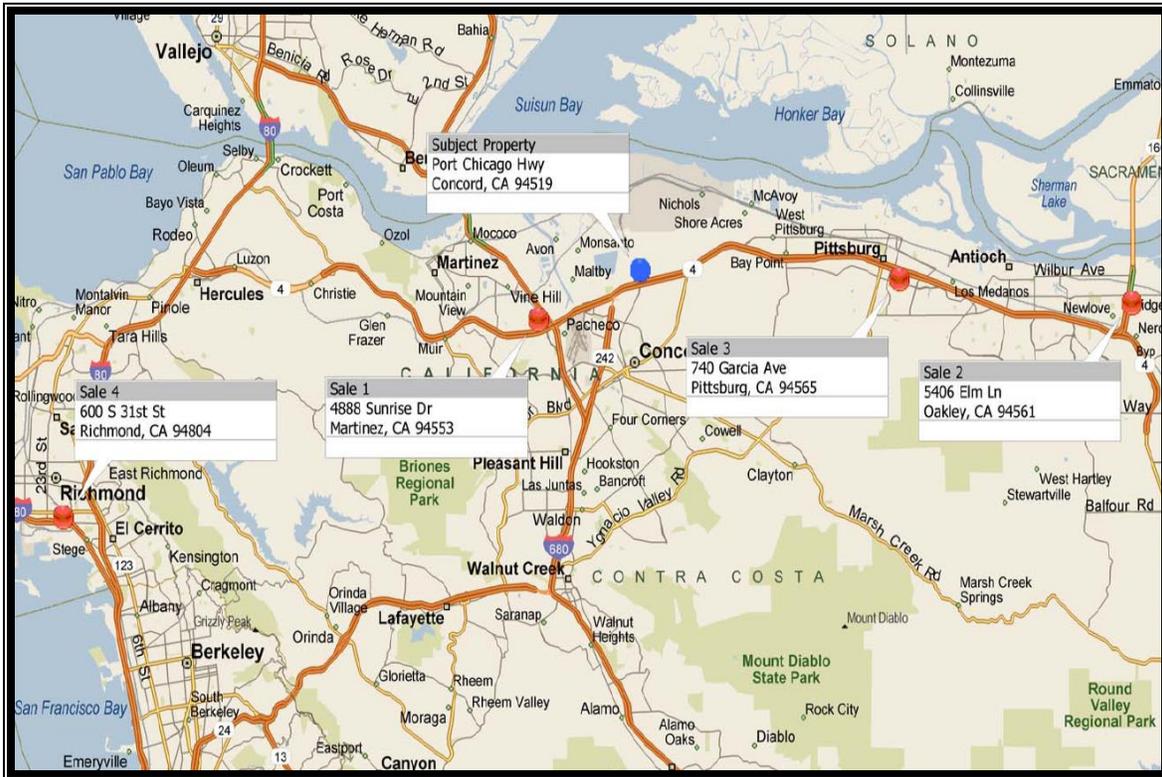
The subject is not a standalone parcel but the most appropriate estimate of value is to use comparables of similar standalone properties and then adjust the estimated value to account for the property not being a standalone parcel.

An investigation of recent sales activity in the subject market area for transactions that are similar enough to be utilized as comparable market data was conducted. The primary market area was determined to be eastern Contra Costa County; however, due to a limited amount of data, the appraiser expanded their search to include other similar areas of Contra Costa and Alameda counties.

The result of an online search to locate sales of similar properties within the market area described revealed very few land sales similar to the subject. In addition, there were very few listings of similar land on the market. Additional sales were reviewed from the appraisers' files, as well as other online services. After a review of the data provided from online sources and interviews with local real estate agents and property owners, several comparable sales were selected. Each of the selected comparables is discussed in detail on the following pages.

LAND SALES SUMMARY

<u>Sale No.</u>	<u>Location</u>	<u>Sale Date</u> <u>Grantor</u> <u>Grantee</u>	<u>Price</u> <u>\$/sqft Land</u>	<u>Site Acres</u> <u>Site SqFt</u>	<u>Zoning</u>	<u>Use</u>
Sub.	Port Chicago Highway Concord, CA 100-370-009 (por.)	N/A	N/A	0.26 11,375	Parks & Rec. OBP (assumed)	Subject property. Level topography, Light industrial/flex location. Zoning is assumed to be office business park.
1	4888 Sunrise Dr. Martinez, CA 161-022-008	<u>Sep-13</u> Patricia Schreiner James Kwiat	\$ <u>160,000</u> \$ 1.40 \$3.67 (usable)	<u>2.63</u> 114,563	M-SC-IL	Irregular shaped with sloping topography. Vacant parcel. Utilities are in the street.
2	5406 Elm Ln. Oakley, CA 051-220-018	<u>Mar-11</u> Ernest Nennison Jose Rodriguez	\$ <u>72,000</u> \$ 3.01	<u>0.55</u> 23,958	Light Industrial	Rectangular shaped parcel with level topography. Pimproved with a 800 SqFt SFR used as an office.
3	740 Garcia Ave. Pittsburg, CA 088-250-051	<u>Oct-12</u> Savid Miller Vansandt Family Trust	\$ <u>712,500</u> \$ 8.52	<u>1.92</u> 83,635	Light Industrial	Flag lot that is vacant with level topography.
4	600 South 31st St. Richmond, CA 549-204-002	<u>Sep-13</u> Buty Trust Amir Khaledi	\$ <u>90,000</u> \$ 10.83	<u>0.19</u> 8,308	M-2	Mostly rectangle shaped parcel with level topography. Utilites are in the street.



Comparable Sales Map

Land Sale 1



Location: 4888 Sunrise Dr. Martinez, CA

Buyer: James Kwiat

Assessor's Parcel: 161-022-008

Date of Sale: September 20, 2013

Land Area: 2.62 acres

Financing: Cash to seller

Zoning: M-SC/L-I and Open Space

Property Rights Conveyed: Fee simple

Source: Costar, Inc.; Public Records

Comments: This is the sale of a 2.63 acre parcel that is irregular shaped with areas of level and sloping topography. The parcel is located at the corner of Sunrise Drive and Arnold Drive in the

Seller: Patricia Schreiner

Recording: 13-229790

Sale Price: \$160,000

Land Square Feet: 114,563

Topography: Sloping

Use: Vacant Land

city of Martinez. Arnold Drive is an arterial route for this neighborhood. A large portion of this property is sloping and is zoned as open space. Subtracting this land area from the total yields a price per square foot for the usable land area of approximately 1.0 acre. The price per square foot of usable area is \$3.67 ($\$160,000 / 43,560$ square feet). There were no plans or permits associated with this sale. All standard public utilities are in place to the parcel.

File 13-050

Land Sale 2



Location: 5406 Elm Lane, Oakley, CA

Buyer: Ernest Jennison

Seller: Dependable Roofing, Inc., Jose Rodriguez

Assessor's Parcel: 051-220-018

Recording: 11-059219

Date of Sale: 3/22/2011

Sale Price: \$72,000

Land Area: 0.55 acres

Land Square Feet: 23,958

Financing: Cash to seller

Topography: Level

Zoning: Light Industrial

Use: Storage yard with building

Property Rights Conveyed: Fee Simple

Source: Costar Inc.; Public Records

Comments: This is the sale of a 0.55 acre site located in an area that is zoned for light industrial uses in the city of Oakley. The property is located just east of SR-4. The property was improved with an 800 square foot former single-family residence at the time of sale. The residence has been converted to an office and the property has been used as an industrial storage yard. The buyer intends on using the property as a company headquarters. The property is rectangular shaped with level topography.

File 13-050

Land Sale 3



Location: 740 Garcia Ave., Pittsburg, CA

Buyer: David Miller

Assessor's Parcel: 088-250-061

Date of Sale: 10/26/2012

Land Area: 1.92 Acres

Financing: Cash to Seller

Zoning: Industrial Light

Property Rights Conveyed: Fee simple

Source: Costar Inc.; Public Records

Comments: This is the sale of a 1.92 acre parcel that is a flag lot with level topography. The property is located in a mixed use neighborhood and the buyer owns the adjacent property. The site was purchased to expand their existing business. The site is zoned for light industrial use.

Seller: Tim & Heidi Van Sandt

Recording: 12-278860

Sale Price: \$712,500

Land Square Feet: 83,635

Topography: Level

Use: Vacant Land

File 13-050

Land Sale 4



Location: 600 South 31st Street, Richmond, CA

Buyer: Amir Khaledi

Seller: Buty Family Living Trust

Assessor's Parcel: 549-204-002

Recording: 13-224405

Date of Sale: 09/13/2013

Sale Price: \$90,000

Land Area: 0.19 Acres

Land Square Feet: 8,308

Financing: Cash to Seller

Topography: Level

Zoning: PDC-00-199

Use: Vacant Land

Property Rights Conveyed: Fee simple

Source: Costar Inc.; Public Records; Listing Agent, Scott Robinson

Comments: This sale has a total land area of 0.19 acres and is rectangular shaped with level topography. The property is located in a mixed use neighborhood with industrial, R&D, and residential uses. The site is located within a few blocks from Interstate 580. The broker indicated that the buyer paid all cash and that the property has three phase power and was fully fenced.

File 13-050

The comparable sales described above provide an unadjusted range in value from \$3.01 to \$10.83 per square foot, rounded. All of the comparable sales are located in the subject neighborhood or a similar neighborhood and are sales of properties with a similar zoning. All of the comparables were purchased for uses that are consistent with anticipated uses of the subject and are considered good indicators of value for the subject. The unit of comparison most often associated with this type of property is the price per square foot of land.

PRICE PER SQUARE FOOT OF LAND ANALYSIS

The next step in the sales comparison approach is to adjust each of the comparable sales to more closely match the characteristics of the subject. The sale properties were adjusted for any major differences, which typically include items such as location, date of sale, shape, utilities, topography, and development potential. The following adjustment grid was created to account for differences between the subject and the comparable sales. When possible, the adjustments are based on quantifiable evidence; however, some adjustments, such as location, are more subjective. The appraiser based these adjustments on personal experience with the subject market, as well as interviews with real estate brokers, property owners or others involved with the transactions. The following table outlines the adjustments made to the comparable sales.

LAND SALES ADJUSTMENT TABLE

Element of Comparison	Subject	Sale 1	Sale 2	Sale 3	Sale 4
Sale Price		\$ 3.67	\$ 3.01	\$ 8.52	\$ 10.83
		(Usable)			
Real Property Rights Conveyed	Fee Simple	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
Adjusted Price		\$4	\$3	\$9	\$11
Financing	Cash to Seller	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
Adjusted Price		\$4	\$3	\$9	\$11
Conditions of Sale	At Market	<u>0%</u>	<u>0%</u>	<u>-5%</u>	<u>0%</u>
Adjusted Price		\$4	\$3	\$8	\$11
Market Conditions	-	<u>0.50%</u>	<u>4.50%</u>	<u>6.00%</u>	<u>0.50%</u>
Adjusted Price		\$3.7	\$3.1	\$8.6	\$10.9
Location	Concord	0%	15%	5%	5%
Zoning/Utility	OBP	0%	0%	0%	0%
Lot Size/Topography	Level	10%	0%	10%	0%
Utilities	In Street	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
Total Adjustment		10%	15%	15%	5%
ADJUSTED PRICE PER SQUARE FOOT		\$4.10	\$3.60	\$9.90	\$11.40

After adjustments, the sales have a range of value from \$3.60 to \$10.90 per square foot, rounded. This range of values is more useful in estimating a value for the subject property.

No adjustments were necessary for varying property rights, or financing.

Conditions of Sale

Sale 3 was adjusted down because the property was purchased by the adjacent property owner who purchased it to assemble it with their adjacent property. The property was a legal lot that could be developed with or without being assembled. For this reason the buyer had to

compete with other buyers in the market and was willing to pay a premium. The broker interviewed suggested that they felt the buyer paid a premium and the comparable was adjusted down.

Market Conditions Adjustment

Over the last year and a half the real estate market has been improving, as the economy continues to improve. Multiple brokers were interviewed regarding the change in market conditions and each indicated that prices have been increasing rapidly for residential real estate, but the North Concord market has only recently seen some appreciation. The comparables have been adjusted up to account for the improvements in the market since they closed. The comparables were adjusted up 0.50% per month.

Location

Sale 2, 3, and 4 were adjusted up to account for their locations in areas that have historically had lower real estate values than the subject's location.

Zoning

The comparables are located in a variety of light industrial oriented zoning districts, but each allows uses that are in-line with the highest and best use of the subject. None of the comparables were adjusted for varying zoning.

Lot Size/Topography

Sale 1 and 3 are significantly larger than the subject and when viewing them on a price per square foot basis an upward adjustment is necessary. Although, differences in lot size are diminished by using the price per square foot unit of comparison it is typical that larger properties will set at a discount when compared with similar smaller parcels. Sale 1 has upward sloping topography but the price per square foot used in this analysis is based on only the usable area of the property and ignores most of the sloping topography. All of the other comparables have level or mostly level topography and no adjustments were made.

Utilities

All of the comparables have on-site utilities or are adjacent to existing utilities, which is similar to the subject property and no adjustments were made.

Adjustment Analysis

The comparables represent the best available data in the market. The unadjusted value range for the sales data is \$3.67 to \$10.83 per square foot, rounded. After adjustments, the comparable sales support a value range of \$3.60 to \$11.40 per square foot, rounded. Sale 1 is located in a similar area, but has topographical issues, which lowers the value. Sale 2 is located in an area that has historically had lower real estate values. Sale 3 is a larger comparable that was purchased by the neighboring property owner to assemble with the adjacent property. After adjustments this comparable is considered a good indicator of value for the subject. Sale 4 is the recent sale of a similar property and is the only comparable that is smaller than the subject.

The excess land is a rectangular shaped area that is located along Port Chicago Highway in a light industrial and office neighborhood. A search for office land sales revealed that there have been almost none in the county. The high vacancy rate in the office market has kept rents low which makes new construction un-feasible. Although sales of industrial or office land in this market have been few and far between, several brokers indicated they anticipate the market to improve over the next 18 months. All of the comparables used in this report were utilized to estimate a final value for the subject.

The appraiser concludes with an estimated value for the subject property of \$9.00 per square foot. This estimate is closer to the high end of the range and reflects the location of the property, with good signage and close access to SR-4. This estimate suggests a market value for the excess land of **\$100,000** (\$9.00 x 11,375 square feet, rounded). However, this estimate is assumes the property could be sold as a standalone parcel. Next, the estimated value is discounted to account for the excess land not being a standalone parcel.

VALUE ESTIMATE AS EXCESS LAND

This section estimates a value for the excess land and starts with the previous estimate of value of \$100,000. The excess land valued in this report has a limited market of potential buyers because it is not a standalone parcel. The most obvious use of the site, outside of the continued use as part of the golf course, is to assemble it with the adjacent property at 4080 Port Chicago Highway. The owner of this property approached the City about assembling the property with this site and to use the excess land for additional parking.

The adjacent property at 4080 Port Chicago Highway currently has a total land area of 39,204 square feet, and is a legal non-conforming lot due to its size below 40,000 square feet. The property was developed with an office building in 2007 that is the highest and best use of the site. Assembling the additional 11,375 square feet with the property would create a larger, conforming lot. This additional land area supports that the site could likely be developed to a higher FAR, but given the recent date of construction, developing the property with a larger building is not financially feasible. For this reason, the addition of the land area to the adjacent property does not add significant value above the land value estimate in this report.

In order to estimate a value for the property as excess land, sales of similar excess or remnant land sales were used. Sales of adjacent land can vary from a steep discount to a premium, depending on the benefit to the buyer and the marketability of the land. The comparables used in this section represent land sales of excess or remnant land that has very few likely buyers and in most cases only one likely buyer. For this reason a discount is anticipated.

Sales of adjacent land that can be developed without being assembled is more marketable and will often sell at a premium when purchased by an adjacent land owner because they are willing to pay an above market price in order to insure that they get the property. Remnant land sales often only have one potential buyer who does not have to compete with the market, due to the lack of interest in the excess land. For this reason a discount is anticipated for the subject.

The comparable sales used in this section are sales of excess or remnant land that sold at a discount when compared with sales of similar land that are not an excess or remnant. The sale price is compared with an estimated market value of surrounding fully usable land in order to

estimate a discount from the market value. After estimating a discount from the sales, the discount range is used to estimate a discount from market for the subject. The sales used in this analysis are standalone parcels of remnant land that were purchased by adjacent property owners, who in most cases were the only feasible buyer.

The following table outlines comparable sales of remnant land throughout the region. All of the comparables suggest large discounts from the estimated market value. The estimated market value of the area was estimated based on comparables from the market for similar land.

REMNANT LAND SALES SUMMARY

<u>Sale No.</u>	<u>Location</u>	<u>Sale Date</u> <u>Grantor</u> <u>Grantee</u>	<u>Purchase Price</u> <u>Estimated Market</u>	<u>Zoning</u>	<u>Discount</u> <u>From Market</u>
1	1098 S. 3rd St. San Jose, CA 472-15-029	<u>Dec-05</u> <u>Union Pacific Railroad</u> Lawrence B. Stone Properties	\$ <u>13.79</u> \$ 30.00	M1	54%
2	West of Dobbin Rd. San Jose, CA 254-55-013	<u>Apr-07</u> <u>Union Pacific Railroad</u> Allen Mirzaei	\$ <u>9.83</u> \$ 25.00	LI	61%
3	Griffith St. (East Side) San Leandro, CA 077B-0851-048 & -055	<u>Jan-07</u> <u>Union Pacific</u> Rosalinde & Arthur Gilbert Foundation	\$ <u>14.10</u> \$ 20.00	IG	30%
4	Griffith St. (East Side) San Leandro, CA 077B-0851-055	<u>Nov-09</u> Rosalinde & Arthur Gilbert Foundation Coca Cola Bottling Co.	\$ <u>7.98</u> \$ 14.00	IG	43%
5	323 South Canal St. South San Francisco, CA 015-164-220	<u>Jan-09</u> <u>unknown</u> Chang & Young Ahn	\$ <u>30.00</u> \$ 45.00	MI	33%
6	220 Shaw Rd. South San Francisco, CA 015-164-230	<u>Aug-09</u> <u>Economy Lumber</u> Angelo, Gordon & Co.	\$ <u>27.38</u> \$ 45.00	M2	39%
7	2075 N. Capitol Ave. San Jose, CA 244-01-057	<u>Dec-00</u> <u>PG&E</u> MA Laboratories, Inc.	\$ <u>8</u> \$ 22.00	IP	64%
8	2110 Railroad Ave. Pittsburg, CA 087-030-083	Aug-11 <u>City of Pittsburg</u> Randy Baugh	\$ <u>2.22</u> \$ 15.00	PD-1319	85%

The comparables support a discount range from 30% to 85% of market value for adjacent remnants. This discount accounts for the lack of liquidity and utility of the remnant parcels. All of the remnants have limited utility and the most likely, or only likely, buyers were the adjacent property owners. All of the comparables were purchased by adjacent property owners who assembled the remnant with their own property in order to create a larger lot.

All of the comparables were purchased to add land area to the adjacent property, but as is the case with the subject, the additional remnant is not necessary for the development of the underlying property. The subject excess land is below the 40,000 square foot minimum for surrounding uses that are zoned OBP. With no development potential on its own, the highest and best use of the excess land is to assemble it with one or more adjacent properties. Assembling the excess land with APN 100-370-011 would benefit the site by increasing the usable area that would allow the development of a larger structure or provide for additional onsite parking.

Based on the comparables, a discount that is closer to the high end of the range is estimated. A discount of 60% is estimated for the excess land. This estimate takes into account the limited marketability because it is not a standalone parcel, the lack of potential buyers, the limited development potential, and the small size of the property. The discount also reflects that the parcel is surrounded by only one other parcel that is privately owned. This makes the most likely buyer also the only likely buyer of the property. Discounting the estimated market value by 60% yields an estimated value for the 11,375 square foot excess land area of **\$40,000**.

RECONCILIATION AND FINAL ESTIMATE OF VALUE

This report estimates a value for 11,375 square feet of excess land that is part of APN 100-370-009. The property has a desirable location with good access to SR-4. This report estimates a value for the excess land using comparables sales of legal parcels and then adjusts the value to account for the excess lands limited marketability, utility, and small size. The property is located in the city of Concord and is within the north Concord light industrial and office market.

The final value estimate is the appraisers' opinion as to the price that most nearly represents what the typical informed and rational purchaser would likely pay for the excess land if it was available for sale on the open market as of the date of value, given all the data utilized by the appraiser in this analysis.

In this report, only the sales comparison approach to value was considered relevant to valuing the subject. A value was estimated using a price per square foot unit of comparison. In the final estimate of market value, the appraiser reviewed data from the subject market, as well as competing markets and reached a final estimate of value. The final estimate of market value for the fee simple interest in the 11,375 square feet of excess land, as of October 7, 2013 is:

FORTY THOUSAND DOLLARS

-\$40,000-

STATEMENT OF LIMITING CONDITIONS

CONTINGENT AND LIMITING CONDITIONS

The appraisers' certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership. The stairway access and the water pipeline easement are assumed to not interfere with any subdivision potential of the property.
2. Any sketch or topographic maps included in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The appraisers have made no survey of the property.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and have noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, they make no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because they made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject or that they became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and have assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that they consider to be reliable and believe them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.

Statement of Limiting Conditions (continued)

7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.

8. The appraiser must provide prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraisers' identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraisers are associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection reporting service(s) without having to obtain the appraisers' prior written consent. The appraisers' written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

10. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the appraiser has no direct evidence relating to this issue, they are not considered in noncompliance with the requirements of ADA in estimating the value of the property.

APPRAISERS' CERTIFICATION

The undersigned appraisers certify and agree that to the best of my knowledge and belief:

1. The statements of fact contained in this appraisal report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions, limiting conditions, and legal instructions, and are the personal, impartial and unbiased professional analyses, opinions and conclusions of the appraiser.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. 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.
7. I have made a personal inspection of the property that is the subject of this report. The property owner, or his/her designates representative, was given opportunity to accompany the appraiser on the property inspection.
8. No one other than the signing appraiser has provided appraisal assistance in the preparation of this report.
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*. Except to the extent that the *Uniform Appraisal Standards for Federal Land Acquisitions* required invocation of USPAP's Jurisdictional Exception Rule, as described in Section D-1 of the *Uniform Appraisal Standards for Federal Land Acquisitions*.
10. The Appraisal Institute conducts a program of continuing education for its designated members. As of the date of this report, Trentin P. Krauss, MAI has completed the requirements of the continuing education program of the Appraisal Institute.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its authorized representatives.

12. The appraiser has not inspected, appraised or had any other business with the subject in the last three years.



Trentin P. Krauss, MAI
SCREA No. AG043134
October 31, 2013

TRENTIN P. KRAUSS, MAI
1839 Ygnacio Valley Rd., #171
Walnut Creek, CA 94598
(925) 947-1140
tkrauss@kraussappraisal.com

EXPERIENCE

Mr. Krauss has over eleven years experience as a real estate appraiser. Appraisal assignments have covered a wide range of existing and proposed properties, including residential developments, offices, industrial, retail, raw acreage, and special purpose properties. His clients include individuals, attorneys, lenders, and public agencies.

2003 to Present Smyers & Krauss Appraisal, LLC.
 Walnut Creek, California

2000 to 2002 Investment Bank, Barclays Global Investors
 Walnut Creek, California

EDUCATION

California Polytechnic State University, San Luis Obispo

B.S. - Finance, Minor Economics (1999)

Appraisal Institute

Courses: Basic Appraisal Principles
 Basic Income Capitalization
 General Applications
 Advanced Income Capitalization
 Highest and Best Use and Market Analysis
 Advanced Sales Comparison and Cost Approaches
 Report Writing and Valuation Analysis
 Advanced Applications
 Condemnation Appraising: Basic Principles & Applications
 National USPAP Course

Seminars: Arbitration: What you Can't Learn from Books
 Inspecting Commercial Properties
 Real Estate Damage Economics
 Appraising Partial Interests
 Appraising Green Properties
 Appraising Outside the Box
 Liability, Errors, Omissions
 Investment Analysis
 Subdivision Analysis

PROFESSIONAL CREDENTIALS

Appraisal Institute – MAI Designated Member # 413313

Certified General Real Estate Appraiser - State of California # AG043134

LIST OF CLIENTS

Antioch Unified School District	Garaventa Enterprises
Assoc. of Bay Area Governments (ABAG)	Gordon, DeFraga, Watrous & Pezzaglia
Assoc. Right of Way Services	Internal Revenue Service
Bank of America	Knightsen Elementary School District
Bank of Walnut Creek	Lammersville School District
Bardellini, Straw & Cavin	Liberty Union High School District
Bay Area Rapid Transit District (BART)	McNamara, Dodge, Ney, Beatty, Slattery
Blanding, Boyer & Rockwell	Mechanics Bank
Bold, Polisner, Maddow, Nelson & Judson	Miller, Starr & Regalia
Brentwood Union School District	Muir Heritage Land Trust
California Dept. of Transportation	Oakland Unified School District
Chicago Title/Fidelity Title	Pacific Union Homes
Cities of: Alameda, Antioch, Brentwood,	Port of Oakland
Clayton, Concord, Danville, Dublin, El	San Ramon Valley Unified School District
Cerrito, Fremont, Hercules, Lathrop,	Save Mount Diablo
Oakdale, Oakland, Orinda, Pittsburg,	Schiller Law Group
Pleasant Hill, Richmond, San Leandro,	A. D. Seeno Construction Company
Tracy, Walnut Creek	Shapiro, Buchman, Provine, Patton LLP
Civic Bank of Commerce	Smith, Lally & Pepper
Comerica Bank	Solano County
Contra Costa County Redevelopment Agency	Stone & Youngberg
Contra Costa County Sanitary District	Sumitomo Bank
Contra Costa Water District (CCWD)	Summit Bank
Crosby, Heafey, Roach & May	Sutro and Company
Discovery Builders	Tracy Unified School District
East Bay Municipal Utility District	Turner, Huguet & Adams
East Bay Regional Park District	U. S. Army Corps of Engineers
First American Title Guaranty Company	University of California
Fremont Bank	Vintage Bank
Gagen, McCoy, McMahon & Armstrong	Wells Fargo Bank

Please call for specific individual references

PRINCIPAL CALIFORNIA ASSIGNMENT LOCATIONS

COUNTIES: Alameda, Contra Costa, Napa, San Joaquin and Solano

Addenda A

DEFINITIONS OF TERMS

The following definitions are reprinted from the *Uniform Standards of Professional Practice* as promulgated by the Appraisal Standards Board of The Appraisal Foundation or *The Dictionary of Real Estate Appraisal*, which is published by the Appraisal Institute.

Market Value

“Market value is the major focus of most real property appraisal assignments; developing an estimate of market value is the purpose of most appraisal assignments. The current definition of market value was first formally identified by Adam Smith and has been continually refined.”

Market value as employed in this report is defined as follows:

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

- buyer and seller are typically motivated;
- both parties are well-informed or well-advised, and acting in what they consider their own best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”

Cash Equivalent

“A price expressed in terms of cash, as distinguished from a price expressed totally or partly in terms of the face amounts of notes or other securities that cannot be sold at their face amounts.”

Condominium

“A form of fee ownership of separate units or portions of multi-unit buildings that provides for formal filing and recording of a divided interest in real property, where the division is vertical as well as horizontal; fee ownership of units in a multi-unit property with joint ownership of common areas.”

Dedication

“A voluntary gift by the owner of private property for some public use, e.g., the dedication of land for streets and schools in a development.”

Easement

“conveyance of certain property rights, but not ownership, to a parcel of real estate.”

Fee Simple Estate

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

Floor Area Ratio

“The relationship between the aboveground floor area of a building and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the floor area of a building is twice the total land area.”

Leased Fee Estate

“An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; usually consists of the right to receive rent and the right to repossession at the termination of the lease.”

Leasehold Estate

“The right to use and occupy real estate for a stated term and under certain conditions; conveyed by a lease.”

Right of Way

“A privilege to pass over the land of another in some particular path; usually an easement over the land of another; a strip of land used in this way for railroad and highway purposes, for pipelines or pole lines, and for private or public passage.”

Property Detail Report

For Property Located At :

4050 PORT CHICAGO HWY 1, CONCORD, CA 94520-1121

Owner Information

Owner Name: **CONCORD CITY OF**
 Mailing Address: **1950 PARKSIDE DR, CONCORD CA 94519-2526 C011**
 Vesting Codes: **//**

Location Information

Legal Description: **POR GOVERNMENT RANCH**
 County: **CONTRA COSTA, CA** APN: **100-370-009-1**
 Census Tract / Block: **3150.00 / 1** Alternate APN:
 Township-Range-Sect: Subdivision:
 Legal Book/Page: Map Reference: **/ 572-G3**
 Legal Lot: Tract #: **MT DIABLO**
 Legal Block: School District:
 Market Area: School District Name:
 Neighbor Code: Munic/Township:

Owner Transfer Information

Recording/Sale Date: **/** Deed Type:
 Sale Price: 1st Mtg Document #:
 Document #:

Last Market Sale Information

Recording/Sale Date: **/** 1st Mtg Amount/Type: **/**
 Sale Price: 1st Mtg Int. Rate/Type: **/**
 Sale Type: 1st Mtg Document #: **/**
 Document #: 2nd Mtg Amount/Type: **/**
 Deed Type: 2nd Mtg Int. Rate/Type: **/**
 Transfer Document #: Price Per SqFt:
 New Construction: Multi/Split Sale:
 Title Company:
 Lender:
 Seller Name:

Prior Sale Information

Prior Rec/Sale Date: **/** Prior Lender:
 Prior Sale Price: Prior 1st Mtg Amt/Type: **/**
 Prior Doc Number: Prior 1st Mtg Rate/Type: **/**
 Prior Deed Type:

Property Characteristics

Year Built / Eff: **1963 /** Total Rooms/Offices
 Gross Area: Total Restrooms:
 Building Area: Roof Type:
 Tot Adj Area: Roof Material:
 Above Grade: Construction:
 # of Stories: Foundation:
 Other Improvements: Exterior wall:
 Basement Area:
 Garage Area:
 Garage Capacity:
 Parking Spaces:
 Heat Type:
 Air Cond:
 Pool:
 Quality:
 Condition:

Site Information

Zoning: Acres: **58.18** County Use: **GOVERNMENT (79)**
 Lot Area: **2,534,321** Lot Width/Depth: **x** State Use:
 Land Use: **PUBLIC (NEC)** Commercial Units:
 Site Influence: Sewer Type: Building Class:

Tax Information

Total Value: **\$2,504,022** Assessed Year: **2012** Property Tax: **\$75.00**
 Land Value: **\$1,732,813** Improved %: **31%** Tax Area: **02149**
 Improvement Value: **\$771,209** Tax Year: **2012** Tax Exemption:
 Total Taxable Value:

Flood Map Report

For Property Located At



4050 PORT CHICAGO HWY 1, CONCORD, CA 94520-1121

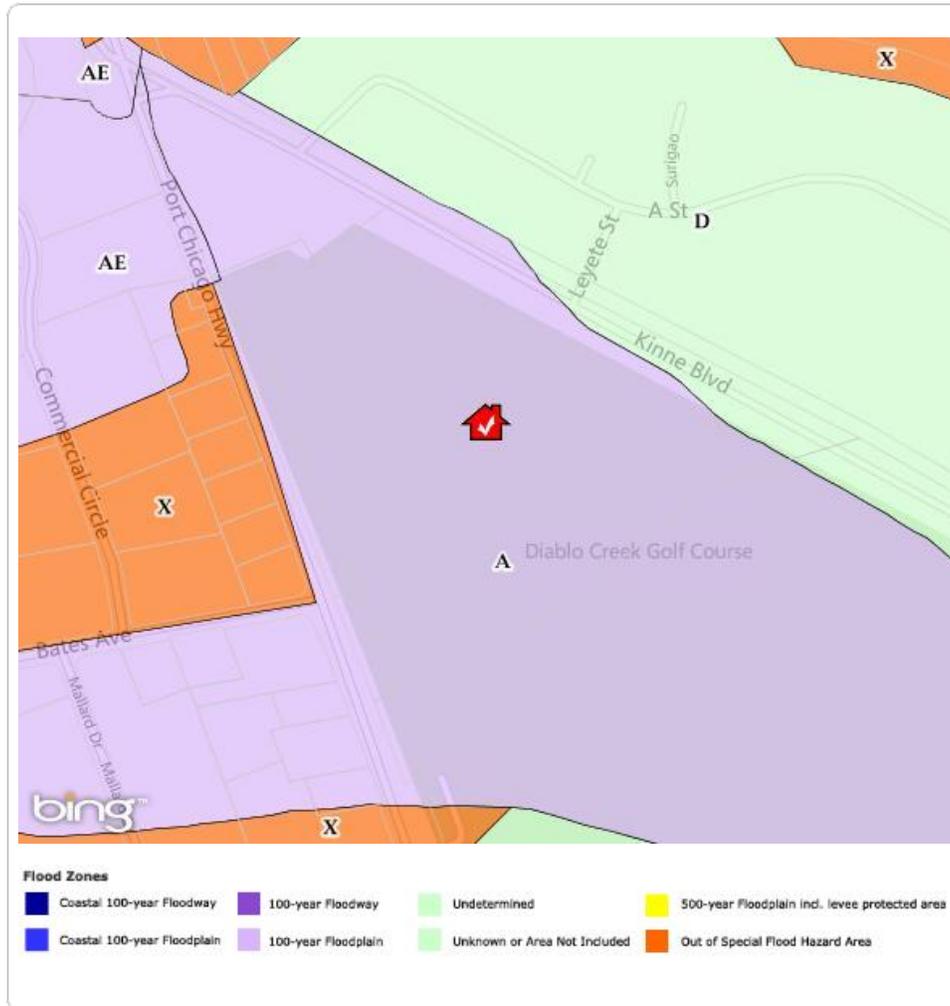
Report Date: 10/14/2013

County: CONTRA COSTA, CA

Flood Zone Code	Flood Zone Panel	Panel Date
AE	065022 - 0095F	06/16/2009
Special Flood Hazard Area (SFHA)	Within 250 ft. of multiple flood zones?	Community Name
In	Yes (D,AE,A,X)	CONCORD

Flood Zone Description:

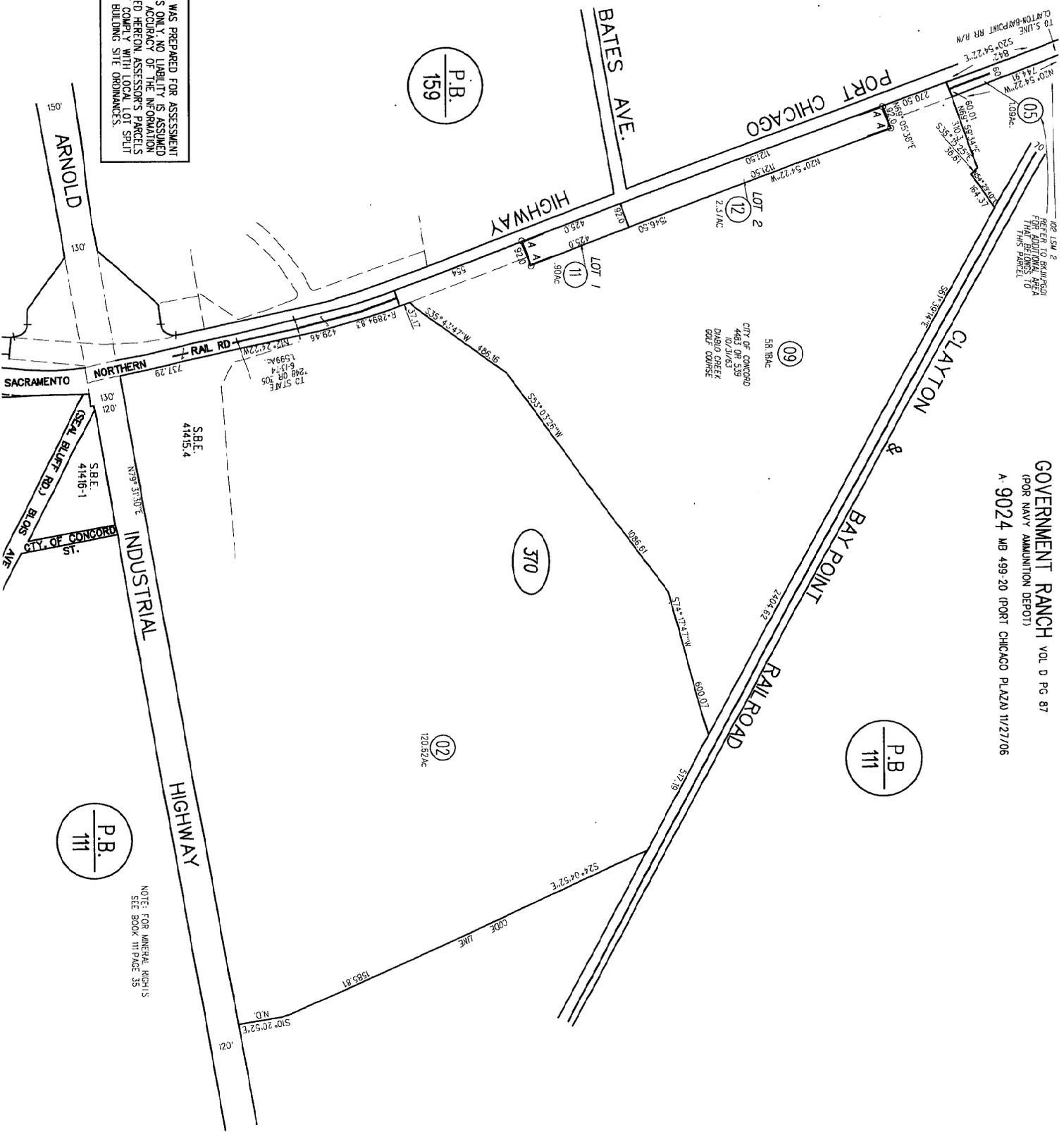
Zone AE-An area inundated by 100-year flooding



Disclaimer of Use

This map/report was produced using multiple sources. It is provided for informational purposes only. This map/report should not be relied upon by any third parties. It is not intended to satisfy any regulatory guidelines and should not be used for this or any other purpose.

GOVERNMENT RANCH VOL. D PG. 87
(FOR NAVY AMMUNITION DEPOT)
A-9024 MB 499 20 (PORT CHICAGO PLAZA) 11/27/06



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

NOTE: FOR MINERAL RIGHTS SEE BOOK 111 PAGE 35



370
MAY 18

FM BK 111 PG 1
ASSESSOR'S
BOOK 100
CONTRA COSTA C

Article II. Zoning Districts – Uses and Standards

Division 8 - Community Land Districts (OS, PR, RLC and WRC)

Sections:

- 122-222 Purpose
- 122-223 Table 122-223.1 - Community Land Districts - Allowed Uses and Permit Requirements
- 122-224 Table 122-224.1 - Community Land Districts - Development Standards

122-222 Purpose

This Division lists the uses that may be permitted within the Community Land zoning districts and the type of approval required for each use. The purpose of each district is as follows:

- (a) **OS - Open Space.** The OS District is applied to land that is generally unaltered with natural resources and scenic value, either privately or publicly owned. The OS District is consistent with and implements the Open Space (OS) land use designation of the General Plan.
- (b) **PR - Parks and Recreation.** The PR District is applied to neighborhood, community, and regional parks, and may include uses such as playing fields, golf courses, trails or other recreational facilities. The PR District is consistent with and implements the Parks (P) land use designation of the General Plan.
- (c) **RLC - Rural Lands Conservation.** The RLC District is applied to hillside areas located to the northeast and southeast of the City within the Planning Area Boundary, and to ensure protection of its scenic value and rural character. The RLC District is consistent with and implements the Rural Conservation (RCON) land use designation of the General Plan.
- (d) **WRC – Wetlands/Resource Conservation.** The WRC District is applied to bay marshes and wetlands within the tidal area to ensure protection of wildlife, hydrological, and biological resources. The WRC District is consistent with the Wetlands and Resource Conservation (WRC) land use designation of the General Plan.

122-223 Table 122-223.1 - Community Land Districts - Allowable Uses and Permit Requirements

Table 122-223.1 identifies the uses allowed by the Development Code in each Community Land zoning district and the type of permit required to establish each use. See Section 122-54 (b) or Article VII (Permits and Permit Procedures). Additional requirements may apply pursuant to Article IV (Development Standards) and Article V (Standards for Specific Uses).

Table 122-223.1 Community Land Districts Allowed Uses and Permit Requirements		ZC - Permitted Use, Zoning Clearance required AP - Administrative Permit required MP - Minor Use Permit required UP - Use Permit required -- - Use Not Allowed
Land Use Classifications	Permit Required by District	Additional Requirements

City of Concord Development Code
Article II. Zoning Districts - Uses and Standards
Effective: November 22, 2012

	OS	PR	RLC	WRC	
Open Space and Agricultural Uses					
Companion Animal, Horses, Fowl	--	--	ZC	--	
Community Gardens	ZC	ZC	ZC	AP	
Crop Production, Orchard, Vineyard	ZC	ZC	ZC	ZC	
Open Space and Agricultural Uses (cont.)					
Livestock, Grazing	ZC	ZC	ZC	--	
Mining and Quarrying	--	--	--	--	

Public/Quasi-Public and Recreational Uses					
Airport	--	--	--	--	
Ambulance Services	--	--	--	--	
Cemetery, Columbarium, Mausoleum	UP	UP	--	--	
Conference, Convention Facility	--	--	--	--	
Cultural Institution	--	MP	--	--	
Emergency, Homeless Shelter	--	--	--	--	§122-620 Emergency & Homeless Shelter
Farmers Market	--	UP	--	--	
Funeral Parlor, Mortuary	--	--	--	--	
Government Office	--	ZC	--	--	
Heliport	--	--	--	--	
Library	--	AP	--	--	
Medical Services					
Hospital, Medical Center	--	--	--	--	
Medical Marijuana Dispensary	--	--	--	--	
Medical Clinic	--	--	--	--	
Nursing Facility/Extended Care	--	--	--	--	
Urgent Care Facility	--	--	--	--	
Meeting Facility, Public/Private	--	UP	--	--	
Military	--	--	--	--	
Parking Facility	--	ZC	--	--	
Public Maintenance and Service Facility	--	ZC	--	--	
Recreational Facilities					
Bingo Hall	--	--	--	--	
Commercial Recreation, Indoor	--	UP	--	--	
Golf Course, Country Club	--	UP	--	--	§122-626 Mechanical & Elec. Games
Park and Recreation Facility	ZC	ZC	ZC	ZC	
Residential Recreation Facility	--	--	ZC	--	
Sports and Entertainment, Assembly	--	UP	--	--	§122-621 Entertainment Uses
Sports and Recreation Facility	--	UP	UP	--	§122-626 Mechanical & Elec. Games
Recycling Facilities					
Small Collection Facility	--	--	--	--	§122-630 Recycling Facilities
Large Collection Facility	--	--	--	--	
Processing Facility	--	--	--	--	
Religious Facility	--	--	--	--	
Schools					
Public/Quasi-Public and Recreational Uses (cont.)					
Elementary, Middle, Secondary	--	--	--	--	
Colleges, Universities	--	--	--	--	

City of Concord Development Code
Article II. Zoning Districts - Uses and Standards
Effective: November 22, 2012

Table 122-223.1 Community Land Districts Allowed Uses and Permit Requirements					ZC - Permitted Use, Zoning Clearance required AP - Administrative Permit required MP - Minor Use Permit required UP - Use Permit required -- - Use Not Allowed
Land Use Classifications	Permit Required by District				Additional Requirements
	OS	PR	RLC	WRC	
Trade Schools, Vocational Training	--	--	--	--	
Social Service Facility, Community Organization	--	--	--	--	
Theater, Auditorium	--	UP	--	--	§122-626 Mechanical & Elec. Games
Utility Facility, Transmission Towers	--	--	--	--	
Wireless Telecommunication Facility	§122-664 - 677 Wireless Communication Facilities				

Residential Uses					
Bed and Breakfast Inn	--	--	--	--	
Dwelling, Dwelling Units, Housing Units					
Single Family, Detached	--	--	ZC	--	
Single Family, Detached – Small Lot Subdivision	--	--	--	--	
Single Family, Attached	--	--	--	--	
Secondary Living Unit	--	--	AP	--	§122-631 Secondary Living Unit
Duplex	--	--	--	--	
Multi-family	--	--	--	--	
Family Day Care Home, Small	--	--	ZC	--	§122-618 Child Day Care Facilities
Family Day Care Home, Large	--	--	MP	--	§122-618 Child Day Care Facilities
Group Housing	--	--	--	--	
Home-Based Business	--	--	AP	--	§122-623 Home-Based Business
Live/Work Unit	--	--	--	--	§122-624 Live/Work, Work/Live Unit
Mixed Use Projects	--	--	--	--	
Mobile Home Park	--	--	--	--	
Residential Care Facility, Small	--	--	ZC	--	
Residential Care Facility, Large	--	--	MP	--	
Residential Facility for Seniors, Assisted Living	--	--	--	--	
Work/Live Unit	--	--	--	--	§122-624 Live/Work, Work/Live Unit

Office, Commercial and Retail Uses					
Adult Day Care Center	--	UP	--	--	
Adult-Oriented Business	--	--	--	--	§122-726-741 Adult Oriented Business
Animal Services					
Boarding, Kennel	--	UP	AP	--	
Dog Day Care, Training	--	UP	AP	--	
Grooming	--	--	AP	--	
Hospital, Veterinary Clinic	--	--	UP	--	
Office, Commercial and Retail Uses (cont.)					
Antique, Collectible Store	--	--	--	--	
Automobile Sales and Rental/Leasing	--	--	--	--	
Auction	--	--	--	--	

*City of Concord Development Code
Article II. Zoning Districts - Uses and Standards
Effective: November 22, 2012*

Table 122-223.1 Community Land Districts Allowed Uses and Permit Requirements					ZC - Permitted Use, Zoning Clearance required AP - Administrative Permit required MP - Minor Use Permit required UP - Use Permit required -- - Use Not Allowed
Land Use Classifications	Permit Required by District				Additional Requirements
	OS	PR	RLC	WRC	
Brokers Office Only	--	--	--	--	
Brokers Office w/Vehicle Display	--	--	--	--	
Dealership, New	--	--	--	--	
Dealership, Used	--	--	--	--	
Dealership, Motorcycles	--	--	--	--	
Rentals	--	--	--	--	
Automobile Services and Repair					
Car Wash, Attended	--	--	--	--	§122-622 Gas Stations & Car Wash
Car Wash, Unattended	--	--	--	--	§122-622 Gas Stations & Car Wash
Gas Station	--	--	--	--	§122-622 Gas Stations & Car Wash
Maintenance Services	--	--	--	--	
Major Repair/Body Work	--	--	--	--	
Minor Repair	--	--	--	--	
Banks and Financial Services					
Bank, Credit Union	--	--	--	--	
Bank w/Drive-Through Service	--	--	--	--	§122-619 Drive-Through Facilities
Check Cashing Business	--	--	--	--	
Building Materials Sales and Service					
No Outdoor Storage	--	--	--	--	
w/Outdoor Storage	--	--	--	--	§122-629 Outdoor Sales & Display
Business Support Services	--	--	--	--	
Catering Services	--	--	--	--	
Eating and Drinking Establishments					
Bar, Night Club, Lounge	--	--	--	--	§122-621 Entertainment Uses
Restaurant, Full Service	--	--	--	--	
Restaurant, Limited Service	--	--	--	--	
Restaurant, w/Drive-Through	--	--	--	--	§122-619 Drive-Through Facilities
Restaurant, w/Live Entertainment	--	--	--	--	§122-621 Entertainment Uses
Fitness Facility, Health Club	--	--	--	--	
Food, Beverage Sales					
Convenience Store, no Alcohol Sales	--	--	--	--	
Convenience Store, w/Alcohol Sales	--	--	--	--	§122-617 Alcoholic Beverage Sales
Grocery Store	--	--	--	--	
Liquor Store					§122-617 Alcoholic Beverage Sales
Hotel, Motel	--	--	--	--	
Maintenance Services					
Office, Commercial and Retail Uses (cont.)					
Office w/No Outdoor Storage/or Activities	--	--	--	--	
Office w/Outdoor Storage/or Activities	--	--	--	--	
Nursery, Pre-School, Childcare	--	UP	--	--	§122-618 Child Day Care Facilities

*City of Concord Development Code
Article II. Zoning Districts - Uses and Standards
Effective: November 22, 2012*

Table 122-223.1 Community Land Districts Allowed Uses and Permit Requirements		Permit Required by District				Additional Requirements
		OS	PR	RLC	WRC	
Office						
Administrative, Information Processing	--	--	--	--		
Medical, Dental	--	--	--	--		
Professional	--	--	--	--		
Personal Services						
General	--	--	--	--		
Improvement, Instructional	--	--	--	--		
Restricted	--	--	--	--		
Repair Service, Appliance & Small Equipment	--	--	--	--		
Retail Sales						
Big Box	--	--	--	--		
General	--	--	--	--		
Nursery, Garden Center	--	--	--	--		§122-629 Outdoor Sales & Display
Restricted	--	--	--	--		
w/Drive-Through	--	--	--	--		§122-619 Drive-Through Facilities
Secondhand Sales	--	--	--	--		

Business Park and Industrial Uses						
Auto Wrecking, Dismantling Yards	--	--	--	--		
Contractors, Special Trade						
Cabinet Shop	--	--	--	--		
Contractor Office, No Outdoor Storage	--	--	--	--		
Contractor Yard, w/Outdoor Storage	--	--	--	--		
Fleet-Based Service	--	--	--	--		
Freight and Truck Terminal	--	--	--	--		
Heavy Vehicle and Large Equipment, Sales/Rental, Service, and Repair						
Commercial Vehicles and Equipment	--	--	--	--		
Recreational Vehicles	--	--	--	--		
Laboratory, Research, and Development	--	--	--	--		
Manufacturing, Processing						
Artisan/Custom Product	--	--	--	--		
Industry, Heavy	--	--	--	--		
w/No Outdoor Storage/Activities	--	--	--	--		
w/Outdoor Storage/Activities	--	--	--	--		

Business Park and Industrial Uses (cont.)						
Warehouse Show Room w/Assembly & Sales	--	--	--	--		
Media Production Facility	--	--	--	--		
Storage						
Hazardous Materials	--	--	--	--		

City of Concord Development Code
Article II. Zoning Districts - Uses and Standards
Effective: November 22, 2012

Land Use Classifications		Permit Required by District				Additional Requirements
		OS	PR	RLC	WRC	
Self-Storage Facility, Mini-Storage		--	--	--	--	
Vehicle		--	--	--	--	
Towing Services		--	--	--	--	
Warehouse, w/No Outdoor Storage		--	--	--	--	
Warehouse, w/Outdoor Storage		--	--	--	--	
Wholesaling, Distribution		--	--	--	--	

Table 122-223.1
Community Land Districts
 Allowed Uses and Permit Requirements

ZC - Permitted Use, Zoning Clearance required
 AP - Administrative Permit required
 MP - Minor Use Permit required
 UP - Use Permit required
 -- - Use Not Allowed

122-224 Community Land Districts - Development Standards

Subdivisions, new uses and structures, and alterations to existing uses and structures, shall be designed, constructed, and established in compliance with the requirements specified by the permit required in the previous section; except that if the permit does not regulate a development standard that is regulated by an abutting district, or if a permit is not required, the regulations of the abutting district shall apply to each adjacent portion of the property, as applicable. Additional requirements may apply pursuant to Article IV (Development Standards) and Article V (Standards for Specific Uses).

122-225 - - 122-234 Reserved

Article II. Zoning Districts – Uses and Standards

Division 6 - Business Park and Industrial Districts (OBP, IBP, IMX, and HI)

Sections:

122-176	Purpose
122-177	Table 122-177.1 – Business Park and Industrial Districts - Allowed Uses and Permit Requirements
122-178	Table 122-178.1 – Business Park and Industrial Districts - Development Standards

122-176 Purpose

This Division lists the uses that may be permitted within the Business Park and Industrial zoning districts, the type of permit or approval required for each use, and basic development standards for the site and building. The purpose of each district is as follows:

- (a) **OBP - Office Business Park.** The OBP District is applied to areas of the City appropriate for campus-like office complexes and business parks at an intensity of 0.8 FAR. This District allows ancillary restaurant, retail, and service activities that serve employees and provide business-support services. Commercial recreation and similar uses that require large warehouse-style buildings may be allowed. The OBP District does not allow uses that require outdoor facilities, storage, or activities. The OBP District is found in North Concord including North Point, Concord North Industrial, and Willow Pass Business parks, along Arnold Industrial Way and Bates Avenue bounded by Port Chicago Highway and Solano Way; Stanwell Business Park; and the northern portion of the Detroit Avenue/Shary Circle Business Park. The OPB District is consistent with and implements the Business Park (BP) land use designation of the General Plan.
- (b) **IBP - Industrial Business Park.** The IBP District is applied to areas of the City appropriate for a mix of light industrial uses, warehouse and flex spaces, research and development, wholesale, and offices with limited customer access at an intensity of 0.8 FAR. The IBP District allows uses that require outdoor storage or activities when the outdoor facilities are not visible from a public street and are screened by a building or solid eight-foot wall. Commercial recreation and similar uses that require large warehouse-style buildings may be allowed. The IBP District is found in North Concord on Forni Drive, Bates Avenue, Industrial Way, Folsom Lane, Nelson Avenue; and the North Hillcrest area south of State Route 4, on Arnold Industrial Place and Solano Way; Franquette Avenue; and the northern portion of Detroit Avenue/Shary Circle Business Park. The IBP District is consistent with and implements the Business Park (BP) land use designation of the General Plan.
- (c) **IMX - Industrial Mixed Use.** The IMX District is applied to areas of the City appropriate for a mix of light industrial, offices, and live/work facilities at an intensity of 1.0 FAR. Light Industrial uses include warehouse, research and development, and artists' studios. The IMX District allows ancillary restaurant, retail, and service activities that serve employees and provide business-support services. The IMX District does not allow uses that require outdoor facilities, storage, or activities. The IMX District is found in the North Hillcrest area south of State Route 4, properties on Arnold Industrial Place, and the southern portion of the Detroit Avenue/Shary Circle Business

Park. The IMX District is consistent with and implements the Industrial Mixed Use (IMU) land use designation of the General Plan.

- (d) **HI - Heavy Industrial.** The HI District is applied to areas of the City appropriate for a mix of manufacturing, refining, processing, assembly, outdoor storage uses, trucking terminals, railroad and freight stations, and similar activities that may impact adjacent properties due to noise, vibration, or other characteristics. The HI District also provides for warehousing, distribution, and port-related uses. Building intensity may be up to 0.6 FAR. The HI District is found in the North Concord unincorporated area bounded by State Route 4, Mallard Reservoir, and the Walnut Creek Channel. The HI District is consistent with and implements the Heavy Industrial land use designation of the General Plan

122-177 Table 122-177.1 – Business Park and Industrial Districts - Allowed Uses and Permit Requirements

- (a) **Applicability.** Table 122-177.1 identifies the uses allowed by the Development Code in each Business Park and Industrial District and the type of permit required to establish each use. See Section 122-54 (b) or Article VII (Permits and Permit Procedures). Additional requirements may apply pursuant to Article IV (Development Standards) and Article V (Standards for Specific Uses).

Table 122-177.1 Business Park and Industrial Districts Allowed Uses and Permit Requirements					ZC - Permitted Use, Zoning Clearance required AP - Administrative Permit required MP - Minor Use Permit required UP - Use Permit required -- - Use Not Allowed
Land Use Classifications	Permit Required by District				Additional Requirements
	OBP	IBP	IMX	HI	
Business Park and Industrial Uses					
Auto Wrecking, Dismantling Yards	--	--	--	UP	
Contractors, Special Trade					
Cabinet Shop	ZC ⁽⁵⁾	ZC	ZC ⁽⁵⁾	ZC	
Contractor Office, Within a Building	ZC	ZC	ZC	ZC	
Contractor Yard, w/Outdoor Storage	--	ZC	--	ZC	
Fleet-Based Service	--	ZC	AP ⁽⁴⁾	ZC	
Freight and Truck Terminal	--	--	--	UP	
Heavy Vehicle and Large Equipment, Sales/Rental, Service, and Repair					
Commercial Vehicle and Equipment	--	AP	--	ZC	
Recreational Vehicle	--	AP	--	ZC	
Laboratory, Research, and Development	ZC ⁽⁵⁾	ZC	ZC ⁽⁵⁾	ZC	
Manufacturing, Processing					
Artisan/Custom Product	ZC ⁽⁵⁾	ZC ⁽⁴⁾	ZC ⁽⁴⁾	ZC ⁽⁴⁾	
Industry, Heavy	--	--	--	UP	
Within a Building	ZC ⁽⁵⁾	ZC	ZC	ZC	
w/Outdoor Storage or Activities	--	ZC ⁽⁴⁾	--	MP	
Warehouse Show Room w/Assembly & Sales	ZC	ZC	ZC	ZC	
Media Production Facility	ZC	ZC	ZC	--	
Storage					
Hazardous Materials	--	--	--	UP	

*City of Concord Development Code
Article II. Zoning Districts - Uses and Standards
Effective: November 22, 2012*

Table 122-177.1 Business Park and Industrial Districts Allowed Uses and Permit Requirements					ZC - Permitted Use, Zoning Clearance required AP - Administrative Permit required MP - Minor Use Permit required UP - Use Permit required -- - Use Not Allowed
Land Use Classifications	Permit Required by District				Additional Requirements
	OBP	IBP	IMX	HI	
Self-Storage Facility, Mini-Storage	UP	UP	UP	UP	
Vehicle	--	--	--	AP	
Towing Services	--	--	--	AP	
Warehouse w/No Outdoor Storage	ZC ⁽⁵⁾	ZC	ZC ⁽⁵⁾	ZC	
Warehouse, w/Outdoor Storage	--	AP	--	AP	
Wholesaling and Distribution	ZC	ZC ^(4,6)	ZC ^(4,6)	ZC ⁽⁴⁾	
Office, Commercial, and Retail Uses					
Adult, Day Care Center	UP	--	UP	--	
Adult-Oriented Business	--	UP	UP	--	§122-726-741 Adult-Oriented Business
Animal Services					
Boarding, Kennel	AP	AP	AP	--	
Dog Day Care, Training	AP	AP	AP	--	
Grooming	AP	AP	AP	--	
Hospital, Veterinary Clinic	AP	AP	AP	--	
Antique, Collectible Store	--	--	--	--	
Automobile Sales and Rental/Leasing					
Auction	--	--	--	ZC	
Brokers, Office Only	ZC	ZC	ZC	--	
Brokers, Office w/Vehicle Display	AP	ZC	AP	--	
Dealership, New	UP	UP	--	--	
Dealership, Used	--	--	--	--	
Dealership, Motorcycle	--	UP	--	--	
Rental	--	--	--	--	
Automobile Services and Repair					
Car Wash, Attended	--	--	--	--	§122-622 Gas Stations & Car Wash
Car Wash, Unattended	--	--	--	--	§122-622 Gas Station & Car Wash
Gas Station	--	--	--	--	§122-622 Gas Stations & Car Wash
Auto Maintenance Services	--	--	--	--	
Major Repair/Body Work	--	--	--	--	
Minor Repair/Body Work	--	--	--	--	
Banks and Financial Services					
Bank, Credit Union	ZC	ZC	ZC	--	
Bank w/Drive-Through Service	UP	--	--	--	§122-619 Drive-Through Facilities
Check Cashing Business	--	UP	--	--	
Building Materials Sales and Services					
No Outdoor Storage	ZC	ZC	ZC	--	
w/Outdoor Storage	--	ZC ⁽⁴⁾	--	--	§122-629 Outdoor Sales & Display
Business Support Services	ZC	ZC	ZC	--	
Catering Services	ZC	ZC	ZC	--	

City of Concord Development Code
Article II. Zoning Districts - Uses and Standards
Effective: November 22, 2012

Table 122-177.1 Business Park and Industrial Districts Allowed Uses and Permit Requirements					ZC - Permitted Use, Zoning Clearance required AP - Administrative Permit required MP - Minor Use Permit required UP - Use Permit required -- - Use Not Allowed
Land Use Classifications	Permit Required by District				Additional Requirements
	OBP	IBP	IMX	HI	
Eating and Drinking Establishments					
Bar, Night Club, Lounge	--	--	--	--	§122-621 Entertainment Uses
Restaurant, Full Service	AP ⁽³⁾	AP ⁽³⁾	AP ⁽³⁾	--	
Restaurant, Limited Service	ZC ⁽³⁾	ZC ⁽³⁾	ZC ⁽³⁾	--	
Restaurant, w/Drive-Through	--	--	--	--	§122-619 Drive-Through Facilities
Office, Commercial, and Retail Uses (cont.)					
Restaurant, w/Live Entertainment	--	--	--	--	§122-621 Entertainment Uses
Fitness Facility, Health Club	AP	AP	AP	--	
Food, Beverage Sales					
Convenience Store, no Alcohol Sales	ZC ⁽³⁾	ZC ⁽³⁾	ZC ⁽³⁾	--	
Convenience Store, w/Alcohol Sales	--	--	--	--	§122-617 Alcoholic Beverage Sales
Grocery Store	ZC ⁽³⁾	ZC ⁽³⁾	--	--	
Liquor Store	--	--	--	--	§122-617 Alcoholic Beverage Sales
Hotel, Motel	--	--	--	--	
Maintenance Services					
Office w/No Outdoor Storage/Activities	ZC	ZC	ZC	ZC	
Office w/Outdoor Storage/Activities	--	AP	--	ZC	
Nursery, Pre-School, Childcare	AP	AP	MP ⁽¹⁰⁾	--	§122-618 Child Day Care Facilities
Office					
Administrative, Information Processing	ZC	ZC	ZC	--	
Medical, Dental	ZC	--	ZC	--	
Professional	ZC	ZC ⁽⁶⁾	ZC	--	
Personal Services					
General	AP ⁽³⁾	AP ⁽³⁾	AP ⁽³⁾	--	
Improvement, Instructional	AP	AP	AP	--	
Restricted	--	--	--	--	
Repair Service, Appliance & Small Equipment	ZC ⁽⁵⁾	ZC ⁽⁴⁾	ZC ⁽⁵⁾	ZC	
Retail Sales					
Big Box	UP	UP	--	--	
General	ZC ⁽³⁾	ZC ⁽³⁾	--	--	
Nursery, Garden Center	--	ZC	--	--	§122-629 Outdoor Sales & Display
Restricted	--	--	--	--	
w/Drive-Through	--	--	--	--	§122-619 Drive-Through Facilities
Secondhand Sales	--	--	--	--	
Residential Uses					
Bed and Breakfast Inn	--	--	--	--	
Dwelling, Dwelling Unit, Housing Unit					
Single Family, Detached	--	--	--	--	

*City of Concord Development Code
Article II. Zoning Districts - Uses and Standards
Effective: November 22, 2012*

Table 122-177.1 Business Park and Industrial Districts Allowed Uses and Permit Requirements					ZC - Permitted Use, Zoning Clearance required AP - Administrative Permit required MP - Minor Use Permit required UP - Use Permit required -- - Use Not Allowed
Land Use Classifications	Permit Required by District				Additional Requirements
	OBP	IBP	IMX	HI	
Single Family, Detached – Small Lot Subdivision	--	--	--	--	
Single Family, Attached	--	--	--	--	
Secondary Living Unit	--	--	--	--	§122-631 Secondary Living Unit
Residential Uses (Cont.)					
Duplex	--	--	--	--	
Multi-family	--	--	--	--	
Family Day Care Home, Small	--	--	ZC ⁽¹⁰⁾	--	§122-618 Child Day Care Facilities
Family Day Care Home, Large	--	--	MP ⁽¹⁰⁾	--	§122-618 Child Day Care Facilities
Group Housing	--	ZC	ZC	--	
Home-Based Business	--	--	ZC ⁽¹⁰⁾	--	§122-623 Home-Based Business
Live/Work Unit	--	--	MP	--	§122-624 Live/Work, Work/Live Unit
Mixed Use Projects	--	--	UP	--	
Mobile Home Park	--	--	--	--	
Residential Care Facility, Small	--	--	--	--	
Residential Care Facility, Large	--	--	--	--	
Resdntl. Facility for Seniors, Assisted Living	--	--	--	--	
Work/Live Unit	--	--	MP	--	§122-624 Live/Work, Work/Live Unit

Public/Quasi-Public and Recreational Uses					
Airport	--	--	--	--	
Ambulance Service	AP	ZC	ZC	--	
Cemetery, Columbarium, Mausoleum	--	--	--	--	
Conference, Convention Facility	UP	UP	--	--	
Cultural Institution	--	--	--	--	
Emergency and Homeless Shelter	ZC	ZC	ZC	--	§122-620 Emergency & Homeless Shelter
Farmers Market	--	--	--	--	
Funeral Parlor, Mortuary	--	--	--	--	
Government Office	ZC	ZC	ZC	ZC	
Heliport	--	--	--	UP	
Library	ZC	ZC	ZC	--	
Medical Services					
Hospital, Medical Center	--	--	--	--	
Medical Marijuana Dispensary	--	--	--	--	
Medical Clinic	AP	AP	--	--	
Nursing Facility/Extended Care	--	--	--	--	
Urgent Care Facility	MP ⁽³⁾	MP ⁽³⁾	--	--	
Meeting Facility, Public/Private	UP	UP	--	--	
Military	--	--	--	--	
Parking Facility	AP	AP	AP	--	

City of Concord Development Code
Article II. Zoning Districts - Uses and Standards
Effective: November 22, 2012

Table 122-177.1 Business Park and Industrial Districts Allowed Uses and Permit Requirements					ZC - Permitted Use, Zoning Clearance required AP - Administrative Permit required MP - Minor Use Permit required UP - Use Permit required -- - Use Not Allowed
Land Use Classifications	Permit Required by District				Additional Requirements
	OBP	IBP	IMX	HI	
Public Maintenance and Service Facility	--	AP ⁽⁴⁾	--	ZC ⁽⁴⁾	
Recreational Facilities					
Bingo Hall	UP	UP	--	--	
Public/Quasi-Public and Recreational Uses (cont.)					
Commercial Recreation, Indoor	AP	AP	AP	--	
Golf Course, Country Club	--	--	--	--	§122-626 Mechanical & Elec. Games
Park and Recreation Facility	ZC	ZC	ZC	--	
Residential Recreation Facility	--	--	UP	--	
Sports and Entertainment, Assembly	--	--	--	UP	§122-621 Entertainment Uses
Sports and Recreation Facility	UP	UP	UP	--	§122-626 Mechanical & Elec. Games
Recycling Facilities					
Small Collection Facility	AP	AP	AP	AP	§122-630 Recycling Facilities
Large Collection Facility	--	UP	--	UP	§122-630 Recycling Facilities
Processing Facility	--	UP	--	UP	§122-630 Recycling Facilities
Religious Facility	--	--	--	--	
Schools					
Elementary, Middle, Secondary	--	--	--	--	
College, University	AP	AP	--	--	
Trade Schools, Vocational Training	AP	AP	AP	--	
Social Service Facility, Community Organization	AP	--	--	--	
Theater, Auditorium	UP	UP	UP	--	§122-626 Mechanical & Elec. Games
Utility Facility, Transmission Towers	ZC	ZC	ZC	ZC	
Wireless Telecommunication Facility	§122-664 – 668 Wireless Communication Facilities				

Open Space and Agricultural Uses					
Companion Animal, Horses, Fowl	--	--	--	--	
Community Gardens	MP	MP	AP	---	
Crop Production, Orchard, Vineyard	ZC	ZC	ZC	ZC	
Livestock, Grazing	--	--	--	--	
Mining and Quarrying	--	--	--	UP	

- (3) Allowed to occupy up to 20 % of: gross area of shopping center, multi-tenant building, or 20% street frontage of one building.
(4) Outdoor sales, activities, or storage allowed in side or rear yards when enclosed by an eight-foot tall masonry wall and materials do not exceed wall height
(5) No outdoor facilities, storage, or activities are allowed.
(6) Allowed if occupying less than 80,000 square feet of gross floor area.
(10) Allowed with Residential use only.

122-178 Table 122-178.1 – Business Park and Industrial Districts - Development Standards

Subdivisions, new uses and structures, and alterations to existing uses and structures shall be designed, constructed, and established in compliance with the requirements specified in Table A-II-D6.2. Additional requirements may apply pursuant to Article IV (Development Standards) and Article V (Standards for Specific Uses).

Table 122-178.1 Business Park and Industrial Districts Development Standards⁽¹⁾					
Standards	OBP	IBP	IMX	HI	Additional Standards
Floor Area Ratio (FAR) maximum	0.80	0.80	1.00	0.60	
Lot Area (square feet) minimum	40,000	20,000	10,000	40,000	
Lot Width (feet) minimum					
Interior Lot	100	100	100	100	
Corner Lot	100	100	110	100	
Lot Depth (feet) minimum	100	100	100	100	
Building Height (feet) maximum ⁽²⁾	50 ⁽⁴⁾	35 ⁽⁴⁾	50	50	
Setbacks (feet) minimum ^(2,3)					
Front	40 ⁽⁵⁾	20 ⁽⁵⁾	15	30	
Interior Side	10	0	0	0	
Corner Side	25	15	15	15	
Rear	10	0	0	0	
R District Boundary (feet) maximum	40	40	20	50	
C District Boundary (feet) minimum	15	15	15	15	

(1) Additional requirements may apply pursuant to Article IV (Development Standards) and Article V (Standards for Specific Uses).

(2) Unless otherwise approved through a Planned Unit Development (PUD).

(3) Measured from property line or back of sidewalk (whichever is less) to the face of building or structure.

(4) In no case shall any structure be erected closer than 45 feet (50 feet in RR-40) from the centerline of any street, provided that where four or more lots in a block on the same side of the street have been improved with buildings, the minimum requirement shall be the average of improved lots if less than 25 feet in RR-20, or less than 30 feet in RR-40.

(5) Minimum for each side.

122-179 - - 122-198 – Reserved

3. Land Use Element**d. Marina Commercial (MC)**

Land uses with a Marina Commercial designation in the Bethel Island Area shall be tied directly to water-oriented activities such as boat sales, repairs, storage, fishing supplies and water skiing.

e. Commercial Recreation (CR)

This designation allows a range of privately operated recreational uses of a commercial character, including marinas and similar facilities, campgrounds, golf courses, outdoor sports and athletic complexes. The following standards apply to these areas:

- | | | |
|-----|-----------------------------------|--------------|
| (1) | maximum site coverage: | 40 percent |
| (2) | maximum building height: | 35 feet |
| (3) | maximum floor area ratio: | 1.0 |
| (4) | average employees per gross acre: | 15 employees |

f. Airport Commercial (ACC)

This category reflects commercial uses that could stand separate from the airport, but serve to support the airport function. The Sheraton Inn and adjacent lands are found within this designation.

- | | | |
|-----|-----------------------------------|--------------|
| (1) | maximum site coverage: | 30 percent |
| (2) | maximum building height: | 40 feet |
| (3) | maximum floor area ratio: | 0.67 |
| (4) | average employees per gross acre: | 45 employees |

g. Office (OF)

This designation allows office facilities of an administrative character including branch and head offices, multi-tenant structures and similar uses, and medical offices. The following standards apply:

- | | | |
|-----|-----------------------------------|---------------|
| (1) | maximum site coverage: | 40 percent |
| (2) | maximum building height: | 50 feet |
| (3) | maximum floor area ratio: | 1.5 |
| (4) | average employees per gross acre: | 100 employees |

h. Business Park (BP)

This designation allows a mix of commercial, office, and light industrial uses which, by the high quality of their development and the nature of their operations, demonstrate compatibility with adjacent commercial and residential uses. In addition, smaller commercial establishments which serve on-site employees such as business services and local-serving retail uses are allowed. Adherence to landscaping, buffering and design standards provides the means for achieving a high level of amenity for employees and neighboring uses. The following standards apply:

- | | | |
|-----|-----------------------------------|---------------|
| (1) | maximum site coverage: | 40 percent |
| (2) | maximum building height: | 60 feet |
| (3) | maximum floor area ratio: | 1.5 |
| (4) | average employees per gross acre: | 100 employees |

i. Light Industry (LI)

This designation allows light industrial activities such as processing, packaging, machinery repair, fabricating, distribution, warehousing and



1000 Burnett Ave, Suite 400
 Concord, CA 94520
 (925) 687-7880 Fax: (925) 687-4836

PRELIMINARY REPORT

Our Order Number 0147012952-DJ

ZOCCHI COMPANY
 4080 PT. CHICAGO HIGHWAY
 CONCORD, CA 94520

When Replying Please Contact:

Donna Jones
 DonnaJ@ortc.com
 (925) 687-7880

Buyer:

ZOCCHI COMPANY

Property Address:

PORTION APN 100-370-009, Concord, CA 94520

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

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said Policy or Policies are set forth in Exhibit A attached. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the Homeowner's Policy of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit A. Copies of the Policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

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

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

Dated as of July 7, 2013, at 7:30 AM

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

Page 1 of 6 Pages

OLD REPUBLIC TITLE COMPANY
ORDER NO. 0147012952-DJ

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

CLTA Standard Coverage Policy - 1990. A specific request should be made if another form or additional coverage is desired.

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

Fee

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

City of Concord, a municipal corporation

The land referred to in this Report is situated in the County of Contra Costa, City of Concord, State of California, and is described as follows:

A portion of Rancho Monte Del Diablo, further described as follows:

A strip of land 60 feet wide, the Easterly line of which is described as follows:

Commencing at the most Northwesterly corner of that certain parcel of land described in the Deed to the City of Concord, recorded October 31, 1963 in Book 4483 of Official Records, at Page 539; thence Southerly along the Westerly line of last said parcel (4483 OR 539) South 20° 00' 37" East, 1817.00 feet to the point of beginning; thence continuing along last said line South 20° 00' 37" East, 554.00 feet to the point of termination.

Portion APN: 100-370-009

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

1. Taxes and assessments, general and special, for the fiscal year 2013 - 2014, a lien, but not yet due or payable.

2. Taxes and assessments, general and special, for the fiscal year 2012 - 2013, as follows:

Assessor's Parcel No	:	100-370-009	
Bill No.	:	098611	
Code No.	:	02-149	
1st Installment	:	\$37.50	Marked Paid
2nd Installment	:	\$37.50	Marked Paid
Land Value	:	\$1,732,813.00	
Imp. Value	:	\$771,209.00	

OLD REPUBLIC TITLE COMPANY
ORDER NO. 0147012952-DJ

Affects this and other property.

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

4. Any special tax which is now a lien and that may be levied within the Mt. Diablo Unified School District Community Facilities District No. 1, notice(s) for which having been recorded.

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

NOTE: The current annual amount levied against this land is none shown.

NOTE: Further information on said assessment or special tax can be obtained by contacting:

Name : Associate Superintendent – Administrative Service of the Mt. Diablo Unified School District
Telephone No. : (925) 682-8000

5. Waiver of any claims for damages to said property by reason of the location, construction, landscaping or maintenance of the freeway adjoining said property, as contained in the deed to the State of California,

Recorded : [June 13, 1974 in Book 7248 of Official Records, Page 305](#)

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

Granted To : City of Concord
For : Sanitary sewer line
Recorded : [October 8, 1981 in Book 10528 of Official Records, Page 693](#)
Affects : A portion, 10 feet in width

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

Granted To : Central Contra Costa Transit Authority
For : Pipes and pipelines, and the appurtenances thereto, including without limitation, a drainage headwall, unlined drainage ditch and a culvert
Recorded : [September 1, 1982 in Book 10914 of Official Records, Page 478](#)
Affects : A portion, 20 feet in width

OLD REPUBLIC TITLE COMPANY
ORDER NO. 0147012952-DJ

8. A Notice as follows:
- Entitled : Notice of Intent to Preserve Mineral Rights
 By : Sacramento Northern Railway
 Recorded : [April 11, 1985 in Book 12267 of Official Records, Page 134](#)
9. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following
- Granted To : Contra Costa County
 For : Flood control and transmission of drainage water, a pipe or pipeline, culverts or ditches
 Recorded : [February 2, 1988 in Book 14151 of Official Records, Page 659](#)
 Affects : Portions
10. An unrecorded lease upon the terms, covenants, and conditions contained or referred to therein,
- Lessor : City of Concord
 Lessee : GTE Mobilnet of California Limited Partnership d/b/a Verizon Wireless
 Disclosed by : Memorandum of Site Agreement
 Recorded : [December 9, 2009 in Official Records under Recorder's Serial Number 2009-0289512](#)
- NOTE: The present ownership of said leasehold or leaseholds and other matters affecting the interest of the lessee or lessees are not shown herein.
11. The requirement that satisfactory evidence be furnished to this Company of compliance with applicable statutes, ordinances and charters governing the ownership and disposition of the herein described land.
12. Any easements or rights which may exist for public facilities or other purposes by reason of the ownership of the subject land by a public agency.
13. The requirement that this Company be provided with a suitable Owner's Declaration (form ORT 174). The Company reserves the right to make additional exceptions and/or requirements upon review of the Owner's Declaration.

OLD REPUBLIC TITLE COMPANY
ORDER NO. 0147012952-DJ

----- **Informational Notes** -----

- A. The applicable rate(s) for the policy(s) being offered by this report or commitment appears to be section(s) 1.1.
- B. The above numbered report (including any supplements or amendments thereto) is hereby modified and/or supplemented to reflect the following additional items relating to the issuance of an American Land Title Association loan form policy:

NONE

NOTE: Our investigation has been completed and said land is unimproved. Said vacant land is known as: Portion APN 100-370-009, Concord, CA 94520.

The ALTA loan policy, when issued, will contain the CLTA Modified 100 (TIM-52) and Modified 116 (TIM-58) endorsements. The referenced modifications to both endorsements delete only non-applicable coverage relating to improvements located upon said land.

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

Quitclaim Deed executed by Allied Investments, a partnership to City of Concord, a municipal corporation recorded [April 30, 1999 in Official Records under Recorder's Serial Number 99-0115575](#).

OLD REPUBLIC TITLE COMPANY
ORDER NO. 0147012952-DJ

C. Effective January 15th, 2013, recording service fees for the types of transactions listed below are as follows:

Finance transactions - \$105.00 to record all documents necessary to close and issue the required title insurance policy(ies).

Sale transactions - \$130.00 to record all documents necessary to close and issue the required title insurance policy(ies).

Commercial transactions - \$20.00 recording service fee plus all actual charges required by the County Recorder.

O.N.
JF/eb

If you anticipate having funds wired to Old Republic Title Company, our wiring information is as follows: Comerica Bank, 2015 Manhattan Beach Blvd, Redondo Beach, CA 90278, credit to the account of Old Republic Title Company, Account Number 1891527879, ABA Number 121137522.

When instructing the financial institution to wire funds, it is very important that you reference Old Republic Title's Order Number 0147012952.

ON-LINE BANKING TRANSFERS ARE NOT THE SAME.

"Electronic Funds Transfer" is a generic term for funds transfers, one of which is an ACH Transfer. On-line banking transfers are often completed through an ACH Transfer, not a Wire Transfer. Old Republic Title rejects all ACH Transfers and returns the funds to the sender (Government Entities/Agencies excluded.) Close of Escrow may be significantly delayed as a result of an ACH Transfer.

OLD REPUBLIC TITLE DOES NOT AUTHORIZE FUNDS TO BE DEPOSITED DIRECTLY INTO OUR ACCOUNT AT Comerica Bank LOCAL BRANCH LOCATIONS.

Funds deposited directly into an account of Old Republic Title Company at a Comerica Bank branch are subject to verification. Verification of unauthorized deposits is not immediate or automated following deposit. Delay in credit of funds to an escrow and delay in Close of Escrow may result.

If you want to transfer funds by Wire Transfer from a non-United States financial institution, or have questions with regard to acceptable funds, please contact your Escrow or Title Officer immediately.

Exhibit A

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

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

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

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

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

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

Old Republic Title Company

Privacy Policy Notice

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Old Republic Title Company

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you such as on applications or other forms.
- Information about your transactions we secure from our files, or from [our affiliates or] others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, consumer finance, securities and insurance.
- Non-financial companies such as envelope stuffers and other fulfillment service providers.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Disclosure to Consumer of Available Discounts

Section 2355.3 in Title 10 of the California Code of Regulation necessitates that Old Republic Title Company provide a disclosure of each discount available under the rates that it, or its underwriter Old Republic National Title Insurance Company, have filed with the California Department of Insurance that are applicable to transactions involving property improved with a one to four family residential dwelling.

You may be entitled to a discount under Old Republic Title Company's escrow charges if you are an employee or retired employee of Old Republic Title Company including its subsidiary or affiliated companies or you are a member in the California Public Employees Retirement System "CalPERS" or the California State Teachers Retirement System "CalSTRS" and you are selling or purchasing your principal residence.

If you are an employee or retired employee of Old Republic National Title Insurance Company, or its subsidiary or affiliated companies, you may be entitled to a discounted title policy premium.

Please ask your escrow or title officer for the terms and conditions that apply to these discounts.

A complete copy of the Schedule of Escrow Fees and Service Fees for Old Republic Title Company and the Schedule of Fees and Charges for Old Republic National Title Insurance Company are available for your inspection at any Old Republic Title Company office.



March 11, 2014

John Montag

City of Concord

Sent Via Email: john.montagh@cityofconcord.org

**RE: Supplement to Appraisal – 4050 Port Chicago Highway, Concord, CA 94520
Contra Costa County APN 100-370-009**

Dear Mr. Montag:

This letter is intended as a supplement to my original appraisal dated October 31, 2013 that estimated the value of a 11,375 square foot portion of the property located at 4050 Port Chicago Highway, Concord, CA. The property is identified by the Contra Costa County Assessor's Office as Assessor's Parcel Number 100-370-009. Ownership of the property is held by the City of Concord.

My previous appraisal report estimates a value for the 11,375 square foot excess land portion of the property that is rectangular shaped and is adjacent to Port Chicago Highway. The excess land portion of the site was unimproved as of the date of value of my appraisal report. In the report I concluded with a value estimate of \$40,000 for the excess land. This yields a price per square foot for the excess land of \$3.52 per square foot ($\$40,000 / 11,375$ square feet).

Respectfully,

A handwritten signature in blue ink that reads 'Trentin P. Krauss'.

Trentin P. Krauss, MAI