APPRAISAL REPORT

PARTIAL ACQUISITION FROM
SACRAMENTO REGIONAL TRANSIT PROPERTY
APN: 011-0010-003
SACRAMENTO, CALIFORNIA

AS OF: MARCH 29, 2019

PREPARED FOR:

SACRAMENTO MUNICIPAL UTILITY DISTRICT
6201 S STREET
SACRAMENTO, CA 95817
TABLE OF CONTENTS

Letter of Transmittal ..................................................................................................................................... 1
Summary of Factual Data and Conclusions .................................................................................................. 2
Assumptions and Limiting Conditions ......................................................................................................... 3
Certification .................................................................................................................................................. 6
Purpose and Function of Appraisal ............................................................................................................... 8
Intended Users of Report ................................................................................................................................ 8
Effective Date of Value ................................................................................................................................ 8
Date of Report ............................................................................................................................................... 8
Interest Appraised ....................................................................................................................................... 8
Definition of Market Value ............................................................................................................................ 9
Definition of Exposure Time ........................................................................................................................... 9
Scope of the Appraisal .................................................................................................................................. 10
Regional Data .............................................................................................................................................. 12
Market Area Description .............................................................................................................................. 20
Property Description .................................................................................................................................... 24
Highest and Best Use .................................................................................................................................. 27
Portion Appraised ....................................................................................................................................... 29
Valuation Discussion .................................................................................................................................. 30
Valuation ..................................................................................................................................................... 31

Addenda
   Comparable Data Map
   Comparable Data
   Qualifications
April 2, 2019

Rachel Del Rio
Senior Land Specialist
Real Estate Services
Sacramento Municipal Utility District
6100 Folsom Blvd, MS K222
Sacramento, CA 95817

Re: Appraisal of a portion of the Sacramento Regional Transit District Property (APN: 011-0010-003), Sacramento, California

Dear Ms. Del Rio:

In accordance with your request and authorization, we have prepared a narrative appraisal report of an appraisal on the property referenced above for the purpose of forming and expressing an opinion as to the market value of the portion of the subject property the Sacramento Municipal Utility District wishes to acquire. This report is intended to comply with the reporting requirements of an Appraisal Report, as set forth in Standards Rule 2-2(a) of USPAP.

Based on an inspection of the property and a review and analysis of market data, it is our opinion that the market value of the portion of the subject property to be acquired, in fee simple, as encumbered, as of March 29, 2019, is as indicated in the Summary of Factual Data and Conclusions on Page 2 of this report.

Your attention is invited to the attached pages which describe the property appraised, limiting conditions upon which the value opinions are premised, and the factual data and reasoning employed by us in arriving at our value judgments.

Respectfully submitted,

PATTISON & ASSOCIATES, INC.

Dwight Pattison, SR/WA, IFAS
CA State Cert. #AG009699

Michael Pattison, SR/WA
CA State Cert. #AG026061
### SUMMARY OF FACTUAL DATA AND CONCLUSIONS

<table>
<thead>
<tr>
<th><strong>Owner:</strong></th>
<th>Sacramento Regional Transit District</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assessor's Parcel No(s):</strong></td>
<td>011-0010-003</td>
</tr>
<tr>
<td><strong>Location:</strong></td>
<td>West side 59th Street, along south side of Sacramento Regional Transit Light Rail Tracks, Sacramento, California</td>
</tr>
<tr>
<td><strong>Legal Description:</strong></td>
<td>To be provided by client</td>
</tr>
<tr>
<td><strong>Present Use:</strong></td>
<td>Parking/Access strip</td>
</tr>
<tr>
<td><strong>Highest and Best Use:</strong></td>
<td>Plottage to Adjacent Light Industrial/Corp Yard</td>
</tr>
<tr>
<td><strong>Zoning:</strong></td>
<td>C-4 (Heavy Commercial)</td>
</tr>
<tr>
<td><strong>Site Size:</strong></td>
<td>2.20± Acres</td>
</tr>
<tr>
<td><strong>Interest Appraised:</strong></td>
<td>Fee Simple, as Encumbered</td>
</tr>
<tr>
<td><strong>Date of Value:</strong></td>
<td>March 29, 2019</td>
</tr>
<tr>
<td><strong>Appraised Value:</strong></td>
<td>$360,000</td>
</tr>
</tbody>
</table>
| *(Portion to be Acquired)* | }
ASSUMPTIONS AND LIMITING CONDITIONS

Standards Rule (S.R.) 2-1 of the Standards of Professional Appraisal Practice of the Appraisal Institute requires the appraiser to "clearly and accurately disclose any extraordinary assumption or limiting condition that directly affect" the report and indicate its impact on the value range. In compliance with S.R. 2-1 and to assist the reader in interpreting this report, such assumptions and limiting conditions are set forth as follows:

1. The conclusions and opinions expressed in this report apply to the date of value set forth in this report. The value estimated is market value in terms of financial arrangements equivalent to cash.

2. The appraiser assumes no responsibility for economic, physical, or demographic factors that may affect or alter the opinions in this report if said economic, physical, or demographic factors were not present as of the date of the letter of transmittal accompanying this report. The appraiser is not obligated to predict future political, economic, or social trends.

3. In preparing this report, the appraiser was required to rely on information furnished by other individuals or found in previously existing records and/or documents. Unless otherwise indicated, such information is presumed to be reliable. However, no warranty, either expressed or implied, is given by the appraiser for the accuracy of such information and the appraiser assumes no responsibility for information relied upon later found to have been inaccurate. The appraiser reserves the right to make such adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.

4. No opinion as to the title of the subject property is rendered. Data related to ownership and legal description was provided by our client and is considered reliable. Title is assumed marketable, free and clear of all liens, encumbrances, easements, and restrictions except those specifically discussed in the report. The property is valued assuming it to be under responsible ownership and competent management and available for its highest and best use.

5. The appraiser assumes no responsibility for hidden or unapparent conditions of the property's subsoil, ground water, or structures that render the subject properties more or less valuable. No responsibility is assumed for arranging for engineering, geologic, or environmental studies that may be required to discover such hidden or unapparent conditions.

6. The appraiser has not been provided any information regarding the presence of any material or substance on or in any portion of the subject property which material or substance possesses or may possess toxic, hazardous, and/or other harmful and/or dangerous characteristics. Unless otherwise stated in the report, the appraiser did not become aware of the presence of any such material or substance during the appraiser's inspection of the subject property. However, the appraiser is not qualified to investigate or test for the presence of such materials or substances. The presence of such materials or substances may adversely affect the value range of the subject property. The value estimated in this report is predicated on the assumption that no such material or substance is present on or in the
subject property on in such proximity; thereto that it would cause a loss in value. The appraiser assumes no responsibility for the presence of any such substance or material on or in the subject property, nor for any expertise or engineering knowledge required to discover the presence of such substance or material. Unless otherwise stated, this report assumes the subject property is in compliance with all federal, state, and local environmental laws, regulations, and rules.

7. Unless otherwise stated, the subject property is valued assuming it to be in full compliance with all applicable zoning and land use regulations and restrictions.

8. Unless otherwise stated, the property is valued assuming that all required licenses, permits, certificates, consents or other legislative and/or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.

9. No engineering survey was made by the appraiser. Except as specifically stated, data relative to size and area of the subject property was taken from sources considered reliable and no encroachment of the subject property is considered to exist.

10. No opinion is expressed as to the value of subsurface oil, gas, or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials, except as is expressly stated.

11. Maps, plats, and exhibits included in this report are for illustration only to serve as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced, or used apart from this report.

12. No opinion is intended to be expressed for matters that require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers.

13. Possession of this report, or a copy of it, does not carry with it the right of publication. Without the written consent of the appraiser, this report may not be used for any purpose by any person other than the party to whom it is addressed. In any event, this report may be used only with proper written qualification and only in its entirety for its stated purpose.

14. Testimony or attendance in court or at any other hearing is not required by reason of rendering this appraisal unless such arrangements are made a reasonable time in advance of said hearing. Further, unless otherwise indicated, separate arrangements shall be made concerning compensation for the appraiser's time to prepare for and attend any such hearing.

15. In the event that appraiser is subpoenaed for a deposition or judicial or administrative proceeding and is ordered to produce the appraisal report and files, appraiser shall immediately notify the client. Appraiser shall appear at the deposition or judicial or administrative hearing with the appraisal report and files and answer all questions unless client provides appraiser with legal counsel who instructs appraiser not to appear, instructs appraiser not to produce certain documents, or instructs appraiser not to answer certain questions. It shall be the responsibility of client to obtain a protective order.
16. The Americans with Disabilities Act (ADA) became effective on January 26, 1992. We have not made a specific compliance survey and analysis of the 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 could have a negative effect on the property's value.

17. The appraiser is not qualified to detect the presence of any threatened or endangered species. The client is urged to retain an expert in this field if there is any question as to the existence of any threatened or endangered species. The value estimated in the report assumes that no threatened or endangered species is present on the property.

18. A Limited Environmental Review was not provided to the appraiser by the client. The appraiser is not an expert in biological or environmental matters and strongly suggests that the client and or future user of the subject site obtain a biological and environmental assessment prior to any activity on the property. The value conclusion assumes that property in compliance with all local, regional, and State environmental approvals, including those required by CEQA through California Public Utilities Code 851. The appraiser assumes no responsibility for any failure of obtaining proper environmental clearances.
CERTIFICATION OF DWIGHT PATTISON

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

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are the personal, impartial, unbiased professional analyses, opinions and conclusions of the appraisers.

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

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

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

6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.

7. Pattison & Associates, Inc.’s 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 estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

9. I have made a personal inspection of the property that is the subject of this report.

10. No one provided significant real property appraisal assistance to the persons signing this report.

11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Ethics and Standards of Practice of the International Right of Way Association and the National Association of Independent Fee Appraisers.

Dwight Pattison, SR/WA, IFAS
CA State Cert #AG009699
CERTIFICATION OF MICHAEL PATTISON

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

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are the personal, impartial, unbiased professional analyses, opinions and conclusions of the appraisers.

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

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

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

6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.

7. Pattison & Associates, Inc.’s 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 estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

9. I have made a personal inspection of the property that is the subject of this report.

10. No one provided significant real property appraisal assistance to the persons signing this report.

11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Ethics and Standards of Practice of the International Right of Way Association and Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

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

13. As of the date of this report, I have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.

Michael Pattison, SR/WA
CA State Cert #AG026061
PURPOSE AND INTENDED USE OF APPRAISAL

The purpose of this report is to develop an opinion of the Fair Market Value, as defined on Page 9, of a portion of the Sacramento Regional Transit District’s light rail corridor, for possible purchase by the Sacramento Municipal Utility District (SMUD). The portion of the subject corridor which SMUD wishes to purchase is located adjacent to the north boundary of a 6.8 acre SMUD property, on the west side of 59th Street, and is along the south side of the light rail tracks. It contains approximately 2.20 acres and is separated from the light rail line by a fence. The value estimated is market value in terms of financial arrangements equivalent to cash. The intended use of the report is for possible purchase of the corridor by SMUD. This report is not intended for any other use.

CLIENT AND INTENDED USERS OF REPORT

Our Client is identified as the SMUD. The intended users of this report are staff of SMUD. Use of this report by others is not intended by the appraisers.

EFFECTIVE DATE OF VALUE

The effective date of value for this appraisal is March 29, 2019. This is the date the appraisers made their final inspection of the subject property and is the date the value opinion applies.

DATE OF REPORT

This appraisal report is dated April 2, 2019. This is the date the appraisers completed and signed the report.

INTEREST APPRAISED

Fee Simple (as encumbered)
DEFINITION OF MARKET VALUE*

The most probable price which a property should bring in a competitive and open market under 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:

1. Buyer and seller are typically motivated
2. Both parties are well informed or well advised, and acting in what they consider their best interests.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in terms of cash in United States Dollars or in terms of financial arrangements comparable thereto.
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

*Source: This definition is published in Advisory Opinion 22 of the 2016-17 Edition of USPAP, ©The Appraisal Foundation. It is originally from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) of 1989 between July 5, 1990 and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS) and the Office of the Comptroller of the Currency (OCC).

DEFINITION OF EXPOSURE TIME¹

The estimated length of time the property interest² being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market. Based on the comparable data utilized in this report, and a review of other sales and listings of light industrial/office properties in the area, a reasonable exposure time of up to one year was considered in our market value opinion.

¹ Source: This definition is published in the definitions section of the 2018-19 Edition of USPAP, ©The Appraisal Foundation.
² The portion of the subject being appraised is part of a corridor. This type of interest is not typically exposed to the open market and would have no measurable exposure time. Thus, for purposes of this appraisal, we are considering this definition to mean the adjacent site, which the value of the above interest is based.
SCOPE OF THE APPRAISAL

In the performance of this assignment and preparation of this report, the appraisers inspected the subject property and the adjacent property on March 29, 2019. Photographs of the property and adjacent property were taken during this inspection.

The appraisers secured information regarding assessments, zoning and utilities from various sources, including the City of Sacramento Planning Department, the Sacramento County Assessor’s Office and the Sacramento County Recorder.

The first step in the appraisal process, once the property has been inspected, is to determine the “larger parcel”. The Dictionary of Real Estate Appraisal, 2nd Edition defines the larger parcel as: In condemnation, the portion of a property that has unity of ownership, contiguity and unity of use, the three conditions that establish the larger parcel for the consideration of severance damages in most states. In federal and some state cases, however, contiguity is sometimes subordinated to unitary use. The subject property is a portion of a railroad/light rail corridor that runs from Sacramento to Placerville. This entire corridor is the larger parcel. However, we have utilized the “across the fence” method of valuation to estimate the market value of the portion that our client, SMUD, wishes to purchase from the corridor. The portion of the corridor that SMUD wishes to purchase is adjacent to a SMUD corporation yard that contains 6.8± acres. It is our opinion that the highest and best use of the portion being appraised for purchase is as plottage to the SMUD corporation yard for additional parking, access and/or open storage use. Thus, we have valued this portion of the corridor, west of 59th Street, along the south side of the tracks, using the “across the fence” method, as if it were a portion of the adjacent 6.8± light industrial/office site.

The appraisers reviewed competitive uses and interviewed informed persons regarding the subject property and comparable properties. These interviews included real estate professionals and the City of Sacramento Planning Department. Based these interviews and our review of the data, the appraisers have determined that the highest and best use of the adjacent 6.8± acre site is as a light industrial/office site.

The portion of the corridor being appraised is vacant. Thus, only a land value will be required to estimate the value of the area SMUD wishes to purchase. The Sales Comparison Approach, using the “across the fence” method, is the most reliable approach for estimating the market value of the land. The Cost Approach and the Income Approach are not considered to be applicable. Based on the above reasoning, this appraisal will concentrate only on the Sales Comparison Approach.
For the Sales Comparison Approach, the appraisers have investigated sales and listings of light industrial/office sites in the surrounding area for use as comparable data. The search extended retroactively for approximately two years. All sales used in comparison to the subject corridor were personally inspected by the appraisers.

Sources used in obtaining sale information included: public records (deed recording, County of Sacramento tax assessment records), MLS data, Costar data, Parcelquest data, local real estate agents, other appraisers, and field inspections and verifications of comparable properties. Market data gathered included sales and listings of properties which have a similar highest and best use to the SMUD property adjoining the subject property. All sales applied in the analyses are summarized in the valuation section of the subject property and a sale sheet for each sale is located in the addendum of this report.

Once the fee simple land value of the subject corridor is determined using the “across the fence” methodology, the appraisers will then estimate the fair market value of the portion of the corridor SMUD wishes to purchase, based on the determined value per square foot of the adjacent site, and discounted for the existing encumbrances.
REGIONAL MAP

Sacramento

59th Street
N/of Hwy 50
Sacramento, CA

Subject Property

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REGIONAL DESCRIPTION

Introduction

The Sacramento Metropolitan Area, of which the subject property is a part, is recognized as a metropolitan area of major importance to both California and the nation.

Significant characteristics include:
- Strategic location
- Good topography
- Comparatively abundant and inexpensive land
- Lack of geographic barriers
- Relatively affordable housing
- Good quality of life
- Good infrastructure
- Relatively inexpensive energy
- Moderate climate

Geographically speaking, the metroplex can be said to have grown outward from the confluence of the Sacramento and American Rivers.

Sacramento City and County still contain the vast majority of the area's population and urban development. However, the metroplex includes part of six counties - Sacramento, Yolo, Placer, El Dorado, Sutter and Yuba. The U.S. Department of Commerce and most other sources of econometric and demographic data include the entire six counties in the Sacramento Metropolitan Area. The majority of residents in Yolo, Placer, and El Dorado counties are concentrated proximal to the Sacramento Community lines. The southern portions of Yuba and Sutter Counties are primarily agricultural at this time. Therefore, in reality, the Sacramento Metropolitan Area is more accurately defined as bounded on the north by the Bear River in southern Sutter and Yuba Counties and the City of Lincoln in Placer County; on the east by Auburn, the Placer County seat, and Placerville, the El Dorado County seat; on the south by the City of Galt, just north of the San Joaquin County line; and on the west by the Yolo County cities of Woodland, the County seat, and Davis, site of a major campus of the University of California.

Sacramento County is principally level, rising gently to the east from the Sacramento River, remaining flat and clear until the beginning of the foothills where the terrain becomes rolling and hilly. The highest elevation, 825 feet, is the northeastern corner of the county. The lowest, 15 feet below sea level, is in the reclaimed swampland of the Delta, which extends into the southwestern corner of the County. Principally the American, Cosumnes, and Sacramento Rivers drain the county.
Placer County offers the greatest variation, among the six counties, in elevation and land terrain. From a minimum of 40 feet in the southwestern corner, the land rises to an elevation of over 9,000 feet at the west ridge of Mt. Baldy in the Sierra Nevada Mountains. Over much of its length, the county lies between the Bear and American Rivers.

El Dorado County stretches 70 miles from the Central Valley in the west, across the foothills and the Sierra Nevada, to the Nevada State border on the east. The elevation along Highway 50, the main east-west route, range from about 500 feet near Folsom Lake in the west to more than 7,000 feet at Echo Summit in the east. The county is drained mainly by branches of the American River that empties into the Sacramento River beyond the county's western boundary.

Yolo County, with the exception of the foothills just within its western boundary, is relatively level, sloping gently from an elevation of 400 feet in the west to 10 feet near its southeastern corner. 70% of the county's total area is alluvial plain covered by rich topsoil. The county is cut by two major streams, Cache Creek and Putah Creek, which empty into the Sacramento River.

Sutter County, one of the State’s leading agricultural counties, runs north from near the confluence of the Sacramento and Feather Rivers with these two rivers becoming the east and west boundaries. Nearly the entire county is less than 100 feet above sea level, other than the Sutter Buttes, a small mountain range located in the northern portion of the county. Similar to Yolo County, the area is covered by rich topsoil featuring many vegetable and orchard crops.

Yuba County’s topography is similar to that of Placer, but does not rise as far to the east into the mountains. The Feather River is primarily the western boundary at sea level and the eastern portions of the county rise to an elevation of nearly 5,000 feet at Sugar Pine Mountain. The western portion is primarily agricultural, similar to Sutter County and the eastern portion is mountainous and sparsely settled.

Climate

Within the metroplex, the climate is mild in winter and warm in summer. Daytime highs during the winter months average in the 50's and overnight lows are generally in the 30's. Daytime highs during the summer months average in the 80's and 90's. Overnight lows are generally in the 60's. Except in the upper foothills, near Placerville and Auburn, spring begins in late February or early March and is characterized by days in the 60's and 70's and nights mostly in the 40's. Fall weather usually begins in October with days mostly in the 70's and nights in the 50's.
Rainfall averages between 18 and 20 inches a year, with most of the precipitation occurring between November and April. Light snow occasionally falls in the Auburn and Placerville areas, but in the rest of the metroplex even a vagrant snowflake is an extreme rarity.

**Population**

The Sacramento Area Council of Governments estimates the six county metropolitan area to have a combined population of just over 2,439,000 as of April 1, 2016. The Sacramento Metropolitan Area accounts for approximately 6% of the total California population which was reported to be 39,300,000.

**Economy**

The Sacramento area, during the economic recession from 2007-2012, saw a large loss of jobs, estimated at over 50,000. This reflected a 2.7% decline. This followed an increase of over 60,000 jobs between 2002 and 2007. The employment base was estimated at approximately 905,000 jobs at the end of 2012. As of January 2018, that number stands at 983,600. Much of this increase has been in the construction industry as the economy has rebounded and home construction is once again a primary source of employment. Government and trade jobs still account for a large portion of the workforce, and these are "white collar" government jobs as the area’s three military bases closed in the mid 1990’s.

Two major trends had long-term positive effects on the economic development of the Sacramento area. One was the population shift away from the coastal metropolitan area of California toward inland regions. The other was the marked shift locally, from an economy based on agriculture and government to a balanced economy, including strong manufacturing service sectors and high-tech industry.

**Sacramento County**

Sacramento County has an effective buying income (EBI) greater than 15 states. The per-capita EBI here ranks Sacramento fourth among metropolitan areas in California, and the state's large metropolitan areas are among the richest in the nation.

Trade and services, together, provide more than 40% of all jobs and government provides another 25%. Although food processing is the most important manufacturing industry, other nondurable goods manufacturing, as well as a variety of durable goods industries, provide a substantial number of jobs. During the economic downturn from 2007 to 2012, Sacramento County's population grew only 2% to approximately 1,445,000. But over the past five years it has
grown another 4.8%, and now stands at 1,515,000 according to the State Department of Finance Report dated January, 2017.

Sacramento is home to one professional basketball team. The Sacramento Kings of the NBA play their home games at the new Golden 1 Arena in Downtown Sacramento. This 17,500-seat arena was completed in October 2016 and is considered the most technologically advanced arena in professional sports (Wired Magazine, June 2016).

**Placer County**

Placer County, traditionally, has relied heavily on the railroad industry, the lumber and wood products industry, and agriculture for jobs. More recently, with substantial population growth and greater consumer demand, jobs in retail trade, the service industries, and in construction have gained importance. In addition, manufacturing activities in the Roseville area are expected to continue to expand over the next few years.

The Highway 65 Bypass has provided freeway access to what was a previously limited-access area in the Northeast Roseville/East Rocklin area and has stimulated industrial, commercial and residential growth along this corridor as far north as Lincoln. Roseville and Citrus Heights, directly across the line in Sacramento County, are adjacent with no vacant land between. Placer County’s population stood at 382,837 as of January 1, 2017, a 1.8% increase from the previous year.

**El Dorado County**

Slightly more than half of all the employment opportunities in the county each year are in the service and trade industries and government. Tourism is the county's economic base, with the South Lake Tahoe area being the most visited. A large high technology and business park is located in El Dorado Hills. Commercial and industrial development also has occurred in Cameron Park. El Dorado County had a population of 185,062 as of January 1, 2017.

**Yolo County**

Yolo County's economy is primarily agricultural with a relatively high number of jobs relating to the production or processing of farm products. There are a number of other manufacturing industries in the county, as well as a large campus of the University of California, which together provide a substantial number of jobs. Access to transportation is excellent, with highway, rail, water, and air facilities available within or immediately adjacent to the county.
Yolo County contains four incorporated cities, Woodland (the county seat), Davis (location of the University of California campus), Winters, and the City of West Sacramento. West Sacramento contains the Port of Sacramento, which mid-sized ocean-going ships can reach via a 42-mile deep-water channel from San Francisco Bay.

The Port of Sacramento’s ship channel was deepened and widened in a 5-year $45 million project in 1993. The deeper channel now allows incoming ships to carry larger loads, further increasing the Port's importance.

West Sacramento is the headquarters for a number of large trucking businesses, and it houses the head offices of the largest area supermarket chain, Raley's Inc. It is also the current home of the Sacramento River Cats, the AAA affiliate of the San Francisco Giants. The team plays its home games at Raley Field, a 12,000± seat ballpark completed in 2000. Yolo County has a population as of January 1, 2017 of 218,896.

**Sutter County**

Sutter County lies directly north of Sacramento County, and is primarily an agricultural county developed with orchards, cultivated lands, and rice fields. Agriculture has always been the economic base of the county, although in the past 30 years there has been an influx of people living in Sutter County and commuting to employment in the Sacramento area. Highway 99, which bisects the Natomas Basin in a north-south alignment, provides the primary access to Sutter County from the Sacramento area. It should also be noted that a large portion of the southern part of Sutter County is within the Natomas Basin, as the Sacramento-Sutter County Line is just north of the Sacramento International Airport. Sutter County’s population was 96,956 as of January 1, 2017.

**Yuba County**

The southwestern portion of Yuba County is very similar to Sutter County, in that it is an agricultural area developed with orchards, cultivated lands, and rice fields. The northeastern portion is mountainous as the county stretches into the Sierra Nevada range. Yuba County has also seen an increase in population in the southwest portion of the county and many of these residents commute to employment in the Sacramento area. Highway 70, which intersects with Highway 99 just north of the Natomas Basin, and Highway 65 which intersects with Interstate 80 in Roseville, provide access to Yuba County from the Sacramento area. Beale Air Force Base is located east of Marysville and occupies a large portion of the county in this area. Yuba County’s population was 74,577 as of January 1, 2017.
Transportation

Two of the most common reasons businesses give for selecting the Sacramento area are its transportation system and utilities. Both are excellent and capable of being expanded to accommodate growth.

The State of California and other local interests have studied development of perimeter highways to link all the major freeways in the metropolitan area. Presently, there are no plans for this transportation link.

Sacramento International Airport is the principal passenger and air cargo facility for the entire region. It is located off Interstate 5 northwest of the City, about 12 minutes from the central business district and within 45 minutes of any point in the metropolitan area. The airport has two modern terminals. Terminal A was completed in November, 1998. In October, 2011 a $1.03 billion terminal modernization project replaced the airport’s original, aging Terminal B. The Central Terminal B complex is three times the size of the original Terminal B with the two parts of the complex – airside and landside – connected by an automated people mover. A new airport hotel was recently approved, after being on hold due to budgetary constraints.

Sacramento was the birthplace of railroad transportation in the West and still is an important rail hub. Its two principal carriers are among the largest in the nation. The largest Union Pacific switching yard in the western United States is located at Roseville.

Sacramento's light rail system went into operation in 1987. It was intended to help meet the growing transportation needs of the central city, the Highway 50 corridor and the Northeast area. The south corridor to Meadowview Road was added in 2002 and it recently was extended to Cosumnes River College in 2014. There are plans to extend the south area line further to Elk Grove and the northwest line to the airport.

Utilities

The Sacramento Municipal Utility District (SMUD), Pacific Gas and Electric Co., and the Roseville City Electric Department provide virtually all of the electrical energy in the Sacramento Metropolitan Statistical Area (SMSA). (Sierra Pacific Power Co. serves the Lake Tahoe area and the El Dorado Hills Community Services District has authority to purchase and sell electricity that would result in its leasing or buying PG & E’s facilities there.) SMUD is the largest electricity provider by far in the SMSA in terms of hookups. PG & E serves the largest geographic area in the SMSA. It supplies electricity to all of Yolo County, most of El Dorado and Placer Counties and the part of Sacramento County not served by SMUD. PG & E supplies natural gas to the
Sacramento area and all other parts of Northern and Southern California where such service is available (Sparsely populated areas and outlying communities generally rely on propane or electricity).

Municipalities in the region have their own internal sewage systems. Some, but not all, are linked to the regional treatment plant. Unincorporated areas not within the Sacramento Regional County Sanitation District generally have their own sanitation districts. Solid waste management throughout the region is by sanitary landfill. Most larger jurisdictions now operate their own collection systems, although some contract with private firms. Private firms also offer services to commercial and industrial firms and larger residential customers.

AT & T, who is a successor to Pacific Bell, is the largest supplier of telephone service in the Sacramento Area. Sacramento is an important headquarters for AT & T. Service in 38 of California's 58 counties is managed from here. Consolidated Communications, Inc. (formerly Surewest), successor to The Roseville Telephone Company, has a service area of 83 square miles which includes Citrus Heights and the Folsom Lake area. Frontier, a subsidiary of Citizens Utilities, provides telephone service in the Elk Grove area.

**Government**

The 58 counties in California are subdivisions of state government. With the exception of the City and County of San Francisco, they vary little from one another in structure and function. Each has a board of supervisors whose five members are elected for 4-year terms to represent districts of equal population. Members usually take turns serving as chair. The board appoints an executive officer to carry out its directives and oversee the day-to-day operations of county government. All of the counties also have other elected officials, but their number and responsibilities vary somewhat from county to county. Most of the cities in the SMSA elect five council members on an at-large basis, but some (like Sacramento) elect more. In some cities, the mayor is the council member who receives the largest number of votes; in some, the council members elect a mayor from among their own number; and there are others (Sacramento and Elk Grove, for example) that elect a mayor via a general election.

Property taxes are the principal source of revenue for the general operations of local government in California. The source has been under constraint since 1978 when voters approved Proposition 13. The initiative measure amended the California Constitution to limit taxation. The rate for all property subject to local taxation can be increased only 2% per year for property that has not been transferred. Under transfer, the assessed value is reappraised to reflect market value, but the 2% cap remains in effect each year thereafter. It should be noted that repayment of general
obligation indebtedness incurred prior to June 1978 is not subject to the 1% limit, so the property tax rates in some areas can be as high as 1.25%.

Conclusion

Overall, the Sacramento Metropolitan Area has much to offer in terms of transportation, land, buildings, and work force, including a well-educated population. The quality of life is good, outdoor recreation is available, and the cost of business facilities, land and housing are among the lowest in California. As a result, the rate of economic and population growth has remained stable and consistent with the other large metropolitan areas of the state.
MARKET AREA DESCRIPTION

General Description

The subject property is located within the greater Sacramento area in a portion of the incorporated area of the City of Sacramento. The property is a portion of a railroad corridor that runs from Sacramento to Placerville. This portion of the corridor fronts on 59th Street, just south of Folsom Boulevard, which is the major east-west artery running parallel to Highway 50, through this portion of Sacramento’s urban area. Folsom Boulevard is considered a major commercial corridor. It was the highway before the Highway 50 freeway was completed in the 1970’s. This neighborhood basically contains the economic, social, cultural, and developmental influences that are related to the subject property. The subject property is an integral part of this community and/or neighborhood and cannot be separated by any dominant influences.

Land Uses

This portion of the community has a wide variety of uses. The area to the south of Folsom Boulevard and Highway 50 and west of 65th Street is a major residential area known as Tahoe Park. The area north of Folsom Boulevard west of the American River is also residential. As Folsom Boulevard continues east, Sacramento State University is to the north and farther east it enters the City of Rancho Cordova and commercial uses on each side of the boulevard continue. Today, it is the primary thoroughfare through the residential area to the east of downtown and midtown Sacramento.

The primary commercial areas in this area are along Folsom Boulevard between 50th and 65th Streets and at some intersections with other major streets. Many parks are nearby including the American River Parkway to the northeast, and parks within the residential areas to the north and south in the urban area of Sacramento.

The subject property is located on 59th Street, just south of Folsom Boulevard between Highway 50 and Folsom Boulevard. 59th Street has a partial interchange with Highway 50. There is an off-ramp for eastbound traffic and an on-ramp for westbound traffic, but no off-ramp for westbound traffic, or on-ramp for eastbound traffic. Much of the commercial area along Folsom Boulevard was developed with commercial properties when Folsom Boulevard was the highway. The subject property is also across the street from the 59th Street light rail station, which is on the north side of the tracks, on the east side of 59th Street.
Traffic Patterns

Traffic circulation within this area is on interior streets and roads with the exception of Highway 50. Folsom Boulevard is the major east-west artery and 65th Street is a major north-south artery. 59th Street is a secondary street, as it has a signal at Folsom Boulevard, a partial interchange and overpass with Highway 50, and continues into Tahoe Park to the south. Highway 50 is a major freeway running in an east-west direction and serves El Dorado County and South Lake Tahoe to the east and connects with Interstate 80 to the west. These main arteries provide access to both businesses and residences in this portion of the county. Jackson Highway to the east (State Highway 16) runs in a southeast direction from Sacramento to the Gold Country in Amador County. It is a two lane, State maintained highway. In the area of the subject property traffic is heavy most of the day along Folsom Boulevard.

Traffic tends to be very congested along all of the major surface streets nearly all day, but specifically at peak rush hours in the morning and evening. With the increase in population to the east with the development of Rancho Cordova, the close proximity of Sacramento State, and the major employment center south of Highway 50 to the east, Highway 50, Folsom Boulevard and 65th Street will continue to carry a significant amount of traffic. Highway 50 becomes most congested westbound in the morning and eastbound in the evening, as does Folsom Boulevard.

Transportation

The RT light rail system provides access to downtown Sacramento to the west and to Folsom to the east. There is a station at 59th Street, across the street from the subject, and stations both east and west of the subject property. This track parallels Folsom Boulevard to Folsom. Most of the residents in the Sacramento area rely on private vehicles to commute to their place of work, but the light rail system is a popular alternative for commuters to downtown Sacramento. In addition, Amtrak has a station in downtown Sacramento for commercial rail service, and Sacramento International Airport, located approximately 10 miles northwest of downtown Sacramento, provides commercial airline service.

Shopping and Commercial Areas

As previously stated, the nearest primary commercial area is located along Folsom Boulevard and around the intersection of Highway 50 and 65th Street. The nearest area shopping malls are at Arden Fair Mall to the north and smaller shopping centers along Folsom Boulevard to the west. Downtown Sacramento is further west and has shopping along J Street from midtown to downtown, and K Street in the downtown area, with the new Downtown Commons area featuring the Golden 1 Center located between L and J Streets, and 3rd and 7th Streets. Major employment
areas include downtown Sacramento to the west and Rancho Cordova and Folsom to the east. The Highway 50 corridor east of Sacramento has become a major employment area of the region.

**Schools and Parks**

The area is served by the Sacramento City School District to the west, north (to the American River) and east (to Mather Field). The Folsom-Cordova School District is to the east and northeast. Rosemont High School, the newest high school in the Sacramento City School District is located just west of Bradshaw Road, near Kiefer Road. Hiram Johnson High School’s main campus is at 65th Street and 14th Avenue to the south. There are many elementary schools, and middle schools in the area. American River College is located to the north in Carmichael and Sacramento City College is located in south central Sacramento, and Cosumnes River College is located in South Sacramento near Elk Grove. Folsom now has a community college, Folsom Lake College, which is part of the same Community College District (Los Rios) as the other community colleges in the area. Sacramento State University is located on the north side of Highway 50 just to the east of the subject area. There are many small parks in the area with the American River Parkway located nearby.

**Community and Government Facilities**

This area of Sacramento is within the city limits of the City of Sacramento and part of a larger metropolitan area and there are many community facilities available. These include churches, cultural organizations, schools and educational institutions. Churches for nearly all denominations are represented within the community. All government facilities including police and fire protection and sewer and water facilities are provided to the area by either the City of Sacramento or different subordinate districts.

**Current Economic Conditions**

The Sacramento area had been one of the hardest hit metropolitan areas when it came to the economic downturn from 2006 to 2011. It primarily affected the residential market, with many residences in foreclosure, especially in the newer suburbs like Elk Grove and Antelope. Thus vacant residential land showed a significant drop in value with many developers letting options go and others losing the property either back to the sellers or to the banks. Commercial properties were hit as well with large shopping centers stopped in the middle of construction (Elk Grove and Folsom Malls) and very few sales of smaller commercial and office sites. The recession also created an increase in vacancies of office and retail properties, which resulted in a decrease in construction of new office and retail properties, a drop in demand for vacant commercial land and a drop in commercial land values.
Between 2013 and 2015 the inventory of foreclosure properties dropped significantly and interest rates remained at all-time low levels. Thus, the supply of residential properties fell well below demand. Sales of privately owned homes increased, and values increased dramatically. Many homes for sale in this time frame were receiving multiple offers above the listing price. This translated into more demand for new home construction, and there was a shortage of vacant lots which were ready to build. Activity in the commercial market has increased somewhat as well, but values have remained relatively stable over the past two to three years. There is still a large amount of vacancy in retail and office properties in the area.

Conclusion

This area along Folsom Boulevard east of 50th Street, is developed with many commercial businesses and well as some office complexes. There are areas to the north and south are developed to residential uses in stable residential areas. This area in and around Folsom Boulevard and 65th Street will continue to be commercial and office uses. The areas to the south and east are developed with residential subdivisions. Schools are easily reached from all portions of the residential community and recreational areas are nearby. It is expected that this immediate area will continue to serve the greater Sacramento area for commercial and office uses.
A Portion of Parcel 011-0010-003 - Between the RT Tracks south to the SMUD Parcels bounded by 59th Street and the western edge of SMUD parcels.
PROPERTY DESCRIPTION

Owner of Record

Sacramento Regional Transit District

Location

The subject property is a railroad corridor that runs from Sacramento to Placerville, California. The portion SMUD wishes to purchase is located along the south side of the tracks, just west of 59th Street, Sacramento, California.

Legal Description

A title report was not provided. A legal description will be provided by our client at a later date.

Shape, Dimensions and Area

The subject property is a corridor. Please see map facing previous page. In the area SMUD wishes to purchase, the entire corridor is approximately 100’ wide. The south portion which SMUD wishes to purchase is approximately 40’ wide. It contains approximately 2.20 acres according to our client.

Topography and Physical Characteristics

The subject property is a railroad corridor. It is generally level and at or near the grade of the adjacent properties, other than the tracks, which sit slightly above the grade. The 2.20 acre portion that SMUD wishes to acquire is south of the tracks, and is nearly 100% covered with asphalt paving.

Zoning and General Plan/Specific Plan

The railroad corridor is zones R-1, single family residential, by the City of Sacramento. However, the adjacent property to the south, which the subject would plot to if it were not a corridor, is zoned C-4, heavy commercial, by the City of Sacramento. It should be noted that although it bears the name commercial, the C-4 zone is more of an industrial zone than a typical commercial zone. In addition, this area is within the Fruitridge-Broadway Special Plan Area and is designated Employment Center (Low Rise) by this plan. According to
the City of Sacramento 2035 General Plan, Employment Center Low Rise (business parks) plays an important role in the city by supporting businesses and providing employment. It is not anticipated that there will be any significant change in the form and character of areas designated Employment Center Low Rise in the foreseeable future. Changes are likely to be more subtle, including improvements in accessibility to pedestrians, bicyclists, and transit and the integration of additional support uses. Allowed uses include: Industrial or manufacturing that occurs entirely within an enclosed building or an enclosed outdoor area with appropriately landscaped setbacks; Office flex-space (i.e., industrial structures converting to office or research and design uses); Residential and commercial flexspace (i.e., industrial structures converting to residential or commercial uses) in areas expected to transition to urban development; Office uses; Retail and service uses that provide support to employees; Compatible public, quasi-public, and special uses. Building heights are typically 1 to 3 stories, and the properties typically feature off-street parking on site, to the side or rear of the structure.

Utilities and Services

The subject has all utilities developed to the site.

Easements and Encroachments

A title report was not provided. However it is known that SMUD has two overhead transmission lines that fully encumber the 2.20 acre portion being appraised. These two lines run east-west, south of the railroad tracks. These encumbrances will be considered when estimating the market value of the property. There were no other easements or encroachments observed.

Flood Plain

The subject property is within Zone X according to FEMA Panels 060262 0190H and 0195H, revised on August 16, 2012. Zone X is an area determined to be outside the 500-year flood plain.

Access

The subject property has direct access to 59th Street.
Assessed Value and Taxes

Assessor's Parcel No. 011-0010-003
Tax Code Area: 003-005

Assessed Value: This parcel is assessed by the State Department of Equalization. Assessment information is not available.

Improvement Description

The subject is vacant, other than railroad tracks, paving and fencing.

History of the Property

Sacramento Regional Transit has owned the property for over 30 years. The subject corridor contains 2 sets of tracks in this area. It is our understanding that both tracks are used by Sacramento Regional Transit for the light rail system. The corridor was at one time used by the Southern Pacific Railroad (now Union Pacific Railroad). This corridor ran from Sacramento to Placerville.

Present Use

The subject property is currently used as a railroad corridor.
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.

Implied in this definition is that the determination of use takes into account the contribution of a specific use to the community and community development goals as well as the benefits of that use to individual property owners. Hence, in certain situations the highest and best use of land may be for parks, greenbelts, preservation, conservation, wildlife habitats, and the like.

To estimate the highest and best use, four elements are considered:

1. Possible use. What uses of the site in question are physically possible?
2. Permissible legal use. What uses of the site are permitted by zoning and deed restrictions.
3. Feasible use. Which possible and permissible uses will produce a net return to the owner of the site?
4. Highest and best use. Among the feasible uses, which use will produce the highest net return or the highest present worth?

The highest and best use of the land or site if vacant and available for use may be different from the highest and best use of the improved property. This is true when the improvement is not an appropriate use, but it makes a contribution to the total property value in excess of the value of the site. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing form. The following tests must be met in estimating highest and best use. The use must be legal and probable, not speculative or conjectural. A demand for the use must exist and it must yield the highest net return to the land for the longest period.

These tests are applied to the improved and vacant property. To arrive at an estimate of highest and best use, the subject property was analyzed as though vacant and available for development.
The subject property is a railroad corridor. This use is legal, feasible and desirable to the owners. Corridors can be very costly to assemble, and thus typically have enhanced values over their adjacent parcels, due to the costs of assemblage and the fact that they can be used for many utilities and other infrastructure facilities (pipelines, pole lines, rail, etc.). Thus, it is our opinion that its highest and best use is as improved, a railroad corridor.

There are several schools of thought on valuing corridors. The two most common methods are known as “across the fence” and “entire corridor” valuations. The latter method recognizes that there is likely an enhanced value for having a complete corridor in place, and is typically used when large portions of corridors are bought and sold. The former method uses the theory that if the corridor were not in place, the land would become a portion of the property that is “across the fence” and thus, should take on the same value. This method is more commonly used when small portions of corridors are purchased, similar to the case at hand. Therefore, we will be utilizing the “across the fence” method of valuation for the subject corridor.

The area SMUD wishes to purchase from the subject corridor runs along the south side of the railroad tracks, west of 59th Street. The adjacent property to the south is owned by SMUD and is a 6.8± acre corporation yard area. It is zoned and/or designated for heavy commercial (essentially a light industrial zone), or office/light industrial use. It is located near Folsom Boulevard and Highway 50 in East Sacramento, but this is not considered a good location for retail use. It is our opinion that as vacant, it is much more likely to be developed to office/light industrial use, similar to the surrounding uses. Therefore, it is our opinion that the highest and best use of the adjacent parcel is for light industrial and/or business and professional use.

If the subject corridor were not in place, it is our opinion that in this area, it would be a portion of this parcel to the south. To the north is additional light industrial/office use, and most likely the corridor would be split down the center, with half plotted to the north properties and half to the south. In this case, all of the area SMUD wishes to buy is south of the tracks. Therefore, it is the appraiser’s opinion that in utilizing the “across the fence” methodology, the affected portion of the subject corridor should be valued based on the land value of the property to the south, which has a highest and best use of light industrial and/or business and professional use.
A Portion of Parcel 011-0010-003  - Between the RT Tracks south to the SMUD Parcels bounded by 59th Street and the western edge of SMUD parcels.
PORTION APPRAISED

The Sacramento Municipal Utility District (SMUD) wishes to purchase a 2.20± acre portion of the subject corridor. The portion of this corridor SMUD wishes to purchase is bounded by 59th Street to the East; SMUD Parcels 011-0081-003, -002, -001; 011-0073-008, -004, -003, -002, -001 to the South; directly north from the western edge of APN 011-0073-001; and the southern edge of the RT Tracks to the North back to 59th Street and the Eastern boundary. There is a fence line along both the north and south boundaries of this strip. Also, it must be noted that this area is fully encumbered by two overhead power lines owned by SMUD. Please see the redlined Aerial plat on the facing page for reference.
View of subject strip looking westerly from 59th Street

View of SMUD property adjacent to subject strip looking westerly
VALUATION DISCUSSION

Traditionally, there are three approaches to value. The Cost Approach involves the estimation of the reproduction cost new of all improvements, deducting from this cost new depreciation from all causes to arrive at a depreciated reproduction cost. To this, the estimated market value of the land is added to arrive at a reliable indication of value. This approach is particularly valid when buildings are new or proposed and are proper improvements for the site. The portion of the corridor being appraised is vacant. Thus, only a land value is required to estimate the market value of the area appraised. Thus, the Cost Approach is not considered applicable and will not be utilized.

The Income Approach considered the present worth of future benefits derived from ownership and is measured through the capitalization of the property's projected income. The appraisal investigation develops a reliable estimate of the net operating income for the property and capitalizes this to an indication of value. As stated above, the area being appraised is vacant. It is not a typical income producing property. Thus, the income approach is not considered applicable and has not been utilized in estimating the value of the portion to be acquired.

The Sales Comparison Approach is contingent upon the availability of comparable properties that have recently sold on the open market. Each sale is analyzed and its attributes compared with the subject property. Differences between each comparable and the subject are then adjusted to arrive at an indicated value from each transaction. The Sales Comparison Approach will be the primary approach to value in estimating the value of the portion of the corridor SMUD wishes to acquire.

Therefore, in valuing the portion of the corridor SMUD wishes to purchase, only the Sales Comparison Approach will be utilized.

As stated in the highest and best use section of this report, we are utilizing the “across the fence” method to value the subject corridor. The portion of the corridor appraised is adjacent to a property that has a highest and best use of light industrial and/or business and professional use. Therefore, we have searched the surrounding area and Highway 50 corridor area for sales of similar light industrial/office sites, which have sold within the past 2± years for use as comparable sales. We have analyzed the sales on the following pages. All have comparability to the property which adjoin the subject corridor. Once the “across the fence” value of the subject corridor is estimated, the appraisers will estimate the value of the portion SMUD wishes to purchase based on the estimated per square foot value of the adjacent property, and considering the existing encumbrances.
VALUATION

The appraisers have analyzed the following data to estimate the “across the fence” value of the subject corridor. It is our opinion that these comparables are the most pertinent data available to come to a conclusion of the “across the fence” value of the subject corridor. (Note: in our analysis below, when we refer to the subject property, we are referring to the 6.8± acre property adjacent to the subject corridor).

<table>
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<tr>
<th>Data</th>
<th>Location</th>
<th>Date</th>
<th>Price</th>
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<tr>
<td>1</td>
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<td>3.78</td>
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<td>3.99</td>
<td>M-1</td>
<td>$7.91</td>
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Comparable 1 is a 3.78 acre property located on Sunrise Boulevard, just north of White Rock Road. This property sold in December, 2018 for $1,065,000 or $6.47 per square foot. It is a square shaped property with frontage on a primary street. It is zoned General Commercial by the City of Rancho Cordova. It could be developed to many uses as this is a commercial/light industrial/office corridor. It does lack the subject’s good access to the light rail corridor which would allow it to be developed to more transit oriented development. Overall, this property is slightly inferior and indicates a unit value greater than $6.47 per square foot.
Comparable 2 is located on Happy Lane, off Old Placerville Road, east of Bradshaw Road and near the Mather Business Park. This property contains 3.99 acres and sold in February, 2019 for $1,375,000 or $7.91 per square foot. This is a finished site ready for development, though it is currently used for vehicle (trucks) storage. It is zoned M-1 and is in an area of light industrial uses with some new office and flex buildings fronting on Old Placerville Road. This property has an inferior location when compared to the subject and the subject has more potential for mixed use development. However, the fact that this site is finished must be taken into consideration. Therefore, we are of the opinion that this site is slightly superior to the subject and indicates a unit value slightly less than $7.91 per square foot.

Comparable 3 is located in the office park area off Zinfandel Drive in Rancho Cordova, just north of Mather Field. This is a 4.57 acre (net) parcel that sold in August, 2018 for $1,197,000 or just over $6.00 per square foot. It was once a parking lot and pavement still exists. It is zoned OPMU, office, mixed use by the City of Rancho Cordova and could be developed with many different uses, though most likely an office building would fit with the neighborhood. Overall, this property is in an inferior location when compared to the subject and indicates a unit value greater than $6.01 per square foot for the subject site.

Comparable 4 is located on Folsom Boulevard, near the Jackson Highway intersection. This is a 4.73 acre property that sold in June, 2016 for $1,128,170. This amounts to $5.47 per square foot. It is on a primary thoroughfare, but is an irregular shape and is a raw commercial site that would have to be improved prior to development. It was purchased to construct a car wash. However, it appears the company that purchased it has now constructed their new car wash across Folsom boulevard in the complex with AAA and Kneisel’s Auto Repair. Overall, this property is inferior to the subject property and indicates a unit value greater than $5.47 per square foot for the subject site.

Comparable 5 is on Old Placerville Road, just east of Bradshaw Road. This is a 5.0 acre site that sold in November, 2018 for $1,250,000 or $5.74 per square foot. It is zoned VCMU, which is village center/mixed use. It is adjacent to the commercial properties that front on Bradshaw Road. It was advertised as potential multi-family residential. This is considered similar to the subject which may have some potential for student housing, due to its proximity to Sacramento State University. This property’s location is slightly inferior as it is farther removed from areas of multi-residential and it does not have office building potential. Thus it is considered inferior overall when compared to the subject and indicates a unit value greater than $5.74 per square foot for the subject site.

Comparable 6 is a 5.16 acre site on International Drive, west of Zinfandel Drive and north of Mather Business Park. This site was purchased by the U.S. Department of Veteran’s Affairs in
September, 2018 for $1,970,000 or $8.76 per square foot. It is zoned OPMU by the City of Rancho Cordova. It is believed that the Veteran’s Affairs purchased this property to construct an office building and it is near the veteran’s hospital at Mather. It similar to a finished site as it is ready for construction of an office building. As this is a finished site, it is considered superior to the subject site and indicates a unit value less than $8.76 per square foot for the subject site.

Comparable 7 is an 8.43 acre property on Goethe Road, just east of Bradshaw Road. This in an area of County office buildings. This property sold in January, 2017 for $2,093,500 or $5.70 per square foot. It is zoned MP, which is a mixed use zone of industrial and office. This property has a slightly inferior location when compared to the subject as although it is a good office building site, it lacks potential for other uses. The buyer is UPS, who has a facility to the east and this site will most likely be used for expansion of their facility. Overall, this property is slightly inferior due to location and potential and thus indicates a unit value greater than $5.70 per square foot for the subject site.

In conclusion, the above data, which we consider to be the most pertinent available to arrive at a market value for the subject site, adjacent to the subject corridor, indicates a range in prices paid for similar sites from $5.47 to $8.76 per square foot. Comparable 4, which is located on Folsom Boulevard just east of the subject area is irregular in shape and a raw unfinished site, also slightly dated, but was included because of its proximity to the subject. It sets the low end of the range. Comparable 6 sets the high end and was purchased by the Dept. of Veteran’s Affairs and is adjacent to their hospital at Mather. It is also a finished site. The subject property has a good location with freeway proximity and also proximity to the light rail corridor. It has numerous possibilities for development. Therefore, we are placing it toward the upper end of the range in prices paid. Based on this analysis, it is our opinion that the unit value of the property adjoining the subject corridor is $7.50 per square foot.

Value of Portion of Corridor SMUD wishes to purchase

SMUD wishes to purchase a 2.20± acre portion of the corridor, south of the tracks, along the north boundary of their adjacent property. This entire 2.20± acre strip is encumbered with existing SMUD transmission line easements for overhead power lines. Thus, it is our opinion, due to the existing encumbrances, this area should be discounted from the above fee simple value. The existing easements prohibit any structures in this area. However, the surface can be used for parking and access (which is what it has been used as in the past). It is our opinion that this type of encumbrance has a significant effect on the value of the property. Typically, when utilities acquire these types of easements, they pay at least 50% of the fee simple value, and at times up to 90% of the fee simple value. As this property is light industrial/office in nature, and the surface area can still be used for parking and access, it is our opinion that a 50% discount for the
encumbrance is appropriate. Based on the above “across the fence” valuation, this amounts to the following value for the 2.20± acre portion SMUD wishes to purchase:

\[
2.20\pm \text{ acres} \times 43,560/\text{SF}/\text{acre} \times $7.50/\text{SF} \times 50\% = $359,370.00
\]

ROUNDED TO: $360,000

**Improvements**

The strip of land that SMUD wishes to purchase is vacant, other than paving and fencing. These ancillary improvements have no measurable value, and should be included in the above land value.
ADDENDA
COMPARABLE NO. 1

COUNTY: Sacramento
A.P.N.: 072-0340-108
GRANTOR: Jamal, LLC
GRANTEE: Kamo Avanyan
LOCATION: E/S Sunrise Blvd., N/O White Rock Road
DATE OF SALE: 12-1-2018 (approximate date of agreement)
RECORDING DATE: 12-31-2018 (#1087)
SELLING PRICE: $1,065,000
1st MORTGAGE: --
2nd MORTGAGE: --
DOWN PAYMENT: $1,065,000 (Cash to seller)
PARCEL SIZE: 3.78 Acres
ZONING: GC
PRICE/SF: $6.47
UTILITIES: All public utilities available
TOPOGRAPHY: Level
ACCESS: Sunrise Blvd.
VEGETATIVE COVER: None
WATER: Public
COMMENTS: Property fronts on Sunrise Boulevard and was purchased to construct a commercial/service structure which will be owner operated.

VERIFIED: Kamo Avanyan, buyer; County Records
DATE INSPECTED: 3-29-2019
BY: Dwight Pattison
     Michael Pattison
COUNTY: Sacramento
A.P.N.: 067-0160-070
GRANTOR: William Kochoo
GRANTEE: Capital Point Terminal, Inc
LOCATION: W/S Happy Lane, S/O Bradview Drive
DATE OF SALE: 11-10-2018 (approximate date of agreement)
RECORDING DATE: 1-31-2019 (#1076)
SELLING PRICE: $1,375,000
1st MORTGAGE: --
2nd MORTGAGE: --
DOWN PAYMENT: $1,375,000 (Cash to seller)
PARCEL SIZE: 3.99 Acres
ZONING: M-1
PRICE/SF: $7.91
UTILITIES: All public utilities available
TOPOGRAPHY: Level
ACCESS: Happy Lane.
VEGETATIVE COVER: None
WATER: Public

COMMENTS: Property is within an area of light industrial and some office uses. Now being used for truck storage. Asking price was $1,450,000 and was on the market 7 months.

VERIFIED: David Ross, CBRE, broker; County Records
DATE INSPECTED: 3-29-2019
BY: Dwight Pattison

Michael Pattison

PATTISON & ASSOCIATES, INC.
COMPARABLE NO. 3

COUNTY: Sacramento
A.P.N.: 072-0690-104
GRANTOR: Zinfandel Holdings, Inc
GRANTEE: RREEF America (REIT II) Corp.
LOCATION: E/S Fomoyer St, S/O International Drive
DATE OF SALE: 1-15-2018 (approximate date of agreement)
RECORDING DATE: 8-10-2018 (#0785)
SELLING PRICE: $1,197,000
1st MORTGAGE: --
2nd MORTGAGE: --
DOWN PAYMENT: $1,197,000 (Cash to seller)
PARCEL SIZE: 4.57 Acres (net) gross = 4.68 acres
ZONING: OPMU
PRICE/SF: $6.01
UTILITIES: All public utilities available
TOPOGRAPHY: Level
ACCESS: Fomoyer Street
VEGETATIVE COVER: None
WATER: Public
COMMENTS: Property is within an area of light industrial and some office uses just north of Mather Business Park and Airport. Fomoyer Street now goes through to Mather Blvd. Extra long escrow due to entitlement process. Proposed for offices.

VERIFIED: Robert Cole, broker; County Records
DATE INSPECTED: 3-29-2019
BY: Dwight Pattison
      Michael Pattison

PATTISON & ASSOCIATES, INC.
COMPARABLE NO 4

COUNTY: Sacramento
A.P.N.: 079-0310-002, 003
GRANTOR: Bernice Krapan Janson Trust
GRANTEE: Quick Quack Car Wash
LOCATION: S/S Folsom Blvd, W/O Jackson Hwy (8240 Folsom Blvd.)
DATE OF SALE: 6-1-2016 (approximate date of transaction)
RECORDING DATE: 6-15-2016 (#1098)
SELLING PRICE: $1,128,179
1st MORTGAGE: --
2nd MORTGAGE: --
DOWN PAYMENT: $1,218,179
PARCEL SIZE: 4.73 Acres
ZONING: C-2
PRICE/S.F. $5.47
UTILITIES: All utilities nearby
TOPOGRAPHY: Level
ACCESS: Folsom Blvd
VEGETATIVE COVER: None
COMMENTS: Parcel is a vacant commercial site just west of intersection of Jackson Highway and Folsom Blvd. It is a triangular shaped parcel lying between Folsom Blvd and the railroad right of way. Parcel to the east is developed with new building (furniture store) and to the west is a large electrical substation. This property had an older residence and had other minor improvements which have been removed.

VERIFIED: Pete Nixon, CBRE; broker; County Records
DATE INSPECTED: 5-19-2017; 3-29-2019
BY: Dwight Pattison
Michael Pattison
COMPARABLE NO. 5

COUNTY: Sacramento
A.P.N.: 068-0030-044
GRANTOR: Clyde Guttridge
GRANTEE: Bradshaw Village Parcel, LLC
LOCATION: N/S Old Placerville Road, E/O Bradshaw Road
DATE OF SALE: 10-15-2018 (approximate date of agreement)
RECORDING DATE: 11-15-2018 (#1407)
SELLING PRICE: $1,250,000
1st MORTGAGE: $637,000 (seller)
2nd MORTGAGE: --
DOWN PAYMENT: $613,000
PARCEL SIZE: 5.0 Acres
ZONING: VCMU
PRICE/SF: $5.74
UTILITIES: All public utilities available
TOPOGRAPHY: Level
ACCESS: Old Placerville Road
VEGETATIVE COVER: None
WATER: Public
COMMENTS: Property is just east of commercial corridor along Bradshaw Road, south of Highway 50. Possible for multi-residential development or commercial use.

VERIFIED: Mike Guttridge, selling broker; County Records
DATE INSPECTED: 3-29-2019
BY: Dwight Pattison
     Michael Pattison
COMPARABLE NO. 6

COUNTY: Sacramento
A.P.N.: 072-0690-019, 105
GRANTOR: Zinfandel Holdings, Inc
GRANTEE: U.S. Department of Veteran’s Affairs
LOCATION: S/S International Drive, W/S Fomeyer St.
DATE OF SALE: 5-22-2018 (approximate date of agreement)
RECORDING DATE: 9-20-2018 (#1450)
SELLING PRICE: $1,970,000
1st MORTGAGE: --
2nd MORTGAGE: --
DOWN PAYMENT: $1,970,000 (Cash to seller)
PARCEL SIZE: 5.16 Acres
ZONING: OPMU
PRICE/SF: $8.76
UTILITIES: All public utilities available
TOPOGRAPHY: Level
ACCESS: International Drive; Fomeyer Street
VEGETATIVE COVER: None
WATER: Public

COMMENTS: Property is within an area of light industrial and some office uses just north of Mather Business Park and Airport. Fomeyer Street now goes through to Mather Blvd. Veteran’s Affairs have a VA Hospital and medical center adjacent to this property to the west. This purchase was for potential offices if necessary. It was on the market and sold through a broker.

VERIFIED: Robert Cole, broker; County Records
DATE INSPECTED: 3-29-2019
BY: Dwight Pattison
     Michael Pattison

PATTISON & ASSOCIATES, INC.
COMPARABLE NO. 7

COUNTY: Sacramento
A.P.N.: 067-0180-013
GRANTOR: Britannia Pacific Properties, Inc
GRANTEE: UPS, Inc
LOCATION: E/S Goethe Road, E/O Bradshaw Road
DATE OF SALE: 10-12-2016 (approximate date of agreement)
RECORDING DATE: 1-12-2017 (#0548)
SELLING PRICE: $2,093,500
1st MORTGAGE: --
2nd MORTGAGE: --
DOWN PAYMENT: $2,093,500
PARCEL SIZE: 8.43 Acres
ZONING: MP
PRICE/SF: $5.70
UTILITIES: All public utilities available
TOPOGRAPHY: Level
ACCESS: Goethe Road
VEGETATIVE COVER: None
WATER: Public
COMMENTS: Property is adjacent to UPS facility and was purchased for future expansion. This is in an area of County of Sacramento office buildings and has good access to Bradshaw Road.

VERIFIED: Bob Cole, JLL; broker; County Records
DATE INSPECTED: 5-19-2017
BY: Dwight Pattison
    Michael Pattison

PATTISON & ASSOCIATES, INC.
QUALIFICATIONS

Pattison & Associates, Inc. is an appraisal firm, consisting of Dwight and Michael Pattison, which provides appraisal reports on a wide variety of properties, including residential, commercial, industrial, agricultural, recreational and special purpose uses. We also are experienced in the appraisal of rights of way for roads, utilities, erosion projects, redevelopment projects and other purposes.

Dwight Pattison began his appraisal career in 1966 with the California Division of Highways, now Caltrans (District 3 office) and also worked for the Real Estate division of the State Department of General Services. Dwight is a 1966 graduate of Chico State University with a bachelor's degree in Business Administration. He obtained a certificate in real estate from UCLA in 1971. He left the State in 1984 to open his own appraisal firm, then joined Duncan, Duncan & Associates, Inc., as a partner in 1987 and remained through 1991. Dwight is a senior member of the International Right of Way Association and past president of the Sacramento Chapter. He has been a member of the International Executive Committee, serving as International President from 1999 to 2000. He has been chosen "Professional of the Year" four times, in 1980, 1990, 1991 and 2000. Dwight has been published in Right of Way Magazine on "The Valuation of Easements". He is also a designated senior member of the National Association of Independent Fee Appraisers (NAIFA). Dwight received his appraisal certification from the State of California, Office of Real Estate Appraisers, as a Certified General Appraiser. He is certified through September 11, 2020. He is a qualified expert witness in San Joaquin, Sacramento, Yolo, Mendocino, Santa Cruz, El Dorado, Placer and Contra Costa Counties.

Michael Pattison is a graduate of the University of California, Santa Barbara with a degree in Business Economics. He started his appraisal experience working as an assistant in 1984. Since then he has experience working in appraisals of single-family residences, commercial and other types of properties plus both easements and fee acquisition appraisals for rights of way and other public projects. He is a senior member of the Sacramento Chapter of the International Right of Way Association and is a Past President. He received his SR/WA designation in November 1997 and was voted “Member of the Year” in 1998 and “Professional of the Year” in 2002 and 2003. He also received the Frank C. Balfour “Professional of the Year” Award from the IR/WA in 2004. He is also an Associate Member of the Sacramento Sierra Chapter of the Appraisal Institute. Michael received his appraisal certification from the State of California, Office of Real Estate Appraisers, as a Certified General Appraiser. He is certified through May 10, 2020.
Pattison & Associates, Inc. Clients include:

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<th>United States Government</th>
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<td>U.S. Army Corps of Engineers</td>
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<td>California Tahoe Conservancy</td>
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<td>Department of General Services</td>
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State of California

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Districts

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Utilities
American Telephone & Telegraph
Pacific Gas & Electric Company
Western Hub Properties
Golden State Water Company
Sacramento Municipal Utility District

Legal Firms
DeMetrion, Del Guercio, Springer & Moyer
Freeman, D’Aiuto, Pierce, Gurev, Keeling & Wolf
Hyde, Miller & Owen
Law Offices of William Wright
Doyle & Associates
Herman Fitzgerald & Associates
Oliver, Vose, Sandifer, Murphy & Lee

Corporations
3M Corporation
American Land Conservancy
California Conservation Fund
California Natural Products
California Waterfowl Association
The Fremont Group
Holman Investors
Los Rios Farms
Overland, Pacific & Cutler
Paragon Partners, Ltd.
R.C. Collett, Inc.
Sacramento Sunset Ltd.
Shell Oil Company/Equillon Corp.
Universal Field Services
Wickland Pipelines, LLC.
Winn Communities
Aerie Construction
American River Conservancy
California FFA Corporation
California Prune Packing Company
Capitol Avenue Development, LLC
Hammer, Jewell & Associates
K. Hovnanian Homes
Nature Conservancy
Paine Webber Acquisitions
Placer Land Trust
Richards Land & Cattle
Sacramento Valley Conservancy
Trust for Public Land
USA Properties Fund, LLC.
Wildlands, Inc.
Yolo Land Trust

Engineering Firms
Andregg Geomatics
Dokken Engineering
Gene Thorne & Associates
KASL Engineering
Martin, Rivett & Olson
Sauers Engineering
Boyle Engineering
Domenichelli & Associates
HDR Engineering
Mark Thomas & Co. Engineering
Psomas and Associates
Assignments Include:

- Twitchell and Bradford Island
- Sherman Island Project
- Los Banos Grandes Reservoir Project
- Richmond Parkway Project
- Calvine Road, SR 99 Interchange Project
- Foresthill Road Widening Project
- Elk Grove Blvd, SR 99 Interchange Project
- Tahoe City Improvement Project
- Greenback Lane Widening Project
- Elkhorn Boulevard/I-80 Interchange Project
- Magpie Creek Improvement Project
- Plumas Ave Extension, Yuba City
- Sylvan Corners Intersection Project
- Hwy 99-Fremont to Cherokee Project
- Hwy 99/Hammer Lane Interchange Project
- Sacramento Airport Jet Fuel Pipeline Project
- Bradshaw 6A, 6B, 7B Interceptor Projects
- Jefferson Boulevard Widening Project
- Amador Water Transmission Line Project
- Bond Road Widening Project
- Main Avenue Bridge Replacement Project
- Fulton Avenue Beautification Project
- Sheldon Road Widening Project
- Hwy 99/Grant Line Road Interchange Project
- Two Rivers Trail Project
- Tahoe Pines Erosion Control Project
- Railroad Avenue Realignment (Suisun)
- Franklin Blvd Widening Project
- Florin Road Beautification Project
- South Watt Avenue Widening Project
- W. El Camino Bridge Replacement Project
- Barton Road Bridge Replacement Project
- Lake Forest Erosion Control Project
- Plymouth Water Transmission Line Project
- East Street/Lemen Avenue Intersection Project
- Wheatland Canal Project
- CR 102/I-5 Interchange Project
- Bradshaw Road Widening Project
- El Dorado Street Widening Project (Stockton)
- Bird Road/SR 132 Interchange Project
- Hazel Avenue Widening Project
- French Camp Road/Interstate 5 Interchange Project
- Waterman Road Improvement Project
- Sacramento County Sidewalk Continuity Project
- Sunset Blvd./Highway 65 Interchange Project
- Walnut Grove Sewer Interceptor Project
- Thornton Road Widening Project (Stockton)
- PG&E Lines 406/407 Pipeline Projects
- North Stockton Grade Separations Project
- Auburn Boulevard Widening Project
- Folsom Boulevard Widening Project
- Freedom Park Drive/Watt Avenue Project
- Marconi Avenue Sidewalk Project
- North Natomas Levee Project
- South Watt Ave Soundwall Project
- Highway 99/Elverta Road Interchange Project
- Markham Ravine Bridge Replacement Project
- White Rock Road Realignment Project
- Arden Way Sidewalk Project
- Sawmill Road Erosion Control Project
- Christmas Valley Erosion Control Project
- King Slough Bridge Replacement Project
- El Camino Avenue Sidewalk Project
- SASD Creek Crossings Project
- West Capitol Avenue Improvement Project
- Ulatis Creek Bicycle Path Project
- U.S. 50/Watt Avenue Improvement Project
- R.T. South Sacramento Corridor Project
- Pearson Road Widening Project
- Horseshoe Bar Road Widening Project
- Deterding Safe Routes to School Project
- Formi Rd/Hwy 50 Interchange Project
- Hwy 49 Pole Line Relocation Project
- Swetzer Road Sewer Line Project
- Pinell Street Sidewalk Project
- Upper Lake County Flood Control Project
- Mono Way Widening Project
- Kirchgater Safe Routes to School Project
- Cold Springs Road Widening Project
- Shepherd Tap Power Line Project
- Beckwourth-Genesee Road Widening Project
- Fair Oaks Boulevard Improvement Project
- Amador Small Diameter Water Pipeline Project
- Diamond Springs Parkway Phase 1A Project
- Gerber Creek Channelization Project
- Wise Road Bridge Replacement Project
- Bassi Road Bridge Replacement Project
- Fulton Avenue Overlay Project
- Hazel Avenue Sidewalk Project
- Gold Hill Road Realignment and Bridge Project
- Old Florin Town Streetscape Project
- Clear Creek Road Bridges Project
- Newcastle Water Line Project
- Greenstone Road Bridge Replacement Project
- Oak Ridge Drive Bridge Replacement Project
- Elk Grove-Florin Road Widening Project
- Silver Springs Parkway Extension Project
- Elk Grove-Florin Road Bridge Project
Dwight Pattison

2378 Maritime Drive, Suite 110
Elk Grove, CA  95758
(916) 714-3010
e-mail: dwight@pattisonappraisals.com

Certified General Appraiser
Real Estate Appraiser
Certificate #AG009699
Certified through 9-11-2020

Education
Bachelor of Science
Chico State, 1966

Work History

October 1991 - Present
Principal
Pattison & Associates, Inc.
Real Estate Appraisals
2378 Maritime Drive, Suite 110
Elk Grove, CA 95758

April 1987 - October 1991
Principal; Appraiser
Duncan, Duncan & Associates
P.O. Box 1066
Woodbridge, CA 95258

March 1984 - April 1987
Independent Fee Appraiser
Dwight Pattison Appraisals
2210 "K" Street, Suite A
Sacramento, CA  95816

January 1974 - March 1984
Staff Appraiser; Program Manager
State of California
Department of General Services
Real Estate Services Division
Sacramento, CA

February 1966 - January 1974
Right of Way Agent
California Division of Highways
Marysville, CA  1966-70
Bishop, CA  1970-72
Sacramento, CA  1973
Professional Education

Certificate in Real Estate - UCLA, December 1971

Attended Following Courses:

- California Division of Highways Right of Way Academy
  August 1966

- Principles of Real Estate Appraisal
  October 1966 - January 1987

- Legal Aspects of Real Estate
  February 1967 - May 1967

- Advanced Real Estate Appraisal (Rural)
  March 1968 - December 1968

- Communication and the Acquisition Process - August 1968

- Tax Planning for Real Estate Transactions
  September 1968 - December 1968

- Intermediate Real Estate Appraisals
  September 1971 - December 1971

- Advanced Appraisal - Urban Properties (MAI Course 2)
  August 1972

- Principles of Relocation Assistance
  December 1974 - February 1975

- Advanced Appraisal - Income Properties (MAI Course 1B)
  August 1976

- Interpersonal Relations in Real Estate Acquisition
  December 1978

- Environmental Considerations - June 1980

- Non-Verbal Communication - May 1981

- Report Writing - March 1982

- Income Approach to Valuation - October 1984

- Standards of Professional Practice - December 1987

- Uniform Standards of Professional Appraisal Practice - August 1991

- Capitalization Theory Part A - September 1992

- Ethics and the Right of Way Profession - December 1992

- Standards of Practice for the Right of Way Professional-April 1993

- Legal Aspects of Easements - October 1993

- Valuation of Contaminated Properties - May 1995

- Skills of Expert Testimony - November 1996
Easement Valuation - November 1997
Federal and State Laws and Regulations - February 2000
Appraisal Review - June 2000
Review Appraising in Eminent Domain - October 2002
Uniform Standards of Professional Appraisal Practice
    7 Hour Update Course – 4/96, 2/00, 8/03, 2/06, 4/08, 2/10, 3/12, 3/14, 4/16, 12/17
ASFMRA Yellow Book Seminar - June 2006
Understanding Environmental Contamination in Real Estate - October 2006
Litigation Appraisal - December 2010
Understanding Highest and Best Use - March 2011
Eminent Domain Law Basics for Right of Way Professionals – September 2012
Valuation of Environmentally Contaminated Real Estate – February 2016

Professional Affiliations

Member of Sacramento Chapter 27, International Right of Way Association
    President, 1978
    International Director, 1979-80
    Regional Vice Chairman (California, Arizona, Nevada, Hawaii), 1980-81 & 1981-82
    Regional Chairman, 1982-83 & 1983-84
    Member International Valuation (Appraisal) Committee
    Vice Chairman, 1985-86
    Chairman, 1986-87
    Chairman, International Education Seminar, 1991
    Member International Ethics Committee, 1991-92 & 1992-93
    Member International Executive Committee, 1993-94 through 1999-2000
    International President, 1999 through 2000
    Received SR/WA designation on February 28, 1979
Member of Nor-Cal Chapter, National Association of Independent Fee Appraisers
    Received IFAS designation on February 17, 1995
    Recertified through September 11, 2018
Member of the Advisory Council of the Appraisal Foundation, 1995-1997
Member of the Appraisal Foundation Board of Trustees, 2000-2004
Michael Pattison

2378 Maritime Drive, Suite 110
Elk Grove, CA 95758
(916) 714-3010
e-mail: mike@pattisonappraisals.com
Certified General Appraiser
Real Estate Appraiser
Certificate #AG026061
Certified through 5-10-2020

Education
Bachelor of Arts Degree
Business Economics
University of California,
Santa Barbara, 1991

Work History
October 1991 - Present
Principal
Pattison & Associates, Inc.
Real Estate Appraisals
2378 Maritime Drive, Suite 110
Elk Grove, CA 95758

June 1991 - October 1991
Appraisal Research (Part-Time)
Duncan, Duncan & Associates
P.O. Box 1066
Woodbridge, CA 95258

September 1986 - June 1991
Full Time Student

June 1984 - September 1986
Appraisal Assistant
Dwight Pattison Appraisals
2210 "K" Street, Suite A
Sacramento, CA 95816

Professional Education
Attended Following Courses:

Principles of Real Estate Appraisals
Sacramento City College: September - December 1991

Principles of Right of Way Acquisition - International Right of Way Association
Course 101 (Appraisal, Law, Engineering, Acquisition, Relocation) - April 1992

Appraisal Procedures
Appraisal Institute Course I120 - May 1993

Legal Aspects of Easements - October 1993

Easement Valuation - October 1993

Uniform Standards of Professional Appraisal Practice
14 Hour Course - April 1994

Property Descriptions - September 1995
Interpersonal Relations of Real Estate Acquisition - February 1997
Introduction to the Income Approach to Valuation - April 1997
Basic Income Capitalization - June 1997
Communications in Real Estate Acquisition - October 1997
Advanced Applications
   Appraisal Institute Course II550 - October 1999
Federal and State Laws and Regulations - February 2000, January 2014
Review Appraising in Eminent Domain - October 2002
Uniform Standards of Professional Appraisal Practice (USPAP)
   7 Hour Update Course – 4/01, 12/03, 1/06, 3/08, 1/10, 3/12, 12/13, 12/15, 12/17
Appraisal of Partial Acquisitions - January 1995, October 2005
ASFMRA Yellow Book Seminar - October 2006
Understanding Environmental Contamination in Real Estate – October 2006
General Appraiser Market Analysis and Highest & Best Use
   Appraisal Institute Course 400G - May 2009
Business Practice and Ethics (Standards of Professional Practice)
Eminent Domain Law Basics for Right of Way Professionals – September 2012
Condemnation Appraising: Principles and Applications – September 2013
Uniform Act Executive Summary – March 2014
Valuation of Environmentally Contaminated Real Estate – February 2016

Professional Affiliation

Member, Sacramento Chapter 27, International Right of Way Association
   President, 2000
   International Director, 1998-2000
   Chairman, Valuation Committee, 1992-1995
   Chairman, Education Committee, 1995-1997
   Chairman, Professional Development Committee, 2001-Present
   Member International Professional Development Committee, 2002-2008
Received SR/WA designation on November 15, 1997
   Recertified through November 15, 2022
   Member of the Year, Sacramento Chapter, 1998
   Professional of the Year, Sacramento Chapter, 2002 & 2003
   Frank C. Balfour Award Recipient, “Professional of the Year”, IR/WA, 2004

Trustee, Right of Way International Education Foundation, 2009 - Present

Practicing Affiliate Member, Sacramento-Sierra Chapter of the Appraisal Institute