

WATTS, COHN and PARTNERS, INC.

COMMERCIAL REAL ESTATE APPRAISAL

APPRAISAL OF:

**ALAMEDA SIDE OF THE OAKLAND INNER TIDAL CANAL
BETWEEN THE EXISTING PROPERTY LINE AND ESTUARY LINE
9 PARCELS**

PREPARED FOR:

OFFICE OF THE CITY ATTORNEY

CITY OF ALAMEDA

ALAMEDA, CALIFORNIA

AUGUST 2016

16-WCP-021

WATTS, COHN and PARTNERS, INC.

COMMERCIAL REAL ESTATE APPRAISAL

August 9, 2016

Mr. Andrico Penick
Assistant City Attorney
Office of the City Attorney
2263 Santa Clara Avenue, Room #280
Alameda, CA 94501

Re: 16-WCP-009 Appraisal of
Alameda Side of the Oakland
Inner Tidal Canal- Between the Existing
Property Line and Estuary Line - 9 Parcels
Alameda, California

Dear Mr. Penick:

At your request and authorization, Watts, Cohn and Partners, Inc. has made an appraisal of the above referenced property. The subject property appraised consists of shoreline/water lots located in the Oakland Inner Harbor Tidal Canal from approximately 1,800 feet northwest of the Park Street Bridge to approximately 2,300 feet south of the High Street Bridge between the Existing Property Line and the Estuary Property Line in the City of Alameda, Alameda County, California. The subject property is a portion of the Tidal Canal which is a 400-foot wide waterway between Oakland and Alameda created between 1884-1905 by the US Army Corps of Engineers (Army Corps). The Army Corps is seeking to transfer the subject property to the City of Alameda (City) who in turn will transfer the subject to the adjacent property owners at fair market value.

The northern half of the subject property appraised, northwest of the Fruitvale Bridge, is generally commercial and industrial in orientation. This portion of the subject is comprised of 8 lots which are adjacent to commercial/industrial and open space properties. The southeast half of the subject property, south of the Fruitvale Bridge, is generally single family residential in character. This portion is comprised of 90 lots, appraised as a single entity, which are located adjacent to residential properties.

Many of the subject lots have been improved with docks, piers and other improvements over the course of time by the adjacent residential and commercial property owners. As part of this appraisal assignment the appraisers have been instructed by the client to assume that the existing improvements belong to the adjacent private property owners and that their presence does not affect value and that they are not part of the subject property being appraised.

582 Market Street, Suite 512 | San Francisco, CA 94104 | 415-777-2666

Mark Watts | mark@wattscohn.com | Sara Cohn, MAI | sara@wattscohn.com

Special Legal Instruction from the Client

This Assignment incorporates the following assumptions, understandings and conditions per the Special Legal Instructions from the City of Alameda:

1. Appraiser will be appraising 8 parcels of the Oakland Inner Harbor Tidal Canal Between the Existing Property Line and Estuary Property Line next to the 8 commercial properties
2. Appraiser will be appraising 1 parcel of the Oakland Inner Harbor Tidal Canal Between the Existing Property Line and Estuary Property Line adjacent to 90 residential properties.
3. The appraisal of these 9 parcels will be contained in a single narrative report.
4. Appraiser will need a surveyor to tell the Appraiser the total land area in each parcel and the division between wet and dry land in each parcel; i.e. how many square feet of the land is underwater at high tide and how many square feet are dry land. Ideally the Appraiser would need this information at the start of the appraisal. This information was received and used by the Appraiser in preparing this appraisal.
5. Appraiser notes that there are numerous piers and even some building improvements on the parcels being appraised. Although these would seem to be encroachments, Appraiser is to assume that: (i) these improvements belong to the adjacent private property owners; (ii) that their presence does not affect value; and (iii) they are not part of the subject property being appraised.
6. Appraiser is to assume that the City would put up a barrier to prevent trespass as to those parcels not purchased by the adjacent property owner. Thus the adjacent owners cannot simply continue to use the subject land without buying it.

The subject appraisal includes the fee simple fair market value of 9 parcels (8 separate properties located adjacent to industrial/commercial uses and 1 parcel consisting of 90 separate properties located adjacent to residential uses).

The purpose of this appraisal is to address the fee simple fair market value of the subject parcels at their highest and best use, assuming that there are no existing improvements. The intended use/user for which this appraisal was contracted is for the exclusive use of City of Alameda for assistance in the disposition of the subject parcels. ***This report should not be relied upon by any other parties for any reasons.***

A more complete description of the subject property appraised, as well as the research and analyses leading to our opinion of value, is contained in the attached summary narrative report. Chapter I provides a basic summary of salient facts and conditions upon which this appraisal is based and reviews the value conclusion.

EXTRAORDINARY LIMITING CONDITIONS

1. Many of the subject properties have been improved with piers, docks and other improvements. Per instructions from the client, the appraisal assumes that the improvements belong to the adjacent private property owners; and that they are not part of the subject property being appraised.
2. The appraisal assumes that once the City owns the subject property, that it would put up a barrier to prevent trespass as to those parcels not purchased by the adjacent property owner. Thus, the adjacent property owners cannot continue to use the subject land without purchasing it.
3. The appraisal assumes that the City of Alameda owns the fee simple title to the residential and commercial lots and can transfer the property.
4. The subject sites are assumed to be clean of toxic contamination. Current and past uses of all or part of the subject properties may have involved activities that have the potential to create toxic contamination. The appraisers are not experts in the field of environmental contamination, and are not qualified to detect such substances nor assess hazardous materials. For purposes of this appraisal, we have assumed the subject sites are clean of toxic contaminants.

The use of any hypothetical conditions or extraordinary assumptions in this report might have affected the assignment results.

VALUE CONCLUSIONS

Based on the research and analyses contained in this report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the fair market value of the fee simple interest in the subject properties, under the hypothetical conditions of the special legal instruction from the client, as of June 3, 2016, is estimated to be as follows:

Northern Portion (Commercial Parcels)

1.	Lot 4	\$280,000
2.	Lot 5	\$20,000
3.	Lot 6	\$90,000
4.	Lot 7	\$160,000
5.	Lot 8	\$25,000
6.	Lot 9	\$50,000
7.	Lot 10	\$110,000
8.	Lot 11	\$70,000

Watts, Cohn and Partners, Inc.

Commercial Real Estate Appraisal

16-WCP-009

Southern Portion (Residential)

Further, based on the research and analyses contained in this report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the fair market value of the fee simple interest in the subject 90 lots, appraised as a single entity, under the hypothetical conditions of the special legal instruction from the client, as of June 3, 2016, is estimated to be as follows:

NINE HUNDRED THOUSAND DOLLARS

(\$900,000)

It is the opinion of the appraiser that the above concluded values for the subject property could be achieved within 12 months of exposure period as of the date of value.

This letter must remain attached to the appraisal report, identified on the footer of each page as 16-WCP-009, plus related exhibits, in order for the value opinion set forth to be considered valid.

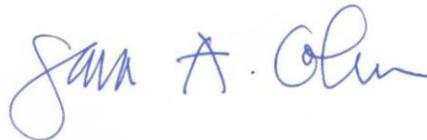
Certification

We, the undersigned, hereby certify that, to the best of our knowledge and belief: the statements of fact contained in this report are true and correct; the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions; we have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved; we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment; our engagement in this assignment was not contingent upon developing or reporting predetermined results, our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal; the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan; our analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice, Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, and is in compliance with FIRREA; we have made a personal inspection of the property that is the subject of this report; no one provided significant real property appraisal assistance to the persons signing this report. In accordance with the Competency Rule in the USPAP, we certify that our education, experience and knowledge are sufficient to appraise the type of property being valued in this report. We have not provided services regarding the property that is the subject of this report in the 36 months prior to accepting this assignment.

We are pleased to have had this opportunity to be of service. Please contact us if there are any questions regarding this appraisal.

Sincerely,

WATTS, COHN AND PARTNERS, INC.



Sara A. Cohn, MAI
Certified General Real Estate Appraiser
State of California No AG014469



Mark Watts
Certified General Real Estate Appraiser
State of California No. AG015362

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I. REPORT SUMMARY

A. Property Appraised

The subject property appraised consists of shoreline/water lots located on Alameda side of the Oakland Inner Harbor Tidal Canal from approximately 1,800 feet northwest of the Park Street Bridge to approximately 2,300 feet south of the High Street Bridge between the Existing Property Line and Estuary Property Line in the City of Alameda, Alameda County, California. The subject property is a portion of the Tidal Canal which is a 400-foot wide waterway between Oakland and Alameda created between 1884 -1905 by the U.S. Army Corps of Engineers (Army Corps). The Army Corps is seeking to transfer the subject property to the City of Alameda (City) who in turn will transfer the subject to the adjacent property owners at fair market value.

The northern half of the subject property appraised, northwest of the Fruitvale Bridge, is generally commercial and industrial in orientation. This portion of the subject is comprised of 8 lots which are adjacent to commercial/industrial and open space properties. The southeastern half of the subject property, south of the Fruitvale Bridge, is generally single family residential in character. This portion is comprised of 90 lots, appraised as a single entity, which are located adjacent to residential properties.

Many of the subject lots have been improved with docks, piers and other improvements over the course of time by the adjacent residential and commercial property owners. As part of this appraisal assignment the appraisers have been instructed by the client to assume that the existing improvements belong to the adjacent private property owners and that their presence does not affect value and that they are not part of the subject property being appraised.

Special Legal Instruction from the Client

This Assignment incorporates the following assumptions, understandings and conditions per the Special Legal Instructions from the City of Alameda:

1. Appraiser will be appraising 8 parcels of the Oakland Inner Harbor Tidal Canal Between the Existing Property Line and Estuary Property Line next to the 8 commercial properties.
2. Appraiser will be appraising 1 parcel of the Oakland Inner Harbor Tidal Canal Between the Existing Property Line and Estuary Property Line adjacent to 90 residential properties.
3. The appraisal of these 9 parcels will be contained in a single narrative report.

4. Appraiser will need a surveyor to tell the Appraiser the total land area in each parcel and the division between wet and dry land in each parcel; i.e. how many square feet of the land is underwater at high tide and how many square feet are dry land. Ideally the Appraiser would need this information at the start of the appraisal. This information was received and used by the Appraiser in preparing this appraisal.
5. Appraiser notes that there are numerous piers, docks and even some building improvements on the parcels being appraised. Although these would seem to be encroachments, Appraiser is to assume that: (i) these improvements belong to the adjacent private property owners; (ii) that their presence does not affect value; and (iii) they are not part of the subject property being appraised.
6. Appraiser is to assume that the City would put up a barrier to prevent trespass as to those parcels not purchased by the adjacent property owner. Thus the adjacent owners cannot simply continue to use the subject land without buying it.

The subject appraisal includes the fee simple fair market value of 9 parcels (8 separate properties located adjacent to industrial/commercial and open space uses and 1 parcel consisting of 90 separate properties located adjacent to residential uses).

B. Client, Purpose, Intended Use and Intended User

The client for the appraisal is Mr. Andrico Penick, Assistant City Attorney with the City of Alameda. The purpose of this appraisal is to address the fee simple fair market value of the subject parcels at their highest and best use, assuming that there are no existing improvements, under the hypothetical conditions of the special legal instruction from the client. The intended use/user for which this appraisal was contracted is for the exclusive use of City of Alameda for assistance in the disposition of the subject parcels. *This report should not be relied upon by any other parties for any reasons.*

C. Subject Properties Identifications

The table on the following page identifies the subject properties appraised. The subject properties are identified by Lot Number based on a provided Tentative Map titled Tract 8337, Oakland Inner Harbor, dated May 31, 2016, prepared by Ruggeri-Jensen- Azar, Engineers-Planners and Surveyors.

The Tentative Map indicates a subdivision of a total of 105 proposed lots, of which seven lots are not included in this appraisal. The excluded lots are: Lot 1 which reflects the City of Oakland Water Parcel, Lot 2 the Alameda Open Water Parcel, Lot 3, 103, 104 and 105 which will be retained by the Army Corps of Engineers and Lot 102 which is located in the State Tidal Trust.

Subject Identification
Appraisal of Alameda Side of the Oakland Inner Tidal Canal
Alameda, California

Lot Number (1) Adj. Address Adj. Assessor Parcel No.	Land Area			Linear Feet of Dock	Linear Feet of Shoreline Lot Width +/-	Specific Location	Zoning Adjacent to Subject Subject Zoning	Comments
	Water Area (3)	Dry Land (1)	Total (2)					
Commercial Parcels								
1 Lot 4 Adj. 2199 Clement Street Alameda APN: 071-0289-006-01	46,109 SF 1.06 AC 67%	22,734 SF 0.52 AC 33%	68,843 SF 1.58 AC	639'	760' 78'	Northernmost parcel Adjacent to Dutra	M-2 E- Estuary	Adjacent to Dutra Construction Yard General Plan adjacent to subject MU-5, Mixed Use
2 Lot 5 2229 Clement Avenue Alameda APN: 071-0289-005	6,838 SF 0.16 AC 81%	1,630 SF 0.04 AC 19%	8,468 SF 0.19 AC	NA	170' 50'	Adjacent to Boatworks	R-2 PD E- Estuary	Unimproved Shoreline Adjacent unimproved parcel proposed for park. General Plan adjacent to Subject- Open Space.
3 Lot 6 2235 Clement Avenue Alameda APN: 071-0290-001	15,478 SF 0.36 AC 60%	10,418 SF 0.24 AC 40%	25,896 SF 0.59 AC	NA	297' 50'	Adjacent to Boatworks	R-2 PD E- Estuary	Unimproved Shoreline Adjacent unimproved parcel proposed for park. General Plan adjacent to property- Open Space
4 Lot 7 2307 Blanding Avenue Alameda APN: 071-0290-029	50,862 SF 1.17 AC 85%	8,793 SF 0.20 AC 15%	59,655 SF 1.37 AC	1,045' of dock area 26 Slips	640' 90'	Adjacent to Park Street Landing	NP-W E- Estuary	Park Street Landing Marina. Marina directly north of Park Street Bridge. General Plan adjacent to property Community Commercial
5 Lot 8 2401 Blanding Avenue Alameda APN: 070-0195-016	3,889 SF 0.09 AC 48%	4,169 SF 0.10 AC 52%	8,058 SF 0.18 AC	NA	162' 50'	Adjacent to Waters Edge Nursing Home	NP-W E- Estuary	Directly south of Park Street Bridge Unimproved shoreline. Slopes steeply down to water. General Plan adjacent to property Office
6 Lot 9 2033 Everett Street Alameda APN: 070-0195-015	14,191 SF 0.33 AC 71%	5,874 SF 0.13 AC 29%	20,065 SF 0.46 AC	NA	401' 50'	Adjacent to Allied Engineering	NP-M E- Estuary	Unimproved shoreline General Plan adjacent to subject is General Industrial
7 Lot 10 2020 Everett Street and 2517 & 2523 Blanding Ave Alameda APNs: 070-0196-023 and 024, 070-0196-044, and portion of 070-0196-045	55,579 SF 1.28 AC 95%	2,705 SF 0.06 AC 5%	58,284 SF 1.34 AC	750'	899' 65'	Adjacent to Allied Land, Boatyard and Bridgeside Shopping Center	NP-M, NP-M, NP-W, E- Estuary	Improved with linear dock area Adjacent to industrial, maritime and commercial uses. General Plan adjacent to subject is General Industrial and Community Commercial.
8 Lot 11 2323 Blanding Avenue Alameda APN: 070-0196-45 partial	22,221 SF 0.51 AC 79%	5,947 SF 0.14 AC 21%	28,168 SF 0.65 AC	NA	442' 65'	Adjacent to Bridgeside Shopping Center and North of Fruitvale Bridge	NP-W E- Estuary	Directly north of the Fruitvale Bridge Unimproved shoreline General Plan adjacent to subject is Community Commercial
Residential Parcels- North								
Lots 12- 58 Marina Drive Alameda	131,873 SF 3.03 AC 95%	6,308 SF 0.14 AC 5%	138,181 SF 3.17 AC	Various	40-63	Adjacent to Homes on Marina Drive	R-1 E- Estuary	Located between the Fruitvale Bridge and the High Street Bridge General Plan adjacent to subject is Low Density Residential.
			2,940 SF Average Lot Size					
Residential Parcels- South								
Lots 59-101 Fernside Boulevard Alameda	143,975 SF 3.31 AC 79%	37,650 SF 0.86 AC 21%	181,625 SF 4.17 AC	Various	23-110	Adjacent to Homes on Fernside Boulevard	R-4 and R-2 E- Estuary	Located to the south of High Street Bridge. General Plan adjacent to subject is Medium Density Residential
			4,224 SF Average Lot Size					
Total Residential	275,848 SF 6.33 AC	43,958 SF 1.01 AC	319,806 SF 7.34 AC					
			3,553 SF Average Lot Size					

Notes:

- Commercial and Residential Property Dry Land Area is based on Area Summaries table prepared by Ruggeri-Jensen-Azar Engineers- Planner and Surveyors, dated May 12, 2016.
Dry Land Areas based on engineer's interpolation from contours from the City of Alameda 's GIS.
The Residential- North: Dry Land area is divided equally between the 47 lots and the wet land is derived from the difference in the land area for Lots 12-58.
For Residential - South: Dry Land areas for Lots 96-100 were derived from Tentative Map. The remaining Dry Land area is divided equally between Lots 59 to 95.
- Commercial and Residential Total Lot Area based on Tentative Map, prepared by Ruggeri-Jensen- Azar Engineers- Planners and Surveyors, dated May 31, 2016.
- Wet land area is the difference between Total Land Area and Dry Land Area,

D. Scope of Work

The scope of this narrative appraisal report is to utilize the appropriate standard approaches to value in accordance with Uniform Standards of Professional Appraisal Practice (USPAP) to arrive at our market value conclusion. Specific steps include the inspection of the subject properties, and the research and analysis of comparable data to arrive at value indications as put forth in this report.

The concluded values are based on the Sales Comparison Approach which are the primary approach. The Cost and Income Approaches are not considered appropriate for appraising the subject land.

E. Date of Appraisal and Date of Report

The effective date of valuation is June 3, 2016.

The date of this report is August 9, 2016.

F. Definition of Terms

1. Market Value (OCC 12 CFR 34.42 (g)) (OTS 12 CFR, Part 564.2 (g))

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

- a. Buyer and seller are typically motivated;
- b. Both parties are well informed or well advised, and acting in what they consider their own best interests;
- c. A reasonable time is allowed for exposure in the open market;
- d. Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and
- e. 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.

2. Fee Simple Interest (The Appraisal of Real Estate, 13th Edition, 2008)

A fee simple interest in valuations terms is defined as "...absolute ownership unencumbered by other interest or estate, subject only to the limitations imposed by governmental powers of taxation, eminent domain, police power, and escheat."

G. Value Conclusions

Northern Portion - Commercial Properties

Based on the research and analyses contained in this report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the fair market value of the fee simple interest in the subject properties, assuming that there are no existing improvements, under the hypothetical conditions of the special legal instruction of the client, as of June 3, 2016, is estimated to be as follows:

1.	Lot 4	\$280,000
2.	Lot 5	\$20,000
3.	Lot 6	\$90,000
4.	Lot 7	\$160,000
5.	Lot 8	\$25,000
6.	Lot 9	\$50,000
7.	Lot 10	\$110,000
8.	Lot 11	\$70,000

Southern Portion (Residential)

Further, based on the research and analyses contained in this report, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraisers that the fair market value of the fee simple interest in the subject 90 lots, appraised as a single entity, assuming that there are no existing improvements, under the hypothetical conditions of the special legal instruction of the client, as of June 3, 2016, is estimated to be as follows:

NINE HUNDRED THOUSAND DOLLARS

(\$900,000)

It is the opinion of the appraiser that the above concluded values for the subject properties could be achieved within 12 months of exposure period as of the date of value.

H. Assumptions and Limiting Conditions

Extraordinary Limiting Conditions

1. Many of the subject properties have been improved with piers, docks and other improvements. Per instructions from the client, the appraisal assumes that the improvements belong to the adjacent private property owners; and that they are not part of the subject property being appraised.
2. The appraisal assumes that once the City owns the subject property, that it would put up a barrier to prevent trespass as to those parcels not purchased by the adjacent property owner. Thus, the adjacent property owners cannot continue to use the subject land without purchasing it.
3. The appraisal assumes that the City of Alameda owns the fee simple title to the residential and commercial lots and can transfer the property.
4. The subject sites are assumed to be clean of toxic contamination. Current and past uses of all or part of the subject properties may have involved activities that have the potential to create toxic contamination. The appraisers are not experts in the field of environmental contamination, and are not qualified to detect such substances nor assess hazardous materials. For purposes of this appraisal, we have assumed the subject sites are clean of toxic contaminants.

The use of any hypothetical conditions or extraordinary assumptions in this report might have affected the assignment results.

General Limiting Conditions

5. It is the client's responsibility to read this report and to inform the appraiser of any errors or omissions of which he/she is aware prior to utilizing this report or making it available to any third party.
6. No responsibility is assumed for legal matters. It is assumed that title of the property is marketable and it is free and clear of liens, encumbrances and special assessments other than as stated in this report.
7. Plot plans and maps are included to assist the reader in visualizing the property. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be

true and correct. However, no responsibility for accuracy of such items furnished the appraisers is assumed by the appraisers.

8. All information has been checked where possible and is believed to be correct, but is not guaranteed as such.
9. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors. It is assumed that no additional soil contamination exists, other than as outlined herein, as a result of chemical drainage or leakage in connection with any production operations on or near the property.
10. In this assignment, the existence (if any) of potentially hazardous materials used in the construction or maintenance of the improvements or disposed of on the site has not been considered. These materials may include (but are not limited to) the existence of formaldehyde foam insulation, asbestos insulation, or toxic wastes. The appraiser is not qualified to detect such substances. The client is advised to retain an expert in this field.
11. Any projections of income and expenses in this report are not predictions of the future. Rather, they are an estimate of current market thinking of what future income and expenses will be. No warranty or representation is made that these projections will materialize.
12. The appraisers are not required to give testimony or appear in court in connection with this appraisal unless arrangements have been previously made.
13. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraisers, and in any event only with the proper written qualification, only in its entirety, and only for the contracted intended use as stated herein.
14. Neither all nor part of the contents of this report shall be conveyed to the public through advertising, public relations, news sales, or other media without the written consent and approval of the appraiser, particularly as to the valuation conclusions, the identity of the appraiser, or any reference to the Appraisal Institute or the MAI designation.
15. Information regarding any earthquake and flood hazard zones for the subject properties was provided by outside sources. Accurately reading flood hazard and earthquake maps, as well as tracking constant changes in the zone designations, is a specialized skill and outside the scope of the services provided in this appraisal assignment. No responsibility is assumed by the appraiser in the

misinterpretation of these maps. It is strongly recommended that any lending institution re-verify earthquake and flood hazard locations for any property for which they are providing a mortgage loan.

II. AREA AND NEIGHBORHOOD DESCRIPTION

A. Alameda County

Alameda County is one of the five counties of metropolitan San Francisco, also known as the San Francisco-Oakland Standard Metropolitan Statistical Area. The western portion of the county, which contains most of the population and economic activity, is situated on the flatland adjacent to San Francisco Bay. The northwestern cities of Alameda including Berkeley, Oakland and San Leandro, are older and most of the growth has occurred in the southern and central cities of Alameda County. The eastern portion of the county is mountainous and largely undeveloped.

Alameda County is the traditional manufacturing, transportation and warehousing center for the San Francisco Bay Area. The county has an advantageous location on the eastern side of San Francisco Bay. Transportation facilities include three transcontinental railroads, the Port of Oakland, extensive freeways, and the Bay Area Rapid Transit (BART) system. The county is linked to San Francisco and the west side of the bay by three bridges.

The population of Alameda County continues to grow. The 2010 Census reported the Alameda County population to be 1,510,271, an increase of 4.0 percent over the 2000 population. The California Department of Finance (DOF) reported the population as of May 1, 2016, to be 1,610,765, which represents an increase of 1.1 percent from the previous year. According to the California Economic Development Department (EDD), unemployment was 3.8 percent in Alameda County in May 2016, a decrease from 4.6 percent one year earlier.

B. City of Alameda

The City of Alameda is a community situated directly south and west of Oakland, approximately 12 miles east of San Francisco. The northern portion of Alameda is a large island, approximately 10 square miles in size, which is separated from Oakland by a deep water estuary. The southern portion of Alameda is the northern portion of a peninsula located south of the main island. This area, known as Bay Farm Island, is located directly north of the Oakland airport, and consists of residential uses and the Harbor Bay Isle Business Park Development.

Interstate Highway 880 (I-880) is directly across the estuary from Alameda and is accessible via three bridges and one underwater tunnel. Three of the bridges are in the southeastern portion of the island, at Park Street, Fruitvale and at High Street. The southern crossing extends from Otis Drive in Alameda to the Metropolitan Oakland International Airport (Doolittle Drive) to the south. The Posey Tube and Webster Street Tunnel comprise a four-lane, two directional traffic arterial extending beneath the estuary at the northern end of Alameda.

Alameda is predominantly a residential community with commercial development along the major traffic arterials. Most of Alameda consists of older homes built in the first half of the 20th century, although the Bay Farm Island portion to the south is developed largely with modern townhouses, condominiums and single-family residential neighborhoods. In the 1980s, two office/R&D parks were developed; one along Webster Street in northern Alameda (Marina Village) and Harbor Bay Isle near the Oakland Airport. The former U.S. Naval Air Station occupies much of the northern portion of the island, while most industrial development is located along the estuary in the eastern section of Alameda. Except for the Harbor Bay Isle Business Park, there are few parcels of vacant land available for new development anywhere in Alameda.

The California Department of Finance reports a population of 79,277 inhabitants in the City of Alameda as of January 1, 2016, an increase of approximately 1.1 percent from the year prior. According to the United States Census, the median household income for the City of Alameda was \$74,606 as of 2013, which is slightly below the 2013 Alameda County median income of \$72,112. The Association of Bay Area Governments indicates an increase in population in the next several years for the City of Alameda. ABAG shows a population of 73,812 in 2010 for the City of Alameda, with an increase to 80,300 inhabitants by 2020, an 8.8 percent increase.

The City of Alameda has seen a shift in employment in the past 20 years. While the City has historically been dominated by heavy industry, increased labor and land costs have caused a shift towards office and light industrial uses. The Alameda Naval Air Station was historically the major employer in Alameda. The Naval Base closure in 1997 negatively affected employment in Alameda but the strong Bay Area economy has partially mitigated the short-term effects of the base closure. According to the City of Alameda, the major private employers in the City are currently Abbot Diabetes Care, Inc., Alameda Hospital, and Bay Ship and Yacht Company. The largest public employers are the Alameda Unified School District, City of Alameda, and the College of Alameda.

Interstate Highway 880 is directly across the estuary from Alameda and is accessible via three bridges and one underwater tunnel. The three bridges are in the southeastern portion of the island, at Park Street, and at High Street. The southern crossing extends from Otis Drive in Alameda to the Metropolitan Oakland International Airport (Doolittle Drive) to the south. The Posey Tube and Webster Street Tunnel comprise a four-lane, two directional traffic arterial extending beneath the estuary at the northern end of Alameda.

C. History of Subject Inner Harbor Tidal Canal Project Area

The southeastern portion of the Oakland Inner Harbor Tidal Canal (Tidal Canal) was created by the U.S. Army Corps of Engineers (Army Corps). The purpose of the Tidal Canal was to provide a means for tidal flow between Oakland Harbor and San Leandro Bay. The northern and southern ends of the estuary were filling with

sediment making entrance and exit of the canal both difficult and dangerous for ships. Dredging between the cities of Oakland and Alameda to create the Tidal Canal began in 1884 and was completed in 1902. It is 1.8 miles long, approximately 400 feet wide, and encompasses a total area of 85 acres. The canal consists of submerged, semi-submerged lands, and uplands. The canal functions as a navigable waterway and is used by commercial barges as well as by various privately owned boats. The central portion of channel is approximately 18 feet deep.

The subject is known as the Alameda side of the Oakland Inner Tidal Canal and has been owned and maintained by the Army Corps. The Army Corps is currently seeking to transfer the canal as directed by Congress in the Water Resources Development Act (WRDA) of 1990. The Army Corps is proposing to transfer half of the canal to the East Bay Regional Park District (originally the offer was to the City of Oakland who declined) and the other half to the City of Alameda.

The Army Corps ownership of the canal includes all property within the boundaries of the canal and includes private structures, docks, boathouses, marinas and portions of housing structures which were authorized by the Army Corps over the past 100 plus years. In addition, over the years, adjacent land owners built docks and other structures along the canal which were not always authorized.

To expedite the transfer process, the Army Corps initiated a moratorium in 2000 that prohibited property owners from repairing and replacing old structures, except for emergency repairs. This moratorium prevented cities and other regulatory agencies from approving repairs or new development along the canal as well as preventing the enforcement of building standards and safety issues. This moratorium has effected over 100 different properties. Consequently, structures have deteriorated and the owners have not been able to make legal repairs on properties that extend into the Tidal Canal area. In addition, the Army Corps ownership of the Tidal Canal and permitting moratorium have created legal issues in terms of transfer of title for residential homeowners with docks and other structures.

The Army Corps is proposing to transfer the Alameda side of the Tidal Canal to the City of Alameda. Subsequently, the City of Alameda is proposing to immediately transfer the outer edges of the Tidal Canal (Existing Property Line to Estuary Property Line) to the existing adjacent property owners, or other interested parties at fair market value. The City of Alameda will retain the ownership of the two open water areas (Parcels 2 and 102). The Oakland side of the Tidal Canal is proposed to be transferred to the East Bay Regional Park District who plans to construct a segment of the Bay Trail along the Oakland shoreline. This appraisal pertains only to the Alameda side of the Tidal Canal which is proposed to be transferred.

D. Project Area

The Tentative Map titled Tract 8337- Oakland Inner Harbor and dated May 31, 2016 prepared by Ruggeri-Jensen-Azar, indicated a subdivision of a total of 105 proposed lots. Of which seven lots are not included in this appraisal. The excluded lots are: Lot 1 which reflects the City of Oakland Water Parcel, Lot 2 the Alameda Open Water Parcel, which will be retained by the City of Alameda; as well as Lots 3, 103, 104 and 105 which will be retained by the US Army Corps of Engineers and Lot 102 which is located in the State Tidal Trust and will also be retained by the City. The Army Corps would still be responsible for dredging or maintaining the navigable waterway.

The subject property consists of 98 separate parcels which are dry and submerged land. The lot lines generally correspond with the existing property lines of the adjacent upland parcels. The Tidal Canal is spanned by three bridges, the Park Street Bridge, the Fruitvale Bridge (which consists of two adjacent bridges one which was previously used for railroads) and the High Street Bridge. The northwestern end of the Tidal Canal which is part of the subject property begins adjacent to the parcel of land occupied by the Navy Operational Support Center which is at Clement and Willow Streets. The southwestern end of the Tidal Canal is located off of Fernside Boulevard near Thompson Avenue. The subject neighborhoods are described in the section below.

E. Subject Neighborhoods

The subject properties are located in the southeastern portion of the City of Alameda, along the Alameda side of the Oakland Inner Tidal Canal.

Subject Neighborhood Northwest of the Park Street Bridge and Northwest of Fruitvale Bridge (Commercial/Industrial)

The neighborhood is bound by Tilden Way Street to the southeast, the Tidal Canal to the east, Clement Avenue/Blanding Avenue to the west and the Fortmann Basin to the north. The area north of the Park Street Bridge is primarily commercial and industrial in use. The area along the water is the main location for industrial complexes in the City. Clement Avenue, which runs parallel to the water, divides the industrial area from residential uses.

The neighborhood is mixed and generally consists of marinas, institutional, service commercial, commercial and industrial uses. At the northern edge of the neighborhood are several marinas, the Fortmann Marina and the Alameda Marina as well as several smaller marinas, a boat storage area and supporting service commercial uses. The Navy Operational Support Center (NOSC) is situated to the northwestern end of the subject Tidal Canal area. To the south of NOSC are industrial improvements and a self-storage facility. Further southeast is a large

TENTATIVE MAP

TRACT 8337 - OAKLAND INNER HARBOR

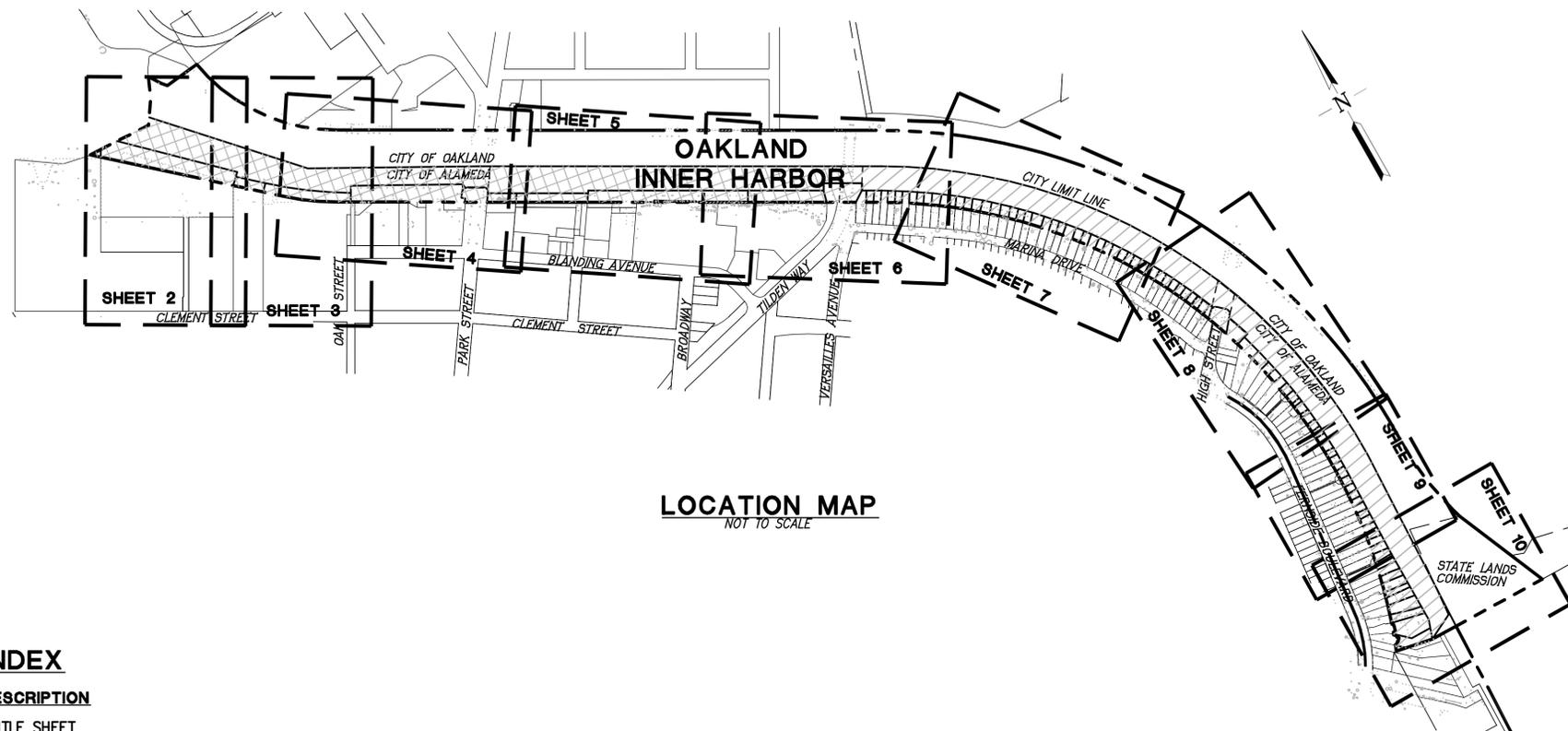
CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA
FOR: CITY OF ALAMEDA

LEGEND

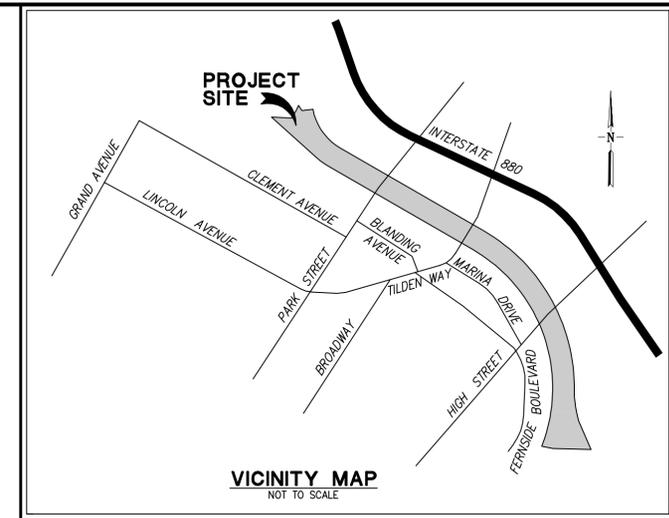
PROPOSED	DESCRIPTION	EXISTING
	TRACT BOUNDARY	
	LOT LINE	
	CITY LIMIT LINE	
	ESTUARY ZONING	

ABBREVIATIONS

APN	ASSESSOR'S PARCEL NUMBER
OR	OFFICIAL RECORDS
SF	SQUARE FEET



LOCATION MAP
NOT TO SCALE



GENERAL NOTES

- OWNER: U. S. ARMY CORPS OF ENGINEERS
1455 MARKET STREET, 16TH FLOOR
SAN FRANCISCO, CA 94103
(415) 503-6988
- SUBDIVIDER: CITY OF ALAMEDA
2263 SANTA CLARA AVENUE, ROOM 280
ALAMEDA, CA 94501
(510) 747-4763
CONTACT: MR. ANDRICO PENICK
- CIVIL ENGINEER: RUGGERI-JENSEN-AZAR
4690 CHABOT DRIVE, SUITE 200
PLEASANTON, CA 94588
(925) 227-9100
CONTACT: MR. EDDIE SIEU
- ASSESSOR'S PARCEL NUMBER: NOT APPLICABLE
- PROPERTY DESCRIPTION: OAKLAND INNER HARBOR AS SHOWN ON THE RECORD OF SURVEY (R/S NO. 1245) FILED IN BOOK 18 OF RECORD OF SURVEYS AT PAGE 63, RECORDS OF ALAMEDA COUNTY.
- CURRENT USE: WATER ORIENTED USES
- PROPOSED USE(S): NO CHANGES IN USE(S) ARE PROPOSED
- EXISTING ZONING: ESTUARY PORTION AND PORTION UNDEFINED
- PROPOSED ZONING: ESTUARY OVER AREA WITH UNDEFINED ZONING
- GROSS SITE AREA: 85.1± ACRES
- TOTAL NUMBER OF PROPOSED LOTS: 105
- TOPOGRAPHIC INFORMATION SHOWN HEREON IS BASED ON AERIAL TOPOGRAPHIC SURVEY PREPARED SEPTEMBER 2015. ADDITIONAL GROUND SURVEY PERFORMED IN APRIL 2016.
- NO IMPROVEMENTS, STREET UTILITIES, LANDSCAPING OR GRADING IS PROPOSED WITH THIS SUBDIVISION.
- NO PUBLIC AREAS ARE PROPOSED FOR DEDICATION.

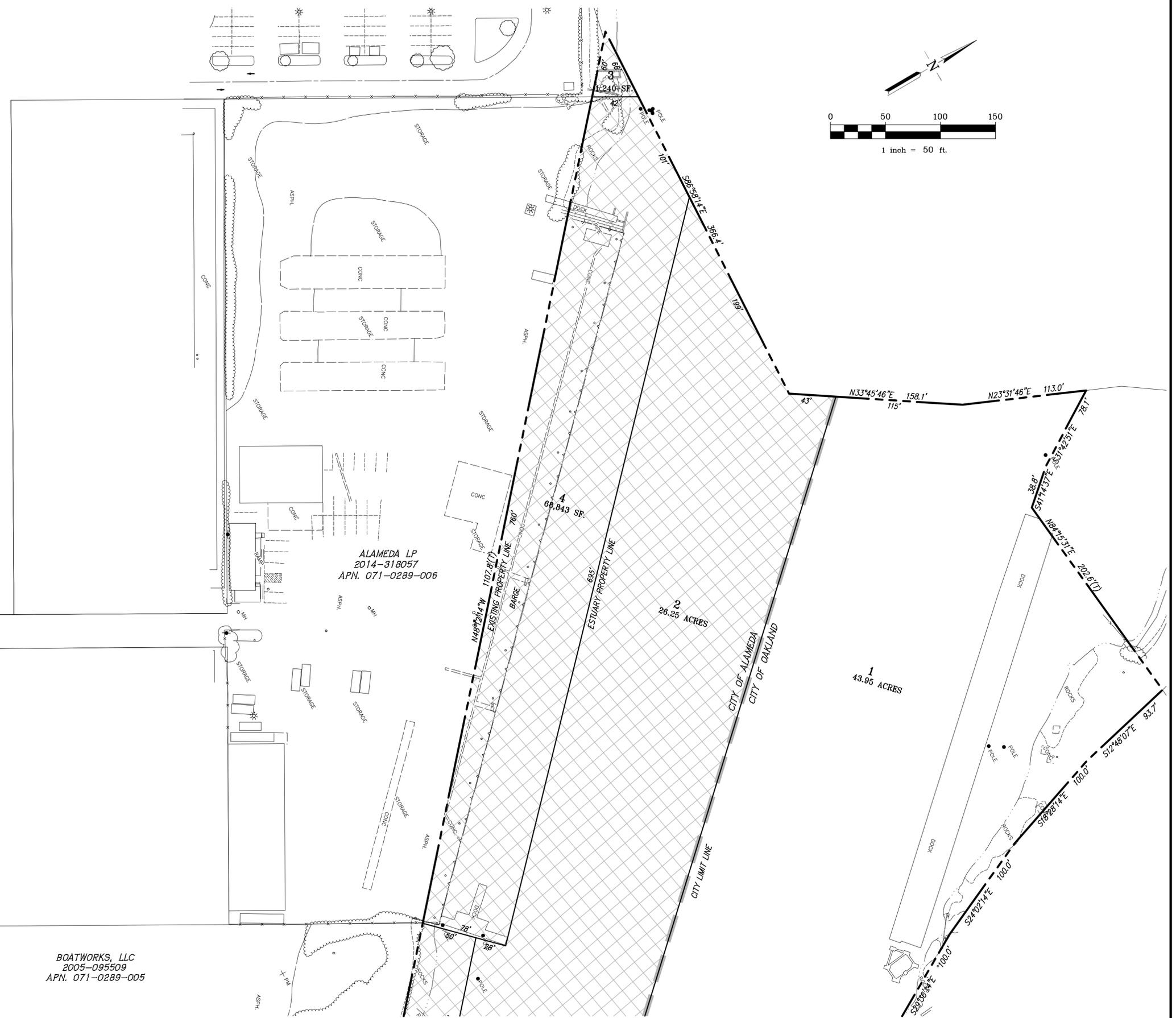
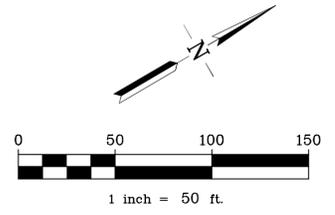
SHEET INDEX

SHEET NO.	DESCRIPTION
1	TITLE SHEET
2	LOTING PLAN
3	LOTING PLAN
4	LOTING PLAN
5	LOTING PLAN
6	LOTING PLAN
7	LOTING PLAN
8	LOTING PLAN
9	LOTING PLAN
10	LOTING PLAN



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CLEMENT STREET



ALAMEDA LP
2014-318057
APN. 071-0289-006

BOATWORKS, LLC
2005-095509
APN. 071-0289-005

SEE SHEET 3

LOTING PLAN
TRACT 8337 - OAKLAND INNER HARBOR
CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA
FOR: THE CITY OF ALAMEDA

RJA
RUGGERI-JENSEN-AZAR
ENGINEERS • PLANNERS • SURVEYORS
4690 CHABOT DRIVE, SUITE 200 PLEASANTON, CA 94588
PHONE: (925) 227-9100 FAX: (925) 227-9300

SEE SHEET 2

ALAMEDA LP
2014-318057
APN. 070-0289-006

BOATWORKS, LLC
2005-095509
APN. 070-0289-005

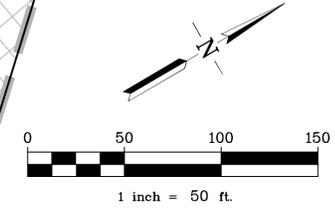
BOATWORKS, LLC
PCL 1, 2012-283517
APN. 070-0290-001

BECK TRUST
PCL 2, 2007-184667
APN. 071-0290-029

BECK TRUST
PCL 1, 2012-283517
APN. 071-0290-029

BECK TRUST
PCL 9, 2007-184667
APN. 071-0290-029

BECK TRUST
PCL 1, 2007-184667
APN. 071-0290-029



CLEMENT STREET

OAK STREET

BLANDING AVENUE

ESTUARY PROPERTY LINE R=2500'
L=484'(T)

EXISTING PROPERTY LINE

2
26.25 ACRES

1
43.95 ACRES

CITY OF ALAMEDA
CITY OF OAKLAND
CITY LIMIT LINE

SEE SHEET 4

LOTTING PLAN

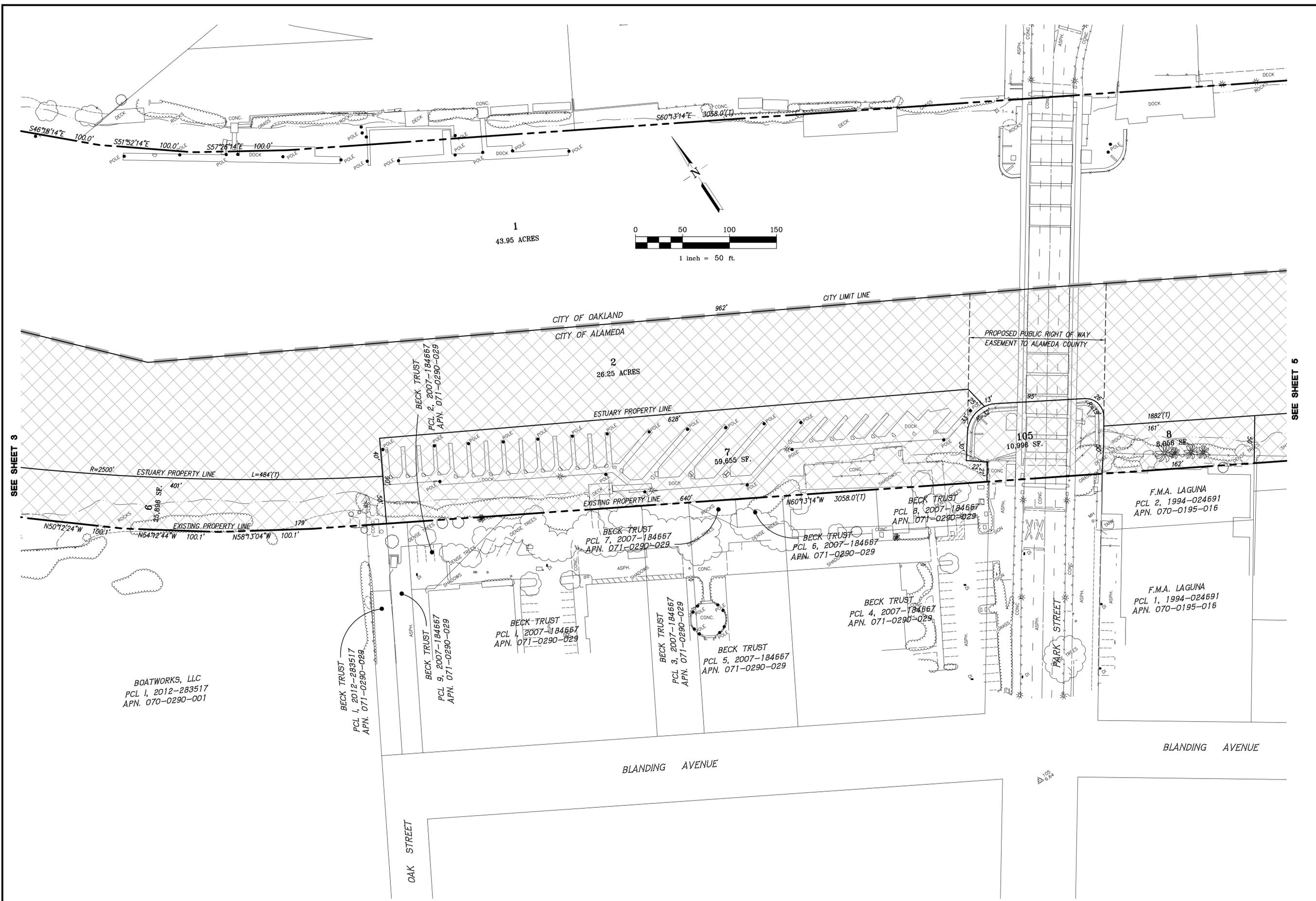
TRACT 8337 - OAKLAND INNER HARBOR

CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA
FOR: THE CITY OF ALAMEDA



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SEE SHEET 3

SEE SHEET 5

BOATWORKS, LLC
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APN. 070-0290-001

BECK TRUST
PCL 1, 2012-283517
APN. 071-0290-029

BECK TRUST
PCL 9, 2007-184667
APN. 071-0290-029

BECK TRUST
PCL 1, 2007-184667
APN. 071-0290-029

BECK TRUST
PCL 3, 2007-184667
APN. 071-0290-029

BECK TRUST
PCL 5, 2007-184667
APN. 071-0290-029

BECK TRUST
PCL 7, 2007-184667
APN. 071-0290-029

BECK TRUST
PCL 6, 2007-184667
APN. 071-0290-029

BECK TRUST
PCL 8, 2007-184667
APN. 071-0290-029

BECK TRUST
PCL 4, 2007-184667
APN. 071-0290-029

F.M.A. LAGUNA
PCL 2, 1994-024691
APN. 070-0195-016

F.M.A. LAGUNA
PCL 1, 1994-024691
APN. 070-0195-016

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TRACT 8337 - OAKLAND INNER HARBOR

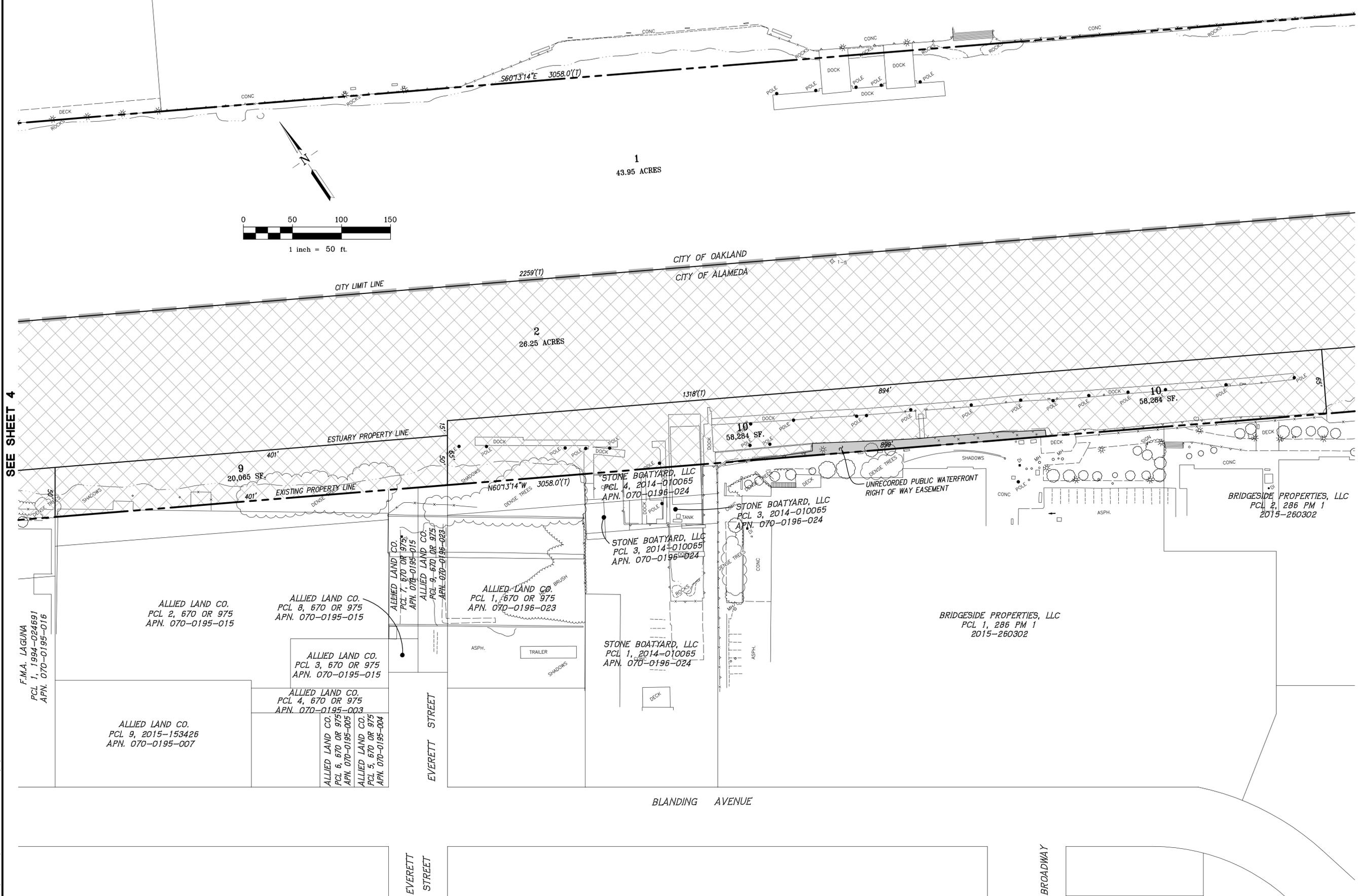
CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA
FOR: THE CITY OF ALAMEDA

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SEE SHEET 4

SEE SHEET 6



LOTTING PLAN
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 CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA
 FOR: THE CITY OF ALAMEDA



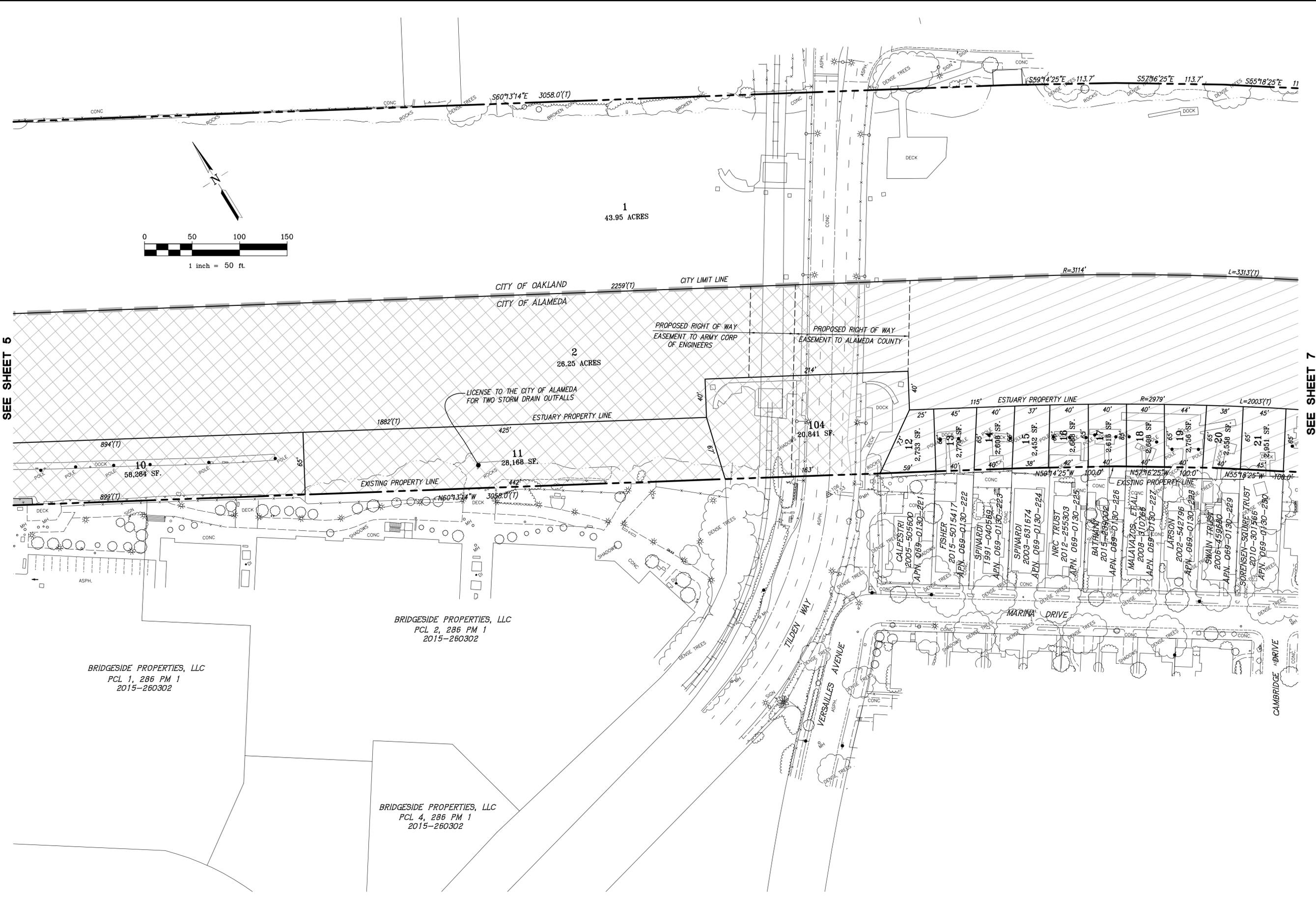
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 PHONE: (925) 227-9100 FAX: (925) 227-9300

DATE: MAY 31, 2016

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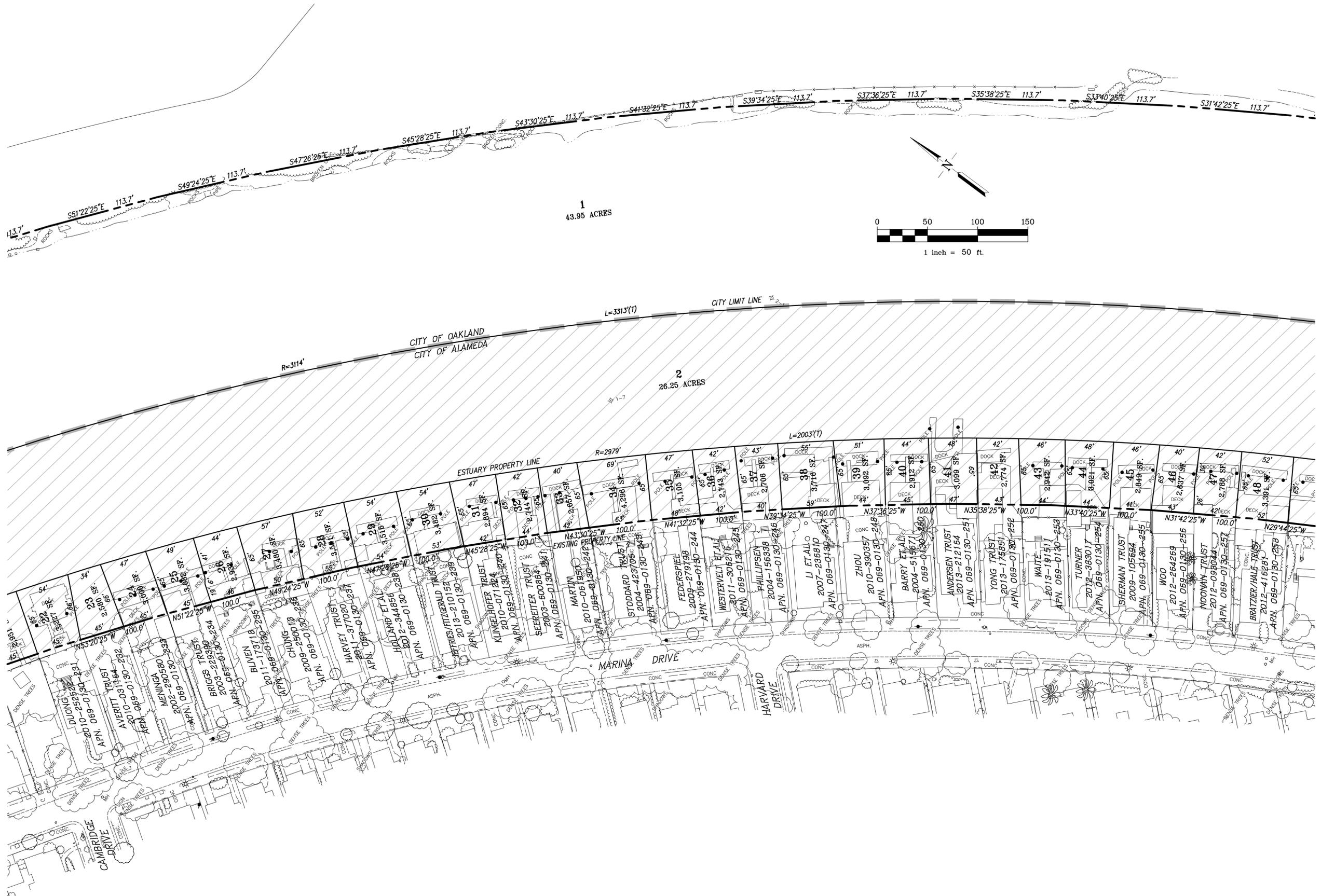


SEE SHEET 5

SEE SHEET 7

LOTTING PLAN
TRACT 8337 - OAKLAND INNER HARBOR
CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA
FOR: THE CITY OF ALAMEDA





SEE SHEET 6

SEE SHEET 8

LOTING PLAN
TRACT 8337 - OAKLAND INNER HARBOR
 CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA
 FOR: THE CITY OF ALAMEDA

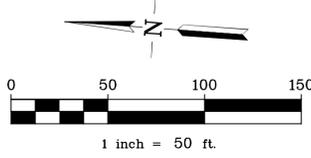


RUGGERI-JENSEN-AZAR
 ENGINEERS • PLANNERS • SURVEYORS
 4690 CHABOT DRIVE, SUITE 200 PLEASANTON, CA 94588
 PHONE: (925) 227-9100 FAX: (925) 227-9300

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SEE SHEET 7

SEE SHEET 9

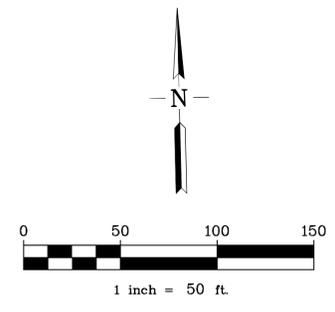


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 FOR: THE CITY OF ALAMEDA



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SEE SHEET 9



LINE TABLE		
LINE	BEARING	DISTANCE
L1	N70°34'34\"W	7.9'
L2	N17°51'18\"E	9.3'
L3	N72°08'42\"W	3.0'
L4	N17°51'18\"E	35.7'
L5	N72°10'11\"W	12.2'
L6	N19°25'26\"E	15.1'
L7	N46°45'59\"W	21.4'
L8	N43°14'01\"E	9.5'
L9	N46°45'59\"W	11.9'
L10	N43°14'01\"E	20.5'
L11	N46°45'59\"W	4.9'
L12	N43°14'01\"E	22.1'
L13	N44°58'02\"W	6.2'
L14	N21°23'26\"E	35.7'

LOTING PLAN
TRACT 8337 - OAKLAND INNER HARBOR
 CITY OF ALAMEDA, ALAMEDA COUNTY, CALIFORNIA
 FOR: THE CITY OF ALAMEDA

RJA
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 ENGINEERS • PLANNERS • SURVEYORS
 4690 CHABOT DRIVE, SUITE 200 PLEASANTON, CA 94588
 PHONE: (925) 227-9100 FAX: (925) 227-9300

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vacant parcel which is proposed for multifamily housing. This site is bounded by Clement Avenue and Oak Street and is over 9 acres in size.

To the east of Oak Street, the improvements generally consist of service commercial and commercial uses. Improvements on the west side of Blanding Avenue and on the east side of Clement Avenue are generally service commercial, office and are one to three stories in height. A small well known café is located at the southeast corner of Blanding and Oak Street. Properties adjacent to the Tidal Canal on Blanding Avenue between Oak and Park Street consist of a small shopping center. The shopping center has various tenants including O'Reilly Auto Parts and the Dollar Tree. The shopping center also has a separate restaurant located along the shoreline with outdoor seating. There is also a small marina situated on the canal with 26 slips which is accessed from the shopping center.

To the southeast of the Park Street Bridge on Blanding Avenue the uses include a nursing facility, industrial maritime, and commercial properties. Directly southeast of the Park Street Bridge is a one story nursing and rehabilitation center. Further south are one and two story industrial buildings, occupied by Allied Engineering and an auto body shop. There is a paved parking lot at the northwest corner of Everett Street and Blanding Avenue. At the northeast corner of Everett Street is a two-story brick structure which is occupied by Rhythmix Cultural Works. Adjacent to the east is a one and two story building. The two-story building is part of the Stone Boat Yard which is a boat repair facility. This property has two docks which extend from the property to the east and one to the west.

To the south of the Stone Boat Yard is a commercial center known as Bridgeside Shopping Center anchored by Nob Hill Foods. Additional commercial stores in the center include a Starbucks, PetFood Express, and Round Table Pizza. The shopping center occupies approximately eight acres along Blanding Avenue.

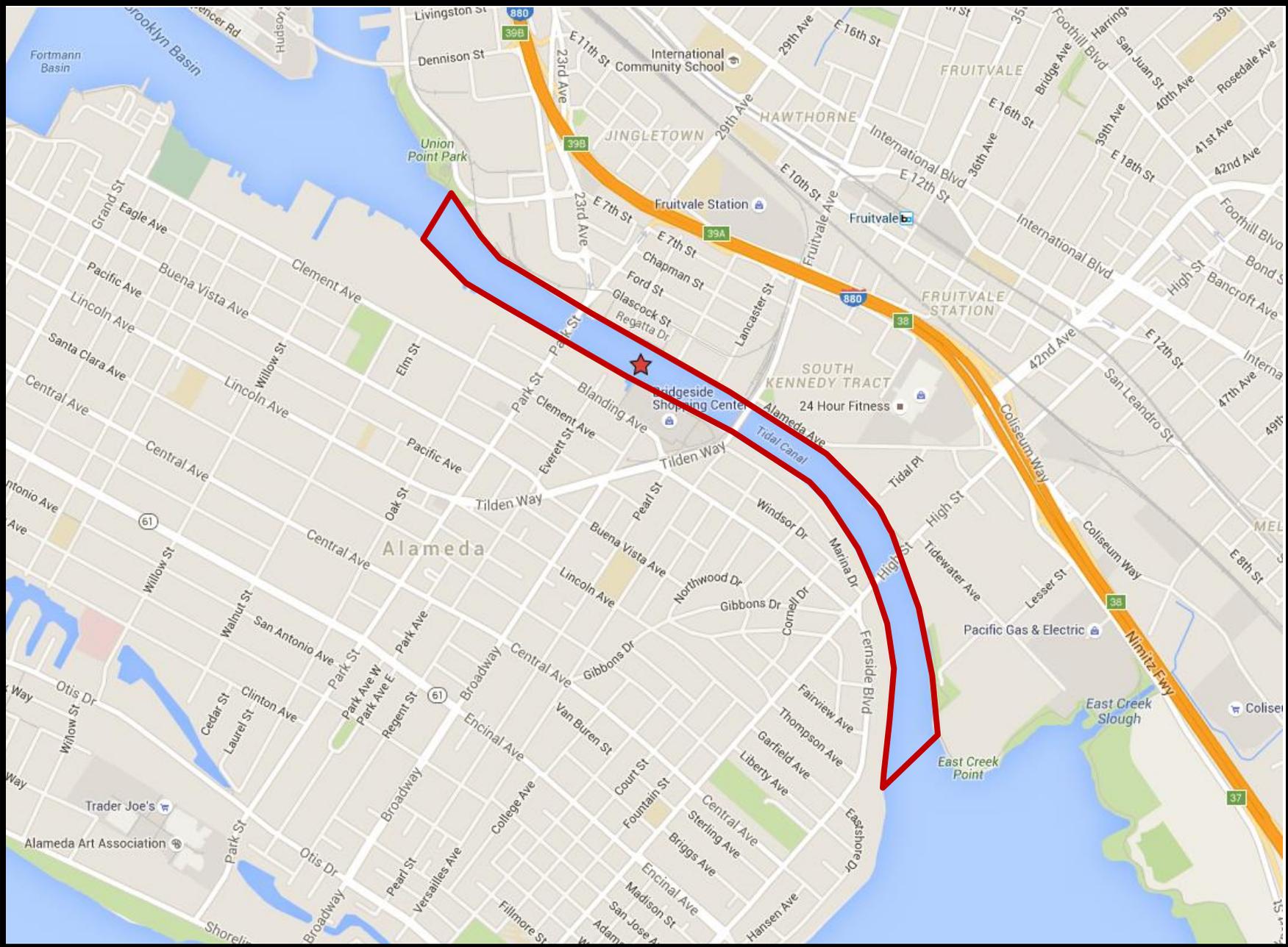
The southern side of Blanding Avenue consists of a mix of uses including industrial, service commercial and commercial structures. There are several auto body shops and the buildings are generally one to two stories in height.

Neighborhood Southeast of Fruitvale Bridge (Residential)

The area south of the Fruitvale Bridge is typically residential in nature. Access to this area comes from the Fruitvale and High Street Bridges. The residential neighborhood south of the Fruitvale Bridge is known as the Marina District. Further south of the High Street Bridge is the Fernside neighborhood. The homes were generally built in the 1940s and are in average to good condition.

According to Redfin Real Estate, the median sale prices of homes on the East End neighborhood of Alameda is \$1 million and \$497 per square foot, based on the last 30 days and 15 home sales as of June 2016. This refers to homes sold east of Grant Street.

NEIGHBORHOOD MAP



The subject neighborhoods are primarily residential and also contain Edison Elementary School, Lincoln Park and a few small businesses. Following the canal south are single family residential homes many which have small boat docks which extend into the canal. In addition, many of the homes also have one or more structures on the canal side.

The Fernside residential neighborhood to the east of the High Street Bridge consists primarily of single family homes. However, directly east of the High Street Bridge is a four-unit multifamily property. There is a nursing center situated at the northeast corner of Fernside Boulevard and High Street. The upland lots to the south are generally deeper lots than on Marina Drive and appear in many cases to have more than one structure on the property. The homes and units were built from the 1920s to 2009. The majority of homes built along the water were constructed in the 1930s and 1940s.

In conclusion, there is a wide variety of uses adjacent to the Alameda side of the tidal canal. Uses northwest of the Fruitvale Bridge are primarily commercial and industrial while the area south of the Fruitvale Bridge is generally residential. The neighborhoods have good access to Interstate 880 and the City of Oakland by the three bridges which cross the Tidal Canal. There is easy access to the freeway and Oakland Airport. The subject Tidal Canal offers good boating access to San Francisco Bay, and is situated adjacent to the prime residential areas of Alameda. The long term outlooks for the subject neighborhoods and the City of Alameda are positive.

III. MARKET DISCUSSION

A. Current Economic Conditions

UCLA Anderson Forecast's second 2016 quarterly economic report for the United States says that there will be approximately 2 percent GDP growth. This steady growth "will be driven by increases in consumer spending and housing, along with an end to the inventory correction currently underway." California is expected to have steady employment gains with equally consistent decreases in unemployment. Overall, the expected unemployment rate of California is projected to be similar to the nations rate of 5.1 percent.

In his forecast for the national economy, UCLA Anderson Forecast Director Ed Leamer, claims there is evidence of impending inflation. The 2 percent growth has been "eerily steady" and is reimagining the 3 percent inflation rate. "We are thinking 1.7% real GDP growth in 2016, 2.8% in 2017 and 2.1% in 2018, averaging 2.2, with a strong labor market averaging about 200,000 increases in payrolls per month and a steady unemployment rate around 5%. More of the same, in other words. We are starting to see more evidence of inflation ahead, and are forecasting interest rate increases to keep real rates of interest pretty constant." This is consistent with their Fourth Quarter Report from 2015 that said the Federal Reserve "is about to get the inflation it has been waiting for."

The June forecast also states that the projected GDP growth rate is not meeting the expectations projected earlier this calendar year. Rather than a 3.3 percent growth in real GDP the number has dropped to approximately 1.7 percent. However, the economy is not experiencing an employment crisis, as it is projected to add nearly 4.8 million jobs in the next two years, 2.7 million of which will come by the end of this year.

In his June essay, UCLA Anderson Senior Economist Jerry Nickelsburg looks at California's employment climate. "Employment in California has grown steadily and is now at record levels." The number of payroll jobs has risen to 16.4 million, which is 6 percent higher than the previous peak. Also, the number of farm labor and self-employed persons has reached another all-time high at 18.1 million, which is 6.2 percent above the previous record. The only cause for concern for California, as stated by Nickelsburg, is the upcoming election which may extend and alter policy regarding international trade, a market California relies on. Overall, the forecast for the California economy is positive. Nickelsburg predicts a 2 percent growth through 2016 and overall consistent growth through 2018. Payrolls will grow at an identical rate while personal income growth is projected at approximately 2.1 percent.

IV. PROPERTY DATA AND ANALYSIS

A. Site Description and Identification

The subject properties are comprised of 8 different commercial lots and 90 residential lots (which per instructions of the client are to be appraised as a single parcel). The subject properties are identified by Lot Number based on a Tentative Map titled Tract 8337 - Oakland Inner Harbor, dated May 31, 2016 and prepared by Ruggeri-Jensen-Azar, Engineers, Planners and Surveyors. All of the properties are located in the City of Alameda, in Alameda County, California. The commercial and residential dry land areas are based on Area Summaries data prepared by Ruggeri-Jensen-Azar dated May 12, 2016.

The properties are described below and further summarized on the table on the following pages. The tentative map for the subject are shown following the Subject Identification Tables.

Commercial Lots

Lot 4 is located adjacent to 2199 Clement Street on the estuary. The subject site area is 68,843 square feet, or 1.58 acres. Of this, approximately 22,734 square feet or 0.52 acres is dry land and the remaining 46,109 square feet, 1.06 acres is water. However, a portion of the noted dry land area is rocky and steep and is not fully usable. Of the dry land area approximately 75 percent of the area is estimated to be usable based on our inspection and review with Google Maps. This is equal to a dry land area of 17,051 square feet with the remaining 51,792 square feet of land which is submerged or has limited utility. This adjusted land area will be used in our analysis of the lot. The parcel is generally rectangular in shape with the northeastern side sloping to the west. The lot has approximately a length of 760 feet along the shoreline and a depth of 78 feet. This lot is located adjacent to industrial uses which includes a construction yard and 5,000 square foot metal warehouse. The useable area is paved and barges are tied to the bulkhead.

Lot 5 is located adjacent to 2229 Clement Street on the estuary. The site area is 8,468 square feet, or 0.19 acres. The property consists of 1,630 square feet, or 0.04 acres of land and 6,838 square feet, or 0.16 acres of water. However, the dry land area is rocky and is not considered to be fully usable. Based on our inspection and reviewed aerial maps by Google, it is estimated that approximately 75 percent of the dry land area is usable. This results in an adjusted usable dry land area of 1,223 square feet and 7,245 square feet of wet or land with limited utility, which will be used in the analysis. The parcel is generally rectangular in shape. The lot has a depth of 50 feet and a length of 170 feet. The adjacent upland lot is currently unimproved and proposed for residential development with open space designated along the estuary.

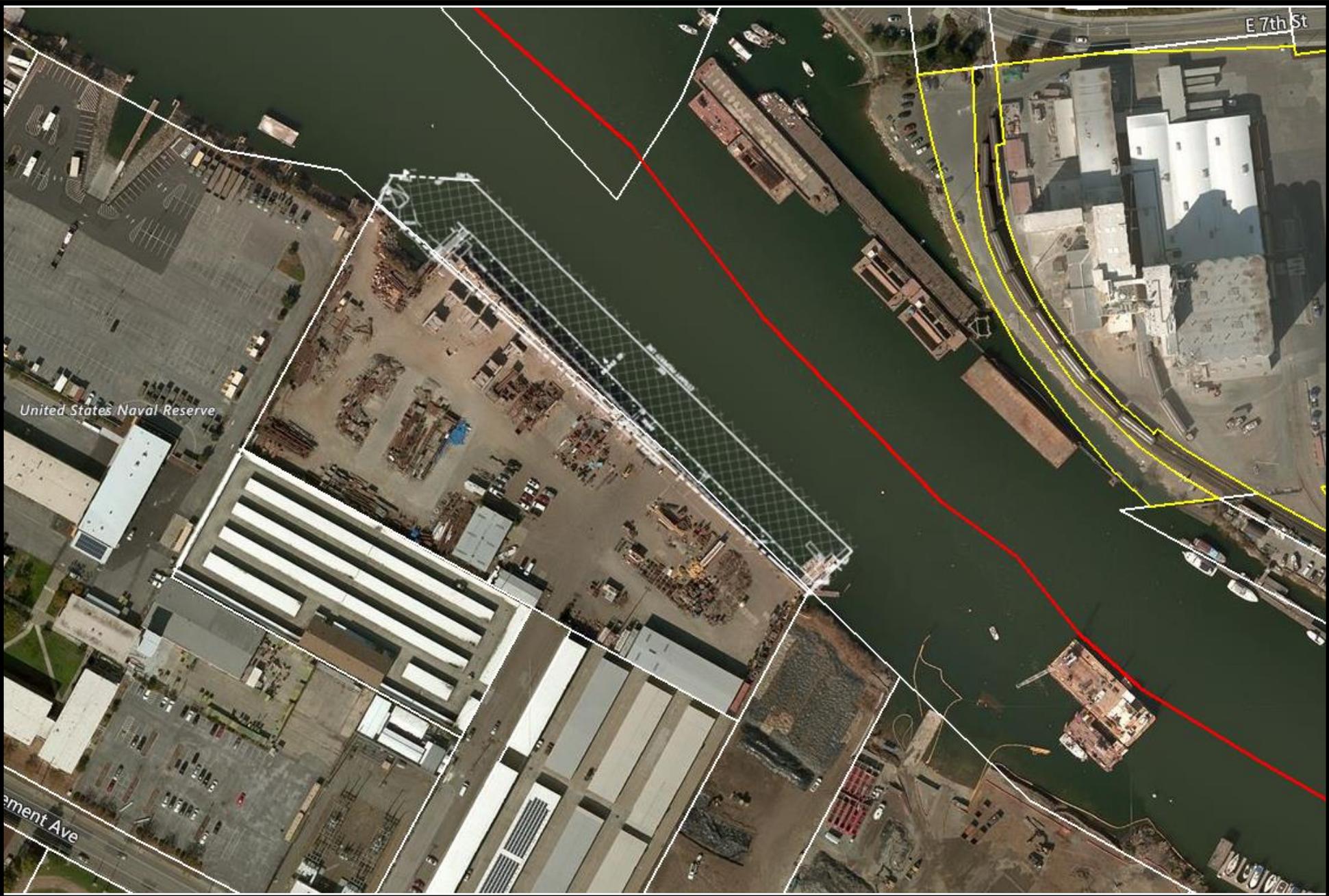
Subject Identification - Commercial Parcels
Appraisal of Alameda Side of the Oakland Inner Tidal Canal
Alameda, California

Lot Number (1) Adj. Address Adj. Assessor Parcel No.	Adjacent Property Ownership	Land Area (1)			Linear Feet of Dock	Linear Feet of Shoreline Lot Width +-	Specific Location	Zoning Adjacent to Subject Subject Zoning	Comments
		Water Area	Dry Land	Total					
1 Lot 4 Adj. 2199 Clement Street Alameda APN: 071-0289-006-01	Alameda LP	46,109 SF 1.06 AC 67%	22,734 SF 0.52 AC 33%	68,843 SF 1.58 AC	639'	760' 78'	Northernmost parcel Adjacent to Dutra	M-2 E- Estuary	Adjacent to Dutra Construction Yard General Plan adjacent to subject MU-5, Mixed Use
2 Lot 5 2229 Clement Avenue Alameda APN: 071-0289-005	Boatworks LLC	6,838 SF 0.16 AC 81%	1,630 SF 0.04 AC 19%	8,468 SF 0.19 AC	NA	170' 50'	Adjacent to Boatworks	R-2 PD E- Estuary	Unimproved Shoreline Adjacent unimproved parcel proposed for park. General Plan Adjacent to Subject- Open Space.
3 Lot 6 2235 Clement Avenue Alameda APN: 071-0290-001	Boatworks LLC	15,478 SF 0.36 AC 60%	10,418 SF 0.24 AC 40%	25,896 SF 0.59 AC	NA	297' 50'	Adjacent to Boatworks	R-2 PD E- Estuary	Unimproved Shoreline Adjacent unimproved parcel proposed for park. General Plan adjacent to property- Open Space
4 Lot 7 2307 Blanding Avenue Alameda APN: 071-0290-029	Beck Trust	50,862 SF 1.17 AC 85%	8,793 SF 0.20 AC 15%	59,655 SF 1.37 AC	1,045' of dock area 26 Slips	640' 90'	Adjacent to Park Street Landing	NP-W E- Estuary	Park Street Landing Marina. Marina directly north of Park Street Bridge. General Plan adjacent to property Community Commercial
5 Lot 8 2401 Blanding Avenue Alameda APN: 070-0195-016	F.M.A Laguna	3,889 SF 0.09 AC 48%	4,169 SF 0.10 AC 52%	8,058 SF 0.18 AC	NA	162' 50'	Adjacent to Waters Edge Nursing Home	NP-W E- Estuary	Directly south of Park Street Bridge Unimproved shoreline. Slopes steeply down to water. General Plan adjacent to property Office
6 Lot 9 2033 Everett Street Alameda APN: 070-0195-015	Allied Land Co.	14,191 SF 0.33 AC 71%	5,874 SF 0.13 AC 29%	20,065 SF 0.46 AC	NA	401' 50'	Adjacent to Allied Engineering	NP-M E- Estuary	Unimproved shoreline General Plan adjacent to subject is General Industrial
7 Lot 10 2020 Everett Street and 2517 & 2523 Blanding Avenue Alameda APNs: 070-0196-023 and 024, 070-0196-044, and portion of 070-0196-045	Allied Land Co., Stone Boatyard LLC Bridgeside Properties LLC	55,579 SF 1.28 AC 95%	2,705 SF 0.06 AC 5%	58,284 SF 1.34 AC	750'	899' 65'	Adjacent to Allied Land, Boatyard and Bridgeside Shopping Center	NP-M, NP-M, NP-W, E- Estuary	Improved with linear dock area Adjacent to industrial, maritime and commercial uses. General Plan adjacent to subject is General Industrial and Community Commercial
8 Lot 11 2323 Blanding Avenue Alameda APN: 070-0196-45 partial	Bridgeside Properties LLC	22,221 SF 0.51 AC 79%	5,947 SF 0.14 AC 21%	28,168 SF 0.65 AC	NA	442' 65'	Adjacent to Bridgeside Shopping Center and North of Fruitvale Bridge	NP-W E- Estuary	Directly north of the Fruitvale Bridge Unimproved shoreline General Plan adjacent to subject is Community Commercial

(1) Total Land Area based on Tentative Map prepared by Ruggeri-Jensen- Azar Engineers- Planners and Surveyors, dated May 31, 2016. Dry Land area based on Area Summaries table, dated May 12, 2016, prepared by Ruggeri-Jensen-Azar dated May 12, 2016. Dry Land areas based on engineer's interpolation from contours from City of Alameda GIS. The wet land area is the difference between the Total Land and Dry Land areas.

Source: Watts, Cohn and Partners, Inc., August 2016
16-WCP-009

AERIAL MAP LOT 4



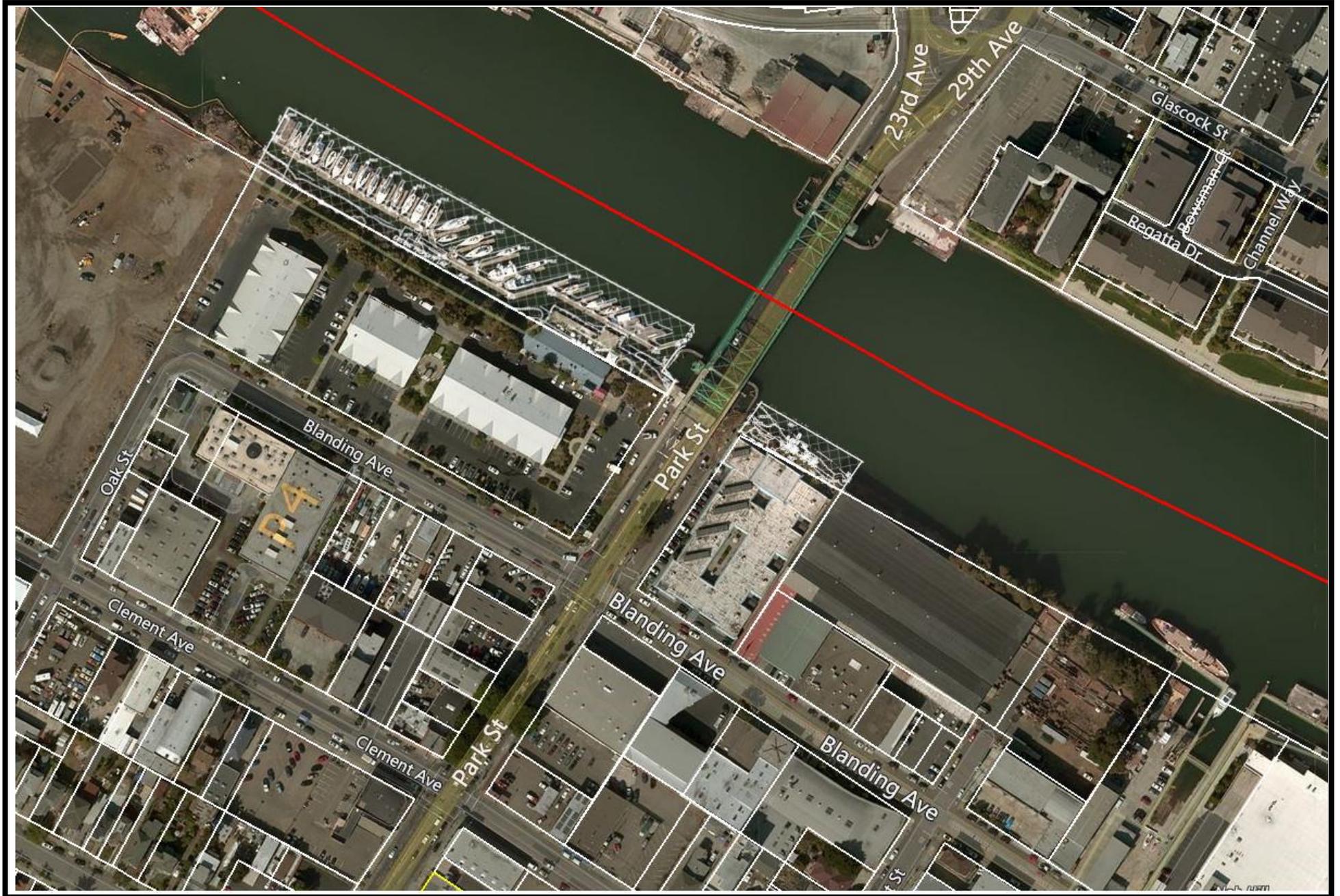
* aerial map is for illustration purposes only and may not be to scale

AERIAL MAP LOTS 5 AND 6



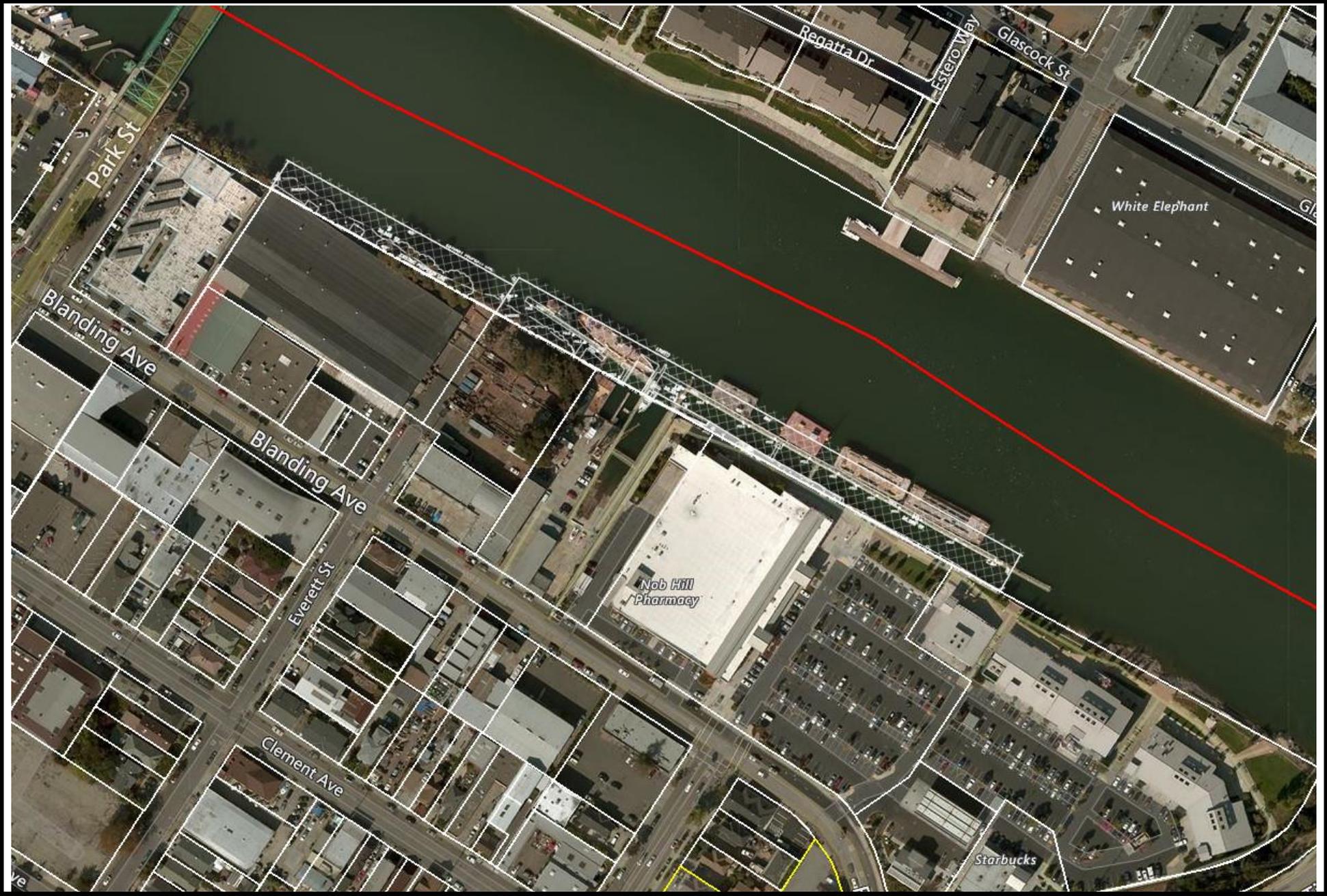
* aerial map is for illustration purposes only and may not be to scale

AERIAL MAP LOTS 7 AND 8



* aerial map is for illustration purposes only and may not be to scale

AERIAL MAP LOTS 9 AND 10



* aerial map is for illustration purposes only and may not be to scale

AERIAL MAP LOT 11



* aerial map is for illustration purposes only and may not be to scale

Lot 6 is located adjacent to 2235 Clement Street on the estuary. The site area is 25,896 square feet or 0.59 acres. Of this, approximately 10,418 square feet, or 0.24 acres is land and 15,478, or 0.36 acres is water. However, the dry land area adjacent to the water is rocky and is not considered to be not fully usable. Based on reviewed aerial maps by Google Maps it is estimated that approximately 50 percent of the dry land area is usable. This results in an adjusted usable land area of 5,209 square feet and a remaining submerged area of water and land with limited utility of 20,687 square feet, which will be used in the analysis. The parcel is rectangular in shape and with a length of 297 feet and a width of 50 feet. The adjacent upland lot is currently unimproved and proposed for residential development with open space designated along the estuary.

Lot 7 is located adjacent to 2307 Blanding Avenue on the estuary. The site area is 1.37 acres or 59,655 square feet. Of this, approximately 8,793 square feet, or 0.20 acres has been designated as land and 50,862 square feet, or 1.17 acres is water. However, a portion of the designated dry land area adjacent to the water is rocky and is not considered to be not fully usable. Based on reviewed maps it is estimated that approximately 75 percent of the dry land area is usable. This results in a slightly smaller adjusted usable land area of 6,595 square feet. The remaining water and land with limited utility is 53,060 square feet, which will be used in the analysis. The parcel is generally rectangular in shape and has a width of 90 feet and a length of approximately 640 feet. The adjacent upland lot is improved with commercial development known as Park Street Landing. There is a small marina located on the subject parcel which contains approximately 26 slips as well as a deck area. The site is situated directly north of the Park Street Bridge.

Lot 8 is situated directly south of the Park Street Bridge. The site area is 8,058 square feet, or 0.18 acres. Based on provided information approximately 4,169 square feet or 0.10 acres is land and 3,889 square feet, or 0.09 acres is water. However, the usable land area is considered to smaller given the rocky and sloping land area. Based on our inspection and review of the site with Google Maps it is estimated that approximately 25 percent of the dry land area is usable. This results in an adjusted dry land area of 1,042 square feet, and water or land area of limited utility of 7,016 square feet. The parcel is generally rectangular in shape and has a width of 50 feet and a length of 162 feet. The adjacent upland lot is improved with a nursing care/rehabilitation facility.

Lot 9 is situated adjacent to 2421 Blanding Avenue on the estuary. The site area is 0.46 acres or 20,065 square feet. Of this, approximately 5,874 square feet, or 0.13 acres is land and 14,191 square feet, or 0.33 acres is water. Based on our inspection and review of Google Maps it is estimated that approximately 50 percent of the dry land area is usable. This results in an adjusted dry land area of 2,937 square feet and an area of water or limited utility of 17,128 square feet. The parcel is generally rectangular in shape and has a width of 50 feet and a length of approximately 401 feet. The adjacent upland lots are improved with industrial/marine uses.

Lot 10 is located adjacent to 2517-2523 Blanding Avenue and 2020 Everett Street. The site area is 1.34 acres or 58,284 square feet. Of this, approximately 2,705 square feet, or 0.06 acres is land and 55,579 square feet, or 1.28 acres is water. Based on our inspection and review of Google Maps it is estimated that approximately 100 percent of the dry land area is usable. The parcel is generally rectangular in shape and has a width of 65 feet and a length of approximately 899 feet. The adjacent upland lots are improved industrial, maritime and commercial uses. The estuary parcel is improved with two docks with approximate estimate of 750 linear feet of dock area.

Lot 11 is located directly north of the Fruitvale Bridge. The lot is situated adjacent to 2323 Blanding Avenue. The site area is 0.65 acres or 28,168 square feet. Of this, approximately 5,947 square feet, or 0.14 acres is land and 22,221 square feet, or 0.51 acres is water. The dry land area consists of rocks and is sloping. It is estimated that approximately 50 percent of the dry area is usable. The adjusted dry land area is 2,974 square feet and the remaining area is 25,194 square feet. The parcel is generally rectangular in shape and has a width of 65 feet and a length of approximately 422 feet. The adjacent upland lot is improved commercial uses. The estuary parcel is unimproved.

Residential Lots

The subject contains 90 residential lots. Lots 12 through 58 (identified as Residential North) are located between the Fruitvale and High Street Bridges. The 47 lots contain a total of 3.17 acres or 138,181 square feet. Of the total, 6,308 square feet, or 0.14 acres are land and 131,873 square feet, 3.03 acres is water. Based on the site area approximately 95 percent of the lots are submerged. The lots typically follow the adjacent parcel widths and are approximately 65 feet in width. The adjacent lots are residential. The average lot size is approximately 2,940 square feet.

Lots 59 through 101 (also identified as Residential South) are located to the southeast of the High Street Bridge. The 43 lots contain a total of 4.17 acres or 181,625 square feet, based on the Tentative Lot Map. Of this, approximately 37,650 square feet, or 0.86 acres, is land and 143,975 square feet, or 3.31 acres, is water. Based on the site area approximately 79 percent of the lots are submerged. The adjacent lots are residential. The average lot size is approximately 4,224 square feet.

Many of the subject lots have been improved with piers, docks and building improvements over the course of time by the adjacent residential property owners. As part of this appraisal assignment the appraisers have been instructed by the client to assume that the existing improvements belong to the adjacent private property owners and that their presence does not affect value and that they are not part of the subject property being appraised.

Subject Identification- Residential North
Appraisal of Alameda Side of the Oakland Inner Tidal Canal
Alameda, California

Lot Number Adj. Address Adj. Assessor Parcel No.	Ownership	Land Area			Improved with Docks and/or Structures	Linear Feet of Shoreline Lot Width +-	Zoning Adjacent to Subject/ Subject Zoning	Comments
		Water Area (2)	Dry Land (2)	Total (1)				
1 Lot 12 2801 Marina Drive APN: 069-0130-221	Calpestri	2,599 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,733 SF 0.06 AC	No	59 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
2 Lot 13 2807 Marina Drive APN: 069-0130-222	Fisher	2,645 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,779 SF 0.06 AC	Yes	40 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
3 Lot 14 2811 Marina Drive APN: 069-0130-223	Spinardi	2,474 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,608 SF 0.06 AC	Yes	40 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
4 Lot 15 2815 Marina Drive APN: 069-0130-224	Spinardi	2,318 SF 0.05 AC 95%	134 SF 0.00 AC 5%	2,452 SF 0.06 AC	No	38 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
5 Lot 16 2821 Marina Drive APN: 069-0130-225	NRC Trust	2,554 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,688 SF 0.06 AC	Yes	42 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
6 Lot 17 2823 Marina Drive APN: 069-0130-226	Bathiany	2,481 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,615 SF 0.06 AC	Yes	40 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
7 Lot 18 2827 Marina Drive APN: 069-0130-227	Malavazos, Et. Al	2,474 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,608 SF 0.06 AC	Yes	40 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
8 Lot 19 2831 Marina Drive APN: 069-0130-228	Larson	2,622 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,756 SF 0.06 AC	Yes	40 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
9 Lot 20 2837 Marina Drive APN: 069-0130-229	Swain Trust	2,424 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,558 SF 0.06 AC	Yes	40 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
10 Lot 21 2841 Marina Drive APN: 069-0130-230	Sorensen-Squire Trust	2,817 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,951 SF 0.07 AC	Yes	45 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
11 Lot 22 2901 Marina Drive APN: 069-0130-231	Duong	3,093 SF 0.07 AC 96%	134 SF 0.00 AC 4%	3,227 SF 0.07 AC	Yes	45 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
12 Lot 23 2905 Marina Drive APN: 069-0130-232	Averitt Trust	2,446 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,580 SF 0.06 AC	No	45 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
13 Lot 24 2909 Marina Drive APN: 069-0130-233	Meninga	2,866 SF 0.07 AC 96%	134 SF 0.00 AC 4%	3,000 SF 0.07 AC	Yes	45 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
14 Lot 25 2913 Marina Drive APN: 069-0130-234	Briggs Trust	2,948 SF 0.07 AC 96%	134 SF 0.00 AC 4%	3,082 SF 0.07 AC	Yes	45 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
15 Lot 26 2917 Marina Drive APN: 069-0130-235	Bliven	2,798 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,932 SF 0.07 AC	Yes	46 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
16 Lot 27 2921 Marina Drive APN: 069-0130-236	Chung	3,346 SF 0.08 AC 96%	134 SF 0.00 AC 4%	3,480 SF 0.08 AC	Yes	50 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
17 Lot 28 2923 Marina Drive APN: 069-0130-237	Harvey Trust	3,367 SF 0.08 AC 96%	134 SF 0.00 AC 4%	3,501 SF 0.08 AC	Yes	55 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
18 Lot 29 2925 Marina Drive APN: 069-0130-238	Holland Et. Al.	3,382 SF 0.08 AC 96%	134 SF 0.00 AC 4%	3,516 SF 0.08 AC	Yes	54 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential

Subject Identification- Residential North
 Appraisal of Alameda Side of the Oakland Inner Tidal Canal
 Alameda, California

Lot Number Adj. Address Adj. Assessor Parcel No.	Ownership	Land Area			Improved with Docks and/or Structures	Linear Feet of Shoreline Lot Width +-	Zoning Adjacent to Subject/ Subject Zoning	Comments
		Water Area (2)	Dry Land (2)	Total (1)				
19 Lot 30 2927 Marina Drive APN: 069-0130-239	Jeffries/Fitzgerald Trust	3,348 SF 0.08 AC 96%	134 SF 0.00 AC 4%	3,482 SF 0.08 AC	Yes	53 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
20 Lot 31 2933 Marina Drive APN: 069-0130-240	Klingelhofer Trust	2,760 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,894 SF 0.07 AC	Yes	42 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
21 Lot 32 2937 Marina Drive APN: 069-0130-241	Seereiter Trust	2,610 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,744 SF 0.06 AC	Yes	44 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
22 Lot 33 2941 Marina Drive APN: 069-0130-242	Martin	2,523 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,657 SF 0.06 AC	Yes	42 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
23 Lot 34 2945 Marina Drive APN: 069-0130-243	Stoddard Trust	4,162 SF 0.10 AC 97%	134 SF 0.00 AC 3%	4,296 SF 0.10 AC	Yes	63 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
24 Lot 35 2949 Marina Drive APN: 069-0130-244	Federspiel	2,971 SF 0.07 AC 96%	134 SF 0.00 AC 4%	3,105 SF 0.07 AC	Yes	48 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
25 Lot 36 2953 Marina Drive APN: 069-0130-245	Westervelt Et. Al.	2,609 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,743 SF 0.06 AC	Yes	42 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
26 Lot 37 3001 Marina Drive APN: 069-0130-246	Phillipsen	2,572 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,706 SF 0.06 AC	Yes	40 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
27 Lot 38 3005 Marina Drive APN: 069-0130-247-01	Li Et. Al.	3,582 SF 0.08 AC 96%	134 SF 0.00 AC 4%	3,716 SF 0.09 AC	Yes	59 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
28 Lot 39 3009 Marina Drive APN: 069-0130-248-01	Zhou	2,958 SF 0.07 AC 96%	134 SF 0.00 AC 4%	3,092 SF 0.07 AC	Yes	44 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
29 Lot 40 3011 Marina Drive APN: 069-0130-250	Barry Et. Al.	2,778 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,912 SF 0.07 AC	Yes	45 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
30 Lot 41 3017 Marina Drive APN: 069-0130-251	Andersen Trust	2,965 SF 0.07 AC 96%	134 SF 0.00 AC 4%	3,099 SF 0.07 AC	Yes	47 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
31 Lot 42 3019 Marina Drive APN: 069-0130-252	Yong Trust	2,640 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,774 SF 0.06 AC	Yes	43 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
32 Lot 43 3025 Marina Drive APN: 069-0130-253	Waite	2,808 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,942 SF 0.07 AC	Yes	44 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
33 Lot 44 3027 Marina Drive APN: 069-0130-254	Turner	2,887 SF 0.07 AC 96%	134 SF 0.00 AC 4%	3,021 SF 0.07 AC	Yes	44 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
34 Lot 45 3031 Marina Drive APN: 069-0130-255	Sherman Trust	2,715 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,849 SF 0.07 AC	Yes	44 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
35 Lot 46 3033 Marina Drive APN: 069-0130-256	Woo	2,503 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,637 SF 0.06 AC	Yes	43 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential

Subject Identification- Residential North
Appraisal of Alameda Side of the Oakland Inner Tidal Canal
Alameda, California

Lot Number Adj. Address Adj. Assessor Parcel No.	Ownership	Land Area			Improved with Docks and/or Structures	Linear Feet of Shoreline Lot Width +-	Zoning Adjacent to Subject/ Subject Zoning	Comments
		Water Area (2)	Dry Land (2)	Total (1)				
36 Lot 47 3035 Marina Drive APN: 069-0130-257	Noonan Trust	2,654 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,788 SF 0.06 AC	Yes	42 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
37 Lot 48 3045 Marina Drive APN: 069-0130-258	Bratzier/Hale Trust	3,257 SF 0.07 AC 96%	134 SF 0.00 AC 4%	3,391 SF 0.08 AC	Yes	52 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
38 Lot 49 3101 Marina Drive APN: 069-0130-259	Zucconi Trust	4,344 SF 0.10 AC 97%	134 SF 0.00 AC 3%	4,478 SF 0.10 AC	Yes	69 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
39 Lot 50 3105 Marina Drive APN: 069-0130-260	Pipkin Et. Al.	2,643 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,777 SF 0.06 AC	Yes	42 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
40 Lot 51 3109 Marina Drive APN: 069-0130-261	Spinardi	2,739 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,873 SF 0.07 AC	Yes	43 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
41 Lot 52 3111 Marina Drive APN: 069-0130-262	Phillipsen Trust	2,558 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,692 SF 0.06 AC	Yes	40 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
42 Lot 53 3115 Marina Drive APN: 069-0130-263	Stone Et. Al.	2,593 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,727 SF 0.06 AC	Yes	41 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
43 Lot 54 3119 Marina Drive APN: 069-0130-264	Lu	2,681 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,815 SF 0.06 AC	Yes	41 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
44 Lot 55 3121 Marina Drive APN: 069-0130-265	Laird Trust	2,442 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,576 SF 0.06 AC	Yes	41 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
45 Lot 56 3125 Marina Drive APN: 069-0130-266	Davis Trust	2,416 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,550 SF 0.06 AC	Yes	41 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
46 Lot 57 3127 Marina Drive APN: 069-0130-267	Payne Trust	2,824 SF 0.06 AC 95%	134 SF 0.00 AC 5%	2,958 SF 0.07 AC	Yes	45 65	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
47 Lot 58 3131 Marina Drive APN: 069-0130-268	Walsh Et. Al	1,687 SF 0.04 AC 93%	134 SF 0.00 AC 7%	1,821 SF 0.04 AC	Yes	37 66	R-1 E- Estuary	General Plan adjacent to subject Low Density Residential
TOTAL		131,873 SF 3.03 AC 95%	6,308 SF 0.14 AC 5%	138,181 SF 3.17 AC				

Notes:

- (1) Total Lot area based on Tentative Map, prepared by Ruggeri-Jensen- Azar Engineers- Planners and Surveyors, dated May 31, 2016.
- (2) Dry Land Areas based on provided Area Summaries table prepared by Ruggeri-Jensen- Azar Engineers, dated May 12, 2016.
The Dry Land area is divided equally between the 47 lots and the Wet Land is the difference between the Total Land and Dry Land area.
Dry Land Areas based on engineer's interpolation from contours from the City of Alameda's GIS.

AERIAL MAP LOTS 12-21



AERIAL MAP LOTS 22-30



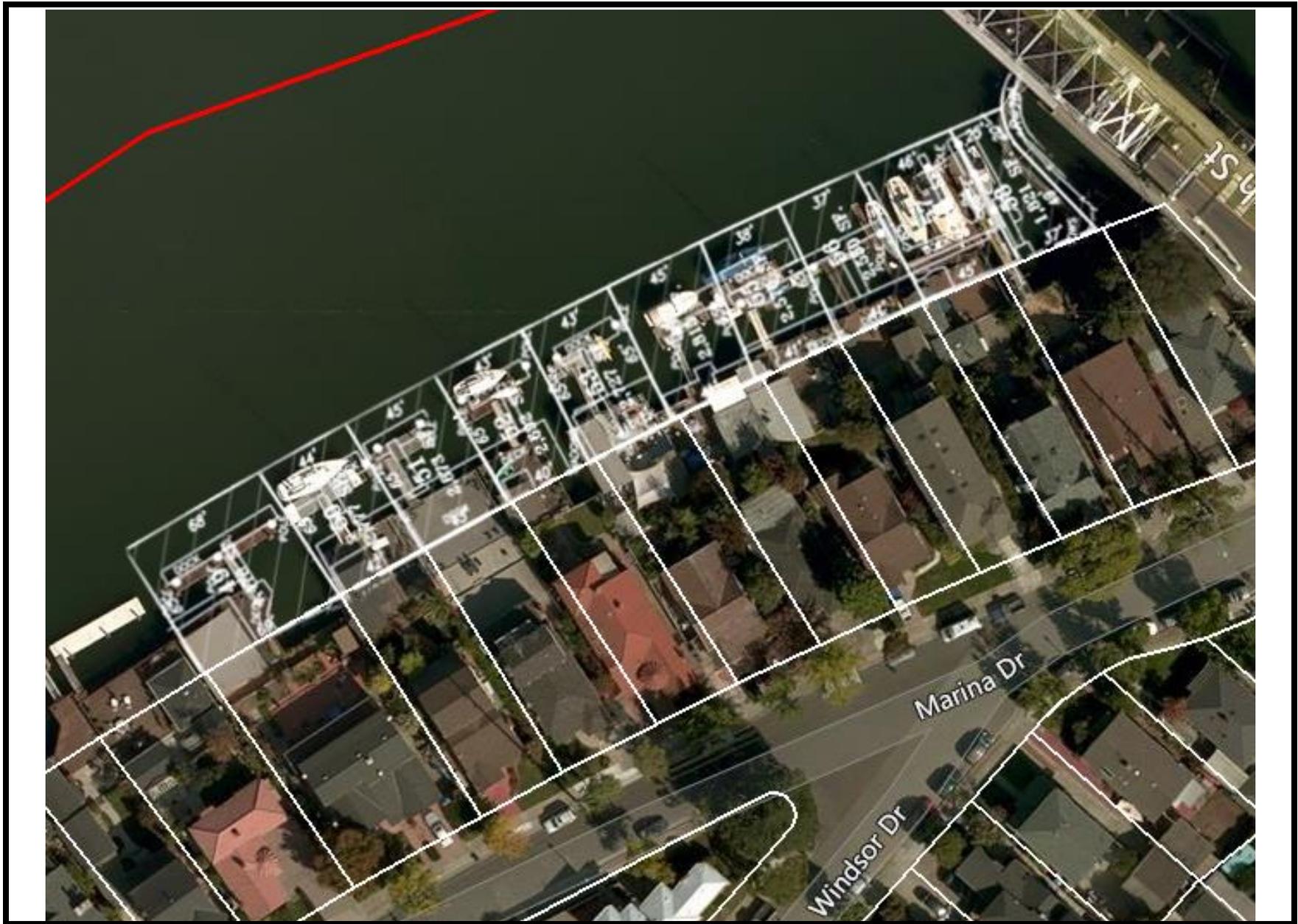
AERIAL MAP LOTS 31-40



AERIAL MAP 41-48



AERIAL MAP LOTS 49-58



Subject Identification- Residential South

Alameda Tidal Canal
Alameda, California

Lot Number Adj. Address Adj. Assessor Parcel No.	Ownership	Land Area			Improved with Docks and/or Structures	Linear Feet of Shoreline Lot Width +-	Zoning Adjacent to Subject/ Subject Zoning	Comments
		Water Area (2)	Dry Land (2)	Total (1)				
48 Lot 59 2022 High Street APN: 069-109-186	Porter Trust	8,186 SF 0.19 AC	492 SF 0.01 AC	8,678 SF 0.20 AC	Yes	87 79	R-4 E- Estuary	General Plan adjacent to subject Medium Density Residential
49 Lot 60 3207 Fernside Blvd APN: 069-109-191,-192, -193	Carder Family Trust	5,599 SF 0.13 AC	492 SF 0.01 AC	6,091 SF 0.14 AC	Yes	110 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
50 Lot 61 3211 Fernside Blvd APN: 069-109-148	Ting Chen & Weiqing Xu	3,956 SF 0.09 AC	492 SF 0.01 AC	4,448 SF 0.10 AC	Yes	80 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
51 Lot 62 3217 Fernside Blvd APN: 069-109-149	Hsiao Et. Al.	2,345 SF 0.05 AC	492 SF 0.01 AC	2,837 SF 0.07 AC	Yes	51 80	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
52 Lot 63 3221 Fernside Blvd APN: 069-109-150	Koenwitz Trust	2,371 SF 0.05 AC	492 SF 0.01 AC	2,863 SF 0.07 AC	Yes	50 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
53 Lot 64 3225 Fernside Blvd APN: 069-109-151	Heylin Trust	2,160 SF 0.05 AC	492 SF 0.01 AC	2,652 SF 0.06 AC	Yes	49 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
54 Lot 65 3227 Fernside Blvd APN: 069-109-152	Musso Trust	2,544 SF 0.06 AC	492 SF 0.01 AC	3,036 SF 0.07 AC	Yes	55 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
55 Lot 66 3229 Fernside Blvd APN: 069-109-153	Michael & Necia Borg	2,436 SF 0.06 AC	492 SF 0.01 AC	2,928 SF 0.07 AC	Yes	53 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
56 Lot 67 3231 A Fernside Blvd APN: 069-109-154	Harris Et. Al	723 SF 0.02 AC	492 SF 0.01 AC	1,215 SF 0.03 AC	Yes	21 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
57 Lot 68 3231 B Fernside Blvd APN: 069-109-155	Deveer	2,523 SF 0.06 AC	492 SF 0.01 AC	3,015 SF 0.07 AC	Yes	53 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
58 Lot 69 3233 Fernside Blvd APN: 069-109-156	Murphy Trust	675 SF 0.02 AC	492 SF 0.01 AC	1,167 SF 0.03 AC	Yes	23 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
59 Lot 70 3237 Fernside Blvd APN: 069-109-157	Murphy Trust	2,068 SF 0.05 AC	492 SF 0.01 AC	2,560 SF 0.06 AC	Yes	47 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
60 Lot 71 3243 Fernside Blvd APN: 069-109-158	Hodgkin Trust	2,109 SF 0.05 AC	492 SF 0.01 AC	2,601 SF 0.06 AC	Yes	46 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
61 Lot 72 3247 Fernside Blvd APN: 069-109-159	Schlesinger Trust	2,003 SF 0.05 AC	492 SF 0.01 AC	2,495 SF 0.06 AC	Yes	44 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
62 Lot 73 3249 Fernside Blvd APN: 069-109-160	Lum et al	1,846 SF 0.04 AC	492 SF 0.01 AC	2,338 SF 0.05 AC	Yes	44 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
63 Lot 74 3251-3253 Fernside Blvd APN: 069-109-161-01 & -02	Lennan-Robbins Trust and Ostorm Et Al	2,265 SF 0.05 AC	492 SF 0.01 AC	2,757 SF 0.06 AC	Yes	48 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
64 Lot 75 3255 Fernside Blvd APN: 069-109-162	Amber Chan Trust	1,891 SF 0.04 AC	492 SF 0.01 AC	2,383 SF 0.05 AC	Yes	44 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
65 Lot 76 3259 Fernside Blvd APN: 069-109-163	Hoffman	1,752 SF 0.04 AC	492 SF 0.01 AC	2,244 SF 0.05 AC	Yes	40 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
66 Lot 77 3263 Fernside Blvd APN: 069-109-164	Rowe	1,490 SF 0.03 AC	492 SF 0.01 AC	1,982 SF 0.05 AC	Yes	40 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential

Subject Identification- Residential South

Alameda Tidal Canal
Alameda, California

Lot Number Adj. Address Adj. Assessor Parcel No.	Ownership	Land Area			Improved with Docks and/or Structures	Linear Feet of Shoreline Lot Width +-	Zoning Adjacent to Subject/ Subject Zoning	Comments
		Water Area (2)	Dry Land (2)	Total (1)				
67 Lot 78 3267 Fernside Blvd APN: 069-109-165	Barics Et. Al.	3,050 SF 0.07 AC	492 SF 0.01 AC	3,542 SF 0.08 AC	Yes	50 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
68 Lot 79 3301 Fernside Blvd APN: 069-109-166	Walker Trust	2,850 SF 0.07 AC	492 SF 0.01 AC	3,342 SF 0.08 AC	Yes	50 55	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
69 Lot 80 3305 Fernside Blvd APN: 069-109-167	Carvalho Trust	2,112 SF 0.05 AC	492 SF 0.01 AC	2,604 SF 0.06 AC	Yes	43 56	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
70 Lot 81 3309 Fernside Blvd APN: 069-109-168	Gorman Von Stade Trust	2,403 SF 0.06 AC	492 SF 0.01 AC	2,895 SF 0.07 AC	Yes	40 57	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
71 Lot 82 3311 Fernside Blvd APN: 069-109-169	Wong Intervivos Trust	2,014 SF 0.05 AC	492 SF 0.01 AC	2,506 SF 0.06 AC	Yes	37 60	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
72 Lot 83 3313 Fernside Blvd APN: 069-109-170	Taforo Trust	2,097 SF 0.05 AC	492 SF 0.01 AC	2,589 SF 0.06 AC	Yes	40 60	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
73 Lot 84 3315 Fernside Blvd APN: 069-109-171	Browman Trust	1,972 SF 0.05 AC	492 SF 0.01 AC	2,464 SF 0.06 AC	Yes	40 63	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
74 Lot 85 3321 Fernside Blvd APN: 069-109-172	Boothby Trust	2,494 SF 0.06 AC	492 SF 0.01 AC	2,986 SF 0.07 AC	Yes	40 66	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
75 Lot 86 3323 Fernside Blvd APN: 069-109-173	Chandler Trust	2,277 SF 0.05 AC	492 SF 0.01 AC	2,769 SF 0.06 AC	Yes	42 71	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
76 Lot 87 3327 Fernside Blvd APN: 069-109-174	Rauk	3,006 SF 0.07 AC	492 SF 0.01 AC	3,498 SF 0.08 AC	Yes	41 75	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
77 Lot 88 3329 Fernside Blvd APN: 069-109-175	Plowman	2,730 SF 0.06 AC	492 SF 0.01 AC	3,222 SF 0.07 AC	Yes	41 80	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
78 Lot 89 3333 Fernside Blvd APN: 069-109-176	Hamalian	3,466 SF 0.08 AC	492 SF 0.01 AC	3,958 SF 0.09 AC	Yes	43 86	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
79 Lot 90 3335 Fernside Blvd APN: 069-109-177	Macdonald Et. Al.	3,628 SF 0.08 AC	492 SF 0.01 AC	4,120 SF 0.09 AC	Yes	50 92	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
80 Lot 91 3341 Fernside Blvd APN: 069-109-178	Fisher Trust	4,054 SF 0.09 AC	492 SF 0.01 AC	4,546 SF 0.10 AC	Yes	39 101	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
81 Lot 92 3343 Fernside Blvd APN: 069-109-179	Roizen	4,310 SF 0.10 AC	492 SF 0.01 AC	4,802 SF 0.11 AC	Yes	42 109	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
82 Lot 93 3347 Fernside Blvd APN: 069-109-180	Lee Trust	4,741 SF 0.11 AC	492 SF 0.01 AC	5,233 SF 0.12 AC	Yes	40 119	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
83 Lot 94 3349 Fernside Blvd APN: 069-109-181	Peterson	6,187 SF 0.14 AC	492 SF 0.01 AC	6,679 SF 0.15 AC	Yes	51 129	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
84 Lot 95 3351 Fernside Blvd APN: 069-109-181-05	Mabry Et. Al.	4,157 SF 0.10 AC	492 SF 0.01 AC	4,649 SF 0.11 AC	Yes	32 143	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
85 Lot 96 3355 Fernside Blvd APN: 069-109-182	Carducci	5,122 SF 0.12 AC	2,475 SF 0.06 AC	7,597 SF 0.17 AC	Yes	44 149	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential

Subject Identification- Residential South

Alameda Tidal Canal
Alameda, California

Lot Number Adj. Address Adj. Assessor Parcel No.	Ownership	Land Area			Improved with Docks and/or Structures	Linear Feet of Shoreline Lot Width +/-	Zoning Adjacent to Subject/ Subject Zoning	Comments
		Water Area (2)	Dry Land (2)	Total (1)				
86 Lot 97 3359 Fernside Blvd APN: 069-109-183	Kruger Trust	7,592 SF 0.17 AC	3,217 SF 0.07 AC	10,809 SF 0.25 AC	Yes	52 162	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
87 Lot 98 3363 Fernside Blvd APN: 069-109-184	Chan	4,543 SF 0.10 AC	3,378 SF 0.08 AC	7,921 SF 0.18 AC	Yes	47 164	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
88 Lot 99 3365 Fernside Blvd APN: 069-109-185	Braun Trust	12,817 SF 0.29 AC	6,055 SF 0.14 AC	18,872 SF 0.43 AC	Yes	60 195	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
89 Lot 100 3367 Fernside Blvd APN: 069-0029-001	Jawad Trust	7,410 SF 0.17 AC	3,345 SF 0.08 AC	10,755 SF 0.25 AC	Yes	60 222	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
90 Lot 101 1628 Fernside Blvd APN: 069-0029-002	Rogers Trust	0 SF 0.00 AC	977 SF 0.02 AC	977 SF 0.02 AC	No	NA	R-2 E- Estuary	General Plan adjacent to subject Medium Density Residential
TOTAL		143,975 SF 3.31 AC 79%	37,650 SF 0.86 AC 21%	181,625 SF 4.17 AC				

Notes:

- (1) Total Lot area based on Tentative Map, prepared by Ruggeri-Jensen- Azar Engineers- Planners and Surveyors, dated May 31, 2016.
- (2) Dry Land Areas based on provided Area Summaries table by Ruggeri-Jensen- Azar Engineers, dated May 12, 2016.
Dry land area for Lots 96-100 was derived from Tentative Map. The remaining dry land area is divided equally between the 37 lots.
The wet land area is the difference between the Total Land and Dry Land Areas.

Source: Watts, Cohn and Partners, Inc., August 2016
16-WCP-009

AERIAL MAP LOTS 59-66



AERIAL MAP LOTS 67-72



AERIAL MAP LOTS 73-83



AERIAL MAP LOTS 84-95



B. Ownership and Sales History

According to a preliminary title report prepared by Chicago Title Company, title to the subject properties are currently vested in The United States of America. The property is planned to be transferred to the City of Alameda at no cost, provided that the City covers all of the transaction costs. The subject properties are then proposed to be immediately transferred to the adjacent property owners (or other interested purchasers) for the fair market value. No other transfers or contracts for sale were reported in the last five years.

C. Easements and Encumbrances

According to the above-referenced title report, which is reproduced in the addenda of this appraisal, several easements and exceptions to title affect the subject properties. They are discussed below.

There are multiple easements granted to the City of Alameda for utilities, storm and drainage purposes, sewer, gas pipes, sanitary sewer and water. There are easements granted to East Bay Municipal Utility District for water pipelines and conduits in various areas. Item 33 references an unrecorded East Bay Municipal Utility District Right of Way at the southeast side of the Park Street Bridge. Item 29 references an easement granted to Pacific Gas and Electric for gas transmission pipeline. This line appears to be located adjacent to the Park Street Bridge, but its specific location is not clear from records.

Item 23 references an easement granted to the United States of America for the construction and maintenance of a bulkhead at the southeasterly side of Versailles Avenue at the Tidal Canal. Item 50 references a Declaration of Established Covenant, Conditions and Restrictions dated February 1990. The document disclosed an unrecorded Department of the Army authorization of certain improvements document No. 17165E0.

Item 51 notes possible encroachment into the Tidal Canal from a residential property. Item 63 references a permit to repair existing improvements located within the Tidal Canal by the San Francisco Bay Conservation and Development Commission.

There also appears to be an unrecorded public waterfront right of way easement situated on Lot 10 which is estimated to be approximately 1,320 square feet in size.

The noted easements do not appear to impact the utility or developability of the subject properties appraised, as the subject properties have minimal development potential under the current zoning.

D. Environmental Observations

Upon inspection of the subject sites, the appraiser did not observe any toxic contamination on the properties. However, the appraiser is not an expert in contamination and the reader is referred to the Limiting Condition in Chapter I of this report which assumes the sites are clean of any toxic contaminants.

E. Assessed Value and Real Estate Taxes

The subject properties are not currently assessed for ad valorem taxes as they are publically owned. Upon transfer to a private entity, they will be assessed. The tax rate for the fiscal year 2015-2016 for the subject property is 1.1747 percent.

F. Zoning and Use***Subject Zoning***

The subject parcels are zoned E - Estuary District by the City of Alameda. This zoning district “is applied in areas of the Alameda Estuary, and that the regulations established will promote and protect the environment and water-dependent uses in such districts”. The subject properties do not have a General Plan designation.

No uses are permitted. For areas between the Estuary Property Line and the Existing Property Line, water dependent uses such as marinas, docking and seaport distribution facilities, boat repair and other marine services any other water-dependent facility require Use Permits. A Conditional Use Permit may be issued if it’s found that the development will not impede the Channel’s navigational and overall safety, not create visual impairment, uses are consistent with the public trust, consistent with aviation safety requirements of the General Plan, and not cause degradation to the water quality or water related habitat. Additional specific conditions would also be required as well as environmental review through public agencies.

The City is currently seeking to amend the existing Estuary District Zoning of the parcels within the Alameda side of the Tidal Canal. The amendments would limit and clarify the types of structures and uses that may be allowed on the new parcels. All proposed development would be limited to new boat houses docks, piers and other water dependent uses, subject to review and approval by the City. All proposed uses would require a Conditional Use Permit and would be subject to discretionary review by the City, and would also require a separate environmental review through the public review process.

Adjacent Upland Zoning for Commercial Properties

The commercial upland properties located adjacent to the subject properties are zoned M-2, General Industrial (Manufacturing) district, NP-W (North Park Street

District Workplace), NP-M (North Park Street Maritime Manufacturing) and R-2 PD (Two Family Residential, Planned Development). The zoning is discussed below.

Zoning Adjacent to Lot 4

The upland parcel located adjacent to subject Lot 4 is zoned M-2, or General Industrial (Manufacturing) District. This district is intended to provide for the least restricted use of land within the city. The restrictions that are applied are those necessary for the public health, safety and general welfare. The parcel also has a General Plan designation of MU5 – Mixed Use Northern Waterfront (Willow Street to Oak Street). The land use in this district includes residential, office and park.

Permitted uses within an M-2 district include all uses permissible in an M-1 district, described as light manufacturing, as well as more intensive, or heavy, manufacturing operations. These uses are permitted to the extent that “noise, smoke, dust, noxious fumes and gasses, glare, heat and vibration are confined within the premises or held to volumes, intensities and levels at the perimeters of individual properties which are no greater than those in the general area” (Alameda Municipal Code 30-4.12). Shipbuilding and repairing uses (over one hundred (100) tons) require use permits.

Zoning Adjacent to Lots 7, 8, 9, 10 and 11

The parcels located adjacent to subject Lots 7, 8, 9, 10 and 11 are located within the North Park Street zoning district. This zoning is situated in the areas in and around North Park Street. It is designed to maintain consistency with the General Plan, Economic Development Strategic Plan and Gateway District Strategic Plan. This zoning designation “is intended to maintain maritime, light industrial, manufacturing, distribution and work place uses where they have access to the estuary and City designated truck routes. [It is also intended to] retain mixed use areas that have historically provided a transition between residential areas and adjacent industrial and commercial mixed use districts”. Development and land uses are to support a pedestrian friendly transit oriented mixed use district. There are five sub districts within this zoning district.

The North Park - Maritime Manufacturing (NP-M) sub-district preserves lands for marine, light industrial and larger scale commercial and office employment uses. Permitted uses include office, business and professional, artistic studio, maritime workplace, boat and boat accessories, light industrial, large and small utilities. Heavy industrial, commercial marina, automotive services are allowed with a condition use permit. This zoning is located on upland lots adjacent to Lot 9 and the General Plan designation is General Industrial. There are two upland lots adjacent to Lot 10 which are zoned NP-M. These lots have a General Plan designation of General Industrial.

The North Park-Workplace (NP-W) sub district zoning permits a mix of workplace, commercial, light industrial and manufacturing uses. Hotels, upper floor residential dwellings, large format retail, grocery store, theater, schools are allowed with a conditional use permit. This zoning is situated on the upland properties located adjacent to Lots 7, 8, 11 and a portion of Lot 10. The General Plan on these adjacent parcels is Community Commercial, with the exception of Lot 8. The General Plan designation for the adjacent property to Lot 8 is Office.

Zoning Adjacent to Lots 5 and 6

The larger upland lots close to the subject, Lots 5 and 6, are zoned R-2 PD or Two Family Residence District – Planned Development. The zoning district is intended for one-family and two-family structures. Permitted uses within the R-2 district include agriculture, parks, schools, playgrounds, multiple houses, family day care homes, and residential care facilities for no more than 6 persons. The Planned Development District (PD) is for properties larger than 2 acres of contiguous land.

The larger lots have a General Plan designation of MU5 – Mixed Use Northern Waterfront (Willow Street to Oak Street). The land use in this district includes residential, office and park. The directly adjacent upland lots have a General Plan designation of P&POS (Parks & Public Open Space). Mr. Andrew Thomas, Planner with the City of Alameda also indicated that the property is zoned Open Space.

The larger property is currently proposed to be developed with multifamily residential housing with a 2.5-acre waterfront public park. The property is called the Boatworks. A tentative map was approved in 2011 for 182 units that included single family townhomes as well as affordable apartments. The developer in 2015 was seeking to amend the approved tentative map, density bonus application, development plan, and design review, but the Planning Board rejected the proposed amended changes. Reportedly, a Planning Board meeting will be held in mid-July regarding the project.

Adjacent Upland Zoning for Residential Properties

The residential properties located upland and adjacent to the subject properties between the Fruitvale and High Street Bridge are zoned R-1, One Family Residential District. Uses permitted include single family homes, boat landings, docks, piers, home occupations, agriculture, family day care homes, residential care facilities for no more than 6 persons. The adjacent lots have a General Plan designation of Low Density Residential. This allows single family detached units, typically on 5,000 square foot lots with a density range of 4.5 to 8.7 units per net acre.

The residential properties located adjacent upland to the subject properties, south of the High Street Bridge are generally zoned R-2 (Two Family Residential) with

one parcel zoned R-4 (Neighborhood Residential). The R-2 zoning district intended for one-family and two-family structures. The R-4 zoning district is intended in areas where one family and two family homes, groups of one and two family homes and certain non-profit organization administration offices, if found compatible, may be located to promote low density, primarily residential standards. The adjacent upland lots have a General Plan designation of Medium Density Residential. The Medium Density Residential designation allows for one or two family units on at least 2,000 square foot lots. Density ranges from 8.8 to 21.8 units per acre.

The subject properties are primarily water locked parcels that lack any street frontage. The only potential usage for the subject parcels is their assemblage with an adjacent parcel that has street access. By combination with an adjacent parcel, the subject sites could be used for direct water access from the adjacent parcel. We have considered this use to be most similar to maritime recreational uses, which will be subsequently discussed later in this appraisal.

V. HIGHEST AND BEST USE AND VALUATION METHODOLOGY

A. Highest and Best Use

The highest and best use is that use, from among reasonably probable and legal alternative uses, found to be legally permissible, physically possible, financially feasible, and which results in the highest land value.

Implied in the definition of highest and best use is that the determination of highest and best 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.

1. *As-If Vacant*

For the highest and best use of land as though vacant, the use must meet the following four criteria: the highest and best use must be 1) physically possible, 2) legally permissible, 3) financially feasible, and 4) maximally productive. The following paragraphs discuss each of the four criteria and conclude the highest and best use of the subject site, as vacant.

a. *Physically Possible*

The subject properties are water locked parcels with access only from the Tidal Canal (water access) or limited to the adjacent parcels. The subject properties lack street access or street frontage. The commercial sites are generally long and parcels typically follow the adjacent upland property lines. The depth of the commercial parcels ranges from 50 to 90 feet. The residential parcels have a depth that ranges from 55 to 195 feet. The parcels consist of dry, semi-submerged, and submerged lands within the Tidal Canal.

The subject parcels are located in the Tidal Canal between the Existing Property Line and Estuary Property Line with water access only. Physically the attributes of the subject properties would make development very difficult if not impossible, with most of the subject parcels limited to a maritime use such as a dock.

b. *Legally Permissible*

The subject has a zoning designation of E-Estuary which only allows for water related uses with a Conditional Use Permit. In addition, there are other regulatory agencies which would make development difficult on the subject parcels. Therefore, the only legally allowed uses of the subject parcels would be for open space, limited maritime, or other water-dependent uses. A recreational use may also be allowed.

c. Financially Feasible

The subject sites are located adjacent to a wide range of uses, including maritime related industrial, commercial, residential, and open space. The Alameda real estate market is currently active and market conditions are good. All of the legally allowed uses are considered to be financially feasible.

d. Maximally Productive

Based on this analysis, the maximally productive use of the subject parcels is for assemblage with the adjacent upland property owners. This would allow the adjacent owner to incorporate the waterfront into their properties and create plottage value.

e. Highest and Best Use Conclusion

After analyzing the subject property based on the four highest and best use criteria, the highest and best use of the subject sites, as-if vacant, is concluded to be for assemblage with an adjacent upland parcel which would allow for direct waterfront access. The acquisition of the subject parcels would be compelling for most of the upland parcels given the benefits of water frontage and access. Long term future speculative recreational uses are also considered possible.

B. Valuation Methodology

The valuation of any parcel of real estate is derived principally through three approaches to the market value. From the indications of these analyses, and the weight accorded to each, an opinion of value is reached. Each approach is more particularly described below.

1. Cost Approach

This approach is the summation of the estimated value of the land, as if vacant, and the reproduction of replacement cost of the improvements. From these are deducted the appraiser's estimate of physical deterioration, functional obsolescence and economic obsolescence, as observed during inspection of the property and its environs. The Cost Approach is based on the premise that, except under most unusual circumstances, the value of a property cannot be greater than the cost of constructing a similar building on a comparable site.

2. Sales Comparison Approach

This approach is based on the principal of substitution, i.e., the value of a property is governed by the prices generally obtained for similar properties.

In analyzing the market data, it is essential that the sale prices be reduced to common denominators to relate the degree of comparability to the property under appraisal. The difficulty in this approach is that two properties are never exactly alike.

3. *Income Approach*

An investment property is typically valued in proportion to its ability to produce income. Hence the Income Approach involves an analysis of the property in terms of its ability to provide a net annual income. This estimated income is then capitalized at a market-oriented rate commensurate with the risks inherent in ownership of the property, relative to the rate of return offered by other investments.

Many of the subject lots have been improved with piers, docks, and building improvements over the course of time by the adjacent residential and commercial property owners. As part of this appraisal assignment the appraisers have been instructed by the client to assume that the existing improvements belong to the adjacent private property owners and that their presence does not affect value and that they are not part of the subject property being appraised. In the following chapters of this appraisal report, the market value of the subject parcels is estimated, assuming no improvements exist and that the subject parcels are clean of any toxic contamination.

The subject property is valued at its highest and best use via the Sales Comparison Approach as undeveloped land. The Income and Cost Approaches lack relevance for land sites and are not utilized in this report.

The following chapters further discuss the methodologies used in valuing the subject properties.

VI. LAND VALUATION BY THE SALES COMPARISON APPROACH OF COMMERCIAL PARCELS

The approach utilized in estimating the market value of the subject land is the Sales Comparison Approach. In this analysis, value is estimated by comparing the subject sites to other properties which have transferred prior to the effective date of appraisal. The table on the following page shows comparable sites which have sold in the greater subject marketplace.

Basic to this approach is the gathering and classification of information concerning the comparable properties relative to sale price, financing terms, conditions of sale, market change (time), locational characteristics including accessibility and surrounding development, allowable uses, approvals, and physical characteristics including size, utility and topography. The comparables have been verified with principals involved in the transaction and/or verified by public record. Unless specified otherwise, the comparables are all cash to seller transactions.

For commercial land (which includes industrial, commercial and recreational), the most common unit of comparison is price per square foot of land area.

A. Comparable Land Sales

Land Sales with Water

Comparable 1 is the recent sale of a waterfront property located at Castro Point in Richmond. The total site area is approximately 8.39 acres, of which approximately half of the property is submerged area. The net usable site area, excluding submerged land area, is approximately 4.19 acres, or 182,734 square feet. The site is zoned CRR, Community and Regional Recreations. The property is located to the north of the San Rafael Bridge. The site is currently unimproved and had originally been used as the Richmond-San Rafael Ferry dock. Reportedly, the purchaser plans to build a hotel on the site and will need to rezone the property. The property was purchased in January 2016 for \$1,500,000. In addition, the buyer is required by BCDC to remove a beached merchant ship at an estimated cost of approximately \$1 million. The total cost to the purchaser is approximately \$2,500,000 or \$13.68 per usable site area.

Comparable 2 the sale of the former Todd Shipyard property located at 2900 Main Street, in Alameda. The property is located adjacent to the Oakland Estuary/Inner Harbor. The comparable is comprised of 17.25 acres of dry land plus 14.87 acres of submerged land. There is a total of approximately 1,543 linear feet of waterfront bulkhead. Improvements include approximately 113,588 feet of building area in several structures. A portion of the property is bifurcated by an abandoned railroad easement.

Comparable Commercial Land Sales
Appraisal of Alameda Side of the Oakland Inner Harbor Tidal Canal
Alameda, California

# Location / APN	Sale Date	Land Area	Price	Price Per SF of Land	Zoning	Grantor/Grantee (Document#)	Comments
<u>Land with Water Sales</u>							
1 Castro Point Richmond	1/16	182,734 SF (3) 4.19 AC	\$1,500,000 \$1,000,000 (4) \$2,500,000	\$13.68	CRR Community and Regional Recreation	Castro Point LLC/ Mt. Zion Ent's Inc. #16095	Unimproved waterfront site on market for several years. Historical site of Richmond San Rafael Ferry dock. Buyer plans to develop hotel on property. Total site area of 8.39 acres.
2 2900 Main Street Alameda APN: 074-0905-001-06 & -032-01	10/14	751,282 SF(3) 17.25 AC	\$13,500,000 (\$3,975,580) (2) \$9,524,420	\$17.97 \$12.68	M-2 Industrial	Alameda Gateway Ltd., LP/ Alameda Commercial Properties #250879	Site purchased by existing tenant. Buyer to continue using site for ship and yacht repair. Property was actively marketed. Buyer also holds leasehold interest on adjacent property. Total site area is approx.. 32.12 acres.
3 1523-1531 Buena Vista Ave. Alameda APN: 072-0382-001 & -002	1/13	565,409 SF (3) 12.98 AC	\$12,500,000	\$22.11	Mixed-Use PD	Encinal Industries, Inc./ North Waterfront Cove, LLC #032813	Total site area is approximately 24.65 acres. Buyer to assemble with adjacent 6.37 acre State Tidelands parcel that will be long term ground leased. Proposed mixed use development.
4 300 Cutting Blvd. Richmond APN: 560-380-005	10/12	161,472 SF (3) 3.71 AC	\$2,675,000	\$16.57	M-4 (Marine Industrial)	Suisun Properties/ IMTT Richmond CA GP #252121	Former shipping and marine construction yard purchased by adjacent property owner for expansion. Rail served waterfront site with dock. Total site area is approximately 4.07 acres
<u>Land Only Sales</u>							
5 1835 Oak Street Alameda APN: 071-0222-027-00	11/15	112,385 SF 2.58 AC	\$3,700,000 (\$1,320,000) (1) \$2,380,000	\$32.92 \$21.18	M-2 Industrial	Cv Alameda 1 Inv LLC/ 1835 Alameda Property LLC #308826	Site marketed for its redevelopment potential. Purchased by owner/user. No water frontage
6 2203 Mariner Square Loop Alameda APN: 074-0905-031	3/13	96,268 SF 2.21 AC	\$2,500,000 (\$614,760) (5) \$1,885,240	\$25.97 \$19.58	M-2 PD	Cv Alameda 1 Inv LLC/ 1835 Alameda Property LLC #308826	Site improved with a 10,246 SF restaurant building built in 1980. Buyer to renovate and convert existing structure to a swim school.

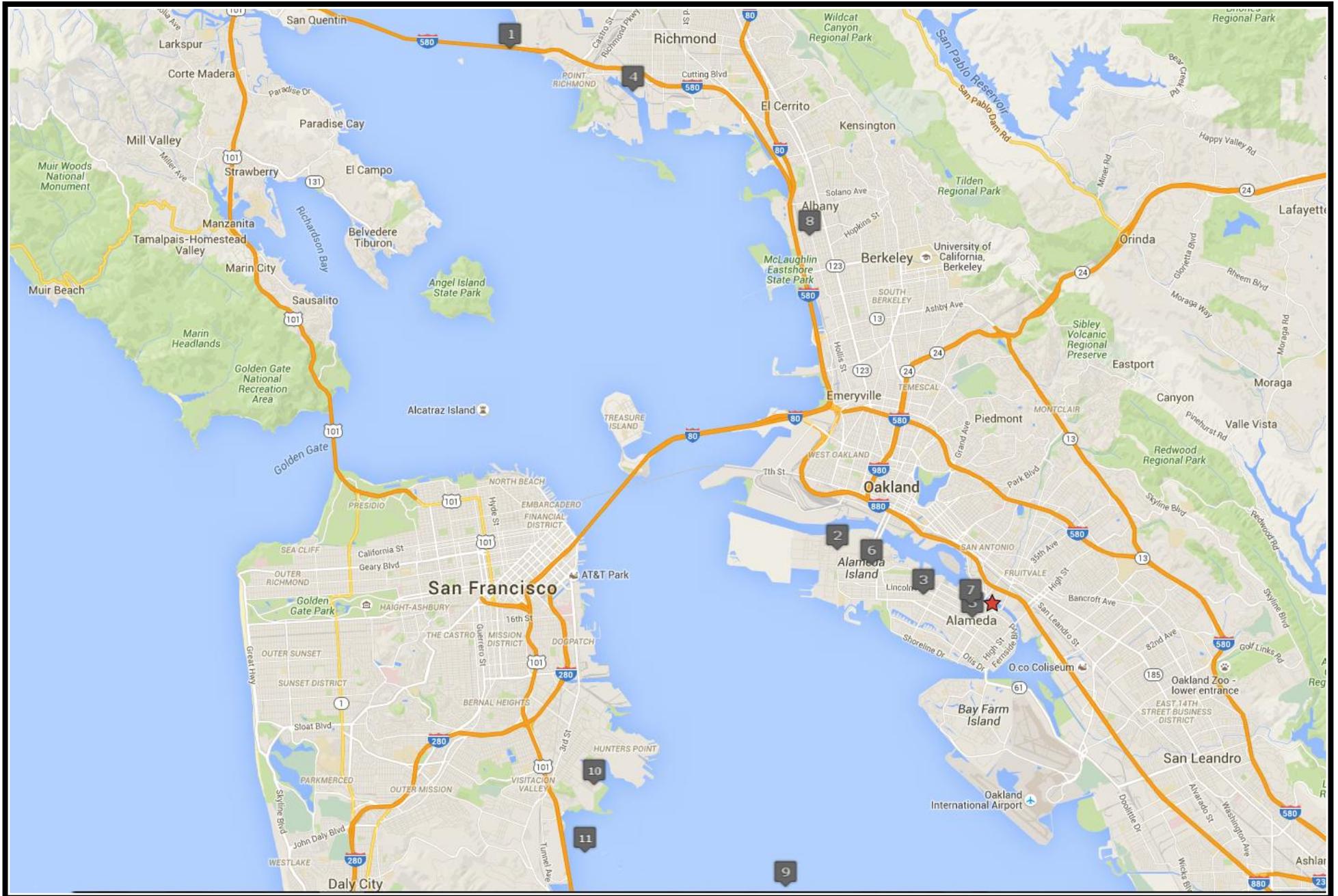
Comparable Commercial Land Sales
Appraisal of Alameda Side of the Oakland Inner Harbor Tidal Canal
Alameda, California

# Location / APN	Sale Date	Land Area	Price	Price Per SF of Land	Zoning	Grantor/Grantee (Document#)	Comments
7 2199 Clement Street Alameda APN: 071-0289-006-01	Offers Listing (6/16)	204,732 SF 4.70 AC	\$4,000,000 to	\$19.54	M-2 Industrial	Alameda, LP/ NA	Unimproved waterfront site on market for approximately 10 months, several offers. Site includes 5,000 sf metal warehouse with offices also a 10,000 sf shed.
			\$5,000,000	\$24.42			
			\$8,000,000 <i>Offers Asking</i>	\$39.08			
8 1151 6th Street Berkeley APN: 060-2386-001 (por.)	12/13	94,961 SF 2.18 AC 84,961 SF (net of easement) 1.95 AC	\$2,100,000	\$24.72	MU-LI (Mixed Use- Light Industrial)	United States Postal Service/ Urban Adamah N/A	New parcel created from excess land portion of U.S. Postal Service facility site. Buyer to owner occupy as a community farm and sustainable agriculture training facility. Site includes approx. 10,000 SF easement for bike path extension.
<u>Water Lots</u>							
9 Bancroft Avenue San Francisco APN:4868-015, -016, 4891-007, -008 4891-021, -022, 4901-009 to -020	6/15	89,996 SF 2.07 AC	\$37,258	\$0.41	RH-ID	Tax Collector of San Francisco/ Strike Price Properties LLC & Chuan Zhu #K07300429 +	Tidelands lots located within San Francisco Bay. Tax Default water sales Speculative Investment
10 Egbert Avenue San Francisco APN: 4924-012	6/15	19,998 SF 0.46 AC	\$17,000	\$0.85	RH-ID	Tax Collector of San Francisco/ Chuan Zhu #K07300447	Tidelands lots located within San Francisco Bay. Tax Default water sales Speculative Investment
11 225V Tevis Street San Francisco APN: 4928-002	6/15	5,000 SF 0.11 AC	\$5,600	\$1.12	RH-ID	Tax Collector of San Francisco/ Nida Nguyen #K07300450	Tidelands lots located within San Francisco Bay. Tax Default water sales Speculative Investment

- (1) Contributory value of existing improvements estimated at \$30/SF of building area.
- (2) Contributory value of existing improvements estimated at \$35/SF of building area.
- (3) Approximate net usable land area, excluding submerged land area.
- (4) Estimated costs to remove beached ship which is required by BCDC.
- (5) Contributory value of existing improvements estimated at \$60/SF of building area.

Source: Watts, Cohn and Partners, Inc., August 2016
16-WCP-009

COMPARABLE COMMERCIAL LAND SALES MAP



The property was purchased for \$13,500,000 or \$17.97 per square foot of usable land area in October 2014. The sale price net of the estimated contributory value of the improvements at \$35 per square foot of building area is \$12.68 per square foot. The comparable was purchased by the existing tenant and the purchaser also holds the leasehold interest on the adjacent property.

Comparable 3 is the sale of the former Encinal Terminals site located at 1523-1531 Buena Vista Avenue in Alameda. The site is approximately 24.65 acres and abuts into the Oakland Estuary/Oakland Inner Harbor. The net usable site area, excluding submerged land area, is approximately 12.98 acres, or 565,409 square feet. The parcel is highly irregular in shape which negatively impacts the utility of the site. The functional utility of this site is impacted by a State Tidelands parcel that cuts across the majority of the subject. Reportedly, the buyer intends to execute a long-term ground lease for a 6.37-acre portion of the State Tidelands parcel and incorporate it into the proposed development. According to the City of Alameda, the developer has not yet negotiated a lease for the Tidelands parcel.

In January 2013, North Waterfront Cove, LLC purchased this property from Encinal Industries, Inc. for \$12,500,000, or \$22.11 per square foot of net usable land area, excluding submerged area. The buyer intends to redevelop the site with a mixed-use development that will include residential, commercial and office space. According to the buyer, the site is unentitled and no application has been submitted for the proposed development. The same buyer purchased an adjacent site for redevelopment.

Land Sale 4 is located at 300 Cutting Boulevard in Richmond. The property consists of a 4.07-acre parcel improved with two industrial buildings totaling 12,522 square feet. The property was formerly used as a shipping and marine construction yard. The waterfront site is rail served and includes a dock. The usable land area is 3.71 acres or 162,472 square feet. The total submerged land area is 0.36 acres or 15,817 square feet, which is less than 10 percent of the total site area. The property has a zoning designation of M-4, or Marine Industrial.

In October 2012, IMTT Richmond CA, GP purchased this property from Suisun Properties for \$2,675,000, or \$16.57 per square foot of land area. The buyer is an adjacent land owner that intends to use the site for expansion.

Land Only Sales

Comparable 5 is the sale of a property located at 1835 Oak Street in Alameda. The comparable consists of a 112,385 square foot, or 2.58-acre parcel improved with an older 44,000 square foot warehouse building. The zoning for the property is M-2, which allows for a variety of commercial uses, but does not allow residential.

This property was purchased in November 2015 for \$3,700,000, or \$32.92 per square foot of land area. The purchaser was an owner/user. The sale price – net of

the estimated contributory value of the improvements at \$30 per square foot of building area – is \$21.18 per square foot.

Land Sale 6 is the sale of a property located at 2203 Mariner Square Loop in Alameda. The property consists of a 96,268 square foot, or 2.21-acre parcel improved with a vacant, older, 10,246 square-foot restaurant building that was built in 1980. The zoning for the property is M-2, PD which allows for a variety of commercial uses, but does not allow residential. The site is proximate to a new Target store.

This property was purchased in March 2013 for \$2,500,000, or \$25.97 per square foot of land area. The buyer intends to renovate and convert the existing building to a swim school. According to the seller, the property was actively marketed and several offers were received. The highest offer was \$3.2 million from a restaurant user. The seller decided to sell the property at a lower price to a swim school that has been a tenant in the adjacent building, also owned by the seller. Reportedly, the seller will also provide financing for the proposed improvements which are estimated to be in excess of \$1.0 million. The sale price net of the estimated contributory value of the improvements at \$60 per square foot of building area is \$19.58 per square foot

Comparable 7 pertains to a listing of a property for sale located at 2199 Clement Street in Alameda. The property consists of 4.70 acres, or 204,732 square feet, of land located adjacent to the Tidal Canal. The site is improved with a 5,000 square foot metal warehouse with offices and there is a 10,000 square foot storage shed on the property. Access to the property is from a driveway off of Clement Street.

The property is currently listed for sale at a reported asking price of \$8,000,000. The listing broker indicated that there have been offers made at \$4 to \$5 million. This is equal to a price per square foot of between \$19.54 to \$24.42. The property has reportedly been listed for sale for over a year.

Land Sale 8 is located at 1151 6th Street in Berkeley. The property consists of a new 2.18-acre parcel created from the excess land portion of a United States Postal Service facility site. The property is zoned MU-LI, or Mixed Use - Light Industrial and is unimproved. According to the listing agent, the site includes a 10,000 square foot easement area for the extension of a bike path.

In December 2013, Urban Adamah purchased this property from the United States Postal Service for \$2.1 million, or \$24.72 per square foot of land area, excluding the bike path easement area. The buyer intends to owner occupy the site with a community farm and sustainable agriculture training facility. The property will be improved with various structures totaling approximately 12,000 square feet.

Water Lots

Comparables 9 through 11 are the sales of properties at Bancroft Avenue, Egbert Avenue and 225V Tevis Street in the Bayview neighborhood of San Francisco. These comparables contain between 5,000 to 89,996 square feet and are located within the San Francisco Bay. The comparables lack any road access and it is doubtful that any development could ever occur on these sites.

The properties had been tax defaulted and were purchased at auction from the Tax Collector of San Francisco in June 2015 for between \$0.41 to \$1.12 per square foot.

B. Analysis

The subject parcels consist of submerged and dry land areas. The subject lots are generally long and narrow sites situated along the estuary/waterfront. They are located adjacent to properties that are used for or zoned for industrial, commercial and open space uses. The subject parcels are valued based on their adjusted dry land areas on per square foot basis consistent with the larger adjacent parcels. Because of the land to water ratio is different on each of the comparables relative to the subject, the appraiser has valued the dry land area initially with an additional increment of value applied to the water portion of the property.

The waterfront nature of the subject lots has significant value to users that are maritime in nature and is considered in selecting a unit value.

1. Subject Lot 4

The subject Lot 4 contains a total of 1.58 acres or 68,843 square feet. The site is estimated to contain an adjusted dry land area of 17,051 square feet and a submerged land area/or land area of limited utility of 51,792 square feet. The subject parcel is located adjacent to 2199 Clement Street. Access to the adjacent property is from a driveway off of Clement Street and the site has limited street frontage. The subject lot has approximately 760 linear feet of shoreline and a lot width of 78 feet.

Comparables 2, 3, 4, and 7 are considered to be the most similar to the subject in terms of waterfront location and uses. These comparables indicate a range of values between approximately \$12.70 to \$24.40 per square foot.

Comparable 2 is located at 2900 Main Street in the northern portion of Alameda along the Oakland Estuary/Inner Harbor waterway. The property was purchased in October 2014 for \$12.68 per square foot, based on usable land area with a deduction made for the contributory value of the improvements. The comparable is an industrial site and was purchased by the existing tenant. Positive adjustments are made for the larger investment magnitude and date of sale of the comparable. A railroad right-of-way also bisects a portion of the

property which affects the utility of the property, warranting an upward adjustment. Although the property was purchased by the existing tenant, (who also has a leasehold interest in the adjacent property), the comparable was actively marketed for sale. No adjustment is considered warranted for the conditions of sale. A tempering influence to the above upward adjustments is the comparable's location in the Oakland Harbor waterway near Alameda Point. This is considered superior to the subject given its proximity to the San Francisco Bay. Overall, a higher unit value is indicated for the subject.

Comparable 3 is the sale of a highly irregular site on Buena Vista Avenue in Alameda. The property was purchased for \$22.11 per square foot. This site has waterfront exposure and is planned for mixed commercial and residential use. It adjoins another property which was purchased by the same developer. Positive adjustment is made for market conditions. In addition, the property will require the execution of a ground lease in order to be developed. However, negative adjustments are warranted for the zoning. Overall a lower unit value is concluded for the subject based on this sale.

Comparable 4 pertains to the sale of an industrial property in Richmond. The property was purchased for \$16.57 per square foot based on usable land area and is a waterfront property. Positive adjustments are indicated for the date of sale and location. However, a downward adjustment is warranted for conditions of sale due to the motivations of the purchaser to expand their adjacent property.

Comparable 7 pertains to the current asking for the adjacent upland property of Lot 4 on Clement Street. Reportedly, the owner has received offers in the \$19.54 to \$24.42 per square foot range. However, no details were provided on the offers and the property has been available for sale for an extended period of time. This comparable is the most similar to the subject in terms of location. However, a lower unit value is indicated given that these are offers and not closed sales.

After considering the attributes of the comparables versus the subject property a unit value between \$13.00 to \$17.00 per square foot is estimated for the subject dry land area. Given the location of the subject property, its relatively long length of shoreline, a unit value of \$15.00 per square foot is concluded for Lot 4. This unit value is applied to the adjusted dry land area only.

In addition, the subject contains submerged land or land with limited utility. Based on discussions with brokers and market data, there is considered to be a speculative market for submerged land. In addition, the subject waterfront nature is considered to add value for maritime users. Sales of inaccessible tideland lots in the San Francisco Bay indicate sale prices of between \$0.40 to over \$1.10 per square foot. These sales indicate that even with no development potential that there is an active speculative market in the bay area. Therefore, it is estimated that the submerged land would attract a pool of potential buyers.

For the subject property a unit value towards the low end of the range of \$0.50 per square foot is concluded given its location, access and size. This unit value is applied to the subject’s submerged and limited utility land areas. The value of Lot 4 is as follows:

Lot 4

Dry Land: 17,051 square feet x \$15.00 per square foot =	\$255,758
Submerged Land: 51,792 square feet x \$0.50 per square foot =	<u>\$25,896</u>
Total Value of Lot 4	\$281,654
Rounded Market Value	\$280,000

2. *Subject Lots 7, 8, 9, 10 and 11*

Subject Lots 7, 8, 9, 10 and 11 contain between 0.18 and 1.37 acres. The subject Lots 7 and 10 are the largest and contain a total of 1.37 and 1.34 acres, respectively. Lot 7 has approximately 640 linear feet of shoreline and a width of 90 feet. Lot 10 has approximately 899 linear feet of shoreline and a width of 65 feet. Lots 8, 9 and 11 are smaller in size and range from 0.18 to 0.65 acres. These parcels have between 162 to 442 linear feet of shoreline.

The subject lots are situated adjacent to the commercial and industrial uses. The adjacent properties are zoned North Park-Workplace and North Park-Maritime Manufacturing. Both of these zoning districts allow for light industrial and maritime uses, with NP-Workplace also allowing for commercial uses.

Comparables 1, 3 and 6 are considered to be the most similar to the subject lots in terms of waterfront location and uses. These comparables indicate a range of values between approximately \$14.00 to \$22.00 per square foot.

Comparable 3 pertains to the sale of a mixed-use site located at 1523-1531 Buena Vista Avenue. An upward adjustment is made for the date of sale given current stronger market conditions as well as the irregular shape of the property. In addition, the property will require the execution of a ground lease in order to be developed. A higher unit value is warranted.

Comparable 1 reflects the recent sale of a waterfront property in Richmond for approximately \$14 per square foot. This historic site was originally used for the San Rafael/Richmond Ferry. The property is zoned for marina use, but the broker reported that the purchaser is proposing a hotel on the site. The comparable is inferior to the subject in terms of location, and lacks adjacent infrastructure. The shoreline is also inferior. Overall, a higher unit value is indicated for the subject lots.

Comparable 6 is the sale of a 2.21-acre site located at 2203 Mariner Square Loop in northern Alameda. The property was purchased for approximately \$20 per square foot after a deduction was made for the contribution of the existing improvements. The conditions of sale may have negatively impacted the sale price and an upward adjustment is indicated. A positive adjustment is also made for the date of sale, as market conditions have continued to improve. The location is similar. The zoning is different, but allows for a variety of commercial uses and no adjustment is indicated. Overall, a similar unit value is indicated for the subject.

Considering the attributes of the comparables versus the subject properties a unit value between \$15.00 to \$25.00 per square foot is estimated for the subject dry land areas.

For *Lot 7* a unit value of \$20.00 per square foot is concluded. This property is located adjacent to a commercial property which is zoned North Park-Workplace which allows for more commercial and light industrial uses. The subject Lot 7 has a relatively long linear shoreline area and has good visibility adjacent to a commercial complex. It also has superior utility due to its wider lot width and length compared to the other subject parcels.

Lot 10 is located adjacent to three properties and has a mixed zoning of North Park-Maritime Manufacturing and North Park-Workplace. The subject lot is relatively long and has almost 900 feet of shoreline with most of the shoreline along the upland commercial parcel. However, the dry land area is relatively small at 2,705 usable square feet. Given the small dry land area and the long shoreline area with a lot width of 65 feet, a unit value slightly above the high end of the range is concluded at \$30.00 per square foot. Although this is above the range of comparables on a per square foot basis, the value is supported on an absolute value basis given that it is adjacent to commercial uses and has demonstrated potential for a pier.

Lot 11 is located to the south of Lot 10 and is situated adjacent to north of the Fruitvale Bridge. This property is located adjacent to Bridgeside Shopping Center. The adjacent upland site is zoned North Park-Workplace which allows for commercial and light industrial uses. The property contains 0.65 acres of which 2,974 square feet is concluded as usable dry land. The site has 442 feet of shoreline and has good visibility adjacent to a commercial property. Based on its location adjacent to commercial uses, shoreline length and width, the property is estimated to have a unit value of \$20.00 per square foot.

Lot 8 is located to the south of the Fruitvale Bridge. This site has 162 linear feet of shoreline and a width of 50 feet. The subject is estimated to have 1,042 square feet of usable dry land. The parcel has an inferior location on the south side of the Fruitvale Bridge and is further from the bay. The utility of the lot is also inferior given its width and depth. However, it is located adjacent to commercial

uses and would enhance the upland parcel. Overall, a unit value of \$20.00 per square foot is concluded given its location.

Lot 9 is located mid-block and is situated adjacent to property which is zoned North Park-Maritime Manufacturing which allows for maritime and industrial uses. This property is located mid-block and has 410 linear feet of shoreline and a width of 50 feet. The utility of the subject is considered inferior due to its mid-block location and relatively narrow width. A unit value at the low end of the range of \$15.00 per square foot is concluded. This unit value is similar to the previous concluded industrial land value estimated for Lot 4, which is located adjacent to an industrial property.

Lastly, the subject lots contain submerged land and land with limited utility. Based on the previous discussion above, there is considered to be a speculative market for this type of property with limited development potential. For the subject’s submerged land area, a unit value of \$0.50 per square foot is concluded given their size, access and location. This unit value is applied to the submerged and limited utility land areas of each lot. The concluded values of the subject lots are as follows:

Lot 7

Dry Land:	6,595 square feet x \$20.00 per square foot =	\$131,895
Submerged Land:	53,060 square feet x \$0.50 per square foot =	<u>\$26,530</u>
Total Value of Lot 7		\$158,425
Rounded Market Value		\$160,000

Lot 8

Dry Land:	1,042 square feet x \$20.00 per square foot =	\$20,845
Submerged Land:	7,016 square feet x \$0.50 per square foot =	<u>\$3,508</u>
Total Value of Lot 8		\$24,353
Rounded Market Value		\$25,000

Lot 9

Dry Land:	2,937 square feet x \$20.00 per square foot =	\$44,055
Submerged Land:	17,128 square feet x \$0.50 per square foot =	<u>\$8,564</u>

Total Value of Lot 9	\$52,619
Rounded Market Value	\$50,000
<i>Lot 10</i>	
Dry Land: 2,705 square feet x \$30.00 per square foot =	\$81,150
Submerged Land: 55,579 square feet x \$0.50 per square foot =	<u>\$27,790</u>
Total Value of Lot 10	\$108,940
Rounded Market Value	\$110,000
<i>Lot 11</i>	
Dry Land: 2,974 square feet x \$20.00 per square foot =	\$59,470
Submerged Land: 25,194 square feet x \$0.50 per square foot =	<u>\$12,597</u>
Total Value of Lot 11	\$72,067
Rounded Market Value	\$70,000

3. Subject Lots 5 and 6

The subject Lots 5 and 6 are located adjacent to upland property that has been designated as Open Space and is proposed as a public park as part of multifamily residential project. The subject lots are considered to be most similar to maritime recreational uses or sales of recreational land or community gardens. Comparables 1 and 8 are considered to be the most similar to the subject in terms of uses. These comparables indicate a range of values between approximately \$14.00 to \$25.00 per square foot.

Comparable 1 pertains to a recent sale of a property at Castro Point in Richmond at approximately \$14.00 per square foot based on dry land area. The site was originally the location of the Richmond/San Rafael Ferry. The comparable is inferior to the subject in terms of its remote location, as well as lack of infrastructure, as it will require sewer and roads. The property is also situated in proximity to the Chervon refinery which is a negative factor. The subject has superior shoreline utility and potential. A higher unit value is warranted for the subject.

Comparable 8 pertains to the sale of 1.95 net acre site located in Berkeley which was purchased for development as an urban farm for roughly \$25 per square foot. An upward adjustment is made for the date of sale. However, a negative adjustment is warranted for location and its superior commercial visibility and

accessibility. The higher sale price also reflects the additional uses allowed on the property under its zoning. A lower unit value is indicated for the subject lots.

The subject Lots 5 and 6 have approximately 170 and 297 linear feet of shoreline. The subject lots have good recreational use potential and the open space is situated adjacent to proposed residential uses. The subject open space usage would be a desirable component for the residential development. After adjustments a unit value of \$15.00 per square foot estimated for the subject dry land areas. This unit value is applied to the adjusted estimated usable dry land area only of Lots 5 and 6.

The subject lots also contain submerged land or land with limited utility due to the steepness of the shoreline. Sales of tideland lots in the San Francisco bay which are not accessible indicate a unit value of between \$0.40 to over \$1.10 per square foot. For the subject properties a unit value of \$0.50 per square foot is concluded based on size, utility and location. This is applied to the non-dry land areas. The value of Lot 5 and 6 is as follows:

Lot 5

Dry Land: 1,223 square feet x \$15.00 per square foot =	\$18,338
Submerged Land: 7,245 square feet x \$0.50 per square foot =	<u>\$3,622</u>
Total Value of Lot 5	\$21,960
Rounded Market Value	\$20,000

Lot 6

Dry Land: 5,209 square feet x \$15.00 per sq. ft. =	\$78,135
Submerged Land: 20,687 square feet x \$0.50 per sq. ft. =	<u>\$10,344</u>
Total Value of Lot 6	\$88,479
Rounded Market Value	\$90,000

As a check of reasonableness the appraisers also looked at sales of small speculative residential sites with little development potential located in the surrounding market area. The sales are shown on Table 7 in the following chapter. The comparables are generally located in the Hayward Fault Zone and have liquefaction issues making development very difficult. The land sales, with exception of Courtland Avenue ranged in size from 0.18 to 0.47 acres or 7,988 to 20,488 square feet. The sale prices ranged from \$35,000 to \$150,000

on an absolute basis. This is considered to be the absolute price range for speculative dry land purchases in the East Bay and supports the above subject value conclusions.

VII. VALUATION OF RESIDENTIAL PARCELS

The subject property consists of approximately 89 water-locked and one land-locked parcel located adjacent to lots with current residential uses. The lots consist primarily of water with a nominal amount of dry land. One parcel is land-locked and will be discussed towards the end of this section. For the purposes of this valuation, the appraisers used several approaches to derive the value of this amenity.

In researching this assignment, no directly comparable unimproved tidal lots were located. Therefore, improved sales of docks and properties that include docks were analyzed to reach a value range as an improved tidal lot. The Sales Comparison Approach and the Paired Sales analysis are used in this chapter to derive a value range for improved water/tidal lots. Subsequently the estimated contributory value of the improvements will be deducted to reach an unimproved tidal lot value range. The resulting value range will be reconciled to reach an average tidal lot value.

A. “Dockominium” Sales at Emery Cove Yacht Harbor

The table on the following page lists recent sales of docks located at the Emery Cove Yacht Harbor in Emeryville in Alameda County. The Emery Cove Yacht Harbor is a private 430 slip “dockominium” marina located one mile from the San Francisco Bay Bridge on the Emeryville Peninsula. A condominium boat slip enjoys fee ownership, or the same rights as a residential condominium. Owners have 100% control over their boat slip as well as permanent rights to use and enjoy the common areas. This includes the docks, deck areas, parking lots, bathrooms and landscaping. Their berths range from 35 to 60 feet and all slips are separately metered for electricity. DOA fees are determined per linear foot at a pro-rata share which is currently \$7.51 per linear foot per month.

The following table shows the fee sales of docks located at the Emery Cove Yacht Harbor. These docks sold between November 2015 and May 2016. The sales price ranged between \$38,000 and \$58,000, or between \$1,000 and \$1,288 per linear foot. The linear feet ranged from 36 feet to 50 feet for the dock sales. Docks with more linear feet typically sell for more overall due to their increased utility. The “DOA” dues range from \$270 to \$375 per month. The variations in price are attributed to berth location, views, and ease of access to the shared amenities.

Based on a typical dock length for a residential property, a dock length of 40 feet is used in this analysis. The Emery Cove Yacht Harbor has a good location on the San Francisco Bay. However, the subject benefits from being located in a sheltered area adjacent to private residences, which allows for more privacy, superior access, convenience, as well as control. In addition, it reflects a fee simple ownership which is considered superior. Although boat access to the subject lots require passing under two to three bridges, due to the superior ownership considerations of a private dock, a value at the higher end of the comparable sale range is considered supported. The market value for the subject tidal lots with improvements based on

Dockminium Sales at Emery Cove Yacht Harbor
Appraisal of Alameda Side of the Oakland Inner Harbor Tidal Canal
Alameda, California

#	Address / APN	Sale Date	Sale Price	Linear Feet	Price Per Linear Foot	DOA Dues	Grantor/ Grantee/ Doc#
1	Emery Cove 3300 POWELL ST # D10D 049 -1532-202-00	5/16	\$42,000	40	\$1,050	\$330.40	Kristifir Klein/ Greg Johnson Trust 0000110991
2	Emery Cove 3300 POWELL ST # D58I 049 -1532-309-00	5/16	\$38,000	36	\$1,056	\$270.36	Peter & Nia Doyle/ Greg Johnson Trust 0000110992
4	Emery Cove 3300 POWELL ST # F26H 049 -1532-350-00	5/16	\$49,000	45	\$1,089	\$337.95	Richard Kulka/ Matthew Negherbon 124250
5	Emery Cove 3300 POWELL ST # B53H 049 -1532-102-00	4/16	\$40,000	40	\$1,000	\$300.40	John Dutton & L 1997 Trust/ Daniel Goodman 0000104189
6	Emery Cove 3300 POWELL ST # E23H 049 -1532-283-00	4/16	\$48,000	40	\$1,200	\$300.40	Richard Kulka/ Jay Slupesky 0000097393
7	Emery Cove 3300 POWELL ST # E25H 049 -1532-285-00	4/16	\$45,000	40	\$1,125	\$300.40	David & Connie Englehart/ Jay Slupesky 0000089703
8	Emery Cove 3300 POWELL ST # A25F 049 -1532-030-00	4/16	\$58,000	50	\$1,160	\$375.50	Timothy Koester/ Eggenberger-Lesowitz Trust 0000079554
9	Emery Cove 3300 POWELL ST # G22F 049 -1532-407-00	3/16	\$52,500	50	\$1,050	\$375.50	Kevin McPhee/ Victoria Caldwell 0000053632
10	Emery Cove 3300 POWELL ST # B29G 049 -1532-078-00	3/16	\$47,500	45	\$1,056	\$337.95	Paul Weeland/ James & Michele Saake 0000076086
11	Emery Cove 3300 POWELL ST E57D 049 -1532-317-00	11/15	\$51,500	40	\$1,288	\$300.40	Richard Kulka/ Ramsay, Sheldon C 2010 Trust 0000312813
12	Emery Cove 3300 POWELL ST # A21G 049 -1532-026-00	11/15	\$50,000	45	\$1,111	\$337.95	Rolling Hills Trust/ John Murray Living Trust 0000295660

Source: Watts, Cohn and Partners, Inc., August 2016
16-WCP-009

a benchmark 40-foot dockominium is estimated to range between \$40,000 and \$50,000.

Value Range of 40' Long Dockominium \$40,000 - \$50,000

B. Paired Sales Analysis- Residential Homes with and without Docks

In this approach, the value of the subject tidal lots is established by comparison of single family homes that sold with docks, versus those without. As the sales are paired, or similar, the difference between the two sales is inferred to be the difference in value of a home with a dock versus one without. The table on the following page summarizes comparable sales of houses with docks, and houses without docks. The comparables are further discussed in the following paragraphs.

The sales took place from January 2012 to June 2016. Due to the limited paired sale data in Alameda the search was expanded to other waterfront communities in Novato and San Rafael.

1. Discussion of Paired Sales

Paired Sales 1

The first paired pertains to the sale of 260 Montego Key and 205 Montego Key in Novato, California. These properties are located in the Bel Marin Keys on the east side of San Pablo Bay. The 260 Montego Key property sold in January 2012 for \$520,000. The home contained 1,823 square feet and has three bedrooms/three baths. The waterfront home was sold with a dock. The 205 Montego Bay property sold in October of 2012 for \$470,000. This home contained three bedrooms/two bathrooms, and a total of 1,963 square feet. It did not contain a dock. The value difference between the two properties is \$50,000.

Both houses were in good condition at the time of sale and not in need of any repairs. While 205 Montego Bay is slightly larger and contains one additional bathroom, this difference is considered minimal. The two sales are located within close proximity of each other on the same street and no adjustment for market conditions is indicated. No additional adjustments are indicated. The value difference is mainly attributed to the dock.

This paired sale is considered comparable to the subject parcels, and indicates a similar \$50,000 difference in value for the subject.

Paired Sale 2

The second paired sale refers to the sale of 36 Porto Bello Drive and 52 Porto Bello Drive in San Rafael, California. These properties are both condominiums

Paired Sales for Homes With and Without Docks
 Appraisal of Alameda Side of the Oakland Inner Harbor Tidal Canal
 Alameda, California

Location	Dock	Sale Price	Bedroom	Baths	Size (SF)	Type	Date of Sale
<u>Novato</u>							
1 260 Montego Key	Yes	\$520,000	3	3	1,878	SFR	01/12
205 Montego Key	No	\$470,000	3	2	1,963	SFR	10/12
Difference		\$50,000					
<u>San Rafael</u>							
2 36 Porto Bello	Yes	\$575,000	2	2	1,228	Condo	4/13
52 Porto Bello	Yes - Communal	\$549,500	2	2	1,228	Condo	10/14
Difference		\$25,500					
		\$52,975	Value Adjusted for Date of Sale				
<u>Alameda</u>							
3 2807 Marina Drive	Yes	\$765,000	2	2	1,382	SFR	01/15
1220 Santa Clara Ave	No	\$713,000	3	2	1,370	SFR	08/15
Difference		\$52,000					
4 2823 Marina Drive	Yes	\$1,100,000	3	1.5	1,661	SFR	10/15
2828 Windsor Drive	No	\$1,080,000	3	2.5	2,111	SFR	03/15
Difference		\$20,000					
		\$65,000	Value Adjusted for Size				
5 406 Tideway Drive	Yes	\$900,000	3	3	1,835	TH	12/15
1224 Porta Ballena	No	\$851,000	2	3	2,083	TH	06/16
Difference		\$49,000					
		\$73,800	Value Adjusted for Size				

Source: Watts, Cohn and Partners, Inc., August 2016
 16-WCP-009

located within one hundred feet of each other. The condominiums contained two bedrooms/two bathrooms, and 1,228 square feet. The 36 Porto Bello Drive property has one dock and sold in April of 2013 for \$575,000. The property at 52 Porto Bello Drive sold in October 2014 for \$549,500. The 52 Porto Bello Drive property was not sold with its own dock, but rather comes with access to a communal dock. The difference between the two properties is \$25,500.

No adjustment is made for size or location. Both units have two parking spaces, as well as similar views. However, an additional adjustment is warranted for market conditions as property values improved from mid-2013 to October 2014. Adjusting the 52 Porto Bello property downward for market conditions in relation to 36 Porto Bello, suggests a lower adjusted unit value and a greater difference in value for the paired sales in the range of approximately \$53,000. No other adjustments are indicated.

The subject parcels are primarily single family homes. The value difference is attributed to the dock and market conditions. While 52 Porto Bello Drive does not include a private dock, it does have access to the condominium association's communal dock which is across the street.

Paired Sale 3

The third paired sale is 2807 Marina Drive and 1220 Santa Clara Avenue in Alameda. The 2807 Marina Drive property is located adjacent to the Oakland Tidal Canal and is one of the properties affected by the valuation. The single family residential property contains two bedrooms/two bathrooms and has approximately 1,382 square feet. This property sold with a dock in January of 2015 for a total of \$756,000. Reportedly, the property was in average condition and some of the work on the property had been completed without permits. The 1220 Santa Clara Avenue property is located approximately two miles from the comparable paired sale. This comparable is considered to be located in a somewhat similar neighborhood. The 1220 Santa Clara Avenue property sold in August 2015 for \$713,000. This house contained three bedrooms/two bathrooms, and approximately 1,370 square feet. It did not include a dock. The difference between the two properties is \$52,000.

This paired sale reflects a single family home located in proximity to the Fruitvale Bridge. Both properties sold within six months of each other and consideration is given for market conditions. The larger value difference of \$52,000 is attributed to the location of the home that sold without a dock, at 1220 Santa Clara Avenue. This property is situated several blocks in-land in central Alameda, and lacks the dock/waterfront, attributing to the greater difference in value.

Paired Sale 4

The fourth paired sale is 2823 Marina Drive and 2828 Windsor Drive in Alameda. The 2823 Marina Drive property is located on the Alameda Tidal Canal. This property contains three bedrooms/two bathrooms and approximately 1,661 square feet. This property sold with a dock in October of 2015 for \$1,100,000. The 2828 Windsor Drive property is approximately one block inland from this paired sale. This property sold in March 2015 for \$1,080,000. It contains three bedrooms/2.5 bathrooms, and approximately 2,111 square feet. The difference between the sales prices of two properties is \$20,000.

The two sales are located within one block of each other. The house located on Windsor Drive has slightly superior utility as it contains approximately 450 square feet more than its comparable, as well as an additional full bathroom. The appraisers applied a \$100 per square foot adjustment for the difference in size of these properties, which takes into consideration the depreciated value of the improvements and additional bathroom. Based on the 2828 Windsor Drive property containing 2,111 square feet, the difference in building area is 450 square feet. This reflects a lower adjusted sale price of \$1,035,500 (450 sf x \$100.00) for the Windsor Drive property. This adjustment suggests a higher paired sale difference in value of approximately \$65,000.

Paired Sale 5

The fifth paired sale is 406 Tideway Drive and 1224 Porta Ballena in Alameda. Both properties are located on the northwest side of Alameda, in Ballena Bay. The property at 406 Tideway Drive sold with a 41-foot dock in December of 2015 for \$900,000. It contained three bedrooms/three bathrooms and approximately 1,835 square feet. The comparable at 1224 Porta Ballena sold without a dock in June of 2016 for \$851,000. It contains two bedrooms/three bathrooms and 2,083 square feet. The unit has views of the water but does not include a dock. The unadjusted value difference between the two properties is \$49,000.

These two paired sales are located in proximity of each other in Ballena Bay. The 406 Tideway property is smaller but has an additional bedroom and direct dock access. The end unit at 1224 Porta Ballena has one less bedroom, but is approximately 248 square feet larger in size. Adjusting for the size difference equals a downward adjustment of \$24,800, or \$100 per square foot, resulting in a value difference of approximately \$74,000. Overall, this paired sale suggests a similar or slightly lower value differential between a unit with a dock and without.

2. Analysis

Due to their location in Alameda, weight is given to Paired Sales 3, 4 and 5. Paired Sales 3 and 4 both contained a property on Marina Drive that is currently adjacent to the subject tidal canal lots. All four sales occurred in 2015.

In Paired Sale 4, the sales occurred within one block of each other. However, 2828 Windsor Drive required a downward adjustment to reflect its larger size and additional bathroom in relation to 2823 Marina Drive. After adjustments the value differential was approximately \$65,000.

Paired Sale 5 reflects two sales of townhouses in Ballena Bay in Alameda. The units are located in close proximity of each other and indicate a difference in value of approximately \$74,000. This was due to a downward adjustment for size applied to 1224 Porta Ballena. However, this adjustment is somewhat tempered by the superior condition of the 406 Tideway Drive property.

While the Paired Sale 2 are identical in size, layout, and location, less weight is given to this Paired Sale due to the date of sales and the communal dock amenity included in the second sale. Pair Sale 1 is the oldest sales which occurred in 2012. This sale indicated a difference in value of approximately \$50,000. Again, less emphasis is placed on this Paired Sale due to its more distant location and older date of sale.

Conclusion

The paired sale data suggests that the value difference of a property with a dock versus one without is between \$50,000 and \$74,000.

The appraisers also surveyed residential brokers active in the Alameda market. The majority of these brokers indicated that homes can obtain premiums of between \$25,000 to \$50,000 for a property with a dock depending on the quality and size of the improvements in the subject neighborhood. The agents further noted that residential properties with docks are part of a niche market that attracts specific buyers.

Based on the above analysis and the physical attributes of the subject, a value range between \$30,000 and \$70,000 is concluded as the value difference between a property with dock, as compared to one without.

Value Range of Improved Waterfront Lots
based on Paired Sales Analysis: \$30,000- \$70,000

C. Reconciled Value of Properties with Docks and Without Docks/ Improvements

Two approaches were used to estimate the value an improved tidal lot. Improved sales of docks and properties that included docks were analyzed to reach a value of an improved tidal lot. These are then reconciled to derive a value range for the improved tidal lots.

The Paired Sales Approach is considered to be a good market indicator given the adjacent residential uses of the subject parcels. However, weight is also given to the sales of the “Dockominiums” as these reflect recent sales and indicate what buyers will pay to have ownership of a boat dock located in a marina. The following approaches are shown and reconciled below:

“Dockominium” Sales Comparison Approach Range:	\$40,000 - \$50,000
Paired Sales Approach Range:	\$30,000 - \$70,000
Reconciled Value Range:	\$35,000 - \$70,000

The value of a dock amenity was derived above. Many of the subject lots have been improved with piers, docks and building improvements over the course of time by the adjacent residential property owners. However, as part of this appraisal assignment the appraisers have been instructed by the client to assume that the existing improvements belong to the adjacent property owner and that their presence does not affect value and that they are not part of the subject property being appraised.

Therefore, for this analysis a deduction is made for the estimated cost of construction for typical dock improvements. The average cost of the comparables’ docks is deducted from the above reconciled dock amenity value to derive a value of the unimproved water lots. The appraisers conducted a cost estimation survey of local dock construction companies to find the cost of dock construction, and then compared the cost to the Marshall and Swift Building Cost Analysis.

The table on the following page summarizes the appraisers’ cost survey. The costs per square foot of dock (excluding fees, permits, contingency and profit) ranged from \$17,500 to \$40,700 or, \$71 to \$204 per square foot. After fees, permits, insurance, other costs, and a 15 percent contingency was added, the costs ranged from \$22,125 to \$48,805 or, \$99 to \$244 per square foot. A profit of 25 percent is then added given the risk and time required for approvals. Rounded, the total cost ranges from \$30,000 to \$60,000.

The pricing for dock construction will vary depending on accessibility of construction location, type of soil, size of dock, proximity and height to water, depth of water, amount of laborers needed, time period, distance from contractor location, extra inspection and permit fees.

Dock Cost Estimates
Appraisal of Alameda Side of the Oakland Inner Tidal Canal
Alameda, California

	Marshall's Estimates	Mid-Cal Construction	Delta Pacific Construction	Docks and Decks	Lake Marine Construction	Bellingham Marine
Dock Size (SF):	250 SF (1)	200 SF				
Marshall's Section/Page: Bldg Category: Structure Class/Type:	Sec 67 / Pg 6 Wood Dock Medium Construction (Wood girders, bolted) 4" Decking, Avg. Piling	Medium Construction (Wood girders, bolted) 4" Decking, Avg. Piling				
Direct Costs PSF:	\$50.50 - \$75.00	\$45.00	\$40.00	\$75.00 \$85.00	\$130.00	\$50.00
Local Multiplier	1.40	N/A	N/A	N/A		
Current Multiplier	1.01	N/A	N/A	N/A		
Piling (PER PILE)		\$2,000 - \$4,000	\$15,000	\$300 - \$1,500	\$2,000 - \$4,000	\$4,000
Gangway		\$4,500 - \$5,500	\$45 PSF	\$2,500 - \$3,500	\$1,500	\$2,500 - \$3,500
Total Building Costs:	\$17,852 - \$26,513	\$17,500 - \$22,500	\$40,700	\$18,100 - \$23,500	\$31,500 - \$35,500	\$20,500 - \$21,500
Total Building Costs PSF:	\$71 - \$106	\$88 - \$113	\$204	\$91 - \$118	\$158 - \$178	\$103 - \$108
Subtotal:	\$17,852 \$26,513	\$17,500 \$22,500	\$40,700	\$18,100 \$23,500	\$31,500 \$35,500	\$20,500 - \$21,500
Fees, Permits, Insurance & Other:	\$4,463 (2)	\$2,000 \$2,000	\$2,000	\$2,000 - \$3,000	\$2,500 - \$4,000	\$3,000 (estimated)
Contingency	15% \$2,678	\$2,625 \$3,375	\$6,105	\$2,715 \$3,525	\$4,725 \$5,325	\$3,075 \$3,225
Total Direct & Indirect:	\$24,992 - \$33,653	\$22,125 - \$27,875	\$48,805	\$22,815 - \$30,025	\$38,725 - \$44,825	\$26,575 - \$27,725
PSF:	\$100 - \$135	\$111 - \$139	\$244	\$114 - \$150	\$194 - \$224	\$133 - \$139
Profit	25% \$6,248 - \$8,413	\$5,531 - \$6,969	\$12,201	\$5,704 - \$7,506	\$9,681 - \$11,206	\$6,644 - \$6,931
Total Cost of Docks:	\$31,241 - \$42,067	\$27,656 - \$34,844	\$61,006	\$28,519 - \$37,531	\$48,406 - \$56,031	\$33,219 - \$34,656
PSF:	\$125 - \$168	\$138 - \$174	\$305	\$143 - \$188	\$242 - \$280	\$166 - \$173
Rounded:	\$30,000 - \$40,000	\$30,000 - \$30,000	\$60,000	\$30,000 - \$40,000	\$50,000 - \$60,000	\$30,000 - \$30,000
PSF:	\$120.00 - \$160.00	\$150.00 - \$150.00	\$300.00	\$150.00 - \$200.00	\$250.00 - \$300.00	\$150.00 - \$150.00
RECONCILED AVERAGE COSTS	\$40,000 \$200	\$200				
		PSF				

Notes:
(1) includes gangway SF
(2) 25% of hard costs

Based upon an average 200 square foot dock with two piles and a gangway, the appraisers concluded a cost of construction ranging from \$30,000 to \$40,000.

Estimated Average Cost of Construction for Docks \$30,000 - \$40,000

The concluded average cost of the dock improvements is deducted from the above reconciled value of the lots with docks to reach a value range for the tidal lots without improvements. As discussed above the average value range of the lots with dock improvements were concluded at between \$35,000 to \$70,000. A deduction is made for the construction costs of the dock to derive a value of the water lots without improvements, as follows:

Value Range of Lots with Docks:	\$35,000	-	\$70,000
Less: Range Cost of Dock Improvements:	<u>(\$30,000)</u>	-	<u>(\$40,000)</u>
Value Range of the Unimproved Tidal Lots:	\$5,000	-	\$30,000

The above concluded value is considered to be the amenity value of the subject unimproved tidal land area.

The subject consists of tidal land adjacent to 89 residential lots. The portion of the subject tidal land located to the north has good utility due to the deeper water depth and closer proximity to the San Francisco Bay. The portion located south of the High Street Bridge are further from the Bay and require passage under more bridges to access the Bay which is significant for boaters. In addition, the water depth becomes lower to the south requiring the docks to be located further from the adjacent parcels.

The range of value at \$5,000 to \$30,000 per lot derived from the comparables is fairly wide. This is logical given that the characteristics of each piece are somewhat unique. The subject tidal land is more homogenous given that it all fronts on the estuary in a linear pattern. Nonetheless, even with the subject each parcel has characteristics making it more or less desirable- such as the access to the Bay for boaters as described above. Overall it is reasonable that the composite 89 lots would approximate the mid-point in value.

However, in this assignment the appraisers are to derive the fair market value of the fee simple interest in the subject 90 residential lots (including one dry land parcel discussed below), appraised as a single entity, assuming that there are no existing improvements. In other words, the value of the 90 lots sold in a single transaction. This condition results in a discount for the bulk nature of the sale.

Considering this aspect, a per lot value conclusion below the mid-point is appropriate. A value of \$10,000 per lot for the 89 lots sold in a single transaction is concluded as follows:

$$89 \text{ Tidal Lots} \quad \times \quad \$10,000 \quad = \quad \$890,000$$

D. Valuation of Residential Land-Locked Parcel

The subject also contains one land locked parcel identified as Lot 101. This lot contains 977 square feet of land and is located in the rear yard of 1628 Fernside Boulevard. The parcel is triangularly shaped and completely landlocked. As with the tidal lots the highest and best use of the subject lot is for assemblage with the adjacent residential parcel.

The table on the following page shows sales of small limited utility residential sites which are considered to provide an indicator of value for the subject Lot 101. The comparables indicated on the table were purchased between October 2014 and April 2015 and are located in various neighborhoods in Oakland. The comparables range in size from 750 to 20,488 square feet. They are all residentially zoned parcels with limited residential development potential.

The comparable land sales are range in sale prices from \$6,000 to \$150,000, or approximately \$3.00 to \$8.00 per square foot. The comparables are not landlocked like the subject parcel, but residential development upon the lots is considered expensive and very difficult. In addition, in the case of Comparable 2 which was purchased for \$8.00 per square foot, the site is only 5 feet wide which makes standalone development impossible. This comparable is similar to the subject in terms of functional utility and being an individual parcel that is not buildable. However, it has street frontage which is superior to the subject.

The subject is a landlocked triangular shaped site which has limited functional utility. It is located in the backyard of a residential home and is unimproved. The most likely buyer would be the adjacent property owner for assemblage. However, because the adjacent property is already developed, the acquisition of the subject land might be less immediately compelling although desirable for the longer term. Based on these factors as well as the small size of the subject property a unit value similar to Comparable 2 at \$8.00 per square foot is concluded.

The total value of the Lot 101 assuming that it is not improved, is estimated as follows:

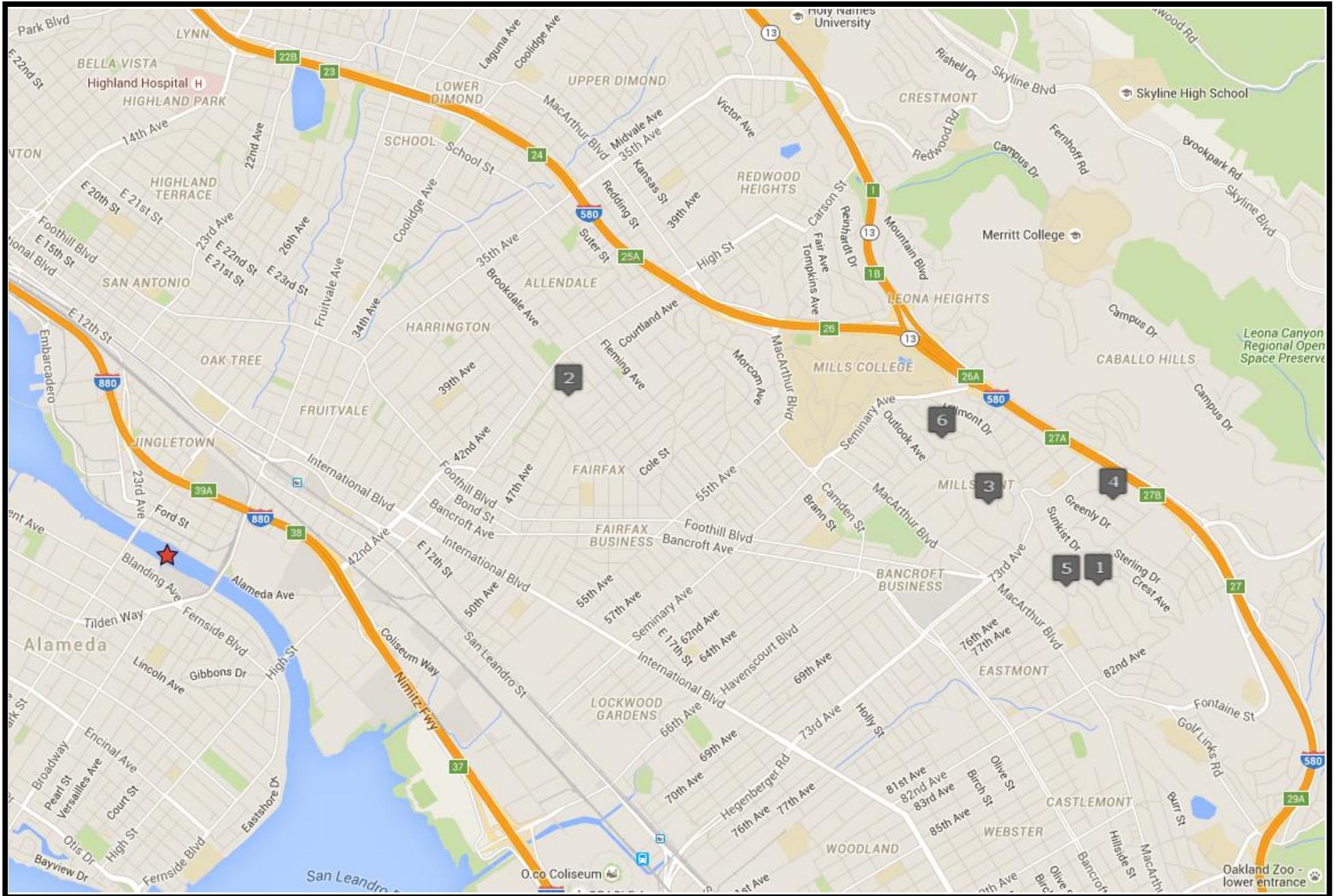
$$\begin{array}{rclclcl} \text{Lot 101} & 977 \text{ Square Feet} & \times & \$8.00 \text{ per sf} & = & \$7,816 \\ & \text{Rounded Value} & & & & \$10,000 \end{array}$$

COMPARABLE RESIDENTIAL LAND SALES
 Appraisal of Alameda Side of the Oakland Inner Tidal Canal
 Alameda, California

# Location / APN	Sale Date	Sale Price	Land Area	Price Per SF of Land	Zoning	Grantor/Grantee (Document#)	Comments
1 Sunkist Oakland APN: 040A-3426-056	4/15	\$105,000	0.29 AC 12,753 SF	\$8.23	RD-1	Gabriel Joaquin D Jr & Joann Ng Haohong #88055	Limited development utility due to location within the Hayward Fault Zone Down sloping site, sold with plans and approvals in place.
2 Courtland Avenue Oakland APN: 036-2449-35-01	3/15	\$6,000	0.02 AC 750 SF	\$8.00	RD-1	Sabeeha Shaheen/ Maximilian Brotman #079385	Small Lot only 5 feet wide by 150 deep Can use for storage or plant
3 Simson Street Oakland APN: 037A-2779-001	2/15	\$100,000	0.30 AC 12,903 SF	\$7.75	RD-1	Vida Capital Group LLC/ Community First USA LLC #48919	Site located in Hayward Fault Zone. Downward sloping site with bay views
4 3922 Columbian Drive Oakland APN: 040A-3443-002-03	1/15	\$150,000	0.47 AC 20,488 SF	\$7.32	RD-1	Ester Pak/ Livier Perez #106260	Located at the end of a cul-de-sac Located above Interstate 580 Downward sloping site.
5 Hillmont Drive Oakland APN: 040A-3426-043	1/15	\$50,000	0.39 AC 17,047 SF	\$2.93	RD-1	Hacquelyne Ceasar/ PH Western Inc. #25904	Site located in Hayward Fault Zone. Bay views and steeply sloping topography
6 6186 Oakdale Avenue Oakland APN: 037A-2787-033	10/14	\$35,000	0.18 AC 7,986 SF	\$4.38	RD-1	Nicolay S Demchuk/ Pey Chan TT #259304	Site located in Hayward Fault Zone. Downward sloping site with bay views

Source: Watts, Cohn and Partners, Inc., August 2016
16-WCP-009

COMPARABLE RESIDENTIAL LAND SALES MAP



E. Residential Value Conclusion as Single Entity

The client has requested the fair market value of the fee simple interest in the subject 90 lots, appraised as a single entity, assuming no existing improvements. The value of the subject, as a single entity, consists of the single transaction value for the 89 tidal lots and the value of the land locked parcel. Together they equal the total value of the residential parcel.

The fair market value of the subject 90 lots, valued as a single entity, assuming that there are no existing improvements, under the hypothetical conditions of the special legal instructions of the client, is shown follows:

89 Tidal Lots (Assuming No Improvements)	x	\$10,000 per lot	=	\$890,000
1 Land-Locked Lot	x	\$10,000 per lot	=	<u>\$10,000</u>
Total -Valued As a Single Entity				\$900,000

ADDENDA

SUBJECT PHOTOGRAPHS



Barge along Lot 4



Bulkhead at Lot 4



Existing Shoreline at Lot 5



Existing Shoreline at Lot 6

SUBJECT PHOTOGRAPHS



Existing Shoreline at Lot 7



Existing Shoreline at Lot 8



Shoreline at Lot 9 – Manufacturing Building



Existing Shoreline at Lot 10

SUBJECT PHOTOGRAPHS



Boatyard Repair Facility at Lot 10



Shoreline at Lot 11



Park Street Bridge Adjacent to the Subject Properties



Typical Residential Shoreline Development
East of Fruitvale Bridge

SUBJECT PHOTOGRAPHS



Typical Residential Shoreline Structures



Residential Docks along Tidal Canal



Docks at the southeastern edge of Tidal Canal



Residential Docks east of the High Street Bridge

PAIRED RESIDENTIAL SALES PHOTOGRAPHS



Paired Sale 1
260 Montego Key, Novato



Paired Sale 1
205 Montego Key, Novato



Paired Sale 2
36 Porto Bello Drive, San Rafael



Paired Sale 2
52 Porto Bello Drive, San Rafael

PAIRED RESIDENTIAL SALES PHOTOGRAPHS



Paired Sale 3
2807 Marina Drive, Alameda



Paired Sale 3
1220 Santa Clara Avenue, Alameda



Paired Sale 4
2823 Marina Drive, Alameda



Paired Sale 4
2828 Windsor Drive

PAIRED RESIDENTIAL SALES PHOTOGRAPHS



Paired Sale 5
406 Tideway Drive, Alameda



Paired Sale 5
1224 Porta Ballena, Alameda

AREA SUMMARIES								
ALAMEDA PORTION OF THE OAKLAND INNER HARBOR								
Prepared by Ruggeri-Jensen-Azar								
May 12, 2016								
LOT NO.	WATER SIDE			LAND SIDE			TOTAL	
	S.F.	ACRES	%	S.F.	ACRES	%	S.F.	ACRES
4	46,110	1.06	66.98%	22,734	0.52	33.02%	68,844	1.58
5	6,842	0.16	80.76%	1,630	0.04	19.24%	8,472	0.19
6	15,463	0.35	59.75%	10,418	0.24	40.25%	25,881	0.59
7	50,859	1.17	85.26%	8,793	0.20	14.74%	59,652	1.37
8	3,889	0.09	48.26%	4,169	0.10	51.74%	8,058	0.18
9	14,191	0.33	70.73%	5,874	0.13	29.27%	20,065	0.46
10	55,571	1.28	95.36%	2,705	0.06	4.64%	58,276	1.34
11	22,209	0.51	78.88%	5,947	0.14	21.12%	28,156	0.65
RESIDENTIAL-NORTH	131,832	3.03	95.43%	6,308	0.14	4.57%	138,140	3.17
RESIDENTIAL-SOUTH	141,216	3.24	78.95%	37,650	0.86	21.05%	178,866	4.11
NOTES								
1. Lot numbers are per the Tentative Map for the Oakland Inner Harbor.								
2. Residential-North are the lots between Tilden Way and High Street.								
3. Residential-South are the lots between High Street and the south end of the Oakland Inner Harbor.								
4. The line between Water Side and Land Side is the 6.4 (NAVD88) contour. Elevation 6.4 is approximately Mean Higher High Water (MHHW). The 6.4 contour was interpolated from the contours from the City of Alameda's GIS.								
5. Area calculations are based on the proposed lot lines shown on the Tentative Map for the Oakland Inner Harbor and are subject to change.								



PRELIMINARY REPORT

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

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

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

The policy(ies) of title insurance to be issued hereunder will be policy(ies) of Chicago Title Insurance Company, a Nebraska corporation.

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

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

Chicago Title Insurance Company

By:

President

Attest:

Secretary

Countersigned By:

Authorized Officer or Agent



Visit Us on our Website: www.ctic.com



ISSUING OFFICE: 2150 John Glenn Drive, Suite 400, Concord, CA 94520

FOR SETTLEMENT INQUIRIES, CONTACT:
Chicago Title Company
675 N. 1st St, Suite 900 • San Jose, CA 95112
(408)292-4212 • FAX

**Another Prompt Delivery From Chicago Title Company Title Department
Where Local Experience And Expertise Make A Difference**

PRELIMINARY REPORT

Amendment A

Title Officer: Kevin Davis
Email: Kevin.Davis@titlegroup.fntg.com
Title No.: FWAC-TO15004100-KD

Escrow Officer: Christina Molotla
Email: cmolotla@ctt.com
Escrow No.: FWPS-4475150103

TO: Chicago Title Company
675 N. 1st St, Suite 900
San Jose, CA 95112
Attn: Christina Molotla

TO: County of Alameda

Attn: AndricoQ. Penick

PROPERTY ADDRESS(ES): Inner Harbor Tidal Canal, Alameda, CA

EFFECTIVE DATE: November 5, 2015 at 07:30 AM

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

CLTA Standard Coverage Policy 1990 (04-08-14)

CLTA Standard Coverage Policy 1990 (04-08-14)

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A Fee

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

The United States of America

3. THE LAND REFERRED TO IN THIS REPORT IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

EXHIBIT "A"
Legal Description

The land referred to herein below is situated in the City of Alameda and the City of Oakland, County of Alameda, State of California and is described as follows:

Beginning at a stake near the junction of Brickyard Slough and San Leandro estuary or bay, on the westerly side of said slough, and South 80° East, 15 feet distant from tide-land stake No. 224, shown on a map entitled Map No. 2 of Salt Marsh and Tide Lands, situate in the county of Alameda, State of California, prepared by order of the Board of Tide Land Commissioners in 1871, and which map and the field notes thereof are on file in the office of the State Board of Tide land Commissioners; thence North 20° 03' East 54 04/100 feet into land claimed by J. D. Farwell; thence north North 18° 05' East 100 feet to and across the boundary between the land claimed by J. D. Farwell and the land claimed by H. Gibbons, and into the land claimed by said H. Gibbons; thence North 16° 07' East 100 feet; thence North 14° 09' East 100 feet; thence North 12° 11' East 100 feet; thence North 10° 13' East 100 feet; thence North 08° 15' East 100 feet; thence North 06° 17' East 100 feet; thence North 04° 19' East 100 feet; thence North 02° 21' East 100 feet; thence North 0° 23' East 100 feet; thence North 01° 35' West 100 feet; thence North 03° 33' West 100 feet; thence North 05° 31' West 100 feet; thence North 07° 29' West 100 feet; thence North 09° 27' West 100 feet; thence North 11° 25' West 100 feet; thence North 13° 23' West 100 feet; thence North 15° 21' West 100 feet; thence North 17° 19' West 100 feet; thence North 19° 17' West 100 feet; thence North 21° 15' West 100 feet to and across the northwesterly line of said land claimed by H. Gibbons, and across High Street and into land claimed by A. A. Cohen; thence North 23° 13' West 100 feet; thence North 25° 11' West 100 feet; thence North 27° 09' West 100 feet; thence North 29° 07' West 100 feet; thence North 31° 05' West 100 feet; thence North 33° 03' West 100 feet; thence North 35° 01' West 100 feet; thence North 36° 59' West 100 feet to and across the boundary between the said land claimed by A. A. Cohen and the land claimed by P. Sather, and into land claimed by P. Sather; thence North 38° 57' West 100 feet; thence North 40° 55' West 100 feet; thence North 42° 53' West 100 feet to and across the boundary between the said land claimed by P. Sather and land claimed by A. A. Cohen, and into land claimed by A. A. Cohen; thence North 44° 51' West 100 feet; thence North 46° 49' West 100 feet; thence North 48° 47' West 100 feet; thence North 50° 45' West 100 feet; thence North 52° 43' West 100 feet; thence North 54° 41' West 100 feet to and across the boundary between the said land claimed by A. A. Cohen and into land claimed by P. Sather; thence North 56° 39' West 100 feet; thence North 58° 37' West 100 feet to and across the boundary between the said land claimed by P. Sather and into land claimed by the Central Pacific Railroad Company; thence North 60° 35' West 100 feet to and across the boundary between the said land claimed by the Central Pacific Railroad Company and into Washington avenue; thence North 61° 34' West 3,106 58/100 feet, across Washington avenue, to and along the boundary between the land claimed by Valdez and Glascock and Washington avenue, to and across Park Avenue, to and across the boundary between said Park avenue and land claimed by G. G. Briggs, across said land claimed by G. G. Briggs to and across boundary between said land claimed by G. G. Briggs and land claimed by the Oakland Water Front Company, B. S. Alexander, B. S. Brooks, A. A. Cohen, Caroline E. Chipman, Eli Corwin, H. W. Carpentier, O. Eldridge, J. D. Farwell, Mary A. Fitch, E. Forge, Hayes and Caperton, J. G. Kellogg, Annis Merrill, G. H. Mendell, E. B. Mastick, Nathan Porter, Mrs. Julia Page, C. S. Stewart and H. M. Whitney (undivided interests), across the land claimed by the Oakland Water Front Company, B. S. Alexander, B. S. Brooks, A. A. Cohen, Caroline E. Chipman, Eli Corwin, H. W. Carpentier, O. Eldridge, J. D. Farwell, Mary A. Fitch, E. Forge, Hayes and Caperton, J. G. Kellogg, Annis Merrill, G. H. Mendell, E. B. Mastick, Nathan Porter, Mrs. Julia Page, C. S. Stewart and H. M. Whitney (undivided interests), to and across the boundary between the said last named tract of land and the land claimed by Meinicke, Baum Muecke, Janssen, and Roeding, across the said land claimed by Meinicke, Baum, Muecke, Janssen, and Roeding to and across the boundary between the said land claimed by Meinicke, Baum, Muecke, Janssen, and Roeding, and the land claimed by T. A. Smith, across the said land claimed by T. A. Smith, to and across the boundary between the said land claimed by T. A. Smith and the land claimed by the Oakland Water Front Company, B. S.

EXHIBIT "A"
Legal Description
(continued)

Alexander, B. S. Brooks, A. A. Cohen, Caroline E. Chipman, Eli Corwin, H. W. Carpentier, O. Eldridge, J. D. Farwell, Mary A. Fitch, E. Forge, Hayes and Caperton, J. G. Kellogg, Annis Merrill, G. H. Mendell, E. B. Mastick, Nathan Porter, Mrs. Julia Page, C. S. Stewart and H. M. Whitney (undivided interests), into the land claimed by the Oakland Water Front Company, B. S. Alexander, B. S. Brooks, A. A. Cohen, Caroline E. Chipman, Eli Corwin, H. W. Carpentier, O. Eldridge, J. D. Farwell, Mary A. Fitch, E. Forge, Hayes and Caperton, J. G. Kellogg, Annis Merrill, G. H. Mendell, E. B. Mastick, Nathan Porter, Mrs. Julia Page, C. S. Stewart and H. M. Whitney (undivided interests); thence North 57° 34' West 100 06/100 feet; thence North 53° 33' West 100 06/100 feet; thence North 49° 33' West 1,157 73/100 feet to a post marked U.S.E. on the edge of the marsh land at the head of San Antonio estuary, and which post is North 88° 19' West 366 40/100 feet distant from the tide land stake No. 424, shown on a map entitled Map No. 3 of Salt Marsh and Tide Land, situate in the county of Alameda, State of California, prepared by order of the Board of Tide Land Commissioners in 1872, and which map and the field notes thereof are on file in the office of the State Board of Tide Land Commissioners; thence South 88° 19' East 366 40/100 feet along the edge of the marsh land at the head of San Antonio estuary to tide land stake No. 424, above described; thence North 32° 25' East 158 60/100 feet, continuing along the edge of the said marsh land; thence North 22° 05' East 145 feet, continuing along the edge of the said marsh land; thence North 33° 48' East 79 10/100 feet, continuing along the edge of said marsh land; thence North 88° 45' East 193 67/100 feet, continuing along the edge of said marsh land; thence South 03° 26' East 64 15/100 feet, leaving the edge of said marsh land at the head of San Antonio estuary, and into the land claimed by the Oakland Water Front Company, B. S. Alexander, B. S. Brooks, A. A. Cohen, Caroline E. Chipman, Eli Corwin, H. W. Carpentier, O. Eldridge, J. D. Farwell, Mary A. Fitch, E. Forge, Hayes and Caperton, J. G. Kellogg, Annis Merrill, G. H. Mendell, E. B. Mastick, Nathan Porter, Mrs. Julia Page, C. S. Stewart and H. M. Whitney (undivided interests); thence South 08° 41' East 100 feet; thence South 14° 15' East 100 feet; thence South 19° 49' East 100 feet; thence South 25° 23' East 100 feet; thence South 30° 57' East 100 feet; thence South 36° 31' East 100 feet; thence South 42° 05' East 100 feet; thence South 47° 39' East 100 feet; thence South 53° 13' East 100 feet; thence South 58° 47' East 100 feet, to a stake on the boundary between the said land claimed by the Oakland Water Front Company, B. S. Alexander, B. S. Brooks, A. A. Cohen, Caroline E. Chipman, Eli Corwin, H. W. Carpentier, O. Eldridge, J. D. Farwell, Mary A. Fitch, E. Forge, Hayes and Caperton, J. G. Kellogg, Annis Merrill, G. H. Mendell, E. B. Mastick, Nathan Porter, Mrs. Julia Page, C. S. Stewart and H. M. Whitney (undivided interests), and the land claimed by A. Ford; thence South 61° 34' East 3,113 37/100 feet, across said land claimed by A. Ford, to and across the boundary between the said land claimed by A. Ford and land claimed by G. G. Briggs, into the land claimed by G. G. Briggs, across said land claimed by G. G. Briggs, into the land claimed by G. G. Briggs, to and across the boundary between the said land claimed by G. G. Briggs and Park avenue, across Park avenue to and across the boundary between Park avenue and the land claimed by Valdez and Glascock into and across the said land claimed by Valdez and Glascock to and across the boundary between the said land claimed by Valdez and Glascock and Fruit Vale avenue, across Fruit Vale avenue to and across the boundary between Fruit Vale avenue and the land claimed by P. Sather, into the said land claimed by P. Sather; thence South 59° 36' East 113 75/100 feet; thence South 57° 38' East 113 75/100 feet; thence South 55° 40' East 113 75/100 feet; thence South 53° 42' East 113 75/100 feet; thence South 51° 44' East 113 75/100 feet, to and across the boundary between said land claimed by P. Sather and Washington avenue, into Washington avenue; thence South 49° 46' East 113 75/100 feet to and across the boundary between Washington avenue and the land claimed by the Central Pacific Railroad Company into the said land claimed by the Central Pacific Railroad Company; thence South 47° 48' East 113 75/100 feet, to and across the boundary between the said land claimed by the Central Pacific Railroad Company and the land claimed by P. Sather, and into the land claimed by P. Sather; thence South 45° 50' East 113 75/100 feet; thence South 43° 52' East 113 75/100 feet; thence South 41° 54' East 113 75/100 feet; thence South 39° 56' East 113 75/100 feet; thence South 37° 58' East 113 75/100 feet; thence South 35° 00' East 113 75/100 feet; thence South 33° 02' East 113 75/100 feet;

EXHIBIT "A"
Legal Description
(continued)

thence South 31° 04' East 113 75/100 feet; thence South 29° 06' East 113 75/100 feet; thence South 27° 08' East 113 75/100 feet; thence South 25° 10' East 113 75/100 feet, to and across the boundary between the said land claimed by P. Sather and High street, and into High street; thence South 23° 12' East 113 75/100 feet, to and across the boundary between High street and the land claimed by J. D. Farwell, and into the said land claimed by J. D. Farwell; thence South 21° 14', East 113 75/100 feet; thence South 19° 16' East 113 75/100 feet; thence South 17° 18' East 113 75/100 feet; thence South 15° 20' East 113 75/100 feet; thence South 13° 22' East 113 75/100 feet, to and across the boundary between the said land claimed by J. D. Farwell and the land claimed by H. Gibbons, into the said land claimed by H. Gibbons; thence South 11° 24' East 113 75/100 feet, to and across the boundary between the said land claimed by H. Gibbons and land claimed by J. D. Farwell, and into the land claimed by J. D. Farwell; thence South 09° 26' East 113 75/100 feet; thence south 07° 28' East 113 75/100 feet; thence south 05° 30' East 113 75/100 feet, to and across the boundary between the said land claimed by J. D. Farwell and the land claimed by H. Gibbons, and into the said land claimed by H. Gibbons; thence south 03° 32' East 113 75/100 feet; thence South 01° 34' East 113 75/100 feet, to and across the boundary between the said land claimed by H. Gibbons and land claimed by R. Simpson, and into the said land claimed by R. Simpson; thence South 00° 24' West 56 87/100 feet; thence South 01° 11' East 100 feet; thence South 04° 21' East 100 feet; thence South 07° 31' East 100 feet; thence South 10° 41' East 100 feet; thence South 13° 51' East 100 feet; thence South 17° 54' East 49 65/100 feet, to Tide Land Stake No. 220, shown on a map entitled Map No. 2 of Salt Marsh and Tide Lands, situate in the county of Alameda, State of California, prepared by order of the Board Of Tide Land Commissioners in 1871, and which map, and the field notes thereof, are on file in the office of the State Board of Tide Land Commissioners; thence South 24° 30' East 580 83/100 feet along the boundary between land claimed by R. Simson and land claimed by M. Crooks, and across the said land claimed by M. Crooks to a point on a mud flat on the northwesterly shore of San Leandro estuary or bay; thence West 700 98/100 feet along the southern boundary of the said land claimed by M. Crooks, to a corner common to the said land claimed by M. Crooks and land claimed by R. Simson; thence North 80° 00' West 212 23/100 feet along the southern boundary of said land claimed by R. Simson, through the corner common to the said land claimed by R. Simson and land claimed by J. D. Farwell, along the southern boundary of the said land claimed by J. D. Farwell, to the Point of Beginning.

EXCEPTING THEREFROM the real property conveyed by the United States of America to August Nolthenius by Quitclaim Deed recorded March 21, 1944, in Book 4513, Page 199, as Instrument No. RR166690, of Official Records of Alameda County.

FURTHER EXCEPTING THEREFROM the real property conveyed by the United States of America to the City of Oakland by Quitclaim Deed recorded May 6, 1985, as Instrument No. 85-87306 of Official Records of Alameda County.



AT THE DATE HEREOF, EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. There were no taxes levied for the fiscal year 2015-2016 as the property was vested in a public entity.
2. Prior to close of escrow, please contact the Tax Collector's Office to confirm all amounts owing, including current fiscal year taxes, supplemental taxes, escaped assessments and any delinquencies.
3. **Said land has not been checked for bond assessments. Upon request, information will be provided.**
4. **ANY CLAIM by reason of the inaccuracy, insufficiency or incompleteness of the legal description set forth in Schedule A (Said Lands), its failure to describe all the real property intended to be addressed in the evidence of title or the inability to determine the location or configuration thereof.**
5. RIGHTS AND EASEMENTS FOR COMMERCE, NAVIGATION AND FISHERY.
6. Any adverse claim based upon the assertion that some portion of said land is tide or submerged land, or has been created by artificial means or has accreted to such portion so created.
7. Any rights in favor of the public which may exist on said land for access, parking, breach or recreational uses, if said land or portions thereof were at any time used by the public for such purposes.
8. Terms, provisions, restrictions and conditions as set forth in Case No. 3590 Judgment in Condemnation in the Superior Court of Alameda by United States of America, as plaintiff vs. M. Crooks, et al. as defendants recorded October 20, 1884 in Volume IV, Page 199 of Official Records, and in Book 278 of Deeds, Page 59 all Official Records of the County of Alameda.
9. TWO BRIDGES crossing the Tidal Canal, one of which bridges coming from Park Street and the other bridge shown as the Central Pacific Railroad Bridge, and also other matters, shown on Map entitled "Map of the North Alameda Tract, formerly known as the Valdez and Glascock Tract, surveyed by I. N. Chapman, C.E.," recorded in Book 19 of Maps at Page 57.
10. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to:	City of Alameda
Purpose:	Utilities
Recording Date:	May 21, 1913
Recording No.:	F11435, Book 2155, Page 305, Official Records

No representation is made as to the present ownership of said easement.
11. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to:	City of Alameda
Purpose:	Utilities
Recording No.:	Book 250, Page 27, Official Records

No representation is made as to the present ownership of said easement.

EXCEPTIONS
(continued)

12. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Oakland
Purpose: Sewer
Recording Date: September 17, 1916
Recording No.: Q-62718, Book 2460 of Deeds, Page 376
Affects: A 5 foot strip in the area of the abandoned Ford Street prolongation in the City of Oakland, as described therein

No representation is made as to the present ownership of said easement.

13. The effect of:

Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Alameda Belt Line
Purpose: A permanent right-of-way for railroad purposes
Recording Date: July 11, 1933
Recording No.: Book 2936, Page 324, Official Records
Affects: Benton Field Military Reservation

No representation is made as to the present ownership of said easement

14. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Alameda, a municipal corporation
Purpose: A covered public conduit for storm and drainage purposes
Recording Date: May 25, 1938
Recording No.: Book 3614, Page 372, Official Records
Affects: A 10 foot strip of land in the area of Walnut Street and Northeasterly of Walnut Street to the Tidal Canal (in the City of Alameda), as described therein

No representation is made as to the present ownership of said easement.

15. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Alameda, a municipal corporation
Purpose: Sewer, gas pipes and water pipes, pole & pole lines, underground conduits for telephone & telegraph service & electric
Recording Date: July 1, 1938
Recording No.: Map of Tract 526, Book 29 of Maps, Page 14
Affects: 5 foot strips on Lots 177, 206 and 207 as shown on said Map

No representation is made as to the present ownership of said easement.

16. **CONDITIONS, RESTRICTIONS AND EASEMENTS contained in Declaration recorded October 15, 1938 in Book 3709 of Official Records, Page 27.**

EXCEPTIONS
(continued)

17. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Alameda, a municipal corporation
Purpose: Sewer, gas pipes and water pipes, pole & pole lines, underground conduits
for telephone & telegraph service & electric
Recording Date: January 26, 1939
Recording No.: Book 3742, Page 64, Official Records
Affects: Various portions of Tract 526

No representation is made as to the present ownership of said easement.

18. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: East Bay Municipal Utility District
Purpose: Water pipeline
Recording Date: January 27, 1940
Recording No.: MM 4837, Book 3866, Page 272, Official Records
Affects: Portion of former Lot 1 of Waterside Terrace

No representation is made as to the present ownership of said easement.

19. All matters contained in and shown on the following recorded Tract Map:

Tract 3061 Map Book 59, Page 64

Among other matters said Map recites: "Balconies, docks and piers constructed on and over the US Tidal Canal are allowed by San Francisco District Corps of Engineeres Letter of Permission dated June 28, 1968

20. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Alameda, a municipal corporation
Purpose: Public sewer for sanitary, storm and drainage
Recording Date: November 7, 1941
Recording No.: Book 4158, Page 91, Official Records
Affects: 10-foot strips of land in Alameda in the area of Clement Avenue and Stanford Street and its production Northeasterly, in the area of the Northwesterly edge of the Tidal Canal on the Alameda side, as described therein

No representation is made as to the present ownership of said easement.

21. Judgment

In favor of: The United States of America
District Court: Case No. 22231 S
Recording Date: July 13, 1942
Recording No.: Book 4249, Page 202, Official Records
Affects: Tidal Canal area lying between Mulberry Street prologation and abandoned Willow Street prolongation, on the Alameda side, as described therein

EXCEPTIONS
(continued)

22. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Alameda
Purpose: Using, maintaining and operating existing sewer lines, subject to such regulations as may be imposed by the Navy Department for safety and security measures
Recording Date: December 18, 1942
Recording No.: Book 4345, Page 8, Official Records
Affects: A portion of said lands

No representation is made as to the present ownership of said easement.

23. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: The United States of America
Purpose: To dig & construct & maintain a Bulkhead
Recording Date: February 16, 1950
Recording No.: Book 6023, Page 291, Official Records
Affects: The Southeasterly side of Versailles Avenue at its junction with the tidal canal as described therein

No representation is made as to the present ownership of said easement.

24. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Alameda, a municipal corporation
Purpose: Storm drain
Recording Date: February 16, 1950
Recording No.: Book 6023, Page 291, Official Records
Affects: The Southeasterly side of Versailles Avenue at its junction with the tidal canal, as described therein

No representation is made as to the present ownership of said easement.

25. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: East Bay Municipal Utility District
Purpose: Conduit
Recording Date: July 23, 1951
Recording No.: Book 6493, Page 463, Official Records

No representation is made as to the present ownership of said easement.

26. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Alameda
Purpose: Underground sanitary sewer and storm drains
Recording Date: January 7, 1952
Recording No.: Book 6628, Page 481, Official Records
Affects: Area in Alameda lying Northeasterly of Clement Avenue & Stanford Street, as described therein

EXCEPTIONS
(continued)

No representation is made as to the present ownership of said easement.

27. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Alameda
Purpose: Storm & Sanitary sewer
Recording Date: February 7, 1952
Recording No.: Book 6653, Page 75, Official Records
Affects: 15 foot strip in area of Walnut Street projected Easterly in City of Alameda,
as described therein

No representation is made as to the present ownership of said easement.

28. Matters contained in that certain document

Entitled: Conveyance and Agreement
Executed by: City of Oakland
Recording No.: AO 35029, Book 6717, Page 159, Official Records

Reference is hereby made to said document for full particulars.

29. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Pacific Gas and Electric
Purpose: Gas transmission pipeline
Recording Date: July 27, 1966
Recording No.: AY 90198, Book 1813, Page 493, Official Records

No representation is made as to the present ownership of said easement.

30. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: East Bay Municipal Utility District
Purpose: Water pipeline
Recording Date: July 27, 1966
Recording No.: Book 1813, Page 493, Official Records
Affects: As described in said document

No representation is made as to the present ownership of said easement.

31. Agreement dated June 22, 1967, by and between Roy E. Neill and Donald B. Bitner, recorded 1967, in Reel 2048, Image 1, Official Records.

32. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: East Bay Municipal Utility District
Purpose: Water pipe lines
Recording Date: August 7, 1970
Recording No.: Reel 2668, Image 791, Official Records
Affects: In the area near the Park Street Bridge (on the Alameda side of the Tidal Canal)

EXCEPTIONS
(continued)

No representation is made as to the present ownership of said easement.

33. Unrecorded East Bay Municipal Utility District Right of Way No. 568 at High Street and its prolongation into the Tidal Canal; and unrecorded East Bay Municipal Utility District Right of Way for southeast side of Park Street at the Park Street Bridge, Drawing No. 2852-B dated August 26, 1970.

34. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Alameda
Purpose: Public utilities, including, but not limited to, storm sewer pipe lines, and outfalls and facilities for transmission of water & electricity
Recording Date: May 19, 1972
Recording No.: Reel 3136, Image 574, Official Records
Affects: Abutting Said Lands in an area lying Northwesterly of Tilden Way and Southeasterly of Broadway extended and in the area of Pearl Street extended to the Tidal Canal, in the City of Alameda, as described therein

No representation is made as to the present ownership of said easement.

35. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Alameda
Purpose: Public utilities, including, but not limited to, storm sewer pipe lines, and outfalls and facilities for transmission of water & electricity
Recording Date: May 19, 1972
Recording No.: Reel 3136, Image 576, Official Records
Affects: Area of Broadway produced Northeasterly in the City of Alameda, as described therein

No representation is made as to the present ownership of said easement.

36. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Alameda
Purpose: Public Service Utilities, including, but not limited to, storm sewer pipe lines, and outfalls and facilities for transmission of water, electricity and communications
Recording Date: March 7, 1973
Recording No.: Reel 3358, Image 500, Official Records
Affects: Area of Broadway produced Northeasterly and Pearl Street extended to the Tidal Canal, in the City of Alameda, as described therein

No representation is made as to the present ownership of said easement.

37. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: East Bay Municipal Utility District
Purpose: Water pipe lines
Recording Date: March 7, 1973
Recording No.: Reel 3358, Image 500, Official Records
Affects: Area of Broadway, produced Northeasterly in the City of Alameda, as described therein

EXCEPTIONS
(continued)

No representation is made as to the present ownership of said easement.

38. 15-FOOT SEWER EASEMENT along the Walnut Street easterly prolongation, as shown on Parcel Map No. 1367, recorded Jan 6, 1975 in Book 87 of Parcel Maps, at Page 2.

39. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: City of Alameda, Bureau of Electricity
Purpose: Underground Electrical facilities
Recording Date: August 20, 1975
Recording No.: Reel 4072, Image 265, Official Records
Affects: Abutting Said Lands in an area lying Northwesterly of Tilden Way and Southeasterly of Broadway extended and in the area of Pearl Street extended to the Tidal Canal, in the City of Alameda, as described therein

Said Grant of Easement contains restrictions and conditions.

No representation is made as to the present ownership of said easement.

40. ALL EASEMENTS, affecting the portion of said land and for the purposes stated herein, and incidental purposes, as shown on Parcel Map 1264, recorded August 25, 1975, Book 88 of Parcel Maps, at Page 12, including, but not limited, to the following:

24-foot Water Easement affecting area of Said Lands abutting the area of Broadway extended to the Tidal Canal in the City of Alameda

50-foot Easement to the City of Alameda affecting area of Said Lands abutting the area of Broadway extended to the Tidal Canal in the City of Alameda

20-foot Easement to EBMUD affecting area of Said Lands abutting the area of Broadway extended to the Tidal Canal in the City of Alameda

18-foot Storm Easement, 15-foot Storm Easement, 6-foot Sanitary Sewer Easement, and other Sanitary Sewer and Storm Drainage Easements abutting Said Lands in an area lying Northwesterly of Tilden Way and Southeasterly of Broadway extended and in the area of Pearl Street extended to the Tidal Canal

No representation is made as to the present ownership of said easement.

41. 10-FOOT PRIVATE STORM DRAINAGE EASEMENT and 15-foot Sewer Easement and Sheet Pile Bulkhead, as shown on Parcel Map No. 1821, recorded February 26, 1976 in Book 89 of Parcel Maps, at Page 15.

42. 5-FOOT SEWER EASEMENT along abandoned Ford Street, and pipe line crossing the Tidal Canal, as shown on Parcel Map No. 2438, recorded June 28, 1978 in Book 102 of Parcel Maps, at Page 64.

43. TERMS AND PROVISIONS contained in document entitled "Permit No. 1-79" from the San Francisco Bay Conservation and Development Commission, recorded September 11, 1979, Instrument No. 79-180575, Official Records.

44. TERMS AND PROVISIONS contained in document entitled "Department of the Army Permit" from the U.S. Army Corps of Engineers, recorded September 11, 1979, Instrument No. 79-180576, Official Records.

45. MATTERS in Record of Survey filed May 15, 1984 in Book 12 of Records of Survey at Page 25.

EXCEPTIONS
(continued)

46. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: East Bay Municipal Utility District
Purpose: Water pipeline
Recording Date: November 1, 1984
Recording No.: 84-220355, Official Records
Affects: Portion of Tidal Canal and adjacent shoreline as described in said instrument and additionally as shown on EBMUD Drawing No. 7303-G-2

No representation is made as to the present ownership of said easement.

47. TERMS AND PROVISIONS contained in document entitled "Permit No. 1-79 Amended Permit No. 2" from the San Francisco Bay Conservation and Development Commission, recorded March 4, 1985, Instrument No. 85-45093, Official Records.

48. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: East Bay Municipal Utility District
Purpose: Pipe lines
Recording Date: March 21, 1986
Recording No.: 86-65720, Official Records
Affects: Portion of Said Lands lying within the city limits of Oakland, as described therein

No representation is made as to the present ownership of said easement.

49. **TERMS, CONDITIONS AND PROVISIONS of Addendum dated December 4, 1985, executed by and between East Bay Municipal Utility District and Waterfront Properties, recorded March 21, 1986, Instrument No. 86-65722, Official Records.**

50. Matters contained in that certain document

Entitled: Declaration of Establishment of Covenants, Conditions and Restrictions
Recording Date: February 6, 1990
Recording No.: 1990-038514, Official Records

Said document, among other things, disclosed an unrecorded Department of the Army authorization document in the Official Records of the U.S. Army Corp of Engineers Document No. 17165E01

Reference is hereby made to said document for full particulars.

51. **ALL MATTERS, including but not limited to possible encroachment into the Tidal Canal, as shown on and contained in Record of Survey recorded August 22, 1988 in Book 13 of Records of Survey at Page 92.**

EXCEPTIONS
(continued)

52. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Pacific Bell
Purpose: Communication vault and underground facilities
Recording Date: September 10, 1991
Recording No.: 91-242439, Official Records
Affects: From the Kennedy Street area within the city limits of Oakland towards the Estuary and under the Estuary, as described therein

53. ALL MATTERS, including, but not limited to, Surveyor's Notes and Notes stated under the heading "Interpretation and Adjustments of the Indenture of 1884," and references to recorded documents and maps, and all easements referred to and/or shown thereon including Storm Drainage Easements and Public Utilities Easements and Pipeline Easements and Right-of-ways, and all Railroad and Bridge Crossings – all as contained in Record of Survey No. 1245, filed July 28, 1994 in Book 18 of Records of Survey at Pages 63-66, Series No. 94-264043, Official Records,

54. AN EASEMENT FOR STORM DRAINAGE extends across all waters of Said Lands, as stated in Record of Survey No. 1245, filed July 28, 1994 in Book 18 of Records of Survey at Pages 63-66, Series No. 94-264043, Official Records.

55. The effect of:

There appears to be an easement or right disclosed by a GRANT OF EASEMENT recorded September 17, 2003, Instrument No. 2003-551475, Official Records.

No insurance is undertaken hereby as to said easement or right, as the location of said easement or right cannot be determined.

56. Matters in Record of Survey filed March 23, 2005, in Book 29 of Record of Surveys, Page 82.

57. UNION PACIFIC RAILROAD along Tilden Way, APN 70-196-27-2, City of Alameda, and Railroad Bridge Crossing, as shown on Parcel Map 8725, recorded Nov 10, 2005 in Book 286 of Parcel Maps at Page 1.

58. ALL EASEMENTS reserved and provided for on Parcel Map 8725, recorded Nov 10, 2005 in Book 286 of Parcel Maps at Page 1.

59. EAST BAY Regional Park Permit granted by the Bay Coastal Development Commission, recorded as Instrument No. 2007-262454, Official Records.

60. A NOTICE that Said Lands are included or lie adjacent to a project area that was the subject of Ordinance No. 2559 adopted by the City of Alameda, which Ordinance approved and adopted the Community Improvement Plan for the BUSINESS AND WATERFRONT IMPROVEMENT PROJECT

Recording Date: October 19, 2007
Recording No.: 2007-370534, of Official Records

EXCEPTIONS
(continued)

61. A notice that said Land is included within a project area of the Redevelopment Agency shown below, and that proceedings for the redevelopment of said project have been instituted under the Redevelopment Law (such redevelopment to proceed only after the adoption of the redevelopment plan) as disclosed by a document

Recording Date: April 12, 2010
Recording No.: 2010-100571, Official Records
Redevelopment Agency: Coliseum Redevelopment Project

62. Matters contained in that certain document

Entitled: Covenants and Environmental Restriction on Property
Executed by: City of Oakland, a municipal corporation, acting by and through its Board of Port Commissioners
Recording Date: June 29, 2011
Recording No.: 2011-184114, Official Records

Reference is hereby made to said document for full particulars.

63. TERMS AND PROVISIONS contained in document entitled "Permit No. M2012.019.00" from the San Francisco Bay Conservation and Development Commission, recorded July 5, 2013, Instrument No. 2013-232093, Official Records.

64. Matters contained in that certain document

Entitled: BCDC Permit No. M 2012.019.00
Recording Date: July 5, 2013
Recording No.: 2013-232093, Official Records

Reference is hereby made to said document for full particulars.

65. All matters contained in and shown on the following recorded Tract Maps:

Map Book 1, Page 11;
Map Book 1, Page 151;
Map Book 4, Page 19;
Map Book 4, Page 26;
Map Book 6, Page 12;
Map Book 6, Page 19;
Map Book 17, Page 11;
Map Book 17, Page 60;
Map Book 19, Page 57;
Map Book 25, Page 74;
Map Book 27, Page 12;
Map Book 29, Page 14;
Map Book 59, Page 65;
Map Book 255, Page 26

EXCEPTIONS
(continued)

66. All matters contained in and shown on the following recorded Parcel Maps:
- PM 158 in Book 47 of Parcel Maps, Page 69;
 - PM 1367 in Book 87 of Parcel Maps, Page 2; #34;
 - PM 1634 in Book 87 of Parcel Maps, Page 49;
 - PM 1569 in Book 87 of Parcel Maps, Page 67;
 - PM 1264 in Book 88 of Parcel Maps, Page 12; #36
 - PM 1821 in Book 89 of Parcel Maps, Page 15; #37
 - PM 1626 in Book 97 of Parcel Maps, Page 66;
 - PM 2438 in Book 102 of Parcel Maps, Page 64; #38
 - PM 7192 in Book 255 of Parcel Maps, Page 26-28;
 - PM 8727 in Book 286 of Parcel Maps, Page 1;
 - PM 158 in Book 47 of Parcel Maps, Page 69
67. Matters which may be disclosed by an inspection and/or by a correct ALTA/ACSM Land Title Survey of said Land that is satisfactory to the Company, and/or by inquiry of the parties in possession thereof.
68. The transaction contemplated in connection with this Report is subject to the review and approval of the Company's Corporate Underwriting Department. The Company reserves the right to add additional items or make further requirements after such review.

END OF EXCEPTIONS

NOTES

- Note 1.** Note: There are NO conveyances affecting said Land recorded within 24 months of the date of this report.
- Note 2.** Your application for title insurance was placed by reference to only a street address or tax identification number. Based on our records, we believe that the legal description in this report covers the parcel(s) of Land that you requested. If the legal description is incorrect, the seller/borrower must notify the Company and/or the settlement company in order to prevent errors and to be certain that the correct parcel(s) of Land will appear on any documents to be recorded in connection with this transaction and on the policy of title insurance.
- Note 3.** *** IMPORTANT RECORDING NOTE ***
- Please send all original documents for Chicago Title Company Alameda Co. recording to the following office:
- Concord Title Group
2150 John Glenn Drive Suite 400
Concord, CA. 94520
Attn: Recording Desk
Telephone: (925) 288-8000
- Please direct all other title communication and copies of documents, including recording release instructions, policy write up instructions, lenders instructions and settlement statements, to the Title Only Department at the issuing office.
- Note 4.** If a county recorder, title insurance company, escrow company, real estate broker, real estate agent or association provides a copy of a declaration, governing document or deed to any person, California law requires that the document provided shall include a statement regarding any unlawful restrictions. Said statement is to be in at least 14-point bold face type and may be stamped on the first page of any document provided or included as a cover page attached to the requested document. Should a party to this transaction request a copy of any document reported herein that fits this category, the statement is to be included in the manner described.
- Note 5.** Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirements cannot be met, please call the company at the number provided in this report.

END OF NOTES

**FIDELITY NATIONAL FINANCIAL
PRIVACY NOTICE
Effective: May 1, 2015**

Order No.: FWAC-TO15004100--CM

Fidelity National Financial, Inc. and its majority-owned subsidiary companies providing real estate- and loan-related services (collectively, "FNF", "our" or "we") respect and are committed to protecting your privacy. This Privacy Notice lets you know how and for what purposes your Personal Information (as defined herein) is being collected, processed and used by FNF. We pledge that we will take reasonable steps to ensure that your Personal Information will only be used in ways that are in compliance with this Privacy Notice. The provision of this Privacy Notice to you does not create any express or implied relationship, or create any express or implied duty or other obligation, between Fidelity National Financial, Inc. and you. See also **No Representations or Warranties** below.

This Privacy Notice is only in effect for any generic information and Personal Information collected and/or owned by FNF, including collection through any FNF website and any online features, services and/or programs offered by FNF (collectively, the "Website"). This Privacy Notice is not applicable to any other web pages, mobile applications, social media sites, email lists, generic information or Personal Information collected and/or owned by any entity other than FNF.

How Information is Collected

The types of personal information FNF collects may include, among other things (collectively, "Personal Information"): (1) contact information (e.g., name, address, phone number, email address); (2) demographic information (e.g., date of birth, gender marital status); (3) Internet protocol (or IP) address or device ID/UDID; (4) social security number (SSN), student ID (SIN), driver's license, passport, and other government ID numbers; (5) financial account information; and (6) information related to offenses or criminal convictions.

In the course of our business, we may collect Personal Information about you from the following sources:

- Applications or other forms we receive from you or your authorized representative;
- Information we receive from you through the Website;
- Information about your transactions with or services performed by us, our affiliates, or others; and
- From consumer or other reporting agencies and public records maintained by governmental entities that we either obtain directly from those entities, or from our affiliates or others.

Additional Ways Information is Collected Through the Website

Browser Log Files. Our servers automatically log each visitor to the Website and collect and record certain information about each visitor. This information may include IP address, browser language, browser type, operating system, domain names, browsing history (including time spent at a domain, time and date of your visit), referring/exit web pages and URLs, and number of clicks. The domain name and IP address reveal nothing personal about the user other than the IP address from which the user has accessed the Website.

Cookies. From time to time, FNF or other third parties may send a "cookie" to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive and that can be re-sent to the serving website on subsequent visits. A cookie, by itself, cannot read other data from your hard disk or read other cookie files already on your computer. A cookie, by itself, does not damage your system. We, our advertisers and other third parties may use cookies to identify and keep track of, among other things, those areas of the Website

and third party websites that you have visited in the past in order to enhance your next visit to the Website. You can choose whether or not to accept cookies by changing the settings of your Internet browser, but some functionality of the Website may be impaired or not function as intended. See the Third Party Opt Out section below.

Web Beacons. Some of our web pages and electronic communications may contain images, which may or may not be visible to you, known as Web Beacons (sometimes referred to as "clear gifs"). Web Beacons collect only limited information that includes a cookie number; time and date of a page view; and a description of the page on which the Web Beacon resides. We may also carry Web Beacons placed by third party advertisers. These Web Beacons do not carry any Personal Information and are only used to track usage of the Website and activities associated with the Website. See the Third Party Opt Out section below.

Unique Identifier. We may assign you a unique internal identifier to help keep track of your future visits. We may use this information to gather aggregate demographic information about our visitors, and we may use it to personalize the information you see on the Website and some of the electronic communications you receive from us. We keep this information for our internal use, and this information is not shared with others.

Third Party Opt Out. Although we do not presently, in the future we may allow third-party companies to serve advertisements and/or collect certain anonymous information when you visit the Website. These companies may use non-personally identifiable information (e.g., click stream information, browser type, time and date, subject of advertisements clicked or scrolled over) during your visits to the Website in order to provide advertisements about products and services likely to be of greater interest to you. These companies typically use a cookie or third party Web Beacon to collect this information, as further described above. Through these technologies, the third party may have access to and use non-personalized information about your online usage activity.

You can opt-out of certain online behavioral services through any one of the ways described below. After you opt-out, you may continue to receive advertisements, but those advertisements will no longer be as relevant to you.

- You can opt-out via the Network Advertising Initiative industry opt-out at <http://www.networkadvertising.org/>.
- You can opt-out via the Consumer Choice Page at www.aboutads.info.
- For those in the U.K., you can opt-out via the IAB UK's industry opt-out at www.youronlinechoices.com.
- You can configure your web browser (Chrome, Firefox, Internet Explorer, Safari, etc.) to delete and/or control the use of cookies.

More information can be found in the Help system of your browser. Note: If you opt-out as described above, you should not delete your cookies. If you delete your cookies, you will need to opt-out again.

Use of Personal Information

Information collected by FNF is used for three main purposes:

- To provide products and services to you or one or more third party service providers (collectively, "Third Parties") who are obtaining services on your behalf or in connection with a transaction involving you.
- To improve our products and services that we perform for you or for Third Parties.
- To communicate with you and to inform you about FNF's, FNF's affiliates and third parties' products and services.

When Information Is Disclosed By FNF

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To agents, brokers, representatives, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers who provide services or perform marketing services or other functions on our behalf;
- To law enforcement or other governmental authority in connection with an investigation, or civil or criminal subpoenas or court orders; and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

In addition to the other times when we might disclose information about you, we might also disclose information when required by law or in the good-faith belief that such disclosure is necessary to: (1) comply with a legal process or applicable laws; (2) enforce this Privacy Notice; (3) respond to claims that any materials, documents, images, graphics, logos, designs, audio, video and any other information provided by you violates the rights of third parties; or (4) protect the rights, property or personal safety of FNF, its users or the public.

We maintain reasonable safeguards to keep the Personal Information that is disclosed to us secure. We provide Personal Information and non-Personal Information to our subsidiaries, affiliated companies, and other businesses or persons for the purposes of processing such information on our behalf and promoting the services of our trusted business partners, some or all of which may store your information on servers outside of the United States. We require that these parties agree to process such information in compliance with our Privacy Notice or in a similar, industry-standard manner, and we use reasonable efforts to limit their use of such information and to use other appropriate confidentiality and security measures. The use of your information by one of our trusted business partners may be subject to that party's own Privacy Notice. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

We also reserve the right to disclose Personal Information and/or non-Personal Information to take precautions against liability, investigate and defend against any third-party claims or allegations, assist government enforcement agencies, protect the security or integrity of the Website, and protect the rights, property, or personal safety of FNF, our users or others.

We reserve the right to transfer your Personal Information, as well as any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets. We also cannot make any representations regarding the use or transfer of your Personal Information or other information that we may have in the event of our bankruptcy, reorganization, insolvency, receivership or an assignment for the benefit of creditors, and you expressly agree and consent to the use and/or transfer of your Personal Information or other information in connection with a sale or transfer of some or all of our assets in any of the above described proceedings. Furthermore, we cannot and will not be responsible for

any breach of security by any third parties or for any actions of any third parties that receive any of the information that is disclosed to us.

Information From Children

We do not collect Personal Information from any person that we know to be under the age of thirteen (13). Specifically, the Website is not intended or designed to attract children under the age of thirteen (13). You affirm that you are either more than 18 years of age, or an emancipated minor, or possess legal parental or guardian consent, and are fully able and competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth in this Privacy Notice, and to abide by and comply with this Privacy Notice. In any case, you affirm that you are over the age of 13, as **THE WEBSITE IS NOT INTENDED FOR CHILDREN UNDER 13 THAT ARE UNACCOMPANIED BY HIS OR HER PARENT OR LEGAL GUARDIAN.**

Parents should be aware that FNF's Privacy Notice will govern our use of Personal Information, but also that information that is voluntarily given by children – or others – in email exchanges, bulletin boards or the like may be used by other parties to generate unsolicited communications. FNF encourages all parents to instruct their children in the safe and responsible use of their Personal Information while using the Internet.

Privacy Outside the Website

The Website may contain various links to other websites, including links to various third party service providers. FNF is not and cannot be responsible for the privacy practices or the content of any of those other websites. Other than under agreements with certain reputable organizations and companies, and except for third party service providers whose services either we use or you voluntarily elect to utilize, we do not share any of the Personal Information that you provide to us with any of the websites to which the Website links, although we may share aggregate, non-Personal Information with those other third parties. Please check with those websites in order to determine their privacy policies and your rights under them.

European Union Users

If you are a citizen of the European Union, please note that we may transfer your Personal Information outside the European Union for use for any of the purposes described in this Privacy Notice. By providing FNF with your Personal Information, you consent to both our collection and such transfer of your Personal Information in accordance with this Privacy Notice.

Choices With Your Personal Information

Whether you submit Personal Information to FNF is entirely up to you. You may decide not to submit Personal Information, in which case FNF may not be able to provide certain services or products to you.

You may choose to prevent FNF from disclosing or using your Personal Information under certain circumstances ("opt out"). You may opt out of any disclosure or use of your Personal Information for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization by notifying us by one of the methods at the end of this Privacy Notice. Furthermore, even where your Personal Information is to be disclosed and used in accordance with the stated purposes in this Privacy Notice, you may elect to opt out of such disclosure to and use by a third party that is not acting as an agent of FNF. As described above, there are some uses from which you cannot opt-out.

Please note that opting out of the disclosure and use of your Personal Information as a prospective employee may prevent you from being hired as an employee by FNF to the extent that provision of your Personal Information is required to apply for an open position.

If FNF collects Personal Information from you, such information will not be disclosed or used by FNF for purposes that are incompatible with the purpose(s) for which it was originally collected or for which you subsequently gave authorization unless you affirmatively consent to such disclosure and use.

You may opt out of online behavioral advertising by following the instructions set forth above under the above section "Additional Ways That Information Is Collected Through the Website," subsection "Third Party Opt Out."

Access and Correction

To access your Personal Information in the possession of FNF and correct inaccuracies of that information in our records, please contact us in the manner specified at the end of this Privacy Notice. We ask individuals to identify themselves and the information requested to be accessed and amended before processing such requests, and we may decline to process requests in limited circumstances as permitted by applicable privacy legislation.

Your California Privacy Rights

Under California's "Shine the Light" law, California residents who provide certain personally identifiable information in connection with obtaining products or services for personal, family or household use are entitled to request and obtain from us once a calendar year information about the customer information we shared, if any, with other businesses for their own direct marketing uses. If applicable, this information would include the categories of customer information and the names and addresses of those businesses with which we shared customer information for the immediately prior calendar year (e.g., requests made in 2015 will receive information regarding 2014 sharing activities).

To obtain this information on behalf of FNF, please send an email message to privacy@fnf.com with "Request for California Privacy Information" in the subject line and in the body of your message. We will provide the requested information to you at your email address in response.

Please be aware that not all information sharing is covered by the "Shine the Light" requirements and only information on covered sharing will be included in our response.

Additionally, because we may collect your Personal Information from time to time, California's Online Privacy Protection Act requires us to disclose how we respond to "do not track" requests and other similar mechanisms. Currently, our policy is that we do not recognize "do not track" requests from Internet browsers and similar devices.

FNF Compliance with California Online Privacy Protection Act

For some websites which FNF or one of its companies owns, such as the Customer CareNet ("CCN"), FNF is acting as a third party service provider to a mortgage loan servicer. In those instances, we may collect certain information on behalf of that mortgage loan servicer for fulfilling a service to that mortgage loan servicer. For example, you may access CCN to complete a transaction with your mortgage loan servicer. During this transaction, the information which we may collect on behalf of the mortgage loan servicer is as follows:

- First and Last Name
- Property Address
- User Name
- Password
- Loan Number
- Social Security Number - masked upon entry
- Email Address
- Three Security Questions and Answers
- IP Address

The information you submit is then transferred to your mortgage loan servicer by way of CCN.

The mortgage loan servicer is responsible for taking action or making changes to any consumer information submitted through this website. For example, if you believe that your payment or user information is incorrect, you must contact your mortgage loan servicer.

CCN does not share consumer information with third parties, other than those with which the mortgage loan servicer has contracted to interface with the CCN application.

All sections of the FNF Privacy Notice apply to your interaction with CCN, except for the sections titled Choices with Your Personal Information and Access and Correction. If you have questions regarding the choices you have with regard to your personal information or how to access or correct your personal information, you should contact your mortgage loan servicer.

No Representations or Warranties

By providing this Privacy Notice, Fidelity National Financial, Inc. does not make any representations or warranties whatsoever concerning any products or services provided to you by its majority-owned subsidiaries. In addition, you also expressly agree that your use of the Website is at your own risk. Any services provided to you by Fidelity National Financial, Inc. and/or the Website are provided "as is" and "as available" for your use, without representations or warranties of any kind, either express or implied, unless such warranties are legally incapable of exclusion. Fidelity National Financial, Inc. makes no representations or warranties that any services provided to you by it or the Website, or any services offered in connection with the Website are or will remain uninterrupted or error-free, that defects will be corrected, or that the web pages on or accessed through the Website, or the servers used in connection with the Website, are or will remain free from any viruses, worms, time bombs, drop dead devices, Trojan horses or other harmful components. Any liability of Fidelity National Financial, Inc. and your exclusive remedy with respect to the use of any product or service provided by Fidelity National Financial, Inc. including on or accessed through the Website, will be the re-performance of such service found to be inadequate.

Your Consent To This Privacy Notice

By submitting Personal Information to FNF, you consent to the collection and use of information by us as specified above or as we otherwise see fit, in compliance with this Privacy Notice, unless you inform us otherwise by means of the procedure identified below. If we decide to change this Privacy Notice, we will make an effort to post those changes on the Website. Each time we collect information from you following any amendment of this Privacy Notice will signify your assent to and acceptance of its revised terms for all previously collected information and information collected from you in the future. We may use comments, information or feedback that you may submit in any manner that we may choose without notice or compensation to you.

If you have additional questions or comments, please let us know by sending your comments or requests to:

Fidelity National Financial, Inc.
601 Riverside Avenue
Jacksonville, Florida 32204
Attn: Chief Privacy Officer
(888) 934-3354
privacy@fnf.com

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EFFECTIVE AS OF: MAY 1, 2015

ATTACHMENT ONE

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990

EXCLUSIONS FROM COVERAGE

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

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

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

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

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

**ATTACHMENT ONE
(CONTINUED)**

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)**

EXCLUSIONS

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

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - a. building;
 - b. zoning;
 - c. land use;
 - d. improvements on the Land;
 - e. land division; and
 - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
 - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - c. that result in no loss to You; or
 - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right:
 - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

**ATTACHMENT ONE
(CONTINUED)**

LIMITATIONS ON COVERED RISKS

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

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

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

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19:	1.00% of Policy Amount Shown in Schedule A or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21:	1.00% of Policy Amount Shown in Schedule A or \$2,500.00 (whichever is less)	\$5,000.00

**ATTACHMENT ONE
(CONTINUED)**

**AMERICAN LAND TITLE ASSOCIATION
RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)**

EXCLUSIONS

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

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
 - land use
 - improvements on the land
 - land division
 - environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at policy date.

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:
 - a notice of exercising the right appears in the public records on the Policy Date
 - the taking happened prior to the Policy Date and is binding on you if you bought the land without knowledge of the taking
3. Title Risks:
 - that are created, allowed, or agreed to by you
 - that are known to you, but not to us, on the Policy Date-unless they appeared in the public records
 - that result in no loss to you
 - that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
 - to any land outside the area specifically described and referred to in Item 3 of Schedule Aor
 - in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

ATTACHMENT ONE (CONTINUED)

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

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

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

ATTACHMENT ONE (CONTINUED)

2006 ALTA OWNER'S POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

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

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

**ATTACHMENT ONE
(CONTINUED)**

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10)

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured mortgage, is
 - (a) a fraudulent conveyance or fraudulent transfer, or
 - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.

Notice of Available Discounts

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries ("FNF") must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer's right to be charged the filed rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for such discount. These discounts only apply to transactions involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

Not all discounts are offered by every FNF Company. The discount will only be applicable to the FNF Company as indicated by the named discount.

FNF Underwritten Title Companies

CTC – Chicago Title Company
CLTC – Commonwealth Land Title Company
FNTC – Fidelity National Title Company
FNTCCA – Fidelity National Title Company of California
TICOR – Ticor Title Company of California
LTC – Lawyer's Title Company

Underwritten by FNF Underwriters

CTIC – Chicago Title Insurance Company
CLTIC – Commonwealth Land Title Insurance Company
FNTIC – Fidelity National Title Insurance Company
FNTIC – Fidelity National Title Insurance Company
CTIC – Chicago Title Insurance Company
CLTIC – Commonwealth Land Title Insurance Company

Available Discounts

CREDIT FOR PRELIMINARY TITLE REPORTS AND/OR COMMITMENTS ON SUBSEQUENT POLICIES (CTIC, FNTIC)

Where no major change in the title has occurred since the issuance of the original report or commitment, the order may be reopened within twelve (12) to thirty-six (36) months and all or a portion of the charge previously paid for the report or commitment may be credited on a subsequent policy charge.

DISASTER LOANS (CTIC, CLTIC, FNTIC)

The charge for a Lender's Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within twenty-four (24) months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be fifty percent (50%) of the appropriate title insurance rate.

CHURCHES OR CHARITABLE NON-PROFIT ORGANIZATIONS (CTIC, FNTIC)

On properties used as a church or for charitable purposes within the scope of the normal activities of such entities, provided said charge is normally the church's obligation the charge for an owner's policy shall be fifty percent (50%) to seventy percent (70%) of the appropriate title insurance rate, depending on the type of coverage selected. The charge for a lender's policy shall be thirty-two percent (32%) to fifty percent (50%) of the appropriate title insurance rate, depending on the type of coverage selected.

Exhibit A

Appraiser Instructions for the Oakland Inner Harbor Tidal Canal Between the Pier Head and Bulk Head Lines (Alameda side)

I. Introduction

The City of Alameda (the “**City**”) is seeking an evaluation and opinion of the fair market values for the fee simple interests in several soon to be mapped parcels along the Alameda shoreline of the Oakland Inner Harbor Tidal Canal (“**Tidal Canal**”) in connection with their acquisition by the City and immediate sale to the adjacent property owners (the “**Services**”). For discussion purposes, the Tidal Canal is referred to in three segments called the “**Residential Parcel**”, the “**Commercial Parcel**” and the “**Open Water Parcel**”. (See Exhibit B - Site Map 1.) The Fruitvale Bridge marks the separation point between the Residential Parcel and the Commercial Parcel. Despite the names, these are not legal parcels as the Tidal Canal has not yet been subdivided. However, as a condition precedent to the proposed transfer, the Tidal Canal will be legally subdivided into one hundred and eight (108) parcels as follows:

Fourteen (14) commercial lots encompassing the Commercial Parcel area,
Ninety-Three (93) residential lots encompassing the Residential Parcel area, and
One (1) lot encompassing the Open Water Parcel area.

The 14 separate commercial lots and the 93 residential lots (taken as a whole) are the subject of the requested appraisal and are collectively referred to in these Appraiser Instructions and the Appraiser Agreement as the “**Properties**”.

These new lots (except for the one encompassing the Open Water Parcel) will subdivide the area between the Bulkhead line and the Pierhead line by extending the property lines of the adjacent parcels out to the Pierhead line. The result is new legal lots whose width matches (to the greatest extent practicable) that of the adjacent inland parcel. The new lots (except for the one encompassing the Open Water Parcel) are and will continue to be zoned E – Estuary District. (Please see Exhibit D which is AMC 30-4.21 that describes the permitted and conditionally permitted uses in the E – Estuary District.) The City desires to retain the Appraiser to complete the Services in accordance with the Appraiser Agreement and these Appraiser Instructions.

II. Background

The Tidal Canal is a 1.8 mile long, 400 feet wide portion of the waterway between Oakland and Alameda that was dredged in 1882 by the US Army Corps of Engineers (“**Army Corps**”) to create a tidal effect throughout the Oakland Estuary. The Tidal Canal covers 85 acres in total. Over time the Tidal Canal has expanded to include uplands. The Properties are currently owned by the Army Corp and consist of a combination of uplands (dry), semi-submerged and submerged land located between the Pierhead line and Bulkhead line on the Alameda side of the Tidal Canal. Please see Site Map 2 attached for illustrative purposes only.

Over the course of time, the adjacent residential and commercial property owners trespassed upon the Residential Parcel and Commercial Parcel. (A few commercial operators had leases that have since expired.) As a result, the Properties contain structures and dock that are owned by the various adjacent property owners. In addition, the adjacent property owners have treated the Properties as their own and made recreational and industrial use of the Properties.

In 2004, the Army Corps instituted a permitting moratorium for new construction, maintenance or repair which: (i) prohibited the adjacent property owners from repairing or replacing their aging structures and docks located on the Properties; and (ii) prevented the City from enforcing its zoning / building code requirements. The moratorium has resulted in blighting conditions along the Tidal Canal that the City would like to see corrected.

The Army Corp desires to transfer ownership of the Tidal Canal to one or more public entities at no cost and has legislative authority to do so. The Army Corps has offered to convey half of the Tidal Canal (split down the middle) to the City of Alameda and the other half to the City of Oakland. Upon transfer, the Army Corps will lift its permitting moratorium.

On September 10, 2014, the Alameda City Attorney, at the direction of the City Council, wrote a letter to the Army Corps expressing the City of Alameda's interest in acquiring its side of the Tidal Canal. The Alameda City Council, at a public meeting on April 7, 2015, reaffirmed the City's interest in the transfer assuming certain conditions could be addressed and directed staff to take the steps necessary to move the potential transfer forward.

The City of Oakland declined the offer of transfer but in 2013 the East Bay Regional Parks District ("**East Bay Parks**") expressed its interest in accepting the Oakland half of the Tidal Canal. The requested Services do not encompass the Oakland side of the Tidal Canal as that is a separate transaction between East Bay Parks and the Army Corps.

III. Project Description

The City desires to acquire the Alameda half of the Tidal Canal after it has been subdivide into 108 legal lots. The Army Corps, the current owner, has agreed to transfer the property at no cost, provided that the City covers all of the transaction costs. In preparation for transfer, the City will engage a surveyor, appraiser and a title company. The City, at its expense, plans to: (i) survey and map the Alameda side of the Tidal Canal; (ii) determine the fair market value of the Properties; and (iii) prepare all of the transactional documents necessary and desirable to accept the transfer from the Army Corps and then immediately transfer the Properties to the adjacent property owners via quitclaim deed for fair market value or its transaction costs, whichever is higher. This will allow the adjacent property owners to legitimize their use of the lots. The adjacent property owners (buyers) will be solely responsible for any and all lot mergers, regulatory approvals, City entitlements and construction permits needed for future development, if any. Although the City anticipates all of the residential lots and most of the commercial lots will sell, it is likely that one or more commercial lots and the open water lot will remain in City ownership pending future disposition.

IV. Appraisal Services

The Appraiser shall determine the fair market values for the fee simple interests in the Properties at their **highest and best use in their “AS IS, with all faults”** condition. The appraisal report shall include the Appraiser's final opinion of the fair market values, expressed as a specific dollar figure for each of the fourteen commercial lots and one aggregate fair market value for the 93 residential lots. Due to the large number of residential lots, the City proposes to dispose of the residential lots on a per square foot or per lot basis.

Due to the unique aspects of this assignment, the Appraiser shall also attend at least one in-person meeting and participate in telephone conference calls are reasonably necessary to consult and coordinate with the surveyor, title company, City Attorney and the City's outside counsel regarding additional information that the Appraiser or other consultants may need to move the project to completion.

The Appraiser is accepting this Assignment with the following assumptions, understandings and conditions which are incorporated into the Assignment:

1. Appraiser will be appraising 14 parcels of the Oakland Inner Harbor Tidal Canal Between the Pier Head and Bulk Head Lines next to the 14 commercial properties
2. Appraiser will appraising 1 parcel of the Oakland Inner Harbor Tidal Canal Between the Pier Head and Bulk Head Lines adjacent to 93 residential properties.
3. The appraisal of these 15 parcels will be contained in a single narrative report.
4. Appraiser will need a surveyor to tell the Appraiser the total land area in each parcel and the division between wet and dry land in each parcel; i.e. how many square feet of the land is underwater at high tide and how many square feet are dry land. Ideally the Appraiser would need this information at the start of the appraisal.
5. Appraiser notes that there are numerous piers and even some building improvements on the parcels being appraised. Although these would seem to be encroachments, Appraiser is to assume that: (i) these improvements belong to the adjacent private property owners; (ii) that their presence does not affect value; and (iii) they are not part of the subject property being appraised.
6. Appraiser is to assume that the City would put up a barrier to prevent trespass as to those parcels not purchased by the adjacent property owner. Thus the adjacent owners can not simply continue to use the subject land without buying it.

Please see Special Instructions below for further details regarding the Services. Please note that the Services does not include an evaluation of the Open Water Parcel. The City may use the appraisal as the basis for negotiating purchase and sale agreements for the disposition of the residential and commercial lots.

V. Special Appraiser Instructions

The Appraiser shall assume the following in appraising the fair market values:

- **The effective date of valuation is _____ (to be determined by Appraiser).**
- The Appraiser shall provide a single fair market value for the fee simple interest in each of the fourteen commercial lots in their “AS IS, with all faults” condition.
- The Appraiser shall provide a single aggregate fair market value for the 93 residential lots in their “AS IS, with all faults” condition
- The residential and commercial lots are free of hazardous materials.
- The City owns fee simple title to the residential and commercial lots and holds good and marketable title.
- That the residential and commercial lots will be sold to the respective adjacent property owner as part of a single concurrent transaction.
- The Appraiser should take into account (to the extent feasible) the added value that the adjacent property owner (buyer) will receive by having legal and direct access to the Tidal Canal from their existing property.
- That each commercial lot has the dimensions and area as described in the tentative map to be provided by the City prior to completion of the Services.
- That the total aggregate dimensions and area of the residential lots are as described in the tentative map to be provided by the City prior to completion of the Services.
- The residential and commercial lots are zoned E- Estuary.
- For purposes of this Services only, that existing structures and docks are either permitted or conditionally permitted under the existing zoning or are legal non-conforming.
- The Appraiser shall assume that there are no title exceptions adversely affecting value, financeability or use of the residential and commercial lots for their highest and best use, except as noted in these special instructions.

The Appraiser shall comply with the following requirements:

- The Appraiser shall use methodologies generally recognized by appraisers as necessary to produce credible appraisals.
- The Appraiser shall include relevant market basis supporting any discount rates utilized in preparing net present value conclusions.
- The Appraiser shall be a member of the Appraisal Institute (MAI).
- The appraisal report shall contain all pertinent information or documentation supporting the conclusions, as well as a clear and detailed description of the assumptions and any limiting conditions, qualifications or omissions, and of the method of analysis the Appraiser used in reaching the conclusions.

- The appraisal report shall contain a duly executed certification by the Appraiser, in a form mutually agreed to by the Appraiser and the City.
- The appraised value shall reflect the independent professional judgment of the Appraiser and be consistent with the special instructions. The Appraiser shall use appropriate approaches to value in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP), consistent with these special instructions.

VI. Appraisal Process

The Appraiser shall perform the appraisal in three phases:

Phase 1: At the discretion of the City, the Appraiser attend one in-person meeting with City staff and its other consultants to discuss any questions about the Services or the need for additional information.

The Appraiser shall make himself/herself reasonably available to participate in telephone conference calls to consult and coordinate with the surveyor, title company, City Attorney, City staff and the City's outside counsel regarding additional information that the Appraiser or other consultants may need to move the project to completion.

Appraiser shall draft the summary appraisal report for the City Attorney on such date as mutually agreed upon by the Appraiser and the City, together with an oral presentation by the Appraiser of the draft appraisal.

Phase 2: Appraiser shall deliver two (2) bound originals of the final narrative appraisal report plus a PDF copy sent via email to the City Attorney along with the Appraiser's invoice for services by the date mutually agreed upon by the Appraiser and the City.

Phase 3: Additional Services: The Appraiser shall make such presentations regarding its appraisal report to the City Council, community advisory groups and such other government bodies and agencies as the City may reasonably requests.

VII. Appraisal Fees

Fees for the appraisal of the residential lots (in aggregate) and the individual commercial lots under Phases 1 and 2 shall be on a **flat fee basis**, as stated in the Appraiser Agreement. If the City requests work under Phase 3 (Additional Services), those fees shall be paid on an hourly basis at the rate mutually agreed upon and as stated in the Appraiser Agreement.

VIII. Additional Documents

The City has or will provide the following documents to the Appraiser for informational purposes only:

- Site Map 1 depicting generally the Residential Parcel area, Commercial Parcel area and the Open Water Parcel area
- Site Map 2 depicting in more detail generally the Bulkhead line, the Pierhead line and the adjacent parcels overlaid on the Tidal Canal in segments, which is accessible through the following link: <https://civalameda.box.com/s/i3of6lb5mz9g2wsdwu3y41r5mrvky8l1> .
- Copy of Alameda Municipal Code section 30.4-21 describing the E – Estuary District zoning

QUALIFICATIONS OF SARA A. COHN, MAI
California Certified General Real Estate Appraiser No. AG014469

EXPERIENCE

Sara A. Cohn is a Partner with Watts, Cohn and Partners, Inc. a new firm providing commercial real estate valuation. From 1988 to 2016, she worked for Carneghi and Partners and was a Senior Project Manager/Partner in their San Francisco office. This company provided real estate appraisal and consulting services in the San Francisco Bay Area. Clients include financial institutions, government agencies, law firms, development companies and individuals. Typical assignments include both valuation and evaluations of a broad variety of property types, uses and ownership considerations.

Ms. Cohn has over 28 years of appraisal experience. She has completed a wide variety of valuation and evaluation analyses. Ms. Cohn has extensive knowledge of the San Francisco Bay Area and has appraised many property types including office buildings, industrial properties, retail centers, hotels, residential projects, mixed-use properties and development sites. Recent work has involved the analysis of commercial buildings, residential subdivisions, valuation of affordable housing developments with bond financing and/or Low Income Housing Tax Credits (LIHTCs), assessment districts, as well as co-housing projects.

EDUCATION

Bachelor of Arts, University of California, Berkeley, 1978

Successful completion of all professional appraisal courses offered by the Appraisal Institute as a requirement of membership.

Continued attendance at professional real estate lectures and seminars.

PROFESSIONAL AFFILIATION AND STATE CERTIFICATION

Appraisal Institute - MAI Designation (Member Appraisal Institute) No. 12017
Continuing Education Requirement Complete

State of California Certified General Real Estate Appraiser No. AG014469
Certified Through March 2017

State of California Licensed Landscape Architect No. 2102

Member, Board of Directors, Northern California Chapter of the Appraisal Institute,
2008-2010

Seminars Co-Chair, Northern California Chapter of the Appraisal Institute, 2005-2007



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

Sara A. Cohn

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified General Real Estate Appraiser”

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AG 014469

Effective Date: March 10, 2015
Date Expires: March 9, 2017


Jim Martin, Bureau Chief, BREA

3018043

QUALIFICATIONS OF MARK A. WATTS

Mark A. Watts is a Partner with Watts, Cohn and Partners, Inc.

Following is a brief summary of his background and experience:

EXPERIENCE

Commercial Real Estate Appraisal Experience

Mr. Watts has been a commercial real estate appraiser since 1987, and has over 20 years experience in the analysis of commercial real estate. He has completed valuation assignments on a variety of projects, including industrial facilities, residential subdivisions, apartments, shopping centers, cemeteries and recreational facilities. He has also performed feasibility studies and assisted owners in making asset management decisions.

Mr. Watts has provided litigation support and served as an expert witness in court. He has also served in arbitrations as an expert witness. He has been qualified as an expert in San Francisco and San Mateo County Superior Courts.

He has served on the San Francisco County Assessment Appeals Board since 2011.

Commercial Real Estate Investment Experience

Simultaneous to his work as a commercial appraiser, Mr. Watts has been an active real estate investor/developer. He is experienced in the acquisition, redevelopment and management of commercial properties. He has witnessed and experienced many real estate cycles and stays abreast of current trends. His personal experience as an investor makes him uniquely qualified to appraise commercial real estate.

Over the last 20 years he has completed more than 30 investment real estate transactions, an average of 1.5 transactions per year. He has negotiated with buyers and sellers directly as a principal. He has completed nearly a dozen 1031 exchanges. Beginning with a small initial capital investment, he has built a large real estate portfolio. Based on his ownership experience, Mr. Watts is keenly aware that the success or failure of an acquisition is closely related to its location. Likewise, he is sensitive to locational differences in the appraisal of real estate.

Mr. Watts has broad experience with the construction, maintenance and repair of real estate. He has demolished and re-built two structures from the ground up. He has completed fire damage repairs and remediated toxic mold. He has remodeled kitchens and baths. He has replaced foundations on structures, made additions, and made other improvements. As the quality and condition of real estate has a strong correlation with its value, his experience enables superior judgement of these attributes in his work as a commercial real estate appraiser.

Health Club Experience

Mr. Watts has served on the Board of Managers of the Stonestown Family YMCA since 2002. This is an approximately 30,000 square foot health club facility. He is active on the Facilities Committee. He served as the Board Chair in 2008. He is a member of the Olympic Club in San Francisco.

EDUCATION

Bachelor of Arts, University of California, Davis

PROFESSIONAL AFFILIATION

State Accredited Affiliate of the Appraisal Institute
State of California Certified General Real Estate Appraiser No. AG015362



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

Mark A. Watts

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified General Real Estate Appraiser”

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: **A** AG 015362

Effective Date: August 16, 2015

Date Expires: August 15, 2017


Jim Martin, Bureau Chief, BREA

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