

**Maraschino Substation  
Public Road Easement – Veile Avenue**

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Southern California Edison Ownership  
Southeast Corner of West 4th Street & Veile Avenue  
City of Beaumont, California  
APN 417-110-002



**THOMPSON & THOMPSON**  
REAL ESTATE VALUATION AND CONSULTING

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# APPRAISAL REPORT

## **Maraschino Substation Public Road Easement – Veile Avenue**

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Southern California Edison Ownership  
Southeast Corner of West 4<sup>th</sup> Street & Veile Avenue  
City of Beaumont, California  
APN 417-110-002

### *Prepared for*

Naveen Gali, P.L.S.  
Thienes Engineering, Inc.  
14349 Firestone Boulevard  
La Mirada, California 90638

### *Prepared by*

Thompson & Thompson  
Real Estate Valuation and Consulting, Inc.  
55 E. Huntington Drive, Suite 238  
Arcadia, California 91006

### *Effective Date of the Appraisal (i.e. Date of Value)*

May 11, 2023

### *Date of Report*

May 11, 2023



m Ave

Elm Ave

Elm Ave

Elm Ave

Elm Ave

Elm Ave

Elm Ave

W 4th St

W 4th St

W 4th St

W 4th St

W 4th St

W 4th St

STOP

↩

AHEAD

STOP

STOP

STOP

Veil Ave

N

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May 11, 2023

No. 36023

Naveen Gali, P.L.S.  
Thienes Engineering, Inc.  
14349 Firestone Boulevard  
La Mirada, California 90638

**Re: Appraisal Report**  
**Public Road Easement – Veile Avenue**  
**Marachino Substation (Southern California Edison Ownership)**  
**Southeast Corner of West 4<sup>th</sup> Street & Veile Avenue**  
**Beaumont, California**  
**APN 417-110-002**

Dear Ms. Gali:

At your request, the above referenced property has been personally inspected and appraised for the purpose of expressing an opinion as to its fee simple fair market value as of current date. The intended use of this appraisal is to estimate the fair market value of the subject property for partial public road easement acquisition/dedication purposes for offsite infrastructure requirements.

Please be advised that an Appraisal Report has been completed and the report is submitted herewith in compliance to the Uniform Standards of Professional Appraisal Practice (USPAP), Standards Rule SR 2-2(a) and the Code of Civil Procedure (CCP). Per your request, we are submitting one (1) electronic “PDF” copy of the report. The description and analysis of the above property are provided in the body of this report.

The client and user(s) of this report are advised that this is an Appraisal Report. Included are discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the opinion of value. Additional supporting documentation concerning the data is retained in the Thompson & Thompson file.

Naveen Gali, P.L.S.  
Thienes Engineering, Inc.  
May 11, 2023

The total compensation for the permanent public road and utility easement, as further analyzed within this Appraisal Report, is as follows:

**THIRTY-SIX THOUSAND THREE HUNDRED DOLLARS**  
**\$36,300**

The depth of discussion contained in this report is specific to the client's needs and for the intended use as stated in this report. Thompson & Thompson is not responsible for unauthorized use of this report. The investigation and analyses are contained in the attached summary report which describes the property appraised, the limiting conditions upon which the value opinions are premised and other considerations which support the conclusions.

This report is subject to the assumptions and limiting conditions contained on pages 4 through 6 inclusive. This letter must remain attached to the report, which contains 29 pages plus related exhibits, in order for the value opinion set forth to be considered valid.

Respectfully submitted,  
THOMPSON & THOMPSON



Bradford Thompson, MAI, AI-GRS, SR/WA  
State of California Certificate No. AG002282  
bthompson@thompsonvaluation.com

BT/CST:co

**EXECUTIVE SUMMARY**

**Property Appraised:** South Side of West 4<sup>th</sup> Street,  
Between Veile and Elm Avenues  
City of Beaumont, Riverside County, California

**Assessor Parcel No.:** 417-110-002

**Legal Description:** Please refer to the Preliminary Title Report prepared by First American Title Insurance Company, a copy of which is contained in the Addenda for the subject property legal description.

**Owner of Record:** Southern California Edison Company, a Corporation

**Date of Value:** May 11, 2023

**Purpose of the Appraisal:** The purpose of this appraisal is to report an opinion of the fair market value of the subject larger parcel as of current date for partial acquisition purposes related to conditioned street improvements.

**Site Description:**

Size:	107,960 Sq. Ft. (gross) 87,678 Sq. Ft. (net)
Shape:	Rectangular
Zoning:	Manufacturing
General Plan:	Industrial
Utilities:	All utilities are available or can be extended to the site
Topography:	Generally level

**Improvements:** The subject property is improved with a Southern California Edison electrical substation, known as Maraschino Substation.

**Highest & Best Use:** Continued use as a SCE substation.

**Road Easement Value:** \$36,300



## STATEMENT OF LIMITING CONDITIONS

The following statements, assumptions, and considerations are offered as a basis for this particular appraisal report.

- . . . . **Factual information** presented in this report has been furnished by or obtained from sources which are considered reliable. While the data is believed to be correct, it cannot be guaranteed.
  
- . . . . It is assumed that the **legal description and title** are good and that the subject ownership is free and clear of all encumbrances, except as may be detailed herein.
  
- . . . . A **land survey** was not made by the appraiser(s); while the dimensions and areas shown and/or referred to herein are assumed to be correct, property boundaries and locations of any improvements are not to be construed as being based upon a survey for which the appraiser(s) are responsible. Where land dimensions or areas were shown on prepared maps, they were used. Where areas or dimensions were not shown, they were scaled from the prepared maps and are subject to scaling error.
  
- . . . . The appraiser(s) assume no responsibility for **hidden or unapparent conditions** of the property, subsoil, pipelines, structures, or adjacent utilizations of land that render it more or less valuable. No responsibility is assumed for arranging for engineering studies that may be required to discover these possible conditions.
  
- . . . . The **final value** estimates reflect the current fair market rental value of the portion of the fee ownership subject to a license agreement.
  
- . . . . The effective date of this Appraisal Report (i.e. **date of value**) is **May 11, 2023**.
  
- . . . . This report is made for the **exclusive use** of the client and intended users as indicated as the addressee on the letter of transmittal.
  
- . . . . This appraisal is **not** to be used for real estate syndicate(s), real estate investment trusts or limited partnerships that utilizes the appraisal report or any information contained therein, to solicit investors or limited partners.
  
- . . . . It is assumed that there is **full compliance** with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.

- . . . . It is assumed that all applicable **zoning** and **use regulations and restrictions** have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
- . . . . The properties are appraised assuming that all **required licenses**, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.
- . . . . The **value premises** cited are foundational and basic to the values reported herein and the right is reserved to revise and/or rescind the appraisal opinions in the event the conditions are modified to any extent.
- . . . . **Testimony** or attendance in a court of law is not required by reason of this appraisal with reference to the property in question without a prior arrangement as to compensation and scheduling.
- . . . . The **liability** of Thompson & Thompson is limited to the amount of the fee. The firm and appraiser(s) preparing this report are not responsible for erroneous information provided by others.
- . . . . **Indemnification** – The appraiser(s) are not necessary parties in any inquiry or judicial proceedings. They will not be called upon to testify in any litigation or other proceeding arising out of their duties in this matter. If they are compelled to incur court costs, attorneys' fees or other out-of-pocket expenses in connection with court proceedings, such costs or expenses together with appraisers' usual hourly per diem applicable for their professional services for study, preparation, testimony or travel will be paid by the party (or parties) who acts to bring any suit requiring a judicial proceeding.
- . . . . It is the **client's responsibility** to **read** 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.
- . . . . No one other than the **appraiser(s) signing** this report has prepared the analyses, conclusions, and opinions concerning real estate that are set forth in this appraisal.
- . . . . This report in its entirety is **Copyright 2023** by Thompson & Thompson, a California Corporation. All rights of reproduction are prohibited unless permission is granted in writing. Electronic PDF's of this report are only valid if produced in their entirety.
- . . . . This is an **Appraisal Report** which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice

(USPAP). The Appraisal Report includes discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the Thompson & Thompson file. The information contained in this report is specific to the needs of the client and for the intended use and users stated in this report. Thompson & Thompson is not responsible for unauthorized use of this report.

- . . . . A copy of the Preliminary Title Report, prepared by First American Title Insurance Company, dated June 12, 2019, is in the Addenda. The guarantee reflects various **exceptions to title** insurance coverage, however, these exceptions do not appear to have a material negative affect on the larger parcel value estimate, or its highest and best use.
- . . . . This appraisal is of the **real property only**. Any improvements pertaining to the realty (fixtures and equipment) have **not** been accounted for within this appraisal.

*Extraordinary Assumption(s)*

- . . . . The presence of **hazardous substances** such as petroleum products, sub-surface toxins, or other potentially hazardous materials may affect the value of a property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired. The value conclusions reflect the fair market value, **“clean” to regulatory standards**.
- . . . . This appraisal analysis is performed under the **extraordinary assumption** that the public road easement will not have any compensable impacts on the continued use of the existing operations at the electrical substation.
- . . . . Typically, required dedications as an exaction or condition of development approval are based upon the ultimate right-of-way width as contained within the General Plan Circulation Element. Although the City of Beaumont General Plan Mobility Element does not have comprehensive street cross section information, the City website refers to County Road standards. This Appraisal Report adopts the City referenced **County Road standards as authoritative**.

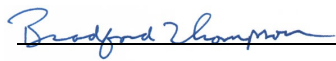
The inclusion of these Extraordinary Assumptions may have affected the assignment results.

## CERTIFICATION

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

- . . . . The statements of fact contained in this report are true and correct.
  
- . . . . The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
  
- . . . . I further certify that I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
  
- . . . . I have performed no appraisal services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
  
- . . . . I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
  
- . . . . My engagement in this assignment was not contingent upon developing or reporting predetermined results.
  
- . . . . My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
  
- . . . . My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
  
- . . . . The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
  
- . . . . An exterior inspection of the property that is the subject and the comparable market data was performed on April 5, 2022 by Scott J. Thompson, MAI, AI-GRS, SR/WA.

- . . . . As of the date of this report, I, Bradford Thompson, MAI, AI-GRS, SR/WA, have completed the continuing education program for Designated Members of the Appraisal Institute, and I have fulfilled the requirements of the State of California Bureau of Real Estate Appraisers for General Certification.
  
- . . . . Scott J. Thompson, MAI, AI-GRS, SR/WA provided assistance with the exterior subject inspection. Cole S. Thompson, AI Practicing Affiliate, provided significant real property appraisal assistance with the subject and market data investigation, and the valuation analysis. No one else provided significant real property appraisal assistance to the person(s) signing this Certification.



Bradford Thompson, MAI, AI-GRS, SR/WA  
State of California Certificate No. AG002282

*May 11, 2023*

Date

## INTRODUCTION

**Report Type:** This is an Appraisal Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a), of the Uniform Standards of Professional Appraisal Practice, for an Appraisal Report. As such, it represents summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the Thompson & Thompson file. The depth of discussion in this report is specific to the needs of the client and for the intended use stated below. Thompson & Thompson is not responsible for unauthorized use of this report.

**Property Type and Location:** The subject property consists of one (1) assessor parcel with a gross land area of 107,960 square feet or 2.478 acres. The parcel is rectangular in shape with level topography and corner orientation at a signalized intersection in the City of Beaumont, California. The subject is improved with an electrical substation owned by Southern California Edison. The property can be identified as Assessor Parcel Number 417-110-002.

**Purpose of the Appraisal:** The purpose of the appraisal is to express an opinion as to its fee simple fair market value as of current date and compensation due as a result of a public road easement acquisition/dedication.

**Intended Use/Users of the Appraisal:** The intended use of this appraisal is to estimate the fair market value of the subject property for partial acquisition/dedication purposes by the City of Beaumont for conditioned street improvements. This report is privileged and confidential and intended for use by Thienes Engineering, Inc. and their authorized representatives or designees. It is understood that Southern California Edison Company may represent an additional intended user of the Appraisal Report. Use of this report by others is not intended by the appraiser(s) unless prior written permission is provided by Thompson & Thompson.

**Scope of the Assignment:** The scope of this assignment includes the following:

1. Scott J. Thompson, MAI, AI-GRS, SR/WA inspected the subject properties on April 5, 2022;
2. Interviews with representatives from the applicable City of Beaumont Planning and Public Works Departments, to research zoning, other ordinances impacting the subject property, to consider allowable uses for the subject property;
3. Larger Parcel analysis;
4. Highest and Best Use analysis;
5. Research current market data for comparable vacant land sales in the proximate market area;
6. Interviews with various local agents and services for information concerning current market demand for vacant and improved industrial land properties; buyers, sellers, representatives were contacted to verify information when possible; recent market trends were researched;

7. Review of client provided public road easement exhibits;
8. Accumulating, inspecting, and analyzing sales data to apply the Direct Sales Comparison Approach, to estimate the fair market value of the subject property as if vacant to estimate the fair market value of the subject property underlying land value;
9. Researched the part to be acquired and construction in the manner proposed;
10. Valuation of the larger parcel, partial acquisition area, the remainders before and after, the consideration of potential severance damages and benefits as a result of the acquisition and the project to conclude compensation, as of the date of value; and
11. Prepare an Appraisal Report.

**Date of Value:** The effective date of this Appraisal Report is **May 11, 2023**.

**Date of the Report:** The date of the appraisal report is **May 11, 2023**.

**Interests Appraised:** The interests valued include the fee simple fair market value and easement value.

### ***Definitions***

**Fair Market Value:** “(a) The highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.”

“(b) The fair market value of property taken for which there is no relevant comparable market is its value on the date of valuation as determined by any method that is just and equitable.”<sup>1</sup>

**Sales Comparison Approach:** The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sales prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available.<sup>2</sup>

**Easement:** An easement is an interest in real estate that transfers use, but not ownership, of a portion of an owner’s property. Easement usually permit a specific portion of a property to be used for identified purposes, such as access to an adjoining property or as the location of a certain underground utility.

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1/ Code Civ. Proc., § 1263.320

2/ *The Dictionary of Real Estate Appraisal*, Appraisal Institute, Seventh Edition, 2022, Page 170

Although surface easements are the most common, subterranean and overhead easement are used for public utilities, fiber-optic cables, subways, and bridges.<sup>3</sup>

**Larger Parcel:** In governmental land acquisitions and in valuation of charitable donations of partial interests in property such as easements, the tract or tracts of land that are under beneficial control of a single individual or entity and have the same, or an integrated, highest and best use. Elements for consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use. In most states, unity of ownership, contiguity, and unity of use are the three conditions that establish the larger parcel for the consideration of severance damages. In federal and some state cases, however, contiguity is sometimes subordinated to unitary use.<sup>4</sup>

The subject larger parcel in this instance is a single Assessor Parcel (APN 417-110-002) containing 107,960 gross square feet.

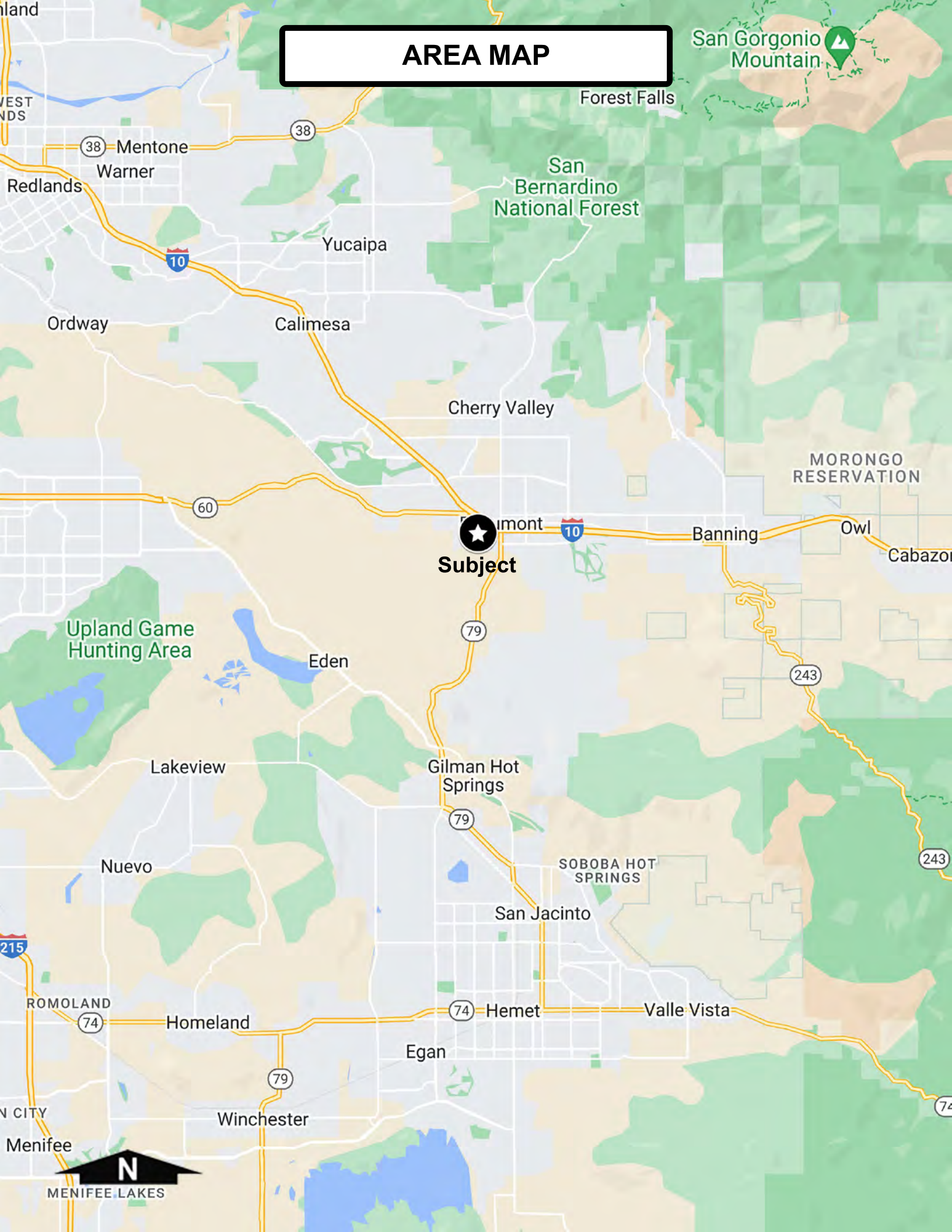
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3/ *The Appraisal of Real Estate*, Appraisal Institute, Fifteenth Edition, 2020, Page 64

4/ *The Dictionary of Real Estate Appraisal*, Appraisal Institute, Seventh Edition, 2022, Page 105



# AREA MAP



San Geronimo Mountain

Forest Falls

San Bernardino National Forest

MORONGO RESERVATION

SOBOBA HOT SPRINGS

Subject

Upland Game Hunting Area



MENIFEE LAKES

## AREA DESCRIPTION & MARKET CONDITIONS

### *Riverside County*

Riverside County contains approximately 7,303 total square miles and, together with San Bernardino County and the easternmost regions of Los Angeles County such as Ontario, is part of the Inland Empire of Southern California. The Inland Empire and its influence extends westerly from the Arizona border to the Ontario metropolitan area, and to cities in the Pomona Valley. Unlike its more urban neighbors of Los Angeles and Orange Counties, San Bernardino and Riverside Counties benefit from proximity to these active economic areas, from a supply of readily available land within county lines, and from the suburbanization that has occurred in these regions of Southern California the last couple of decades. Geographically, the central and eastern portions of both Riverside and San Bernardino Counties are mostly desert with the western part most responsible for the economic activity of the Inland Empire due to greater soil fertility, land quality and quantity, and proximity to the Ports of Los Angeles and Long Beach.

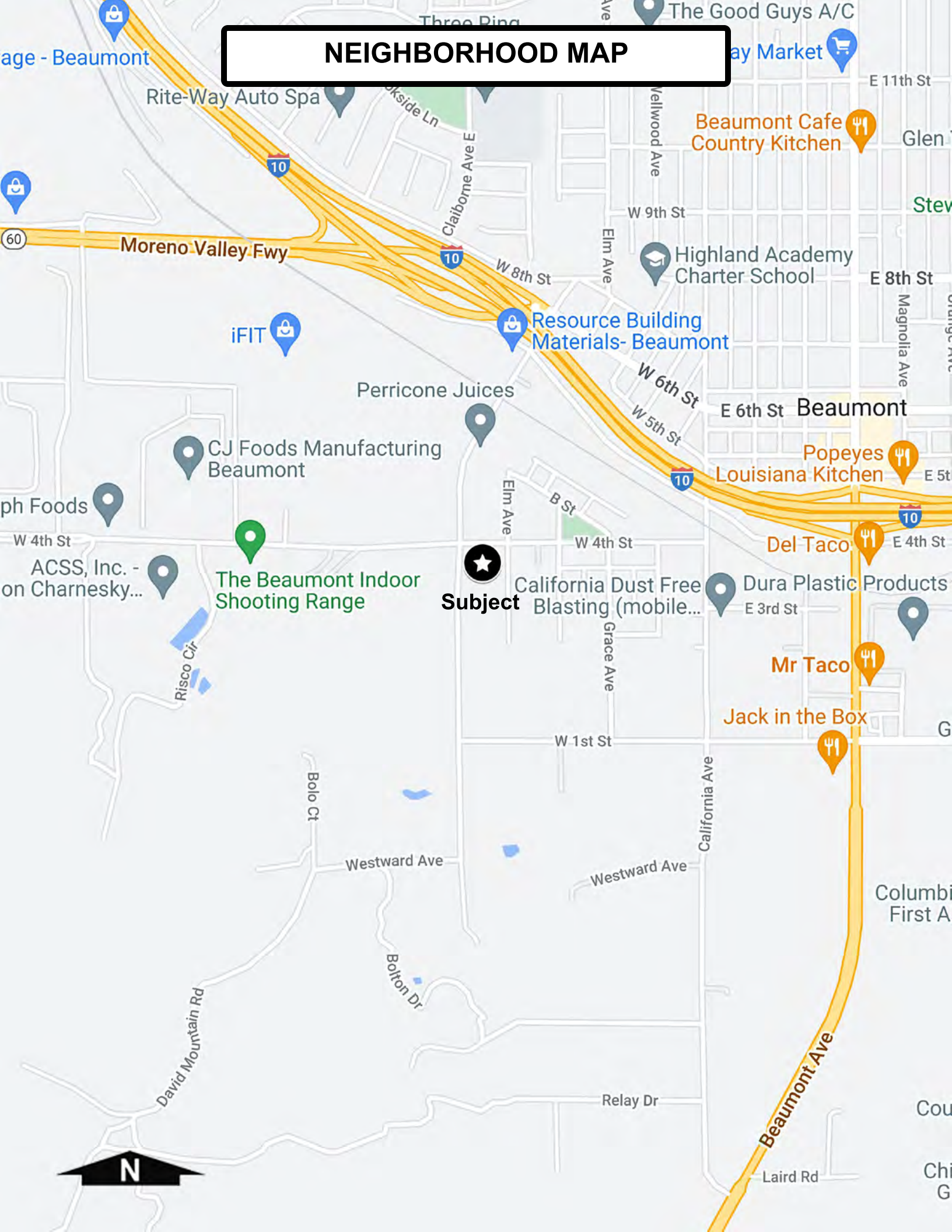
Parts of the Inland Empire saw a rise of home foreclosures in the mid-2000s and in many respects is still recovering from the economic downturn that rural/agricultural/industrial regions experienced due to the lending related recession of the mid- and late-2000s. Many economic and social indices would point to a recovering local, state, and national economy and an increasingly optimistic economic outlook. Due to a number of favorable factors in the Inland Empire as a whole, the region is projected to remain as California's fastest-growing regions for the foreseeable future.

### *City of Beaumont*

The City of Beaumont was incorporated in 1912 and was the largest apple growing region in the county in its early years, as well as a rail station named Summit Station served by the Southern Pacific Railroad. Following the growth of Palm Springs as a popular resort destination, Beaumont attempted to capitalize on the increasing tourism by establishing guest ranches and hotels in the 1930's and 1940's. In the last few decades, population growth has exploded from 11,384 in 2000, to 26,877 in 2010, and to 53,036 in 2020. From 2000 to 2010, the population increased by 223.9%. During the Cold War, a Lockheed rocket test site operated by Rocketdyne was established south of town in Potrero Canyon. In 2003, the majority of the Potrero Canyon site was sold to the State of California for cleanup, with plans for the Department of Fish and Game to allow public access. Today, Beaumont is home to several upscale master-planned communities and two championship level golf courses, Tukwet Canyon and Oak Valley Golf Club.

Beaumont is located at the peak on the San Gorgonio Pass between San Bernardino and Palm Springs, neighboring Interstate 10 and State Route 60. The city reaches an average high of 95°F during the summer and an average low of 38°F during the winter. Due to its higher elevation, Beaumont is usually

# NEIGHBORHOOD MAP



**Subject**

**The Beaumont Indoor Shooting Range**

**Resource Building Materials- Beaumont**

**Beaumont Cafe Country Kitchen**

**Popeyes Louisiana Kitchen**

**Del Taco**

**Mr Taco**

**Jack in the Box**

**Highland Academy Charter School**

**Moreno Valley Fwy**

**Beaumont**



five to ten degrees cooler than neighboring cities at lower elevations such as Moreno Valley, Hemet, and the Coachella Valley. Slightly cooler temperatures and less smoggy air, compared to neighboring cities, make Beaumont a desirable area for development in the Inland Empire region. However, it is one of the windiest cities in Southern California along with San Bernardino, Fontana, and Victorville.

### ***Neighborhood***

The subject site is located in southern Beaumont on the buffer zone between the manufacturing district and single-family residential neighborhoods. The area south of Interstate 10 has many vacant acreages, with some newly-built, large warehouses located to the west of State Route 79/Beaumont Avenue and master-planned residential communities to the east. The subject is situated on two (2) street corners with 4<sup>th</sup> Street being a major trucking route and Veile Avenue connecting the southern and northern portions of Beaumont via freeway underpass.

### ***Industrial Market Conditions***

According to CoStar's Beaumont/Hemet Industrial Submarket Report (obtained March 29, 2023):

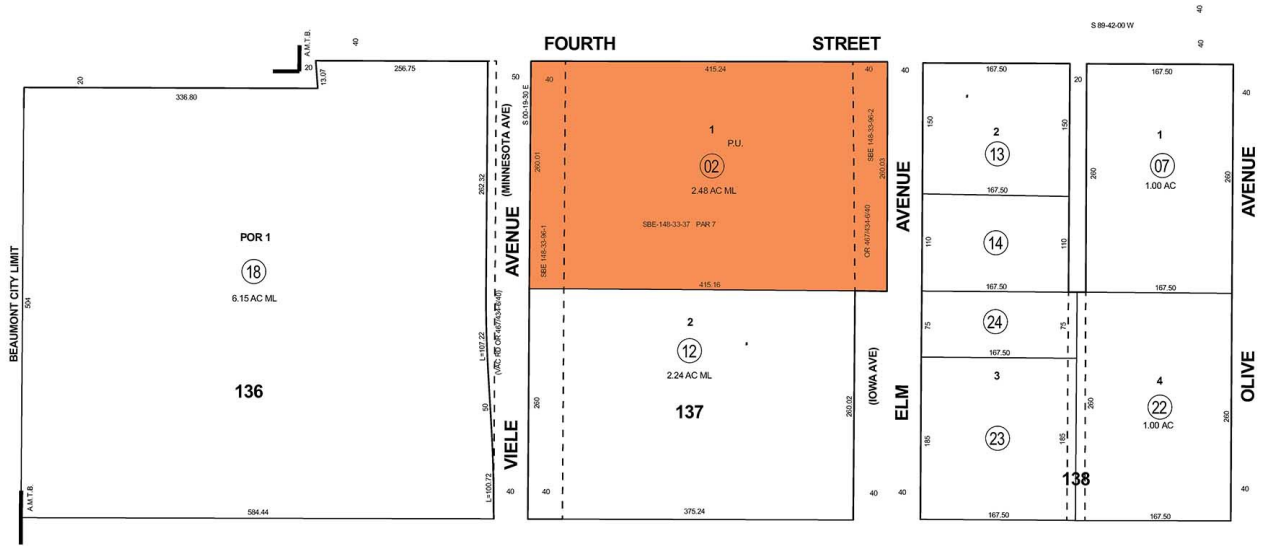
Beaumont/Hemet is a small but rapidly expanding submarket in the outskirts of the Inland Empire. Developers have been testing areas farther from the main population centers of the Inland Empire, and areas like Beaumont are attractive because of affordable land prices and excellent highway access to destinations further inland. These cities also offer development unencumbered by local Inland Empire municipalities that restrict warehouse construction and limit trucking.

The submarket was chosen by Amazon for one of its first multi-story logistics centers in the United States. The global logistics giant operates a 2.6 million square foot logistics center at 1010 West 4<sup>th</sup> Street in Beaumont that was constructed in 2019. Amazon also leased a 1 million square foot warehouse in the Beaumont Crossroads Logistics Park that completed construction in 2022. Other major tenants include apparel manufacturer Wolverine Worldwide, which leases 720,000 square feet at 1020 Prosperity Way, and home fitness products retailer Icon Health & Fitness, which leases 600,000 square feet at 630 Nicholas Road.

The submarket will continue to grow in 2023 because 4.1 million square feet of industrial space is under construction, equivalent to 32.3% of the submarket inventory. This much construction might destabilize the vacancy rate, which currently stands at 1.3%. Strong demand for industrial properties in the submarket is better demonstrated by rents, which increased by 13.7% year-over-year to \$13.20 per square foot annually, slightly less than the metro's \$13.70 per square foot annual rents. The three-year annualized rent growth is 12.6% and are currently 156.7% higher than they were 10 years ago. Remarkably, that still falls short of the corresponding 165.6% increase in the Inland Empire metro at large over the past decade.

Sales activity has historically been limited in the submarket because of the lack of inventory, but that may change going forward as new industrial projects are put on the market. In 2022, a 600,000 square foot logistics building sold for \$131 million or \$218 per square foot—the largest industrial sale ever recorded in the submarket by nearly \$100 million. Cap rates average 3.7%, and have compressed from above 6% as late as 2014. The market price of industrial property sales in the submarket is \$250 per improved square foot.

# PLAT MAP



**PROPERTY DESCRIPTION**

**Owner of Record**

Southern California Edison Company, a Corporation

**Location**

The subject property is located at the southeast corner of West 4<sup>th</sup> Street and Veile Avenue in the City of Beaumont, County of Riverside, State of California.

**Legal Description**

Please refer to the Preliminary Title Report prepared by First American Title Insurance Company, copy of which is contained in the Addenda for the subject property legal description.

**Assessor Parcel No.**

417-110-002

**Easements/Restrictions**

A copy of the Preliminary Title Report, prepared by First American Title Insurance Company, dated June 12, 2019, is in the Addenda. The guarantee reflects various **exceptions to title** insurance coverage, however, these exceptions do not appear to have a material negative affect on the larger parcel value estimate, or its highest and best use.

**Site Description**

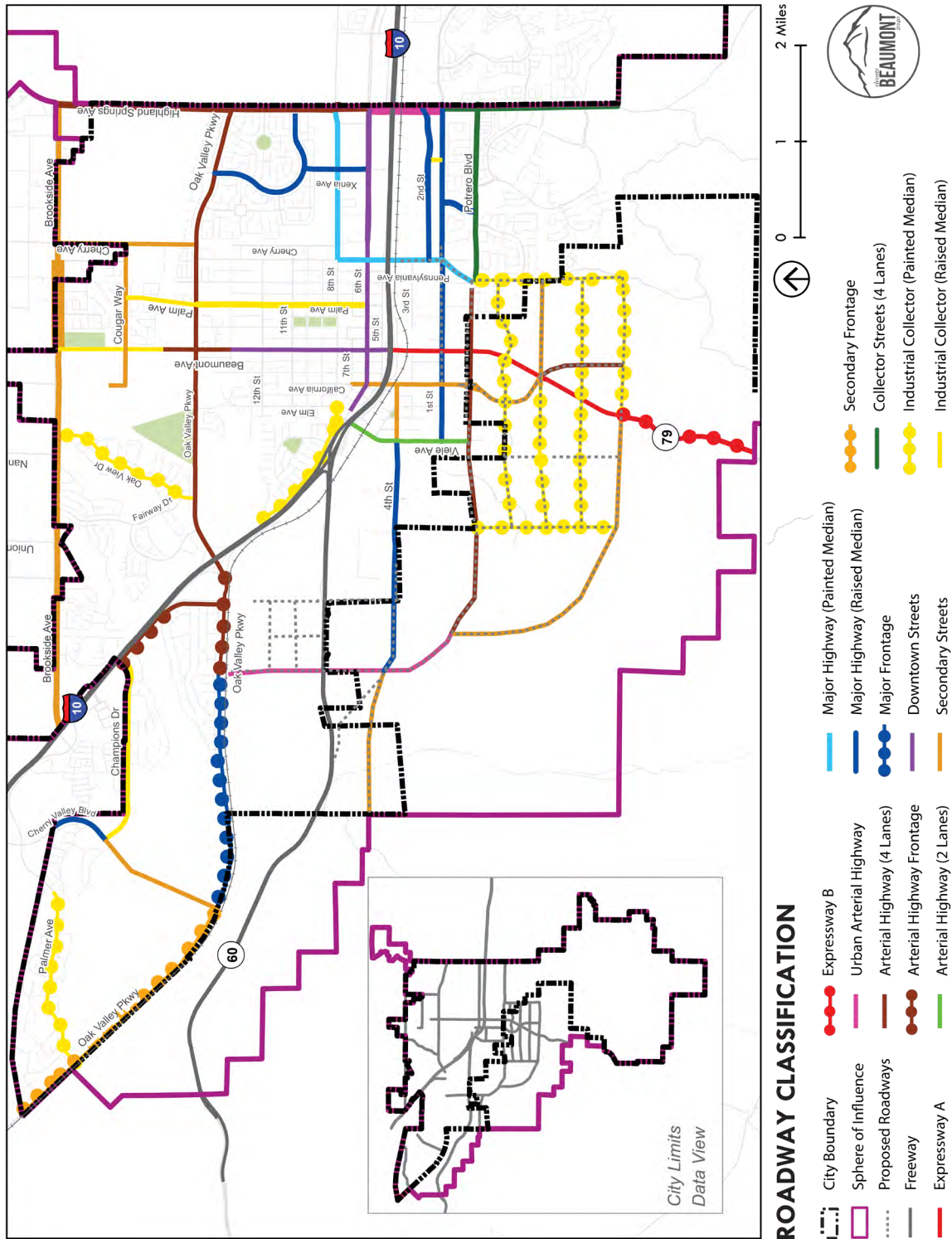
**Site Size:** 107,960 square feet or 2.478 acres (gross)  
87,678 square feet or 2.013 acres (net)

**Shape/Frontage:** Rectangular. The subject has approximately 415.24 feet of frontage along West 4<sup>th</sup> Street and approximately 260 feet of frontage along both Veile Avenue on the west and Elm Avenue on the east.

**Utilities:** All utilities are available or can be extended to the site.

**Topography:** Generally level.

Figure 4.2 Roadway Classification





***Streets/Access:***

Vehicular access to the subject property is available on West 4<sup>th</sup> Street and Veile Avenue. West 4<sup>th</sup> Street has an existing dedicated half-width of 40 feet. Based upon a review of the Assessor Plat Map, it appears that there is no existing dedication along either Veile or Elm Avenues, and the property lines extend to the center of the street.

- West 4<sup>th</sup> Street has a roadway classification of Secondary Street with an ultimate ROW width of 88 feet.
- Veile Avenue has a roadway classification of Arterial Highway (2 Lanes) with an ultimate ROW width of 128 feet.
- Elm Avenue is considered a Local roadway.

***Soils:***

A soils report was not provided, however, the soils are presumed adequate to support the existing structural or agricultural improvements.

***Property Taxes:***

Assessed values for the State of California are 100% of market value. At the 1978 State of California primary election an initiative constitutional amendment known statewide as “Proposition 13” was passed. The purpose of this amendment was to restrict real estate taxes to 1% of market value plus bonded indebtedness. The tax base year was the 1975 assessed value, except when there is a change in title or in the physical character of the property, including remodeling. All real estate, including those properties affected by a title or physical change, will have tax assessments that may increase by as much as 2% per year. As a result of the passage of Proposition 13, no value inference can be made on the basis of assessed value.

The subject property is not assessed property taxes.

***Flood Zone:***

The subject is located in Community Panel No. 06065C0811G, dated August 28, 2008. The property is located in unshaded Flood Zone X, areas of minimal flood hazard which are outside the Special Flood Hazard Area and higher than the elevation of the 0.2%-annual-chance flood. Flood hazard insurance is generally not required in both shaded and unshaded Zone X.

***Seismic Zone:***

According to California Geologic Survey’s Earthquake Zones of Required Investigation (EQZApp), the subject property is not within a

Fault Zone, and has not been evaluated for Liquefaction Zone or Landslide Zone hazards. No special consideration is necessary for the subject's seismic hazard status.

According to Riverside County Hazards Mapping (GIS), the subject property is in the Beaumont Plain Fault Zone, is in a low susceptibility Liquefaction Zone, and is classified as susceptible to subsidence hazard.

***Zoning:***

The Manufacturing (M) zone is intended to maintain the existing industrial and manufacturing uses and to promote the development of new business parks, light industrial use, research parks, manufacturing uses, warehousing activities, and ancillary and supportive uses. Some relevant development standards are as follows:

Min. Lot Area:	10,000 sq. ft.
Min. Front Setback:	25 feet
Min. Rear Setback:	None (when not abutting R zones)
Min. Side Setback:	None (when not abutting R zones)
Max. Floor Area Ratio:	0.75
Max. Bldg. Height:	50 feet
Min. Off-Site Parking:	Varies by use

***General Plan:***

The Industrial (I) land use designation is characterized by a wide range of industrial uses, including "stand-alone" industrial activities as well as business parks. Other types of permitted development within this land use category includes research parks, private trade schools, colleges, and business complexes containing a mix of light industrial, distribution, office, and commercial or supportive retail activities. Most of the parcels included in the Industrial land use designation are found in the Interstate Employment Subarea located south of the SR-60 Freeway. The permitted floor area ratio range is 0.25 to 0.75 with an average of 0.45.

**Improvement Description**

The subject property is improved with an electrical substation, known as Maraschino Substation. The property has a block wall along 4<sup>th</sup> Street and Veile Avenue and chainlink fencing along Elm Avenue and the property's southern boundary. There are two (2) access gates, one on 4<sup>th</sup> Street and the other on Veile Avenue.

## **Property History**

Public records do not indicate how long the subject property has been under the current vesting ownership. However, the substation has been in place for at least 30 years, since the City of Beaumont annexed an area containing the subject property in 1993. There are no known transfers of ownership, listings, leases, or other indications of value discovered in the past five years as available in the normal course of business.

## HIGHEST AND BEST USE

Highest and best use is a market-driven concept reflecting the market's perception of the most profitable use of real property. The **definition** of highest and best use states: "The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."<sup>5</sup>

The concept of highest and best use represents the premise upon which value is based. The appraisers must conclude the most probable and profitable use for the subject property(ies) "as vacant" and "as improved or proposed." The four criteria the highest and best use must meet are physical possibility, legal permissibility, financial feasibility, and maximum profitability. These consider the physical characteristics of the property, the overall market trends, and current market conditions affecting the subject property or larger parcel as though vacant and as currently improved.

### *Highest & Best Use As Vacant*

The first limitation on property is an issue of legality. **Uses must be legal.** They must be probable, not speculative or conjectural. There must be a profitable demand for such use and it must return the highest net return for the longest period of time. Legal restrictions are typically of two types; private restrictions (deed restrictions and/or easements) and public restrictions (zoning). The subject is zoned as Manufacturing, which permits business parks, light industrial use, research parks, manufacturing uses, warehousing activities, and ancillary and supportive uses. The subject's General Plan land use designation is Industrial and is characterized by a wide range of industrial uses including a mix of light industrial, distribution, office, and commercial or supportive retail activities.

With respect to the category of being **physically possible**, the subject contains 107,960 gross square feet or 2.478 acres (gross), is rectangular, and has level topography. The subject has physical features necessary to develop many of the legally permitted uses in the Manufacturing zone and Industrial land use designation.

With regard to **financial feasibility and maximally productive**, any development consistent with the guidelines and capacities of the Manufacturing zone represents a financially feasible and maximally productive use, which includes business and research parks; light industrial, manufacturing, and warehousing uses; and ancillary and supportive uses at a density up to 0.75 FAR.

After considering physical characteristics, the surrounding uses, as well as the legal and financial potential of the site, the highest and best use of the subject property, as vacant, is for manufacturing or light industrial use consistent with the zoning code and General Plan land use designation at a density of up to 0.75 FAR.

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5/ *The Dictionary of Real Estate Appraisal*, Appraisal Institute, Seventh Edition, 2022, Page 88

***Highest & Best Use As Improved***

The subject property is improved with an electrical substation, known as Maraschino Substation. The value of the site as improved exceeds the value of the property, as though vacant, thereby rendering the current use the highest and best use, as of the date of value.

## VALUATION

### ***Outline of the Problem***

The purpose of this appraisal is to provide an estimate of fair market value of the subject property, and to determine the compensation due as a result of partial acquisition/dedication along the Veile Avenue frontage.

The subject property consists of one (1) assessor parcel with a gross land area of 107,960 square feet or 2.478 acres. The parcel is rectangular in shape with level topography and corner orientation at a signalized intersection. There are no known seismic issues, and soil conditions and drainage appear adequate.

### ***Methodology***

The three traditional valuation approaches have been considered in this analysis. The Cost Approach measures the replacement cost of the improvements less depreciation, plus the current land value estimated from the market. The Sales Comparison Approach measures the value of the subject by comparing it to recent sales of properties with similar physical characteristics and utility, and then making adjustments to the sales to account for differences in property characteristics. The Income Capitalization Approach considers the value of the subject property based upon the future income to be generated by the property. The reconciliation and final value conclusion is the analysis of the value indications from the approaches followed, from which a final value is concluded.

For valuation purposes, the Sales Comparison Approach is applied to value the underlying land value, as this analysis is analyzed as a “strip valuation”. The Income Capitalization Approach and Cost Approach are not applied to value the subject property as the highest and best use of the property is for continued use as an electrical substation.

### ***Sales Comparison Approach***

The Sales Comparison Approach, based on the principle of substitution, measures the value of the properties by comparing them to recent sales of properties with similar physical characteristics and functional utility. While no two properties are the same, units of comparison such as the price per square foot can be extracted from the sales. Adjustments are then made to the sales to account for differences in elements of comparison, such as property rights conveyed, financing, conditions of sale, market conditions (time), location, and physical characteristics.

## INDUSTRIAL LAND SALES SUMMARY

Data No.	Location APN Seller / Buyer	Rec Date Doc No.	Sale Price	Land Area (Sq Ft)	Zoning / General Plan	Land Use Characteristics	Price / Sq Ft
1	31875 Dunlap Blvd, Yucaipa 0301-121-28 <i>Clare Deaton / BurchCo LLC</i>	8/16/2021 21-368207	\$3,300,000	214,500	IC	vacant, billboard	<b>\$15.38</b>
2	SWC E 3rd St & Beaumont Ave, Beaumont 418-210-019 <i>Allen &amp; Julie Bogh / Pierce Hardy LP</i>	12/29/2021 21-762276	\$1,250,000	148,104	CC	vacant	<b>\$8.44</b>
3	SWC W 4th St & Risco Cir, Beaumont 417-220-009 <i>BZ Capital Investments et al / Larry &amp; Veronica Aguilera</i>	7/22/2022 22-327841	\$1,025,000	52,272	M	vacant	<b>\$19.61</b>
4	1862 E Westward Ave, Banning 532-160-006 <i>William Green / 1862 E Westward LLC</i>	9/16/2022 22-397725	\$3,511,000	199,069	I	manufactured home	<b>\$17.64</b>
5	1750 E Westward Ave, Banning 532-160-005 <i>M&amp;A Gabae / Westward Crest LLC</i>	11/1/2022 22-451611	\$4,900,000	199,069	I	vacant	<b>\$24.61</b>
6	NEC E 3rd St & California Ave, Beaumont 418-200-003, 004, 005 <i>David &amp; Emeline Schuelke / AAA Management Properties LLC</i>	1/4/2023 23-1450	\$1,850,000	170,319	CC	vacant	<b>\$10.86</b>
7	WS Calimesa Blvd, Yucapia 0318-214-07 & 09 <i>Herling Construction Inc / Elizabeth Sennett</i>	4/4/2023 23-78498	\$1,500,000	159,865	IC	vacant, billboard	<b>\$9.38</b>
Subject	SEC W 4th St & Viele Ave, Beaumont 417-110-002 <i>Southern Calif Edison Co</i>			107,960 gross 87,159 net 11,563 acquisition	M I	SCE Substation	

AVG	<b>\$2,476,571</b>	<b>163,314</b>	<b>\$15.13</b>
MIN	<b>\$1,025,000</b>	<b>52,272</b>	<b>\$8.44</b>
MAX	<b>\$4,900,000</b>	<b>214,500</b>	<b>\$24.61</b>

Units of comparison are helpful to make comparisons of the subject and similar sale properties, and are defined as “...the components into which a property may be divided for purposes of comparison. ...”<sup>6</sup> The market dictates the unit of comparison used, and the units vary with property type. The appropriate unit of comparison for vacant industrial land and rural/open space land in the subject market area is the price per square foot. The data investigation involved searching private and public real estate information services including but not limited to CoStar, AIR, MLS, RealQuest, and ParcelQuest. Deeds were ordered, obtained, and reviewed for all comparable sales. Comparable sales were viewed and photographed in the field, and verified with a party to the transaction where possible. Non-arm’s length transactions were eliminated.

### ***Underlying Land***

A sales summary chart is provided on the accompanying page and in the Market Data Section of this report, along with a sales location map, aerial photographs, and assessor’s plat maps.

**Land Sale No. 1 (APN 0301-121-28)** reflects the sale located on the north side of Dunlap Boulevard in the City of Yucaipa. The 214,500 square foot interior oriented site has a generally rectangular shape, generally level topography, and had a billboard at the southeast corner. The site sold on August 16, 2021 for \$3,300,000 or **\$15.38 per square foot**.

**Land Sale No. 2 (APN 418-210-019)** reflects the sale located on the southwest corner of East 3<sup>rd</sup> Street and Beaumont Avenue in the City of Beaumont. The 148,104 square foot corner oriented site has a generally rectangular shape, generally level pad slightly above street grade, and was vacant. The site sold on December 29, 2021 for \$1,250,000 or **\$8.44 per square foot**.

**Land Sale No. 3 (APN 417-220-009)** reflects the sale located on the southwest corner of West 4<sup>th</sup> Street and Risco Circle in the City of Beaumont. The 52,272 square foot corner oriented site has a generally rectangular shape, level topography, and was vacant. The site sold on July 22, 2022 for \$1,025,000 or **\$19.61 per square foot**.

**Land Sale No. 4 (APN 532-160-006)** reflects the sale located on the south side of East Westward Avenue in the City of Banning. The 199,069 square foot interior oriented site has a rectangular shape, generally level topography, and was improved with a manufactured home. The site sold on September 16, 2022 for \$3,511,000 or **\$17.64 per square foot**.

**Land Sale No. 5 (APN 532-160-005)** reflects the sale located on the south side of East Westward Avenue in the City of Banning. The 199,069 square foot interior oriented site has a rectangular shape, generally level topography, and was vacant. The site sold on November 1, 2022 for \$4,900,000 or **\$24.61 per square foot**.

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6/ *The Dictionary of Real Estate Appraisal*, Appraisal Institute, Seventh Edition, 2022, Page 197



**Land Sale No. 6 (APNs 418-200-003, 004, & 005)** reflects the sale located on the northeast corner of East 3<sup>rd</sup> Street and California Avenue in the City of Beaumont. The 170,319 square foot corner oriented site has an irregular shape, level topography, and was vacant. The site sold on January 4, 2023 for \$1,850,000 or **\$10.86 per square foot**.

**Land Sale No. 7 (APNs 0318-214-07 & 09)** reflects the sale located on the west side of Calimesa Boulevard in the City of Yucaipa. The 159,865 square foot, interior oriented site has an irregular shape, level portions with hilly topography, and was improved with a billboard. The site sold on April 4, 2023 for \$1,500,000 or **\$9.38 per square foot**.

**Property Rights at Sale/Financing/Condition of Sale:** This category adjusts for property rights conveyed and takes into account differences in legal estate between the subject and each comparable property. All of the data were transferred as fee simple estates, no adjustments are required.

Financing terms were considered for each data item. Favorable financing often leads to a higher selling price and unfavorable financing may reflect a lower selling price. All of the data were purchased for cash or financing terms that reflected market levels for this type of property and no adjustments are required.

Adjustments for condition of sale were considered relative to buyer and seller motivations at time of sale. This category adjusts for atypical conditions of sale and reflects any difference between the actual sale price of a comparable and its probable sale if it were currently without special conditions.

Adjustments for conditions of sale were considered relative to buyer and seller motivations at time of sale. Based on discussions with parties involved in the various transactions, no adjustments are necessary as all of the properties sold at arm's-length.

**Market Conditions:** In order to evaluate changes in market conditions for vacant industrial land, we considered market trends for land as well as improved properties in the subject market. CoStar data indicates that the median price for vacant industrial properties has generally been rising since early 2021 through 2023.

**Location/Frontage:** All of the sales are considered to be in relatively close proximity to the subject or in similar industrial neighborhoods of Beaumont, Banning, and Yucaipa. The subject has corner orientation along an industrial corridor with average freeway access. All of the sales data have similar freeway access along Interstate 10.

**Improvements/Entitlements:** All of the sales were either vacant or had some minor improvements that do not contribute to value at the time of sale, and all were sold as unentitled land similar to the subject. Sale Nos. 1 and 7 have a billboard on site, a characteristic that provides supplemental rental value.

**Site Area/Shape:** Typically smaller site areas sell for more on a price per square foot basis while the opposite holds true on an overall price basis. However, the market prefers larger site areas allowing for larger development which is the trend in industrial distribution warehouse development. Those sales with smaller site areas warrant upward adjustment as compared to those with larger site areas. The subject property has a rectangular shape, considered to be a favorable attribute as compared to those with slightly irregular or irregular shapes reducing site utility. Sale No. 6 is the only sale that is not rectangular or generally rectangular, warranting upward adjustment.

***Larger Parcel - Underlying Land Value Conclusion***

The overall unit price indicators range from \$8.44 to \$24.61 per square foot with an average of \$15.13 per square foot. The subject would fall above the median of the range at **\$20.00 per square foot**, which is considered reasonable and well supported given the subject location, double-corner orientation, rectangular shape, and average freeway proximity/access.

The portion of the larger parcel that would be reasonably related to dedication is valued at **\$1.00 per square foot**. This concept is discussed in greater detail in the Partial Acquisition/Dedication section on the following page of this Appraisal Report.

<u>Underlying Land</u>		
87,678 Sq. Ft. × \$20.00 per Sq. Ft.	=	\$1,753,560
<u>Portion Subject to Dedication (Rough Proportionality)</u>		
20,282 Sq. Ft. × \$1.00 per Sq. Ft.	=	<u>\$ 20,282</u>
Total		<b>\$1,773,842</b>

## PARTIAL ACQUISITION/DEDICATION ANALYSIS

### *Public Road and Utility Easement*

The public road easement acquisition/dedication is required for offsite infrastructure requirements. The easement consists of the westerly 44-foot portion of the larger parcel, plus corner cut, containing 11,563 square feet. The easement acquisition/dedication is deemed to be tantamount to fee based upon the bundle of rights being acquired.

A discretionary development approval would likely require dedication as an exaction in the form of a Condition of Approval. Although the subject is improved to its highest and best use, expansion into the westerly and/or easterly portions of the subject, beyond the existing perimeter wall/fencing, would likely require dedication.

Property that is subject to dedication for public purposes may be affected by case law and Development Code requirements, including but not limited to the following:

In City of Fresno v. Cloud, (1972) 26 CA 3d 113, 102 CR 874, the court held that, “when the municipality having the dedication power is also the condemner, it may show that the probability of a dedication of land as an incident of a zone change will offset the beneficial effect (increase in the condemned property’s value) of re-zoning to a higher use. The court, however, did not state that because the condemned property was subject to a dedication requirement it would be worth only a nominal amount. Therefore, if some development, although less than the highest and best use of the property can occur without re-zoning, it appears that the strip of property that would have been subject to dedication on re-zoning must be valued at its lesser use rather than a nominal amount.”

In City of Porterville v. Young, (1987) 195 CA 3d 1260, 241 CR 349, the court held that an undeveloped but already commercially zoned strip of land that was condemned for a street widening should be valued at its pre-commercial use as agriculture land because dedication of the condemned land was necessary in order to obtain the permits required for commercial development.

Also, in Contra Costa County Flood Control District v. Lone Tree Investments, (1992) 2 Cal.App.4th 930; 9 Cal.Rptr. 2d 326, the court held that when there is a reasonable probability that a public agency would require dedication of condemned property as a condition of development, that property should be valued based on the use that can be made of it in its undeveloped state, which in the Lone Tree case, was agricultural.

**EXHIBIT "A"**

PUBLIC ROAD AND UTILITY EASEMENT  
 LEGAL DESCRIPTION  
 SERIAL NO. 73210A  
 APN 417-110-002

THAT PORTION OF LOT 1 IN BLOCK 137 AS SHOWN BY AMENDED MAP OF THE TOWN OF BEAUMONT, IN THE CITY OF BEAUMONT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA ON FILE IN BOOK 6, PAGES 16 AND 17 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, TOGETHER WITH THE EAST HALF OF MINNESOTA AVENUE, 80 FEET WIDE, AS VACATED BY ORDINANCE RECORDED JUNE 28, 1940 AS INSTRUMENT NO. 1895 IN BOOK 467, PAGE 434 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, DESCRIBED AS FOLLOWS:

**BEGINNING** AT THE CENTERLINE INTERSECTION OF VEILE AVENUE (FORMERLY KNOWN AS MINNESOTA AVENUE) AND SOUTHERLY RIGHT OF WAY LINE OF 4TH STREET AS SHOWN ON SAID AMENDED MAP;

THENCE EASTERLY ALONG THE WESTERLY PROLONGATION AND THE NORTH LINE OF SAID LOT 1, SOUTH 89° 46' 05" EAST 58.91 FEET;

THENCE SOUTH 43° 25' 20" WEST 18.39 FEET;

THENCE SOUTH 22° 06' 43" WEST 6.20 FEET TO A LINE PARALLEL WITH AND DISTANT EASTERLY 44.00 FEET, MEASURED AT RIGHT ANGLES FROM SAID CENTERLINE OF VEILE AVENUE;

THENCE SOUTHERLY ALONG SAID PARALLEL LINE, SOUTH 00° 12' 25" WEST 240.85 FEET TO THE SOUTHERLY LINE OF SAID LOT 1;

THENCE WESTERLY ALONG SAID SOUTHERLY LINE AND ITS WESTERLY PROLONGATION, NORTH 89° 45' 55" WEST 44.00 FEET TO SAID CENTERLINE OF VEILE AVENUE;

THENCE NORTHERLY ALONG TO SAID CENTERLINE OF VEILE AVENUE, NORTH 00° 12' 25" EAST 260.01 FEET TO THE **POINT OF BEGINNING**.

**CONTAINING** 11,563 SQUARE FEET OR 0.265 ACRES, MORE OR LESS.

**EXHIBIT "B"** ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

**SUBJECT TO:** COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, EASEMENTS, AND RIGHTS-OF-WAY, IF ANY


**SURVEYOR:**

PREPARED UNDER THE DIRECTION OF:

Last Update: 10/26/22

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**Thienes Engineering, Inc.**  
 CIVIL ENGINEERING • LAND SURVEYING  
 14349 FIRESTONE BOULEVARD  
 LA MIRADA, CALIFORNIA 90638  
 PH.(714)521-4811 FAX(714)521-4173

  
 BRIAN L. THIENES  
 P.L.S. NO. 5750  
 REG. EXP. DEC. 31, 2023

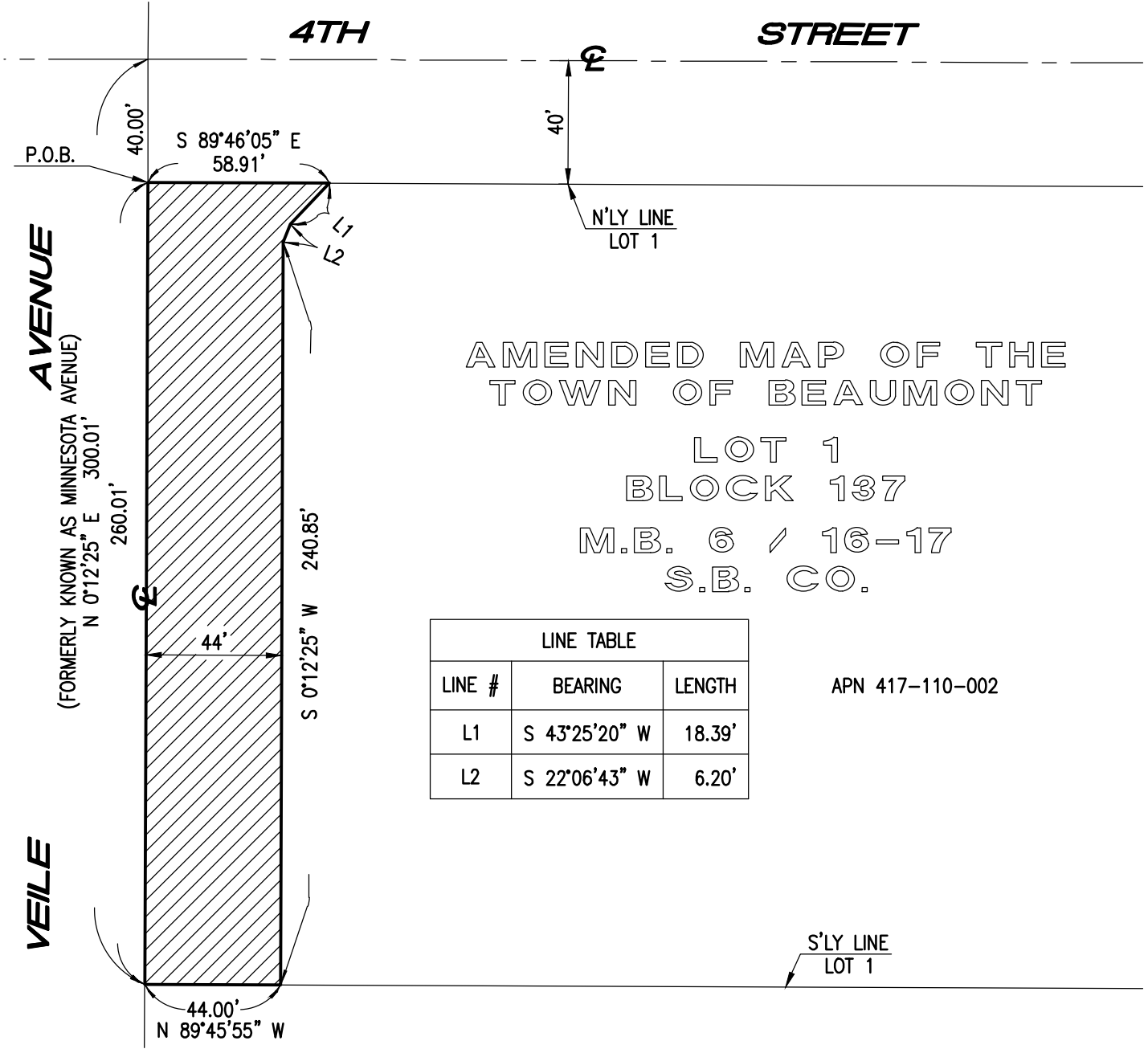
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# EXHIBIT "B"

PUBLIC ROAD AND UTILITY EASEMENT  
 LEGAL DESCRIPTION  
 SERIAL NO. 73210A  
 APN 417-110-002

A PORTION OF LOT 1 IN BLOCK 137 AS SHOWN BY AMENDED MAP OF THE TOWN OF BEAUMONT, IN THE CITY OF BEAUMONT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA ON FILE IN BOOK 6, PAGES 16 AND 17 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, TOGETHER WITH THE EAST HALF OF MINNESOTA AVENUE, 80 FEET WIDE, AS VACATED BY ORDINANCE RECORDED JUNE 28, 1940 AS INSTRUMENT NO. 1895 IN BOOK 467, PAGE 434 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY.



AMENDED MAP OF THE  
 TOWN OF BEAUMONT

LOT 1  
 BLOCK 137

M.B. 6 / 16-17  
 S.B. CO.

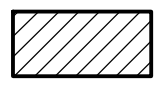
LINE TABLE		
LINE #	BEARING	LENGTH
L1	S 43°25'20" W	18.39'
L2	S 22°06'43" W	6.20'

APN 417-110-002

Last Update: 10/26/22  
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**LEGEND:**



INDICATES PUBLIC ROAD AND  
 UTILITY EASEMENT  
 CONTAINS: 11,563 SQ. FT.  
 ±0.265 ACRES

NOT TO SCALE

PREPARED UNDER THE SUPERVISION OF:

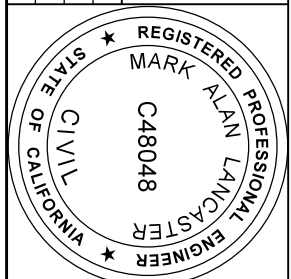
*Mark Lancaster*

DIRECTOR OF TRANSPORTATION  
 MARK LANCASTER, P.E.

11/30/22  
 DATE

REVISION DESCRIPTION

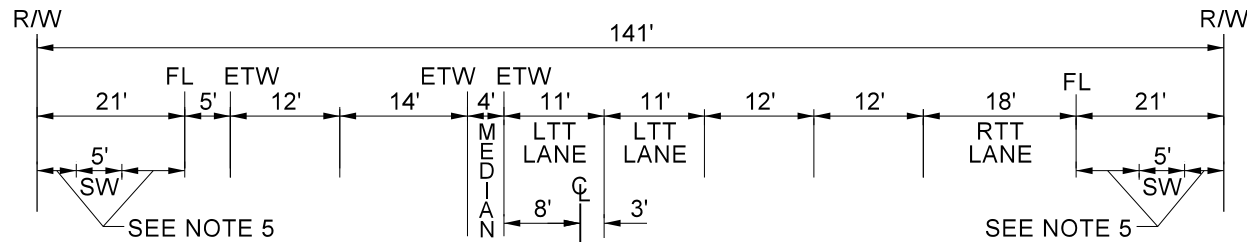
MARK DATE APPROVED



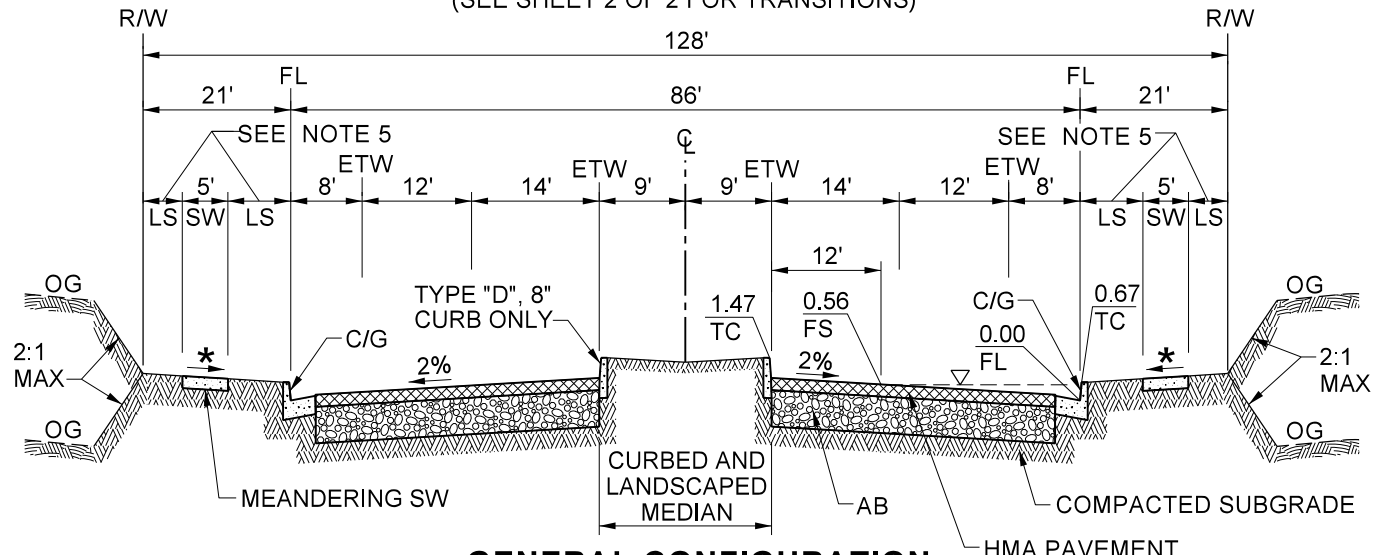
COUNTY OF RIVERSIDE

**ARTERIAL HIGHWAY**  
 (128' R/W)

STANDARD No. 92 (1 OF 2)



**CONFIGURATION AT INTERSECTION**  
 (SEE SHEET 2 OF 2 FOR TRANSITIONS)

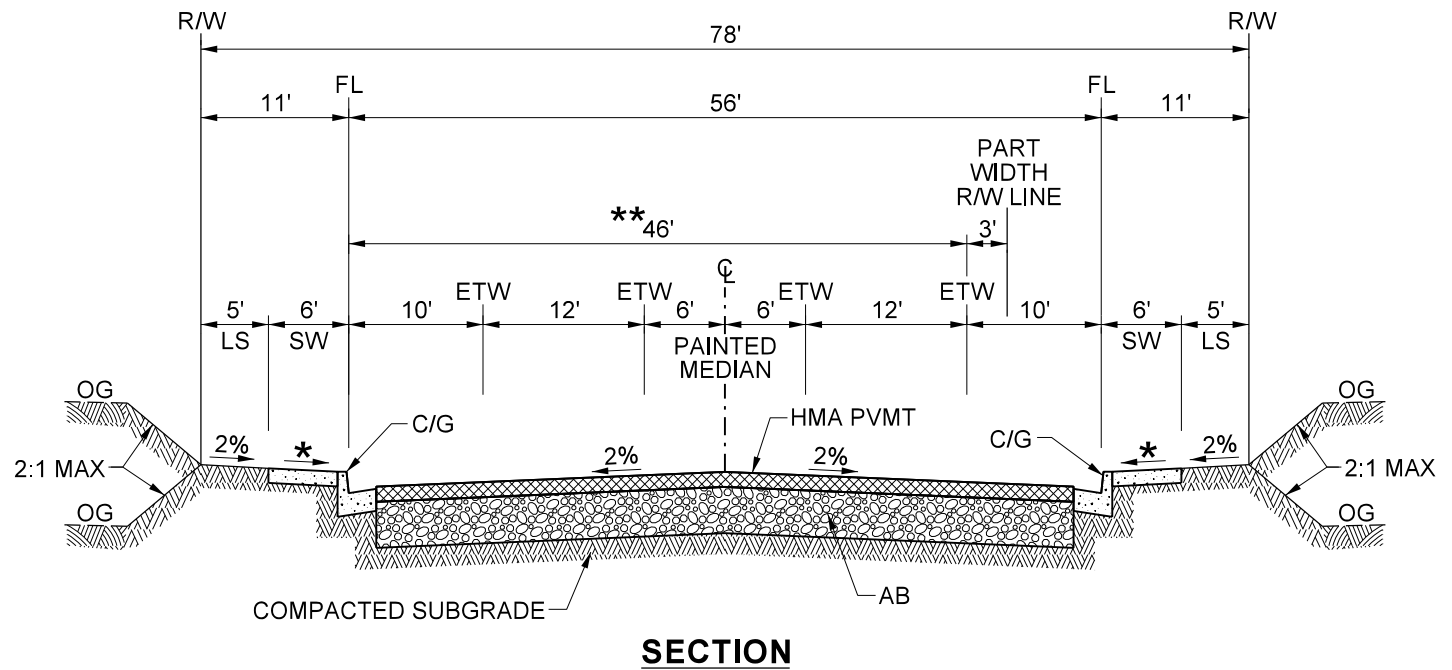


**GENERAL CONFIGURATION**

**NOTES:**

1. THICKNESS OF AB AND HMA (FOR SHOULDER, AND FOR TRAVELED WAY) TO BE DETERMINED BY SOIL TEST AT TIME OF GRADING OPERATIONS.
2. MINIMUM PAVING THICKNESS PER SPECIFICATIONS SECTION 8.07 OF THIS ORDINANCE.
3. SEE STANDARD No. 113 FOR LANDSCAPED MEDIAN REQUIREMENTS, INCLUDING MEDIAN CURB.
4. CURB AND GUTTER TO BE TYPE "A-8" (STANDARD No. 201). 6" CURB IS NOT ALLOWED.
5. DISTANCE FROM SIDEWALK TO R/W, AND FLOW LINE, VARIES. SEE STANDARD No. 404 FOR DETAILS OF MEANDERING SIDEWALK.
6. MAX WATER DEPTH FOR  $Q_{10}$  IS 0.56' TO PROVIDE MIN 12' DRY LANE.
7. ADDITIONAL IMPROVEMENTS AND RIGHT OF WAY WIDTHS CONSISTING OF A 9' HALF-MEDIAN, 12' PAVED LANE, AN 8' GRADED SHOULDER AND 3' BEYOND THE SHOULDER MAY BE REQUIRED FOR PART WIDTH IMPROVEMENTS WHEN, AS DETERMINED BY THE TRANSPORTATION DEPARTMENT, AN ADDITIONAL LANE ON THE OPPOSITE SIDE OF THE CENTERLINE IS NEEDED.
8. ADDITIONAL IMPROVEMENTS AND RIGHT OF WAY WIDTH CONSISTING OF A 12' PAVED LANE MAY BE REQUIRED FOR THE RIGHT-TURN LANE WHEN THE PROJECT PROPOSES DIRECT ACCESS FROM THE GENERAL PLAN HIGHWAY, AS DETERMINED BY THE TRANSPORTATION DEPARTMENT.

\* CROSS SLOPE OF SIDEWALK SHALL BE 1.5% (2.00% MAX AS-BUILT)



**SECTION**

\* CROSS SLOPE OF SIDEWALK SHALL BE 1.5% (2.00% MAX AS-BUILT)

\*\* PART-WIDTH STREET SECTION: 46' IMPROVEMENTS ON 60' R/W

**NOTES:**

1. THICKNESS OF AB AND HMA TO BE DETERMINED BY SOIL TEST AT TIME OF GRADING OPERATIONS.
2. MINIMUM PAVING THICKNESS PER SPECIFICATIONS SECTION 8.07 OF THIS ORDINANCE.
3. ALL CURB AND GUTTER TO BE TYPE "A-6" (STANDARD No. 200) UNLESS OTHERWISE SPECIFIED.

NOT TO SCALE

PREPARED UNDER THE SUPERVISION OF:

*Mark Lancaster*

DIRECTOR OF TRANSPORTATION  
MARK LANCASTER, P.E.

11/30/22

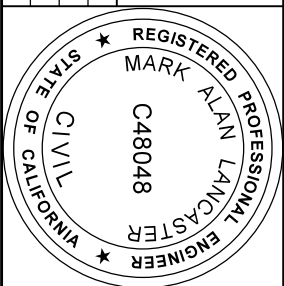
DATE

REVISION DESCRIPTION

MARK

DATE

APPROVED



COUNTY OF RIVERSIDE

**INDUSTRIAL  
COLLECTOR STREET  
(78' R/W)**

STANDARD No. 111

According to the City of Beaumont Development Code, Section 17.04.090 - Street Improvement Standards, (A) “All streets shall be dedicated and improved to the width established in the Mobility Element of the City of Beaumont General Plan.” (B) “To mitigate potential problems associated with project generated traffic and circulation, dedication of street right-of-way and construction of street and related improvements may be required as a condition of approval of permits issued in compliance with this title . . . No new construction or renovation shall be granted utility connections and a certificate of occupancy until one-half of the street along the entire length of the lot frontage is dedicated and improved according to City standards. . .”

Typically, required dedications as an exaction or condition of development approval are based upon the ultimate right-of-way width as contained within the General Plan Circulation Element. Although the City of Beaumont General Plan Mobility Element does not have comprehensive street cross section information, the City website refers to County Road standards. Veile Avenue is classified as an Arterial Highway with an ultimate ROW width of 128 feet (64 foot half width). There is additional case law that requires that a dedication as an exaction must have a rational connection or nexus to the burden, and the amount of the exaction must meet a rough proportionality to the burden placed upon the government agency, as follows:

The exaction must have a rational connection (i.e. nexus) to the burden the government seeks to avoid. *Nollan v. California Coastal Commission*, 483 U.S. 825, 107 S. Ct. 3141 (1987)

The amount of the exaction must roughly correspond (i.e. rough proportionality) to the burden placed on the government resulting from the proposed development. *Dolan v. City of Tigard*, 512 U.S. 374, 114 S. Ct. 2309 (1994)

The larger parcel has an industrial zoning and General Plan land use designation. Industrial uses are typically located along Industrial Collector Streets with an ultimate ROW width of 78 feet (39 foot half width). The portion of the subject property subject to dedication, and where a rational connection (i.e. nexus) and there is a rough proportionality is valued based upon open space and development challenged land data.

A sales summary chart is provided on the accompanying page and in the Market Data Section of this report, along with a sales location map, aerial photographs, and assessor’s plat maps.

**Land Sale No. 1 (APNs 424-030-011 & 012)** reflects the sale located south of West 4<sup>th</sup> Street in unincorporated Riverside County just outside of Beaumont. The 23,000 square foot landlocked site has a rectangular shape, gently sloping topography, and has unmapped dirt road access approximately 0.4 miles south of West 4<sup>th</sup> Street. The site sold on May 4, 2021 for \$65,000 or **\$2.83 per square foot**.

**Land Sale No. 2 (APN 544-270-015)** reflects the sale located on the south side of Beverly Glen Circle in unincorporated Riverside County southeast of Banning. The 100,624 square foot site has an irregular



## OPEN SPACE/DEVELOPMENT CHALLENGED LAND SALES SUMMARY

Data No.	Location APN Seller / Buyer	Rec Date Doc No.	Sale Price	Land Area (Sq Ft)	Zoning / General Plan	Land Use Characteristics	Price / Sq Ft
1	S/o 4th St, unincorporated Beaumont 424-030-011 & 012 <i>Randy &amp; Michael Harris / Fortunato &amp; Minely Montoya</i>	5/4/2021 21-274373	\$65,000	23,000	W-2-20	rural location landlocked	<b>\$2.83</b>
2	SS Beverly Glen Cir, unincorporated Banning 544-270-015 <i>Don &amp; Greg Cook / Russell Coduto</i>	5/21/2021 21-313478	\$12,000	100,624	W-2	rural location unpaved access/frontage	<b>\$0.12</b>
3	N/o Ironwood Ave, City of Moreno Valley 473-160-002 <i>Margaret Rischard / Martir Baires Centeno &amp; Kriscia Flores Santos</i>	7/20/2021 21-434540	\$45,000	108,900	RA2	city edge location landlocked	<b>\$0.41</b>
4	S/o 4th St, unincorporated Beaumont 424-030-018 & 020 <i>Randy, Michael, &amp; David Harris / Vanessa &amp; Martha Hernandez</i>	12/13/2021 21-730796	\$50,000	46,000	W-2-20	rural location landlocked	<b>\$1.09</b>
5	N/o Quincy St, unincorporated Moreno Valley 473-110-008 <i>Priscilla Ramirez et al / Seini Fa'anunu</i>	4/13/2022 22-176052	\$63,000	105,851	R-A-1	rural location landlocked	<b>\$0.60</b>
6	S/o Ramona Expy, City of Perris 303-360-007 <i>Thomas Sellick / Alicia Valladolid</i>	11/3/2022 22-457213	\$500	1,307	RR/A	city location, excess land landlocked	<b>\$0.38</b>
7	S/o 4th St, unincorporated Beaumont 424-030-003 <i>Arline Kaplan / Vidal &amp; Claudia Vasquez</i>	11/15/2022 22-471006	\$40,000	23,000	W-2-20	rural location landlocked	<b>\$1.74</b>
Subject SEC W 4th St & Viele Ave, Beaumont 417-110-002 <i>Southern Calif Edison Co</i>				107,960 gross 87,159 net 11,563 acquisition	M I	SCE Substation	

AVG	<b>\$39,357</b>	<b>58,383</b>	<b>\$1.02</b>
MIN	<b>\$500</b>	<b>1,307</b>	<b>\$0.12</b>
MAX	<b>\$65,000</b>	<b>108,900</b>	<b>\$2.83</b>

shape, hilly topography, and has unimproved paper access approximately 0.25 miles south of Woodcliff Drive. The site sold on May 21, 2021 for \$12,000 or **\$0.12 per square foot**.

**Land Sale No. 3 (APN 473-160-002)** reflects the sale located north of Ironwood Avenue in the City of Moreno Valley. The 108,900 square foot landlocked site has a square shape, sloping topography, and has unmapped dirt road access approximately 0.25 miles north of Ironwood Avenue. The site sold on July 20, 2021 for \$45,000 or **\$0.41 per square foot**.

**Land Sale No. 4 (APNs 424-030-018 & 020)** reflects the sale located south of West 4<sup>th</sup> Street in unincorporated Riverside County just outside of Beaumont. The 23,000 square foot landlocked site has a rectangular shape, sloping topography, and has unmapped dirt road access approximately 0.4 miles south of West 4<sup>th</sup> Street. The site sold on December 13, 2021 for \$50,000 or **\$1.09 per square foot**.

**Land Sale No. 5 (APN 473-110-008)** reflects the sale located north of Quincy Street in unincorporated Riverside County north of Moreno Valley. The 105,851 square foot landlocked site has a square shape, hilly topography, and has unmapped dirt road access just under a mile from the nearest paved street, Quincy Street. The site sold on April 13, 2022 for \$63,000 or **\$0.80 per square foot**.

**Land Sale No. 6 (APN 303-360-007)** reflects the sale located south of Ramona Expressway in the City of Perris. The 1,307 square foot landlocked site has a triangular shape, level topography, and is landlocked to the south of the Ramona Expressway. The site sold on November 3, 2022 for \$500 or **\$0.38 per square foot**.

**Land Sale No. 7 (APN 424-030-003)** reflects the sale located south of West 4<sup>th</sup> Street in unincorporated Riverside County just outside of Beaumont. The 23,000 square foot landlocked site has a rectangular shape, gently sloping topography, and has unmapped dirt road access approximately 0.4 miles south of West 4<sup>th</sup> Street. The site sold on November 15, 2022 for \$40,000 or **\$1.74 per square foot**.

**Property Rights at Sale/Financing/Condition of Sale:** This category adjusts for property rights conveyed and takes into account differences in legal estate between the subject and each comparable property. All of the data were transferred as fee simple estates, no adjustments are required.

Financing terms were considered for each data item. Favorable financing often leads to a higher selling price and unfavorable financing may reflect a lower selling price. All of the data were purchased for cash or financing terms that reflected market levels for this type of property and no adjustments are required.

Adjustments for condition of sale were considered relative to buyer and seller motivations at time of sale. This category adjusts for atypical conditions of sale and reflects any difference between the actual sale price of a comparable and its probable sale if it were currently without special conditions.

Adjustments for conditions of sale were considered relative to buyer and seller motivations at time of sale. Based on discussions with parties involved in the various transactions, no adjustments are necessary as all of the properties sold at arm's-length.

**Market Conditions:** The prices for rural/open space land that is not in the path-to-development typically are stagnant due to location, lack of access, and limited functional utility. This land is generally purchased for speculative purposes and has a long holding period. All of the sales occurred in the last two (2) years therefore no adjustments are warranted for market condition.

**Location:** All of the sales are located within 15 miles of Beaumont, and are outside of the typical path-to-development. No adjustment for location characteristics is warranted.

**Improvements/Development Potential:** All of the sales were vacant/raw land with either dirt road access or no access. Each of the sales have no improvements and most have extremely limited development potential due to lack of access. No adjustments are warranted for these conditions.

**Site Area/Shape:** Typically smaller site areas sell for more on a price per square foot basis while the opposite holds true on an overall price basis. Those sites with larger areas have superior functional utility as compared to the sites with smaller areas. No adjustments are warranted for these conditions.

***Dedication Land Value Conclusion***

The overall unit price indicators range from \$0.12 to \$2.83 per square foot with an average of \$1.02 per square foot. The subject dedication area would fall in the middle of the range at **\$1.00 per square foot.**

***Value Conclusion - Partial Acquisition/Dedication***

<u>Public Road &amp; Utility Easement (Portion Subject to Dedication) - 39' Width</u>		
10,263 Sq. Ft. × \$1.00 per Sq. Ft. x 100%	=	\$10,263
<u>Portion Lacking Nexus/Rough Proportionality - 5' Width</u>		
1,300 Sq. Ft. × \$20.00 per Sq. Ft. x 100%	=	<u>\$26,000</u>
Total		\$36,263
<b>Total, Rounded</b>		<b>\$36,300</b>

***Value of the Remainder as Part of the Whole***

Value of the Larger Parcel	\$1,773,842
Less Value of the Part Acquired/Dedication	<u>(\$ 36,263)</u>
Value of the Remainder as Part of the Whole	\$1,737,579

***Remainder Disregarding & Considering Benefits***

The highest and best use of the remainder is not affected, and the existing substation improvements also appear to be unaffected by the permanent acquisition. The gross land area of the remainder remains the same, but is now encumbered with an 11,563 square foot public road and utility easement. The roadway improvements are also estimated to provide a general benefit to the immediate area in terms of aesthetics and roadway Level of Service (LOS). These benefit characteristics may be quantifiable especially if they represent a cost benefit. However, since the subject is an existing electrical substation with low daily traffic generation any benefits have not been quantified at this time, and there are no permanent severance damages to be offset.

There are no compensable severance damages or quantifiable benefits that result from the part acquired and/or construction in the manner proposed. The value of the remainder while disregarding and considering benefits is summarized as follows:

<u>Underlying Land</u>		
86,378 Sq. Ft. × \$20.00 per Sq. Ft.	=	\$1,727,560
<u>Public Road &amp; Utility Easement</u>		
11,563 Sq. Ft. × 0%	=	\$ 0
<u>Remaining Portion Subject to Dedication (i.e. Elm Ave)</u>		
10,019 Sq. Ft. × \$1.00 per Sq. Ft.	=	<u>\$ 10,019</u>
Total		<b>\$1,737,579</b>

## **MARKET DATA**

**Industrial Land Sales Summary & Map**

**Industrial Land Sales Aerial Photographs**

**Open Space/Development Challenged  
Land Sales Summary & Map**

**Open Space/Development Challenged Land Sales  
Aerial Photographs & Aerial Photographs & Topo Exhibits**

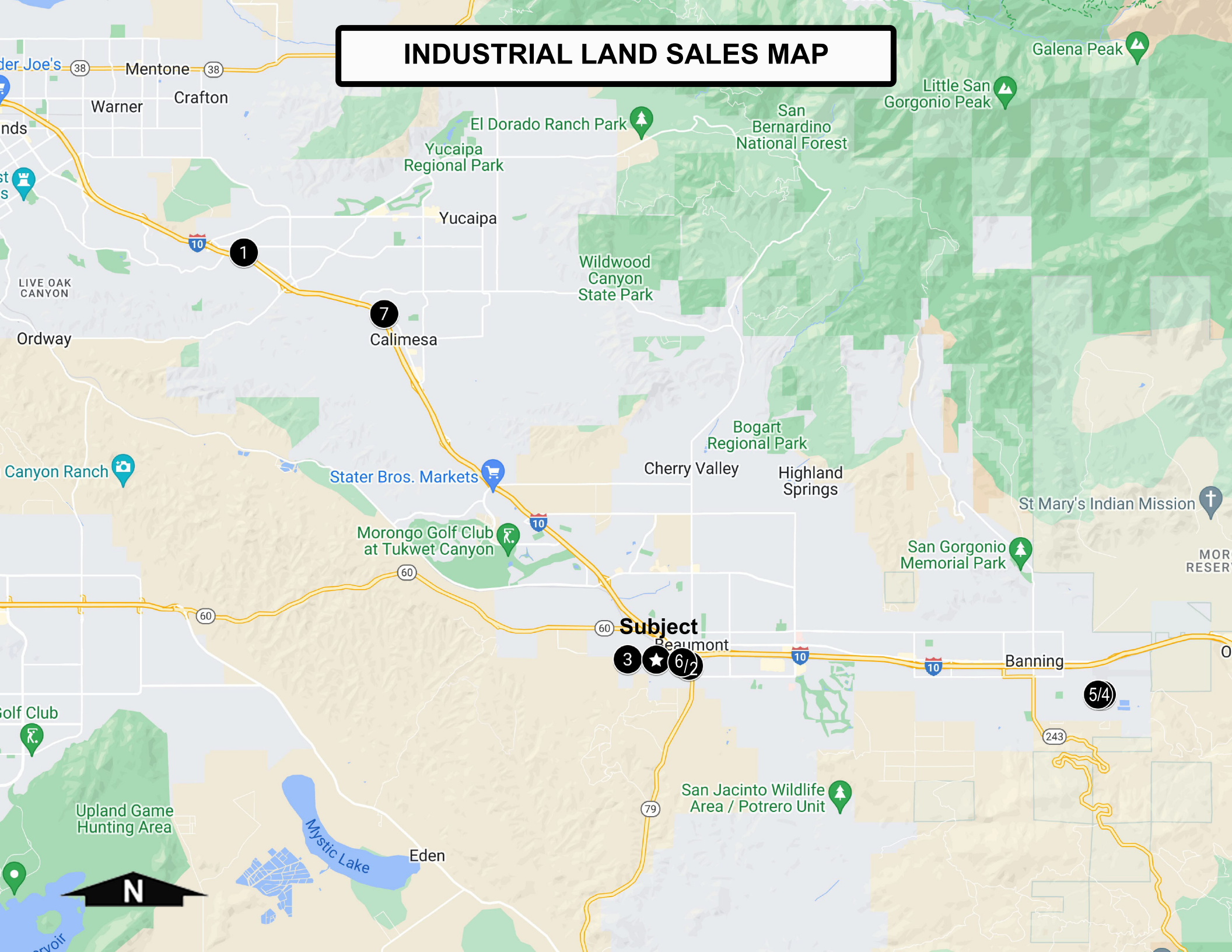
**INDUSTRIAL LAND SALES  
SUMMARY & MAP**

## INDUSTRIAL LAND SALES SUMMARY

Data No.	Location APN Seller / Buyer	Rec Date Doc No.	Sale Price	Land Area (Sq Ft)	Zoning / General Plan	Land Use Characteristics	Price / Sq Ft
1	31875 Dunlap Blvd, Yucaipa 0301-121-28 <i>Clare Deaton / BurchCo LLC</i>	8/16/2021 21-368207	\$3,300,000	214,500	IC	vacant, billboard	<b>\$15.38</b>
2	SWC E 3rd St & Beaumont Ave, Beaumont 418-210-019 <i>Allen &amp; Julie Bogh / Pierce Hardy LP</i>	12/29/2021 21-762276	\$1,250,000	148,104	CC	vacant	<b>\$8.44</b>
3	SWC W 4th St & Risco Cir, Beaumont 417-220-009 <i>BZ Capital Investments et al / Larry &amp; Veronica Aguilera</i>	7/22/2022 22-327841	\$1,025,000	52,272	M	vacant	<b>\$19.61</b>
4	1862 E Westward Ave, Banning 532-160-006 <i>William Green / 1862 E Westward LLC</i>	9/16/2022 22-397725	\$3,511,000	199,069	I	manufactured home	<b>\$17.64</b>
5	1750 E Westward Ave, Banning 532-160-005 <i>M&amp;A Gabae / Westward Crest LLC</i>	11/1/2022 22-451611	\$4,900,000	199,069	I	vacant	<b>\$24.61</b>
6	NEC E 3rd St & California Ave, Beaumont 418-200-003, 004, 005 <i>David &amp; Emeline Schuelke / AAA Management Properties LLC</i>	1/4/2023 23-1450	\$1,850,000	170,319	CC	vacant	<b>\$10.86</b>
7	WS Calimesa Blvd, Yucapia 0318-214-07 & 09 <i>Herling Construction Inc / Elizabeth Sennett</i>	4/4/2023 23-78498	\$1,500,000	159,865	IC	vacant, billboard	<b>\$9.38</b>
Subject	SEC W 4th St & Viele Ave, Beaumont 417-110-002 <i>Southern Calif Edison Co</i>			107,960 gross 87,159 net 11,563 acquisition	M I	SCE Substation	

AVG	<b>\$2,476,571</b>	<b>163,314</b>	<b>\$15.13</b>
MIN	<b>\$1,025,000</b>	<b>52,272</b>	<b>\$8.44</b>
MAX	<b>\$4,900,000</b>	<b>214,500</b>	<b>\$24.61</b>

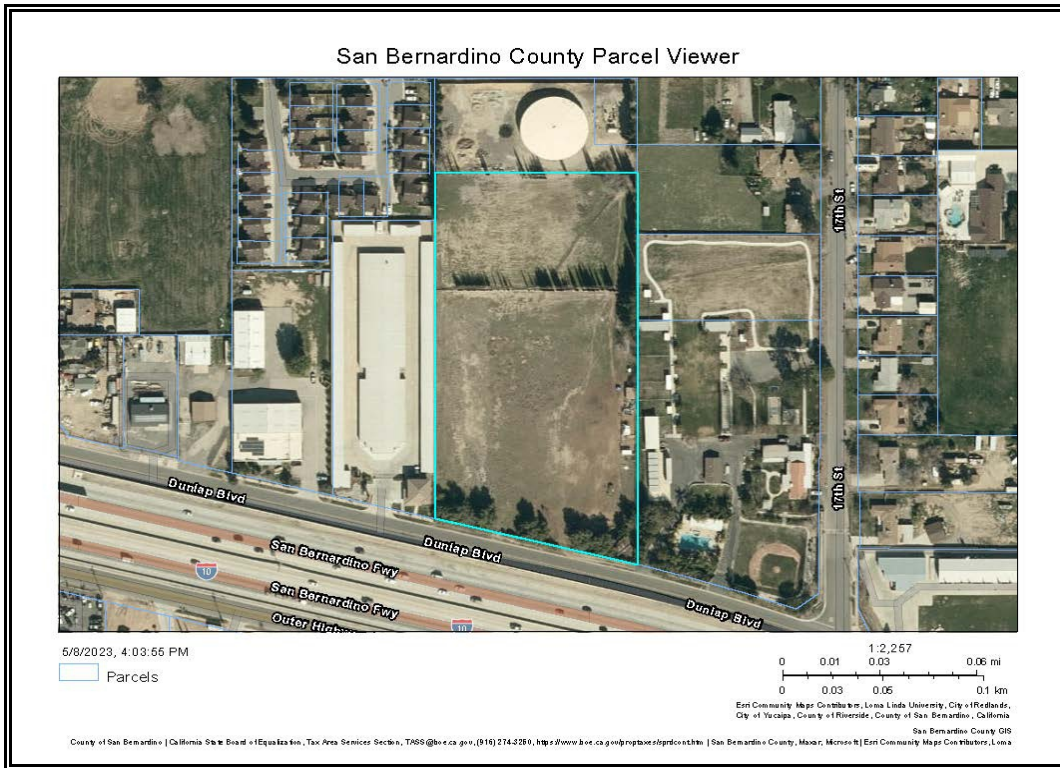
# INDUSTRIAL LAND SALES MAP



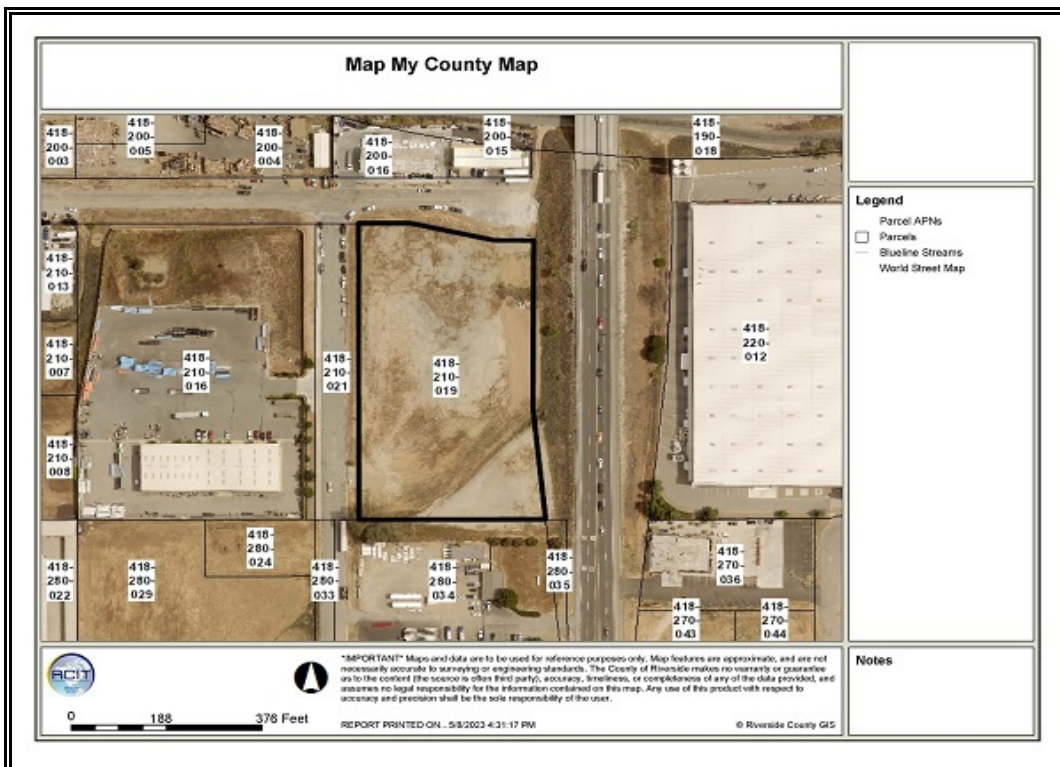


**INDUSTRIAL LAND SALES  
AERIAL PHOTOGRAPHS**

# INDUSTRIAL LAND SALES PHOTOGRAPHS

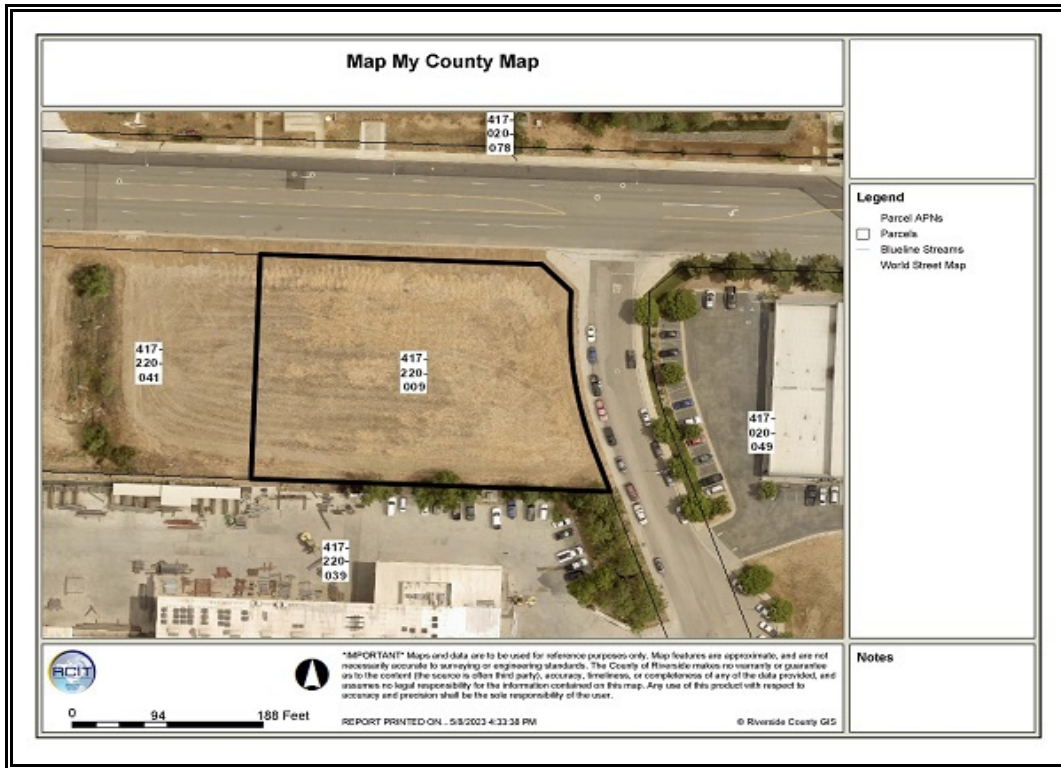


**DATA NO. 1**  
31875 Dunlap Boulevard, Yucaipa



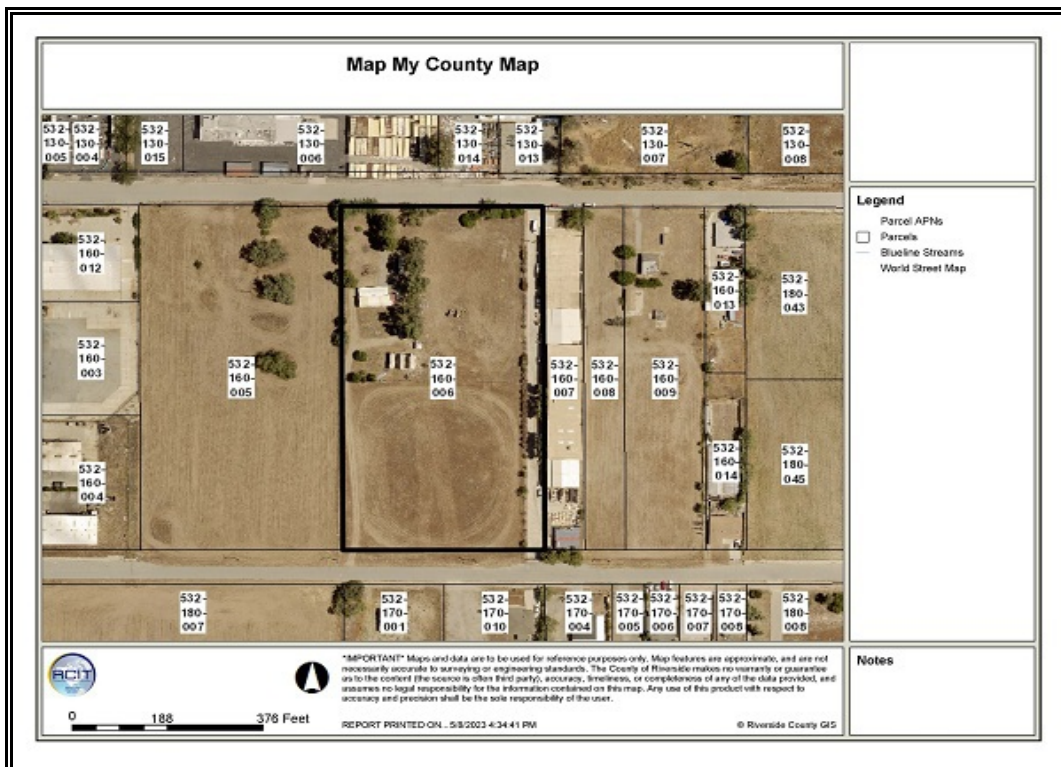
**DATA NO. 2**  
Southwest corner of 3<sup>rd</sup> Street and Beaumont Avenue, Beaumont

# INDUSTRIAL LAND SALES PHOTOGRAPHS



## DATA NO. 3

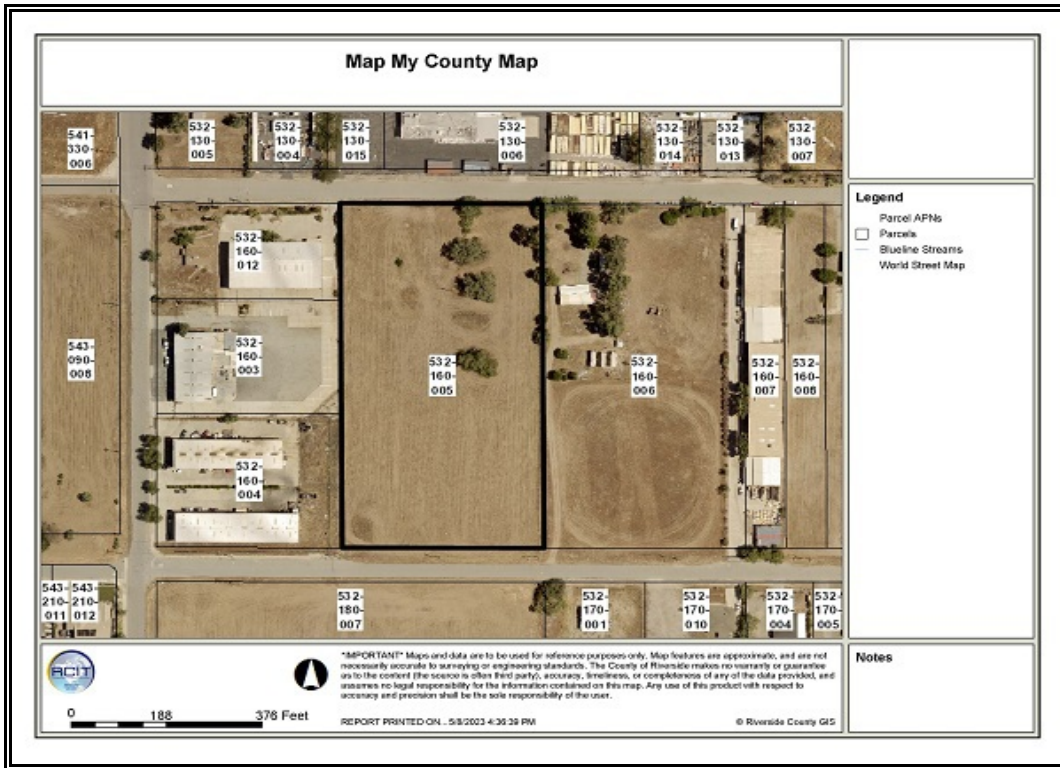
Southwest corner West 4<sup>th</sup> Street and Risco Circle, Beaumont



## DATA NO. 4

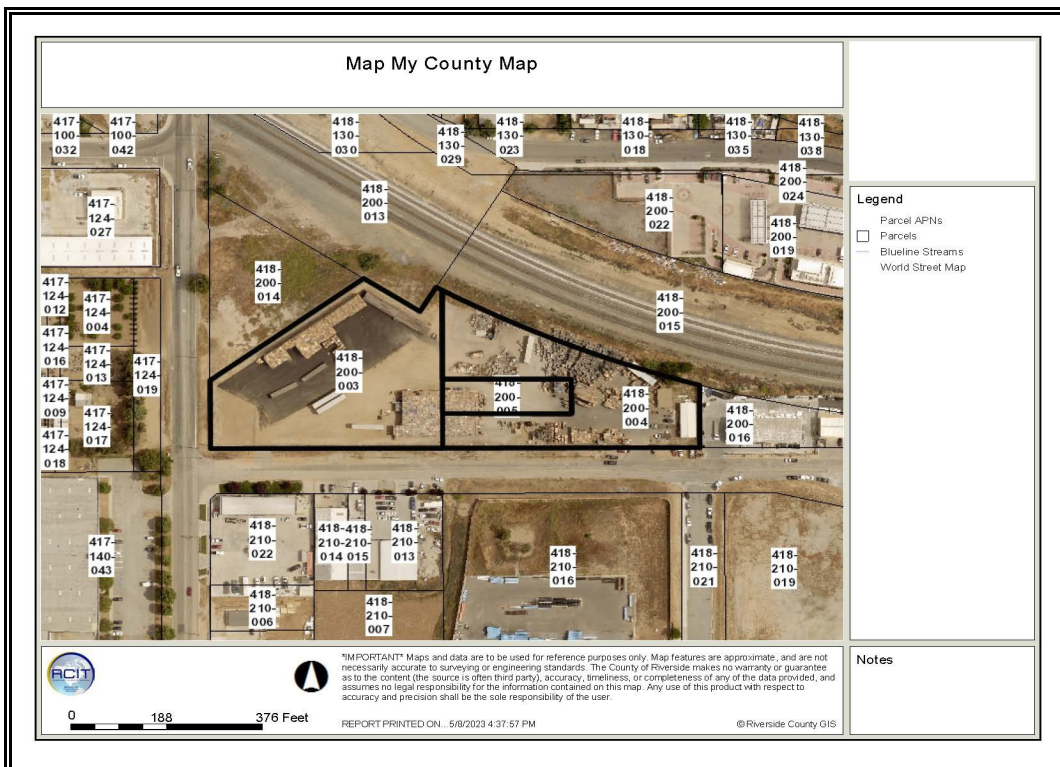
1862 East Westward Avenue, Banning

# INDUSTRIAL LAND SALES PHOTOGRAPHS



## DATA NO. 5

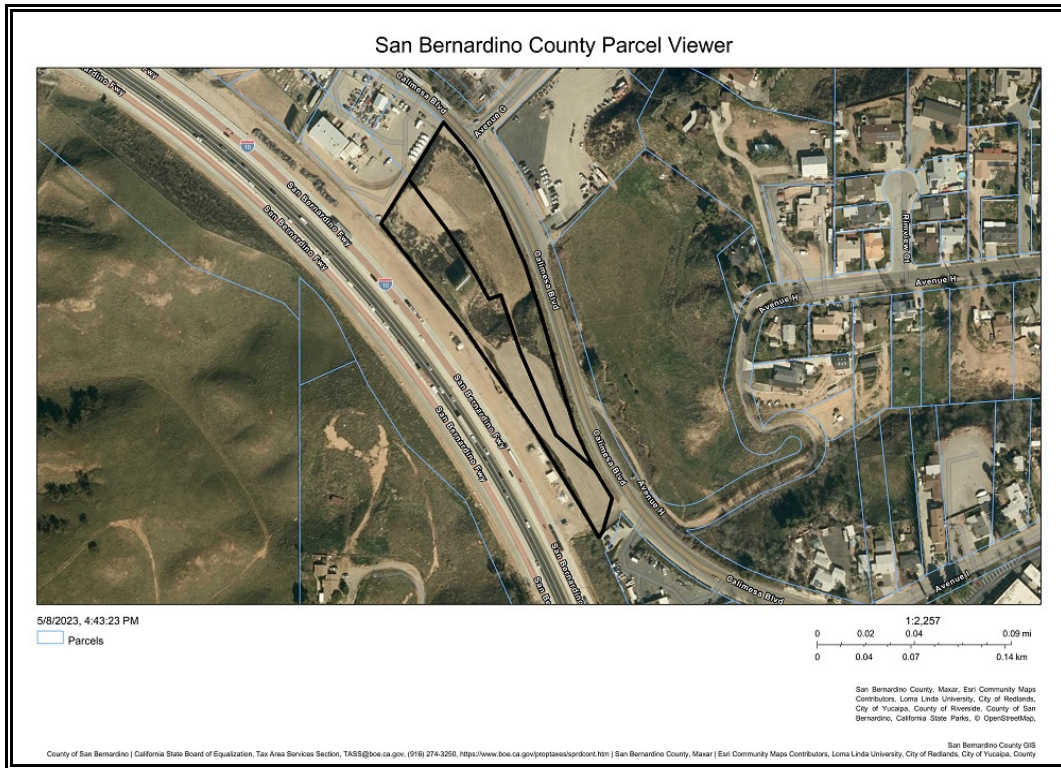
1750 East Westward Avenue, Banning



## DATA NO. 6

Northeast corner of East 3<sup>rd</sup> Street and California Avenue, Beaumont

# INDUSTRIAL LAND SALES PHOTOGRAPHS



## DATA NO. 7

Westside Calimesa Boulevard, Yucaipa

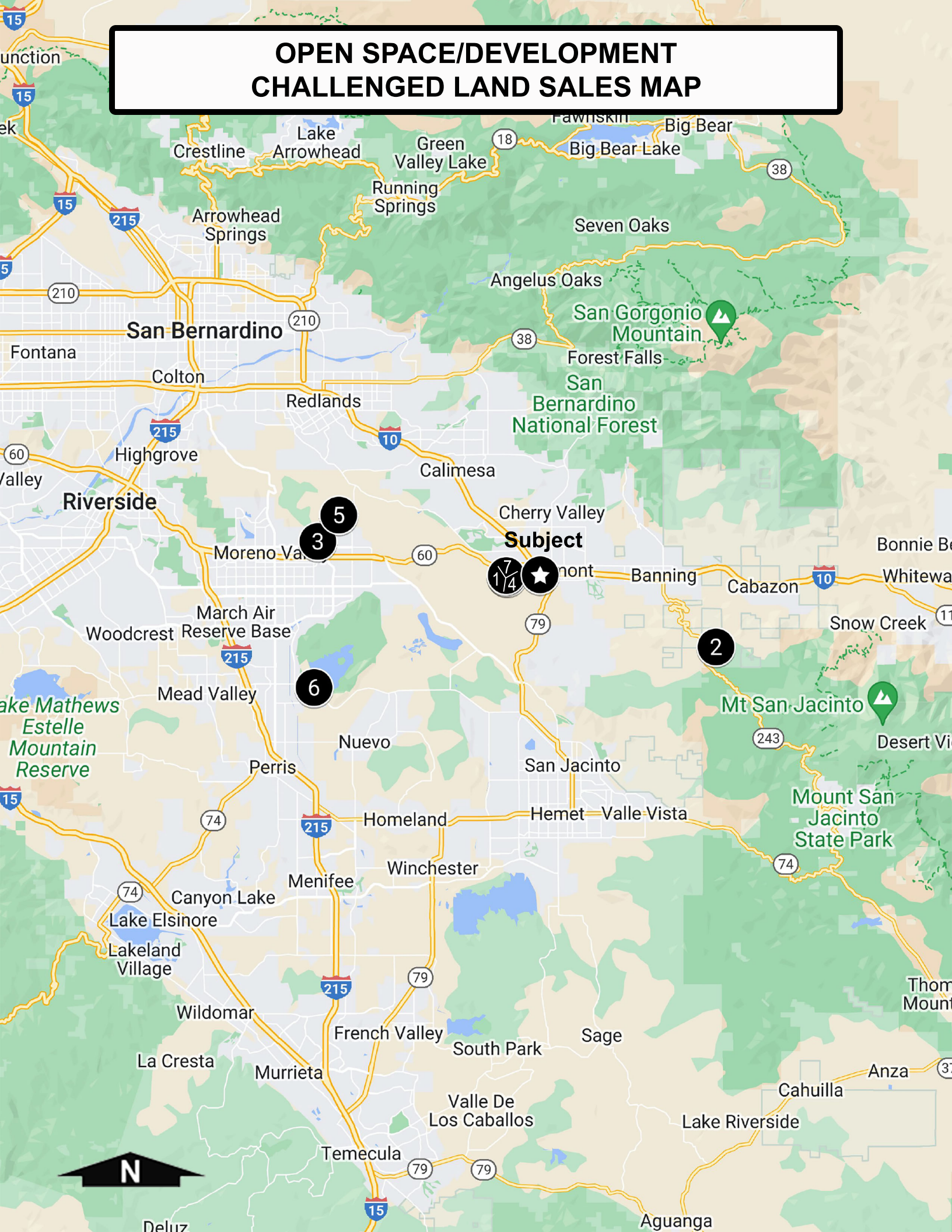
**OPEN SPACE/DEVELOPMENT CHALLENGED  
LAND SALES SUMMARY & MAP**

## OPEN SPACE/DEVELOPMENT CHALLENGED LAND SALES SUMMARY

Data No.	Location APN Seller / Buyer	Rec Date Doc No.	Sale Price	Land Area (Sq Ft)	Zoning / General Plan	Land Use Characteristics	Price / Sq Ft
1	S/o 4th St, unincorporated Beaumont 424-030-011 & 012 <i>Randy &amp; Michael Harris / Fortunato &amp; Minely Montoya</i>	5/4/2021 21-274373	\$65,000	23,000	W-2-20	rural location landlocked	<b>\$2.83</b>
2	SS Beverly Glen Cir, unincorporated Banning 544-270-015 <i>Don &amp; Greg Cook / Russell Coduto</i>	5/21/2021 21-313478	\$12,000	100,624	W-2	rural location unpaved access/frontage	<b>\$0.12</b>
3	N/o Ironwood Ave, City of Moreno Valley 473-160-002 <i>Margaret Rischard / Martir Baires Centeno &amp; Kriscia Flores Santos</i>	7/20/2021 21-434540	\$45,000	108,900	RA2	city edge location landlocked	<b>\$0.41</b>
4	S/o 4th St, unincorporated Beaumont 424-030-018 & 020 <i>Randy, Michael, &amp; David Harris / Vanessa &amp; Martha Hernandez</i>	12/13/2021 21-730796	\$50,000	46,000	W-2-20	rural location landlocked	<b>\$1.09</b>
5	N/o Quincy St, unincorporated Moreno Valley 473-110-008 <i>Priscilla Ramirez et al / Seini Fa'anunu</i>	4/13/2022 22-176052	\$63,000	105,851	R-A-1	rural location landlocked	<b>\$0.60</b>
6	S/o Ramona Expy, City of Perris 303-360-007 <i>Thomas Sellick / Alicia Valladolid</i>	11/3/2022 22-457213	\$500	1,307	RR/A	city location, excess land landlocked	<b>\$0.38</b>
7	S/o 4th St, unincorporated Beaumont 424-030-003 <i>Arline Kaplan / Vidal &amp; Claudia Vasquez</i>	11/15/2022 22-471006	\$40,000	23,000	W-2-20	rural location landlocked	<b>\$1.74</b>
Subject SEC W 4th St & Viele Ave, Beaumont 417-110-002 <i>Southern Calif Edison Co</i>				107,960 gross 87,159 net 11,563 acquisition	M I	SCE Substation	

AVG	<b>\$39,357</b>	<b>58,383</b>	<b>\$1.02</b>
MIN	<b>\$500</b>	<b>1,307</b>	<b>\$0.12</b>
MAX	<b>\$65,000</b>	<b>108,900</b>	<b>\$2.83</b>

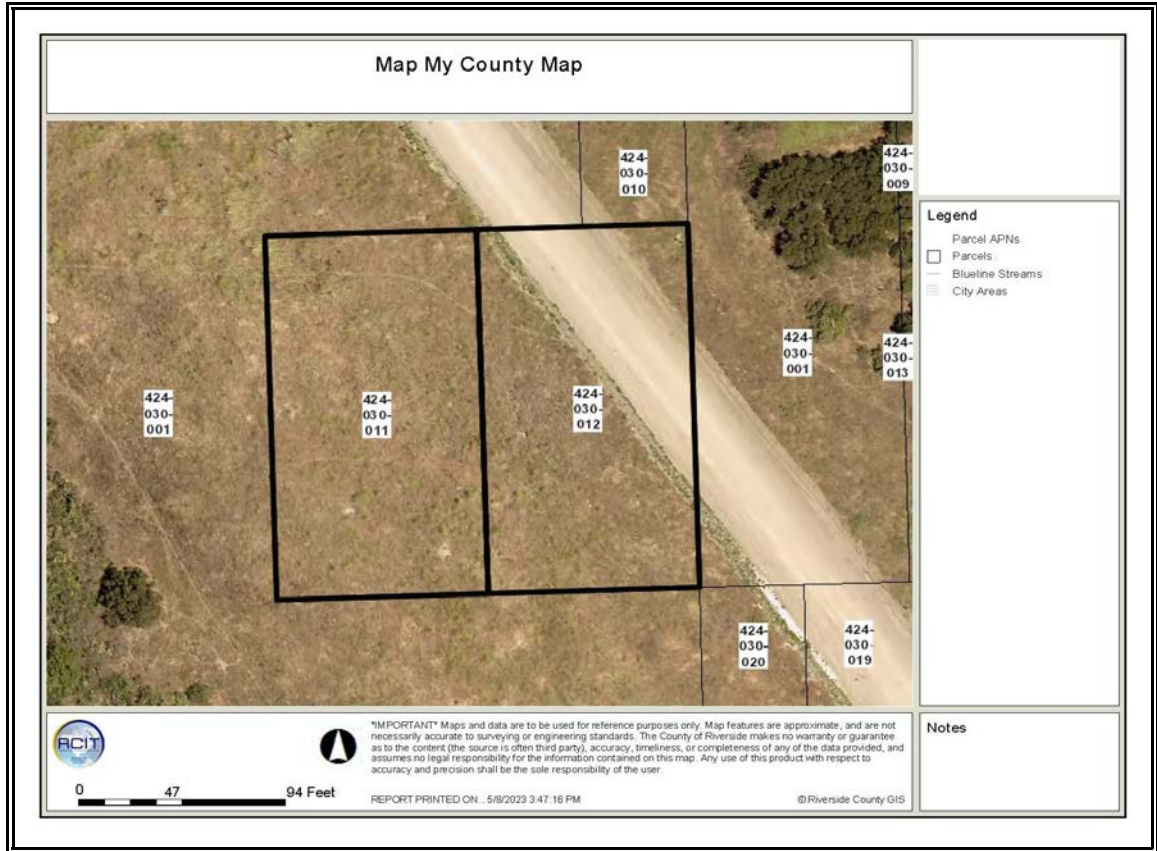
# OPEN SPACE/DEVELOPMENT CHALLENGED LAND SALES MAP



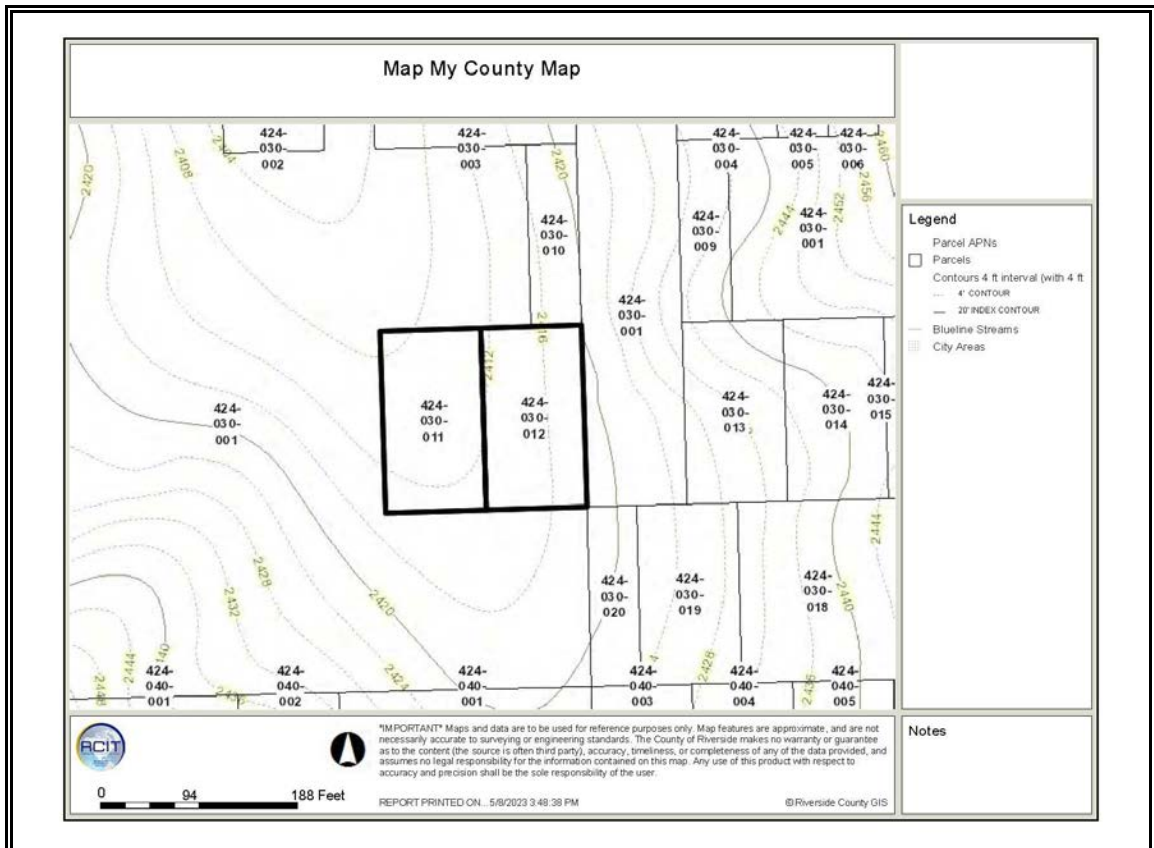


**OPEN SPACE/DEVELOPMENT CHALLENGED LAND  
SALES AERIAL PHOTOGRAPHS & TOPO EXHIBITS**

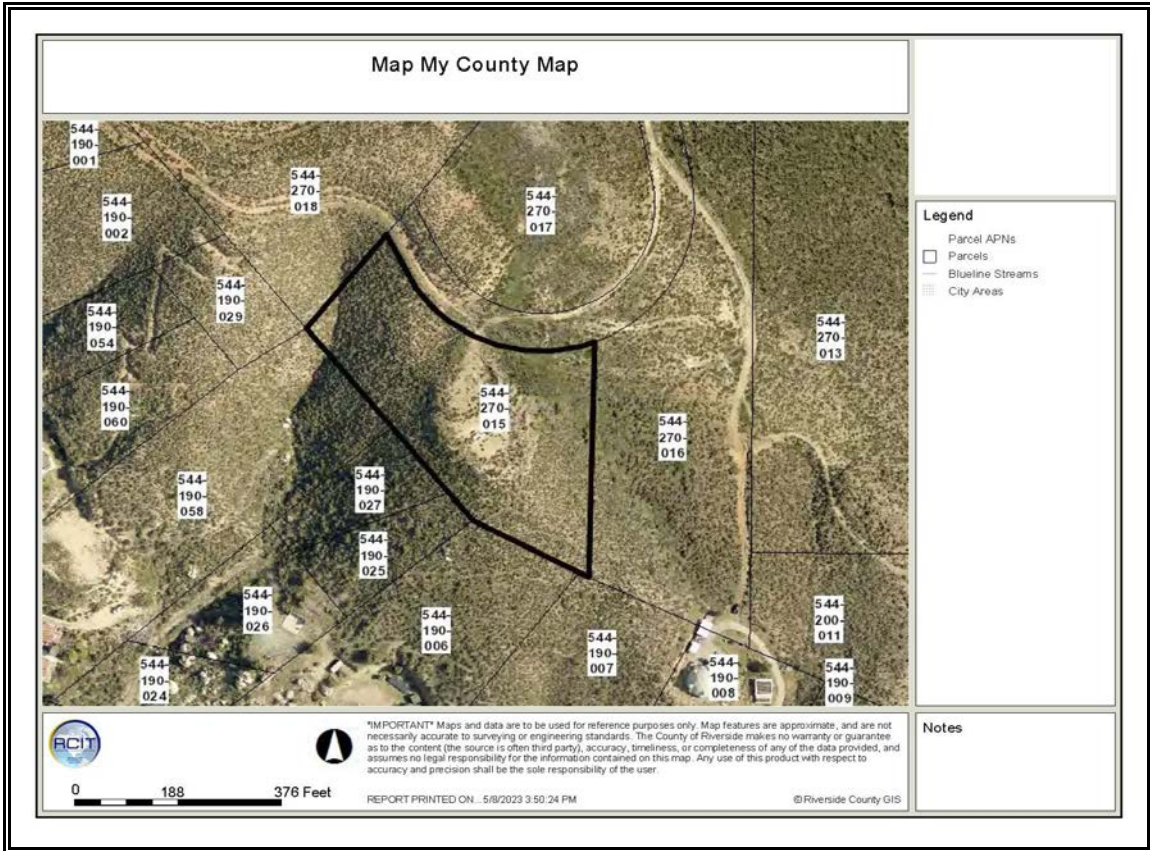
# OPEN SPACE/DEVELOPMENT CHALLENGED LAND SALES PHOTOGRAPHS & PLAT MAPS



**DATA NO. 1**  
South of 4<sup>th</sup> Street, unincorporated Beaumont

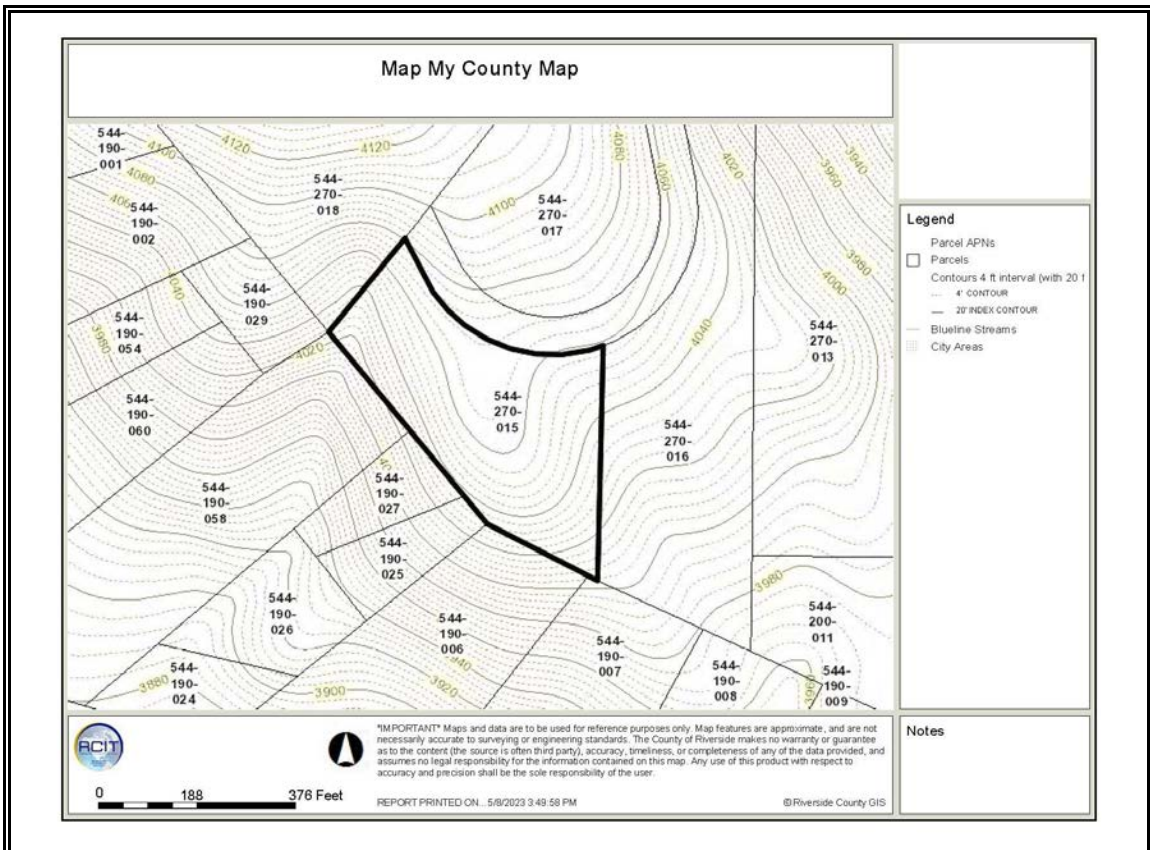


# OPEN SPACE/DEVELOPMENT CHALLENGED LAND SALES PHOTOGRAPHS & PLAT MAPS

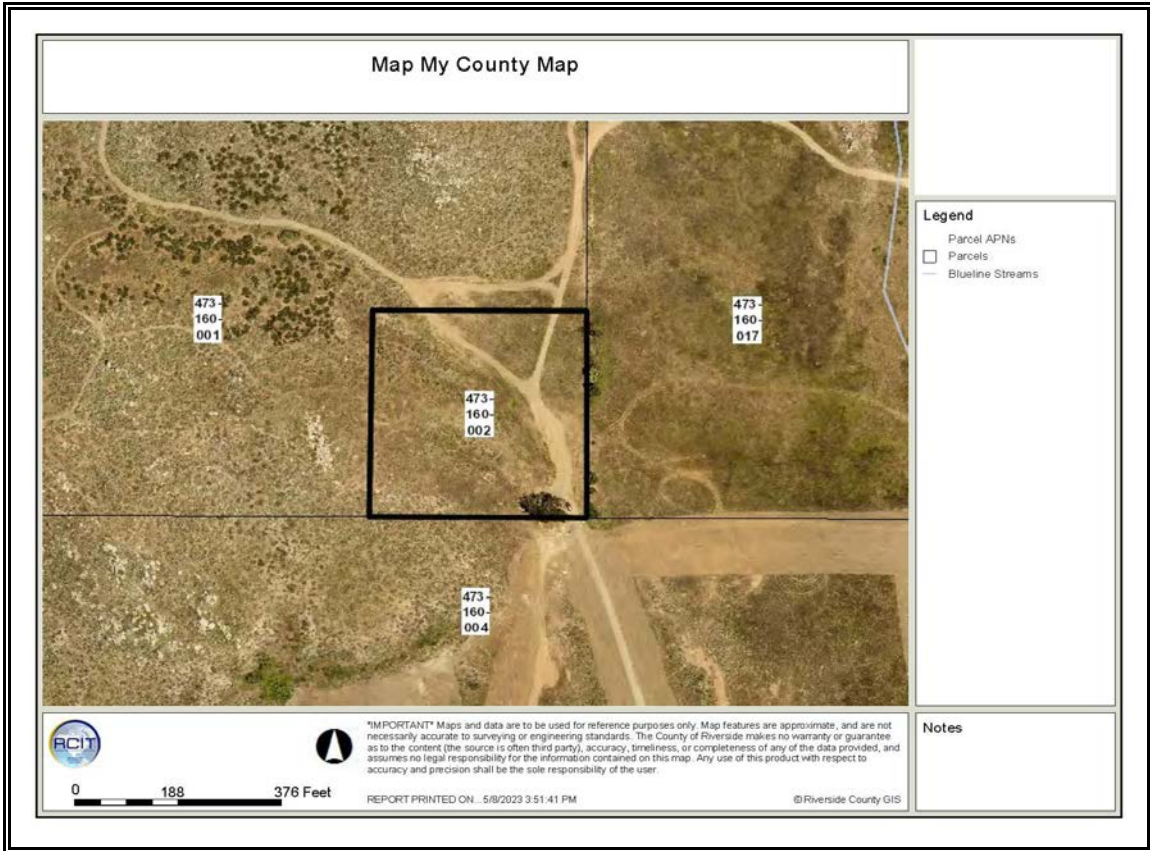


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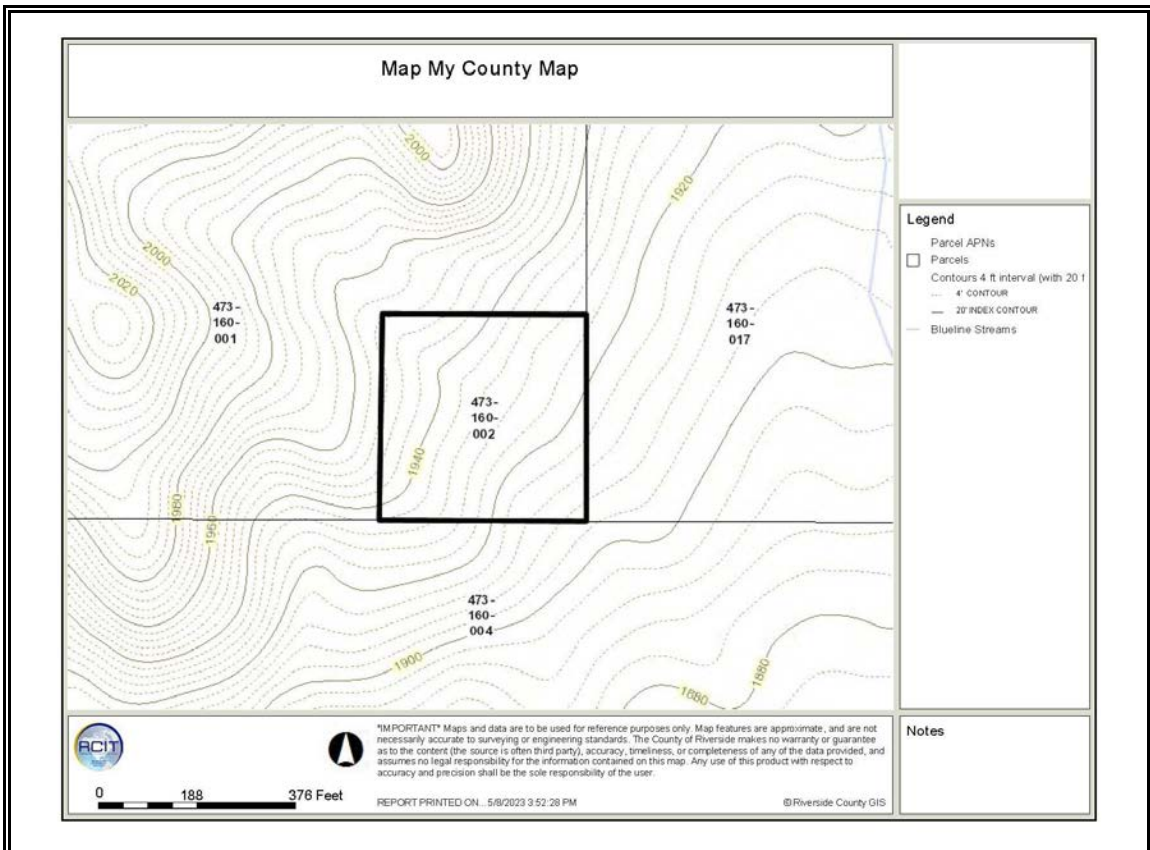
South side Beverly Glen Circle, unincorporated Banning



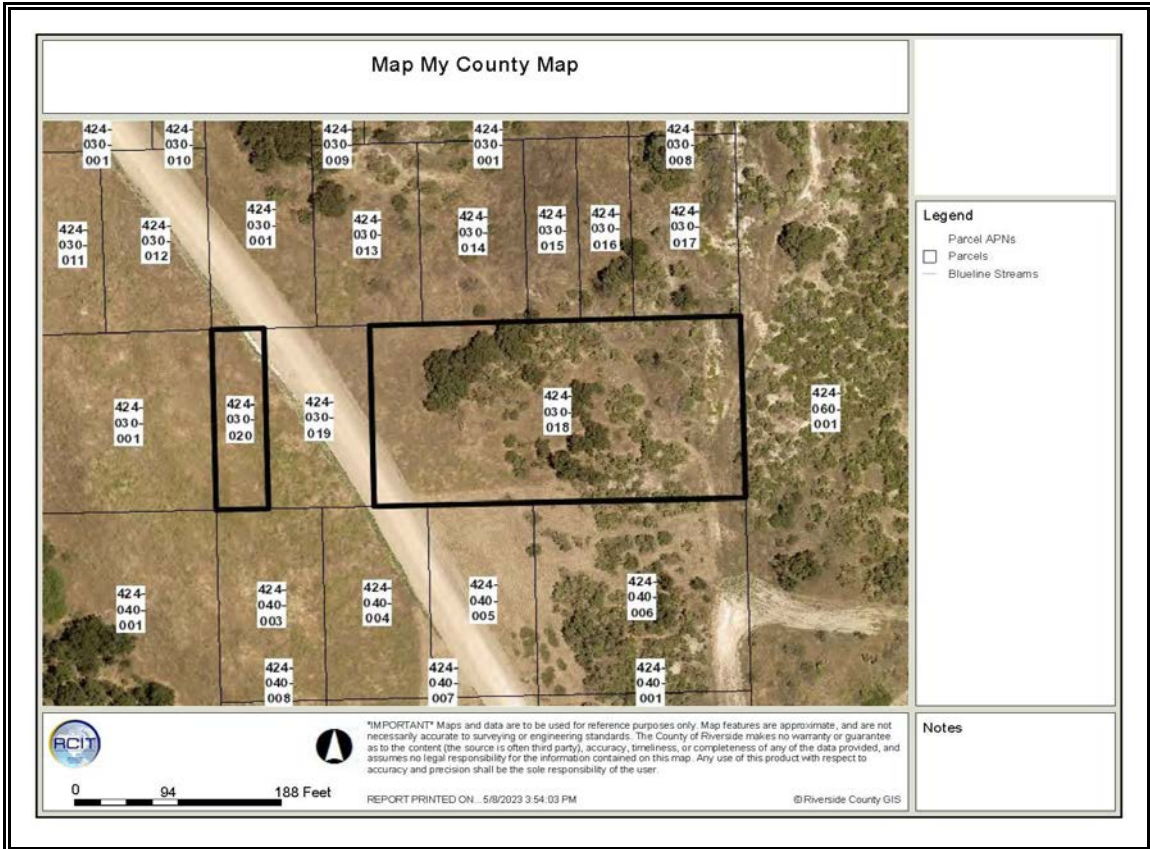
# OPEN SPACE/DEVELOPMENT CHALLENGED LAND SALES PHOTOGRAPHS & PLAT MAPS



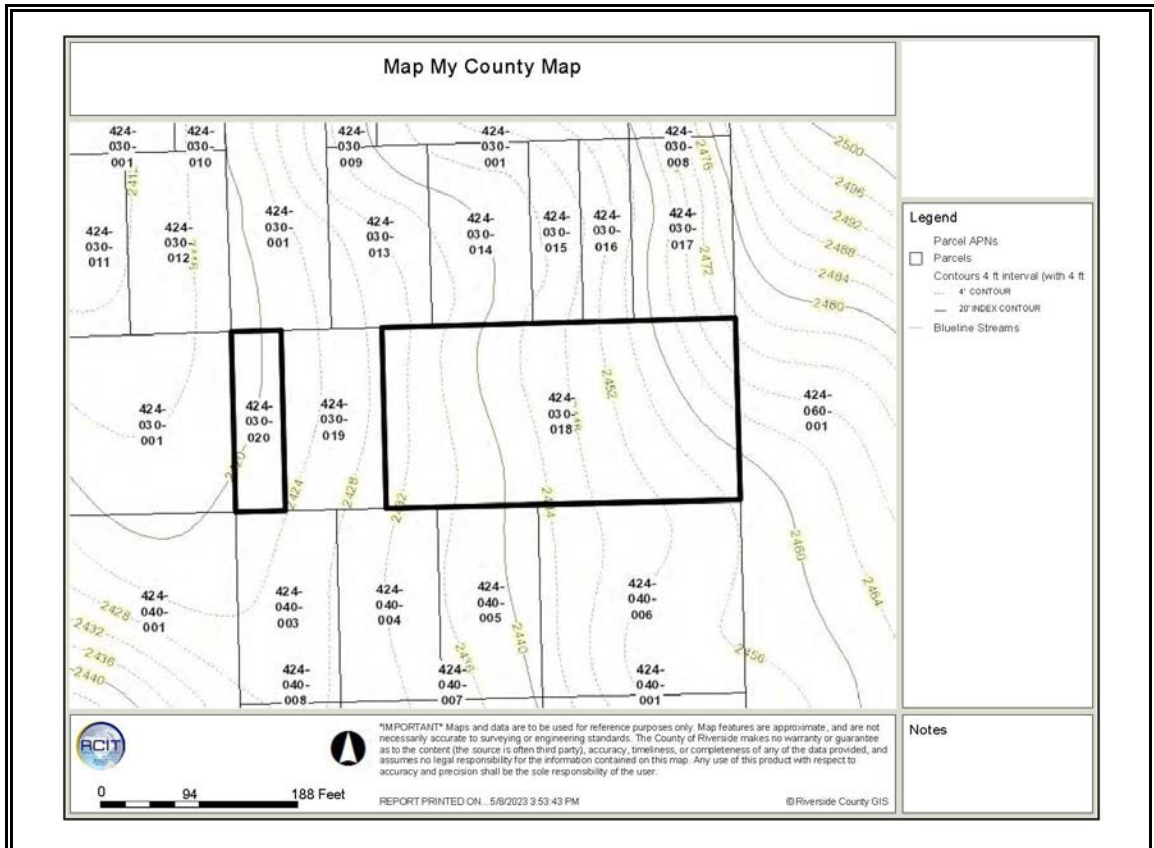
**DATA NO. 3**  
North of Ironwood Avenue, City of Moreno Valley



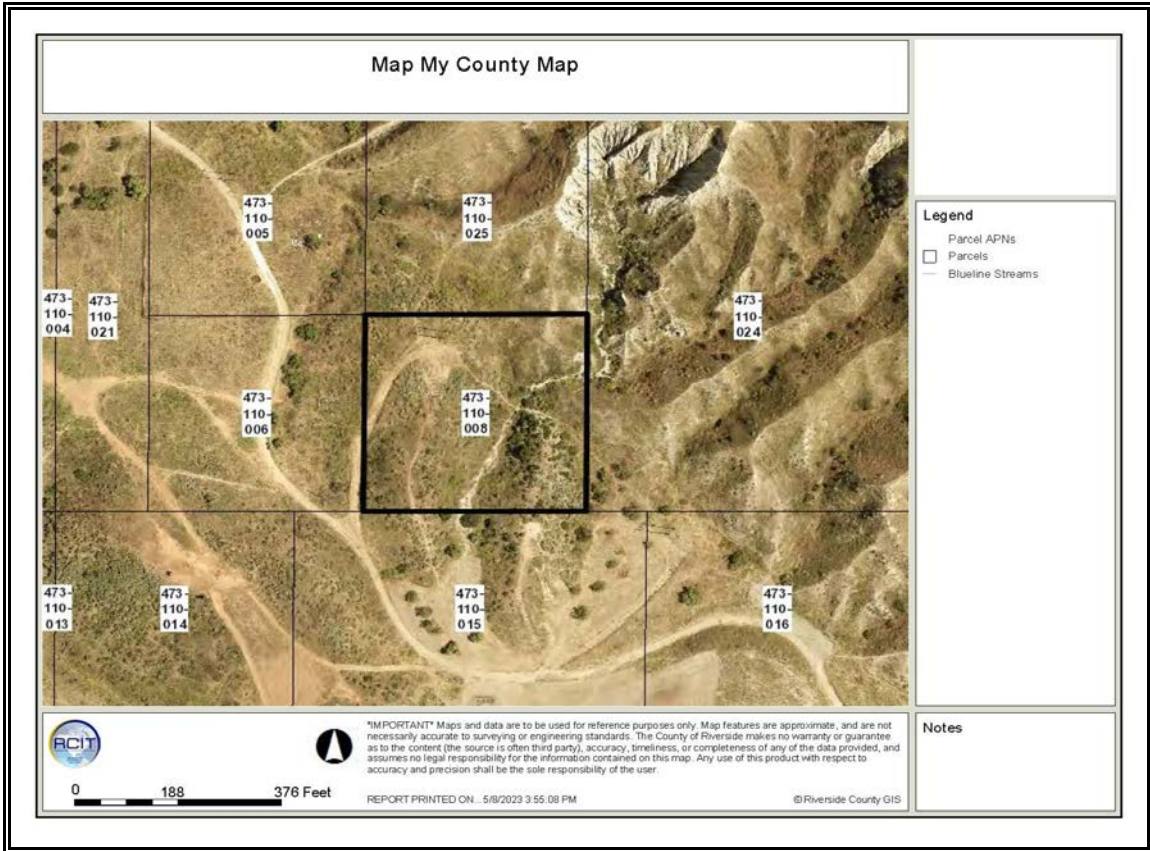
# OPEN SPACE/DEVELOPMENT CHALLENGED LAND SALES PHOTOGRAPHS & PLAT MAPS



**DATA NO. 4**  
South of 4<sup>th</sup> Street, unincorporated Beaumont

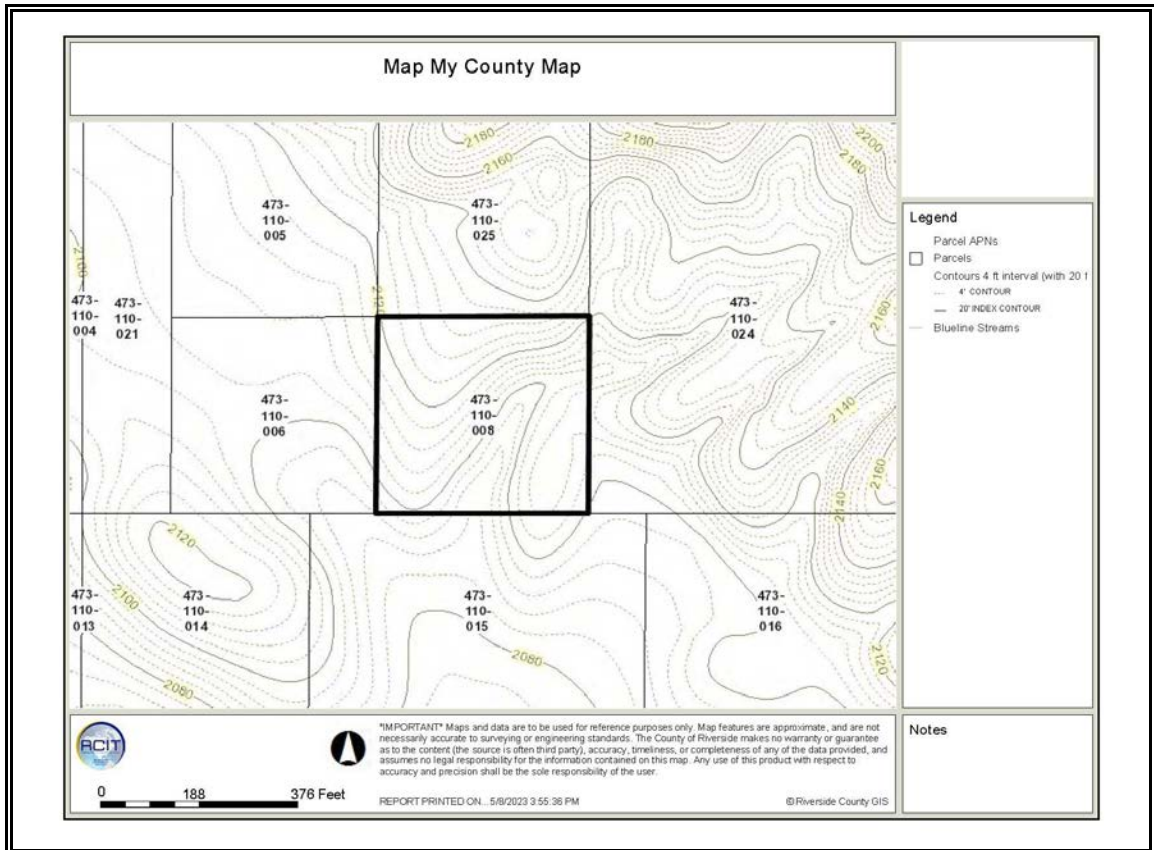


# OPEN SPACE/DEVELOPMENT CHALLENGED LAND SALES PHOTOGRAPHS & PLAT MAPS

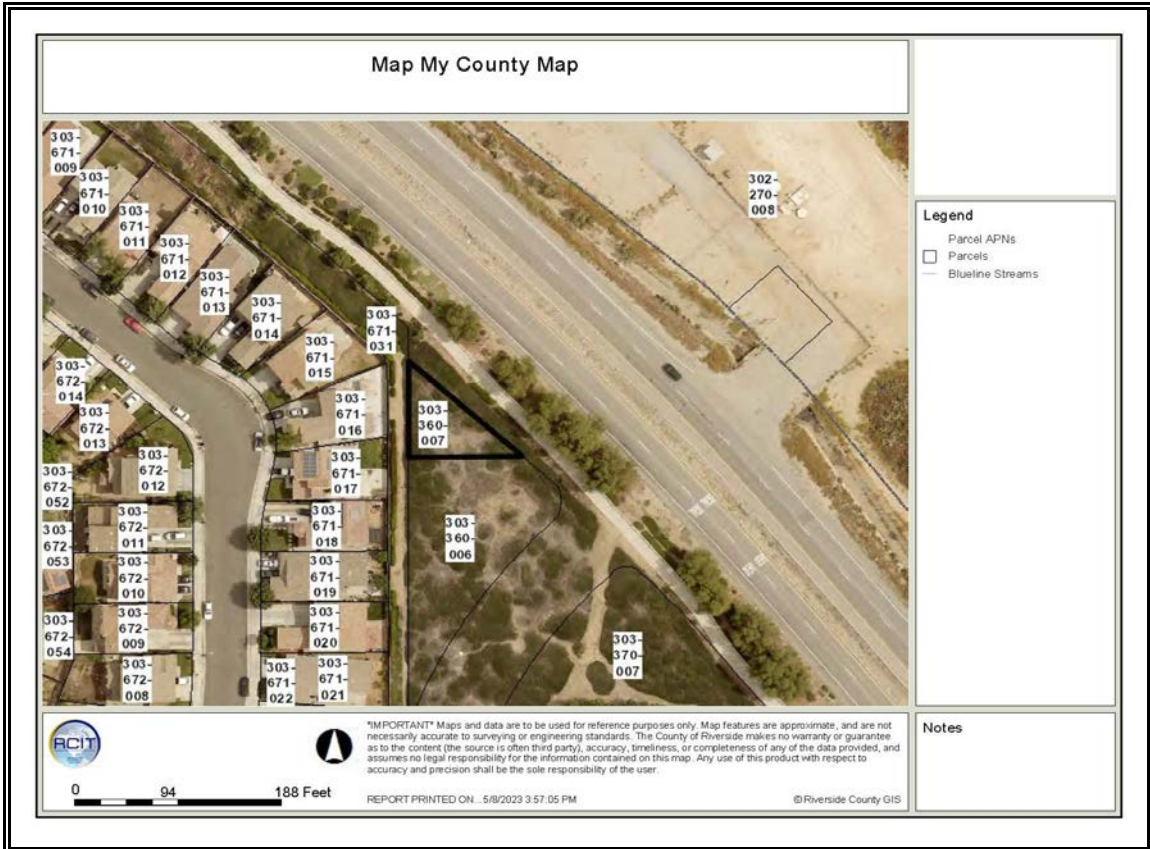


## DATA NO. 5

North of Quincy Street, unincorporated Moreno Valley

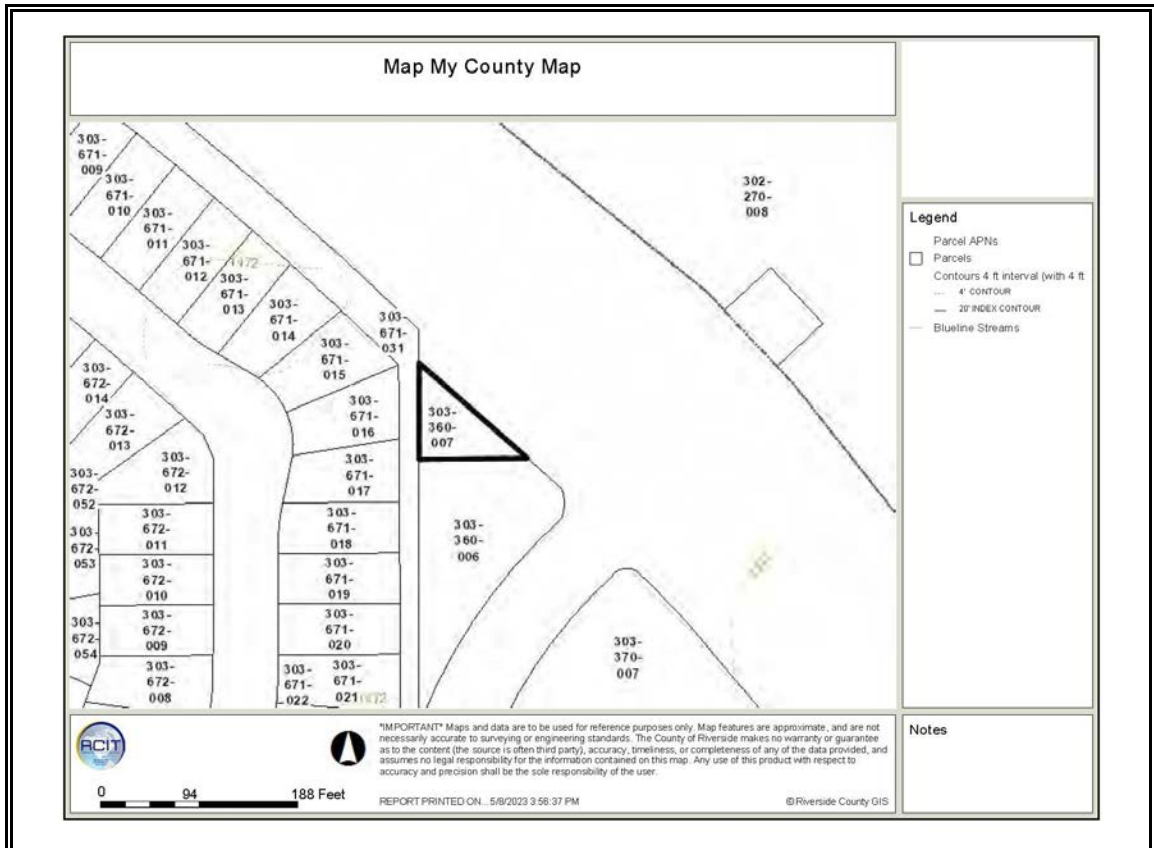


# OPEN SPACE/DEVELOPMENT CHALLENGED LAND SALES PHOTOGRAPHS & PLAT MAPS

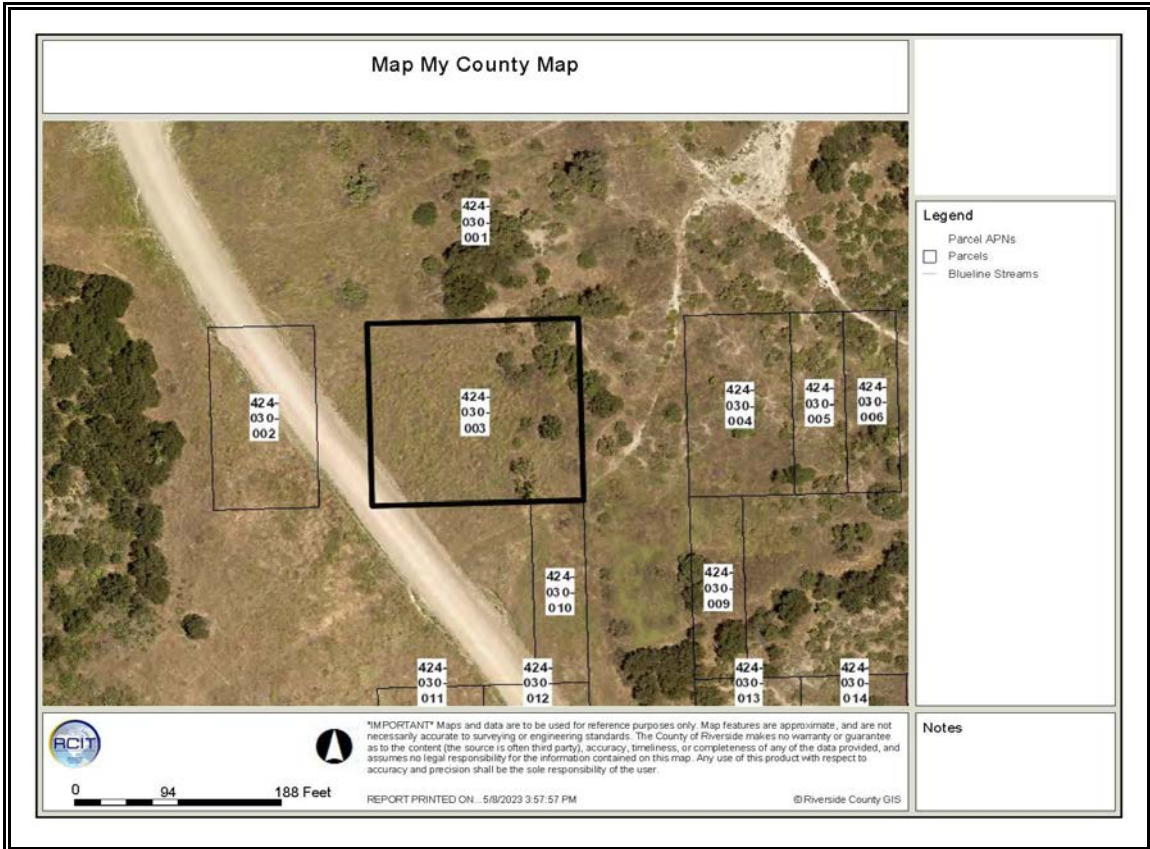


## DATA NO. 6

South of Ramona Expy, City of Perris

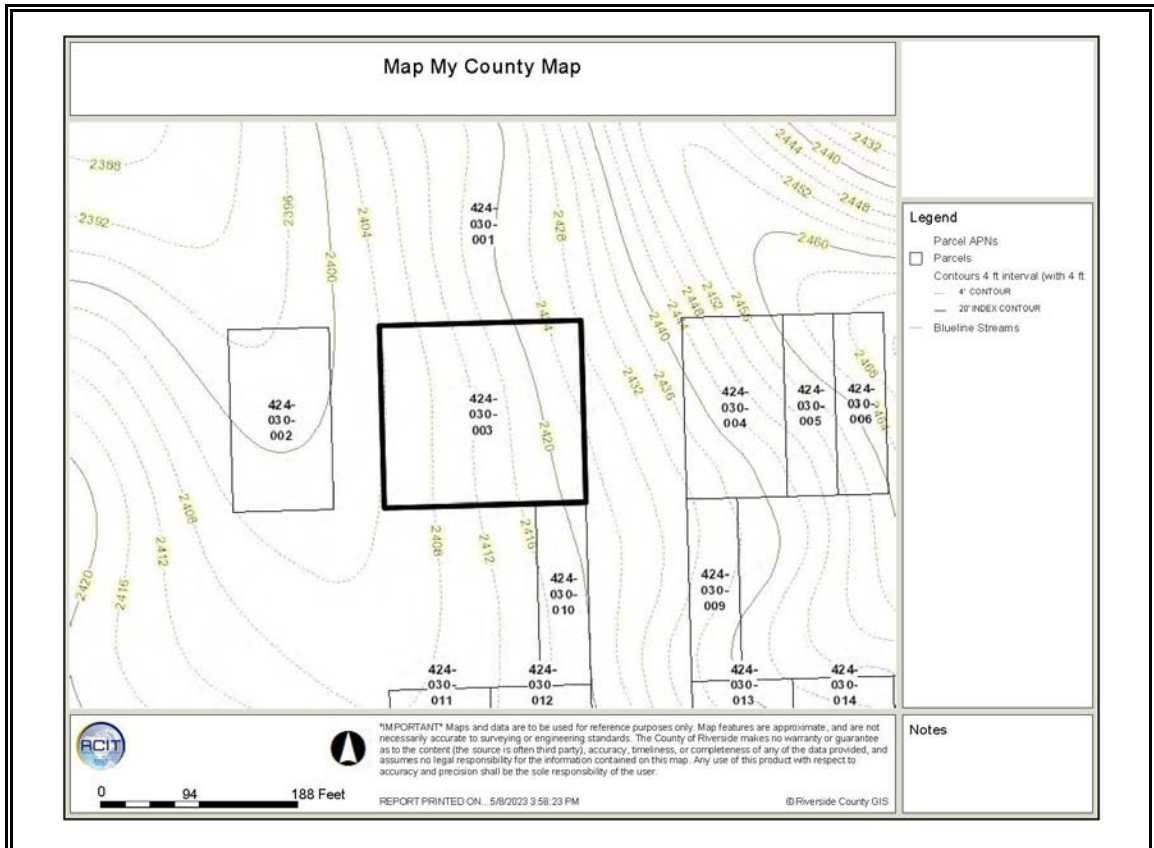


# OPEN SPACE/DEVELOPMENT CHALLENGED LAND SALES PHOTOGRAPHS & PLAT MAPS



## DATA NO. 7

South of 4<sup>th</sup> Street, unincorporated Beaumont





**ADDENDA**

**Subject Photographs**  
**Preliminary Title Report**  
**Appraisal Qualifications**

## **SUBJECT PHOTOGRAPHS**

## SUBJECT PROPERTY PHOTOGRAPHS



View of subject property from West 4<sup>th</sup> Street



View of subject property from Viele Avenue

## SUBJECT PROPERTY PHOTOGRAPHS



View north along acquisition area



View south along acquisition area

## SUBJECT PROPERTY PHOTOGRAPHS



View north along Viele Avenue



View south along Viele Avenue

## SUBJECT PROPERTY PHOTOGRAPHS



View east along West 4<sup>th</sup> Street



View west along West 4<sup>th</sup> Street

## SUBJECT PROPERTY PHOTOGRAPHS



View north along Elm Avenue



View south along Elm Avenue

# **PRELIMINARY TITLE REPORT**





**First American Title Insurance Company**  
**National Commercial Services**  
3281 E Guasti Road, Suite 440  
Ontario, CA 91761

June 20, 2019

Naveen Gali  
Thienes Engineering, Inc  
14349 Firestone Boulevard  
La Mirada , CA 90638-5527  
Phone: (714)521-4811x245  
Fax: (714)521-4173

Customer Reference: 2524  
Title Officer: Kimberly Delpolito  
Phone: (909)510-6202  
Fax No.: (877)461-2090  
E-Mail: kdelpolito@firstam.com

Buyer:

Owner: Southern California Edison Company

Property: Vacant, Beaumont, CA

**PRELIMINARY REPORT**

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

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Exhibit A attached. *The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties.* Limitations on Covered Risks applicable to the 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 Exhibit A. Copies of the policy forms should be read. They are available from the office which issued this report.

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

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

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

Dated as of June 12, 2019 at 7:30 A.M.

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

To Be Determined

A specific request should be made if another form or additional coverage is desired.

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

Southern California Edison Company, a corporation

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

Fee Simple

The Land referred to herein is described as follows:

(See attached Legal Description)

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

1. General and special taxes and assessments for the fiscal year 2019-2020, a lien not yet due or payable.
2. Real property taxes are currently assessed under the State Board of Equalization Public Utility Tax Roll; Code Area No. SBE 148-33-96-1, SBE 148-33-96-2 and SBE 148-33-37 PAR 7 . Which includes this and other property; for full particulars, please contact the State Board of Equalization Property Tax Validation Division, Telephone Number (916) 322-2323. Additional information to follow upon request.
3. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
4. The rights, if any, of a city, public utility or special district, pursuant to Section 8345 et seq. of the California Streets and Highways Code, to preserve a public easement in Minnesota Ave and Iowa Avenue as the same was vacated by the document recorded June 28, 1940 in [Book 467, Page 434](#) of Official Records.
5. The effect of a map purporting to show the land and other property, filed in [Book 55, Page 47](#) of Record of Surveys.
6. The fact that the land lies within the boundaries of the Beaumont Redevelopment Project Area, as disclosed by the document recorded December 28, 1993 as Instrument No. [93-516923](#) of Official Records.
7. Rights of the public in and to that portion of the land lying within any road, street, alley or highway.
8. Water rights, claims or title to water, whether or not shown by the public records.

9. Rights of parties in possession.

**INFORMATIONAL NOTES**

**ALERT - CA Senate Bill 2 imposes an additional fee of \$75 up to \$225 at the time of recording on certain transactions effective January 1, 2018. Please contact your First American Title representative for more information on how this may affect your closing.**

1. The property covered by this report is vacant land.
2. According to the public records, there has been no conveyance of the land within a period of twenty-four months prior to the date of this report, except as follows:

None

3. This preliminary report/commitment was prepared based upon an application for a policy of title insurance that identified land by street address or assessor's parcel number only. It is the responsibility of the applicant to determine whether the land referred to herein is in fact the land that is to be described in the policy or policies to be issued.
4. Should this report be used to facilitate your transaction, we must be provided with the following prior to the issuance of the policy:
  - A. WITH RESPECT TO A CORPORATION:
    1. A certificate of good standing of recent date issued by the Secretary of State of the corporation's state of domicile.
    2. A certificate copy of a resolution of the Board of Directors authorizing the contemplated transaction and designating which corporate officers shall have the power to execute on behalf of the corporation.
    3. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
    4. Requirements which the Company may impose following its review of the above material and other information which the Company may require.
  - B. WITH RESPECT TO A CALIFORNIA LIMITED PARTNERSHIP:
    1. A certified copy of the certificate of limited partnership (form LP-1) and any amendments thereto (form LP-2) to be recorded in the public records;
    2. A full copy of the partnership agreement and any amendments;
    3. Satisfactory evidence of the consent of a majority in interest of the limited partners to the contemplated transaction;
    4. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
    5. Requirements which the Company may impose following its review of the above material and other information which the Company may require.
  - C. WITH RESPECT TO A FOREIGN LIMITED PARTNERSHIP:
    1. A certified copy of the application for registration, foreign limited partnership (form LP-5) and any amendments thereto (form LP-6) to be recorded in the public records;
    2. A full copy of the partnership agreement and any amendment;
    3. Satisfactory evidence of the consent of a majority in interest of the limited partners to the contemplated transaction;
    4. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
    5. Requirements which the Company may impose following its review of the above material and

other information which the Company may require.

D. WITH RESPECT TO A GENERAL PARTNERSHIP:

1. A certified copy of a statement of partnership authority pursuant to Section 16303 of the California Corporation Code (form GP-I), executed by at least two partners, and a certified copy of any amendments to such statement (form GP-7), to be recorded in the public records;
2. A full copy of the partnership agreement and any amendments;
3. Requirements which the Company may impose following its review of the above material required herein and other information which the Company may require.

E. WITH RESPECT TO A LIMITED LIABILITY COMPANY:

1. A copy of its operating agreement and any amendments thereto;
2. If it is a California limited liability company, a certified copy of its articles of organization (LLC-1) and any certificate of correction (LLC-11), certificate of amendment (LLC-2), or restatement of articles of organization (LLC-10) to be recorded in the public records;
3. If it is a foreign limited liability company, a certified copy of its application for registration (LLC-5) to be recorded in the public records;
4. With respect to any deed, deed of trust, lease, subordination agreement or other document or instrument executed by such limited liability company and presented for recordation by the Company or upon which the Company is asked to rely, such document or instrument must be executed in accordance with one of the following, as appropriate:
  - (i) If the limited liability company properly operates through officers appointed or elected pursuant to the terms of a written operating agreement, such documents must be executed by at least two duly elected or appointed officers, as follows: the chairman of the board, the president or any vice president, and any secretary, assistant secretary, the chief financial officer or any assistant treasurer;
  - (ii) If the limited liability company properly operates through a manager or managers identified in the articles of organization and/or duly elected pursuant to the terms of a written operating agreement, such document must be executed by at least two such managers or by one manager if the limited liability company properly operates with the existence of only one manager.
5. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
6. Requirements which the Company may impose following its review of the above material and other information which the Company may require.

F. WITH RESPECT TO A TRUST:

1. A certification pursuant to Section 18100.5 of the California Probate Code in a form satisfactory to the Company.
2. Copies of those excerpts from the original trust documents and amendments thereto which designate the trustee and confer upon the trustee the power to act in the pending transaction.
3. Other requirements which the Company may impose following its review of the material require herein and other information which the Company may require.

G. WITH RESPECT TO INDIVIDUALS:

1. A statement of information.

The map attached, if any, may or may not be a survey of the land depicted hereon. First American Title Insurance Company expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.

**\*\*\*\*\*To obtain wire instructions for deposit of funds to your escrow file please contact your Escrow Officer.\*\*\*\*\***

### **LEGAL DESCRIPTION**

Real property in the City of Beaumont, County of Riverside, State of California, described as follows:

LOT 1 IN BLOCK 137 AS SHOWN BY AMENDED MAP OF THE TOWN OF BEAUMONT ON FILE IN [BOOK 6, PAGES 16 AND 17](#) OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY.

TOGETHER WITH THE EAST HALF OF MINNESOTA AVENUE, 80 FEET WIDE AND THE WEST HALF OF IOWA AVENUE, 80 FEET WIDE, AS VACATED BY ORDINANCE RECORDED JUNE 28, 1940 AS INSTRUMENT NO. 1895 IN [BOOK 467, PAGE 434](#) OF OFFICIAL RECORDS, LYING BETWEEN THE EASTERLY AND WESTERLY PROLONGATIONS OF THE NORTH AND SOUTH LINES OF LOT 1, BLOCK 137.

APN: 417-110-002-8

**The First American Corporation**  
First American Title Company  
Privacy Policy

**We Are Committed to Safeguarding Customer Information**

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

**Applicability**

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values, a copy of which can be found on our website at [www.firstam.com](http://www.firstam.com).

**Types of Information**

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

**Use of Information**

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

**Former Customers**

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

**Confidentiality and Security**

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.



**CLTA/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.

**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.

<b>Your Deductible Amount</b>	<b><u>Our Maximum Dollar Limit of Liability</u></b>
Covered Risk 16: 1% of Policy Amount or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21: 1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

**ALTA 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:
  - (a) and use
  - (b) improvements on the land
  - (c) and division
  - (d) environmental protectionThis 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) a notice of exercising the right appears in the public records on the Policy Date
  - (b) the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks:
  - (a) that are created, allowed, or agreed to by you
  - (b) that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records

(c) that result in no loss to you  
(d) 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:
  - (a) to any land outside the area specifically described and referred to in Item 3 of Schedule A OR
  - (b) in streets, alleys, or waterways that touch your landThis exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

**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.

**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.

**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 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, 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.

# **APPRAISAL QUALIFICATIONS**

# BRADFORD THOMPSON, MAI, AI-GRS, SR/WA

## APPRAISAL QUALIFICATIONS



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### APPRAISAL EXPERIENCE

President and Managing Partner of Thompson & Thompson, established 2020. Entered the appraisal field in 1989, and was with the appraisal firm of Mason and Mason from 1991 thru 2019, Partner 2006 thru 2019. Expertise includes research, consulting, appraisal report preparation, and expert testimony for a variety of property types, including industrial, commercial, retail, office, vacant acreage, and single and multi-family residential properties. Property valuations for eminent domain both full and partial acquisitions, inverse condemnation, property tax appeals, possessory interests, corridor valuation, asset management, and loan underwriting.

### AFFILIATIONS & ACTIVITIES

MAI Designated Member, The Appraisal Institute, Designation No. 11063  
AI-GRS (General Review Specialist) Designated Member, The Appraisal Institute  
SR/WA Designated Member, International Right of Way Association, Designation No. 5336  
Certified General Real Estate Appraiser, State of California, Certificate No. AG002282 (Exp. 2/1/2025)  
Certified General Real Estate Appraiser, State of Nevada, Certificate No. A.0208134-CG (Exp. 4/30/2024)  
Certified General Real Estate Appraiser, State of Arizona, Certificate No. CGA-32273 (Exp. 4/30/2024)  
Licensed Real Estate Broker, State of California, Certificate No. 01070707 (Exp. 4/1/2026)  
Planning Commission, City of Arcadia (2015 to 2023)  
Past President, Southern California Chapter of the Appraisal Institute (2017)  
Member, AIR Commercial and Industrial Real Estate Association  
Member, Pasadena-Foothills Association of Realtors

### EDUCATIONAL BACKGROUND

**California State Polytechnic University, Pomona** Graduated September, 1999, with a Masters Degree in Business Administration (MBA) with an emphasis in Urban and Regional Planning, and Finance, Real Estate and Law. Admitted to the Honor Society of Beta Gamma Sigma. Masters Project - *Just Compensation, The Physical Partial Acquisition of Real Property through Eminent Domain*. Classes included:

- Real Estate Market Analysis
- Real Estate Investment Analysis
- Management Science - Quantitative Decision Making
- Policy Analysis, Implementation and Evaluation
- Urban and Regional Planning - Legal Foundations
- Urban and Regional Planning - Urban Analysis Fundamentals
- Urban and Regional Planning - Theory and Practice
- Urban and Regional Planning - Graphics and Design
- Managerial Accounting for Decision Making
- Business Research Methods
- Management Policies and Strategies Practicum
- Advanced Financial Management

**University of Southern California** Graduated May, 1989, with a Bachelor of Science Degree in Business Administration (BS), with an emphasis in Real Estate. Classes in all major aspects of real estate valuation, development, finance, law, construction, engineering, planning and property management. Specialized classes included:

- Real Estate Valuation
- Introduction to Urban Real Estate
- Real Estate Law
- Introduction to Urban & Regional Planning
- Management Science
- Management Accounting & Cost Analysis
- Real Estate Finance & Investments
- Construction Methods & Equipment
- Business Finance
- Contracts & Specifications
- Economic Analysis for Business

**Expert Witness:** Real Estate Valuation in the Superior Court of The State of California, San Bernardino, Riverside and Los Angeles Counties, Public Utilities Commission of the State of California and the Los Angeles County Assessment Appeals Board. Court-Appointed Appraiser - Judge Kristin S. Escalante, Los Angeles Superior Court, Judge Maureen Duffy-Lewis, Los Angeles Superior Court, and Judge Brian S. McCarville, San Bernardino Superior Court.

**Guest Lecturer:** Real Estate Valuation (USC, Master of Real Estate Development Program), Valuation Conferences (IRWA), Master of Architecture and the Development Process (Cal Poly Pomona) and Eminent Domain Conference (CLE International).

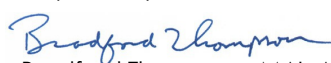
**Committee Service: Appraisal Institute** - Litigation Seminar Chair (2008, 2016 & 2017), Associate Guidance Chair (2009 to 2013), Region VII Representative (2011 to 2014, 2016, 2017), SCCAI Executive Board (2014 to 2018), Leadership Development and Advisory Council (2015). California Government Relations Committee (2016 & 2017). National and Chapter Nominating Committees (2018). Chair Mason-Thornton Scholarship Fund (2021 & 2023). **IRWA** - Spring Valuation Seminar Chair (2013 to 2016).

## **SPECIALIZED APPRAISAL COURSES & SEMINARS**

CA Elimination of Bias and Cultural Competency, 2022  
Laws and Regulations for Appraisers, 2022  
General Appraiser Income Approach - Part 2, Appraisal Institute, 2022  
Underground Infrastructure Panorama, IRWA, 2020  
United States Land Titles, IRWA, 2020  
Comparative Analysis, Appraisal Institute, 2016  
Planning Academy, League of California Cities, 2016  
Spring Valuation Seminar, IRWA, 2012, 2013, 2014, 2015, 2016  
Property/Asset Management, IRWA, 2015  
Review Theory - General, Appraisal Institute, 2014  
Green Building for Appraisers, 2013  
Federal and State Laws and Regulations, 2013, 2016, 2020  
Environmental Awareness, IRWA, 2010  
Legal Aspects of Easements, IRWA, 2010  
Corridor Valuation, Appraisal Institute, 2010  
Yellow Book/Easements & Divided Interests, Appraisal Institute, 2010  
Easement Valuation, IRWA, 2009  
Appraisal Curriculum Overview-General, Appraisal Institute, 2009  
Apartment Appraisal, Concepts & Applications, Appraisal Institute, 2009  
Real Estate Finance, Statistics, and Valuation Modeling, Appraisal Institute, 2008  
Business Practices and Ethics, Appraisal Institute, 2006, 2011, 2016, 2021  
Project Development and the Environmental Process, IRWA, 2005  
Bargaining Negotiations, IRWA, 2005  
Principles of Real Estate Engineering, IRWA, 2004  
Senior Right of Way (SR/WA) Review Course & Discipline Exams, IRWA, 2004  
Pipeline Right of Way Agent Development Program, IRWA, 2004  
Principles of Real Estate Negotiation, IRWA, 2004  
Standards of Practice / Ethics and the ROW Profession, IRWA, 2004, 2015, 2020  
USPAP, 1990, 1995, 2000, 2004, 2006, 2010, 2013, 2014, 2016, 2018, 2020, 2022  
Advanced Applications, Appraisal Institute, 1995  
Report Writing and Valuation Analysis, Appraisal Institute, 1994  
The Appraisal of Partial Acquisitions, IRWA, 1994  
Advanced Income Capitalization, Appraisal Institute, 1993  
Basic Income Capitalization, Appraisal Institute, 1993  
Property Descriptions, IRWA, 1993  
Real Estate Appraisal Principles, Appraisal Institute, 1992  
Basic Valuation Procedures, Appraisal Institute, 1992  
Litigation Seminar, Appraisal Institute, 1992, 1993, 1997, 1998, 2001, 2004, 2007, 2008, 2011, 2016, 2017, 2018, 2020  
Master Planned Communities: from Concept to Reality, Appraisal Institute, 1999  
The Economics of Right-of-Way Appraisal, Appraisal Institute, 1999

I certify that to the best of my knowledge, the above statements are true and correct.

Respectfully submitted,



Bradford Thompson, MAI, AI-GRS, SR/WA