

1 Cornelia J. B. Gordon (SBN 320207)
cgordon@mcnamarallp.com
2 McNAMARA SMITH LLP
655 West Broadway, Suite 900
3 San Diego, California 92101
Tel.: 619-269-0400
4 Fax: 619-269-0401

5 *Attorneys for Receiver,*
Thomas W. McNamara

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
03/04/2022 at 03:03:00 PM
Clerk of the Superior Court
By Maria Acevedo, Deputy Clerk

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF SAN DIEGO

11 PEOPLE OF THE STATE OF CALIFORNIA,
by and through the COMMISSIONER OF
12 FINANCIAL PROTECTION AND
INNOVATION,

13 Plaintiff,

14 v.

15 SILVER SADDLE COMMERCIAL
16 DEVELOPMENT, LP, a California limited
partnership; SILVER SADDLE RANCH &
17 CLUB, INC., a California corporation; THE
GALILEO COMMERCIAL PROPERTY
18 OWNERS ASSOCIATION, INC., a California
non-profit corporation; THOMAS M. MANEY,
19 an individual; ACCELERATED ASSETS,
LLC, an Arizona limited liability company; SS
20 PURCHCO, LLC, a Delaware limited liability
company; PAHRUMP VALLEY REAL
21 ESTATE CO., LLC, a Nevada limited liability
company; and DOES 1 through 100, inclusive,

22 Defendants.

23 And,

24 MARIAN G. DUCREUX, an individual;
25 CLIFFORD J. REYNOLDS, an individual;
WAYNE A. PEDERSEN, an individual; and
26 Relief Does 1 through 10, inclusive,

27 Relief Defendants.
28

Case No. 37-2019-00049151-CU-MC-CTL

**DECLARATION OF CORNELIA J. B.
GORDON IN SUPPORT OF RECEIVER'S
MOTION TO APPROVE SALE OF
GALILEO PROJECT LAND**

IMAGED FILE

Judge: Hon. Joel R. Wohlfeil
Dept.: C-73
Hearing Date: April 15, 2022
Time: 9:00 a.m.

Action filed: September 9, 2019
Trial Date: May 6, 2022

1 I, Cornelia J. B. Gordon, hereby declare as follows:

2 1. I am counsel of record for Thomas W. McNamara in his capacity as Court-
3 appointed Receiver of the Receivership Defendants. I have personal knowledge of the facts set
4 forth in this Declaration and if called as a witness I could and would competently testify to the
5 facts stated herein.

6 2. I make this declaration in connection with the Receiver's Motion to Approve Sale
7 of Galileo Project Land.

8 3. Attached hereto as Exhibit 1 is a true and correct copy of the Declaration of
9 Joseph D. Aiu in Support of the People's *Ex Parte* Application for Temporary Restraining Order;
10 Asset Freeze; Appointment of a Receiver; and Order to Show Cause re: Preliminary Injunction.
11 Mr. Aiu's declaration was sealed by Court order on September 9, 2019 (see ROA #9), but the
12 seal was dissolved on October 1, 2019, per the Court's oral order at the hearing held on
13 September 24, 2019.

14 4. Attached hereto as Exhibit 2 is a redacted version of a true and correct copy of the
15 Appraisal of Silver Saddle Ranch & Club and Adjacent Land, located at 20751 Aristotle Drive,
16 California City, California 93505, prepared by an appraiser at the Receiver's request. An
17 unredacted copy of the appraisal is being filed provisionally under seal pursuant to a
18 concurrently-filed motion to seal.

19 I declare under penalty of perjury under the laws of the State of California that the
20 foregoing is true and correct.

21 Executed March 4, 2022, in San Diego, California.

22
23 
24 _____
Cornelia J. B. Gordon

25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT INDEX

<u>Exhibit</u>	<u>Page</u>
1 Declaration of Joseph D. Aiu.....	1
2 Appraisal of Silver Saddle Ranch & Club and Adjacent Land.....	6

EXHIBIT 1

1 MARY ANN SMITH
Deputy Commissioner
2 SEAN ROONEY
Assistant Chief Counsel
3 DANIEL O'DONNELL
Assistant Chief Counsel
4 ROBERT LUX (CA BAR NO. 189191)
Senior Counsel
5 BORYANA ARSOVA (State Bar No. 282703)
Counsel
6 Department of Business Oversight
7 1350 Front Street, #2034
San Diego, California 92101
8 Telephone: (619) 525-3729
Facsimile: (619) 525-4045
9

FILED UNDER SEAL

10 *Attorneys for Plaintiff, People of the State of California*

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 FOR THE COUNTY OF SAN DIEGO

13 PEOPLE OF THE STATE OF CALIFORNIA,
by and through the COMMISSIONER OF
BUSINESS OVERSIGHT,

CASE NO: 37-2019-00049151-CU-MC-CTL

14 Plaintiff,

DECLARATION OF JOSEPH D. AIU
IN SUPPORT OF THE PEOPLE'S EX
PARTE APPLICATION FOR TEMPORARY
RESTRAINING ORDER; ASSET FREEZE;
APPOINTMENT OF A RECEIVER; AND
ORDER TO SHOW CAUSE RE:
PRELIMINARY INJUNCTION

15 v.

16 SILVER SADDLE COMMERCIAL
DEVELOPMENT, LP, a California limited
partnership; SILVER SADDLE RANCH &
17 CLUB, INC. a California corporation; THE
GALILEO COMMERCIAL PROPERTY
OWNERS ASSOCIATION, INC., a California
18 non-profit corporation; THOMAS M. MANEY,
an individual, and DOES 1 through 100,
19 inclusive,
20

Date: September 24, 2019
Time: 8:30 a.m.
Dept: C-73
Judge: Hon. Joel R. Wohlfeil

21 Defendants.

22 And,

23 MARIAN G. DUCREUX, an individual,
CLIFFORD J. REYNOLDS, an individual,
24 WAYNE A. PEDERSEN, an individual, and
Relief Does 1 through 10, inclusive,
25

26 Relief Defendants.

1 I, JOSEPH D. AIU, declare:

2 1. I am a resident of the State of California and have been employed by the State of
3 California, Department of Real Estate (DRE), for the past 39 years. I initially served as a DRE real
4 estate appraiser for approximately 15 years, appraising real estate under the California Subdivided
5 Lands Act. I was then promoted to DRE Deputy Commissioner and Managing Deputy Commissioner
6 conducting compliance and investigations of real estate laws until 2007. For the last 12 years, I have
7 served as a DRE Supervising Special Investigator II, overseeing a statewide subdivisions
8 investigation and compliance program focusing on subdividers and developers under the Subdivided
9 Lands Act and the Vacation Ownership and Timeshare Act, from the DRE Los Angeles District
10 Office. The facts contained in this declaration are personally known to me or are facts I discovered
11 through my involvement in this matter, except for facts based on information or belief, and as to
12 those facts, I believe them to be true. I am competent to testify at a hearing and can do so if called
13 upon for that purpose.

14 2. I received an Associate of Arts degree from Southwestern Junior College in San Diego
15 in 1978. I received extensive real estate appraisal training and experience while employed with DRE
16 during my tenure as a real estate appraiser for 15 years. I have also worked on many cases involving
17 the marketing and sale of undeveloped land to consumers. I am familiar with the three general real
18 estate valuation methodologies: the market approach (involving sales of similar properties), the
19 economic approach (involving income-producing property), and the cost approach (involving
20 construction costs of a unique property).

21 3. I am familiar with the "Galileo Project" investment offered through the Silver Saddle
22 Ranch and Club in Kern County involving the marketing and selling of undivided, fractional interests
23 of vacant, desert land. My understanding is that the Galileo Project promoters essentially bundled
24 together eight separate parcels of real estate (each with their own Assessor's Parcel Numbers (APN),
25 a unique number assigned by the county tax assessor for purposes of identification and record
26 keeping), and then divided the aggregate land into four thousand separate "units," which they sold in
27 whole, half, and one-quarter units to investors through public advertising and a commission-based
28 referral program. The Galileo Project promoters added additional components to the investment, such

-2-

1 as a mandatory investor contribution to a pooled investor fund and recurring membership dues of
 2 several hundred dollars per year. With respect to the property interests, I have identified the following
 3 eight APNs as the specific real estate parcels from which the undivided, fractionalized property
 4 interests associated with the Galileo Project investments were sold: APN numbers 457-020-05, 457-
 5 020-13, 457-020-14, 457-020-16, 457-020-25, 457-030-04, 457-030-05, & 457-030-10 (hereinafter
 6 referred to collectively as the Galileo Property).

7 4. I conducted a real estate market valuation analysis of the Galileo Property, as
 8 explained below. I used the market methodology in my analysis—and not the economic or cost
 9 methodologies—based on my understanding that the Galileo Property is vacant land (with no
 10 evidence that income is being generated) and commercially-zoned.

11 5. First, in conducting my analysis, I identified the following relevant information about
 12 the Galileo Property from the respective eight APN records:

Chart 1 (The Galileo Property)

APN	Sq. Feet	Acreage	Assessor Value	Tax
457-020-05	6,907,744	158.58	\$178,817.00	\$2,294.93
457-020-13	5,958,136	136.78	\$155,050.00	\$2,014.19
457-020-14	2,785,662	63.95	\$53,471.00	\$ 814.36
457-020-16	3,434,706	78.85	\$63,370.00	\$ 932.29
457-020-25	6,584,529	151.16	\$162,969.00	\$2,107.73
457-030-04	5,895,846	135.35	\$152,785.00	\$1,987.44
457-030-05	6,864,620	157.59	\$178,816.00	\$2,294.91
457-030-10	6,084,460	139.68	\$155,050.00	\$2,014.19

1 Based on the above, the Galileo Property has a total combined acreage equaling 1,021.74. My
 2 understanding is that the Galileo Project investments were sold as units consisting of a 1/4000
 3 undivided interest in the Galileo Property. Dividing the total acreage of the Galileo Property by
 4 4,000 undivided interests equates to .255 acre, or approximately one-quarter acre, per 1/4000th
 5 undivided interest. Similarly, my understanding is that some one-half units and one-quarter units
 6 were sold to investors, which equals, respectively, .127 acre and .062 acre.

7 6. Second, in April 2019, I researched the Tax Assessor’s Tax Rolls (ATR) for Kern
 8 County, in order to identify properties comparable to the Galileo Property located within the same
 9 approximate location (5-mile radius). I limited my search to comparable real estate that was, like the
 10 Galileo Property, undeveloped and commercially zoned. In addition, I searched for properties that
 11 were the subject of a recorded sale in the time frame of 2013 to 2017, in order to establish a recent
 12 value assigned by the Kern County Assessor, and identified specific parcels that were comparable in
 13 size with the Galileo Property with respect to acreage.

14 7. Based on my research, I identified eight parcels of land that are generally comparable
 15 to the Galileo Property and that were sold between 2013 and 2017. Below is a chart setting forth the
 16 relevant data of these comparable parcels:

Chart 2 (Comparable Properties)

APN	Sq. Feet	Acreage	Assessor Value/PSF	Tax
457-050-01	7,398,230	169.84	\$230,000/\$.031	\$2,190.78
457-050-03	7,043,216	161.69	\$23,423/\$.003	
457-050-06	6,914,714	158.7	\$49,689/\$.007	
457-040-17	3,456,050	79.34	\$60,933/\$.018	\$902.50
457-040-12	6,864,184	157.58	\$88,800/\$.013	
457-040-08	7,108,556	135.35	\$92,606/\$.013	
457-030-07	3,620,707	163.19	\$97,998/\$.027	\$1,340.31
457-030-13	4,636,526	106.44	\$29,961/\$.006	\$536.67

1
2 8. Each of the comparable properties in Chart 2 above lists the relatively recent
3 assessment of value as assigned by the Kern County Assessor in the tax rolls. Based on the assessed
4 value listed above, I included in Chart 2 the value of the land as a calculation per-square-foot (PSF).
5 Based on the information in Chart 2, I determined a valuation range of recently sold comparative
6 properties of approximately \$0.003 PSF (lowest) to \$0.031 (highest) PSF for the comparable
7 properties.

8 9. Based on my market valuation analysis of the values for the comparable properties as
9 set forth above, in order to approximate the value of the Galileo Property, I then took the *highest*
10 valuation that I found for comparative properties, which is \$.0.031 PSF (see above, for APN 457-
11 050-01). Applying the value of \$0.031 PSF to the Galileo Project, I arrived at an approximate value
12 of the Galileo Property as follows: one acre would be valued at approximately \$1,350.36, equaling a
13 value of approximately \$337.59 per .25 (one-quarter) acre.

14 10. Therefore, in my opinion, based on my analysis as set forth above, and on my
15 education, training and experience, the value of the approximate one-quarter acre of undivided,
16 fractionalized interests sold to the purchasers of the Galileo Project units is approximately \$337.59.

17 I declare under penalty of perjury under the laws of the State of California that the foregoing
18 is true and correct. Dated this 27 day of August, 2019, in Los Angeles, California.

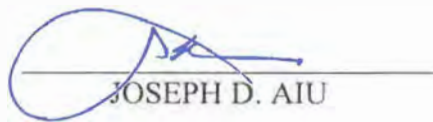
19
20 
21
22
23
24
25
26
27
28

EXHIBIT 2 – REDACTED

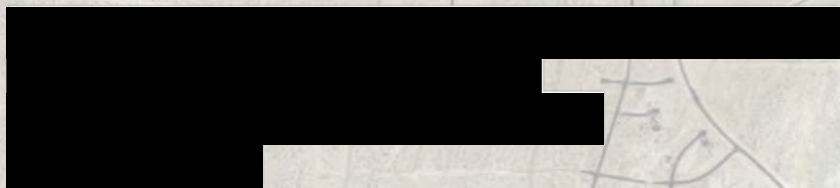
**APPRAISAL OF SILVER SADDLE RANCH & CLUB
AND ADJACENT LAND
LOCATED AT 20751 ARISTOTLE DRIVE
CALIFORNIA CITY, CA 93505**



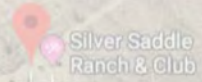
Prepared For:

**THOMAS W. MCNAMARA, RECEIVER
MCNAMARA SMITH LLP
655 W. BROADWAY, SUITE 1600
SAN DIEGO, CA 92101**

Prepared By:



MARCH 25, 2020



March 25, 2020

Thomas W. McNamara, Receiver
McNamara Smith LLP
655 W. Broadway, Suite 1600
San Diego, CA 92101

RE: APPRAISAL OF SILVER SADDLE RANCH & CLUB AND ADJACENT LAND, LOCATED AT 20751 ARISTOTLE DRIVE, CALIFORNIA CITY, CA 93505 (MFA #2019-242)

Dear Mr. McNamara:

At your request, we have inspected and appraised the above-referenced property. The purpose of the appraisal is to estimate the market value of the subject property “as is.” The appraisal is based on existing and forecasted market conditions on December 18, 2019, and is subject to the definitions, assumptions and limiting conditions, and certification contained in the attached report. The interest appraised is the fee simple estate (excluding mineral rights).

The subject property consists of an ±82-acre portion of the Silver Saddle Ranch & Club (the “Resort”) and ±1,069 acres of adjacent land. The Resort has 48 motel rooms (37 units in two main buildings, 8 “bungalows” in two single-story buildings, and 3 “cottages” in another single-story building), a clubhouse, restaurant, administration building, stables and corrals, 20 RV spaces with full hookups, and a portion of a 48-space campground. Amenities include a large central lake, two swimming pools, a driving range, miniature golf course, and areas for trap and skeet shooting and archery. A sales pavilion and adjacent parking lot, together with the rest of the campground, are part of the Resort, but are excluded from the appraisal because they are on city-owned property. A complete description of the property appraised and explanations of the appraisal procedures followed are presented in the body of the report.

Thomas W. McNamara, Receiver
McNamara Smith LLP
March 25, 2020
Page Two

The appraisal has been prepared in accordance with the 2020-21 Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Foundation and the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute. It is not intended for use in connection with a federally-related transaction, as defined in the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). The accompanying appraisal report complies with USPAP Standards Rule 2-2(a).

Based on the data and analysis presented in the attached report, it is our opinion that the market value of the subject property “as is” on December 18, 2019 was:

[REDACTED]

[REDACTED]

The following report contains the data and analysis the value opinion is based on. Definitions of market value and other terms used in the appraisal report can be found in the Addenda.

Respectfully submitted,

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Property Description

The subject property consists of an ±82-acre portion of the Silver Saddle Ranch & Club (the “Resort”) and ±1,069 acres of adjacent land. The Resort has 48 motel rooms (37 units in two main buildings, 8 “bungalows” in two single-story buildings, and 3 “cottages” in another single-story building), a clubhouse, restaurant, administration building, stables and corrals, 20 RV spaces with full hookups, and a portion of a 48-space campground.

Amenities include a large central lake, two swimming pools, a driving range, miniature golf course, and areas for trap and skeet shooting and archery. A sales pavilion and adjacent parking lot, together with the rest of the campground, are part of the Resort, but are excluded from the appraisal because they are on city-owned property.

Zip Code

93305 (California City)

Census Tract

65

Legal Description

We reviewed a title report on the Resort parcel (APN 457-020-12) prepared by Chicago Title Company,

dated as of February 5, 2020. The legal description from this report is included in the Addenda. No title reports or legal descriptions were provided for the other parcels.

Assessors’ Parcel Number/Land Area

The Resort occupies ±82 acres east of Aristotle Drive. The majority of the Resort is on APN 457-020-12, but it also includes ±20 acres of APN 457-020-05.

The vacant land consists of eight APNs totaling ±1,022 acres, plus ±67 unimproved acres within the main Resort parcel (APN 457-020-12) that lie west of Aristotle Drive. The total vacant land area is ±1,069 acres.

The APNs, ownership, and land areas are summarized below.

APNs	Ownership	Area (Acres)*
Resort		
457-020-12	Silver Saddle Ranch & Club, Inc.	129.44
	Plus Resort Area Within APN 457-020-05	20
	Less Vacant Land West of Aristotle Dr.	(67)
	Adjusted Total (Resort)	82.44
	Rounded To	82
Vacant Land		
457-020-05	Silver Saddle Commercial Develop.	158.58
457-020-13	Silver Saddle Commercial Develop.	136.78
457-020-14	Silver Saddle Commercial Develop.	63.95
457-020-16	Silver Saddle Commercial Develop.	78.85
457-020-25	Silver Saddle Commercial Develop.	151.16
457-030-04	Silver Saddle Commercial Develop.	135.35
457-030-05	Silver Saddle Commercial Develop.	157.59
457-030-10	Silver Saddle Commercial Develop.	139.68
	Total	1,021.94
	Less Resort Area (Por. APN 457-020-05)	(20)
	Plus Portion of APN 457-020-12 W/O Aristotle Dr.	67
	Adjusted Total (Vacant Land)	1,068.94
	Rounded To	1,069
Total		
	Total	1,151
<small>*Whole parcel areas per Kern County Assessor's maps; partial areas estimated using measuring tool on Kern County GIS (maps and area calculations in Addenda) https://maps.kerncounty.com/H5/index.html?viewer=KCPublic </small>		

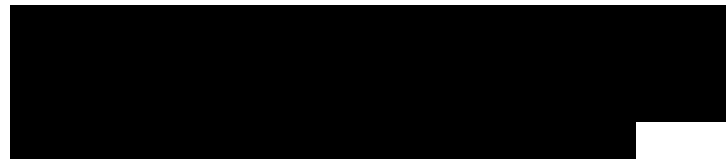
Property History

According to information provided by the client, the Resort was developed in the early 1980s by Great Western City, Inc. In 1983, James Tarver purchased the

real estate assets in California City from Great Western and formed Silver Saddle Development Company, Inc. In 1987, Silver Saddle Ranch & Club, Inc. was formed and purchased the Resort, receivables, and inventory. Thomas Maney became the majority shareholder and president, and remains in that position.

Around 2011, Silver Saddle Ranch began selling fractional ownership interests in the vacant land. Each unit consisted of an undivided 1/4,000th interest, or 0.025%. According to a complaint filed by the California Department of Business Oversight (DBO), approximately 2,000 units were sold over the next few years, at an aggregate price of \$56.5 million, with the seller typically financing 80% of the purchase price.

In a September 2019 ruling, San Diego Superior Court judge Joel Wohfeil issued a temporary restraining order barring further land sales, freezing all related assets, and appointing a receiver. This appraisal is being conducted at the request of the court-appointed receiver, Thomas W. McNamara.



Zoning/General Plan

The general plan land-use designation for the Resort is O/RA (shaded), denoting conservation land. The

existing use is grandfathered, and is considered legally nonconforming, per City Planner Shawn Monk.

Most of the vacant land is designated O/RA (unshaded), signifying “controlled development, public parks & recreation or public schools.” Approximately 120 acres lying north of Kennedy Boulevard is zoned R1 (medium-density residential).

Flood Hazard

Most of the Resort (including the buildings) and the surrounding land is in Flood Zone X, signifying a location outside of a recognized 100-year floodplain. A small portion of the Resort and a few well-defined channels in the vacant land are designated Zone A, signifying a 100-year floodplain location. Mandatory flood insurance requirements would apply to any habitable structures built in these areas.

Earthquake Hazard

According to the official state map, the subject does not lie within an earthquake fault zone, as defined in the Alquist-Priolo Special Studies Act of 1971. (<https://maps.conservation.ca.gov/cgs/EQZApp/app/>)

Resort Improvements

The Silver Saddle Resort features 48 guestrooms in five buildings, as outlined below:

Building	Ground Floor Rooms	Second Floor Rooms	Total Rooms
Building A	7	10	17
Building B	10	10	20
“Bungalows” (2 Buildings)	8	---	8
“Cottages” (1 Building)	3	---	3
Total	24	24	48

The Resort also includes a clubhouse building with a game room, lobby, billiards room, lounge, dining room, and commercial kitchen. Adjacent to the clubhouse are a covered patio with seating and two swimming pools with restrooms.

Other facilities include an administration building, equestrian center with stable, corrals, and rodeo ring, lake, 20 pull-through RV spaces with full hookups, and a portion of a 48-space campground for tents and small RVs. Recreational facilities include a miniature golf course, driving range, areas for archery and trap & skeet shooting, and a boat launch.

A sales pavilion and adjacent parking lot, together with the rest of the campground, are part of the Resort, but are excluded from the appraisal because they are on city-owned property.

Highest And Best Use



“As Is” Value Estimate



Effective Date of Appraisal

December 18, 2019

Property Rights

We have appraised the fee simple estate (excluding mineral rights). Per agreement with the client, we have ignored the fractional ownership noted above under Property History.

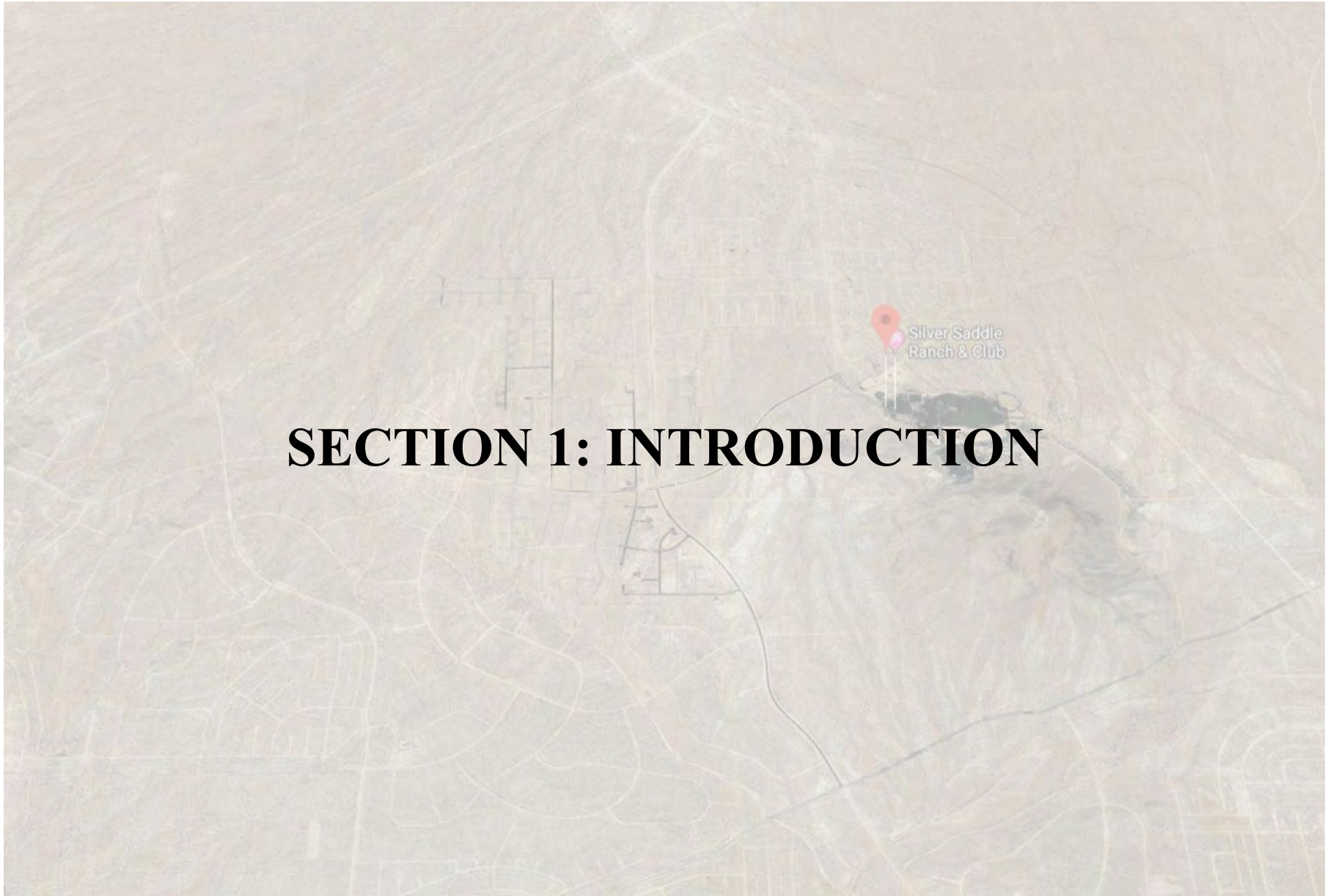
Intended User and Use

The appraisal is intended for use by Thomas W. McNamara in connection with the court-appointed receivership. *We assume no responsibility to any other user, or for any other use.*

Client

The client for this assignment is Thomas W. McNamara, Receiver.

TITLE PAGE		SECTION 3: SUBJECT PROPERTY	21
LETTER OF TRANSMITTAL		Subject Property Photographs	22
SUMMARY OF SALIENT FACTS AND CONCLUSIONS	i	Site Description	25
SECTION 1: INTRODUCTION	1	Property History	36
Property Description.....	2	Taxes and Assessments	37
Appraisal Purpose.....	2	Highest and Best Use	38
Effective Dates	2	SECTION 4: VALUATION.....	41
Intended User and Use of Appraisal.....	2	Appraisal Procedures.....	42
Scope of Assignment.....	2	Component Valuation.....	43
USPAP Competency Rule.....	3	Resort.....	43
Property Rights Appraised	3	Vacant Land.....	53
General Assumptions and Limiting Conditions	3	Bulk Sales	65
Extraordinary Assumptions and Limiting Conditions.....	6	Reconciliation.....	72
SECTION 2: AREA DESCRIPTION.....	8	SECTION 5: ADDENDA.....	76
Regional Description.....	11		
Neighborhood Description	18		





INTRODUCTION

PROPERTY DESCRIPTION

The subject property consists of an ±82-acre portion of the Silver Saddle Ranch & Club (the “Resort”) and ±1,069 acres of adjacent land. The Resort has 48 motel rooms (37 units in two main buildings, 8 “bungalows” in two single-story buildings, and 3 “cottages” in another single-story building), a clubhouse, restaurant, administration building, stables and corrals, 20 RV spaces with full hookups, and a portion of a 48-space campground.

Amenities include a large central lake, two swimming pools, a driving range, miniature golf course, and areas for trap and skeet shooting and archery. A sales pavilion and adjacent parking lot, together with the rest of the campground, are part of the Resort, but are excluded from the appraisal because they are on city-owned property.

APPRAISAL PURPOSE

The purpose of the appraisal is to estimate the market value of the subject property “as is.”

EFFECTIVE DATE

The effective date of the appraisal is December 18, 2019.

INTENDED USER AND USE

The appraisal is intended for use by Thomas W. McNamara in connection with his role as a court-appointed receiver. *We assume no responsibility to any other user, or for any other use.*


CLIENT

The client for this assignment is Thomas W. McNamara, Receiver.

SCOPE OF ASSIGNMENT

In performing this assignment, we have completed the following steps:

- Inspected the subject property and surrounding neighborhood;
- Reviewed various documents and exhibits pertaining to the property, including the assessor’s maps, FEMA flood maps, California City land-use map, title report (APN 457-020-12 only), summary information forwarded by the client, and various public documents available online.

- 
- Interviewed Shawn Monk, city planner with the city of California City, regarding the site's general plan and zoning designations and potential uses.
 - Gathered and analyzed economic and demographic information to provide a backdrop for the valuation analysis;
 - Searched public records and commercial databases for information on sales of comparable properties;
 - Confirmed, analyzed, and compared the market data to the subject property;
 - Formed an opinion of value for the subject property under the premise(s) outlined above;
 - Prepared this *appraisal report*, per USPAP Standards Rule 2-2(a).

USPAP COMPETENCY RULE

We have the knowledge and experience to complete this appraisal assignment and have appraised this property type before. (Please see appraisers' professional qualifications in the Addenda for additional information.)

PROPERTY RIGHTS APPRAISED

The interest appraised is the fee simple estate (excluding mineral rights).

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

Title to Real Estate

No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.

Liens or Encumbrances

The property is appraised free and clear of any and all liens or encumbrances, unless otherwise stated.

Ownership

Responsible ownership and competent property management are assumed.

Information and Data

The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.

Engineering

All engineering is assumed to be correct. The plot plans and illustrated material in this report are included only to assist the reader in visualizing the property.



Hidden Conditions

It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for the engineering studies that may be required to discover them.

Federal, State and Local Laws

It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws, unless non-compliance is stated, defined and considered in the appraisal report.

Applicable Zoning and Use Regulations

It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined, and considered in the appraisal report.

Licenses, Certificates of Occupancy and Consents

It is assumed 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 organizations have been or can be obtained or renewed, for any use on which the value estimate contained in this report is based, unless otherwise noted.

Encroachments

It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there are no encroachment or trespass, unless noted in the report.

Distribution of the Total Value

The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

Right of Publication

Possession of this report, or a copy thereof, does not carry with it the right of publication.

Court Testimony

The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question, unless arrangements have been previously made.



Advertising

Neither all, nor any part of the contents of this report, especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected, shall be disseminated to the public through advertising, public relations, news, sales, or other media, without the prior written consent and approval of the appraiser.

Fractional Interests

Any value estimates provided in the report apply to the entire property, and any proration or division of the total into fractional interests, will invalidate the value estimate, unless proration or division of interests has been set forth in the report.

Proposed Projects

If the subject of this appraisal report is a proposed project, and if only preliminary plans and specifications were available in preparation of this appraisal, the analysis is subject to a review of the final plans and specifications, when available, unless otherwise stated.

Proposed Improvements

Any proposed improvements are assumed to have been completed unless otherwise stipulated; any construction is assumed to conform with the building plans referenced in this report.

Available Data

It is assumed the reader or user of this report has been provided with copies of available building plans, all leases, and amendments, if any, encumbering the property.

Boundary Survey

No legal description or survey was furnished to this appraiser unless otherwise noted in this report. The county tax plat was used to ascertain the physical dimensions and acreage of the property. Should a survey prove these characteristics inaccurate, it may be necessary for this appraisal to be adjusted.

Forecasts, Projections, and Operating Estimates

The forecast, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes in future conditions.

Hazardous Waste

It should be noted that the appraisers are not qualified to detect hazardous wastes and/or toxic materials. Any comment by the appraisers that might suggest that the existence or absence of such substances should not be taken as confirmation or denial of the

[REDACTED]

presence of hazardous wastes and/or toxic materials. Such determination would require an investigation by a qualified expert in the field of environmental assessment.

The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous material may affect the value of the property. The appraisers' value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value.

No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraisers' descriptions and resulting comments are the result of the routine observations made during the appraisal process.

EXTRAORDINARY ASSUMPTIONS AND LIMITING CONDITIONS

An extraordinary assumption is defined as “an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraisers' opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”

Source: 2020-21 Uniform Standards of Professional Appraisal Practice (USPAP), Definitions, published by The Appraisal Standards Board of The Appraisal Foundation

Extraordinary assumptions are not necessarily atypical for a particular property type, nor do they necessarily imply above-average risk. Our intent is solely to highlight assumptions that have a material bearing on the value or marketability of the subject property.

The use of extraordinary assumptions may have affected the assignment results.

Condition of Improvements

We conducted a limited physical inspection of the Resort facilities. Some deferred maintenance was noted, but it is unknown how extensive the required repairs are. We have assumed for purposes of our appraisal that the Resort buildings are structurally sound and in need of only minor repairs. More significant problems could affect the value estimate.

Right of Surface Entry

We reviewed a preliminary title report on the Resort parcel prepared by Chicago Title Company, dated as of February 5, 2020. Mineral rights are excluded from the legal description, but without the right of surface entry. [REDACTED]





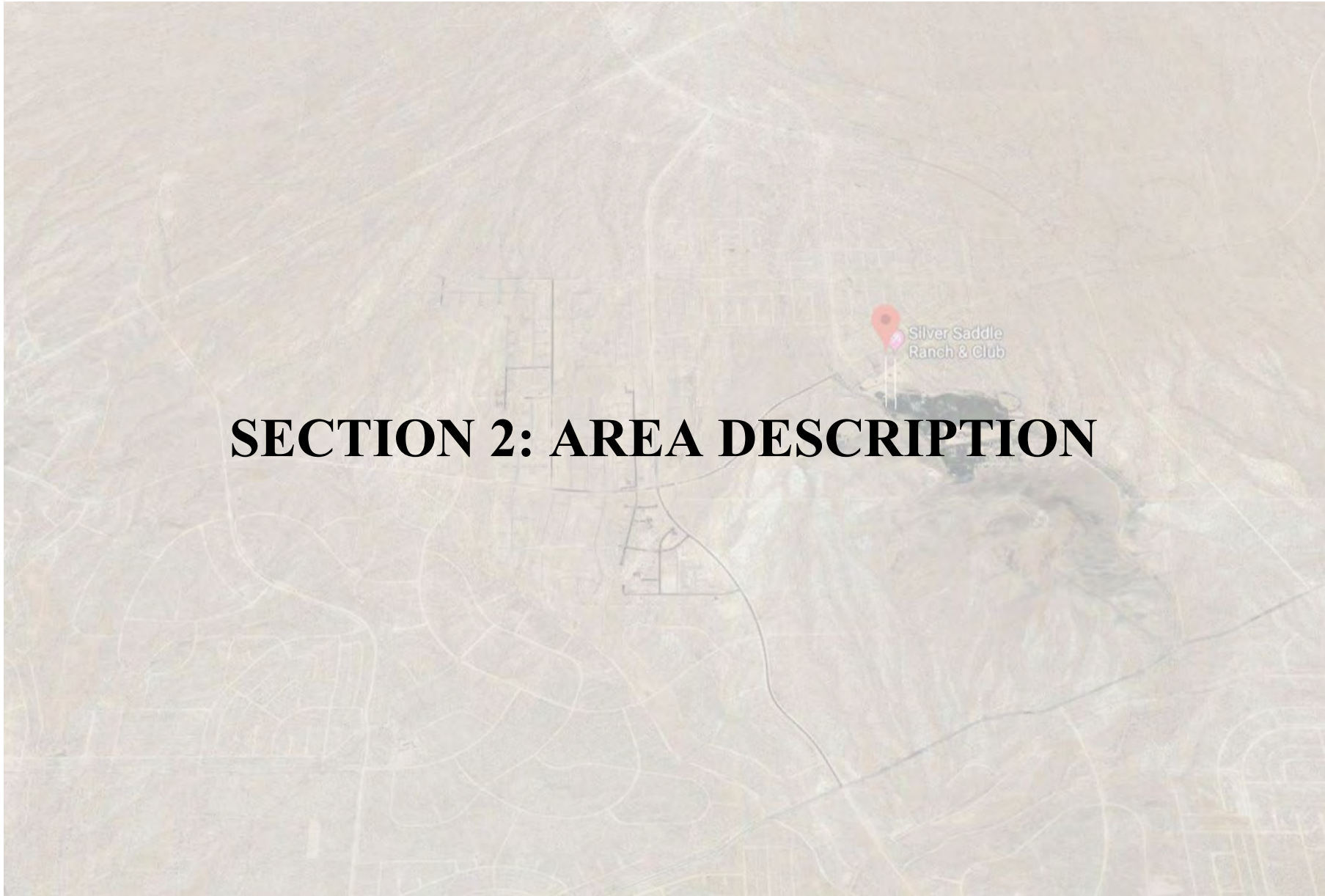
Coronavirus

As of the date this report was being prepared, the incidence of Coronavirus has continued to increase, both globally and locally. The long-term impact of this epidemic is unknown. The appraised values are based on the extraordinary assumption that the spread of the virus will be contained and that normal market conditions will soon return.

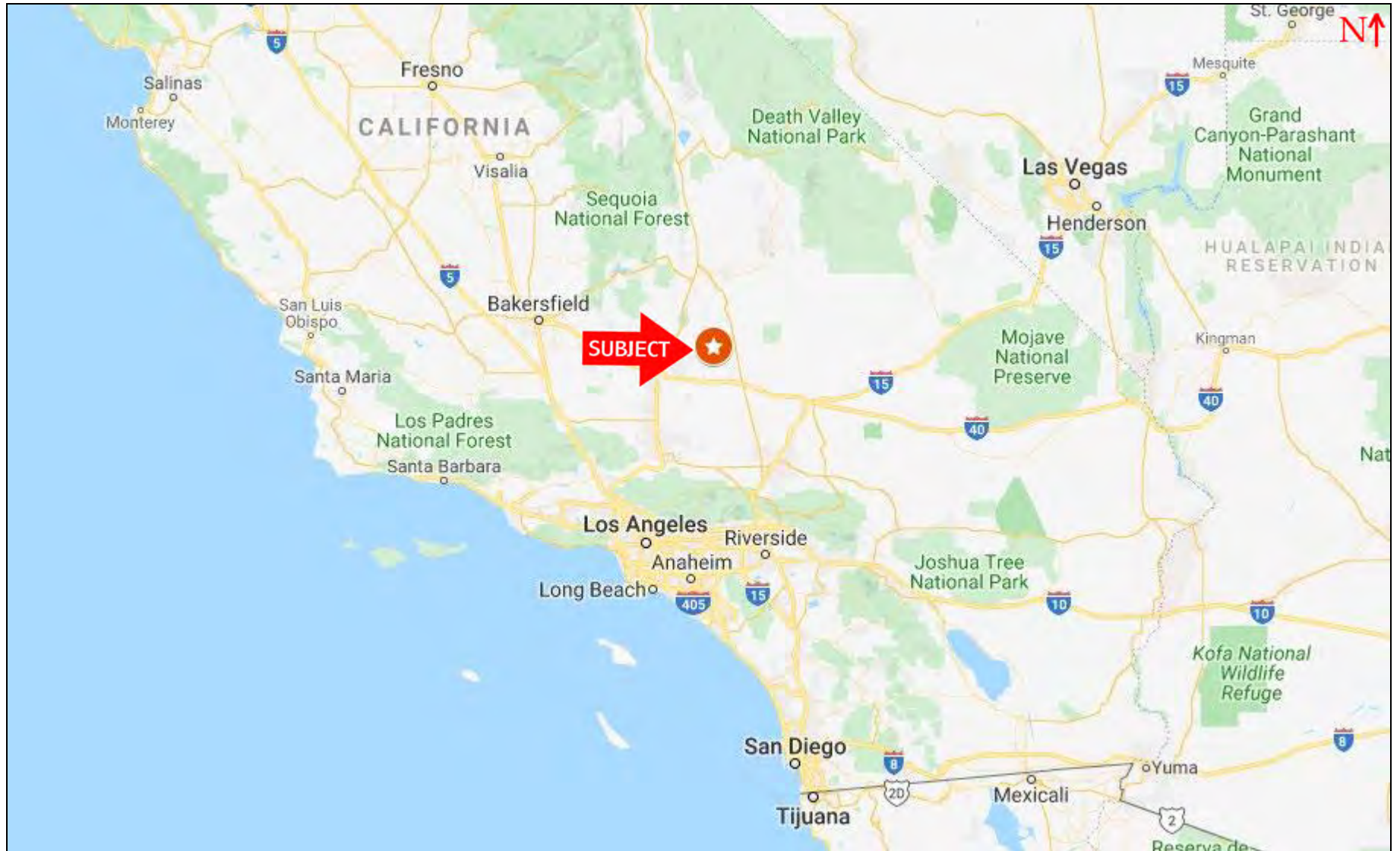
HYPOTHETICAL CONDITIONS

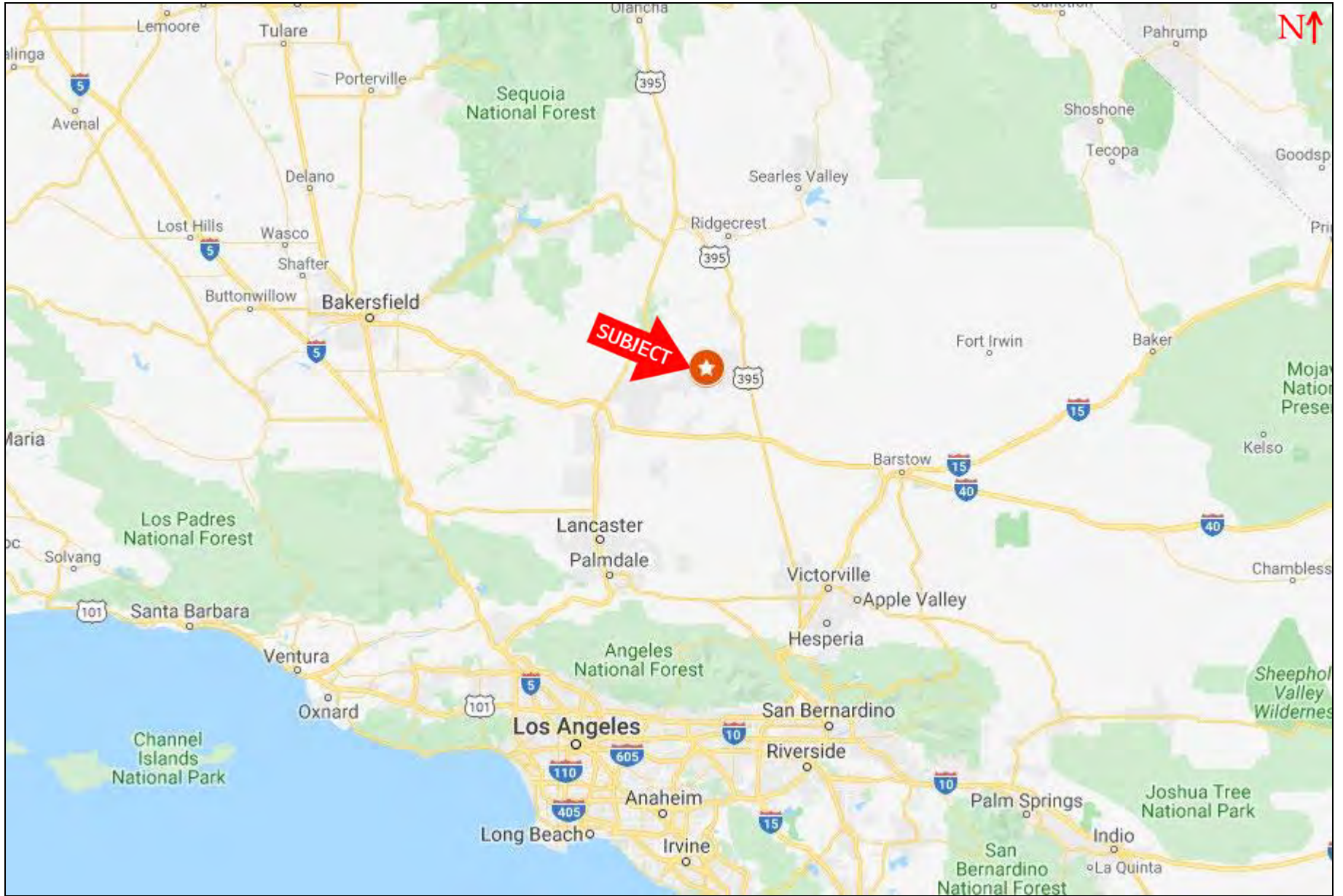
A hypothetical condition is defined in USPAP as “a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.”

No hypothetical conditions have been assumed in our appraisal.



REGIONAL SETTING





KERN COUNTY

General Setting

Kern County is the third largest county in California by land area, encompassing 8,172 square miles, larger than the state of Connecticut. Altitudes range from 200 feet above sea level on the valley floor to Sawmill Mountain standing at 8,755 feet. About 1/3 of Kern County lies within the southern end of California's Central Valley, an agricultural region.

Kern County is bordered by Inyo, Kings, and Tulare Counties to the north. It extends east to San Bernardino County, beyond the southern slope of the eastern Sierra Nevada range into the Mojave Desert, and includes parts of the Indian Wells and Antelope Valleys.

From the Sierras the county extends west across the floor of the San Joaquin Valley to the eastern edge of the Temblor Range, part of the Coastal Ranges, and borders San Luis Obispo County. To the south Kern County extends over the ridge of the Tehachapi Mountains bordering Los Angeles and Ventura Counties.

Population

California's population has expanded by 8.0% over the past 10 years, an average of 0.8% per year (compounded). Annual growth has ranged from 0.5%-1.0% over this period.

Over the same 10-year period, Kern County's population increased by 11.0%, 1/3 more than the statewide population. The county grew rapidly in the early-to-mid 2000s, averaging about 3% per year. Population growth decelerated sharply when the housing market crashed in 2008. While growth has picked up in recent years, it remains far below the level of the early 2000s. Last year, Kern County's population rose by 1.1%, in line with the previous two years and matching the 10-year average.

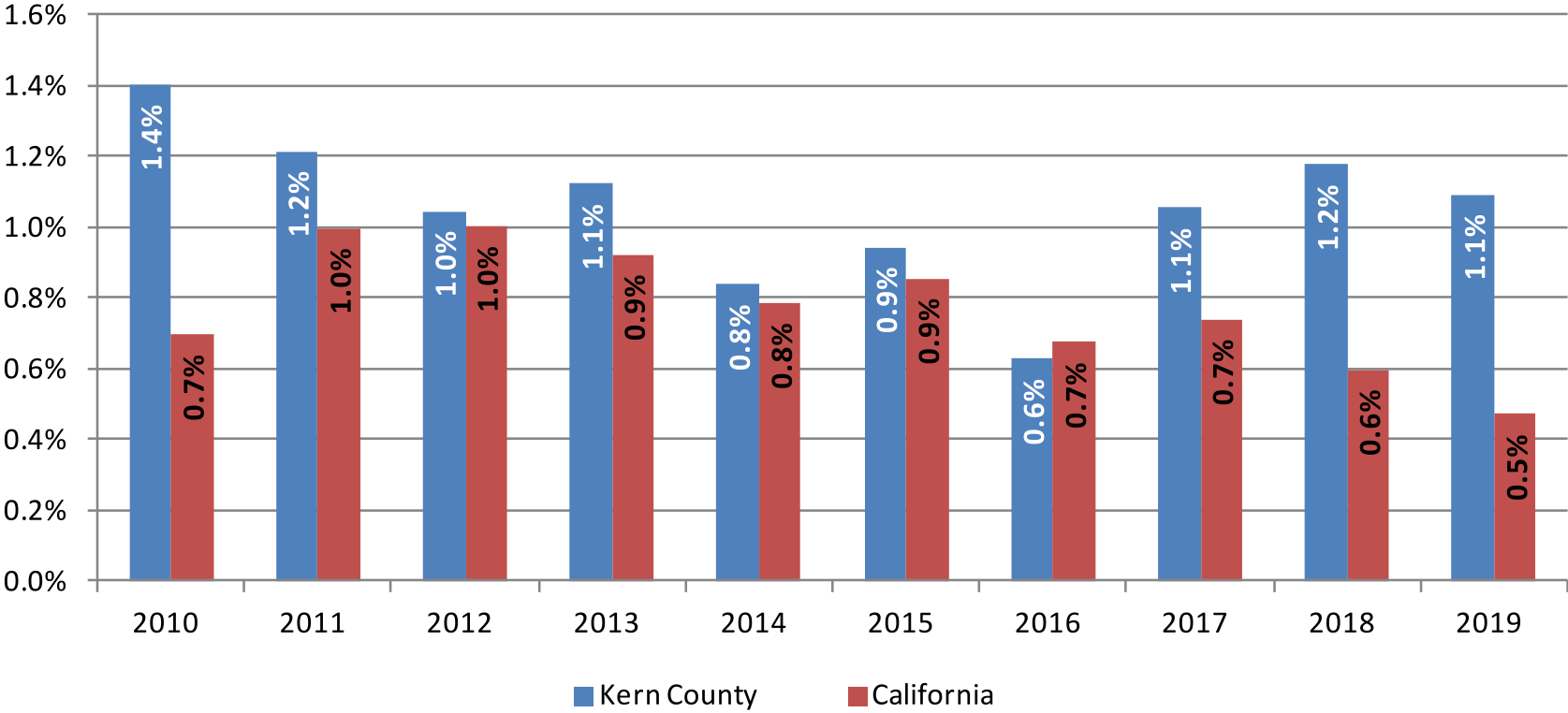
Recent population trends for Kern County and California are summarized below and shown in the graph on the following page.

Year	Kern County			California		
	Population	Avg. Per Year		Population	Avg. Per Year	
2009	825,503	---	---	36,966,713	---	---
2010	837,074	11,571	1.4%	37,223,900	257,187	0.7%
2011	847,237	10,163	1.2%	37,594,781	370,881	1.0%
2012	856,092	8,855	1.0%	37,971,427	376,646	1.0%
2013	865,688	9,596	1.1%	38,321,459	350,032	0.9%
2014	872,936	7,248	0.8%	38,622,301	300,842	0.8%
2015	881,167	8,231	0.9%	38,952,462	330,161	0.9%
2016	886,695	5,528	0.6%	39,214,803	262,341	0.7%
2017	896,031	9,336	1.1%	39,504,609	289,806	0.7%
2018	906,563	10,532	1.2%	39,740,508	235,899	0.6%
2019	916,464	9,901	1.1%	39,927,315	186,807	0.5%
Total		90,961	11.0%		2,960,602	8.0%
Avg.		10,107	1.1%		328,956	0.8%

Source: California Dept. of Finance, Demographic Research Unit; figures are as of Jan 1



Annual Population Growth Kern County and California



Source: California Department of Finance, Demographic Research Unit

Employment

Kern County's employment levels have been volatile in recent years, fluctuating with the health of the economy and oil industry conditions. Pre-recession nonfarm employment peaked at 242,700 in 2007, then fell sharply in 2008-2010, when the county lost 12,300 nonfarm jobs, mostly in 2009. It took until 2012 for nonfarm employment to recover to the pre-recession level. Employment rose in each subsequent year until 2016, when falling oil prices led to layoffs and a net loss of 1,500 jobs.

In 2017, though, nonfarm job growth turned positive again, expanding by 1.3%. Last year, Kern County added 7,200 nonfarm jobs, the most since 2006.

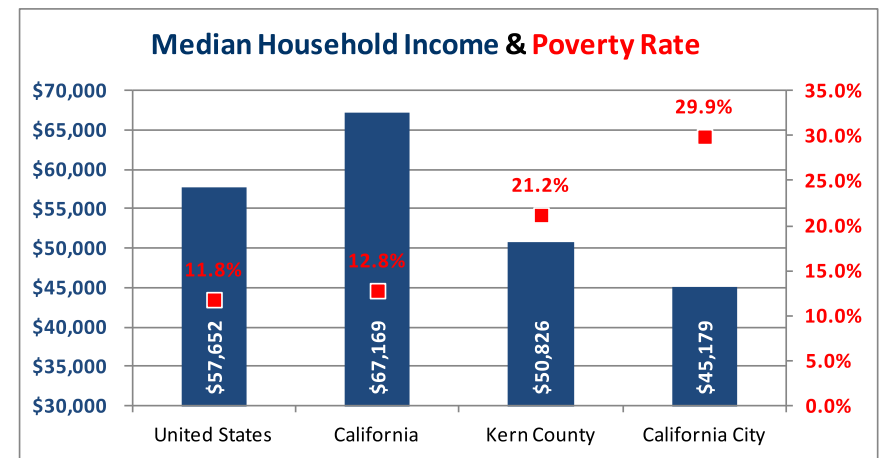
Unemployment has followed the opposite pattern, rising from 7.5% in 2006 to a mid-recession high of 15.7% in 2010. Since then, it has declined every year, falling to 8.0% in 2018, the lowest level since 2006. Employment trends are summarized in the graph on the following page.

Income

The median household income in Kern County for 2013-2017 was \$50,826, according to U.S. Census figures. This is somewhat lower than for California and the United States, as shown in the graph below. California City is less affluent than Kern County as a whole,

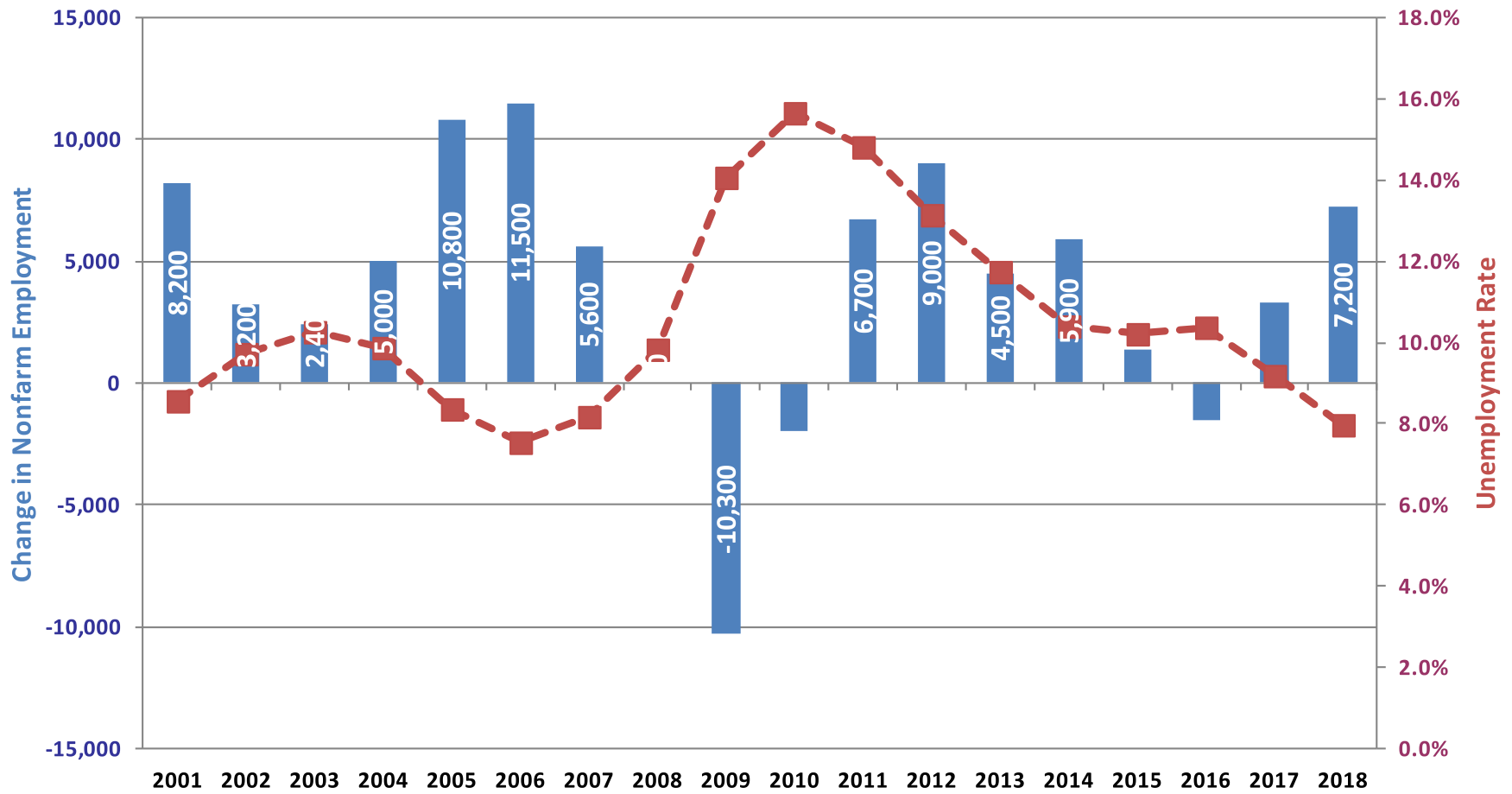
with a median income of \$45,179, below the national, state, and county levels.

Kern County's poverty rate is 21.2%, according to the Census, much higher than the state and national levels. California City's poverty rate is even higher, at 29.9%, or about 3 in 10 residents.



Source: <https://www.census.gov/quickfacts> and <https://www.point2homes.com/US/Neighborhood/CA/Temesca-Valley-Demographics.html>

Change in Nonfarm Employment Kern County



Source: <http://www.labormarketinfo.edd.ca.gov/msa/riverberr.html>



Transportation

A web of major state and interstate freeways and highways spans the county. Modern bus lines provide fast, efficient passenger service. Rapid transit truck lines and two transcontinental railroads move the products of industry and agriculture with speed and mobility. Commercial air service is available at Meadows Field near Bakersfield. Edwards Air Force Base and the Naval Weapons Center at China Lake contribute substantially to the county's economy.

Education

The Kern County educational system includes 110 elementary schools, 31 high schools, four community colleges, and California State University, Bakersfield. The county's schools educate more than 100,000 students each year in regular day classes and in the adult education program.

Recreation

Recreation and cultural activities in the county are numerous. For water sports enthusiasts, Lake Woollomes, Hart Park Lake, Lake Ming, the Buena Vista Aquatic Recreation Area, and Lake Isabella are nearby. For cultural buffs, there are the Kern Philharmonic, junior symphony, community theater, concert artist series, fairs, rodeos, and horse shows. Baseball, football and other spectator sports are also abundant.

CALIFORNIA CITY

California City is the third-largest city in California by land area, covering about 125 square miles. The community was the dream of Czech émigré Nathan Mendelsohn, a sociologist and Columbia University professor who studied the structure of towns and villages. Mendelsohn was eager to get in on the postwar development boom, and in 1958 he bought 82,000 acres (±125 square miles) in a remote area of the Mojave Desert, about 30 miles northeast of Lancaster, with the dream of creating a new master-planned city.

Mendelsohn built amenities like a golf course, 20-acre lake, swimming pool, and recreation fields. He also carved out a street grid and installed water and power infrastructure, readying the land for buildings that never came. Thousands of lots were sold, but most remain undeveloped. The mostly-empty street grid gives California City the appearance of a ghost town. Still, there is a golf course, small airport, a minor league baseball team, and a prison, the city's leading employer.

The California City Correctional Facility is a men's prison operated by the California Department of Corrections and rehabilitation. Situated about five miles north of town, this Level II prison has a maximum capacity of ±2,300 inmates. The privately-owned facility has been leased to the Department of Corrections since 2013.

[REDACTED]

Another major employer is Robertson’s Ready Mix, located at the southwestern edge of town. Robertson’s bills itself as the leading producer of ready-mix concrete products. Its California City plant is one of three Kern County facilities.

One industry California City has started promoting is cannabis. When California legalized recreational cannabis use in 2018, the state left it up to the cities and counties whether to allow cannabis facilities in their jurisdictions. Kern County and Bakersfield outlawed all cannabis outlets, but two small communities – California City and Arvin – voted to allow them. The city’s first cannabis outlet, California City Supply, recently opened, and another 20 or so marijuana-related businesses have been approved. Some hope that the marijuana tax will replace a parcel tax of ±\$172.50 per year assessed on all properties in the city that pays for city services.

[REDACTED]

[REDACTED]

Today, California City’s population is an even 15,000, according to the most recent estimate by the California Department of Finance Demographic Research Unit. The population has grown by 6.4% over the past decade, trailing both Kern County (11.0%) and the state as a whole (8.0%).

Population growth has been erratic, ranging from -9.3% in the year ending January 1, 2011 to +5.6% in the year ending January 1, 2015. On average, the city has added 90 new residents per year since 2009. Last year, California City’s population grew by 0.9%, down from 2.5% in 2017 and 2.7% in 2018. Ten-year population growth is summarized at right above.

California City can be accessed from State Highway 14 on the west and Highway 58 on the south via California City Boulevard.

California City			
Year	Population	Change	% Chng.
2009	14,096	---	---
2010	14,186	90	0.6%
2011	12,866	-1,320	-9.3%
2012	13,472	606	4.7%
2013	13,618	146	1.1%
2014	13,664	46	0.3%
2015	14,424	760	5.6%
2016	14,133	-291	-2.0%
2017	14,481	348	2.5%
2018	14,871	390	2.7%
2019	15,000	129	0.9%
Total		904	6.4%
Avg.		90	0.6%

Source: California Department of Finance, Demographic Research Unit; population figures are as of January 1 of each year



REGIONAL SUMMARY

In summary, Kern County has had its ups and downs over the years. The county experienced strong gains in population and employment in the early 2000s, as new residents poured in and construction boomed. In 2008, though, the housing market crashed and population growth plummeted. Conditions gradually improved, but the local economy took another hit when oil prices collapsed in 2016. The last two years have seen the economy expand again, with particularly strong employment growth in 2018.

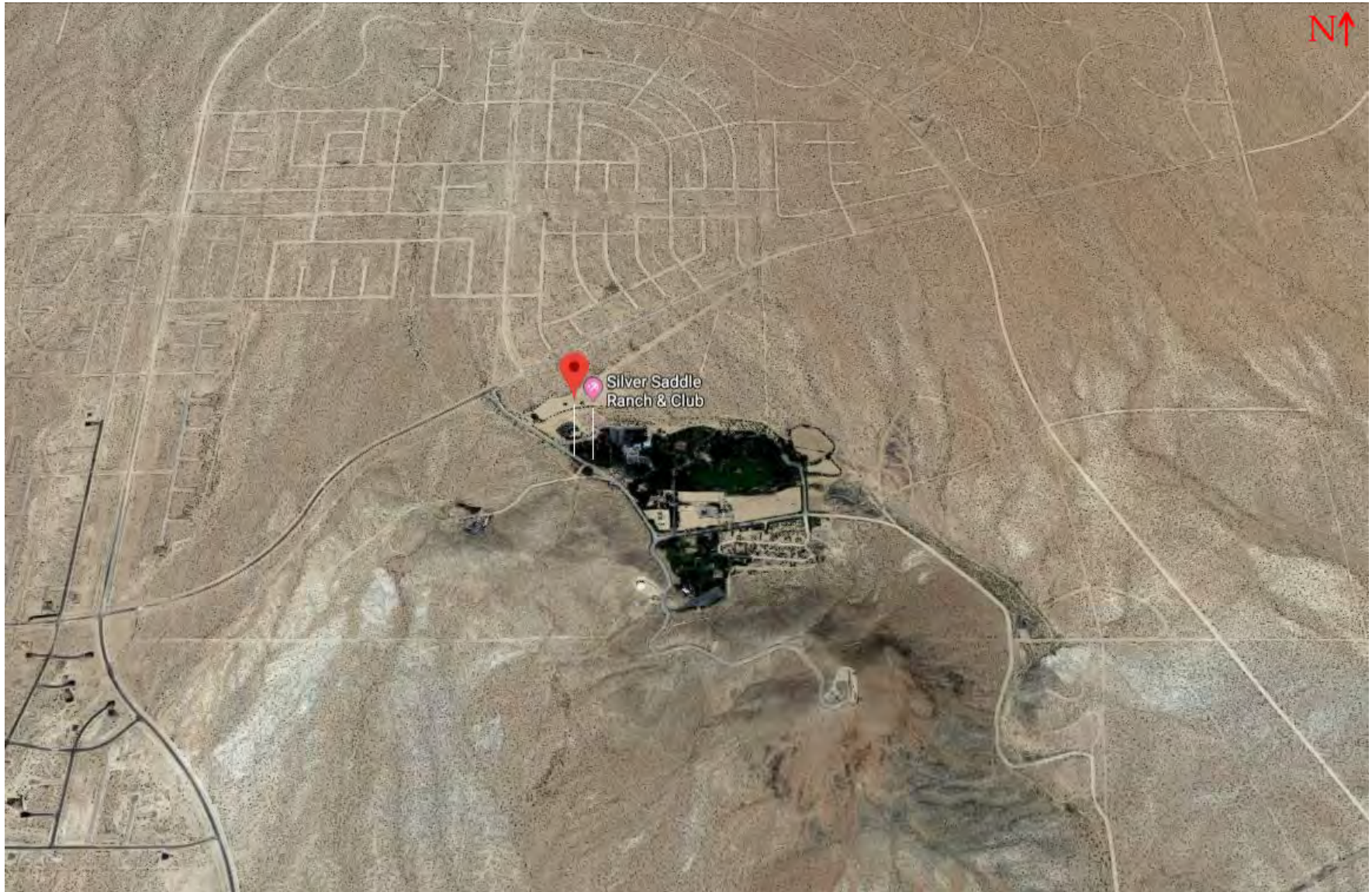
About 15,000 people call California City home, and many work at the local prison. Still, California City is a far cry from what its founder envisioned over 50 years ago. Only a tiny fraction of the land has been developed, and the founder's dreams of a city rivaling Los Angeles and San Diego have evaporated. California City is banking on cannabis to lift its economy and attract more residents, but the jury is out on whether this will have a significant long-term impact. With few other demand drivers, economic and population growth are likely to remain low.

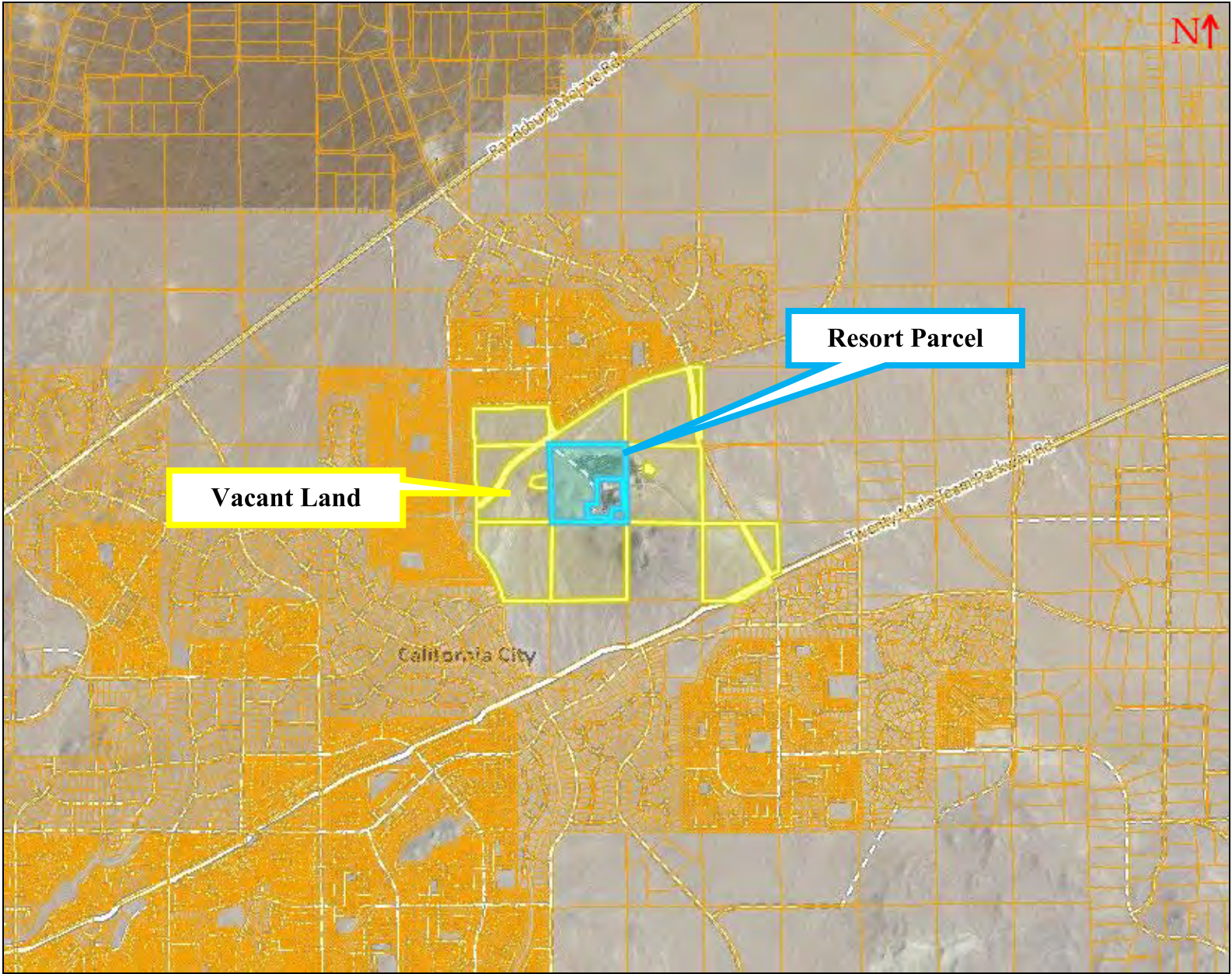
Sources

https://en.wikipedia.org/wiki/California_City,_California
<https://www.businessinsider.com/california-city-ghost-town-in-the-mojave-desert-2015-12>
<https://www.labormarketinfo.edd.ca.gov/majorer/countymajorer.asp?CountyCode=000029>

<https://www.turnto23.com/longform/california-city-the-city-of-broken-promises-a-bright-future-and-a-whole-lot-of-barren-desert>
<https://www.cdcr.ca.gov/facility-locator/cac/>
<https://bakersfieldnow.com/news/local/california-city-becomes-central-california-hub-for-budding-marijuana-business>
<https://jainsusa.com/blog/water-demands-for-cannabis/>
http://www.desertnews.com/news/article_ac7bf150-e628-11e9-a882-ab21508bea44.html

NEIGHBORHOOD DESCRIPTION





[REDACTED]

The subject's neighborhood is the so-called Second Community of California City, which lies about 15 miles northeast of the existing town. Like the original development, much of the land has been subdivided and has streets. However, unlike the first community, only a handful of homes have been built, all in the neighborhoods immediately north and west of the subject. According to the city, these are the only neighborhoods that have utilities.

Second Community is accessible from town by taking Twenty Mule Team Parkway Rd. to Rutgers Road, then to Kennedy Boulevard, and finally to Aristotle Drive, about a 20-minute drive. From Highway 395 to the east, Silver Saddle Resort is about a 30-minute drive on mostly dirt roads.

Outside of the Resort and a few scattered homes, the land is largely vacant for miles in all directions. Edwards Air Force Base lies about 20 miles to the southwest. About 15 miles to the southwest, along the north side of Highway 58, is the small community of North Edwards, a community of $\pm 1,000$ people.

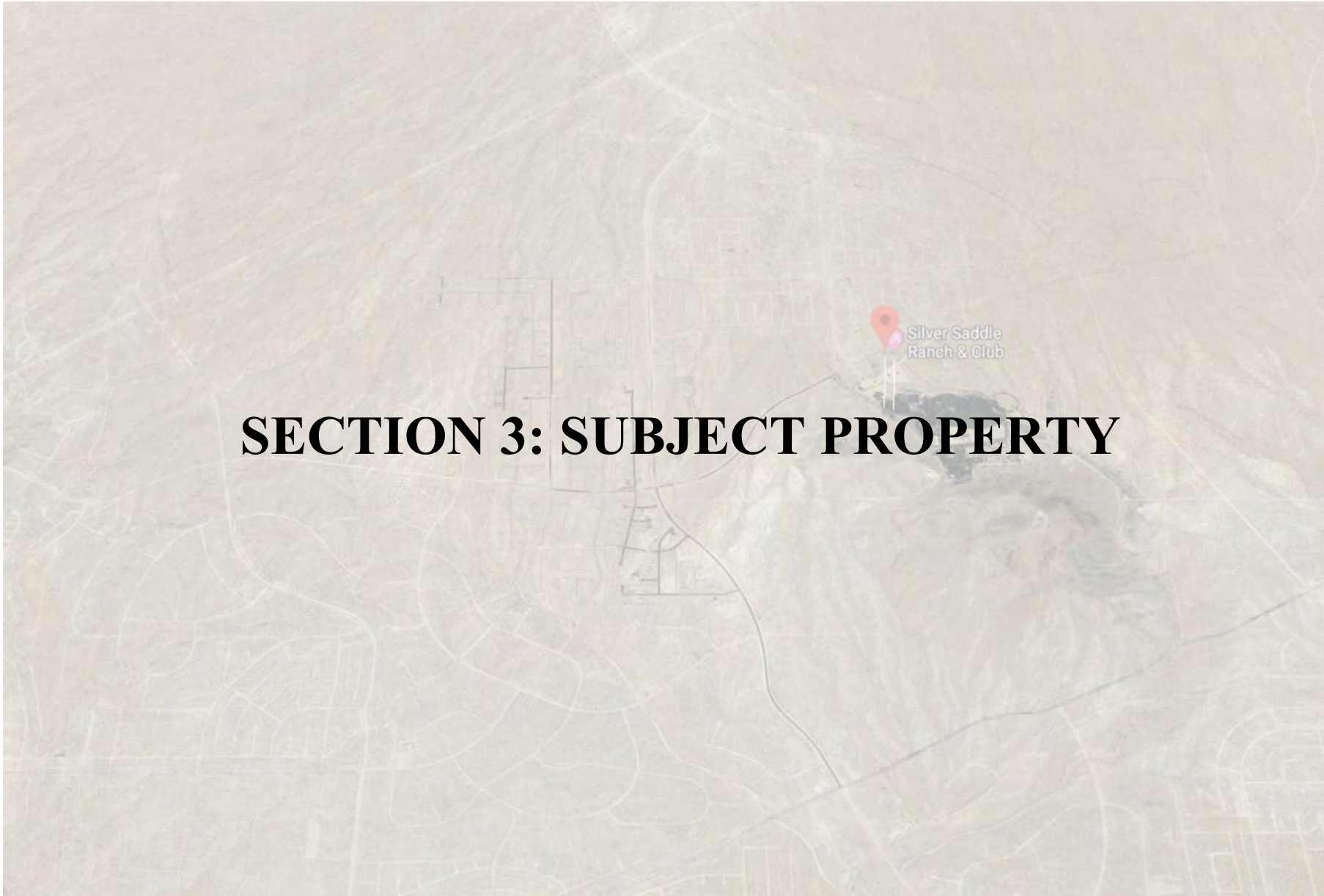
The U.S. Borax Mine, California's largest open-pit mine, is situated just north of the desert community of Boron, 12 miles southeast of the subject. Aerial Acres, a "fly-in" community of about 1,000 residents, is located 10 miles south of the subject.

The California City Correctional Facility, a Level II general population prison, lies south of Twenty Mule Team Parkway Rd. at Virginia Boulevard, 7 miles to the southwest.

California City and the surrounding area attracts thousands of off-roaders each year. There are over 1,800 miles of combination-use roads and dirt trails and 33.5 miles of designated off-highway vehicle (OHV) trails in California City, according to the city's website. Borax Bill Park, located at 16363 Twenty Mule Team Parkway Rd., six miles southwest of the subject, offers free dry camping on a first-come, first-served basis. Campsites with water and electricity hookups are available for a fee.

Cal City MX Park is located at 24510 168th St., five miles southwest of the subject, next to Borax Bill Park. This motocross park has a 1.3-mile long main track and is surrounded by miles of desert trails.

In summary, the subject's neighborhood is a remote desert locale about 15 miles northeast of the developed area of California City. Outside of the subject Silver Saddle Resort, the aforementioned parks, the prison, and a few scattered homes, the land is mostly vacant.



SUBJECT PROPERTY PHOTOGRAPHS



Entrance to Resort from Kennedy Boulevard at Aristotle Drive



Clubhouse



View north overlooking Resort from adjacent Galileo Hill



Clubhouse lobby area

SUBJECT PROPERTY PHOTOGRAPHS



Clubhouse kitchen



Hotel Building A



Clubhouse dining room



Four-unit Bungalow building (one of two)

SUBJECT PROPERTY PHOTOGRAPHS



Cottage building (3 units)



Pull-through RV spaces with full hookups



Stable



Main lake



SITE DATA

General Description

The subject property consists of an ±82-acre portion of the Silver Saddle Ranch & Club (the “Resort”) and ±1,069 acres of adjacent land. The Resort has 48 motel rooms (37 units in two main buildings, 8 “bungalows” in two single-story buildings, and 3 “cottages” in another single-story building), a clubhouse, restaurant, administration building, stables and corrals, 20 RV spaces with full hookups, and a portion of a 48-space campground.

Amenities include a large central lake, two swimming pools, a driving range, miniature golf course, and areas for trap and skeet shooting and archery. A sales pavilion and adjacent parking lot, together with the rest of the campground, are part of the Resort, but are excluded from the appraisal because they are on city-owned property.

A Resort site plan and assessor’s maps for the various parcels are reproduced in the following pages.

Zip Code

93305 (California City)

Census Tract

65

Legal Description

We reviewed a title report on the Resort parcel (APN 457-020-12) prepared by Chicago Title Company, dated as of February 5, 2020. The legal description from this report is included in the Addenda. No title reports or legal descriptions were provided for the other parcels.

Assessors’ Parcel Numbers/Land Area

The Resort occupies ±82 acres east of Aristotle Drive. The majority of the Resort is on APN 457-020-12, but it also includes ±20 acres of APN 457-020-05.

The vacant land consists of eight APNs totaling ±1,022 acres, plus ±67 unimproved acres within the main Resort parcel (APN 457-020-12) that lie west of Aristotle Drive. The total vacant land area is ±1,069 acres.




The APNs, ownership, and land areas are summarized below.






Silver Saddle Ranch & Club Map



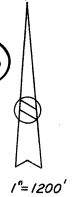
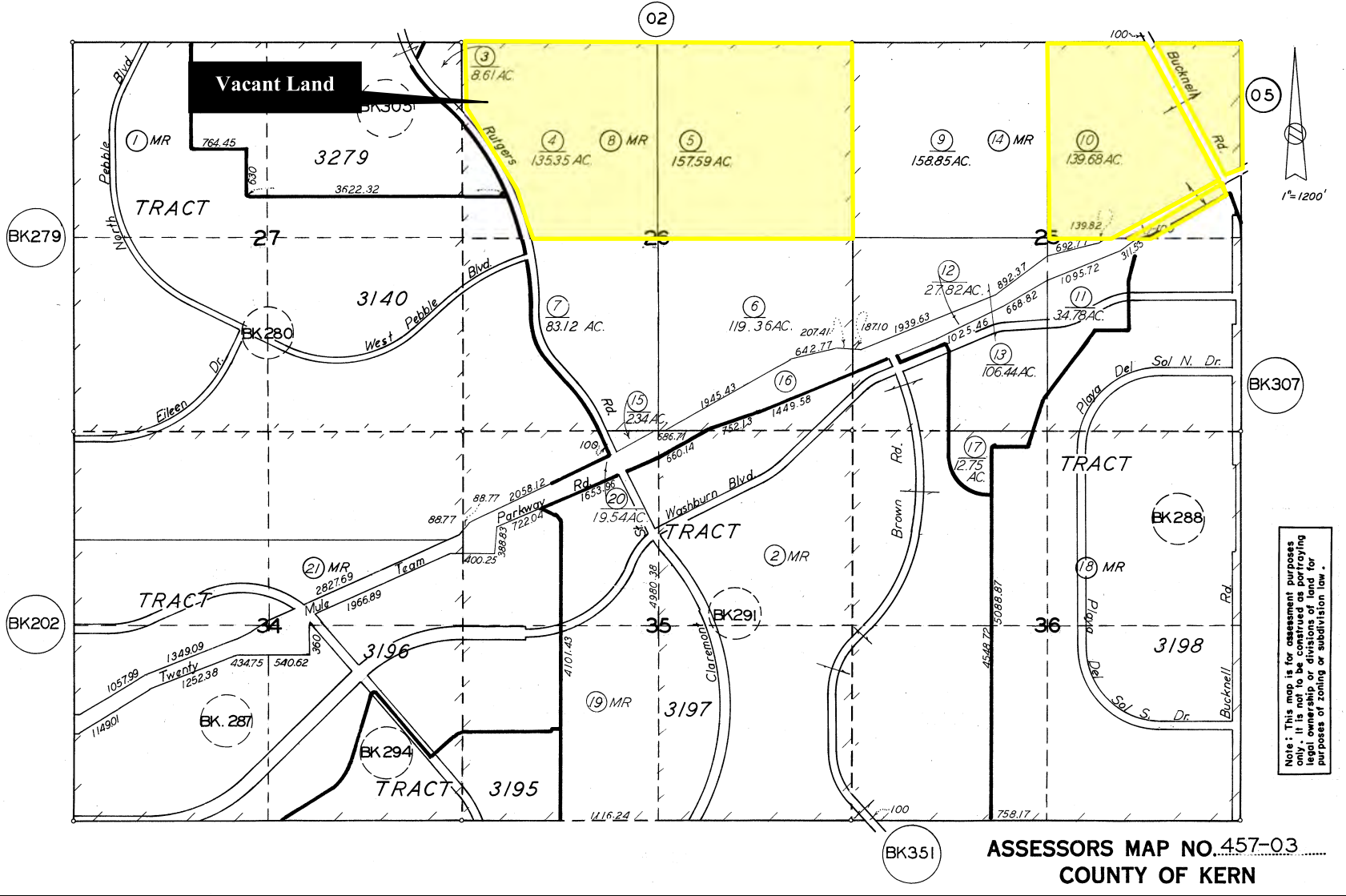
-  Hotel, Club House & Pavilion
-  Parking
-  Amenities
-  Pools
-  Ponds & Lake
-  Camping & RV Sites
-  Park



- ### Hazardous Materials
-  Gas Tank 250 Gallons
 -  Diesel Tank 500 Gallons
 -  Propane Tanks 500 -1000

- ### Emergency Evacuation Areas
-  1=Hotel A & B and Bungalows
 -  2= Club House, Restaurant, Bar, & Stables
 -  3= Trap & Skeet, Archery, & Park Area
 -  4= Sales Pavilion
 -  5= Sales





Note: This map is for assessment purposes only. It is not to be construed as portraying any other information for purposes of zoning or subdivision law.

ASSESSORS MAP NO. 457-03
COUNTY OF KERN

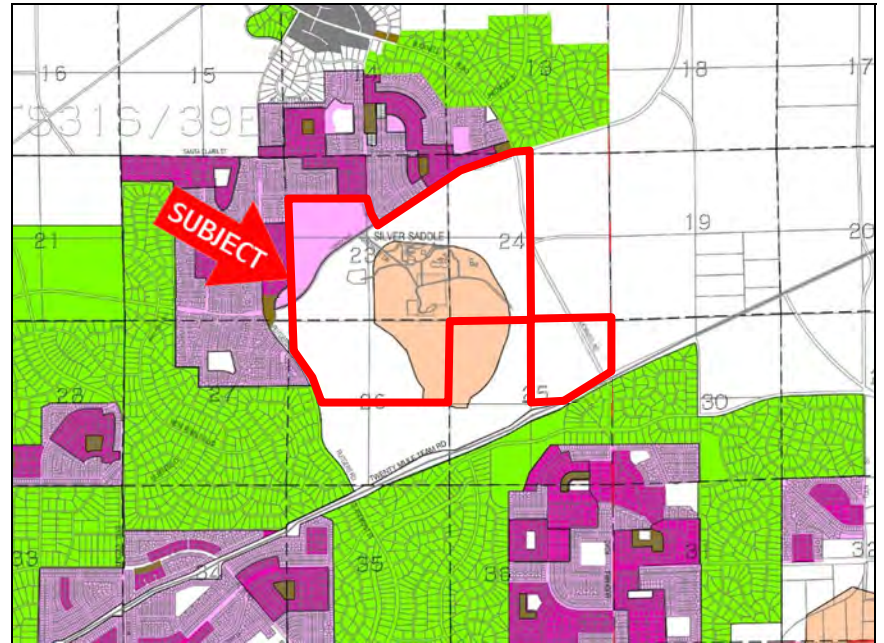
APNs	Ownership	Area (Acres)*
Resort		
457-020-12	Silver Saddle Ranch & Club, Inc.	129.44
Plus Resort Area Within APN 457-020-05		20
Less Vacant Land West of Aristotle Dr.		(67)
Adjusted Total (Resort)		82.44
Rounded To		82
Vacant Land		
457-020-05	Silver Saddle Commercial Develop.	158.58
457-020-13	Silver Saddle Commercial Develop.	136.78
457-020-14	Silver Saddle Commercial Develop.	63.95
457-020-16	Silver Saddle Commercial Develop.	78.85
457-020-25	Silver Saddle Commercial Develop.	151.16
457-030-04	Silver Saddle Commercial Develop.	135.35
457-030-05	Silver Saddle Commercial Develop.	157.59
457-030-10	Silver Saddle Commercial Develop.	139.68
Total		1,021.94
Less Area In Resort (Portion of APN 457-020-05)		(20)
Plus Portion of APN 457-020-12 W/O Aristotle Dr.		67
Adjusted Total (Vacant Land)		1,068.94
Rounded To		1,069
Total		
Total		1,151

*Whole parcel areas per Kern County Assessor's maps; partial areas estimated using measuring tool on Kern County GIS (maps and area calculations in Addenda) (<https://maps.kerncounty.com/H5/index.html?viewer=KCPublic>)

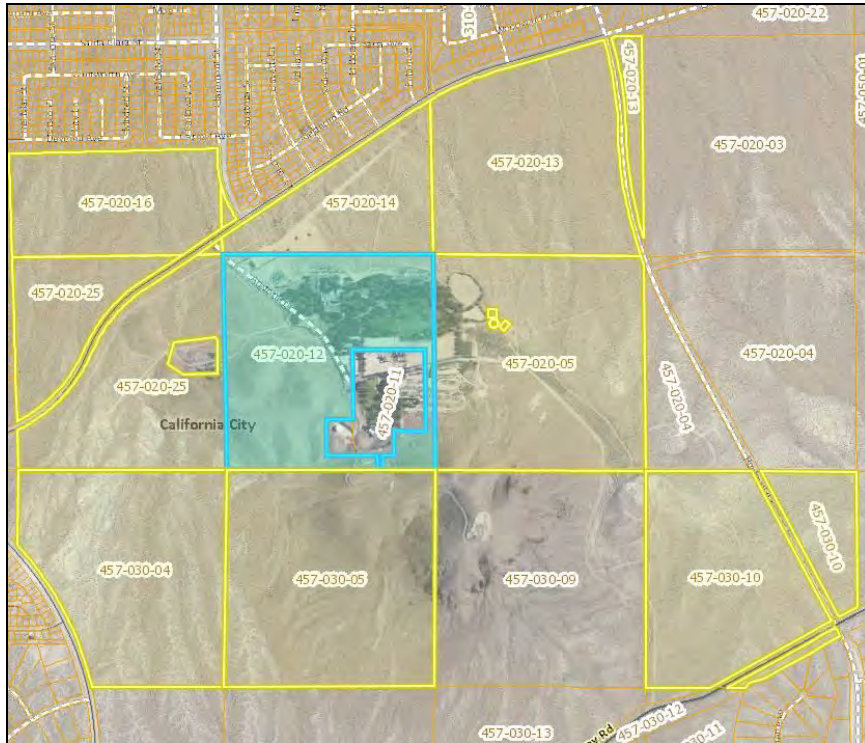
Zoning/General Plan

The general plan land-use designation for the Resort is O/RA (shaded), denoting conservation land. The existing use is grandfathered, and is considered legally nonconforming, per City Planner Shawn Monk. Most of the vacant land is designated O/RA

(unshaded), signifying “controlled development, public parks & recreation or public schools.” Approximately 120 acres lying north of Kennedy Boulevard is zoned R1 (medium-density residential).



- O/RA Conservation Land
- O/RA Controlled Development, Public Parks & Recreation or Public Schools
- R1 Medium Density Residential - 6D.U./1 Acre (sewered) - 2 D.U./1 Acre (unsewered)



Utilities

Electricity service is provided to the Resort by Southern California Edison. Water service is provided by the city of California City, which has a one million gallon reservoir on the hill next to the subject. Mr. Monk with the city said that California City controls the water rights and does not permit private wells. (See Exception #6 in the title report, discussed below.) In any event, there is no evidence the water table is high enough, or the water quality good

enough, to make wells a practical source of water for the Resort. As a result, the property must rely on municipal water, which is expensive.

Caretaker James Nale said when he started working at Silver Saddle earlier this year, the water bill was around \$50,000 per month. With the Resort shut down and the landscaping not being watered, the bill has dropped to about \$38,000 per month. Mr. Nale believes a substantial amount of water is being lost through leaks, but he doesn't know how much.

Sewage disposal is handled by 16 on-site septic systems, according to Mr. Nale. There is no municipal sewer. Gas is propane.

Easements/Title Exceptions

We reviewed a title report on the Resort parcel (APN 457-020-12) prepared by Chicago Title Company, dated as of February 5, 2020. The report identifies 22 exceptions to title coverage.

Excluded items include taxes and assessments (#1-5), water rights (#6), the right to any land within Kennedy Boulevard and Aristotle Drive (#7), road, public utility, and ingress/egress easements (#8-

[REDACTED]

12 and #14-19), an agreement relinquishing the state’s right of surface entry for mineral extraction (#13), the fact that the property lies within a redevelopment district (#20), any rights of parties in possession (#21), and any matters that may be discovered by inspection and/or survey (#22).

None of these items appears to prevent use of the Resort as a private retreat or camp.

Flood Hazard

Most of the Resort (including the buildings) and the surrounding land is in Flood Zone X, signifying a location outside of a recognized 100-year floodplain. A small portion of the Resort and a few well-defined channels in the vacant land are designated Zone A, signifying a 100-year floodplain location. Mandatory flood insurance requirements would apply to any habitable structures built in these areas. A screenshot of FEMA’s Natural Flood Hazard Layer Viewer can be found on the next page.

Earthquake Hazard

According to the official state map, the subject does not lie within an earthquake fault zone, as defined in the Alquist-Priolo Special Studies Act of 1971.

(<https://maps.conservation.ca.gov/cgs/EQZApp/app/>)

Topography

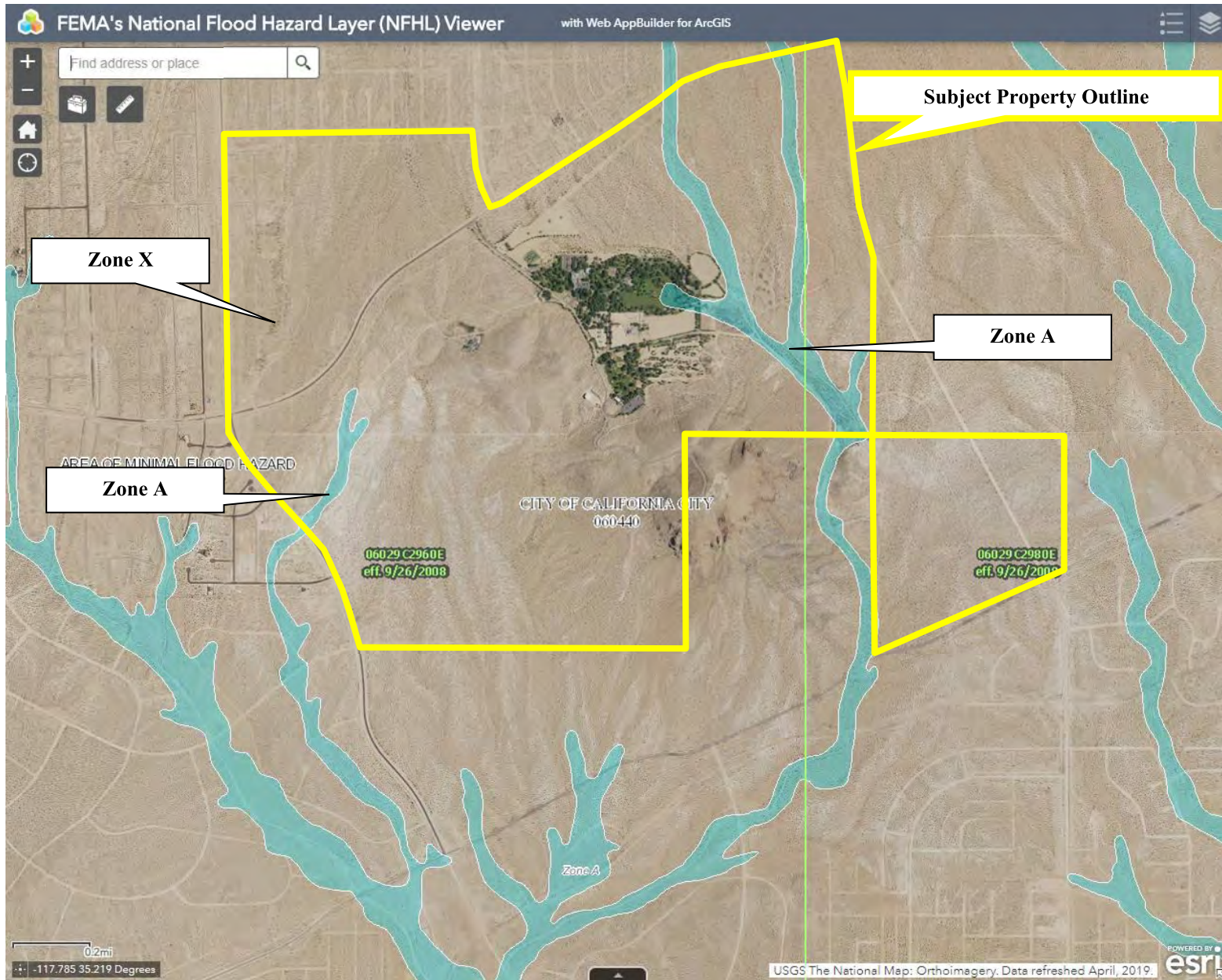
For the most part, the Resort and surrounding acreage are level or gently-sloping. Portions of the vacant land adjacent to Galileo Hill are more steeply-sloping.

Streets/Access

The Resort is accessible via Twenty Mule Team Parkway Rd., Rutgers Road, Kennedy Boulevard, and Aristotle Drive, all paved two-lane roads. Portions of the vacant land are not accessible by vehicle.

Consultant Reports

The client forwarded a habitat assessment report prepared by Trestles Environmental Corporation, dated February 12, 2020. The purpose of the report was to evaluate the property for “potential habitat conservation and/or mitigation opportunities, including identification of vegetation communities, determining the potential for sensitive plants and wildlife to occur onsite, and if the Property falls near or within any designated conservation area.”



[REDACTED]

The consultant stated that the majority of the property contains Creosote bush scrub habitat, which is suitable for a number of protected species, including the Desert tortoise, Mohave ground squirrel, and burrowing owl. The report notes that Natural Resources Group’s West Mojave Conservation Bank lies immediately east of the subject, and the conservation bank is bordered by the Fremont Valley Ecological Reserve, managed by the California Department of Fish and Wildlife. The Desert tortoise, Mohave ground squirrel, and burrowing owl are known to be present within the conservation bank and the ecological reserve.

[REDACTED]

[REDACTED]

Resort Improvements

The Silver Saddle Resort features 48 guestrooms in five buildings, as outlined at right. The Resort also includes a clubhouse building with a game room, lobby, billiards room, lounge, dining room, and

commercial kitchen. Adjacent to the clubhouse are a covered patio with seating and two swimming pools with restrooms.

Building	Ground Floor Rooms	Second Floor Rooms	Total Rooms
Building A	7	10	17
Building B	10	10	20
“Bungalows” (2 Buildings)	8	---	8
“Cottages” (1 Building)	3	---	3
Total	24	24	48

Other facilities include an administration building, equestrian center with stable, corrals, and rodeo ring, lake, 20 pull-through RV spaces with full hookups, and a portion of a 48-space campground for tents and small RVs. Recreational facilities include a miniature golf course, driving range, areas for archery and trap & skeet shooting, and a boat launch.

A sales pavilion and adjacent parking lot, together with the rest of the campground, are part of the Resort, but are excluded from the appraisal because they are on city-owned property.

The following page contains a map and summary of the Resort guest rooms that caretaker Jim Nale provided at our site inspection.



Bungalows				Building B					Building A				RVs
				<i>Upstairs</i>					<i>Upstairs</i>		<i>Downstairs</i>		
132 dbls	129 dbls	128 dbs	125 dbls	836 Qs	835 dbls	833 dbls	832 dbls	831 Qs	Suite 215		Suite 105		RV9
131 Adjoining Qs	130 Adjoining Qs	127 Adjoining Qs	126 Adjoining Qs	807 Qs	808 dbls	809 dbls	810 dbls	811 Qs	719 dbls	610 dbls	715 dbls	613 dbls	RV8
Cottage Suites				<i>Downstairs</i>					720 dbls	609 dbls	716 dbls	612 dbls	RV7
583 K & Qs	582 K & Fs	581 K, TT&Fs		830 Qs	829 dbls	828 dbls	827 dbls	826 Qs	721 dbls	608 dbls	717 dbls	611 dbls	RV6
				816 Qs	817 dbls	818 dbls	819 dbls	820 Qs	718 Qs	607 Qs			RV5
									Suite 200				RV4
													RV3
													RV2
													RV1

SILVER SADDLE RANCH & CLUB Room Locator Map

- * Qs-Queen bed & Sofa bed
- * Dbls-Double beds
- * K-King bed
- * TT-Twin beds

████████████████████

We noted some deferred building maintenance, including areas of wood rot, missing roof shingles, warped exterior doors, and dead landscaping. Mr. Nale stated that the septic systems need servicing. In general, though, the facilities appear to be serviceable.



PROPERTY HISTORY

The following property history synopsis conforms to USPAP Standards Rule 1-5, which states that “when the value opinion to be developed is market value, an appraiser must, if such information is available to the appraiser in the normal course of business:

- (a) analyze all agreements of sale, options, and listings of the subject property current as of the effective date of the appraisal; and
- (b) analyze all sales of the subject property that occurred within the three (3) years prior to the effective date of the appraisal.

According to information provided by the client, the Resort was developed in the early 1980s by Great Western City, Inc. In 1983, James Tarver purchased the real estate assets in California City from Great Western and formed Silver Saddle Development Company, Inc. In 1987, Silver Saddle Ranch & Club, Inc. was formed and purchased the Resort, receivables, and inventory. Thomas Maney became the majority shareholder and president, and remains in that position.

Around 2011, Silver Saddle Ranch began selling fractional ownership interests in the vacant land. Each unit consisted of an undivided 1/4,000th interest, or 0.025%. According to a complaint

filed by the California Department of Business Oversight (DBO), approximately 2,000 units were sold over the next few years, at an aggregate price of \$56.5 million, with the seller typically financing 80% of the purchase price.

In a September 2019 ruling, San Diego Superior Court judge Joel Wohfeil issued a temporary restraining order barring further land sales, freezing all related assets, and appointing a receiver. This appraisal is being conducted at the request of the court-appointed receiver, Thomas W. McNamara.



TAXES AND ASSESSMENTS

Tax Rate (Code) Area

011-001

Tax Rate

1.18949% (2019-20)

Assessed Value

Per Proposition 13

Additional Assessments

Measure C, passed by California City voters in 2018, assesses each parcel an annual fee of \$172.50 to maintain public services.



HIGHEST AND BEST USE

INTRODUCTION

“Highest and best use” is “the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.”

Source: Appraisal Institute, The Appraisal of Real Estate, 14th Edition, 2013

The highest and best use must satisfy four tests. It must be:

- Legally permissible
- Physically possible
- Financially feasible, and
- Maximally productive (i.e., most profitable)

The concept of highest and best use applies to the site as though vacant and as improved. When a site has improvements, the highest and best use may be different from the existing use. Nevertheless, the existing use will continue unless and until the land value in its highest and best use exceeds the value under the existing use plus the cost to remove the improvements.

AS VACANT

Legally Permissible

The general plan land-use designation for the Resort is O/RA (shaded), denoting conservation land. The existing use is grandfathered, and is considered legally nonconforming, per City Planner Shawn Monk.

Most of the vacant land is designated O/RA (unshaded), signifying “controlled development, public parks & recreation or public schools.” Approximately 120 acres lying north of Kennedy Boulevard is zoned R1 (medium-density residential).



Physically Possible

The site is generally level or gently-sloping, and paved public road access and utilities are available to the Resort. A major constraint on use is the lack of plentiful and inexpensive water. The city controls

[REDACTED]

the water rights and does not permit private wells. In any event, there is no evidence the water table is high enough, or the water quality good enough, to make wells a practical source of water for the Resort. As a result, the property must rely on municipal water, which is expensive.

According to a recent habitat survey, the vacant land is likely home to one or more sensitive species (desert tortoise, Mohave ground squirrel, and burrowing owl), but additional study is needed to confirm this.

Financially Feasible and Maximally Productive

To be financially feasible, a use must be profitable. The *most* profitable use is the maximally productive one.

A complete analysis and evaluation of the potential uses of the site as vacant is beyond the scope of our appraisal. We note that the property is remote and lacks the typical demand drivers for large-scale recreational, commercial, or industrial uses. The location is remote, sparsely populated, and far from major traffic routes.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

AS IMPROVED (RESORT)

While it would make little sense to develop a Resort on the property today, this is not to say that the existing improvements have no value. The Resort has buildings and amenities, enumerated previously, that would likely cost several million dollars to replicate today. [REDACTED]

[REDACTED]

[REDACTED]

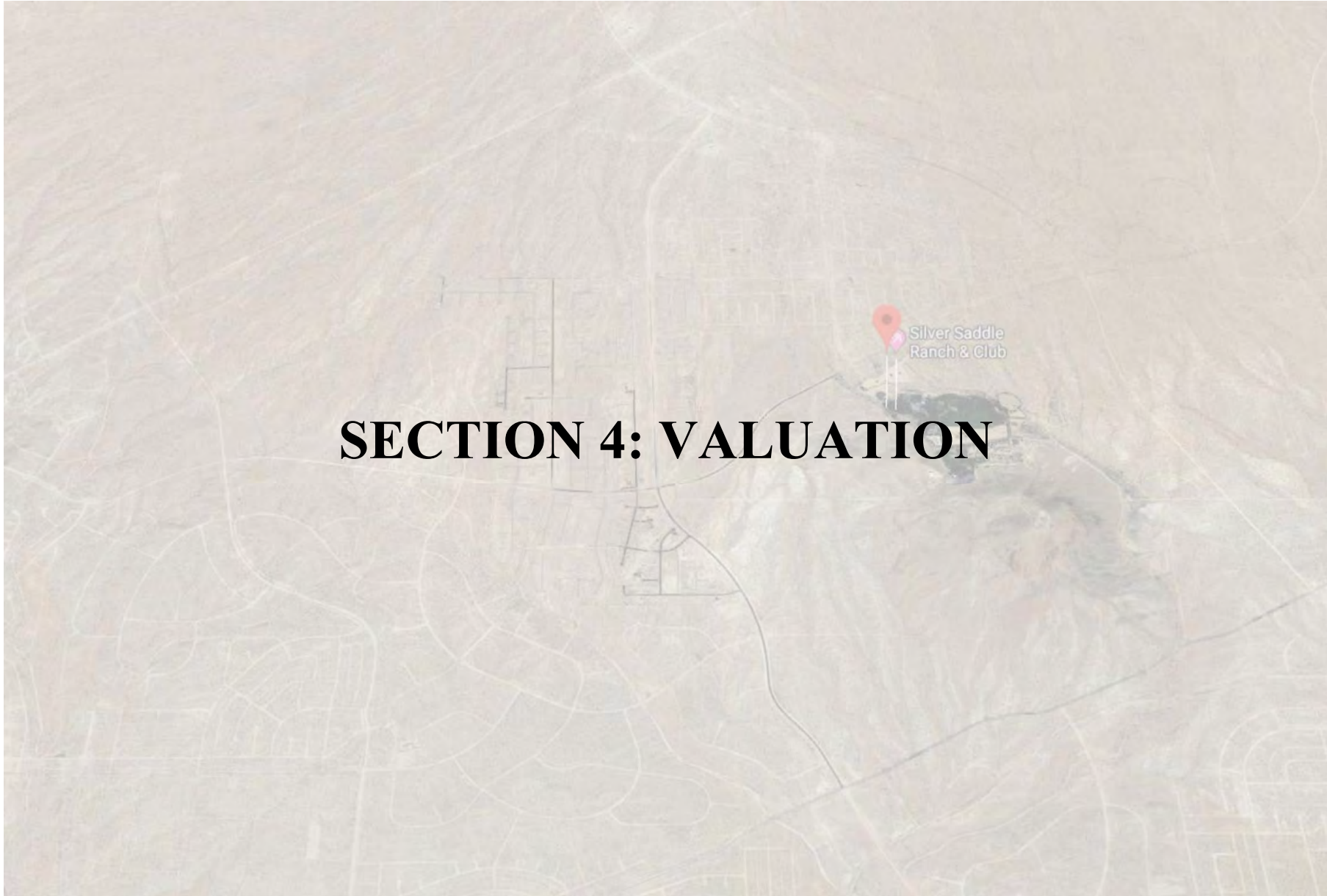
Despite some deferred maintenance, the existing structures appear to be basically sound.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

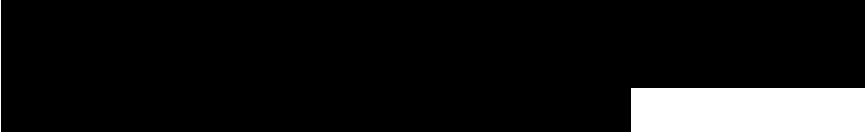




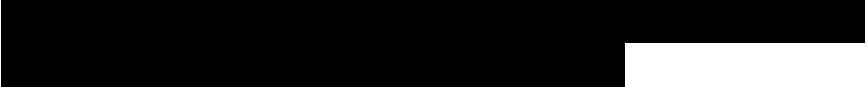
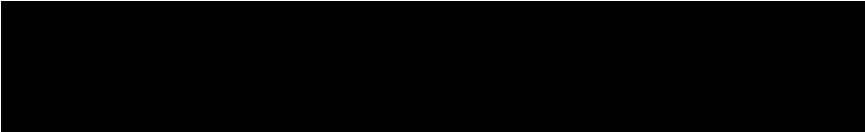
APPRAISAL PROCEDURES

Appraisers typically employ three approaches to value, the Cost, Income Capitalization, and Sales Comparison Approaches.

The Cost Approach involves estimating the current cost of construction, less depreciation from three sources: physical deterioration, functional obsolescence, and external obsolescence. A summation of the market value of the land and the depreciated replacement cost of the improvements provides an indication of the total property value.



The Income Capitalization Approach involves analyzing rentals of comparable properties to estimate market rent for the subject. Deductions are made for vacancy/collection loss and operating expenses, and the net operating income (NOI) is capitalized into a value indication. This can be done using direct capitalization, which involves dividing the NOI by a market-derived “cap rate,” and/or yield capitalization, which involves present-valuing future cash flows at an appropriate discount rate.



In the Sales Comparison Approach, an estimate of value is obtained by comparing the subject to sales and/or listings of similar properties in the area. This technique is used to indicate the value established by informed buyers and sellers in the marketplace.

The Sales Comparison Approach is directly applicable to the subject. We have used the approach to value the property by component and in bulk. In the component analysis, the Resort and vacant land are valued separately and the values are combined to provide a value estimate for the property as a whole.

In the bulk valuation, partly-improved comparables of 1,000 acres or more are analyzed and compared to the subject to derive an overall value indication. The component and bulk value indicators are then reconciled and a value is concluded for the property as a whole.

We continue on the following page with the valuation of the individual Resort and land components.



COMPONENT VALUATION: RESORT AND VACANT LAND

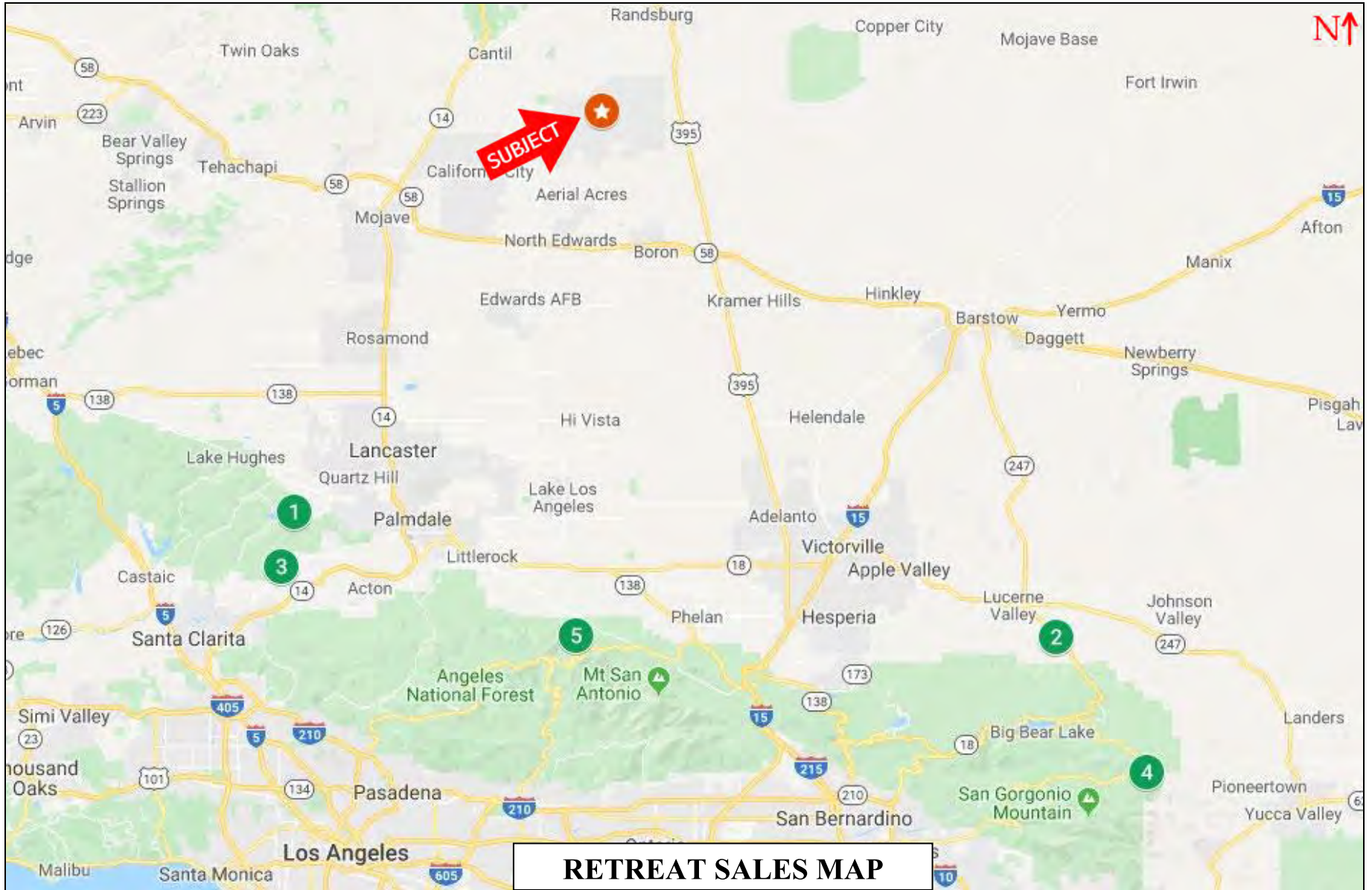
RESORT

To value the Resort, we searched for sales of properties with a similar retreat- or recreation-oriented highest and best use. The subject property is unique, though, making it necessary to expand our search geographically to identify a sufficient number of relevant comparables. The most comparable sales are summarized in the table on the following page, which is accompanied by a location map. The sales are discussed briefly below.

[REDACTED]

RETREAT SALES							
SILVER SADDLE RANCH & CLUB							
Comp	Name, Location, APN	Buyer Seller	Land Area (Acres)	Year Built	Rec. Date Doc. #	Sale Price	
						Total	Per Acre
1	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
3	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
5	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Source: [REDACTED]



RETREAT SALES MAP

Comparable Sales

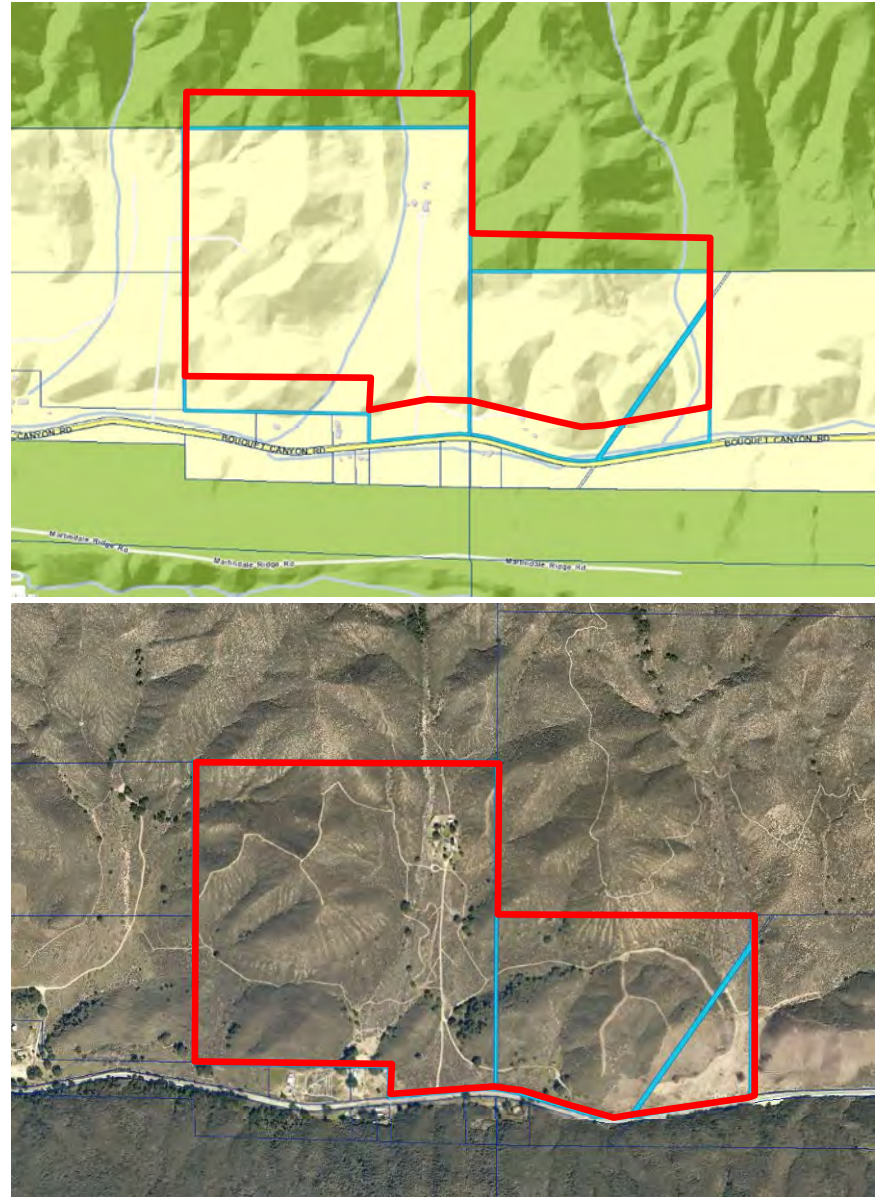
Sale 1 refers to a ±246-acre ranch located at [REDACTED]. The property was reportedly developed in 1942 [REDACTED].

The ranch has four homes, three garages, two wells and additional water rights, a seasonal stream, an 8 stall horse barn, two pools, a pool house, and several storage structures.

The main house has three bedrooms, three baths, and two fireplaces and sits on a large pad surrounded by rolling hills with oak and pine trees. Two guest cottages have two rooms and one bath, and the other has a single bedroom and bath.

The property was marketed as ideal for an equestrian estate or wellness retreat, as well as for potential subdivision. A previous listing refer to it as a “diamond in the rough” that would make an “excellent destination winery.”

The property was listed for sale in [REDACTED] at [REDACTED], and sold on [REDACTED] for [REDACTED], or [REDACTED] per acre, all cash. The seller was [REDACTED], which had acquired the property in [REDACTED] for a reported [REDACTED], and subsequently decided to sell it.



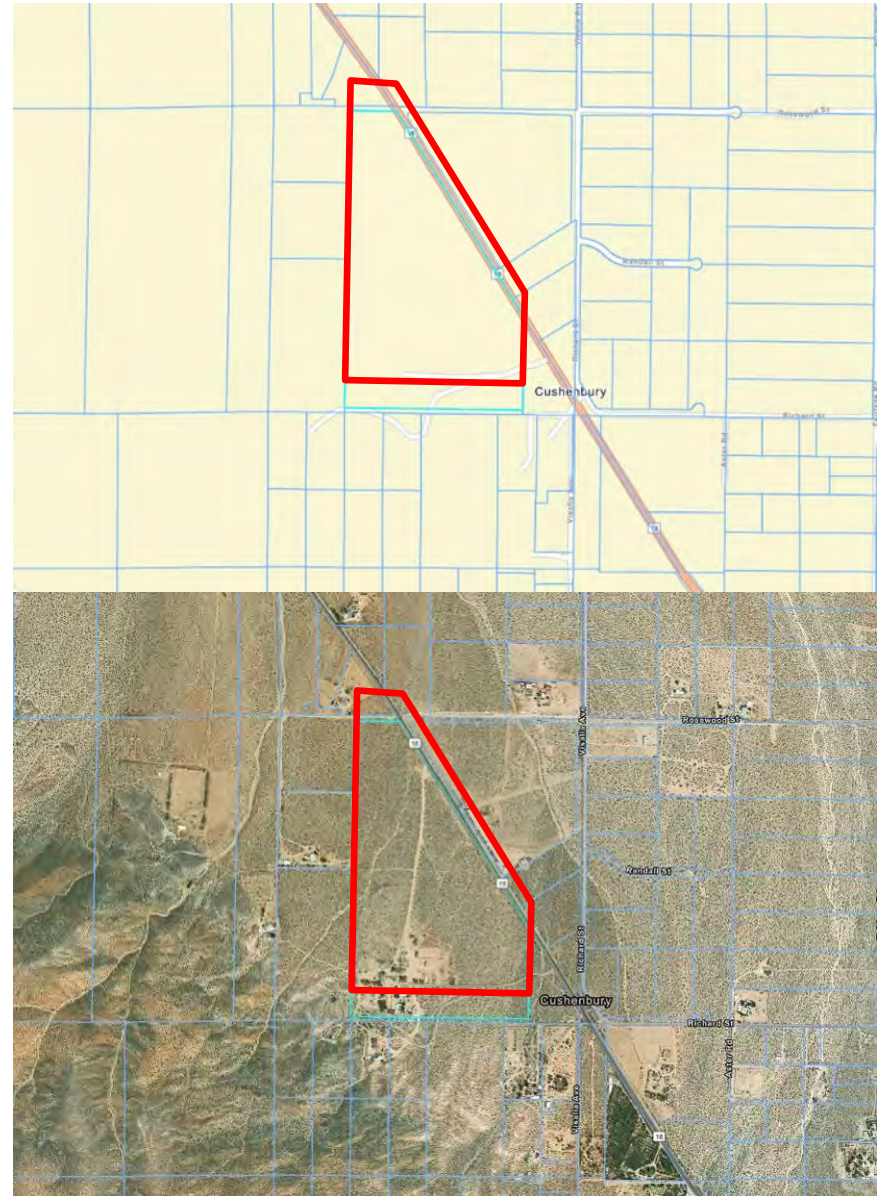
██████████
Sale 2 refers to ██████████, located at ██████████

██████████. The property was developed in 1940 and occupies 68.53 acres. The main lodge includes 12 guestrooms, a reading room, rec room, TV room, conference room, coffee bar, and large kitchen. Other improvements include three single-family homes, a swimming pool, sauna, barbecue area with dance floor and grandstand, and campground.

Equestrian facilities feature 19 corrals, a foaling pen, and tack room building. Three wells provide water for the facility, with three storage tanks holding a combined 5,000 gallons.

██████████ offers individual and group activities such as horseback riding, hiking, mountain biking, swimming, and horseshoes. It was marketed as suitable for filming, corporate retreats and conferences, and events such as weddings and reunions.

The ranch was offered for sale at various times in combination with two adjacent smaller parcels, or as a 50% interest. It ultimately sold in ██████████, excluding the smaller parcels, which the seller retained. The price was ██████████, or ██████████ per acre, all cash.



[REDACTED]

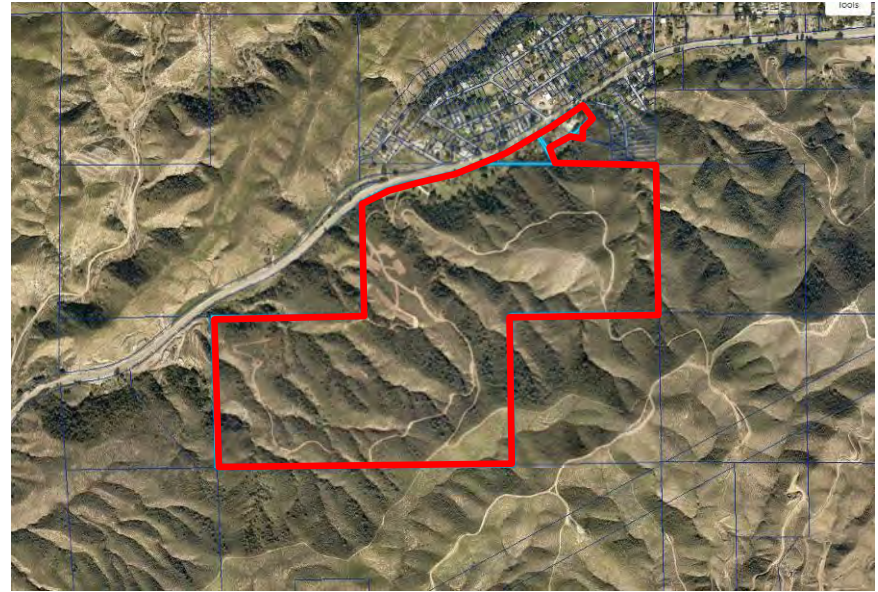
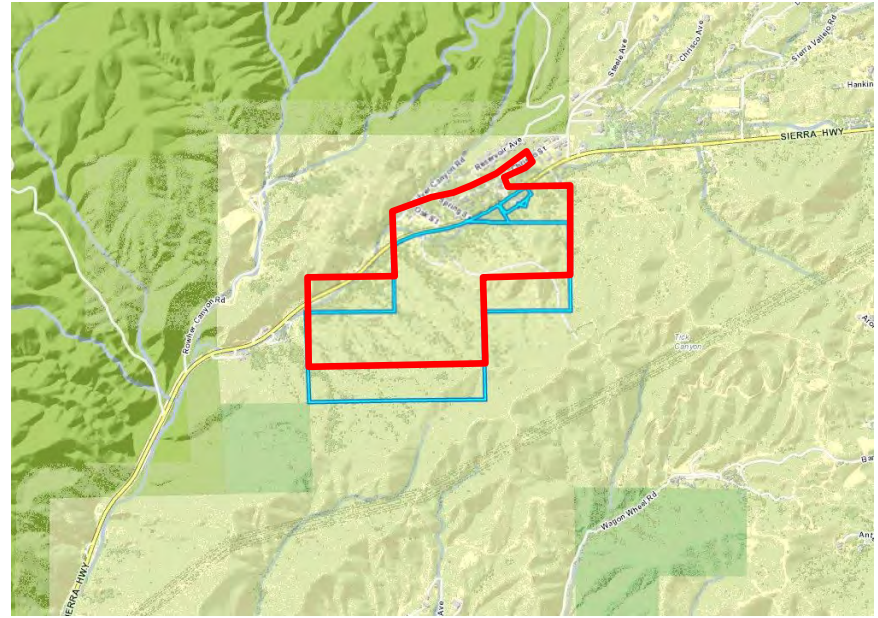
Sale 3 refers to a 160.15-acre property located at [REDACTED]

The property consists of a 159.48-acre main parcel with three cottages and a dormitory building, and three smaller parcels totaling 3.77 acres. On the latter, at [REDACTED], is a ±6,000 square foot commercial building with meeting and multipurpose rooms and a commercial kitchen. The ranch has a private well with a 5,000 gallon tank and booster pump.

The entire property was previously used as a church retreat. It had been purchased in [REDACTED] for [REDACTED]. The buyer, [REDACTED], put the property back on the market, with suggested uses including equestrian, camping, private recreation, rehab center, bed-and-breakfast, and film location. The commercial building was described as suitable for an event center, microbrewery, retail store, rehab facility, landscape center, or church.

The properties were marketed separately, but ultimately sold to one buyer. In [REDACTED], [REDACTED] paid a combined [REDACTED], or [REDACTED] per acre. Sale terms included a seller note for [REDACTED], or [REDACTED] of the purchase price.

[REDACTED]

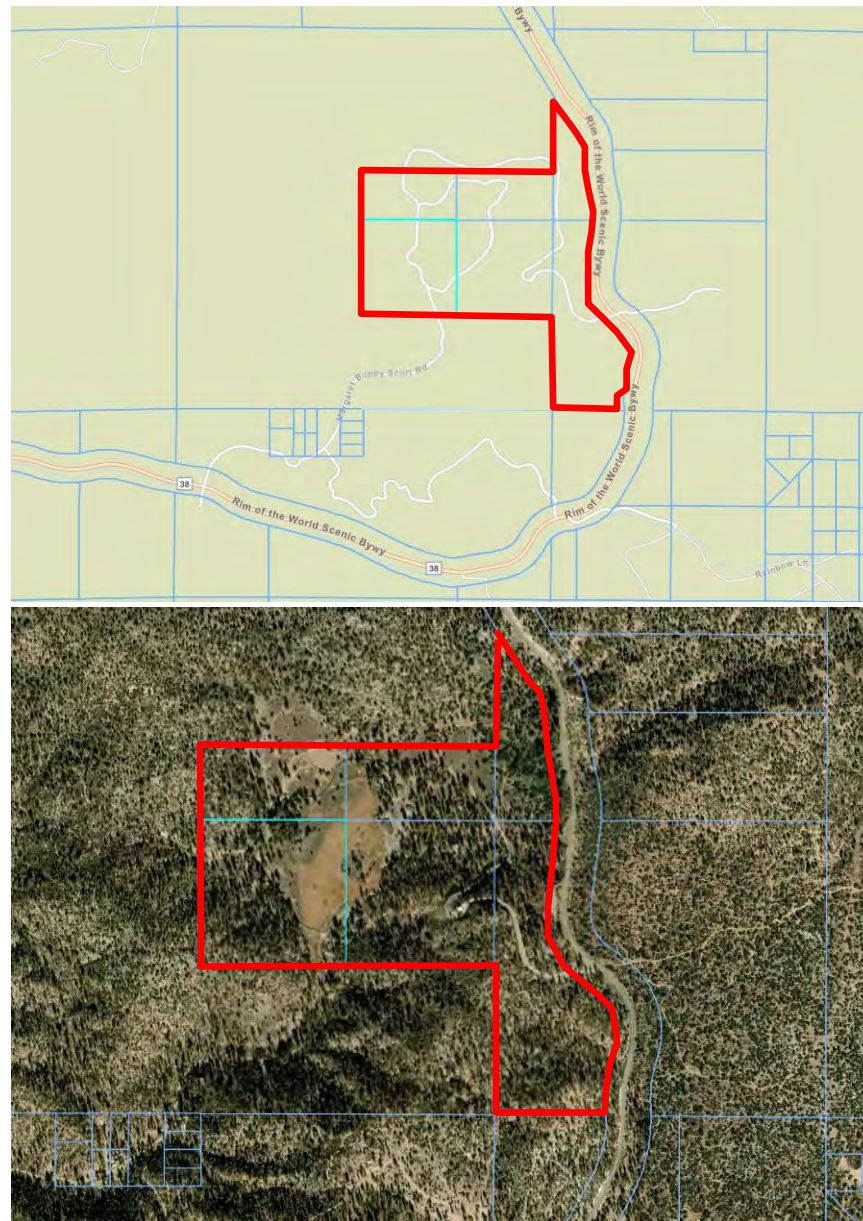


[REDACTED]

Sale 4 refers to [REDACTED], a 183.2-acre compound located at [REDACTED]. Facilities include six dorms with a combined capacity of 236 beds, a 5,448-square foot main lodge with a dining hall and commercial kitchen, staff housing, and an infirmary. Five bathroom buildings with showers are scattered throughout the property. All told, there are 21 buildings totaling over 32,000 square feet. Public records show that the camp was developed in 2007.

The marketing material notes that the site is accessible year-round and that the property is accredited by the American Camp Association. The facilities are relatively new and appear to have been well-maintained.

The [REDACTED] acquired this property as part of a larger purchase in 2002. They sold the campground to [REDACTED] in [REDACTED] for [REDACTED], or [REDACTED] per acre. Sale terms included [REDACTED]. [REDACTED] has relisted the property for sale as a camp or private resort at an asking price of [REDACTED].

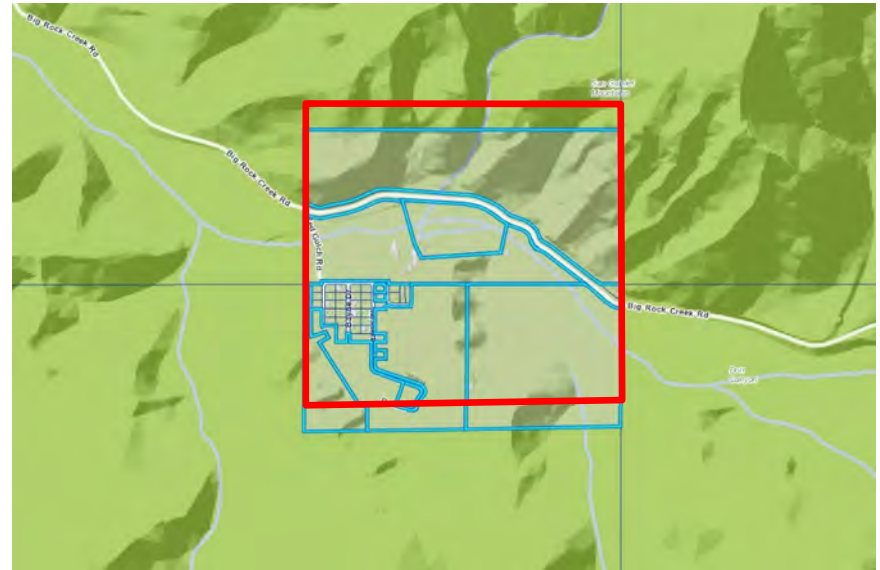


██████████
Sale 5 refers to ██████████, a 140.80-acre property located at ██████████

██████████ The property has several structures, a main office/meeting hall/kitchen, two bunkhouses, three “rustic” cabins with kitchens, and dorms with bunkbeds, bathrooms, and showers.

Recreational facilities include a swimming pool, tennis, sand volleyball, and basketball courts, and a soccer field. There are also three fire pits, a lake and pond, and water well with storage tank and pump house.

This facility sold to ██████████ in ██████████ for ██████████, or ██████████ per acre, all cash. ██████████ offers glamour camping (or “glamping”), which their website defines as “combining nature, comfort and aesthetics in preserved natural sites...” They currently have destinations in Europe, Canada, and the northeastern U.S., and purchased this property with the intent of expanding into California.



Value Analysis

The sales are all standard (non-distressed) transactions between presumably knowledgeable buyers and sellers with typical market motivations. Sales 1, 2, and 5 sold for cash, while Sales 3 and 4 involved seller financing. This is typically an accommodation made in the hope of achieving a higher sale price. The non-cash-equivalent nature of these sales is considered in the comparisons below.

The sales closed between [REDACTED] 2015 and [REDACTED] 2018. We found no evidence to suggest that prices for this type of property have increased materially over this period, or since then. Therefore, the sales are all considered good indicators of current market values.

The comparables reflect prices ranging from [REDACTED]. This wide range is attributed to differences in location, land and building areas, age and condition, and amenities. To compare “apples to apples,” we have analyzed the sales on a price per acre basis. This is considered a more reliable indicator of value than the price per building square foot, since the price per acre takes into account the contributory value of other facilities, such as pools, equestrian facilities, etc.

Acreage prices vary from [REDACTED]. Given the limited amount of relevant data, we have analyzed the sales *qualitatively*,

rather than *quantitatively*. In a qualitative analysis, the comparables are compared with the subject in a number of areas, and an overall conclusion is reached as to each property’s similarity, inferiority, or superiority. The subject’s value can be estimated by bracketing it with inferior and superior sale indicators.

Factors considered in our comparison of the subject and comparables are discussed briefly below.

Location

The subject’s location is more remote than all of the comparables’, lying nearly three hours from Los Angeles and two hours from Bakersfield. This disadvantage is partly offset by the area’s recreational appeal, with thousands of off-roaders coming to California City and environs each year. The subject is well-positioned in this regard because of its location adjacent to BLM land and riding trails. Even so, it is not a typical resort destination locale, such as the beach or mountains, and this has a significant impact on value. Accordingly, all 5 sales are rated superior in terms of location.

Improvements

Sales 1-3 are much less improved than the subject, and are rated inferior in this area. Sale 4, on the other hand, has greater capacity

[REDACTED]

than the subject, with space for up to 236 beds. It is ranked superior. Sale 5's improvements are comparable to the subject's, and it is rated similar.

The subject has an excellent package of amenities, and the comparables are all ranked inferior in this regard.

Summary and Conclusion

We have drawn the following conclusions with respect to the sales:

Sale 1 ([REDACTED] per acre) has a superior [REDACTED] location, but the facilities are grossly inferior to the subject's. It is rated inferior overall.

Sale 2 ([REDACTED] per acre) is better-located as well, but is older and has less extensive facilities than the subject. It too is rated inferior.

Sale 3 ([REDACTED] per acre) has far less extensive facilities than the subject. Despite the superior location and seller financing, therefore, this sale is rated inferior overall.

Sale 4 ([REDACTED] per acre) also involved seller financing, and the property has larger facilities and a superior location. As a result, Sale 4 establishes the upper limit of value for the subject.

Sale 5 ([REDACTED] per acre) is better located, but the facilities are less extensive than the subject's, and some buildings are considerably

older. On balance it is judged comparable to the subject.

The indicated value of the subject Resort component is above the [REDACTED] per acre values of Sales 1-3 and below the [REDACTED] per acre price of Sale 5, with Sale 4 also establishing the upper value limit at ± [REDACTED] per acre. It is our opinion, based on the data and analysis presented above, that the value of the ±82-acre Resort property on December 18, 2019 was [REDACTED] per acre x 82 acres, or [REDACTED].

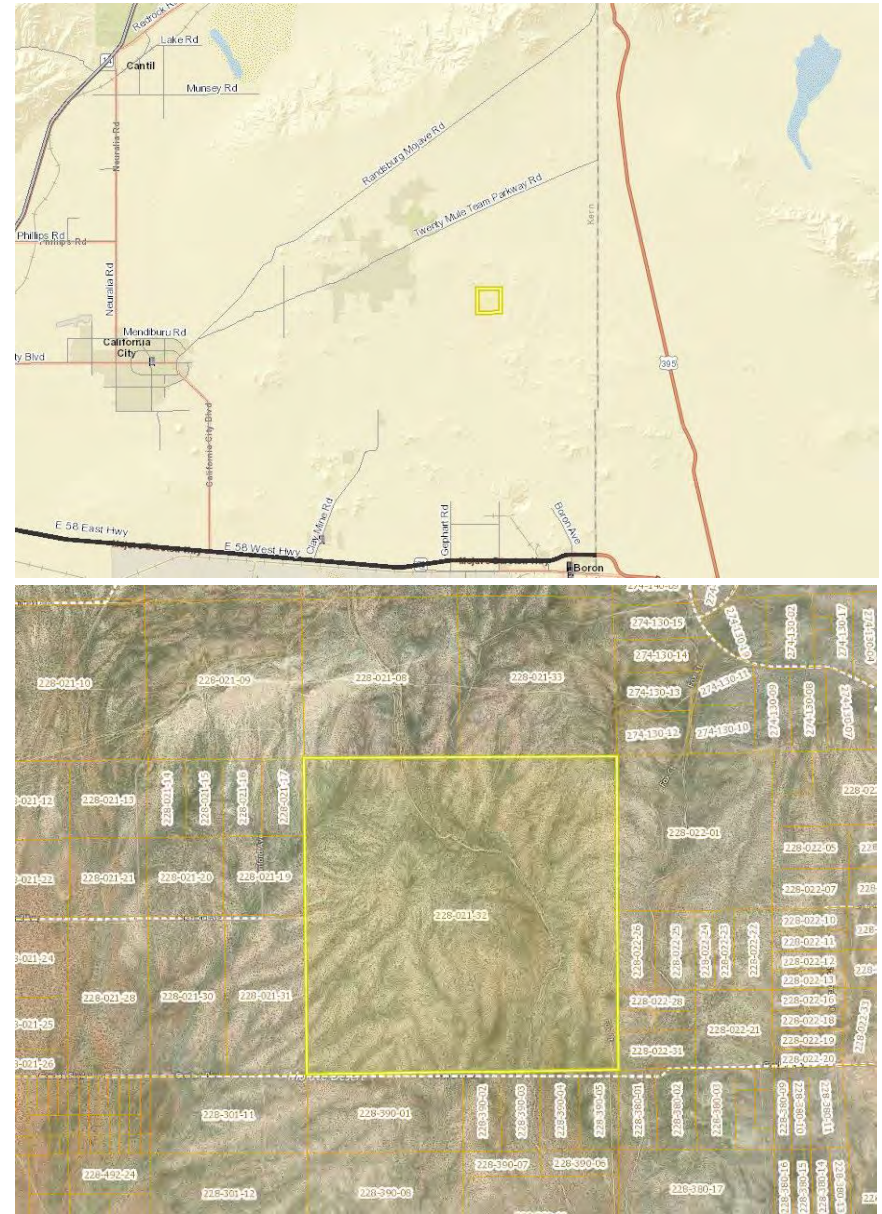
VACANT LAND

Next, we value the ±1,069 acres of vacant land adjacent to the Resort. For this part of the valuation, we searched for recent sales of large vacant parcels in and around California City. The most comparable sales are summarized in the table on the following page, which is accompanied by a location map. The sales are discussed briefly below.

Comparable Land Sales

Sale 1 refers to 640 acres of vacant land located [REDACTED], in California City. The location is about [REDACTED] of the subject. The location is remote, with no paved access or utilities, and the topography is mountainous. There are no apparent near-term uses.

The property was listed for sale at [REDACTED] in [REDACTED] and closed in [REDACTED] of that year at [REDACTED], or [REDACTED] per acre. Sale terms were all cash.

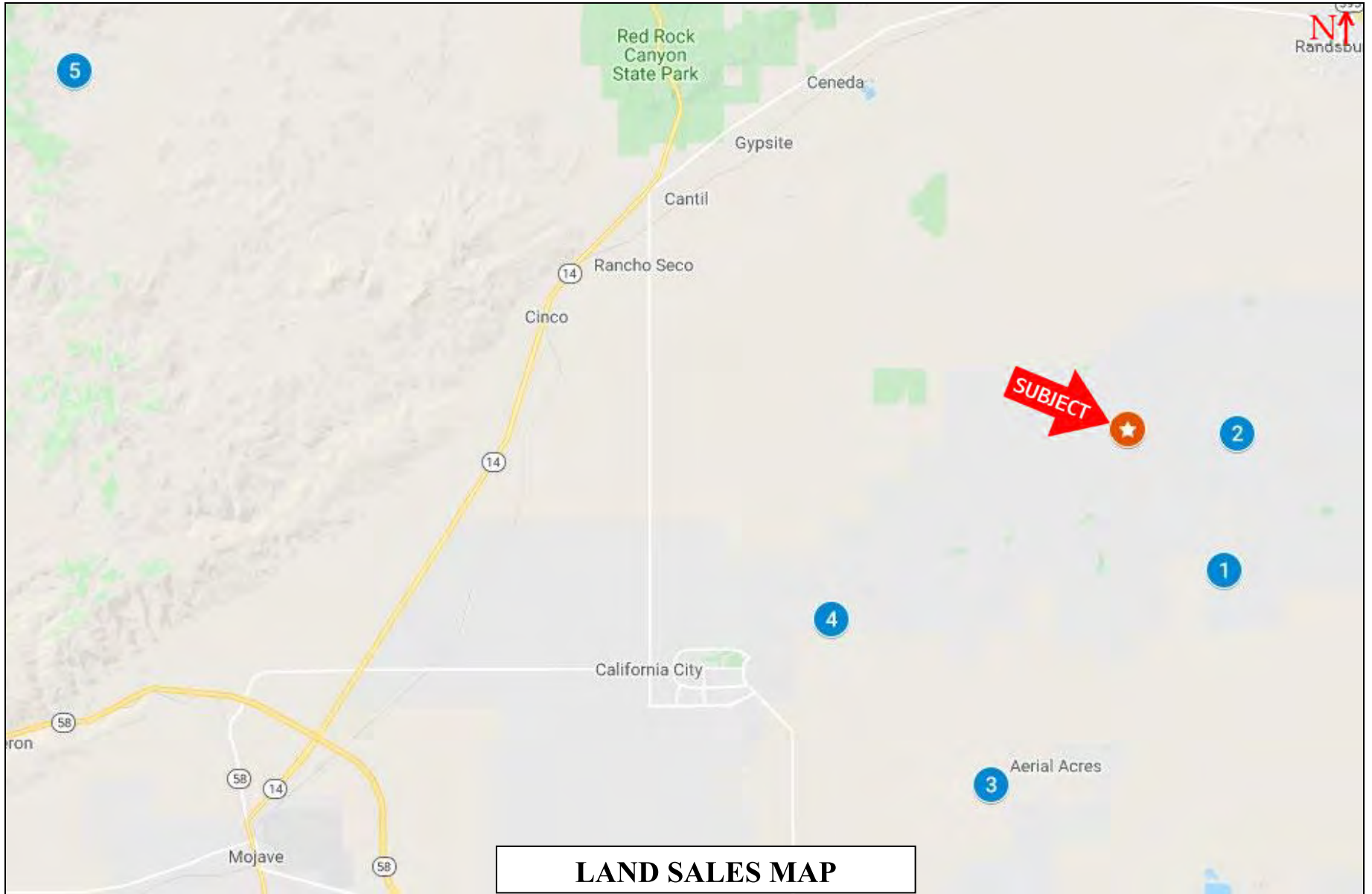


[Redacted]

**LAND SALES SUMMARY
SILVER SADDLE RANCH & CLUB**

Comp	Name, Location	Buyer, Seller	Land Area (Acres)	Access	Condition	Rec. Date Doc. No.	Sale Price	
							Total	Per Acre
1	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
2	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
3	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
4	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
5	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
6-9	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

Source: [Redacted]



[REDACTED]

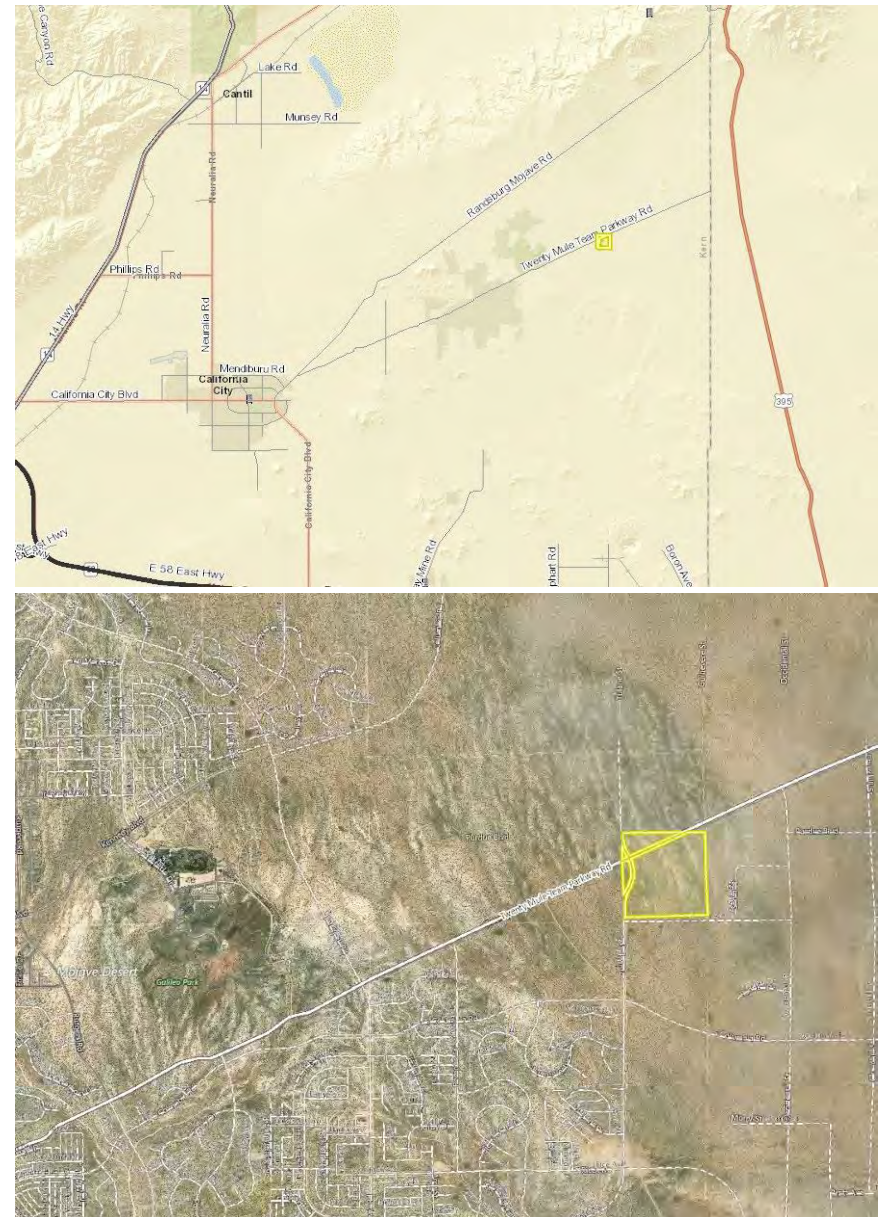
Sale 2 refers to 152.86 acres located [REDACTED] of the subject. Paved access is provided by [REDACTED]. The property was first listed for sale in [REDACTED], but the listing expired. It was relisted in [REDACTED] for [REDACTED] and sold at full price [REDACTED] years later, closing on [REDACTED]. Dividing the land area into the sale price yields a price of [REDACTED] per acre. Sale terms were all cash.

The buyer was [REDACTED]

[REDACTED]

The buyer chose the site because it satisfied their criteria of being within a three-hour drive north of downtown Los Angeles [REDACTED], larger than 80 acres, in a rural area with few, if any, neighbors, having adequate access for emergency vehicles, and costing less than [REDACTED].

[REDACTED]



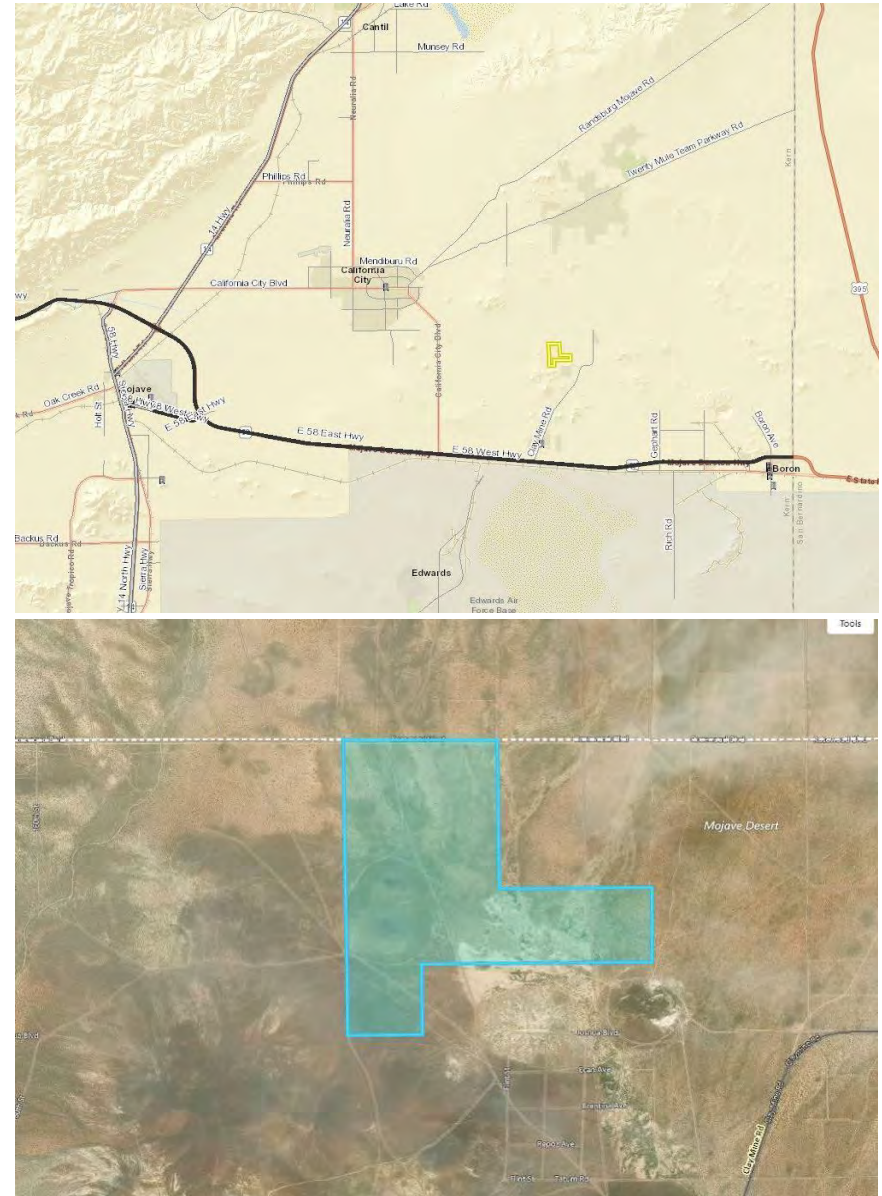
[REDACTED]

Sale 3 refers to 362.87 acres of desert land located [REDACTED] of the subject. The site has dirt road access via [REDACTED] on the north, as well as via unnamed dirt roads from [REDACTED] to the southeast. The property had been on and off the market for several years, but was not listed in the MLS at the time of sale.

The buyer's agent approached the owner directly and negotiated a price of [REDACTED]. The buyer also agreed to pay a 10% commission, which we have added to the sale price, since this is typically the seller's responsibility. The adjusted price is [REDACTED], or [REDACTED] per acre. Sale terms were all-cash.

[REDACTED]

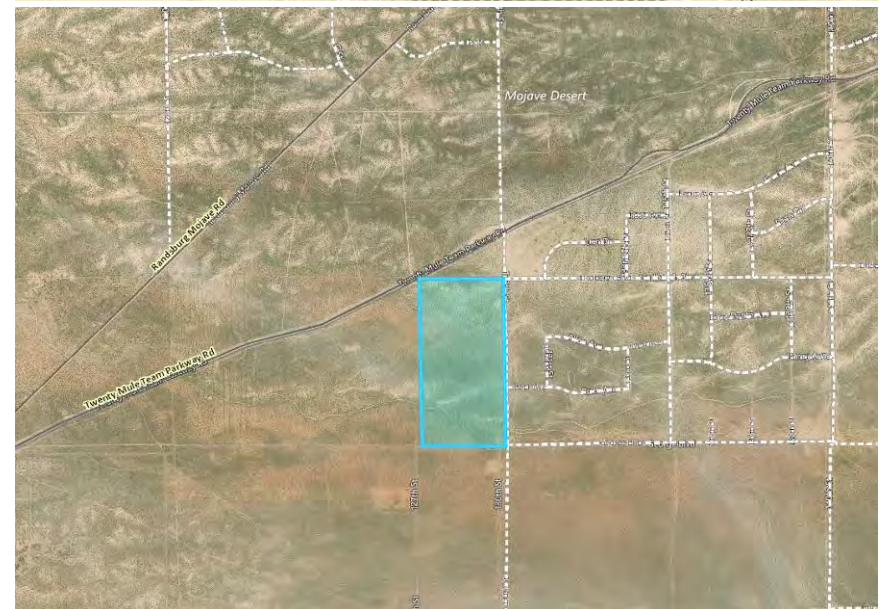
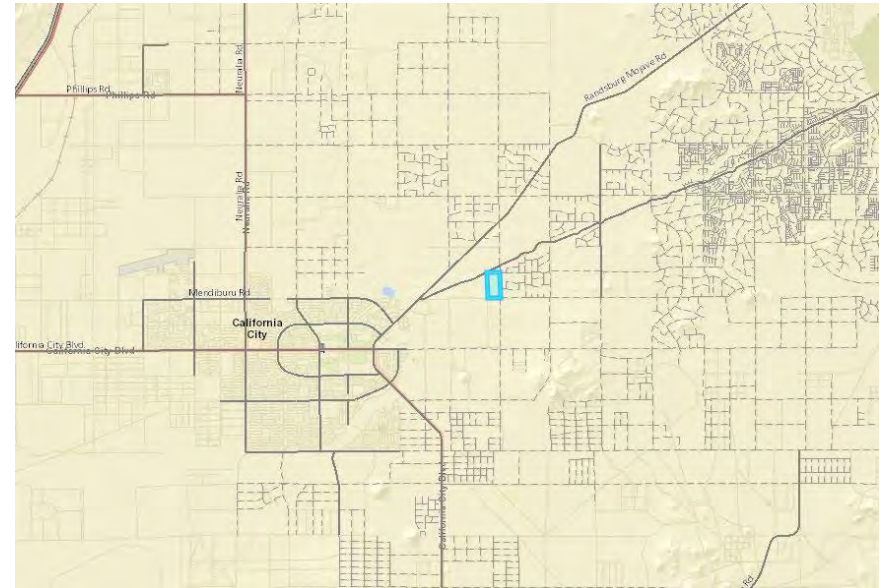
[REDACTED]



[REDACTED]
Sale 4 refers to an 80 acre parcel located [REDACTED] of the subject.

The property lies about [REDACTED], and has point frontage along [REDACTED]

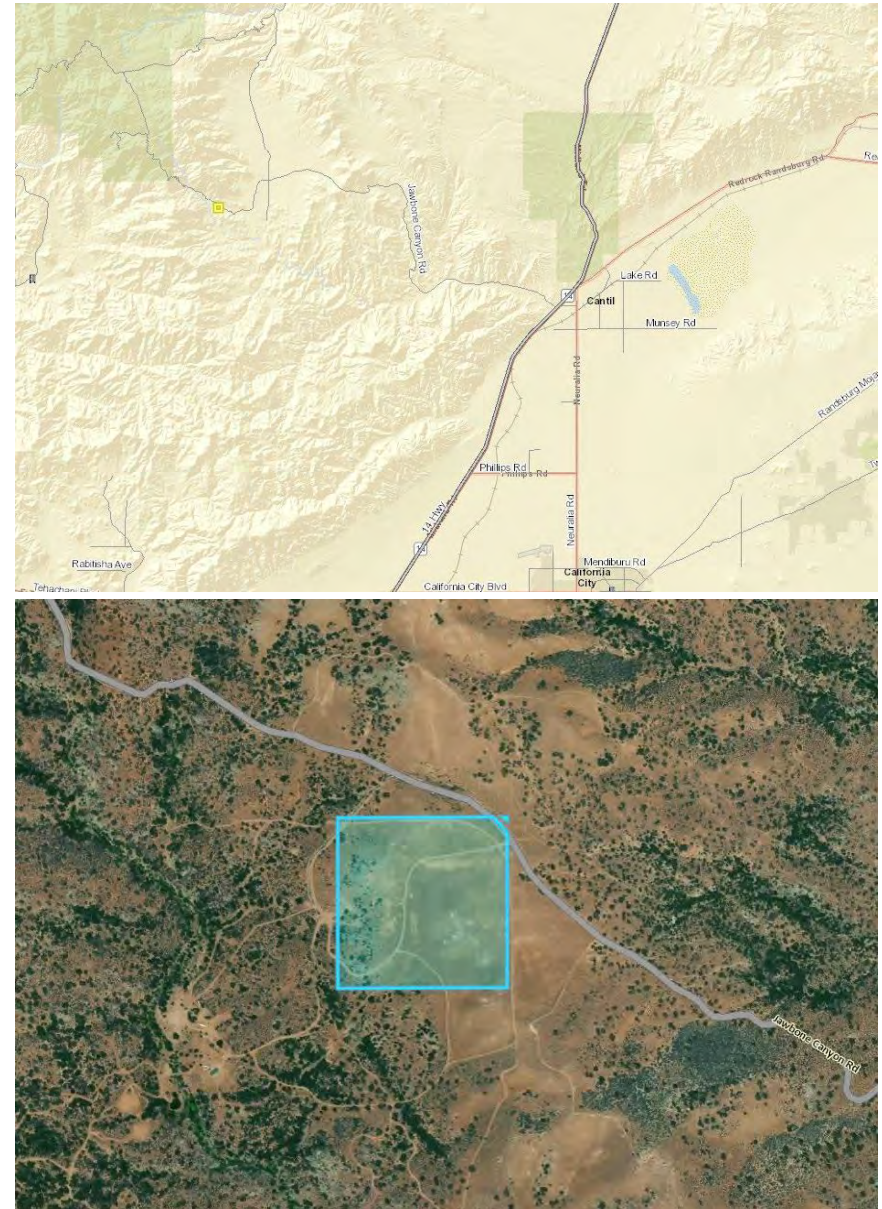
The land sold to [REDACTED] in [REDACTED] for [REDACTED], or [REDACTED] per acre. Sale terms were all-cash. The buyer re-listed the site for sale at [REDACTED], or [REDACTED] per acre. It is being marketed as suited for [REDACTED]



[REDACTED]

Sale 5 refers to 643.57 acres located at [REDACTED]. The location is about [REDACTED] of the subject, in [REDACTED]. This site has a seasonal creek running through it, four springs for domestic water, two solar powered wells, a garage and battery house, and a backup generator. The sale also included a 2,030-square-foot, log-sided factory-built home manufactured in 2006, with 3 bedrooms and 2 baths.

The property sold in [REDACTED] for [REDACTED], or [REDACTED] per acre. The buyer put [REDACTED] down and got a new institutional loan for the balance.



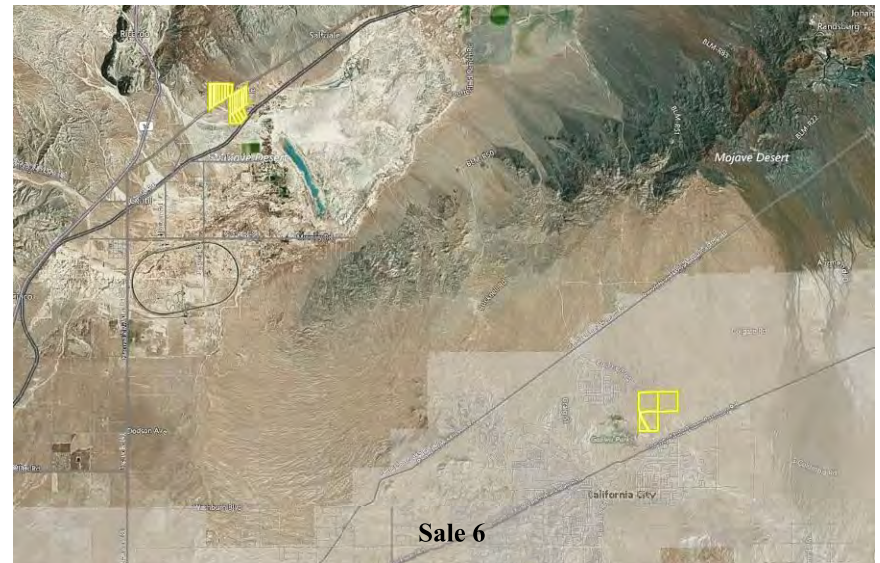
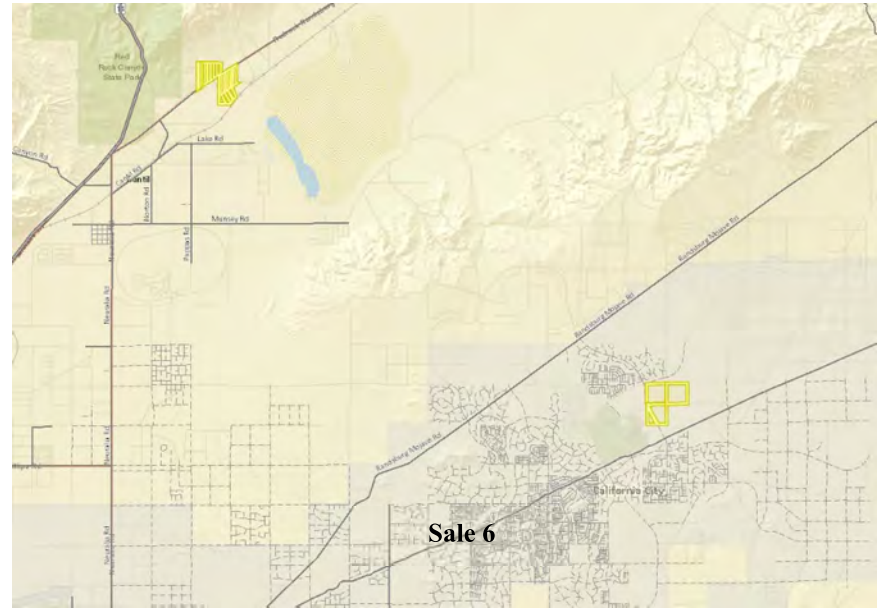
[REDACTED]

Sales 6-9 refer to four separate transactions over a 1.5-year period. [REDACTED] purchased a total of [REDACTED] acres in various parts of California City from four different sellers between [REDACTED] and [REDACTED]. Prices ranged from [REDACTED] per acre for parcels of 159-924 acres.

The land was used to establish the [REDACTED].

Sale 6 was the largest purchase, totaling 923.57 acres. About half the land is [REDACTED]. The other half straddles [REDACTED]. [REDACTED] closed on [REDACTED], paying [REDACTED], or [REDACTED] per acre, all cash.

Sale 7 involves 320 contiguous acres located [REDACTED] of the subject, [REDACTED]. This sale closed on [REDACTED] at [REDACTED], or [REDACTED] per acre, all cash.



[REDACTED]

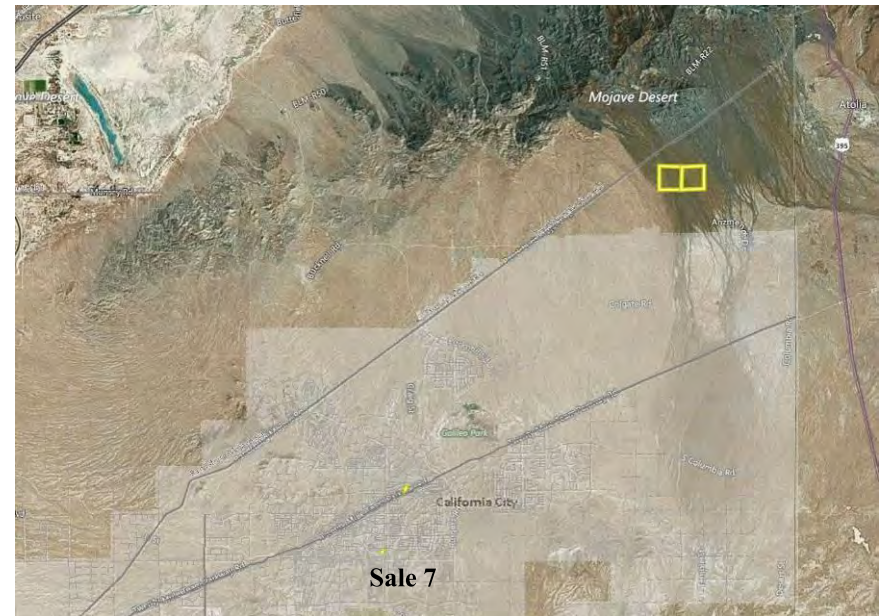
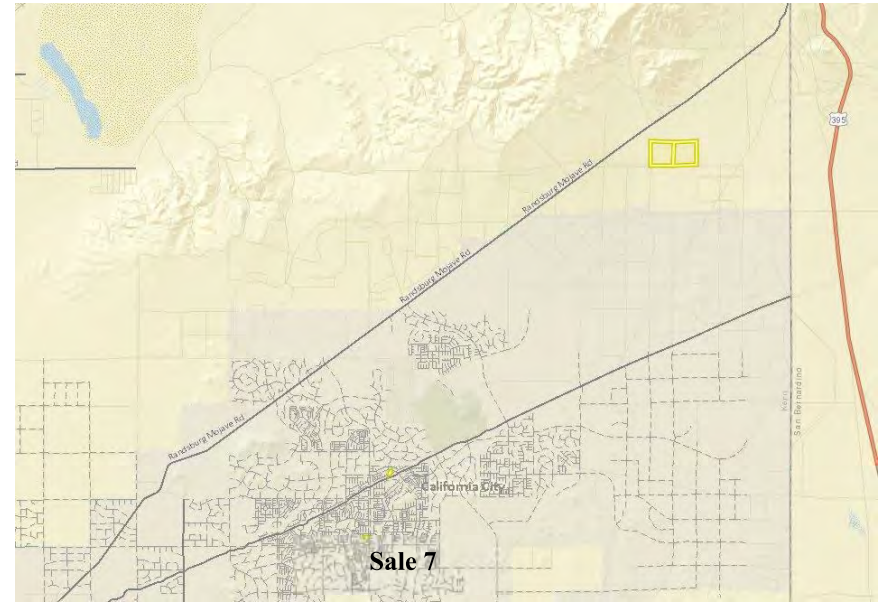
Sale 8 involves seven contiguous parcels located [REDACTED] of the subject. The parcels total 159.45 acres and sold on [REDACTED] for [REDACTED], or [REDACTED] per acre, all cash.

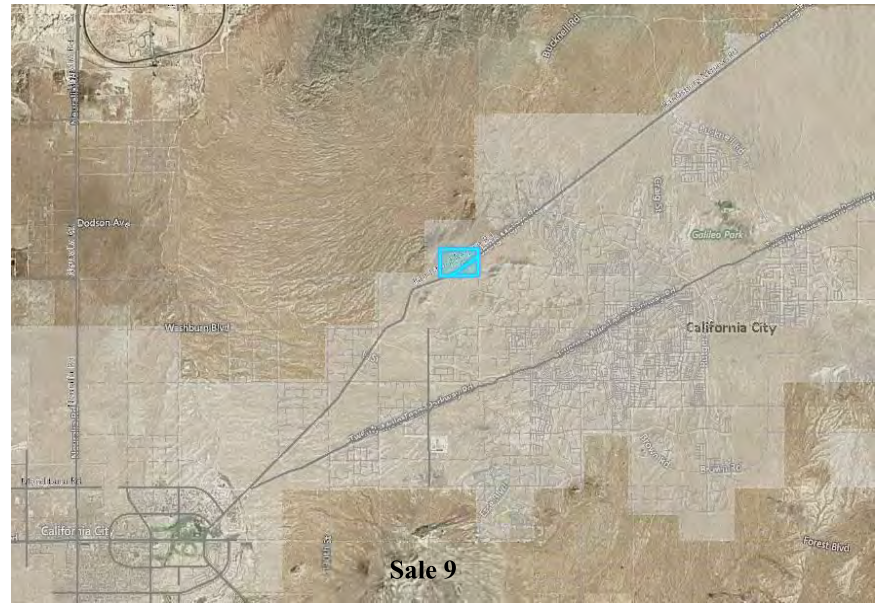
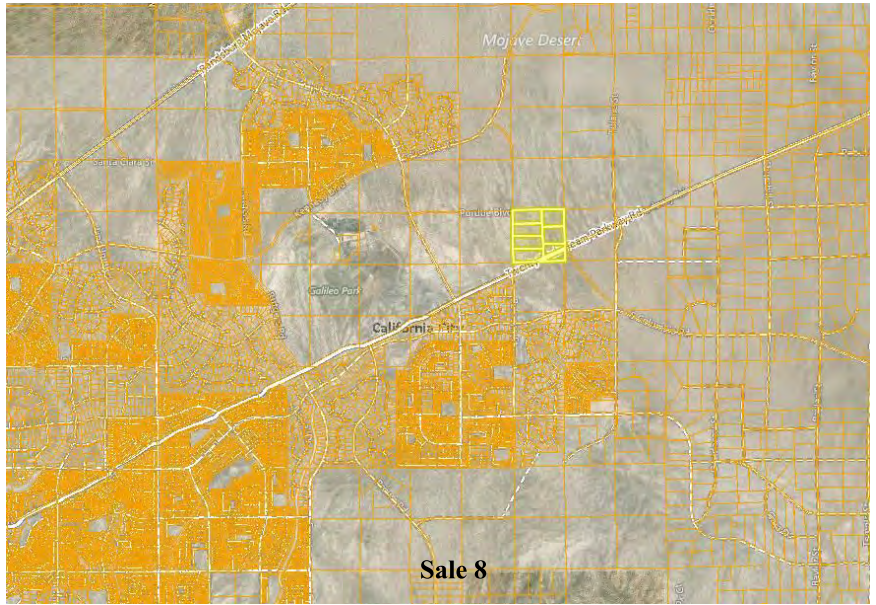
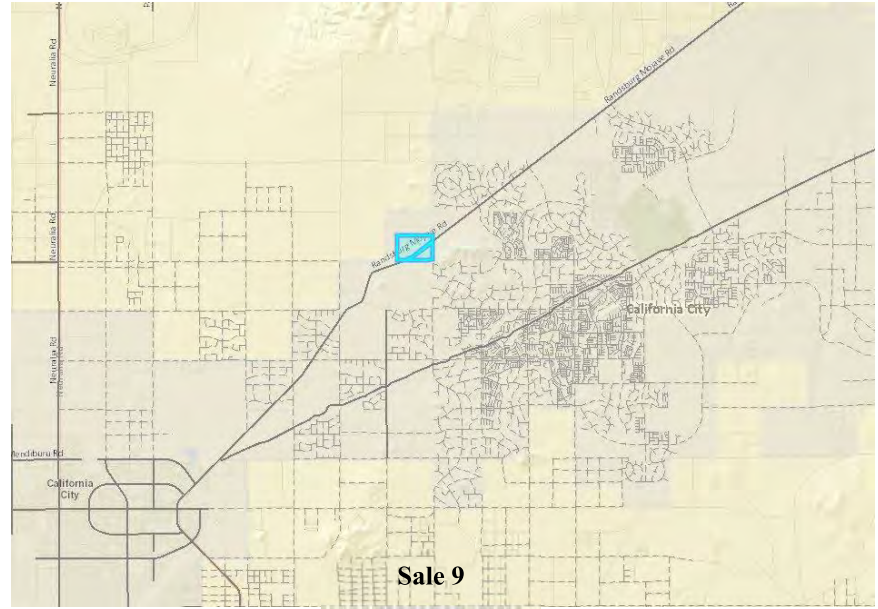
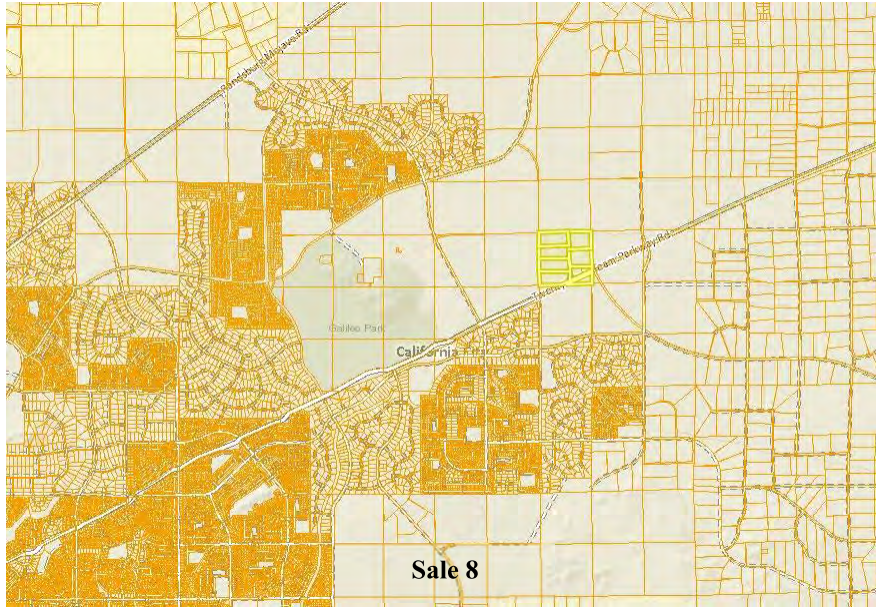
Sale 9 involves a single parcel totaling 238.10 acres. The property [REDACTED] of the subject. [REDACTED] closed on this piece on [REDACTED] for [REDACTED], or [REDACTED] per acre, all cash.

In total, [REDACTED] purchased [REDACTED] acres for [REDACTED], or an average price of [REDACTED] per acre.

[REDACTED]

[REDACTED]





[REDACTED]

[REDACTED]

[REDACTED] Sales 6-9 are rated superior on an “as is” basis.

Land Value Analysis

The above sales are all arm’s-length transactions between presumably knowledgeable buyers and sellers with cash-equivalent sale terms. All are recent enough to reflect current market conditions. The sales reflect prices ranging from [REDACTED], and from [REDACTED] per acre.

Sale 1 ([REDACTED] per acre) is a mountainous site in a remote location with poor access. It establishes the extreme lower limit of value for the subject.

Sale 2 ([REDACTED] per acre) has a slightly more remote location [REDACTED]. It’s much smaller, though, and this is a superior characteristic, since acreage prices typically decline as parcel sizes increase. Overall, it’s rated similar to the subject.

Sale 3 ([REDACTED] per acre) has similar access and topography. Although still smaller than the subject, it’s more than twice as large as Sale 2, and is considered generally similar.

Sale 4 ([REDACTED] per acre) is just a fraction of the subject’s size, at 80

acres, and has a better location [REDACTED]. As a result, it establishes the upper limit of value for the subject.

Sale 5 ([REDACTED] per acre) is the only sale outside California City, but is close to the subject in size. The salient characteristic of this comparable are its improvements, including a newer factory-built home with an assessed value of [REDACTED]. As a result, it, too, is judged to establish the subject’s upper limit of value.

Sales 6-9 ([REDACTED] per acre) were purchased by [REDACTED]. As a result, they establish the upper limit of value for the subject on an “as is” basis.

Looking at Sales 1-5 only, the indicated value of the subject site is above the [REDACTED] per acre price of Sale 1, below the [REDACTED] and [REDACTED] prices of Sales 4 and 5, and similar to the [REDACTED] and [REDACTED] per acre prices of Sales 2 and 3. A value in the [REDACTED] per acre range appears reasonable.

However, Sales 6-9 ([REDACTED] per acre) demonstrate [REDACTED]. Sales 6-9 are rated superior.

[REDACTED]

[REDACTED], a value higher than [REDACTED] per acre seems probable. [REDACTED]
[REDACTED]

Balancing these considerations, we have adopted a value higher than Sales 1-5, but below Sales 6-9, or [REDACTED] per acre for the subject. The total value of the vacant land is [REDACTED] per acre x 1,069 acres, or [REDACTED], rounded to [REDACTED].

SUMMARY AND CONCLUSION

In the preceding pages, we have estimated the value of the Resort and surrounding acreage separately. To arrive at the value of the subject property as a whole under this approach, we have added the two component values, as shown below:

Component	Acres	Value/Acre	Total Value
Resort	±82	[REDACTED]	[REDACTED]
Vacant Land	±1,069	[REDACTED]	[REDACTED]
Total	1,151		[REDACTED]

BULK SALES

INTRODUCTION

As a check on the value obtained by summing the Resort and land values, we searched for bulk sales of large retreat-type properties similar to the subject as a whole. Despite an extensive search, we found no directly comparable properties. Nevertheless, a few sales were identified involving properties similar enough to provide a reasonable basis for a bulk valuation. These sales are summarized in the table on the following page, which is accompanied by a location map. The sales are discussed briefly below.

COMPARABLE SALES

Sale 1 refers to [REDACTED], located [REDACTED]. This 1,129-acre property lies in the foothills about [REDACTED]. The ranch consists of a 1,541-square-foot home with 3 bedrooms and one bathroom, a hay barn, working pens with spring-fed troughs, pipe horse pens, a storage room, and tack room. Water is provided by two springs producing a combined 7-10 gallons per minute.

The property was offered for sale in [REDACTED] at [REDACTED] and sold in [REDACTED] for [REDACTED], or [REDACTED] per acre, all cash. Sale terms were all cash. The buyer, [REDACTED], owns about 3,000 acres in [REDACTED], 50 miles northeast of this property.



[Redacted]

BULK SALES
SILVER SADDLE RANCH & CLUB

Comp	Name, Location, APN	Buyer Seller	Land Area (Acres)	Proposed Use	Rec. Date Doc. #	Sale Price	
						Total	Per Acre
1	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
2	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
3	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
4	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

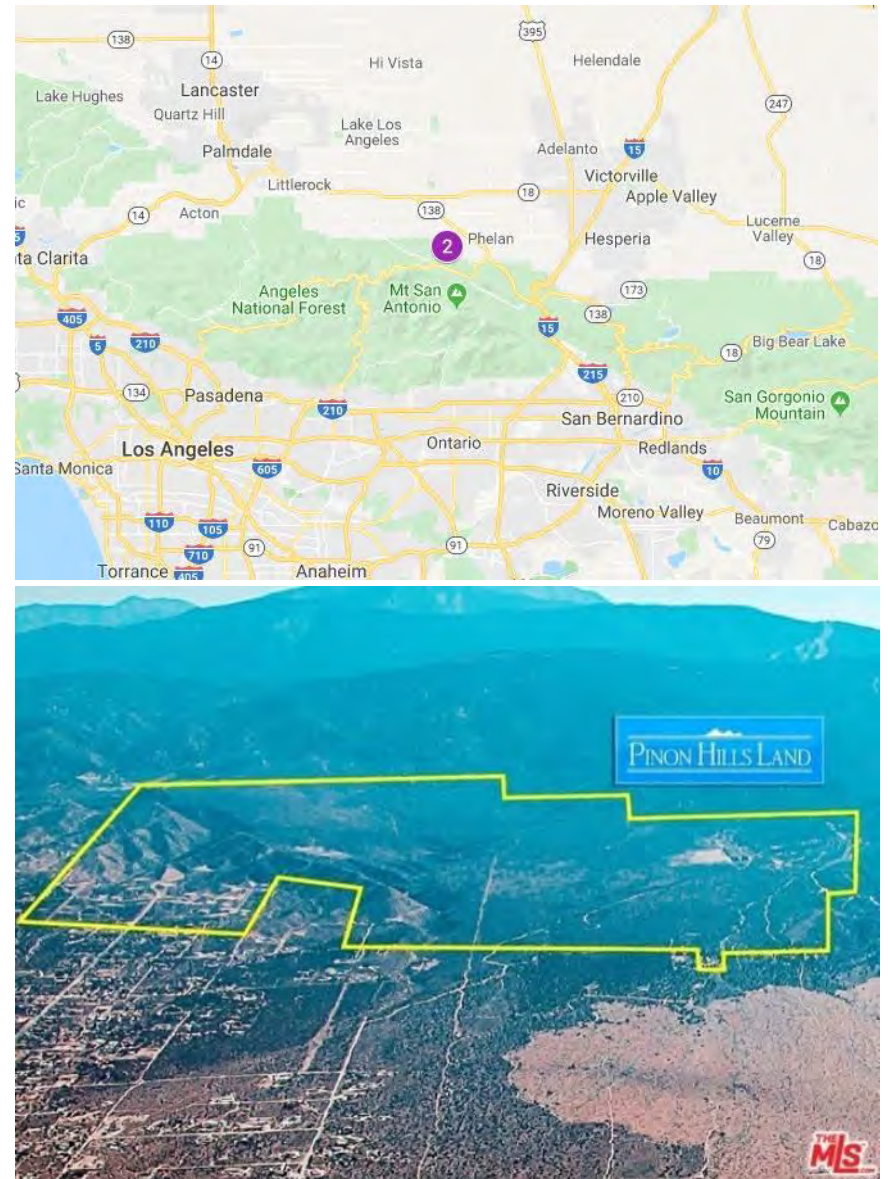
Source: [Redacted]

[REDACTED]

Sale 2 refers to [REDACTED], consisting of ±1,615 acres [REDACTED]. The property includes ±949 acres in [REDACTED] and ±666 acres in [REDACTED]. It's situated on the north side of the San Gabriel Mountains, in the High Desert.

The property was marketed as a land development opportunity, but given its location and topography, this is probably not the highest and best use. The [REDACTED] acreage includes the former camp [REDACTED] facility, which has a bunkhouse, dining hall, caretaker residence, and reservoir. Public records show seven structures on the property built between 1942 and 1966, with a combined area of 13,260 square feet.

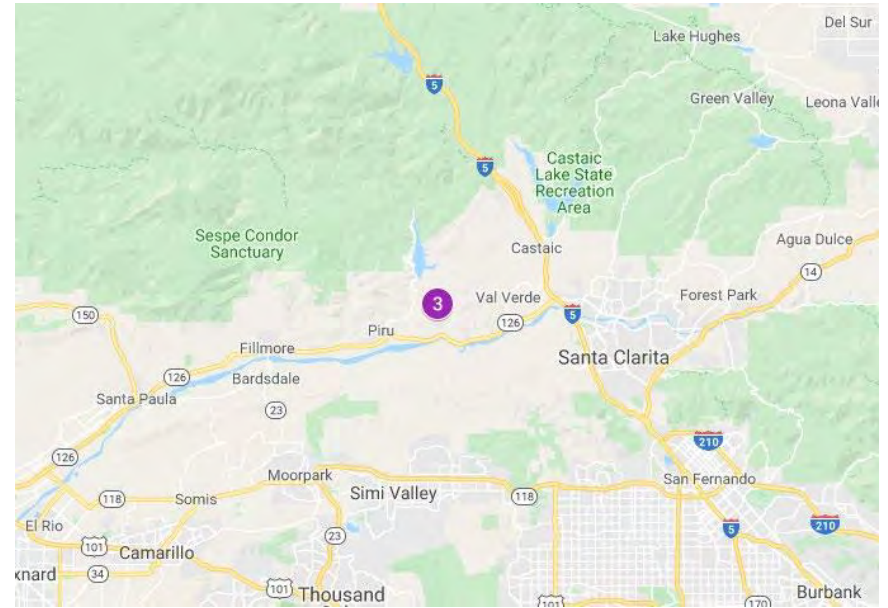
The site has been on and off the market for the past 20 years or so. Most recently, it was listed at [REDACTED] in [REDACTED] and sold on [REDACTED] for [REDACTED], or [REDACTED] per acre, all cash. The buyer's plans for the property are unknown.



[REDACTED]

Sale 3 refers to 1,509 acres located at [REDACTED]. Like the previous property, the land [REDACTED]. Most of the site lies within [REDACTED], with ±163 acres on the [REDACTED] side.

The property includes three single-family homes, as well as barns, wells, and several rifle ranges. It was offered for sale in [REDACTED] at [REDACTED] and sold in [REDACTED] for [REDACTED], or [REDACTED] per acre, all cash. The buyer was [REDACTED]. They have continued to operate the property as a training facility/shooting range.

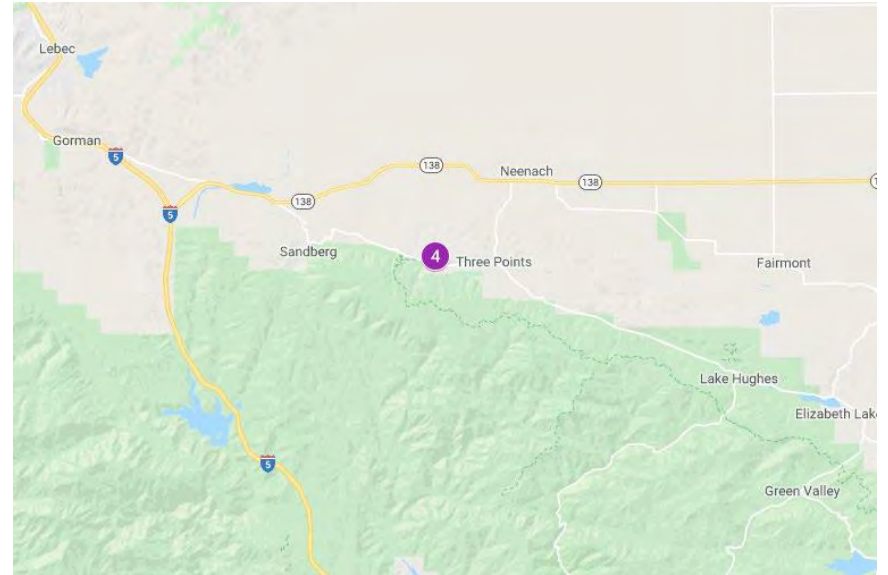


[REDACTED]

Sale 4 refers to [REDACTED], a 1,069-acre property located at [REDACTED] of the subject. The property borders [REDACTED], and is criss-crossed by miles of equestrian trails. The centerpiece of [REDACTED] is a custom Tudor-style estate home measuring 6,943 square feet, built in 1992. The ranch also includes several caretaker residences, a corral, orchards, nine wells, and a seasonal lake.

[REDACTED] was developed as a family retreat for horseback riding, camping, and entertaining, and hosted the [REDACTED] for riding and camping events. Weddings were also held at the location. The property was marketed as suitable for a wide range of uses, ranging from equestrian and cattle ranching to a boarding school, church, or family retreat.

The ranch had been on and off the market for several years. Most recently, it was listed for sale in [REDACTED] at [REDACTED] and sold a year later for [REDACTED], or [REDACTED] per acre. Sale terms included [REDACTED] cash and a [REDACTED] seller note. The buyer was [REDACTED].



[REDACTED]

BULK SALE SUMMARY AND CONCLUSION

The sales are all non-distressed, arm's-length transactions between presumably knowledgeable buyers and sellers. Sales 1-3 were all-cash, while Sale 4 involved seller financing. All sales are recent enough to reflect current market conditions.

Sale prices range from [REDACTED]. As in the previous analysis, we have focused on the price per acre, which allows us to compare properties of various sizes with the subject on an "apples to apples" basis. Prices range from [REDACTED] per acre.

Sale 1 ([REDACTED] per acre) has minimal improvements, which more than offsets the superior location near a major city ([REDACTED]). As a result, it establishes the lower limit of value for the subject.

Sale 2 ([REDACTED] per acre) has more facilities than Sale 1, but they're still much less extensive than the subject's. Therefore, despite the superior location, Sale 2 is rated inferior, as well.

Sale 3 ([REDACTED] per acre) has a markedly superior location just [REDACTED], and is rated superior to the subject for this reason.

Sale 4 ([REDACTED] per acre) is superior to the subject in virtually all respects. The property has a recently-built custom home that is superior in both quality and condition to the subject improvements.

Other structures, including guest and caretaker homes and equestrian facilities, are extensive, and the [REDACTED] location is considered superior because of its proximity to [REDACTED]. Also, the seller financed [REDACTED], arguably resulting in a higher price than if they had insisted on cash. For all these reasons, this sale sets the upper limit of value for the subject.

In summary, the value indicated by the bulk sales is between the [REDACTED] per acre prices of Sales 1 and 2 the [REDACTED] per acre prices of Sales 3 and 4. Based on the forgoing data and analysis, we have estimated a value of [REDACTED] per acre for the subject property from the bulk sales. The total value is [REDACTED] per acre x 1,151 acres, or [REDACTED], rounded to [REDACTED].

[REDACTED]

RECONCILIATION

We have estimated the market value of the subject property by valuing the Resort and land components individually, and then by comparing the subject with bulk sales of other 1,000+ acre ranch/resort properties in the general area. The value indications are shown at right above.

Analysis	Indicated Value
Components (Resort+Land)	[REDACTED]
Bulk Sales	[REDACTED]

In the component valuation, we searched for sales of resort-type properties of around 100 acres and vacant land sales of ±1,000 acres. We found several resort sales in the subject’s size range, with various degrees of improvements. We also found a number of sales involving larger vacant sites, though not quite as large as the subject. Still, because the majority of the subject’s value is believed to lie in the Resort, this is not considered a significant drawback.

In the second approach, we searched for sales of 1,000+ acre retreat/campground properties comparable to the subject as a whole. Few properties meeting these criteria were found, and those that were identified differ in some significant ways from the subject. Therefore, this analysis is considered less reliable than the component valuation, and is de-emphasized. Nevertheless, it provides general support for the value conclusion.

Based on the data and analysis presented above and in the

preceding pages, it is our opinion that the market value of the subject property “as is” on December 18, 2019, was [REDACTED].

[REDACTED]

[REDACTED]

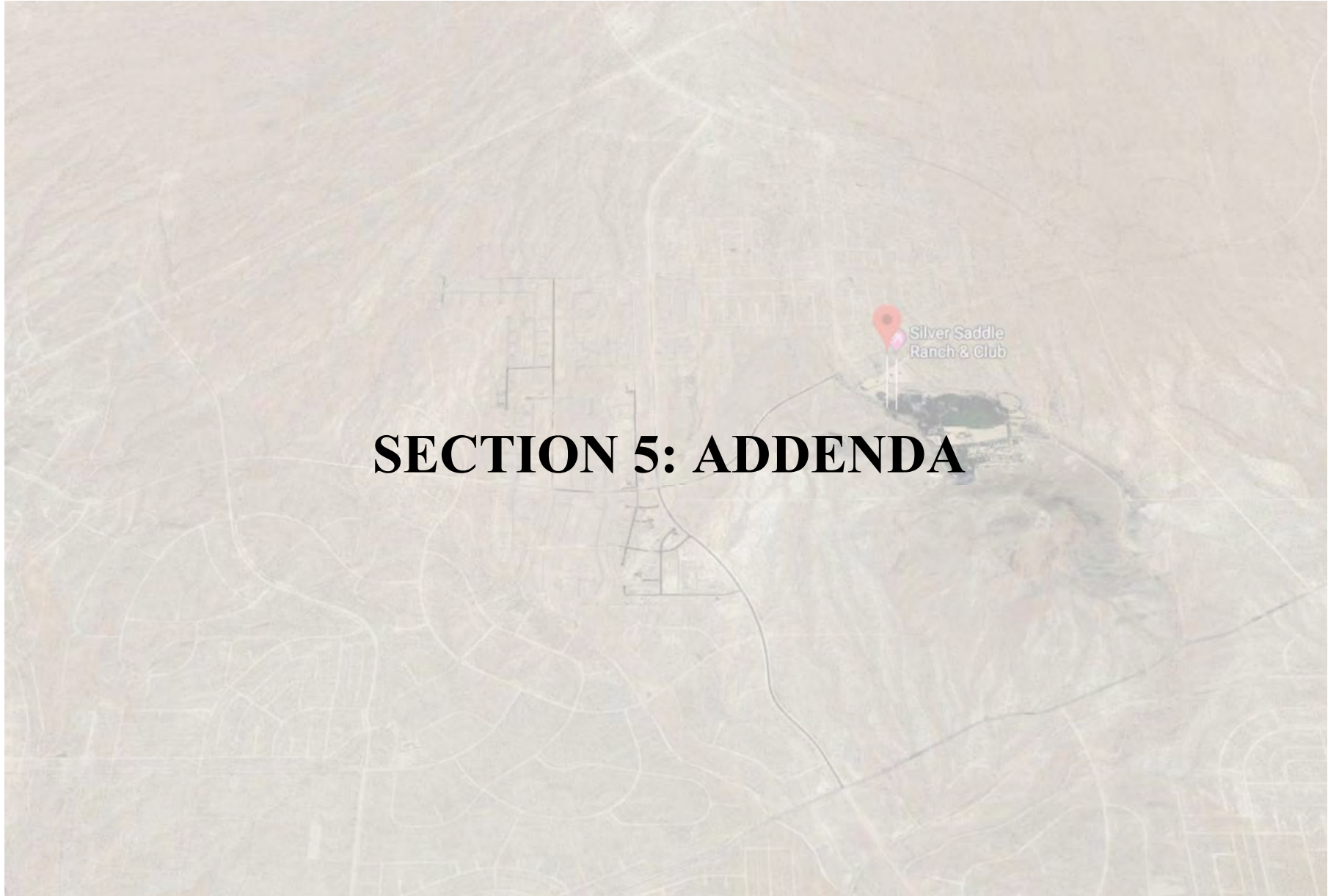
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

ADDENDA

Definitions

Additional Subject Property Photographs

Legal Description of Resort Parcel (APN 457-020-12)

Aerial Map and Calculations Showing ±20 Acres of APN 457-020-05 within Resort

Aerial Map and Calculations Showing ±67 Acres of APN 457-020-12 West of Aristotle Drive (Not Part of Resort)

Certification

Professional Qualifications and Licenses of:

- [REDACTED]
- [REDACTED]

DEFINITIONS

Fee Simple Estate

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

Source: The Appraisal of Real Estate, 13th Edition, Published by The Appraisal Institute, 2008

Leased Fee Estate

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the lessee are specified by contract terms contained within the lease.

Source: ibid

Market Value

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Source: Federal Register, Volume 55, No. 165, Friday, August 24, 1990, Rules and Regulations, 12 CFR, Part 34.42 [f]

One or more of the following types of market values is (are) discussed in this report.

Market Value “As Is” means an estimate of the market value of the property in the condition observed upon inspection and as it physically and legally exists, without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared.

[REDACTED]

Source: Appraisal Policies and Practices of Insured Institutions and Service Corporations, Federal Home Loan Bank Board, "Final Rule," 12 CFR, Parts 563 and 571, December 21, 1987

Market Value "As If Complete" is a hypothetical appraisal premise that means the value of a proposed project as if construction were completed and the project had achieved stabilized occupancy as of the date of inspection of the unimproved property.

Source: [REDACTED]

Prospective Market Value at Completion means the prospective value of a property on the date that construction is completed, based upon market conditions forecast to exist as of the completion date. It is typically the value at completion and stabilized occupancy, adjusted for the costs necessary to bring to stabilized occupancy, and discounted for time.

Source: Ibid

Bulk Market Value is the value of a property consisting of multiple parcels as if sold to a single buyer. (It is not the sum of the retail values. It is the sum of the retail values less appropriate deductions for sales/marketing and holding costs, profit, and time.)

Source: Ibid

Exposure Time

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

Source: Appraisal Standards Board of the Appraisal Foundation.

ADDITIONAL SUBJECT PROPERTY PHOTOGRAPHS



Sales pavilion



Miniature golf course



Meeting room in sales pavilion



Driving range

ADDITIONAL SUBJECT PROPERTY PHOTOGRAPHS



Corrals next to stable



Parking lot and trap & skeet range



Archery range



One of two swimming pools next to clubhouse

ADDITIONAL SUBJECT PROPERTY PHOTOGRAPHS



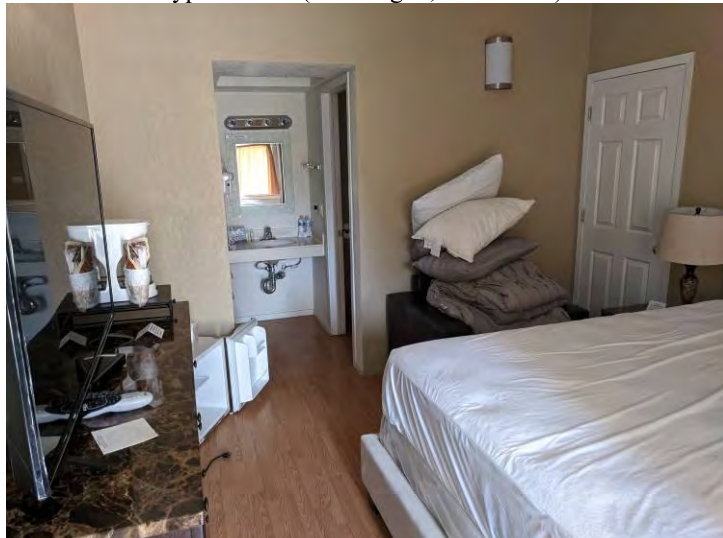
Administration building



Typical suite (Building A, Room 105)



Covered patio area next to clubhouse



Typical single room (Building B, Room 809)

EXHIBIT A
(Continued)

DEEDED TO CITY OF CALIFORNIA CITY, A MUNICIPAL CORPORATION BY DOCUMENT RECORDED NOVEMBER 20, 1981, IN [BOOK 5419, PAGE 2038](#) OF OFFICIAL RECORDS.

ALSO EXCEPTING THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 31 SOUTH, RANGE 39 EAST, MOUNT DIABLO MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 23; THENCE SOUTH 89° 54' 05" WEST ALONG THE SOUTH LINE OF SAID SECTION 23, A DISTANCE OF 1399.99 FEET; THENCE AT RIGHT ANGLE, NORTH 00° 05' 55" WEST, A DISTANCE OF 180.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 00° 05' 55" WEST, A DISTANCE OF 120.00 FEET; THENCE AT A RIGHT ANGLE, NORTH 89° 54' 05" EAST, A DISTANCE OF 330.00 FEET TO THE WESTERLY LINE OF PARK "J" (GALILEO PARK) AS SHOWN BY ASSESSMENT DIAGRAM ON RILE IN BOOK 2 OF ASSESSMENT DIAGRAMS, AT PAGES 5 TO 21 INCLUSIVE, IN THE OFFICE OF THE KERN COUNTY RECORDER, ALSO AS RECORDED IN BOOK 3947, PAGE 271 OF OFFICIAL RECORDS OF KERN COUNTY; THENCE AT A RIGHT ANGLE, SOUTH 0° 05' 55" EAST, A DISTANCE OF 120.00 FEET ALONG THE WESTERLY LINE OF PARK T (GALILEO PARK) TO THE SOUTHWESTERLY CORNER THEREOF; THENCE AT A RIGHT ANGLE, SOUTH 89° 54' 05" WEST, A DISTANCE OF 330.00 FEET TO THE POINT OF BEGINNING, AS DEEDED TO THE CITY OF CALIFORNIA CITY, A MUNICIPAL CORPORATION, BY DOCUMENT RECORDED NOVEMBER 20, 1981, IN [BOOK 5419, PAGE 2053](#) OF OFFICIAL RECORDS.

ALSO EXCEPT 1/4 OF ALL OIL, GAS AND OTHER MINERALS BUT WITHOUT THE RIGHT TO ENTER ANY PORTION OF SAID LAND ABOVE 500 FEET BELOW THE SURFACE, WAS QUITCLAIMED TO CALIFORNIA CITY DEVELOPMENT COMPANY, RECORDED AUGUST 26, 1959, IN BOOK 3183, PAGE 206 OF OFFICIAL RECORDS.

ALSO EXCEPT AN UNDIVIDED 1/2 INTEREST IN AND TO ALL OIL, GAS, MINERALS AND MINERAL RIGHTS WITHIN OR UNDERLYING THE NORTHWEST QUARTER OF SAID SECTION, BUT WITHOUT THE RIGHT TO ENTER ANY PORTION OF SAID LAND LYING ABOVE 500 FEET BELOW THE SURFACE THEREOF, AS CONVEYED BY DEED DATED MARCH 20, 1970 FROM GREAT WESTERN CITIES COMPANY, A CALIFORNIA CORPORATION RECORDED MARCH 23, 1970, IN [BOOK 4380, PAGE 568](#) OF OFFICIAL RECORDS.

ALSO EXCEPT AN UNDIVIDED 1/2 INTEREST OF ALL OIL, GAS, PETROLEUM HYDROCARBON SUBSTANCES WITHIN OR UNDERLYING OR THAT MAY BE PRODUCED OR SAVED FROM THE NORTHEAST QUARTER OF SAID SECTION, BUT WITHOUT THE RIGHT TO ENTER ANY PORTION OF SAID LAND LYING ABOVE A DEPTH OF 500 FEET BELOW THE SURFACE THEREOF AS CONVEYED BY DEED DATED APRIL 29, 1970 FROM GREAT WESTERN CITIES, INC., A CALIFORNIA CORPORATION, RECORDED APRIL 29, 1970, IN [BOOK 4392, PAGE 916](#) OF OFFICIAL RECORDS.

APN: **457-020-12**



Click or tap to draw a multi-sided shape and find area. Double-click/tap to finish.



t to...

0-16

457-020-14

457-020-13

457-020-03

iv Blvd

Arroyo Dr

Area: 19.70 ac
Perimeter: 4,905.06 ft

457-020-24

457-020-12

California C

457-020-05

457

0-25

457-020-11

146 ft

457-020-04

0-04

457-030-05

457-030-09

457-030-10



1:500

Scale 1: 9,028



Go

[REDACTED]

CERTIFICATION

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have not provided any services in connection with the subject property, either as appraisers or in any other capacity, within the 3-year period immediately preceding acceptance of this appraisal assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting pre-determined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with, the Uniform Standards of Professional Appraisal Practice.
9. [REDACTED] has made a personal inspection of the property that is the subject of this report. [REDACTED] did not inspect the property.
10. No one provided significant real property appraisal assistance to the person(s) signing this certification.

11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, [REDACTED] and [REDACTED] [REDACTED] have completed the continuing education program for Designated Members of the Appraisal Institute.

Respectfully,

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

PROFESSIONAL QUALIFICATIONS OF [REDACTED]

TITLE

President/Appraiser, [REDACTED]

EMPLOYMENT

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

EDUCATION

University of Southern California, Los Angeles, California, 1972-1976,
B.S. - Business/Real Estate Finance

AIREA Courses successfully completed: 1A-1, 1A-2, 1B-1, 1B-2, 1B-3 - Ethics, Residential Valuation, Rural Valuation, Case Studies, Report Writing, Investment Analysis, Litigation Valuation, Highest and Best Use/Market Analysis (520) and Comprehensive Examination, Residential Site Valuation and Cost Approach, Residential Market Analysis and Highest & Best Use, Fundamental of Separating Real Property, Personal Property, and Intangible Business Assets

AIREA Seminars attended include: Commercial Demonstration Report Writing, Real Estate Feasibility and Market Analysis, Subdivision

Society of Real Estate Appraisers Courses Completed: 101, 102, 201, and 202

Additional Real Estate Education: Marshall Valuation Service -- Residential and Commercial Cost Handbook and Computer Seminars. R41-C and the Appraiser, Standards of Professional Practice.

University of California at Los Angeles Real Estate Investment Analysis, Real Estate Syndication

ALLIED REAL ESTATE EXPERIENCE

Forty-three (43) years in all phases of Real Estate Appraisal

TYPE OF PROPERTIES APPRAISED

Commercial: Neighborhood and convenience shopping centers, high-rise office buildings, garden-office building, retail store buildings, gasoline service stations, etc.

Industrial: Warehouse manufacturing plants, mini-storage facilities, loft buildings, etc.

Residential: Apartment houses, condominiums, master planned communities, residential subdivisions, single-family dwellings, motels, mobile home parks, etc.

Vacant Land: Residential, commercial, industrial and agricultural sites

Special Purposes: Convalescent hospitals, churches, regional entertainment facility, agricultural site, etc.

[REDACTED]

PROFESSIONAL QUALIFICATIONS OF [REDACTED]

(CONTINUED)

Expert Witness: Orange, Los Angeles, Riverside, San Diego, Santa Barbara and San Bernardino Counties

Admissions Committee - 1989-1991
Scholarship Committee Chair - 1986

CERTIFICATION

State of California Certified General Real Estate Appraiser ID Number
[REDACTED]

State of Nevada Certified General Real Estate Appraiser License Number: [REDACTED]

PROFESSIONAL MEMBERSHIPS

Greater Las Vegas Association of Realtors
Building Industry Association
Orange County Association of Mortgage Professionals
Real Estate Research Council of Southern California

LICENSE

Real Estate Broker, State of California (1978-1986)

PROFESSIONAL ORGANIZATIONS

Appraisal Institute

Southern California Chapter Regional Representative, 1999-2000, 2009-2010, 2012-2013, 2016-2017 2017-2018 **2018-2019**
Orange County Branch Chapter - Chairman, 1999
Orange County Chapter, Director, 1991-92
Chairman, Admissions Committee, 1991-93
Chapter Officer - Treasurer, 1994
Regional Ethics and Counseling Panel

American Institute of Real Estate Appraisers Designation MAI
MAI Member Number 7093
Member Admissions Committee 1987-90

Society of Real Estate Appraisers Designation SRPA
Member, Ethics Committee, Chapter 132
Chapter Director 1986-87, 1987-88



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

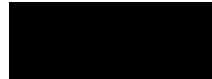


has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:


“Certified General Real Estate Appraiser”

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

BREA APPRAISER IDENTIFICATION NUMBER:



Effective Date: February 26, 2020
Date Expires: February 25, 2022



Jim Martin, Bureau Chief, BREA

3050223

[REDACTED]

PROFESSIONAL QUALIFICATIONS OF [REDACTED]

TITLE

Senior Commercial Appraiser

EMPLOYMENT

[REDACTED] [REDACTED]
[REDACTED] [REDACTED]

EDUCATION

University of California, Irvine
Graduate School of Management
Irvine, California
Master's Degree in Business Administration (MBA), 1983

University of California, Irvine
Bachelors of Science Degree (B.S.) 1977

Appraisal Institute Courses:
Real Estate Appraisal Principles (1A-1)
Basic Valuation Procedures (1A-2)
Capitalization Theory and Techniques, Part A (1B-A), Part B (1B-B)
Standards of Professional Practice
Case Studies in Real Estate Valuation (2-1)
Report Writing and Valuation Analysis (2-2)

EXPERIENCE

Appraisal of residential subdivisions and master-planned communities, vacant land, apartments, office buildings, shopping centers, industrial and R&D developments, mobile home parks, recreational vehicle parks, mini-storage buildings, automobile dealerships, car washes, churches, sports clubs, and other special use facilities.

CERTIFICATION

State of California Certified General Real Estate Appraiser ID No.
[REDACTED]

PROFESSIONAL ORGANIZATIONS

Member of the Appraisal Institute
MAI Member Number [REDACTED]



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



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


“Certified General Real Estate Appraiser”

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

BREA APPRAISER IDENTIFICATION NUMBER:



Effective Date: December 7, 2018
Date Expires: December 6, 2020



Jim Martin, Bureau Chief, BREA

3043239