CENTRAL CALIFORNIA
APPRAISALS

APPRAISAL REPORT

SUNNYSIDE ELEMENTARY SCHOOL

880 Manzanita Drive
11.90± Acres
Los Osos (San Luis Obispo County), CA 93402

VALUATION DATES

As-Is Market Value: May 21, 2024
Date of Report: June 17, 2024

PREPARED BY

Todd O. Murphy, MAI, ARA
Central California Appraisals
1306 Higuera Street
San Luis Obispo, CA 93401
805-544-2472

PREPARED FOR

San Luis Coastal Unified School District
% Mr. Chris Bonin
Director Facilities, Operations and Transportation
937 Southwood Drive
San Luis Obispo, CA 93401
cbonin@slcusd.org

cc: Mr. Ryan Pinkerton
rpinkerton@slcusd.org

File No: 24-S24

CENTRAL CALIFORNIA
APPRAISALS

1306 Higuera Street
San Luis Obispo, CA 93401
805-544-2472

June 17, 2024

San Luis Coastal Unified School District
% Mr. Chris Bonin
Director Facilities, Operations and Transportation
937 Southwood Drive
San Luis Obispo, CA 93401
cbonin@slcusd.org

Dear Mr. Bonin:

As requested by you and Mr. Ryan Pinkerton (Assistant Superintendent/Business Services), I have completed an inspection, analysis, and current opinion of market value of the leased fee interest in the subject property identified as the:

SAN LUIS COASTAL UNIFIED SCHOOL DISTRICT
SUNNYSIDE ELEMENTARY SCHOOL PROPERTY
APN 074-331-001
880 MANZANITA DRIVE
LOS OSOS (SAN LUIS OBISPO COUNTY), CA 93402

Enclosed is our appraisal report showing significant details of our investigation, together with exhibits and analyses. These conclusions are based on an analysis of the subject property and the available market data.

The purpose of this appraisal is to determine the opinion of current market value (as defined in the California Code of Civil Procedure, Section 1263.320) of the subject property.

The intended use of this appraisal report is for decision-making and the potential sale or transfer of the property. The intended users are the client [San Luis Coastal Unified School District (SLCUSD)] and advisors. No other uses or users are intended by the appraiser.

This appraisal report was developed in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) and contains 337 pages.

The appraised leased fee interest represents the fee simple interest in the property, subject to leases in favor of on-site tenants. Most of the current leases are renewed annually.

ASSUMPTIONS AND CONDITIONS OF APPRAISAL

The reader is directed to the *Assumptions and Conditions of Appraisal* section of the final appraisal report, wherein all significant assumptions and conditions are identified. These include the following:

- Acreage Estimate – The estimated property size of 11.90 total acres is based on a review of San Luis Obispo County Assessor's parcel map. For the purposes of this report, the acreage cited

on the assessor's parcel map is assumed to be correct; however, this is subject to revision based on an actual survey by a licensed surveyor.

- Title – First American Title Company Preliminary Report Order Number 4001-6044638 (September 9, 2019) was provided to the appraiser. There appears to be no adverse title conditions affecting the use of this property. This appraisal assumes no title conditions beyond those listed in the Preliminary Report.
- Business Interest Valuation – This appraisal considers real property rights only. No consideration or valuation of any business interest and/or goodwill has been considered in this appraisal.
- Environmental Contamination – No Phase I environmental assessment was provided. No contamination or adverse soil conditions were disclosed to or identified by the appraiser. This appraisal assumes there is no soil contamination affecting the subject property. The appraiser, however, is not qualified to detect such substances. The presence of substances, such as asbestos, urea-formaldehyde foam insulation, toxic mold, or other potentially hazardous materials, may affect the market value of the property. The market value conclusion is predicated on the assumption that there is no such material on or in the property that would cause a loss in market value. No responsibility is assumed for any such conditions or market value. No responsibility is assumed for any such conditions, expertise, or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
- Existing Building Size Estimates – The client provided building information, including various size estimates. This information is assumed to be correct.
- Existing Buildings and Conditions – The Sunnyside Elementary School property includes a fully developed, elementary school facility that was originally built around 1953 with additional structures added in the 1960s though 1997. Around 2003, the school ceased operation as a public elementary school, but various buildings have been leased, consistently maintained, and are currently occupied with tenants. The existing buildings/structures will not be removed by the property owner prior to the property being sold or transferred. Therefore, this appraisal attempts to reflect and account for the contributory value of the existing structures.
- Building Inspection Reports – No building inspection reports were provided. The structures were evaluated and the condition noted as part of this appraisal. No substantially deficient building conditions were noted or disclosed to the appraiser. However, the subject buildings are older and may reflect some degree of deferred maintenance. The appraiser is not an expert in structural, electrical, plumbing, mechanical, and/or roofing systems. Also, no lead-based paint or asbestos-containing materials were disclosed to the appraiser. Identification of any extraordinary needed repairs or adverse conditions may warrant a reappraisal. This appraisal is subject to revision based on review of building inspection reports by a building inspection specialist. It is an **extraordinary assumption** of this report that the structures do not contain any extraordinary adverse conditions and that the structures contain no lead-based paint or asbestos-containing materials. The client is advised that per USPAP Standard Rule 2-2(a)(xiii), the use of an extraordinary assumption may affect the assignment results.

- Highest and Best Use Valuation Scenarios – The valuation of the subject Sunnyside Elementary School property is based on two scenarios:
  - Scenario A – Opinion of market value reflecting the current use – or Value in Use – as the property is currently developed and used. This valuation scenario may not represent the Highest and Best Use, as that term is commonly used for real-property appraisals.
  - Scenario B – Opinion of market value reflecting the Highest and Best Use of the property, which may not reflect the current use.

Any significant variation from these assumptions or conditions may warrant a reappraisal of this property.

PROPERTY OVERVIEW

At 11.90± acres, the Sunnyside Elementary School property comprises one of the largest-acreage properties within the Community of Los Osos. It features a central location situated along Los Osos Valley Road near several of the community focal points.

The northerly, 2.20±-acre portion of the site is a level terrace comprising ball fields and turf situated just above Los Osos Valley Road.

The center of the site totals about 8 acres that are developed with buildings and paved parking areas and driveways, interspersed with open grass and some asphalt-paved playgrounds.

The 1.70-acre, southerly edge of the property includes the highest elevation of the site comprising undeveloped terrain with sandy soils and mostly grass and coastal scrub vegetation.

The site features public-street frontages on all or portions of three sides, with developed access driveways via Manzanita Drive to the west and Bayview Heights Drive to the east. The frontage along Los Osos Valley Road to the north includes land that may require future road dedication land, depending on the ultimate use/redevelopment of the subject property.

There is existing water service to the property provided by Golden State Water, one of three water purveyors in Los Osos. Historical wastewater/sewer service was provided by on-site septic systems. With the completion of the community wastewater treatment plant in 2016, community sewer service is now being provided by the community wastewater treatment system. There are no identified future sewer service limits. Reportedly, the existing facilities and buildings on the subject property have been connected to the community wastewater treatment system. Any redevelopment of the property may require additional and/or upgraded water and sewer utility lines.

The subject Sunnyside Elementary School property is zoned Public Facilities (PF) by the San Luis Obispo County Planning Department. The PF zoning represents one of the most challenging aspects of this appraisal. This is due to very limited/few market-based uses allowed, as well as very scarce market data for this type of zoning/use. However, it is notable that the San Luis Obispo County Coastal Land Use Ordinance includes the following statement regarding allowed uses in the PF zone:

> *The Public Facilities land use category is intended to be applied only to the lands owned by public agencies. In the event land designated in this category is transferred from public to private ownership, the county will initiate a Land Use Element/Local Coastal Plan amendment to change the site to the same designation as an adjoining privately-owned parcel.*

Based on this information, if sold to a private buyer, a rezoning of the property will be initiated by San Luis Obispo County. This would entail a General Plan Amendment (GPA) and a zoning change. The Community of Los Osos is in the late stages of updating its local community plan (Los Osos Community Plan). A potential GPA would likely be considered based on a collaborative effort between San Luis Obispo County and the subject property owner.

In conclusion, it is very difficult to predict the outcome or reasonable probability of a GPA/zoning change for the subject Sunnyside Elementary School property. To the extent that additional development is ultimately gained via rezoning or another means, the market value of the subject property would likely increase. However, some degree of retained open space/park use may be required and/or possibly provide a benefit to potential new development on the balance of the subject site, as well as providing a greater potential for neighborhood support.

The existing school facilities include eight permanent structures totaling 29,700± square feet and 8,893± square feet of external, covered canopy. These buildings are mostly leased and occupied by the State of California Department of Forestry and Fire Protection (CAL FIRE) as a training facility, as well as local educational/private school tenants. The current CAL FIRE lease was updated and revised to run until June 30, 2025. The other tenants are on year-to-year leases. As of 2024, all tenants have been notified that their leases will not extend beyond June 2025.

There are also five relocatable/modular classrooms and one relocatable/modular office building totaling 5,255± square feet. Three of the modular buildings are occupied by Community Action Partnership of San Luis Obispo (CAPSLO), but does not currently pay rent. On-site facilities also include extensive parking lots, landscaping, fencing, and site improvements.

The highest and best use of this property is to retain the existing structures as an investment property and pursue partial redevelopment consistent with the policies of the County of San Luis Obispo. This may include a GPA and processing a new, mixed-use, commercial/residential development and possible public uses, such as parkland or other community facilities. The substantial existing structures help provide revenue that would appeal to an investor. As such, the existing structures represent a significant contributory value to the property.

Los Osos Community Plan Update

Initiated in 2015, the Los Osos Community Plan update process was initially completed with the adoption of the Los Osos Community Plan by the San Luis Obispo County Board of Supervisors on December 15, 2020. This plan and the associated Environmental Impact Report were approved for submission to the California Coastal Commission.

Community Water Services

Currently, there is an identified water allocation available to serve existing development on this property. The Los Osos Groundwater Basin was subject to a 2015 adjudication and has been subject to a complex, protracted, evaluation/intervention period designed to prevent further seawater intrusion. This process is monitored by the Los Osos Basin Plan Groundwater Monitoring Program with oversight by the California Department of Water Resources. The ultimate approval of water "will-serve letters" to allow development of vacant parcels in Los Osos will be subject to California Coastal Commission approvals.

As detailed in a recent (May 22, 2024) article in the *San Luis Obispo Tribune*, at long last it appears that at their upcoming June 2024 meeting the California Coastal Commission staff will address the Los Osos

Community Plan and recommend policies to allow 1% growth in the community, relaxing the decades-long building moratorium in Los Osos. This is based on the most recent analysis of local groundwater conditions, water-conserving practices, and possible supplemental community water.

It is also notable that as of 2024, the Los Osos Community Services District (LOCSD) is pursuing a water pipeline spur that will connect with the Chorro Valley Pipeline to the northeast, which will provide supplemental state water to the Community of Los Osos. As of 2024, this project is projected to be completed within 4 to 5 years.

The 1% growth rate provides for as many as 62 new homes in the community, based on the current estimate of approximately 6,200 residential dwellings. However, building permits in the community will likely be phased into reach the 1% growth rate over a period of time. Low-income/affordable housing may also be added on a different schedule, with potentially as many as 400 units built over the next 5 years.

It is notable that there has been a long-standing building permit waitlist in Los Osos, totaling over 230 applications dating as far back to 1990. At an estimated buildout of 60 units per year, the current wait list reflects almost 4 years of building applications.

If enacted as proposed, this policy change represents a significant shift to finally allow some development in Los Osos.

At this time, there is no clear schedule to provide water for development for all of the substantial number of vacant properties in the community, including the undeveloped portions of the subject Sunnyside Elementary School property. This creates significant uncertainty regarding the outlook and timing for potential development/redevelopment on-site. However, as of May 2024, pending the results of the upcoming California Coastal Commission meeting, the overall outlook appears to be clearly improving.

Historical Water Use

Also notable is the historical water use on the Sunnyside Elementary campus may allow an opportunity for development of all or portions of the property if suitable offsetting water-use conservation measures are implemented. A review of the water-use history and community water/development policies by a civil engineer is recommended in order to evaluate the historical water use and potential development aspects of the subject property.

Community Wastewater Treatment

The Community of Los Osos Wastewater Treatment Plant came online in 2013, ending decades of delays, lawsuits, and false starts. The community sewer system provides the subject property direct access to sewer service. The Sunnyside Elementary School property has reportedly been connected to the LOCSD, including payment of the sewer assessment fees.

Habitat Conservation Plan

The Los Osos Habitat Conservation Plan was a requirement of the Los Osos Wastewater Treatment Plant and was adopted as part of the Los Osos Community Plan Update.

Land Market Overview

Over many years, sales of vacant/redevelopment properties in Los Osos have been constrained by the uncertain water and development entitlement outlook. Demand for local development properties in

nearby Morro Bay and San Luis Obispo has been driven largely by the residential development potential, with the commercial aspect being clearly a secondary factor.

From a market-demand standpoint, the substantial surge in housing prices and residential rents in Los Osos is well-documented. Single-family residential prices have surged roughly 50% from 2012 to 2020. Since 2020, home prices have clearly increased following the COVID-19 pandemic, although appear to have tempered somewhat since 2023. In response, demand for suitable development land has been very strong over the past few years, at least up though 2022 to 2023 when significant interest rate increases occurred. Certain additional factors are also affecting and tempering local development land prices; particularly higher property taxes due to the community wastewater project, increased permit and development fees, as well as substantially increased construction costs.

We are roughly 11 to 12 years into the current development cycle and past experience would indicate a down cycle at some point on the horizon. After a prolonged period of very affordable interest rates, the substantial increases in interest rates in 2022/2023 has affected development financing and feasibility. These factors may combine to weigh on the previous upward trend of development land prices.

Sunnyside Elementary School Valuation Factors

The subject property is very unusual is it represents a very large landholding that is primarily developed with an extensive school facility, including buildings, infrastructure, and paved parking/play areas. The structures are mostly leased to various private and public users. Given the uncertainty of community water resources, the existing facilities and historical use have established a significant amount of development and water use, which provides a substantial advantage for potential additional or redevelopment purposes. However, the open ball fields and undeveloped and upper hillsides may not have proven available water and/or may feature other constraints affecting potential development. The existing buildings and lease revenue provides a significant benefit as an investment property and/or during the potential planning and predevelopment period.

Market Data Considered

Four sets of market data were considered in this appraisal. Data Groups A and B represent sales of primarily vacant land from Los Osos, San Luis Obispo, and other competitive locations. Data Group A features land sales acquired for near-term potential development. Data Group B includes sales of various constrained properties most similar to the current PF zoning of the subject property. Data Group C includes sales of improved institutional properties, considered to be most applicable in valuing the subject property as an existing school facility. These include sales of campuses used for churches; schools; a historical church camp; and other, somewhat-similar uses. Data Group D represents sales of multi-tenant office complexes that were considered for comparison and rate-verification purposes.

The existing leases and rental/property expense information was considered in valuing the subject structures. In addition, the buildings were analyzed using the cost approach.

Market Value Scenarios

Valuation Scenario A – Value in Use

Valuation Scenario A reflects the market value of the subject property considering its current use and degree of development with the existing structures. This valuation scenario considers the open land on the property as recreational fields on the south side of the property and undeveloped hillsides on the north side.

Valuation Scenario B – Highest and Best Use

Valuation Scenario B reflects the market value of the subject property considering the degree of development with the existing structures and also potential for further development on the open land portions. This valuation scenario considers the open land on the property as featuring potential for future development. However, the present contributory value of the open/potentially developable land reflects significant uncertainties regarding the likelihood of development due to the current community water supply constraints and potential neighborhood resistance due to the potential loss or reduction of open recreational fields.

The cost approach was developed and provides a market value conclusion of $5,875,000 for Valuation Scenario A and $6,600,000 for Valuation Scenario B. The income approach provides a market value conclusion of $3,970,000 for Valuation Scenario A and $4,480,000 for Valuation Scenario B. Due to the challenges of applying the income approach, in this case, this valuation method is given limited weight in the final analysis. Very strong weight is given to the sales comparison approach as a total of 13 sales and 3 listings of improved properties were identified, including several properties specifically acquired for school/educational purposes. The sales comparison approach provides market value conclusions of $5,675,000 for Valuation Scenario A and $6,050,000 for Valuation Scenario B.

Valuation Conclusions

After carefully evaluating and comparing the market data, the current market value of the leased fee interest in the subject Sunnyside Elementary School property, based on the market value definition as identified in the Code of Civil Procedure, Section 1263.320, subject to the *Assumptions and Conditions of Appraisal*, as of May 21, 2024, is:

SUNNYSIDE ELEMENTARY SCHOOL
VALUATION SUMMARY TABLE

VALUATION SCENARIO	VALUATION PREMISE	MARKET VALUE
A	Value in Use	$5,650,000
B	Highest and Best Use	$6,050,000

Value in Use – Valuation Scenario A

FIVE MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS
($5,650,000)

Highest and Best Use – Valuation Scenario B

SIX MILLION FIFTY THOUSAND DOLLARS
($6,050,000)

Recommendations

The subject Sunnyside Elementary School property represents a very challenging property to value. This is due to the uncertainty regarding the ultimate disposition and highest and best use of the site. If sold on the open market to a private buyer, it appears that San Luis Obispo County will initiate a GPA and rezoning of the property. The extent and density of potential redevelopment of the property is quite uncertain due, in significant part, to the current community water supply constraints.

Therefore, if the property were to be sold on the open market, it is recommended that a land planning and/or civil engineering firm be retained to work with the San Luis Obispo County Planning Department and the Los Osos Community in order to identify the most likely and acceptable development scenarios for the subject property. This type of study and securing potential development approvals may result in an increase in the market value of this property.

Thank you for this opportunity to be of service. Please contact me with any questions at (805) 544-2472, Extension 215.

Respectfully submitted,

Todd O. Murphy, MAI, ARA
Senior Appraiser
California License #AG002286
License Expires February 14, 2026

TOM:AM:AME:jsi

cc: Mr. Ryan Pinkerton rpinkerton@slcusd.org

Assumptions and Conditions of Appraisal

Appraisal Report Limitations

This appraisal is for no purpose other than property valuation and the appraiser is neither qualified for nor attempting to go beyond that narrow scope.

The reader should be aware that there are also inherent limitations to the accuracy of the information and analyses contained in this appraisal. Before making any decision based on the information and analyses contained in this report, it is critically important to read this entire section to understand these limitations.

Appraisal reports are technical documents addressed to the specific technical needs of the clients. Casual readers should understand that this report does not contain all of the information the appraiser has developed concerning the subject property or the real estate market.

While no factors the appraiser believes to be significant but unknown to the client have been knowingly withheld, it is always possible that the appraiser may have information of significance that may be important to others but did not seem important in determining the opinion of current market value and was not included in this report.

Acreage Estimate

The estimated property size of 11.90 total acres is based on a review of San Luis Obispo County Assessor's parcel map. For the purposes of this report, the acreage cited on the assessor's parcel map is assumed to be correct; however, this is subject to revision based on an actual survey by a licensed surveyor.

Title

First American Title Company Preliminary Report Order Number 4001-6044638 (September 9, 2019) was provided to the appraiser. There appears to be no adverse title conditions affecting the use of this property. This appraisal assumes no title conditions beyond those listed in the Preliminary Report.

Government Regulations

It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations, zoning regulations, building codes, and license laws. No local code violations were identified as part of this investigation.

The totality of such laws and regulations governing the use and enjoyment of a property are beyond the scope of any particular individual, though the appraiser does try to keep abreast of any restrictions on the free enjoyment of real estate.

Engineering

An engineering analysis of the property was neither provided for use nor made as a part of this appraisal contract. Any representation as to the suitability of the property for uses suggested in this analysis is therefore based on a rudimentary investigation by the appraiser and the value conclusions are subject to said limitations.

The appraiser is not a qualified engineer nor does he purport to have any expertise in engineering.

While the accompanying report describes physical characteristics of the property, it is provided to assist in visualization of the property and is not to be construed as an engineering analysis of the property. The observed features and conditions reported here are based on a casual inspection of the property. For instance, the appraiser is not an expert on geology, soils, groundwater, etc. The appraiser is also not an expert in various building systems such as structural, plumbing, electrical, mechanical, etc. No attempt was made to inspect these or other such items in detail beyond noting their existence and an inquiry as to their condition.

It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures, that would render them more or less valuable.

If any interested party is concerned about the existence, condition, or adequacy of any particular item or aspect of the property, it is strongly suggested that an expert or engineer be engaged for a detailed, expert investigation.

Information As a Basis of Value

In the course of this investigation, much of the information used in arriving at conclusions was provided by others. Some sources of information include government agencies, accountants, real estate brokers/agents, buyers, sellers, lenders, other appraisers, builders, etc.

These sources are assumed to be reliable and the information is assumed to be true and accurate. An attempt is made to verify all information; however, the appraiser cannot guarantee the accuracy of this information.

Environmental Hazards

The existence of hazardous material and/or underground contamination, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances, such as asbestos, urea-formaldehyde foam insulation, toxic mold, or other potentially hazardous materials, may affect the value of the property. The opinion of current market value 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 such conditions or value. No responsibility is assumed for any such conditions, expertise, or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

The appraiser is not an expert in environmental hazards and comments contained herein should not be construed as an environmental assessment. All clients are advised to obtain a Phase I environmental report if there are any concerns in the environmental field and/or their impact on the subject property. The client is urged to retain an expert in this field, if desired.

Environmental Contamination

No Phase I environmental assessment was provided. No contamination or adverse soil conditions were disclosed to or identified by the appraiser. This appraisal assumes there is no soil contamination affecting the subject property. The appraiser, however, is not qualified to detect such substances. The presence of substances, such as asbestos, urea-formaldehyde foam insulation, toxic mold, or other potentially hazardous materials, may affect the market value of the property. The market value conclusion is predicated on the assumption that there is no such material on or in the property that would cause a loss in market value. No responsibility is assumed for any such conditions or market value. No

responsibility is assumed for any such conditions, expertise, or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

Validity of Appraisal

The conclusions reached here are based on projections and analyses as of the date of the appraisal. The appraiser claims no clairvoyance. Thus, as conditions change in the future, so may the factors that create, maintain, and destroy value.

Certain projections and mathematical models are based on the appraiser's best estimate of possible future conditions and do not represent guarantees or actualities that may occur. They are an attempt on the part of the appraiser to represent the probable actions of typical buyers, sellers, and users in the marketplace.

While every attempt was made to be as accurate as possible, the value of a property is ultimately a judgment decision or opinion. This should be realized by the user of this report, who should analyze the information provided to ensure their agreement with the conclusions, before acting thereon.

Existing Buildings and Conditions

The Sunnyside Elementary School property includes a fully developed, elementary school facility that was originally built around 1953 with additional structures added in the 1960s though 1997. Around 2003, the school ceased operation as a public elementary school, but various buildings have been leased, consistently maintained, and are currently occupied with tenants. The existing buildings/structures will not be removed by the property owner prior to the property being sold or transferred. Therefore, this appraisal attempts to reflect and account for the contributory value of the existing structures.

Existing Building Size Estimates

The client provided building information, including various size estimates. This information is assumed to be correct.

Building Inspection Reports

No building inspection reports were provided. The structures were evaluated and the condition noted as part of this appraisal. No substantially deficient building conditions were noted or disclosed to the appraiser. However, the subject buildings are older and may reflect some degree of deferred maintenance. The appraiser is not an expert in structural, electrical, plumbing, mechanical, and/or roofing systems. Also, no lead-based paint or asbestos-containing materials were disclosed to the appraiser. Identification of any extraordinary needed repairs or adverse conditions may warrant a reappraisal. This appraisal is subject to revision based on review of building inspection reports by a building inspection specialist. It is an extraordinary assumption of this report that the structures do not contain any extraordinary adverse conditions and that the structures contain no lead-based paint or asbestos-containing materials. The client is advised that per USPAP Standard Rule 2-2(a)(xiii), the use of an extraordinary assumption may affect the assignment results.

Business Interest Valuation

This appraisal considers real property rights only. No consideration or valuation of any business interest and/or goodwill has been considered in this appraisal.

TABLE OF CONTENTS

ASSUMPTIONS AND CONDITIONS OF APPRAISAL **1**

SUMMARY OF SALIENT FACTS AND CONCLUSIONS **6**

CERTIFICATION **7**

DISCLOSURE AND USE **8**

SUBJECT PHOTOGRAPHS AND LOCATIONAL MAPS **9**

APPRAISAL REPORT – INTRODUCTION **24**

Purpose of Assignment, Intended Use, and Intended Users
Scope of This Report
Key Definitions
Type of Report
Interest Appraised
Effective Date of Valuation
Date of Report
Offer to Accompany Appraiser
Property Ownership
Property Identification
Property History
Exposure Time
Appraiser's Competence

LOS OSOS COMMUNITY OVERVIEW (THE SOUTH BAY) **30**

PROPERTY DESCRIPTION AND ANALYSIS **37**

Site Description 38
Description of Improvements 50
Highest and Best Use 79

APPRAISAL PROCESS **82**

Cost Approach 83
Income Approach 170
Sales Comparison Approach 180

FINAL VALUE CONCLUSIONS **283**

CONTINUED ON THE FOLLOWING PAGE

TABLE OF CONTENTS, CONTINUED

ADDENDA 285

Preliminary Report Number 4001-6044638; First American Title Company; September 9, 2019 286

Coastal Allowable Use Table & Definitions, Coastal Table O, Coastal Zone Framework For Planning; County of San Luis Obispo; October 2018 300

Building Moratorium in Los Osos Could be Lifted After Decades. Here's How; John Lindt (SIERRA2THESEA.NET); San Luis Obispo Tribune; May 22, 2024 308

San Luis Obispo County Property Tax Bills – 2019/2020 and 2023/2024 319

Summary of Revenue and Expenses 322

Statement of Professional Contribution 332

Appraiser Qualifications 333

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property Name:	Sunnyside Elementary School
Location:	880 Manzanita Drive, Los Osos (San Luis Obispo County), California 93402
APN:	074-331-001
Land Size:	11.90± gross acres
Topography:	Mostly level to gently-sloping
Improvements:	Existing, older, school buildings; mostly tenant-occupied
Zoning:	Public Facility (PF)
Current Use:	School facilities, firefighter training, offices, modular buildings, and recreation
Highest and Best Use:	Hold for potential redevelopment
Owner of Record:	San Luis Coastal Unified School District (SLCUSD)
Effective Date of Value:	May 21, 2024
Date of Report:	June 17, 2024

Market Value Conclusion:	**Valuation Scenario A**	**Valuation Scenario B**
Cost Approach:	**$5,875,000**	**$6,600,000**
Income Approach:	**$3,970,000**	**$4,480,000**
Sales Comparison Approach	**$5,675,000**	**$6,050,000**

Current Market Value Conclusion of Leased Fee Interest as of May 21, 2024:

Value Scenario A:	**$5,650,000**
Value Scenario B:	**$6,050,000**

Todd O. Murphy, MAI, ARA, is a State-Certified General Real Estate Appraiser; State of California License #AG002286 (expires February 14, 2026).

CERTIFICATION

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

- the statements of fact contained in this report are true and correct.
- I have made a personal inspection of the property that is the subject of this report.
- I have no present or prospective interest in the property that is the subject of this report and I have no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the 3-year period immediately preceding acceptance of this assignment.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- my compensation was based on a professional fee and was not based on a percentage of the market value conclusion.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, conclusions, and recommendations.
- Allyson Milburn and Amber Eckert (Research Analysts/Appraiser Trainees) assisted in the development of this report. Refer to the *Statement of Professional Contribution* in the *Addenda* of this report for detail of contribution.
- the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute and the American Society of Farm Managers and Rural Appraisers (ASFMRA).
- the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
- the use of this report is subject to the requirements of the Appraisal Institute and ASFMRA relating to review by its duly authorized representatives.
- as of the date of this report, I, Todd O. Murphy, MAI, ARA, have completed the continuing education program of the Appraisal Institute and ASFMRA.

Todd O. Murphy, MAI, ARA

California License #AG 002286
Expires February 14, 2026

DISCLOSURE AND USE

This report shall be used for its intended purposes only and by the parties to whom it is intended. Possession of this report does not include the right of publication. This report cannot be updated or changed by any party other than an employee of Central California Appraisals.

Neither all nor any part of this report shall be conveyed to any person or entity, other than the appraiser's or firm's client, through advertising, solicitation materials, public relations, news, sales, or other media without the written consent and approval of the author, particularly as to valuation conclusions, the identity of the appraiser or firm with which the appraiser is connected, or any reference to the Appraisal Institute or MAI designation. Further, the appraiser or firm assume no obligation, liability, or accountability to any third party. If this report is placed in the hands of anyone but the client, client shall make such party aware of all the assumptions and limiting conditions of the assignment.

The appraiser is not required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless further arrangements have been previously made and mutually agreed upon.

Information estimates and opinions furnished to the appraiser and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished to the appraiser will be assumed by the appraiser.

The appraiser assumes no responsibility for changes and/or limitations that may be imposed to the subject by the numerous governmental and political entities which have authority to make decisions that can alter property use, project feasibility, and value.

All professional appraisal reports must also contain the following statement:

> *The Appraisal Institute conducts a voluntary program of continuing education of its designated members. MAIs and SRAs who meet the standards of this program are awarded periodic educational certification. Todd O. Murphy, MAI, ARA, is certified under this program.*

This report has been prepared in accordance with the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute and the American Society of Farm Managers and Rural Appraisers (ASFMRA). The Appraisal Institute and ASFMRA have a legal right to review the report.

Subject Photographs and Locational Maps

Photographs Taken by Todd O. Murphy, MAI, ARA, on November 13, 2019; February 8, 2020; and March 27, 2024

Viewing Southwest Across Los Osos Valley Road Toward Subject Property

Viewing West Along Los Osos Valley Road; Sunnyside School at Left

Viewing Southeast Across Los Osos Valley Road Toward Northwestern Corner of Sunnyside School

Viewing East Along Los Osos Valley Road; Sunnyside School at Right

Viewing West Along Los Osos Valley Road;
Close-Up of Sunnyside School Road Frontage

Viewing Northeast Over Ball Fields and Northern Portion of Sunnyside School

Viewing Northwest Over Ball Fields and Northern Portion of Sunnyside School

Viewing Northwest From Sunnyside School Across Los Osos Valley Road Toward Los Osos Community Park and Office Building

Viewing East Along Manzanita Avenue Toward Sunnyside School

Viewing West From Sunnyside School Along Manzanita Avenue

Viewing South Along Bayview Heights Drive; Sunnyside School at Right

Viewing West From Bayview Heights Drive Toward Sunnyside School

Viewing North Along Bayview Heights Drive; Sunnyside School on Left

Viewing Southwest Toward Southern/Undeveloped Portion of the Sunnyside School Property; Bayview Heights Neighborhood in Background

Viewing Southwest Toward Southern/Undeveloped Portion of the Sunnyside School Property; Bayview Heights Neighborhood at Left

Viewing Northwest From the Southern/Undeveloped Portion of the Sunnyside School Property Overlooking the Subject Property

Viewing East Over the Southern/Undeveloped Portion of the Sunnyside School Property

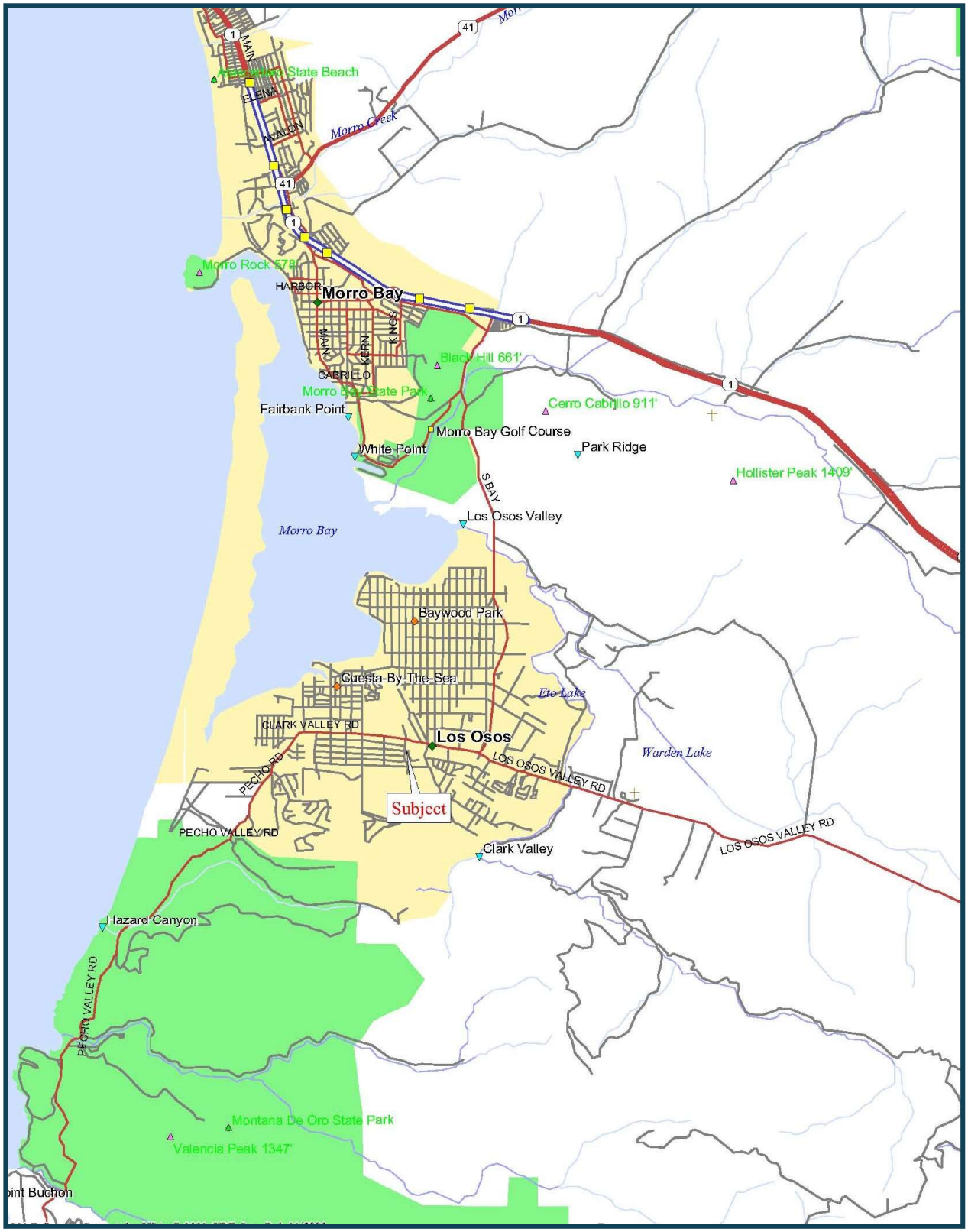
Viewing Northwest Over the Ball Fields on the Northern Portion of the Sunnyside School Property

Viewing Southeast Toward the Southern/Undeveloped Portion of the Sunnyside School Property; Bayview Heights Neighborhood in Background

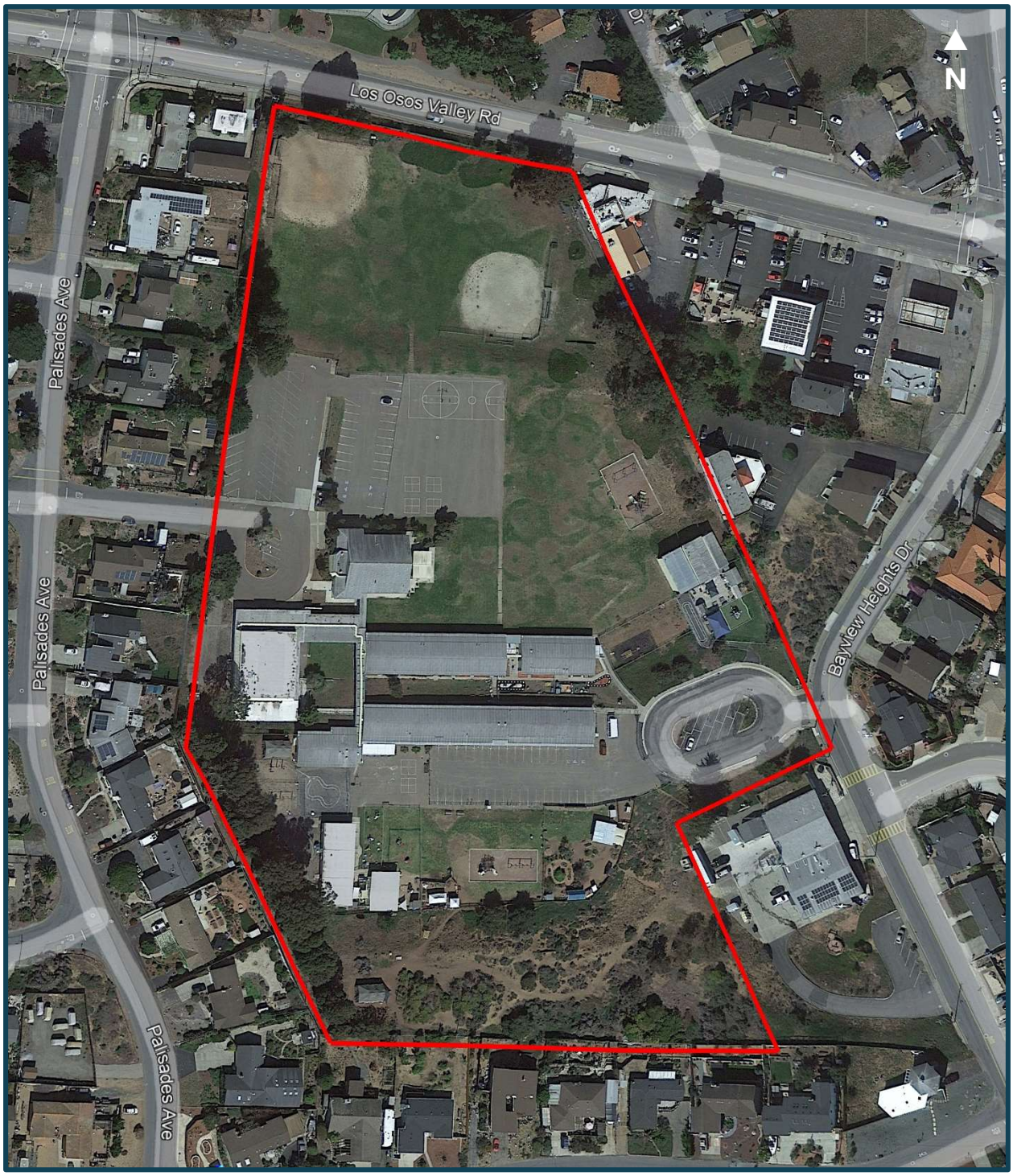
Viewing North Over the Ball Fields on the Northern Portion of the Sunnyside School Property

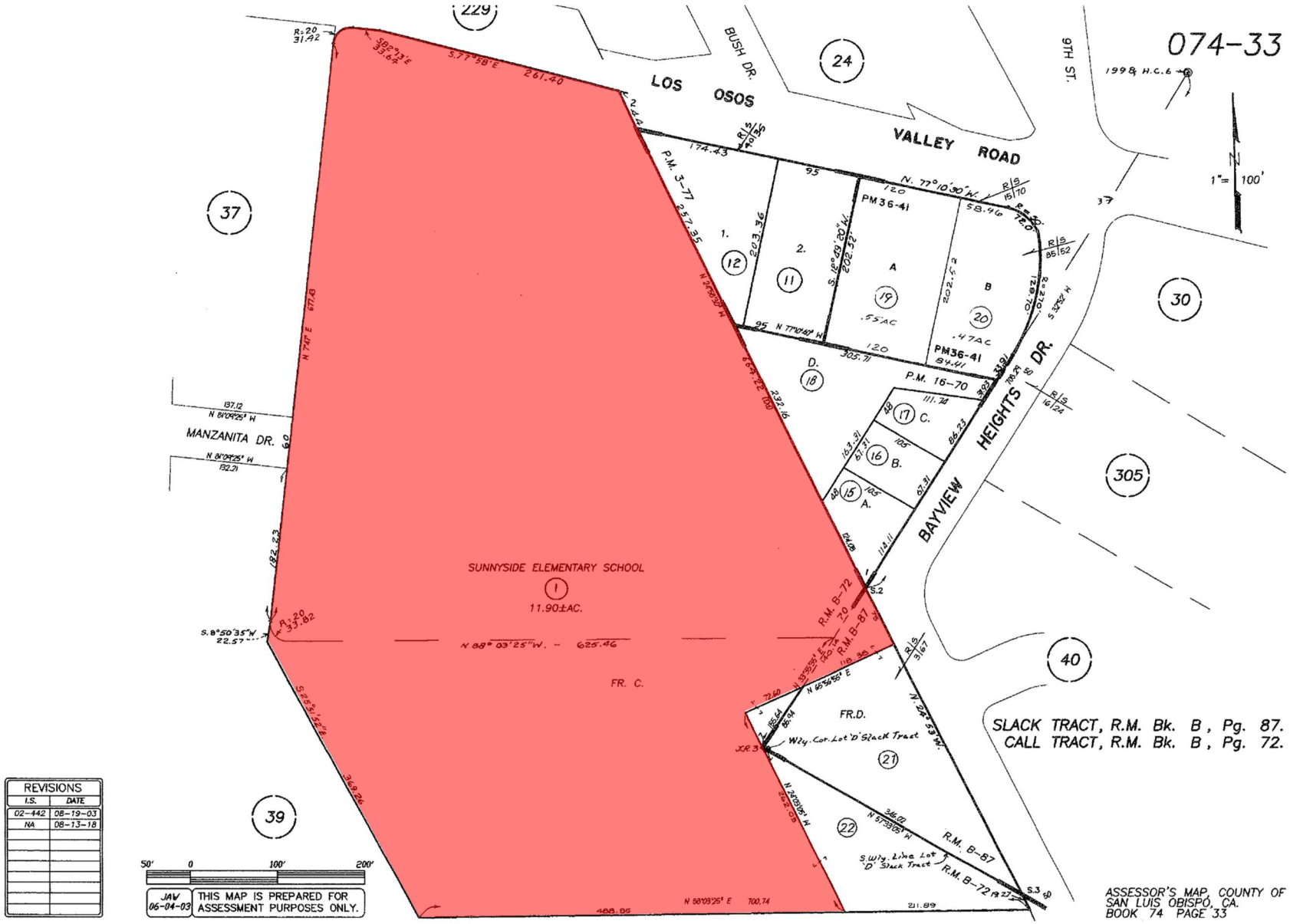
SAN LUIS OBISPO COUNTY AND VICINITY

NEIGHBORHOOD LOCATION MAP



GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF THE SUNNYSIDE ELEMENTARY SCHOOL PROPERTY




074-33
1998 H.C.6
1" = 100'
LOS OSOS VALLEY ROAD
BUSH DR.
9TH ST.
BAYVIEW HEIGHTS DR.
MANZANITA DR.
SUNNYSIDE ELEMENTARY SCHOOL
11.90±AC.
N 88° 03' 25" W. - 625.46
FR. C.
FR.D.
PM36-41
P.M. 16-70
P.M. 3-77
R.M. B-72
R.M. B-87
SLACK TRACT, R.M. Bk. B, Pg. 87.
CALL TRACT, R.M. Bk. B, Pg. 72.
ASSESSOR'S MAP, COUNTY OF SAN LUIS OBISPO, CA.
BOOK 74 PAGE 33
REVISIONS
I.S. DATE
02-442 08-19-03
NA 08-13-18
JAW 06-04-03
THIS MAP IS PREPARED FOR ASSESSMENT PURPOSES ONLY.

APPRAISAL REPORT – INTRODUCTION

PURPOSE OF ASSIGNMENT, INTENDED USE, AND INTENDED USERS

The purpose of this assignment is to determine the fair market value (as defined in the California Code of Civil Procedure, Section 1263.320) of the subject property identified as follows:

San Luis Coastal Unified School District
Sunnyside Elementary School Property
APN 074-331-001
880 Manzanita Drive
Los Osos (San Luis Obispo County), CA 93402

As requested by the client, this appraisal considers the subject property under two valuation scenarios. The intended use of this appraisal report is for decision-making and potential sale or transfer of the property. The intended users are the client [San Luis Coastal Unified School District (SLCUSD)] and advisors. No other uses or users are intended by the appraiser.

Without the written consent of the appraiser, this report may not be used for any purpose by any person other than the parties to whom it is intended. The appraiser has no liability, obligation, or responsibility to any person other than the party to whom the report is addressed.

This report shall be used for its intended purposes only and by the parties to whom it is intended. Possession of this report does not include the right of publication. This report cannot be updated or changed by any party other than an employee of Central California Appraisals.

SCOPE OF THIS REPORT

The scope of this report involved a comprehensive investigation into all factors believed to influence the market value of the subject property. This investigation is summarized as follows:

- Conducted an on-site inspection and review of the property on March 27, 2024.
- Inspected and analyzed the community and neighborhood.
- Conducted interviews and discussions with various public officials, market participants, and knowledgeable parties during this and our prior appraisal report of the subject property. Some of the more significant include:
  - Mr. Chris Bonin, Director; Buildings, Grounds & Transportation; SLCUSD
  - Ms. Carol Florence AICP, Planner, Oasis Associates
  - Ms. Kerry Brown, Senior Planner, Los Osos Community Plan Update Project Manager, San Luis Obispo County Planning Department
  - Ms. Kelly Lee, Facilities Analyst, SLCUSD
  - Mr. Rick Stimson, Facilities Specialist, SLCUSD
  - Mr. Ron Munds, General Manager, LOCSD

- Reviewed and analyzed available public and private information relevant to this property. Some of the more significant documents included:
  - Appraisal Report of the San Luis Coastal Unified School District Sunnyside Elementary School Property; Schenberger, Taylor, McCormick & Jecker, Inc.; March 9, 2020
  - Preliminary Report Order Number 4001-6044638; First American Title Company; September 9, 2019
  - U.S. Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) Web Soil Survey
  - Federal Emergency Management Agency (FEMA) Flood Map Number 06079C1040H; May 16, 2017
  - Coastal Allowable Use Table & Definitions, Coastal Table O, Coastal Zone Framework For Planning; County of San Luis Obispo; October 2018
  - Los Osos Community Plan Public Review Draft; San Luis Obispo County Planning Department; January 30, 2015
  - Los Osos Community Plan Draft Environmental Impact Report (Volume 1 EIR Analysis); San Luis Obispo County Planning Department; July 2019
  - *Building Moratorium in Los Osos Could be Lifted After Decades. Here's How*; John Lindt (SIERRA2THESEA.NET); San Luis Obispo Tribune; May 22, 2024
  - Annual Secured Property Tax Bills, San Luis Obispo County, 2019/2020 and 2023/2024
  - Sunnyside Elementary School Leases (various dates)
  - Sunnyside Elementary School Expense Summaries
  - U.S. Geologic Survey topographic map
  - Various other maps and documents provided by the client
- Performed an analysis and conclusion of the highest and best use of the subject property.
- Conducted an investigation of current market sales, listings, and other market data utilizing deed recordings, multiple listing data, lenders, real estate brokers, and others, in order to formulate a supported opinion of the current market value of the subject property by the direct sale comparison approach.
- Completed a valuation of the subject property using the cost approach and the income capitalization approach.
- Arrived at a current market value conclusion of the leased fee interest of the subject property subject to the *Assumptions and Conditions of Appraisal* and considering the subject property under Valuation Scenarios A and B.

Key Definitions

Fair Market Value[1]

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

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

The terms "market value" and "fair market value" are used interchangeably in this report.

Use Value[2]

The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Use value may or may not be equal to market value but is different conceptually. See also value in use.

Value in Use[1]

The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. See also use value.

As Is Market Value[1]

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.

Leased Fee Interest[1]

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Extraordinary Assumption[3]

***EXTRAORDINARY ASSUMPTION**: an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.*

[1] California Code of Civil Procedure, Section 1263.320

[2] The Dictionary of Real Estate Appraisal, Seventh Edition, 2022, *Appraisal Institute*

[3] USPAP 2020-2023

> *Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in the analysis.*

The client is advised that per USPAP Standard Rule 2-2(a)(xiii), the use of an extraordinary assumption may affect the assignment results.

REPORT[1]

> ***Report:*** *any communication, written or oral, of an appraisal or appraisal review that is transmitted to the client or a party authorized by the client upon completion of an assignment.*

Uniform Standards of Professional Appraisal Practice (USPAP) Standards Rule 2-2 and The Dictionary of Real Estate Appraisal, Seventh Edition, 2022, identify report types as follows:

> *Each written real property appraisal report must be prepared under one of the following options and prominently state which option is used: Appraisal Report or Restricted Appraisal Report.*
>
> *An **Appraisal Report** summarizes all information significant to the solution of the appraisal problem.*
>
> *A **Restricted Appraisal Report** is for client use only; or, when additional intended users are identified by name.[2] The restricted appraisal report should contain a brief statement of information significant to the solution of the appraisal problem.*

Market value estimates are either retrospective (past date), current (current date), or prospective (future date). These appraisal types are defined[3] as:

> ***Retrospective appraisals*** *(effective date of the appraisal prior to the date of the report) may be required for property tax matters, estate or inheritance tax matters, condemnation proceedings, suits to recover damages, and other similar situations.*
>
> ***Current appraisals*** *occur when the effective date of the appraisal is contemporaneous with the date of the report. Because most appraisals require current value opinions, the importance of specifying both the date of the report and the effective date of the analysis is sometimes lost.*
>
> ***Prospective appraisals*** *(effective date of the appraisal subsequent to the date of the report) may be required for valuations of property interests related to proposed developments, as the basis for value at the end of a cash flow projection, and for other reasons.*

TYPE OF REPORT

This appraisal is presented in a narrative report format written in conformance with the requirements of USPAP Standards Rule 2-2(a).

[1] USPAP 2020-2023

[2] Standard 2-2(b)(ii), USPAP 2020-2023

[3] The Appraisal Standards Board, Advisory Opinion 34 (AO-34), USPAP 2020-2023

Interest Appraised

The subject property includes leases to other parties. Therefore, the interest being appraised is the leased fee interest.

Effective Date of Valuation

The effective date of valuation is May 21, 2024.

Date of Report

The date of the report is the date of final preparation – June 17, 2024.

Offer to Accompany the Appraiser

The appraiser met with Mr. Rick Stimson, property owner representative, during his prior site inspection on November 13, 2019. The subject property was most recently inspected on March 27 and May 21, 2024.

Property Ownership

According to the First American Title Company Preliminary Report and the San Luis Obispo County Assessor's Roll, title to the subject property is held by the San Luis Coastal Unified School District (SLCUSD).

Property Identification

This property is commonly identified as 880 Manzanita Drive, Los Osos, California. It is also identified as San Luis Obispo County Assessor's Parcel Number (APN) 074-331-001. The First American Title Company Preliminary Report includes the precise legal description for the subject property. This is included in the *Addenda* of this appraisal report.

Property History

This property has been owned by the SLCUSD for many years. Sunnyside Elementary School was originally developed in the 1950s and operated as a K-12 public school through 2004 when the school was closed. Since then, most of the facilities have been occupied and leased by a various tenants.

There have been no known sales of the property over the past 5 years.

Exposure Time[1]

> ***EXPOSURE TIME****: 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.*
>
> *Comment: Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market.*

The assumed market exposure time for the subject Sunnyside Elementary School property would have been roughly 12 months.

[1] USPAP 2020-2023

Appraiser's Competence

The appraiser has extensive experience appraising vacant and/or potential development land in the subject Los Osos market area and nearby communities. The appraiser has also appraised specialized institutional facilities, including school properties, churches, and publicly owned properties. The appraiser is qualified to complete this assignment in a competent manner. Please refer to the *Appraiser Qualifications* in the *Addenda* of this report for a complete description of the training and experience of the appraiser.

Los Osos Community Overview (The South Bay)

Historical Setting

Located along the west coast of San Luis Obispo County and clustered at the southern edge of the Morro Bay estuary, the three compact communities of Baywood Park, Cuesta-by-the-Sea, and Los Osos began as separate developments, but have since grown together. Known collectively as the South Bay, residents still consider the communities distinct from one another, yet there are no official boundaries separating these unincorporated communities.

In 1919, Baywood Park was created as a residential recreational lot development, followed by Cuesta-by-the-Sea in the 1920s. Los Osos was the last to develop. The Los Osos Valley, from which the village takes its name, was originally populated by Chumash Indians and was visited by the Spanish explorer Gaspar de Portolá in the 1700s. Portolá called the valley La Cañada de Los Osos, or Valley of the Bears, because of the large number of grizzly bears that inhabited the area during the period of his visit.

Environmental Setting

This area is situated within a valley running roughly east/west and framed by rolling hills covered with chaparral and stands of small oaks and eucalyptus trees. At the western end, the valley terminates at the Pacific Ocean, Morro Bay, and the Morro Sand Spit. The coastline and estuary include substantial publicly owned open space land, including Montaña de Oro State Park and Morro Bay State Park.

The area enjoys a mild, year-round temperate climate with approximately 10 inches of annual rainfall, although various droughts typically reflect significantly lower rainfall.

Growth and Development

The primary attractions of this area are the quiet, small-town atmosphere and its proximity to the Pacific Ocean. The community also features convenient access to several public recreational and natural areas, including Montaña de Oro State Park, Los Osos Oaks Reserve, Sweet Springs Preserve, the Elfin Forest, Sea Pines Golf Course, and Morro Bay. In addition, this area serves as a "bedroom" community for nearby San Luis Obispo. As such, the South Bay provides adequate neighborhood shopping/services and good elementary and intermediate schools. High school students attend classes in Morro Bay, 5 miles north.

Though the majority of the area was originally subdivided around the turn of the century, with most of the lots being sold by the mid-1920s, there was very little development of the properties until the late-1940s.

During the 1970s, growth began at an explosive rate. The South Bay led the county in growth at many times. By 1980, the population had grown to 10,000± people. Several factors combined to stop growth in recent years, the most significant being the building moratorium enacted in 1988. The 1990 Census population estimate was approximately 14,377 people. In 1990, there were 6,097 dwelling units with an average household size of 2.36 occupants per dwelling. According to the 2000 Census, the population was estimated to be 14,351 people with 6,214 dwelling units, equaling 2.31 occupants per dwelling. As of the 2020 Census, the population was estimated at 14,465 people.

Community Access

The South Bay is linked to San Luis Obispo by Los Osos Valley Road and to Morro Bay by South Bay Boulevard and Highway 1. This area is served by public bus transportation to San Luis Obispo. Despite improvements over the years, Los Osos Valley Road remains a busy, two- to three-lane arterial street with heavy commuter traffic between Los Osos and San Luis Obispo. Both rail and air services are available in the City of San Luis Obispo, 12 miles inland.

This section of the California coast falls within an emergency planning zone of the Diablo Canyon Nuclear Power Plant, located 7 miles south of Los Osos. The proximity to this facility has not adversely impacted the price or salability of local housing.

The South Bay has its own county fire department station and its own San Luis Obispo County Sheriff's office substation.

Historic road development in parts of Baywood Park has been spotty, with paved streets interspersed with sections of unpaved streets.

Community Greenbelt

A key aspect of the community planning has been the adoption of a "Greenbelt" concept, whereby key undeveloped tracts are acquired for habitat and viewshed preservation purposes. From the late 1980s through 2010, roughly seven major land acquisitions on the periphery and bay-front portions of Los Osos were purchased for this reason.

Community Public Facilities

Los Osos benefits from two elementary schools, a middle school; public library; small, recreational park; and several public, natural areas, including the Los Osos Oaks Preserve, Sweet Springs Preserve, the El Moro Elfin Forest, and Montaña de Oro State Park. High school students typically attend Morro Bay High School.

The Monarch Grove Elementary School was completed in mid-1992 and serves the southwestern portion of the community. Baywood Elementary School serves the northeastern portion of the community. Elementary school enrollment has declined in Los Osos. Sunnyside Elementary was closed in 2004 and has been leased out for various uses.

Los Osos Wastewater Treatment Plant

Historically, all buildings in the Los Osos community were on individual, on-site, septic systems.

In March 1988, the California Regional Water Quality Control Board (RWQCB) imposed a strict building moratorium that virtually eliminated new housing in a large part of Los Osos. The basis for the moratorium was that studies indicated the extensive use of septic tanks increased nitrates in groundwater, which is the primary potable water source for the area. This fact influenced the RWQCB to impose the moratorium on new construction.

Thus began a 28-year saga culminating with the completion of a community wastewater treatment facility. The tortuous process involved study after study, delays, lawsuits, and political gymnastics, including settling on a final treatment plant site after work had previously begun on a prior site. After all this, the community wastewater treatment plant came online in 2013 and became fully operational as of April 2016. The plant is located on a 23.32-acre parcel behind the Los Osos Valley Memorial Park Cemetery.

Sewer Assessment District

The original sewer assessment district was formed to fund the county's proposed specific sewer project with about $2,000,000 already paid by some property owners. The original "Community Plan" anticipated that the cost per dwelling unit on a typical 10,000 square feet of land would be about $38.75 per month.

After the Los Osos Community Services District (LOCSD) abandoned the county project, it formed a new assessment district. The final project that was under construction as of August 2005 was going to result in approximate sewer assessments of $200 per month ($2,400 per year) for a single-family residence.

As of December 2016, the sewer hook-up fee was about $26,000, which could be paid in cash or amortized and paid with the property tax bill.

Water Supply

Aside from the sewage treatment facilities issue, a second major factor affecting future growth and development in Los Osos is the water supply. Past federal and state studies indicate that a groundwater overdraft situation exists in Los Osos. However, these conclusions were disputed by the County of San Luis Obispo Engineering Department, which concluded that a more equalized groundwater pumping program would correct any perceived overdraft situations.

Water Management Plan*

The Water Management Plan was prepared at the request of the California Coastal Commission (CCC) as a condition of the Coastal Development Permit for the Los Osos wastewater treatment facilities. This is a detailed report that should be reviewed for a complete understanding of the document. In summary, the report conclusions indicate that the groundwater basin was in overdraft.

Seawater intrusion is active in the heavily pumped lower aquifer; at the same time, the upper aquifer has been underutilized by local water purveyors due to elevated nitrate concentrations.

The plan identifies various strategies aimed at balancing production between the upper and lower aquifer zones mitigating seawater intrusion, as well as providing a sustainable water supply for the community at build out; however, more recent projections under the plan include the need for 255 acre-feet per year (afy) of supplemental water at build out.

San Luis Obispo County may also implement an agricultural water exchange program to provide more efficient groundwater usage.

The Los Osos Groundwater Basin was subject to a 2015 adjudication and is now subject to a complex protracted evaluation/intervention period designed to prevent further seawater intrusion. This process is monitored by the Los Osos Basin Plan Groundwater Monitoring Program, with oversight by the California Department of Water Resources. The ultimate approval of water "will-serve letters" to allow development of vacant parcels in Los Osos will be subject to CCC approvals. However, as of 2015, there was no projected schedule to provide water for development of vacant properties in the community. This created substantial uncertainty regarding the outlook and timing for development of vacant properties. The reader is referred to LOCP-DEIR Executive Summary, Table ES-2, addressing the Water Supply (Page ES-50). It includes the directive that "Development is limited to the sus-

* Water Management Plan – Los Osos Valley Groundwater Basin, prepared for the Los Osos CSD by Cleath & Associates, July 2005

tainable capacity of the Groundwater Basin through the Growth Management Ordinance and additional review standards tied to the Basin Plan."

Water Purveyors

There are three primary water purveyors for the Community of Los Osos. These include the LOCSD, S/T Water Company, and Golden State Water Company (formerly Cal-Cities Water Company). These water service providers cover various geographic portions of the community. The county may mandate greater cooperation, and more equalized pumping could help mitigate seawater intrusion concerns.

It is notable that the County of San Luis Obispo has implemented a water meter priority list within the Community of Los Osos. The subject property is not currently identified on this list.

Estero Area Plan Update

The County General Plan segment covering Los Osos, known as the "Estero" Area Plan, began process of being updated in 1994. A "final draft" in 1999 was essentially rewritten after extensive CCC comments and input. The revised public review draft was published November 2002. After further revisions and input from various parties and agencies, the revised final draft was approved by the San Luis Obispo County Board of Supervisors in November 2004 and was submitted to the CCC staff for review in January 2005.

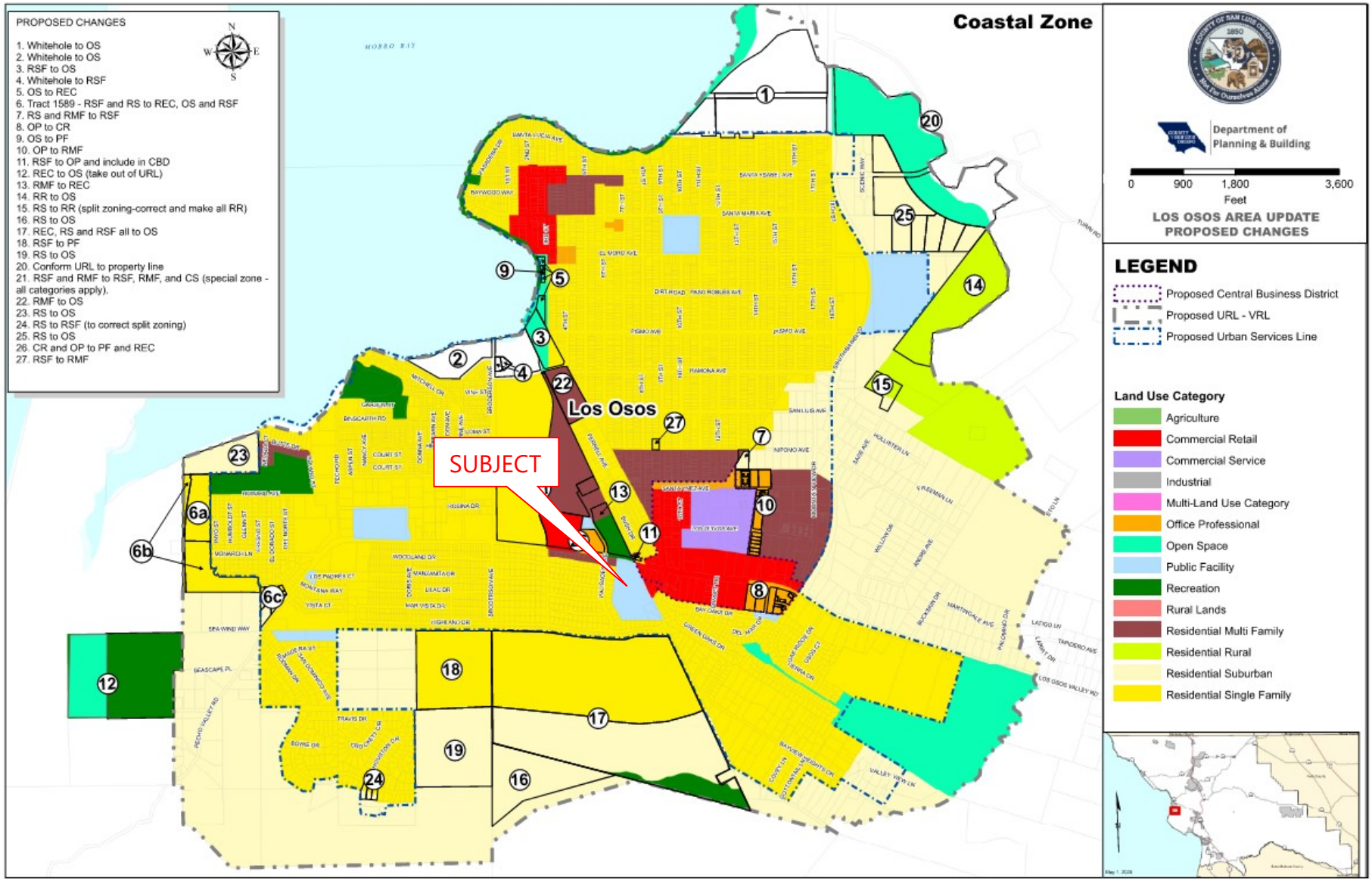
After extensive reviews and modifications, the Final Estero Area Plan and Local Coastal Plan were finally certified by the CCC in January 2009. This is a key step in the adoption of the Final Estero Area Plan.

Los Osos Community Plan (LOCP)

Due to the protracted Estero Area Plan Update, which was bogged down by various issues involving the Community of Los Osos, the LOCP was created as a separate planning area document. A Public Review Draft was issued as of January 30, 2015. The LPCP Draft Environmental Impact Report (Volume 1 EIR Analysis) was released July 2019. The plan was approved by the Board of Supervisors on December 15, 2020, for submittal to the CCC. Until the CCC reviews and certifies the LOCP, the document is subject to revision and is not considered to be in effect. It is notable that as of February 2022, the CCC banned Accessory Dwelling Units in Los Osos.

As previously described, it appears that at their upcoming June 2024 meeting, the CCC staff will address the LOCP and recommend policies to allow 1% growth in the community. If enacted as proposed, this policy change represents a significant shift to finally allow some level of development in Los Osos.

The map on the following page shows proposed LOCP zoning changes. Reactions to the plan were mixed, with many concerned that it does not address water sustainability issues sufficiently. The LOCP extends the current building moratorium to the entire urban area, not just the sewer service area, until two additional expansion wells are constructed by the Los Osos water purveyors, which are intended to mitigate seawater intrusion. The wells are fully funded and expected to be completed


Coastal Zone
PROPOSED CHANGES
1. Whitehole to OS
2. Whitehole to OS
3. RSF to OS
4. Whitehole to RSF
5. OS to REC
6. Tract 1589 - RSF and RS to REC, OS and RSF
7. RS and RMF to RSF
8. OP to CR
9. OS to PF
10. OP to RMF
11. RSF to OP and include in CBD
12. REC to OS (take out of URL)
13. RMF to REC
14. RR to OS
15. RS to RR (split zoning-correct and make all RR)
16. RS to OS
17. REC, RS and RSF all to OS
18. RSF to PF
19. RS to OS
20. Conform URL to property line
21. RSF and RMF to RSF, RMF, and CS (special zone - all categories apply).
22. RMF to OS
23. RS to OS
24. RS to RSF (to correct split zoning)
25. RS to OS
26. CR and OP to PF and REC
27. RSF to RMF
Los Osos
SUBJECT
Department of Planning & Building
0 900 1,800 3,600
Feet
LOS OSOS AREA UPDATE
PROPOSED CHANGES
LEGEND
Proposed Central Business District
Proposed URL - VRL
Proposed Urban Services Line
Land Use Category
Agriculture
Commercial Retail
Commercial Service
Industrial
Multi-Land Use Category
Office Professional
Open Space
Public Facility
Recreation
Rural Lands
Residential Multi Family
Residential Rural
Residential Suburban
Residential Single Family

within a few years. Exceptions to the moratorium would include accessory dwelling units; affordable housing; conversion of second-story, commercial space to residential use; permits in progress when the LOCP was adopted; and permits for parcels that already had water offset certificates when the LOCP was adopted. These exceptions would still need to meet the water offset requirement of a 2:1 ratio of water savings.

Based on the anticipated results of the upcoming June 2024 CCC meeting, the community water conditions will now allow limited development within Los Osos.

Communitywide Habitat Conservation Plan (HCP)

Certain sites in Los Osos feature significant environmental issues, including habitat for Morro Bay Kangaroo Rats, Morro Shoulderband Snails, Morro Manzanita, Monarch butterflies, and other species that are all endangered.

Historically, proposed development projects seeking approvals in Los Osos were typically required to provide various forms of mitigation or habitat conservation plans for these issues. Securing project approval has historically been very difficult and time-consuming due to mitigation requirements.

A Communitywide HCP has been developed in support of the community sewer project, in coordination with the U.S. Fish & Wildlife Service. The Los Osos HCP is incorporated into the Los Osos Community Plan and, is expected to streamline the HCP process for new projects within the community. This is summarized in the LOCP-DEIR Executive Summary, Table ES-2, addressing Biological Resources (Pages ES-14 to ES-24).

Community Summary

The quiet, small-town characteristics of the South Bay make it an attractive area in which to live. This community enjoys most of the necessary commercial and public services that are found along a 0.5±-mile stretch of Los Osos Valley Road and nearby streets, as well as along 2nd Street in Baywood Park.

The South Bay has traditionally appealed to a blend of students, retirees, and families. In addition, it has historically been identified as a "bedroom" community of San Luis Obispo. Yet, with the influx of new residents during the early to mid-1980s, the area grew considerably. Since 1988, development in the community has been stalled. A certain amount of development was on the drawing board, with developers previously anticipating sewer service by 2007 to 2008. With completion of the community wastewater treatment plant in 2016, most of the Community of Los Osos has been connected to the sewer system. Since then, potential projects have continued to be "on hold." However, with completion of the community sewer/wastewater project, the LOCP Public Review Draft, and related documents, substantial progress has been made.

As detailed in a recent (May 22, 2024) article in the *San Luis Obispo Tribune*, at long last it appears that at their upcoming June 2024 meeting the California Coastal Commission staff will address the Los Osos Community Plan and recommend policies to allow 1% growth in the community, relaxing the decades-long building moratorium in Los Osos. This is based on the most recent analysis of local groundwater conditions, water-conserving practices, and possible supplemental community water.

It is also notable that as of 2024, the Los Osos Community Services District (LOCSD) is pursuing a water pipeline spur that will connect with the Chorro Valley Pipeline to the northeast, which will provide supplemental state water to the Community of Los Osos. As of 2024, this project is projected to be completed within 4 to 5 years.

The 1% growth rate provides for as many as 62 new homes in the community, based on the current estimate of approximately 6,200 residential dwellings. However, building permits in the community will likely be phased into reach the 1% growth rate over a period of time. Low-income/affordable housing may also be added on a different schedule, with potentially as many as 400 units built over the next 5 years.

It is notable that there has been a long-standing building permit waitlist in Los Osos, totaling over 230 applications dating as far back to 1990. At an estimated buildout of 60 units per year, the current wait list reflects almost 4 years of building applications.

If enacted as proposed, this policy change represents a significant shift to finally allow some development in Los Osos.

At this time, there is no clear schedule to provide water for development for all of the substantial number of vacant properties in the community, including the undeveloped portions of the subject Sunnyside Elementary School property. This creates significant uncertainty regarding the outlook and timing for potential development/redevelopment on-site. However, as of May 2024, pending the results of the upcoming California Coastal Commission meeting, the overall outlook appears to be clearly improving.

Property Description and Analysis

Site Description

- Location
- Size and Shape
- Topography
- Soils
- Vegetation
- Scientific Values
- Access and Street Frontage
- Utilities
- Hazards
- Nuisances
- Easements
- Views and Amenities
- Taxes and Assessments
- Zoning and Land-Use Control
- Legal Parcels

Description of Improvements

Highest and Best Use

Site Description

Location

The subject property is located along the south line of Los Osos Valley Road, a bit west of Bayview Heights Drive, and extends southerly up the hill.

Size and Shape

Acreage

The estimated property size of 11.90 total acres is based on a review of San Luis Obispo County Assessor's parcel map. For the purposes of this report, the acreage cited on the assessor's parcel map is assumed to be correct; however, this is subject to revision based on an actual survey by a licensed surveyor.

Shape

The subject property is generally angular in shape, with a "notch" out of the southeast corner.

Topography

Overall, the subject property's terrain is gently-sloping to terraced in character and slopes upward to the south.

The southerly edge of the property includes the highest elevation of the site, comprising undeveloped terrain with sandy soils and mostly grass and coastal scrub vegetation, totaling about 1.70 acres.

The center of the site is developed with buildings and paved, parking areas and driveways interspersed with open grass and some asphalt-paved playgrounds. It is level with some gentle terraces. This area totals about 8.00 acres.

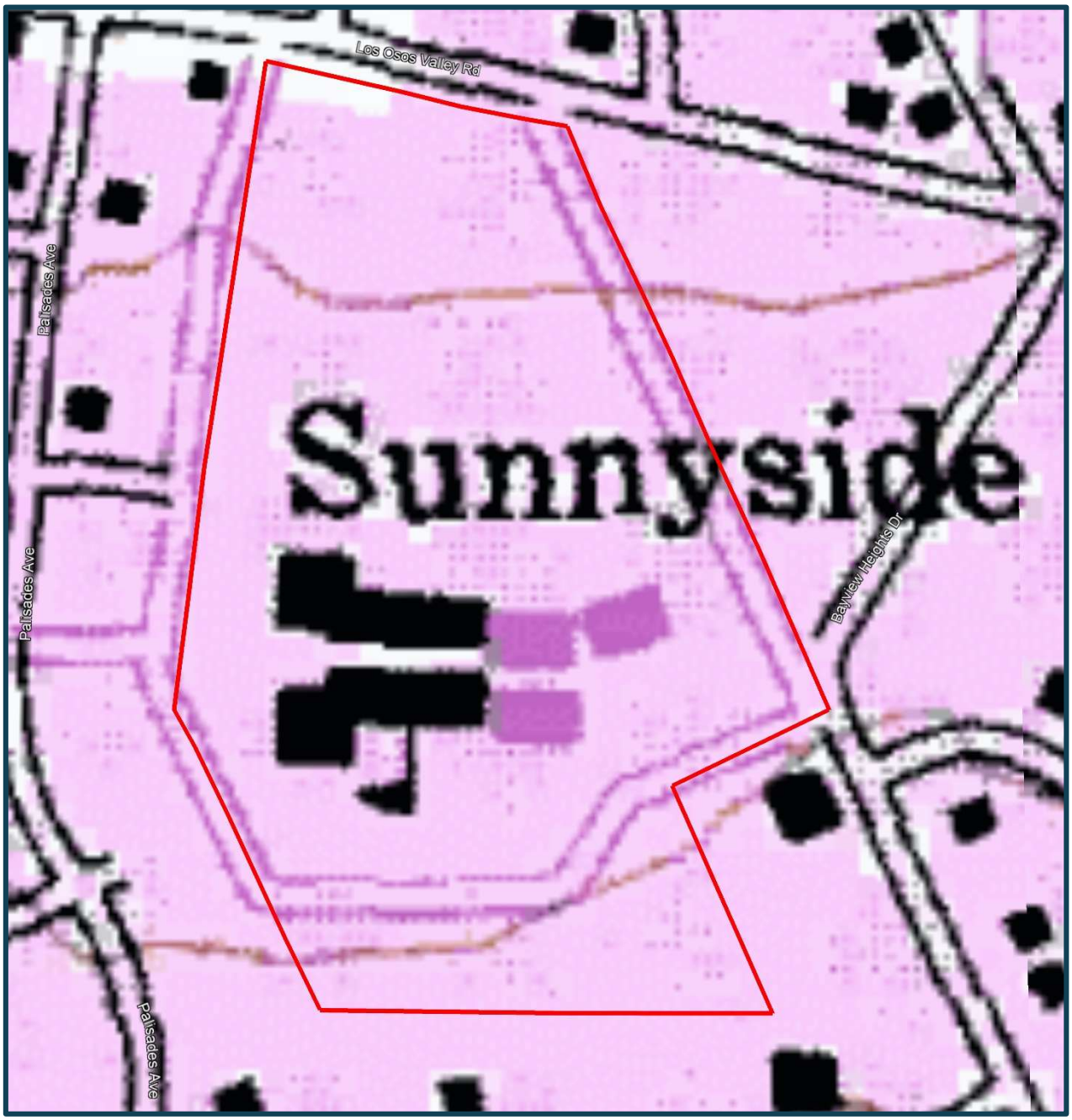
The northerly portion of the site is a level terrace comprising ball fields and turf situated just above Los Osos Valley Road. This area totals about 2.20 acres

Soils

The latest published soil maps of the general area include the USDA NRCS Web Soil Survey/National Cooperative Soil Survey. This portion of San Luis Obispo County is reported under the Land Capability Classification System.

The map and tables following the Topographic Map summarize the soil classifications for the most common soils found on the subject property. The acreage reflected in the grid may be slightly more or less than the actual property size. The soil map, classification table, and analysis are meant as a representation of the soils present on the subject and should not be relied on as an exact survey of the subject soils.

TOPOGRAPHIC MAP OF THE SUNNYSIDE ELEMENTARY SCHOOL PROPERTY



California Revised Storie Index (CA)—San Luis Obispo County, California, Coastal Part

Natural Resources Conservation Service

Web Soil Survey
National Cooperative Soil Survey

2/22/2024
Page 1 of 4

California Revised Storie Index (CA)—San Luis Obispo County, California, Coastal Part

MAP LEGEND

Area of Interest (AOI)
- Area of Interest (AOI)

Soils

Soil Rating Polygons
- Grade 1 - Excellent
- Grade 2 - Good
- Grade 3 - Fair
- Grade 4 - Poor
- Grade 5 - Very Poor
- Grade 6 - Nonagricultural
- Not rated
- Not rated or not available

Soil Rating Lines
- Grade 1 - Excellent
- Grade 2 - Good
- Grade 3 - Fair
- Grade 4 - Poor
- Grade 5 - Very Poor
- Grade 6 - Nonagricultural
- Not rated
- Not rated or not available

Soil Rating Points
- Grade 1 - Excellent
- Grade 2 - Good
- Grade 3 - Fair
- Grade 4 - Poor
- Grade 5 - Very Poor
- Grade 6 - Nonagricultural
- Not rated
- Not rated or not available

Water Features
- Streams and Canals

Transportation
- Rails
- Interstate Highways
- US Routes
- Major Roads
- Local Roads

Background
- Aerial Photography

MAP INFORMATION

The soil surveys that comprise your AOI were mapped at 1:24,000.

Warning: Soil Map may not be valid at this scale.

Enlargement of maps beyond the scale of mapping can cause misunderstanding of the detail of mapping and accuracy of soil line placement. The maps do not show the small areas of contrasting soils that could have been shown at a more detailed scale.

Please rely on the bar scale on each map sheet for map measurements.

Source of Map: Natural Resources Conservation Service
Web Soil Survey URL:
Coordinate System: Web Mercator (EPSG:3857)

Maps from the Web Soil Survey are based on the Web Mercator projection, which preserves direction and shape but distorts distance and area. A projection that preserves area, such as the Albers equal-area conic projection, should be used if more accurate calculations of distance or area are required.

This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.

Soil Survey Area: San Luis Obispo County, California, Coastal Part
Survey Area Data: Version 16, Sep 11, 2023

Soil map units are labeled (as space allows) for map scales 1:50,000 or larger.

Date(s) aerial images were photographed: Mar 12, 2022—Apr 12, 2022

The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident.

California Revised Storie Index (CA)

Map unit symbol	Map unit name	Rating	Component name (percent)	Acres in AOI	Percent of AOI
104	Baywood fine sand, 2 to 9 percent slopes	Grade 3 - Fair	Baywood (85%)	12.2	100.0%
Totals for Area of Interest				**12.2**	**100.0%**

© 2024 Central California Appraisals

Description

The Revised Storie Index is a rating system based on soil properties that govern the potential for soil map unit components to be used for irrigated agriculture in California.

The Revised Storie Index assesses the productivity of a soil from the following four characteristics:

- Factor A: degree of soil profile development
- Factor B: texture of the surface layer
- Factor C: steepness of slope
- Factor X: drainage class, landform, erosion class, flooding and ponding frequency and duration, soil pH, soluble salt content as measured by electrical conductivity, and sodium adsorption ratio

Revised Storie Index numerical ratings have been combined into six classes as follows:

- Grade 1: Excellent (81 to 100)
- Grade 2: Good (61 to 80)
- Grade 3: Fair (41 to 60)
- Grade 4: Poor (21 to 40)
- Grade 5: Very poor (11 to 20)
- Grade 6: Nonagricultural (10 or less)

The components listed for each map unit in the accompanying Summary by Map Unit table in Web Soil Survey or the Aggregation Report in Soil Data Viewer are determined by the aggregation method chosen. An aggregated rating class is shown for each map unit. The components listed for each map unit are only those that have the same rating class as the one shown for the map unit. The percent composition of each component in a particular map unit is given to help the user better understand the extent to which the rating applies to the map unit.

Other components with different ratings may occur in each map unit. The ratings for all components, regardless the aggregated rating of the map unit, can be viewed by generating the equivalent report from the Soil Reports tab in Web Soil Survey or from the Soil Data Mart site. Onsite investigation may be needed to validate these interpretations and to confirm the identity of the soil on a given site.

Rating Options

Aggregation Method: Dominant Condition

Component Percent Cutoff: None Specified

Tie-break Rule: Lower

© 2024 Central California Appraisals

Soils Analysis

The on-site soil is Baywood fine sand (2% to 9% slopes). This soil is ranked Grade 3 – Fair as an agricultural soil. Baywood fine sand features fairly rapid permeability and the available water capacity is low to moderate. Surface runoff is slow to medium and the hazard of water erosion is slight to moderate.

From a soil engineering standpoint, there are extensive examples of residential and commercial development in this immediate neighborhood, with no severely adverse soil conditions identified. However, due to the sloping/terraced conditions, appropriate site preparation and building foundation construction is warranted.

Vegetation

Portions of the property include extensive open grass turf areas, scattered shrubs, and trees. The upper (southerly) portion of the site includes undeveloped terrain with mixed grass and coastal scrub vegetation. No botanical study was provided.

Scientific Values

No biological habitat study has been provided and it is not known if the subject property features any significant habitat values. There are significant rare and endangered plants and animals in the Los Osos area. These include the Morro Manzanita, Morro Shoulderband Dune Snail, and the Morro Bay Kangaroo Rat. A community-wide Habitat Conservation Plan (HCP) has been developed to address habitat loss for these species.

No archaeological studies were provided and no significant cultural/historical/archaeological resources are known to exist on the subject property. However, Los Osos is known for historical archaeological significance. Any significant biological or cultural/archaeological discovery on the property could affect potential for development, as well as the market value.

Access and Street Frontage

Los Osos Valley Road borders the northerly edge of the subject property. It is a two-directional, paved, public road that runs westerly and easterly along the north side of the subject property. Other than an asphalt curb and narrow sidewalk, there are no existing off-site improvements, such as concrete sidewalks, curbs, and gutters along Los Osos Valley Road.

The frontage on Los Osos Valley Road includes land that may be required future-dedication land depending on the ultimate use/redevelopment of the subject property.

In addition to the Los Osos Valley Road frontage, the subject property features public street frontage and developed access driveways via Manzanita Drive to the west and Bayview Heights Drive to the east.

Utilities

This property features electricity, telephone, and natural gas service. There is existing water and sewer service to the property, based on the developed school facility use. Any redevelopment of the property may require upgraded/replaced utility lines. Sewer service is provided by San Luis Obispo County via the Los Osos Community Wastewater Treatment Plant. Reportedly, the sewer connection fees have been fully paid. Water service to the subject property is provided by Golden State Water, one of three

water purveyors located in Los Osos. The following table summarizes water use and fees paid on the Sunnyside Elementary School property:

SUNNYSIDE ELEMENTARY SCHOOL PROPERTY WATER USE SUMMARY			
FISCAL YEAR	**WATER UNITS**	**ANNUAL EXPENSE**	**COST PER UNIT**
2014/2015	1,101	$18,563	$16.86
2015/2016	773	17,358	22.46
2016/2017	1,004	38,498	39.34
2017/2018	2,019	78,593	38.93
2018/2019	1,180	56,559	47.93
2019/2020	711	37,363	57.55
2020/2021	3,878	53,514	13.80
2021/2022	4,987	62,642	12.56
2022/2023	5,998	68,328	11.39
2023/2024	1,939	29,210	15.06

HAZARDS

Seismic

The entire State of California is subject to earthquakes. The Los Osos Fault runs along the foothills that border the Los Osos Valley and is identified as an Alquist-Priolo Special Study Area. The exact location of the Los Osos Fault line in relation to the subject property was not discernable from the available fault line mapping. A geologist should be consulted to identify the fault line and any associated impacts. The San Andreas Fault is located some 50 miles to the east.

Flood

According to FEMA Flood Map Number 06079C1040H (May 16, 2017), the subject property is situated within Flood Zone X (unshaded). FEMA defines this as "Areas of minimal flood hazard, which are the areas outside the Special Flood Hazard Area (SFHA), the area subject to inundation by the base flood, and higher than the elevation of the 0.2-percent-annual-chance flood."

Fire Hazard

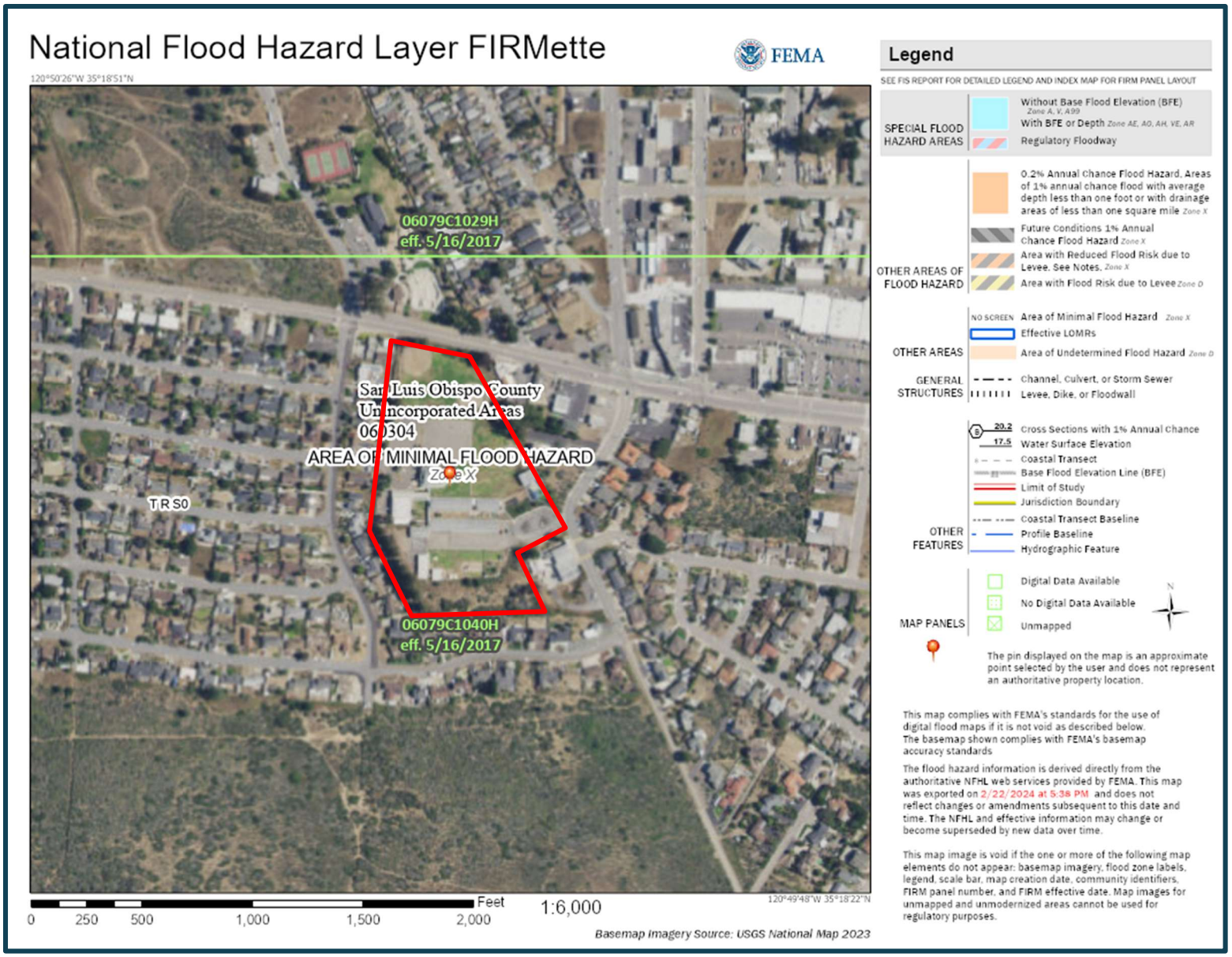
The County of San Luis Obispo Department of Planning & Building cites the subject as being located in a Very High Fire Hazard area. It is assumed that conditions of development require adequate clearance around buildings, water distribution, plus sufficient fire equipment access.

Environmental Contamination

A Phase I environmental site assessment was not provided for review. No adverse conditions were disclosed to or identified by the appraiser. This appraisal and opinion of current market value assume that no hazardous materials or on-site contamination affect the subject property.

This appraisal assumes that there is no form of environmental contamination affecting the property.

FEMA Flood Hazard Map



Nuisances

Inharmonious Uses

The nearby Los Osos Valley Road results in some traffic noise nuisance to properties located nearby, including the subject property. No other examples of clearly adverse or inharmonious uses were identified.

Easements

First American Title Company Preliminary Report Order Number 4001-6044638 (September 9, 2019) was provided to the appraiser. There appear to be no significant adverse title conditions affecting the use of this property. This appraisal assumes no title conditions beyond those listed in the Preliminary Report.

In researching the First American Title Company Preliminary Report, one easement and two lease documents were recorded. Easement Item 3 refers to road and incidental purpose uses by the County of San Luis Obispo, and appears to represent the frontage of Manzanita Avenue. Items 4 and 5 relate to facility and site leases on the property. These leases were completed in 1999 between SLCUSD as lessor and SLCUSD Educational Facilities Corporation. These leases were completed as part of the Measure A Capital Projects Program to facilitate financing and construction of these projects on various school sites, including Sunnyside Elementary School. These leases ran through December 1999 and are deemed to be no longer in effect.

Views and Amenities

The nearby view attributes for the Sunnyside Elementary School property are minimal. There are views of the nearby Irish Hills, as well as limited views of the surrounding residential neighborhood and commercial uses.

Taxes and Assessments

The Sunnyside Elementary School property is publicly owned and not currently subject to general property tax assessments. Therefore, the basic property taxes for 2023/2024 are $0.

However, in addition to the basic property tax rate, additional bonds and charges are identified on the property tax bill covering the State Water Project and SLCUSD school and Cuesta College bonds. In addition, significant added charges and/or special assessments cover San Luis Obispo County sewer rate/water charges, sewer bonds, LOCSD Wastewater Treatment charges, and others.

As of 2019/2020, these additional charges for Sunnyside Elementary School totaled $27,126 per year. As of 2023/2024, these charges have jumped to $58,805 per year. This is primarily due to a substantial increase in the sewer rate charge from $8,517 to $39,735 per year over this period. This is shown on the property tax bills included in the *Addenda* of this report.

If sold in the open market to a private buyer, the Sunnyside Elementary School property would be subject to all local property taxes. Property taxes in Los Osos increased substantially with the completion of the Community Wastewater Project. However, the property tax rate depends on if the individual property owner elected to pay the Wastewater Project bond up front or pay it over time with the property taxes.

A survey of nearby property taxes provided current property tax rates of 1.235% to 1.965%, including several at 1.400% to 1.600%, which is much higher than nearby areas not subject to the Wastewater

Project bond at roughly 1.100%. Under California Property Tax Law, the assessed value of the property can be assessed at market value upon change of ownership and/or new construction involving a private buyer. The current assessed value of $0 is not considered to be relevant to the current market value of this property.

Zoning and Land-Use Control

Public Facility (PF)

The Sunnyside Elementary School property is zoned Public Facility (PF) by the San Luis Obispo County Planning Department. Various allowed or permitted uses are shown under the CZ Framework For Planning, Local Coastal Plan – Coastal Table "O," revised October 2018. This table identifies "A" allowed uses, including Broadcast Studios, Membership Organization Facilities, Health Care Services, and Offices. However, these are still subject to planning and review standards. Schools, Colleges, and Universities are "P" permitted uses (subject to use permit review).

It is notable that the San Luis Obispo County Coastal Land Use Ordinance includes the following statement regarding allowed uses in the PF zone:

> *The Public Facilities land use category is intended to be applied only to the lands owned by public agencies. In the event land designated in this category is transferred from public to private ownership, the county will initiate a Land Use Element/Local Coastal Plan amendment to change the site to the same designation as in adjoining privately-owned parcel.*

Therefore, based on this information, a rezoning of the property will be initiated by San Luis Obispo County if sold to a private buyer. This would entail a General Plan Amendment (GPA) and a zoning change. The Community of Los Osos is in the late stages of updating its local community plan. More likely, any potential GPA would be considered based on a future application by the subject property owner.

Combining Designations

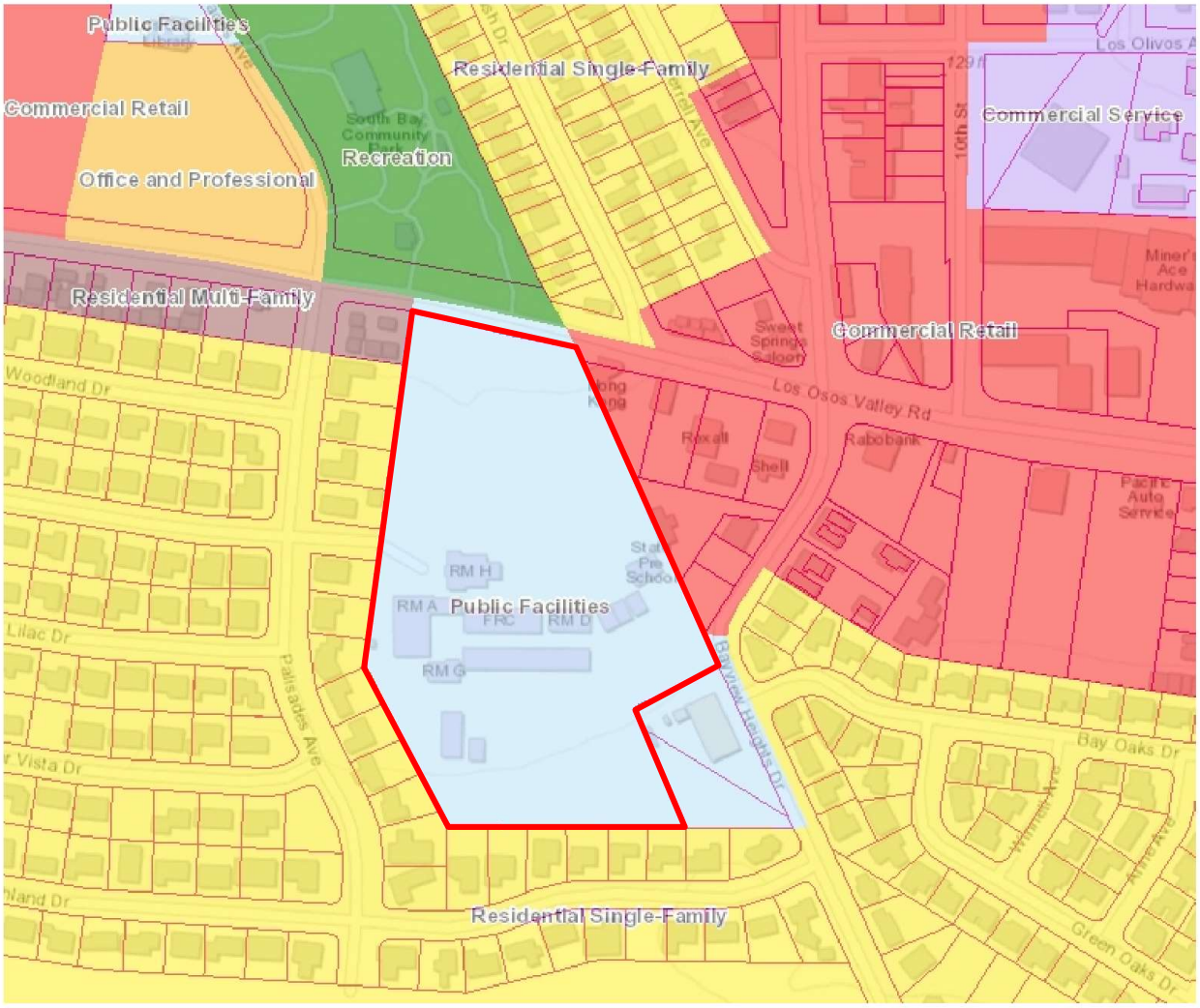
Combining designations act as overlay zones where special considerations warrant additional review at the planning level. The only combining designation identified for the subject property is: Local Coastal Program (LCP) – The Coastal Zone acts to preserve coastal resources and ensure public access.

Legal Parcels

No parcel legality study was provided. The First American Title Company Preliminary Report identifies three parcels, but it is not known if these parcels would qualify for Certificates of Compliance from San Luis Obispo County. Research by a title expert is recommended to confirm if there are potential underlying legal parcels.

Department of Planning & Building

Zoning/Land-Use Map Excerpt



-752.33 0 376.17 752.33 Feet 1:4,514

The County of San Luis Obispo does not assume liability for any damages caused by errors or omissions in the data and makes no warranty of any kind, express or implied, that these data are accurate and reliable.

Map for Reference Purposes Only

WGS_1984_Web_Mercator_Auxiliary_Sphere
© County of San Luis Obispo Planning and Building Department

Legend

Land Use Filled

- AG-Agriculture
- CR-Commercial Retail
- CS-Commercial Service
- IND-Industrial
- MUC-Multi-LU Category
- OP-Office Professional
- OS-Open Space
- PF-Public Facility
- REC-Recreation

DESCRIPTION OF IMPROVEMENTS

OVERVIEW

The Sunnyside Elementary School property includes a fully developed elementary school facility that was originally developed around 1953, with additional structures added in the 1960s through 1997. As of about 2004, the school ceased operation as a public elementary school, but various buildings have been leased, consistently maintained, and are currently occupied with tenants. The existing buildings/ structures will not be removed by the property owner prior to the property being sold. Therefore, this appraisal attempts to reflect and account for the contributory value of the existing structures.

These structures include a large auditorium, multi-purpose room, 2 office buildings, 3 classroom buildings, and 8 temporary structures/modular units.

BUILDING IDENTIFICATION

The on-site buildings were inventoried by Vanir Construction as of March 23, 2001, and Vanir prepared useful building diagrams and dimensions for the eight primary building structures. This information also included a structural overview exhibit that identified the primary buildings (Buildings A to G), as well as eight relocatable classroom structures.

As of August 6, 2014, RRM Design Group provided SLCUSD an exhibit showing the various leased areas, but the buildings show somewhat different building identifications. For purposes of this appraisal, the building identifications provided by Vanir Construction are used here, except Buildings C and D are switched. For purposes of this appraisal, the relocatable structures are identified as Buildings I through N.

The Sunnyside Elementary School structures are briefly described as follows:

Building A – Original Office

The original school office is now used by the tenant, CAL FIRE, as office space. The overall campus occupants have access to the restrooms via exterior doors. This building totals 1,131 square feet, has a stucco exterior and rolled-composition roof, and appears to be in average condition. The interior finishes include vinyl and carpet flooring and drywall interior walls and ceiling, all in average condition. There is an 8-foot-wide, covered, exterior canopy totaling 532 square feet.

Building B – Classrooms

Classroom Building B sits parallel to Classroom Building E and includes five classrooms (Classrooms 1 to 5). Classrooms 1 to 3 are occupied by SLCUSD Adult School and Classrooms 4 and 5 are leased to Adventure Kids Learning and Childcare Center. This building totals 5,082 square feet. Interior features are typical to classrooms with carpet and vinyl floors and drywall ceiling and walls. The exterior is stucco with rolled-composition roof and metal gutters.

Overall, the quality of this structure is average and the condition average. There is an 8-foot-wide, covered, exterior canopy totaling 1,232 square feet, as well as a breezeway separating Buildings B and D.

Building C – Classrooms

Classroom Building C sits adjacent to Building B, parallel to Classroom Building D, and includes two classrooms (Classrooms 6 and 7) leased to Adventure Kids Learning and Childcare Center. This building totals 2,424 square feet. Interior features are typical to classrooms with carpet and vinyl floors and drywall ceiling and walls. The exterior is stucco with rolled-composition roof and metal gutters.

Overall, the quality of this structure is average and the condition average. There is an 8-foot-wide, covered, exterior canopy totaling 880 square feet, as well as a breezeway separating Buildings B and C.

Building D – Classrooms

Classroom Building D sits adjacent to Building E, parallel to Classroom Building C, and includes three classrooms (Classrooms 16, 17, and 18). Classrooms 16 and 17 are leased to Wishing Well School and Classroom 18 is occupied by SLCUSD Office. This building totals 3,358 square feet. Interior features are typical to classrooms with carpet and vinyl floors and drywall ceiling and walls. The exterior is stucco with rolled-composition roof and metal gutters.

Overall, the quality of this structure is average and the condition average. There is an 8-foot-wide, covered, exterior canopy totaling 636 square feet. The former breezeway separating Buildings D and E was enclosed and is included with Building E.

Building E – Classrooms

This classroom building appears to be from the original school build out and features four classrooms (Classrooms 12 to 15), an office, and a storage room.

The original structure totaled 4,633 square feet. A renovation completed prior to 2014 enclosed the breezeway between the Buildings D and E and added restrooms for student use. This enclosure added roughly 504 square feet, for a total building size of 5,137 square feet. This enclosure joins Buildings D and E; for appraisal purposes, the addition is included with Building E. Classrooms 12 to 15 are leased to Wishing Well School.

The exterior is stucco with a rolled-composition roof and metal gutters. Interior features are typical to classrooms with carpet and vinyl floors and drywall ceiling and walls. There is an 8-foot-wide, covered, exterior canopy totaling 1,264 square feet, which includes 124 square feet of canopy added when the breezeway was enclosed.

Overall, the quality of this structure is average and the condition average.

Building F – Administrative Offices/Library

The school's original library is occupied by CAL FIRE. This 5,905-square-foot structure is part of the original construction and has been updated to accommodate the current tenant with interior build-out features like the large glass window wall separating the entry lobby and main training room. There are three smaller office rooms, two larger office rooms, a computer lab, conference room, bathroom, kitchen, as well as the large training room.

The exterior is stucco with rolled-composition roof and metal gutters. The interior features carpet and vinyl floors, drywall ceiling and walls, and forced-air heat. The large training room is fully equipped for presentations.

Overall, the quality of this structure is average and the condition is average to above-average. The tenant uses the building for training, office use, and computer lab work. There are 8-foot-wide, covered, exterior canopies totaling 2,140 square feet.

Building G – Kindergarten

This structure was previously used as a kindergarten, but has been adapted into one large training room and two bathrooms. The tenant, CAL FIRE, uses the training room solely and the overall campus occupants have access to the restrooms via external doors. This structure totals 1,931 square feet. Overall, the quality of this structure is average and the condition average. There is an 8-foot-wide, covered, exterior canopy totaling 468 square feet.

Building H – Multipurpose Room

This is a modern, stucco structure with rolled-composition roof and appears to be the newest structure on-site. This structure totals 4,732 square feet and features a large auditorium with stage, commercial kitchen, restroom, and storage room. Originally planned to include a basketball court when built, it was adapted to host meetings and conferences with finished floors, walls, electrical, and heating.

The interior flooring is laminate throughout with tile flooring in the kitchen and restrooms. The kitchen is equipped with a gas line (not currently connected), counter space, cabinets, and refrigerator. There is a mechanical lift to the stage to accommodate handicap access. The entire space has forced-air heat and features drywall ceiling and walls. There is an adjacent, 8-foot-wide, covered canopy totaling 1,201 square feet. There is also a detached, covered, canopy with steel-beam posts and steel roof over a concrete patio. This canopy is 20′ x 27′ (540 square feet).

Overall, the quality of this structure is above-average and the condition appears to be good. The current occupant is CAL FIRE who uses the building for large training and meeting functions.

Buildings I through M – Relocatable Structures

At one time, Sunnyside Elementary School had six modular/relocatable buildings, totaling eight distinct classrooms and an office. Two structures, comprising three classrooms, have been removed.

Building I comprises a large modular with two entrances and two classrooms (Classrooms 19 and 20). This wood-frame, modular structure has a composition roof and totals 1,457 square feet. The current occupant is the SLCUSD Adult School.

Buildings J and K comprise modular classroom buildings comprising Classrooms 21 and 22. These are wood-frame, modular structures with composition roofs and comprise 708 and 867 square feet. The tenant is Stepping Stone University Preschool.

Buildings L, M, and N include two classrooms and an office occupied by CAPSLO. CAPSLO does not pay rent for these buildings. They comprise 429, 897, and 897 square feet, respectively.

Building Inspection Reports

No building inspection reports were provided. The structures were evaluated and the condition noted as part of this appraisal. No substantially deficient building conditions were noted or disclosed to the appraiser. However, the subject buildings are older and may reflect some degree of deferred maintenance. The appraiser is not an expert in structural, electrical, plumbing, mechanical, and/or roofing systems. Also, no lead-based paint or asbestos-containing materials were disclosed to the appraiser. Identification of any extraordinary needed repairs or adverse conditions may warrant a reappraisal. This appraisal is subject to revision based on review of building inspection reports by a building inspection specialist. It is an extraordinary assumption of this report that the structures do not contain any extraordinary adverse conditions and that the structures contain no lead-based paint or asbestos-containing materials. The client is advised that per USPAP Standard Rule 2-2(a)(xiii), the use of an extraordinary assumption may affect the assignment results.

Capital Improvements

The following significant capital improvements have been completed over the past few years:

CAPITAL IMPROVEMENTS		
YEAR	**PROJECT**	**COST**
2016	Sewer Tie-In	$ 55,826.10
2016	Paving	267,649.00
2017	Exterior Paint and Lead Mitigation	281,327.00
Total		**$604,802.10**

According to the SLCUSD staff, there have been no significant capital improvements completed on the property since 2017.

Structure Summary Table

The on-site structures are summarized in the following table:

SUNNYSIDE ELEMENTARY SCHOOL PROPERTY STRUCTURE INVENTORY SUMMARY TABLE					
BUILDING ID	**ORIGINAL USE**	**CURRENT USE**	**SQUARE FOOTAGE**	**CANOPY SQUARE FOOTAGE**	**TENANT**
A	Offices and Restrooms	Offices and Restrooms	1,131	532	CAL FIRE
B	Classrooms	Classrooms	5,082	1,232	SLCUSD Adult School; Adventure Kids Learning and Childcare Center
C	Classrooms and Rest-rooms	Classrooms and Restrooms	2,424	880	Adventure Kids Learning and Childcare Center
D	Classrooms and Rest-rooms	Classrooms and Restrooms	3,358	636	Wishing Well School; SLCUSD Office
E	Classroom, Storage, etc.	Classroom, Storage, etc.	5,137	1,264	Wishing Well School; SLCUSD Parent Participation
F	Administrative Offices, Library, Faculty, etc.	Administration and Training	5,905	2,140	CAL FIRE
G	Kindergarten, Rest-rooms, etc.	Training and Restrooms	1,931	468	CAL FIRE
H	Multipurpose, Food Service, etc.	Auditorium, Training, etc.	4,732	1,741	CAL FIRE
Subtotal			*29,700*	*8,893*	

Continued on the Following Page

SUNNYSIDE ELEMENTARY SCHOOL PROPERTY STRUCTURE INVENTORY SUMMARY TABLE, CONTINUED

BUILDING ID	ORIGINAL USE	CURRENT USE	SQUARE FOOTAGE	CANOPY SQUARE FOOTAGE	TENANT
I	Relocatable Classrooms 19 and 20	Classrooms	1,457	-	SLCUSD Adult School
J	Relocatable Classroom 21	Classroom	708	-	Stepping Stone University Preschool
K	Relocatable Classroom 22	Classroom	867	-	Stepping Stone University Preschool
L	Relocatable Office	Office	429	-	CAPSLO
M	Relocatable Classroom	Classroom	897	-	CAPSLO
N	Relocatable Classroom	Classroom	897	-	CAPSLO
Subtotal			*5,255*	*0*	
Total			**34,955**	**8,893**	

SITE IMPROVEMENTS

There are extensive site improvements throughout the campus, including septic and water distribution lines and utility lines. There are perimeter chain-link fencing, interior fencing, concrete walkways, landscaping, play areas, sandboxes, etc.

There are substantial infrastructure facilities, including an electrical vault, irrigation lines, gas main line, water main line, etc.

The property includes two paved, circular, driveway approaches, plus several large asphalt-paved parking lots, including approximately 110 striped parking spaces. There are also asphalt-paved play yard areas, including basketball hoops. The paved, parking and play areas total about 99,357 square feet, per Google Earth Pro measurements.

The paved areas are summarized in the following table, including estimates of the approximate square footage and striped parking spaces:

SUNNYSIDE ELEMENTARY SCHOOL PROPERTY PAVED AREA SUMMARY TABLE

PAVED AREA ID	AREA	STRIPED PARKING SPACES	SQUARE FOOTAGE
1	Entry Drive	3	13,952
2	Northwest Parking Lot	41	16,999
3	Northeast Parking Lot	20	28,315
4	Southwest Parking Lot/Play Area	36	21,539
5	Southeast Parking Lot and Entry Drive	10	14,068
6	Play Area	0	4,484
Total		**110**	**99,357**

Improvements Conclusions

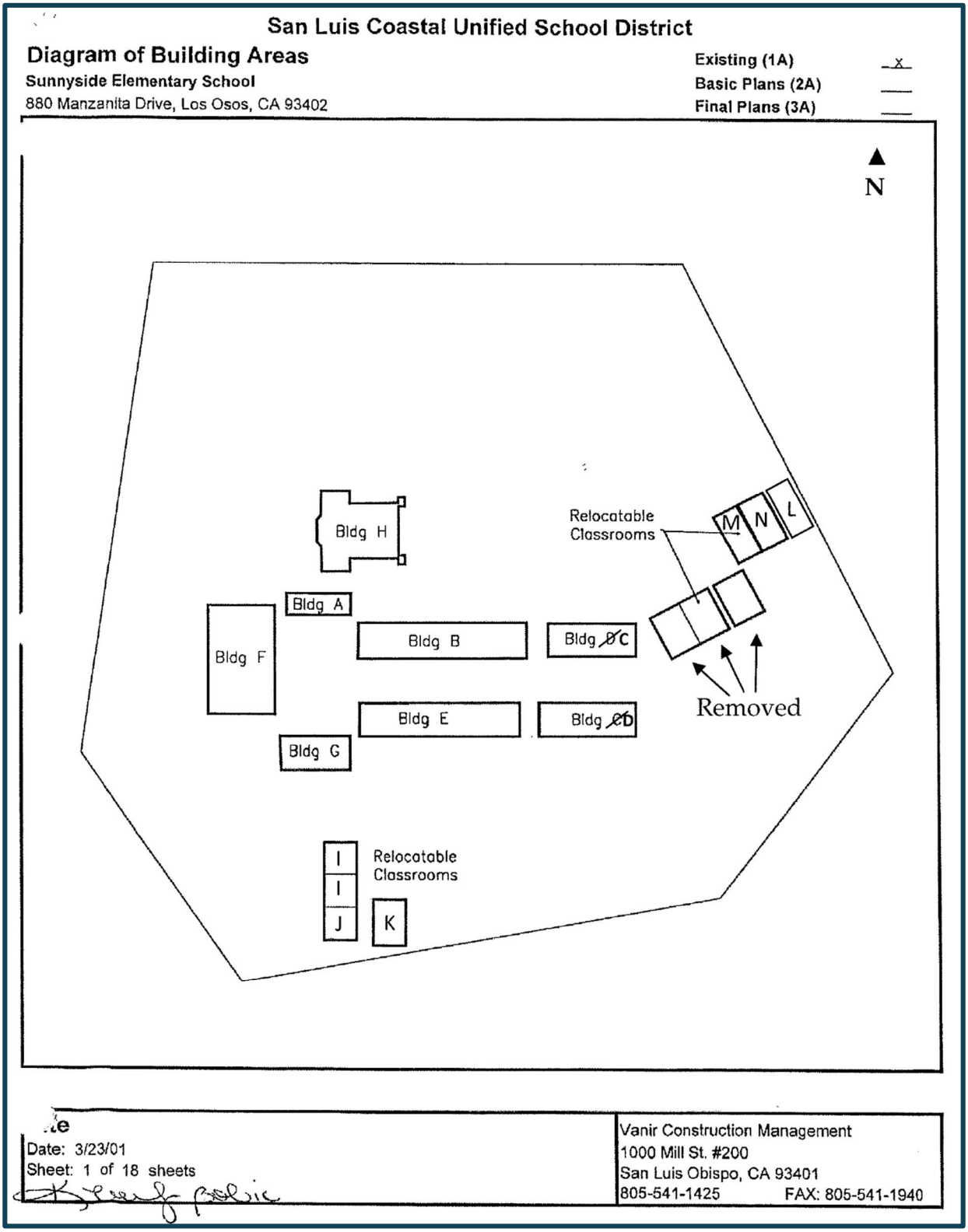
Overall, the extensive structural improvements are considered to feature a significant contribution to the total property value.

Improvement Exhibits and Photographs

Building layouts and photographs are shown on the following pages:

Sunnyside Elementary School
A-M: Building Identifications
1-6: Paved Area Identifications
N
1
2
3
4
5
6
A
B
C
D
E
F
G
H
I
J
K
M
N
L

SUNNYSIDE ELEMENTARY SCHOOL PROPERTY
BUILDING LAYOUT
(UPDATED BY STM&J JANUARY 2020)



Sunnyside Elementary School Property Building Photographs

Photographs Taken by Todd O. Murphy, MAI, ARA, on November 13, 2019; February 8, 2020; and March 27, 2024

Viewing Northwest Toward Building A

Viewing West Along Building B

Viewing Southwest Toward Building C

Viewing Northwest Toward Building D

Viewing West Between Buildings C and D

Viewing Southeast Toward Building F

Viewing Northeast Toward Building F

Viewing West Toward Building F

Building F Interior – Auditorium

Building F Interior – Supply Storage

Building F Interior – GIS Lab

Building F Interior – Kitchen/Employee Lounge

Viewing South; Building F at Right and Building G at Left

Viewing Northwest Toward Building G

Viewing East Toward Building H

Viewing Northwest Toward Building H and Rear Canopy

Viewing Northwest; Close-Up of Building H and Rear Canopy

Viewing Southeast; Close-Up of Building H

Building H Interior – Auditorium

Building H Interior – Kitchen

Building H Interior – Wheelchair Lift

Building H Interior – Bathroom

Viewing Southwest Toward Building I (Relocatable Classrooms 19 and 20)

Viewing South Toward Buildings J and K (Relocatable Classrooms 21 and 22)

Viewing Northwest Overlooking Buildings I, J, and K

Viewing Southeast Toward Buildings L, M, and N (Office and Two Classrooms)

Viewing East Toward Buildings L, M, and N (Office and Two Classrooms)

Viewing Northeast Toward Buildings L, M, and N (Office and Two Classrooms)

Viewing Northwest; Paving and Buildings E and D

Viewing Northeast; Paving and Parking Lot

Viewing East; Parking Lot Next to Bayview Heights Drive

Viewing Southeast; Basketball Courts East of Building H

Building Leases

For many years after the public school was closed, the subject facilities have been leased to multiple organizations. Various tenants are reviewed as follows:

State of California CAL FIRE

The primary tenant on the subject site is the State of California CAL FIRE, which uses the facilities for statewide training and local administrative offices. The subject facilities have been adapted and appear to be well suited to the current uses by CAL FIRE. CAL FIRE occupies 13,746 square feet per the lease, although the building schedule shows the area to be 13,699 square feet, which is considered to be a minimal difference. As of June 21, 2023, the CAL FIRE rent was adjusted to $16,544.69 per month, which equals $1.20 per square foot per month.

Adventure Kids Learning and Childcare Center

This is a private school that occupies about 3,610 square feet per the lease. This includes Classrooms 4, 5, 6, and 7 in Buildings B and C. The current monthly rent is $1.00 per square foot, plus $0.348 per square foot for utilities and maintenance.

Wishing Well School

This is a private school that occupies about 8,680 square feet per the lease. This includes six classrooms (12 through 17) in Buildings D and E and designated restroom spaces. The current monthly rent is $1.00 per square foot, plus $0.379 per square foot for utilities and maintenance.

It is notable that as of 2022/2023, Wishing Well School occupied an additional 8,350 square feet of outdoor play area, with an additional monthly rental payment of $4,175.

Stepping Stone University Preschool

This is a private preschool that occupies about 1,575 square feet per the lease. This includes Classrooms 21 and 22, which are relocatable classrooms comprising Buildings J and K. The current monthly rent is $1.00 per square foot, plus $0.346 per square foot for utilities and maintenance.

CAPSLO

This is a non-profit organization that occupies about 2,223 square feet, per the building diagram. This includes two relocatable classrooms at 897 square feet each and one relocatable office with 429 square feet, comprising Buildings L, M, and N. CAPSLO does not pay a rent for their space, but they do pay for their monthly utility expenses based on $0.315 per square foot per month.

Lease Conclusions

The existing leases reflect long-standing tenants and the rental rates include utilities and maintenance. These rental rates are consistent with other school facilities managed by the SLCUSD. Compared with basic office rental rates in Los Osos, these rates appear to be at the lower end of the market rent range; however, these represent more specialized types of businesses and there may be still-lingering impact on the market after the upheaval after the COVID-19 pandemic.

Due to ownership and property management decisions, as of 2024, all tenants have been notified that their leases will not extend beyond June 2025.

Lease Summary Table and Exhibit

The client has provided the following table and exhibit that summarize and show the leased areas:

LEASES: SUNNYSIDE ELEMENTARY SCHOOL

CAPSLO -Sunnyside Elementary

Carol Hughes 1030 Southwood Drive, San Luis Obispo, CA 93401 chughes@capslo.org / 805-544-4355 X 236
Tim Lloyd (Maintenance) 805-549-7687 / Gilbert Montana: gmontana@capslo.org (Facilities Coordinator) / Jason Lal: jlal@capslo.org

LEASED SPACE	YEAR	SQ.FT.	$ SQ. FT	RENT/MO	UTILITIES	UTILITIES/MO	UTILITIES /MO	MAINT./MO	Utility Study	TOTAL/SQ FT	AMOUNT DUE	NOTES
CAPSLO Building	2012/2017	960	No charge	$6,001.00	$ -	$0.00				$0.00	$1.00	Sunnyside Contract #13-04; 5 year contract, $6000 in kind
CAPSLO Building	2012/2017	897	No charge	No charge	$ 0.13	$116.61					$116.61	Utilities charges started 3/2015
CAPSLO Building	2017/2018	897	No charge	No charge	$ 0.19	$170.43					$170.43	
CAPSLO Building	2018/2019	897	No charge	No charge	$ 0.21	$188.37					$188.37	Alterations-additional fiber installed is tenant's responsibility. Must
UTILITY STUDY	2019/2020	897							$0.42		$376.74	Split increase rate 50% this year 50% next year
CAPSLO Building	2019/2020	897	No charge	No charge	$ 0.315	$282.56					$282.56	Utility rate increase = half of the difference between current rate and
CAPSLO Building	2020/2021	897	No charge	No charge	$ 0.315	$282.56					$282.56	
CAPSLO Building	2021/2022	897	No charge	No charge	$ 0.315	$282.56					$282.56	No increase for 21/22 per C.Bonin
CAPSLO Building	2022/2023	897	No charge	No charge	$ 0.315	$282.56					$282.56	No increase for 22/23 per C.Bonin / Lease Completed KL
District Utility Study	2021-2022	897										2021-2022 Utilities (10% of water cost) = $41,967.89
CAPSLO Building	2023-2024	897	No charge	No charge	$ 0.3150	$282.56				$0.3150	$282.56	No increase, sent for sig. 4/13/23

ADVENTURE KIDS LEARNING & CHILDRENS CENTER-Sunnyside

Evelyn Ko 1317 Santa Ynez, Los Osos, CA 93402 323-509-6716
evelynchoto@gmail.com 1-323-509-6716

LEASED SPACE	YEAR	SQ.FT.	$ SQ. FT	RENT/MO	UTILITIES	UTILITIES/MO	UTILITIES /MO	MAINT./MO	Utility Study	TOTAL/SQ FT	AMOUNT DUE	NOTES
BLDG. B-RM.4&5 (933 SQ.FT.EA.)	2015/2016	1866	$0.92	$1,716.72	$0.16	$298.56				$1.08	$2,015.28	SU Contract #16-24 from 11/2015-6/2016, Deposit $1,716.72
BLDG. B-RM.4&5 (933 SQ.FT.EA.)	2016/2017	3610	$0.94	$3,393.40	$0.19	$685.90				$1.13	$4,079.30	
BLDG. B-RM.4&5 (933 SQ.FT.EA.)	2017/2018	3610	$0.96	$3,465.60	$0.22	$794.20				$1.18	$4,259.80	
BLDG. B-RM.4&5 (933 SQ.FT.EA.)	2018/2019	3610	$0.98	$3,537.80	$0.22	$794.20				$1.20	$4,332.00	
District Utility Study	2019/2020	3610							$0.42		$1,516.20	Split increase rate 50% this year 50% next year
BLDG. B-RM.4&5 (933 SQ.FT.EA.)	2048/2020	3610	$1.00	$3,610.00	$0.320	$1,155.20				$1.32	$4,765.20	Utility rate increase = half of the difference between current rate and
BLDG. B-RM.4&5 (933 SQ.FT.EA.)	2020/2021	3610	$1.00	$3,610.00	$0.320	$1,155.20				$1.32	$4,765.20	
BLDG. B-RM.4&5 (933 SQ.FT.EA.)	2021/2022	3610	$1.00	$3,610.00	$0.320	$1,155.20				$1.32	$4,765.20	No increase for 21/22 per C.Bonin
Building B Room 4 & 5 Building C	2022/2023	3610	$1.00	$3,610.00	$0.32	$1,155.20				$1.32	$4,765.20	No increase for 22/23 per C.Bonin
District Utility Study	2021-2022	3610			$2.59	$9,349.90	$779.16				$0.00	2021-2022 Utilities (10% of water cost) = $41,967.89
	2023-2024	3610	$1.00	$3,610.00	$2.59	$9,349.90	$779.16	$476.52		$1.348	$4,865.68	$100.48 more per month/$1205.76 more per year

CAL FIRE - Sunnyside Elementary

slu.training@fire.ca.gov Mary Meraz - mary.meraz@calfire.com

LEASED SPACE	YEAR	SQ.FT.	$ SQ. FT	RENT/MO	UTILITIES	UTILITIES/MO	UTILITIES /MO	MAINT./MO	Utility Study	TOTAL/SQ FT	AMOUNT DUE	NOTES
Bldg A, Rms 1, 2, 3, 4, 5 6 & 7	2014/2015	1029			No charge						$955.00	Contract from 1/2014 to 10/2015, Rent adjusted by CPI
Bldg E, Rms 1, 2, & 7	2014/2015	532			No charge						see above	
Bldg A, Rms 1, 2, 3, 4, 5 6 & 7	2016/2019	1029			No charge						$9,843.10	Contract from 9/2016 to 4/2019, Rent adjusted by CPI
Bldg E, Rms 1, 2, & 7	2016/2019	532			No charge						see above	
Bldg F	2016/2019	5879			No charge						see above	
Bldg G	2016/2019	1574			No charge						see above	
Bldg H	2016/2019	4732			No charge						see above	
See Above	2017/2018				No charge						$10,063.19	Increase in rent per CP!
See Above	2018/2019				No charge						$10,485.03	Increase in rent per CP!
District Utility Study	2019/2020	13930							$0.42		$5,850.60	
Bldg A, Rms 1, 2, 3, 4, 5 6 & 7	2019/2020	1029	$0.76	$782.04	$0.42	$432.18				$1.18	$1,214.22	New contract #20-29
Bldg E, Rms 1, 2, & 7	2019/2020	532	$0.76	$404.32	$0.42	$223.44				$1.18	$627.76	
Bldg F	2019/2020	5879	$0.76	$4,468.04	$0.42	$2,469.18				$1.18	$6,937.22	
Bldg G	2019/2020	1574	$0.76	$1,196.24	$0.42	$661.08				$1.18	$1,857.32	
Bldg H	2019/2020	4732	$0.76	$3,596.32	$0.42	$1,987.44				$1.18	$5,583.76	
Total	2019/2020	13746	$0.76	$10,446.96	$0.42	$5,773.32				$1.18	$16,220.28	
See Lease for Spaces rented	3/1/2020-6/30/2023	13746	$0.76	$10,446.96	$0.42	$5,773.32				$1.18	$16,220.28	
Past Due Utility Obligation	3/1/2020-6/30/2023										$1,443.33	
Total Due											**$17,663.61**	3/1/2020-6/30/2023 Monthly Lease Amount
District Utility Study	2021-2022	13746			$2.59	$ 35,602.14	$2,966.85					
	2023-2024	13746	$0.76	$10,446.96	$2.59	$35,602.14	$2,966.85	$1,766.36		$1.104	$15,180.17	$1,040.11 less per month/$12,481.32

STEPPING STONE UNIVERSITY- Sunnyside Elementary

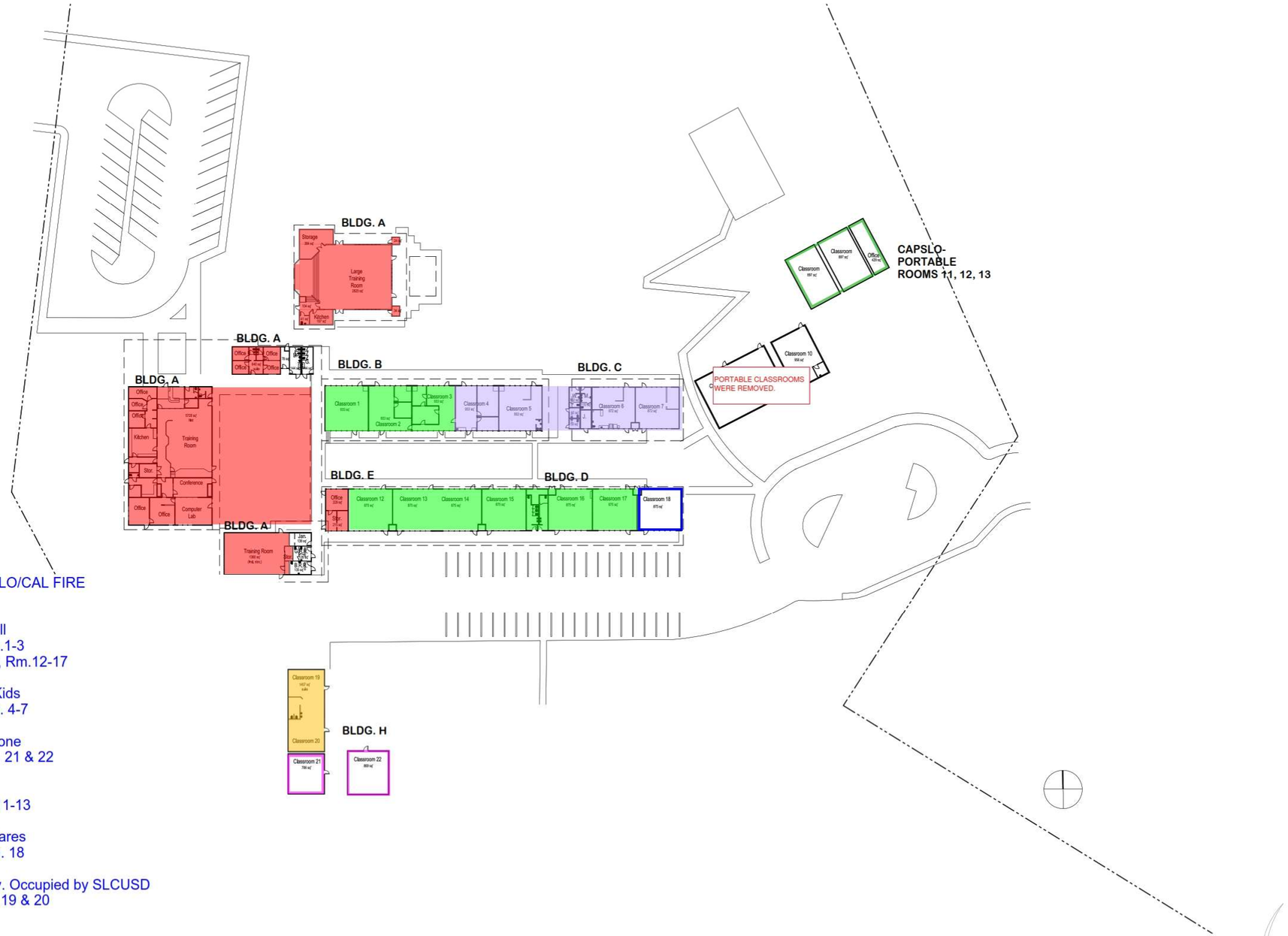
Ashtane Bixler, 1175 4th St., Los Osos, CA. 93402 abixler.ssupreschool@gmail.com
1-805-441-0136

LEASED SPACE	YEAR	SQ.FT.	$ SQ. FT	RENT/MO	UTILITIES	UTILITIES/MO	UTILITIES /MO	MAINT./MO	Utility Study	TOTAL/SQ FT	AMOUNT DUE	NOTES
BLDG. H-RM. 21 & 22 [706 & 869}	2015/2016	1575	$0.92	$1,449.00	$0.16	$252.00						SU Contract #16-33 from 1/2015 to 6/2016 , Deposit $1.449.00
BLDG. H-RM. 21 & 22 [706 & 869}	2016/2017	1575	$0.94	$1,480.50	$0.16	$252.00				$1.10	$1,732.50	Contract from 4/2016 to 6/3017
BLDG. H-RM. 21 & 22 [706 & 869}	2017/2018	1575	$0.96	$1,512.00	$0.19	$299.25				$1.15	$1,811.25	
BLDG. H-RM. 21 & 22 [706 & 869}	2018/2019	1575	$0.98	$1,543.50	$0.19	$299.25				$1.17	$1,842.75	
UTILITY STUDY	2019/2020	1575							$0.42		$661.50	Split increase rate 50% this year 50% next year
BLDG. H-RM. 21 & 22 [706 & 869}	2019/2020	1575	$1.00	$1,575.00	$0.31	$480.38				$1.31	$2,055.38	Utility rate increase = half of the difference between current rate and
BLDG. H-RM. 21 & 22 [706 & 869}	2020/2021	1575	$1.00	$1,575.00	$0.31	$480.38				$1.31	$2,055.38	
BLDG. H-RM. 21 & 22 [706 & 869}	2021/2022	1575	$1.00	$1,575.00	$0.31	$480.38				$1.31	$2,055.38	
District Utility Study	2021-2022	1575			$2.59	$ 4,079.25	$339.94					2021-2022 Utilities (10% of water cost) = $41,967.89
	2023-2024	1575	$1.00	$1,575.00	$2.59	$4,079.25	$339.94	$205.54		$1.346	$2,120.48	$65.10 more per month/$781.20 more per year

WISHING WELL PRE-SCHOOL-Sunnyside Elementary

880 Manzanita Dr., Rm. 13, Los Osos, CA. 93402 info@wishingwell.org
805-794-7959 or 805-235-4401

LEASED SPACE	YEAR	SQ.FT.	$ SQ. FT	RENT/MO	UTILITIES	UTILITIES/MO	UTILITIES /MO	MAINT./MO	Utility Study	TOTAL/SQ FT	AMOUNT DUE	NOTES
BLDG. 3-RM.12,13,14,15, BLDG.D-RM.16,	2015/2016		$0.94									
BLDG. 3-RM.12,13,14,15, BLDG.D-RM.16	2016/2017	3500	$0.94	$3,290.00	$0.16	$560.00				$1.10	$3,850.00	
BLDG. 3-RM.12,13,14,15, BLDG.D-RM.16	2017/2018	3500	$0.96	$3,360.00	$0.19	$665.00				$1.15	$4,025.00	
BLDG. 3-RM.12,13,14,15, BLDG.D-RM.16, 17	2018/2019	5250	$0.98	$5,145.00	$0.19	$997.50				$1.17	$6,142.50	
District Utility Study									$0.42			Split increase rate 50% this year 50% next year
BLDG. 3-RM.12,13,14,15, BLDG.D-RM.16, 17	2019/2020	5250	$1.00	$5,250.00	$0.2475	$1,299.38				$1.2475	$6,549.38	Utility rate increase = half of the difference between current rate and study rate
BLDG. 3-RM.12,13,14,15, BLDG.D-RM.16, 17	2020/2021	5250	$1.00	$5,250.00	$0.2475	$1,299.38				$1.2475	$6,549.38	
BLDG. 3-RM.12,13,14,15, BLDG.D-RM.16, 17	2021/2022	5250	$1.00	$5,250.00	$0.2475	$1,299.38				$1.2475	$6,549.38	No increase for 21/22 per C.Bonin
Building E: Rooms 12,13,14,15 Building D: Rooms 16, 17 (875 sq.foot/room)	2022/2023	8680	$1.00	$8,680.00	$0.2475	$2,148.30				$1.2475	$10,828.30	Proposed increase to leased space: Add Building B: Rooms 1,2,3 (933 sq.foot/room) + common bathrooms by training room + outdoor leased space $4,175.00
Exclusive use of designated outdoor space	2022/2023	8350	$0.50	$4,175.00						$0.40	$ 3,340.00	New Lease 22/23
Bathroom Spaces (included above)											$14,168.30	New Lease 22/23
District Utility Study	2022-2023	8680			$2.59	$ 22,481.20	$1,873.43					
	2023-2024	8680	$1.00	$8,680.00	$2.59	$22,481.20	$1,873.43	$1,416.83		$1.379	$11,970.26	$1,141.96 more per month/$13,703.52 more per year



May 2024

- County of SLO/CAL FIRE Bldg. A.
- Wishing Well Bldg. B, Rm.1-3 Bldg. D & E, Rm.12-17
- Adventure Kids Bldg. B, Rm. 4-7
- Stepping Stone Bldg.H, Rm. 21 & 22
- CAPSLO Trailer Rm.11-13
- Los Osos Cares Bldg. D, Rm. 18
- Vacant/Prev. Occupied by SLCUSD Bldg.H, Rm.19 & 20

rrmdesigngroup
creating environments people enjoy
3765 South Higuera Street, Suite 102 | San Luis Obispo, California 93401
P: (805) 543-1794 | F: (805) 543-4608 | www.rrmdesign.com
Victor Montgomery, Architect (C036) | Jerry Michael, RCE (C039), LS (C28) | Jeff Farber, LA (C884)

SLCUSD - SUNNYSIDE ELEMENTARY SCHOOL

SCALE: 1" = 30'-0"

2014029

8/6/2014

Highest and Best Use

Definition

Highest and best use is that reasonable and probable use which will support the highest present value as of the date of appraisal. It is also defined as:

> *That legal use compatible with public policy that maximizes the investment objectives of the most probable user.*

According to The Dictionary of Real Estate Appraisal (Appraisal Institute, Seventh Edition, 2022), the definition of highest and best use is as follows:

> *The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.*

Criteria

In determining the highest and best use of the subject property, consideration must be given to the following criteria:

1. The use is in an appropriate location. The local market and the existing nearby land uses must support and complement this use.
2. The use is physically possible. The site is physically adaptable for this use and the necessary public infrastructure exists to support this use (including utilities, roads, and access).
3. The use is legally permissible. All potential uses must comply with public and private (where applicable) land-use restrictions and zoning laws governing the use and building safety of the proposed/existing improvements.
4. The use is socially/politically acceptable. Citizens are taking an ever-increasing interest in land-use decisions affecting their communities. Almost all major real estate developments involve significant public comment and input.
5. The use must be financially feasible. The use is probable and profitable, and has adequate market demand. The use must be economically feasible and not speculative in nature.
6. Finally, among all alternate uses that might meet the previous tests, the use that results in the greatest net return, or highest property value, is considered to be the highest and best use.

Implied in these definitions is that the determination of highest and best use takes into account the contribution of a specific use to the community and community development goals, as well as the benefits of the use to individual property owners.

The highest and best use is the foundation upon which an opinion of market value is based. Consideration has been given to the physical, legal, and economic characteristics and factors that affect the property. The highest and best use estimates are discussed below.

Maximum Productivity – Highest and Best Use Analysis

Physical Factors

The location, access, and terrain of the Sunnyside Elementary School property are supportive of a variety of private development uses. Various uses have been developed in the immediate surrounding

neighborhood. On-site topography is terraced, but mostly level. There are public utilities, sewer, and water serving the property. The existing water and sewer service to the Sunnyside Elementary School property represents a distinct attribute and benefit due to community constraints. However, additional water supply to provide further development of the subject property is likely conditional upon resolution of the Los Osos Basin Management Plan, which is currently uncertain. A civil engineer should be retained to identify the potential to secure additional water in support of potential added development of the site.

Legal Factors

First American Title Company Preliminary Report Number 4001-6044638 (September 9, 2019) was provided to the appraiser; there are no major title limits identified in the Preliminary Report. Traditionally, PF zoning features limited market-based uses and represents one of the most challenging aspects of this type of property appraisal. This is due to limited/few market-based uses allowed in this zoning, as well as very scarce market data for this type of zoning/use.

However, in reviewing the allowed uses in Coastal Table "O," there are a number of permitted uses within this zoning, including offices and health care services. Also, if sold to a private buyer, it appears that San Luis Obispo County would initiate a General Plan Amendment (GPA) and zoning change, commensurate with the surrounding private uses.

Financial Factors

Due to over 35+ years of stymied development in Los Osos, the supply of new homes and buildings has been minimal and limited to only those areas outside of the moratorium area. As a result, land sales reflecting near-term potential development have been non-existent.

Conversely, over the past few years, sales of vacant/redevelopment properties in nearby San Luis Obispo and Morro Bay have been driven largely by the mixed-use/ residential development potential, with the commercial aspect being clearly a secondary aspect.

From a market-demand standpoint, the substantial surge in housing prices and residential rents in nearby San Luis Obispo is well-documented. Single-family residential prices have surged roughly 50% from 2012 to 2020. Since 2020, home prices have clearly increased following the COVID-19 pandemic; although, they appear to have tempered somewhat since 2023. In response, demand for suitable development land has been very strong over the past few years. However, certain additional factors are also affecting and tempering local development land prices; particularly, increased permit and development fees, as well as increased construction costs.

In Los Osos, home prices have also surged dramatically since the Great Recession of 2006 to 2012, but the price increases have been tempered somewhat by the bonded indebtedness and property tax increases due to the community wastewater treatment facility.

Also, at this point, we are roughly 11 to 12 years into the current development cycle; past experience would indicate a down cycle at some point on the horizon. After a prolonged period of very affordable interest rates, the substantial increases in interest rates in 2022/2023 have affected development financing and feasibility. These factors may combine to weigh on the previous upward trend of development land prices.

There are very little to no available comparable data relating to schools and institutional uses in Los Osos. The closest comparison is for professional office space. Based on an interview with Leon Van Buerden, long-time real estate broker in Los Osos and developer of a modern office complex, office rental trends in Los Osos have been flat. Current rents for office space in Los Osos are in the range of

$1.50 to $2.00 per square foot per month, gross. The upper end tends to be for very small spaces, around 1,000 square feet or less. Rental rates in Los Osos are much lower than San Luis Obispo, where suburban office rents are in the $1.75- to $2.50-per-square-foot range.

No specific feasibility study was provided. A feasibility study would evaluate potential development options, including cost/benefit analyses.

Discussions with local development land brokers and specialists indicate that the local land development market has slowed down over the past 12 months, primarily due to higher interest rates/financing expenses, substantially increased project development costs, and greater carrying costs due to protracted project entitlement and construction schedules. These factors have weighed down land transactions, resulting in a much quieter/slower demand environment.

Highest and Best Use Conclusion – As Improved

While older, the existing structures demonstrate clear market demand from CAL FIRE and other users, providing a significant amount of rental revenue. This represents a distinct benefit for the subject property. A most probable buyer would seek to retain these facilities as an investment, while potentially securing future additional development on under-utilized portions of the site.

Demand for these specialized types of facilities has been steady to strong and reflect interest from private schools, as well as art, music, and physical training uses. The CAL FIRE space appears to be very well-suited to training uses.

Based on demand, there may be an opportunity to increase rental rates; however, these represent more specialized types of uses/businesses and there may be still lingering impact on the market after the upheaval after the COVID-19 pandemic.

Highest and Best Use Conclusion – As If Vacant

Overall, the location, access, water and sewer services, and terrain suggest that this property is a clear candidate for development as a mixed-use project with a mix of community-commercial and residential uses.

The PF zoning of the property represents a challenging aspect of this appraisal, including limited/few market-based uses allowed in this zoning, as well as very scarce market data for this type of zoning/use.

In conclusion, it is very difficult to predict the outcome or the reasonable probability of a GPA/zoning change for the Sunnyside Elementary School property. To the extent that additional development is ultimately gained via rezoning or another means, the market value of that land would increase. However, some degree of retained open space/park use would likely provide a marketing/pricing benefit to the new development on the balance of the subject site, as well as providing a greater potential for neighborhood support.

The highest and best use of this property is to retain the structures for the current revenue generation and to pursue eventual redevelopment of the excess land consistent with the policies of the County of San Luis Obispo and Los Osos Community Plan.

Value-in-Use Conclusion

Considered from a value-in-use standpoint, the existing Sunnyside Elementary facilities appear to be consistent with current Los Osos community needs for CAL FIRE facilities, private educational uses, and open paved and turf play areas.

APPRAISAL PROCESS

The appraisal process for real estate typically utilizes at least one or more of the three alternative valuation techniques.

The cost approach is employed, reflecting replacement cost new, less accrued depreciation losses, specifically from physical deterioration, functional obsolescence, and external obsolescence. The depreciated improvement value is then added to the land value determined by market comparison, as if vacant, to yield an indication of market value. Reflecting the substantial structural improvements and their specialized use, this approach is considered to be relevant for this appraisal.

The income approach is developed by attempting to analyze investors for this type of property in the local market. This approach processes the income stream into an indicator of market value using a capitalization rate. Since there is a track record of significant revenue generated by this property, this approach is considered relevant for this appraisal.

The sales comparison approach is considered and is based on the principle of substitution. That is, no rational and sophisticated buyer will pay more for a property, which is replaceable in the market, than an acceptable substitution would cost. In essence, it is a test of the subject property in the market by comparison to those properties that have sold, or borne the test of the market. Despite the specialized use of the subject property, several relevant sales of school, institutional, and/or office properties were identified as part of this investigation. As such, this valuation method is considered to be relevant for the subject Sunnyside Elementary School property.

Cost Approach

Definitions[1]

Cost Approach

A set of procedures through which a value indication is derived for the fee simple estate by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive or profit; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated value of the fee simple estate in the subject property to reflect the value of the property interest being appraised.

Development Cost

The cost to create a property, including land costs, and bring it to an efficient operating state, as distinguished from the cost to construct the improvements.

Direct Costs

Expenditures for the labor and materials used in the construction of improvements; also called hard costs. See also indirect costs.

Indirect Costs

Expenditures or allowances for items other than labor and materials that are necessary for construction, but are not typically part of the construction contract. Indirect costs may include administrative costs, professional fees, financing costs and the interest paid on construction loans, taxes and the builder's or developer's all-risk insurance during construction, and marketing, sales, and lease-up costs incurred to achieve occupancy or sale. Also called soft costs. See also direct costs.

Depreciation

1. *In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date. See also external obsolescence; functional obsolescence; physical deterioration.*
2. *In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques.*

Land Valuation – Data Groups A and B

Since the subject property exhibits both developed and undeveloped portions, two groups of land sales were considered. Data Group A includes land sales with greater near-term development potential, consistent with the developed portions of the Sunnyside Elementary School site. Data Group B reflects

[1] The Dictionary of Real Estate Appraisal, Seventh Edition, 2022, *Appraisal Institute*

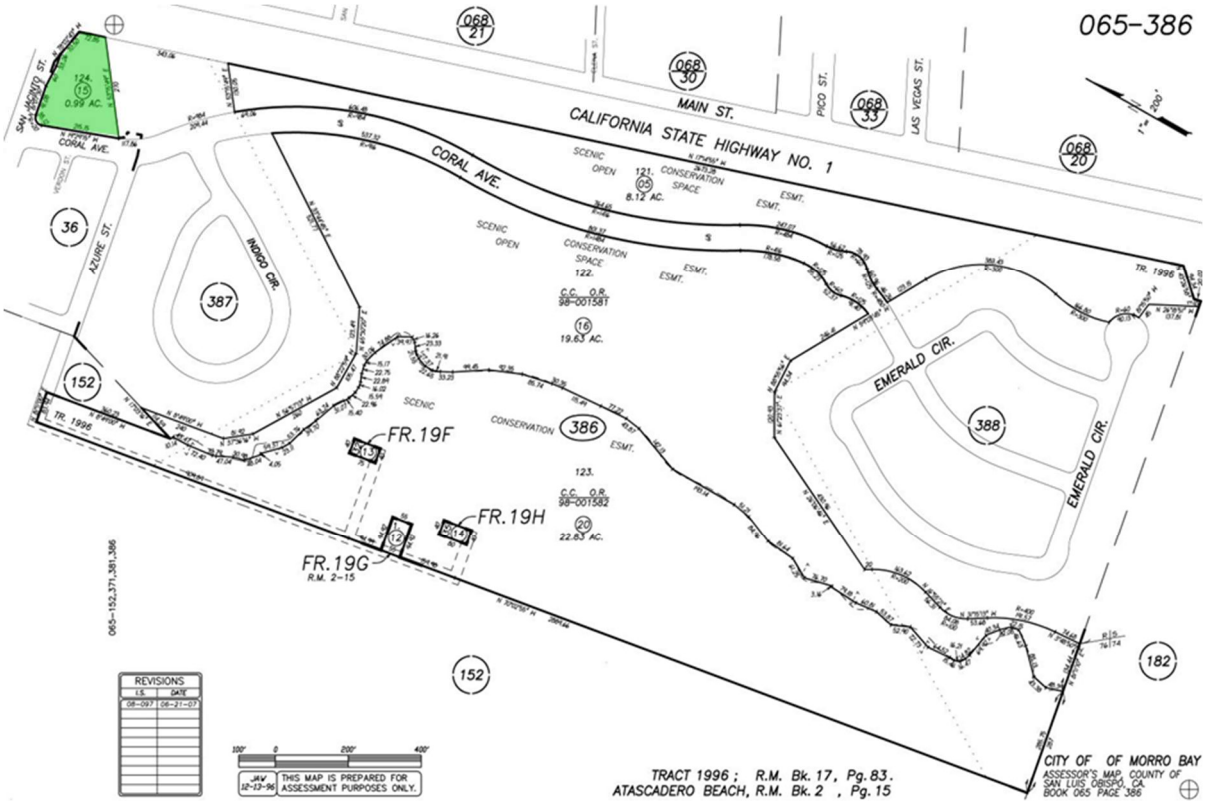
constrained land sales with limited to lesser near-term development potential and/or low-intensity land uses.

Since no land sales involving Public/Quasi-Public-zoned properties were identified, sales of various low-intensity land-use properties were used as somewhat of a proxy pricing guideline. The comparable sales selection recognized the highly desirable/suburban Los Osos setting exhibited by the subject property, balanced by the fairly low-intensity existing development and allowed uses on portions of the property.

The identified land sales in Data Groups A and B are shown as follows:

DATA GROUP A
COMPARABLE RESIDENTIAL-DEVELOPMENT LAND SALES LOCATION MAP

RESIDENTIAL-DEVELOPMENT LAND SALES A-1/A-1A
2783 CORAL AVENUE, MORRO BAY
(SAN LUIS OBISPO COUNTY)



Residential-Development Land Sales A-1/A-1a

Location:	2783 Coral Avenue, Morro Bay (San Luis Obispo County)
APN:	065-386-015
Grantor:	City of Morro Bay
Grantee:	Morro Bay Ventures LLC
Date of Transfer:	October 6, 2016
Sale Price:	$799,000
Terms:	$749,000 seller-carried note
Recording Data:	Document No. 2016-50877
Data Source:	MetroScan/MLS/Frankie Ciano, listing agent
Confirmed By:	Todd O. Murphy
Property Description:	Vacant site; 1,600± feet from ocean
Property Size:	0.99 acre
Zoning:	Residential Multi-Family (RMF) (2016)/Residential Low Density (RL) (2023)
Access:	Paved, public street
Utilities:	Full
Topography:	Level
Legal Parcels:	1
Units of Comparison:	$18.53 per square foot land; $133,167 per unit; 6.06 units per acre

Comments: This property is located along the west line of Highway 1 at the San Jacinto Street traffic light.

The property comprises a vacant site located about 3 blocks from the beach, but features limited ocean views. This site was advertised as having potential for 6 new residential homes on the Cloisters, a community with ocean access and walking and biking trails. This property is subject to HOA dues of

RESIDENTIAL-DEVELOPMENT LAND SALES A-1/A-1A, CONTINUED

$103 per month, as it is part of the nearby Cloisters development. Development of this property will require an amendment to the Cloisters project development approvals, which is uncertain. There are nearby walking and biking trails, plus easy beach access.

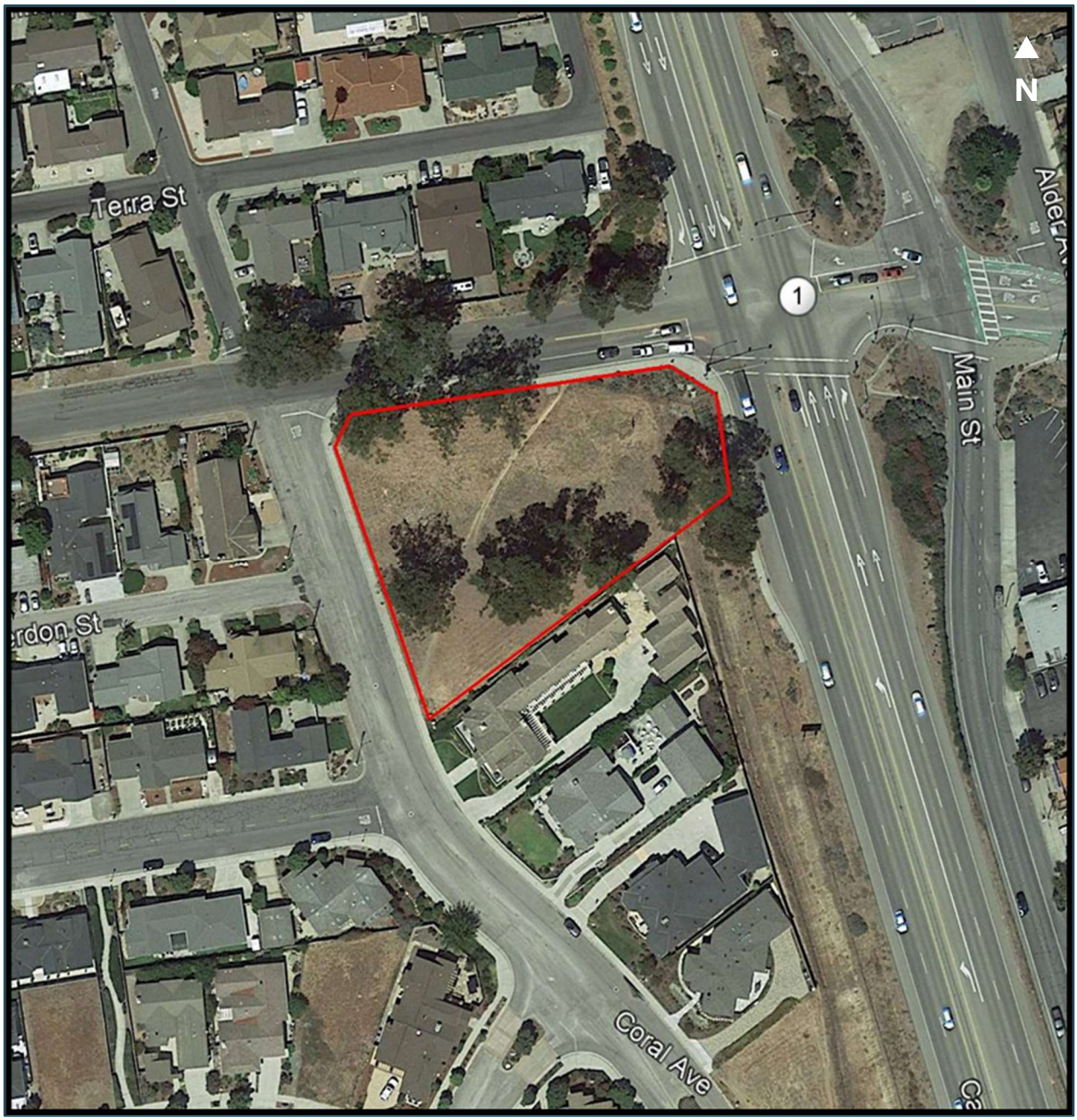
This property was listed for sale at $1,149,000 in May 2013. The property was relisted in May 2015 for $799,000 and sold full price as of October 2016 with a $749,000 seller-carried note.

Residential-Development Land Sale A-1a – Current Relisting

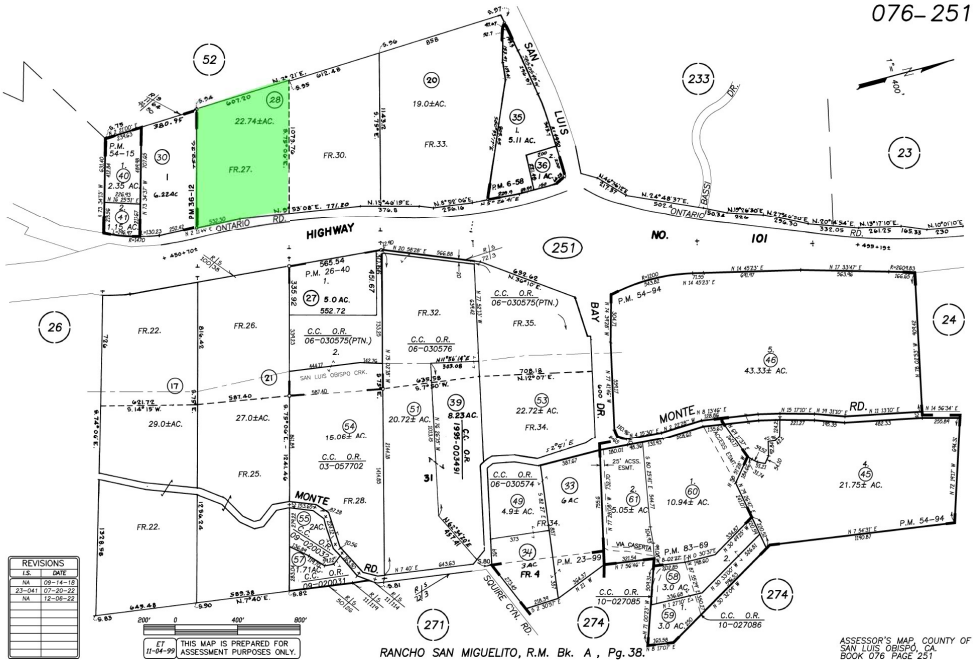
The property was relisted on MLS in August 2023 for $2,800,000; withdrawn in December 2023; and actively listed again in March 2024 for $2,800,000. Per MLS, the site is approved for a 5-lot subdivision; this equals 5.05 units per acre. Included in the offering are approved architectural plans, landscape designs, construction documents, California Coastal Commission approvals, and permits through February 2025.

The asking price is $64.93 per square foot and $560,000 per potential lot.

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF 2783 CORAL AVENUE, MORRO BAY



RESIDENTIAL-DEVELOPMENT LAND SALES A-2/A-2A
CERROS AVILA
ONTARIO ROAD, AVILA BEACH
(SAN LUIS OBISPO COUNTY)



Residential-Development Land Sales A-2/A-2a

Name:	Cerros Avila
Location:	Ontario Road, Avila Beach (San Luis Obispo County)
APN:	076-251-028
Grantor:	Charles A. Pratt
Grantee:	Cody Gambril, et al.
Sale Date:	January 4, 2018
Sale Price:	$1,300,000
Terms:	Cash to private loan
Recording Data:	Document No. 2018-356
Data Source:	Public records/MLS/Clayton Gambril, buyer/Jason Hart, relisting agent
Confirmed By:	Todd O. Murphy
Property Description:	Vacant, residential-development land
Property Size:	22.74± gross acres, 11.24± net usable acres
Zoning:	Residential Suburban (RS)
Access:	Paved, public road
Utilities:	To the site; CSA-12 municipal water
Topography:	Level to gently-sloping
Legal Parcels:	Unknown
Units of Comparison:	$1.31 per square foot (gross); $2.66 per square foot (net)

RESIDENTIAL-DEVELOPMENT LAND SALES A-2/A-2A, CONTINUED

COMMENTS: Vacant, development property located west of Ontario Road and U.S. Highway 101. The property has visibility from the highway and is accessible via a dirt driveway from Ontario Road located toward the northern end of the property. Ontario Road is a two-lane, paved road with bike lanes. The property is above street grade for most of the frontage.

Terrain varies from level to sloping toward the west. The soil is Gaviota fine sandy loam (15% to 50% slopes). The property is zoned Residential Suburban within the County of San Luis Obispo. The adjacent properties mostly feature estate homes on large lots and open space.

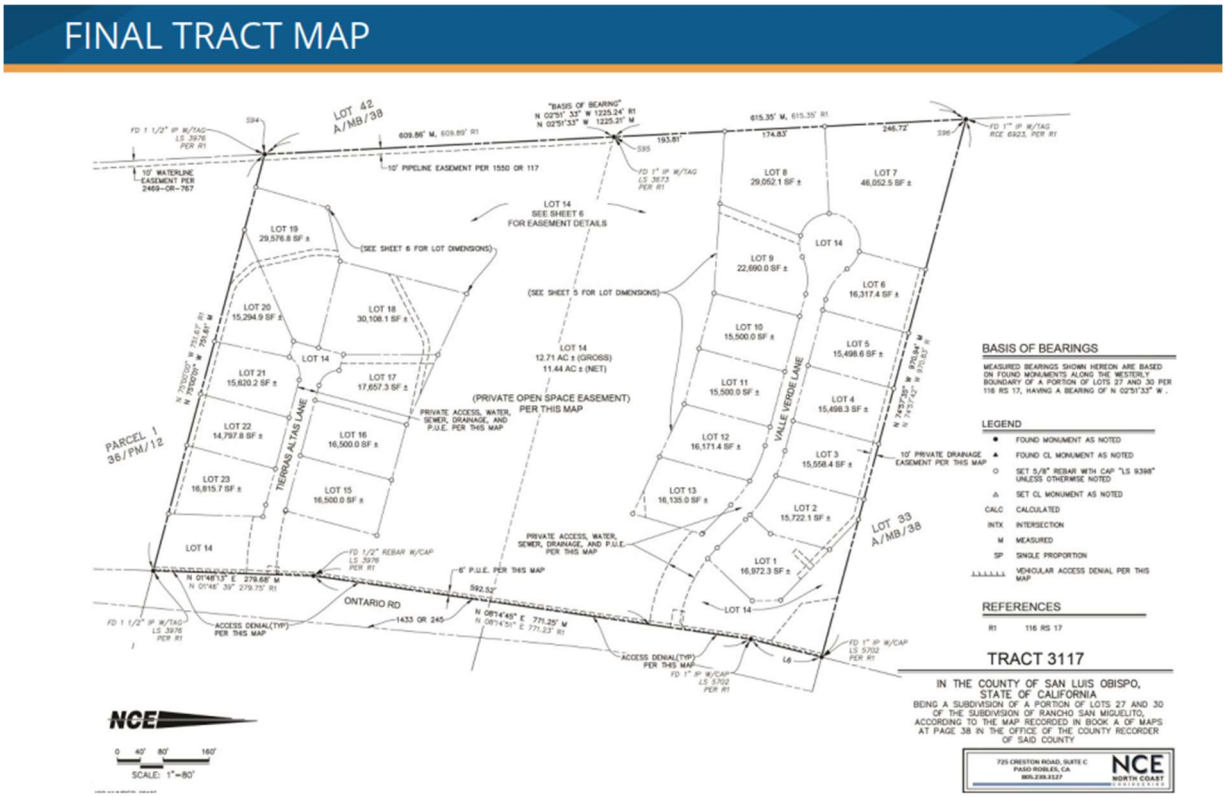
The property was listed for sale in August 2017 for $1,095,000 and sold in January 2018 for $1,300,000. This listing noted that the seller had a plan to develop the property into a 22-lot subdivision.

Residential-Development Land Sale A-2a – 2023 Resale

The property was relisted for sale in November 2022 as "Cerros Avila" with an asking price of $5,500,000. The seller secured approvals and a final tract map is ready to be recorded with 22 clustered, residential parcels ranging from 0.30 to 1.00 acre in size and one 11.50-acre, non-buildable, open-space parcel. The seller retained one parcel (Lot 7), which means the buyer acquired 21 buildable lots. The property resold in September 2023 for $4,000,000, or $190,476 per potential lot (Jacqueline & Cody Gambril to Avila Canyon Estates, LLC; Document No. 2023-28552). Complete development costs are expected to be about $365,000 per lot..

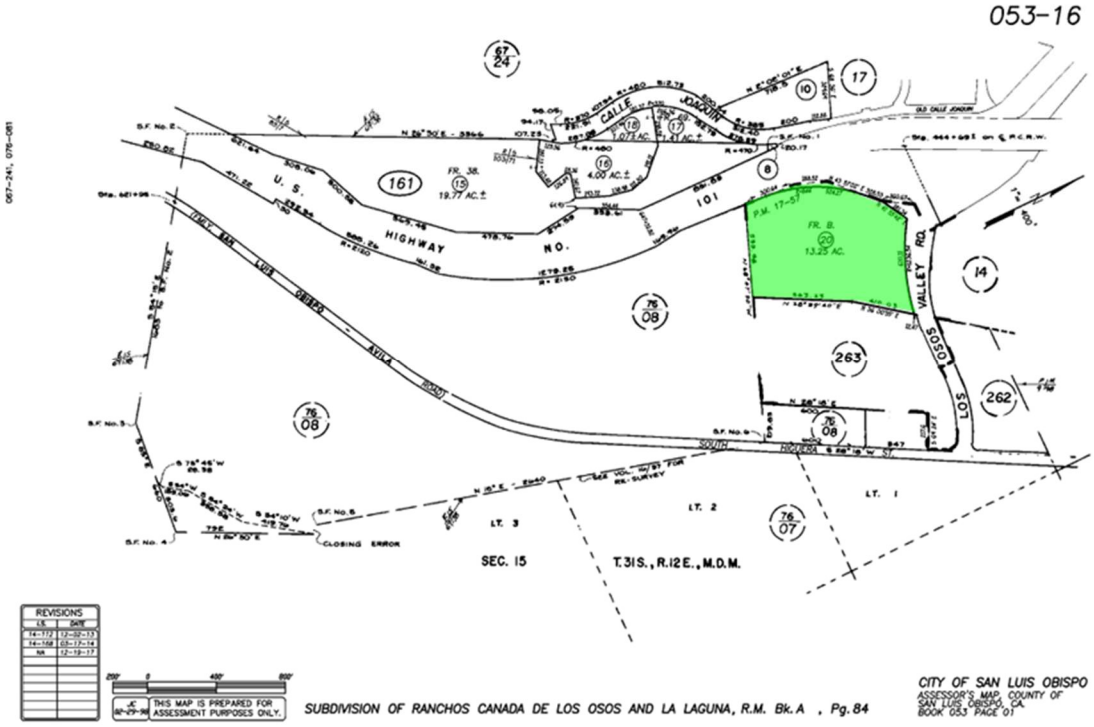
The retained lot is 46,052.5 square feet in size.

As such, the resale equals 21.68 gross and 10.18 net acres, with prices of $4.24 and $9.02 per square foot.



GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF CERROS AVILA

RESIDENTIAL-DEVELOPMENT LAND SALE A-3
KUNDERT PROPERTY – SOUTH
12501 LOS OSOS VALLEY ROAD, SAN LUIS OBISPO
(SAN LUIS OBISPO COUNTY)



Residential-Development Land Sale A-3

Name:	Kundert Property – South
Location:	12501 Los Osos Valley Road, San Luis Obispo (San Luis Obispo County)
APN:	053-161-020
Grantor:	Karls Trust
Grantee:	LOVR Communities LLC
Date of Transfer:	June 5, 2020
Sale Price:	$2,500,000
Terms:	Cash
Recording Data:	Document No. 2020-27399
Data Source:	Public records/appraisal files/Charlie Senn, listing agent
Confirmed By:	Todd O. Murphy
Property Description:	Irrigated farmland and creek along Los Osos Valley Road
Property Size:	577,170± square feet (311,018 square feet net); 13.25± gross acres; 7.14± net usable acres
Zoning:	Low Density Residential/Conservation/Open Space (R-1/C/OS)
Access:	Paved, public street
Utilities:	Full
Topography:	Level to gentle slope with creek
Legal Parcels:	1
Units of Comparison:	$4.33 per square foot (gross); $8.04 per square foot (net)

RESIDENTIAL-DEVELOPMENT LAND SALE A-3, CONTINUED

COMMENTS: This property is located on the south side of Los Osos Valley Road and comprises level to gently-sloping land currently used as irrigated farmland with a creek corridor on the west side. The site is located in Flood Zones AE and X.

Adjacent to the west is the U.S. Highway 101 northbound on/off-ramps for Los Osos Valley Road. The western portion of the property features the San Luis Obispo Creek riparian corridor, with most of the open land being within 100- and 500-year flood zones. About 6.11 acres are located within the creek corridor, with 7.14± acres of potentially developable land.

To the east of the property is the Los Verdes Park 2 residential development. Adjacent to the south is additional irrigated farmland and creek corridor.

This property had previously been zoned Conservation Open Space (C/OS), but was rezoned to R-1 Low Density Residential, plus C/OS for the creek land.

An appraisal completed prior to the property being listed for sale estimated a total potential development of 51 residential units.

This property was listed for sale at $2,350,000 and received multiple offers before selling for $2,500,000. It sold simultaneously with the property across the street. The buyer is a developer seeking a residential development.

The buyer also acquired the 44.12-acre, Hayashi San Luis Creek Ranch located directly south. The Hayashi property is level, irrigated farmland and creek and includes an open-space easement. It is zoned Agriculture within the County of San Luis Obispo. It was not on the market. The Hayashi property sold June 2020 for $3,000,000, or $67,996 per acre, including creek corridor.

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF THE KUNDERT PROPERTY – SOUTH

Residential-Development Land Sale A-4
Kundert Property – North
12500 Los Osos Valley Road, San Luis Obispo
(San Luis Obispo County)

Residential-Development Land Sale A-4

Name:	Kundert Property – North
Location:	12500 Los Osos Valley Road, San Luis Obispo (San Luis Obispo County)
APN:	053-141-013
Grantor:	Karls Trust
Grantee:	LOVR Communities LLC
Date of Transfer:	June 5, 2020
Sale Price:	$3,100,000
Terms:	Cash
Recording Data:	Document No. 2020-27397
Data Source:	Public records/Charlie Senn, listing agent
Confirmed By:	Todd O. Murphy
Property Description:	Irrigated farmland and creek along Los Osos Valley Road
Property Size:	432,551± square feet (301,871 square feet net); 9.93± gross acres; 6.93± net usable acres
Zoning:	Medium Density Residential/Conservation/Open Space (R-2/C/OS)
Access:	Paved, public street
Utilities:	Full
Topography:	Level to gentle slope with creek
Legal Parcels:	1
Units of Comparison:	$7.17 per square foot (gross); $10.27 per square foot (net)

RESIDENTIAL-DEVELOPMENT LAND SALE A-4, CONTINUED

COMMENTS: This property is located on the north side of Los Osos Valley Road and comprises level to gently-sloping land currently used as irrigated farmland, plus creek corridor on the west side of the property. The site is located in Flood Zones AE and X.

This property includes a farm stand and an older, dilapidated residence. Adjacent to U.S. Highway 101, the western portion of the property features the San Luis Obispo Creek riparian corridor, with most of the open land being within 100- and 500-year flood zones. About 3.00 acres are located within the creek corridor, with 6.93± acres of potentially developable land.

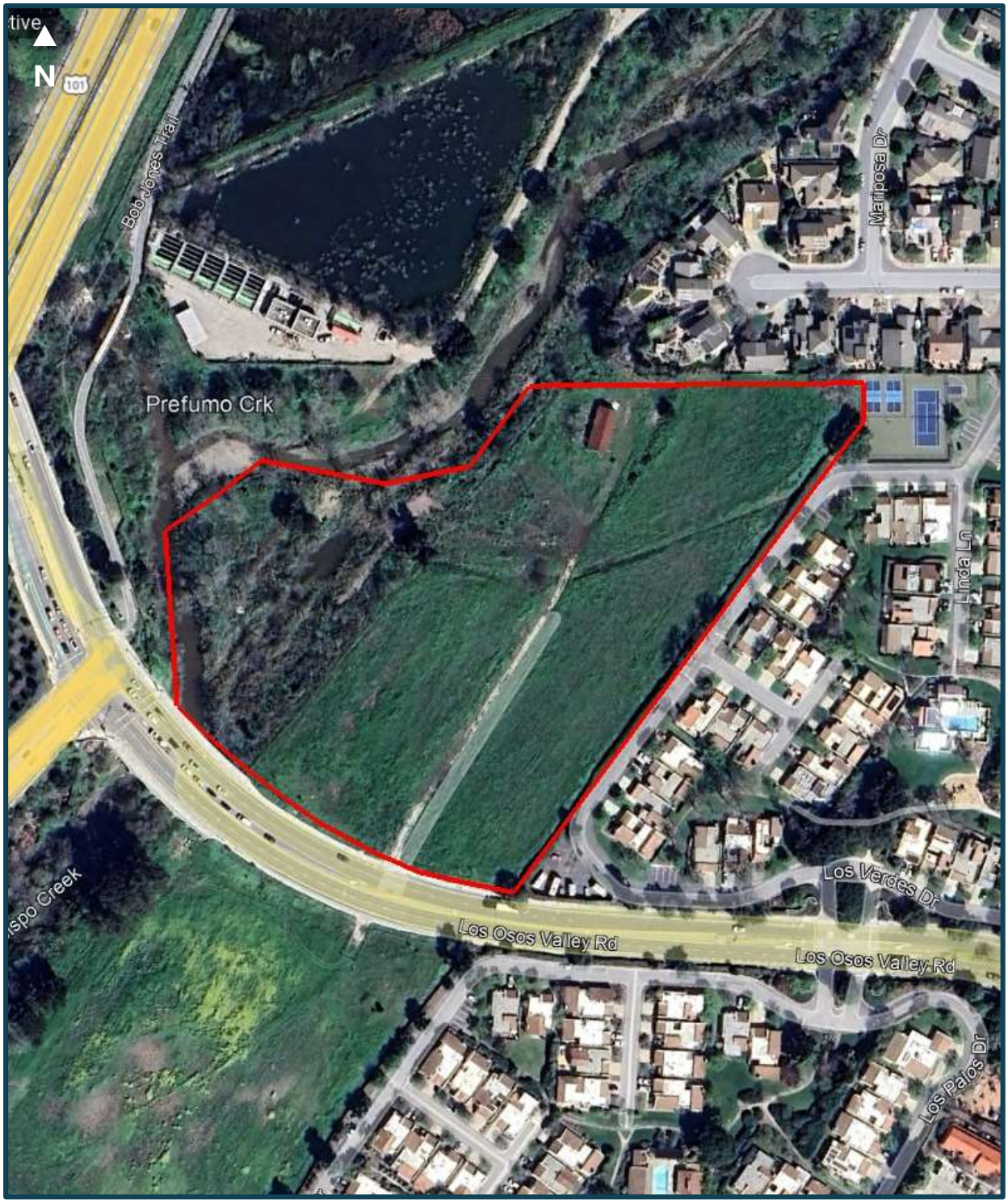
To the east of the property is the Los Verdes Park 1 residential development. Adjacent to the northwest is the San Luis Obispo Wastewater Treatment Plant, which occasionally features unpleasant odors to nearby properties.

This property had previously been zoned Conservation Open Space (C/OS), but was rezoned to R-2 Medium Density Residential, plus C/OS for the creek land.

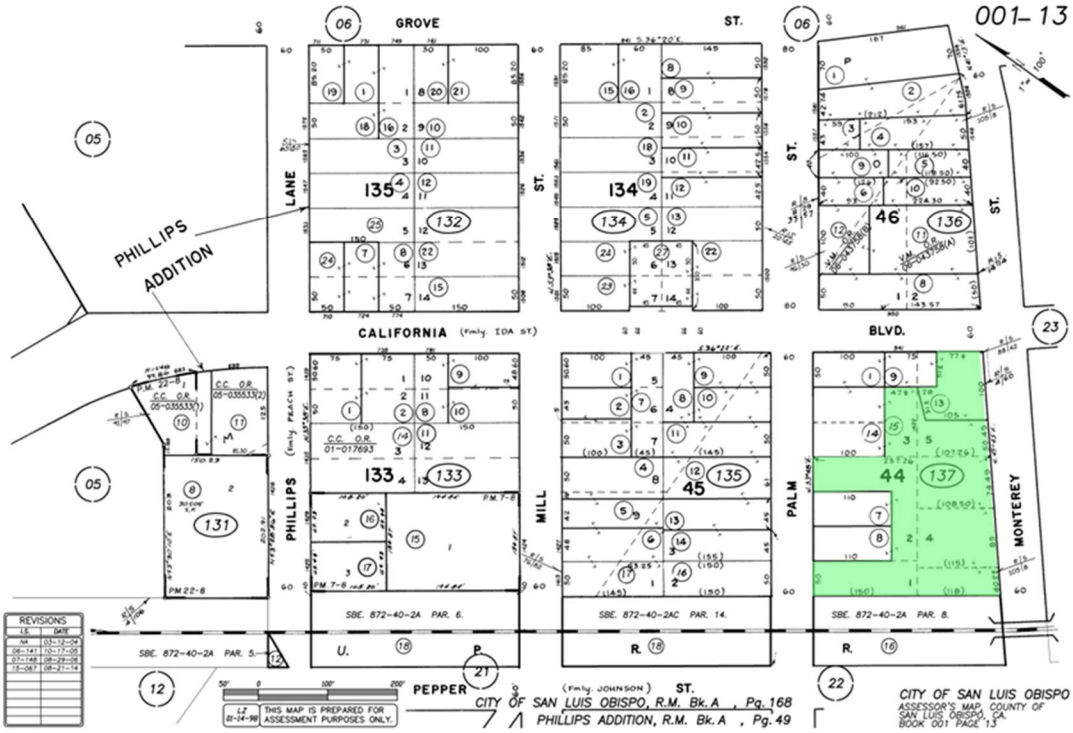
An appraisal completed prior to the property being listed for sale estimated a total potential development of 59 residential units.

This property was listed for sale at $2,995,000 and received multiple offers before selling for $3,100,000. It sold simultaneously with the property across the street. The buyer is a developer seeking a residential development.

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF THE KUNDERT PROPERTY – NORTH



Residential-Development Land Sale A-5
Monterey Plaza Assemblage
1422 and 1480 Monterey Street, San Luis Obispo
(San Luis Obispo County)



Residential-Development Land Sale A-5

Name:	Monterey Plaza Assemblage
Location:	1422 and 1480 Monterey Road, San Luis Obispo (San Luis Obispo County)
APNs:	001-137-013 and -015
Grantors:	Collin B. Allen and Lori S. Laird Allen, Trustees of the Allen Family Trust; Collin B. Allen; Tammi Laird Menezes; Paul Vanderheyden; and Lucia M. Cleveland
Grantee:	Housing Authority of San Luis Obispo (HASLO)
Dates of Transfer:	January 11, 2021, and December 30, 2020
Sale Price:	$5,025,000
Terms:	Cash
Recording Data:	Document Nos. 2021-2049 and 2020-58144
Data Source:	Public records/MLS/appraisal files/Preston Thomas, real estate agent
Confirmed By:	Todd O. Murphy
Property Description:	Improved commercial/retail lot near downtown and adjacent vacant corner lot
Property Size:	52,272± square feet and 9,150± square feet; 61,422 square feet total
Zoning:	Retail Commercial (C-R)
Access:	Paved, public street
Utilities:	Full
Topography:	Level to gentle slope
Legal Parcels:	Several apparent
Units of Comparison:	$81.81 per square foot land

RESIDENTIAL-DEVELOPMENT LAND SALE A-5, CONTINUED

COMMENTS: This is the assemblage sale of two adjacent properties.

Monterey Plaza – 1422 Monterey Street

Monterey Plaza is an improved, commercial/retail property located along the northern side of Monterey Street in the City of San Luis Obispo, between California Boulevard and Pepper Street. This property features an ideal location for a commercial/retail property, being approximately 2 blocks from downtown San Luis Obispo, 3 blocks from San Luis Obispo High School, and 0.70± mile from Cal Poly – San Luis Obispo. The property features 4 access points: 2 access points along Monterey Street and 1 access point from Palm Street provide access to the main parking lots. There is an additional access point from Palm Street to an undeveloped, vacant portion in the rear of the property. It appears this vacant portion is a paved parking lot utilized for storage and/or overflow parking.

The site is developed with sidewalks, curbs, and gutters along Monterey and Palm Streets.

This property is zoned Retail Commercial (C-R), which is the City of San Luis Obispo's designation for areas that allow for "a wide range of retail sales, business, personal, and professional services, as well as recreation, entertainment, transient lodging, and permanent residences." This is in line with the General Plan and the trend in the neighborhood. Maximum density is 36 units per net acre and maximum lot coverage is 100%. This site can accommodate 43 residential dwelling units.

Parking requirements are 1 space for every 200 to 500 square feet of retail area (depending on the type of retail use); professional offices require 1 space for each 300 square feet; and restaurants require more intense parking depending on dining and preparation area, etc. It appears that this site features ample parking; including 25± parking lot spaces and 7 spaces along the frontage of Monterey Street. The parking lot is an asphalt-paved lot.

Per the San Luis Obispo County Assessor's Office website, the property is improved with 3 primary structures, all of which appeared to be leased at the time of sale. Improvements consist of an 11,338±-square-foot, 2-level structure (5,472± square feet original size + 5,866±-square-foot addition) originally constructed in 1976; an 11,338±-square-foot, single-level structure (1,410± square feet original size + 9,928±-square-foot addition) originally constructed in 1977; an 11,278±-square-foot, 2-level structure (4,456± square feet original size + 6,822±-square-foot addition) originally constructed in 1977; and a small kiosk with map and unit numbers.

Tenants of the property included Central Coast Brewing, Cambria Bicycle Outfitters, Powersource Chiropractic, SWCA Environmental Consultants, Spirit Winds Physical Therapy, and miscellaneous professional offices. According to Preston Thomas, real estate agent, the buildings did not contribute a significant value to the sale of the property.

This property was sold to HASLO in a privately negotiated transaction for $4,175,000 on January 11, 2021.

Vacant Site – 1480 Monterey Street

This vacant lot on the northeastern corner of Monterey Street and California Boulevard was formerly a service station site that had been remediated prior to the sale. It is zoned Retail Commercial (C-R).

This property was listed for sale in September 2019 for $975,000 before selling in December 2020 for $850,000.

RESIDENTIAL-DEVELOPMENT LAND SALE A-5, CONTINUED

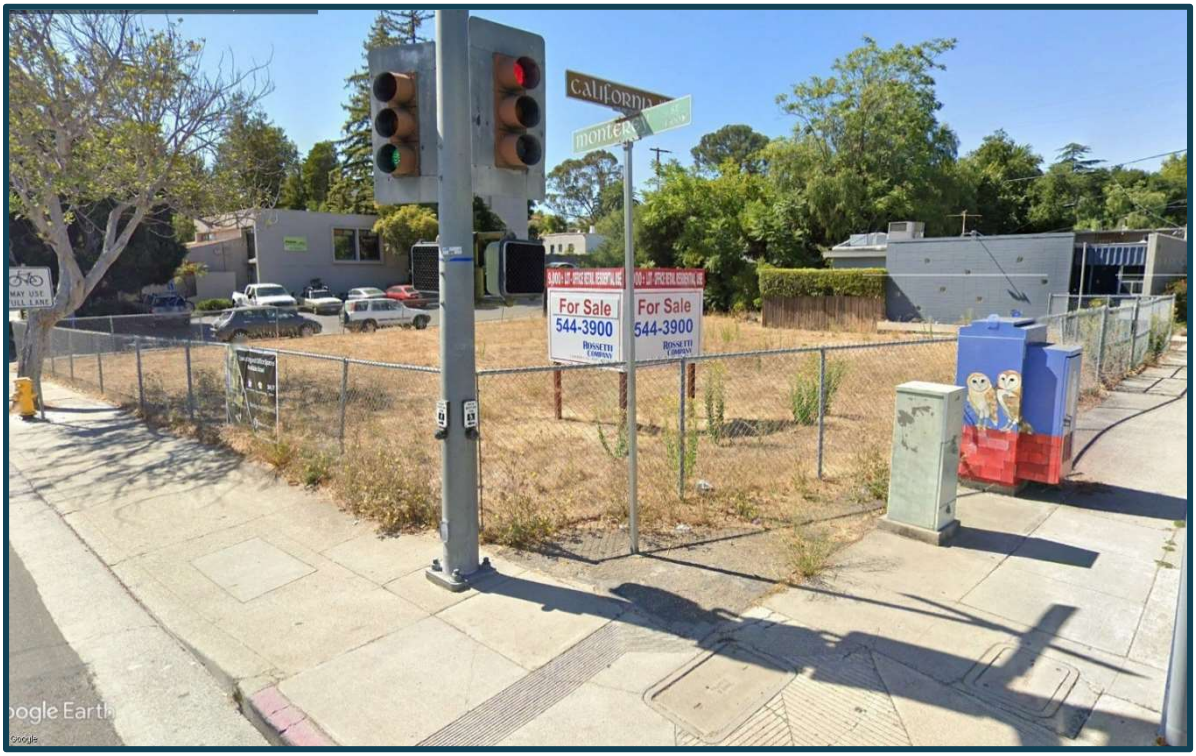
Assemblage Sale Summary

The same buyer – HASLO – acquired both properties as follows:

APN	SALE PRICE	SALE DATE	BUILDING AREA (SF)	LAND AREA (SF)	POTENTIAL UNITS
001-137-013	$ 850,000	12-20	n/a	9,150	7
001-137-015	4,175,000	1-21	33,954	52,272	43
Total	**$5,025,000**		**33,954**	**61,422**	**50**

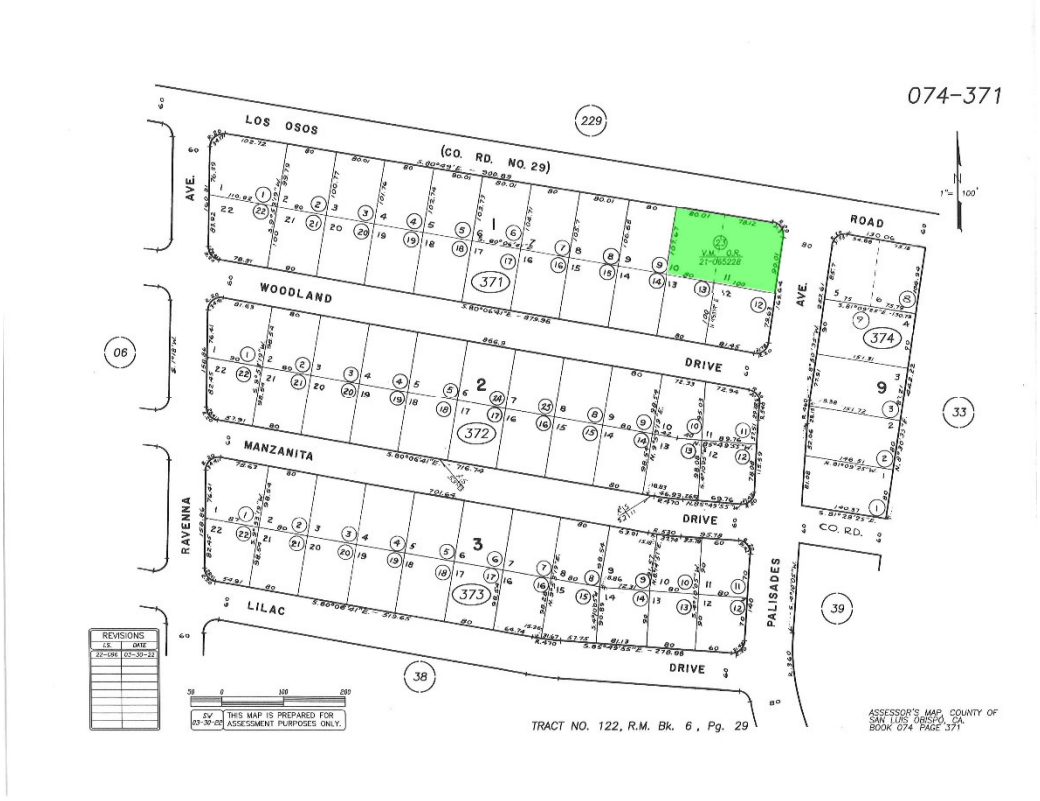
The buyer plans a new housing development at this site, with an unknown number of development units. Based on the C-R zoning, this total property can accommodate 50 residential units. The assemblage purchase price equals $100,500 per residential unit.

1480 MONTEREY STREET, SAN LUIS OBISPO



Google Earth Pro Aerial Photograph of the Monterey Plaza Assemblage

Residential-Development Land Sale A-6
781 Los Osos Valley Road, Los Osos
(San Luis Obispo County)



Residential-Development Land Sale A-6

Location:	781 Los Osos Valley Road, Los Osos (San Luis Obispo County)
APN:	074-371-023
Grantor:	Alexander S Cosentino Trust
Grantee:	Rosie Gibb Revocable Trust
Date of Transfer:	May 28, 2021
Sale Price:	$315,000
Terms:	Cash
Recording Data:	Document No. 2021-39649
Data Source:	Public records/Leon Van Beurden, listing agent
Confirmed By:	Todd O. Murphy
Property Description:	Large lot with small, older office
Property Size:	19,293± square feet
Zoning:	Residential Multi-Family/Coastal Zone (RMF/CZ)
Access:	Paved, public street
Utilities:	Full
Topography:	Level
Legal Parcels:	1
Units of Comparison:	$16.33 per square foot land; $78,750 per unit

Comments: This property is located on the southwestern corner of Los Osos Valley Road and Palisades Avenue, west of the downtown area of Los Osos. Los Osos Valley Road is a two-lane road with left-turn lanes and bike lanes; Palisades Avenue is a two-lane road; neither have sidewalks or curbs in general (there are, however, curbs on the frontage of the property on both streets). The intersection is signalized. Access is from Palisades Avenue; a curb break opens to the parking lot on the south side of the property. There is only pedestrian access from Los Osos Valley Road.

RESIDENTIAL-DEVELOPMENT LAND SALE A-6, CONTINUED

The property is zoned Residential Multi-Family within the Coastal Zone. Adjacent properties feature single- and multi-family residential, school, park, and open space uses.

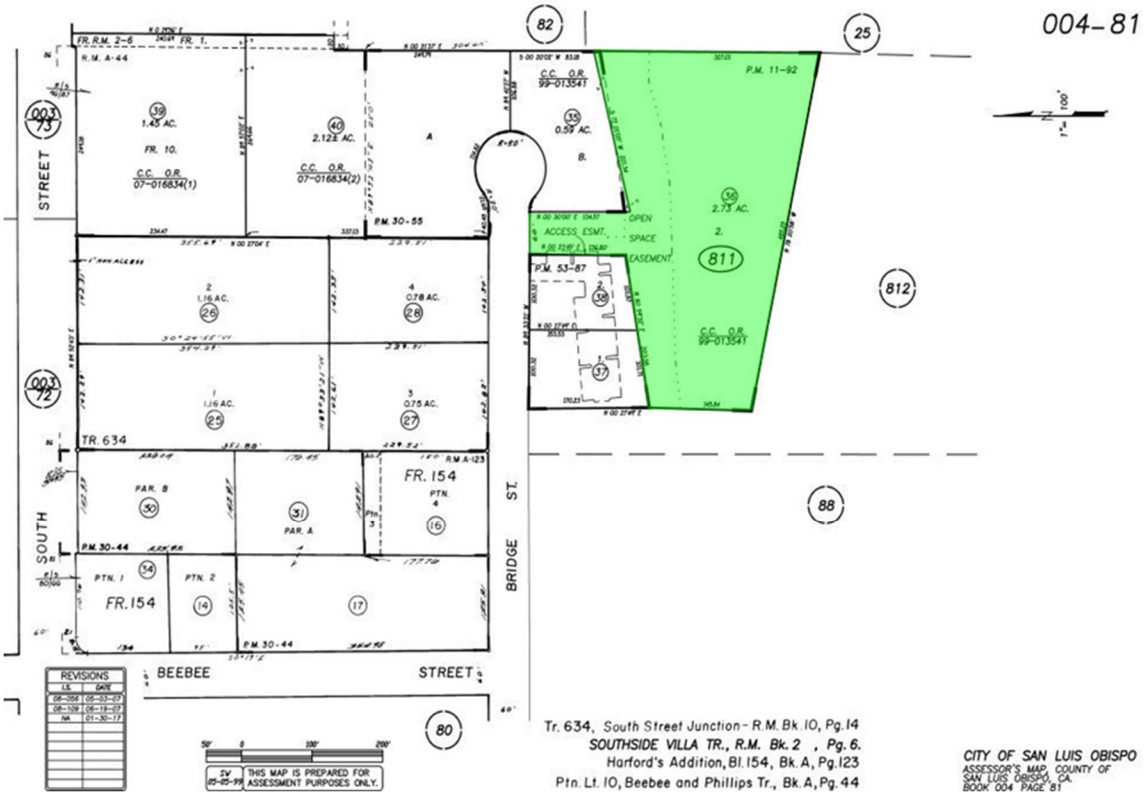
The property is improved with a 575-square-foot, commercial office building built in 1960. The paved, parking lot has 20 spaces. The western portion of the property has about 8,000 square feet of open space.

No contributory value was allocated for the office building. It was leased to the Chamber of Commerce through the end of 2022.

The property had been two parcels (074-371-010 and -011) prior to 2021; they were marketed separately for some time for $335,000 and $65,000 by Bay Osos Brokers. The property sold as a single parcel under the new APN (074-371-023) for $315,000 on May 28, 2021. The buyer acquired the property to pursue a four-unit, residential development utilizing credit for the historical water use on the property.

Google Earth Pro Aerial Photograph of 781 Los Osos Valley Road, Los Osos

RESIDENTIAL-DEVELOPMENT LAND SALE A-7
279 BRIDGE STREET, SAN LUIS OBISPO
(SAN LUIS OBISPO COUNTY)



Residential-Development Land Sale A-7

Location:	279 Bridge Street, San Luis Obispo (San Luis Obispo County)
APN:	004-811-036
Grantor:	Bridge Squared LLC
Grantee:	Housing Authority of San Luis Obispo (HASLO)
Date of Transfer:	July 27, 2021
Sale Price:	$3,250,000
Terms:	Cash
Recording Data:	Document No. 2021-53053
Data Source:	MLS/Preston Thomas, real estate agent
Confirmed By:	Todd O. Murphy
Property Description:	Vacant land with potential mixed-use/residential use in San Luis Obispo
Property Size:	118,919± square feet (82,764± square feet net); 2.73± gross acres; 1.90± net acres
Zoning:	Manufacturing (M)
Access:	Paved, public street
Utilities:	Full
Topography:	Mostly level to gently-sloping and creek
Legal Parcels:	1
Units of Comparison:	$27.33 per gross square foot; $39.27 per net square foot land

Comments: This is a vacant site located at the base of the South Street Hills on the periphery of downtown San Luis Obispo. The site is accessed via a bridge that crosses over a seasonal creek. There is an access easement to the property from Bridge Street, as well as an open-space easement along the creek portion of the property near the northern boundary.

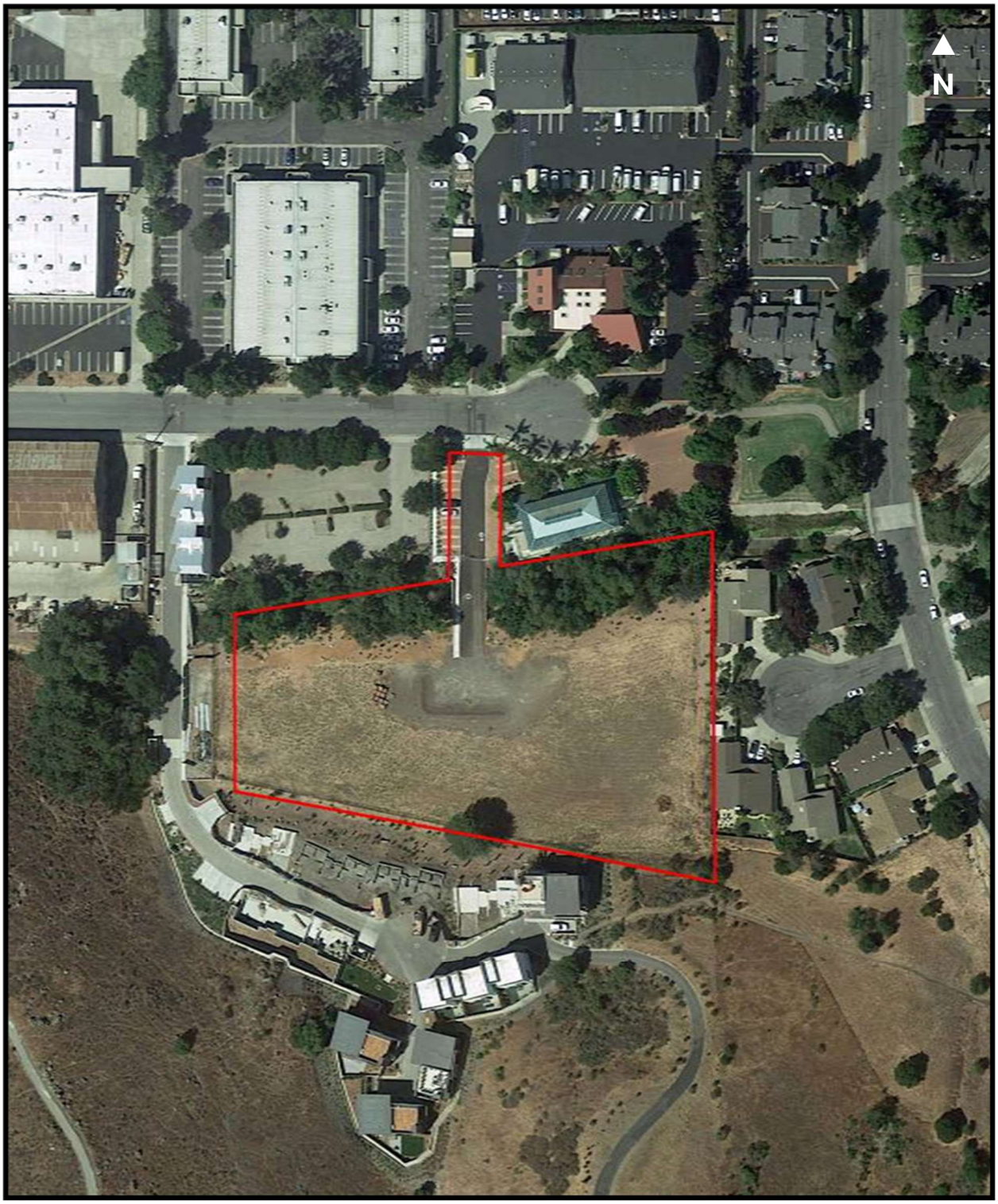
RESIDENTIAL-DEVELOPMENT LAND SALE A-7, CONTINUED

The property features an approved mixed-use project; however, the potential buyer plans on redoing the project to 100% affordable residential.

The M zoning allows 24 units per net acre (two-bedroom units). This equals a total of 65 residential units. Nearby land uses consist of large office/warehouses to the north and residential subdivisions to the east.

This property was listed for sale at $3,199,000. The buyer extended the escrow and the price was increased to $3,250,000, or $50,000 per unit. The buyer will increase the density to reflect affordable housing.

Google Earth Pro Aerial Photograph of 279 Bridge Street, San Luis Obispo



RESIDENTIAL-DEVELOPMENT LAND SALE A-8
1708 BEACH STREET, SAN LUIS OBISPO
(SAN LUIS OBISPO COUNTY)

Residential-Development Land Sale A-8

Location:	1708 Beach Street, San Luis Obispo
APN:	003-625-015
Grantor:	Sandercock Transfer Company Inc.
Grantee:	Housing Authority of San Luis Obispo (HASLO)
Date of Transfer:	July 14, 2023
Sale Price:	$1,600,000
Terms:	Cash
Recording Data:	Document No. 2023-19732
Data Source:	Public records/Preston Thomas, real estate agent
Confirmed By:	Todd O. Murphy
Property Description:	Aged warehouse/storage lot
Property Size:	39,204± square feet
Zoning:	Medium Density Residential (R-2)
Access:	Paved, public street
Utilities:	Full
Topography:	2 level terraces
Legal Parcels:	1
Units of Comparison:	$40.81 per sf land

Comments: This property is located on the northeastern corner of Beach Street and High Street, about 0.4 mile south of the San Luis Obispo downtown area. Frontage along High Street features curbs and sidewalk, but no access as the site is above street grade. There is also frontage along Leff Street, with the property benefiting from frontage on three sides. Access is along the open frontage with Beach Street, which has no curb or sidewalk, but is at grade and allows continuous access to the partially paved/gravel areas surrounding the buildings.

RESIDENTIAL-DEVELOPMENT LAND SALE A-8, CONTINUED

The property is zoned Medium Density Residential (R-2), which allows 12 units per net acre and is described by the City of San Luis Obispo as follows:

> *The R-2 zone is intended to provide housing opportunities that have locations and development forms that provide a sense of both individual identity and neighborhood cohesion for the households occupying them, but in a more compact arrangement than in the R-1 zone, and near commercial and public services. The R-2 zone generally will occur as a transition zone between zones of higher and lower residential density and/or adjacent to office (O) zones or neighborhood commercial (C-N) zones.*

Adjacent/nearby properties feature single- and multi-family housing (some owned by HASLO).

Buildings include a 6,470-square-foot, poured-concrete warehouse with an attached, brick-veneer office (600 square feet) built in 1947 and a 2,600±-square-foot, wood-framed warehouse. The property was previously used in the seller's moving business; these structures were very old and in poor condition. There is also a fenced storage area. The remainder of the property is open; this allowed parking large, moving trucks and vans for the seller's business.

The property was not listed for sale on MLS, but sold via a private sale. The buyer owns several properties near and adjacent to the sale property. This site can accommodate roughly 11 units based on the R-2 zoning; the sale price equals $145,455 per unit.

Google Earth Pro Aerial Photograph of 1708 Beach Street, San Luis Obispo

RESIDENTIAL-DEVELOPMENT LAND SALE A-9
380 PISMO STREET, SAN LUIS OBISPO
(SAN LUIS OBISPO COUNTY)

Residential-Development Land Sale A-9

Location:	380 Pismo Street, San Luis Obispo (San Luis Obispo County)
APN:	002-507-012
Grantor:	Sandercock Transfer Company Inc.
Grantee:	Laurel Lane Investments LLC
Date of Transfer:	September 15, 2023
Sale Price:	$1,525,000
Terms:	Cash
Recording Data:	Document No. 2023-27240
Data Source:	Public records/MLS/Preston Thomas, real estate agent
Confirmed By:	Todd O. Murphy
Property Description:	Aged warehouse and residential unit
Property Size:	23,850± square feet
Zoning:	Medium High Density Residential (R-3)
Access:	Paved, public street
Utilities:	Full
Topography:	Level
Legal Parcels:	1
Units of Comparison:	$63.94 per square foot land

Comments: This property fronts the northern side of Pismo Street, east of Archer Avenue, in San Luis Obispo. Access is via a double driveway on Pismo Street, a one-way, one-lane, paved, public road with a bike lane, parking lane, and sidewalks.

RESIDENTIAL-DEVELOPMENT LAND SALE A-9, CONTINUED

The property is zoned R-3 (Medium High Density Residential), allows 20 units per net acre, and is defined by the City of San Luis Obispo as follows:

> *The R-3 zone is intended primarily to provide housing opportunities for attached dwellings with common outdoor areas and compact private outdoor spaces. The R-3 zone is generally appropriate near employment centers and major public facilities, along transit corridors and nodes, and close to commercial and public facilities serving the whole community.*

Adjacent properties include residential, commercial, and industrial uses.

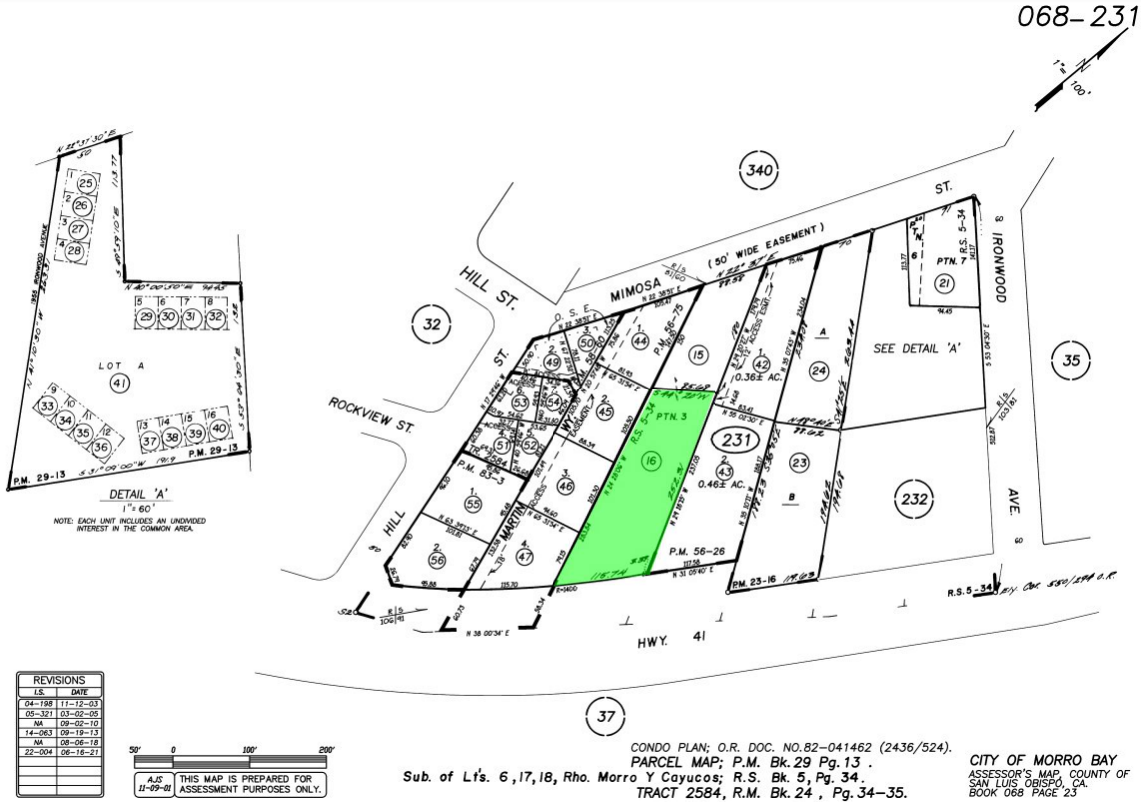
The on-site structures consist of a 12,100-square-foot, office-warehouse building connected to a 2-story, residential unit. The warehouse building is demised into 11,900 square feet of warehouse space and 200 square feet of office space. The building was constructed in 1948 to Class D construction. The warehouse has a clear height ranging from 35 to 40 feet. Improvements to the warehouse include a single, roll-up door at its southeast elevation. The residence is a small, older home in fair condition.

Additional improvements to the site include partial perimeter fencing.

The seller was a moving company; the buyer is a local real estate investor who acquired the property to pursue a residential-development project. Based on the R-3 zoning, this property can accommodate 11 units; the sale price equals $138,636 per unit.

Google Earth Pro Aerial Photograph of 380 Pismo Street, San Luis Obispo

RESIDENTIAL-DEVELOPMENT LAND SALE A-10 (LISTING)
545 ATASCADERO ROAD, MORRO BAY
(SAN LUIS OBISPO COUNTY)



Residential-Development Land Sale A-10 (Listing)

Location:	545 Atascadero Road, Morro Bay (San Luis Obispo County)
APN:	068-231-016
Grantor:	Matthew C. Ryan Trust
Grantee:	n/a
Date of Listing:	Current
Asking Price:	$699,000
Terms:	n/a
Recording Data:	n/a
Data Source:	Public records/MLS
Confirmed By:	Todd O. Murphy
Property Description:	Vacant land
Property Size:	25,000± square feet
Zoning:	Residential High Density (RH)
Access:	Paved, public street
Utilities:	Available
Topography:	Gently-sloping
Legal Parcels:	1
Units of Comparison:	$27.96 per square foot land

Comments: This property is located on the north side of Atascadero Road (Highway 41W), 0.25 mile east of Highway 1, in northern Morro Bay. Access is via a gravel frontage road via Hill Street off Atascadero Road. This site is gently-sloping up from Atascadero Road, with grass and some brush vegetation. There are some potential ocean views from the upper portion of the site.

RESIDENTIAL-DEVELOPMENT LAND SALE A-10 (LISTING), CONTINUED

The property is zoned Residential High Density (RH), described by the City of Morro Bay as follows:

> *Residential High Density (RH). The RH District is intended to provide areas for a variety of medium to high-density residential development. Housing types include single-unit attached, townhouses, condominiums, and apartment buildings at densities up to 27 dwelling units per acre. Detached single unit dwellings are allowed where site characteristics, such as size or topography, preclude multi-unit development. This District also provides for uses such as schools, daycare centers, parks, and community facilities that may be appropriate in a higher-density residential environment. This District implements the High Density Residential General Plan/ Local Coastal Plan Land Use Designation.*

Entitlements were reportedly nearly complete for a 16-unit, townhouse complex. Adjacent properties are developed to single- and multi-family residences. Across Atascadero Road are commercial uses.

There are no improvements; utilities are available.

This property previously sold in January 2019 for $320,000.

This property was listed for sale on MLS in June 2023 for $1,150,000; reduced to $729,000 in November 2023; and reduced again in April 2024 to $699,000, which equals $43,688 per unit.

Google Earth Pro Aerial Photograph of 545 Atascadero Road, Morro Bay

DATA TABLE A
COMPARABLE RESIDENTIAL-DEVELOPMENT LAND SALES
(RANKED BY DATE)

RESIDENTIAL-DEVELOPMENT LAND SALE	SALE DATE	SALE PRICE	LAND SIZE (ACRES)	ZONING	DEVELOPMENT APPROVALS	DEVELOPMENT POTENTIAL (UNITS)	DENSITY (UNITS/ACRE)	PRICE PER SF LAND	PRICE PER POTENTIAL UNIT
A-1	10-16	$ 799,000	0.99±	RMF	No	6	6.06	$18.53	$133,167
A-1a[L]	Current	2,800,000	0.99±	RL	Yes	5	5.05	64.93	560,000
2783 Coral Avenue, Morro Bay; APN 065-386-015; vacant, level parcel; potential for 6 new residential homes; subject to nearby Cloisters HOA dues at $103 per month; west side of Highway 1 at San Jacinto Street traffic light; full utilities to site; roughly 3 blocks to beach; little to no ocean views; walking and biking trails; development of this property will require an amendment to the Cloisters project development approvals, which is uncertain; the June 2013 listing for $1,149,000 expired; relisted May 2015 for $799,000; sold October 2016 for $799,000 with a $749,000 seller-carried note; relisted in August 2023 and March 2024 for $2,800,000 with approvals for a 5-unit development									
A-2	1-18	1,300,000	22.74±[G] 11.24±[N]	RS	No	22	0.97[G] 1.96[N]	1.31[G] 2.66[N]	59,051
A-2a	9-23	4,000,000	21.68±[G] 10.18±[N]	RS	Yes	22	0.97[G] 1.96[N]	4.24[G] 8.02[N]	190,476
Cerros Avila; Ontario Road, Avila Beach; APN 076-251-028; level to sloping site located on the west side of U.S. Highway 101; zoned Residential Suburban; plan for 22 lots plus 11.5-acre open space; listed in August 2017 for $1,095,000, sold in January 2018 for $1,300,000; relisted in November 2022 as Cerros Avila with approvals and final tract map for 22 lots (0.3 to 1.0 acre in size), plus open space; seller retained 1 lot; sold in September 2023 for $4,000,000									
A-3	6-20	2,500,000	13.25±[G] 7.14±[N]	R-1/C/OS	No	51	7.14[G] 3.85[N]	4.33[G] 8.04[N]	49,020
Kundert Property – South; 12501 Los Osos Valley Road, San Luis Obispo; APN 053-161-020; level to sloping site on the south side of Los Osos Valley Road between the U.S. Highway 101 off-ramp and the Los Verdes residential neighborhood; about 7.14 acres is currently farmed and developable, 6.11 acres lay within the San Luis Obispo Creek corridor; zoned Low Density Residential, plus C/OS for the creek corridor; listed for $2,350,000 with multiple offers; sold for $2,500,000 to a developer who also acquired the property across Los Osos Valley Road (Sale A-4) and the farmland directly to the south									
A-4	6-20	3,100,000	9.93±[G] 6.93±[N]	R-2/C/OS	No	59	5.94[G] 8.51[N]	7.17[G] 10.27[N]	52,542
Kundert Property – North; 12500 Los Osos Valley Road, San Luis Obispo; APN 053-141-013; level to sloping site on the north side of Los Osos Valley Road between the San Luis Obispo Wastewater Treatment Plant and the Los Verdes Park 1 residential neighborhood; includes a farmstand and a dilapidated residence; about 6.93 acres are developable, 3.00 acres lay within the San Luis Obispo Creek corridor; zoned Medium Density Residential plus C/OS for the creek corridor; listed for $2,995,000 with multiple offers; sold for $3,100,000 to a developer who also acquired the property across Los Osos Valley Road (Sale A-3) and the farmland directly to the south of that property									

CONTINUED ON THE FOLLOWING PAGE

[L] Listing
[G] Gross
[N] Net

DATA TABLE A, CONTINUED

RESIDENTIAL-DEVELOPMENT LAND SALE	SALE DATE	SALE PRICE	LAND SIZE (ACRES)	ZONING	DEVELOPMENT APPROVALS	DEVELOPMENT POTENTIAL (UNITS)	DENSITY (UNITS/ACRE)	PRICE PER SF LAND	PRICE PER POTENTIAL UNIT
A-5	10-20	$5,025,000	1.41±	C-R	No	50	35.46	$81.81	$100,500
Monterey Plaza Assemblage; 1422 and 1480 Monterey Street, San Luis Obispo; APNs 001-137-013 and -015; located on the north side of Monterey Street, about 2 blocks from downtown; zoned Retail Commercial; 1 parcel with 3 buildings totaling 33,954 square feet with all units leased and 1 vacant, corner parcel; vacant parcel purchased in December 2020 for $850,000 and the other in January 2021 for $4,175,000, both in private transactions by HASLO									
A-6	5-21	315,000	0.44±	RMF/CZ	No	4	9.09	16.33	78,750
781 Los Osos Valley Road, Los Osos; APN 074-371-023; located on the south side of Los Osos Valley Road, just west of downtown; zoned Residential Multi-Family in the Coastal Zone; small office building and large parking lot with large open space; originally listed as 2 parcels for $335,000 and $65,000 in early 2021; sold as 1 combined APN in May 2021 for $315,000; buyer to pursue a 4-unit development using water allocation									
A-7	7-21	3,250,000	2.73±[G] 1.90±[N]	M	Yes	65	23.81[G] 34.21[N]	27.33[G] 39.27[N]	50,000
279 Bridge Street, San Luis Obispo; APN 044-811-036; vacant site located on the periphery of downtown; access is via a bridge over a seasonal creek; listing included an approved mixed-use project, but buyer (HASLO) plans to develop to more dense affordable housing; listed for $3,199,000; price increased due to extended escrow									
A-8	7-23	1,600,000	0.90±	R-2	No	11	12.22	40.81	145,455
1708 Beach Street, San Luis Obispo; APN 003-625-015; located about 0.4 mile from downtown; double-corner lot; zoned Medium Density Residential; poured-concrete warehouse with attached office and a wood-framed warehouse with fenced, storage yard; private sale to HASLO; buyer owns several nearby/adjacent properties									
A-9	9-23	1,525,000	0.548±	R-3	No	11	20.07	63.94	138,636
380 Pismo Street, San Luis Obispo; APN 002-507-012; located in a mixed-use area south of the downtown area; zoned Medium High Density Residential; aged, warehouse with small office and attached, 2-story residence; purchased by local real estate investor to pursue residential development									
A-10[L]	Current	699,000	0.574±	RH	Yes	16	27.87	27.96	63,545
545 Atascadero Road, Morro Bay; APN 068-231-016; vacant lot located north of Atascadero Road (Highway 41W); zoned Residential High Density; gently sloping up from the road; entitlements for 16-unit townhouse complex reportedly nearly complete; listed for sale in June 2023 for $1,150,000, reduced in November to $729,000 and in April 2024 to $699,000									

[G] Gross
[N] Net
[L] Listing

DATA GROUP B
CONSTRAINED, OPEN-SPACE-LAND SALE COMPARABLE LOCATION MAP

CONSTRAINED, OPEN-SPACE-LAND SALE B-1
CORR FAMILY PROPERTY
SOUTHWEST CORNER OF RAMONA AVENUE AND 4TH STREET, LOS OSOS
(SAN LUIS OBISPO COUNTY)

Constrained, Open-Space-Land Sale B-1

Name:	Corr Family Property
Location:	Southwest corner of Ramona Avenue and 4th Street, Los Osos (San Luis Obispo County)
APNs:	074-229-004 and -005
Grantor:	Corr Family Properties
Grantee:	Yvon V. and/or Malinda P. Chouinard, Trustees of The Baltoro Trust
Date of Transfer:	February 11, 2016
Sale Price:	$694,000
Terms:	Cash
Recording Data:	Document No. 2016-6065
Data Source:	MetroScan/MLS/appraisal files/Jed Damschroder, listing agent
Confirmed By:	Todd O. Murphy
Property Description:	Large, vacant parcel near Morro Bay
Property Size:	8.75± acres (8.80± acres advertised)
Zoning:	Residential Multi Family (RMF)/Local Coastal Plan (LCP)
Access:	Paved, public road with multiple frontages
Utilities:	Electricity and telephone; within sewer moratorium area
Topography:	Level to gently-sloping
Legal Parcels:	2
Units of Comparison:	$79,314 per acre; $1.82 per square foot

CONSTRAINED, OPEN-SPACE-LAND SALE B-1, CONTINUED

COMMENTS: This is a large, rectangular-shaped property located across the street from the Sweet Springs Nature Preserve and Morro Bay in the Baywood Park area of Los Osos. Most of the property is an open, grassy meadow. Per listing data, this property is specified in the pending Los Osos Community Plan for future development of up to 90 dwelling units.

The property is located within the Los Osos sewer moratorium area. Water service for development is subject to an uncertain outlook.

The Los Osos Community Plan identifies a maximum of 90 residential units developable on the property; however, an agreement with the Los Osos Community Services District reflects a maximum of 35 residential units on this property.

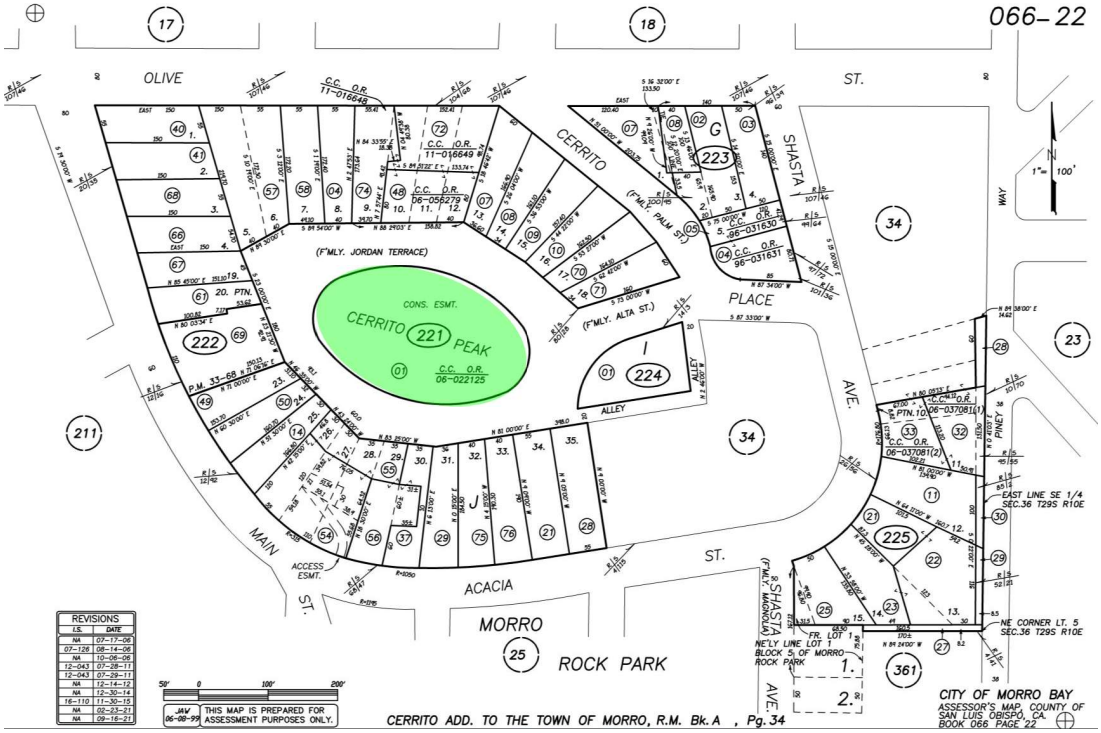
There are two recorded Certificates of Compliance on this property covering two very small lots from the Sunshine Beach Tract, a paper lot subdivision. The balance of the property consists of two illegal parcels. The two Certificates of Compliance represent evidence the property can currently be sold as two legal parcels; however, the identified parcels will require an approved lot-line adjustment in order to configure them into two separate developable properties. A lot-line adjustment may be challenging in this particular case.

The MLS states: "Currently, lots are not in compliance but County has outlined steps to obtain a Certificate of Compliance, including submitting a lot line adjustment to one legal parcel covering the entire property. Property to be sold as-is. Buyer is asked to do as much due diligence up-front before writing an offer. Buy now at a discount and develop or sell in the future."

This property was listed for sale on January 3, 2016, for $700,000 and sold on February 11, 2016, for $694,000 cash. The philanthropic private buyer acquired the property for open-space and habitat-protection purposes.

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF THE SOUTHWEST CORNER OF RAMONA AVENUE AND 4TH STREET, LOS OSOS

CONSTRAINED, OPEN-SPACE-LAND SALE B-2
CERRITO PEAK, MORRO BAY
(SAN LUIS OBISPO COUNTY)



CONSTRAINED, OPEN-SPACE-LAND SALE B-2

NAME:	Cerrito Peak
LOCATION:	Cerrito Place, Morro Bay (San Luis Obispo County)
APNS:	066-221-001
GRANTOR:	Janné Reddell
GRANTEE:	City of Morro Bay
DATE OF TRANSFER:	June 13, 2017
SALE PRICE:	$350,000
TERMS:	Cash
RECORDING DATA:	Document No. 2017-25736
DATA SOURCE:	Public records/MLS/Janné Reddell, seller
CONFIRMED BY:	Todd O. Murphy
PROPERTY DESCRIPTION:	Vacant knoll; potential building site
PROPERTY SIZE:	1.01± acres
ZONING:	Single-Family Residential/Planned Development (R-1/PD)
ACCESS:	Undeveloped, paper street
UTILITIES:	Full utilities
TOPOGRAPHY:	Steep knoll/sloping
LEGAL PARCELS:	1
UNITS OF COMPARISON:	$7.96 per square foot

COMMENTS: Cerrito Peak is a vacant, 1.01-acre site on a knoll, surrounded by a City of Morro Bay undeveloped/paper road formerly known as Jordan Terrace. There is not a developed road to this parcel, but a short undeveloped/paper road formerly known as Alta Street connects with Cerrito Place to the east. This parcel is also surrounded by single-family residences. The upper peak features an elevation of 234 feet above sea level and benefits from panoramic views of Morro Bay and the Pacific Ocean in the distance. The site includes exposed rock outcroppings and mature trees.

CONSTRAINED, OPEN-SPACE-LAND SALE B-2, CONTINUED

The property is zoned R-1, Single-Family Residential, within the City of Morro Bay. According to MLS, there are building plans and a CUP (UPO-233) and a Coastal Development Permit (CPO-285).

Utilities are reportedly available nearby Cerrito Place.

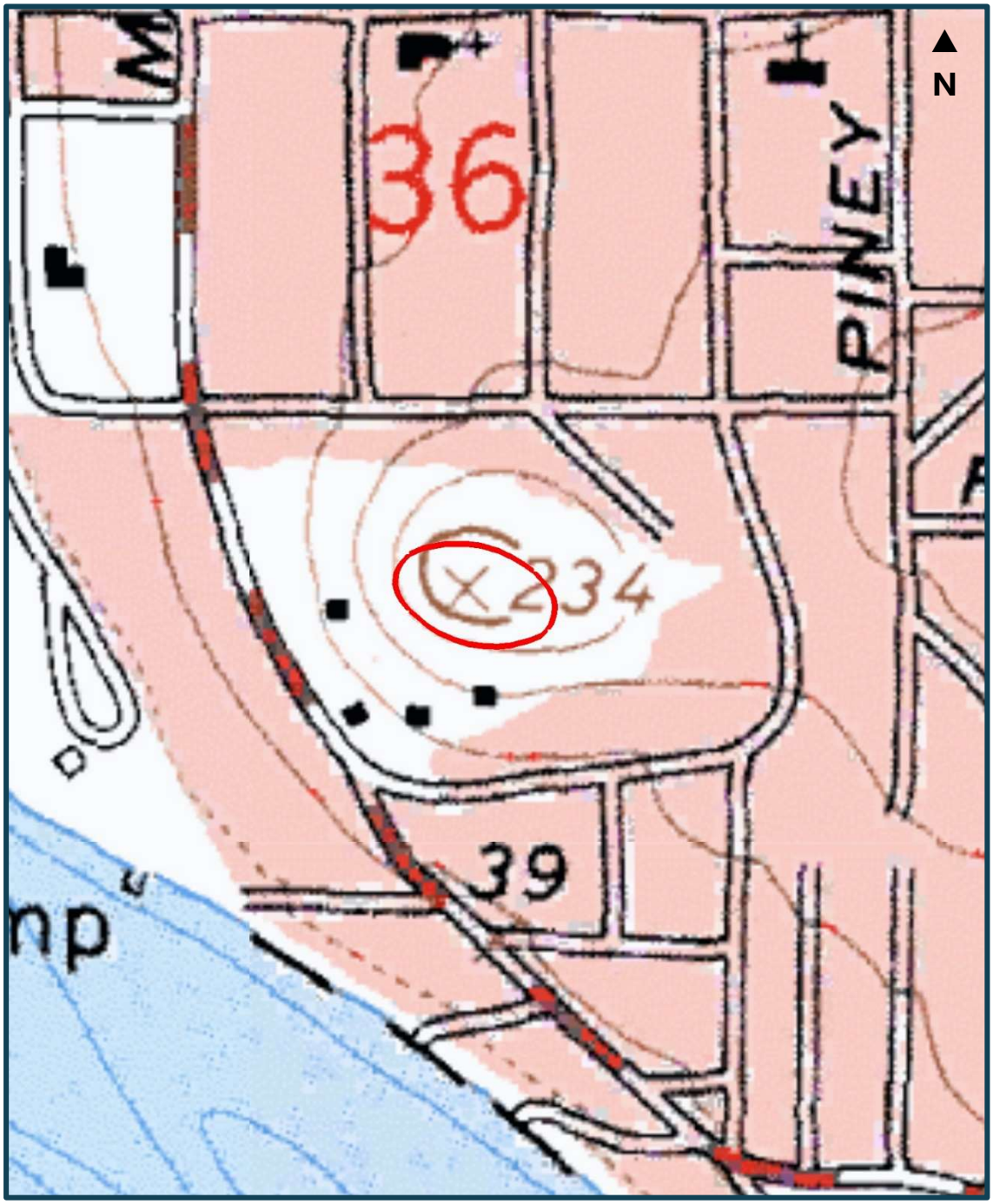
According to the seller, this parcel was potentially developable; but, neighborhood opposition resulted in a dispute and the property ultimately was not developable.

The property was listed for sale in July 2015 for $800,000, but expired in July 2016. It was purchased by the City of Morro Bay in June 2017. The city acquired the property for $350,000 to resolve the dispute with the seller. This discounted price reflects more of an open-space type of use.

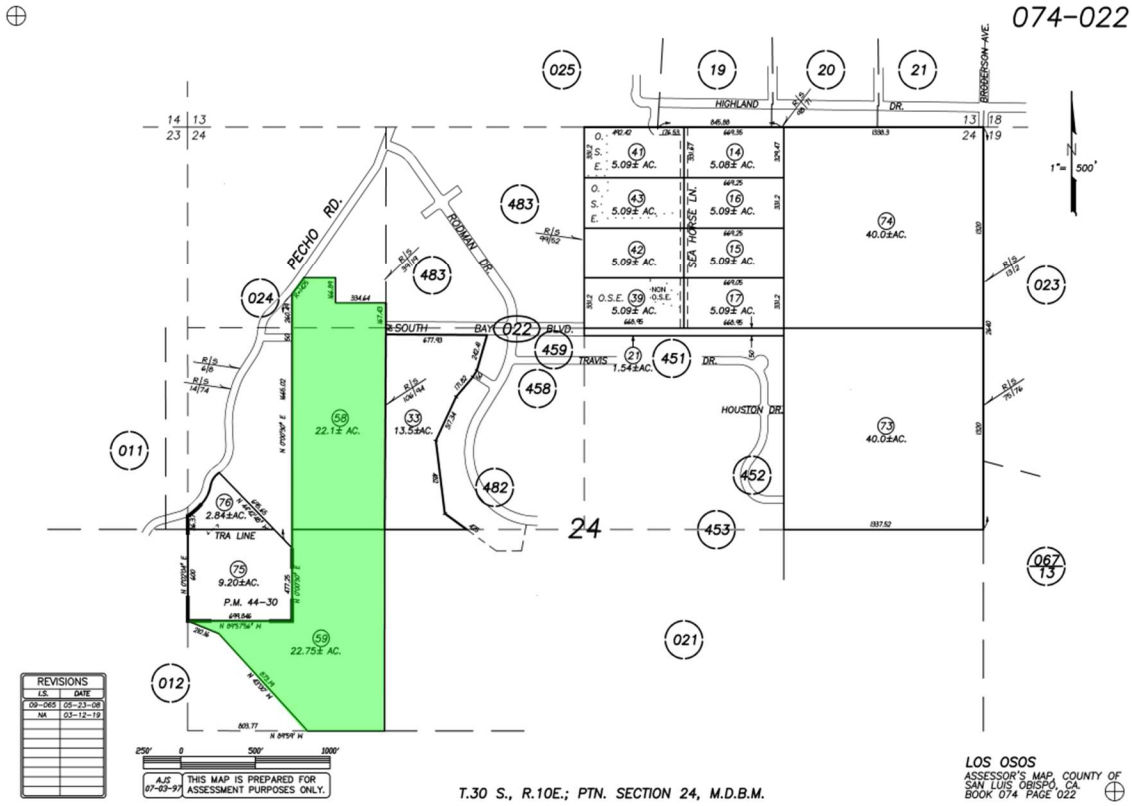
VIEW FROM CERRITO PEAK

Google Earth Pro Aerial Photograph of Cerrito Peak

Topographic Map of Cerrito Peak



CONSTRAINED, OPEN-SPACE-LAND SALE B-3
PECHO VALLEY ROAD, LOS OSOS
(SAN LUIS OBISPO COUNTY)



Constrained, Open-Space-Land Sale B-3

Location:	Pecho Valley Road, Los Osos (San Luis Obispo County)
APNs:	074-022-058 and -059
Grantor:	Morro Bay & Land Company, LLC
Grantee:	Clayton L. Shannon
Date of Transfer:	February 11, 2019
Sale Price:	$850,000
Terms:	Cash
Recording Data:	Document No. 2019-4820
Data Source:	Public records/MLS/Collette Kutil, Patterson Real Estate, listing agent/Rob Rose, buyer's agent
Confirmed By:	Todd O. Murphy
Property Description:	Large, vacant parcel
Property Size:	47.00± acres
Zoning:	Residential Suburban (RS)
Access:	Paved, public road
Utilities:	No current known utilities
Topography:	Level to gently-sloping
Legal Parcels:	3
Units of Comparison:	$0.42 per square foot

Comments: This property is located on the east side of Pecho Valley Road, before Costa Azul, below the Cabrillo Estates custom residential neighborhood. Pecho Valley Road is a paved, public road that provides access to Montaña de Oro State Beach. There is additional access to this property via a private driveway.

CONSTRAINED, OPEN-SPACE-LAND SALE B-3, CONTINUED

The site has ocean and hillside views and is located approximately 1 mile from the ocean. Reportedly, the property is located in a sensitive-habitat location.

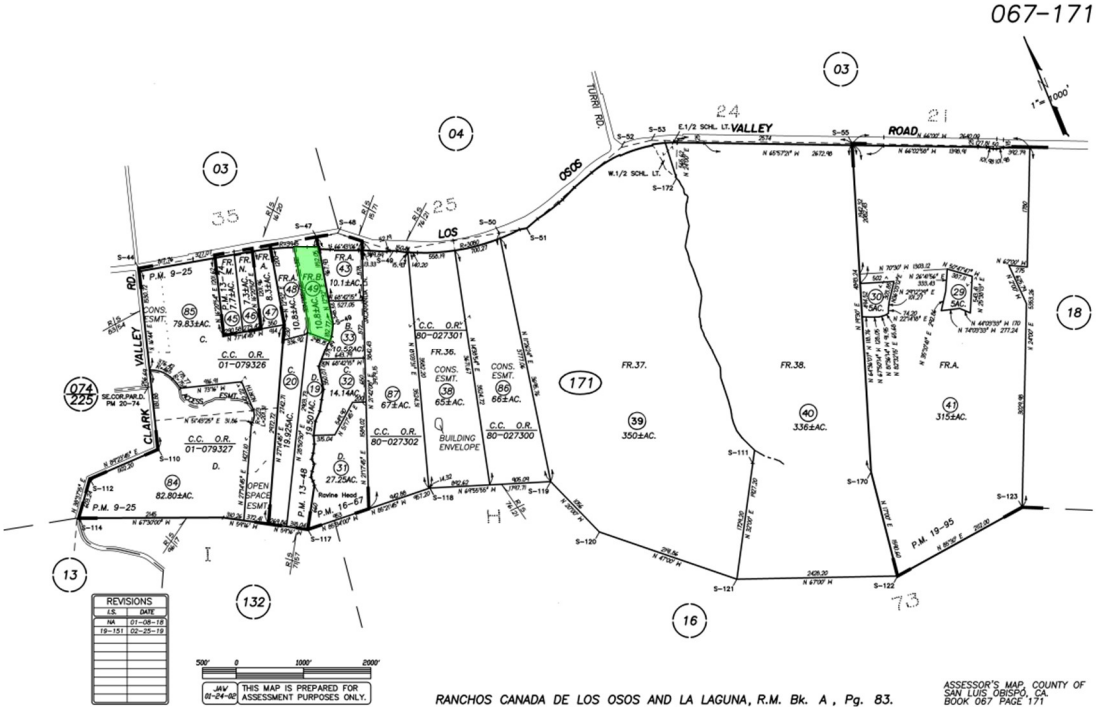
The topography is a gentle slope uphill and the site is mostly heavily vegetated. There are no current known utilities to the raw/vacant land. Additionally, the site is located outside of the Los Osos sewer service area and would require septic and well installation.

This site is zoned Residential Suburban. This property is located adjacent to the "Pratt Property," which was once the site of a substantial proposed residential development comprising an extension of Cabrillo Estates. This project encountered substantial development hurdles, including a lawsuit against the California Coastal Commission, and was never developed. The sale property was advertised as "a three-parcel bundle with one recorded Certificate of Compliance." However, documents included with the MLS includes three recorded Certificates of Compliance. The MLS identifies this property as being located in a sensitive-habitat location.

This property was listed for sale in April 2018 for $900,000 and sold 236 days later at $850,000. The buyer's plans are to build a residence. However, the buyer's agent indicates the permit-approval and environmental-review process has been arduous.

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF PECHO VALLEY ROAD, LOS OSOS

CONSTRAINED, OPEN-SPACE-LAND SALE B-4
2420 PARADISE LANE, LOS OSOS
(SAN LUIS OBISPO COUNTY)



Constrained, Open-Space-Land Sale B-4

Location:	2420 Paradise Lane, Los Osos (San Luis Obispo County)
APN:	067-171-049
Grantor:	Jerome Foley
Grantee:	Kristin Lopez
Date of Transfer:	March 18, 2019
Sale Price:	$665,000
Terms:	Cash
Recording Data:	Document No. 2019-9288
Data Source:	Public records/MLS/Phyllis Cameron, listing agent
Confirmed By:	Todd O. Murphy
Property Description:	Vacant, rural parcel
Property Size:	11.83± acres
Zoning:	Agriculture (AG)/Coastal Zone (CZ)
Access:	Los Osos Valley Road (paved, public road) and Paradise Lane (unpaved, private road)
Utilities:	Well and electricity
Topography:	Mostly level to gently-sloping
Legal Parcels:	1
Units of Comparison:	$1.29 per square foot

Comments: This property is about 2.0 miles east of the Community of Los Osos and 7.5 miles from U.S. Highway 101. This property is located on the south side of Los Osos Valley Road and is the corner lot with Paradise Lane and Los Osos Valley Road. Access is via a paved, private road from the south side of Los Osos Valley Road.

CONSTRAINED, OPEN-SPACE-LAND SALE B-4, CONTINUED

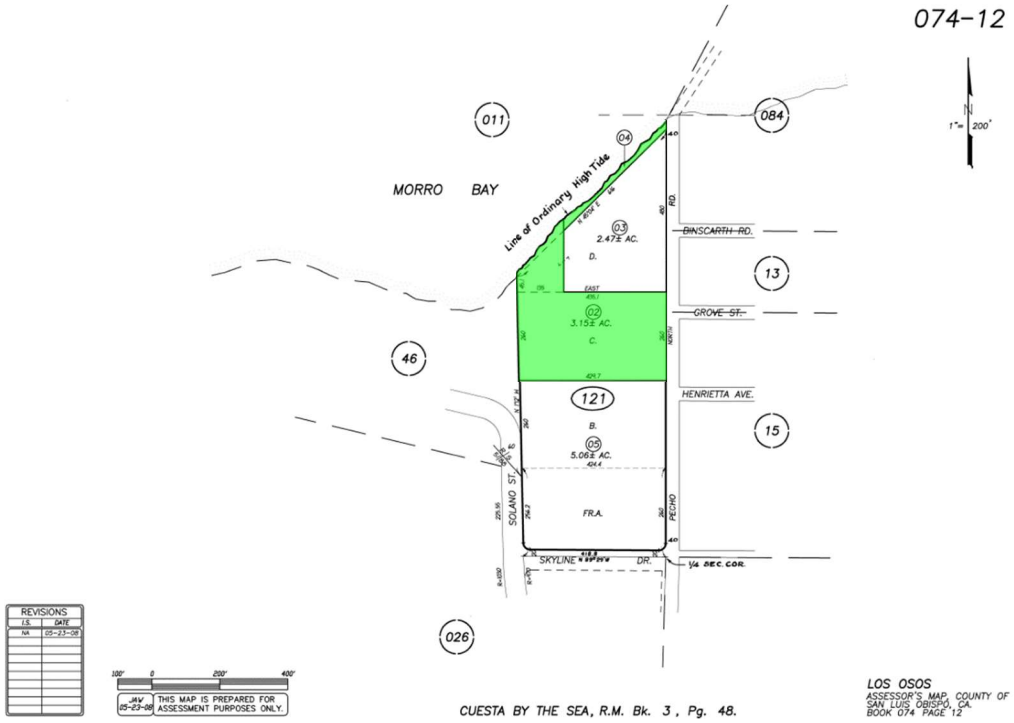
The site mostly level to gently-sloping. There is a small pond area and a seasonal creek. It is zoned Agriculture and is in the Coastal Zone; surrounding properties are farmland and equestrian ranchettes. MLS states the county will allow a house and small second unit.

The property is outside of the Los Osos sewer service area. It features hillside views and has a 200-foot well developed (needs to be hooked up).

This property was listed for sale in June 2018 for $840,000. The asking price was later reduced to $725,000 in November 2018, it then sold in March 2019 for $665,000. In total, the property was on the market for 247 days.

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF
2420 PARADISE LANE, LOS OSOS

CONSTRAINED, OPEN-SPACE-LAND SALE B-5
1865 PECHO ROAD, LOS OSOS
(SAN LUIS OBISPO COUNTY)



Constrained, Open-Space-Land Sale B-5

Location:	1865 Pecho Road, Los Osos (San Luis Obispo County)
APNs:	074-121-002 and -004
Grantor:	Anita Shoop Komula, Robert Louis Cosentino, and Joan Frances Shoop Wagner
Grantee:	Martin McCormick
Date of Transfer:	July 21, 2021
Sale Price:	$216,500
Terms:	Cash
Recording Data:	Document No. 2021-51382
Data Source:	Public records/Leon Van Buerden, Bay Osos Brokers, listing agent
Confirmed By:	Todd O. Murphy
Property Description:	Vacant, bay-front property
Property Size:	3.26± acres
Zoning:	Residential Single Family (RSF)
Access:	Paved, public road
Utilities:	None
Topography:	Mostly level, gently-sloping, and bay front
Legal Parcels:	1 apparent
Units of Comparison:	$1.52 per square foot

Comments: This is a bay-front property located along the west side of Pecho Road in Los Osos. Adjacent to the south of the property is Sea Pines Golf Course.

CONSTRAINED, OPEN-SPACE-LAND SALE B-5, CONTINUED

This site is mostly level and gently slopes down toward the bay frontage. The main property bay frontage is about 210 linear feet. The property shape is quite unusual as it includes an additional parcel (APN 074-121-004) comprising a long, narrow strip of bay frontage and beach measuring about 415 linear feet. So, technically, the total bay frontage is roughly 625 feet. This property is zoned Residential Single Family (RSF). The site is unimproved with no utilities. There is a small inlet located on the west side of the site.

According to the listing agent, there are existing public hiking trails on this property.

It is notable that this property was identified as 2.81± acres, but the San Luis Obispo County Assessor's map identifies the main parcel at 3.15± acres. The small, narrow strip is identified as 4,392± square feet, for a total of 3.26± acres.

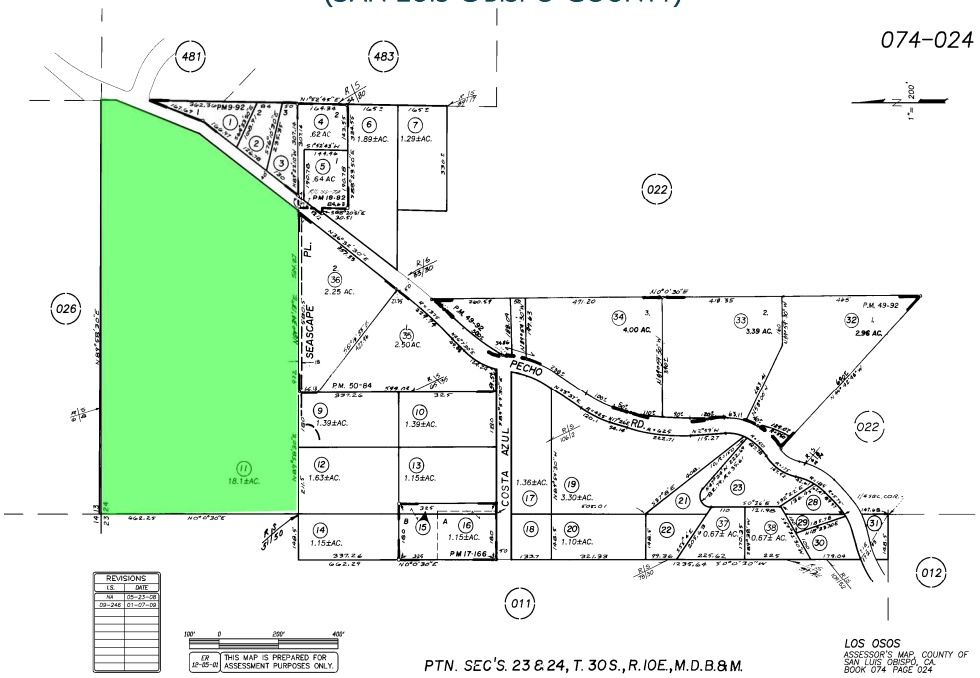
The MLS states: "Los Osos is currently under a building moratorium, with building restrictions due to endangered species and lack of water resources."

This property was listed for sale in December 2020 for $425,000. The asking price was later reduced to $295,000 in June 2021 and the property sold for $216,500 in July 2021. Overall, the property was on the market for 190 days. The buyer acquired the property as an investment and possible future homesite development.

VIEW OF BAY FRONTAGE

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF 1865 PECHO ROAD, LOS OSOS

CONSTRAINED, OPEN-SPACE-LAND SALE B-6
MORRO-MONTANA CO. PROPERTY
NORTHWEST CORNER OF PECHO VALLEY ROAD AND SEASCAPE PLACE, LOS OSOS
(SAN LUIS OBISPO COUNTY)



Constrained, Open-Space-Land Sale B-6

Name:	Morro-Montana Co. Property
Location:	Northwest corner of Pecho Valley Road and Seascape Place, Los Osos (San Luis Obispo County)
APN:	074-024-011
Grantor:	Morro-Montana Co.
Grantee:	Nicholaus K.C. and Mariko K. Harris
Date of Transfer:	April 19, 2021
Sale Price:	$715,000
Terms:	Cash
Recording Data:	Document No. 2021-29017
Data Source:	MetroScan/MLS/Collette Kutil, Patterson Real Estate, listing agent/Jack Franklin, Franklin Real Estate, listing agent
Confirmed By:	Todd O. Murphy
Property Description:	Vacant parcel overlooking Montaña de Oro State Park
Property Size:	17.74± gross acres (advertised); 3.50± net acres (usable)
Zoning:	Residential Single Family (RSF)
Access:	Paved, public road
Utilities:	Electricity and telephone; not within sewer moratorium area
Topography:	Gently-sloping
Legal Parcels:	1
Units of Comparison:	$0.93 per gross square foot; $4.69 per net square foot

CONSTRAINED, OPEN-SPACE-LAND SALE B-6, CONTINUED

COMMENTS: This is a nearly rectangular-shaped parcel located on the northwestern corner of Pecho Valley Road and Seascape Place.

This site features gently-sloping terrain with some mature trees on the upper/northern portion of the property. This property borders the west line of Pecho Valley Road and overlooks Montaña de Oro State Park. It features panoramic ocean views from the upper parts of the property.

The MLS listing states:

> *This 17+ acre parcel is located off of Pecho Valley Road… Buyer to satisfy themselves with all reports, building restrictions, natural & terrestrial habitats, coastal commission restrictions, water, sewer, engineering, and soil reports. Tax records acreage are not matching seller's acreage, could be an easement.*

This property is not located in the Los Osos sewer moratorium area, but plans for building would depend on water and septic system availability and California Coastal Commission approvals. The re-listing information in the MLS indicates:

> *This property is OUTSIDE of the Los Osos building moratorium envelope. An existing water meter is not required to build.*

Reportedly, a water well can be drilled here.

According to the relisting agent, about 3.00 to 4.00 acres (say 3.50± acres) are usable, with the balance being potentially used as habitat protection.

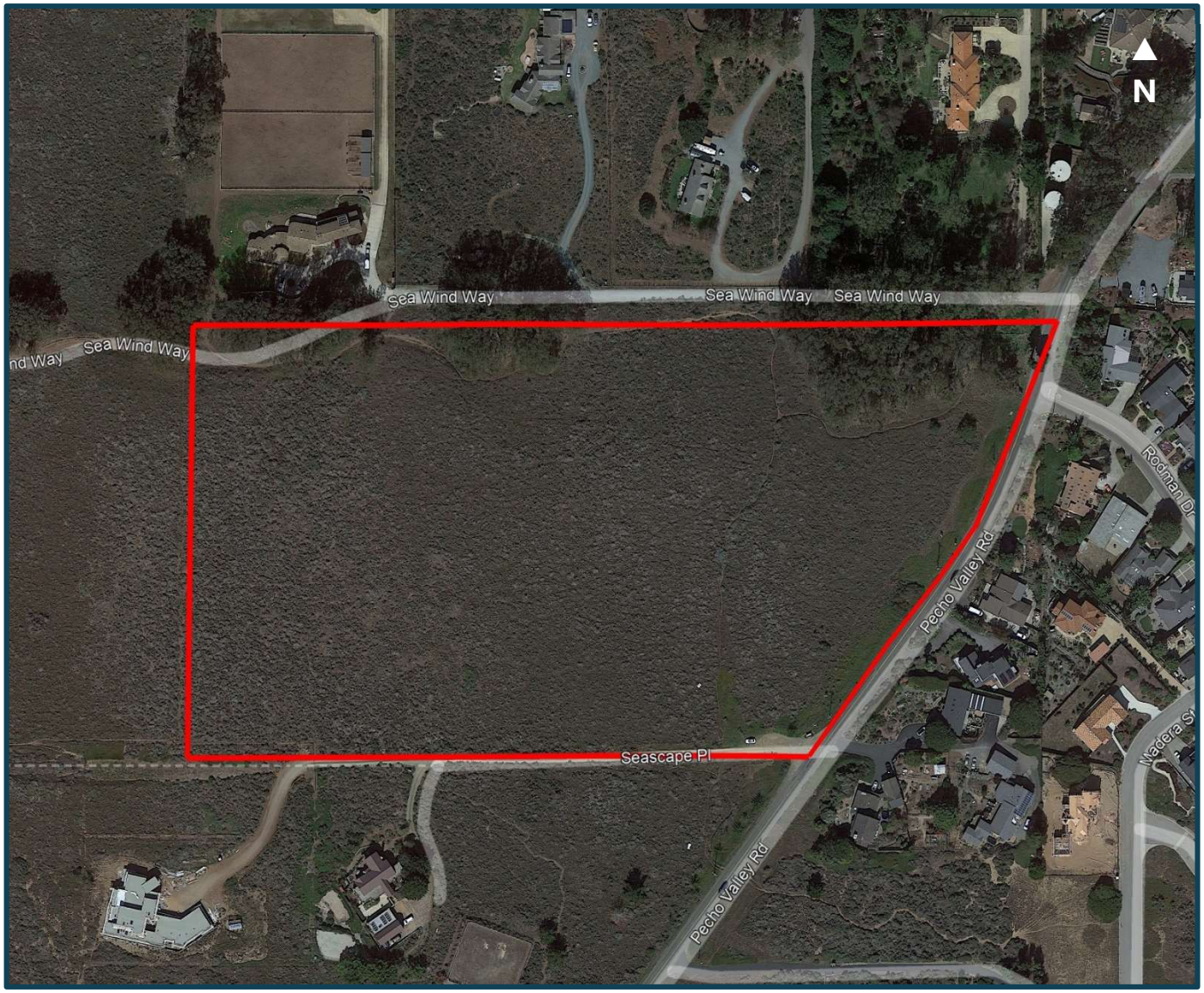
This property was originally listed for sale in April 2015 with Collette Kutil (Patterson Real Estate) for $1,500,000, but expired 2 years later. The property was relisted for sale in December 2020 with Jack Franklin (Franklin Real Estate) for $895,000 and sold in April 2021 for $715,000. The buyers planned to develop a residence, but ultimately decided to not pursue that plan. Following the initial sale, the property was relisted in October 2022 for $799,000 and sold 2 months later for $799,000. The MLS states: "Priced for a fast sale."

CONSTRAINED, OPEN-SPACE-LAND SALE A-6A (RESALE)

The resale at $799,000 was an all-cash sale that recorded December 23, 2022 (Document No. 2022-49118). The buyers are Preston Miller and Phyllis Wong. They plan to pursue building a residence.

The resale price equals $1.03 per gross square foot and $5.24 per net square foot.

Google Earth Pro Aerial Photograph of the Morro-Montana Co. Property



CONSTRAINED, OPEN-SPACE-LAND SALE B-7
1609, 1615, AND 1619 4TH STREET, LOS OSOS
(SAN LUIS OBISPO COUNTY)

CONSTRAINED, OPEN-SPACE-LAND SALE B-7

LOCATION:	1609, 1615, and 1619 4th Street, Los Osos (San Luis Obispo County)
APNS:	038-421-015, -018, -019, -020, and -021
GRANTOR:	Kathryn C. Donovan, Trustee, et al., and James H. Kroll Trust
GRANTEE:	Morro Coast Audubon Society (MCAS)
DATE OF SALE:	January 31, 2022, and July 6, 2022
SALE PRICE:	$295,000
TERMS:	Cash
RECORDING DATA:	Document Nos. 2022-4516, -4518, and -27867
DATA SOURCE:	Public records/MLS
CONFIRMED BY:	Todd O. Murphy
PROPERTY DESCRIPTION:	Vacant parcels in Los Osos
PROPERTY SIZE:	0.824 gross acre (35,893 square feet)
ZONING:	Residential Single Family (RSF)/Coastal Zone (CZ)
ACCESS:	Paved, public road
UTILITIES:	Electricity and telephone located near site; LOCSD sewer; uncertain water
TOPOGRAPHY:	Gently-sloping
LEGAL PARCELS:	5
UNITS OF COMPARISON:	$8.22 per square foot gross

COMMENTS: This property is comprised of five vacant, irregular- and rectangular-shaped parcels located on the west side of 4th Street, just south of Pismo Street and just north of Ramona Avenue in Baywood Park.

These parcels are heavily vegetated and are situated between 4th Street and the Sweet Springs Nature Preserve.

CONSTRAINED, OPEN-SPACE-LAND SALE B-7, CONTINUED

Sewer laterals are installed at each parcel with one water meter installed. Reported as four buildable sites.

The MLS states:

> *No building will be permitted in front of these lots. The land between the lots and the bay is owned by the Audubon Society (Nature Preserve). All lots are zoned residential.*

This sale includes 5 parcels purchased by the same buyer in 3 separate sales; 4 of the parcels (Donovan Parcels – APNs 038-421-015, -019, -020, and -021) were listed together on October 2, 2018, for $1,200,000; that listing expired and the same 4 parcels were listed again in November 2019 for $1,200,000. That listing also expired and the property was listed again in May 2020 for $950,000; that listing expired in May 2021. There were no other listings prior to the sales. The 3 sales were recorded under Document Nos. 2022-4516, 2022-4518, and 2022-27867. The fifth parcel (APN 038-421-018) was acquired for $45,000 as of July 6, 2022, from the James H. Kroll Trust per Document No. 2022-27867. The buyer [Morro Coast Audubon Society (MCAS)] also owns the parcel to the west of this site. MCAS is a non-profit that conserves wildlife and habitats.

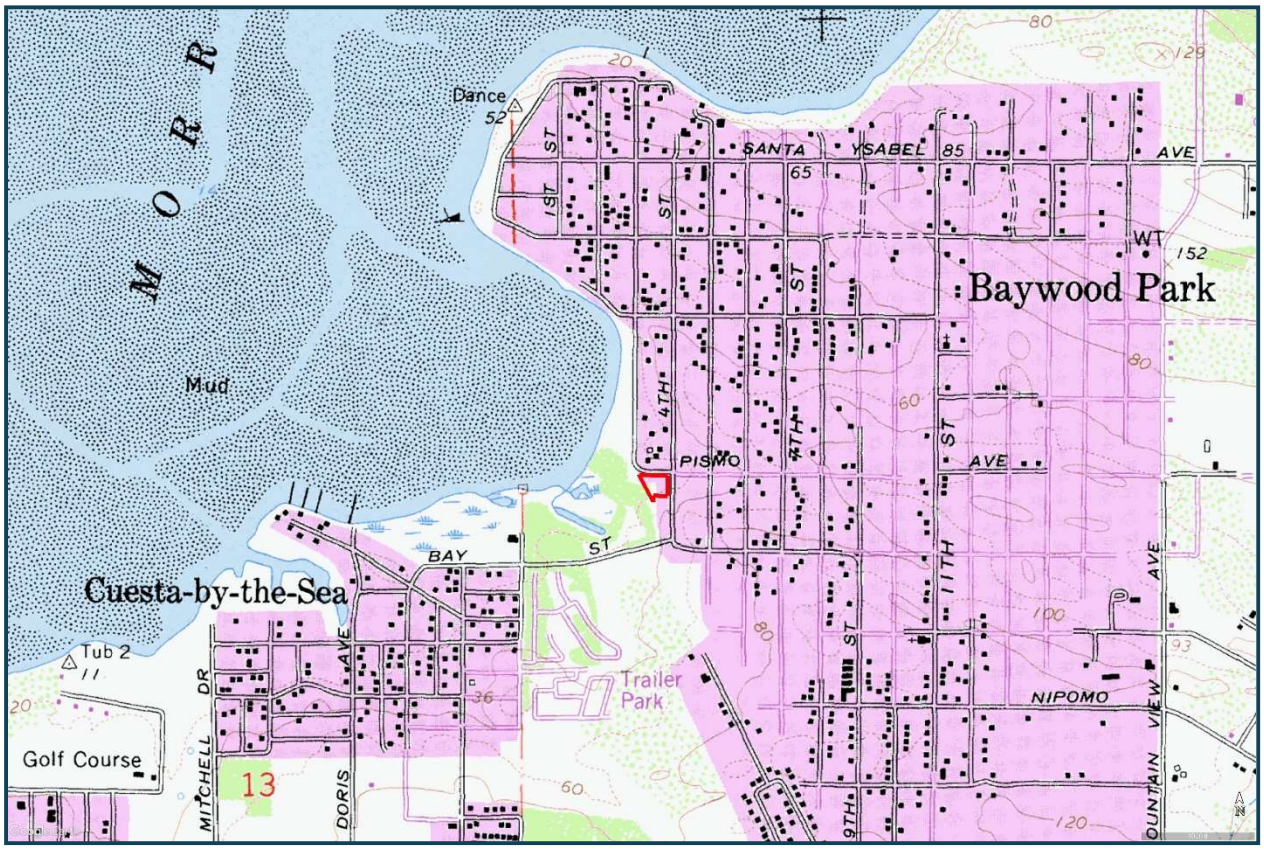
These sales are summarized in the table below:

DONOVAN/KROLL PARCELS ACQUIRED BY MCAS

PROPERTY	SALE DATE	SALE PRICE	LOT SIZE (SF)	LOTS	SELLER
1609 4th Street; APNs 038-421-015, -020, and -021	1-22	$187,500	26,519	3	Donovan
1619 4th Street; APN 038-421-019	1-22	62,500	4,687	1	Donovan
1615 4th Street; APN 038-421-018	7-22	45,000	4,687	1	Kroll
Total		**$295,000**	**35,893** **0.824 Acre**	**5**	

Google Earth Pro Aerial Photograph of 1609, 1615, and 1619 4th Street, Los Osos

TOPOGRAPHIC MAP OF
1609, 1615, AND 1619 4TH STREET, LOS OSOS



DATA TABLE B-1
CONSTRAINED, OPEN-SPACE-LAND SALES SUMMARY TABLE
(RANKED BY DATE)

SALE	SALE DATE	SALE PRICE	ACRES	TERRAIN	ZONING	POTENTIAL NEAR-TERM DEVELOPMENT	PRICE PER SQUARE FOOT (LAND ONLY)
B-1	2-16	$694,000	8.75± 8.80±[A]	Level to gently-sloping	RMF/LCP	No	$1.82
Corr Family Property; southwest corner of Ramona Avenue and 4th Street, Los Osos (San Luis Obispo County); APNs 074-229-004 and -005; large, rectangular-shaped parcel; open, grassy parcel with meadow through the center of the lot; per listing data, Los Osos Community Plan for future development of up to 90 dwelling units; located within the Los Osos sewer moratorium area; water service for development is subject to an uncertain outlook; county has outlined steps to obtain a Certificate of Compliance, including submitting a lot-line adjustment; property sold as is; listed in January 2016 for $700,000 and sold in February 2016 for $694,000							
B-2	6-17	350,000	1.01±	Steep knoll/ sloping	R-1/PD	No	7.96
Cerrito Peak; Cerrito Place, Morro Bay (San Luis Obispo County); APN 066-221-001; knoll located within the Morro Bay city limits; east of Main Street and south of Olive Street; no direct street frontage; panoramic views; zoned Single Family Residential/Planned Development (R-1/PD); utilities available nearby; neighbors protested proposed development; listed for sale in July 2015 for $1,250,000; the price was reduced to $850,000 in January 2016 and the listing expired in July 2016; sold to the City of Morro Bay in June 2017 for $350,000 to resolve the dispute							
B-3	2-19	850,000	47.00±	Level to gently-sloping	RS	No	0.42
Pecho Valley Road, Los Osos (San Luis Obispo County); APNs 074-022-058 and -059; gentle slope uphill; accessed via paved, public road with no current known utilities to the raw/vacant land; located on the east side of Pecho Valley Road, before Costa Azul; zoned Residential Suburban; is a 3-parcel bundle with 1 recorded Certificate of Compliance; marketed for 236 days before entering into contract on December 4, 2018, and recording on February 11, 2019							
B-4	3-19	665,000	11.83±	Level to gently-sloping	AG/CZ	No	1.29
2420 Paradise Lane, Los Osos (San Luis Obispo County); APN 067-171-049; mostly level; accessed via paved, private road; this property is located on the south side of Los Osos Valley Road and is the corner lot with Paradise Lane and Los Osos Valley Road; zoned Agriculture (AG/CZ); MLS states the county will allow a house and small second unit; property is outside of the sewer district; hillside views and a 200-foot well dug on the property (needs to be hooked up); property was marketed for 247 days at $725,000 before entering into contract on February 14, 2019, and selling for all-cash on March 18, 2019							
B-5	7-21	216,500	3.26±	Level/ beach	RSF	No	1.52
1865 Pecho Road, Los Osos (San Luis Obispo County); APNs 074-121-002 and -004; located along the west side of Pecho Road and adjacent to the south of the Sea Pines Golf Course; roughly 210 LFCF; unimproved with no utilities; located outside of the Los Osos sewer service area; site contains endangered species and a lack of water resources; small inlet encroaching on the west side of the site; listed for sale in December 2020 for $425,000; later reduced to $295,000 in June 2021							

CONTINUED ON THE FOLLOWING PAGE

[A] Advertised

DATA TABLE B-1, CONTINUED

SALE	SALE DATE	SALE PRICE	ACRES	TERRAIN	ZONING	POTENTIAL NEAR-TERM DEVELOPMENT	PRICE PER SQUARE FOOT (LAND ONLY)
B-6 B-6a	4-21 12-22	$715,000 799,000	17.74± 17.74±	Gently-sloping	RSF	No	$0.93 1.03
Morro-Montana Co. property; northwest corner of Pecho Valley Road and Seascape Place, Los Osos (San Luis Obispo County); APN 074-024-011; vacant, nearly rectangular-shaped parcel; gently-sloping terrain; borders the west line of Pecho Valley Road; overlooks Montaña de Oro State Park; features panoramic ocean views from the upper parts of the property; not located in the Los Osos sewer moratorium area, but plans for building would depend on water and septic system availability and California Coastal Commission approvals; listed for sale in April 2015 for $1,500,000, but expired 2 years later; relisted in December 2020 for $895,000 and sold in April 2021 as shown above; following that sale, the property was relisted in October 2022 for $799,000 and sold 2 months later							
B-7	1-22/ 7-22	295,000	0.824±	Gently-sloping	RSF/CZ	No	8.22
1609, 1615, and 1619 4th Street, Los Osos (San Luis Obispo County); APNs 038-421-015, -018, -019, -020, and -021; heavily vegetated, adjacent lot; located near Morro Bay overlooking Sweet Springs Preserve; views of Morro Bay; located on the south-west corner of Pismo Avenue and 4th Street, just north of Ramona Avenue (adjacent to Sweet Springs Preserve); sale includes 5 parcels purchased by the same buyer in 3 separate sales; 4 of the parcels, APNs 038-421-015, -019, -020, and -021 were listed together in October 2018 for $1,200,000; that listing expired and the same 4 parcels were listed again in November 2019 for $1,200,000; that listing also expired and the property was listed again in May 2020 for $950,000; that listing expired in May 2021 and there have been no other listings prior to the sales; the 3 sales were recorded under Document Nos. 2022-4516, 2022-4518, and 2022-27867; the buyer, Morro Coast Audubon Society (MCAS) also owns the parcel to the west of this site; MCAS is a non-profit that conserves wildlife and habitat							

DATA TABLE B-2
CONSTRAINED, OPEN-SPACE-LAND SALES SUMMARY TABLE
(RANKED BY SIZE)

SALE	SALE DATE	SALE PRICE	ACRES	TERRAIN	ZONING	POTENTIAL NEAR-TERM DEVELOPMENT	PRICE PER SQUARE FOOT (LAND ONLY)
B-7	1-22/ 7-22	$295,000	0.824±	Gently-slopng	RSF	No	$8.22
B-2	6-17	350,000	1.01±	Steep knoll/ sloping	R-1/PD	No	7.96
B-5	7-21	216,500	3.26±	Level/ beach	RSF	No	1.52
B-1	2-16	694,000	8.75± 8.80±[A]	Level to gently-sloping	RMF/LCP	No	1.82
B-4	3-19	665,000	11.83±	Level to gently-sloping	AG/CZ	No	1.29
B-6 B-6a	4-21 12-22	715,000 799,000	17.74± 17.74±	Gently-sloping	RSF	No	0.93 1.03
B-3	2-19	850,000	47.00±	Level to gently-sloping	RS	No	0.42

[A] Advertised

Comparable Land Sales Analysis

A total of 17 comparable land properties are cited for analysis and comparison with the subject Sunnyside Elementary School property (including resales and relistings, there are a total of 20 data points). Data Group A includes potential residential-development properties. Data Group B includes land sales that feature some form of development restriction.

Overall, the data range from a small, 0.44±-acre property up to a 47.00±-acre site. These comparables provide reasonably good bracketing for the subject property at 11.90± acres. The comparability of these data is evaluated as follows:

Data Availability

Due to the scarcity of available land, the Community of Los Osos has historically reflected limited availability of land sales with subdivision or development potential. Most of these properties are located in San Luis Obispo or Morro Bay and did not reflect development restrictions. Over the past few years, a significant number of land-sale transactions have occurred in Los Osos. Most of the land sales in Los Osos sold subject to development restrictions.

Overall, the availability of both developable and constrained land sales provides good market data for valuing the subject property under Valuation Scenarios A and B.

Locational Factors

Many of the comparables are located in the immediate Los Osos market area, with generally very similar locational factors. However, within the immediate Los Osos market area, coastal proximity remains a main locational variable, which is evident in the market data. Additional sales and market data are from the nearby Communities of Morro Bay, San Luis Obispo, and Avila Beach.

Market Conditions

Data Group A features 10 properties and 12 data points (reflecting 1 resale and 1 relisting), including 10 closed sales and 2 listings. These sales have occurred from October 2016 through September 2023.

Data Group B features 7 properties, 8 data points (again reflecting 1 resale), with 7 closed sales. These sales range from March 2016 to January/July 2022.

Due to the scarcity of sales and resales of similar properties, sales of land parcels are considered as a general guide to prices changes over time and more dated sales are also considered.

The more current sales and listings are carefully considered, since they more accurately reflect market conditions as of the current date of value. In terms of price changes for potential development land over time, there was a pronounced increase in demand and market activity in the 2005 to mid-2008 time frame, then a pronounced decline in prices through 2010. From 2010 to 2020, market conditions for development properties in Central California improved, with stronger demand and evidence of the market strengthening. After the onset of the COVID-19 pandemic, the local real estate market was on hold for several months before very strongly reemerging for most property types. Other types of congregate-use properties were very adversely affected. These include restaurants, commercial-retail stores, offices, hotels, and lodges.

Substantial increases in interest rates as of 2022 and 2023, plus increases in development costs and holding costs, have all weighed on development land prices.

Sale A-1 previously sold October 2016 for $799,000 and sold without development approvals. It was relisted for sale in August 2023 for $2,800,000 and included approvals for a five-unit residential de-

velopment. The dramatic increase in price primarily results from the project being fully approved, although it is notable that the property has not yet sold at the current asking price.

Likewise, Sale A-2 sold in January 2018 for $1,300,000; it sold without development approvals, but did have basic Residential Suburban zoning in place. This property resold as of September 2023 for $4,000,000 million, including full development approvals.

These are not valid indicators of market increases since these properties both reflect significant changes due to securing project approvals. After it sold in April 2021, the December 2022 resale of Sale B-6a reflects an annual compounded increase of 6.53%.

In theory, as community water restrictions are relaxed in Los Osos, the development land market should respond positively; albeit, subject to other conditions, such as interest rates and the broader development cycle.

However, the experience for raw land within the Community of Los Osos has been dramatically different due to the ongoing development moratorium resulting from the sewer- and now water-constraint issues. As such, prices of undeveloped land within the Community of Los Osos have remained depressed relative to other unrestricted communities nearby.

The sales in Data Groups A and B are considered to be relevant sales from the date-of -sale and market-conditions standpoint. The most recent comparable sales are given greater consideration and older sales are also considered for time-trending purposes.

Terms of Sale/Financing Conditions
All sales are considered to represent cash or equivalent terms. In the cases where they were seller-financed, the interest rate and terms were equal to market.

Property Status and Development Approvals
Project approvals or "entitlements" in San Luis Obispo County and particularly in the Coastal Zone are typically very time-consuming; costly; and fraught with risk of delays, uncertain development conditions, and costs, as well as outright project denial. For these reasons, a development permit typically represents a dramatic enhancement in market value as demonstrated by Sales A-1/A-1a and A-2/ A-2a. During the last real estate recession, the contributory value of development approvals declined dramatically, but has once again become a significant attribute.

Within the overall land development continuum, the least valuable is raw land with no approvals, as reflected by several of the land sales shown in this survey. At the other end of the spectrum are fully approved and saleable lots with all infrastructure and site work completed. The subject property features an existing school development on a portion, but does not feature an approved vesting tentative tract map. Therefore, a critical comparative indicator is the physical and legal condition the comparable property exhibited when it sold. The comparables shown here demonstrate a wide range of physical and legal factors.

Sale A-6 sold subject to the existing moratorium; however, it reportedly had sufficient water use to enable approvals and development for four residential units.

Zoning
The subject zoning is Public Facility (PF). If sold to a private party, the zoning ordinance indicates that the property would be rezoned by San Luis Obispo County, based on adjacent property zonings. Most of the properties adjacent to the subject property are used for residential uses. Most of the comparable

properties reflect some form of Residential zoning/land-use categories and are considered to be similar in terms of general land use. Despite the zoning variables, the uncertainty and potential delays associated with potential General Plan Amendment, rezoning, and future development, in this case, tends to discount significant price differences due to zoning/density factors.

Project Density

The term "density" refers to the number of potential lots or dwelling units per acre of land. This is normally an important comparative factor that directly affects the sale price per unit and sale price per acre. The near-term development land sales in Data Group A reflect widely-varying development densities of 0.97 to 35.46 units per acre, with several in the 7.50- to 14.00-units-per-acre range. For several of these sales, development density is evaluated both on the gross and net land sizes. The net density is most reflective of the parcel sizes to be developed; whereas, the gross density includes areas designated for open space on the properties.

It is notable that several of the "infill" development properties in San Luis Obispo reflect the highest units per acre; particularly Sales A-5, A-7, and A-9 at 35.46, 34.21, and 20.07 units per acre.

Topography and Soils

Most of these comparables reflect fairly typical development cost levels with regard to slope and soil factors. Some sales will require more involved site development costs. The more sloping topography typically results in higher potential development costs, yet also tend to provide premium views.

Views

Many of the comparables in Data Group B exhibit a range of potential views from limited views to excellent coastal proximity and/or bay-front views. In particular, Sale B-5 features direct frontage on Morro Bay and benefits from substantially superior views in this regard. Consideration is given to view potential when comparing the subject to the comparable properties.

Units of Comparison

The primary units of comparison here are the price per square foot and price per total property. However, the price per potential developable unit (or developable lot) is commonly used by local developers when the project density is known (i.e., established by tract map approvals) or anticipated. If the density is uncertain (as is often the case with moratorium properties), the price per square foot may be more relevant. The price per square foot is given greatest weight in this analysis. Price per total property is also considered, although it is given lesser weight.

Valuation Scenarios – Land Valuation

The subject property features roughly 8.00 acres of developed land and 3.90 acres of undeveloped land. The developed portions of the subject property are actively used as part of the existing campus; this use intensity is concluded to be fairly similar under both valuation scenarios.

Even though the water and potential development outlook for Los Osos is improving, the potential for gaining approvals and development of the undeveloped portions still reflect considerable time delay, risk, and uncertainty. Based on these factors, the potential premium associated with valuing the undeveloped portions at their highest and best use (versus the value in-use) is discounted to a significant degree; thus, resulting in a lesser difference in land value between these scenarios than might otherwise be expected.

Market Data Recap

The market data in Data Group A ranges in price from $1.31 to $27.33 per gross square foot and $2.66 to $81.81 per net square foot. These are obviously very wide ranges. The low end of these ranges is provided by Sales A-2/A-2a, which is an older sale of a low-density suburban development site near Avila Beach. The next-lowest sales within this range are provided by Sales A-3 and A-4, which include substantial area in San Luis Obispo Creek and those portions of the properties are zoned Conservation Open Space. The upper end of the price range reflects properties with full development approvals and/or are small infill development sites in San Luis Obispo. The upper end of the price range is provided by Sale A-5, a premium, infill development site located on the corner of Monterey Street and California Boulevard in downtown San Luis Obispo. This property sold for $81.81 per square foot.

Sale A-6 is a notable property as it is located about 1 block west of the subject Sunnyside Elementary School and reflects a 0.44±-acre parcel with a small office building. This property was acquired to pursue development of four residential units. It was actively listed for sale on the open market before selling for $16.33 per square foot. Based on the much smaller size, this property is ranked substantially superior to the subject property on a price-per-square-foot basis; it is otherwise a valid comparable sale.

Sales A-7, A-8, and A-9 are all small, infill, residential-development sites in San Luis Obispo; also downtown, but without the premium location exhibited by Sale A-5. These sales reflect sale prices of $39.27, $40.81, and $63.94 per square foot.

Sale A-10 is a current listing of a small, residential-development property located along the easterly fringe of Morro Bay. This property features an asking price of $27.96 per square foot.

The developed portion of the subject property is considered to be most similar to Sales A-3 and A-4 at $8.04 and $10.27 per net square foot. These sales are ranked roughly equal to the developed portion of the subject property.

The market data in Data Group B range in price from $0.42 to $8.22 per square foot. The low end of this range reflects Sale B-3 (a large, 47-acre, hillside property near Los Osos).

The upper end of the price range is provided by Sale B-2 (a bay-view property) and Sale B-7 at $8.22 per square foot. Sales B-1 and B-5 are ranked inferior to the subject property and reflect sale prices of $1.82 and $1.52 per square foot, respectively.

Market Data Recap

The developed portion of the subject property is concluded at $8.00 per square foot under Valuation Scenario A and $9.50 per square foot under Valuation Scenario B.

The undeveloped portion of the subject property is concluded at $2.00 per square foot.

MARKET VALUE PER SQUARE FOOT

VALUATION SCENARIO	A	B
Developed	$8.00	$9.50
Undeveloped	2.00	5.00

LAND VALUE SUMMARY

The land values for the Sunnyside Elementary School property are as follows:

SUNNYSIDE ELEMENTARY SCHOOL PROPERTY SCENARIO A LAND VALUATION RECAP				
PORTION	**ACREAGE**	**SQUARE FEET**	**MARKET VALUE PER SQUARE FOOT**	**CONTRIBUTORY MARKET VALUE**
Developed	8.00	348,480	$8.00	$2,787,840
Undeveloped	3.90	169,884	2.00	339,768
Total	**11.90**	**518,364**		**$3,127,608**
Rounded			**$6.03**	***$3,125,000***

SUNNYSIDE ELEMENTARY SCHOOL PROPERTY SCENARIO B LAND VALUATION RECAP				
PORTION	**ACREAGE**	**SQUARE FEET**	**MARKET VALUE PER SQUARE FOOT**	**CONTRIBUTORY MARKET VALUE**
Developed	8.00	348,480	$9.50	$3,310,560
Undeveloped	3.90	169,884	5.00	849,428
Total	**11.90**	**518,364**		**$4,159,980**
Rounded			**$8.01**	***$4,150,000***

Land Value Conclusions

The opinions of current market value of the subject property "as is," as of May 21, 2024, are:

VALUATION SCENARIO A
THREE MILLION ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS
($3,125,000)

VALUATION SCENARIO B
FOUR MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS
($4,150,000)

IMPROVEMENT VALUATION

The significant structural improvements on the Sunnyside Elementary School property are valued according to their estimated contributory value. The contributory value of these structures is measured by using the cost approach reflecting the depreciated replacement cost new (RCN). Also, where available, additional consideration is given to the contributory values of the structures identified in Data Group C.

It is very difficult to estimate replacement costs for these improvements because of the specialized school buildings. The replacement costs are based on Marshall & Swift Cost Service for school buildings. Labor and material charges from the Los Osos and San Luis Obispo market areas would be most appropriate. The cost to build the buildings, as identified in the Replacement Cost New, factors are considered to be identical under each valuation scenario. The following RCN factors were developed from Marshall & Swift Cost Service:

RCN COST FACTORS
MARSHALL & SWIFT COST SERVICE – ELEMENTARY SCHOOLS – SECTION 18, PAGE 11

OCCUPANCY TYPE	ELEMENTARY SCHOOL	ADMINISTRATIVE OFFICES AND LIBRARY	MULTI-PURPOSE	RELOCATABLE CLASSROOMS
Quality Rating	Average	Average+	Average+	Average
Base Cost Factors	$1.93	$2.06	$1.99	$1.31
Current Cost Multiplier	x1.00	x1.00	x1.00	x1.00
Local Cost Multiplier (San Luis Obispo)	x1.18	x1.18	x1.18	x1.18
Adjusted Cost per Square Foot	$2.28	$2.43	$2.35	$1.55

The depreciation factors are also very difficult to estimate. Generally, the improvements are older, but show signs of good maintenance, leaving the buildings in average to good condition. A functional obsolescence charge is also considered to be appropriate, since typical specialized improvements in the local market do not reflect a dollar-for-dollar return upon resale. The private individual buyer may or may not see the merit in investing "dollar-for-dollar" in these facilities; however, other buyers may find these facilities well-suited to their needs and pay a commensurately greater amount. As with the land valuation considered under each valuation scenario, the contributory value of the existing improvements was also evaluated in this light. Under Valuation Scenario A, the improvements are valued as they are currently built and occupied. The main form of depreciation results from physical deterioration, due to the age and condition of the structures, with some consideration for functional obsolescence, as these structures were built over 50 years ago.

Under Valuation Scenario B, the highest and best use of the developed portion of the property and the structures is essentially the same, except that there is a greater degree of obsolescence reflecting potential for being removed/remodeled, etc. Based on these considerations, the depreciation factors are considered to be slightly higher under Valuation Scenario B.

An overall total depreciation range of 50% to 90% is applied to various structures.

The improvements are valued in the following tables:

SUNNYSIDE ELEMENTARY SCHOOL PROPERTY
IMPROVEMENT VALUATION TABLE
VALUATION SCENERIO A – IN USE

BUILDING ID	STRUCTURES	SIZE (SQUARE FEET)	RCN PER SQUARE FOOT	RCN	DEPRECIATION	CONTRIBUTORY VALUE
A	Original Office and Restrooms	1,131	$ 243	$ 274,833	70%	$ 82,450
B	Classrooms	5,082	228	1,158,696	70%	347,609
C	Classrooms	2,424	228	552,672	70%	165,802
D	Classrooms	3,358	228	765,624	70%	229,687
E	Classrooms	5,137	228	1,171,236	70%	351,371
F	Administrative offices/Library	5,905	243	1,434,915	65%	502,220
G	Kindergarten	1,931	228	440,268	70%	132,080
H	Multipurpose Room	4,732	235	1,112,020	50%	556,010
	Subtotal	*29,700*			*Subtotal*	*$2,367,229*
I	Relocatable Classrooms 19 & 20	1,457	155	225,835	90%	$ 22,584
J	Relocatable Classroom 21	708	155	109,740	90%	10,974
K	Relocatable Classroom 22	867	155	134,385	90%	13,439
L	Relocatable Office	429	155	66,495	85%	9,974
M	Relocatable Classroom	897	155	139,035	85%	20,855
N	Reolcatable Classroom	897	155	139,035	85%	20,855
	Subtotal	*5,255*			*Subtotal*	*98,681*
	Total Structures	34,955		**Total Contributory Value of Structures**		$2,465,910
Canopy		8,893	70	622,510	75%	155,628
Asphalt		94,873	6	569,238	80%	113,848
	Total Canopy and Asphalt	103,766		**Total Contributory Value of Canopy/ Asphalt**		$ 269,475
	Total Size All	138,721		**Total Contributory Value ALL**		$2,735,385
				Site Improvements		50,000
				Grand Total		**$2,785,395**
						$2,800,000

SUNNYSIDE ELEMENTARY SCHOOL PROPERTY
IMPROVEMENT VALUATION TABLE
VALUATION SCENERIO B – HIGHEST AND BEST USE

BUILDING ID	STRUCTURES	SIZE (SQUARE FEET)	RCN PER SQUARE FOOT	RCN	DEPRECIATION	CONTRIBUTORY VALUE
A	Original Office and Restrooms	1,131	$243	$ 274,833	75%	$ 68,708
B	Classrooms	5,082	228	1,158,696	75%	289,674
C	Classrooms	2,424	228	552,672	75%	138,168
D	Classrooms	3,358	228	765,624	75%	191,406
E	Classrooms	5,137	228	1,171,236	75%	292,809
F	Administrative offices/Library	5,905	243	1,434,915	70%	430,475
G	Kindergarten	1,931	228	440,268	75%	110,067
H	Multipurpose Room	4,732	235	1,112,020	55%	500,409
	Subtotal	*29,700*			*Subtotal*	*$ 2,021,716*
I	Relocatable Classrooms 19 & 20	1,457	155	225,835	90%	$ 22,584
J	Relocatable Classroom 21	708	155	109,740	90%	10,974
K	Relocatable Classroom 22	867	155	134,385	90%	13,439
L	Relocatable Office	429	155	66,495	85%	$9,974
M	Relocatable Classroom	897	155	139,035	85%	20,855
N	Reolcatable Classroom	897	155	139,035	85%	20,855
	Subtotal	*5,255*			*Subtotal*	*$ 98,681*
	Total Structures	34,955		**Total Contributory Value of Structures**		$ 2,120,397
Canopy		8,893	70	622,510	75%	$ 155,628
Asphalt		94,873	6	569,238	80%	113,848
	Total Canopy and Asphalt	103,766		**Total Contributory Value of Canopy/ Asphalt**		$ 269,475
	Total Size All	138,721		**Total Contributory Value ALL**		$ 2,389,872
				Site Improvements		50,000
				Grand Total		**$2,438,872**
						$2,450,000

Building Valuation Summary

Based on the depreciated replacement cost new, the structural improvements reflect a total contributory value of $2,800,000 under Valuation Scenario A and $2,450,000 under Valuation Scenario B.

Cost Approach Recap

The cost approach was developed utilizing a land valuation by the sales comparison approach, as well as the contributory value of the structural improvements by estimating their depreciated replacement cost. Since no land sales involving Public Facility-zoned properties were identified, sales of various medium- to low-intensity land-use properties were used as somewhat of a proxy pricing guideline. The comparable sales selection recognized the highly desirable/urban setting exhibited by the subject property, balanced by the fairly low-intensity existing development and allowed uses on the property.

Replacement cost and depreciation estimates were included in consideration of the building uses, physical condition, as well as functional and external obsolescence that may affect special-use facilities. The cost approach provided a market value conclusion for the subject property allocated as follows:

	VALUATION SCENARIO	
	A	**B**
Land	$3,125,000	$4,150,000
Improvements	2,800,000	2,450,000
Total	**$5,925,000**	**$6,600,000**

Market Value Conclusions

After carefully evaluating all relevant factors affecting the subject Sunnyside Elementary School property and the market data, the current market value of the subject property by the cost approach, as of May 21, 2024, is:

Valuation Scenario A
Five Million Nine Hundred Twenty-Five Thousand Dollars
($5,925,000)

Valuation Scenario B
Six Million Six Hundred Thousand Dollars
($6,600,000)

INCOME APPROACH

DEFINITIONS*

INCOME CAPITALIZATION APPROACH

Specific appraisal techniques applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income.

CAPITALIZATION

The conversion of income into value. See also direct capitalization; yield capitalization.

DIRECT CAPITALIZATION

A method used to convert an estimate of a single year's income expectancy into an indication of value in one direct step, either by dividing the net income estimate by an appropriate capitalization rate or by multiplying the income estimate by an appropriate factor. Direct capitalization employs capitalization rates and multipliers extracted or developed from market data. Only one year's income is used. Yield and value changes are implied, but not explicitly identified.

CAPITALIZATION RATE (R)

A ratio of one year's net operating income provided by an asset to the value of the asset; used to convert income into value in the application of the income capitalization approach. See also yield rate (Y).

MARKET RENT

The most probable rent that a property should bring in a competitive and open market reflecting the conditions and restrictions of a specified lease agreement, including the rental adjustment and revaluation, permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).

ECONOMIC RENT

In appraisal, a term sometimes used as a synonym for market rent. More precisely, economic rent refers to the amount of rent necessary to provide an adequate return on development cost.

NET LEASE

A lease in which the landlord passes on all expenses to the tenant. See also gross lease; modified gross lease.

* The Dictionary of Real Estate Appraisal, Seventh Edition, 2022, *Appraisal Institute*

Lease

A contract in which the rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent. See also gross lease; modified gross lease; net lease.

Net Net Net Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called NNN lease, triple net lease, or fully net lease. See also lease; net lease.

Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called full-service lease. See also lease; modified gross lease.

Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease. See also gross lease; lease; net lease.

Sunnyside Elementary School Property Market Rent Survey

The availability of market rental information for schools is limited. The following table summarizes the available information:

CLASSROOM RENTAL SURVEY						
RENTAL	**DATE**	**PROPERTY USE**	**RENTAL AMOUNT**	**SQUARE FOOTAGE**	**RENT PER SQUARE FOOT**	**EXPENSES**
A	2010	Private school	$15,600	16,577±	$0.94	NNN
The Laureate Child and Family Center; 880 Laureate Lane, San Luis Obispo; modern school campus; good road						
B	2018	Private school	6,000	4,970±	1.21	Gross
1145 Niblick Road, Paso Robles; rental offer on an older church complex						
C	2019	Public school	580	960±	0.60	Gross
Paso Robles location; refurbished, modular classroom						
D	2019	Public school	650	960±	0.68	Unknown
Nipomo; modular classroom						

Rental comparisons for classroom uses are quite limited and reflect various locations and rental dates. The best available information reflects dated leases that provide comparable rental rates of $0.60 to $1.21 per square foot for classroom/school uses. This brackets the actual rent on the subject property at $1.00 per square foot per month (gross).

Also notable is the offered rental rate identified on Sale C-11 in Paso Robles, which reflects a rental rate of $1.00 per square foot, NNN, for an improved school property. This reflects a competitive location and a very similar use.

As of June 2023, the rent for the CAL FIRE space was increased from $0.760 to $0.859 per square foot per month. This increase appears to be appropriate, as the prior rent level was at the lower end of the market rent range. This space is specialized and quite large, which somewhat explains the lower rent. Possible alternate uses/users for the two large buildings (Buildings F and H) could include tech companies and/or church facilities.

Office Rents

Given that there is very little available comparable data relating to schools and institutional uses in Los Osos, the closest comparison is professional office space. Office rental trends in Los Osos have been flat. Most of the rents for office space in Los Osos are in the range of $1.50 to $2.00 per square foot per month (modified gross). The upper end tends to be for very small spaces (around 1,000 square feet or less). Rental rates in Los Osos are lower than San Luis Obispo, where suburban office rents are in the $1.75- to $2.50-per-square-foot range.

A current survey of office rents in Los Osos and other competitive areas is summarized in the following table:

OFFICE RENTAL SURVEY

RENTAL	DATE	PROPERTY USE	RENTAL AMOUNT	SQUARE FOOTAGE	RENT PER SQUARE FOOT	EXPENSES
A	2021	Office	$1,000	190	$5.76	Modified Gross
1320 Van Beurden Drive, Suite 202 D-4, Los Osos; 2-story office building located in an office park on the northwest corner of South Bay Boulevard. and Van Beurden Drive; building contains 9 office units and 1 storage unit for a total rental area of 6,390 square feet; commenced in March 2021 for a 4-year term						
B	2021	Office	800	308	2.60	Modified Gross
1333 South Bay Boulevard, Suite 101 E-1-A, Los Osos; fronts the west side of South Bay Boulevard; improved with a multi-tenant office building with 3 tenants; commenced in April 2021 for a 4-year term						
C	2021	Office	1,100	320	3.44	Modified Gross
1333 South Bay Boulevard, Suite 101 E-1-B, Los Osos; fronts the west side of South Bay Boulevard; improved with a multi-tenant office building with 3 tenants; commenced in April 2021 for a 4-year term						
D	2021	Office	2,200	1,343	1.64	Modified Gross
1333 South Bay Boulevard, Suite 201 E2, Los Osos; fronts the west side of South Bay Boulevard; improved with a multi-tenant office building with 3 tenants; commenced in May 2021 for a 4-year term						
E	2022	Office	2,150	1,300	1.65	Modified Gross
51 Zaca Lane, Suite 140, San Luis Obispo; fronts the south side of Zaca Lane at the end of a cul-de-sac; improved to a multi-tenant, service-commercial building; the suite includes 5 private offices and 1 restroom; commenced in April 2022 for a 5-year term; annual 3% CPI increases and 1 5-year option to extend						
F	2022	Office	800	154	5.19	Modified Gross
1320 Van Beurden Drive, Suite 202 D-1, Los Osos; 2-story office building located in an office park on the northwest corner of South Bay Boulevard and Van Beurden Drive; building contains 9 office units and 1 storage unit for a total rental area of 6,390 square feet; commenced in June 2022 for a 3-year term						
G	2022	Office	3,000	1,800	1.67	Modified Gross
530 Traffic Way, Arroyo Grande; located on the west side of Traffic Way, adjacent to the east of U.S. Highway 101; contains a 1,800-square-foot office building with a reception area, 4 private offices, and a break room; commenced in August 2022 for a 5-year term; 3% annual increases						
H	Listing	Office	2,200	1,126	1.95	Modified Gross
365 Quintana Road, Suite E, Morro Bay; fronts the north side of Quintana Road; improved to a multi-tenant commercial building known as Quintana Plaza with a mix of retail and office users; listed for lease at $1.95 per square foot						

This survey identifies several leases ranging from $1.64 to $5.76 per square foot per month. The largest spaces reflect prices of $1.64 to $1.67 per square foot.

Sunnyside Elementary School Property Revenue and Expense Summaries

The client provided a summary of revenue and expenses for the subject property for 4 years (Fiscal Years 2020/2021, 2021/2022, 2022/2023, and 2023/2024). These periods covered fiscal years from July 1 to June 30. Copies of these revenue and expense summaries are included in the *Addenda* of this report. This information is analyzed as follows:

Revenue Analysis

There are five leases covering most of the buildings located on the subject property; these tenants have been in place for many years. The primary tenant is CAL FIRE/San Luis Obispo County Fire Department with a lease that runs through June 30, 2025. This lease was previously at a rental rate of $0.76

per square foot per month; this was adjusted as of June 2023 to $0.86 per square foot per month, plus utility expenses.

Three additional tenants represent small businesses that provide early school education covering child-care, preschool, and elementary school ages. These businesses all pay $1.00 per square foot per month, plus utility expenses of $0.22 per square foot per month. The State of California – CAL FIRE also pays this reimbursement.

The lessees also pay a maintenance reimbursement charge of roughly $0.13 per square foot per month. Calculated on the leased space of 29,834 square feet, this equals $46,541 per year, including landscaping and turf/field maintenance.

Wishing Well Pre-School increased their leased area in 2022 to include Building B, Rooms 1-3; common restrooms; and exclusive use of a designated outdoor space. This increased their leased area from 5,250 to 8,680 square feet of classrooms, plus 8,350 square feet of outdoor area. The classroom area was previously occupied by SLCUSD as an adult school.

The fifth tenant is CAPSLO, a nonprofit organization that provides community-support programs. This tenant currently does not pay rent on the three relocatable buildings that they occupy.

Over the years, a significant amount of space on the campus has been occupied by various SLCUSD programs with no rent paid. Some of these spaces have been vacated by SLCUSD; however, they are still included in their occupied space because it is not occupied by any other tenant. This space comprises Building I, Relocatable Classrooms 19 and 20, totaling 1,457 square feet. Also notable is Building D, Classroom 18, that is occupied by Los Osos Cares (previously occupied by SLCUSD offices). This tenant currently occupies 875 square feet rent free. This equals 2,332 square feet, or 6.7% of the total currently unoccupied or not paying rent. There are also two common area restrooms totaling 2,789 square feet, for a total of 5,121 square feet of non-rented space. The current tenants and monthly rents are summarized in the following table:

SUNNYSIDE ELEMENTARY SCHOOL PROPERTY
MONTHLY RENT SUMMARY (2023/2024)

OCCUPANT	SQUARE FOOTAGE	RENT PER SQUARE FOOT	TOTAL RENT	UTILITIES	MAINTENANCE	TOTAL
Adventure Kids Learning and Childcare Center	3,610±	$1.00	$ 3,610.00	$ 779.16	$ 476.52	$ 4,865.68
CAL FIRE	13,746±	0.86±	11,811.48	2,966.85	1,766.85	16,545.18
Stepping Stone University Preschool	1,575±	1.00	1,575.00	339.94	205.54	2,120.48
Wishing Well School						
Classroom		1.00	8,680.00	1,873.00	1,416.83	11,969.83
Outdoors		--	3,339.74	0.00	0.00	3,339.74
CAPSLO	2,223±	0.00	0.00	282.56	0.00	282.56
Subtotal Leases	*29,834±*		*$ 24,311.96*	*$ 6,241.51*	*$ 3,865.74*	*$ 39,123.47*
SLCUSD*	5,121±	0.00	$ 0.00	$ 0.00	0.00	$ 0.00
Total Monthly	**34,955±**		**$ 29,016.22**	**$ 6,241.51**	**$ 3,865.74**	**$ 39,123.47**
Total Annual			**$348,194.64**	**$74,898.12**	**$46,388.88**	**$469,481.64**

* Not leased or common area restrooms

Based on information provided by the client, the actual revenue received at the Sunnyside Elementary School property is summarized as follows:

SUNNYSIDE ELEMENTARY SCHOOL PROPERTY ACTUAL REVENUE SUMMARY				
FISCAL YEAR	2020/2021	2021/2022	2022/2023	2023/2024
REVENUE	$273,888	$295,000	$395,653	$355,000

Over the past 4 years, actual annual rental revenue has increased 29.62% from $273,888 to $355,000. The current rents total $348,194.64; plus reimbursable expenses for utilities and maintenance for a total annual revenue of $469,481.64.

It is notable that the actual revenue reflects that a portion of the property is owner-occupied and that CAPSLO does not pay rent. For this appraisal, the revenue projection for the subject property is based on recognizing full occupancy by tenants. This is shown in the pro forma income and expense projection.

The unleased area is projected at $1.00 per square foot per month, similar to the other classroom and office space on the property.

Expense Analysis

The past 4 years of annual expenses for the subject property were reviewed. These expense totals are summarized as follows:

SUNNYSIDE ELEMENTARY SCHOOL PROPERTY ACTUAL EXPENSE SUMMARY				
FISCAL YEAR	2020/2021	2021/2022	2022/2023	2023/2024
EXPENSES	$154,570	$155,452	$182,203	$171,763
PER SQUARE FOOT PER MONTH	$0.37	$0.37	$0.43	$0.41

The expense schedules include items that are more typical for public agencies (such as assessments, classified staff expenses, etc.). Not shown on the schedules are expense items typically identified on private properties, including property management, insurance expense, property tax expense, etc. Reflecting this, the expenses are allocated and budgeted based on assumed private property ownership.

No sound expense guidelines were available for a private school and administrative training center. However, a private office use is considered to be the best expense comparison.

Professional Office Expense Guidelines

Comparable office properties are reviewed on an ongoing basis concerning their reported operating expenses. Properties with gross leases, similar to the subject property in age, condition, etc., tend to have typical operating expense ratios in the 25% to 40% range. Some can range higher, especially if there is considerable deferred maintenance evident. Properties with triple net leases have operating expenses limited to management (however, some leases pass a management fee through to the lessee), plus possible owner maintenance (of the structural portions of the building) and reserves. The typical operating expenses for these properties are quite limited, depending on whether a management fee is passed through to the tenants or not.

In a triple net lease, the lessor is responsible for limited operating expenses. Property taxes, insurance, management, etc., are passed through to the lessee in the form of CAM (common area maintenance) charges. The lessor is responsible for owner maintenance of the exterior or bone structure and reserves, plus miscellaneous expenses (accounting, etc.).

The subject leases are currently on a gross basis with the owner paying for building and structural maintenance, landscape maintenance, etc.

Vacancy and Collection Loss

The subject property has reportedly had fairly limited vacancy over the last 5 years. For purposes of this report, the vacancy and collection (V&C) loss is estimated at 5% for the property. The 5% V&C estimate is given further support by leasing brokers and others who are active in the local market. Demand for office space in Los Osos is typically less than some of the larger cities in the county.

Property Taxes

As a publicly owned property, the Sunnyside Elementary School property does not feature an assessed value and is not subject to property taxes. However, an appraisal assumes the sale of the property. Based on a sale to a private buyer, the property taxes would be calculated on the market value in accordance with California property tax law. The property's basic taxes are estimated here based on market value upon change of ownership and the current tax rate of 1.10688%. Using a market value estimate of $6,000,000 x 1.10688% = $70,128. The expense used for the property tax category is $70,128.

Special Assessments

In addition to the basic property taxes, there are several assessments and charges totaling $58,805 for 2023/2024 that are paid through the property tax bill. These are direct assessments for waste treatment, drainage, fire protection, etc., which are likely to be ongoing. It is notable that as of 2019/2020, these additional charges for Sunnyside Elementary School totaled $27,126 per year. As of 2023/2024, these charges have jumped to $58,805 per year. This is primarily due to a substantial increase in the sewer rate charge from $8,517 to $39,735 per year over this period. This is shown on the property tax bills included in the *Addenda* of this report. This increase in charges was evidently due to revised calculations of sewer processing costs and primarily affected commercial or non-residential properties. An additional line item expense ($58,805) is added to the Appraiser's Pro Forma to reflect this.

Maintenance and Repairs

Maintenance will vary as major projects are completed infrequently (such as roof replacement). The maintenance expense record for the subject property equals $0.13 per square foot per month, which includes landscaping and turf field maintenance. This is calculated on the leased space of 29,834 square feet, equaling $46,541 per year including landscaping and turf/field maintenance.

Alternatively, using approximately 6% of the projected effective gross income (EGI) estimate (as the buildings are in average to above-average condition), the maintenance expense is projected at $22,963 per year (excluding landscaping/turf maintenance), based on $426,923 x 6% = $25,615 per year. This expense estimate falls in line with older, multi-tenant, office-related, comparable properties with a general range of 4% to 8% depending on age, use, and general wear. The subject structures are generally older, albeit appear to be well-maintained. Maintenance is estimated at the middle of the range.

Landscaping Maintenance

No good estimate for landscaping maintenance expense is available. Based on other large complexes, an approximate charge of 3 days per month, at $650 per day, equals $1,950 per month, or $23,400 per year.

Comments on Maintenance, Repairs, and Landscaping Maintenance

Using the existing charged maintenance factor of $0.13 per square foot per month provides a maintenance estimate of $46,541 per year. Alternatively, using 6% of effective gross income for maintenance at $25,615 per year, plus landscape/field maintenance at $23,400 per year, for a total of $49,015 per year, which is reasonably supportive to the $0.13-per-square-foot factor.

Insurance

Building insurance is considered in the pro forma as this expense in gross leases is typically paid by the building owner.

Together with all SLCUSD campuses, the subject property is insured via self-insurance. Current, private-market insurance expenses have increased dramatically over the past few years due to insurance losses and increased building replacement costs. A survey of local insurance expenses for fire/PLPD insurance expenses is shown as follows:

2024 BUILDING INSURANCE SURVEY

BUILDING TYPE	LOCATION	ANNUAL INSURANCE	SQUARE FEET	INSURANCE EXPENSE PER SQUARE FOOT PER YEAR
Office	Los Osos	$8,156	9,553	$0.85
Office	San Luis Obispo	2,406	2,520	0.95

This small survey shows insurance expenses of $0.85 and $0.95 per square foot per year. The very large subject property building size results in a lower expense rate, but is also balanced by the very large site area. This expense is concluded at $0.75 per square foot per year.

Based on the large subject building area, an estimate of $26,216 per year (or $0.75 per square foot) is forecast for this expense. This estimate falls within an expected range ($0.35 to $0.85 per square foot) of competitive multi-tenant-related properties and was given support from various market participants. Considering file data relative to other office properties and typical market conditions, a rate of $0.75 per gross square foot of building area is projected.

Property Management

A deduction of 6% of the EGI is allowed for management, based on feedback from management companies and comparable properties. This equals $426,923 x 6% = $25,615 per year. Most property management companies report a range of 3% to 8%. The subject's forecast of 6% falls within the middle of this range and is given support for active brokers and market participants.

Total Expenses

The total estimated operating expenses for this property are forecast at 53.2%, which falls above the typical range for office properties in the county. This expense estimate was based on comparable history from previously appraised properties and it reflects the special assessment for the community wastewater facility, which equals 7.5%. Absent this factor, the expenses equal 39.2% expense estimate. This would be at the upper end of the range.

APPRAISER'S PRO FORMA

POTENTIAL GROSS INCOME				
TENANT	**SQUARE FOOTAGE**	**RENT PER SQUARE FOOT**	**MONTHLY RENT**	**ANNUAL RENT**
State of California	13,746±	$0.86	$11,811	$141,732
Wishing Well School – Outdoor	--	--	3,340	40,080
Others	18,420	1.00	18,420	221,040
Common Area	2,789	0.00	0	0
Maintenance Reimbursement	--	0.00	0	46,541
TOTAL	**34,955±**			**$449,393**
Less V&C (5%)				– 22,470
EFFECTIVE GROSS INCOME				**$426,923**
OPERATING EXPENSES				
Property Taxes				$ 70,128
Special Assessments				58,805
Maintenance and Repairs				46,541
Landscape (included with Maintenance and Repairs)				0
Insurance				26,216
Property Management				25,615
TOTAL OPERATING EXPENSES (52.3%)				**$227,305**
NET OPERATING INCOME (NOI)				**$199,618**

Overall Capitalization Rate

An overall rate (OAR) is estimated from the market data. None of these sales identified in Data Group C included enough financial data to derive OAR indications. Therefore, Data Group C is considered to provide the best available information.

Sale D-1 is a small, office/commercial property located nearby on Los Osos Valley Road that sold in March 2022 and reflected an OAR of 3.46%.

Sale D-2 is a modern, two-story office building located in suburban San Luis Obispo. This property also sold in March 2022; it reflected an OAR of 5.48%

Sale D-5 reflects an office building located on Santa Rosa Street in San Luis Obispo; it was built in 1985 as a bank branch. This property sold in July 2023 and reflected an OAR of 4.88%.

Sale D-6 represents a combination office/apartment located near downtown Los Osos that sold in July 2023 with an indicated OAR of 7.10%.

These sales reflect a remarkably wide range in OAR indications, with Sale D-6 reflecting the highest point at 7.10%, which is difficult to reconcile with the balance of the data. It is notable that the increases in interest rates that have occurred since March 2022 would logically have had an upward effect on OAR rates. Local commercial real estate brokers indicate that property sellers are slowly adjusting to this new pricing environment.

The subject property would likely reflect an OAR in the .0550 to .0575 range, but it appears there could be some potential rental increases. Based on this, an OAR is concluded at the low end of the range, or .0550.

Excess Land

Since the income approach is derived from the developed portion of the site, the excess land value of $340,000 under Valuation Scenario A and $850,000 under Valuation Scenario B developed in the cost approach is added separately to the income approach.

Income Approach Market Value Conclusions

The income approach provides the following market value conclusions under Valuation Scenarios A and B:

INCOME APPROACH MARKET VALUE CONCLUSIONS

					MARKET VALUATION SCENARIO	
	NOI	**÷**	**OAR**	**=**	**A**	**B**
Capitalized Market Value	$199,618		.055		$3,629,436	$3,629,436
Excess Land					340,000	850,000
Total					**$3,969,436**	**$4,479,436**
Rounded					**$3,970,000**	**$4,480,000**

Therefore, the most probable current market value of the leased fee interest in the subject property, as of May 21, 2024, concluded from the income approach, is:

Valuation Scenario A
Three Million Nine Hundred Seventy Thousand Dollars
($3,970,000)

Valuation Scenario B
Four Million Four Hundred Eighty Thousand Dollars
($4,480,000)

Sales Comparison Approach

Definitions[1]

Sales Comparison Approach

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

Units of Comparison

Market sales are reduced to meaningful units of comparison that are commonly used in the real estate market.

Sale Price per Unit

A unit may be a square foot, acre, per square foot building, per apartment unit, per mobilehome space, per motel unit, price/unit = price per unit.

In this appraisal, three units of comparison are considered. These are 1) total property; 2) price per square footage of building; and 3) price per square foot of land. All three of these units of comparison are considered in this appraisal.

Market Data Survey

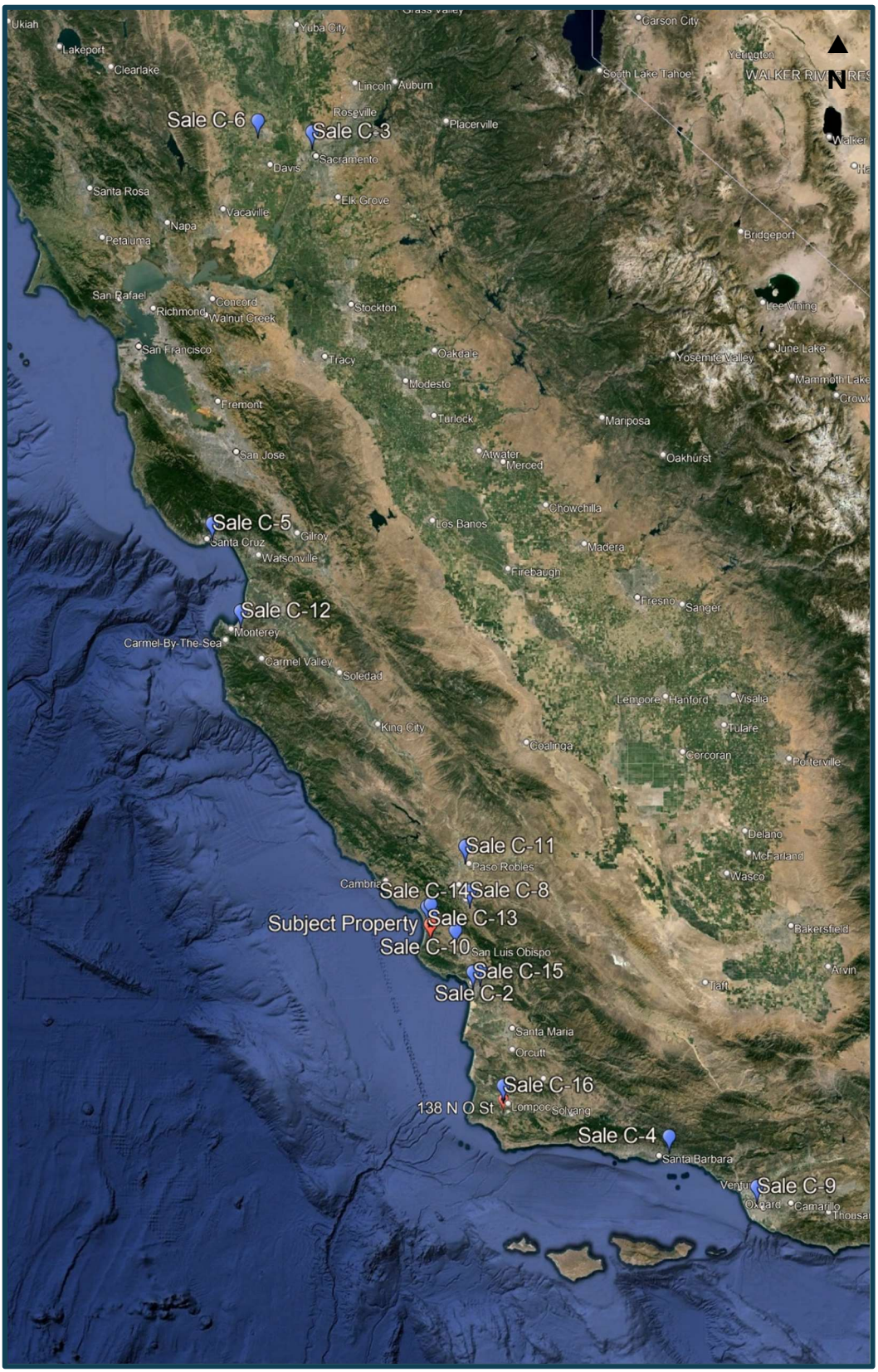
The opinion of current market value of the property is determined here by comparing it with sales of similar school, institutional, and/or office properties that have sold in the recent past. The concept being that an investor is not warranted in paying more than the cost of an equally desirable substitute property.

Our market data survey identified several comparable properties useful for comparison with the subject property. The comparables that follow represent the sales that are considered to be the best market value indicators for the subject property.

- Data Group C – Schools/Community-Use Properties – This data group includes sales of developed/improved schools and other forms of community-use properties.
- Data Group D – Offices – This data group includes sales of improved office buildings and complexes.

[1] The Dictionary of Real Estate Appraisal, Seventh Edition, 2022, *Appraisal Institute*

DATA GROUP C
SCHOOL/COMMUNITY-USE PROPERTIES SALES LOCATION MAP



DATA GROUP C
SCHOOL/COMMUNITY-USE PROPERTIES SALES LOCATION MAP
(SAN LUIS OBISPO COUNTY AREA)

SCHOOL/COMMUNITY-USE SALE C-1
THE LAUREATE CHILD AND FAMILY CENTER
880 LAUREATE LANE, SAN LUIS OBISPO
(SAN LUIS OBISPO COUNTY)

School/Community-Use Sale C-1

Name:	The Laureate Child and Family Center
Location:	880 Laureate Lane, San Luis Obispo (San Luis Obispo County)
APN:	067-072-037
Grantor:	Full Circle Laureate LLC
Grantee:	Park River LLC
Date of Transfer:	February 5, 2016
Sale Price:	$3,300,000
Terms:	Cash to $2,300,000 private loan
Recording Data:	Document No. 2016-5168
Data Source:	Public records/appraisal records/prior MLS
Confirmed By:	Todd O. Murphy
Property Description:	Improved, private-school property
Property Size:	16,577± square feet of buildings; 10.17±-acre site; land-to-building ratio: 26.72
Zoning:	Residential Rural (RR); San Luis Obispo County
Access:	Paved, public road
Utilities:	Electricity, gas, shared well, and on-site septic
Topography:	Mostly level, plus drainage swale
Legal Parcels:	1
Units of Comparison:	$199.07 per sf GBA; $7.45 per sf land

SCHOOL/COMMUNITY-USE SALE C-1, CONTINUED

COMMENTS: This property is located off of O'Connor Way, at the foot of Bishop Peak, in an unincorporated area of San Luis Obispo County (just outside the San Luis Obispo city limits). This area is rural, but within easy access from Los Osos Valley Road (which intersects with U.S. Highway 101 to the southeast). The property is an L-shaped site of 10.17± gross acres. It is mostly level, with a drainage swale running through portions of the site. The rear of the site is crossed by an overhead power line.

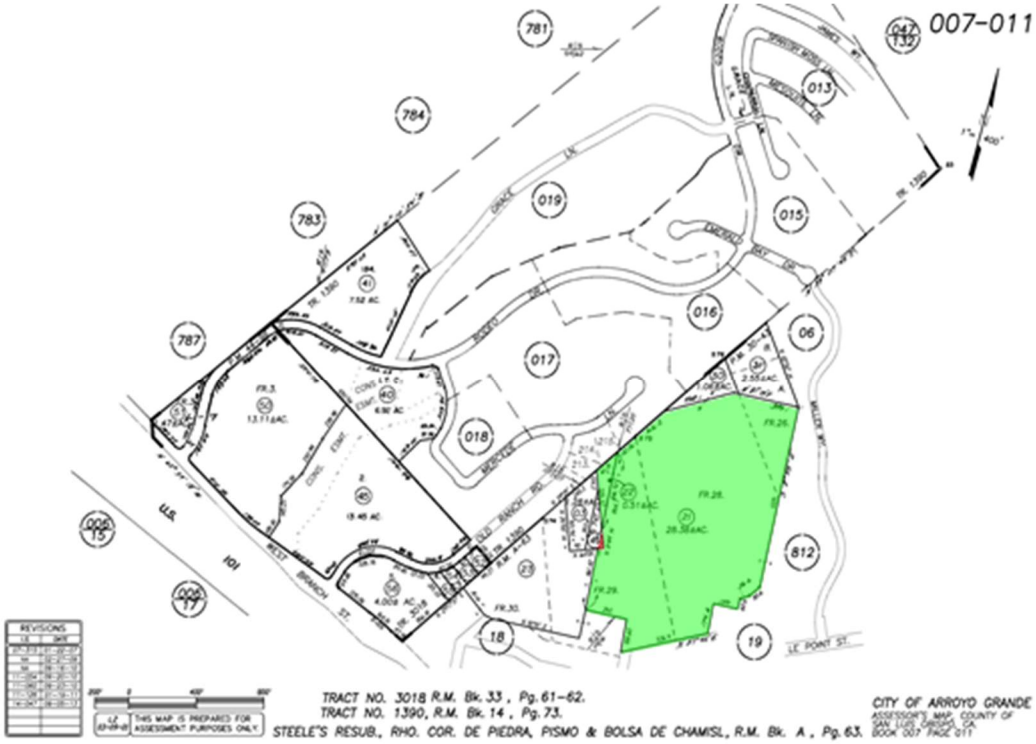
The Laureate Child and Family Center was built in 1994 and is comprised of 14 buildings, including 3 preschool classrooms, 1 kindergarten classroom, 7 elementary/intermediate classrooms, offices, janitorial facilities, a bookstore, workroom, multipurpose room, restrooms, and a science lab, all totaling 16,577 square feet. The buildings feature concrete slabs, wood-frame and stucco construction, composition-shingle roofs, and ionized-aluminum windows. Some classroom roof lines are vaulted, with a building height of 26.50 feet. All buildings feature fire-protection sprinklers and have gas-fired, forced-air heating. As part of the tract map, The Laureate Child and Family Center developed a 2-lane, asphalt-paved street to the property. Parking includes a 14,850-square-foot, asphalt-paved, parking area with 36 parking spaces. The site improvements include an engineered drainage swale with 2, 48-inch, drainage pipes that run under the driveway. Spanning the drainage swale are 2 bridges.

As of 2010, the property was subject to a lease at $15,600 per month ($0.94 per square foot) NNN to The Laureate School. The lease included CPI increases.

The property was listed for sale with local real estate agent Danny Sullivan in April 2010 at $3,200,000 and did not sell. The property was relisted for sale with Mark Burnes, Burnes Commercial Group, as of July 2012 for $2,900,000, but did not sell. It eventually sold via a private sale. The property is still used as a private school.

Google Earth Pro Aerial Photograph of The Laureate Child and Family Center

SCHOOL/COMMUNITY-USE SALE C-2
CAMP ARROYO GRANDE
250 WESLEY AVENUE, ARROYO GRANDE
(SAN LUIS OBISPO COUNTY)



SCHOOL/COMMUNITY-USE SALE C-2

NAME:	Camp Arroyo Grande
LOCATION:	250 Wesley Avenue, Arroyo Grande (San Luis Obispo County)
APNS:	007-011-021, -022, and -049 (portion)
GRANTOR:	California-Pacific Annual Conference of the United Methodist Church
GRANTEE:	5-Cities Community Service Foundation
DATE OF TRANSFER:	November 9, 2017
SALE PRICE:	$2,550,000
TERMS:	Cash
RECORDING DATA:	Document No. 2017-51628
DATA SOURCE:	Public records/Eric Knowles, Kidder Mathews Real Estate, listing agent/appraisal records/J Johnson, buyer representative
CONFIRMED BY:	Todd O. Murphy
PROPERTY DESCRIPTION:	Improved, recreational camp
PROPERTY SIZE:	18,564 square feet of buildings; 29.03±-acre site; land-to-building ratio: 68.12
ZONING:	Public Facilities (PF); City of Arroyo Grande
ACCESS:	Paved, public road
UTILITIES:	Full
TOPOGRAPHY:	Gently-sloping to steep hillside
LEGAL PARCELS:	1
UNITS OF COMPARISON:	$137.36 per sf GBA; $2.02 per sf land

SCHOOL/COMMUNITY-USE SALE C-2, CONTINUED

COMMENTS: Camp Arroyo Grande operated as a Methodist Church camp since 1885. The property was continuously used as a church camp and/or recreational retreat for over 120 years (through June 2016). This property was originally donated for the camp's use by Mr. John F. Beckett, one of the original founders of the City of Arroyo Grande.

This property comprises 29.03± acres located within the center of the Arroyo Grande city limits. It is situated along the northern edge of the quaint Village of Arroyo Grande commercial area, with most of the surrounding land uses to the east, north, and northwest comprising single-family, residential properties. Access to the site is via Wesley Avenue, a paved, public street that extends north from West Branch Street, the primary commercial corridor within the Village. The on-site terrain includes gently-sloping, open, grassy areas leading up to an elevated knoll at about the 350-foot contour elevation line along the northern property boundary. Other portions of the site are steeper and/or more heavily vegetated. The property is zoned Public Facilities (PF) with no planned zoning designation change per City of Arroyo Grande Community Development Department staff.

Over the years, much of the site has been developed with various facilities to accommodate a substantial number of guests. Extensive on-site structures include a large dining hall, kitchen and pantry facilities (completely remodeled and updated to a commercial kitchen about 10 years ago), 3 meeting room/lodge structures, 6 freestanding cabins (ranging from old/modest to modern/good quality), a manager's residence, large swimming pool and cabana, 15 recreational vehicle (RV) sites, and various other site improvements. The most notable structure is the rustic tabernacle that was built in 1897 and remains an architecturally and historically significant, 12-sided structure. An appraisal at the time the property sold included an estimated contributory value of $810,000. Overall, the primary buildings on-site total approximately 18,564 square feet as summarized in the following table:

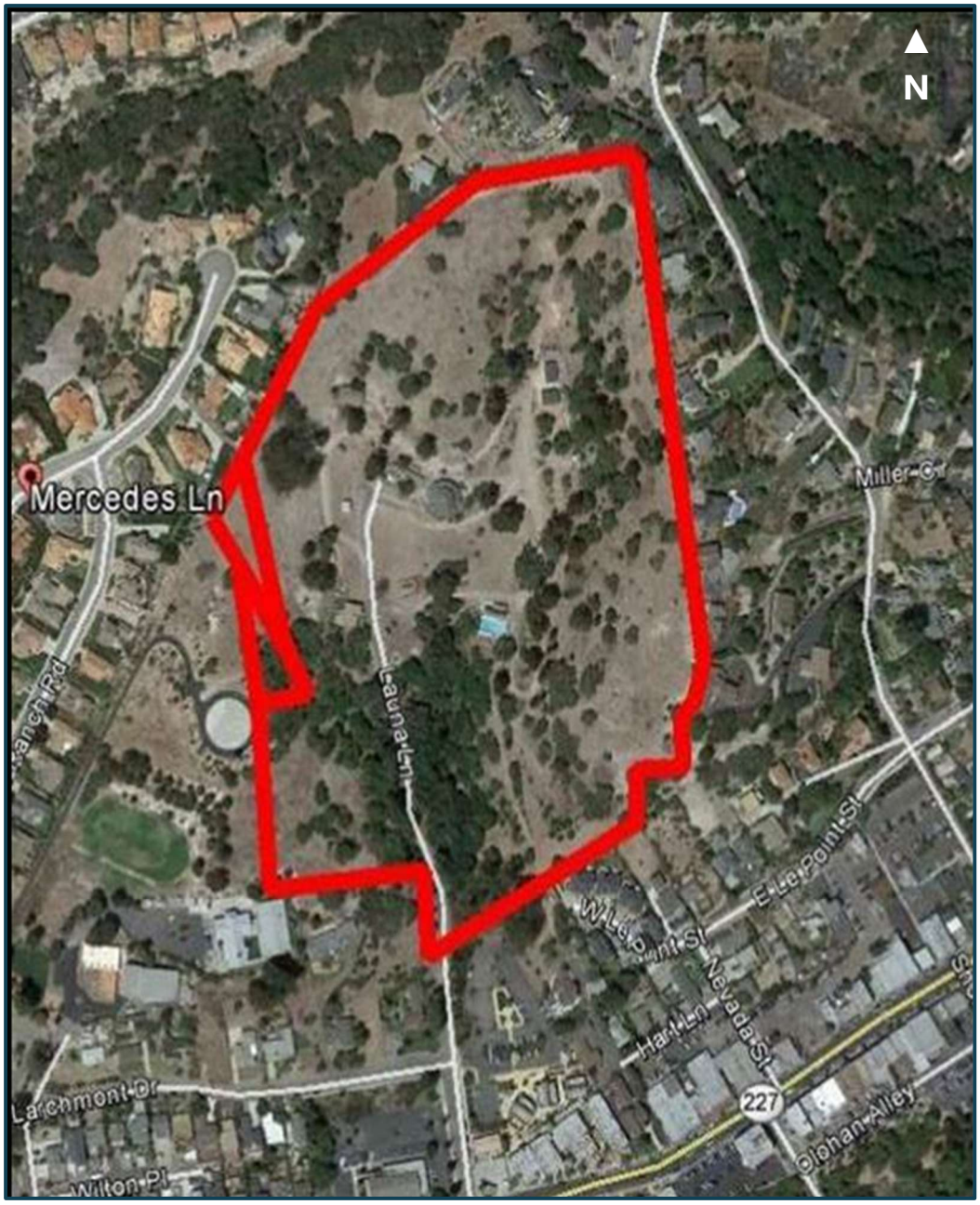
CAMP ARROYO GRANDE IMPROVEMENTS SUMMARY TABLE

IDENTIFICATION	SQUARE FEET	IDENTIFICATION	SQUARE FEET
Tabernacle	3,892±	Cabin 1	280±
Dining Hall	1,658±	Cabin 2	320±
Restrooms	204±	Cabin 3	320±
Kitchen	1,058±	Cabin 4	256±
Pantry	628±	Cabin 5	256±
Enid Keeler Lodge	1,739±	Cabin 6	256±
Fred Woods Lodge	1,499±	Rienwald Cabin 1	876±
Lynn Hall	1,621±	Rienwald Cabin 2	876±
Cabana	489±	Manager's Residence	2,336±
Pool	1,008±	Robin's Retreat	--
Pool Decking	2,400±	RV Sites	--
Total Excluding Pool and Decking			**18,564±**

SCHOOL/COMMUNITY-USE SALE C-2, CONTINUED

After the historical owners of the property decided to sell, the property was listed for sale in early 2016 with Kidder Matthews Real Estate. No asking price was stated; marketing involved a proposed offer price and intended use of the property. According to the listing agent, at least two offers were submitted in excess of $3,000,000. The property entered escrow to a private buyer, but this escrow was canceled. The buyer was seeking development opportunities, which were not consistent with the zoning. The property eventually sold to a community-based group seeking to retain it as a community facility for camps, meetings, etc. The structures will be retained.

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF CAMP ARROYO GRANDE



SCHOOL/COMMUNITY-USE SALE C-3
THE MERRYHILL SCHOOL
2565 MILLCREEK DRIVE, SACRAMENTO
(SACRAMENTO COUNTY)

School/Community-Use Sale C-3

Name:	The Merryhill School
Location:	2565 Millcreek Drive, Sacramento (Sacramento County)
APN:	274-0410-023
Grantor:	Chawla Ventures, LLC
Grantee:	LMS Property Holdings, LLC
Date of Transfer:	January 22, 2021
Sale Price:	$2,500,000
Terms:	Cash to conventional
Recording Data:	Document No. 20210122-848
Data Source:	Public records/marketing brochure/John Andreini, listing agent
Confirmed By:	Allyson Milburn
Property Description:	School facility with pool
Property Size:	12,416 square feet of buildings; 2.00±-acre site; land-to-building ratio: 7.02
Zoning:	Multi-Unit Dwelling (R-3); City of Sacramento
Access:	Paved, public street
Utilities:	Full
Topography:	Level
Legal Parcels:	1
Units of Comparison:	$201.35 per sf GBA; $28.70 per sf land

SCHOOL/COMMUNITY-USE SALE C-3, CONTINUED

COMMENTS: This property is located on the southeastern corner of Millcreek Drive and Creekside Oaks Drive in Sacramento, California, approximately 3 miles north of downtown. This neighborhood is a bit east of Interstate Highway 5, southeast of the intersection with Highway 80. Surrounding land uses include commercial, retail, office parks, multi-family, school, and the American River greenbelt.

Zoning allows school use with a conditional-use permit and multi-family redevelopment up to 30 units per acre.

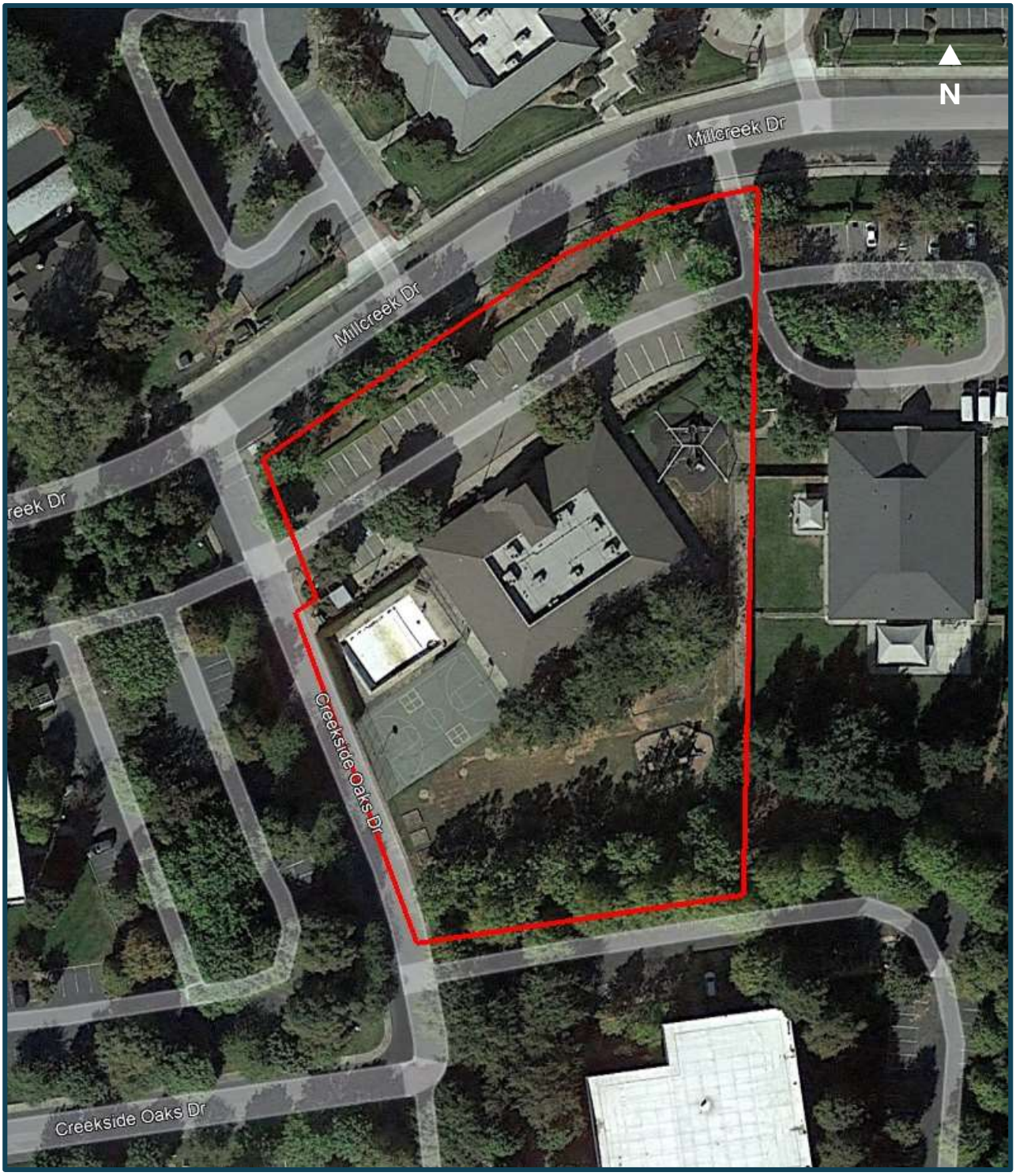
Improvements include a 12,416-square-foot, school facility and campus built in 1997 with a grassy area with play structures; a paved, basketball court; and an in-ground, swimming pool. The school structures feature wood-frame construction, composition-shingle roofing, and reflected average quality and condition when sold. The buildings include a fire sprinkler system. The play area is fully fenced, as is the swimming pool area. The parking lot is accessed from both Millcreek Drive and Creekside Oaks Drive and contains 39 parking spaces.

The property was most recently leased to Merryhill School, but sold vacant. The property was actively listed for sale for $2,500,000 with Capital Pacific Real Estate. The property sold for the asking price after about 6 months on the open market. The marketing brochure also identified the possibility of redeveloping the property to residential and indicated the R-3 zoning allows 30 units per acre.

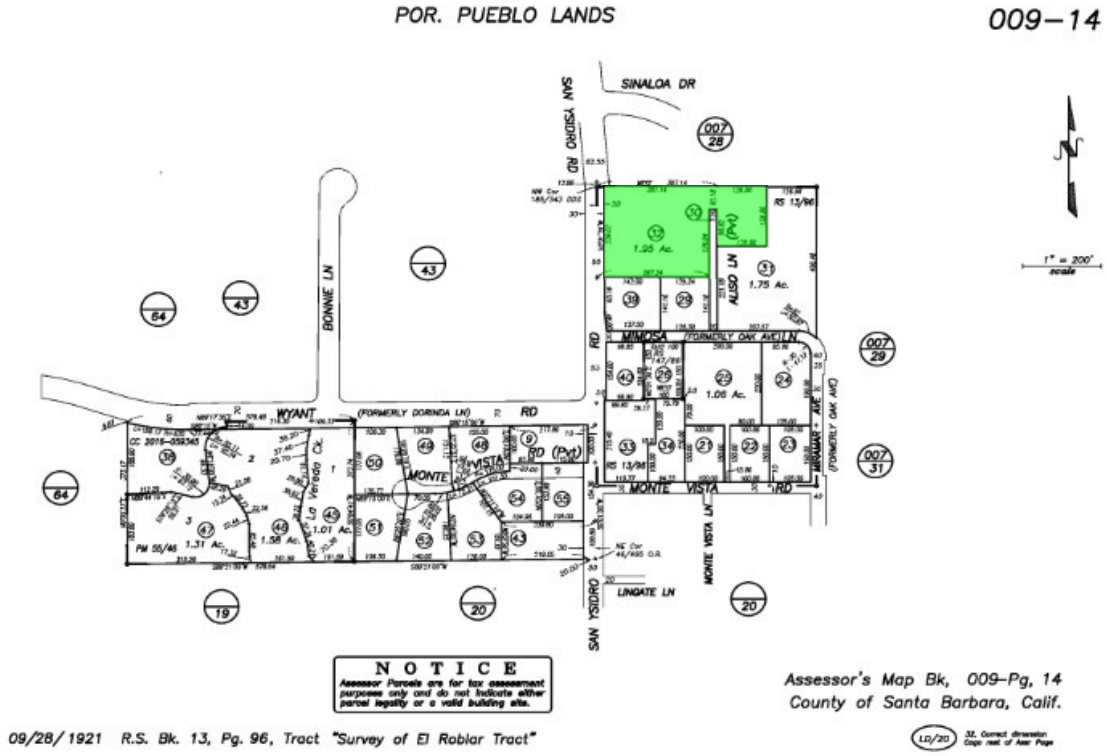
The sale price is allocated as follows:

Land	$ 725,000
Improvements	1,775,000
TOTAL	$2,500,000

Google Earth Pro Aerial Photograph of 2565 Millcreek Drive, Sacramento



SCHOOL/COMMUNITY-USE SALE C-4
260 SAN YSIDRO ROAD, SANTA BARBARA
(SANTA BARBARA COUNTY)



School/Community-Use Sale C-4

Name:	Laguna Blanca School
Location:	260 San Ysidro Road, Santa Barbara (Santa Barbara County)
APN:	009-140-032
Grantor:	Harber Family Trust
Grantee:	Laguna Blanca School
Date of Transfer:	March 24, 2021
Sale Price:	$5,775,000
Terms:	Cash to conventional
Recording Data:	Document No. 2021-23290
Data Source:	Public records/appraiser
Confirmed By:	Allyson Milburn
Property Description:	Private school facility
Property Size:	9,149 square feet of buildings; 5.58±-acre site; land-to-building ratio: 26.57
Zoning:	Single-Family Residential, 1-acre min (1-E-1); Santa Barbara County
Access:	Paved, public road
Utilities:	Full
Topography:	Level
Legal Parcels:	1
Units of Comparison:	$631.22 per sf GBA; $23.76 per sf land

SCHOOL/COMMUNITY-USE SALE C-4, CONTINUED

COMMENTS: This property fronts the east side of San Ysidro Road in the Montecito area of Santa Barbara, California, about 0.30 mile north of U.S. Highway 101, 0.45 mile northeast of the Coast Village commercial-retail neighborhood of Montecito, and 0.60 mile north of the beachfront. San Ysidro Road is a two-lane, paved, public road with bike lanes and curbs. There are two access points along San Ysidro Road, providing a pull-through drop-off flow at the front of the property. The area is mainly developed to estate residences on 1±-acre lots.

The remainder of the property is perimeter fenced for security.

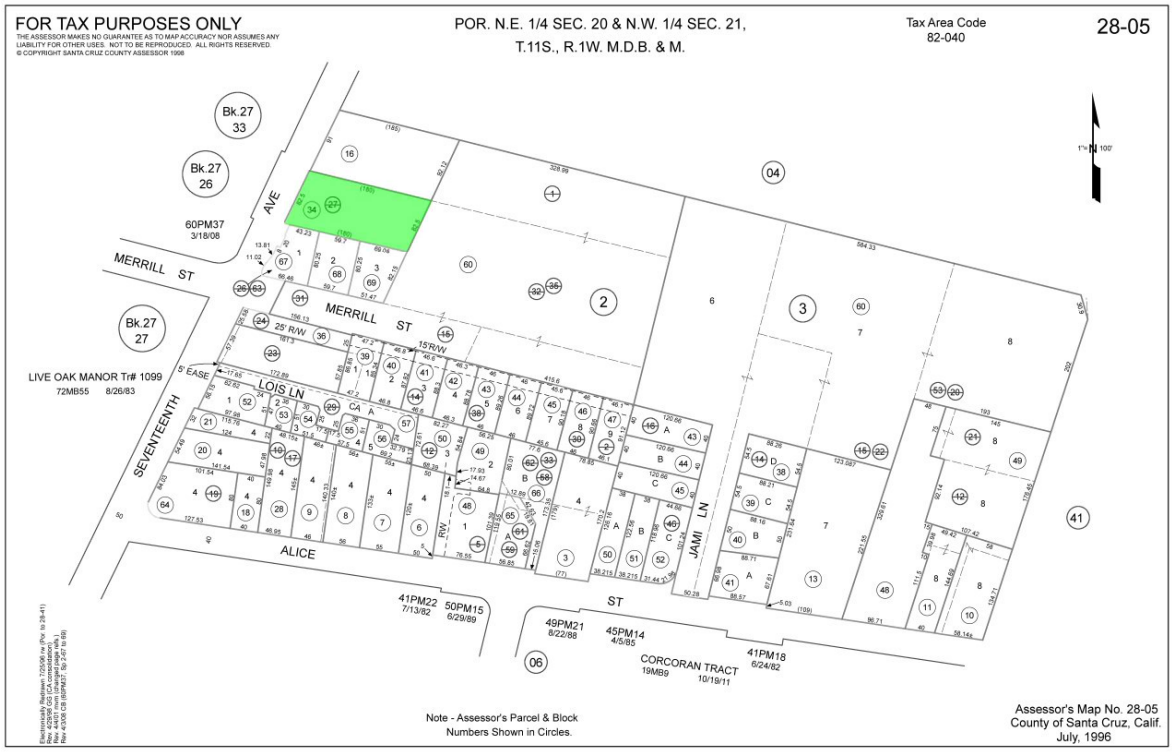
Structures feature a 9,149-square-foot, school facility built in 2007. The grounds have grassy, sandy, and paved play areas and multiple small buildings in addition to the main facility.

This property was leased at the time of sale, but no income information was provided.

The property was listed for sale by Joanne Weber with Ryan Craig Company and was purchased by the tenant, Laguna Blanca School (a not-for-profit kindergarten through 12th grade, private school) in a 1031 exchange (seller) after 68 days on the market.

Google Earth Pro Aerial Photograph of the Laguna Blanca School

SCHOOL/COMMUNITY-USE SALE C-5
NOAH'S ARK PRESCHOOL AND DAYCARE
720 17TH AVENUE, SANTA CRUZ
(SANTA CRUZ COUNTY)



SCHOOL/COMMUNITY-USE SALE C-5

NAME:	Noah's Ark Preschool and Daycare
LOCATION:	720 17th Avenue, Santa Cruz (Santa Cruz County)
APN:	028-052-34
GRANTOR:	Campbell Revocable Living Trust
GRANTEE:	Toby A. Salciccia Trust
DATE OF TRANSFER:	August 13, 2021
SALE PRICE:	$1,000,000
TERMS:	Cash to conventional
RECORDING DATA:	Document No. 2021-42486
DATA SOURCE:	Public records/appraiser
CONFIRMED BY:	Allyson Milburn
PROPERTY DESCRIPTION:	Daycare facility
PROPERTY SIZE:	4,736 square feet of buildings; 0.34±-acre site; land-to-building ratio: 3.13
ZONING:	Multiple Residence – Medium Density (RM-4); City of Santa Cruz
ACCESS:	Paved, public road
UTILITIES:	Full
TOPOGRAPHY:	Level
LEGAL PARCELS:	1
UNITS OF COMPARISON:	$211.15 per sf GBA; $67.52 per sf land

SCHOOL/COMMUNITY-USE SALE C-5, CONTINUED

COMMENTS: This property is located near the northeastern corner of 17th Avenue and Merrill Street in Santa Cruz, California. This location is north of East Cliff Drive/Portola Drive and east of Corcoran Lagoon and downtown Santa Cruz. The front parking lot has a wide, access driveway off 17th Avenue, a two-lane (plus a center, two-way, left-turn lane) public road.

The property is zoned Multiple Residence – Medium Density; daycare services are an allowed use with a special-use permit under this zoning.

The building is a 4,736-square-foot, preschool/daycare facility built in 1980; this is an average-quality, wood-frame structure. The facility includes a large play and nap area, two restrooms, fully equipped kitchen, patio, and a playground. There are 10 parking spaces in front of the building.

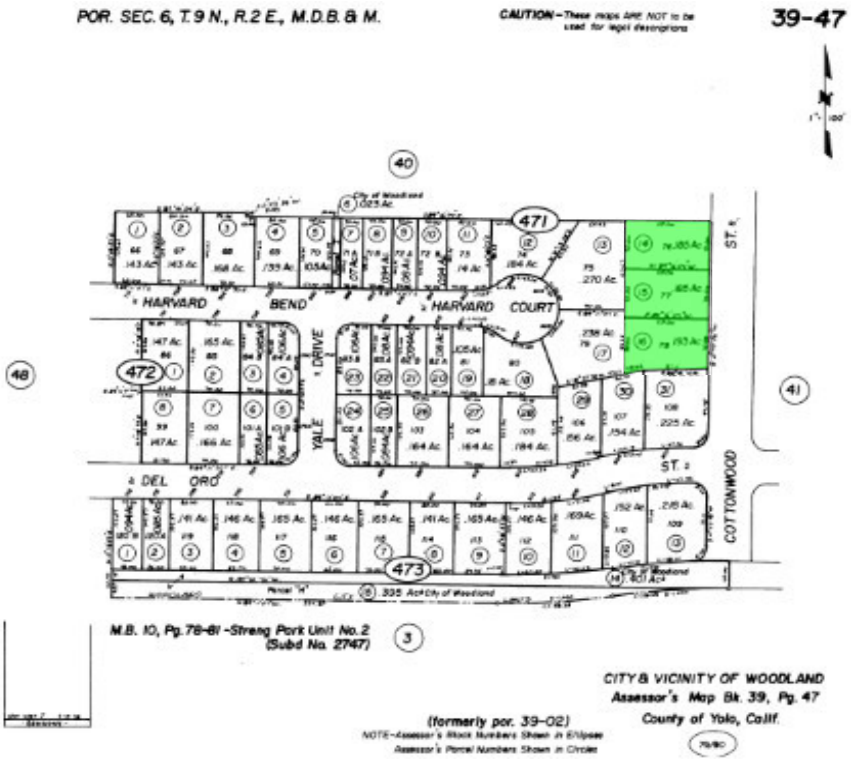
This property was not listed for sale. The seller knew the buyer from the local business community. The buyer also purchased the FF&E and business in a separate transaction. The seller operated a daycare facility; the buyer plans to continue the business. Following the sale, the buyer spent $100,000 to $200,000 on cosmetic upgrades and capital expenditures. Considering the post-purchase upgrades and capital expenditures, the adjusted sale price is $1,150,000, or $242.82 per square foot.

The sale price is allocated as follows:

Land	$ 500,000
Improvements	500,000
TOTAL	$1,000,000

Google Earth Pro Aerial Photograph of the Noah's Ark Preschool and Daycare

SCHOOL/COMMUNITY-USE SALE C-6
WOODLAND MONTESSORI SCHOOL
1730-1738 COTTONWOOD STREET, WOODLAND
(YOLO COUNTY)



School/Community-Use Sale C-6

Name:	Woodland Montessori School
Location:	1730-1738 Cottonwood Street, Woodland (Yolo County)
APNs:	039-471-014, -015, and -016
Grantor:	Woodland Montessori Childrens House, Inc.
Grantee:	Aoki-Slaven Properties, LLC
Date of Transfer:	March 28, 2022
Sale Price:	$1,140,000
Terms:	Cash to conventional
Recording Data:	Document No. 2022-7849
Data Source:	Public records/Jim Gray, broker
Confirmed By:	Allyson Milburn
Property Description:	Private-school facility
Property Size:	5,344 square feet of buildings; 0.56±-acre site; land-to-building ratio: 4.56
Zoning:	Single-Family Residential (R-1); City of Woodland
Access:	Paved, public road
Utilities:	Full
Topography:	Level
Legal Parcels:	3
Units of Comparison:	$213.32 per sf GBA; $46.73 per sf land

SCHOOL/COMMUNITY-USE SALE C-6, CONTINUED

COMMENTS: This property fronts the west side of Cottonwood Street in Woodland, California. Access is from 3 driveways on Cottonwood Street (a 2-lane, public road with sidewalks, curbs, and a wide parking/bike lane). There are 5 parking spots at the front of the property and a pull-through lane running parallel to the street.

The property is located in the southwestern corner of the City of Woodland, surrounded by residential properties and very near Zamora Elementary School (a public school). Farmland surrounds the town, beginning about 300 feet south of the property.

The property is zoned R-1; school facilities are an allowed use under a conditional-use permit.

The property includes three legal parcels.

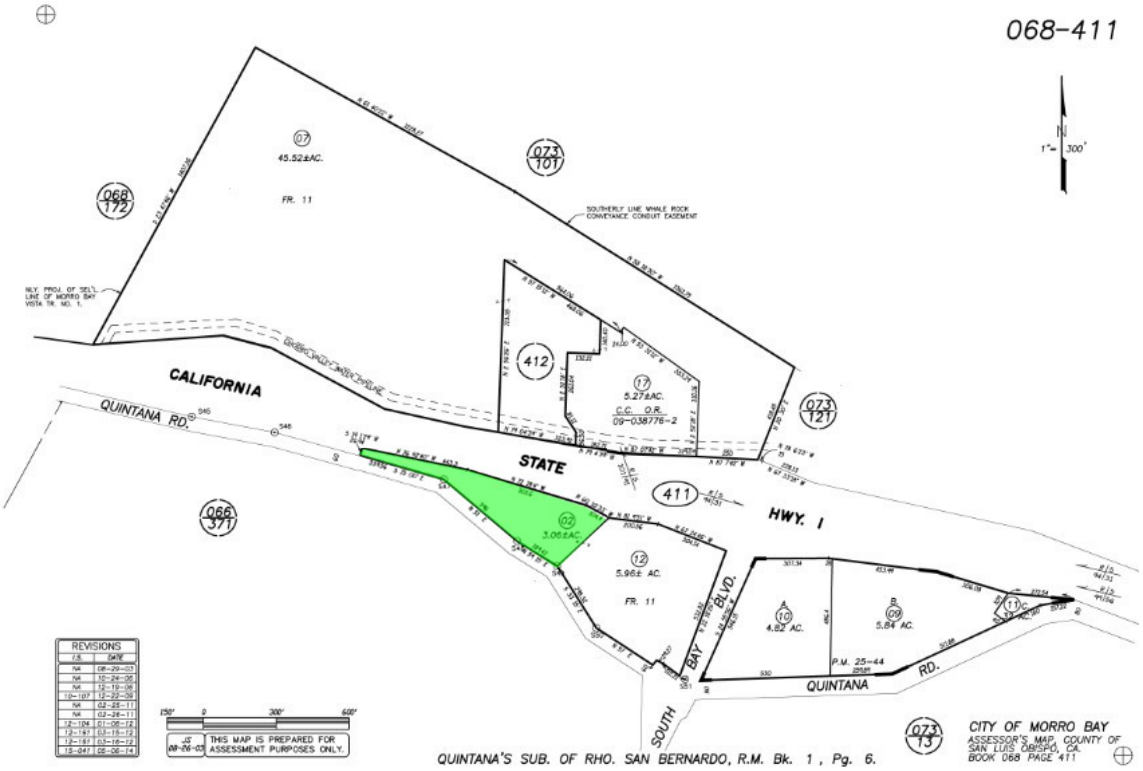
Structures include two buildings built in 1978; the buildings are approximately 3,102 and 2,242 square feet, totaling 5,344 square feet. The buildings feature lobby areas, classrooms with hardwood flooring, private offices, lounge, bathrooms, storage, and laundry and kitchen facilities.

The north and south parcels are improved with buildings and the middle parcel features a secured yard, including a basketball hoop and play structures.

This property was occupied by the Woodland Montessori School and was listed for sale with Kidder Matthews Real Estate for $1,240,000. The buyer purchased the property to occupy for her own private school business (Woodland Haven Child Care Center). Reportedly, the property was originally in escrow with a different buyer; but, during due diligence, it was discovered that about $140,000 in repairs were needed to the property (a new roof, fire sprinklers, and various cosmetic repairs). The seller was not willing to give a credit for the repairs, so the deal fell through. The new buyer was willing to pay the same price under the condition that she received money from COVID-relief funds to make the repairs. She received the money under the condition that 10% to15% of the students were from low-income families and received discounted tuition.

Google Earth Pro Aerial Photograph of the Woodland Montessori School

SCHOOL/COMMUNITY-USE SALE C-7
FORMER BENEDICT RETTEY MORTUARY AND CREMATORY PROPERTY
1401 QUINTANA ROAD, MORRO BAY
(SAN LUIS OBISPO COUNTY)



School/Community-Use Sale C-7

Name:	Former Benedict Rettey Mortuary and Crematory property
Location:	1401 Quintana Road, Morro Bay (San Luis Obispo County)
APN:	068-411-002
Grantor:	Bruce and Janet Benedict
Grantee:	Peter and Rebecca Russell
Date of Transfer:	May 4, 2022
Sale Price:	$1,402,500
Terms:	Cash
Recording Data:	Document No. 2022-19620
Data Source:	Public records/Richard Gardner, broker
Confirmed By:	Nick Carter
Property Description:	Funeral home and crematory facility
Property Size:	7,900± square feet of building; 3.06±-acre site; land-to-building ratio: 16.87
Zoning:	Central Business (C-1); City of Morro Bay
Access:	Paved, public road
Utilities:	Full, plus irrigation well
Topography:	Level terrace between Highway 1 and Quintana Road
Legal Parcels:	1
Units of Comparison:	$177.53 per sf GBA; $10.52 per sf land

SCHOOL/COMMUNITY-USE SALE C-7, CONTINUED

COMMENTS: The property is located along the south line of Highway 1, on the northwestern corner of Quintana Road and South Bay Boulevard, at the eastern edge of the Morro Bay city limits. Access is from two gated entrances on Quintana Road (a two-lane, paved, public road). The property fronts Highway 1 and has very good visibility, but no direct access.

The property is located near two RV/mobilehome parks and one senior living center on the eastern edge of Morro Bay. The remainder of the surroundings is mostly open space.

This is a very angular-shaped property, bordered by Highway 1 and Quintana Road. There is a narrow area of the lot at the west end of the property approximately 27,963 square feet in size. As a mortuary property, this area of the lot has remained undeveloped. Reportedly, the City of Morro Bay was interested in purchasing this portion of the site to use it as a "Park and Ride" site (parking lots designed to encourage carpooling and use of public transit).

The property consists of 2 buildings built in 1965 – a 6,000-square-foot building containing 3 offices; 2 restrooms; a 4-car garage; a meeting room; 2 large, refrigeration units; storage space, including 1,900 square feet containing a 1-car garage; a large, refrigeration unit; office; and restroom. The property had 2 cremation retorts, 1 for pets and 1 for humans; however, the pet cremation equipment has been removed. There is paved parking for 70 cars and landscaping around the facility and parking lot.

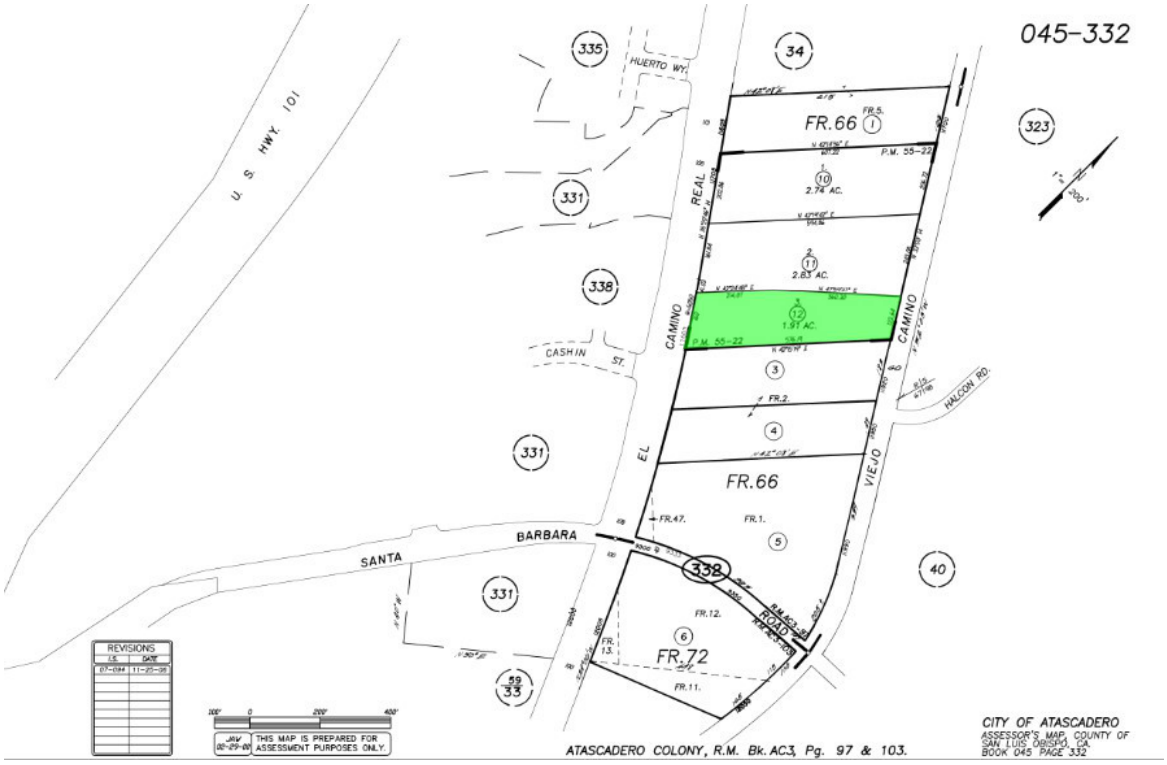
Reportedly, in early 2000s, an employee of the business purchased the business with the intention of purchasing the property once the note was paid off. The owner carried the note with nothing down. However, they were never able to agree on a sale price. The tenant began being late on rent, not paying property taxes, and not maintaining the property. The property owner listed the property for sale on January 4, 2021, for $1,500,000, or $189.87 per square foot.

There were two buyers that fell through. The first got cold feet and the second discovered that zoning shown through public record was incorrect and the correct zoning would not work with the structures they planned to add to the property. The final buyer had an all-cash offer with a 10-day escrow. The purchase contract for $1,500,000 was negotiated down to $1,402,500 for repairs, recommended termite reports, building inspections, an encroachment discovered with the neighboring property, and well inspection repairs.

The property was vacant at the time of sale and had been since spring of 2020; reportedly, the property was in fair condition. The sale included cremation equipment, pews, and prep room equipment. However, the broker reports that the buyer removed the cremation equipment at a cost of $75,000 and likely removed the other items as they intended to use the property as a performance/event venue named The Benedict. Following the sale, they worked to restore the building: installing wood flooring, tiling the restrooms, and painting. The pews were repurposed to create a performance stage.

Google Earth Pro Aerial Photograph of the Former Benedict Rettey Mortuary and Crematory Property

SCHOOL/COMMUNITY-USE SALE C-8
ATASCADERO CHILDREN'S CENTER
11850 VIEJO CAMINO, ATASCADERO
(SAN LUIS OBISPO COUNTY)



SCHOOL/COMMUNITY-USE SALE C-8

NAME:	Atascadero Children's Center
LOCATION:	11850 Viejo Camino, Atascadero (San Luis Obispo County)
APN:	045-332-012
GRANTOR:	Mark and Janice Stevens Family Trust
GRANTEE:	Atascadero Children's Center, LLC
DATE OF TRANSFER:	June 15, 2022
SALE PRICE:	$1,530,000
TERMS:	Cash to conventional
RECORDING DATA:	Document No. 2022-25245
DATA SOURCE:	Public records/Sarah Yost, buyer
CONFIRMED BY:	Allyson Milburn
PROPERTY DESCRIPTION:	Daycare facility
PROPERTY SIZE:	8,450 square feet of buildings; 1.91±-acre site; land-to-building ratio: 9.85
ZONING:	Public (P); City of Atascadero
ACCESS:	Paved, public road
UTILITIES:	Full
TOPOGRAPHY:	Level
LEGAL PARCELS:	1
UNITS OF COMPARISON:	$181.07 per sf GBA; $18.39 per sf land

SCHOOL/COMMUNITY-USE SALE C-8, CONTINUED

COMMENTS: This property is located between Viejo Camino and El Camino Real, near the southern city limits of Atascadero, California. Access is via Viejo Camino, a rural, two-lane, paved, public road with no sidewalks; there is no access from El Camino Real.

The property is adjacent to open lots to the north and south, is located near several residential developments, and is across the street from La Paloma Park.

This property is zoned Public within the City of Atascadero; schools are an allowed use under this zoning.

Structures consist of three residences built in 1980 and later converted to a school facility. The property is separated into Buildings A, B, and C. Building A (2,000 square feet) is for students in Pre-K to 5th grade. Building B (2,450 square feet) is for beginning preschool and toddlers. Building C (4,000 square feet) is the preschool program. The three buildings total approximately 8,450 square feet. Because gross building area could not be confirmed, the buildings were measured using an online Google measuring tool.

There is ample parking around the property and there are several fenced, play areas associated with each of the buildings.

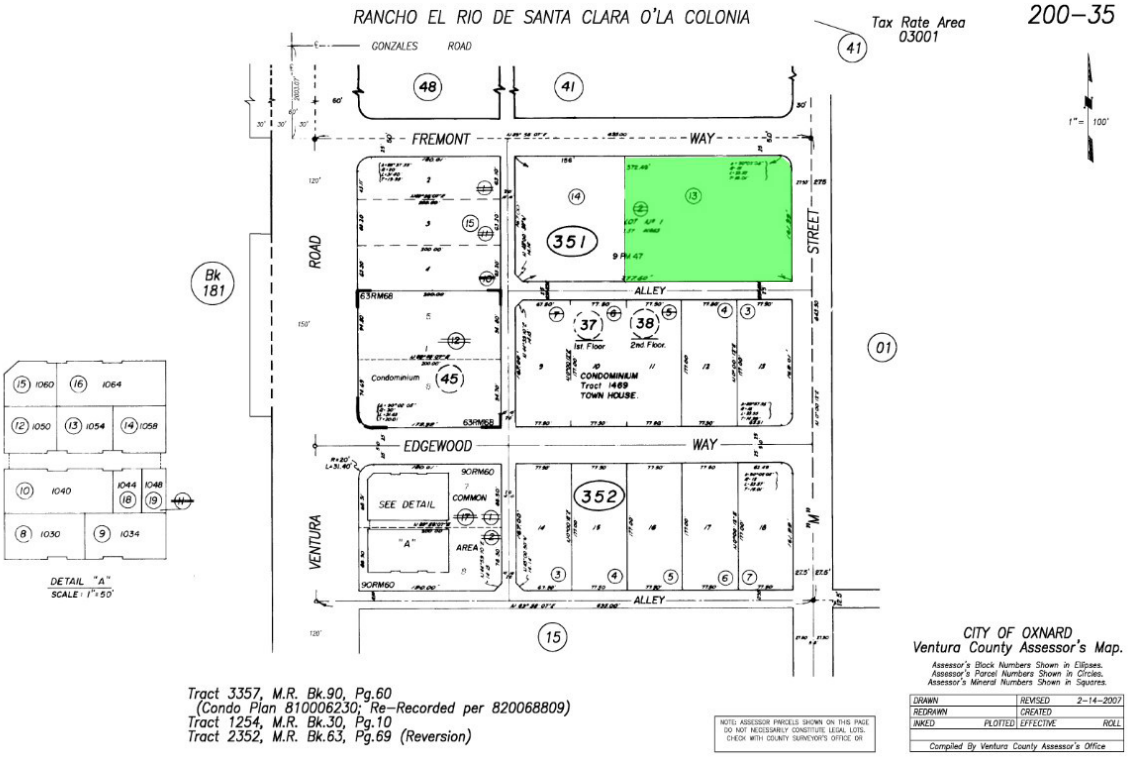
This property was not listed for sale on the open market. The buyers were employees of the company prior to the sale and also purchased the business and FF&E in a separate transaction.

The sale price is allocated as follows:

Land	$ 500,000
Improvements	1,030,000
TOTAL	$1,530,000

Google Earth Pro Aerial Photograph of the Atascadero Children's Center

SCHOOL/COMMUNITY-USE SALE C-9
ASSISTANCE LEAGUE SCHOOL
1310 FREMONT WAY, OXNARD
(VENTURA COUNTY)



SCHOOL/COMMUNITY-USE SALE C-9

NAME:	Assistance League School
LOCATION:	1310 Fremont Way, Oxnard (Ventura County)
APN:	200-0-351-135
GRANTOR:	Assistance League of Ventura County
GRANTEE:	J Brothers Properties, LLC
DATE OF TRANSFER:	September 30, 2022
SALE PRICE:	$1,675,000
TERMS:	Cash to conventional loan
RECORDING DATA:	Document No. 2022-97665
DATA SOURCE:	Public records/marketing brochure
CONFIRMED BY:	Allyson Milburn
PROPERTY DESCRIPTION:	Private-school facility
PROPERTY SIZE:	6,200 square feet of building; 0.94±-acre site; land-to-building ratio: 6.60
ZONING:	Residential – High Rise (R-4); City of Oxnard
ACCESS:	Paved, public road
UTILITIES:	Full
TOPOGRAPHY:	Level
LEGAL PARCELS:	1
UNITS OF COMPARISON:	$270.16 per sf GBA; $40.91 per sf land

SCHOOL/COMMUNITY-USE SALE C-9, CONTINUED

COMMENTS: This property is located on the southwestern corner of Fremont Way and North M Street in Oxnard, California; it is bordered to the south by an alley. Vehicular access is via a gated driveway off North M Street (a 2-lane, paved, public road with sidewalks) and via the alley. Foot access is also available at 3 points along Fremont Way (a 2-lane, paved, public road with sidewalks).

This site is situated across North M Street from Fremont Middle School and otherwise surrounded by single- and multi-family residential uses.

The property is zoned Residential – High Rise (R-4); daycare and private schools are allowed uses with a special-use permit.

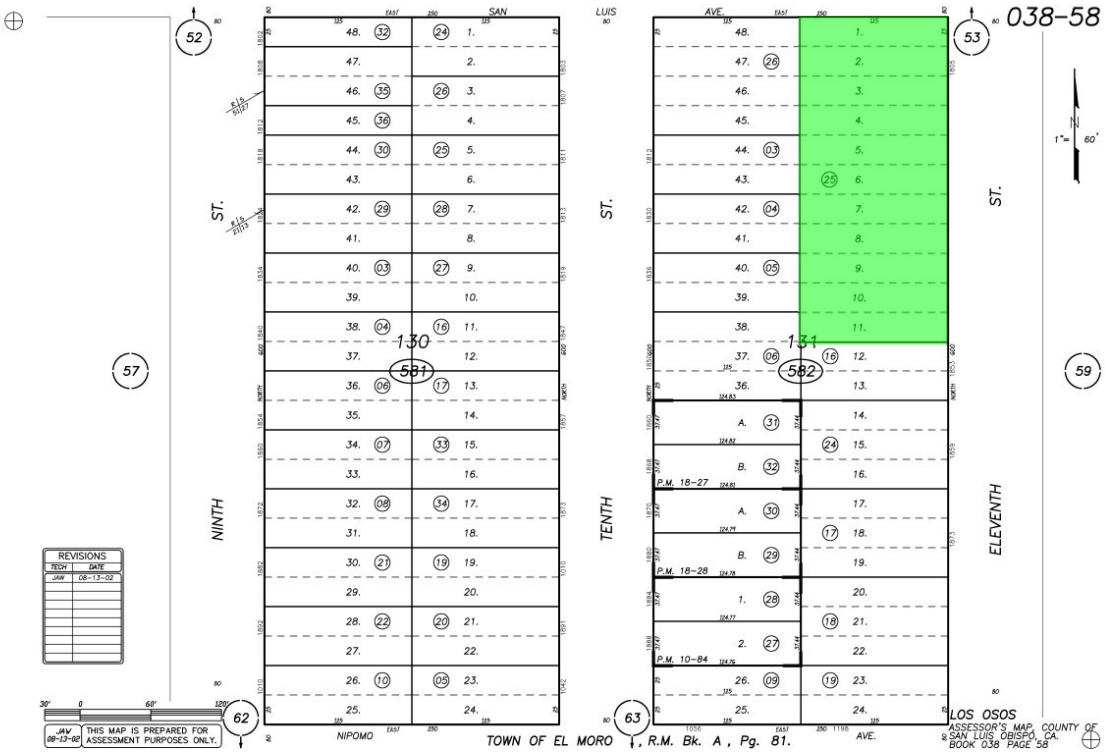
Improvements include two freestanding, school buildings built in 2000 totaling 6,200 square feet.

Nearly half the property is developed to a gated, parking lot with about 42 spaces. The property is perimeter fenced with covered, outdoor play areas and grassy spaces.

The seller occupied the property as a school facility. This property was listed for sale at $1,843,695, which was priced at $45.00 per square foot of land area. The buyer purchased the property with plans to use it as a daycare facility. The buyer planned to spend approximately $25,000 for upgrades to include paint and carpet. The property was marketed as a redevelopment site or as an improved school; the potential development would be up to 27 residential units. However, there was reportedly no interest from developers. The sale price does not include FF&E and, reportedly, there was no value attributed to the playground equipment.

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF THE ASSISTANCE LEAGUE SCHOOL

SCHOOL/COMMUNITY-USE SALE C-10
LIFEPOINT CHURCH
1805 11TH STREET, LOS OSOS
(SAN LUIS OBISPO COUNTY)



SCHOOL/COMMUNITY-USE SALE C-10

NAME:	Lifepoint Church
LOCATION:	1805 11th Street, Los Osos (San Luis Obispo County)
APN:	038-582-025
GRANTOR:	First Assembly of God of Arroyo Grande
GRANTEE:	Maharlika Christian Fellowship
DATE OF TRANSFER:	February 1, 2023
SALE PRICE:	$1,300,000
TERMS:	Seller-financed
RECORDING DATA:	Document No. 2023-2991
DATA SOURCE:	Public records
CONFIRMED BY:	Todd O. Murphy
PROPERTY DESCRIPTION:	Church with large parking lot
PROPERTY SIZE:	6,033 square feet of buildings; 0.794±-acre site; land-to-building ratio: 5.73
ZONING:	Residential Single-Family/Coastal Zone (RSF/CZ); County of San Luis Obispo
ACCESS:	Paved, public road
UTILITIES:	Full
TOPOGRAPHY:	Level
LEGAL PARCELS:	1
UNITS OF COMPARISON:	$215.48 per sf GBA; $37.59 per sf land

SCHOOL/COMMUNITY-USE SALE C-10, CONTINUED

COMMENTS: This property is located on the west side of 11th Street at the south line of San Luis Avenue (which is only a walking path at this block). 11th Street is a two-lane, paved street with no curbs or sidewalks. Access consists of two driveways into the large parking lot south of the building.

The property is located within a residential neighborhood, about 4 blocks north of Los Osos Valley Road and the downtown area of Los Osos.

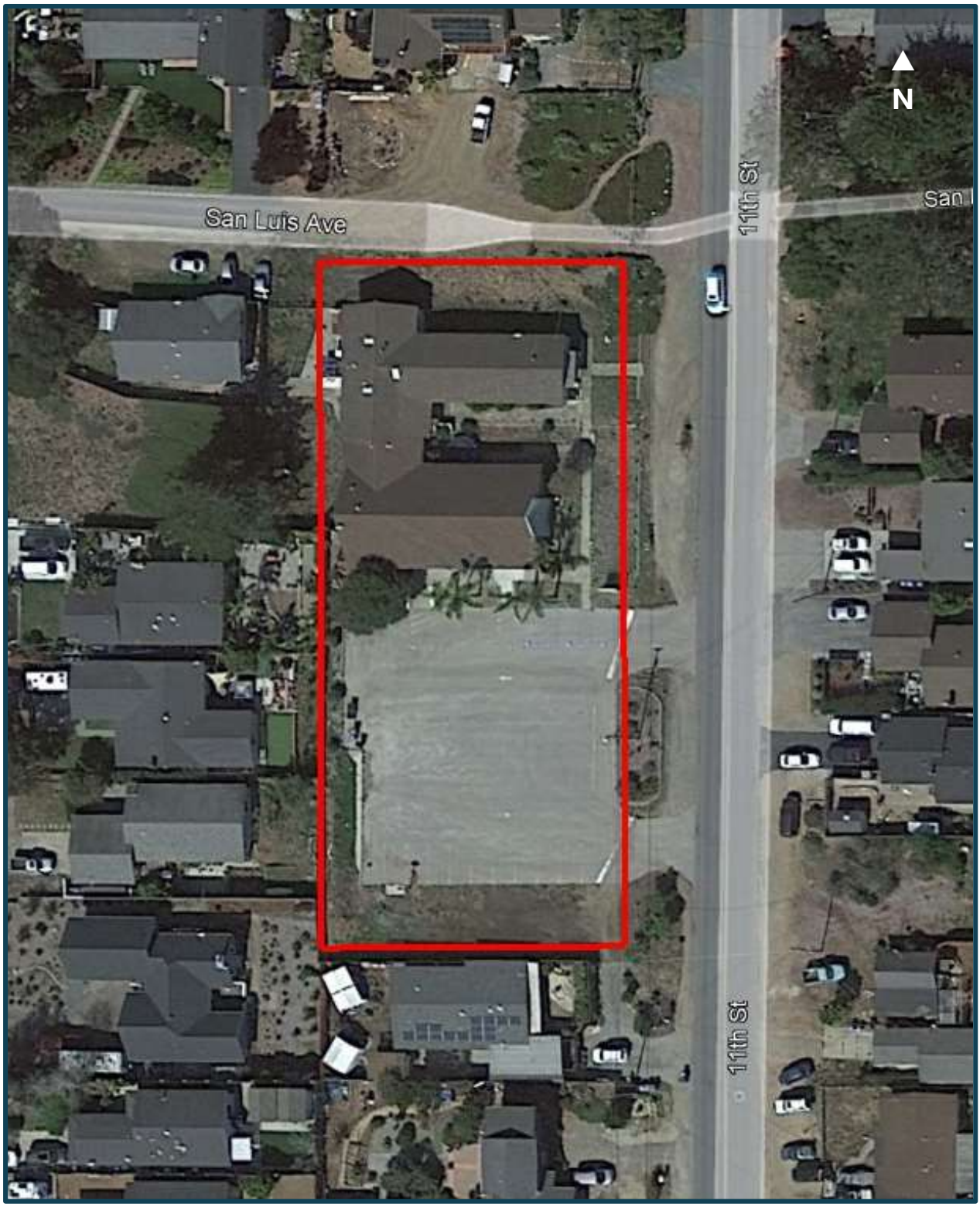
The property is zoned Residential Single Family within the County of San Luis Obispo; religious facilities are an allowed use under a conditional-use permit.

Improvements include a 6,033-square-foot building used as a church. The structure was originally built in 1957 and was 1,300 square feet; in 1960, an additional 1,637 square feet were added and, in 1966, 3,096 square feet were added. The structure is U-shaped with one side serving as the assembly hall and the other as offices/residence, etc.

There is a large, parking lot with 38 spaces, plus 3 handicap stalls. The site also features concrete walkways and native landscaping.

The property was not listed for sale on the open market. The data developed are from public records.

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF THE LIFEPOINT CHURCH



SCHOOL/COMMUNITY-USE SALE C-11
1402 GOLDEN HILL ROAD, PASO ROBLES
(SAN LUIS OBISPO COUNTY)

School/Community-Use Sale C-11

Location:	1402 Golden Hill Road, Paso Robles (San Luis Obispo County)
APNs:	025-366-026 and -027
Grantor:	Porter Family Trust
Grantee:	Kelsey J. Sullivan
Date of Transfer:	May 19, 2023
Sale Price:	$1,400,000
Terms:	Cash to conventional
Recording Data:	Document No. 2023-13880
Data Source:	Public records/Paul Shannon, broker
Confirmed By:	Allyson Milburn
Property Description:	Preschool facility
Property Size:	6,804 square feet of building; 1.88±-acre site; land-to-building ratio: 12.04
Zoning:	Single-Family Residential/Planned Development overlay (R-1/PD2); City of Paso Robles
Access:	Paved, public road
Utilities:	Full
Topography:	Level
Legal Parcels:	2
Units of Comparison:	$205.76 per sf GBA; $17.10 per sf land

SCHOOL/COMMUNITY-USE SALE C-11, CONTINUED

COMMENTS: This property fronts the east side of Golden Hill Road in Paso Robles, California, about 0.6 mile south of Highway 46E. Access to the front parking lot is via 2 driveways on Golden Hill Road (a 4-lane, paved, public road with a center, 2-way left-turn lane).

The property is in the eastern portion of Paso Robles and is bordered to the east by a large, open space; otherwise, it is surrounded by estate-residential homes.

The site includes two adjacent parcels. APN 005-366-026 is 53,597 square feet and APN 005-366-027 is 28,314 square feet. Each parcel is improved with a building.

APN 005-366-026 is improved with the main, 5,544-square-foot, preschool building. This building includes 7 classrooms, 5 restrooms, a nursery, 2 kitchens, a laundry room, reception, and 2 offices.

The second parcel, APN 005-366-027, is improved with a 900-square-foot residence (built 1935) with an additional 360 square feet of basement area. The first-floor area includes two bedrooms, a living room, kitchen, bathroom, and storage room. The house is also used as part of the preschool. There is also a barn in the rear of the property.

There are 19 marked parking spaces with some unmarked spaces.

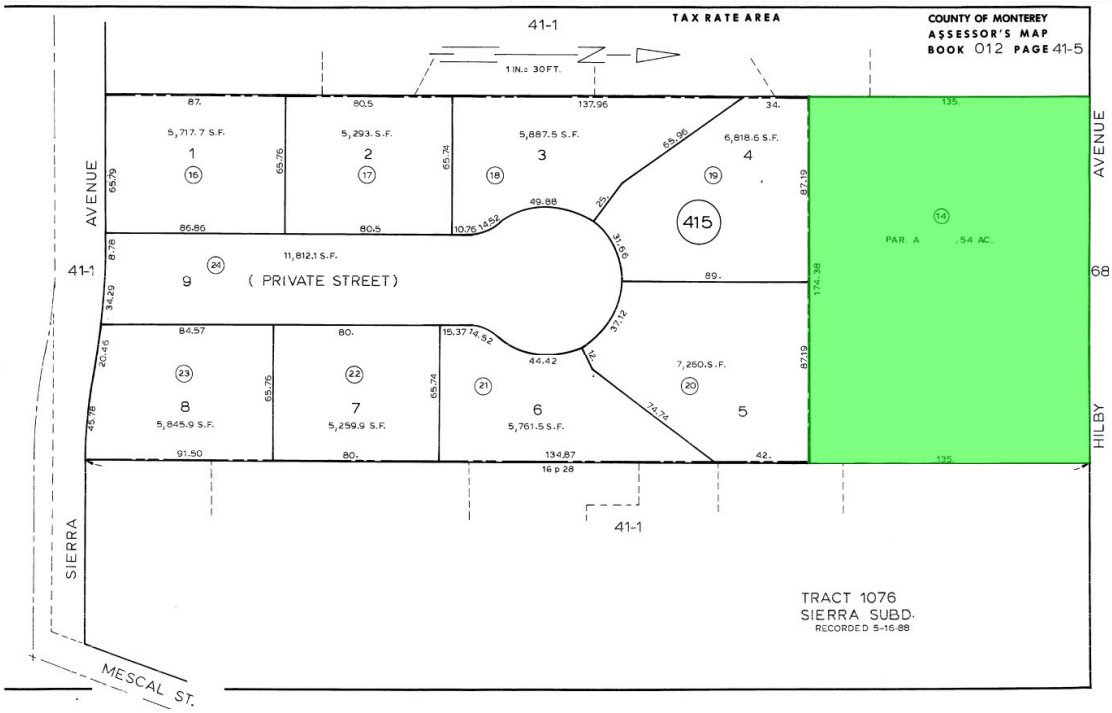
This property was listed for sale with Pacifica Commercial Realty at an asking price of $1,595,000. The seller originally offered the property for rent with an option to purchase; the rental rate was $1.00 per square foot, triple net. However, the buyer purchased to use for their own preschool business. The seller paid to repair the roof during escrow. Otherwise, the property was reportedly in good/turnkey condition.

The sale price is allocated as follows:

Land	$ 400,000
Improvements	1,000,000
TOTAL	$1,400,000

Google Earth Pro Aerial Photograph of 1402 Golden Hill Road, Paso Robles

SCHOOL/COMMUNITY-USE SALE C-12
SEASIDE CHILD CARE – PRESCHOOL FACILITY
1664 HILBY AVENUE, SEASIDE
(MONTEREY COUNTY)



School/Community-Use Sale C-12

Name:	Seaside Child Care – Preschool Facility
Location:	1664 Hilby Avenue, Seaside (Monterey County)
APN:	012-415-014
Grantor:	Dolores Gunia Trust
Grantee:	Lauras Barn Preschool And Childcare Center
Date of Transfer:	June 30, 2023
Sale Price:	$1,850,000
Terms:	Cash to conventional
Recording Data:	Document No. 2023-20223
Data Source:	Public records/marketing brochure
Confirmed By:	Allyson Milburn
Property Description:	Daycare facility
Property Size:	8,613 square feet of building; 0.54±-acre site; land-to-building ratio: 2.73
Zoning:	Single-Family Residential – Low Density (RS-8); City of Seaside
Access:	Paved, public road
Utilities:	Full
Topography:	Level
Legal Parcels:	1
Units of Comparison:	$214.79 per sf GBA; $78.65 per sf land

SCHOOL/COMMUNITY-USE SALE C-12, CONTINUED

COMMENTS: This property fronts the south side of Hilby Avenue, north of Canyon Del Rey Boulevard, in Seaside, California. The property is located near the eastern edge of a residential neighborhood. Just to the east is the open space of Fort Ord. Access is from two driveways off Hilby Avenue (a two-lane, public road with sidewalks). There is diagonal parking and a pull-thru lane in the front of the property.

The property is zoned Single-Family Residential – Low Density; daycare and preschool are allowable uses under a use permit.

The 23,541-square-foot site is improved with an 8,613-square-foot, 2-story preschool. The site includes playground equipment, a covered play area, and approximately 17 on-site parking spaces.

The property was listed for sale at $1,920,000; reduced to $1,850,000; and sold for this in June 2023 after 1,226 days on market. All furniture and fixtures were included; sold in turnkey condition. The buyer continued use as a preschool/daycare facility.

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF SEASIDE CHILD CARE – PRESCHOOL FACILITY

SCHOOL/COMMUNITY-USE SALE C-13
IGLESIA LINAJE ESCOGIDO
2050 IRONWOOD AVENUE, MORRO BAY
(SAN LUIS OBISPO COUNTY)

School/Community-Use Sale C-13

Name:	Iglesia Linaje Escogido
Location:	2050 Ironwood Avenue, Morro Bay (San Luis Obispo County)
APN:	068-351-008
Grantor:	Christian Missionary Society of Southern California
Grantee:	Shoreline Calvary Chapel
Date of Transfer:	September 26, 2023
Sale Price:	$850,000
Terms:	Cash
Recording Data:	Document No. 2023-28283
Data Source:	Public records
Confirmed By:	Todd O. Murphy
Property Description:	Church facility with parking lot
Property Size:	7,420 square feet of building; 0.878±-acre site; land-to-building ratio: 5.15
Zoning:	Residential Low Density (RL); City of Morro Bay
Access:	Paved, public road
Utilities:	Full
Topography:	Level to gently-sloping
Legal Parcels:	1
Units of Comparison:	$114.56 per sf GBA; $22.22 per sf land

SCHOOL/COMMUNITY-USE SALE C-13, CONTINUED

COMMENTS: This property is located on the east side of Ironwood Avenue in northern Morro Bay, just north of Highway 41 and east of Highway 1. Ironwood Avenue is a two-lane, paved road with no curbs or sidewalks. The property features open, paved access along the entire frontage with parking spaces in front, on one side, and at the rear of the property.

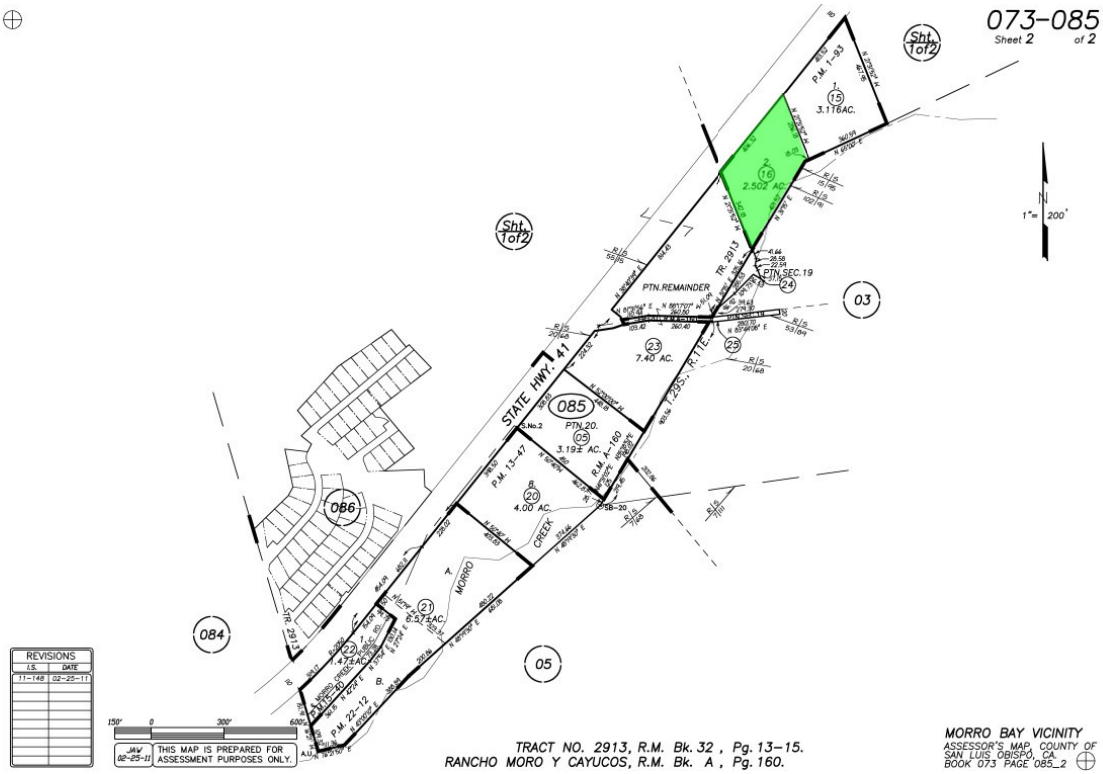
The property is zoned Residential Low Density within the City of Morro Bay. Adjacent properties feature single-family residential use.

The structure features an average- to average-plus-quality church facility, plus on-site parking. It was originally built in 1969, with at least one later addition. No direct verification of the building size was possible; the structure was measured using a Google Earth Pro aerial photograph.

This property appeared to sell as a private, off-market sale between two church congregations; no verification of the sale was available. The buyer, Shoreline Calvary Chapel, was previously located at Morro Elementary School in Morro Bay.

Google Earth Pro Aerial Photograph of Iglesia Linaje Escogido

SCHOOL/COMMUNITY-USE SALE C-14 (LISTING)
THE LODGE
1338 ATASCADERO ROAD, MORRO BAY
(SAN LUIS OBISPO COUNTY)



SCHOOL/COMMUNITY-USE SALE C-14 (LISTING)

NAME:	The Lodge
LOCATION:	1338 Atascadero Road, Morro Bay (San Luis Obispo County)
APN:	073-085-016
GRANTOR:	James and Nancy Doherty
GRANTEE:	n/a
DATE OF LISTING:	Current
ASKING PRICE:	$2,499,999
TERMS:	n/a
RECORDING DATA:	n/a
DATA SOURCE:	Public records/MLS/marketing brochure
CONFIRMED BY:	Todd O. Murphy
PROPERTY DESCRIPTION:	Event center; former Masonic Lodge
PROPERTY SIZE:	8,000 square feet of building; 2.90±-acre site; land-to-building ratio: 15.79
ZONING:	Recreation (REC)/Agriculture (AG)/Coastal Zone (CZ); County of San Luis Obispo
ACCESS:	Paved, public highway
UTILITIES:	Full, plus owned solar, well, and septic
TOPOGRAPHY:	Level with creek corridor
LEGAL PARCELS:	1
UNITS OF COMPARISON:	$312.50 per sf GBA; $19.79 per sf land

SCHOOL/COMMUNITY-USE SALE C-14 (LISTING), CONTINUED

COMMENTS: This former Masonic Lodge is located along the south line of Atascadero Road (Highway 41W), 1.5 miles east of Highway 1 in Morro Bay. It is just outside the city limits. Access is via two driveways directly off Atascadero Road (a two-lane, public highway). There are no turn lanes.

The property is surrounded by grazing ranches and some farmland. Morro Creek is located along the southeastern border.

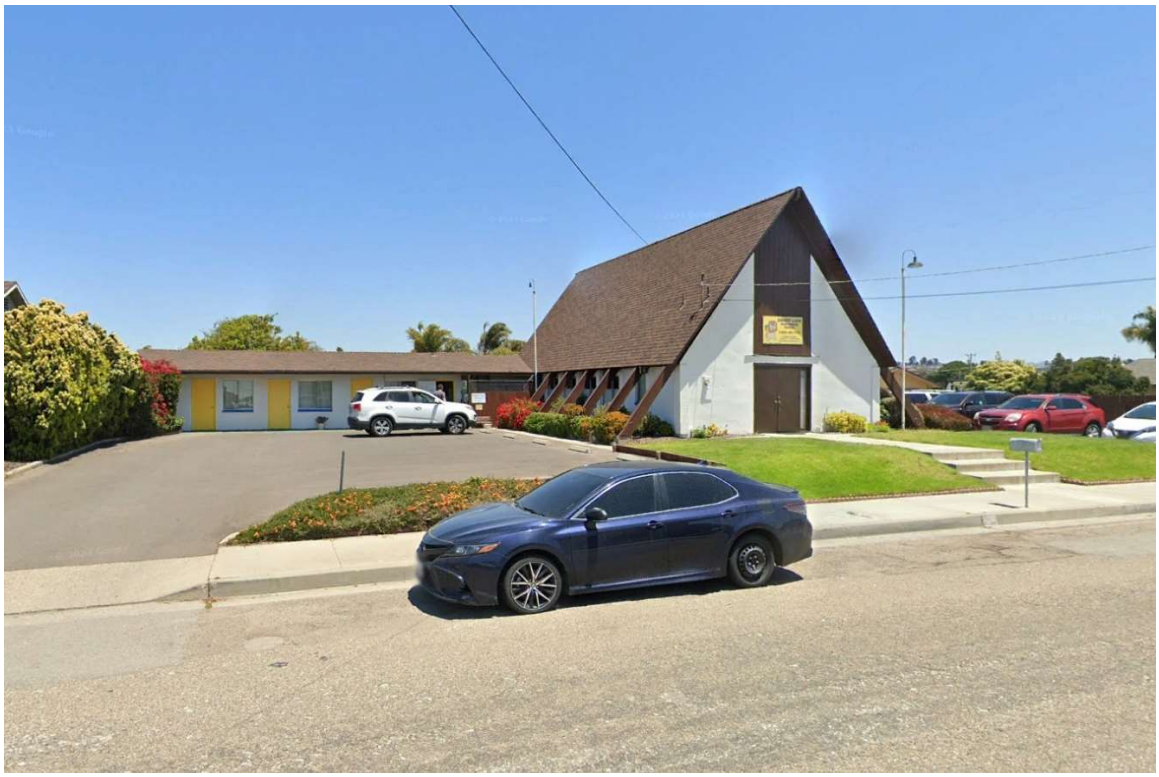
The property is zoned mostly Recreation, with a portion along the creek edge zoned Agriculture. It is within the Coastal Zone.

Known as "The Lodge," this property is an 8,000-square-foot, event center featuring 2 banquet halls (347 guest capacity combined), a commercial kitchen, outdoor BBQ area, and ADA-compliant restrooms. This building was built in 1970 and renovated in 2022. There is also a caretaker's quarters (1 bedroom/1 bathroom) and detached garage. The property is reportedly in turnkey condition.

The site features a large, paved, parking lot (81 paved spaces); unpaved, parking area (80+); perimeter fencing; and extensive landscaping. A 26-kW solar system and a well with a 15,000-gallon, storage tank were installed in 2021.

This property was originally listed for sale in 2021 for $3,950,000; it changed brokers a couple times, reducing the asking price periodically (as low as $1,999,999 in April 2024, with seller financing offered) with the listing expiring twice. It was most recently relisted on May 11, 2024, for $2,499,999.

Google Earth Pro Aerial Photograph of The Lodge



School/Community-Use Sale C-15 (Listing)
Dandy Lions Montessori School
1089 Baden Avenue, Grover Beach
(San Luis Obispo County)

School/Community-Use Sale C-15 (Listing)

Name:	Dandy Lions Montessori School
Location:	1089 Baden Avenue, Grover Beach (San Luis Obispo County)
APNs:	060-353-024
Grantor:	Ann Balisuriya Trust
Grantee:	n/a
Date of Listing:	Current
Asking Price:	$1,685,000
Terms:	n/a
Recording Data:	n/a
Data Source:	Public records/CoStar/marketing brochure
Confirmed By:	Todd O. Murphy
Property Description:	Preschool facility
Property Size:	2,400 square feet of building; 0.418±-acre site; land-to-building ratio: 7.59
Zoning:	Low Density Residential (R-1); City of Grover Beach
Access:	Paved, public road
Utilities:	Full
Topography:	Level
Legal Parcels:	3 apparent
Units of Comparison:	$702.08 per sf GBA; $92.54 per sf land

SCHOOL/COMMUNITY-USE SALE C-15 (LISTING), CONTINUED

COMMENTS: This property is located on the north side of Baden Avenue, 1 block north of Farroll Road, in southern Grover Beach. Baden Avenue is a 2-lane, public road with sidewalks. Access is from 2 driveways on Baden Avenue; each leads to a separate paved, parking lot – 1 on each side of the building.

The property is zoned Low Density Residential. Adjacent properties are single- and multi-family residences. There are Neighborhood-Commercial-zoned properties nearby; across Farroll Road are Industrial-zoned properties.

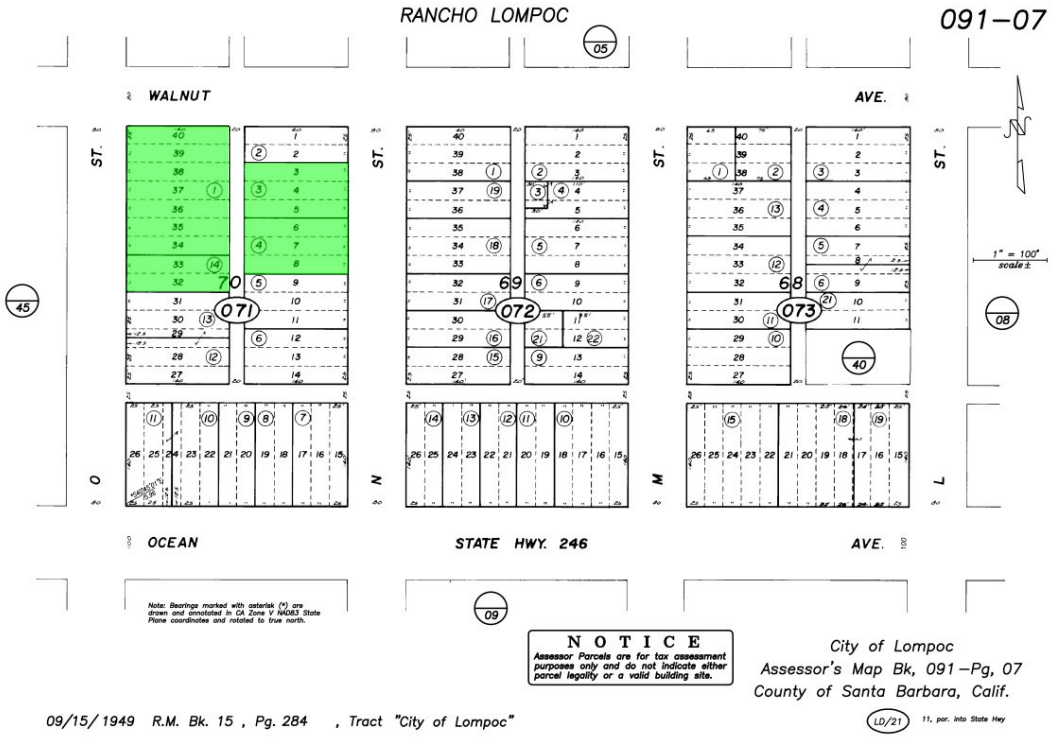
The property is improved with a 2,400-square-foot, preschool/daycare facility that was originally a church. It was renovated in 1981 to a daycare and again in 1997 to a Montessori school (permitted for 50 students) by the current owner. The building has had good upkeep and the roof and asphalt are fairly new. To the rear is a large, fenced playground and to the sides are paved, parking areas (14 parking spaces total).

The property is advertised for $1,685,000 including land, building, business opportunity, Montessori materials, furniture, equipment, playground equipment, etc. This property is not listed on MLS. The current owner is retiring.

The asking price is allocated at $1,000,000 for real estate and $685,000 for non-realty items

Google Earth Pro Aerial Photograph of the Dandy Lions Montessori School Facility

SCHOOL/COMMUNITY-USE SALE C-16 (LISTING)
CHURCH OF CHRIST LOMPOC
138 NORTH O STREET, LOMPOC
(SANTA BARBARA COUNTY)



SCHOOL/COMMUNITY-USE SALE C-16 (LISTING)

NAME:	Church of Christ Lompoc
LOCATION:	138 North O Street, Lompoc (Santa Barbara County)
APNS:	091-071-001, -003, -004, and -014
GRANTOR:	Church of Christ of Lompoc Ca
GRANTEE:	n/a
DATE OF LISTING:	Current
ASKING PRICE:	$2,000,000
TERMS:	1031 exchange
RECORDING DATA:	n/a
DATA SOURCE:	Public records/marketing brochure/MLS
CONFIRMED BY:	Todd O. Murphy
PROPERTY DESCRIPTION:	Worship center with offices/classrooms
PROPERTY SIZE:	12,000 square feet of building; 1.205±-acre site; land-to-building ratio: 4.37
ZONING:	High Density Residential (R3); City of Lompoc
ACCESS:	Paved, public road
UTILITIES:	Full
TOPOGRAPHY:	Level
LEGAL PARCELS:	4
UNITS OF COMPARISON:	$166.67 per sf GBA; $38.10 per sf land

SCHOOL/COMMUNITY-USE SALE C-16 (LISTING), CONTINUED

COMMENTS: This property is located on the southeastern corner of West Walnut Avenue and North O Street in Lompoc, about 0.4 mile west of the downtown area. North O Street is a two-lane road with sidewalks, left-turn lanes, bike lanes, and curb parking. West Walnut Avenue is a two-lane street with sidewalks and curb parking. Access is via a driveway off North O Street and an alley off West Walnut Avenue that runs between the parcels and connects to the driveway access.

The property is located in the southwestern section of Lompoc. Adjacent properties are mostly single-family residential; there are also a post office, a church, and a city park nearby.

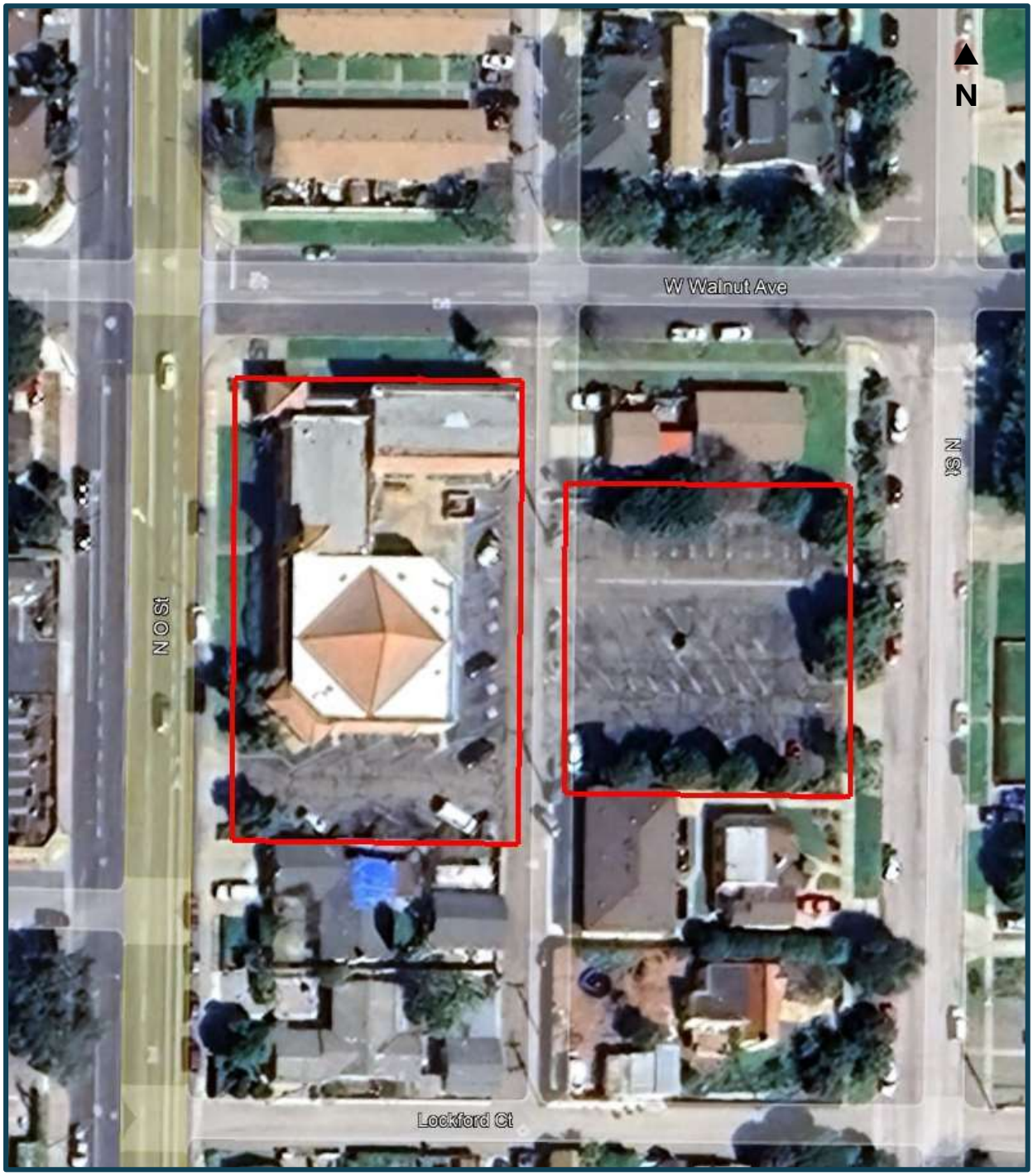
The property is zoned High Density Residential.

Improvements include a 12,000-square-foot building (built in 1981) that features a large auditorium (200-person capacity), numerous small rooms, restrooms, dining hall with kitchen, and a two-story block of offices and classrooms with more restrooms. This facility features concrete mission-tile roof, with mostly stucco exterior, and appears to be well-maintained. There are various exterior access points to the building and an outdoor courtyard/patio area.

The rear parcels feature paved parking areas with trees around the perimeter. The rear parking and the side lot on the front parcels total 63 spaces.

This property was listed for sale on MLS in November 2022 for $2,250,000 and reduced in February 2024 to $2,000,000. Sale will be contingent on a 1031 exchange.

Google Earth Pro Aerial Photograph of 138 North O Street, Lompoc



DATA TABLE C
COMPARABLE SCHOOL/COMMUNITY-USE SALES
(RANKED BY DATE)

SCHOOL/ COMMUNITY-USE SALE	SALE DATE	SALE PRICE	ACRES	SQUARE FEET OF STRUCTURES	LAND-TO-BUILDING RATIO	ZONING	PRICE PER SQUARE FOOT OF LAND	PRICE PER SQUARE FOOT OF BUILDING
C-1	2-16	$3,300,000	10.17±	16,577±	26.72	RR	$ 7.45	$199.07
The Laureate Child and Family Center, 880 Laureate Lane, San Luis Obispo (San Luis Obispo County); APN 067-072-037; mostly level, L-shaped site with drainage swale running through portions; zoned Residential Rural; built in 1994; comprised of 3 preschool classrooms, 1 kindergarten classroom, 7 elementary and intermediate classrooms, offices, janitorial facilities, bookstore, workroom, multipurpose room, restrooms, and a science lab all totaling 16,577 square feet; on-site, 14,850-square-foot, asphalt-paved, parking area with 36 spaces								
C-2	11-17	2,550,000	29.03±	18,564±	68.12	PF	2.02	137.36
Camp Arroyo Grande, 250 Wesley Avenue, Arroyo Grande (San Luis Obispo County); APNs 007-011-021, -022, and -049 (portion); gently-sloping hillside located in central Arroyo Grande; many usable terraces and meadows; mature trees and open grassland; zoned Public Facilities; historic camp (formerly United Methodist Campground) with extensive structures, including cabins, 2 lodges, dining hall and kitchen complex, manager's residence, large tabernacle structure, and swimming pool and cabana; total 18,564± square feet of buildings; structures contribute $810,000; acquired by a community non-profit organization								
C-3	1-21	2,500,000	2.00±	12,412±	7.02	R-3	28.70	201.35
The Merryhill School, 2565 Millcreek Drive, Sacramento (Sacramento County); APN 274-0410-023; level site about 3 miles from downtown Sacramento; zoned Multi-unit Dwelling; private school facility, play yard, paved court, swimming pool; wood frame structures average quality and construction; parking lot has 39 spaces; improvement contributory value $1,775,000; zoned multiunit dwelling; vacant when sold								
C-4	3-21	5,775,000	5.58±	9,149±	26.57	1-E-1	23.76	631.22
Laguna Blanca School, 260 San Ysidro Road, Santa Barbara (Santa Barbara County); APN 009-140-032; 0.45 mile northeast of the village of Montecito; zoned Single-Family Residential; perimeter fenced; main facility built in 2007 plus several small outbuildings, grass/sand and paved play areas; leased at time of sale; sold to tenant after 68 days on market in a 1030 exchange								
C-5	8-21	1,000,000	0.34±	4,736±	3.12	RM-4	67.52	211.15
Noah's Ark Preschool and Daycare, 720 17th Avenue, Santa Cruz (Santa Cruz County); APN 028-052-34; located east of downtown; zoned Multiple Residence – Medium Density; building features a large play room, 2 restrooms, full kitchen, patio, and outdoor playground; parking for 10 in front of building; private transaction between locals; FF&E and business purchased under separate transaction; buyer continued the business; improvements allocated $500,000; buyer spent about $150,000 on upgrades upon purchase								
C-6	3-22	1,140,000	0.56±	5,344±	4.56	R-1	46.73	213.32
Woodland Montessori School; 1730-1738 Cottonwood Street, Woodland (Yolo County); APNs 039-471-014, -015, and -016; located in a residential area very near a public elementary school; zoned Residential; 2 buildings on 3 legal parcels; facilities feature lobby areas, classrooms, offices, lounge, bathrooms, storage, laundry, and kitchens; middle parcel features a secured play yard; originally listed for $1,240,000, fell out of escrow twice; buyer secured COVID-relief funding to make repairs (roof, fire sprinklers, cosmetic)								

CONTINUED ON THE FOLLOWING PAGE

DATA TABLE C, CONTINUED

SCHOOL/ COMMUNITY-USE SALE	SALE DATE	SALE PRICE	ACRES	SQUARE FEET OF STRUCTURES	LAND-TO-BUILDING RATIO	ZONING	PRICE PER SQUARE FOOT OF LAND	PRICE PER SQUARE FOOT OF BUILDING
C-7	5-22	$1,402,500	3.06±	7,900±	16.87	C-1	$10.52	$177.53
Former Benedict Rettey Mortuary and Crematory property; 1401 Quintana Road, Morro Bay (San Luis Obispo County); APN 068-411-002; located east of Morro Bay with visibility from Highway 1; near RV/mobilehome parks and open space; elongated property with facilities at south end and an undeveloped area at the north; zoned C-1; 1 building features 3 offices, 2 restrooms, a meeting room, storage, 2 large refrigeration units, and a 4-car garage; the other building features an office, restroom, large refrigeration unit, and a 1-car garage; paved parking for 70 cars; vacant at time of sale (cremation equipment removed); landscaping; listed in 2021 and under contract twice; eventual buyer negotiated down from $1,500,000 for repairs and encroachment; buyers redeveloped as an event/performance venue								
C-8	6-22	1,530,000	1.91±	8,450	9.85	P	18.39	181.07
Atascadero Children's Center; 11850 Camino Viejo, Atascadero (San Luis Obispo County); APN 045-332-012; located in rural/south Atascadero near residential tracts and park; zoned Public; 3 converted residences with ample parking and several fenced play areas; private sale to employees who purchased business and FF&E in a separate transaction; improvements allocated $1,030,000								
C-9	9-22	1,675,000	0.94±	6,200	6.60	R-4	40.91	270.16
Assistance League School; 1310 Fremont Way, Oxnard (Ventura County); APN 200-0-351-135; private school facility located in residential area, adjacent to public middle school; zoned Residential – High Rise; 2 school buildings, gated parking, fully fenced, covered play areas; marketed for redevelopment, but sold for daycare use								
C-10	2-23	1,300,000	0.794±	6,033±	5.73	RSF/CZ	37.61	215.48
Lifepoint Church; 1805 11th Street, Los Osos (San Luis Obispo County); APN 038-582-025; church located 4 blocks north of downtown Los Osos; zoned Residential Single Family within the Coastal Zone; U-shaped building with assembly facility on one side and offices, etc., on the other; parking totals 41 spaces; private, off-market sale								
C-11	5-23	1,400,000	1.88±	6,804±	12.04	R-1/PD2	17.10	205.76
1402 Golden Hill Road, Paso Robles (San Luis Obispo County); APNs 025-366-026 and -027; preschool located on 3 parcels in eastern Paso Robles; zoned R-1/PD2; main building features 7 classrooms, 5 restrooms, a nursery, 2 kitchens, laundry, reception, and 2 offices; secondary residence features 2 bedrooms, living room, kitchen, bathroom, and storage room; barn on back parcel; parking for 19+; purchased for continued preschool use; building contributory value $1,000,000								
C-12	6-23	1,850,000	0.54±	8,613±	2.73	RS-8	78.65	214.79
Seaside Child Care; 1664 Hilby Avenue, Seaside (Monterey County); APN 012-415-014; daycare facility located within residential neighborhood; zoned Single Family Residential – Low Density; 2-story building, covered playground with equipment, furniture and fixtures included; turnkey condition; parking for 17; marketed for 1,226 days; buyer continued use as a daycare/preschool facility								
C-13	9-23	850,000	0.878±	7,420±	5.16	RL	22.22	114.56
Iglesia Linaje Escogido; 2050 Ironwood Avenue, Morro Bay (San Luis Obispo County); APN 068-351-008; zoned Residential Low Density; existing church facility located in northeast Morro Bay; private sale between 2 church congregations								

CONTINUED ON THE FOLLOWING PAGE

DATA TABLE C, CONTINUED

SCHOOL/ COMMUNITY-USE SALE	SALE DATE	SALE PRICE	ACRES	SQUARE FEET OF STRUCTURES	LAND-TO-BUILDING RATIO	ZONING	PRICE PER SQUARE FOOT OF LAND	PRICE PER SQUARE FOOT OF BUILDING
C-14[L]	Current	$2,499,999	2.90±	8,000	15.79	REC/AG/CZ	$19.79	$312.50
The Lodge; 1338 Atascadero Road, Morro Bay (San Luis Obispo County); APN 073-085-016; former Masonic Lodge, extensively remodeled (2022), located just east of Morro Bay, adjacent to Morro Creek and ranch/farmland; zoned Recreation within the Coastal Zone; facility features 2 banquet halls, commercial kitchen, outdoor BBQ area, and restrooms; also a garage and caretaker's quarters; paved and unpaved parking for 160+; well, storage tank, and solar installed in 2021; originally listed in 2021 for $3,950,000, reduced and expired variously, recently relisted in May 2024 for $2,499,999								
C-15[L]	Current	1,685,000	0.418±	2,400	7.59	R-1	54.92	416.67
Dandy Lions Montessori School; 1089 Baden Avenue, Grover Beach (San Luis Obispo County); APN 060-353-024; located in southern Grover Beach; zoned Low Density Residential, surrounded by single- and multi-family uses; former church, now Montessori school for 50 students; well-maintained; large, rear, fenced play area; paved, parking for 14; not listed on MLS; commercial listing includes real estate, business, and equipment; owner is retiring; asking price is allocated at $1,000,000 for real estate and $685,000 for non-realty items								
C-16[L]	Current	2,000,000	1.205±	12,000	4.37	R3	38.10	166.67
Church of Christ Lompoc; 138 North O Street, Lompoc (Santa Barbara County); APNs 091-071-001, et al.; about 0.4 mile west of downtown, worship center and classroom facility on 1 parcel, parking on 3 others; in a mostly residential area; zoned High Density Residential; 63 parking spaces; listed since November 2022, initially for $2,250,000, reduced in February 2024; sale will be 1031 exchange								

[L] Listing

Improved Sales Survey

Data Group C – School and Community-Use Sales

A total of 16 comparable improved school and community-use sales and listings were identified and analyzed as a part of this appraisal. This includes 13 closed sales and 3 current listings. These are considered to be the best available market data to compare with the Sunnyside Elementary School property. These properties primarily include various specialized and institutional uses and structures (including schools, meeting halls, churches, etc.). This represents a remarkable number of similar properties available for comparison purposes.

Improved Sales Analysis

The school and community-use sales are analyzed and compared with the Sunnyside Elementary School property, considering the following factors:

Location

Only Sales C-7, C-10, and C-13 were identified in Los Osos and nearby Morro Bay. Due to the limited number of sales of schools or other special-use properties in Los Osos and Morro Bay, the appraiser expanded the market data search outside these communities. The comparable sales reflect different market areas within San Luis Obispo County and much farther away.

One-half of these comparable (Sales C-1, C-2, C-7, C-8, C-10, C-11, C-14, and C-15) are all located in San Luis Obispo County; the balance of these properties are located in more distant settings.

Sale C-1 is located on the northwestern edge of San Luis Obispo, about 8 miles southeast of the subject property. It is notable that Sale C-1 features a somewhat suburban location, on the edge of San Luis Obispo, fairly close to Los Osos Valley Road. All of the other properties reflect fairly developed locations, similar to the subject location.

Sale C-2 is situated just north of the Village of Arroyo Grande, about 20 miles southeast of the subject location.

It is notable that Sale C-3 is located near Montecito, which reflects a clearly superior location. Sales C-5, C-9, and C-12 are each located in coastal-oriented communities (including Santa Cruz, Oxnard, and Seaside) and are considered to be competitive with the subject location in Los Osos.

Sales C-3 and C-6 are located in inland locations in Sacramento and Woodland, but are included due to their similarity in uses.

Market Conditions

The school and community-use sales have occurred over the past 8+ years, reflecting sale dates from February 2016 through September 2023, plus three current listings. Sales C-1 and C-2 are clearly the most dated sales, having sold roughly 8.0+ and 6.5 years earlier than the current date of value. However, these sales are included in this dataset due to their overall similarity to the subject property. Due to general increases in land prices and construction costs, these two sales are ranked inferior from a market conditions perspective.

The balance of the school and community-use comparables are considered to be current sales, representative of current market conditions. Sales C-3 to C-13 occurred after the onset of the COVID-19 pandemic. Due to the specialized property uses, it is difficult to measure significant price changes over the past 4 years; but, it generally appears that prices have increased reflecting increased land prices and construction costs.

Property Rights Conveyed
The market data in Data Group C feature primarily fee simple sales. None of the sales in Data Group C featured long-term leases. The subject property reflects existing leases, although none are for longer than an annual term. Overall, the market data are considered to be consistent with the subject property from a property-rights-conveyed standpoint.

Non-Realty Items
In some cases, the non-realty items (furniture, equipment, business value) were acquired under a different transaction. Sale C-15 is a current listing; however, this listing also includes a price allocation between business and equipment assets.

Land Size
The comparable sales reflect land sizes from 0.34± to 29.03± acres. This brackets the subject property at 11.90± acres; however, the subject site is larger than all but one of the comparable properties. There generally appears to be significant discounting on a price-per-square-foot-of-land basis for larger properties.

Zoning
The comparable market data reflect a variety of zoning designations. Only Sales C-2 and C-8 sold with designated Public Facility/Public zonings, similar to the subject property. It is notable that Sale C-2 sold with a very clear direction from the City of Arroyo Grande that the zoning designation was not a candidate for General Plan Amendment and rezoning. Therefore, this property is ranked inferior in this regard.

Building Size
The comparable sales range in building size from 2,400 to 18,564 square feet. Historically, there has been a clear inverse relationship between building size and price per square foot, with discounting for larger sizes.

The subject property totals 29,700± square feet of conventional (non-relocatable) buildings, plus 5,255± square feet of relocatable structures. Primary weight is given to valuation of the conventional structures. The total of 29,700± square feet is larger than the upper end of the building-size range provided by the comparable market data.

Building Quality and Condition/Utility
An analysis of the comparable sales indicates quality and condition/utility for differences in overall quality and finish, plus differences in condition related to physical and age factors. Overall, Sales C-1 and C-4 represent much more modern structures, generally in superior condition compared to the subject buildings. Conversely, Sale C-2 reflects distinctly inferior facilities in this regard. There appears to be some correlation with this factor, as these superior properties represent some of the higher prices per square foot of building; whereas, inferior properties provide lower prices per square foot of building.

Land-to-Building Ratio (LBR)
This factor equals the total land area divided by the total building area and represents an indication of how much development has occurred on a given property. Considering only the conventional (not relocatable) buildings, the subject property features 11.90± acres and 29,700± square feet of buildings for a LBR of 17.45. The market data in Data Group C reflect LBRs ranging from 2.73 to 68.12, with most in the range of 5.73 to 16.87, which is lower than the subject property LBR factor.

As a general comparison, most local "urban" office/commercial properties with on-site surface parking typically reflect a LBR in the 2.00 to 4.50 range. So, it is clear that the subject property, and most of the comparable school and community-use market data, reflect significantly greater LBRs than typical urban properties.

Unit of Comparison

Two types of physical units of comparison are evaluated. The price per square foot of land provided by the market data ranges from $2.02 to $78.65. This is a very wide price range, with a high to low measure of price spread. The price per square foot on a gross-building-area basis ranges from $114.56 to $631.22, with a much narrower spread. Based on this comparison, the price per square foot of building is clearly the most consistent provided by the comparable data and is used for direct comparison purposes.

Comparable Sale Ranking Table

The available market data are analyzed by using the following comparable sale ranking table:

COMPARABLE SALES RANKING TABLE

IMPROVED SALE	SALE DATE	SALE PRICE	ACRES	SQUARE FEET OF BUILDING	LAND-TO-BUILDING RATIO	PRICE PER SQUARE FOOT BUILDING	RANKING*
C-4	3-21	$5,775,000	5.58±	9,149±	26.57	$631.22	VS
C-15[L]	Current	1,000,000**	0.418±	2,400±	7.59	416.67	VS
C-14[L]	Current	2,499,999	2.90±	8,000±	15.79	312.50	S
C-9	9-22	1,675,000	0.94±	6,200±	6.60	270.16	S
C-10	2-23	1,300,000	0.794±	6,033±	5.73	215.48	S
C-12	6-23	1,850,000	0.54±	8,613±	2.73	214.79	S
C-6	3-22	1,140,000	0.56±	5,344±	4.56	213.32	S
C-5	8-21	1,000,000	0.34±	4,736±	3.12	211.15	S
C-11	5-23	1,400,000	1.88±	6,804±	12.04	205.76	E
C-3	1-21	2,500,000	2.00±	12,412±	7.02	201.15	E
C-1	2-16	3,300,000	10.17±	16,577±	26.72	199.07	E
C-8	6-22	1,530,000	1.91±	8,450±	9.85	181.07	E
C-7	5-22	1,402,500	3.06±	7,900±	16.87	177.53	E/I
C-16[L]	Current	2,000,000	1.205±	12,000±	4.37	166.57	I
C-2	1-17	2,550,000	29.03±	18,564±	68.12	137.36	I
C-13	9-23	850,000	0.878±	7,420±	5.16	114.56	I

Market Data Recap

The overall comparative ranking reflects a composite of all factors, including location, building age and square footage, land area, LBR, etc. Overall, these sales and listings range from $114.56 to $631.22 per square foot of building. Most of these data fall within the refined price range of $177.53 to $215.48 per square foot of building.

Very careful weight is given to Sale C-1, which is a very similar property. This school property includes 10.17± acres and 16,577± square feet of school facilities with an LBR of 26.72. These facilities are considerably smaller and the buildings are much newer (built in 1994). This location is close to San Luis

* E = Equal; I = Inferior; S = Superior; VS = Very Superior

[L] Listing

** Allocated real estate price; asking price is $1,685,000.

Obispo, but in a more isolated setting. This property sold for $3,300,000. Overall, due to the smaller buildings and superior age, the sale price of $199.07 per square foot is ranked clearly superior to the subject property. However, this sale is now over 8 years old and is, therefore, ranked inferior from a market conditions standpoint. On balance, this property is ranked equal to superior to the subject property.

Sale C-7 is notable because this property is located in nearby Morro Bay and reflects a generally similar LBR at 16.87. This property was a former funeral home that sold for $177.53 per square foot. It is ranked inferior in terms of building factors, but superior with regard to its smaller land and building sizes. Based on these offsetting factors, this property is ranked overall equal to inferior to the subject property.

Also notable is the current listing of The Lodge (Sale C-14), a commercial event center property in Morro Bay that was remodeled from a former large banquet hall. This property features an LBR at 15.79, which is quite similar to the subject property. This property is listed for sale at $312.50 per square foot. It is ranked superior in terms of building factors and is also superior with regard to its smaller land and building sizes. And, importantly, this property is only a listing and has not yet sold.

Sale C-16 is also only a listing; it is located in Lompoc, but is considered useful because of the large size of the facilities at 12,000± square feet. The quality and condition of the structures are ranked superior; however, at 1.205± acres, this property features a much smaller land area than the subject property and is ranked quite inferior in this factor. On balance, considering the superior structure, yet very inferior land component, the asking price of $166.67 per square foot is ranked overall inferior to the subject property.

Valuation Scenarios A and B

All of the market data identified in Data Group C reflect special-use properties, with most being similar to very similar to the subject Sunnyside Elementary School use. These market data are also considered to be very similar to the value in-use valuation scenario, Scenario A, as they were acquired for the purposes of their existing uses, primarily as education/community-use properties.

From a Scenario B (Highest and Best Use) valuation standpoint, these properties are ranked similar for the improved sections of the subject property and inferior regarding the excess land portions. It may feature some potential for partial redevelopment at some point in the future.

As shown in the *Comparable Sales Ranking Table*, many of these sales are centered in the very refined price range of $200 to $210 per square foot. However, most of these properties are much smaller in size and are ranked superior based on this factor. However, they also tend to reflect much smaller LBRs than the subject property and are ranked clearly inferior from this important comparative factor. Overall, these factors are considered to be largely offsetting.

Valuation Scenario A Conclusions

In conclusion, the subject property is bracketed between Sales C-7 and C-1 at $177.53 to $199.09 per square foot of building.

This market value range is fairly wide, but unavoidable due to the specific use and location of the subject property and the challenges in quantifying the differences between the comparables.

Considering the various factors affecting the subject property, in the final analysis under Valuation Scenario A, value-per-square-foot-of-building range is concluded at $175 to $195. This provides a total market value range as follows:

SUNNYSIDE ELEMENTARY SCHOOL DIRECT SALE COMPARISON APPROACH VALUATION SCENARIO A				
SQUARE FEET	**X**	**MARKET VALUE PER SQUARE FOOT**	**=**	**TOTAL MARKET VALUE**
29,700		$175		$5,197,500 $5,200,000[R]
29,700		$195		$5,791,500 $5,800,000[R]

Valuation Scenario B Conclusions

Strong weight is given to Sale C-1 since it is located nearby in San Luis Obispo (albeit a dated sale); Sale C-3 since it is a large facility at 12,412± square feet; Sale C-7 in nearby Morro Bay; Sale C-8 in Atascadero; Sale C-10 very close-by in Los Osos; and Sale C-12 located in Seaside. These properties feature sales prices of $199.07, $210.35, $177.53, $181.07, $215.48, and $214.79 per square foot. In conclusion, the subject property is bracketed between Sales C-8 and C-20 at $181.07 to $214.79 per square foot of building.

This market value range is also fairly wide, but unavoidable due to the specific use and location of the subject property and the challenges in quantifying the differences between the comparables.

Considering the various factors affecting the subject property, in the final analysis, under Valuation Scenario B, the value-per-square-foot-of-building range is concluded at $190 to $210. This provides a total market value range as follows:

SUNNYSIDE ELEMENTARY SCHOOL DIRECT SALE COMPARISON APPROACH VALUATION SCENARIO B				
SQUARE FEET	**X**	**MARKET VALUE PER SQUARE FOOT**	**=**	**TOTAL MARKET VALUE**
29,700		$190		$5,643,000 $5,650,000[R]
29,700		$210		$6,237,100 $6,235,000[R]

Relocatable Structures

The relocatable structures are considered to reflect some contributory value, as they are leased and provide an income stream to the property. However, they are structurally clearly inferior. Considering the depreciated cost, the relocatable structures reflect a contributory value of $100,000.

[R] Rounded

Market Value Range Recap

	VALUATION SCENARIO A		VALUATION SCENARIO B	
Main Property	$5,200,000	$5,950,000	$5,650,000	$6,235,000
Relocatable Structures	100,000	100,000	100,000	100,000
Total Market Value Range	**$5,300,000**	**$6,050,000**	**$5,750,000**	**$6,335,000**
Midpoint	**$5,675,000**		**$6,050,000**	

The sales comparison approach provides a market value range of:

VALUATION SCENARIO A
FIVE MILLION SIX HUNDRED
SEVENTY-FIVE THOUSAND DOLLARS
($5,675,000)

VALUATION SCENARIO B
SIX MILLION
FIFTY THOUSAND DOLLARS
($6,050,000)

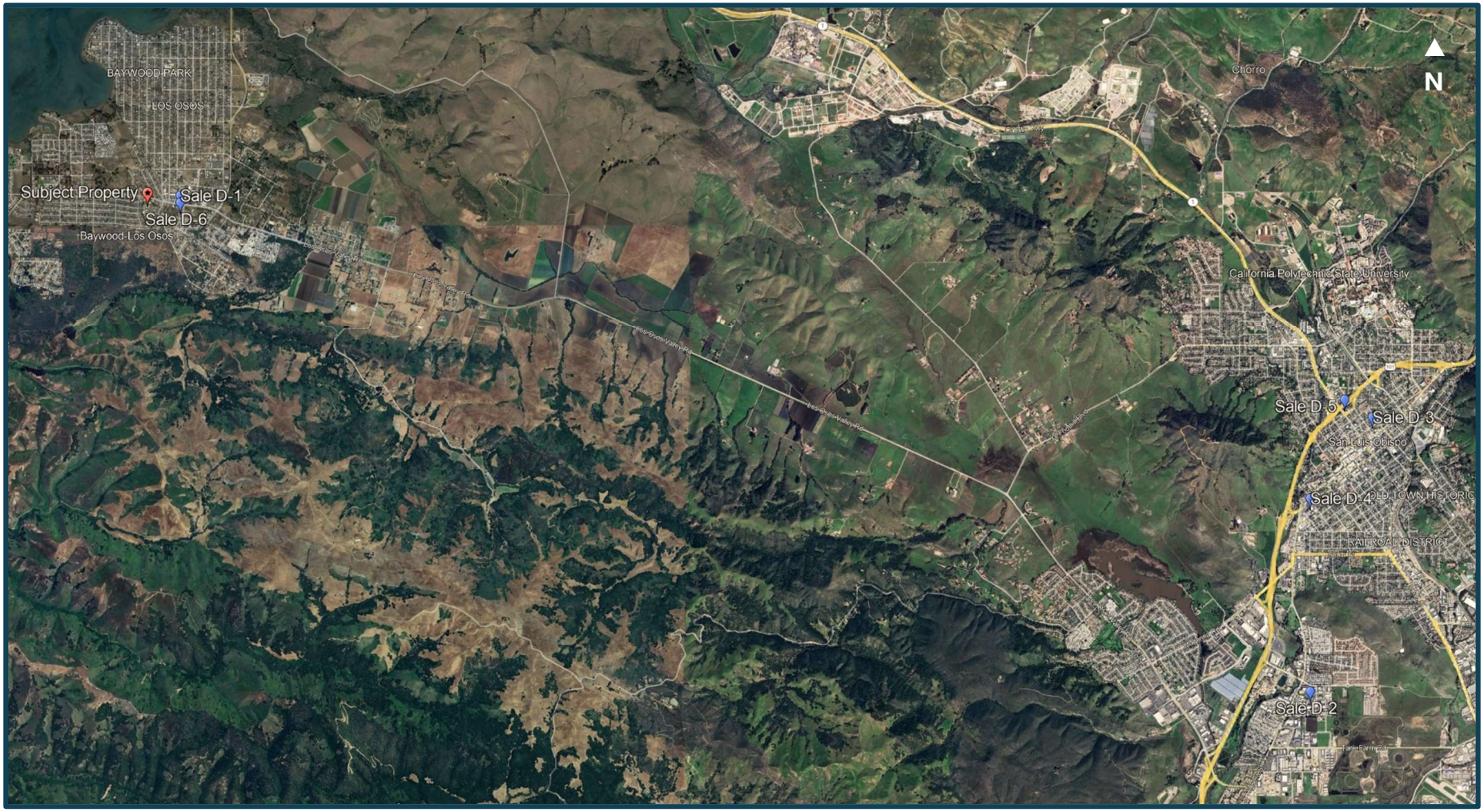
MARKET VALUE CONCLUSIONS

After analyzing the available market data, the current market value conclusion of the leased fee interest from the sales comparison approach, as of May 21, 2024, is:

VALUATION SCENARIO A
FIVE MILLION SIX HUNDRED
SEVENTY-FIVE THOUSAND DOLLARS
($5,675,000)

VALUATION SCENARIO B
SIX MILLION
FIFTY THOUSAND DOLLARS
($6,050,000)

DATA GROUP D
COMPARABLE OFFICE PROPERTY SALES LOCATION MAP



OFFICE PROPERTY SALE D-1
1085 LOS OSOS VALLEY ROAD, LOS OSOS
(SAN LUIS OBISPO COUNTY)

Office Property Sale D-1

Location:	1085 Los Osos Valley Road, Los Osos (San Luis Obispo County)
APN:	074-303-007
Grantor:	Gloria and Jose Zamora
Grantee:	Miguel and Mayra Martinez
Date of Transfer:	March 11, 2022
Sale Price:	$580,000
Terms:	Cash to conventional
Recording Data:	Document No. 2022-11236
Data Source:	Public records/MLS/Gloria Zamora, seller and broker
Confirmed By:	Allyson Milburn
Property Description:	Commercial/office building with storage
Property Size:	2,100 square feet of buildings; 0.1688±-acre site; land-to-building ratio: 3.50
Zoning:	Retail Commercial (C-R)
Access:	Paved, public road
Utilities:	Full
Topography:	Level
Legal Parcels:	1
Units of Comparison:	$276.19 per sf GBA; $78.88 per sf land

OFFICE PROPERTY SALE D-1, CONTINUED

COMMENTS: The property fronts the south side of Los Osos Valley Road in Los Osos, CA. Access is open along the entire frontage with Los Osos Valley Road, a four-lane, public road with center, dual turn lane and bike lanes.

Surrounding properties are commercial, retail, industrial, and residential uses.

The property is improved with a 2,100-square-foot, commercial/office building with a storage yard in the back. The building has three offices, two restrooms, kitchenette, and patio. The roof was replaced in 2020.

The site features seven parking spaces.

This property was listed for sale in January 2021 at $740,000. The MLS listing expired in January 2022. The seller is also the listing agent. Prior to and following the sale, the property has been occupied by a tenant that uses the building for U-Haul renting and a small store that sells party supplies.

The buyer owns the auto shop next door. They have continued to lease to the tenant, but use the rear fenced yard area for their auto shop. The buyer expressed interest in eventually expanding into the building with their auto shop business or using the building for a new restaurant business.

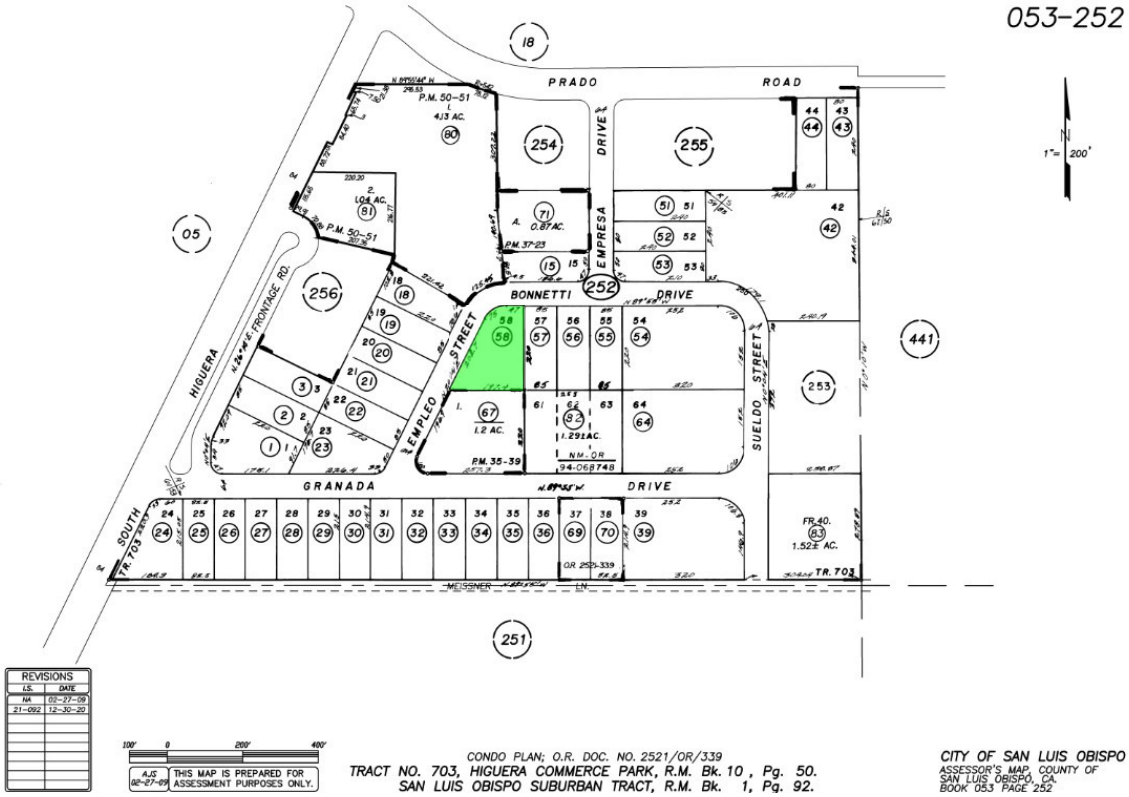
At the time of listing, the rental income was reported at $2,350 per month (or $28,200 per year) on a modified-gross basis with the tenant only responsible for utilities.

The revenue and expenses for this property are summarized as follows:

Income and Expense Analysis		
Rent Income	$28,200	$13.43
Potential Gross Income (PGI)	$28,200	
Vacancy Loss	$ 1,410	5.00% of PGI
Effective Gross Income	$26,790	$12.76
Expenses	$ 6,698	25.00% of EGI
Net Operating Income	$20,093	
OAR Cap Rate	3.46%	

Google Earth Pro Aerial Photograph of 1085 Los Osos Valley Road, Los Osos

Office Property Sale D-2
3533 Empleo Street, San Luis Obispo
(San Luis Obispo County)



Office Property Sale D-2

Location:	3533 Empleo Street, San Luis Obispo (San Luis Obispo County)
APN:	053-252-058
Grantor:	People's Self-Help Housing Corporation
Grantee:	San Luis Obispo Repertory Theater
Date of Transfer:	March 31, 2022
Sale Price:	$2,766,500
Terms:	Cash
Recording Data:	Document No. 2022-14270
Data Source:	Public records/Preston Thomas, real estate agent
Confirmed By:	Allyson Milburn
Property Description:	Corporate office building
Property Size:	9,142 square feet of building; 0.7173±-acre site; land-to-building ratio: 3.42
Zoning:	Service Commercial (C-S)
Access:	Paved, public road
Utilities:	Full
Topography:	Level
Legal Parcels:	1
Units of Comparison:	$302.61 per sf GBA; $88.54 per sf land

OFFICE PROPERTY SALE D-2, CONTINUED

COMMENTS: This property is located on the southeastern corner of Empleo Street and Bonetti Drive in southwestern San Luis Obispo, between Tank Farm Road and Prado Road. Empleo Street is two lanes with sidewalks on the property side. Access is via a single driveway off Empleo Street.

This property includes a 9,142-square-foot, modern, corporate headquarters built in the late 1990s and remodeled in 2015. The building includes 27 hard offices, with the possibility for more, plus several open work areas and a large conference/meeting room. Digital West fiber optics serves the building, as well as a back-up generator. Great on-site parking and freeway access. It has fire sprinklers. It also has a detached, 1,184-square-foot, storage building not included in the GBA.

The site includes a 25-space, paved, parking lot on the south side; landscaping; and outdoor lighting.

The property was listed for sale in June 2021 for $3,095,000; went under contract in December 2021; and sold for $2,766,500 in March 2022. The property sold for less than asking price by an owner-user. It was vacant at the time of sale and was purchased for owner occupancy.

Market rent is projected at $1.50 per square foot NNN for the office and $0.50 per square foot NNN for the storage building, resulting in the cap rate as shown.

The revenue and expenses for this property are summarized as follows:

Income and Expense Analysis		
Rent Income	$171,660	$18.78
Potential Gross Income (PGI)	$171,660	
Vacancy Loss	$ 8,583	5.00% of PGI
Effective Gross Income	$163,077	$17.84
Expenses	$ 11,415	7.00% of EGI
Net Operating Income	$151,662	
Cap Rate	5.48%	

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF 3533 EMPLEO STREET, SAN LUIS OBISPO

Office Property Sale D-3
1201 Palm Street and 954 Toro Street, San Luis Obispo
(San Luis Obispo County)

Office Property Sale D-3

Location:	1201 Palm Street and 954 Toro Street, San Luis Obispo (San Luis Obispo County)
APN:	001-222-017
Grantor:	Martin Coastal Storages LLC
Grantee:	Options Family of Services Inc.
Date of Transfer:	December 1, 2022
Sale Price:	$2,600,000
Terms:	Cash
Recording Data:	Document No. 2022-46660
Data Source:	Public records/MLS
Confirmed By:	Todd O. Murphy
Property Description:	2-story, 2-unit, office building
Property Size:	7,401 square feet of building; 0.3065±-acre site; land-to-building ratio: 1.80
Zoning:	Office (O)
Access:	Paved, public road
Utilities:	Full
Topography:	Sloping
Legal Parcels:	1
Units of Comparison:	$351.30 per sf GBA; $194.74 per sf land

OFFICE PROPERTY SALE D-3, CONTINUED

COMMENTS: The property is located on the southwestern corner of Toro and Palm Streets, two-lane streets with curb parking and sidewalks. Access is via a driveway on Palm Street.

The property is just north and east of the downtown corridor. The lot is sloping to the south so that the top floor entrance is at street grade with Palm Street and the bottom floor is accessed at street grade on Toro Street. Adjacent properties are mainly residential and converted-residential offices.

The property features a 2-story building, built in 1979; each story has its own entrance. The upstairs unit (1201 Palm Street) was vacant at the time of sale and contains 5,338 square feet, including 11 private offices, a conference room, bullpen/shared workspace, kitchenette, storage room, electrical room, and 4 bathrooms (1 with a shower). The downstairs unit (954 Toro Street) contains 2,063 square feet including 5 private offices, bullpen/shared workspace, kitchen, and 2 bathrooms. Due to the separate entrances, the units could be leased separately or they could be connected and leased to a single tenant.

There is parking for 22 cars on the Palm Street side of the building. The property is landscaped and hardscaped.

The property was listed for sale on September 12, 2022, for $2,725,000. The buyer occupied the vacant, upstairs unit after purchase.

No revenue and expense information was available for this property.

GOOGLE EARTH PRO AERIAL PHOTOGRAPH OF
1201 PALM STREET AND 954 TORO STREET, SAN LUIS OBISPO

OFFICE PROPERTY SALE D-4
364 PACIFIC STREET, SAN LUIS OBISPO
(SAN LUIS OBISPO COUNTY)

Office Property Sale D-4

Location:	364 Pacific Street, San Luis Obispo (San Luis Obispo County)
APN:	002-508-012
Grantor:	Pacific Street Ventures LLC
Grantee:	Chanel Holdings LLC
Date of Transfer:	March 28, 2023
Sale Price:	$1,780,000
Terms:	Cash to conventional
Recording Data:	Document No. 2023-8260
Data Source:	Public records/MLS/marketing brochure
Confirmed By:	Allyson Milburn
Property Description:	2-story, office building
Property Size:	4,105 square feet of building; 0.2463±-acre site; land-to-building ratio: 2.61
Zoning:	Service Commercial (C-S)
Access:	Paved, public road
Utilities:	Full
Topography:	Level
Legal Parcels:	1
Units of Comparison:	$433.62 per sf GBA; $165.91 per sf land

OFFICE PROPERTY SALE D-4, CONTINUED

COMMENTS: This property is located 1 block south of Marsh Street, just east of the main downtown core of San Luis Obispo, 1 block from the U.S. Highway 101 access at Marsh Street. Pacific Street is a 2-lane road with sidewalks. Access is via a driveway to a small parking lot at the front of the building; there is a through lane to the rear of the building for additional parking.

Adjacent properties are similar service commercial/office uses. Two blocks southeast begins residential uses.

The property features a 2-story; 4,105-square-foot; office building (built in 1994) that has been well maintained. The first floor contains a conference room, 2 restrooms, foyer, and 8 office spaces; the second floor contains 1 restroom, a deck/patio, and about 14 office spaces of various sizes.

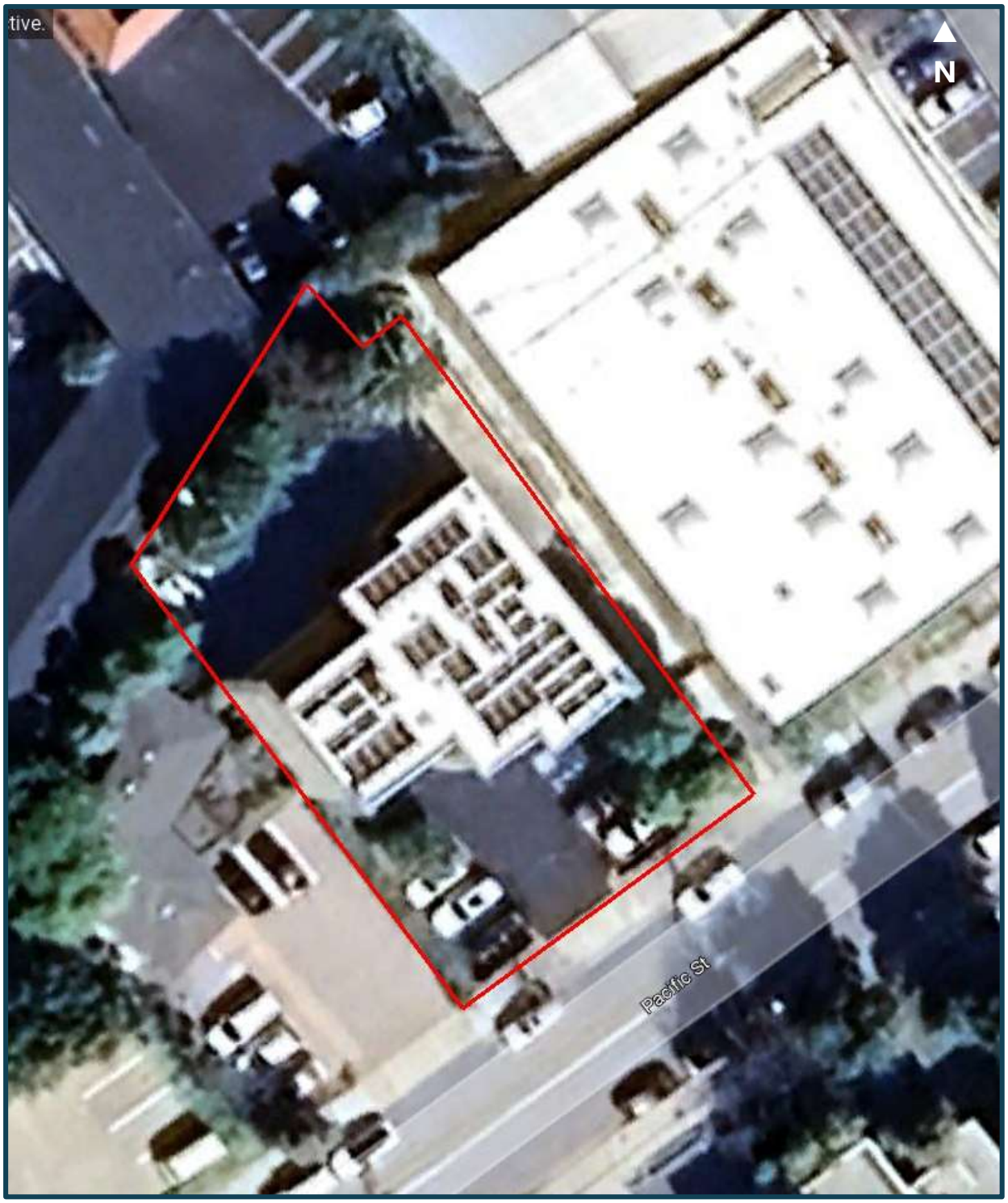
There are 13 parking spaces on-site and the property is fully land/hardscaped.

The property was listed for sale on MLS in August 2022 for $1,950,000 and sold in March 2023 for $1,780,000.

No revenue and expense information was available for this property.

Prior Sale: This property was previously listed in March 2021 for $2,052,500. The sale was pending in June and closed in July 2021 for $1,750,000 (The Sandra Cannon Beach Trust to Pacific Street Ventures LLC, Document No. 2021-53355; July 28, 2021).

Google Earth Pro Aerial Photograph of 364 Pacific Street, San Luis Obispo



OFFICE PROPERTY SALE D-5
1106 – 1120 WALNUT STREET, SAN LUIS OBISPO
(SAN LUIS OBISPO COUNTY)

Office Property Sale D-5

Location:	1106 – 1120 Walnut Street, San Luis Obispo (San Luis Obispo County)
APN:	001-207-039
Grantor:	M4I Walnut Land & Property LLC
Grantee:	City of San Luis Obispo
Date of Transfer:	July 26, 2023
Sale Price:	$4,400,000
Terms:	Cash
Recording Data:	Document No. 2023-21559
Data Source:	Public records/MLS/Derek Senn, broker
Confirmed By:	Allyson Milburn
Property Description:	2-story office building
Property Size:	10,983 square feet of building; 0.87±-acre site; land-to-building ratio: 3.45
Zoning:	Office (O)
Access:	Paved, public road
Utilities:	Full
Topography:	Level to sloping
Legal Parcels:	1
Units of Comparison:	$400.62 per sf GBA; $116.20 per sf land

OFFICE PROPERTY SALE D-5, CONTINUED

COMMENTS: This property is located on the northeastern corner of Walnut Street and Santa Rosa Street in San Luis Obispo. U.S. Highway 101 is adjacent to the north of the property. Walnut Street is a two-lane street with sidewalks and Santa Rosa Street is a four-lane street with bike lanes and sidewalks. The intersection is signalized and has left-turn lanes in both directions of Santa Rosa Street. Access is via a driveway off Walnut Street that accesses the parking areas on the north side of the property. The property has frontage, pedestrian access, and good visibility on Santa Rosa Street, but no vehicle access.

The property is just north of the downtown core and adjacent properties include office, commercial, and residential uses.

The property features a 2-story (10,983-square-foot), former Home Savings branch building built in 1985. There are 2 stairwells and 1 elevator between the floors. The first floor has 2 restrooms and is demised into several office spaces and conference rooms. The second floor is similarly arranged. The layout would allow leasing the floors separately.

The site features 35 parking spaces and is fully land- and hardscaped.

The property was listed for sale on MLS in October 2022 for $4,064,000 and for lease for $1.75 per square foot NNN. According to the broker, the buyer requested improvements prior to close of sale, including a new roof, new exterior paint, and some repairs to siding. This resulted in the higher sale price of $4,400,000.

The prior tenant had been a physical therapy business. The City of San Luis Obispo purchased the property to use as a police station.

No specific revenue and expense breakdown was available. The revenue and expenses for this property are estimated as follows:

Income and Expense Analysis		
Potential Gross Income (PGI)	$230,143	
Vacancy Loss	$ 4,613	2.00% of PGI
Effective Gross Income	$226,030	$20.58
Expenses	$ 11,302	5.00% of EGI
Net Operating Income	$214,729	
Cap Rate	4.88%	

Google Earth Pro Aerial Photograph of
1106 – 1120 Walnut Street, San Luis Obispo

OFFICE PROPERTY SALE D-6
2280 AND 2290 SUNSET DRIVE, LOS OSOS
(SAN LUIS OBISPO COUNTY)

Office Property Sale D-6

Location:	2280 and 2290 Sunset Drive, Los Osos (San Luis Obispo County)
APN:	074-303-020
Grantor:	Jeri and Barbara Saia
Grantee:	Megan Perry
Date of Transfer:	July 26, 2023
Sale Price:	$2,325,000
Terms:	Cash
Recording Data:	Document No. 2023-21567
Data Source:	Public records/MLS/Michael Puhek, broker
Confirmed By:	Allyson Milburn
Property Description:	Mixed-use property – commercial and residential
Property Size:	7,222 square feet of building; 0.5061±-acre site; land-to-building ratio: 3.05
Zoning:	Commercial Retail (C-R)
Access:	Paved, public road
Utilities:	Full
Topography:	Level
Legal Parcels:	1
Units of Comparison:	$321.93 per sf GBA; $105.46 per sf land

OFFICE PROPERTY SALE D-6, CONTINUED

COMMENTS: This property is located on the west side of Sunset Drive, just south of Los Osos Valley Road, in the downtown block of Los Osos. Access is via a broad driveway fronting Sunset Drive accessing a wide parking area in the front of and between the two buildings. Sunset Drive is a two-lane road with curbs and, on the property side, sidewalk.

Adjacent properties include single-family residential, vacant, and retail/commercial uses.

The improvements include 2 buildings built in 1965 and renovated in 2020. The first building features 5 commercial units with 2 shared restrooms on the ground floor and a 2,203-square-foot, 3-bedroom/ 2-bathroom apartment with a 1,776-square-foot deck and custom amenities on the second floor. Below the deck is a 1,200-square-foot, 4-car garage with 12-foot ceilings and a 2,000-square-foot yard with RV hook-ups (not included in the GBA). The second-story apartment was new construction in 2020. The second building features a single story with 6 commercial units totaling 2,708 square feet; 1 unit has its own restroom, the rest share the facilities in the front building.

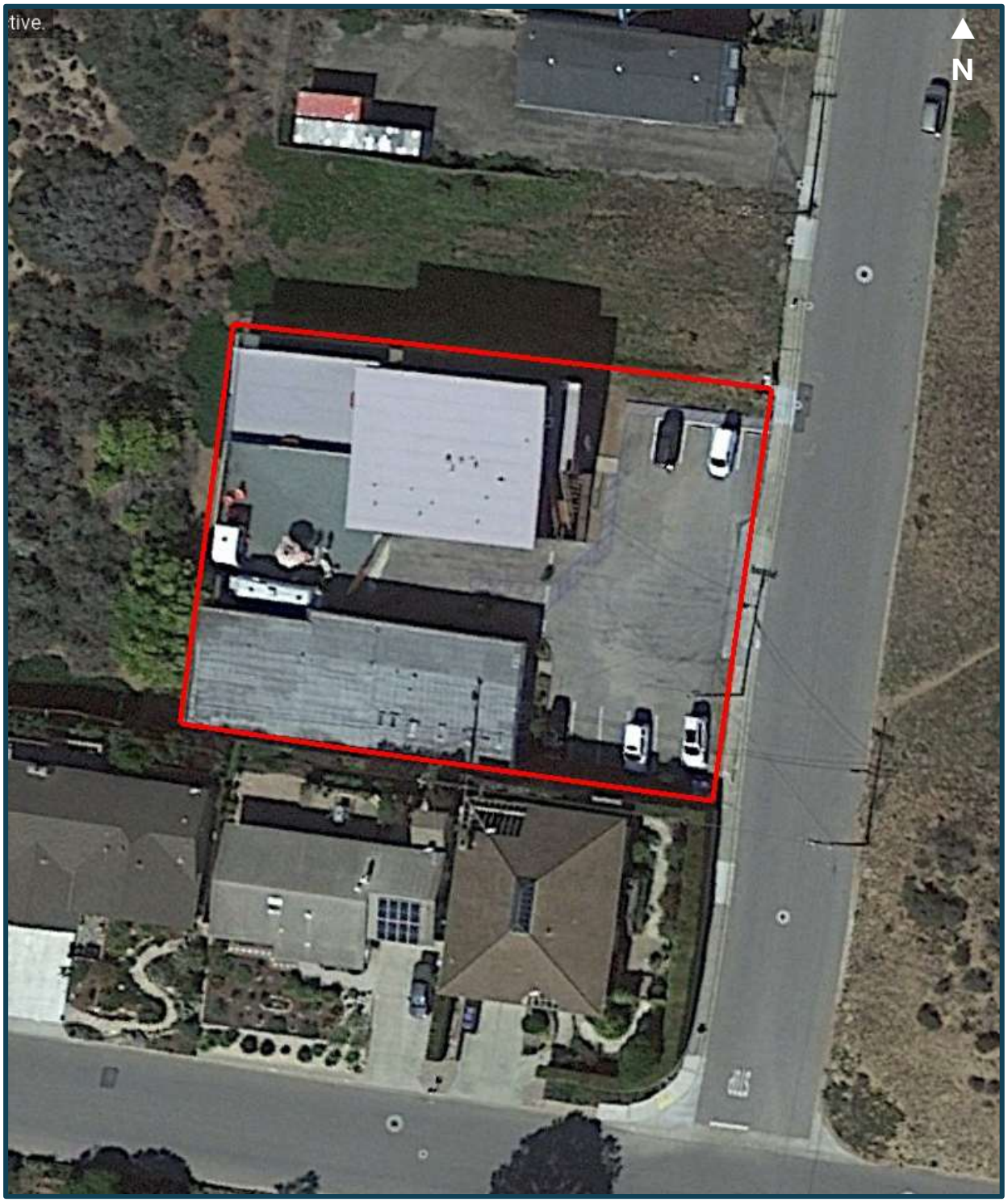
The site features a large, parking lot accommodating 11 vehicles. At the time of sale, all commercial units were leased (with a waiting list to rent); the apartment and garage space were vacant.

The property was listed for sale in February 2023 for $2,750,000 and was reduced to $2,400,000 in June 2023 before selling in July 2023 for $2,325,000.

The revenue and expenses for this property are summarized as follows:

Income and Expense Analysis		
Potential Gross Income (PGI)	$234,871	
Vacancy Loss	$ 11,744	5.00% of PGI
Effective Gross Income	$223,127	$20.58
Expenses	$ 58,004	5.00% of EGI
Net Operating Income	$165,123	
Cap Rate	7.10%	

Google Earth Pro Aerial Photograph of 2280 and 2290 Sunset Drive, Los Osos



DATA TABLE D
COMPARABLE OFFICE SALES
(RANKED BY DATE)

SALE	SALE DATE	SALE PRICE	ACRES	SQUARE FEET OF STRUCTURES	LAND-TO-BUILDING RATIO	ZONING	PRICE PER SQUARE FOOT OF LAND	PRICE PER SQUARE FOOT OF BUILDING
D-1	3-22	$ 580,000	0.1688±	2,100±	3.50	C-R	$ 78.88	$276.19
1085 Los Osos Valley Road, Los Osos; APN 074-303-007; 1 block south of downtown area; office building with 3 offices, 2 restrooms, kitchenette, patio, rear storage yard, and parking for 7; listed in January 2021 for $740,000 and expired in January 2022; neighboring auto shop owner purchased to use the storage yard and for future expansion; leased to party supply store; 3.46% OAR								
D-2	3-22	2,766,500	0.7173±	9,142±	3.42	C-S	88.54	302.61
3533 Empleo Street, San Luis Obispo; APN 053-252-058; located southwest of downtown San Luis Obispo; corporate headquarters building with 27 offices, several open work areas, and a large conference room; detached storage building and parking for 25; extensive landscaping and outdoor lighting; listed in June 2021 for $3,095,000; vacant at time of sale; sold for less than asking to another community non-profit organization; 5.48% OAR								
D-3	12-22	2,600,000	0.3065±	7,401±	1.80	O	194.74	351.30
1201 Palm Street and 954 Toro Street, San Luis Obispo; APN 001-222-017; located northeast of the downtown area; sloping lot allows street-level access to both floors, which can be leased together or separately; 2-story building; upstairs has 11 offices, conference room, workspace, kitchenette, storage room, and 4 bathrooms; downstairs has 5 offices, workspace, kitchen, and 2 bathrooms; parking lot has 22 spaces; listed in September 2022 for $2,725,000; buyer occupied vacant upstairs unit after sale								
D-4	3-23	1,780,000	0.2463±	4,105±	2.61	C-S	165.91	433.62
364 Pacific Street, San Luis Obispo; APN 002-508-012; 1 block east of downtown; 2-story office building with 22 offices, 3 restrooms, foyer, and conference room; the second floor has a deck/patio; there is parking for 13; fully landscaped and hardscaped; previously listed in March 2021 for $1,950,000 and sold in July 2021 for $1,750,000								
D-5	7-23	4,400,000	0.8700±	10,983±	3.45	O	116.20	400.62
1106 – 1120 Walnut Street, San Luis Obispo; APN 001-207-039; located just north of downtown on the east side of Santa Rosa Street adjacent to U.S. Highway 101; 2-story building features offices, restrooms, and conference rooms on each level; could be leased as 1 unit or 2; 2 stairwells and 1 elevator; constructed originally as a bank building; listed in October 2022 for $4,064,000 and sold for above listing price due to buyer requested improvements during escrow (new roof, exterior paint, siding repairs); purchased by the City of San Luis Obispo for a police station; 4.88% OAR								
D-6	7-23	2,325,000	0.5061±	7,222±	3.05	C-R	105.46	321.93
2280 and 2290 Sunset Drive, Los Osos; APN 074-303-020; located just south of downtown Los Osos; first building has 5 commercial units and 2 shared restrooms downstairs and a 3-bedroom/2-bathroom apartment with a deck upstairs; second building has 6 commercial units, 1 with private restroom; a large garage and storage yard between the buildings; all commercial units were leased at time of sale; apartment and garage were vacant; listed in February 2023 for $2,750,000 and reduced twice; 7.10% OAR								

Analysis of Data Group D

Data Group D features 6 office building/commercial properties that are useful as secondary market data. These properties are located in San Luis Obispo and Los Osos; the sales occurred from March 2022 to July 2023. These sales reflect sale prices of $580,000 to $4,400,000.

Sale D-1 is a small office/commercial property located nearby on Los Osos Valley Road that sold in March 2022 for $276.19 per square foot and an OAR of 3.46%.

Sale D-2 is a modern, 2-story office building located in suburban San Luis Obispo. This property sold in March 2022 at $302.61 per square foot and reflected an OAR of 5.48%.

Sale D-3 Sale D-3 is also a modern office building located in downtown San Luis Obispo. It sold in December 2022 for $351.30 per square foot.

Sale D-4 is also a modern, 2-story office building located in downtown San Luis Obispo. It sold in March 2023 for $433.62 per square foot.

Sale D-5 reflects an office building located on Santa Rosa Street in San Luis Obispo (originally built in 1985 as a bank branch). This property sold in July 2023 and reflected an OAR of 4.88%.

Sale D-6 represents a combination office/apartment located near downtown Los Osos that sold in July 2023 with an indicated OAR of 7.10%.

These properties range from $276.19 to $433.62 per square foot.

Due to the size differential, age, and location factors, these properties are ranked overall superior to the subject property on a price-per-square-foot basis. This is partially offset by the substantial land-to-building ratio differences. Sales D-1 and D-6 are located near the subject property, are considered to be most similar, and reflect sale prices of $276.19 and $321.93 per square foot.

FINAL VALUE CONCLUSIONS

FINAL RECONCILIATION

DEFINITION*

The last phase in the development of a value opinion in which two or more value indications derived from market data are resolved into a final value opinion, which may be either a range of value, in relation to a benchmark, or a single point estimate.

FINAL OPINION OF VALUE*

The opinion of value that is derived from the final reconciliation of value indications and stated in the appraisal report; may be expressed as a single point, as a range, or in relation to a benchmark.

RECONCILIATION OF VALUE INDICATORS

The following market values were developed from the three approaches to value:

	SCENARIO A VALUE IN USE	SCENARIO B HIGHEST AND BEST USE
Cost Approach	$5,875,000	$6,600,000
Income Approach	3,970,000	4,480,000
Sales Comparison Approach	5,675,000	6,050,000

Under Valuation Scenario A, the three approaches developed in this appraisal provide market value indications ranging from $3,970,000 to $5,875,000, an overall 48% spread.

Valuation Scenario B reflects market value indications ranging from $4,480,000 to $6,600,000, which equals an overall 47% spread.

These ranges are very wide, and significantly wider than typically desired, but reflect the difficulties and challenges in valuing a very unusual property.

The cost approach was developed; however, no Public Facility-zoned land sales were identified in the area. This, and the potential uncertainty about a zoning change, makes land values somewhat difficult to determine. In addition, the buildings are older, special-use properties, which results in difficulty in estimating replacement cost and depreciation factors.

The cost approach is challenging to apply due to these various factors, but is given greater weight in Scenario A, Value in Use, as the cost approach methodology more closely reflects the value-in-use valuation premise.

The income approach is useful, with a good track record of rents and income history on the property. However, the specialized nature of the property and difficulty with projecting expenses based on a private-market use substantially complicates this approach. In addition, it appears that the subject rents may be on the low end and possibly could be adjusted upward. However, the specialized nature of the occupancy creates uncertainty with regard to the extent of potential rental rate increases. In

* The Dictionary of Real Estate Appraisal, Seventh Edition, 2022, *Appraisal Institute*

addition, some of the existing building space is owner-occupied and/or does not pay rent. The income approach applied income to the vacant/non-paying areas. This assumes that these spaces could be occupied with rent-paying tenants.

This approach is considered under both valuation scenarios; but ultimately, the income approach is given limited weight in the final analysis.

The sales comparison approach is given very strong weight in determining the opinion of current market value of the subject property under both valuation scenarios. The sales cited are considered the best comparables available in the local and broader Central California market areas. Remarkably, a total of 16 valid improved sales and listings were identified in Data Group C, and most of these are recent sales that were each acquired specifically for school/educational purposes. These were smaller properties and reflected newer/modern structures, resulting in the subject property being ranked inferior to these properties on a price-per-square-foot basis. However, the subject property generally featured a substantially superior land-to-building ratio. Overall, the comparability of the market data identified in the sales comparison approach was considered to be very good.

In the final analysis, the sales comparison approach is given greatest overall weight in both valuation scenarios, with lesser consideration given to the cost approach and limited weight given to the income analysis.

The market value conclusion for Valuation Scenario A is concluded at $5,650,000, which equals roughly $190.00 per square foot. Valuation Scenario B is concluded at $6,050,000, which equals $203.70 per square foot.

Therefore, the current market value conclusions of the leased fee interest in the subject Sunnyside Elementary School property, subject to the *Assumptions and Conditions of Appraisal*, as of May 21, 2024, are:

Valuation Scenario A – Value in Use

FIVE MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS
($5,650,000)

Valuation Scenario B – Highest and Best Use

SIX MILLION FIFTY THOUSAND DOLLARS
($6,050,000)

ADDENDA

PRELIMINARY REPORT NUMBER 4001-6044638; FIRST AMERICAN TITLE COMPANY; SEPTEMBER 9, 2019

COASTAL ALLOWABLE USE TABLE & DEFINITIONS, COASTAL TABLE O, COASTAL ZONE FRAMEWORK FOR PLANNING; COUNTY OF SAN LUIS OBISPO; OCTOBER 2018

BUILDING MORATORIUM IN LOS OSOS COULD BE LIFTED AFTER DECADES. HERE'S HOW; JOHN LINDT (SIERRA2THESEA.NET); SAN LUIS OBISPO TRIBUNE; MAY 22, 2024

SAN LUIS OBISPO COUNTY PROPERTY TAX BILLS – 2019/2020 AND 2023/2024

SUMMARY OF REVENUE AND EXPENSES

STATEMENT OF PROFESSIONAL CONTRIBUTION

APPRAISER QUALIFICATIONS

PRELIMINARY REPORT NUMBER 4001-6044638; FIRST AMERICAN TITLE COMPANY; SEPTEMBER 9, 2019

First American Title

First American Title Company

899 Pacific Street
San Luis Obispo, CA 93401
California Department of Insurance License No. 151

Kelly Lee
San Luis Coastal Unified School District
1500 Lizzie Street, Suite B 1
San Luis Obispo, CA 93401

Order Number:	4001-6044638 (LI)
Title Officer:	Lisa Irot
Phone:	(805)786-2042
Fax No.:	(866)397-7092
E-Mail:	lirot@firstam.com
Owner:	San Luis Coastal Unified School District
Property:	880 Manzanita Drive Los Osos, CA 93402

PRELIMINARY REPORT

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

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

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

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

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

Dated as of September 09, 2019 at 7:30 A.M.

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

Prelim

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

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

Sunnyside Elementary School District, one of the School Districts of the County of San Luis Obispo, State of California as to Parcel 1; Sunnyside School District, as to Parcel 2; and San Luis Coastal Unified School District, as to Parcel 3

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

Fee simple.

The Land referred to herein is described as follows:

(See attached Legal Description)

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

1. General and special taxes and assessments for the fiscal year 2019-2020, a lien not yet due or payable.

2. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.

3. An easement for road; and incidental purposes, recorded November 27, 1967 as Book 1456, Page 704 of Official Records.
   In Favor of: County of San Luis Obispo
   Affects: a portion of said land

4. The terms and provisions contained in the document entitled "Facility Lease" recorded April 21, 1999 as Instrument No. 1999-028594 of Official Records.

   Affects: The land and other property.

5. The terms and provisions contained in the document entitled "Site Lease" recorded April 21, 1999 as Instrument No. 1999-028595 of Official Records.

Affects: The land and other property.

INFORMATIONAL NOTES

Note: The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the certain dollar amount set forth in any applicable arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. If you desire to review the terms of the policy, including any arbitration clause that may be included, contact the office that issued this Commitment or Report to obtain a sample of the policy jacket for the policy that is to be issued in connection with your transaction.

1. Taxes for proration purposes only for the fiscal year 2018-2019.

First Installment:	$13,651.19, PAID
Second Installment:	$13,651.19, PAID
Tax Rate Area:	112-098
APN:	074-331-001

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

LEGAL DESCRIPTION

Real property in the unincorporated area of the County of San Luis Obispo, State of California, described as follows:

PARCEL 1:

That portion of Lot 3 of Lands of Morro Bay Oil Company in Lots B and C of Wards Subdivision of the Call Tract, a part of Lot 79 of Strattons Survey of the Ranchos Los Osos and La Laguna, in the County of San Luis Obispo, State of California, according to map recorded November 13, 1911 in Book 2, Page 5 of Record of Surveys, in the office of the County Recorder of said County, more particularly described as follows:

Beginning at a stake known as No. 199 and H.C. 6 set on the Westerly line of the Slack Tract and the Easterly line of the Sweet Springs Tract and running thence South 32°52' West along the Westerly line of said Slack Tract 708.29 feet more or less, to the point of intersection of said Westerly line with the Easterly line of said Lot 3, said point of intersection being the true point of beginning; thence from said true point of beginning continuing South 32°52' West along said Westerly line 70.00 feet to a point; thence leaving said Westerly line North 89?07' West, 625.46 feet to a point; thence on a curve to the right through an angle of 96°54' with a radius of 20 feet for a distance of 33.82 feet to a point; thence North 7°47' East, 677.43 feet to a point; thence on a curve to the right through an angle of 90°00' with a radius of 20 feet for a distance of 31.42 feet to a point on the Southerly line of County Road No. 123 as said line existed in April, 1953; thence South 82°13' East along said Southerly line 33.64 feet to a point; thence continuing along said Southerly line South 77°58' East, 261.90 feet to the intersection of said line with the Easterly line of said Lot 3; thence South 24°51' East along the Easterly line of said Lot 3, 664.22 feet to the point of beginning.

PARCEL 2:

That portion of Lot 3 of lands of Morro Bay Oil Company in Lots B and C of Wards Subdivision of the Call Tract, in the County of San Luis Obispo, State of California, according to map recorded November 13, 1911 in Book 2, Page 5 of Record of Surveys, in the office of the County Recorder of said County, described as follows:

Beginning at stake S.2, being the intersection of the Easterly line of said Lot 3 with the Northwesterly line of Lot D of the Slack Tract as said tract is shown on the map recorded November 21, 1887 in Book B, Page 87 of Maps, in the office of the County Recorder of said County; thence running along the line common to Lot 3 of lands of Morro Bay Oil Company and Lot D of the Slack Tract South 33°55'35" West, 70 feet to a point on said line which is intersected by the South line of the land described in the deed to Sunnyside Elementary School District recorded September 24, 1953 in Book 727, Page 203 of Official Records, said point being the true point of beginning; thence running along said South line North 88°03'25" West, 625.46 feet; thence on a curve to the right through an angle of 96°54' with a radius of 20 feet for a distance of 33.82 feet to a point; thence South 8°50'35" West, 22.57 feet; thence South 25°31'52" East, 396.26 feet; thence South 88°03'25" East, 700.74 feet to the Easterly line of said Lot 3; thence running along said Easterly line North 23?43'00" West, 19.27 feet to the Southwesterly line of Lot D of the Slack Tract; thence running along said Southwesterly line North 57°06'10" West, 346.51 feet to post J.H. 3 at the most Westerly corner of said Lot D of the Slack Tract; thence running along the Northwesterly line of said lot North 33°55'35" East, 155.64 feet to the true point of beginning.

EXCEPTING therefrom that portion conveyed to South Bay Fire District by deed recorded July 29, 1968 in Book 1484, Page 626 of Official Records.

PARCEL 3:

A parcel of land being part of Lot D of the Slack Tract, in the County of San Luis Obispo, State of California, said parcel being more particularly described as follows:

Commencing at point JR3 as said point according to map recorded in Book 6, Page 29 of Maps, in the office of the County Recorder of said County; thence running Northeasterly along the line shown on said map North 33°35'35" East, 85.94 feet to the true point of beginning; thence continuing along said line North 33°35'35" East, 140.14 feet to point on West right of way line of Bayview Avenue; being designated as S-2 on said map; thence along said right of way South 24°03'05" East, 75.00 feet; thence leaving said Bayview Avenue and running South 65°56'55" West, 118.38 feet to the true point of beginning.

APN: 074-331-001

NOTICE

Section 12413.1 of the California Insurance Code, effective January 1, 1990, requires that any title insurance company, underwritten title company, or controlled escrow company handling funds in an escrow or sub-escrow capacity, wait a specified number of days after depositing funds, before recording any documents in connection with the transaction or disbursing funds. This statute allows for funds deposited by wire transfer to be disbursed the same day as deposit. In the case of cashier's checks or certified checks, funds may be disbursed the next day after deposit. In order to avoid unnecessary delays of three to seven days, or more, please use wire transfer, cashier's checks, or certified checks whenever possible.

EXHIBIT A
LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (BY POLICY TYPE)

CLTA STANDARD COVERAGE POLICY – 1990

EXCLUSIONS FROM COVERAGE

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

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

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

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

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

CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (12-02-13)

EXCLUSIONS

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

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
   a. building;
   b. zoning;
   c. land use;

d. improvements on the Land;
e. land division; and
f. environmental protection.
This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
   a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
   b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
   c. that result in no loss to You; or
   d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right:
   a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
   b. in streets, alleys, or waterways that touch the Land.
   This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.
8. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
9. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:
For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.
The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	Your Deductible Amount	Our Maximum Dollar Limit of Liability
Covered Risk 16:	1% of Policy Amount Shown in Schedule A or $2,500 (whichever is less)	$10,000
Covered Risk 18:	1% of Policy Amount Shown in Schedule A or $5,000 (whichever is less)	$25,000
Covered Risk 19:	1% of Policy Amount Shown in Schedule A or $5,000 (whichever is less)	$25,000
Covered Risk 21:	1% of Policy Amount Shown in Schedule A or $2,500 (whichever is less)	$5,000

2006 ALTA LOAN POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to

   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;

   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

(c) resulting in no loss or damage to the Insured Claimant;
(d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
(e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.

4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
   (a) a fraudulent conveyance or fraudulent transfer, or
   (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

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

EXCEPTIONS FROM COVERAGE

[Except as provided in Schedule B - Part II,[t[or T]his policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:

[PART I

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

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

PART II

In addition to the matters set forth in Part I of this Schedule, the Title is subject to the following matters, and the Company insures against loss or damage sustained in the event that they are not subordinate to the lien of the Insured Mortgage:]

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

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to

   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;

   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

(c) resulting in no loss or damage to the Insured Claimant;
(d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 or 10); or
(e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.

4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
(a) a fraudulent conveyance or fraudulent transfer, or
(b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

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

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses, that arise by reason of:
[The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

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

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

EXCLUSIONS FROM COVERAGE

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

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to

   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;

   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
(a) created, suffered, assumed, or agreed to by the Insured Claimant;
(b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
(c) resulting in no loss or damage to the Insured Claimant;
(d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
(e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the

Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.

7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
   (a) a fraudulent conveyance or fraudulent transfer, or
   (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
10. Contamination, explosion, fire, flooding, vibration, fracturing, earthquake, or subsidence.
11. Negligence by a person or an Entity exercising a right to extract or develop minerals, water, or any other substances.

First American Title

Privacy Information

We Are Committed to Safeguarding Customer Information

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

Applicability

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values.

Types of Information

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

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

Use of Information

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

Former Customers

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

Confidentiality and Security

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

Information Obtained Through Our Web Site

First American Financial Corporation is sensitive to privacy issues on the Internet. We believe it is important you know how we treat the information about you we receive on the Internet.

In general, you can visit First American or its affiliates' Web sites on the World Wide Web without telling us who you are or revealing any information about yourself. Our Web servers collect the domain names, not the e-mail addresses, of visitors. This information is aggregated to measure the number of visits, average time spent on the site, pages viewed and similar information. First American uses this information to measure the use of our site and to develop ideas to improve the content of our site.

There are times, however, when we may need information from you, such as your name and email address. When information is needed, we will use our best efforts to let you know at the time of collection how we will use the personal information. Usually, the personal information we collect is used only by us to respond to your inquiry, process an order or allow you to access specific account/profile information. If you choose to share any personal information with us, we will only use it in accordance with the policies outlined above.

Business Relationships

First American Financial Corporation's site and its affiliates' sites may contain links to other Web sites. While we try to link only to sites that share our high standards and respect for privacy, we are not responsible for the content or the privacy practices employed by other sites.

Cookies

Some of First American's Web sites may make use of "cookie" technology to measure site activity and to customize information to your personal tastes. A cookie is an element of data that a Web site can send to your browser, which may then store the cookie on your hard drive.

FirstAm.com uses stored cookies. The goal of this technology is to better serve you when visiting our site, save you time when you are here and to provide you with a more meaningful and productive Web site experience.

Fair Information Values

Fairness We consider consumer expectations about their privacy in all our businesses. We only offer products and services that assure a favorable balance between consumer benefits and consumer privacy.

Public Record We believe that an open public record creates significant value for society, enhances consumer choice and creates consumer opportunity. We actively support an open public record and emphasize its importance and contribution to our economy.

Use We believe we should behave responsibly when we use information about a consumer in our business. We will obey the laws governing the collection, use and dissemination of data.

Accuracy We will take reasonable steps to help assure the accuracy of the data we collect, use and disseminate. Where possible, we will take reasonable steps to correct inaccurate information. When, as with the public record, we cannot correct inaccurate information, we will take all reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer can secure the required corrections.

Education We endeavor to educate the users of our products and services, our employees and others in our industry about the importance of consumer privacy. We will instruct our employees on our fair information values and on the responsible collection and use of data. We will encourage others in our industry to collect and use information in a responsible manner.

Security We will maintain appropriate facilities and systems to protect against unauthorized access to and corruption of the data we maintain.

Coastal Allowable Use Table & Definitions, Coastal Table O, Coastal Zone Framework For Planning; County of San Luis Obispo; October 2018

LAND USE CATEGORY
LOCAL COASTAL PLAN – COASTAL TABLE "O"

USE GROUP		PAGE NUMBER OF USE	Agriculture – Prime Soils	Agriculture – Non-Prime Soils	Rural Lands	Recreation	Residential Rural	Residential Suburban	Residential Single-Family	Residential Multi-Family	Office & Professional	Commercial Retail	Commercial Service	Industrial	Public Facilities	Open Space
A) AGRICULTURE																
Ag Accessory Structures	1	6-39	S-3-P	S-3-P	S-3-P	S-3	S-3	S-3					S-3	S-3	S-3	S-14
Ag Processing	2	6-39	S-3	S-3	S-3		S-3						S-3	A		
Animal Raising & Keeping	3	6-40	S-3	S-3	S-3	S-3	S-3	S-3	S-3	S-3	S-3	S-3	S-3	S-3	S-3	S-3
Aquaculture	4	6-40		S-3	S-3		S-3						S-3-P	S-3-P		
Crop Production & Grazing	5	6-44	P	P	P	A	A	S-18	S-18	S-18	S-18	S-18	S-18	A	A	A
Farm Equipment & Supplies	6	6-45		S-3	S-3		S-3						A	A		
Nursery Specialties – Soil Dependent	7	6-51	S-3-P	S-3-P	S-3		S-3	S-3				S-3	S-3	S-3		
Nursery Specialties – Non-Soil Dependent	8	6-52		S-3	S-3		S-3	S-3				S-3	S-3	S-3		
Specialized Animal Facilities	9	6-58	S-3	S-3-P	S-3	S-3	S-3	S-3	S-3		S-3	S-3	S-3	S-3	S-3	
B) COMMUNICATIONS																
Broadcasting Studios	1	6-41									P	A	P	A	A	
Communications Facilities	2	6-43		S-13	S-13	S-13	S-13	S-13	S-13	S-13	S-13	S-13	S-13-P	S-13-P	S-13-P	S-13

LAND USE CATEGORY

USE GROUP		PAGE NUMBER OF USE	Agriculture – Prime Soils	Agriculture - Non-Prime Soils	Rural Lands	Recreation	Residential Rural	Residential Suburban	Residential Single-Family	Residential Multi-Family	Office & Professional	Commercial Retail	Commercial Service	Industrial	Public Facilities	Open Space
C) CULTURAL, EDUCATION, & RECREATION																
Cemeteries & Columbariums	1	6-42					S-4	S-4							S-4	
Churches	2	6-42			S-4		S-4	S-4	S-4	S-4	P	P	P			
Coastal Accessways	3	6-42	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Drive-In Theaters	4	6-44											S-4	S-4		
Indoor Amusements & Recreation	5	6-48				S-4-P					S-4	S-4-P	S-4		S-4-P	
Libraries & Museums	6	6-49				S-2-P	S-2				P	P			P	
Marinas	7	6-50				S-1-P							S-1		S-1-P	
Membership Org. Facilities	8	6-50				S-2				S-1	A	A	A	A	A	
Off-Road Vehicle Courses	9	6-52			S-1	S-1										
Outdoor Sports & Recreation	10	6-53				S-4-P	S-4	S-4	S-4	S-4		S-4	S-4		S-4-P	
Passive Recreation	11	6-53		A	P	P	P	P	P	P	P	P	P	P	P	P
Public Assembly & Entertain.	12	6-55				A					P	P	P		P	
Rural Recreation & Camping	13	6-56		S-4	S-4	S-4-P	S-4	S-4							S-4	S-14
Schools – Specialized Education & Training	14	6-57			S-4	S-4	S-4	S-4			P	P	P	S-4-P	S-4	
Schools – College & University	15	6-57									P				P	
Schools – Pre to Secondary	16	6-57			S-4	S-4	S-4	S-4-P	S-4-P	S-4-P	S-4-P				S-4-P	
Social Service Organizations	17	6-58									P	A	A	S-2	S-2-P	
Sports Assembly	18	6-58				S-1							S-1	S-1	S-1	
Temporary Events	19	6-59		S-17	S-17	S-17	S-17				S-17	S-17	S-17	S-17	S-17	

LAND USE CATEGORY

USE GROUP		PAGE NUMBER OF USE	Agriculture – Prime Soils	Agriculture - Non-Prime Soils	Rural Lands	Recreation	Residential Rural	Residential Suburban	Residential Single-Family	Residential Multi-Family	Office & Professional	Commercial Retail	Commercial Service	Industrial	Public Facilities	Open Space
D) MANUFACTURING & PROCESSING																
Apparel Products	1	6-40											A	P		
Chemical Products	2	6-42												S-5-P		
Concrete, Gypsum, & Plaster Products	3	6-43			S-15								S-1-P	P		
Electric Generating Plants	4	6-44		S-20	S-20	S-20	S-20						S-20	S-20-P	S-20-P	
Electrical Equipmt., Electronic & Scientific Instruments	5	6-45											P	P		
Food & Kindred Products	6	6-46		S-5	S-5							S-5-P	P	P		
Furniture & Fixture Products	7	6-46											P	P		
Glass Products	8	6-47												P		
Lumber & Wood Products	9	6-49												P		
Machinery Manufacturing	10	6-49												P		
Metal Industries, Fabricated	11	6-50											A	P		
Metal Industries, Primary	12	6-50												S-1-P		
Motor Vehicles & Trans. Equip	13	6-51												S-1-P		
Paper Products	14	6-53												A		
Paving Materials	15	6-53		S-15	S-15									P		
Petroleum Refining & Rel. Ind.	16	6-54												S-5-P		
Plastics & Rubber Products	17	6-54												S-1-P		
Printing & Publishing	18	6-55										S-11-P	P	P		
Recycling Collection Stations	19	6-56		S-5	S-5	S-5	S-5	S-5		S-5	S-5	S-5-P	S-5-P	S-5-P	S-5	
Recycling & Scrap	20	6-56											S-5	S-5-P	S-5	
Small Scale Manufacturing	21	6-58											P	P		
Stone & Cut Stone Products	22	6-58		S-15	S-15								P	P		
Structural Clay & Pottery - Related Production	23	6-59			S-15									P		
Textile Products	24	6-59												P		

LAND USE CATEGORY

USE GROUP		PAGE NUMBER OF USE	Agriculture – Prime Soils	Agriculture - Non-Prime Soils	Rural Lands	Recreation	Residential Rural	Residential Suburban	Residential Single-Family	Residential Multi-Family	Office & Professional	Commercial Retail	Commercial Service	Industrial	Public Facilities	Open Space
E) RESIDENTIAL USES																
Caretaker Residence	1	6-42	S-8	S-8	S-8-P	S-8-P	S-8-P	S-8-P			S-8	S-8	S-8	S-8	S-8	S-14
Farm Support Quarters	2	6-45	S-16	S-16-P	S-16-P											
Home Occupations	3	6-48	S-16-P	S-16-P	S-16-P	S-16	S-16-P	S-16-P	S-16-P	S-16-P	S-16	S-16	S-16	S-16	S-16	
Mobilehome Parks	4	6-51				S-8	S-8	S-8	S-8-P	S-8-P						
Mobilehomes	5	6-51	S-8	S-8-P	S-8-P	S-8-P	S-8-P	S-8-P	S-8-P	S-8-P	S-8	S-8			S-8	
Multi-Family Dwellings	6	6-52				S-8				P	S-8	S-8				
Nursing & Personal Care	7	6-53						S-6		S-6	P	S-6-P			A	
Organizational Houses	8	6-56			S-8		S-8	S-8		S-8	S-8	S-8	S-8			
Residential Accessory Uses	9	6-56	S-16-P	S-16-P	S-16-P	S-16-P	S-16-P	S-16-P	S-16-P	S-16-P	S-16-P	S-16-P	S-16-P	S-16-P	S-16-P	S-14
Residential Care	10	6-56			S-6		S-6	S-6	S-6	S-6	S-6				S-6	
Residential Vacation Rental	11	6-56	S-8	S-8	S-8	S-8	S-8	S-8	S-8	S-8	S-8	S-8				
Secondary Dwelling	12	6-57					S-8	S-8	S-8							
Single-Family Dwellings	13	6-57	S-16	S-16-P	P	S-2-P	P	P	P	P	S-8	S-8				
Supportive Housing	14	6-48														
Single Family Dwellings			S-16	S-16-P	P	S-2-P	P	P	P	P	S-8	S-8				
Multi-Family Dwellings						S-8				P	S-8	S-8				
Temporary Dwelling	15	6-59	S-17-P	S-17-P	S-17-P	S-17-P	S-17-P	S-17-P	S-17-P	S-17-P	S-17-P	S-17-P	S-17-P	S-17-P		
Transitional Housing	16	6-49														
Single Family Dwellings			S-16	S-16-P	P	S-2-P	P	P	P	P	S-8	S-8				
Multi-Family Dwellings						S-8				P	S-8	S-8				

LAND USE CATEGORY

USE GROUP		PAGE NUMBER OF USE	Agriculture – Prime Soils	Agriculture - Non-Prime Soils	Rural Lands	Recreation	Residential Rural	Residential Suburban	Residential Single-Family	Residential Multi-Family	Office & Professional	Commercial Retail	Commercial Service	Industrial	Public Facilities	Open Space
F) RESOURCE EXTRACTION																
Fisheries & Game Preserves	1	6-46		A	A	A	A									S-14
Forestry	2	6-46		A	A	A	A	A								
Mining	3	6-51		S-9	S-9										S-9	S-14
Petroleum Extraction	4	6-54		S-9	S-9		S-9	S-9					S-9	S-9	S-9	
Water Wells & Impoundments	5	6-61	S-9-P	S-9-P	S-9-P	S-9-P	S-9-P	S-9-P	S-9-P	S-9-P	S-9-P	S-9-P	S-9-P	S-9-P	S-9-P	S-9-P
G) RETAIL TRADE																
Auto, Mobilehome & Vehicle Dealers & Supplies	1	6-40										S-10	S-7	S-7		
Building Materials & Hardware	2	6-41										S-10-P	P	A		
Eating & Drinking Places	3	6-44		S-10		S-10-P	S-10	S-10			A	P	A	S-2		
Food & Beverage Retail Sales	4	6-46				S-10-P	S-10	S-10	S-10	S-10	S-10	P	A	S-2		
Fuel & Ice Dealers	5	6-46											S-5	S-5-P		
Furniture, Home Furnishings & Equipment	6	6-47										P	A			
General Merchandise Stores	7	6-47				S-1-P						P	A			
Mail Order & Vending	8	6-50										P	P	A		
Outdoor Retail Sales	9	6-53		S-7	S-7	S-7	S-7				S-7	S-7	S-7	S-7	S-7	
Roadside Stands	10	6-56		S-3	S-3	S-3	S-3	S-3								
Service Stations	11	6-57				S-10						S-10-P	S-10-P	S-10		

LAND USE CATEGORY

USE GROUP		PAGE NUMBER OF USE	Agriculture – Prime Soils	Agriculture - Non-Prime Soils	Rural Lands	Recreation	Residential Rural	Residential Suburban	Residential Single-Family	Residential Multi-Family	Office & Professional	Commercial Retail	Commercial Service	Industrial	Public Facilities	Open Space
H) SERVICES																
Auto & Vehicle Repair & Service	1	6-40											S-11-P	S-11		
Business Support Services	2	6-41											P	A		
Construction Contractors	3	6-43											P	A		
Consumer Repair Services	4	6-43										S-11	P	A		
Correctional Institutions	5	6-44													S-1-P	
Financial Services	6	6-46				S-2					P	P				
Health Care Services	7	6-47				S-1					P	A			A	
Laundries & Dry Cleaning Plants	8	6-49											P	P		
Offices	9	6-52									P	A	A	A	A	
Offices, Temporary	10	6-52				S-17	S-17	S-17	S-17	S-17	S-17-P	S-17	S-17	S-17	S-17	
Personal Services	11	6-54				S-1			S-11	S-11	A	P	P			
Public Safety Facilities	12	6-55		S-2	S-2	S-2	S-2	S-2	S-2	S-2	S-2	P	P	P	P	
Storage, Accessory	13	6-58		A	S-16	S-16	S-16	S-16	S-16	S-16	S-16	S-16	S-16	S-16	S-16	S-14
Storage Yards & Sales Lots	14	6-59											S-7	S-7	S-7	
Temporary Construction Yards	15	6-59		S-17	S-17	S-17	S-17	S-17	S-17	S-17	S-17	S-17	S-17	S-17	S-17	
Waste Disposal Sites	16	6-60		S-1	S-1									S-1	S-1-P	
I) TRANSIENT LODGINGS																
Bed & Breakfast Facilities	1	6-41		S-12	S-12-P	S-12-P	S-12-P	S-12-P		S-12	S-12	S-12-P	S-12		S-12	
Emergency Shelters	2	6-37											S-12	S-12	S-12	
Homestays	3	6-48						S-12	S-12							
Hotels, Motels	4	6-48				S-12-P					S-12	S-12-P	S-12		S-12	
Recreational Vehicle Parks	5	6-55				S-12-P						S-12	S-12		S-1	
Temporary Const. Trailer Park	6	6-59		S-12	S-12		S-12							S-12		

LAND USE CATEGORY

USE GROUP	PAGE NUMBER OF USE	Agriculture – Prime Soils	Agriculture - Non-Prime Soils	Rural Lands	Recreation	Residential Rural	Residential Suburban	Residential Single-Family	Residential Multi-Family	Office & Professional	Commercial Retail	Commercial Service	Industrial	Public Facilities	Open Space
J) TRANSPORTATION															
Airfields & Landing Strips	1	S-13	S-13	S-13	S-13	S-13				S-13		S-13	S-13	S-13-P	
Harbors	2													S-1-P	
Marine Terminals & Piers	3				S-5							S-5	S-5	S-5-P	
Pipelines & Transmission Lines	4	S-13	S-13	S-13	S-13	S-13	S-13	S-13	S-13	S-13	S-13	S-13	S-13	S-13	S-14
Public Utility Facilities	5	S-13	S-13	S-13		S-13	S-13	S-13	S-13	S-13	S-13	S-13	S-13	P	
Transit Stations & Terminals	6				S-2					S-2	S-2	S-2	A	A	
Truck Stops	7											A	A		
Vehicle & Freight Terminals	8											A	A		
Vehicle Storage	9				S-13					S-13	S-13	P	A	A	
K) WHOLESALE TRADE															
Warehousing	1		S-19	S-19								P	A	A	
Wholesaling & Distribution	2		S-19	S-19								P	A		
L) CANNABIS USES															
Cannabis Cultivation	1	S-21	S-21	S-21		S-21							S-21		
Cannabis Nurseries	2	S-21	S-21	S-21		S-21							S-21		
Cannabis Manufacturing	3		S-21									S-21	S-21		
Cannabis Testing Facilities	4											S-21	S-21		
Cannabis Dispensaries	5		S-21	S-21		S-21						S-21	S-21		
Cannabis Distribution Facilities	6											S-21	S-21		

BUILDING MORATORIUM IN LOS OSOS COULD BE LIFTED AFTER DECADES. HERE'S HOW; JOHN LINDT (SIERRA2THESEA.NET); SAN LUIS OBISPO TRIBUNE; MAY 22, 2024

LOCAL

Building moratorium in Los Osos could be lifted after decades. Here's how

BY JOHN LINDT *SIERRA2THESEA.NET*
UPDATED MAY 22, 2024 11:09 AM

A view from Alamo Drive in the Cabrillo Estates neighborhood looks over the town of Los Osos, which has been under a building moratorium since 1988. LAURA DICKINSON *ldickinson@thetribunenews.com*

Only have a minute? Listen instead
Powered by **Trinity Audio**
1.0×
00:00
11:08

Los Osos could end its building moratorium by the end of the year and see new construction for the first time in decades under a plan led by the California Coastal Commission and San Luis Obispo County.

The proposal could eventually bring 1% residential growth to a community that has been under a building ban since 1988.

The history of Los Osos' moratorium began with the septic tank discharge prohibition issued by the Central Coast Regional Water Quality Control Board in

1983. That agency found that the town's 5,000 septic tanks were sending millions of gallons of effluent down the drain and into both the groundwater and the bay.

The county then carried out a multi-decade struggle to site and fund a new water treatment plant, finally launched in 2012 and put into service in 2016. The project cost about $180 million to build and hook up 12,500 wastewater customers to some 42 miles of pipeline. That was the first key step to allowing growth in the unincorporated town.

Despite a new sewer plant, however, the town's building moratorium continued over another, equally contentious issue: water supply. Los Osos is unlike most communities in that its supply comes from one source, groundwater.

TOP VIDEOS

00:27 00:36

Scientists who tested soil in Kristin Smart case used method in another murder. Is it legit?

Los Osos famously has a long line of homeowners who have been unable to build on their vacant lots, and even today there are over 230 on the county's wait list, some dating as far back as 1990. Once the moratorium is lifted, these applicants will be given priority to build.

In the past few years SLO County has been moving in steps to lift the long-standing moratorium but has been wrestling with the California Coastal Commission over whether there is an adequate water supply.

A few years ago, the town's three water purveyors penned a letter to the county suggesting there may not be enough supply available to support even the existing population, much less more homes.

Indeed, there is a strong contingent in Los Osos who still feel the same and will not welcome new growth once approved, even slow growth.

A car parks on an empty lot at the 1400 block of 12th Street in Los Osos. Empty lots like this are scattered all over town with property owners unable to build amid a long-running moratorium that may finally be coming to an end. Laura Dickinson *ldickinson@thetribunenews.com*

WATER PROVIDERS AGREE ON 1% GROWTH TARGET FOR LOS OSOS

But now the water providers are feeling more optimistic.

The latest news is that the three — Golden State, S&T and Los Osos CSD — have written a new joint letter this month saying they would now support a 1% growth of the population, allowing for construction of new residential units in the town.

This finally came together only after the Coastal Commission suggested it would finalize the long-awaited Los Osos Community Plan laying out where development would be allowed.

The plan has been under review by the commission since its adoption by the Board of Supervisors back in December 2020.

Since that time, the commission and county staff have been meeting to discuss how to resolve the water issues that surfaced during the update process to the plan, according to a recent memo.

Recently, Coastal Commission staff conveyed to the county that their hydrogeologist's analysis of the data relating to the Los Osos Groundwater Basin's sustainability now provides sufficient confidence that a maximum growth rate of 1% per year may be established for Los Osos.

The memo continues, "It is anticipated that the Coastal Commission staff's growth rate recommendation will be made to the Coastal Commission at a public meeting in June 2024 (likely June 12th, 13th or 14th)."

An empty lot between two homes in the 1800 block of 10th Street in Los Osos. Empty lots like this are scattered all over town with property owners unable to build amid a long-running moratorium that may finally be coming to an end. Laura Dickinson *ldickinson@thetribunenews.com*

SUPERVISOR BRUCE GIBSON APPLAUDS DECISION

County Supervisor Bruce Gibson, who represented Los Osos through decades of this drama, hailed the Coastal Commission decision last week.

”The Coastal Commission’s certification of the Community Plan will be a major step in seeing a well-planned and well-managed growth resume in Los Osos,” he said. “The community has waited a long time, and I can see a bright future as Los Osos develops both its residential neighborhoods and commercial areas.”

To cobble together all approvals by this fall, a coordinated slow-motion environmental ballet is being performed involving a number of agencies offering approval after years of debate, hesitancy and negotiation.

Last February, the U.S. Fish & Wildlife agency gave approval to the Los Osos Habitat Conservation Plan (LOHCP) that will allow the “taking” of some endangered species found in Los Osos.

Most famously, that includes the Morro shoulderband snail that has kept most everybody from moving any earth in this sand-dune town for fear of harming the small snail.

But now, the snail is off the endangered list (it is still listed as threatened), and under the new habitat conservation plan, builders and home and business owners pay into a pot of money meant to mitigate any further losses without the time-consuming and expensive environmental studies or the need employ snail monitors on any development project. New development will pay into a fund for mitigation.

In the coming months, the Board of Supervisors will be asked for a general fund loan to begin implementing the habitat conservation plan through land acquisition and habitat restoration projects. This will allow the department to accrue credits that can be issued as “certificates of inclusion” to mitigate against infrastructure and development project habitat impacts.

No lifting of the building permit moratorium would have any practical benefit without this habitat conservation plan being approved.

A double rainbow forms over the farmers market in Baywood Park. John Lindt

IS THERE ENOUGH WATER?

The county also helped make it more likely that new construction will not negatively impact the groundwater supply with the adoption of the Title 19 Retrofit-to-Build Program.

Under this groundwater basin management strategy, any new development in order to proceed must comply with the county’s Title 19 requirements to offset the estimated water of a development at a 2-to-1 ratio.

In general such rules, now popular across California water districts, require new development to retrofit or pay to retrofit existing development in the community at 200% (2-to-1) of the expected demand the new development will generate. In other

words, the new development more than offsets the increase in demand for water that will result.

It typically comes via plumbing fixture retrofits on other residences or paying an in lieu fee to accomplish that. This way the whole neighborhood becomes more water-efficient.

Another strategy would involve bringing in an alternate water supply to Los Osos, which the community services district is considering by connecting to the State Water Project in Morro Bay via a new pipeline.

The county argues this will make new development water-use neutral and place no new demand on the groundwater basin. Requiring offset adds another level of oversight on evaluating the groundwater basin health over time.

Another agency charged with monitoring the health of the Los Osos basin was put in place years ago after a settled lawsuit in 2015. The Basin Management Committee (BMC) advises on the health of the watershed, monitoring key metrics including precipitation, seawater intrusion, Basin Yield Metric, the water level, and chloride and nitrate levels. The latest Basin Yield Metric shows a decrease between 2022 and 2023 (an improvement) and meets the Los Osos Basin Plan goal that the BMC follows.

Working to improve each of these metrics offers some confidence that sustainability of the basin is moving closer to reality.

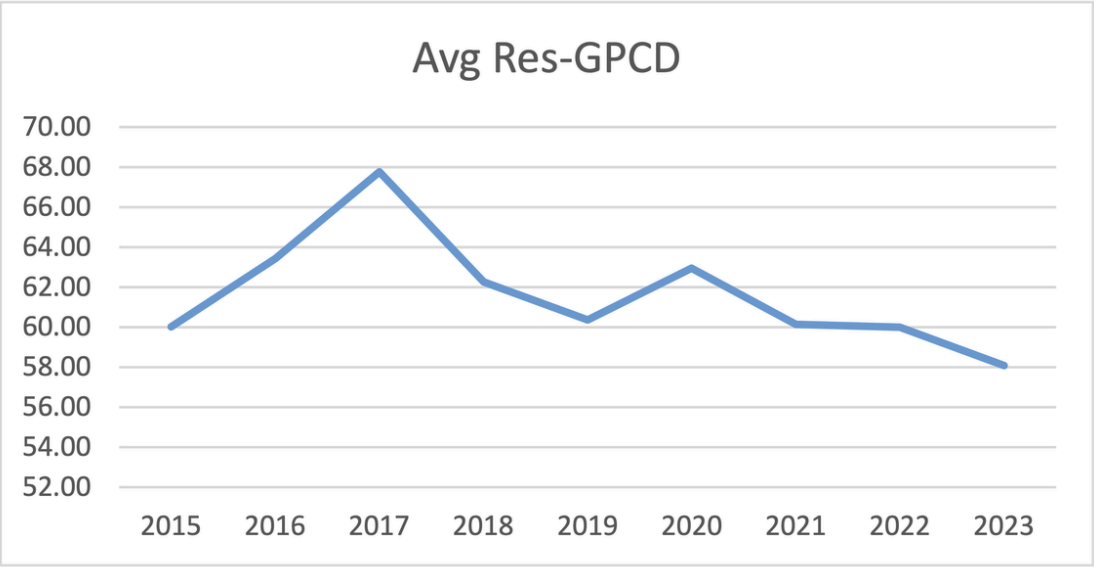
Looking at some of these numbers, the community has seen two good rainfall years, with 21.6 inches so far this water year and 34 inches last year. The average is about

But that came after the previous three years saw rainfall around 13 inches each year, well below average. California's drought and expectation of a drier future overhang the issue of growth here. The good news is Los Osos residents continue to conserve.

Big rain years help stream flow, too. The estimated stream flow on Los Osos Creek at Los Osos Valley Road in the 2023 water year was 15,426 acre-feet, almost five times the average annual flow.

If it is raining more, the basin appears to be pumping up less groundwater — 18% less than 2022. Basin water use has experienced an overall decline since 2013 and is now at the lowest level since 1973, says a report.

The estimate of private domestic water use in 2023 has been reduced significantly from previous years, based on the recommendations of a 2023 Water Offset Study (Maddaus Water Management, 2023). "The decrease is directly attributable to the community trending toward drought-tolerant landscaping and a reduction in private lawn ... over the last 15 years."



A graphic shows how average residential water consumption has declined in recent years.

To bolster Los Osos groundwater, the county has set up a recycling program that recharges treated wastewater uphill from the town, which is expected to increase groundwater supply as well as push back against seawater intrusion.

Schools and the community park will retire wells and irrigate with this recycled "purple" water.

One more metric is the presence of nitrates in the groundwater.

In the case of one purveyor, S&T Mutual Water, nitrate levels are close to maximum and the county and water board may decide to install monitoring wells to see if the town's one remaining big septic tank subdivision — Cabrillo Estates — is leaching nitrates into lower elevation water wells and should be required to connect to the community sewer system like most of the rest of the town.

Gibson sits on the Basin Management Committee along with the water purveyors and argues Los Osos can move forward, knowing that they are actively managing the basin.

To critics who argue allowing growth threatens the health of the basin, Gibson has said in the past, "As we get moving forward, we will monitor how the water supply responds. That's where adaptive management comes in."

"We're going to grow at a rate we can monitor and adapt to."

The latest report shows that per-capita water use and water production trends are going in the right direction: down.

A 1% growth rate could bring as many as 60 new homes in a given year in the community of 6,000 dwellings. Low-income affordable housing also could be added on a different schedule with an expected 400 units built in the next five years. The town has few of these units.

As to the development of affordable housing in Los Osos, Gibson cautions, "The board has set an ambitious goal of meeting its state-mandated Regional Housing

Needs Assessment targets. We'll need to make some significant decisions in order to make those goals. That is, our success on that issue is not guaranteed."

John Lindt is the editor of the Sierra2theSea.net news website.

This story was originally published May 21, 2024, 10:04 AM.

CORRECTION: *This story was updated to correct the number of people served by the wastewater treatment plant to 12,500 and the miles of pipeline to 42. Also, it is the U.S. Fish & Wildlife Service that administers the Endangered Species Act.*

CORRECTED MAY 22, 2024

RELATED STORIES FROM SAN LUIS OBISPO TRIBUNE

LOCAL

Is it legal to cut down a tree on SLO property? You have to follow these rules, city says

MAY 16, 2024 5:00 AM

LOCAL

2 killed, 2 others injured in late-night car crash in SLO neighborhood

MAY 16, 2024 1:26 PM

JOIN THE CONVERSATION FOLLOW

Your comments will appear under the nickname **User 0e4f7c7**. If you'd like to update your nickname, click here

U0 Join the conversation, User 0e4f7c7

Conversations are opinions of our readers and are subject to the Community Guidelines.

ALL COMMENTS 2 NEWEST

U2 **User 23f8342** 19 HRS AGO

We need to wait a while longer before adding more water users. Yes, we're saving water at my house. Losing our small lawn was no big deal, but cutting back on landscape irrigation has also caused the loss of a half-dozen long established fruit trees. Now we spend several hours a week hand-watering with what we save from going down the drain in the kitchen and laundry. Prediction that the town could restore the aquifer with water injected after its treatment at the sewer plant has gone awry because residents cut back on all indoor water usage so there's less water to inject. A couple of rainy years has given us many more weeds, and that's about all. Meanwhile, the County says it hasn't enough money to undertake needed projects unless there's more development.

REPLY 1

LOAD MORE COMMENTS

SAN LUIS OBISPO COUNTY PROPERTY TAX BILLS – 2019/2020 AND 2023/2024

JAMES W. HAMILTON, CPA Auditor-Controller / Treasurer-Tax Collector

2019/20 ANNUAL SECURED PROPERTY TAX BILL

20857

FISCAL YEAR JULY 1, 2019 TO JUNE 30, 2020

DUPLICATE BILL

www.SloCountyTax.org

SAN LUIS COASTAL UNIFIED SCHOOL DIST (990)

1055 Monterey Street, Rm D-290
San Luis Obispo, CA 93408
(805) 781-5831

1 Assessment	2 Bill Number	3 Tax Rate Area	4 Total Tax Rate
074-331-001	2019/20 074-331-001	112-098	1.07225

5 Assessed Owner

As of January 1, 2019
SAN LUIS COASTAL UNIFIED SCHOOL DIST (990)

6 Property Description

011.90AC SCHOOL

9 First Installment Due	
11/1/2019	$13,562.99

10 Second Installment Due	
2/1/2020	$13,562.99

11 Total Taxes Due	$27,125.98

7 Property Description - See back of bill for disclaimer.

011.90AC SCHOOL

8 Important Messages

View and pay taxes online at: www.slocountytax.org

ADDRESS CHANGE - To change address information make changes on stub, sign, and send with your payment, or complete Change of Address form at: www.slocountytax.org

****** 1ST INSTALLMENT PAID 10/18/19 *****
****** 2ND INSTALLMENT PAID 10/18/19 *****

See reverse side for important taxpayer information.

Property Assessment For Fiscal Year 2019/20

12 Description	Assessed Values
Net Assessed Value †	0

† For Questions Regarding Assessed Values Call 805-781-5643

Tax Calculation

13 Service Agency	Contact	Rate	Amount
PROP 13 TAX RATE	(805) 781-5831	1.00000	
STATE WATER PROJ	(805) 781-5252	0.00400	
SL COASTAL 2014 GO	(805) 788-2968	0.04900	
CUESTA CCD 2014 BOND	(805) 788-2968	0.01925	
SLO CO SWR RATE/CHGS	(805) 781-5294	0.00000	8,516.84
SLO LO SWR-USDA/SRF	(805) 781-5294	0.00000	13,451.54
LOCSD WASTE TREATMT	(800) 676-7516	0.00000	2,485.40
LO J DRAINAGE CHG	(805) 544-4011	0.00000	18.00
LO B FIRE SPECIAL TX	(805) 544-4011	0.00000	2,654.20
Total		1.07225	**27,125.98**

JAMES W. HAMILTON, CPA Auditor-Controller / Treasurer-Tax Collector

2023/24 ANNUAL SECURED PROPERTY TAX BILL

FISCAL YEAR JULY 1, 2023 TO JUNE 30, 2024

DUPLICATE BILL

SAN LUIS COASTAL UNIFIED SCHOOL DIST (990)

www.SloCountyTax.org

1055 Monterey Street, Rm D-290
San Luis Obispo, CA 93408
(805) 781-5831

1 Assessment	2 Bill Number	3 Tax Rate Area	4 Total Tax Rate
074-331-001	2023/24 074-331-001	112-098	1.10688

5 Assessed Owner

As of January 1, 2023
SAN LUIS COASTAL UNIFIED SCHOOL DIST (990)

6 Property Description

011.90AC SCHOOL

9 First Installment Due	
11/1/2023	**$29,402.34**

10 Second Installment Due	
2/1/2024	**$29,402.34**

11 Total Taxes Due	**$58,804.68**

7 Property Description - See back of bill for disclaimer.

011.90AC SCHOOL

8 Important Messages

View and pay taxes online at: www.slocountytax.org

ADDRESS CHANGE - To change address information make changes on stub, sign, and send with your payment, or complete Change of Address form at: www.slocountytax.org

****** 1ST INSTALLMENT PAID 10/19/23 *****
****** 2ND INSTALLMENT PAID 01/22/24 *****

See reverse side for important taxpayer information.

Property Assessment For Fiscal Year 2023/24

12 Description	Assessed Values
Net Assessed Value †	0

† For Questions Regarding Assessed Values Call 805-781-5643

Tax Calculation

13 Service Agency	Contact	Rate	Amount
PROP 13 TAX RATE	(805) 781-5831	1.00000	
STATE WATER PROJ	(805) 781-5250	0.00363	
SL COASTAL 2014 GO	(805) 788-2968	0.03500	
SL COASTAL 2022 GO	(805) 788-2968	0.04900	
CUESTA CCD 2014 BOND	(805) 788-2968	0.01925	
SLO CO SWR RATE/CHGS	(805) 781-5294	0.00000	39,735.54
SLO LO SWR-USDA/SRF	(805) 781-5294	0.00000	13,493.52
LOCSD WASTE TREATMT	(800) 676-7516	0.00000	2,492.18
LO J DRAINAGE CHG	(805) 544-4011	0.00000	18.00
LO B FIRE SPECIAL TX	(805) 544-4011	0.00000	3,065.44
Total		1.10688	**58,804.68**

Summary of Revenue and Expenses

07/01/2020 - 06/30/2021

Account classifications selected

	FN	RESC	Y	OBJT	GOAL	FUNC	SCH	DISC	DIS2
1.	??	????	?	????	????	????	811	????	????
2.	-	-	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-	-	-
4.	-	-	-	-	-	-	-	-	-
5.	-	-	-	-	-	-	-	-	-
6.	-	-	-	-	-	-	-	-	-
7.	-	-	-	-	-	-	-	-	-
8.	-	-	-	-	-	-	-	-	-
9.	-	-	-	-	-	-	-	-	-
10.	-	-	-	-	-	-	-	-	-

Field ranges selected

FI	RANGE

Primary sort/rollup levels: FN
Income summary level: 4
Expense summary level: 4
Data source: GLSTEX Standard Extract
Report template: /var/opt/qss/data/CTFAR300: 03/14/2016 08:14:07
Budget type: A Approved
Include budget transfers: A
GL Transactions: A Approved Only
Exclude Pre-encumbrances: N
Use Reference Values: N
Restricted Fld Nbr: 02 RESC
Separation Option: No Separation of Restricted and UnRestricted
Extraction Type: Restricted and UnRestricted

Report prepared: 05/16/2024 10:02:01

07/01/2020 - 06/30/2021

FUND :01 GENERAL FUND

OBJT	Beg. Balance/ Adjusted Budget	Current Activity	Year to date Activity	Encumbrances	Balance	%used
Beginning balance						
9110 CASH IN COUNTY TREASURY	0.00	388,569.48	388,569.48	0.00	388,569.48	
9209 ACCOUNTS RECEIVABLE-NEW YEAR	0.00	6,938.68	6,938.68	0.00	6,938.68	
TOTAL Beginning balance	0.00	395,508.16	395,508.16	0.00	395,508.16	
Current year revenue						
8650 LEASES & RENTALS	273,888.00	394,821.02	394,821.02	0.00	120,933.02-	144.2
8699 ALL OTHER LOCAL REVENUES	0.00	2,192.71	2,192.71	0.00	2,192.71-	N/A
TOTAL Current year revenue	273,888.00	397,013.73	397,013.73	0.00	123,125.73-	
*TOTAL Beginning balance + Revenue	273,888.00	397,013.73	397,013.73			*
Expense						
2200 CLASSIFIED SUPPORT SALARIES	7,222.33	7,222.33	7,222.33	0.00	0.00	100.0
3202 PERS CLASSIFIED	1,475.97	1,475.97	1,475.97	0.00	0.00	100.0
3302 SOCIAL SECURITY CLASSIFIED	399.82	399.82	399.82	0.00	0.00	100.0
3312 MEDICARE - CLASSIFIED	93.48	93.48	93.48	0.00	0.00	100.0
3402 HEALTH & WELFARE CLASSIFIED	1,396.80	1,396.80	1,396.80	0.00	0.00	100.0
3502 UNEMPLOYMENT - CLASSIFIED	3.60	3.60	3.60	0.00	0.00	100.0
3602 WORKERS COMP - CLASSIFIED	118.04	118.04	118.04	0.00	0.00	100.0
4300 MATERIALS AND SUPPLIES	1,000.00	0.00	0.00	0.00	1,000.00	0.0
5510 WATER	62,000.00	35,473.46	35,473.46	0.00	26,526.54	57.2
5520 GAS	3,800.00	4,719.39	4,719.39	0.00	919.39-	124.2
5530 ELECTRICITY	24,936.00	22,151.24	22,151.24	0.00	2,784.76	88.8
5550 DISPOSAL/GARBAGE REMOVAL	3,000.00	1,944.59	1,944.59	0.00	1,055.41	64.8
5600 RENTALS,LEASES,REPAIRS,IMPROVM	10,000.00	278.83	278.83	0.00	9,721.17	2.8
5800 PROFES'L/CONSULTG SVCS/OP EXP	10,000.00	0.00	0.00	0.00	10,000.00	0.0
5893 ASSESSMENTS	28,764.00	28,763.96	28,763.96	0.00	0.04	100.0
5922 COMMUNICATION - TELEPHONE SVCS	360.00	1,505.57	1,505.57	0.00	1,145.57-	418.2
TOTAL Expense	154,570.04	105,547.08	105,547.08	0.00	49,022.96	
**Fund balance	119,317.96	291,466.65	291,466.65			**

	Account classifications selected								Field ranges selected	
	FN	RESC	Y	OBJT	GOAL	FUNC	SCH	DISC	DIS2	FI	RANGE
1.	??-????	-?-	????	-????	-????	-811-	????	-????			
2.	-	- -	-	-	-	-	-	-			
3.	-	- -	-	-	-	-	-	-			
4.	-	- -	-	-	-	-	-	-			
5.	-	- -	-	-	-	-	-	-			
6.	-	- -	-	-	-	-	-	-			
7.	-	- -	-	-	-	-	-	-			
8.	-	- -	-	-	-	-	-	-			
9.	-	- -	-	-	-	-	-	-			
10.	-	- -	-	-	-	-	-	-			

Primary sort/rollup levels: FN
Income summary level: 4
Expense summary level: 4
Data source: GLSTEX Standard Extract
Report template: /var/opt/qss/data/CTFAR300: 03/14/2016 08:14:07
Budget type: A Approved
Include budget transfers: A
GL Transactions: A Approved Only
Exclude Pre-encumbrances: N
Use Reference Values: N
Restricted Fld Nbr: 02 RESC
Separation Option: No Separation of Restricted and UnRestricted
Extraction Type: Restricted and UnRestricted

Report prepared: 05/16/2024 10:09:39

FUND :01 GENERAL FUND

OBJT	Beg. Balance/ Adjusted Budget	Current Activity	Year to date Activity	Encumbrances	Balance	%used
Beginning balance						
9110 CASH IN COUNTY TREASURY	0.00	357,942.26	357,942.26	0.00	357,942.26	
9209 ACCOUNTS RECEIVABLE-NEW YEAR	0.00	9,532.00	9,532.00	0.00	9,532.00	
9210 ACCOUNTS RECEIVABLE PRIOR YEAR	0.00	6,938.68-	6,938.68-	0.00	6,938.68-	
TOTAL Beginning balance	0.00	360,535.58	360,535.58	0.00	360,535.58	
Current year revenue						
8650 LEASES & RENTALS	295,000.00	361,696.03	361,696.03	0.00	66,696.03-	122.6
TOTAL Current year revenue	295,000.00	361,696.03	361,696.03	0.00	66,696.03-	
*TOTAL Beginning balance + Revenue	295,000.00	361,696.03	361,696.03			*
Expense						
2200 CLASSIFIED SUPPORT SALARIES	7,674.03	7,612.20	7,612.20	0.00	61.83	99.2
3202 PERS CLASSIFIED	1,757.35	1,743.96	1,743.96	0.00	13.39	99.2
3302 SOCIAL SECURITY CLASSIFIED	475.79	421.49	421.49	0.00	54.30	88.6
3312 MEDICARE - CLASSIFIED	111.27	98.57	98.57	0.00	12.70	88.6
3402 HEALTH & WELFARE CLASSIFIED	1,400.22	1,440.66	1,440.66	0.00	40.44-	102.9
3502 UNEMPLOYMENT - CLASSIFIED	33.99	34.06	34.06	0.00	0.07-	100.2
3602 WORKERS COMP - CLASSIFIED	138.90	123.00	123.00	0.00	15.90	88.6
4300 MATERIALS AND SUPPLIES	1,000.00	0.00	0.00	0.00	1,000.00	0.0
5510 WATER	62,000.00	65,296.03	65,296.03	0.00	3,296.03-	105.3
5520 GAS	3,800.00	7,819.17	7,819.17	0.00	4,019.17-	205.8
5530 ELECTRICITY	24,936.00	25,167.49	25,167.49	0.00	231.49-	100.9
5550 DISPOSAL/GARBAGE REMOVAL	3,000.00	1,930.35	1,930.35	0.00	1,069.65	64.3
5600 RENTALS,LEASES,REPAIRS,IMPROVM	10,000.00	0.00	0.00	0.00	10,000.00	0.0
5800 PROFES'L/CONSULTG SVCS/OP EXP	10,000.00	0.00	0.00	0.00	10,000.00	0.0
5893 ASSESSMENTS	28,764.00	53,598.40	53,598.40	0.00	24,834.40-	186.3
5922 COMMUNICATION - TELEPHONE SVCS	360.00	1,160.45	1,160.45	0.00	800.45-	322.3
TOTAL Expense	155,451.55	166,445.83	166,445.83	0.00	10,994.28-	
**Fund balance	139,548.45	195,250.20	195,250.20			**

07/01/2022 - 06/30/2023

Account classifications selected

	FN	RESC	Y	OBJT	GOAL	FUNC	SCH	DISC	DIS2
1.	??	????	?	????	????	????	811	????	????
2.	-	-	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-	-	-
4.	-	-	-	-	-	-	-	-	-
5.	-	-	-	-	-	-	-	-	-
6.	-	-	-	-	-	-	-	-	-
7.	-	-	-	-	-	-	-	-	-
8.	-	-	-	-	-	-	-	-	-
9.	-	-	-	-	-	-	-	-	-
10.	-	-	-	-	-	-	-	-	-

Field ranges selected

FI	RANGE

Primary sort/rollup levels: FN
Income summary level: 4
Expense summary level: 4
Data source: GLSTEX Standard Extract
Report template: /var/opt/qss/data/CTFAR300: 03/14/2016 08:14:07
Budget type: A Approved
Include budget transfers: A
GL Transactions: A Approved Only
Exclude Pre-encumbrances: N
Use Reference Values: N
Restricted Fld Nbr: 02 RESC
Separation Option: No Separation of Restricted and UnRestricted
Extraction Type: Restricted and UnRestricted

Report prepared: 05/16/2024 10:22:07

FUND :01 GENERAL FUND

OBJT	Beg. Balance/ Adjusted Budget	Current Activity	Year to date Activity	Encumbrances	Balance	%used
Beginning balance						
9110 CASH IN COUNTY TREASURY	0.00	450,937.39	450,937.39	0.00	450,937.39	
9209 ACCOUNTS RECEIVABLE-NEW YEAR	0.00	282.56	282.56	0.00	282.56	
9210 ACCOUNTS RECEIVABLE PRIOR YEAR	0.00	9,532.00-	9,532.00-	0.00	9,532.00-	
TOTAL Beginning balance	0.00	441,687.95	441,687.95	0.00	441,687.95	
Current year revenue						
8650 LEASES & RENTALS	395,653.00	453,147.96	453,147.96	0.00	57,494.96-	114.5
TOTAL Current year revenue	395,653.00	453,147.96	453,147.96	0.00	57,494.96-	
*TOTAL Beginning balance + Revenue	395,653.00	453,147.96	453,147.96			*
Expense						
2200 CLASSIFIED SUPPORT SALARIES	8,143.00	8,078.04	8,078.04	0.00	64.96	99.2
3202 PERS CLASSIFIED	1,947.00	2,049.34	2,049.34	0.00	102.34-	105.3
3302 SOCIAL SECURITY CLASSIFIED	476.00	453.19	453.19	0.00	22.81	95.2
3312 MEDICARE - CLASSIFIED	112.00	105.99	105.99	0.00	6.01	94.6
3402 HEALTH & WELFARE CLASSIFIED	1,455.00	1,582.87	1,582.87	0.00	127.87-	108.8
3502 UNEMPLOYMENT - CLASSIFIED	39.00	36.59	36.59	0.00	2.41	93.8
3602 WORKERS COMP - CLASSIFIED	161.00	152.77	152.77	0.00	8.23	94.9
4300 MATERIALS AND SUPPLIES	1,000.00	0.00	0.00	0.00	1,000.00	0.0
5510 WATER	63,296.00	65,392.86	65,392.86	0.00	2,096.86-	103.3
5520 GAS	11,519.00	14,621.45	14,621.45	0.00	3,102.45-	126.9
5530 ELECTRICITY	28,167.00	30,938.91	30,938.91	0.00	2,771.91-	109.8
5550 DISPOSAL/GARBAGE REMOVAL	1,930.00	5,277.62	5,277.62	0.00	3,347.62-	273.5
5600 RENTALS,LEASES,REPAIRS,IMPROVM	0.00	0.00	0.00	0.00	0.00	N/A
5800 PROFES'L/CONSULTG SVCS/OP EXP	10,000.00	0.00	0.00	0.00	10,000.00	0.0
5893 ASSESSMENTS	53,598.00	61,236.58	61,236.58	0.00	7,638.58-	114.3
5922 COMMUNICATION - TELEPHONE SVCS	360.00	1,204.32	1,204.32	0.00	844.32-	334.5
TOTAL Expense	182,203.00	191,130.53	191,130.53	0.00	8,927.53-	
**Fund balance	213,450.00	262,017.43	262,017.43			**

	Account classifications selected FN RESC Y OBJT GOAL FUNC SCH DISC DIS2	Field ranges selected FI RANGE
1.	??-????-?-????-????-????-811-????-????	
2.	- - - - - - - -	
3.	- - - - - - - -	
4.	- - - - - - - -	
5.	- - - - - - - -	
6.	- - - - - - - -	
7.	- - - - - - - -	
8.	- - - - - - - -	
9.	- - - - - - - -	
10.	- - - - - - - -	

```
Primary sort/rollup levels: FN
      Income summary level: 4
     Expense summary level: 4
               Data source: GLSTEX Standard Extract
            Report template: /var/opt/qss/data/CTFAR300:  03/14/2016 08:14:07
               Budget type: A  Approved
  Include budget transfers: A
            GL Transactions: A  Approved Only
  Exclude Pre-encumbrances: N
      Use Reference Values: N
        Restricted Fld Nbr: 02  RESC
         Separation Option: No Separation of Restricted and UnRestricted
           Extraction Type: Restricted and UnRestricted

           Report prepared: 05/16/2024  09:22:04
```

07/01/2023 - 06/30/2024

FUND :01 GENERAL FUND

OBJT	Beg. Balance/ Adjusted Budget	Current Activity	Year to date Activity	Encumbrances	Balance	%used
Beginning balance						
9110 CASH IN COUNTY TREASURY	0.00	423,101.77	423,101.77	0.00	423,101.77	
9210 ACCOUNTS RECEIVABLE PRIOR YEAR	0.00	282.56-	282.56-	0.00	282.56-	
TOTAL Beginning balance	0.00	422,819.21	422,819.21	0.00	422,819.21	
Current year revenue						
8650 LEASES & RENTALS	355,000.00	424,348.69	424,348.69	0.00	69,348.69-	119.5
TOTAL Current year revenue	355,000.00	424,348.69	424,348.69	0.00	69,348.69-	
*TOTAL Beginning balance + Revenue	355,000.00	424,348.69	424,348.69			*
Expense						
2200 CLASSIFIED SUPPORT SALARIES	8,553.00	7,267.04	7,267.04	1,467.38	181.42-	102.1
3202 PERS CLASSIFIED	2,282.00	1,938.87	1,938.87	391.49	48.36-	102.1
3302 SOCIAL SECURITY CLASSIFIED	530.00	405.61	405.61	90.97	33.42	93.7
3312 MEDICARE - CLASSIFIED	124.00	94.87	94.87	21.27	7.86	93.7
3402 HEALTH & WELFARE CLASSIFIED	1,563.00	1,351.56	1,351.56	274.50	63.06-	104.0
3502 UNEMPLOYMENT - CLASSIFIED	4.00	3.30	3.30	0.66	0.04	99.0
3602 WORKERS COMP - CLASSIFIED	179.00	141.34	141.34	30.08	7.58	95.8
5510 WATER	60,000.00	72,800.22	72,800.22	11,601.72	24,401.94-	140.7
5520 GAS	18,000.00	6,438.80	6,438.80	8,031.65	3,529.55	80.4
5530 ELECTRICITY	25,000.00	29,687.51	29,687.51	1,585.49	6,273.00-	125.1
5550 DISPOSAL/GARBAGE REMOVAL	1,930.00	7,057.29	7,057.29	460.45	5,587.74-	389.5
5893 ASSESSMENTS	53,598.00	58,804.68	58,804.68	0.00	5,206.68-	109.7
5922 COMMUNICATION - TELEPHONE SVCS	0.00	833.76	833.76	0.00	833.76-	N/A
TOTAL Expense	171,763.00	186,824.85	186,824.85	23,955.66	39,017.51-	
**Fund balance	183,237.00	237,523.84	237,523.84			**

FUND :21 BUILDING FUND - BOND PROCEEDS

OBJT	Beg. Balance/ Adjusted Budget	Current Activity	Year to date Activity	Encumbrances	Balance	%used
Expense						
5800 PROFES'L/CONSULTG SVCS/OP EXP	1,862.00	1,861.13	1,861.13	0.00	0.87	100.0
TOTAL Expense	1,862.00	1,861.13	1,861.13	0.00	0.87	
**Fund balance	1,862.00-	1,861.13-	1,861.13-			**

Statement of Professional Contribution

Allyson Milburn and Amber Eckert (Central California Appraisals Analysts/Appraiser Trainees) assisted in various parts of the development of this report, including:

- Maintain Work File
- Primary and Secondary Data Research and Analysis
- Maps
- Site Inspection
- Report Building
- Comparable Sales Data Research and Analysis

The California Bureau of Real Estate Appraisers (BREA) allows future licensees to obtain experience without a license by providing "significant real property appraisal assistance" to an appraiser and adequately identifying the assistance in the appraisal report"[1]. Central California Appraisals Appraiser Trainees earn and log experience by providing "significant real property appraisal assistance" to Senior Appraisers. Amber Eckert is not licensed with the California BREA.

All valuation conclusions and analyses are solely those of Senior Appraiser Todd O. Murphy, MAI, ARA, California License #AG002286 (expires February 14, 2026).

[1] https://brea.ca.gov/html/Lic_Hdbk.html#www

APPRAISER QUALIFICATIONS

Empowering Decisions,
Delivering Excellence

CENTRAL CALIFORNIA
APPRAISALS

Todd O. Murphy, MAI, ARA
Central California Appraisals | Michael Burger & Associates
tmurphy@appraisecc.com

CONTACT INFORMATION

1306 Higuera Street
San Luis Obispo, CA 93401

Main: 805.544.2472 x215
Fax: 661.834.0748

STATE CERTIFICATIONS

California
Certified General Real Estate Appraiser
License AG002286

EDUCATION

California Polytechnic State University San Luis Obispo, Bachelor of Science - Agricultural Management, 1979, with a concentration in farm management, appraisal, and rural land economics

Cuesta Community College; San Luis Obispo, California; Certificate of Proficiency – Real Estate, 1984

Various College and University Real Estate and Appraisal Courses

Various Appraisal Courses Sponsored by the California State Board of Equalization – Residential, Income, and Rural Properties

www.appraisecc.com

Todd O. Murphy, MAI, ARA

Senior Appraiser
Central California Appraisals

EXPERIENCE

Senior Appraiser
Central California Appraisals (2023 - Present)

Senior Appraiser
Valbridge Property Advisors | Central California (2021 - 2023)

Principal and Co-Owner
Schenberger, Taylor, McCormick & Jecker, Inc. (1992 - 2021)

Instructor, Part-Time Faculty
California Polytechnic State University San Luis Obispo (2011 - Present)
Agribusiness Department, Rural Property Appraisal and Agricultural Property Management and Sales Courses

Appraiser
Schenberger, Taylor, McCormick & Jecker, Inc. (1983 - 1992)

Staff Appraiser
Santa Barbara County Assessor's Office (1979 - 1983)

Instructor, Part-Time Faculty
Cuesta Community College, San Luis Obispo (1986 - 1994)
Real Estate Economics, Real Estate Appraisal, and Advanced Real Estate Appraisal Courses

PROFESSIONAL CREDENTIALS

Designated Member of the Appraisal Institute (MAI) #9356

Member – American Society of Farm Managers and Rural Appraisers

Designated Accredited Rural Appraiser (ARA)

SR/WA Candidate of the International Right-of-Way Association (IRWA)

Delegate to the 1989 Young Advisory Council of the Society of Real Estate Appraisers and 1991 Young Advisory Council of the Appraisal Institute

1992 Chapter President San Luis Obispo County Chapter – Appraisal Institute

1996 Chapter President Santa Barbara Chapter 47, IRWA

CIVIC, VOLUNTEER AND PROFESSIONAL AFFILIATIONS

Certified General Real Estate Appraiser – No. AG002286 State of California, Office of Real Estate Appraisers – December 10, 1991

Qualified Expert Witness – San Luis Obispo County Superior Court, Santa Barbara County Superior Court, U.S. Bankruptcy Court, and San Luis Obispo County Assessment Appeals Board

Guest Lecturer – Real Estate Appraisal – California Polytechnic State University, San Luis Obispo, California, School of Business Administration; Agricultural Management Department, and School of Architecture, 1984 to 1986

Teaching Credential – Real Estate – California Community Colleges – 1986

Appointed to the following committees: Real Estate Advisory Committee – Cuesta College, 1990; Real Estate Course Revision Committee – Cuesta College, 1989; Alumni Representative to the External Review Committee – Agribusiness Department, California Polytechnic State University - San Luis Obispo, 1989

Awarded – Agricultural Appraiser of the Year – 2022; California Chapter ASFMRA; March 24, 2022

CENTRAL CALIFORNIA
APPRAISALS

Todd O. Murphy, MAI, ARA

Senior Appraiser
Central California Appraisals

APPRAISAL SPECIALTIES

Experience includes an extensive variety of appraisal assignments, including residential, commercial, industrial, rural, and special-purpose properties.

The following is a list of property types that represent particular areas of specialization:

Agricultural – Farms and Ranches
Coastal and Oceanfront Properties – over 50 miles of shoreline appraised
Conservation Easements and Development Rights
Residential Subdivisions
Master-Planned Developments
Undeveloped Land and Interim-Use Properties
Easements and Rights-of-Ways for Roads, Access, Pipelines, Utilities, etc.
Title Defects
Remote Parcels
Environmentally Significant Properties
Commercial Investment Properties
Special-Purpose Industrial Properties

The most common uses of these appraisals are for the following purposes:

Public Agency Acquisition
Estate Planning and/or Gift Tax Purposes
Litigation Support
Conventional and Municipal Financing
Land Trust Acquisition
Title Litigation
Marriage and Partnership Dissolutions

CONCENTRATED WORK EXPERIENCE

Conservation Easements and Development Rights
Since 1992, Mr. Murphy has completed over 60 appraisals that address the market value of conservation easements and/or development rights for a variety of clients. These clients include private property owners; land trusts; and federal, state, and local agencies. Property types include primarily larger ranches, agricultural land, and/or urban fringe properties ranging from 5 to over 80,000 acres in size.

Public Agency Acquisitions
Mr. Murphy has extensive experience and training in public agency acquisition appraisals for federal, state, and local agencies. These include eminent domain actions and negotiated acquisitions.

CENTRAL CALIFORNIA
APPRAISALS

Todd O. Murphy, MAI, ARA

Senior Appraiser
Central California Appraisals

APPRAISAL SPECIALTIES

Experience includes an extensive variety of appraisal assignments, including residential, commercial, industrial, rural, and special-purpose properties.

The following is a list of property types that represent particular areas of specialization:

Agricultural – Farms and Ranches
Coastal and Oceanfront Properties – over 50 miles of shoreline appraised
Conservation Easements and Development Rights
Residential Subdivisions
Master-Planned Developments
Undeveloped Land and Interim-Use Properties
Easements and Rights-of-Ways for Roads, Access, Pipelines, Utilities, etc.
Title Defects
Remote Parcels
Environmentally Significant Properties
Commercial Investment Properties
Special-Purpose Industrial Properties

The most common uses of these appraisals are for the following purposes:

Public Agency Acquisition
Estate Planning and/or Gift Tax Purposes
Litigation Support
Conventional and Municipal Financing
Land Trust Acquisition
Title Litigation
Marriage and Partnership Dissolutions

CONCENTRATED WORK EXPERIENCE

Conservation Easements and Development Rights
Since 1992, Mr. Murphy has completed over 60 appraisals that address the market value of conservation easements and/or development rights for a variety of clients. These clients include private property owners; land trusts; and federal, state, and local agencies. Property types include primarily larger ranches, agricultural land, and/or urban fringe properties ranging from 5 to over 80,000 acres in size.

Public Agency Acquisitions
Mr. Murphy has extensive experience and training in public agency acquisition appraisals for federal, state, and local agencies. These include eminent domain actions and negotiated acquisitions.

Business, Consumer Services & Housing Agency

BUREAU OF REAL ESTATE APPRAISERS
REAL ESTATE APPRAISER LICENSE

Todd O. Murphy

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

"Certified General Real Estate Appraiser"

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

BREA APPRAISER IDENTIFICATION NUMBER: AG 002286

Effective Date: February 15, 2024
Date Expires: February 14, 2026

Angela Jemmott, Bureau Chief, BREA

3075127

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "CHAIN LINK"

COPY