

Series 2014A (S&amp;P): “AA” (Insured); “A-” (Underlying)

Subordinated Series 2014B: Not Rated

See “RATINGS” herein

*In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. See “TAX MATTERS” herein.*

**\$44,430,000**

**BRENTWOOD INFRASTRUCTURE  
FINANCING AUTHORITY  
Infrastructure Revenue Refunding Bonds  
Series 2014A**

**\$29,970,000**

**BRENTWOOD INFRASTRUCTURE  
FINANCING AUTHORITY  
Infrastructure Revenue Refunding Bonds  
Subordinated Series 2014B**

**Dated: Date of Delivery****Due: September 2, as shown on inside cover**

The \$44,430,000 Infrastructure Revenue Refunding Bonds, Series 2014A (the “Series 2014A Bonds”) and the \$29,970,000 Infrastructure Revenue Refunding Bonds, Subordinated Series 2014B (the “Series 2014B Bonds”) and, together with the Series 2014A Bonds, the “Bonds” and each a “Series” of Bonds) are being issued by the Brentwood Infrastructure Financing Authority (the “Issuer”) to assist the City of Brentwood, California (the “City”) in the refinancing of certain improvements of benefit to property within the City’s Assessment District Nos. 93-2, 93-3, 94-2, 94-3, 2000-1, 2005-1 and 2006-1 (collectively, the “Districts”).

The Issuer previously issued its (i) Infrastructure Revenue Refunding Bonds, Series 2004A (the “Series 2004A Bonds”); (ii) Infrastructure Revenue Refunding Bonds, Subordinated Series 2004B (the “Series 2004B Bonds”); (iii) Infrastructure Revenue Refunding Bonds, Series 2004C (the “Series 2004C Bonds”); (iv) CIPF 2005-1 Infrastructure Revenue Bonds, Series 2005 (the “Series 2005 Bonds”); and (v) CIPF 2006-1 Infrastructure Revenue Bonds, Series 2006 (the “Series 2006 Bonds”). Collectively, the Series 2004A Bonds, the Series 2004B Bonds, the Series 2004C Bonds, the Series 2005 Bonds and the Series 2006 Bonds are referred to in this Official Statement as the “Prior Bonds.” The Prior Bonds or certain bonds of the Issuer that were refunded with the proceeds of the Prior Bonds were issued to provide the Issuer with money to purchase certain local obligations (the “Local Obligations”) issued by the City to finance and refinance the construction and acquisition of certain public improvements within the respective Districts. The Bonds are being issued to refund the outstanding Prior Bonds, to provide for a reserve fund for the Series 2014A Bonds, to provide for a reserve fund for the Series 2014B Bonds, and to pay costs of issuance of the Bonds.

The Bonds are special, limited obligations of the Issuer. The Series 2014A Bonds are payable solely from Revenues of the Issuer pledged under the Amended and Restated Trust Agreement, dated as of October 1, 2014 (the “Trust Agreement”), consisting primarily of payments received by the Issuer from the City as payment on the Local Obligations (defined herein), which payments are secured by liens of unpaid assessments as more fully described herein. The Series 2014B Bonds are also payable from Revenues pledged under the Trust Agreement, but on a subordinate basis to the payment of the Series 2014A Bonds. Payments under the Local Obligations are calculated to be sufficient to permit the Authority to pay the principal of, premium, if any and interest on the Bonds when due. The Local Obligations will not be refunded in connection with the issuance of the Bonds. Installments of principal and interest sufficient to meet annual Local Obligation debt service are included on the regular county tax bills sent to owners of property against which there are unpaid assessments. These annual assessment installments are to be paid into the Local Obligation Redemption Funds (defined herein) and transferred to U.S. Bank National Association, as trustee (the “Trustee”) to be used to pay debt service on the Bonds as it becomes due. See “SECURITY FOR THE BONDS AND SOURCES OF PAYMENT THEREFOR.”

The Bonds are being issued as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), and will be available to ultimate purchasers in the denomination of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. Interest is payable on March 2, 2015, and semiannually thereafter on September 2 and March 2 each year. See “APPENDIX F—THE BOOK-ENTRY SYSTEM.”

**OWNERSHIP OF THE SERIES 2014B BONDS IS SUBJECT TO A SIGNIFICANT DEGREE OF RISK. UNCOLLECTED ASSESSMENT INSTALLMENTS WILL FIRST CAUSE A REDUCTION IN THE AMOUNT OF REVENUES AVAILABLE FOR PAYMENT OF THE SERIES 2014B BONDS PRIOR TO CAUSING A REDUCTION IN THE AMOUNT OF REVENUES AVAILABLE FOR PAYMENT OF THE SERIES 2014A BONDS. ACCORDINGLY, THERE MAY BE A LIMITED TRADING MARKET FOR THE SERIES 2014B BONDS. POTENTIAL INVESTORS ARE ADVISED TO CAREFULLY READ “RISK FACTORS” HEREIN.**

**The Bonds are subject to redemption prior to maturity as described herein. See “THE BONDS — Redemption.”**

**Unpaid assessments do not constitute a personal indebtedness of the owners of the parcels within the Districts and the owners have made no commitment to pay the principal of or interest on the Bonds. In the event of delinquency, proceedings may be conducted only against the real property securing the delinquent assessment. Thus, the value of the real property within the Districts is a critical factor in determining the investment quality of the Bonds. The future unpaid assessments are not required to be paid upon sale of property within the Districts. There is no assurance the owners will be able to pay the assessment installments or that they will pay such installments even though financially able to do so.**

A separate Reserve Fund is established for each Series of Bonds under the Trust Agreement. The Reserve Fund for one Series of the Bonds is not available to make up a deficiency for the other Series of the Bonds. See “SECURITY FOR THE BONDS AND SOURCES OF PAYMENT THEREFOR – Reserve Funds.”

The scheduled payment of principal of and interest on the Series 2014A Bonds when due will be guaranteed under an insurance policy to be delivered concurrently with the issuance of the Series 2014A Bonds by **ASSURED GUARANTY MUNICIPAL CORP.**



This cover page contains certain information for general reference only. It is not a summary of this issue. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision.

**NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE ISSUER, THE CITY, THE COUNTY OF CONTRA COSTA, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. NEITHER THE BONDS NOR THE LOCAL OBLIGATIONS CONSTITUTE A DEBT OF THE CITY WITHIN THE MEANING OF ANY STATUTORY OR CONSTITUTIONAL DEBT LIMITATION.**

The Bonds are offered when, as and if issued and accepted by the Underwriter subject to the approval of validity and certain other legal matters by Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Issuer. Certain legal matters will be passed upon for the Issuer and the City by the City Attorney and for the Underwriter by Jones Hall, A Professional Law Corporation. It is expected that the Bonds will be available for delivery in book-entry form on or about October 14, 2014.



RBC Capital Markets®

## MATURITY SCHEDULE

### Series 2014A Bonds

Maturity September 2	Principal Amount	Interest Rate	Yield	CUSIP <sup>†</sup>
2015	\$2,415,000	2.000%	0.180%	10727XTT5
2016	2,230,000	3.000	0.490	10727XTU2
2017	2,305,000	4.000	0.750	10727XTV0
2018	2,395,000	5.000	1.040	10727XTW8
2019	2,515,000	5.000	1.390	10727XTX6
2020	2,640,000	5.000	1.790	10727XTY4
2021	2,780,000	5.000	2.100	10727XTZ1
2022	2,910,000	5.000	2.400	10727XUA4
2023	3,050,000	5.000	2.630	10727XUB2
2024	3,200,000	5.000	2.760	10727XUC0
2025	3,360,000	5.000	2.950 <sup>c</sup>	10727XUD8
2026	2,750,000	5.000	3.100 <sup>c</sup>	10727XUE6
2027	2,375,000	5.000	3.180 <sup>c</sup>	10727XUF3
2028	2,135,000	5.000	3.250 <sup>c</sup>	10727XUG1
2029	2,240,000	5.000	3.310 <sup>c</sup>	10727XUH9
2030	1,465,000	5.000	3.380 <sup>c</sup>	10727XUJ5

**\$3,665,000 4.000% Term Bond due September 2, 2035, Priced to Yield 4.060% CUSIP<sup>†</sup> 10727XUK2**

### Series 2014B Bonds

Maturity September 2	Principal Amount	Interest Rate	Yield	CUSIP <sup>†</sup>
2015	\$1,095,000	2.000%	0.780%	10727XUL0
2016	965,000	3.000	1.190	10727XUM8
2017	995,000	3.000	1.650	10727XUN6
2018	1,030,000	3.000	2.030	10727XUP1
2019	1,055,000	3.500	2.380	10727XUQ9
2020	1,090,000	4.000	2.720	10727XUR7
2021	1,135,000	4.000	3.030	10727XUS5
2022	1,175,000	4.000	3.280	10727XUT3
2023	1,225,000	4.500	3.510	10727XUU0
2024	1,280,000	3.300	3.640	10727XUV8
2025	1,315,000	3.500	3.820	10727XUW6

**\$7,410,000 4.000% Term Bonds due September 2, 2030, Priced to Yield 4.250%, CUSIP<sup>†</sup> 10727XUY2**

**\$10,200,000 5.000% Term Bonds due September 2, 2036, Priced to Yield 4.375<sup>c</sup>, CUSIP<sup>†</sup> 10727XUX4**

<sup>†</sup> Copyright 2014, American Bankers Association. CUSIP data herein is provided by Standard and Poor's, CUSIP Services Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. CUSIP numbers are provided for convenience of reference only. The Issuer, the City and the Underwriter take no responsibility for the accuracy of such numbers.

<sup>c</sup>=priced to call at par on September 2, 2024.

**BRENTWOOD INFRASTRUCTURE FINANCING AUTHORITY**

**CITY OF BRENTWOOD**

**City Council and Authority Officers**

Robert Taylor, Mayor/Chairperson of the Authority  
Joel R. Bryant, Vice Mayor/Vice-Chairperson of the Authority  
Steve Barr, Councilmember/Boardmember  
Gene Clare, Councilmember/Boardmember  
Erick Stonebarger, Councilmember/Boardmember

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Modesto, California

**Appraiser**

Seevers Jordan Ziegenmeyer  
Rocklin, California

## GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

***Use of Official Statement.*** This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

***Estimates and Forecasts.*** When used in this Official Statement and in any continuing disclosure by the Issuer or City, in any press release and in any oral statement made with the approval of an authorized officer of the Issuer or City, the words or phrases “will likely result,” “are expected to”, “will continue”, “is anticipated”, “estimate”, “project,” “forecast”, “expect”, “intend” and similar expressions identify “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the Issuer or City since the date hereof.

***Limit of Offering.*** No dealer, broker, salesperson or other person has been authorized by the Authority or the Underwriter to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. This Official Statement is not to be construed as a contract with the purchasers of the Bonds.

***Involvement of Underwriter.*** The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. All summaries of the Trust Agreement (as defined herein) or other documents referred to in this Official Statement, are made subject to the provisions of such documents, respectively, and do not purport to be complete statements of any or all of such provisions.

***Insurer’s Disclaimer.*** Assured Guaranty Municipal Corp. (“AGM”) makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading “BOND INSURANCE” and “APPENDIX G – SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXCEPTION FROM THE REGISTRATION REQUIREMENTS CONTAINED IN SUCH ACT. THE BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.



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## OFFICIAL STATEMENT

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**\$44,430,000**  
**BRENTWOOD INFRASTRUCTURE**  
**FINANCING AUTHORITY**  
**Infrastructure Revenue Refunding Bonds**  
**Series 2014A**

**\$29,970,000**  
**BRENTWOOD INFRASTRUCTURE**  
**FINANCING AUTHORITY**  
**Infrastructure Revenue Refunding Bonds**  
**Subordinated Series 2014B**

### INTRODUCTION

*This introduction is not a summary of this Official Statement, and is qualified by the more complete and detailed information contained in the entire Official Statement and the documents described or summarized herein. The sale of Bonds to potential investors is made only by means of the entire Official Statement.*

**General.** This Official Statement, including the cover page and the appendices hereto, is provided to furnish information regarding the issuance by the Brentwood Infrastructure Financing Authority (the “**Issuer**”) of its \$44,430,000 aggregate principal amount of Infrastructure Revenue Refunding Bonds, Series 2014A (the “**Series 2014A Bonds**”) and \$29,970,000 aggregate principal amount of Infrastructure Revenue Refunding Bonds, Subordinated Series 2014B (the “**Series 2014B Bonds**”) and, together with the Series 2014A Bonds, the “**Bonds**” and each a “**Series**” of Bonds).

**Purposes of the Bonds.** The Bonds are being issued to refund the outstanding Prior Bonds (defined below), to provide for a reserve fund for the Series 2014A Bonds, to provide a reserve fund for the Series 2014B Bonds and to pay costs of issuance of the Bonds. See “**PLAN OF REFUNDING**” and “**ESTIMATED SOURCES AND USES OF FUNDS.**”

**The Prior Bonds and the Local Obligations.** The Issuer previously issued its Infrastructure Revenue Refunding Bonds, Series 2004A and Subordinated Series 2004B (collectively, the “**Series 2004A/B Bonds**”) to refund certain bonds of the Issuer the proceeds of which were used to acquire the following obligations of the City of Brentwood, California (the “**City**”):

(a) the City of Brentwood Limited Obligation Improvement Bonds, Series 1995A, for Assessment District No. 93-2, issued in the original principal amount of \$2,445,004; the City of Brentwood Limited Obligation Improvement Bonds, Series 1995B, for Assessment District No. 93-3, issued in the original principal amount of \$3,424,994; the City of Brentwood Limited Obligation Improvement Bonds, Series 1995C, for Assessment District No. 94-2, issued in the original principal amount of \$484,336; the City of Brentwood Limited Obligation Improvement Bonds, Series 1995D, for Assessment District No. 94-3, issued in the original principal amount of \$5,164,122 (collectively, the “**Series 1995 Local Obligations**”);

(b) the City of Brentwood Limited Obligation Improvement Bonds, Series 1996A, for Assessment District No. 93-2, issued in the original principal amount of \$3,327,947; the City

of Brentwood Limited Obligation Improvement Bonds, Series 1996B, for Assessment District No. 93-3, issued in the original principal amount of \$4,422,371; and the City of Brentwood Limited Obligation Improvement Bonds, Series 1996C, for Assessment District No. 94-3, issued in the original principal amount of \$559,682 (collectively, the “**Series 1996 Local Obligations**”);

(c) the City of Brentwood Limited Obligation Improvement Bonds, Series 1997A, for Assessment District No. 93-2, issued in the original principal amount of \$239,605; the City of Brentwood Limited Obligation Improvement Bonds, Series 1997B, for Assessment District No. 93-3, issued in the original principal amount of \$1,164,036; and the City of Brentwood Limited Obligation Improvement Bonds, Series 1997C, for Assessment District No. 94-3, issued in the aggregate principal amount of \$4,346,359 (collectively, the “**Series 1997 Local Obligations**”); and

(d) the City of Brentwood Limited Obligation Improvement Bonds, Series 1999A, for Assessment District No. 93-2, issued in the original principal amount of \$2,203,438; the City of Brentwood Limited Obligation Improvement Bonds, Series 1999B, for Assessment District No. 93-3, issued in the original principal amount of \$9,800,657; the City of Brentwood Limited Obligation Improvement Bonds, Series 1999C, for Assessment District No. 94-2, issued in the original principal amount of \$2,295,085; and the City of Brentwood Limited Obligation Improvement Bonds, Series 1999D, for Assessment District No. 94-3, issued in the original principal amount of \$1,970,820 (collectively, the “**Series 1999 Local Obligations**”).

The Series 1995 Local Obligations, the Series 1996 Local Obligations, the Series 1997 Local Obligations and the Series 1999 Local Obligations were issued by the City pursuant to the provisions of the Improvement Bond Act of 1915, consisting of Division 10 of the Streets and Highways Code of the State of California (the “**Local Obligation Statute**”) to finance the construction and acquisition of certain public improvements necessary for development in within the City’s Assessment District Nos. 93-2, 93-3, 94-2, and 94-3.

The Issuer also previously issued its Infrastructure Revenue Refunding Bonds, Series 2004C (the “**Series 2004C Bonds**”) to refund certain bonds of the Issuer the proceeds of which were used to acquire the City of Brentwood Limited Obligation Improvement Bonds, Assessment District No. 2000-1, issued in the original principal amount of \$12,740,000 (the “**Series 2000 Local Obligations**”). The Series 2000 Local Obligations were issued by the City pursuant to the Local Obligation Statute to finance the construction and acquisition of certain public improvements necessary for development in the City’s Assessment District No. 2000-1.

The Issuer also previously issued its CIFP 2005-1 Infrastructure Revenue Bonds, Series 2005 (the “**Series 2005 Bonds**”) to purchase the City of Brentwood Limited Obligation Improvement Bonds, Assessment District No. 2005-1, issued in the original principal amount of \$40,145,000 (the “**Series 2005 Local Obligations**”). The Series 2005 Local Obligations were issued by the City pursuant to the Local Obligation Statute to finance the construction and acquisition of certain public improvements necessary for development in the City’s Assessment District No. 2005-1.

The Issuer also previously issued its CIFP 2006-1 Infrastructure Revenue Bonds, Series 2006 (the “**Series 2006 Prior Bonds**” and, collectively with the Series 2004A/B Bonds, the Series 2004C Bonds and the Series 2005 Bonds, the “**Prior Bonds**”) to purchase the City of Brentwood Limited Obligation Improvement Bonds, Assessment District No. 2006-1, issued in the original principal amount of \$17,195,000 (the “**Series 2006 Local Obligations**” and, collectively with the Series 1995 Local Obligations, the Series 1996 Local Obligations, the Series 1997 Local Obligations, the Series 1999 Local Obligations, the Series 2000 Local Obligations and the Series 2005 Local Obligations, the “**Local**

**Obligations**”). The Series 2006 Local Obligations were issued by the City pursuant to the Local Obligation Statute to finance the construction and acquisition of certain public improvements necessary for development within Assessment District No. 2006-1.

The City’s Assessment District Nos. 93-2, 93-3, 94-2, 94-3, 2000-1, 2005-1 and 2006-1 are collectively referred to in this Official Statement as the “**Districts**.”

**Authority for Issuance.** The Bonds are issued pursuant to the terms of an Amended and Restated Trust Agreement dated as of October 1, 2014 (the “**Trust Agreement**”) among the Issuer, the City and U.S. Bank National Association (the “**Trustee**”).

**Security for the Bonds.** The Bonds are special, limited obligations of the Issuer, payable from and secured by Revenues (as defined herein) of the Issuer consisting primarily of payments received by the Issuer from the City in connection with the Local Obligations. The Series 2014A Bonds are secured by a priority lien on and security interest in all of the Revenues and any other amounts (including proceeds of the sale of the 2014A Bonds) held in certain funds established under to the Trust Agreement. The Series 2014B Bonds are likewise secured by a lien on and security interest in the Revenues, but only to the extent Revenues are available after the obligations to be satisfied with respect to the Series 2014A Bonds under the Trust Agreement have been satisfied. See “SECURITY FOR THE BONDS AND SOURCES OF PAYMENT THEREFOR – Revenues.”

Each of the Local Obligations was issued upon and is secured by the assessments levied against property in the applicable District together with interest thereon and such unpaid assessments together with interest thereon constitute a trust fund for the redemption and payment of the principal of the applicable Local Obligations and the interest thereon. Each of the Local Obligations is secured by the moneys in the related Local Obligation Redemption Fund created pursuant to the various assessment proceedings and by the related assessments levied. Principal of and interest on each of the Local Obligations are payable exclusively out of the related Local Obligation Redemption Fund. Unpaid assessments do not constitute a personal indebtedness of the owners of the parcels within the Districts and the owners have made no commitment to pay the principal of or interest on the Local Obligations or the Bonds or to support payment of the Bonds in any manner. In the event of delinquency, proceedings may be conducted only against the particular parcel securing the delinquent assessment. The future unpaid assessments are not required to be paid upon sale of property within the Districts.

Under the Trust Agreement, a separate Reserve Fund is established for each Series of the Bonds. The Reserve Fund for one Series of the Bonds is not available to make up a deficiency for the other Series of the Bonds.

**Bond Insurance.** Concurrently with issuance of the Series 2014A Bonds, Assured Guaranty Municipal Corp. (“**AGM**” or the “**Insurer**”) will issue its Municipal Bond Insurance Policy for the Series 2014A Bonds (the “**Policy**” or the “**Municipal Bond Insurance Policy**”). The Policy guarantees the scheduled payment of principal of and interest on the Series 2014A Bonds when due as set forth in the form of the Policy included as Appendix G to this Official Statement. See “BOND INSURANCE” and “APPENDIX G – SPECIMEN MUNICIPAL BOND INSURANCE POLICY.” The Insurer will also issue a municipal bond debt service reserve insurance policy for the Series 2014A Bonds (the “**Reserve Policy**”). See “SECURITY FOR THE BONDS AND SOURCES OF PAYMENT THEREFOR – Reserve Fund” and “APPENDIX H – SPECIMEN MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY.” *The Series 2014B Bonds are not insured and are not secured by the Policy or the Reserve Policy.*

**Risk Factor Associated with Purchasing Series 2014B Bonds. OWNERSHIP OF THE SERIES 2014B BONDS IS SUBJECT TO A SIGNIFICANT DEGREE OF RISK. UNCOLLECTED ASSESSMENT INSTALLMENTS WILL FIRST CAUSE A REDUCTION IN THE AMOUNT OF REVENUES AVAILABLE FOR PAYMENT OF THE SERIES 2014B BONDS PRIOR TO CAUSING A REDUCTION IN THE AMOUNT OF REVENUES AVAILABLE FOR THE PAYMENT OF THE SERIES 2014A BONDS. ACCORDINGLY, THERE MAY BE A LIMITED TRADING MARKET FOR THE SERIES 2014B BONDS. POTENTIAL INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION ENTITLED “RISK FACTORS.”**

**The Assessment Districts and the Local Obligations.** All of the proceedings of the City to form each of the Districts and to levy assessments for the construction and acquisition of the improvements described herein were undertaken pursuant to the Municipal Improvement Act of 1913 (Division 12 of the California Streets and Highways Code) (the “Act”). The Local Obligations consist of separate series of limited obligation improvement bonds issued by the City pursuant to the provisions of the Local Obligation Statute to finance or refinance the construction and acquisition of public improvements within the related District. The Local Obligations are the primary security for the Bonds and will not be refunded in connection with the issuance of the Bonds.

The Districts are comprised of developed and undeveloped land located within the City zoned primarily for residential development with some commercial zoning in certain of the Districts and have been formed to finance a portion of certain infrastructure improvements of benefit to assessed parcels in the related District (collectively, the “Improvements”). The Districts are located in various parts of the City. The Improvements have been completed and the Districts are in various stages of development. See “THE ASSESSMENT DISTRICTS” and “OWNERSHIP AND VALUE OF PROPERTY WITHIN THE DISTRICTS” for summary information about the Districts combined. See also APPENDIX A – “INFORMATION RELATING TO THE ASSESSMENT DISTRICTS” for additional information about the Districts. A summary of certain information about the Districts is set forth in the following table.

**BRENTWOOD INFRASTRUCTURE FINANCING AUTHORITY  
Infrastructure Revenue Refunding Bonds  
Series 2014A and Subordinated Series 2014B  
SUMMARY OF ASSESSMENT DISTRICTS**

	Assessment District Nos. 93-2, 93-3, 94-2 and 94-3	Assessment District No. 2000-1	Assessment District No. 2005-1	Assessment District No. 2006-1	Totals
Local Obligations	Series 1995, 1996, 1997 and 1999	Series 2000	Series 2005	Series 2006	
Acreage	1,825	314	670	369	3,179
Parcels	4,096	982	1,323	590	6,991
2014-15 Assessed Value <sup>(1)</sup>	\$1,545,651,489	\$368,289,920	\$332,122,075	\$136,770,808	\$2,382,834,292
Appraised Value <sup>(2)</sup>	N/A	N/A	\$125,516,175	\$89,798,000	\$215,314,175
Building Permit Value <sup>(1)</sup>	N/A	N/A	\$22,012,736	\$12,578,885	\$34,591,621
Total Value (Adjusted) <sup>(3)</sup>	\$1,545,651,489	\$368,289,920	\$425,077,073	\$186,363,006	\$2,525,381,488
Remaining Lien <sup>(1)</sup>	\$24,398,557	\$9,397,105	\$33,256,396	\$14,392,570	\$81,444,629
Percentage Developed	100.00%	98.78%	31.25%	25.20%	58.57%
Value to Lien <sup>(4)</sup>	63.35	39.19	12.78	12.95	31.01
Direct and Overlapping Debt <sup>(5)</sup>	\$46,131,247	\$14,437,260	\$38,154,005	\$15,895,988	\$114,618,499
Value to Direct and Overlapping Debt <sup>(4)</sup>	33.51	25.51	11.14	11.72	22.03

<sup>(1)</sup> Source: Francisco & Associates, Inc. Building permit value provided only for certain parcels in Assessment District Nos. 2005-1 and 2006-1 for which building permits have been pulled.

<sup>(2)</sup> Source: Seevers Jordan Ziegenmeyer. Appraised values provided only for certain parcels in Assessment District Nos. 2005-1 and 2006-1.

<sup>(3)</sup> Takes into account appraised value and building permit value for certain parcels in Assessment District Nos. 2005-1 and 2006-1.

<sup>(4)</sup> Based on Total Value (Adjusted).

<sup>(5)</sup> Source: California Municipal Statistics, Inc.

***Risks of Investment.*** There are risks associated with the purchase of the Bonds. See “RISK FACTORS” and “CONSTITUTIONAL LIMITATIONS ON TAXATION AND APPROPRIATIONS” herein for a discussion of some of these risks.

***Limited Scope of Official Statement.*** There follows in this Official Statement descriptions of the Issuer, the Bonds, the Trust Agreement, the City, the Local Obligations, the Local Obligation Resolutions, and certain other documents. The descriptions and summaries of documents herein do not purport to be comprehensive or definitive, and reference is made to each such document for the complete details of all its respective terms and conditions. All statements herein with respect to such documents are qualified in their entirety by reference to each such document for the complete details of all of their respective terms and conditions. All statements herein with respect to certain rights and remedies are qualified by reference to laws and principles of equity relating to or affecting creditors’ rights generally. Terms not defined herein shall have the meanings set forth in the Trust Agreement.

The information and expressions of opinion herein speak only as of the date of this Official Statement and are subject to change without notice. Neither delivery of this Official Statement nor any sale made hereunder nor any future use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the City since the date hereof.

All financial and other information presented in this Official Statement has been provided by the Issuer and the City from their records, except for information expressly attributed to other sources. The presentation of information is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial or other affairs of the owners, the Districts, the Issuer or the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future.

## **PLAN OF REFUNDING**

The Bonds are being issued to refund the outstanding principal amount of the Prior Bonds. The Local Obligations were purchased by the Issuer at the time they were issued and are security for the Bonds, however they will not be refunded in connection with the issuance of the Bonds. Savings generated by the refunding of the Prior Bonds will be used by the Issuer for improvements permitted under the Marks-Roos Law (defined below). Proceeds of the Bonds will also be used to provide a reserve fund for the Series 2014A Bonds, to provide a reserve fund for the Series 2014B Bonds and to pay costs of issuance of the Bonds.

A portion of the proceeds of the Bonds will be used to redeem the outstanding Prior Bonds on the date of issuance of the Bonds at a redemption price equal to the principal amount thereof, plus accrued interest, together with any applicable redemption premium.

## **THE BONDS**

### **Authority for Issuance**

The Bonds are special, limited obligations of the Issuer payable from and secured by payments made under the Local Obligations. The Local Obligations were purchased by the Issuer pursuant to the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section 6584) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended from time to time (the “**Marks-Roos Law**”). The Bonds are being issued pursuant to the provisions of a Resolution adopted by the Issuer and the Trust Agreement.

The authorization for each of the Local Obligations was pursuant to provisions of the Improvement Bond Act of 1915, consisting of Division 10 of the Streets and Highways Code of the State of California (the “**Local Obligation Statute**”) and proceedings taken thereunder by the City. The Local Obligations were issued pursuant to the provisions of various resolutions (each a “**Local Obligation Resolution**” and, collectively, the “**Local Obligation Resolutions**”) adopted by the City Council and bonded indebtedness for the Districts has been issued and no additional bonds are contemplated under the Local Obligation Resolutions. The Local Obligations are security for the Bonds and will not be refunded in connection with the issuance of the Bonds.

## **General**

The Bonds will be dated the date of original delivery. The Bonds are being issued as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“**DTC**”), and will be available to ultimate purchasers in the denomination of \$5,000 and any integral multiple thereof, under the book-entry system maintained by DTC. So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, references herein to the Owners shall mean Cede & Co., and shall not mean the ultimate purchasers of the Bonds. Payments of the principal of, premium, if any, and interest on the Bonds will be made directly to DTC, or its nominee, Cede & Co., by the Trustee, so long as DTC or Cede & Co. is the registered owner of the Bonds. Disbursements of such payments to DTC’s Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of DTC’s Participants and Indirect Participants, as more fully described herein. See “APPENDIX F - THE BOOK-ENTRY SYSTEM.”

The principal of and redemption premiums, if any, and interest on the Bonds shall be payable in lawful money of the United States of America. Interest is payable on March 2, 2015, and semiannually thereafter on September 2 and March 2 each year (each, an “**Interest Payment Date**”). The Bonds shall bear interest from the date of original delivery. Payment of the interest on any Bond shall be made to the Person whose name appears on the Bond Register as the Owner thereof as of the Record Date, such interest to be paid by check mailed by first class mail on the Interest Payment Date to the Owner at the address which appears on the Bond Register as of the Record Date, for that purpose; except that in the case of an Owner of one million dollars (\$1,000,000) or more in aggregate principal amount of any of Bonds, upon written request of such Owner to the Trustee, in form satisfactory to the Trustee, received not later than the Record Date, such interest shall be paid on the Interest Payment Date in immediately available funds by wire transfer. The principal of and redemption premiums, if any, on the Bonds shall be payable at the Corporate Trust Office of the Trustee, upon presentation and surrender of such Bonds. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

## **Redemption**

***Extraordinary Redemption.*** The Bonds shall be subject to extraordinary redemption as a whole or in part on any Interest Payment Date, and shall be redeemed by the Trustee, from moneys transferred from the Revenue Fund to the Redemption Fund pursuant to the Trust Agreement, and derived as a result of Property Owner Prepayments, at a redemption price equal to 103% of the principal amount thereof, plus accrued interest to the redemption date. If such redemption will be of a portion, but not all, of the Outstanding Bonds, the Trustee shall select Bonds to be redeemed in accordance with the Redemption Instructions (described below) delivered pursuant to the Trust Agreement. All prepayments of the Local Obligations must be gross funded (including any call premium) to the next call date.

***Optional Redemption.*** The Bonds maturing on or after September 2, 2025 shall be subject to optional redemption as a whole or in part on any date on or after September 2, 2024, at the option of the Issuer from any moneys deposited in the Redemption Fund from any source for such purpose by the



Issuer at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date.

**Mandatory Redemption.** The Series 2014A Bonds maturing on September 2, 2035, are also subject to mandatory redemption in part by lot on September 2 in each year commencing September 2, 2031, at the principal amount thereof plus accrued interest thereon to the date fixed for redemption in accordance with the following schedule:

**Series 2014A Term Bonds Maturing September 2, 2035**

Year (September 2)	Amount
2031	\$680,000
2032	705,000
2033	735,000
2034	760,000
2035*	785,000

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\* Maturity

The Series 2014B Bonds maturing on September 2, 2030 and September 2, 2036, are also subject to mandatory redemption in part by lot on September 2 in each year commencing September 2, 2026 and September 2, 2031, respectively, at the principal amount thereof plus accrued interest thereon to the date fixed for redemption in accordance with the following schedule:

**Series 2014B Term Bonds Maturing September 2, 2030**

Year (September 2)	Amount
2026	\$1,360,000
2027	1,420,000
2028	1,485,000
2029	1,545,000
2030*	1,600,000

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\* Maturity

**Series 2014B Term Bonds Maturing September 2, 2036**

Year (September 2)	Amount
2031	\$1,660,000
2032	1,745,000
2033	1,830,000
2034	1,920,000
2035	2,015,000
2036*	1,030,000

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\* Maturity

In the event that Bonds subject to the above mandatory redemption are redeemed in part prior to their stated maturity date from any moneys other than Principal Installments, the remaining Principal Installments for such Bonds shall be reduced proportionately in each year remaining until and including the final maturity date of such Bonds.

**Notice of Redemption.** The Trustee shall give notice that Bonds, identified by CUSIP numbers, serial numbers and maturity date, have been called for redemption and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof that has been called for redemption (or if all the Outstanding Bonds are to be redeemed, so stating, in which event such serial numbers may be omitted), that they will be due and payable on the date fixed for redemption (specifying such date) upon surrender thereof at the Corporate Trust Office, at the redemption price (specifying such price), together with any accrued interest to such date, and that all interest on the Bonds, or portions thereof, so to be redeemed will cease to accrue on and after such date and that from and after such date such Bond or such portion shall no longer be entitled to any lien, benefit or security under the Trust Agreement, and the Owner thereof shall have no rights in respect of such redeemed Bond or such portion except to receive payment from such moneys of such redemption price plus accrued interest to the date fixed for redemption. Such notice shall be mailed by first class mail, postage prepaid, at least twenty (20) but not more than sixty (60) days before the date fixed for redemption, to the Owners of such Bonds, or portions thereof, so called for redemption, at their respective addresses as the same shall last appear on the Bond Register.

**Conditional Notice of Redemption.** With respect to any notice of optional redemption of Bonds, unless, at the time notice is given, the Bonds to be redeemed are deemed to have been paid, the notice must state the following: that redemption is conditional upon receipt by the Trustee, on or before the date fixed for redemption, of moneys that, together with other available amounts held by the Trustee, are sufficient to pay the redemption price of, and accrued interest on, the Bonds to be redeemed; and that, if such moneys have not been so received, the notice will be of no force and effect, and the Issuer will not be required to redeem the Bonds. If a notice of optional redemption of Bonds contains such a condition and the moneys are not so received, then the redemption of Bonds as described in the conditional notice of redemption will not be made and, within a reasonable time after the date on which redemption was to occur, the Trustee shall give notice to the Persons, in the manner in which the notice of redemption was given, that the moneys were not so received and that there will be no redemption of Bonds under that notice of redemption. The failure to optionally redeem the Bonds does not constitute an Event of Default.

**Rescission of Notice of Redemption.** The Issuer may rescind any notice of optional redemption of Bonds by giving the Trustee notice, in writing or by electronic means, no later than five Business Days before the date specified for redemption. The Trustee shall give notice of the rescission as soon thereafter as practicable in the same manner, and to the same Persons, as notice of the redemption was given.

**Redemption Instructions.** In the event a portion, but not all, of the Outstanding Bonds are to be redeemed pursuant to extraordinary redemption or optional redemption, the Trustee shall select the amounts and maturities of Bonds for redemption in accordance with a Written Order of the Issuer. Upon any prepayment of a Local Obligation or a determination to optionally redeem Bonds, which, in each case, would result in the redemption of a portion, but not all, of the Outstanding Bonds, the City and the Issuer shall deliver to the Trustee at least thirty (30) days prior to the redemption date the following: (i) designation of the maturities and amounts of Bonds to be redeemed; provided, that except as necessary to meet the requirements of subsection (ii) below, the Bonds shall be redeemed pro rata (as nearly as possible given minimum authorized denominations) in proportion to the total principal amount of Bonds Outstanding at the time of redemption; (ii) a certification to the effect that after giving effect to the redemption, the total principal amount of outstanding Local Obligations will be equal to or greater than the total principal amount of Outstanding Bonds; (iii) the amount to be transferred from the applicable

Reserve Fund to the Redemption Fund as a result of Property Owner Prepayments; and (iv) a Cash Flow Certificate. The Cash Flow Certificate is required to certify that the anticipated or scheduled Revenues to be received from the Local Obligations will be sufficient in time and amount (together with funds then held under the Trust Agreement representing payments under the Local Obligations and available therefore) to make all remaining scheduled Principal Installments with respect to, and interest on, the Outstanding Bonds after such redemption.

***Selection of Bonds for Redemption.*** Whenever less than all the Outstanding Bonds of a Series and maturity are to be redeemed on any one date, the Trustee shall select the particular Bonds of such Series and maturity to be redeemed by lot and in selecting the Bonds for redemption the Trustee shall treat each Bond of a denomination of more than \$5,000 as representing that number of Bonds of a \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000, and the portion of any Bond of a denomination of more than \$5,000 to be redeemed shall be redeemed in an Authorized Denomination. The Trustee shall promptly notify the Issuer in writing of the numbers of the Bonds so selected for redemption in whole or in part on such date.

***Payment of Redeemed Bonds.*** Bonds or portions thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price thereof, together with accrued interest to the date fixed for redemption, upon presentation and surrender of the Bonds to be redeemed at the office specified in the notice of redemption. If there shall be called for redemption less than the full principal amount of a Bond, the Issuer shall execute and deliver and the Trustee shall authenticate, upon surrender of such Bond, and without charge to the Owner thereof, Bonds of like interest rate and maturity in an aggregate principal amount equal to the unredeemed portion of the principal amount of the Bonds so surrendered in such Authorized Denominations as shall be specified by the Owner. If any Bond or any portion thereof shall have been duly called for redemption and payment of the redemption price, together with unpaid interest accrued to the date fixed for redemption, shall have been made or provided for by the Issuer, then interest on such Bond or such portion shall cease to accrue from such date, and from and after such date such Bond or such portion shall no longer be entitled to any lien, benefit or security under the Trust Agreement, and the Owner thereof shall have no rights in respect of such Bond or such portion except to receive payment of such redemption price, and unpaid interest accrued to the date fixed for redemption.

***Purchase in Lieu of Redemption.*** In lieu of redemption of any Bond, amounts on deposit in the Series 2014 A Principal Fund or the Series 2014B Principal Fund or in the Redemption Fund may also be used and withdrawn by the Trustee at any time prior to selection of Bonds of the applicable Series for redemption having taken place with respect to such amounts, upon a Written Order for the purchase of such Bonds at public or private sale as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Series 2014A Interest Fund or the Series 2014B Interest Fund, as applicable) as the Issuer may in its discretion determine, but not in excess of the redemption price thereof plus accrued interest to the purchase date. All Bonds so purchased will be delivered to the Trustee for cancellation.

**ESTIMATED SOURCES AND USES OF FUNDS**

The proceeds from the sale of the Bonds are estimated to be disbursed as set forth below:

Sources:

Principal Amount of Bonds	\$74,400,000.00
Net Original Issue Premium	6,732,158.30
Available Amounts From Prior Bonds	<u>3,774,211.89</u>
Total Sources	\$84,906,370.19

Uses:

Redemption of Prior Bonds	\$81,043,976.54
Deposit to Series 2014B Reserve Fund	\$2,185,311.58
Costs of Issuance <sup>(1)</sup>	<u>1,677,082.07</u>
Total Uses	\$84,906,370.19

<sup>(1)</sup> Includes legal fees, printing costs, rating agency fees, Underwriter's discount, bond insurance premium, reserve fund insurance policy premium and other miscellaneous expenses.

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**DEBT SERVICE SCHEDULE AND COVERAGE TABLE**

The debt service schedule for the Bonds is shown below.

**BRENTWOOD INFRASTRUCTURE FINANCING AUTHORITY  
Infrastructure Revenue Refunding Bonds  
Series 2014A and Subordinated Series 2014B  
ANNUAL DEBT SERVICE**

Year Ending (Sept 2)	Series 2014A Principal	Series 2014A Interest	Series 2014B Principal	Series 2014B Interest	Series 2014A and Series 2014B Total
2015	\$ 2,415,000	\$ 1,806,196	\$ 1,095,000	\$ 1,090,312	\$ 6,406,508
2016	2,230,000	1,996,450	965,000	1,212,415	6,403,865
2017	2,305,000	1,929,550	995,000	1,183,465	6,413,015
2018	2,395,000	1,837,350	1,030,000	1,153,615	6,415,965
2019	2,515,000	1,717,600	1,055,000	1,122,715	6,410,315
2020	2,640,000	1,591,850	1,090,000	1,085,790	6,407,640
2021	2,780,000	1,459,850	1,135,000	1,042,190	6,417,040
2022	2,910,000	1,320,850	1,175,000	996,790	6,402,640
2023	3,050,000	1,175,350	1,225,000	949,790	6,400,140
2024	3,200,000	1,022,850	1,280,000	894,665	6,397,515
2025	3,360,000	862,850	1,315,000	852,425	6,390,275
2026	2,750,000	694,850	1,360,000	806,400	5,611,250
2027	2,375,000	557,350	1,420,000	752,000	5,104,350
2028	2,135,000	438,600	1,485,000	695,200	4,753,800
2029	2,240,000	331,850	1,545,000	635,800	4,752,650
2030	1,465,000	219,850	1,600,000	574,000	3,858,850
2031	680,000	146,600	1,660,000	510,000	2,996,600
2032	705,000	119,400	1,745,000	427,000	2,996,400
2033	735,000	91,200	1,830,000	339,750	2,995,950
2034	760,000	61,800	1,920,000	248,250	2,990,050
2035	785,000	31,400	2,015,000	152,250	2,983,650
2036	--	--	1,030,000	51,500	1,081,500
<b>Total</b>	<b>\$44,430,000</b>	<b>\$19,413,646</b>	<b>\$29,970,000</b>	<b>\$16,776,322</b>	<b>\$110,589,968</b>

The following table shows the debt service coverage for the Series 2014A Bonds and for the Series 2014B Bonds based on scheduled payments of principal and interest on the Local Obligations.

**BRENTWOOD INFRASTRUCTURE FINANCING AUTHORITY**  
**Infrastructure Revenue Refunding Bonds**  
**Series 2014A and Subordinated Series 2014B**  
**DEBT SERVICE COVERAGE**

Year Ending (Sept. 2)	Local Obligations Debt Service	Series 2014A Bonds Debt Service	Series 2014A Coverage	Local Obligations Debt Service (Excluding Undeveloped Parcels)	Series 2014A Coverage (Excluding Undeveloped Parcels)	Series 2014B Bonds Debt Service	Total Bonds Debt Service	Total Bonds Coverage
2015	\$ 7,499,359	\$ 4,221,196	1.78	\$ 4,681,945	1.11	\$ 2,185,312	\$ 6,406,507	1.17
2016	7,505,079	4,226,450	1.78	4,688,034	1.11	2,177,415	6,403,865	1.17
2017	7,509,503	4,234,550	1.77	4,688,416	1.11	2,178,465	6,413,015	1.17
2018	7,504,065	4,232,350	1.77	4,684,300	1.11	2,183,615	6,415,965	1.17
2019	7,510,666	4,232,600	1.77	4,691,146	1.11	2,177,715	6,410,315	1.17
2020	7,509,638	4,231,850	1.77	4,689,276	1.11	2,175,790	6,407,640	1.17
2021	7,509,709	4,239,850	1.77	4,691,725	1.11	2,177,190	6,417,040	1.17
2022	7,506,025	4,230,850	1.77	4,686,089	1.11	2,171,790	6,402,640	1.17
2023	7,496,821	4,225,350	1.77	4,682,479	1.11	2,174,790	6,400,140	1.17
2024	7,497,102	4,222,850	1.78	4,680,024	1.11	2,174,665	6,397,515	1.17
2025	7,495,306	4,222,850	1.77	4,679,300	1.11	2,167,425	6,390,275	1.17
2026	6,626,036	3,444,850	1.92	3,811,189	1.11	2,166,400	5,611,250	1.18
2027	6,066,604	2,932,350	2.07	3,247,031	1.11	2,172,000	5,104,350	1.19
2028	5,671,826	2,573,600	2.20	2,852,565	1.11	2,180,200	4,753,800	1.19
2029	5,682,213	2,571,850	2.21	2,860,294	1.11	2,180,800	4,752,650	1.20
2030	4,677,627	1,684,850	2.78	1,862,222	1.11	2,174,000	3,858,850	1.21
2031	3,726,345	826,600	4.51	910,552	1.10	2,170,000	2,996,600	1.24
2032	3,723,903	824,400	4.52	910,030	1.10	2,172,000	2,996,400	1.24
2033	3,723,973	826,200	4.51	909,841	1.10	2,169,750	2,995,950	1.24
2034	3,721,035	821,800	4.53	909,375	1.11	2,168,250	2,990,050	1.24
2035	3,719,838	816,400	4.56	909,045	1.11	2,167,250	2,983,650	1.25
2036	1,109,860	--	--	--	--	1,081,500	1,081,500	1.03
<b>Total</b>	<b>\$130,992,532</b>	<b>\$63,843,646</b>		<b>\$70,724,879</b>		<b>\$46,746,322</b>	<b>\$110,589,967</b>	

## SECURITY FOR THE BONDS AND SOURCES OF PAYMENT THEREFOR

### Limited Obligation

The Bonds are secured by a lien on and pledge of (i) the Revenues, as hereinafter defined, (ii) amounts held by the Trustee in the Funds established pursuant to the Trust Agreement, except the Rebate Fund and (iii) the Local Obligations (collectively, the “**Trust Estate**”), subject to the provisions of the Trust Agreement permitting the application of the Trust Estate for the purposes and on the terms and conditions set forth in the Trust Agreement. The Series 2014B Bonds are payable from the Revenues on a basis subordinate to the payment of the Series 2014A Bonds as described in this Official Statement. Revenues (as more particularly defined below) consist primarily of payments made by the City on the Local Obligations. All obligations of the Issuer under the Trust Agreement and the Bonds are special, limited obligations of the Issuer, payable solely from and secured by the Trust Estate.

**OWNERSHIP OF THE SERIES 2014B BONDS IS SUBJECT TO A SIGNIFICANT DEGREE OF RISK. UNCOLLECTED ASSESSMENT INSTALLMENTS WILL FIRST CAUSE A REDUCTION IN THE AMOUNT OF REVENUES AVAILABLE FOR PAYMENT OF THE SERIES 2014B BONDS PRIOR TO CAUSING A REDUCTION IN THE AMOUNT OF REVENUES AVAILABLE FOR THE PAYMENT OF THE SERIES 2014A BONDS. ACCORDINGLY, THERE MAY BE A LIMITED TRADING MARKET FOR THE SERIES 2014B BONDS. POTENTIAL INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION ENTITLED “RISK FACTORS.”**

**The Bonds are special, limited obligations of the Issuer, payable from the Trust Estate described in the Trust Agreement and secured as to the payment of the principal of and the redemption premiums, if any, and the interest on in accordance with their terms and the terms of the Trust Agreement, solely by the Trust Estate. The Bonds shall not constitute a charge against the general credit of the Issuer or any of its members, and under no circumstances shall the Issuer be obligated to pay principal of or redemption premiums, if any, or interest on the Bonds except from the Trust Estate. Neither the State nor any public agency (other than the Issuer) nor any member of the Issuer is obligated to pay the principal of or redemption premiums, if any, or interest on the Bonds, and neither the faith and credit nor the taxing power of the State or any public agency thereof or any member of the Issuer is pledged to the payment of the principal of or redemption premiums, if any, or interest on the Bonds. The payment of the principal of or redemption premiums, if any, or interest on, the Bonds does not constitute a debt, liability or obligation of the State or any public agency (other than the Issuer) or any member of the Issuer.**

The Local Obligations are limited obligations of the City and secured by an irrevocable pledge of certain revenues of the City, consisting primarily of moneys received by the City as payment of assessments levied against property within the related District. Scheduled payments under the Local Obligations are calculated to be sufficient to provide the Issuer with money to pay the principal of, premium, if any, and interest on the Bonds when due. Each of the Local Obligations is payable solely from and secured solely by the assessments and the amounts in the redemption fund created with respect to such Local Obligations (each a “**Local Obligation Redemption Fund**”) under the related Local Obligation Resolution. The City is not obligated to advance available surplus funds from the City treasury to cure any deficiency in any Local Obligation Redemption Fund, provided, however, the City is not prevented, in its sole discretion, from so advancing funds legally available for such purpose. Moneys in each Local Obligation Redemption Fund are available only for use with respect to the Local Obligations to which such Local Obligation Redemption Fund relates.

**All obligations of the City under the Local Obligation Resolutions are not general obligations of the City, but are limited obligations, payable solely from the assessments and the funds pledged therefor under the applicable Local Obligation Resolution. Neither the faith and credit of the City nor of the State of California (the “State”) or any political subdivision thereof is pledged to the payment of the Local Obligations.**

## **Revenues**

*General.* The Bonds are secured by a lien on and pledge of Revenues made in the Trust Agreement. The Series 2014B Bonds are payable from the Revenues on a subordinate basis to the payment of the Series 2014A Bonds as described below. See also APPENDIX C – “SUMMARY OF THE TRUST AGREEMENT – Funds; Flow of Funds” and “– Defaults and Remedies.”

**OWNERSHIP OF THE SERIES 2014B BONDS IS SUBJECT TO A SIGNIFICANT DEGREE OF RISK. UNCOLLECTED ASSESSMENT INSTALLMENTS WILL FIRST CAUSE A REDUCTION IN THE AMOUNT OF REVENUES AVAILABLE FOR PAYMENT OF THE SERIES 2014B BONDS PRIOR TO CAUSING A REDUCTION IN THE AMOUNT OF REVENUES AVAILABLE FOR THE PAYMENT OF THE SERIES 2014A BONDS. ACCORDINGLY, THERE MAY BE A LIMITED TRADING MARKET FOR THE SERIES 2014B BONDS. POTENTIAL INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION ENTITLED “RISK FACTORS.”**

Under the Trust Agreement:

“*Revenues*” means (i) Local Obligation Revenues and all other amounts received by the Trustee as the payment of interest or premiums on, or the equivalent thereof, and the payment or return of principal of, or the equivalent thereof, all Local Obligations, whether as a result of scheduled payments or Property Owner Prepayments or remedial proceedings taken in the event of a default thereon, and (ii) all investment earnings on any moneys held in the Funds or accounts established under the Trust Agreement, except the Rebate Fund; and

“*Local Obligation Revenues*” means the assessments securing the Local Obligations pursuant to the Local Obligation Resolutions and the laws governing the issuance of the Local Obligations.

*Application of Revenues.* Under the Trust Agreement, the Trustee shall be entitled to and shall collect and receive all of the Revenues, and any Revenues collected or received by the Issuer shall be deemed to be held, and to have been collected or received, by the Issuer and shall forthwith be paid by the Issuer to the Trustee. The Trustee also is entitled to and may take all steps, actions and proceedings reasonably necessary in its judgment to enforce, either jointly with the Issuer or separately, all of the rights of the Issuer and all of the obligations of the City under and with respect to the Local Obligations.

Under the Trust Agreement, all Revenues received by the Trustee, other than Revenues derived from Property Owner Prepayments (which shall be deposited in the Redemption Fund) will be deposited by the Trustee into the Revenue Fund. Not later than five Business Days prior to each Interest Payment Date and Principal Payment Date on the Bonds, the Trustee will transfer Revenues from the Revenue Fund, in the following amounts, for deposit into the following funds, in the following order of priority, to be used for the following purposes, the requirements of each fund to be fully satisfied, leaving no deficiencies therein, prior to any deposit into any fund later in priority:

(a) *Series 2014A Interest Fund.* The Trustee will deposit in the Series 2014A Interest Fund before each Interest Payment Date from the Revenue Fund an amount of Revenues



which together with any amounts then on deposit in the Series 2014A Interest Fund is equal to the interest on the Series 2014A Bonds due on such date. On each Interest Payment Date, the Trustee shall pay the interest due and payable on the Series 2014A Bonds on such date from the Series 2014A Interest Fund. All amounts in the Series 2014A Interest Fund shall be used and withdrawn by the Trustee solely for the purpose of paying interest on Series 2014A Bonds as it shall become due and payable.

(b) **Series 2014A Principal Fund.** Having first satisfied the requirements of the above deposits, the Trustee will next deposit in the Series 2014A Principal Fund before each Principal Payment Date from the Revenue Fund an amount of Revenues which together with any amounts then on deposit in the Series 2014A Principal Fund (other than amounts previously deposited on account of any Series 2014A Bonds which have matured but which have not been presented for payment), is sufficient to pay the Principal Installments on the Series 2014A Bonds when due on such Principal Payment Date. The Trustee shall pay the Principal Installments when due upon presentation and surrender of the subject Series 2014A Bonds.

(d) **Series 2014A Reserve Fund.** Having first satisfied the requirements of the foregoing deposits, the Trustee will next deposit in the Series 2014A Reserve Fund an amount of Revenues which, together with the amount of the Reserve Policy and any other amounts on deposit in the Series 2014A Reserve Fund, equal the Series 2014A Reserve Requirement (defined below). All amounts on deposit in the Series 2014A Reserve Fund shall be applied as described below under “Reserve Funds.”

(e) **Series 2014B Interest Fund.** Having first satisfied the requirements of the foregoing deposits, the Trustee will next deposit in the Series 2014B Interest Fund before each Interest Payment Date from the Revenue Fund an amount of Revenues which together with any amounts then on deposit in the Series 2014B Interest Fund is equal to the interest on the Series 2014B Bonds due on such date. On each Interest Payment Date, the Trustee shall pay the interest due and payable on the Series 2014B Bonds on such date from the Series 2014B Interest Fund. All amounts in the Series 2014B Interest Fund shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Series 2014B Bonds as it shall become due and payable.

(f) **Series 2014B Principal Fund.** Having first satisfied the requirements of the foregoing deposits, the Trustee will next deposit in the Series 2014B Principal Fund before each Principal Payment Date from the Revenue Fund an amount of Revenues which together with any amounts then on deposit in the Series 2014B Principal Fund (other than amounts previously deposited on account of any Series 2014B Bonds which have matured but which have not been presented for payment), is sufficient to pay the Principal Installments on the Series 2014B Bonds when due on such Principal Payment Date. The Trustee shall pay the Principal Installments when due upon presentation and surrender of the subject Series 2014B Bonds.

(g) **Series 2014B Reserve Fund.** Having first satisfied the requirements of the foregoing deposits, the Trustee will next deposit in the Series 2014B Reserve Fund an amount of Revenues which, together with any other amounts on deposit in the Series 2014B Reserve Fund, equal the Series 2014B Reserve Requirement. All amounts on deposit in the Series 2014A Reserve Fund shall be applied as described below under “Reserve Funds.”

(h) **Expense Fund.** Having first satisfied the requirements of the foregoing deposits, the Trustee shall next deposit in the Expense Fund from Revenues an amount specified in a Written Order of the Issuer specifying the amount of Expenses it anticipates will be required to be paid in the Fiscal Year (which Written Order may be amended at any time by the Issuer during

the Fiscal Year). Amounts on deposit in the Expense Fund will be applied by the Trustee to the payment of Expenses as provided in the Trust Agreement.

Having first satisfied the requirements of the foregoing deposits, the Trustee shall transfer any remaining Revenues to the City to be applied by the City to pay the cost of public capital improvements.

In the Trust Agreement, the City expressly acknowledges that, pursuant to the Local Obligation Statute and the Local Obligation Resolutions, the City is legally obligated to establish and maintain a separate Local Obligation Redemption Funds for each of the Local Obligations and, so long as any of the Local Obligations remain outstanding, to deposit into the respective Local Obligation Redemption Fund, upon receipt, any and all respective Local Obligation Revenues received by the City. The City further acknowledges in the Trust Agreement that, pursuant to the Local Obligation Statute and the Local Obligation Resolutions, no temporary loan or other use whatsoever may be made of the Local Obligation Revenues, and the Local Obligation Redemption Funds constitute a trust fund for the benefit of the owners of the respective Local Obligations and the City covenants for the benefit of the Issuer, as owner of the Local Obligations, the Trustee, as assignee of the Issuer with respect to the Local Obligations, and the Owners from time to time of the Bonds, that it will establish, maintain and administer the Local Obligation Redemption Funds and the Local Obligation Revenues in accordance with their status as trust funds as prescribed by the Local Obligation Statutes, the resolutions under which the Local Obligations were issued, and the Trust Agreement. No later than ten Business Days prior to each Interest Payment Date and Principal Payment Date on the Bonds, the City will advance to the Trustee against payment on the Local Obligations, the interest due on the Local Obligations on such Interest Payment Date and the principal of all Local Obligations maturing on such Principal Payment Date, respectively, and upon receipt by the Trustee, such amounts shall constitute Revenues.

#### **Reserve Funds**

***Establishment of Separate Reserve Funds.*** A separate reserve fund for each Series of Bonds (the “**Series 2014A Reserve Fund**” and the “**Series 2014B Reserve Fund**” and collectively, the “**Reserve Funds**”) is established by the Trust Agreement to be held by the Trustee in trust for the benefit of the Issuer and the Owners of the respective Series of Bonds.

The amount in the Series 2014A Reserve Fund is required to be maintained at the “**Series 2014A Reserve Requirement.**” Series 2014A Reserve Requirement means, as of any date of calculation, the least of (a) maximum annual debt service on the Series 2014A Bonds, (b) 125% of average annual debt service on the Series 2014A Bonds, or (c) 10% of the amount of the Series 2014A Bonds (as defined in Section 1.148-2(f)(1) of the Treasury Regulations). As of the date of issuance of the Bonds, the Series 2014A Reserve Requirement is \$3,821,447.28. The Series 2014A Reserve Requirement will initially be satisfied by the issuance of the Reserve Policy (described below) by the Insurer.

The amount in the Series 2014B Reserve Fund is required to be maintained at the “**Series 2014B Reserve Requirement.**” Series 2014B Reserve Requirement means, as of any date of calculation, the least of (a) maximum annual debt service on the Series 2014B Bonds, (b) 125% of average annual debt service on the Series 2014B Bonds, or (c) 10% of the amount of the Series 2014B Bonds (as defined in Section 1.148-2(f)(1) of the Treasury Regulations). As of the date of issuance of the Bonds, the Series 2014B Reserve Requirement is \$2,185,311.58. The Series 2014B Reserve Requirement will initially be satisfied by a cash deposit. The Series 2014B Reserve Requirement will be reduced by the amount of such cash credited to Property Owner Prepayments as required by the Trust Agreement.

The Series 2014A Reserve Requirement will initially be satisfied by the issuance of a municipal bond debt service reserve insurance policy (the “**Reserve Policy**”) provided by the Insurer. See “BOND

INSURANCE – Assured Guaranty Municipal Corp.” and “APPENDIX H – SPECIMEN MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY.”

*Use of Series 2014A Reserve Fund.* Except as otherwise provided in the Trust Agreement, all amounts on deposit in the Series 2014A Reserve Fund and all amounts available under the Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on or the principal or the redemption premiums, if any, of, the Series 2014A Bonds; but solely in the event that insufficient moneys are available in the respective Series 2014A Interest Fund, the Series 2014A Principal Fund or the Redemption Fund for such purpose. Any amounts deposited in the Series 2014A Reserve Fund from the Revenue Fund as described above under “Revenues” shall be applied in the following order of priority: first, to reimburse the Insurer pursuant to the Trust Agreement for any draws on the Reserve Policy, provided, that such reimbursement shall result in reinstatement of the Reserve Policy in the principal amount of such reimbursement (unless the Reserve Policy by its terms is not to be reinstated (i.e. due to the payment in full of the Series 2014A Bonds or the reduction of the Series 2014A Reserve Requirement); second, to add to the amount of cash on deposit in the Series 2014A Reserve Fund such that the amount of such cash, plus the amount available under the Reserve Policy, is equal to the Series 2014A Reserve Requirement; and third to the payment of any other amounts owing to the Insurer pursuant to the Trust Agreement.

*Use of Series 2014B Reserve Fund.* Except as otherwise provided in the Trust Agreement, all amounts on deposit in the Series 2014B Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on or the principal or the redemption premiums, if any, of, the Series 2014B Bonds; but solely in the event that insufficient moneys are available in the Series 2014B Interest Fund, the Series 2014B Principal Fund or the Redemption Fund for such purpose.

#### **Payment of the Local Obligations**

*Payments Under the Local Obligations.* Each series of the Local Obligations are issued upon and are secured by the assessments levied against property in the related District, together with interest thereon and such unpaid assessments together with interest thereon constitute a trust fund for the redemption and payment of the principal of such series of Local Obligations and the interest thereon. Each series of the Local Obligations is secured by the moneys in the related Local Obligation Redemption Fund created pursuant to the applicable assessment proceedings and by the applicable assessments levied. Principal of and interest on a particular series of the Local Obligations are payable exclusively out of the related Local Obligation Redemption Fund.

**Unpaid assessments do not constitute a personal indebtedness of the owners of the parcels within the Districts and the owners of such parcels have made no commitment to pay the principal of or interest on the Bonds or to support payment of the Bonds in any manner. In the event of delinquency, proceedings may be conducted only against the real property securing the delinquent assessment. Thus, the value of the real property within the Districts is a critical factor in determining the investment quality of the Bonds. The future unpaid assessments are not required to be paid upon sale of property within the Districts. There is no assurance the owners of parcels within the Districts will be able to pay the assessment installments or that they will pay such installments even though financially able to do so.**

The assessment installments will be collected and transferred by the County to the City in approximately equal semi-annual installments, together with interest on the declining balances, and are payable and become delinquent at the same time and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do general property taxes. The properties

upon which the assessments were levied are subject to the same provisions for sale and redemption as are properties for nonpayment of general taxes.

Neither the faith and credit nor the taxing power of the City, the County, the State of California or any political subdivision thereof is pledged to the payment of the Local Obligations.

#### **Priority of Lien**

The assessments and each installment thereof and any interest and penalties thereon constitute a lien against the parcels on which they were imposed until the same are paid. Such lien is subordinate to all fixed special assessment liens previously imposed upon the same property, but has priority over all private liens and over all fixed special assessment liens which may thereafter be created against the property. Such lien is co-equal to and independent of the lien for general taxes and any lien imposed under the Mello-Roos Community Facilities Act of 1982, as amended. None of the property in the District is subject to any other fixed special assessment lien. There are currently no other bonded assessment liens on any of the property within the Districts. Property within certain of the Districts is subject to bonded special tax liens. See "OWNERSHIP AND VALUE OF PROPERTY WITHIN THE DISTRICTS" and APPENDIX A – "INFORMATION RELATING TO THE ASSESSMENT DISTRICTS."

#### **Limited Obligation Upon Delinquency**

ALL OBLIGATIONS OF THE ISSUER UNDER THE TRUST AGREEMENT AND THE BONDS ARE SPECIAL OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM AND SECURED BY THE TRUST ESTATE. THE LOCAL OBLIGATIONS ARE LIMITED OBLIGATIONS OF THE CITY PURSUANT TO THE LOCAL OBLIGATION STATUTE AND ARE PAYABLE SOLELY FROM AND ARE SECURED SOLELY BY THE RELATED ASSESSMENTS AND THE AMOUNTS IN THE RELATED LOCAL OBLIGATION REDEMPTION FUND.

THE ISSUER AND THE CITY HAVE NO OBLIGATION TO ADVANCE MONEYS TO PAY BOND DEBT SERVICE IN THE EVENT OF DELINQUENT ASSESSMENT INSTALLMENTS. OWNERS OF BONDS SHOULD NOT RELY UPON THE ISSUER OR THE CITY TO ADVANCE MONEYS TO THE LOCAL OBLIGATION REDEMPTION FUNDS, NOTWITHSTANDING THE FOREGOING, THE CITY MAY, AT ITS SOLE OPTION AND IN ITS SOLE DISCRETION ELECT TO ADVANCE AVAILABLE SURPLUS FUNDS OF THE CITY LEGALLY AVAILABLE THEREFOR TO PAY FOR ANY DELINQUENT INSTALLMENTS PENDING SALE, REINSTATEMENT, OR REDEMPTION OF ANY DELINQUENT PROPERTY.

#### **Collection of Assessments**

Pursuant to the Act and the Local Obligation Statute, installments of principal and interest sufficient to meet annual debt service on the Local Obligations will be billed by the County to the owner of each parcel within the respective District to which the issue of Local Obligations relates and against which there are assessments. Upon receipt by the County and transfer to the City, assessment installments are to be deposited into the applicable Local Obligation Redemption Fund, which shall be held by the City and used to pay principal and interest payments on such issue of Local Obligations as they become due. Pursuant to the Local Obligation Resolutions, payment of the principal of and interest on each series of Local Obligations is secured by moneys in the respective Local Obligation Redemption Fund. Moneys in each Local Obligation Redemption Fund will be available to the Trustee for payment of principal of and interest on the Bonds.

The City has no obligation to advance funds to any Local Obligation Redemption Fund except to the extent that delinquent assessments are paid or proceeds from foreclosure sales are realized. Additionally, the City has covenanted to cause the institution of judicial foreclosure proceedings following a delinquency, and thereafter to diligently cause prosecution to completion of such foreclosure proceedings upon the lien of delinquent unpaid assessments as set forth herein. See “Covenant to Commence Superior Court Foreclosure” below. The City is not required to bid at the foreclosure sale. The Bonds are a limited obligation of the Issuer and the Issuer has no obligation to advance funds to pay the Bonds, except from the Trust Estate as provided in the Trust Agreement.

#### **Contra Costa County Tax Loss Reserve**

The County and its subsidiary political subdivisions operate under the provisions of Sections 4701 through 4717, inclusive, of the Revenue and Taxation Code of the State of California, commonly referred to as the “Teeter Plan,” with respect to property tax collection and disbursement procedures. These sections provide an alternative method of apportioning secured taxes whereby agencies levying taxes through the County tax roll may receive from the County 100% of their taxes at the time they are levied. The County treasury’s cash position (from taxes) is insured by a special tax losses reserve fund (the “**Tax Losses Reserve Fund**”) accumulated from delinquent penalties. Pursuant to the Teeter Plan, each taxing entity in the County may draw on the amount of uncollected taxes and assessments credited to its fund, in the same manner as if the amount credited had been collected. The tax losses reserve fund is used exclusively to cover losses occurring in the amount of tax liens as a result of sales of tax-defaulted property. Moneys in this fund are derived from delinquent tax penalty collections.

This method of apportioning taxes extends to all assessments collected on the County tax roll. Although a local agency currently receives the total levy for its special assessments without regard to actual collections, the basic legal liability for assessment deficiencies at all times remains with the sponsoring agency and, therefore, the alternative method of tax apportionment only assists the agency in the current financing of the maturing debt service requirements.

The Board of Supervisors may discontinue the procedures under the Teeter Plan altogether, or with respect to any tax or assessment levying agency in the County, if the rate of secured tax and assessment delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured rolls for that agency.

The assessment installments with respect to the Local Obligations will be collected pursuant to the procedures described above. Thus, so long as the County maintains its policy of collecting such assessments pursuant to said procedures and the City meets the Teeter Plan requirements, the City will receive 100% of the annual assessment installments levied without regard to actual collections in the Districts. There is no assurance, however, that the County Board of Supervisors will maintain its policy of apportioning assessments pursuant to the aforementioned procedures.

#### **Covenant to Commence Superior Court Foreclosure**

The Local Obligation Statute provides that in the event any assessment or installment thereof or any interest thereon is not paid when due, the City may order the institution of a court action to foreclose the lien of the unpaid assessment and acquire title to the parcel to which the delinquency relates. In such an action, the real property subject to the unpaid assessment may be sold at judicial foreclosure sale. This foreclosure sale procedure is not mandatory, however, the City has covenanted in the Local Obligation Resolutions that, in the event any assessment, or installment thereof, including any interest thereon, is not paid when due, it will order and cause to be commenced (a) with respect to Assessment District Nos. 93-2, 93-3, 94-2 and 94-3, not later than the September 1 immediately succeeding the date of such

delinquency and (b) with respect to Assessment District Nos. 2000-1, 2005-1 and 2006-1, within one hundred fifty (150) days following the date of such delinquency, and thereafter diligently prosecute, judicial foreclosure proceedings upon the parcel to which such delinquent assessment or installment thereof and interest thereon relates, which foreclosure proceedings shall be commenced and prosecuted without regard to available surplus funds of the City; provided, that the City shall not be required to commence or prosecute any such foreclosure action so long as (i) the City, in its sole discretion, advances funds to the applicable Local Obligation Redemption Fund sufficient in both time and amount to pay when due scheduled principal of and interest on the related issue of Local Obligations and (ii) the amounts on deposit in the Reserve Fund held under the Trust Agreement are equal to the Reserve Requirement (as defined in the Trust Agreement).

The City has historically complied with its covenants to commence foreclosure with respect to properties in the Districts.

Prior to July 1, 1983, the statutory right of redemption from such a judicial foreclosure sale was limited to a period of one year from the date of sale. Legislation effective July 1, 1983 amended this statutory right of redemption to provide that before notice of sale of the foreclosed parcel can be given following court judgment of foreclosure, a redemption period of 120 days must elapse. Furthermore, if the purchaser at the sale is the judgment creditor (here, the City) an action may be commenced by the delinquent property owner within six months after the date of sale to set aside such sale. The constitutionality of the aforementioned legislation which repeals the one-year redemption period has not been tested and there can be no assurance that, if tested, such legislation will be upheld. In the event such Superior Court foreclosure or foreclosures are necessary, there may be a delay in payments to Owners pending prosecution of the foreclosure proceedings and receipt by the City of the proceeds of the foreclosure sale; it is also possible that no bid for the purchase of the applicable property would be received at the foreclosure sale. See also “RISK FACTORS - Bankruptcy and Foreclosure” and “- Collection of the Assessment” herein.

#### **No Additional Bonds**

The Trust Agreement does not authorize the issuance of any additional bonds payable from or secured by a lien and charge upon the Revenues equal to and on a parity with the lien and charge securing the Bonds.

#### **Refunding of Local Obligations**

In the Trust Agreement, the City covenants that it will not cause any Local Obligation to be refunded (in whole or in part) unless at the time of such refunding no Bonds will be Outstanding pursuant to the Trust Agreement.

### **BOND INSURANCE**

#### **Bond Insurance Policy**

Concurrently with the issuance of the Series 2014A Bonds, Assured Guaranty Municipal Corp. (“AGM”) will issue its Municipal Bond Insurance Policy for the Series 2014A Bonds (the “Policy”). The Policy guarantees the scheduled payment of principal of and interest on the Series 2014A Bonds when due as set forth in the form of the Policy included as Appendix G to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

## **Assured Guaranty Municipal Corp.**

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. (“AGL”), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol “AGO”. AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and global public finance, infrastructure and structured finance markets. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM’s financial strength is rated “AA” (stable outlook) by Standard and Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business (“S&P”) and “A2” (stable outlook) by Moody’s Investors Service, Inc. (“Moody’s”). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM’s long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

### *Current Financial Strength Ratings*

On July 2, 2014, S&P issued a credit rating report in which it affirmed AGM’s financial strength rating of “AA” (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On July 2, 2014, Moody’s issued a rating action report stating that it had affirmed AGM’s insurance financial strength rating of “A2” (stable outlook). AGM can give no assurance as to any further ratings action that Moody’s may take.

For more information regarding AGM’s financial strength ratings and the risks relating thereto, see AGL’s Annual Report on Form 10-K for the fiscal year ended December 31, 2013.

### *Capitalization of AGM*

At June 30, 2014, AGM’s policyholders’ surplus and contingency reserve were approximately \$3,654 million and its net unearned premium reserve was approximately \$1,850 million. Such amounts represent the combined surplus, contingency reserve and net unearned premium reserve of AGM, AGM’s wholly owned subsidiary Assured Guaranty (Europe) Ltd. and 60.7% of AGM’s indirect subsidiary Municipal Assurance Corp.; each amount of surplus, contingency reserve and net unearned premium reserve for each company was determined in accordance with statutory accounting principles.

### *Incorporation of Certain Documents by Reference*

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the “SEC”) that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2013 (filed by AGL with the SEC on February 28, 2014);
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2014 (filed by AGL with the SEC on May 9, 2014); and
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2014 (filed by AGL with the SEC on August 8, 2014).

All consolidated financial statements of AGM and all other information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof “furnished” under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Series 2014A Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC’s website at <http://www.sec.gov>, at AGL’s website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Municipal Corp.: 31 West 52nd Street, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL’s website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption “BOND INSURANCE – Assured Guaranty Municipal Corp.” or included in a document incorporated by reference herein (collectively, the “**AGM Information**”) shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

### *Miscellaneous Matters*

AGM or one of its affiliates may purchase a portion of the Series 2014A Bonds or any uninsured bonds offered under this Official Statement and such purchases may constitute a significant proportion of the bonds offered. AGM or such affiliate may hold such Series 2014A Bonds or uninsured bonds for investment or may sell or otherwise dispose of such Series 2014A Bonds or uninsured bonds at any time or from time to time.

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading “BOND INSURANCE”.



## THE ASSESSMENT DISTRICTS

### The County of Contra Costa and City of Brentwood

Contra Costa County was incorporated in 1850 as one of the original 27 counties of the State of California with the City of Martinez as the County Seat. It is one of the nine counties in the San Francisco-Oakland Bay Area. The County covers about 733 square miles and extends from the northeastern shore of the of San Francisco Bay easterly about 20 miles to San Joaquin County. The County is bordered on the south and west by Alameda County and on the north by Suisun and San Pablo Bays. The western and northern shorelines are highly industrialized while the interior sections are suburban/residential, commercial and light industrial. A large part of the interior of the County is served by the Bay Area Rapid Transit District (“**BART**”) which has contributed to the expansion of residential and commercial development. In addition, economic development along the Interstate 680 corridor in the County has been substantial in the cities of Concord, Walnut Creek, and San Ramon. The County had a population of approximately 1,087,008 as of January 1, 2014, according to the State of California Department of Finance.

The City is located adjacent and southeast of the City of Antioch, 25 miles northeast of Walnut Creek, 45 miles northeast of San Francisco, and 65 miles southwest of Sacramento. The City of Tracy is located approximately 22 miles to the southeast and Livermore is located roughly 20 miles to the south. The City is situated in the eastern portion of the County, roughly five miles west of the San Joaquin County line. It is situated between the Mount Diablo foothills to the west, Antioch and Oakley to the north, Discovery Bay to the east and Byron to the south.

The City was incorporated in 1948 and up until the 1980’s the City had retained its agricultural orientation. In recent years, new residential subdivisions have transformed the City into a more suburban environment. Land uses in and around the City are characterized by older farming and retail districts (the older retail districts are primarily located in downtown of the City) and residential neighborhoods in the peripheral areas of the City. The City had a population of approximately 54,741 as of January 1, 2014, according to the State of California Department of Finance.

The City experienced a period of growth from the mid 1990’s to the mid 2000’s. During this time period, the population of the City more than tripled. During the recession and in the immediately subsequent years, development activity slowed dramatically. In 2008 the City issued only 31 new single family building permits, and over the course of five years the City’s assessed valuation fell by one third. In 2012, economic conditions began to improve, with development activity and property valuations increasing. In Fiscal Year 2013-14 the City issued 500 single family building permits and saw an increase of 8.4% in assessed valuation. On July 1, 2014 the City was informed that its Fiscal Year 2014-15 assessed valuation had increased by 18.6%.

For more demographic and economic information regarding the City, see “APPENDIX B – ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE CITY OF BRENTWOOD.”

### The Assessment Districts

The Districts are comprised of land located within the City zoned primarily for residential development with some commercial zoning in certain of the Districts and have been formed to finance a portion of certain infrastructure improvements of benefit to assessed parcels in the related District (collectively, the “**Improvements**”). The Districts are located in various parts of the City. The Improvements have been completed and the Districts are in various stages of development. Collectively, the Districts consist of approximately 6,991 assessor’s parcels, and as of July, 2014, developed residential

single family property was responsible for approximately 59% of the aggregate remaining assessments in the Districts. See “OWNERSHIP AND VALUE OF PROPERTY WITHIN THE DISTRICTS” for summary information on the Districts combined. See also APPENDIX A – “INFORMATION RELATING TO THE ASSESSMENT DISTRICTS” for additional information about the Districts.

Significant portions of the property in Assessment District No. 2005-1 and Assessment District No. 2006-1 currently consist of undeveloped land that is owned by homebuilding companies or other land developers. Annual debt service on the Series 2014A Bonds has been sized so that payments of the annual assessment installments from developed parcels within the Districts are equal to approximately 1.10 times the annual debt service on the Series 2014A Bonds. Therefore, delinquencies in the payment of the annual assessment installments from undeveloped parcels will, like any other delinquencies in the payment of the annual assessment installments, adversely affect the payment of debt service on the Series 2014B Bonds prior to adversely affecting the payment of debt service on the Series 2014A Bonds. The development status of the parcels in the Districts as of July, 2014 is described in the following table. Certain information about the current owners of the currently undeveloped parcels within the Districts is set forth below under “OWNERSHIP AND VALUE OF PROPERTY WITHIN THE DISTRICTS – Ownership and Development Status of Undeveloped Property.”

**City of Brentwood  
Assessment District Nos.  
93-2, 93-3, 94-2, 94-3, 2000-1, 2005-1 and 2006-1  
Summary of Development as of July, 2014**

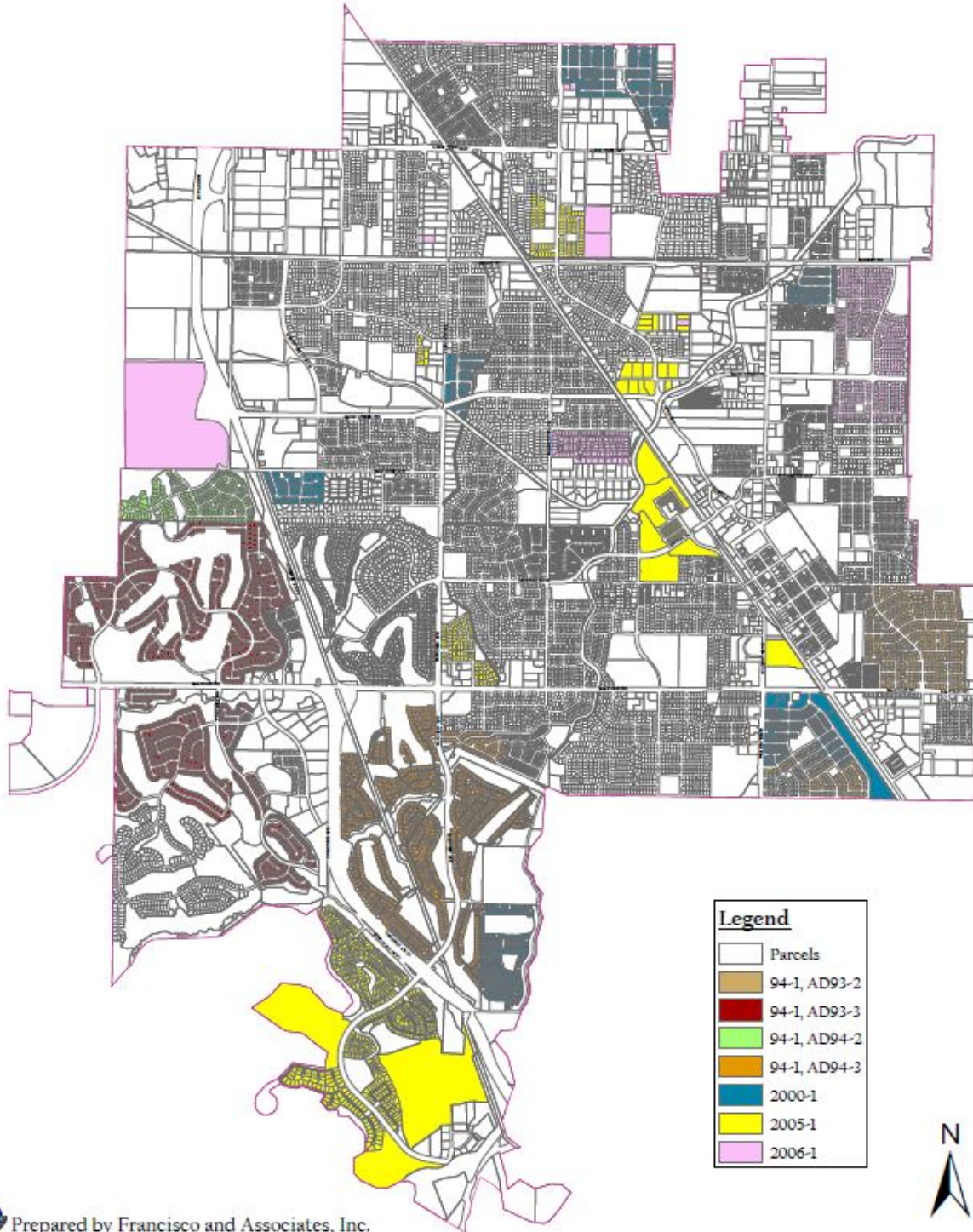
<b><u>Development Status</u></b>	<b><u>Number of Parcels</u></b>	<b><u>Remaining Assessment</u></b>	<b><u>% of Remaining Assessment</u></b>
Developed Residential Single Family	5,828	\$47,646,379	58.50%
Developed Commercial <sup>(1)</sup>	5	54,364	0.07
Finished Residential Lots	1,149	19,805,909	24.32
Tentative Map Residential Parcels	8	13,919,225	17.09
Vacant Commercial	1	18,752	0.02
<b>Total Parcels on 2014-15 Tax Roll</b>	<b>6,991</b>	<b>\$81,444,629</b>	<b>100.00%</b>

<sup>(1)</sup> Includes mobile home park.  
Source: Francisco & Associates, Inc.

**Map of the Districts**

The location of the Districts and certain property within the Districts is shown on the following page.

City of Brentwood  
Location Map of Assessment Districts  
(Parcels with Existing Debt as of July 1, 2014)



## **Flood Zones**

The majority of the property within the Districts is located in areas designated as Flood Zone C. The area is described as areas of minimal flooding. Properties located in this zone are not required to purchase flood insurance.

## **Method of Assessment**

The Act does not define specific formulas for allocation of project costs among the parcels within the District. The Act, however, requires each parcel to be assessed its share of the project costs in accordance with the benefit conferred on each parcel by the Improvements. Assessment spread formulae are typically based on land area, actual or adjusted street frontage, utility service consumption, and traffic generation, or a combination thereof.

The outstanding principal amount of assessments varies from approximately \$6,262 to approximately \$20,849 per typical single family residence in the Districts. The annual assessment installments varies from approximately \$737 to approximately \$1,702 per typical single family residence in the Districts.

See “OWNERSHIP AND VALUE OF PROPERTY WITHIN THE DISTRICTS – Value to Lien Ratios” below.

## **OWNERSHIP AND VALUE OF PROPERTY WITHIN THE DISTRICTS**

### **General**

The following information is summary information about the Districts combined. For additional information about the Districts see APPENDIX A – “INFORMATION RELATING TO THE ASSESSMENT DISTRICTS.”

### **Ownership of Property**

*Unpaid assessments do not constitute a personal indebtedness of the owners of the parcels within the Districts and the owners have made no commitment to pay the principal of or interest on the Bonds or to support payment of the Bonds in any manner. There is no assurance that the owners have the ability to pay the assessment installments or that, even if they have the ability, they will choose to pay such installments. An owner may elect to not pay the assessments when due and cannot be legally compelled to do so. Neither the City nor any Owner of Bonds will have the ability at any time to seek payment from the owners of property within the Districts of any assessment or any principal or interest due on the Bonds, or the ability to control who becomes a subsequent owner of any property within the Districts.*

As of July, 2014, developed residential single family property was responsible for approximately 59% of the aggregate remaining assessments in the Districts. Significant portions of the property in Assessment District No. 2005-1 and Assessment District No. 2006-1 currently consist of undeveloped land that is owned by homebuilding companies or other land developers. Annual debt service on the Series 2014A Bonds has been sized so that payments of the annual assessment installments from developed parcels within the Districts are equal to approximately 1.10 times the annual debt service on the Series 2014A Bonds. Therefore, delinquencies in the payment of the annual assessment installments from undeveloped parcels will, like any other delinquencies in the payment of the annual assessment installments, adversely affect the payment of debt service on the Series 2014B Bonds prior to adversely

affecting the payment of debt service on the Series 2014A Bonds. Appendix A contains detail on the top ten payers of the assessments for each District. For certain information regarding the current owners of currently undeveloped parcels in the Districts, see “Ownership and Development Status of Undeveloped Property” below.

**Valuation of Property in the Districts**

The value of the land within the Districts is a critical factor in determining the investment quality of the Bonds. If a property owner defaults in the payment of assessments, the City’s only remedy is to foreclose on the delinquent property in an attempt to obtain funds with which to pay the delinquent Assessments. See “SECURITY FOR THE BONDS AND SOURCES OF PAYMENT THEREFOR - Covenant to Commence Superior Court Foreclosure” and “RISK FACTORS - Bankruptcy and Foreclosure.” Reductions in District property values due to a downturn in the economy, natural disasters such as earthquakes or floods, stricter land use regulations or other events could have an adverse impact on the security for payment of assessments.

**Assessed Valuations.** In connection with valuing property in the Districts, the City has obtained the 2014-2015 County assessed valuation (the “**Assessed Valuation**”) of the property in the Districts. As provided by Article XIII A of the California Constitution, county assessors’ assessed values are to reflect market value as of the date the property was last assessed (or 1975, whichever is more recent), increased by a maximum of 2% per year. Properties may be reassessed by the County only upon a change of at least 51% ownership of existing property or upon new construction. The assessed values of parcels in the Districts thus reflect, for undeveloped parcels, the estimate of the County Assessor (the “**Assessor**”) of market value when acquired (or 1975, whichever is later), possibly increased by 2% per year, and for parcels on which construction has occurred since their date of acquisition, the Assessor’s estimate of market value as of the time of construction, possibly increased by 2% per year. The actual market value of parcels in the Districts, if sold at foreclosure, may be higher or lower than the Assessor’s assessed values, depending upon the date of the Assessor’s most recent assessment. The actual fair market value of any parcel can often be more accurately established through an arms-length sale or an appraisal by an independent appraiser.

The following table sets forth the historical assessed valuation for the property in the Districts for the fiscal years indicated.

**City of Brentwood  
Assessment District Nos.  
93-2, 93-3, 94-2, 94-3, 2000-1, 2005-1 and 2006-1  
Historical Assessed Valuation**

<b>Fiscal Year</b>	<b>Parcels</b>	<b>Assessed Value</b>	<b>Annual AV Growth</b>
2010-11	6,631	\$1,828,211,202	
2011-12	6,631	1,747,489,139	-4.4%
2012-13	6,631	1,736,730,473	-0.6
2013-14	6,627	1,933,280,053	11.3
2014-15	6,991	2,382,834,292	23.3

*Source:* Francisco and Associates, Inc.

**Appraisal Reports for Certain Properties in Assessment District No. 2005-1 and Assessment District No. 2006-1.** As of July, 2014, developed residential single family property was responsible for approximately 59% of the aggregate remaining assessments in the Districts. Significant portions of the

property in Assessment District No. 2005-1 and Assessment District No. 2006-1 currently consist of undeveloped land that is owned by homebuilding companies or other land developers. Annual debt service on the Series 2014A Bonds has been sized so that payments of the annual assessment installments from developed parcels within the Districts are equal to approximately 1.10 times the annual debt service on the Series 2014A Bonds. Therefore, delinquencies in the payment of the annual assessment installments from undeveloped parcels will, like any other delinquencies in the payment of the annual assessment installments, adversely affect the payment of debt service on the Series 2014B Bonds prior to adversely affecting the payment of debt service on the Series 2014A Bonds. The City authorized two separate appraisal reports (the “**Appraisals**”) for certain real property in Assessment District No. 2005-1 and Assessment District No. 2006-1, each with an effective valuation date of July 9, 2014 by Seevers Jordan Ziegenmeyer, Rocklin, California (the “**Appraiser**”). The appraised values contained in the Appraisals have been used to present certain value to lien information contained in this Official Statement, including Appendix A hereto. In considering the estimates of value set forth in the Appraisals, it should be noted that the Appraisals are based on a number of standard and special assumptions, which affected the estimates of value. The Appraisals should be read in their entirety for a complete understanding of the estimates of value therein. Complete copies of the Appraisals are contained in Appendix I to this Official Statement.

### **Value to Lien Ratios**

The aggregate assessed valuation of the real property within the Districts for 2014-15 is \$2,382,834,292. The total valuation of the real property within the Districts, adjusted for the appraised values of the undeveloped real property in Assessment District No. 2005-1 and Assessment District No. 2006-1 as described in the Appraisals and adjusted for building permit valuation for finished residential lots in Assessment District Nos. 2005-1 and 2006-1 for which building permits have recently been obtained by homebuilders, is \$2,525,381,488. The principal amount of the outstanding assessments for the Districts (excluding the 2013-14 principal amount, which has been collected by the City) is \$81,444,629. Consequently, the aggregate assessed value of the real property within the Districts is approximately 29.26 times the aggregate principal amount of outstanding assessments. The total estimated value of the real property within the Districts, using assessed values and adjusting for the appraised values of the undeveloped real property in Assessment District No. 2005-1 and Assessment District No. 2006-1 as described in the Appraisals and taking into account the building permit adjustment, is approximately 31.01 times the aggregate principal amount of outstanding assessments.

The following tables present information regarding the value to lien ratios with respect to the property in the Districts.

**City of Brentwood  
Assessment District Nos.  
93-2, 93-3, 94-2, 94-3, 2000-1, 2005-1 and 2006-1  
Value to Lien Ratios by Land Use Status**

<b>Land Use</b>	<b>No. of Parcels</b>	<b>2014-15 Assessed Value<sup>(1)</sup></b>	<b>Appraised Value<sup>(2)</sup></b>	<b>Building Permit Value<sup>(1)</sup></b>	<b>Total Value (Adjusted)<sup>(3)</sup></b>	<b>Remaining Assessment<sup>(1)</sup></b>	<b>Total Land Secured Debt<sup>(4)(5)</sup></b>	<b>Value to Land Secured Debt</b>	<b>Total Direct and Overlapping Debt<sup>(4)</sup></b>	<b>Value to Total Debt</b>
Developed Resid. Single Family	5,828	\$2,258,074,458	\$ 1,954,000	N/A	\$2,259,981,486	\$47,646,379	\$48,956,710	46.16	\$ 79,008,068	28.60
Developed Commercial <sup>(6)</sup>	5	12,906,222	N/A	N/A	12,906,222	54,364	54,364	237.41	246,215	52.42
Finished Resid. Lots	1,149	99,885,899	138,648,175	\$34,591,621	176,681,080	19,805,909	19,855,916	8.90	21,125,256	8.36
Tentative Map Resid. Parcels	8	10,867,013	74,712,000	N/A	74,712,000	13,919,225	13,919,225	5.37	14,202,050	5.26
Vacant Commercial	1	1,100,700	N/A	N/A	1,100,700	18,752	18,752	58.70	36,910	29.82
<b>Total</b>	<b>6,991</b>	<b>\$2,382,834,292</b>	<b>\$215,314,175</b>	<b>\$34,591,621</b>	<b>\$2,525,381,488</b>	<b>\$81,444,629</b>	<b>\$82,804,967</b>	<b>30.50</b>	<b>\$114,618,499</b>	<b>22.03</b>

<sup>(1)</sup> *Source:* Francisco & Associates, Inc. Building permit value provided only for undeveloped parcels in Assessment District Nos. 2005-1 and 2006-1 for which building permits have been pulled.

<sup>(2)</sup> *Source:* Seevers Jordan Ziegenmeyer. Appraised values provided only for certain parcels in Assessment District Nos. 2005-1 and 2006-1.

<sup>(3)</sup> Takes into account appraised value and building permit value for certain parcels in Assessment District Nos. 2005-1 and 2006-1.

<sup>(4)</sup> *Source:* California Municipal Statistics, Inc.

<sup>(5)</sup> Includes overlapping debt from the City of Brentwood CFD No. 4 special tax bonds and City of Brentwood CFD No. 5 special tax bonds.

<sup>(6)</sup> Includes mobile home park.

**City of Brentwood  
Assessment District Nos.  
93-2, 93-3, 94-2, 94-3, 2000-1, 2005-1 and 2006-1  
Value to Lien Ratios by Range**

<b>Value to Lien</b>	<b>No. of Parcels</b>	<b>2014-15 Assessed Value<sup>(1)</sup></b>	<b>Total Value (Adjusted)<sup>(2)</sup></b>	<b>Remaining Assessment<sup>(1)</sup></b>	<b>% of Remaining Assessment</b>	<b>Total Land Secured Debt<sup>(3)(4)</sup></b>	<b>Value to Land Secured Debt</b>	<b>Total Direct &amp; Overlapping Debt<sup>(3)</sup></b>	<b>Value to Total Debt</b>
Greater than 60:1	6	\$ 8,804,439	\$ 8,804,439	\$ 43,296	0.05%	\$ 43,296	203.35	\$ 122,118	72.10
40:1 to 59.99:1	524	273,820,868	273,820,868	3,079,362	3.78	3,081,536	88.86	6,480,278	42.25
30:1 to 39.99:1	2,626	1,076,098,715	1,076,098,715	16,132,852	19.81	16,135,026	66.69	30,805,090	34.93
20:1 to 29.99:1	1,950	691,449,846	704,426,749	18,240,147	22.40	18,685,865	37.70	27,820,553	25.32
15:1 to 19.99:1	576	179,548,101	189,153,970	7,868,562	9.66	8,421,078	22.46	10,700,010	17.68
10:1 to 14.99:1	407	73,611,870	95,350,817	6,191,480	7.60	6,464,440	14.75	7,434,470	12.83
5:1 to 9.99:1	518	64,133,313	129,578,477	18,244,929	22.40	18,329,724	7.07	19,171,416	6.76
3:1 to 4.99:1	382	14,710,172	43,957,452	10,166,702	12.48	10,166,702	4.32	10,567,817	4.16
Less than 3:1	2	656,968	4,190,000	1,477,301	1.81	1,477,301	2.84	1,516,747	2.76
<b>Total</b>	<b>6,991</b>	<b>\$2,382,834,292</b>	<b>\$2,525,381,488</b>	<b>\$81,444,629</b>	<b>100.00%</b>	<b>\$82,804,967</b>	<b>30.50</b>	<b>114,618,499</b>	<b>22.03</b>

<sup>(1)</sup> Source: Francisco & Associates, Inc.

<sup>(2)</sup> Takes into account appraised value and building permit value for certain parcels in Assessment District Nos. 2005-1 and 2006-1.

<sup>(3)</sup> Source: California Municipal Statistics, Inc.

<sup>(4)</sup> Includes overlapping debt from the City of Brentwood CFD No. 4 special tax bonds and City of Brentwood CFD No. 5 special tax bonds.

In comparing the aggregate value of the real property within the Districts and the principal amount of the Bonds, it should be noted that only the Assessor's parcel of real property upon which there is a delinquent Assessment can be foreclosed upon. All of the real property within the Districts cannot be foreclosed upon as a whole to pay delinquent Assessments unless all of the property is subject to delinquent Assessments. Individual parcels may be foreclosed upon to pay delinquent Assessments levied against such parcels only.

The principal amount of the Bonds will not be allocated pro-rata among the parcels within the Districts; rather, the annual Assessment installments for the Districts will be billed annually for each parcel within the Districts. Upon sale of developed parcels, the buyer typically acquires the property subject to the unpaid portion of any special taxes and assessments levied against the parcel purchased. Special taxes and assessments are not required to be removed from the property and are not required to be, but may be, paid off in full upon transfer of property or upon development of the property.

**Property Tax Status**

The following table sets forth the delinquencies on the payment of the assessments in the Districts for the fiscal years indicated. See also, "SECURITY FOR THE BONDS AND SOURCES OF PAYMENT THEREFOR – Contra Costa County Tax Loss Reserve."



**City of Brentwood  
Assessment District Nos.  
93-2, 93-3, 94-2, 94-3, 2000-1, 2005-1 and 2006-1  
Delinquency Summary**

<b>Fiscal Year</b>	<b>No. of Prior Years Delinquent Parcels</b>	<b>Total Prior Years Delinquent Assessments</b>	<b>Current Tax Year No. of Parcels Delinquent</b>	<b>Current Tax Year Delinquent Assessments</b>	<b>Total No. of Parcels Delinquent</b>	<b>Total Delinquent Assessments</b>	<b>Annual Assessment</b>	<b>% Delinquent</b>	<b>Date of Annual Delinquency Information</b>
2009-10	81	\$75,091	352	\$220,307	433	\$295,398	\$7,446,596	3.97%	April 20, 2010
2010-11	75	71,442	243	151,983	318	223,425	7,631,394	2.93	April 18, 2011
2011-12	61	70,083	215	127,193	276	197,276	7,663,175	2.57	April 18, 2012
2012-13	43	57,546	197	109,658	240	167,204	7,699,602	2.17	April 16, 2013
2013-14	29	40,057	148	78,443	177	118,500	7,725,890	1.53	April 22, 2014
2013-14	25	35,002	50	29,551	75	64,553	7,725,890	0.84	July 11, 2014

*Source:* Francisco & Associates, Inc.

**Ownership and Development Status of Undeveloped Property**

Significant portions of the property in Assessment District No. 2005-1 and Assessment District No. 2006-1 currently consist of undeveloped land that is owned by homebuilding companies or other land developers. Annual debt service on the Series 2014A Bonds has been sized so that payments of the annual assessment installments from developed parcels within the Districts are equal to approximately 1.10 times the annual debt service on the Series 2014A Bonds. Therefore, delinquencies in the payment of the annual assessment installments from undeveloped land will, like any other delinquencies in the payment of the annual assessment installments in the Districts, adversely affect the payment of debt service on the Series 2014B Bonds prior to adversely affecting the payment of debt service on the Series 2014A Bonds. Certain information about the current owners of undeveloped parcels in the Districts is set forth in the following tables. For additional information about these undeveloped parcels see “Valuation of Property in the Districts” above and APPENDIX I – “THE APPRAISALS.”

**City of Brentwood  
Assessment District Nos.  
93-2, 93-3, 94-2, 94-3, 2000-1, 2005-1 and 2006-1  
Undeveloped Property Owners**

<b>Owner</b>	<b>No. of Parcels</b>	<b>Assessment District</b>	<b>% of Undeveloped Assessments<sup>(1)</sup></b>	<b>% of Total Assessments<sup>(1)</sup></b>	<b>Total Land Secured Debt<sup>(2)(3)</sup></b>	<b>Value to Land Secured Debt</b>	<b>Total Direct &amp; Overlapping Debt<sup>(2)</sup></b>	<b>Value to Total Debt</b>
Trilogy Vineyards LLC	522	2005-1	38.27%	16.02%	\$13,046,072	6.76	\$13,876,176	6.35
Tri Pointe Homes Inc	399	2006-1	19.46	8.15	6,665,258	10.81	6,894,334	10.45
Palmilla Project Owner LLC	5	2005-1	17.83	7.46	6,077,635	4.21	6,318,266	4.05
West Coast Home Builders Inc	1	2006-1	10.42	4.36	3,552,700	7.53	3,604,902	7.42
Diablo Estates LLC	128	2005-1	6.07	2.54	2,070,676	6.93	2,205,866	6.51
Brentwood Palmilla Owner LLC	92	2005-1	4.61	1.93	1,590,843	11.76	1,766,935	10.59
Maffeo Properties	1	2006-1	1.70	0.71	577,849	3.07	581,166	3.05
Mangini Eugene E Tre	1	2006-1	1.00	0.42	342,429	5.75	343,462	5.74
Forecast Land Development LLC	1	2000-1	0.24	0.10	81,035	38.50	119,636	26.08
Brentwood Commercial Partners	4	2005-1	0.19	0.08	64,709	7.42	69,227	6.93
All Others	5	N/A	0.20	0.08	67,117	23.12	89,874	17.26
<b>Total Undeveloped Properties</b>	<b>1,159</b>	<b>N/A</b>	<b>100.00%</b>	<b>41.85%</b>	<b>\$34,136,322</b>	<b>7.45</b>	<b>\$35,869,846</b>	<b>7.09</b>
All Properties	6,991	N/A	N/A	100.00%	\$82,804,967	30.50	\$114,618,499	22.03

<sup>(1)</sup> Source: Francisco & Associates, Inc.

<sup>(2)</sup> Source: California Municipal Statistics, Inc.

<sup>(3)</sup> Includes overlapping debt from the City of Brentwood CFD No. 4 special tax bonds and City of Brentwood CFD No. 5 special tax bonds.

The following table summarizes the development status of property owned by major developers, who are also among the top taxpayers, in Assessment District Nos. 2005-1 and 2006-1. There are a total of 2,225 finished or paper lots under development of which permits have been issued for 698 units with 438 of those units occupied.

**City of Brentwood  
Assessment District Nos.  
2005-1 and 2006-1  
Undeveloped Property Development Status**

<u>Owner</u>	<u>Developer</u>	<u>Final Map</u>	<u>Tentative Map</u>	<u>Total Units</u>	<u>Permits Issued</u>	<u>Units Occupied</u>
Trilogy Vineyards LLC	Shea Homes Limited	854	204	1,058	445	334
Tri Pointe Homes Inc	Tri Pointe Home Inc	399		399	152	94
Palmilla Project Owner LLC	Integral Communities		296	296		
West Coast Home Builders Inc	Seeno Construction		228	228		
Diablo Estates LIC <sup>(1)</sup>	Blackhawk Nunn	132		132		
Brentwood Palmilla Owner LLC <sup>(2)</sup>	William Lyon	112		112	101	10
<b>Total</b>		<b>1,497</b>	<b>728</b>	<b>2,225</b>	<b>698</b>	<b>438</b>

<sup>(1)</sup> Sold to Shea Homes

<sup>(2)</sup> Finished lots purchased by William Lyon.

Source: Seevers Jordan Ziegenmeyer appraisals and City of Brentwood.

**RISK FACTORS**

*The following information should be considered by prospective investors in evaluating the Bonds. However, the following does not purport to be an exhaustive listing of risks and other considerations which may be relevant to investing in the Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such risks.*

**General**

Under the provisions of the Local Obligation Statute, assessment installments, from which funds for the payment of annual installments of principal of and interest on the Bonds are derived, will be billed to properties against which there are assessments on the regular property tax bills sent to owners of such properties. Such assessment installments are due and payable, and bear the same penalties and interest for non-payment, as do regular property tax installments. Scheduled assessment installments are in aggregate amounts sufficient for payment of the Bonds. A property owner cannot pay the county tax collector less than the full amount due on the tax bill, however it is possible to pay assessment installments directly to the City in satisfaction of the obligation to pay that assessment without paying property taxes also then due. It should also be noted that the unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and assessment installment payments in the future.

Unpaid assessments do not constitute a personal indebtedness of the owners of the parcels within the Districts and the owners have made no commitment to pay the principal of or interest on the Bonds or to support payment of the Bonds in any manner. Accordingly, in the event of delinquency, proceedings may be conducted only against the real property securing the delinquent assessment. Thus, the value of the real property within the Districts is a critical factor in determining the investment quality of the Bonds. The future unpaid assessments are not required to be paid upon sale of property within the

Districts. There is no assurance the owners shall be able to pay the assessment installments or that they shall pay such installments even though financially able to do so. See “Owners Not Obligated to Pay Bonds or Assessments” below.

In order to pay debt service on the Bonds, it is necessary that unpaid installments of assessments on land within the Districts are paid in a timely manner. The assessments are secured by a lien on the parcels within the Districts and the City has covenanted to institute foreclosure proceedings to sell parcels with delinquent installments for amounts sufficient to cover such delinquent installments in order to obtain funds to pay debt service on the Local Obligations. No reserve account has been established by the City as a source of payment of the Local Obligations.

Failure by owners of the parcels to pay installments of assessments when due, depletion of the Reserve Fund, delay in foreclosure proceedings, or the inability of the City to sell parcels which have been subject to foreclosure proceedings for amounts sufficient to cover the delinquent installments of assessments levied against such parcels may result in the inability of the City to make full or punctual payments of debt service on the Local Obligations and owners of the Bonds would therefore be adversely affected.

#### **Subordination of the Series 2014B Bonds**

Ownership of the Series 2014B Bonds is subject to a significant degree of risk. Uncollected assessment installments will first cause a reduction in the amount of Revenues available for payment of the Series 2014B Bonds prior to causing a reduction in the amount of Revenues available for payment of the Series 2014A Bonds. See “SECURITY OF THE BONDS AND SOURCES OF PAYMENT THEREFOR – Revenues” and APPENDIX C – “SUMMARY OF THE TRUST AGREEMENT – Funds; Flow of Funds” and “Defaults and Remedies.”

#### **Absence of Market for Series 2014B Bonds**

No application has been made for a credit rating on the Series 2014B Bonds and it is not known whether a credit rating could be secured either now or in the future for the Series 2014B Bonds. Additionally, payment of the Series 2014B Bonds is not insured by the Insurer. There can be no assurance that there will ever be a secondary market for purchase or sale of the Series 2014B Bonds, and from time to time there may be no market for them, depending on prevailing market conditions, the financial condition or market position of firms who may make the secondary market and the financial condition and status of development of parcels in the Districts.

#### **Owners Not Obligated to Pay Bonds or Assessments**

Unpaid assessments do not constitute a personal indebtedness of the owners of the parcels within the Districts and the owners have made no commitment to pay the principal of or interest on the Bonds or to support payment of the Bonds in any manner. There is no assurance that the owners have the ability to pay the assessment installments or that, even if they have the ability, they will choose to pay such installments. An owner may elect to not pay the assessments when due and cannot be legally compelled to do so. If an owner decides it is not economically feasible to develop or to continue owning its property encumbered by the lien of the assessment, or decides that for any other reason it does not want to retain title to the property, such owner may choose not to pay assessments and to allow the property to be foreclosed. Such a choice may be made due to a decrease in the market value of the property. A foreclosure of the property will result in such owner’s interest in the property being transferred to another party. Neither the City nor any owner of Bonds will have the ability at any time to seek payment from the

owners of property within the Districts of any assessment or any principal or interest due on the Bonds, or the ability to control who becomes a subsequent owner of any property within the Districts.

### **Bankruptcy and Foreclosure**

The payment of assessments and the ability of the City to foreclose the lien of a delinquent unpaid assessment, as discussed in “SECURITY FOR THE BONDS AND SOURCES OF PAYMENT THEREFOR - Covenant to Commence Superior Court Foreclosure,” may be limited by bankruptcy, insolvency, or other laws generally affecting creditors’ rights or by State law relating to judicial foreclosure. In addition, the prosecution of a foreclosure could be delayed due to lengthy local court calendars or procedural delays.

The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Bond Counsel’s approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

Although bankruptcy proceedings should not cause the assessments to become extinguished, bankruptcy of a property owner could result in a delay in prosecuting superior court foreclosure proceedings and could result in delinquent assessment installments not being paid in full. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the Bonds.

### **Availability of Funds to Pay Delinquent Assessment Installments**

Upon receipt of the proceeds from the sale of the Bonds, the City shall initially establish a separate Reserve Fund for each Series of Bonds in an amount of the Series 2014A Reserve Requirement and the Series 2014B Reserve Requirement, respectively, as described herein. The Reserve Fund for one Series of Bonds is not available to make up a delinquency for the other Series of Bonds. Each Reserve Fund shall constitute a trust fund for the benefit of the Owners of the respective Series of Bonds, shall be held by the Trustee, and shall be administered by the Trustee in accordance with and pursuant to the provisions of the Trust Agreement. If a deficiency occurs for payment of interest on or principal of the respective Series of Bonds, the Trustee is required to transfer an amount out of the applicable Reserve Fund needed to pay debt service, however, there is no assurance that the balance in the related Reserve Fund will always be adequate to pay the debt service on the applicable Series of Bonds in the event of delinquent assessment installments.

If, during the period of delinquency, there are insufficient funds in the applicable Reserve Fund to pay the principal of and interest on the related Series of Bonds as it becomes due, a delay may occur in payments of principal and/or interest to the Owners of such Series of Bonds.

### **Limited Obligation Upon Delinquency**

The Issuer’s obligation to advance moneys to pay debt service on the Bonds of each Series in the event of delinquent assessment installments shall not exceed the balance in the applicable Reserve Fund. The City has made an election not to be obligated to advance funds of the City for delinquent assessment installments pursuant to the Local Obligation Statute. During the period of delinquency if there are insufficient funds in the applicable Reserve Fund, a delay may occur in payments to Owners of the related Series of Bonds. Notwithstanding the foregoing, the City may, at its sole option and at its sole discretion, elect to advance available surplus funds of the City to pay for any delinquent assessment installments pending sale, reinstatement or redemption of any delinquent property.

## **Collection of the Assessment**

In order to pay debt service on the Bonds it is necessary that the assessment installments be paid in a timely manner. Should the installments of assessments not be paid on time, funds in the Reserve Fund may be utilized to pay debt service on the Bonds to the extent other funds are not available therefor.

The assessment installments are to be collected in the same manner as ordinary ad valorem real property taxes are collected and, except as provided in the special covenant for foreclosure described herein and in the Local Obligation Statute, is to be subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for ad valorem real property taxes. Pursuant to these procedures, if taxes are unpaid for a period of five years or more, the property may be deeded to the State and then is subject to sale by the County.

Pursuant to the Local Obligation Statute, in the event any delinquency in the payment of an assessment installment occurs, the City may commence an action in superior court to foreclose the lien therefor within specified time limits. In such an action, the real property subject to the unpaid amount may be sold at judicial foreclosure sale. Such judicial foreclosure action is not mandatory. Amendments to the Local Obligation Statutes enacted in 1988 and effective January 1, 1989 provide that under certain circumstances property may be sold upon foreclosure at a lesser Minimum Price or without a Minimum Price. "Minimum Price" as used in the Local Obligation Statutes is the amount equal to the delinquent installments of principal or interest of the assessment or reassessment, together with all interest penalties, costs, fees, charges and other amounts more fully detailed in the Local Obligation Statutes. The court may authorize a sale at less than the Minimum Price if the court determines that sale at less than the Minimum Price will not result in an ultimate loss to the owners of bonds or, under certain circumstances, if owners of 75% or more of the outstanding bonds consent to such sale. However, there can be no assurance that foreclosure proceedings will occur in a timely manner so as to avoid a delay in payments of debt service on the Bonds. The City has covenanted for the benefit of the owners of the Bonds that the City will commence foreclosure upon the occurrence of a delinquency as provided in the Trust Agreement, and thereafter diligently prosecute, an action in the superior court to foreclose the lien of the delinquent installments of the assessment against parcels of land in each District for which such installment has been billed but has not been paid, and will diligently prosecute and pursue such foreclosure proceedings to judgment and sale, all as provided in the Trust Agreement. See "SECURITY FOR THE BONDS AND SOURCES OF PAYMENT THEREFOR - Covenant to Commence Superior Court Foreclosure" above. In the event that sales or foreclosures of property are necessary, there could be a delay in payments to owners of the Bonds pending such sales or the prosecution of foreclosure proceedings and receipt by the City of the proceeds of sale if the other sources of payment for the Bonds, as set forth in the Trust Agreement, are depleted. See "RISK FACTORS - Bankruptcy and Foreclosure" herein.

## **Property Values**

A land value determined by a county assessor or an appraiser is an opinion with respect to the market value, and is generally based upon a sales comparison approach, which determines the value of the subject property by comparing it to sales of comparable property, adjusted for differences between the subject and the comparable property. No assurance can be given that if a parcel with delinquent assessment installments is foreclosed, any bid will be received for such property or, if a bid is received, that such bid will be equal to the value determined by the county assessor or an appraiser, or that it will be sufficient to pay delinquent installments of unpaid assessments. Additionally, building permit valuations are used in this Official Statement to estimate value on a prospective basis and no assurance can be given that actual construction will be completed or will be completed at the estimated cost.

## **Land Development**

Significant portions of the land within Assessment District No. 2005-1 and Assessment District No. 2006-1 are currently undeveloped. The completion of development of the land may be adversely affected by changes in general economic conditions, drought, water shortages, increased construction costs, fluctuations in the real estate market, and other similar factors, including development in surrounding areas which may compete with the development of such land. There can be no assurances that development of such land will not be adversely affected by these or other factors, including future governmental policies or environmental issues.

Assessment installments are to be collected from the owners of property located within the Districts, and are not dependent on the completion of development. Nevertheless, the extent of completion of development within the Districts may affect the ability and willingness of landowners to pay the assessments and will affect the market value of any property foreclosed upon for nonpayment of installments of the assessments.

No assurance can be given that any development in progress or contemplated will be partially or fully completed, and in assessing the investment quality of the Bonds, prospective purchasers should evaluate the risks of non-completion. Undeveloped land is less valuable than such land in a developed condition and provides less valuable security to Bondholders should it be necessary for the City to foreclose due to the nonpayment of assessment installments. In addition, if undeveloped land in the Districts continues to have no further private improvements, the number of potential purchasers bidding at the foreclosure sale, in the event the City forecloses the lien of a delinquent unpaid assessment, is likely to be reduced. Finally, factors such as a slowdown of the economic development process in the region or an increase in mortgage interest rates could also adversely affect land values and reduce the proceeds received at a foreclosure sale in the event assessment installments are not paid when due.

## **Concentration of Ownership**

Property within Assessment District No. 2005-1 and Assessment District No. 2006-1 is currently primarily controlled by a small number of developer/owners. Because of this concentration of ownership the timely payment of the Local Obligations secured by assessments on property within Assessment District No. 2005-1 and Assessment District No. 2006-1 depends on the willingness and ability of the owners of undeveloped land to pay the related assessments when due. The inability or unwillingness of these owners to pay assessments when due could significantly affect the amount of Local Obligation revenues available to pay debt service on the Bonds. Such a shortfall would be born first by the Series 2014B Bonds. The only asset of each such owner of property within Assessment District No. 2005-1 and Assessment District 2006-1 that constitutes security for the related Local Obligations is such owner's real property within the related District. See "RISK FACTORS – Bankruptcy and Foreclosure" and "SECURITY FOR THE BONDS AND SOURCES OF PAYMENT THEREFOR – Covenant to Commence Superior Court Foreclosure."

## **Parity Taxes and Special Assessments**

The assessments and each installment thereof and any interest and penalties thereon constitute a lien against the parcels on which they were imposed until the same are paid. Such lien is subordinate to all fixed special assessment liens previously imposed upon the same property, but has priority over all private liens and over all fixed special assessment liens which may thereafter be created against the property. Such lien is co-equal to and independent of the lien for general taxes and any lien imposed under the Mello-Roos Community Facilities Act of 1982, as amended.

There are currently no other bonded assessment liens on any of the property within the Districts. Property within certain of the Districts is subject to bonded special tax liens. See “OWNERSHIP AND VALUE OF PROPERTY WITHIN THE DISTRICTS” and APPENDIX A – “INFORMATION RELATING TO THE ASSESSMENT DISTRICTS.”

#### **Future Overlapping Indebtedness**

The ability of an owner of land within the Districts to pay the assessments could be affected by the existence of other taxes and assessments imposed upon the property subsequent to the date of issuance of the Local Obligations. In addition, other public agencies whose boundaries overlap those of the Districts could, without the consent of the City, and in certain cases without the consent of the owners of the land within the Districts, impose additional taxes or assessment liens on the property within the Districts to finance public improvements to be located inside of or outside of the Districts.

#### **No Acceleration Provision**

The Trust Agreement does not contain a provision allowing for the acceleration of the principal of the Bonds in the event of a payment default or other default under the terms of the Bonds or the Trust Agreement.

#### **Bond Insurance**

In the event of default of the payment of the scheduled principal or interest with respect to the Series 2014A Bonds when all or some becomes due, the Trustee on behalf of any owner of the Series 2014A Bonds shall have a claim under the Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a scheduled mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy does not insure redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Series 2014A Bonds which is recovered from the bond owner as a voidable preference under applicable bankruptcy law is covered by the insurance policy, however, such payments will be made by the Insurer at such time and in such amounts as would have been due absent such prepayment unless the Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Insurer without appropriate consent. The Insurer may direct and must consent to any remedies with respect to the Series 2014A Bonds and the Insurer’s consent may be required in connection with amendments to any applicable documents relating to the Bonds.

In the event the Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Series 2014A Bonds are payable solely from the Trust Estate as provided in the Trust Agreement. In the event the Insurer becomes obligated to make payments with respect to the Series 2014A Bonds, no assurance is given that such event will not adversely affect the market price of the Series 2014A Bonds or the marketability (liquidity) for the Series 2014A Bonds.

The long-term ratings on the Series 2014A Bonds are dependent in part on the financial strength of the Insurer and its claims paying ability. The Insurer’s financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and of the ratings on the Series 2014A Bonds will not be subject to downgrade



and such event could adversely affect the market price of the Series 2014A Bonds or the marketability (liquidity) for the Series 2014A Bonds. See “RATINGS” herein.

The obligations of the Insurer are unsecured contractual obligations and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

None of the Issuer, the City or the Underwriter has made independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Issuer to pay principal and interest on the Series 2014A Bonds from the Trust Estate as provided in the Trust Agreement and the claims paying ability of the Insurer, particularly over the life of the investment. See “BOND INSURANCE” herein for further information regarding the Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.

## **CONSTITUTIONAL LIMITATIONS ON TAXATION AND APPROPRIATIONS**

### **Property Tax Rate Limitations - Article XIII A**

On June 6, 1978, the California voters added Article XIII A to the California Constitution which limits the amount of any ad valorem taxes on real property to one percent (1%) of its full cash value, except that additional ad valorem property taxes may be levied to pay debt service on indebtedness approved prior to July 1, 1978 and (as a result of an amendment to Article XIII A approved by California voters on June 3, 1986) on bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978, by two-thirds of the voters voting on such indebtedness. Article XIII A defines full cash value to mean “the county assessor’s valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed or a change in ownership has occurred after the 1975 assessment period.” This cash value may be increased at a rate not to exceed two percent (2%) per year to account for inflation. The United States Supreme Court has upheld the validity of Article XIII A in a case decided in June 1992.

Article XIII A as originally implemented has been amended to permit reduction of the “full cash value” base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster and in various other minor or technical ways.

### **Legislation Implementing Article XIII A**

Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any ad valorem property tax. The 1% property tax is automatically levied annually by the county and distributed according to a formula among using agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1978. Any special tax to pay voter-approved indebtedness is levied in addition to the basic 1% property tax.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

Beginning in the 1981-82 fiscal year, assessors in California no longer record property values on tax rolls at the assessed value of 25% of market value which was expressed as \$4.00 per \$100 of assessed value. All taxable property is now shown at full market value on the tax rolls. Consequently, the basic tax rate is expressed as \$1 per \$100 of taxable value.

### **Appropriation Limitation - Article XIII B**

On November 6, 1979, the voters of the State approved Proposition 4, known as the Gann Initiative, which added Article XIII B. On June 5, 1990, the voters approved Proposition 111, which amended Article XIII B in certain respects. Under Article XIII B, as amended, state and local government entities have an annual "appropriations limit" which limits the ability to spend certain moneys which are called "appropriations subject to limitation" (consisting of most tax revenues and certain state subventions, together called "proceeds of taxes" and certain other funds) in an amount higher than the "appropriations limit." Article XIII B does not affect the appropriation of moneys which are excluded from the definition of "appropriations limit," including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by two-thirds of the voters.

In general terms, the "appropriations limit" is to be based on the adjusted fiscal year 1986-87 appropriations limit, which is traced back through an annual adjustment process to the 1978-79 fiscal year. Annual adjustments reflect changes in California per capita personal income (or, at the City's option, changes in assessed value caused by local nonresidential new construction), population and services provided by these entities. Among other provisions of Article XIII B, if the revenues of such entities in any fiscal year and the following fiscal year exceed the amounts permitted to be spent in such years, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years.

### **Property Tax Collection Procedures**

In California, property which is subject to ad valorem taxes is classified as "secured" or "unsecured." The "secured roll" is that part of the assessment roll containing state-assessed public utilities' property and property the taxes on which are a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. A tax levied on unsecured property does not become a lien against such unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens arising pursuant to State law on such secured property, regardless of the time of the creation of the other liens. Secured and unsecured property are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent on December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. In addition property on the secured roll with respect to which taxes are due is delinquent on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the county tax collector.

Historically, property taxes are levied for each fiscal year on taxable real and personal property situated in the taxing jurisdiction as of the preceding January 1. A bill enacted in 1983, SB 813 (Statutes of 1983, Chapter 498), however, provided for the supplemental assessment and taxation of property as of

the occurrence of a change of ownership or completion of new construction. Thus, this legislation eliminated delays in the realization of increased property taxes from new assessments. As amended, SB 813 provided increased revenue to taxing jurisdictions to the extent that supplemental assessments of new construction or changes of ownership occur subsequent to the January 1 lien date.

Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent, if unpaid on the following August 31. A ten percent (10%) penalty is also attached to delinquent taxes in respect of property on the unsecured roll, and further, an additional penalty of 1-1/2% per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer, (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer, (3) filing a certificate of delinquency for record in the county recorder's office, in order to obtain a lien on certain property of the taxpayer, and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes in respect of property on the secured roll is the sale of the property securing the taxes to the State for the amount of taxes which are delinquent.

### **Proposition 218**

On November 5, 1996, the voters of the State approved Proposition 218, the so-called "Right to Vote on Taxes Act." Proposition 218 added Articles XIIC and XIID to the State Constitution, which contain a number of provisions affecting the ability to the Issuer to levy and collect both existing and future taxes, assessments, fees and charges.

Article XIID requires that, beginning July 1, 1997, the proceedings for the levy of any assessment by the City (including, if applicable, any increase in such assessment or any supplemental assessment) must be conducted in conformity with the provisions of Section 4 of Article XIID. Any challenge (including any constitutional challenge) to the proceedings or the assessment or special tax must be brought within 30 days after the date the assessment or special tax was levied.

Article XIIC removes limitations on the initiative power in matters of local taxes, assessments, fees and charges. Article XIIC does not define the term "assessment", and it is unclear whether this term is intended to include assessments (or reassessments) levied under the Acts. Furthermore, this provision of Article XIIC is not, by its terms, restricted in its application to assessments which were established or imposed on or after July 1, 1997. In the case of the unpaid assessments which are pledged as security for payment of the Bonds, the laws of the State provide a mandatory, statutory duty of the City and the County Auditor to post installments on account of the unpaid assessments to the property tax roll of the County each year while any of the Local Obligations are outstanding, commencing with property tax year 1997-1998, in amounts equal to the principal of and interest on the Local Obligations coming due in the succeeding calendar year. The City believes that the initiative power cannot be used to reduce or repeal the unpaid assessments which are pledged as security for payment of the Bonds or to otherwise interfere with performance of the mandatory, statutory duty of the City and the County Auditor with respect to the unpaid assessments which are pledged as security for payment of the Bonds.

The interpretation and application of Proposition 218 will ultimately be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainty the outcome of such determination.

## **THE ISSUER**

The Issuer is a joint exercise of powers authority duly organized and operating pursuant to Article 1 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code, and pursuant to a joint Exercise of Powers Agreement dated March 14, 1995, by and among the City and the former Redevelopment Agency of the City of Brentwood, and is qualified to assist in financing projects and certain public improvements and to issue the Bonds under the Marks-Roos Local Bond Pooling Act of 1985, being Article 4 of Chapter 5, Division 7, Title 1 of the California Government Code (the “Marks-Roos Law”). The Issuer has no taxing power. The Issuer and the City are each separate and distinct legal entities, and the debts and obligations of one such entity are not debts or obligations of the other entity.

## **CONTINUING DISCLOSURE**

The City has covenanted for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the City by not later than eight months after the end of the City’s fiscal year (presently June 30) in each year commencing with its report for the 2013-14 fiscal year (the “Annual Report”) and to provide notices of the occurrence of certain enumerated events. Such report and notices will be filed by the Trustee on behalf of the City with the Municipal Securities Rulemaking Board (the “MSRB”) through its Electronic Municipal Market Access system (“EMMA”). These covenants have been made in order to assist the Underwriter in complying with Securities Exchange Commission Rule 15c2-12(b)(5). The specific nature of the information to be contained in the Annual Report or the notices of enumerated events by the City is summarized in “APPENDIX E - FORM OF CONTINUING DISCLOSURE AGREEMENT.” The City believes that in the last five years it has not failed to comply in any material respect with any previous undertakings with regard to the Rule. However, in 2009 the City failed to file a notice of the downgrade by Fitch Ratings of the insurer for certain related bonds and in 2010 the City failed to file a notice of the withdrawal by Fitch Ratings of its rating for the same insurer.

## **LEGAL MATTERS**

The validity of the Bonds and certain other legal matters are subject to the approving opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the Issuer. A complete copy of the proposed form of Bond Counsel opinion is contained in APPENDIX D hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain matters will be passed upon for the Issuer and the City by the City Attorney of the City.

## **TAX MATTERS**

In the opinion of Orrick, Herrington & Sutcliffe LLP (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX D hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the

term of such Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and State of California personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Issuer and the City have made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring), or any other matters coming to Bond Counsel’s attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may otherwise affect a Beneficial Owner’s federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. For example,

Representative Dave Camp, Chair of the House Ways and Means Committee released draft legislation that would subject interest on the Bonds to a federal income tax at an effective rate of 10% or more for individuals, trusts, and estates in the highest tax bracket, and the Obama Administration proposed legislation that would limit the exclusion from gross income of interest on the Bonds to some extent for high-income individuals. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Issuer or the City, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Issuer and the City have covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Issuer, the City or the Beneficial Owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Issuer, the City and their appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Issuer or the City legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the Issuer, the City or the Beneficial Owners to incur significant expense.

#### **NO LITIGATION**

There is no action, suit, or proceeding known by the Issuer or the City to be pending or threatened at the present time restraining or enjoining the delivery of the Bonds or the collection of assessments levied by the City in the Districts or in any way contesting or affecting the validity of the Bonds, the Trust Agreement, the Local Obligations, the Local Obligation Resolutions or any proceedings of the Issuer or the City taken with respect to the execution or delivery thereof.

#### **MUNICIPAL ADVISOR**

The Authority has retained Del Rio Advisors, LLC of Modesto, California, as municipal advisor (the "**Municipal Advisor**") in connection with the offering of the Bonds and the preparation of this Official Statement. The Municipal Advisor assisted in the preparation and review of this Official Statement. All financial and other information presented in this Official Statement has been provided by the Authority and the City from their records, except for information expressly attributed to other sources. The Municipal Advisor takes no responsibility for the accuracy or completeness of the data provided by the Authority, the City or others and has not undertaken to make an independent verification or does not assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. The fee of the Municipal Advisor is contingent upon the successful closing of the Bonds.

## RATINGS

Standard and Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("S&P") is expected to rate the Series 2014A Bonds "AA" (stable outlook) with the understanding that, upon issuance of the Series 2014A Bonds, the Policy will be issued by the Insurer. S&P has assigned an underlying rating of "A-" to the Series 2014A Bonds. Such ratings reflect only the views of S&P and any desired explanation of the significance of such ratings should be obtained only from S&P. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by S&P, if in the judgment of S&P, circumstances so warrant. The Issuer, the City and the Underwriter have undertaken no responsibility either to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such ratings or to oppose any such proposed revision or withdrawal. Any such downward change in or withdrawal of the ratings might have an adverse effect on the market price or marketability of the Bonds.

***The Series 2014B Bonds are not insured and are not rated.***

## UNDERWRITING

RBC Capital Markets, LLC, the Underwriter of the Bonds, has agreed to purchase the Bonds from the Issuer at a purchase price of \$80,238,308.30, being the aggregate principal amount of the Bonds less an Underwriter's discount of \$893,850.00 plus net original issue premium of \$6,732,158.30. The purchase contract pursuant to which the Underwriter is purchasing the Bonds provides that the Underwriter will purchase all of the Bonds if any are purchased. The obligation of the Underwriter to make such purchase is subject to certain terms and conditions set forth in such contract of purchase.

The public offering prices of the Bonds may be changed from time to time by the Underwriter. The Underwriter may offer and sell the Bonds to certain dealers and others at a price lower than the offering price stated on the cover page hereof.

**MISCELLANEOUS**

All quotations from, and summaries and explanations of the Trust Agreement, the Local Obligations, the Local Obligation Resolutions, the Bonds, the Act, the Local Obligation Statute or other statutes and documents contained herein do not purport to be complete, and reference is made to said documents and statutes for full and complete statements of their provisions.

This Official Statement is submitted only in connection with the sale of the Bonds by the Issuer. All estimates, assumptions, statistical information and other statements contained herein, while taken from sources considered reliable, are not guaranteed by the Issuer, the City or the Underwriter. The information contained herein should not be construed as representing all conditions affecting the Issuer, the City, the Bonds or the Local Obligations.

All information contained in this Official Statement pertaining to the Issuer and the City has been furnished by the Issuer and the City and the execution and delivery of this Official Statement has been duly authorized by the Issuer and the City.

**BRENTWOOD INFRASTRUCTURE  
FINANCING AUTHORITY**

By                                 /s/ Pamela Ehler                                  
Treasurer/Controller

**CITY OF BRENTWOOD**

By                                 /s/ Pamela Ehler                                  
Director of Finance & Information Systems



## APPENDIX A

### INFORMATION RELATING TO THE ASSESSMENT DISTRICTS

*The information presented in this Appendix provides additional information about the Districts and should be read in conjunction with the information presented in the forepart of this Official Statement. Capitalized terms used in this Appendix and not otherwise defined have the meanings ascribed to such terms in the forepart of this Official Statement.*

#### **The Assessment Districts**

**Assessment District Nos. 93-2, 93-3, 94-2 and 94-3.** Assessment District Nos. 93-2, 93-3, 94-2 and 94-3 (the “CIFP 94-1 Districts”) are located in various portions of the City consisting primarily of the eastern and southwestern portions of the City. Combined, the CIFP 94-1 Districts consist of approximately 4,096 single-family residential assessor’s parcels, which are fully developed.

**Assessment District No. 2000-1.** Assessment District No. 2000-1 is located in various portions of the northern part of the City. Currently, Assessment District No. 2000-1 consists of approximately 982 assessor’s parcels and is approximately 99% developed.

**Assessment District No. 2005-1.** The properties within Assessment District No. 2005-1 consist of seven non-contiguous clusters of parcels within the City. The properties have frontage along either interior streets or major thoroughfares, including Balfour Road, O’Hara Avenue, Concord Avenue, Fairview Avenue, Central Boulevard, Apricot Way and Walnut Boulevard. Currently, Assessment District No. 2005-1 consists of approximately 1,323 assessor’s parcels and, as of July 2014, developed property was responsible for approximately 31% of the remaining assessments.

**Assessment District 2006-1.** The properties within Assessment District No. 2006-1 consist of non-contiguous clusters of parcels within the City. The properties have frontage along either interior streets or major thoroughfares, including Sand Creek Road, Garin Parkway, Sunset Road, Lone Tree Way, San Jose Avenue and O’Hara Avenue. Currently, Assessment District No. 2006-1 consists of 590 assessor’s parcels and, as of July 2014, developed property was responsible for approximately 25% of the remaining assessments.

#### **Method of Assessment**

The Act does not define specific formulas for allocation of project costs among the parcels within a District. The Act, however, requires each parcel to be assessed its share of the project costs in accordance with the benefit conferred on each parcel by the related Improvements. Assessment spread formulae are typically based on land area, actual or adjusted street frontage, utility service consumption, and traffic generation, or a combination thereof.

The outstanding principal amount of assessments per typical single family residence is approximately \$6,262 in the CIFP 94-1 Districts, approximately \$8,254 in Assessment District No. 2000-1, approximately \$18,080 in Assessment District No. 2005-1, and approximately \$20,849 in Assessment District No. 2006-1.

The annual assessment installments per typical single family residence is approximately \$737 in the CIFP 94-1 Districts, approximately \$889 in Assessment District No. 2000-1, approximately \$1,502 in Assessment District No. 2005-1, and approximately \$1,702 in Assessment District No. 2006-1.

## Ownership of Property Within the Districts

The following tables show the top ten payers of the assessments of the Districts.

**City of Brentwood  
Assessment District Nos. 93-2, 93-3, 94-2 and 94-3  
Top 10 Taxpayers**

<b>Owner</b>	<b>Number of Parcels</b>	<b>2014-15 Assessed Value</b>	<b>Remaining Assessment</b>	<b>% of Total Assessments</b>	<b>% of Top Ten Assessments</b>
Zhou Justin & Karen	14	\$ 5,181,090	\$ 25,906	0.11%	14.05%
Sun Jing	12	4,967,396	21,881	0.09	11.87
Bernhard Mark & Irmgard Tre	12	4,049,552	21,209	0.09	11.50
Sanghrajka Ashish	12	4,507,260	19,791	0.08	10.73
Stevens Paul & Wendy	12	5,015,276	18,290	0.07	9.92
Carder George V Jr & Mary F	8	1,663,944	18,014	0.07	9.77
Rental Fund Investors I Lp	3	608,525	15,592	0.06	8.45
Pruyn Henry T Tre	11	2,908,915	15,013	0.06	8.14
Petersen Peter & Pauline M Tre	8	3,042,080	14,358	0.06	7.79
Luo Shujun	6	1,466,220	14,358	0.06	7.79

*Source:* Francisco & Associates, Inc.

**City of Brentwood  
Assessment District No. 2000-1  
Top 10 Taxpayers**

<b>Owner</b>	<b>Number of Parcels</b>	<b>2014-15 Assessed Value</b>	<b>Remaining Assessment</b>	<b>% of Total Assessments</b>	<b>% of Top Ten Assessments</b>
Forecast Land Development LLC	1	\$ 3,120,000	\$ 81,035	0.86%	31.46%
Williams Michael J Tre	3	1,054,000	25,740	0.27	9.99
Cardona Joseph C Tre	2	570,500	20,144	0.21	7.82
Meadow Creek Group LLC	2	628,500	20,144	0.21	7.82
Qiao Hua Tre	2	505,101	20,144	0.21	7.82
Pacific/Bowie-Martin	1	1,100,700	18,752	0.20	7.28
Jia Mingming	2	548,275	18,652	0.20	7.24
Longman Mary F	2	557,280	18,652	0.20	7.24
Albert Thomas J & Susan B	2	591,413	17,160	0.18	6.66
Chong Chi	2	517,234	17,160	0.18	6.66

*Source:* Francisco & Associates, Inc.

**City of Brentwood  
Assessment District No. 2005-1  
Top 10 Taxpayers**

<b>Owner</b>	<b>Number of Parcels</b>	<b>2014-15 Assessed Value</b>	<b>Remaining Assessment</b>	<b>% of Total Assessments</b>	<b>% of Top Ten Assessments</b>
Trilogy Vineyards LLC	576	\$ 48,107,729	\$14,050,674	42.25%	57.87%
Palmilla Project Owner LLC	5	2,584,178	6,077,635	18.28	25.03
Diablo Estates LLC	128	12,380,136	2,070,676	6.23	8.53
Brentwood Palmilla Owner LLC	105	9,222,682	1,786,783	5.37	7.36
North State Equities	4	937,151	65,939	0.20	0.27
Brentwood Commercial Partners	4	120,544	64,709	0.19	0.27
Giannini William H Tre	3	825,000	53,073	0.16	0.22
George Richard W Tre	2	727,926	37,207	0.11	0.15
Kringle Barbara Tre	2	1,254,016	37,207	0.11	0.15
Massoudi Payam	2	921,710	37,207	0.11	0.15

*Source:* Francisco & Associates, Inc.

**City of Brentwood  
Assessment District No. 2006-1  
Top 10 Taxpayers**

<b>Owner</b>	<b>Number of Parcels</b>	<b>2014-15 Assessed Value</b>	<b>Remaining Assessment</b>	<b>% of Total Assessments</b>	<b>% of Top Ten Assessments</b>
Tri Pointe Homes Inc	399	\$ 49,477,386	\$ 6,634,819	46.10%	58.74%
West Coast Home Builders Inc	1	3,178,806	3,552,700	24.68	31.45
Maffeo Properties	1	202,029	577,849	4.01	5.12
Mangini Eugene E Tre	1	62,939	342,429	2.38	3.03
Standard Pacific Corp	6	4,045,411	74,323	0.52	0.66
Mendoza Sonia	1	396,000	24,651	0.17	0.22
Valle Eduardo	1	569,000	24,651	0.17	0.22
Acob Frankie M & Aurelia S	1	472,575	21,402	0.15	0.19
Alves Tom & Jody	1	420,643	21,402	0.15	0.19
Applegate Kirk & Carla	1	431,349	21,402	0.15	0.19

*Source:* Francisco & Associates, Inc.

**Historical Assessed Valuation**

The following tables set forth the historical assessed valuation for the property in the respective Districts for the fiscal years indicated.

**City of Brentwood  
Assessment District Nos. 93-2, 93-3, 94-2, 94-3  
Historical Assessed Valuation**

<b>Fiscal Year</b>	<b>Parcels</b>	<b>Assessed Value</b>	<b>Annual AV Growth</b>
2010-11	4,101	\$ 1,278,117,852	
2011-12	4,101	1,221,860,760	-4.4%
2012-13	4,101	1,201,231,137	-1.7
2013-14	4,098	1,308,998,313	9.0
2014-15	4,096	1,545,651,489	18.1

*Source:* Francisco & Associates, Inc.

**City of Brentwood  
Assessment District No. 2000-1  
Historical Assessed Valuation**

<b>Fiscal Year</b>	<b>Parcels</b>	<b>Assessed Value</b>	<b>Annual AV Growth</b>
2010-11	982	\$ 310,949,145	
2011-12	982	299,496,922	-3.7%
2012-13	982	285,690,806	-4.6
2013-14	982	305,772,622	7.0
2014-15	982	368,289,920	20.4

*Source:* Francisco & Associates, Inc.

**City of Brentwood  
Assessment District No. 2005-1  
Historical Assessed Valuation**

<b>Fiscal Year</b>	<b>Parcels</b>	<b>Assessed Value</b>	<b>Annual AV Growth</b>
2010-11	958	\$ 209,276,266	
2011-12	958	184,333,816	-11.9%
2012-13	958	205,427,986	11.4
2013-14	957	243,013,431	18.3
2014-15	1,323	332,122,075	36.7

*Source:* Francisco & Associates, Inc.

**City of Brentwood  
Assessment District No. 2006-1  
Historical Assessed Valuation**

<b>Fiscal Year</b>	<b>Parcels</b>	<b>Assessed Value</b>	<b>Annual AV Growth</b>
2010-11	590	\$ 29,867,939	
2011-12	590	41,797,641	39.9%
2012-13	590	44,380,544	6.2
2013-14	590	75,495,687	70.1
2014-15	590	136,770,808	81.2

*Source:* Francisco & Associates, Inc.

## Value to Lien Ratios

**CIFP 94-1 Districts.** The following tables present information regarding the value to lien ratios with respect to the property in the CIFP 94-1 Districts.

### City of Brentwood Assessment District Nos. 93-2, 93-3, 94-2, 94-3 Value to Lien Ratios by Land Use Status

Land Use	No. of Parcels	2014-15 Assessed Value <sup>(1)</sup>	Remaining Assessment <sup>(1)</sup>	Total Land Secured Debt <sup>(2)(3)</sup>	Value to Land Secured Debt	Total Direct and Overlapping Debt <sup>(2)</sup>	Value to Total Debt
Developed Resid. Single Family	4,096	\$1,545,651,489	\$24,398,557	\$24,605,109	62.82	\$46,131,247	33.51

<sup>(1)</sup> Source: Francisco & Associates, Inc.

<sup>(2)</sup> Source: California Municipal Statistics, Inc.

<sup>(3)</sup> Includes overlapping debt from the City of Brentwood CFD No. 4 special tax bonds.

### City of Brentwood Assessment District Nos. 93-2, 93-3, 94-2, 94-3 Value to Lien Ratios by Range

Value to Lien	No. of Parcels	2014-15 Assessed Value <sup>(1)</sup>	Remaining Assessment <sup>(1)</sup>	% of Remaining Assessment	Total Land Secured Debt <sup>(2)(3)</sup>	Value to Land Secured Debt	Total Direct & Overlapping Debt <sup>(2)</sup>	Value to Total Debt
Greater than 60:1	4	\$ 1,510,141	\$ 14,213	0.06%	\$ 14,213	106.25	\$ 23,008	65.64
40:1 to 59.99:1	517	266,585,787	3,015,204	12.36	3,015,204	88.41	6,336,671	42.07
30:1 to 39.99:1	2,472	991,626,063	14,571,826	59.72	14,571,826	68.05	28,264,194	35.08
20:1 to 29.99:1	908	253,237,153	5,426,677	22.24	5,446,245	46.50	9,410,434	26.91
15:1 to 19.99:1	128	26,183,155	972,721	3.99	1,140,137	22.96	1,555,143	16.84
10:1 to 14.99:1	45	5,120,837	275,927	1.13	295,495	17.33	379,590	13.49
Less than 9.99:1	22	1,388,353	121,988	0.50	121,988	11.38	162,207	8.56
<b>Total</b>	<b>4,096</b>	<b>\$1,545,651,489</b>	<b>\$24,398,557</b>	<b>100.00%</b>	<b>\$24,605,109</b>	<b>62.82</b>	<b>\$46,131,247</b>	<b>33.51</b>

<sup>(1)</sup> Source: Francisco & Associates, Inc.

<sup>(2)</sup> Source: California Municipal Statistics, Inc.

<sup>(3)</sup> Includes overlapping debt from the City of Brentwood CFD No. 4 special tax bonds.

**Assessment District No. 2000-1.** The following tables present information regarding the value to lien ratios with respect to the property in Assessment District No. 2000-1.

**City of Brentwood  
Assessment District No. 2000-1  
Value to Lien Ratios by Land Use Status**

<b>Land Use</b>	<b>No. of Parcels</b>	<b>2014-15 Assessed Value<sup>(1)</sup></b>	<b>Remaining Assessment<sup>(1)</sup></b>	<b>Value to Land Secured Debt</b>	<b>Total Direct and Overlapping Debt<sup>(2)</sup></b>	<b>Value to Total Debt</b>
Developed Resid. Single Family	975	\$ 351,792,084	\$9,245,936	38.05	\$14,045,203	25.05
Developed Commercial	4	12,226,358	36,731	332.87	220,025	55.57
Finished Resid. Lots	2	3,170,778	95,686	33.14	135,122	23.47
Vacant Commercial	1	1,100,700	18,752	58.70	36,910	29.82
<b>Total</b>	<b>982</b>	<b>\$ 368,289,920</b>	<b>\$9,397,105</b>	<b>39.19</b>	<b>\$14,437,260</b>	<b>25.51</b>

<sup>(1)</sup> Source: Francisco & Associates, Inc.

<sup>(2)</sup> Source: California Municipal Statistics, Inc.

**City of Brentwood  
Assessment District No. 2000-1  
Value to Lien Ratios by Range**

<b>Value to Lien</b>	<b>No. of Parcels</b>	<b>2014-15 Assessed Value<sup>(1)</sup></b>	<b>Remaining Assessment<sup>(1)</sup></b>	<b>% of Remaining Assessment</b>	<b>Value to Land Secured Debt</b>	<b>Total Direct &amp; Overlapping Debt<sup>(2)</sup></b>	<b>Value to Total Debt</b>
Greater than 60:1	1	\$ 6,458,358	\$ 16,696	0.18%	386.83	\$ 85,734	75.33
40:1 to 59.99:1	3	3,937,500	19,442	0.21	202.53	85,557	46.02
30:1 to 39.99:1	127	69,168,069	1,210,500	12.88	57.14	2,094,958	33.02
20:1 to 29.99:1	687	252,465,541	6,614,044	70.38	38.17	10,044,751	25.13
15:1 to 19.99:1	142	34,016,152	1,327,060	14.12	25.63	1,876,273	18.13
10:1 to 14.99:1	8	1,147,680	74,043	0.79	15.50	96,657	11.87
4:1 to 9.99:1	13	1,045,842	120,670	1.28	8.67	137,845	7.59
Less than 3.99:1	1	50,778	14,652	0.16	3.47	15,486	3.28
<b>Total</b>	<b>982</b>	<b>\$ 368,289,920</b>	<b>\$ 9,397,105</b>	<b>100.00%</b>	<b>39.19</b>	<b>\$ 14,437,260</b>	<b>25.51</b>

<sup>(1)</sup> Source: Francisco & Associates, Inc.

<sup>(2)</sup> Source: California Municipal Statistics, Inc.

**Assessment District No. 2005-1.** The following tables present information regarding the value to lien ratios with respect to the property in Assessment District No. 2005-1.

**City of Brentwood  
Assessment District No. 2005-1  
Value to Lien Ratios by Land Use Status**

<b>Land Use</b>	<b>No. of Parcels</b>	<b>2014-15 Assessed Value<sup>(1)</sup></b>	<b>Appraised Value<sup>(2)</sup></b>	<b>Building Permit Value<sup>(1)</sup></b>	<b>Total Value (Adjusted)<sup>(3)</sup></b>	<b>Remaining Assessment<sup>(1)</sup></b>	<b>Total Land Secured Debt<sup>(4)(5)</sup></b>	<b>Value to Land Secured Debt</b>	<b>Total Direct and Overlapping Debt<sup>(4)</sup></b>	<b>Value to Total Debt</b>
Developed Resid. Single Family	568	\$ 276,718,298	N/A	N/A	\$276,718,298	\$ 10,374,682	\$11,250,899	24.60	\$14,016,034	19.74
Developed Commercial <sup>(6)</sup>	1	679,864	N/A	N/A	679,864	17,633	17,633	38.56	26,190	25.96
Finished Resid. Lots	748	47,237,735	\$ 79,316,175	\$22,012,736	101,478,911	13,075,404	13,094,972	7.75	14,095,800	7.20
Tentative Map Resid. Parcels	6	7,486,178	46,200,000	N/A	46,200,000	9,788,677	9,788,677	4.72	10,015,981	4.61
<b>Total</b>	<b>1,323</b>	<b>\$ 332,122,075</b>	<b>\$125,516,175</b>	<b>\$22,012,736</b>	<b>\$425,077,073</b>	<b>\$ 33,256,396</b>	<b>\$34,152,181</b>	<b>12.03</b>	<b>\$38,154,005</b>	<b>11.14</b>

<sup>(1)</sup> *Source:* Francisco & Associates, Inc. Building permit value provided only for certain parcels for which a building permits have been pulled.

<sup>(2)</sup> *Source:* Seevers Jordan Ziegenmeyer.

<sup>(3)</sup> Takes into account appraised value and building permit value for certain parcels.

<sup>(4)</sup> *Source:* California Municipal Statistics, Inc.

<sup>(5)</sup> Includes overlapping debt from the City of Brentwood CFD No. 4 special tax bonds.

<sup>(6)</sup> Includes mobile home park.



**City of Brentwood  
Assessment District No. 2005-1  
Value to Lien Ratios by Range**

<u>Value to Lien</u>	<u>No. of Parcels</u>	<u>2014-15 Assessed Value<sup>(1)</sup></u>	<u>Total Value (Adjusted)<sup>(2)</sup></u>	<u>Remaining Assessment<sup>(1)</sup></u>	<u>% of Remaining Assessment</u>	<u>Total Land Secured Debt<sup>(3)(4)</sup></u>	<u>Value to Land Secured Debt</u>	<u>Total Direct &amp; Overlapping Debt<sup>(3)</sup></u>	<u>Value to Total Debt</u>
Greater than 30:1	13	\$ 8,516,751	\$ 8,516,751	\$ 164,506	0.49%	\$ 166,680	51.10	\$ 246,860	34.50
20:1 to 29.99:1	276	161,013,116	164,851,363	4,900,193	14.73	5,300,252	31.10	6,852,220	24.06
15:1 to 19.99:1	201	81,607,465	85,995,584	3,706,738	11.15	4,017,654	21.40	4,827,246	17.81
10:1 to 14.99:1	196	35,347,237	56,078,550	3,531,187	10.62	3,661,641	15.32	4,189,584	13.39
5:1 to 9.99:1	256	30,565,022	63,352,000	9,911,410	29.80	9,963,591	6.36	10,560,009	6.00
3:1 to 4.99:1	379	14,415,516	42,092,825	9,565,062	28.76	9,565,062	4.40	9,961,339	4.23
Less than 3:1	2	656,968	4,190,000	1,477,301	4.44	1,477,301	2.84	1,516,747	2.76
<b>Total</b>	<b>1,323</b>	<b>\$332,122,075</b>	<b>\$425,077,073</b>	<b>\$33,256,396</b>	<b>100.00%</b>	<b>\$34,152,181</b>	<b>12.45</b>	<b>\$38,154,005</b>	<b>11.14</b>

<sup>(1)</sup> Source: Francisco & Associates, Inc.

<sup>(2)</sup> Takes into account appraised value and building permit value for certain parcels.

<sup>(3)</sup> Source: California Municipal Statistics, Inc.

<sup>(4)</sup> Includes overlapping debt from the City of Brentwood CFD No. 4 special tax bonds.

**Assessment District No. 2006-1.** The following tables present information regarding the value to lien ratios with respect to the property in Assessment District No. 2006-1.

**City of Brentwood  
Assessment District No. 2006-1  
Value to Lien Ratios by Land Use Status**

<b>Land Use</b>	<b>No. of Parcels</b>	<b>2014-15 Assessed Value<sup>(1)</sup></b>	<b>Appraised Value<sup>(2)</sup></b>	<b>Building Permit Value<sup>(1)</sup></b>	<b>Total Value (Adjusted)<sup>(3)</sup></b>	<b>Remaining Assessment<sup>(1)</sup></b>	<b>Total Land Secured Debt<sup>(4)(5)</sup></b>	<b>Value to Land Secured Debt</b>	<b>Total Direct and Overlapping Debt<sup>(4)</sup></b>	<b>Value to Total Debt</b>
Developed Resid. Single Family	189	\$ 83,912,587	\$ 1,954,000	N/A	\$ 85,819,615	\$ 3,627,203	\$ 3,854,765	22.26	\$ 4,815,585	17.82
Finished Resid. Lots	399	49,477,386	59,332,000	\$12,578,885	72,031,391	6,634,819	6,665,258	10.81	6,894,334	10.45
Tentative Map Resid. Parcels	2	3,380,835	28,512,000	N/A	28,512,000	4,130,548	4,130,548	6.90	4,186,068	6.81
<b>Total</b>	<b>590</b>	<b>\$136,770,808</b>	<b>\$89,798,000</b>	<b>\$12,578,885</b>	<b>\$186,363,006</b>	<b>\$ 14,392,570</b>	<b>\$14,650,572</b>	<b>12.72</b>	<b>\$15,895,988</b>	<b>11.72</b>

<sup>(1)</sup> *Source:* Francisco & Associates, Inc. Building permit value provided only for certain parcels for which a building permits have been pulled.

<sup>(2)</sup> *Source:* Seevers Jordan Ziegenmeyer.

<sup>(3)</sup> Takes into account appraised value and building permit value for certain parcels.

<sup>(4)</sup> *Source:* California Municipal Statistics, Inc.

<sup>(5)</sup> Includes overlapping debt from the City of Brentwood CFD No. 4 special tax bonds and City of Brentwood CFD No. 5 special tax bonds.

**City of Brentwood  
Assessment District No. 2006-1  
Value to Lien Ratios by Range**

<b>Value to Lien</b>	<b>No. of Parcels</b>	<b>2014-15 Assessed Value<sup>(1)</sup></b>	<b>Total Value (Adjusted)<sup>(2)</sup></b>	<b>Remaining Assessment<sup>(1)</sup></b>	<b>% of Remaining Assessment</b>	<b>Total Land Secured Debt<sup>(3)(4)</sup></b>	<b>Value to Land Secured Debt</b>	<b>Total Direct &amp; Overlapping Debt<sup>(3)</sup></b>	<b>Value to Total Debt</b>
Greater than 20:1	98	\$ 35,655,389	\$ 44,794,045	\$ 1,542,357	10.72%	\$ 1,570,622	28.52	\$ 1,783,652	25.11
15:1 to 19.99:1	105	37,741,329	42,959,080	1,862,042	12.94	1,936,226	22.19	2,441,348	17.60
10:1 to 14.99:1	158	31,996,116	33,003,750	2,310,323	16.05	2,433,261	13.56	2,768,639	11.92
5:1 to 9.99:1	228	31,175,945	63,834,131	8,100,000	56.28	8,132,613	7.85	8,321,182	7.67
3:1 to 4.99:1	1	202,029	1,772,000	577,849	4.01	577,849	3.07	581,166	3.05
<b>Total</b>	<b>590</b>	<b>\$ 136,770,808</b>	<b>\$186,363,006</b>	<b>\$14,392,570</b>	<b>100.00%</b>	<b>\$14,650,572</b>	<b>12.72</b>	<b>\$15,895,988</b>	<b>11.72</b>

<sup>(1)</sup> Source: Francisco & Associates, Inc.

<sup>(2)</sup> Takes into account appraised value and building permit value for certain parcels.

<sup>(3)</sup> Source: California Municipal Statistics, Inc.

<sup>(4)</sup> Includes overlapping debt from the City of Brentwood CFD No. 4 special tax bonds and City of Brentwood CFD No. 5 special tax bonds.

## Property Tax Status of the Districts

The following tables set forth the delinquencies on the payment of the assessments in the respective Districts for the fiscal years indicated.

### City of Brentwood Assessment District Nos. 93-2, 93-3, 94-2, 94-3 Delinquency Summary

<b>Fiscal Year</b>	<b>No. of Prior Years Delinquent Parcels</b>	<b>Total Prior Years Delinquent Assessments</b>	<b>Current Tax Year No. of Parcels Delinquent</b>	<b>Current Tax Year Delinquent Assessments</b>	<b>Total No. of Parcels Delinquent</b>	<b>Total Delinquent Assessments</b>	<b>Annual Assessment</b>	<b>% Delinquent</b>	<b>Date of Annual Delinquency Information</b>
2009-10	55	\$47,939	251	\$131,257	306	\$179,196	\$2,750,842	6.51%	April 20, 2010
2010-11	47	40,206	173	93,483	220	133,689	2,835,662	4.71	April 18, 2011
2011-12	38	34,396	155	76,221	193	110,617	2,832,670	3.91	April 18, 2012
2012-13	30	31,189	148	71,033	178	102,222	2,841,454	3.60	April 16, 2013
2013-14	22	32,172	99	43,650	121	75,822	2,841,398	2.67	April 22, 2014
2013-14	18	27,116	34	17,371	52	44,487	2,841,398	1.57	July 11, 2014

Source: Francisco & Associates, Inc.

### City of Brentwood Assessment District No. 2000-1 Delinquency Summary

<b>Fiscal Year</b>	<b>No. of Prior Years Delinquent Parcels</b>	<b>Total Prior Years Delinquent Assessments</b>	<b>Current Tax Year No. of Parcels Delinquent</b>	<b>Current Tax Year Delinquent Assessments</b>	<b>Total No. of Parcels Delinquent</b>	<b>Total Delinquent Assessments</b>	<b>Annual Assessment</b>	<b>% Delinquent</b>	<b>Date of Annual Delinquency Information</b>
2009-10	17	\$16,326	70	\$53,377	87	\$69,703	\$954,141	7.31%	April 20, 2010
2010-11	16	17,468	50	37,243	66	54,711	955,198	5.73	April 18, 2011
2011-12	13	17,836	39	28,847	52	46,683	956,159	4.88	April 18, 2012
2012-13	5	6,106	26	17,068	31	23,174	969,237	2.39	April 16, 2013
2013-14	4	5,106	20	12,007	24	17,113	970,979	1.76	April 22, 2014
2013-14	4	5,106	9	6,173	13	11,279	970,979	1.16	July 11, 2014

Source: Francisco & Associates, Inc.

**City of Brentwood  
Assessment District No. 2005-1  
Delinquency Summary**

<b>Fiscal Year</b>	<b>No. of Prior Years Delinquent Parcels</b>	<b>Total Prior Years Delinquent Assessments</b>	<b>Current Tax Year No. of Parcels Delinquent</b>	<b>Current Tax Year Delinquent Assessments</b>	<b>Total No. of Parcels Delinquent</b>	<b>Total Delinquent Assessments</b>	<b>Annual Assessment</b>	<b>% Delinquent</b>	<b>Date of Annual Delinquency Information</b>
2009-10	9	\$10,827	30	\$34,347	39	\$45,174	\$2,627,688	1.72%	April 20, 2010
2010-11	11	12,443	18	19,923	29	32,366	2,707,552	1.20	April 18, 2011
2011-12	9	16,526	19	19,286	28	35,812	2,720,441	1.32	April 18, 2012
2012-13	8	20,251	22	20,697	30	40,948	2,731,149	1.50	April 16, 2013
2013-14	3	2,780	24	19,899	27	22,679	2,748,868	0.83	April 22, 2014
2013-14	3	2,780	5	4,636	8	7,416	2,748,868	0.27	July 11, 2014

Source: Francisco & Associates, Inc.

**City of Brentwood  
Assessment District No. 2006-1  
Delinquency Summary**

<b>Fiscal Year</b>	<b>No. of Prior Years Delinquent Parcels</b>	<b>Total Prior Years Delinquent Assessments</b>	<b>Current Tax Year No. of Parcels Delinquent</b>	<b>Current Tax Year Delinquent Assessments</b>	<b>Total No. of Parcels Delinquent</b>	<b>Total Delinquent Assessments</b>	<b>Annual Assessment</b>	<b>% Delinquent</b>	<b>Date of Annual Delinquency Information</b>
2009-10	0	\$ 0	1	\$1,325	1	\$1,325	\$1,113,925	0.12%	April 20, 2010
2010-11	1	1,325	2	1,334	3	2,659	1,132,982	0.23	April 18, 2011
2011-12	1	1,325	2	2,839	3	4,164	1,153,875	0.36	April 18, 2012
2012-13	0	0	1	861	1	861	1,157,762	0.07	April 16, 2013
2013-14	0	0	5	2,887	5	2,887	1,164,646	0.25	April 22, 2014
2013-14	0	0	2	1,372	2	1,372	1,164,646	0.12	July 11, 2014

Source: Francisco & Associates, Inc.

## **Direct and Overlapping Debt**

Set forth below are schedules of direct and overlapping debt for each of the Districts prepared by California Municipal Statistics, Inc. The tables are included for general information purposes only. The City has not reviewed this table for completeness or accuracy and makes no representations in connection therewith.

CITY OF BRENTWOOD ASSESSMENT DISTRICT NO. 93-2

2013-14 Local Secured Assessed Valuation: \$228,756,567

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 7/1/14</u>
Bay Area Rapid Transit District General Obligation Bonds	0.043%	\$ 281,665
Contra Costa Community College District General Obligation Bonds	0.156	536,234
Liberty Union High School District General Obligation Bonds	1.945	992,067
Brentwood Union School District General Obligation Bonds	3.590	1,672,820
City of Brentwood General Obligation Bonds	3.843	149,111
East Bay Regional Park District General Obligation Bonds	0.067	135,627
City of Brentwood Community Facilities District No. 4 Special Tax Bonds	5.747	206,552
<b>City of Brentwood Assessment District No. 93-2</b>	<b>100.</b>	<b><u>4,714,220</u></b>
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$ 8,688,296
<u>OVERLAPPING GENERAL FUND DEBT:</u>		
Contra Costa County General Fund Obligations	0.155%	\$ 426,419
Contra Costa County Pension Obligations	0.155	401,417
Contra Costa Community College District Certificates of Participation	0.156	1,091
Brentwood Union School District Certificates of Participation	3.590	71,906
City of Brentwood General Fund Obligations	3.843	<u>240,577</u>
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		\$ 1,141,410
Less: Contra Costa County supported obligations		<u>168,853</u>
TOTAL NET OVERLAPPING GENERAL FUND DEBT		\$ 972,557
GROSS COMBINED TOTAL DEBT		\$ 9,829,706 <sup>(1)</sup>
NET COMBINED TOTAL DEBT		\$ 9,660,853

<sup>(1)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

CITY OF BRENTWOOD ASSESSMENT DISTRICT NO. 93-3

2013-14 Local Secured Assessed Valuation: \$586,461,958

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 7/1/14</u>
Bay Area Rapid Transit District General Obligation Bonds	0.111%	\$ 722,005
Contra Costa Community College District General Obligation Bonds	0.400	1,374,551
Liberty Union High School District General Obligation Bonds	4.986	2,543,008
Brentwood Union School District General Obligation Bonds	9.202	4,288,011
City of Brentwood General Obligation Bonds	9.851	382,222
East Bay Regional Park District General Obligation Bonds	0.172	347,659
<b>City of Brentwood Assessment District No. 93-3</b>	<b>100.</b>	<b>9,754,162</b>
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 19,411,618</u>
<u>OVERLAPPING GENERAL FUND DEBT:</u>		
Contra Costa County General Fund Obligations	0.398%	\$ 1,093,058
Contra Costa County Pension Obligations	0.398	1,028,970
Contra Costa Community College District Certificates of Participation	0.400	2,797
Brentwood Union School District Certificates of Participation	9.202	184,319
City of Brentwood General Fund Obligations	9.851	616,682
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		<u>\$ 2,925,826</u>
Less: Contra Costa County supported obligations		432,828
TOTAL NET OVERLAPPING GENERAL FUND DEBT		<u>\$ 2,492,998</u>
GROSS COMBINED TOTAL DEBT		\$ 22,337,444 <sup>(1)</sup>
NET COMBINED TOTAL DEBT		\$ 21,904,616

<sup>(1)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.



CITY OF BRENTWOOD ASSESSMENT DISTRICT NO. 94-2

2013-14 Local Secured Assessed Valuation: \$84,942,098

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 7/1/14</u>
Bay Area Rapid Transit District General Obligation Bonds	0.016%	\$ 104,759
Contra Costa Community College District General Obligation Bonds	0.058	199,440
Liberty Union High School District General Obligation Bonds	0.723	368,978
Brentwood Union School District General Obligation Bonds	1.335	622,169
City of Brentwood General Obligation Bonds	1.429	55,459
East Bay Regional Park District General Obligation Bonds	0.025	50,444
<b>City of Brentwood Assessment District No. 94-2</b>	<b>100.</b>	<b>1,781,383</b>
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 3,182,632</u>
<u>OVERLAPPING GENERAL FUND DEBT:</u>		
Contra Costa County General Fund Obligations	0.058%	\$ 158,597
Contra Costa County Pension Obligations	0.058	149,298
Contra Costa Community College District Certificates of Participation	0.058	406
Brentwood Union School District Certificates of Participation	1.335	26,744
City of Brentwood General Fund Obligations	1.429	89,477
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		<u>\$ 424,522</u>
Less: Contra Costa County supported obligations		62,801
TOTAL NET OVERLAPPING GENERAL FUND DEBT		<u>\$ 361,721</u>
GROSS COMBINED TOTAL DEBT		\$ 3,607,154 <sup>(1)</sup>
NET COMBINED TOTAL DEBT		\$ 3,544,353

<sup>(1)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

CITY OF BRENTWOOD ASSESSMENT DISTRICT NO. 94-3

2013-14 Local Secured Assessed Valuation: \$408,308,708

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 7/1/14</u>
Bay Area Rapid Transit District General Obligation Bonds	0.077%	\$ 500,894
Contra Costa Community College District General Obligation Bonds	0.277	953,602
Liberty Union High School District General Obligation Bonds	3.459	1,764,225
Brentwood Union School District General Obligation Bonds	6.384	2,974,830
City of Brentwood General Obligation Bonds	6.834	265,169
East Bay Regional Park District General Obligation Bonds	0.119	241,190
<b>City of Brentwood Assessment District No. 94-3</b>	<b>100.</b>	<b>6,860,919</b>
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 13,560,829</u>
<u>OVERLAPPING GENERAL FUND DEBT:</u>		
Contra Costa County General Fund Obligations	0.276%	\$ 758,314
Contra Costa County Pension Obligations	0.276	713,853
Contra Costa Community College District Certificates of Participation	0.277	1,941
Brentwood Union School District Certificates of Participation	6.384	127,872
City of Brentwood General Fund Obligations	6.834	427,826
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		<u>\$ 2,029,806</u>
Less: Contra Costa County supported obligations		<u>300,277</u>
TOTAL NET OVERLAPPING GENERAL FUND DEBT		<u>\$ 1,729,529</u>
GROSS COMBINED TOTAL DEBT		\$ 15,590,635 <sup>(1)</sup>
NET COMBINED TOTAL DEBT		\$ 15,290,358

<sup>(1)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

CITY OF BRENTWOOD ASSESSMENT DISTRICT NO. 2000-1

2013-14 Local Secured Assessed Valuation: \$305,772,622

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 7/1/14</u>
Bay Area Rapid Transit District General Obligation Bonds	0.058%	\$ 376,809
Contra Costa Community College District General Obligation Bonds	0.209	717,368
Liberty Union High School District General Obligation Bonds	2.602	1,327,177
Brentwood Union School District General Obligation Bonds	4.802	2,237,881
City of Brentwood General Obligation Bonds	5.141	199,479
East Bay Regional Park District General Obligation Bonds	0.090	181,441
<b>City of Brentwood Assessment District No. 2000-1</b>	<b>100.</b>	<b>9,041,189</b>
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 14,081,344</u>
<u>OVERLAPPING GENERAL FUND DEBT:</u>		
Contra Costa County General Fund Obligations	0.208%	\$ 570,459
Contra Costa County Pension Obligations	0.208	537,012
Contra Costa Community College District Certificates of Participation	0.209	1,460
Brentwood Union School District Certificates of Participation	4.802	96,195
City of Brentwood General Fund Obligations	5.141	321,842
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		<u>\$ 1,526,968</u>
Less: Contra Costa County supported obligations		<u>225,890</u>
TOTAL NET OVERLAPPING GENERAL FUND DEBT		<u>\$ 1,301,078</u>
<u>OVERLAPPING TAX INCREMENT DEBT:</u>		<u>\$ 1,412,866</u>
GROSS COMBINED TOTAL DEBT		\$ 17,021,178 <sup>(1)</sup>
NET COMBINED TOTAL DEBT		\$ 16,795,288

<sup>(1)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

CITY OF BRENTWOOD ASSESSMENT DISTRICT NO. 2005-1

2013-14 Local Secured Assessed Valuation: \$243,013,431

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 7/1/14</u>
Bay Area Rapid Transit District General Obligation Bonds	0.046%	\$ 299,182
Contra Costa Community College District General Obligation Bonds	0.166	569,582
Liberty Union High School District General Obligation Bonds	2.066	1,053,763
Brentwood Union School District General Obligation Bonds	3.813	1,776,852
City of Brentwood General Obligation Bonds	4.082	158,384
East Bay Regional Park District General Obligation Bonds	0.071	144,062
City of Brentwood Community Facilities District No. 4 Special Tax Bonds	24.922	895,785
<b>City of Brentwood Assessment District No. 2005-1</b>	<b>100.</b>	<b>33,256,397</b>
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 38,154,007</u>
<u>OVERLAPPING GENERAL FUND DEBT:</u>		
Contra Costa County General Fund Obligations	0.165%	\$ 452,938
Contra Costa County Pension Obligations	0.165	426,381
Contra Costa Community College District Certificates of Participation	0.166	1,159
Brentwood Union School District Certificates of Participation	3.813	76,378
City of Brentwood General Fund Obligations	4.082	255,539
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		<u>\$ 1,212,395</u>
Less: Contra Costa County supported obligations		<u>179,354</u>
TOTAL NET OVERLAPPING GENERAL FUND DEBT		<u>\$ 1,033,041</u>
<u>OVERLAPPING TAX INCREMENT DEBT:</u>		<u>\$ 241,652</u>
GROSS COMBINED TOTAL DEBT		\$ 39,608,054 <sup>(1)</sup>
NET COMBINED TOTAL DEBT		\$ 39,428,700

<sup>(1)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

CITY OF BRENTWOOD ASSESSMENT DISTRICT NO. 2006-1

2013-14 Local Secured Assessed Valuation: \$75,495,687

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 7/1/14</u>
Bay Area Rapid Transit District General Obligation Bonds	0.014%	\$ 93,109
Contra Costa Community College District General Obligation Bonds	0.052	177,261
Liberty Union High School District General Obligation Bonds	0.643	327,944
Brentwood Union School District General Obligation Bonds	1.187	552,978
City of Brentwood General Obligation Bonds	1.270	49,291
East Bay Regional Park District General Obligation Bonds	0.022	44,834
City of Brentwood Community Facilities District No. 4 Special Tax Bonds	3.206	115,234
City of Brentwood Community Facilities District No. 5 Special Tax Bonds	12.978	142,767
<b>City of Brentwood Assessment District No. 2006-1</b>	<b>100.</b>	<b>14,021,402</b>
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$ 15,524,820
<u>OVERLAPPING GENERAL FUND DEBT:</u>		
Contra Costa County General Fund Obligations	0.051%	\$ 140,960
Contra Costa County Pension Obligations	0.051	132,695
Contra Costa Community College District Certificates of Participation	0.052	361
Brentwood Union School District Certificates of Participation	1.187	23,770
City of Brentwood General Fund Obligations	1.270	79,527
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT		\$ 377,313
Less: Contra Costa County supported obligations		55,817
TOTAL NET OVERLAPPING GENERAL FUND DEBT		\$ 321,496
<u>OVERLAPPING TAX INCREMENT DEBT:</u>		\$ 17,242
GROSS COMBINED TOTAL DEBT		\$ 15,919,375 <sup>(1)</sup>
NET COMBINED TOTAL DEBT		\$ 15,863,558

<sup>(1)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

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## **APPENDIX B**

### **ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE CITY OF BRENTWOOD**

*The following information concerning the City and surrounding areas are included only for the purpose of supplying general information regarding the community. The Local Obligations and the Bonds are not a debt of the City, the State, or any of its political subdivisions and neither said City, said State, nor any of its political subdivisions is liable therefor. See the section herein entitled "SECURITY FOR THE BONDS AND SOURCES OF PAYMENT THEREFOR."*

The City is located in eastern Contra Costa County (the "County") across the San Francisco Bay approximately 45 miles northeast of San Francisco, 65 miles southwest of Sacramento and borders the City of Antioch on the northwest. The City contains approximately 14.83 square miles in total area and has a population which has increased significantly in recent years to its present level of approximately 54,741 persons in January of 2014.

The City was first settled by farmers in 1878. Until the past decade, the City has retained its agricultural orientation. Over the past two decades, new residential subdivisions have transformed the City into a more suburban environment, as evidenced by its rapid population growth. Land uses in and around the City are characterized by older farming districts and an original downtown area, contrasted with expanding residential neighborhoods in the peripheral areas of the City.

The City enjoys close proximity to major regional employment areas, including San Francisco and the northern Bay Area, Walnut Creek and the San Ramon corridor in Contra Costa County, the Livermore and Pleasanton corridor in Alameda County to the south and the Stockton and central San Joaquin Valley area to the east. The City also enjoys close proximity to major regional recreation areas, including Mt. Diablo State Park approximately 15 miles to the west, the Sierra Nevada Mountains 90 miles to the east and the Sacramento Delta waterway to the north. Interstate Highways 580 and 680 are approximately one half hour's drive from the City's downtown area, depending on traffic. The City's main roads connect directly with California Highway 4 which provides convenient access to the City.

#### **Municipal Government**

The City was incorporated in 1948 as a general law city. The City government is made up of council members elected at large to serve four-year overlapping terms, at elections held every two years. The mayor is directly elected to serve a four-year term. A city manager is appointed by the council and mayor to administer daily affairs of the City and to implement policies established by the council.

Municipal functions include police protection, water service, highways and streets, sanitation, solid waste disposal services, youth services, public improvements, parks and recreation services, community development and general administrative services. The City has approximately 269 employees.

#### **Population**

The City is located in the eastern portion of the County. The City's population as of January 1, 2014 was 54,741, as estimated by the State Department of Finance.

Set forth below is comparative historical and projected population data for the City and County, respectively.

## HISTORICAL CITY, COUNTY AND STATE POPULATION DATA

Year	City of Brentwood	Percent Change	Contra Costa County	Percent Change	State of California	Percent Change
2000	22,230	--	948,816	--	33,873,086	--
2001	25,104	12.9	966,012	1.8	34,430,970	1.6
2002	29,608	17.9	981,536	1.6	35,063,959	1.8
2003	32,975	11.4	993,668	1.2	35,652,700	1.7
2004	37,246	13.0	1,005,590	1.2	36,199,342	1.5
2005	42,050	12.9	1,016,304	1.1	36,675,346	1.3
2006	45,974	9.3	1,026,234	1.0	37,114,598	1.2
2007	48,677	5.9	1,037,580	1.1	37,559,440	1.2
2008	50,584	3.9	1,051,674	1.4	38,049,462	1.3
2009	51,908	2.6	1,060,435	0.8	38,292,687	0.6
2010	51,481	-0.8	1,049,025	-1.1	37,253,956	-2.7
2011	52,029	1.1	1,056,064	0.7	37,510,766	0.7
2012	52,575	1.0	1,065,117	0.8	37,678,563	0.7
2013	53,278	1.2	1,074,702	0.8	37,966,471	0.8
2014	54,741	2.6	1,087,008	1.0	38,340,074	0.9

*Sources: State of California, Department of Finance, E-4 Population Estimates for Cities, Counties and the State, 2001-2010, with 2000 & 2010 Census Count, Sacramento, California, August 2011 for years 2000-2010; E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2010 and 2011; and Source for January 1, 2012 – January 1, 2014, E-1 Population Estimates for Cities, Counties and the State with Annual Percentage Change; Sacramento, California, July 2014.*

Prior to the 1970's, the City's growth lagged behind growth in the County as a whole because development was centered in the western portion of the County. As development activity moved eastward during the 1970's, population in the City began to grow sharply, outpacing growth in the County.

The City experienced a population increase of approximately 132% from 2000 to 2010. From 2010 to 2012, the City saw very little residential development activity and property valuations fell substantially from their peak. The City experienced a period of growth from the mid 1990's to the mid 2000's. During this time period, the population of the City more than tripled. During the recession and in the immediately subsequent years, development activity slowed dramatically. In 2008 the City issued only 31 new single family building permits, and over the course of five years the City's assessed valuation fell by one third. In 2012, economic conditions began to improve, with development activity and property valuations increasing. In Fiscal Year 2013-14 the City issued 500 single family building permits and saw an increase of 8.4% in assessed valuation. On July 1, 2014 the City was informed that its Fiscal Year 2014-15 assessed valuation had increased by 18.6%.



## Employment

The following table lists some of the major employers in Contra Costa County in alphabetical order:

### CONTRA COSTA COUNTY Major Employers

Employer Name	Location	Industry
AAA Northern Ca Nevada & Utah	Walnut Creek	Automobile Clubs
Bart	Richmond	Transit Lines
Bayer Health Care Phrmctcls	Richmond	Laboraties-Pharmaceutical (Mfrs)
Bio-Rad Laboratories Inc	Hercules	Biological Products (Mfrs)
Chevron Corp	San Ramon	Oil Refiners (Mrfs)
Chevron Global Downstream LLC	San Ramon	Marketing Programs & Services
Concord Naval Weapons Station	Concord	Federal Government-National Security
Contra-Costa Regional Medical Center	Martinez	Hospitals
Department of Veterans Affairs	Martinez	Clinics
Doctors Medical Ctr	San Pablo	Hospitals
John Muir Health Physical Rhb	Concord	Physical Therapists
John Muir Medical Center	Concord	Hospitals
John Muir Medical Center	Walnut Creek	Hospitals
Kaiser	Martinez	Clinics
Kaiser Permanente	Antioch	Hospitals
Kaiser Permanente	Walnut Creek	Hospitals
La Raza Market	Richmond	Grocers//Retail
Muirlab	Walnut Creek	Laboratories-Medical
Richmond City Offices	Richmond	Government Offices- City, Village &Twp
San Ramon Regional Medical Ctr	San Ramon	Hospitals
Shell Oil Products	Martinez	Oil & Gas Producers
St. Marys College	Moraga	School-Universities & Colleges Academic
Sutter Delta Medical Ctr	Antioch	Hospitals
Tesoro Golden Eagle Refinery	Pacheco	Oil Refiners (Mfrs)
VA Outpatient Clinic	Martinez	Surgical Centers

Source: California Employment Development Department, extracted from the *America's Labor Market Information System (ALMIS) Employer Database, 2014 2<sup>nd</sup> Edition*.

Contra Costa County and Alameda County comprise the Oakland-Fremont-Hayward Metropolitan Statistical Area. The civilian labor force, employment and unemployment for the Oakland-Fremont-Hayward Metropolitan Statistical Area is outlined in the following table.

**OAKLAND-FREMONT-HAYWARD METROPOLITAN STATISTICAL AREA  
(Alameda and Contra Costa Counties)  
Employment and Unemployment of  
Industry Employment and Labor Force <sup>(1)</sup>**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Civilian Labor Force	1,286,600	1,286,800	1,294,900	1,314,100	1,322,000
Employment	1,153,300	1,153,300	1,161,000	1,196,400	1,224,100
Unemployment	133,300	144,300	133,900	117,700	97,900
Civil Unemployment Rate:					
Oakland-Fremont- Hayward MSA	10.4%	11.2%	10.3%	9.0%	7.4%
State of California	12.3%	12.2%	11.2%	9.7%	8.3%

<sup>(1)</sup> Totals may not be precise due to rounding. Annual averages for all categories except State of California, for which the Historical Civilian Labor Force, California, December Unemployment Rate is provided for each year listed.  
*Source:* Employment Development Department, State of California Labor Market Information Division, March 2013 Benchmark.

The Oakland-Fremont-Hayward Metropolitan Statistical Area comprises the Contra Costa County and Alameda County. A breakdown of the labor force by industry in the Oakland Metropolitan Statistical Area is set forth in the following table.

**OAKLAND-FREMONT-HAYWARD METROPOLITAN STATISTICAL AREA  
Wage And Salary Workers By Industry  
Annual Averages\***

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Farm	1,400	1,400	1,500	1,500	1,500
Mining and Logging	1,200	1,200	1,200	1,200	1,200
Construction	53,500	47,400	47,600	52,000	56,100
Manufacturing	80,500	77,400	78,300	78,300	78,600
Wholesale Trade	43,700	41,800	42,100	43,600	45,000
Retail Trade	102,100	100,300	101,100	103,800	106,900
Transportation, Warehousing & Utilities	33,200	31,500	32,200	32,900	33,500
Information	25,300	23,600	22,600	22,000	21,400
Finance & Insurance	32,500	33,000	32,800	33,300	33,400
Real Estate & Rental & Leasing	15,500	15,200	14,900	15,400	16,200
Professional & Business Services	151,100	152,100	157,200	166,100	172,300
Education & Health Services	152,600	153,300	153,200	160,100	171,000
Leisure & Hospitality	85,100	85,800	88,200	92,200	98,000
Other Services	34,700	35,000	35,700	36,300	37,000
Government	172,600	165,300	163,900	162,800	163,400
<b>Total All Industries*</b>	<u>985,000</u>	<u>964,300</u>	<u>972,500</u>	<u>1,001,500</u>	<u>1,035,500</u>

\*Totals may not be precise due to independent rounding.  
*Source:* Employment Development Department, State of California Labor Market Information Division, March 2013 Benchmark. Sacramento California, July 2014.

## Construction

Between 2009 and 2013, the City issued building permits valued at more than \$257 million. Of this total, new residential construction accounted for approximately \$231 million, and new commercial/industrial projects represented approximately \$26 million.

During this five-year period, residential permits in the City included approximately 1,131 new housing units, including 1,077 single family housing units and 54 multi-family housing units. Set forth below are building permit valuations for the City during the five-year period from 2009 through 2013.

### CITY OF BRENTWOOD Building Permit Valuation 2009 through 2013

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Valuation:					
Total Residential	\$ 19,787,977	\$ 34,975,203	\$ 23,011,280	\$ 55,878,562	\$ 97,720,272
Total Non-Residential	<u>7,366,131</u>	<u>3,269,301</u>	<u>4,126,942</u>	<u>4,699,703</u>	<u>6,223,060</u>
Total Value	\$ 27,154,108	\$ 38,244,504	\$ 27,138,222	\$ 60,578,265	\$ 104,013,332
Number of New Housing Units:					
Single	87	167	104	248	471
Multiple	<u>0</u>	<u>0</u>	<u>0</u>	<u>54</u>	<u>0</u>
Total Units	87	167	104	302	471

Source: CHF/CIRB California Homebuilding Foundation Comparison Report, City of Brentwood: 2009-2013; July 2014.

The following table shows residential building permit data for the County for the last five years.

### COUNTY OF CONTRA COSTA Building Permit Valuation 2009 through 2013

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Valuation:					
Total Residential	\$ 504,632,251	\$ 553,057,826	\$ 455,941,065	\$ 574,612,093	\$ 727,963,582
Total Non-Residential	<u>313,761,244</u>	<u>285,417,425</u>	<u>289,923,513</u>	<u>214,602,028</u>	<u>334,557,610</u>
Total Value	\$ 818,393,495	\$ 838,475,251	\$ 745,864,578	\$ 789,214,121	\$ 1,062,521,192
Number of New Housing Units:					
Single	1,038	809	718	1,188	1,585
Multiple	<u>163</u>	<u>890</u>	<u>355</u>	<u>534</u>	<u>370</u>
Total Units	1,201	1,699	1,073	1,722	1,955

Source: CHF/CIRB California Homebuilding Foundation Comparison Report, Contra Costa County: 2009-2013; July 2014.

## Utilities

Gas and electric service in the City is provided by Pacific Gas & Electric. Telephone service is provided by Pacific Bell. Water is supplied by City wells and the Contra Costa County Water District through the City water lines and filtration plant. Sewer service is supplied by the City.

## Education

The City is part of the Brentwood and Liberty Union School Districts which provide K-12 public education needs. There are four high schools, three middle schools, and eight elementary schools located in the City.

Near the City are four colleges, Los Medanos Community College in Pittsburg, Diablo Valley Community College in Concord, San Joaquin Delta Community College and University of the Pacific in Stockton. Los Medanos Community College also has an extension campus located in the City.

## Transportation

The City, located near the Cities of Antioch and Stockton, is in close proximity to a highly developed transportation network. The City's main roads connect directly with State Highway 4 which intersects with Interstate 680 near Martinez and Interstate 80 in Hercules. To the east, Highway 4 leads to Stockton where it intersects with Interstate 5. The highways provide the City with access to major regional workplace and recreation areas. The City is close to both regional and international airports — Concord Airport, Stockton Airport and Oakland International Airport.

### Proximity to Major Urban Centers

<u>Proximity</u>	<u>Distance</u>
Antioch to Brentwood	5 miles
Concord to Brentwood	26 miles
Livermore to Brentwood	24 miles
Oakland to Brentwood	46 miles
Stockton to Brentwood	37 miles
San Francisco to Brentwood	54 miles
Sacramento to Brentwood	75 miles

*Source:* City of Brentwood

The City is also served by bus lines and railroads. Bay Area Rapid Transit ("BART") provides a bus service from Antioch connecting to the Concord BART station. Tri Delta Transit Express Route 300 provides limited-stop service between Brentwood and the Pittsburg BART station. BART serves cities in San Francisco and the East Bay, including service to and from the San Francisco International Airport. A shuttle bus also provides service between the Oakland Coliseum BART station and the Oakland International Airport.

## APPENDIX C

### SUMMARY OF THE TRUST AGREEMENT

*The following is a summary of certain provisions of the Trust Agreement. This summary does not purport to be a definitive or comprehensive summary of all of the provisions of the Trust Agreement. This summary is qualified in its entirety by reference to the full text of the Trust Agreement.*

#### **Definitions**

“Accountant” shall mean an independent certified public accountant, or a firm of independent certified public accountants, selected by the Issuer.

“Accountant’s Certificate” shall mean a certificate signed by an independent certified public accountant of recognized national standing selected by the Issuer, or a firm of independent certified public accountants of recognized national standing.

“Act” shall mean Article 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended and supplemented from time to time.

“Amended and Restated Trust Agreement” or “Trust Agreement” shall mean the Amended and Restated Trust Agreement dated as of September 1, 2014, among the City, the Issuer and the Trustee, pursuant to which the Bonds are to be issued, as amended or supplemented from time to time in accordance with its terms.

“Annual Debt Service” shall mean, for each Bond Year, the sum of (1) the interest falling due on all Outstanding Bonds in such Bond Year, assuming that all Principal Installments are paid as scheduled (except to the extent that such interest is to be paid from the proceeds of sale of any Bonds), and (2) the scheduled Principal Installments of the Outstanding Bonds, payable in such Bond Year.

“Assessment Districts” shall mean Assessment District No. 93-2, Assessment District No. 93-3, Assessment District No. 94-2, Assessment District No. 94-3, Assessment District No. 2000-1, Assessment District No. 2005-1 and Assessment District No. 2006-1, each established by the City and for which the Local Obligations were issued.

“Authorized Denominations” shall mean five thousand dollars (\$5,000) and any integral multiple thereof, but not exceeding the principal amount of the Bonds maturing on any one date.

“Authorized Officer,” when used with reference to the Issuer, shall mean the Chair, Vice-Chair, Treasurer/Controller or any other Person authorized by the Issuer in a Written Order or resolution to perform an act or sign a document on behalf of the Issuer for purposes of the Amended and Restated Trust Agreement, and, when used with reference to the City, shall mean the City Manager, City Treasurer, Director of Finance and Information Systems or any other Person authorized by the City in a Written Order or resolution to perform an act or sign a document on behalf of the City for the purposes of the Amended and Restated Trust Agreement.

“Bond” or “Bonds” shall mean, collectively, the Series 2014A Bonds and subordinated Series 2014B Bonds.

“Bond Counsel” shall mean Orrick, Herrington & Sutcliffe LLP or another attorney-at-law, or a firm of such attorneys, of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on obligations issued by states and their political subdivisions.

“Bond Insurer” means Assured Guaranty Municipal Corp., a New York stock insurance company, or any successor thereto or assignee thereof.

“Bond Insurance Policy” means the insurance policy issued by the Bond Insurer guaranteeing the scheduled payment of principal of and interest on the Series 2014A Bonds when due.

“Bond Register” shall mean the registration books specified as such in the Amended and Restated Trust Agreement.

“Bond Year” shall mean the 12 month period ending September 2, provided, that the first Bond Year shall commence on the Dated Date and end on September 2, 2015.

“Book-Entry Bonds” shall mean any Bonds designated as Book-Entry Bonds pursuant to the Amended and Restated Trust Agreement and registered in the name of the Nominee pursuant to the Amended and Restated Trust Agreement.

“Business Day” shall mean any day other than (i) a Saturday or Sunday or (ii) a day on which the Corporate Trust Office of the Trustee is closed.

“Cash Flow Certificate” shall mean a written certificate executed by a Cash Flow Consultant.

“Cash Flow Consultant” shall mean RBC Capital Markets, LLC; provided, that the Issuer may appoint as the Cash Flow Consultant any other financial consultant or firm of such consultants generally recognized to be well qualified in the financial consulting field relating to municipal securities such as the Bonds, approved by the Bond Insurer, appointed and paid by the City or the Issuer and who, or each of whom:

- (1) is in fact independent and not under the domination of the City or the Issuer;
- (2) does not have any substantial interest, direct or indirect, with the City or the Issuer; and
- (3) is not connected with the City or the Issuer as a member, officer or employee of the City or the Issuer, but who may be regularly retained to make annual or other reports to the City or the Issuer.

The Cash Flow Consultant shall not be deemed to have a “financial advisory relationship” with the Issuer within the meaning of California Government Code Section 53590(c).

“Chair” shall mean the Chair of the Issuer.

“City” shall mean the City of Brentwood, California, and its successors.

“City Manager” shall mean the City Manager of the City.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and the regulations thereunder.

“Continuing Disclosure Agreement” shall mean that certain Continuing Disclosure Agreement, dated as of September 1, 2014 by and among the Issuer, the City and the Trustee.

“Corporate Trust Office” shall mean the office of the Trustee in San Francisco, California, at which at any particular time corporate trust business shall be administered, or such other office as it shall designate, except that with respect to presentation of Bonds for payment, transfer or exchange, such term shall mean the corporate trust office of U.S. Bank National Association in St. Paul, Minnesota or such other office specified by the Trustee.

“Dated Date” shall mean the date of issuance of the Bonds.

“Depository” shall mean the securities depository acting as Depository pursuant to the Amended and Restated Trust Agreement.

“DTC” shall mean The Depository Trust Company, New York, New York, and its successors and assigns.

“Event of Default” shall mean any event of default specified as such in the Amended and Restated Trust Agreement.

“Expense Fund” shall mean the Fund by that name established pursuant to the Amended and Restated Trust Agreement.

“Expenses” shall mean all administrative costs of the Issuer that are charged directly or apportioned to the administration of the Local Obligations and the Bonds, such as salaries and wages of employees, audits, overhead and taxes (if any), legal fees and expenses, amounts necessary to pay to the United States or otherwise to satisfy requirements of the Code and the regulations thereunder in order to maintain the tax-exempt status of the Bonds, and compensation, reimbursement and indemnification of the Trustee, together with all other reasonable and necessary costs of the Issuer or charges required to be paid by it to comply with the terms of the Amended and Restated Trust Agreement or of the Bonds.

“Fiscal Year” shall mean the fiscal year of the Issuer, which at the date of the Amended and Restated Trust Agreement is the period commencing on July 1 in each calendar year and ending on June 30 in the following calendar year.

“Funds” shall mean, collectively, the Revenue Fund, the Series 2014A Interest Fund, the Series 2014A Principal Fund, the Series 2014A Reserve Fund, the Series 2014B Interest Fund, the Series 2014B Principal Fund, the Series 2014B Reserve Fund, the Redemption Fund, the Expense Fund, the Obligation Fund and the Rebate Fund, including all accounts therein.

“Government Obligations” shall mean and include any of the following securities: lawful currency of the United States; State and Local Government Series issued by the United States Treasury (SLGS); United States Treasury bills, notes and bonds; and certificates, receipts or other obligations evidencing direct ownership of, or the right to receive, a specified portion of one or more interest payments or principal payments, or any combination thereof, to be made on any United States Treasury bill, note or bond (“STRIPS”).

“Interest Payment Date” shall mean March 2 and September 2 in each year, commencing on March 2, 2015.

“Investment Securities” shall mean and include any of the following securities, to the extent permitted by the laws of the State (the Trustee is entitled to rely upon investment directions of the Issuer as a certification such investment is permitted by such laws):

1. (a) Direct obligations (other than an obligation subject to variation to principal repayment) of the United States of America (“United States Treasury Obligations”), (b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.
2. Federal Housing Administration debentures.
3. The listed obligations of government sponsored agenda which are not backed by the full faith and credit of the United States of America:
  - Federal Home Loan Mortgage Corporation (FHLMC):  
Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)  
Senior Debt obligations
  - Farm Credit Banks (formerly Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives):  
Consolidated system-wide bonds and notes
  - Federal Home Loan Banks (FHL Banks):  
Consolidated debt obligations
  - Federal National Mortgage Association (FNMA):  
Senior debt obligations  
Mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)
  - Student Loan Marketing Association (SLMA):  
Senior debt obligations (excluded are securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or cap date)
  - Financing Corporation (FICO):  
Debt obligations
  - Resolution Funding Corporation (REFCORP):  
Debt obligations



4. Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank the short term obligations of which are rated "A-1" or better by S&P.
5. Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which issue capital and surplus of at least \$5 million-
6. Commercial paper (having original maturities of not more than 270 days) rated "A-1+" by S&P and "Prime-1" by Moody's.
7. Money market funds rated "AAM" or "AAM-G" by S&P, or better, including such funds for which the Trustee or an affiliate provides investment advice or other services.
8. "State Obligations" which means:
  - A. Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A3" by Moody's and "A" by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.
  - B. Direct general short-term obligations of any state agency or subdivision or agency thereof described in (A) above and rated "A-1+" by S&P and "MIG-1" by Moody's.
  - C. Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (A) above and rated "AA" or better by S&P and "Aa" or better by Moody's.
9. Pre-refunded municipal obligations rated "AAA" by S & P and "Aaa" by Moody's meeting the following requirements:
  - A. the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;
  - B. the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;
  - C. the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");

- D. the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;
- E. no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and
- F. the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

10. Repurchase agreements:

With (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "A" by S&P and Moody's; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "A" or better by S&P and Moody's and acceptable to the Bond Insurer, provided that:

- A. The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A rated structured financing (with a market value approach);
- B. The Trustee or a third party acting solely as agent therefor or for the issuer (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferors books);
- C. The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);
- D. All other requirements of S&P in respect of repurchase agreements shall be met.
- E. The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A3" by Moody's, as appropriate, the provider must, at the direction of the Issuer or the Trustee (who shall give such direction if so directed by the Bond Insurer), within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Issuer or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (A) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

11. Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least “AA” by S&P and “Aa” by Moody’s; provided that, by the terms of the investment agreement:
- A. interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on the Bonds;
  - B. the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days’ prior notice; the Issuer and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;
  - C. the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;
  - D. the Issuer or the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the Issuer and the Bond Insurer) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Bond Insurer,
  - E. the investment agreement shall provide that if during its term
    - i) the provider’s rating by either S&P or Moody’s falls below “AA-“ or “Aa3”, respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the providers books) to the Issuer, the Trustee or a third party acting solely as agent therefor (the “Holder of the Collateral”) collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moods to maintain an “A” rating in an “A” rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and
    - ii) the providers rating by either S&P or Moody’s is withdrawn or suspended or falls below “A-” or “A3”, respectively, the provider must, at the direction of the issuer or the Trustee (who shall give such direction if so directed by the Bond Insurer), within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the

investment, in either case with no penalty or premium to the Issuer or Trustee, and

- F. The investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);
  - G. the Investment agreement must provide that if during its term
    - i) the provider shall default in its payment obligations, the providers obligations under the Investment agreement shall, at the direction of the Issuer or the Trustee (who shall give such direction if so directed by the Bond Insurer), be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Issuer or Trustee, as appropriate, and
    - ii) the provider shall become Insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. (“event of Insolvency”), the provider’s obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Issuer or Trustee, as appropriate.
12. The Local Agency Investment Fund (Sections 53600-53609 of the Government Code of the State of California), as now in effect or as may be amended or recodified from time to time; provided, that such investment is held in the name and to the credit of the Trustee; and provided further, that the Trustee may restrict such investment if required to keep monies available for the purposes of the Amended and Restated Trust Agreement.
13. Shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California which invests exclusively in investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the Government Code of the State of California, as it may be amended; provided that such shares are held in the name and to the credit of the Trustee.

“Issuer” shall mean the Brentwood Infrastructure Financing Authority, a joint exercise of powers agency established pursuant to an Amended and Restated Joint Exercise of Powers Agreement, dated December 1, 2001 by and between the City and the Redevelopment Agency of the City of Brentwood, and the laws of the State, and its successors.

“Letter of Representations” shall mean the letter of the Issuer and the Trustee delivered to and accepted by the Depository on or prior to the issuance of the Bonds setting forth the basis on which the Depository serves as depository for such Bonds as originally executed or as it may be supplemented or revised or replaced by a letter to a substitute depository.

“Local Obligation Resolutions” shall mean Resolution Nos. 95-251, 95-252, 95-253 and 95-254, each adopted by the City Council of the City of Brentwood on October 24, 1995 and each as supplemented authorizing issuance of the 1995 Local Obligations, the 1996 Local Obligations, the 1997 Local Obligations and the 1999 Local Obligations; Resolution No. 2176 adopted by the City Council of

the City of Brentwood on October 10, 2000 authorizing the issuance of the 2000 Local Obligations; Resolution No. 2005-178 adopted by the City Council of the City of Brentwood on July 12, 2005 authorizing issuance of the 2005 Local Obligations; and Resolution No. 2006-169 adopted by the City Council of the City of Brentwood on July 11, 2006 authorizing issuance of the 2006 Local Obligations.

“Local Obligation Revenues” shall mean the assessments securing the Local Obligations pursuant to the Local Obligation Resolutions and the laws governing the issuance of the Local Obligations.

“Local Obligations” shall mean the 1995 Local Obligations, the 1996 Local Obligations, the 1997 Local Obligations, the 1999 Local Obligations, the 2000 Local Obligations, the 2005 Local Obligations held by the Trustee in the Obligation Fund under the Amended and Restated Trust Agreement.

“1995 Local Obligations” shall mean, collectively, the City of Brentwood Limited Obligation Improvement Bonds, Series 1995A, for Assessment District No. 93-2, issued in the original principal amount of \$2,445,004 by the City; the City of Brentwood Limited Obligation Improvement Bonds, Series 1995B, for Assessment District No. 93-3, issued in the original principal amount of \$3,424,994 by the City; the City of Brentwood Limited Obligation Improvement Bonds, Series 1995C, for Assessment District No. 94-2, issued in the original principal amount of \$484,336 by the City; and the City of Brentwood Limited Obligation Improvement Bonds, Series 1995D, for Assessment District No. 94-3, issued in the original principal amount of \$5,164,122 by the City.

“1996 Local Obligations” shall mean, collectively, the City of Brentwood Limited Obligation Improvement Bonds, Series 1996A, for Assessment District No. 93-2, issued in the original principal amount of \$3,327,947 by the City; the City of Brentwood Limited Obligation Improvement Bonds, Series 1996B, for Assessment District No. 93-3, issued in the original principal amount of \$4,422,371 by the City; and the City of Brentwood Limited Obligation Improvement Bonds, Series 1996C, for Assessment District No. 94-3, issued in the original principal amount of \$559,682 by the City.

“1997 Local Obligations” shall mean, collectively, the City of Brentwood Limited Obligation Improvement Bonds, Series 1997A, for Assessment District No. 93-2, issued in the original principal amount of \$239,605 by the City; the City of Brentwood Limited Obligation Improvement Bonds, Series 1997B, for Assessment District No. 93-3, issued in the original principal amount of \$1,164,036 by the City; and the City of Brentwood Limited Obligation Improvement Bonds, Series 1997C, for Assessment District No. 94-3, issued in the aggregate principal amount of \$4,346,359 by the City.

“1999 Local Obligations” shall mean, collectively, the City of Brentwood Limited Obligation Improvement Bonds, Series 1999A, for Assessment District No. 93-2 issued in the original principal amount of \$2,203,438 by the City; the City of Brentwood Limited Obligation Improvement Bonds, Series 1999B, for Assessment District No. 93-3, issued in the original principal amount of \$9,800,657 by the City; the City of Brentwood Limited Obligation Improvement Bonds, Series 1999C, for Assessment District No. 94-2, issued in the original principal amount of \$2,295,085 by the City; and the City of Brentwood Limited Obligation Improvement Bonds, Series 1999D, for Assessment District No. 94-3, issued in the original principal amount of \$1,970,820 by the City.

“Nominee” shall mean the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to the Amended and Restated Trust Agreement.

“Obligation Fund” shall mean the fund by that name established pursuant to the Amended and Restated Trust Agreement.

“Officer’s Certificate” shall mean a certificate signed by an Authorized Officer.

“Opinion of Bond Counsel” shall mean a legal opinion signed by a Bond Counsel.

“Outstanding” shall mean, with respect to the Bonds and as of any date, the aggregate of Bonds authorized, issued, authenticated and delivered under the Amended and Restated Trust Agreement, except:

- (a) Bonds canceled or surrendered to the Trustee for cancellation pursuant to the Amended and Restated Trust Agreement;
- (b) Bonds deemed to have been paid as provided in the Amended and Restated Trust Agreement; and
- (c) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to the Amended and Restated Trust Agreement.

“Owner” shall mean, as of any date, the Person or Persons in whose name or names a particular Bond shall be registered on the Bond Register as of such date.

“Participating Underwriter” has the meaning ascribed thereto in the Continuing Disclosure Agreement.

“Person” shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof.

“Prepayment” shall mean any payment with respect to a Local Obligation as a result of prepayments of assessments by property owners which, pursuant to the terms of such Local Obligation, would require all or any portion of such Local Obligation to be redeemed prior to the maturity thereof, in either case whether or not such payment includes any premium or prepayment penalty.

“Principal Installment” shall mean, with respect to any Principal Payment Date, the principal amount of Outstanding Bonds due on such date, or mandatory sinking account payment required to be paid on any Principal Payment Date and used to redeem a portion of any Bond on such date, if any.

“Principal Payment Date” shall mean September 2 of each year commencing September 2, 2015, and ending on the last date on which any Bonds are scheduled to mature.

“Property Owner” shall mean an owner of property within any of the Assessment Districts.

“Rebate Fund” shall mean the Fund by that name established pursuant to the Amended and Restated Trust Agreement.

“Rebate Instructions” shall mean those calculations and directions required to be delivered to the Trustee by the Issuer pursuant to the Tax Certificate.

“Rebate Requirement” shall mean the Rebate Requirement defined in the Tax Certificate.

“Record Date” shall mean the fifteenth (15th) day of the month preceding any Interest Payment Date, whether or not such day is a Business Day.

“Redemption Fund” shall mean the Fund by that name established pursuant to the Amended and Restated Trust Agreement.

“Requisition of the Issuer” shall mean a requisition of the Issuer delivered to the Trustee pursuant to the Amended and Restated Trust Agreement.

“Reserve Funds” shall mean the Series 2014A Reserve Fund and the Series 2014B Reserve Fund.

“Reserve Policy” means the Municipal Bond Debt Service Reserve Insurance Policy issued by the Bond Insurer to satisfy the Series 2014A Reserve Requirement.

“Revenue Fund” shall mean the Fund by that name established pursuant to the Amended and Restated Trust Agreement.

“Revenues” shall mean (i) Local Obligation Revenues and all other amounts received by the Trustee as the payment of interest or premiums on, or the equivalent thereof, and the payment or return of principal of, or the equivalent thereof, all Local Obligations, whether as a result of scheduled payments or Property Owner Prepayments or remedial proceedings taken in the event of a default thereon, and (ii) all investment earnings on any moneys held in the Funds or accounts established under the Amended and Restated Trust Agreement, except the Rebate Fund.

“Secretary” shall mean the Secretary of the Issuer.

“Series” shall mean all of the Bonds designated as being of the same series, authenticated and delivered in a simultaneous transaction regardless of variations in maturity, interest rate, redemption, and other provisions, and any Bonds thereafter authenticated and delivered upon transfer or exchange or in lieu of or in substitution for (but not to refund) such Bonds as provided in the Amended and Restated Trust Agreement.

“Series 2014A Bonds” shall mean the Brentwood Infrastructure Financing Authority Infrastructure Revenue Refunding Bonds, Series 2014A, authorized and issued by the Issuer and authenticated by the Trustee and delivered under the Amended and Restated Trust Agreement.

“Series 2014A Interest Fund” shall mean the Fund by that name established pursuant to the Amended and Restated Trust Agreement.

“Series 2014A Principal Fund” shall mean the Fund by that name established pursuant to the Amended and Restated Trust Agreement.

“Series 2014A Reserve Fund” shall mean the Fund by that name established pursuant to the Amended and Restated Trust Agreement.

“Series 2014A Reserve Requirement” shall mean, as of any date of calculation, the least of (a) maximum annual debt service on the Series 2014A Bonds, (b) 125% of average annual debt service on the Series 2014A Bonds, or (c) 10% of the amount of the Series 2014A Bonds (as defined in Section 1.148-2(f)(1) of the Treasury Regulations). The Series 2014A Reserve Requirement shall initially be satisfied by the Reserve Policy.

“Series 2014B Bonds” shall mean the Brentwood Infrastructure Financing Authority Infrastructure Revenue Refunding Bonds, Subordinated Series 2014B, authorized and issued by the Issuer and authenticated by the Trustee and delivered under the Amended and Restated Trust Agreement.

“Series 2014B Interest Fund” shall mean the Fund by that name established pursuant to the Amended and Restated Trust Agreement.

“Series 2014B Principal Fund” shall mean the Fund by that name established pursuant to the Amended and Restated Trust Agreement.

“Series 2014B Reserve Fund” shall mean the Fund by that name established pursuant to the Amended and Restated Trust Agreement.

“Series 2014B Reserve Requirement” shall mean, as of any date of calculation, the least of (a) maximum annual debt service on the Series 2014B Bonds, (b) 125% of average annual debt service on the Series 2014B Bonds, or (c) 10% of the amount of the Series 2014B Bonds (as defined in Section 1.148-2(f)(1) of the Treasury Regulations). The Series 2014B Reserve Requirement shall initially be satisfied by a cash deposit. The Series 2014B Reserve Requirement shall be reduced for any reduction required pursuant to the Amended and Restated Trust Agreement as a result of Property Owner Prepayments.

“S&P” shall mean Standard and Poor’s Ratings Group, and its successors.

“Special Record Date” shall mean the date established by the Trustee pursuant to the Amended and Restated Trust Agreement as a record date for the payment of defaulted interest on the Bonds.

“State” shall mean the State of California.

“Supplemental Trust Agreement” shall mean any trust agreement supplemental to or amendatory of the Amended and Restated Trust Agreement which is duly executed and delivered in accordance with the provisions of the Amended and Restated Trust Agreement.

“Tax Certificate” shall mean that certificate, relating to various federal tax requirements, including the requirements of Section 148 of the Code, signed by the Issuer and the City on the date the Bonds are issued, as the same may be amended or supplemented in accordance with its terms.

“Treasurer” shall mean the Treasurer/Controller of the Issuer.

“Trustee” shall mean U.S. Bank National Association, a national banking association, duly organized and existing under the laws of the United States of America, in its capacity as trustee under the Amended and Restated Trust Agreement, and any successor as trustee under the Amended and Restated Trust Agreement.

“Trust Estate” shall have the meaning ascribed thereto in the granting clause pursuant to the Amended and Restated Trust Agreement.

“2000 Local Obligations” shall mean the City of Brentwood Limited Obligation Improvement Bonds, Assessment District No. 2000-1, issued in the original principal amount of \$12,740,000 by the City.

“2005 Local Obligations” shall mean the City of Brentwood Limited Obligation Improvement Bonds, Assessment District No. 2005-1, issued in the original principal amount of \$40,145,000 by the City.

“2006 Local Obligations” shall mean the City of Brentwood Limited Obligation Improvement Bonds, Assessment District No. 2006-1, issued in the original principal amount of \$17,195,000 by the City.



“Vice-Chair” shall mean the Vice-Chair of the Issuer.

“Written Order”, when used with reference to the Issuer, shall mean a written direction of the Issuer to the Trustee signed by an Authorized Officer, and, when used with reference to the City, shall mean a written direction of the City to the Trustee signed by an Authorized Officer.

## **Funds; Flow of Funds**

### Establishment of Funds

The Amended and Restated Trust Agreement provides for the establishment of the following special trust funds to be held and administered by the Trustee: the Revenue Fund, the Series 2014A Interest Fund, the Series 2014A Principal Fund, the Series 2014A Reserve Fund, the Series 2014B Interest Fund, the Series 2014B Principal Fund, the Series 2014B Reserve Fund, the Redemption Fund, the Expense Fund, the Obligation Fund and the Rebate Fund.

### Obligation Fund.

- (a) All Local Obligations shall be held in the Obligation Fund by the Trustee.
- (b) The City further covenants that it will not cause any Local Obligation to be refunded (in whole or in part) unless at the time of such refunding no Bonds will be Outstanding pursuant to the Amended and Restated Trust Agreement.

### Covenant Respecting Redemption Funds for the Local Obligations.

(a) The City expressly acknowledges that, pursuant to the laws applicable to the issuance of the Local Obligations and the Local Obligation Resolutions pursuant to which the Local Obligations were issued by the City and sold to the Issuer, the City is legally obligated to establish and maintain a separate redemption fund for each of the Local Obligations (each a “Local Obligation Redemption Fund”) which, for the Local Obligations, are held by U.S. Bank National Association in its capacity as Fiscal Agent under the Local Obligation Resolutions and, so long as any part of the Local Obligations remains outstanding, to deposit into the applicable Local Obligation Redemption Fund, upon receipt, any and all Local Obligation Revenues received by the City. The City further acknowledges that, pursuant to such laws and the Local Obligation Resolutions, no temporary loan or other use whatsoever may be made of the Local Obligation Revenues, and the Local Obligation Redemption Fund constitutes a trust fund for the benefit of the owners of the Local Obligations.

(b) The City hereby covenants for the benefit of the Issuer, as owner of the Local Obligations, the Trustee, as assignee of the Issuer with respect to the Local Obligations, the Bond Insurer and the Owners from time to time of the Bonds, that it will establish, maintain and administer each Local Obligation Redemption Fund and the Local Obligation Revenues in accordance with their status as trust funds as prescribed by the laws applicable to the issuance of the Local Obligations, the Local Obligation Resolutions, and the Amended and Restated Trust Agreement.

(c) The City further covenants that, no later than ten (10) Business Days prior to each Interest Payment Date and Principal Payment Date on the Bonds, the City will advance to the Trustee against payment on the Local Obligations, as assignee of the Issuer with respect to the Local Obligations, the interest due on the Local Obligations on such Interest Payment Date and the principal of all Local Obligations maturing on such Principal Payment date, respectively, and upon receipt by the Trustee, such amounts shall constitute Revenues. The Trustee shall provide written notice to the Issuer no later than

February 1 and August 1 of each year during which the Bonds remain outstanding specifying the amount required to be paid to the Trustee pursuant to the Amended and Restated Trust Agreement) in each such month.

#### Revenues Derived From Property Owner Prepayments.

(a) The City and the Issuer acknowledge that the laws relating to the issuance of the Local Obligations require that amounts received by the City on account of Property Owner Prepayments shall be utilized, in accordance with such laws, for the sole purpose of prior redemption of Local Obligations and not to pay current, scheduled debt service payments on the Local Obligations. Correspondingly, in order to maintain a proper matching between debt service payments on the Local Obligations and debt service payments on the Bonds, it is a requirement of the Amended and Restated Trust Agreement that Revenues received by the Trustee which constituted Property Owner Prepayments when received by the City shall be utilized by the Trustee pursuant to the Amended and Restated Trust Agreement.

(b) The Issuer hereby covenants for the benefit of the Bond Insurer and Owners that, as to each separate date upon which Bonds are to be redeemed in part from the proceeds of Property Owner Prepayments, the Written Orders of the Issuer required pursuant to the Amended and Restated Trust Agreement shall as nearly as possible (taking into account the minimum denominations of such bonds) apply such Property Owner Prepayments to the redemption of Bonds.

(c) All Revenues derived from Property Owner Prepayments (except the portion of such Revenues relating to accrued interest, which shall be deposited in the Revenue Fund) received by the Trustee shall be immediately deposited in the Redemption Fund to be used to redeem Bonds pursuant to the Amended and Restated Trust Agreement.

#### Revenue Fund

All Revenues, other than Revenues derived from Property Owner Prepayments (which shall be identified in writing to the Trustee by the City and deposited in the Redemption Fund and administered in accordance with the Amended and Restated Trust Agreement) received by the Trustee shall be deposited by the Trustee into the Revenue Fund. Not later than five (5) Business Days prior to each Interest Payment Date and Principal Payment Date on the Bonds, the Trustee shall transfer Revenues from the Revenue Fund, in the amounts specified in the Amended and Restated Trust Agreement, for deposit into the respective funds specified therein in the order of priority set forth, the requirements of each fund to be fully satisfied, leaving no deficiencies therein, prior to any deposit into any fund later in priority.

#### Series 2014A Interest Fund

The Trustee shall deposit in the Series 2014A Interest Fund before each Interest Payment Date from the Revenue Fund an amount of Revenues which together with any amounts then on deposit in the Series 2014A Interest Fund is equal to the interest on the Series 2014A Bonds due on such date. On each Interest Payment Date, the Trustee shall pay the interest due and payable on the Series 2014A Bonds on such date from the Series 2014A Interest Fund. All amounts in the Series 2014A Interest Fund shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Series 2014A Bonds as it shall become due and payable.

#### Series 2014A Principal Fund

Having first satisfied the requirements of the Amended and Restated Trust Agreement described above, the Trustee shall next deposit in the Series 2014A Principal Fund before each Principal Payment

Date from the Revenue Fund an amount of Revenues which together with any amounts then on deposit in the Series 2014A Principal Fund (other than amounts previously deposited on account of any Series 2014A Bonds which have matured but which have not been presented for payment), is sufficient to pay the Principal Installments on the Series 2014A Bonds when due on such Principal Payment Date. The Trustee shall pay the Principal Installments when due upon presentation and surrender of the subject Series 2014A Bonds.

#### Series 2014A Reserve Fund

The Trustee shall deposit in the Series 2014A Reserve Fund the Reserve Policy. All amounts on deposit in the Series 2014A Reserve Fund and all amounts available under the Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on or the principal or the redemption premiums, if any, of the Series 2014A Bonds; but solely in the event that insufficient moneys are available in the Series 2014A Interest Fund, the Series 2014A Principal Fund or the Redemption Fund for such purpose. Having first satisfied the requirements pursuant to the Amended and Restated Trust Agreement described above, the Trustee shall next deposit in the Series 2014A Reserve Fund an amount of Revenues which, together with the amount of the Reserve Policy and any other amounts on deposit in the Series 2014A Reserve Fund, equal the Series 2014A Reserve Requirement. Such amounts shall be applied in the following order of priority: first, to reimburse the Bond Insurer, provided, that such reimbursement shall result in reinstatement of the Reserve Policy in the principal amount of such reimbursement; second, to add to the amount of cash on deposit in the Series 2014A Reserve Fund such that the amount of such cash, plus the amount available under the Reserve Policy, is equal to the Series 2014A Reserve Requirement; and third to the payment of any other amounts owing to the Bond Insurer.

#### Series 2014B Interest Fund

Having first satisfied the requirements of the Amended and Restated Trust Agreement described above, the Trustee shall next deposit in the Series 2014B Interest Fund before each Interest Payment Date from the Revenue Fund an amount of Revenues which together with any amounts then on deposit in the Series 2014B Interest Fund is equal to the interest on the Series 2014B Bonds due on such date. On each Interest Payment Date, the Trustee shall pay the interest due and payable on the Series 2014B Bonds on such date from the Series 2014B Interest Fund. All amounts in the Series 2014B Interest Fund shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Series 2014B Bonds as it shall become due and payable.

#### Series 2014B Principal Fund

Having first satisfied the requirements of the Amended and Restated Trust Agreement described above, the Trustee shall next deposit in the Series 2014B Principal Fund before each Principal Payment Date from the Revenue Fund an amount of Revenues which together with any amounts then on deposit in the Series 2014B Principal Fund (other than amounts previously deposited on account of any Series 2014B Bonds which have matured but which have not been presented for payment), is sufficient to pay the Principal Installments on the Series 2014B Bonds when due on such Principal Payment Date. The Trustee shall pay the Principal Installments when due upon presentation and surrender of the subject Series 2014B Bonds.

#### Series 2014B Reserve Fund

The Trustee shall deposit in the Series 2014B Reserve Fund the amount specified in the Amended and Restated Trust Agreement. All amounts on deposit in the Series 2014B Reserve Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on or the principal or the

redemption premiums, if any, of the Series 2014B Bonds; but solely in the event that insufficient moneys are available in the Series 2014B Interest Fund, the Series 2014B Principal Fund or the Redemption Fund for such purpose. Having first satisfied the requirements of the Amended and Restated Trust Agreement described above, the Trustee shall next deposit in the Series 2014B Reserve Fund an amount of Revenues which, together with any other amounts on deposit in the Series 2014B Reserve Fund, equal the Series 2014B Reserve Requirement.

#### Expense Fund

In addition, having first satisfied the requirements of the Amended and Restated Trust Agreement described above, the Trustee shall next deposit in the Expense Fund from Revenues an amount specified in a Written Order of the Issuer delivered pursuant to the Amended and Restated Trust Agreement. The Issuer shall deliver to the Trustee within thirty (30) days after the beginning of each Fiscal Year a Written Order specifying the amount of Expenses it anticipates will be required to be paid in such Fiscal Year. The Issuer may amend such Written Order at any time during the Fiscal Year by filing a new Written Order with the Trustee which shall supersede all previously filed Written Orders with respect to Expenses. Amounts in the Expense Fund shall be applied by the Trustee to the payment of Expenses upon receipt of a Requisition of the Issuer stating the Person to whom payment is to be made, the amount and purpose of the payment and that (i) such payment is a proper charge against the Expense Fund, and (ii) such payment has not been previously paid from the Expense Fund. Any amounts remaining in the Expense Fund on the last day of each Fiscal Year shall be retained in the Expense Fund unless the Issuer delivers a Written Order to the Trustee requesting that such amounts be transferred to the City. Any amounts so transferred shall be subject to the provisions of the Amended and Restated Trust Agreement.

#### Transfer to City

Having first satisfied the requirements of the Amended and Restated Trust Agreement described above, the Trustee shall transfer any remaining Revenues to the City upon requisition of the City. All amounts transferred to the City pursuant to the Amended and Restated Trust Agreement shall be applied to pay the cost of public capital improvements of the City or other governmental body in accordance with the Tax Certificate.

#### Redemption Fund

(a) All moneys held in or transferred to the Redemption Fund pursuant to the Amended and Restated Trust Agreement shall be used for the purpose of redeeming or purchasing all or a portion of the Outstanding Bonds pursuant to the Amended and Restated Trust Agreement.

(b) The Trustee shall use amounts in the Redemption Fund for the payment of the redemption price of Bonds called for redemption pursuant to the Amended and Restated Trust Agreement or the purchase price of Bonds purchased pursuant to the Amended and Restated Trust Agreement, together with accrued interest to the redemption or purchase date.

#### Rebate Fund

The Trustee agrees to establish and maintain a fund separate from any other fund established and maintained under the Amended and Restated Trust Agreement designated the Rebate Fund. The Trustee shall deposit in the Rebate Fund, from funds made available by the Issuer, the Rebate Requirement, all in accordance with Rebate Instructions received from the Issuer. The Trustee will apply moneys held in the Rebate Fund as provided in the Amended and Restated Trust Agreement and according to instructions provided by the Issuer. Subject to the provisions of the Amended and Restated Trust Agreement, moneys

held in the Rebate Fund are hereby pledged to secure payments to the United States of America. The Issuer and the Owners will have no rights in or claim to such moneys. The Trustee will invest all amounts held in the Rebate Fund in Investment Securities as directed in writing by the Issuer and all investment earnings with respect thereto shall be deposited in the Rebate Fund.

Upon receipt of the Rebate Instructions required by the Tax Certificate to be delivered to the Trustee, the Trustee will remit part or all of the balance held in the Rebate Fund to the United States of America as so directed. In addition, if the Rebate Instructions so direct, the Trustee will deposit moneys into or transfer moneys out of the Rebate Fund from or into such accounts or funds as the Rebate Instructions shall direct. The Trustee shall be deemed conclusively to have complied with such provisions if it follows the written directions of the Issuer including supplying all necessary information in the manner provided in the Tax Certificate to the extent such information is reasonably available to the Trustee, and shall have no liability or responsibility to monitor or enforce compliance by the Issuer with the terms of the Tax Certificate.

The Trustee shall have no obligation to rebate any amounts required to be rebated pursuant to the Amended and Restated Trust Agreement, other than from moneys held in the Rebate Fund or from other moneys provided to it by the Issuer. The Trustee shall not be responsible for computing the Rebate Requirement. Computations of the Rebate Requirement shall be furnished to the Trustee or on behalf of the Issuer in accordance with the Tax Certificate.

Notwithstanding any other provision of the Amended and Restated Trust Agreement, including in particular Article XII thereof pertaining to defeasance, the obligation to remit the rebate amounts to the United States and to comply with all other requirements of the Amended and Restated Trust Agreement, and the Tax Certificate shall survive the defeasance or payment in full of the Bonds.

### **Security for and Investment of Moneys**

Security. All moneys required to be deposited with or paid to the Trustee in any of the Funds (other than the Rebate Fund) referred to in any provision of the Amended and Restated Trust Agreement shall be held by the Trustee in trust, and except for moneys held for the payment or redemption of Bonds or the payment of interest on Bonds pursuant to the Amended and Restated Trust Agreement, shall, while held by the Trustee, constitute part of the Trust Estate and shall be subject to the lien and pledge created by the Amended and Restated Trust Agreement.

#### Investment of Funds.

(a) So long as the Bonds are Outstanding and there is no default under the Amended and Restated Trust Agreement, moneys on deposit to the credit of the Redemption Fund, the Revenue Fund, the Series 2014A Interest Fund, the Series 2014A Principal Fund, the Series 2014A Reserve Fund, the Series 2014B Interest Fund, the Series 2014B Principal Fund, the Series 2014B Reserve Fund and all accounts within such funds (other than amounts invested in Local Obligations) shall, at the request of an Authorized Officer of the Issuer, which shall be in writing at least two (2) Business Days prior to the date of investment, specifying and directing that such investment of such funds be made, be invested by the Trustee in Investment Securities having maturities or otherwise providing for availability of funds when needed for purposes of the Amended and Restated Trust Agreement, and moneys held in the Rebate Fund shall, at the request of an Authorized Officer of the Issuer, which shall be confirmed in writing at least (2) Business Days prior to the date of investment, specifying and directing that such investment of such funds be made, be invested by the Trustee in Government Obligations having maturities or otherwise providing for availability of funds when needed for purposes of the Amended and Restated Trust Agreement and the Trustee shall be entitled to rely on such instructions for purposes of the Amended and Restated Trust

Agreement. The Trustee shall notify the Issuer in writing no less than five (5) Business Days prior to the date moneys held will be available for investment. The Authorized Officer of the Issuer, in issuing such written instructions, shall comply with the provisions of the Tax Certificate. In the absence of written instructions from the Authorized Officer of the Issuer regarding investment, such funds shall be invested in investments described in clause (7) of the definition of Investment Securities. The Trustee or any of its affiliates may act as principal or agent in the acquisition or disposition of investments.

(b) Notwithstanding anything to the contrary contained in the Amended and Restated Trust Agreement, an amount of interest received with respect to any Investment Security equal to the amount of accrued interest, if any, paid as part of the purchase price of such Investment Security shall be credited to the Fund (or account) from which such accrued interest was paid. The Trustee shall not be responsible for any losses or consequences of any investment if it follows such instructions in good faith.

The securities purchased with the moneys in each such Fund shall be deemed a part of such Fund. If at any time it shall become necessary or appropriate that some or all of the securities purchased with the moneys in any such Fund be redeemed or sold in order to raise moneys necessary to comply with the provisions of the Amended and Restated Trust Agreement, the Trustee shall effect such redemption or sale, employing, in the case of a sale, any commercially reasonable method of effecting the same. The Trustee shall not be liable or responsible for any consequences resulting from any such investment or resulting from the redemption, sale or maturity of any such investment as authorized pursuant to the Amended and Restated Trust Agreement. The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Issuer the right to receive brokerage confirmations of security transactions as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Issuer monthly cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

Investments in the Revenue Fund, the Series 2014A Interest Fund, the Series 2014A Principal Fund, the Series 2014A Reserve Fund, the Series 2014B Interest Fund, the Series 2014B Principal Fund, the Series 2014B Reserve Fund and the Redemption Fund, may be commingled for purposes of making, holding and disposing of investments, notwithstanding provisions in the Amended and Restated Trust Agreement for transfer to or holding in particular Funds amounts received or held by the Trustee; provided, that the Trustee shall at all times account for such investments strictly in accordance with the Funds to which they are credited and otherwise as provided in the Amended and Restated Trust Agreement.

Except as provided in the Amended and Restated Trust Agreement, all earnings on the investment of the moneys on deposit in any Fund shall remain a part of such Fund. Amounts on deposit in the Reserve Funds in excess of the applicable reserve requirement shall be held in the applicable Reserve Fund until each August 15; provided, that on each August 15 any remaining amounts on deposit in the Reserve Funds in excess of the applicable reserve requirement shall be applied first, in the case of the Series 2014A Reserve Fund, to reimbursement of Policy Costs and thereafter shall be transferred to the City for deposit in the redemption funds for the Local Obligations in proportion to the aggregate amount of each series of Local Obligations held by the Trustee hereunder.

### **Covenants of the Issuer and the City**

Payment of Bonds; No Encumbrances. The Issuer shall cause the Trustee to promptly pay, from Revenues and other funds derived from the Trust Estate pledged under the Amended and Restated Trust Agreement, the principal of and redemption premium, if any, on and the interest on every Bond issued under and secured by the Amended and Restated Trust Agreement at the place, on the dates and in the manner specified in the Amended and Restated Trust Agreement and in such Bonds according to the true

intent and meaning thereof. The Issuer shall not issue any bonds, notes or other evidences of indebtedness or incur any obligations payable from or secured by the Trust Estate, other than the Bonds.

Enforcement and Amendment of Local Obligations. The City, the Issuer and the Trustee shall enforce all of their rights with respect to the Local Obligations to the fullest extent necessary to preserve the rights and protect the security of the Bond Insurer and the Owners under the Amended and Restated Trust Agreement.

The City, the Issuer and the Trustee may, without the consent of or notice to the Owners, consent to any amendment, change or modification of any Local Obligation that may be required (a) to conform to the provisions of the Amended and Restated Trust Agreement (including any modifications or changes contained in any Supplemental Trust Agreement), (b) for the purpose of curing any ambiguity or inconsistency or formal defect or omission, (c) so as to add additional rights acquired in accordance with the provisions of such Local Obligation, (d) in connection with any other change therein which is not to the material prejudice of the Trustee or the Owners of the Bonds pursuant to an Opinion of Bond Counsel, or (e) in the Opinion of Bond Counsel, to preserve or assure the exemption of interest on the Local Obligation or the Bonds from federal income taxes or the exemption from California personal income tax.

Except for amendments, changes or modifications provided for as described above, neither the City, the Issuer nor the Trustee shall consent to any amendment, change or modification of any Local Obligation without the consent of the Bond Insurer and the written approval or consent of the Owners of not less than a majority in aggregate principal amount of each Series of the Bonds at the time Outstanding. Nothing contained in the Amended and Restated Trust Agreement shall be construed to prevent the Trustee, with the consent of the Issuer and the Bond Insurer, from settling a default under any Local Obligation on such terms as the Trustee may determine to be in the best interests of the Owners.

Further Documents. The Issuer covenants that it will from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the purpose of the Amended and Restated Trust Agreement; provided, that no such instruments or actions shall pledge the faith and credit or the taxing power of the State or any political subdivision of the State. The Issuer covenants and agrees to take such action as is necessary from time to time to perfect or otherwise preserve the priority of the pledge of Trust Estate under applicable law.

#### Tax Covenants.

(a) The Issuer and the City will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of interest on the Bonds under Section 103 of the Code. The Issuer and the City will not directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the Issuer or take or omit to take any action that would cause the Bonds to be “private activity bonds” within the meaning of Section 141(a) of the Code or obligations which are “federally guaranteed” within the meaning of Section 149(b) of the Code. The Issuer will not allow ten percent (10%) or more of the proceeds of the Bonds to be used in the trade or business of any nongovernmental units and will not lend five percent (5%) or more of the proceeds of the Bonds to any nongovernmental units.

(b) The Issuer and the City will not directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the Issuer or take or omit to take any action that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code. To that end, the Issuer and the City will comply with all requirements of Section 148 of the Code to the extent applicable to the Bonds. In the event that at any time the Issuer is of the opinion that for purposes of the Amended and Restated Trust Agreement it is necessary to restrict or to limit the yield on the investment of any moneys

held by the Trustee thereunder, the Issuer will so instruct the Trustee in writing, and the Trustee will take such actions as directed by such instructions.

(c) The Issuer will pay or cause to be paid the Rebate Requirement as provided in the Tax Certificate. This covenant shall survive payment in full or defeasance of the Bonds. The Issuer will cause the Rebate Requirement to be deposited in the Rebate Fund as provided in the Tax Certificate (as incorporated in the Amended and Restated Trust Agreement by reference).

The Trustee will conclusively be deemed to have complied with the provisions of these covenants including the provisions of the Tax Certificate if it follows the directions of the Issuer set forth in the Tax Certificate and the Rebate Instructions and shall not be required to take any actions pursuant to the Amended and Restated Trust Agreement in the absence of Rebate Instructions from the Issuer.

(d) Notwithstanding any provision of the foregoing covenants, if the Issuer shall provide to the Trustee an Opinion of Bond Counsel that any specified action required under the covenants is no longer required or that some further or different action is required to maintain the exclusion from gross income for federal income tax purposes of interest with respect to the Bonds, the Trustee and the Issuer may conclusively rely on such Opinion in complying with the requirements of the foregoing covenants, and such covenants shall be deemed to be modified to that extent.

(e) These covenants shall survive the defeasance of the Bonds.

Maintenance of Existence. The Issuer shall maintain the existence, powers and authority of the Issuer as a joint powers authority under California law.

Continuing Disclosure. The City and the Trustee covenant and agree that they will comply with and carry out all of their respective obligations under the Continuing Disclosure Agreement. Notwithstanding any other provision of the Amended and Restated Trust Agreement, failure of the City or the Trustee to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default and shall not be deemed to create any monetary liability on the part of the City or the Trustee to any other persons, including Owners; however, any Owner or beneficial owner of the Bonds may or the Trustee, at the written request of the Owners of at least 25% aggregate principal amount in Outstanding Bonds, shall, but only to the extent funds or other indemnity in an amount satisfactory to the Trustee have been provided to it to hold the Trustee harmless from any loss, cost, liability or expenses and additional charges of the Trustee and fees and expenses of its attorneys, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or the Trustee, as the case may be, to comply with its obligations under this covenant.

No Additional Assessment Indebtedness. The City hereby covenants that it will not issue or incur any additional bonds or other indebtedness payable from the assessments securing the Local Obligations.

## **Defaults and Remedies**

Events of Default. The following shall constitute “Events of Default:”

- (a) if payment of interest on the Bonds shall not be made when due; or
- (b) if payment of any Principal Installment shall not be made when due and payable, whether at maturity, by proceedings for redemption, or otherwise; or



(c) if the Issuer or the City shall fail to observe or perform in any material way any other agreement, condition, covenant or term contained in the Amended and Restated Trust Agreement on its part to be performed, and such failure shall continue for thirty (30) days after written notice specifying such failure and requiring the same to be remedied shall have been given to the Issuer or the City, as the case may be, by the Trustee, the Bond Insurer or by the Owner(s) of not less than twenty-five percent (25%) in aggregate principal amount of each Series of the Bonds Outstanding with the consent of the Bond Insurer, provided, that if such default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the Issuer or the City within the applicable period and diligently pursued until the default is corrected.

Proceedings by Trustee; No Acceleration. Upon the happening and continuance of any Event of Default the Trustee in its discretion may, with the Bond Insurer's consent and shall, at the Bond Insurer's direction or at the written request of the Owners of not less than twenty-five percent (25%) in aggregate principal amount of each Series of Bonds Outstanding shall with the consent of the Bond Insurer (but only if indemnified to its satisfaction from any liability, expenses or costs), do the following:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Owners, including the right to receive and collect the Revenues;

(b) bring suit upon or otherwise enforce any defaulting Local Obligation;

(c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Owners;

(d) as a matter of right, have a receiver or receivers appointed for the Trust Estate and of the earnings, income, issues, products, profits and revenues thereof pending such proceedings, with such powers as the court making such appointment shall confer; and

(e) take such action with respect to any and all Local Obligations or Investment Securities as the Trustee shall deem necessary and appropriate, subject to the Amended and Restated Trust Agreement and to the terms of such Obligations or Investment Securities.

The Trustee shall have no right to declare the principal of all of the Bonds then Outstanding, or the interest accrued thereon, to be due and payable immediately.

Effect of Discontinuance or Abandonment. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the Trustee, the Bond Insurer and the Owners shall be restored to their former positions and rights under the Amended and Restated Trust Agreement, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Rights of Owners. Anything in the Amended and Restated Trust Agreement to the contrary notwithstanding, subject to the limitations and restrictions as to the rights of the Owners in the Amended and Restated Trust Agreement, upon the happening and continuance of any Event of Default, the Owners of not less than twenty-five percent (25%) in aggregate principal amount of each Series of the Bonds then Outstanding with the consent of the Bond Insurer shall have the right, upon providing the Trustee security and indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Amended and Restated Trust Agreement.

The Trustee may refuse to follow any direction that conflicts with law or the Amended and Restated Trust Agreement or that the Trustee determines is prejudicial to rights of other Owners or would subject the Trustee to personal liability without adequate indemnification therefor.

Restriction on Owner's Action. In addition to the other restrictions on the rights of Owners to request action upon the occurrence of an Event of Default and to enforce remedies set forth in the Amended and Restated Trust Agreement, no Owner of any of the Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of any trust under the Amended and Restated Trust Agreement, or any other remedy under the Amended and Restated Trust Agreement or on the Bonds, unless such Owner previously shall have given to the Trustee written notice of an Event of Default as provided in the Amended and Restated Trust Agreement and unless the Owners of not less than twenty-five percent (25%) in aggregate principal amount of each Series of the Bonds then Outstanding shall have made written request of the Trustee to institute any such suit, action, proceeding or other remedy, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted in the Amended and Restated Trust Agreement, or to institute such action, suit or proceeding in its or their name; nor unless there also shall have been offered to the Trustee security and indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared in every such case to be conditions precedent to the execution of the trusts of the Amended and Restated Trust Agreement or for any other remedy under the Amended and Restated Trust Agreement, it being understood and intended that no one or more Owners of the Bonds secured by the Amended and Restated Trust Agreement shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of the Amended and Restated Trust Agreement, or to enforce any rights under the Amended and Restated Trust Agreement or under the Bonds, except in the manner provided in the Amended and Restated Trust Agreement, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Amended and Restated Trust Agreement, and for the equal benefit of all Owners of Outstanding Bonds; subject, however, to the provisions of the Amended and Restated Trust Agreement. Notwithstanding the foregoing provisions of the Amended and Restated Trust Agreement or any other provision of the Amended and Restated Trust Agreement, the obligation of the Issuer shall be absolute and unconditional to pay, but solely from the Trust Estate, the principal of and the redemption premiums, if any, on and the interest on the Bonds to the respective Owners thereof at the respective due dates thereof, and nothing in the Amended and Restated Trust Agreement shall affect or impair the right of action, which is absolute and unconditional, of such Owners to enforce such payment.

Power of Trustee to Enforce. All rights of action under the Amended and Restated Trust Agreement or under any of the Bonds secured by the Amended and Restated Trust Agreement which are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds, or the production thereof at the trial or other proceedings relative thereto, and any such suit, action or proceedings instituted by the Trustee shall be brought in its own name, as Trustee, for the equal and ratable benefit of the Owners subject to the provisions of the Amended and Restated Trust Agreement.

Remedies Not Exclusive. No remedy in the Amended and Restated Trust Agreement conferred upon or reserved to the Trustee, the Bond Insurer or to the Owners is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given under the Amended and Restated Trust Agreement or now or hereafter existing at law or in equity or by statute.

Waiver of Events of Default; Effect of Waiver. Upon the written request of the Bond Insurer or the Owners of at least a majority in aggregate principal amount of all Outstanding Bonds with the consent

of the Bond Insurer, the Trustee shall waive any Event of Default under the Amended and Restated Trust Agreement and its consequences. The Trustee may waive any Event of Default thereunder and its consequences at any time with the consent of the Bond Insurer. If any Event of Default shall have been waived as therein provided, the Trustee shall promptly give written notice of such waiver to the Issuer and shall give notice thereof by first class mail, postage prepaid, to all Owners of Outstanding Bonds if such Owners had previously been given notices of such Event of Default; but no such waiver, rescission and annulment shall extend to or affect any subsequent Event of Default, or impair any right or remedy consequent thereon.

No delay or omission of the Trustee, the Bond Insurer or of any Owner to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default, or an acquiescence therein; and every power and remedy given by the Amended and Restated Trust Agreement to the Trustee and to the Owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Application of Moneys. (a) Any moneys received by the Trustee pursuant to the Amended and Restated Trust Agreement shall, after payment of all fees and expenses of the Trustee, and the fees and expenses of its counsel incurred in representing the Owners, be applied as follows:

FIRST - To the payment of the Owners of the Series 2014A Bonds entitled thereto of all installments of interest then due on the Series 2014A Bonds, in the order of the maturity of the installments of such interest, and if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege;

SECOND - To the payment of the Owners of the Series 2014A Bonds entitled thereto of the unpaid principal of and redemption premiums, if any, on any of the Series 2014A Bonds which shall have become due (other than Series 2014A Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of the Amended and Restated Trust Agreement) in the order of their due dates, and if the amount available shall not be sufficient to pay in full the principal of and redemption premiums, if any, on such Series 2014A Bonds due on any particular date, then to the payment ratably, according to the amount due on such date, to the Persons entitled thereto without any discrimination or privilege;

THIRD – To the payment of the Owners of the Series 2014B Bonds entitled thereto of all installments of interest then due on the Series 2014B Bonds, in the order of the maturity of the installments of such interest, and if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or privilege;

FOURTH - To the payment of the Owners of the Series 2014B Bonds entitled thereto of the unpaid principal of and redemption premiums, if any, on any of the Series 2014B Bonds which shall have become due (other than Series 2014B Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of the Amended and Restated Trust Agreement) in the order of their due dates, and if the amount available shall not be sufficient to pay in full the principal of and redemption premiums, if any, on such Series 2014B Bonds due on any particular date, then to the payment ratably, according to the amount due on such date, to the Persons entitled thereto without any discrimination or privilege;

FIFTH - To be held for the payment to the Owners of the Series 2014A Bonds entitled thereto as the same shall become due of the principal of and redemption premiums, if any, on and interest on the Bonds which may thereafter become due, either at maturity or upon call for redemption prior to maturity, and if the amount available shall not be sufficient to pay in full such principal and redemption premiums, if any, due on any particular date, together with interest then due and owing thereon, payment shall be made in accordance with the FIRST and SECOND paragraphs hereof; and

SIXTH - To be held for the payment to the Owners of the Series 2014B Bonds entitled thereto as the same shall become due of the principal of and redemption premiums, if any, on and interest on the Series 2014B Bonds which may thereafter become due, either at maturity or upon call for redemption prior to maturity, and if the amount available shall not be sufficient to pay in full such principal and redemption premiums, if any, due on any particular date, together with interest then due and owing thereon, payment shall be made in accordance with the THIRD and FOURTH paragraphs hereof.

(b) After having first satisfied all obligations to Owners of Bonds, pursuant to subsection (a) above and any required replenishment of the Series 2014A Reserve Fund (including any reimbursement of the Bond Insurer) and the Series 2014B Reserve Fund and payment of any other amount owed the Bond Insurer, then any remaining moneys received by the Trustee pursuant to the Amended and Restated Trust Agreement shall be transferred to the City.

(c) Whenever moneys are to be applied pursuant to the provisions of the Amended and Restated Trust Agreement described above, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The Trustee shall give, by mailing by first class mail as it may deem appropriate, such notice of the deposit with it of any such moneys.

### **Modification of Trust Agreement and Supplemental Trust Agreements**

Supplemental Trust Agreements Without Consent of Owners. The Issuer and the City may, without the consent of the Owners, enter into a Supplemental Trust Agreement or Supplemental Trust Agreements, which thereafter shall form a part of the Amended and Restated Trust Agreement, for any one or more of the following purposes:

(a) to add to the agreements and covenants of the Issuer or the City contained in the Amended and Restated Trust Agreement other agreements and covenants thereafter to be observed, or to surrender any right or power in the Amended and Restated Trust Agreement reserved to or conferred upon the Issuer or the City; provided, that no such agreement, covenant or surrender shall materially adversely affect the rights of any Owner;

(b) to cure any ambiguity, to supply any omission or to cure, correct or supplement any defect or inconsistent provisions contained in the Amended and Restated Trust Agreement or in any Supplemental Trust Agreement;

(c) to make any change which does not materially adversely affect the rights of any Owner;

(d) to grant to the Trustee for the benefit of the Owners additional rights, remedies, powers or authority;

(e) to subject to the Amended and Restated Trust Agreement additional collateral or to add other agreements of the Issuer or the City;

(f) to modify the Amended and Restated Trust Agreement or the Bonds to permit qualification under the Trust Indenture Act of 1939, as amended, or any similar statute at the time in effect, or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States of America; or

(g) to evidence the succession of a new Trustee.

The Trustee may in its discretion determine whether or not in accordance with the foregoing powers of amendment of the Amended and Restated Trust Agreement any particular Bond would be affected by any modification or amendment of the Amended and Restated Trust Agreement and any such determination shall be binding and conclusive on the Issuer, the City and all Owners of Bonds. For these purposes, the Trustee shall be entitled to rely upon and shall be fully protected in relying upon an Opinion of Bond Counsel, in form and substance satisfactory to it, with respect to the extent, if any, to which any action affects the rights under the Amended and Restated Trust Agreement of any Owner.

In determining whether any amendment, consent or other action to be taken, or any failure to act pursuant to the Amended and Restated Trust Agreement would adversely affect the security for the Series 2014A Bonds or the rights of the Owners of the Series 2014A Bonds, the Trustee shall consider the effect of any such amendment, consent, action or inaction as if there were no Bond Insurance Policy.

Trustee Authorized to Enter into Supplemental Trust Agreement. The Trustee is authorized to enter into any Supplemental Trust Agreement with the Issuer and the City authorized or permitted by the terms of the Amended and Restated Trust Agreement, and to make the further agreements and stipulations which may be therein contained, and for all purposes pursuant to the Amended and Restated Trust Agreement, the Trustee shall be entitled to rely upon and shall be fully protected in relying upon an Opinion of Bond Counsel, in form and substance satisfactory to it to the effect that such Supplemental Trust Agreement is authorized or permitted by the provisions of the Amended and Restated Trust Agreement.

Supplemental Trust Agreements With Consent of Owners. Any modification or alteration of the Amended and Restated Trust Agreement or of the rights and obligations of the Issuer, the City or the Owners of the Bonds may be made with the consent of the Bond Insurer and the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding; provided, that no such modification or alteration shall be made which will reduce the percentage of aggregate principal amount of Bonds the consent of the Owners of which is required for any such modification or alteration, or permit the creation by the Issuer or the City of any lien prior to or on a parity with the lien of the Amended and Restated Trust Agreement upon the Trust Estate or which will affect the times, amounts and currency of payment of the principal of or the redemption premiums, if any, on or the interest on the Bonds or affect the rights, duties or obligations of the Trustee without the consent of the party affected thereby.

## **Defeasance**

Defeasance. If and when the Bonds secured by the Amended and Restated Trust Agreement shall become due and payable in accordance with their terms or through redemption proceedings as provided in the Amended and Restated Trust Agreement, or otherwise, and the whole amount of the principal and the redemption premiums, if any, and the interest so due and payable upon all of the Bonds shall be paid, or provision shall have been made for the payment of the same, together with all other sums payable under the Amended and Restated Trust Agreement by the Issuer, including all fees and expenses of the Trustee,

then and in that case, the Amended and Restated Trust Agreement and the lien created thereby shall be completely discharged and satisfied and the Issuer shall be released from the agreements, conditions, covenants and terms of the Issuer contained in the Amended and Restated Trust Agreement, and the Trustee shall assign and transfer all property to the City (in excess of the amounts required for the foregoing) then held by the Trustee free and clear of any encumbrances as provided in the Amended and Restated Trust Agreement and shall execute such documents as may be reasonably required by the Trustee or the Issuer in this regard.

Notwithstanding the satisfaction and discharge of the Amended and Restated Trust Agreement, those provisions of the Amended and Restated Trust Agreement relating to the maturity of the Bonds, interest payments and dates thereof, exchange and transfer of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, nonpresentment of Bonds, and the duties of the Trustee in connection with all of the foregoing, remain in effect and shall be binding upon the Trustee and the Owners and the Trustee shall, subject the Amended and Restated Trust Agreement, continue to be obligated to hold in trust any moneys or investments then held by the Trustee for the payment of the principal of and redemption premiums, if any, on and interest on the Bonds, to pay to the Owners of Bonds the funds so held by the Trustee as and when such payment becomes due, and those provisions of the Amended and Restated Trust Agreement relating to the compensation and indemnification of the Trustee and relating to the tax covenants of the Issuer and the City shall remain in effect and shall be binding upon the Trustee, the City and the Issuer.

To accomplish defeasance of the Series 2014A Bonds, the Issuer shall satisfy the conditions as required by the Bond Insurer as set forth in the Amended and Restated Trust Agreement.

Bonds Deemed to Have Been Paid. If moneys shall have been set aside and held by the Trustee for the payment or redemption of any Bonds and the interest installments therefor at the maturity or redemption date thereof, such Bonds shall be deemed to be paid within the meaning and with the effect provided in the Amended and Restated Trust Agreement. Any Outstanding Bond shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect as described in the Amended and Restated Trust Agreement if: (a) in case said Bonds are to be redeemed on any date prior to their maturity, the Issuer shall have given to the Trustee in form satisfactory to the Trustee irrevocable instructions to mail notice of redemption of such Bonds on such redemption date, such notice to be given in accordance with the provisions of the Amended and Restated Trust Agreement, (b) there shall have been deposited with the Trustee in escrow either moneys in an amount which (as stated in a Cash Flow Certificate) shall be sufficient, or noncallable Government Obligations the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Trustee at the same time, shall be sufficient (as verified by a Cash Flow Certificate), to pay when due the principal of and the redemption premiums, if any, and the interest due and to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event any of such Bonds are not to be redeemed within the next succeeding sixty (60) days, the Issuer shall have given the Trustee in form satisfactory to the Trustee irrevocable instructions to mail, as soon as practicable in the same manner as a notice of redemption is mailed pursuant to the Amended and Restated Trust Agreement, a notice to the Owners of such Bonds that the deposit required by (b) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with the provisions of the Amended and Restated Trust Agreement described in this paragraph and stating such maturity or redemption dates upon which moneys are to be available for the payment of the principal of and redemption premiums, if any, on and interest on such Bonds. Neither the securities nor moneys deposited with the Trustee pursuant to the provisions of the Amended and Restated Trust Agreement described in this paragraph nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and redemption premiums, if any, on and interest on

such Bonds; provided, that any cash received from such principal or interest payments on such obligations deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable and at the direction of the Issuer, be reinvested in Government Obligations maturing at times and in amounts, together with the other moneys and payments with respect to Government Obligations then held by the Trustee pursuant to the provisions of the Amended and Restated Trust Agreement described in this paragraph, sufficient to pay when due the principal of and redemption premiums, if any, and interest to become due on such Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall, upon receipt by the Trustee of a Written Order so directing, be paid over to the Issuer as received by the Trustee free and clear of any trust, lien or pledge.

Moneys Held for Particular Bonds. Except as otherwise provided in the Amended and Restated Trust Agreement, the amounts held by the Trustee for the payment of the principal or the redemption premiums, if any, or the interest due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it solely for the Owners of the Bonds entitled thereto.

### **Bond Insurance**

The Bond Insurer shall be deemed to be the sole holder of the Series 2014A Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Series 2014A Bonds insured by it are entitled to take pursuant to the Amended and Restated Trust Agreement pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Amended and Restated Trust Agreement and the each Series 2014A Bond, with respect to the Series 2014A Bonds, the Trustee and each Owner of the Series 2014A Bonds appoint the Bond Insurer as their agent and attorney-in-fact and agree that the Bond Insurer may at any time during the continuation of any proceeding by or against the Authority or the City under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, with respect to the Series 2014A Bonds, the Trustee and each Owner of the Series 2014A Bonds delegate and assign to the Bond Insurer, to the fullest extent permitted by law, the rights of the Trustee with respect to the Series 2014A Bonds and each Owner of the Series 2014A Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any Insolvency Proceeding.

In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Amended and Restated Trust Agreement would adversely affect the security for the Series 2014A Bonds or the rights of the Owners of the Series 2014A Bonds, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Bond Insurance Policy.

The Bond Insurer shall, to the extent it makes any payment of principal of or interest on the Series 2014A Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy.

## **Miscellaneous**

Unclaimed Money. Anything contained in the Amended and Restated Trust Agreement to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest on, or principal or redemption premiums, if any, of any Bond which remains unclaimed for two (2) years after the date when such amounts have become payable, if such money was held by the Trustee on such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date such amounts have become payable, shall be paid by the Trustee to the Issuer as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the Issuer for the payment of such amounts as provided in the Amended and Restated Trust Agreement; provided, that before being required to make any such payment to the Issuer, the Trustee shall, at the expense of the Issuer, give notice by first class mail to all Owners that such money remains unclaimed and that after a date named in such notice, which date shall not be less than sixty (60) days after the date of giving such notice, the balance of such money then unclaimed will be returned to the Issuer.



## APPENDIX D

### PROPOSED FORM OF BOND COUNSEL OPINION

October 14, 2014

Brentwood Infrastructure Financing Authority  
Brentwood, California

Brentwood Infrastructure Financing Authority  
Infrastructure Revenue Refunding Bonds, Series 2014A and Subordinated Series 2014B  
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the Brentwood Infrastructure Financing Authority (the “Issuer”) in connection with the issuance of \$74,400,000 aggregate principal amount of Brentwood Infrastructure Financing Authority Infrastructure Revenue Refunding Bonds, Series 2014A and Subordinated Series 2014B (collectively, the “Bonds”), issued pursuant to the provisions of an Amended and Restated Trust Agreement, dated as of October 1, 2014 (the “Trust Agreement”), among the Issuer, the City of Brentwood (the “City”) and U.S. Bank National Association, as trustee (the “Trustee”). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Trust Agreement.

In such connection, we have reviewed the Trust Agreement; the Tax Certificate relating to the Bonds, dated the date hereof (the “Tax Certificate”); opinions of counsel to the Issuer, the Trustee and the City; certificates of the Issuer, the Trustee, the City and others; and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Trust Agreement and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Trust Agreement and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency,

receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against joint powers authorities in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the assets described in or as subject to the lien of the Trust Agreement or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement, dated September 24, 2014, or other offering material relating to the Bonds and express no opinion with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute the valid and binding limited obligations of the Issuer.
2. The Trust Agreement has been duly executed and delivered by, and constitutes the valid and binding obligation of, the Issuer. The Trust Agreement creates a valid pledge, to secure the payment of the principal of and interest on the Bonds, of the Trust Estate, including the Revenues and any other amounts (including proceeds of the sale of the Bonds) held by the Trustee in any fund or account established pursuant to the Trust Agreement (except the Rebate Fund), subject to the provisions of the Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth in the Trust Agreement.
3. Interest on the Bonds is excluded from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. Interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although we observe that it is included in adjusted current earnings when calculating corporate alternative minimum taxable income. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per

## APPENDIX E

### FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”) is executed and delivered by the CITY OF BRENTWOOD, California (the “City”), and U.S. BANK NATIONAL ASSOCIATION, as trustee (the “Trustee”) and as dissemination agent (the “Dissemination Agent”) in connection with the issuance by the Brentwood Infrastructure Financing Authority (the “Authority”) of its \$44,430,000 aggregate principal amount of Infrastructure Revenue Refunding Bonds, Series 2014A (the “Series 2014A Bonds”) and \$29,970,000 aggregate principal amount of Infrastructure Revenue Refunding Bonds, Subordinated Series 2014B (the “Series 2014B Bonds” and, collectively with the Series 2014A Bonds, the “Bonds”). The Bonds are being issued pursuant to an Amended and Restated Trust Agreement, dated as of October 1, 2014, between the Authority and the Trustee (the “Trust Agreement”). Pursuant to the Trust Agreement, the City has covenanted to comply with its obligations hereunder and to assume all obligations for Continuing Disclosure with respect to the Bonds. The City, the Trustee and the Dissemination Agent covenant and agree as follows:

**SECTION 1.** Purpose of this Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the City, the Trustee and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

**SECTION 2.** Definitions. In addition to the definitions set forth in the Trust Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Beneficial Owner” shall mean any person who has or shares the power, directly or indirectly, to make investment decisions concerning the ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Disclosure Representative” shall mean the City Manager or such other officer or employee as the City shall designate in writing to the Trustee from time to time.

“Dissemination Agent” shall mean the Trustee, or any successor Dissemination Agent which may be designated in writing by the City and which has filed with the Trustee a written acceptance of such designation.

“EMMA” shall mean the MSRB’s Electronic Municipal Market Access system.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Participating Underwriter” shall mean any of the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

**SECTION 3. Provision of Annual Reports.**

(a) The City shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the City's Fiscal Year (presently June 30), commencing with the report for the 2013-14 Fiscal Year, provide to the MSRB through EMMA, in an electronic format and accompanied by such identifying information as is prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the City shall provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent); provided, however, that the City may distribute the Annual Report itself after providing written notice to the Trustee and the Dissemination Agent. If by such date, the Trustee has not received a copy of the Annual Report, the Trustee shall contact the City and the Dissemination Agent to determine if the City is in compliance with the first sentence of this subsection (b).

(c) If the Trustee is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Trustee shall file a notice with the MSRB through EMMA in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the applicable electronic format for filings through EMMA; and

(ii) to the extent the City has provided the Annual Report to the Dissemination Agent, file a report with the City and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided.

**SECTION 4. Content of Annual Reports.** The City's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the City for the prior Fiscal Year prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements of the City for the prior Fiscal Year, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available. In each Annual Report or other filing herein that contains the City's financial statements, the following statement shall be included in bold type: **"The following financial statements are provided solely to comply with the Securities Exchange Commission Staff's interpretation of Rule 15c2-12. No funds or assets of the City are required to be used to pay debt service on the Bonds and the City is not obligated to advance available funds from the City treasury to cover any delinquencies. Investors should not rely on the financial condition of the City in evaluating whether to buy, hold or sell the Bonds."**

- (b) To the extent not presented in the audited financial statements:
- (i) A statement of the amounts on deposit in each fund or account established under the Trust Agreement (except the Rebate Fund and the Expense Fund);
  - (ii) A statement of the number of homes within each of the Assessment Districts for which a building permit has been issued by the City;
  - (iii) Information concerning any delinquencies in the payment of assessment installments securing any issue of the Local Obligations including (1) the total amount of delinquencies in the related Assessment District, both as a dollar amount and as a percentage of the total levy for the Fiscal Year and (2) with respect to any delinquency of an owner which holds land subject to more than 5% of the assessment liens securing any issue of Local Obligations, the following information:
    - (a) Assessor's Parcel Number;
    - (b) Record owner of the parcel;
    - (c) Amount of delinquency, including separate statement of amounts representing principal, interest, administrative expenses of levy, penalties and interest on delinquency;
    - (d) Due date of first delinquent installment; and
    - (e) Status of foreclosure action, if any; and
  - (iv) A statement describing any changes in land use entitlements or zoning within any of the Assessment Districts (including information concerning any growth control or similar ordinances or enactments) since the later of (1) the date of the Official Statement or (2) the date of the immediately preceding Annual Report;

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public from the MSRB's internet website or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

**SECTION 5. Reporting of Listed Events.**

- (a) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds not later than ten (10) business days after the occurrence of the event:
- (1) principal and interest payment delinquencies;
  - (2) non-payment related defaults, if material;
  - (3) unscheduled draws on any applicable debt service reserves reflecting financial difficulties;
  - (4) unscheduled draws on credit enhancement reflecting financial difficulties;
  - (5) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB)

or other material notices or determinations with respect to the tax status of the Bonds or other material events adversely affecting the tax status of the Bonds;

- (6) modifications to rights of bondholders, if material;
- (7) substitution of credit or liquidity providers, or their failure to perform;
- (8) optional, contingent or unscheduled bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Authority or the City;
- (13) the consummation of a merger, consolidation, or acquisition involving the Authority or the City or the sale of all or substantially all of the assets of the Authority or the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional Trustee or the change of name of the Trustee, if material.

For the purpose of the event identified in Section 5(a)(12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Authority or the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority or the City, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority or the City.

(b) The Trustee shall, promptly upon obtaining actual knowledge at its office as specified in Section 12 hereof of the occurrence of any of the Listed Events, contact the Disclosure Representative, inform such person of the event, and request that the City promptly notify the Trustee in writing whether or not to report the event pursuant to subsection (f); provided that, failure by the Trustee to so notify the Disclosure Representative and make such request shall not relieve the City of its duty to report Listed Events as required by this Section 5.

(c) Whenever the City obtains knowledge of the occurrence of a Listed Event, whether because of a notice from the Trustee pursuant to subsection (b) or otherwise, the City shall as soon as possible determine if such event is required to be reported pursuant to this Section 5.

(d) If the City has determined that knowledge of the occurrence of a Listed Event is required to be reported pursuant to this Section 5, the City shall promptly notify the Trustee in writing. Such notice shall instruct the Trustee to report the occurrence pursuant to subsection (f).

(e) If in response to a request under subsection (b), the City determines that the Listed Event is not required to be reported pursuant to this Section 5, the City shall so notify the Trustee in writing and instruct the Trustee not to report the occurrence.

(f) If the Trustee has been instructed by the City to report the occurrence of a Listed Event, the Trustee shall file a notice of such occurrence with the MSRB through EMMA in an electronic format and accompanied by such identifying information as is prescribed by the MSRB.

(g) The Trustee may conclusively rely on an opinion of counsel that the City's instructions to the Trustee under this Section 5 comply with the requirements of the Rule.

**SECTION 6. Termination of Reporting Obligation.** Each party's obligations under this Disclosure Agreement shall terminate (a) upon the legal defeasance, prior redemption or payment in full of all of the Bonds or (b) if, in the opinion of nationally recognized bond counsel, the City ceases to be an "obligated person" (within the meaning of the Rule) with respect to the Bonds or the Bonds otherwise cease to be subject to the requirements of the Rule. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5.

**SECTION 7. Dissemination Agent.** The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the City pursuant to this Disclosure Agreement. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent. The initial Dissemination Agent shall be U.S. Bank National Association. The Dissemination Agent may resign by providing thirty days written notice to the City and the Trustee. The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with the schedule of fees agreed upon by the City, as amended from time to time, and all reasonable expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

**SECTION 8. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the City, the Trustee and the Dissemination Agent may amend this Disclosure Agreement, (and the Trustee and the Dissemination Agent shall agree to any amendment so requested by the City provided such amendment does not impose any greater duties, nor risk of liability, on the Trustee or the Dissemination Agent, as the case may be), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Trust Agreement for amendments to the Trust Agreement with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the City shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**SECTION 9. Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the City shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

**SECTION 10. Default.** In the event of a failure of the City, the Trustee or the Dissemination Agent to comply with any provision of this Disclosure Agreement, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City, the Trustee or the Dissemination Agent to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Trust Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the City, the Trustee or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

**SECTION 11. Duties, Immunities and Liabilities of Trustee and Dissemination Agent.** The Dissemination Agent and the Trustee shall have only such duties as are specifically set forth in this Disclosure Agreement, and the City, to the extent permitted by law, agrees to indemnify and save the Dissemination Agent, the Trustee, and their officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's or the Trustee's negligence or willful misconduct, respectively. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and the Trustee, respectively, and payment of the Bonds.

**SECTION 12. Notices.** Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:



To the City: City of Brentwood  
150 City Park Way  
Brentwood, CA 94513  
Attention: City Manager  
Telephone: (925) 516-5440  
Fax: (925) 516-5441

If to the Trustee: U.S. Bank National Association  
Attn: Global Corporate Trust Services  
One California Street, Suite 1000  
San Francisco, CA 94111  
Telephone: (415) 677-3599  
Fax: (415) 677-3768

To the  
Dissemination Agent: U.S. Bank National Association  
Attn: Global Corporate Trust Services  
One California Street, Suite 3000  
San Francisco, CA 94111  
Telephone: (415) 677-3599  
Fax: (415) 677-3768

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

**SECTION 13. Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**SECTION 14. Counterparts.** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: October 14, 2014

CITY OF BRENTWOOD

By \_\_\_\_\_  
Authorized Representative

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee and Dissemination Agent

By \_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT**

Name of Obligated Person: City of Brentwood

Name of Issue: \$44,430,000 Brentwood Infrastructure Financing Authority Infrastructure Revenue Refunding Bonds, Series 2014A and \$29,970,000 Brentwood Infrastructure Financing Authority Infrastructure Revenue Refunding Bonds, Subordinated Series 2014B

Date of Issuance: October 14, 2014

NOTICE IS HEREBY GIVEN that the City of Brentwood has not provided an Annual Report with respect to the above-named Bonds as required by Section 7.06 of the Amended and Restated Trust Agreement, dated as of October 1, 2014, among the Brentwood Infrastructure Financing Authority, the City of Brentwood and U.S. Bank National Association. [The City anticipates that the Annual Report will be filed by \_\_\_\_\_.]

Dated: \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By \_\_\_\_\_

Title \_\_\_\_\_

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## APPENDIX F

### THE BOOK-ENTRY SYSTEM

*This Appendix describes how ownership of the Bonds is to be transferred and how the principle of, premium, if any, and interest on Bonds are to be paid to and accredited by DTC while the Bonds are registered in its nominee name. The information in this Appendix concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The Issuer and the City believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.*

*The Issuer and the City cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.*

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of each Series of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of

the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

**APPENDIX G**  
**SPECIMEN MUNICIPAL BOND INSURANCE POLICY**

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## MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No: -N

BONDS: \$ in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By \_\_\_\_\_  
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.  
31 West 52nd Street, New York, N.Y. 10019  
(212) 974-0100

**APPENDIX H**

**SPECIMEN MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY**

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## MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY

ISSUER:

Policy No.:

BONDS:

Effective Date:

Premium: \$

Termination Date:

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") as set forth in the documentation (the "Bond Document") providing for the issuance of and securing the Bonds, for the benefit of the Owners, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

AGM will make payment as provided in this Policy to the Trustee or Paying Agent on the later of the Business Day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, in a form reasonably satisfactory to it. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Issuer, as appropriate, who may submit an amended Notice of Nonpayment. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy. Upon such payment, AGM shall become entitled to reimbursement of the amount so paid (together with interest and expenses) pursuant to the Insurance Agreement.

The amount available under this Policy for payment shall not exceed the Policy Limit. The amount available at any particular time to be paid to the Trustee or Paying Agent under the terms of this Policy shall automatically be reduced by any payment under this Policy. However, after such payment, the amount available under this Policy shall be reinstated in full or in part, but only up to the Policy Limit, to the extent of the reimbursement of such payment (exclusive of interest and expenses) to AGM by or on behalf of the Issuer. Within three Business Days of such reimbursement, AGM shall provide the Trustee, the Paying Agent and the Issuer with notice of the reimbursement and reinstatement.

Payment under this Policy shall not be available with respect to (a) any Nonpayment that occurs prior to the Effective Date or after the Termination Date of this Policy or (b) Bonds that are not outstanding under the Bond Document. If the amount payable under this Policy is also payable under another insurance policy or surety bond insuring the Bonds, payment first shall be made under this Policy to the extent of the amount available under this Policy up to the Policy Limit. In no event shall AGM incur duplicate liability for the same amounts owing with respect to the Bonds that are covered under this Policy and any other insurance policy or surety bond that AGM has issued.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York are, or the Insurer's Fiscal Agent is, authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the

stated date for payment of interest. "Insurance Agreement" means the Insurance Agreement dated as of the effective date hereof in respect of this Policy, as the same may be amended or supplemented from time to time. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer that has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from the Issuer, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment of principal or interest thereunder, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds. "Policy Limit" shall be the dollar amount of the debt service reserve fund required to be maintained for the Bonds by the Bond Document from time to time (the "Debt Service Reserve Requirement"), but in no event shall the Policy Limit exceed \$ . The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the Debt Service Reserve Requirement, as provided in the Bond Document.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be cancelled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By \_\_\_\_\_  
Authorized Officer

(212) 826-0100

**APPENDIX I**  
**THE APPRAISALS**

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# Appraisal Report

**Properties within Assessment**  
**District (AD) No. 2005-1 (portion of)**  
Brentwood, Contra Costa County, California



**Date of Report:** August 7, 2014

**Prepared For:**

Ms. Pam Ehler  
Director of Finance & Information Systems  
City of Brentwood  
150 City Park Way  
Brentwood, CA 94513

**Prepared By:**

Eric A. Segal, Appraiser

August 7, 2014

Ms. Pam Ehler  
Director of Finance & Information Systems  
City of Brentwood  
150 City Park Way  
Brentwood, CA 94513

RE: Properties within Assessment District (AD) No. 2005-1  
Brentwood, California

Dear Ms. Ehler:

At your request and authorization, Seevers • Jordan • Ziegenmeyer has prepared an appraisal report and analyzed market data for the purpose of estimating the market value (*fee simple estate*) of the properties within City of Brentwood Assessment District (AD) No. 2005-1, which also represent a portion of Capital Improvement Financing Program (CIFP) 2005-1, under the assumptions and conditions contained in this report.

The appraisal report has been conducted in accordance with appraisal standards and guidelines found in the Uniform Standards of Professional Appraisal Practice (USPAP) and the Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (2004). This document is presented in an Appraisal Report format, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the 2014-2015 edition of USPAP.

The Assessment District No. 2005-1 bond issuance was initiated to fund certain portions of public improvements required for the following components: 1,888 single-family residential lots, a mobile home park comprising 11.35 acres of land area, and the underlying land of 14 single-family residences situated on parcels ranging from 1.00 to 3.65 acres. The financing provided through the bond issuance was used for improvements to Fairview Avenue, John Muir Parkway, Concord Avenue, Sand Creek Road, O'Hara Avenue, Central Boulevard, and Walnut Boulevard. These improvements include—but are not limited to—drainage, water, sanitary sewer, joint trench utilities, concrete curbs, gutters and sidewalks, maintenance holes, street lighting, landscaping, masonry walls, traffic signals and other miscellaneous improvements. Additionally, the bond issuance financed the prepayment of a portion of the impact fees otherwise due, as well as major water and wastewater facilities.

The subject properties are located in non-contiguous areas throughout the city of Brentwood, Contra Costa County, California. The table on the following page details the various components encompassing Assessment District No. 2005-1.

Owner	Tract	APN(s)	Land Use	Land Area (Acres)	No. of Lots	Typical Lot Size (SF)
Brentwood Palmilla Owner, LLC	8729	017-640-001 thru -030, -034 thru -039, -043 thru -052; 017-650-001 thru -040, -045 thru -056	Finished SFR Lots	--	92	2,680
Brentwood Commercial Partners**	8729	017-640-001 thru -004	Partially Improved Lots	--	4	13,000
Palmilla Project Owner, LLC	9332	017-131-006; 017-140-028; 017-160-005; 017-170-007 and -008	Tentatively Mapped Lots	56.80	296	5,000
Trilogy Vineyards, LLC	8796	007-500-001 thru -010, -013 thru -045 and -048 thru -059; 007-510-089 and -090; 007-520-023, -025, -026, -043, -045, -059, -066, -068 thru -071; 007-530-001, -026 and -036; 007-540-004 and -007; 007-550-001 thru -006, -011 thru -018 and -021 thru -041, -047; 007-560-001, -002, -019 and -024 thru -027	Finished SFR Lots	--	117	6,000
	8906	007-540-016,-024, -025, -031, -034 and -052; 007-620-003, -008, -027, -030, -035, -056 and -061 thru -064; 007-630-032 and -071 thru -074	Finished SFR Lots	--	21	6,000
	8796	007-380-030*	Partially Improved Lots	93.26	383	--
	8796	007-380-027	Tentatively Mapped Lots	51.60	204	--
Diablo Estates, LLC**	8909	007-600-001 thru -050	Partially Improved Lots	--	50	9,500
	8910	007-610-001 thru -066, -073 thru -078	Partially Improved Lots	--	72	13,000
	9186	007-640-005 thru -007, -009 thru -011	Partially Improved Lots	--	6	13,000
Robert & Linda D Mederos		016-100-025	Rurual Residential Lot	1.13	1	49,136
		016-100-026	Rurual Residential Lot	1.32	1	57,499
Leigha Ramirez		018-570-005	Single-Family Lot	0.25	1	10,877

\*Though still unimproved, parcel recently subdivided (Tract 8908) into 383 residential lots (see *Market Value by Assessor's Parcel* in Addenda) identified as APNs 007-650-001 thru -042; 007-660-001 thru -036; 007-670-001 thru -070; 007-680-001 thru -064; 007-690-001 thru -055; 007-700-001 thru -034 and 007-710-001 thru -082

\*\* Lots recently acquired by Shea Homes (separate from Trilogy Vineyards, LLC, which is a Shea Homes active adult community)

The appraised properties contain a total of 1,248 proposed, partially improved and improved single-family residential lots. Specifically, there are 233 finished (improved) single-family residential lots and 1,015 proposed and partially improved single-family residential lots, all situated within the boundaries of 754 individual Assessor's parcel numbers.

We have been requested to provide a cumulative, or aggregate, value estimate for the appraised properties, by parcel, under the assumptions and conditions cited in the attached report. Though a number of parcels are held by Shea Homes Limited Partnership, or affiliates of Shea Homes (Trilogy Vineyards, LLC), it is our opinion the parcels, if marketed concurrently, would likely sell in bulk within one year; thus, no additional discounting is warranted. The cumulative (aggregate) value of the District is the sum of the ownership interests in the City of Brentwood Assessment District No. 2005-1, which is comprised of multiple, separate ownerships. The aggregate value of the appraised properties within the District is not equivalent to the market value of the District as a whole.

Ms. Pam Ehler  
August 7, 2014  
Page 3

The value estimates assume a transfer that reflects a cash transaction or terms considered to be equivalent to cash. The estimates are also premised on an assumed sale after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with buyer and seller each acting prudently, knowledgeably, for their own self-interest and assuming neither is under duress. The estimates of value account for the impact of the Assessment Lien securing the Bonds.

As a result of our analysis, it is our opinion the cumulative (aggregate) value of the appraised properties comprising a portion of City of Brentwood Assessment District No. 2005-1, in accordance with the definitions, certifications, assumptions and conditions set forth in the attached document (please refer to pages 6 through 8), as of July 9, 2014, is...

**\$125,516,175**

Please see the *Market Value by Assessor's Parcel* table in the Addenda for a description and breakdown of the value above by ownership and parcel.

This letter must remain attached to the report, which contains 85 pages plus related tables, exhibits and Addenda, in order for the value opinion set forth herein to be considered valid.

We hereby certify the subject properties have been inspected and we have impartially considered all data collected in the investigation. Further, we have no past, present or anticipated future interest in the property. The subject properties do not have any significant natural, cultural, recreational or scientific value. The appraiser certifies this appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan.

Thank you for the opportunity to work with your office on this assignment.

Sincerely,



Eric A. Segal, Appraiser  
State Certification No.: AG026558  
Expires: February 18, 2015

/mlm

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**SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS**

**Property Name:** The appraised properties comprise a portion of the land areas situated within the boundaries of City of Brentwood Assessment District No. 2005-1.

**Property Location:** The appraised properties are located in non-contiguous areas of the city of Brentwood, Contra Costa County, California. The specific locations of each of the tracts/properties are detailed in the *Site Description* section of this report.

**Assessor’s Parcel Numbers/Ownership:** The appraised properties consist of 754 separate Assessor’s parcels (233 are finished single-family residential lots), which are identified within the Addenda to this report (see *Market Value by Assessor’s Parcel*). A breakdown of the number of parcels under each ownership group is shown in the table below:

<b>Owner</b>	<b>No. of Parcels</b>
Diablo Estates, LLC*	128
Brentwood Palmilla Owner, LLC	92
Brentwood Commercial Partners*	4
Palmilla Project Owner, LLC	296
Trilogy Vineyards, LLC*	522
Robert & Linda D Mederos	2
Leigha Ramirez	1
<b>Total</b>	<b>754</b>

\* As of the date of this Appraisal report, these ownership interests are all held by Shea Homes Limited Partnership, or affiliates of Shea Homes (Trilogy Vineyards, LLC)

It is noted there are a number of additional parcels within the City of Brentwood Assessment District No. 2005-1 that have vertical improvements constructed and are not part of this appraisal.

**Property Type/Current Use:** Improved and partially improved residential lots

**Zoning/Land Use:** The various land components representing the subject property are zoned for single-family residential development. For a complete description of the governing zoning ordinances, please refer to the *Property Identification and Legal Data* section of this report.

**Flood Zone:** Zone CX – Areas outside of the 500-year flood plains (per www.floodmaps.com, provided by Digital Media Services)

**Earthquake Zone:** According to the Seismic Safety Commission, the subject is located within Zone 3, which is assigned to areas of moderate seismic activity. The location within this zone does not prevent development. There are only two zones in California. Zone 4 is assigned to areas of major faults. Zone 3 is assigned to areas with more moderate seismic activity. The subject is not located within a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone), as defined by Special Publication 42 (revised January 1994) of the California Department of Conservation, Division of Mines and Geology.

**Highest and Best Use:** Single-family residential development, as approved and proposed

**Date of Inspection:** July 9, 2014

**Effective Date of Value:** July 9, 2014

**Date of Report:** August 7, 2014

**Property Rights Appraised:** Fee simple estate

**Conclusion of Cumulative, or Aggregate, Value:** **\$125,516,175**

It should be noted the value presented above is subject to the general and extraordinary assumptions, hypothetical conditions and limiting conditions (please refer to pages 6 through 8) presented in the attached report.

## **CLIENT, INTENDED USER AND INTENDED USE**

The client and intended user of the report is the City of Brentwood. It is our understanding the report will be used for bond underwriting purposes.

## **APPRAISAL REPORT FORMAT**

This document represents an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the 2014-2015 edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

## **TYPE AND DEFINITION OF VALUE**

The purpose of this appraisal is to estimate the market values of the subject properties by assessor's parcel, as well as the cumulative, or aggregate, value of the appraised property comprising a portion of City of Brentwood Assessment District No. 2005-1. Market value is defined as follows:

### ***Market Value:***

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

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interest;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U. S. Dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.<sup>1</sup>

## **PROPERTY RIGHTS APPRAISED**

The estimates of value derived in this report are for the fee simple estate. The definition of this real property interest is offered on the next page.

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<sup>1</sup> Code of Federal Regulations, Title 12, Section 34.42 (55 Federal Register 34696, Aug. 24, 1990; as amended at 57 Federal Register 12202, Apr. 9, 1992; 59 Federal Register 29499, June 7, 1994).



***Fee Simple Estate:*** absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.<sup>2</sup>

The rights appraised are also subject to the General and Extraordinary Assumptions and Limiting Conditions contained in this report and to any exceptions, encroachments, easements and rights-of-way recorded. The value estimates account for the impact of the assessment lien securing the City of Brentwood Assessment District No. 2005-1.

### **DATES OF INSPECTION, VALUE AND REPORT**

An inspection of the subject properties was completed on July 9, 2014, which represents the effective date of market value by ownership, and cumulative, or aggregate, value of the appraised properties. This appraisal report was completed and assembled on August 7, 2014.

### **SCOPE OF WORK**

This appraisal report has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP). This analysis is intended to be an “appraisal assignment,” as defined by USPAP; the intention is the appraisal service be performed in such a manner that the result of the analysis, opinions, or conclusion be that of a disinterested third party.

Several legal and physical aspects of the subject property were researched and documented. A physical inspection of the property was completed and serves as the basis for the site description contained in this report. The sales history was verified by consulting public records. The zoning and entitlements, earthquake zone, flood zone and utilities were verified with applicable public agencies at the County of Contra Costa. Property tax information for the current tax year was obtained from the Contra Costa County Treasurer-Tax Collector’s Office.

Data relating to the subject’s neighborhood and surrounding market area were analyzed and documented. This information was obtained through personal inspections of portions of the neighborhood and market area; newspaper articles; real estate conferences; and interviews with various market participants, including property owners, property managers, brokers, developers and local government agencies.

In this appraisal, the highest and best use of the subject property as though vacant was determined based on the four standard tests (legal permissibility, physical possibility, financial feasibility and maximum productivity).

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<sup>2</sup>The Dictionary of Real Estate Appraisal, 5<sup>th</sup> ed. (Chicago: Appraisal Institute, 2010), 78.

We have been requested to provide estimates of market value of the appraised properties. The sales comparison approach to value was used to determine the market value of each developable land use component comprising the subject property (production-oriented residential lots and estate lots). The data set and other market indicators was utilized to establish the incremental value difference between each of the lot groupings larger and smaller than the typical lot size used for analysis. Though a number of parcels are held by Shea Homes Limited Partnership, or affiliates of Shea Homes (Trilogy Vineyards, LLC), it is our opinion the parcels, if marketed concurrently, would likely sell in bulk within one year; thus, no additional discounting is warranted.

The cumulative, or aggregate, value of the appraised properties represents the sum of the value estimates concluded for each ownership interest, which is not equivalent to the market value of the District as a whole.

This appraisal report has been conducted in accordance with appraisal standards and guidelines found in the Uniform Standards of Professional Appraisal Practice (USPAP) and the Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (2004).

I, Eric A. Segal, Appraiser, inspected the subject properties; collected and confirmed data related to the subject properties, comparables and the neighborhood/market area; analyzed market data; and prepared an appraisal report with estimates of value described above.

## **EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS**

It is noted the use of an extraordinary assumption or hypothetical condition can impact the results of an appraisal.

### **Extraordinary Assumptions**

1. It is assumed there are no adverse soil conditions, toxic substances or other environmental hazards that may interfere or inhibit the development of the subject properties.
2. The exact locations of the easements referenced in a preliminary title report were not provided to the appraiser. The appraiser is not a surveyor nor qualified to determine the exact location of the referenced easements. It is assumed the easements noted in the referenced preliminary title report do not have an impact on the opinions of value as provided in this report. If, at some future date, these easements are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion(s) of value. The opinions of value presented in this report are predicated on none of the items referenced in the preliminary title report having a detrimental impact upon the utility of the property as proposed, nor the opinions of value. If, at some future date, these exceptions are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion(s) of value.

### **Hypothetical Conditions**

(None)

## GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. No responsibility is assumed for matters of law or legal interpretation.
3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
4. The information and data furnished by others in preparation of this report is believed to be reliable, but no warranty is given for its accuracy.
5. It is assumed there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
6. It is assumed the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.
7. It is assumed the property conforms to all applicable zoning and use regulations and restrictions unless nonconformity has been identified, described and considered in the appraisal report.
8. It is assumed all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
9. It is assumed the use of the land and improvements is confined within the boundaries or property lines of the property described and there is no encroachment or trespass unless noted in the report.
10. Unless otherwise stated in this report, the existence of hazardous materials, 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 and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user of this report is urged to retain an expert in this field, if desired.
11. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I (we) have not made a specific survey or analysis of this property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. Since compliance matches each owner's financial ability with the cost-to cure the property's potential physical characteristics, the real estate appraiser cannot comment on compliance with ADA. A brief summary of the

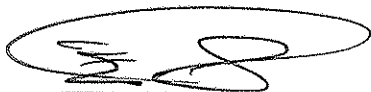
subject's physical aspects is included in this report. It in no way suggests ADA compliance by the current owner. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost-to-cure any deficiencies would be needed for the Department of Justice to determine compliance.

12. The appraisal is to be considered in its entirety and use of only a portion thereof will render the appraisal invalid.
13. Possession of this report or a copy thereof does not carry with it the right of publication nor may it be used for any purpose by anyone other than the client without the previous written consent of Seevers • Jordan • Ziegenmeyer.
14. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or any other media without the prior written consent and approval of Seevers • Jordan • Ziegenmeyer. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this report for publication in the preliminary official statement and official statement for Bond financing purposes.
15. The liability of Seevers • Jordan • Ziegenmeyer and its employees/subcontractors for errors/omissions, if any, in this work is limited to the amount of its compensation for the work performed in this assignment.
16. Acceptance and/or use of the appraisal report constitutes acceptance of all assumptions and limiting conditions stated in this report.
17. An inspection of the subject properties revealed no apparent adverse easements, encroachments or other conditions, which currently impact the subject. However, the exact locations of typical roadway and utility easements, or any additional easements, which would be referenced in a preliminary title report, were not provided to the appraiser. The appraiser is not a surveyor nor qualified to determine the exact location of easements. It is assumed typical easements do not have an impact on the opinion (s) of value as provided in this report. If, at some future date, these easements are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion (s) of value.
18. This appraisal report is prepared for the exclusive use of the appraiser's client. No third parties are authorized to rely upon this report without the express consent of the appraiser.

## CERTIFICATION STATEMENT

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have not performed appraisal services regarding the properties that are the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made a personal inspection of the property that is the subject of this report.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- I have the knowledge and experience to complete this appraisal assignment. Please see the Qualifications of Appraiser(s) portion of the Addenda to this report for additional information.
- As of the date of this report, I have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.



Eric A. Segal, Appraiser

State Certification No.: AG026558 (February 18, 2015)

August 7, 2014

DATE

## PROPERTY HISTORY

The following table details the various properties within the City of Brentwood Assessment District No. 2005-1 comprising the appraised properties.

Owner	Tract	APN(s)	Land Use	Land Area (Acres)	No. of Lots	Typical Lot Size (SF)
Brentwood Palmilla Owner, LLC	8729	017-640-001 thru -030, -034 thru -039, -043 thru -052; 017-650-001 thru -040, -045 thru -056	Finished SFR Lots	--	92	2,680
Brentwood Commercial Partners**	8729	017-640-001 thru -004	Partially Improved Lots	--	4	13,000
Palmilla Project Owner, LLC	9332	017-131-006; 017-140-028; 017-160-005; 017-170-007 and -008	Tentatively Mapped Lots	56.80	296	5,000
Trilogy Vineyards, LLC	8796	007-500-001 thru -010, -013 thru -045 and -048 thru -059; 007-510-089 and -090; 007-520-023, -025, -026, -043, -045, -059, -066, -068 thru -071; 007-530-001, -026 and -036; 007-540-004 and -007; 007-550-001 thru -006, -011 thru -018 and -021 thru -041, -047; 007-560-001, -002, -019 and -024 thru -027	Finished SFR Lots	--	117	6,000
	8906	007-540-016, -024, -025, -031, -034 and -052; 007-620-003, -008, -027, -030, -035, -056 and -061 thru -064; 007-630-032 and -071 thru -074	Finished SFR Lots	--	21	6,000
	8796	007-380-030*	Partially Improved Lots	93.26	383	--
	8796	007-380-027	Tentatively Mapped Lots	51.60	204	--
Diablo Estates, LLC**	8909	007-600-001 thru -050	Partially Improved Lots	--	50	9,500
	8910	007-610-001 thru -066, -073 thru -078	Partially Improved Lots	--	72	13,000
	9186	007-640-005 thru -007, -009 thru -011	Partially Improved Lots	--	6	13,000
Robert & Linda D Mederos		016-100-025	Rurual Residential Lot	1.13	1	49,136
		016-100-026	Rurual Residential Lot	1.32	1	57,499
Leigha Ramirez		018-570-005	Single-Family Lot	0.25	1	10,877

\*Though still unimproved, parcel recently subdivided (Tract 8908) into 383 residential lots (see *Market Value by Assessor's Parcel* in Addenda) identified as APNs 007-650-001 thru -042; 007-660-001 thru -036; 007-670-001 thru -070; 007-680-001 thru -064; 007-690-001 thru -055; 007-700-001 thru -034 and 007-710-001 thru -082

\*\* Lots recently acquired by Shea Homes (separate from Trilogy Vineyards, LLC, which is a Shea Homes active adult community)

There have been a number of transactions involving the appraised properties during the previous three years; the complete details of which are incomplete and unverifiable. It is known, and previously noted, the Assessor's parcels comprising the ownerships of Diablo Estates, LLC and Brentwood Commercial Partners (132 lots) were recently acquired in May 2014 by Shea Homes Limited Partnership. According to public records, the purchase price was \$26,500,000, which could not be confirmed; however, the 132 residential lots are partially improved and it is unknown whether the sale price included the completion of all in-tract costs by the seller, or as-is.

The Palmilla subdivisions (Tract 8729) sold in an REO transaction to Integral on December 4, 2012 for \$13,255,000 for 400 improved and tentatively mapped lots. Subsequently, Brentwood Palmilla Owner, LLC (William Lyon Homes) acquired 105 improved lots within Tract 8729 in April 2013. According to public records, the purchase price was \$9,181,500; though, this could not be confirmed.

Assessor's parcel 018-570-005 was acquired by Leigha Ramirez from Meritage Homes in August 2012 for \$24,000. This was considered an arm's length transaction with no unusual contingencies. The previous sales price is not considered indicative of current market value in light of the appreciation in the residential land market since the date of sale.



## **PROPERTY LEGAL DATA**

### **Location**

The subject properties are located in non-contiguous areas of the city of Brentwood, Contra Costa County, California. The specific locations of each of the tracts/properties are detailed in the *Site Description* section of this report.

### **Assessor's Parcel Number/Ownership**

The appraised properties comprise a portion of the land areas situated within the boundaries of City of Brentwood Assessment District No. 2005-1 and consist of 754 separate Assessor's parcels (233 are finished single-family residential lots), which are identified within the Addenda to this report (see *Market Value by Assessor's Parcel*).

### **Legal Description**

A legal description of the subject properties, which would be contained in a preliminary title report, was not provided for use in this analysis.

### **Assessment and Tax Information**

The property tax system in California was amended in 1978 by Article XIII to the State Constitution, commonly referred to as Proposition 13. It provides for a limitation on ad valorem property taxes and for a procedure to establish the current taxable value of real property by reference to a base year value, which is then modified annually to reflect inflation (if any). Annual increases cannot exceed 2% per year.

The base year was set at 1975-76, or any year thereafter in which the property is substantially improved or changes ownership. When either of these two conditions occur, the property is to be re-appraised at market value, which becomes the new base year assessed value. Proposition 13 also limits the maximum tax rate to 1% of the value of the property, exclusive of bonds and supplemental assessments. Bonded indebtedness approved prior to 1978 and any bonds subsequently approved by a two-thirds vote of the district, in which the property is located, can be added to the 1% tax rate.

The existing ad valorem taxes are of nominal consequence in this appraisal, primarily due to the fact these taxes will be adjusted substantially as the remaining infrastructure and property improvements are completed and in consideration of the definition of market value employed in this appraisal, which assumes a sale of the appraised properties. The appraised properties are subject to a tax rate of 1.1321%.

## **Zoning**

Assessment District No. 2005-1 relates to developable properties designated for single-family residential and mobile home park land uses. According to the City of Brentwood Planning Department, the General Plan designations for the subject properties are consistent with the proposed and existing uses. All of the properties have PD – Planned Development zoning ordinances. The purpose of the PD land use designation is to allow creative designs not associated with straight, or typical, zoning districts. Density variations are also required and/or permissible.

## **Flood Zone**

The subject property is located within Flood Zone CX, areas determined to be outside of the 500-year flood plains; determined to be outside the 1% and 0.2% annual chance floodplains. The flood data is provided by Digital Media Services ([www.floodmaps.com](http://www.floodmaps.com)). The FEMA community/panel number is 060439-0365F, dated June 16, 2009.

## **Earthquake Zone**

According to the Seismic Safety Commission the subject parcels are located within Zone 3, which is considered to be the lowest risk zone in California. There are only two zones in California. Zone 4 is assigned to areas of major faults. Zone 3 is assigned to areas with more moderate seismic activity. In addition, the subject is not located within a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone), as defined by Special Publication 42 (revised January 1994) of the California Department of Conservation, Division of Mines and Geology.

## **Conditions of Title**

A preliminary title report was not provided for this analysis. It is assumed there are no adverse conditions on title. The appraiser assumes no negative title restrictions and accepts no responsibility for matters pertaining to title.

## **Easements**

An inspection of the subject property revealed no apparent adverse easements, encroachments or other conditions currently impacting the parcels. Please refer to a preliminary title report for information regarding potential easements, as the appraiser is not a surveyor nor qualified to determine the exact location of any easements. It is assumed that any easements noted in a preliminary title report do not have an impact on the opinion of value set forth in this report. If at some future date, any easements are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion of value contained herein.

## **Assessor's Parcel Maps**

A complete set of Assessor's parcel maps encompassing the appraised portion of City of Brentwood Assessment District No. 2005-1 are included in the Addenda to this report.

## SITE DESCRIPTION

The appraised properties comprise a portion of the land areas situated within the boundaries of City of Brentwood Assessment District No. 2005-1 and consist of 754 separate Assessor's parcels (233 are finished single-family residential lots). The following table details the various land use components comprising the subject properties.

Owner	Tract	APN(s)	Land Use	Land Area (Acres)	No. of Lots	Typical Lot Size (SF)
Brentwood Palmilla Owner, LLC	8729	017-640-001 thru -030, -034 thru -039, -043 thru -052; 017-650-001 thru -040, -045 thru -056	Finished SFR Lots	--	92	2,680
Brentwood Commercial Partners**	8729	017-640-001 thru -004	Partially Improved Lots	--	4	13,000
Palmilla Project Owner, LLC	9332	017-131-006; 017-140-028; 017-160-005; 017-170-007 and -008	Tentatively Mapped Lots	56.80	296	5,000
Trilogy Vineyards, LLC	8796	007-500-001 thru -010, -013 thru -045 and -048 thru -059; 007-510-089 and -090; 007-520-023, -025, -026, -043, -045, -059, -066, -068 thru -071; 007-530-001, -026 and -036; 007-540-004 and -007; 007-550-001 thru -006, -011 thru -018 and -021 thru -041, -047; 007-560-001, -002, -019 and -024 thru -027	Finished SFR Lots	--	117	6,000
	8906	007-540-016, -024, -025, -031, -034 and -052; 007-620-003, -008, -027, -030, -035, -056 and -061 thru -064; 007-630-032 and -071 thru -074	Finished SFR Lots	--	21	6,000
	8796	007-380-030*	Partially Improved Lots	93.26	383	--
	8796	007-380-027	Tentatively Mapped Lots	51.60	204	--
Diablo Estates, LLC**	8909	007-600-001 thru -050	Partially Improved Lots	--	50	9,500
	8910	007-610-001 thru -066, -073 thru -078	Partially Improved Lots	--	72	13,000
	9186	007-640-005 thru -007, -009 thru -011	Partially Improved Lots	--	6	13,000
Robert & Linda D Mederos		016-100-025	Rural Residential Lot	1.13	1	49,136
		016-100-026	Rural Residential Lot	1.32	1	57,499
Leigha Ramirez		018-570-005	Single-Family Lot	0.25	1	10,877

\*Though still unimproved, parcel recently subdivided (Tract 8908) into 383 residential lots (see *Market Value by Assessor's Parcel* in Addenda) identified as APNs 007-650-001 thru -042; 007-660-001 thru -036; 007-670-001 thru -070; 007-680-001 thru -064; 007-690-001 thru -055; 007-700-001 thru -034 and 007-710-001 thru -082

\*\* Lots recently acquired by Shea Homes (separate from Trilogy Vineyards, LLC, which is a Shea Homes active adult community)

The subject property is further discussed as follows.

### Size and Shape:

The subject properties within Assessment District No. 2005-1 represent seven non-contiguous clusters of parcels that are, for the most part, irregular in shape.

### Topography:

With the exception of Subdivisions 8796 and 8729, the topography of the properties is generally level. Subdivisions 8796 and 8729 are located in the southern portion of

Brentwood and have areas of rolling topography, which are not considered to adversely impact the development of this project, since the proposed lots can be graded to create level pads.

**Soil:**

The appraiser has not been provided a soils report to determine the load bearing capacity of the subject properties. Based on the surrounding improvements, no adverse subsoil conditions are apparent. The soils appear to be similar to other local parcels that, to the best of our knowledge, have been improved with no adverse effects.

**Drainage:**

Based on the development plans, our physical inspection of the subject properties, and assuming typical grading and paving work will be completed, it is expected the subject properties will provide adequate drainage. With respect to the existing single-family residences, drainage appears adequate.

**Offsite Improvements:**

Most of the off-site improvements, including curbs, gutters, streets, sidewalks and street lights are in place.

**Frontage/Access:**

The subject properties offer adequate frontage along either interior streets or major thoroughfares, including Balfour Road, O'Hara Avenue, Concord Avenue, Fairview Avenue and Central Boulevard.

**Utilities:**

Public utilities, including electricity, gas, water, and telephone service, have been extended to, or are available to, the subject lots. Public utilities serving the subject properties are as follows:

<b><i>Water:</i></b>	City of Brentwood
<b><i>Sewer:</i></b>	City of Brentwood
<b><i>Electricity:</i></b>	Pacific Gas and Electric
<b><i>Natural Gas:</i></b>	Pacific Gas and Electric
<b><i>Telephone:</i></b>	AT&T

**Environmental Issues:**

At the time of inspection, the appraiser did not observe the existence of hazardous material, which may or may not be present on the properties. The appraiser has no knowledge of the existence of such materials on the properties. However, the appraiser is not qualified to detect such substances. The presence of potentially hazardous materials could affect the value of the properties. The value estimates are predicated on the assumption that there is no such material on or in the properties that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

**Functional Adequacy and Utility:** Development of the single-family residential subdivisions will require interior street systems to serve all of the various components of the subject properties. Based upon the development plans, overall functional utility is considered good.

**Conclusion:** The configuration and size of the subject properties are considered adequate for development. The demand for single-family product bodes well for the projects and should increase the demand for the complementary land uses within the city of Brentwood. We expect the residential lots represented by the subject properties will be competitive with other Brentwood developments, as well as similar developments located elsewhere in the East Contra Costa County area, including Antioch and Oakley.

**SUBJECT PHOTOGRAPHS**



Northwesterly view from Zinfandel Drive  
Vacant residential lots/lots under construction



Southeasterly view from Malbec Court  
Finished single family residences



Easterly view from Griffith Lane  
Unimproved Land, Subdivision 8729, Phase 3

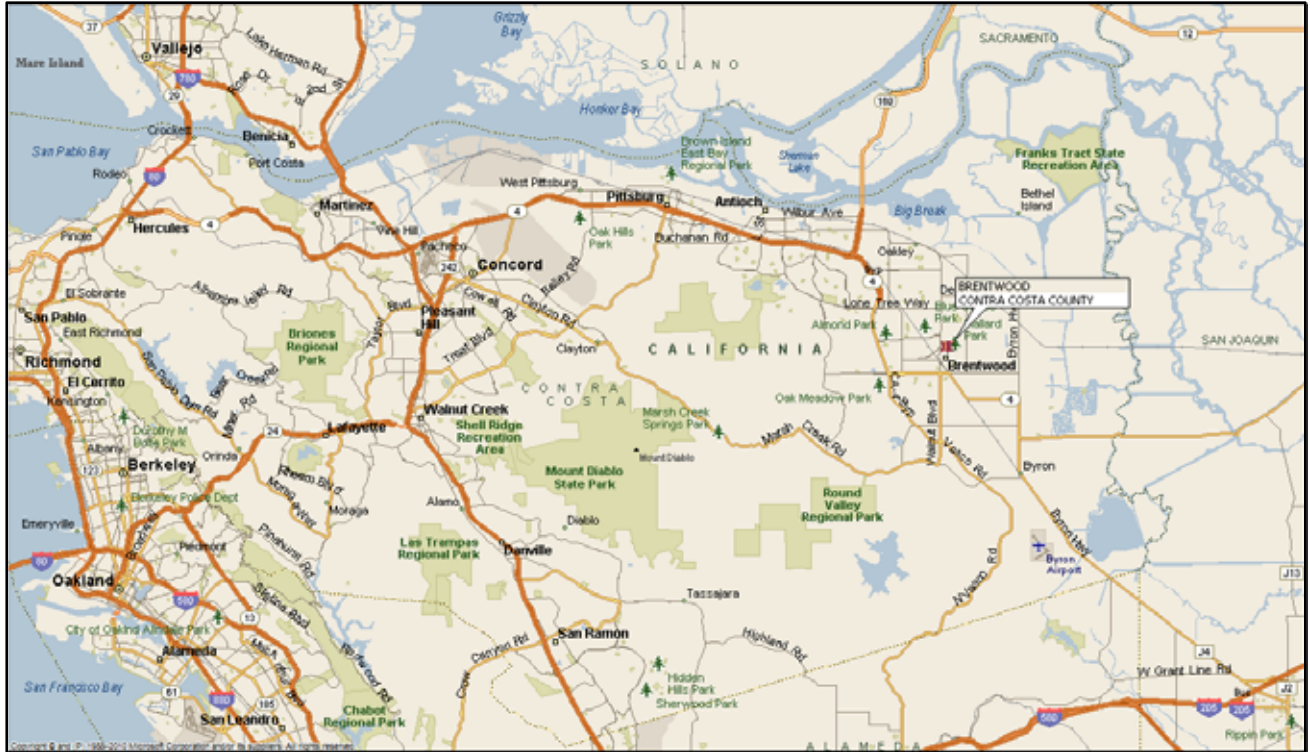


Southeasterly view from Central Boulevard  
Unimproved Land, Subdivision 8729, Phase 4



Southwesterly view from Central Boulevard  
Unimproved Land, Subdivision 8729, Phase 4

## CONTRA COSTA COUNTY



### **Introduction**

Contra Costa County spans nearly 800 square miles, extending from the northeastern shore of the San Francisco Bay approximately 50 miles inland. The county is situated between Suisun and San Pablo Bays to the north, San Joaquin County to the east, Alameda County to the south and the San Francisco Bay to the west. Located in what is referred to as the East Bay region, Contra Costa County is part of one of the nation's largest urban centers, the San Francisco Bay Area. Surrounding counties include Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma.

Areas of rapid economic growth and development mark the county, but it still has maintained large portions of land dedicated to rural, recreational and industrial uses. Most development is regionally clustered, with the western and northern shorelines being highly industrialized and the interior sections of the county exhibiting mostly residential and commercial development. Nearly 85% of the county's residents reside within incorporated cities. The largest of those urban areas are Concord, Richmond and Antioch. The city of Martinez, located near the Carquinez Straits to the north of Contra Costa County, houses the county's governmental offices. Growth is particularly strong in the eastern portion of the county.



## Population

Contra Costa County has a population of over 1 million, and has shown moderate growth over the past five years, with an average annual growth rate of 0.9%. The most populous cities are Concord, Richmond and Antioch. The cities experiencing the highest rates of growth in recent years are San Ramon, Oakley and Brentwood.

The following table illustrates population trends for areas within Contra Costa County over the past few years.

POPULATION TRENDS							
City	2008	2009	2010	2011	2012	2013	%/Yr
Antioch	99,854	100,956	102,277	103,055	103,950	105,117	1.1%
Brentwood	49,710	50,997	51,453	52,030	52,635	53,278	1.4%
Clayton	10,717	10,813	10,899	10,942	11,008	11,093	0.7%
Concord	120,592	121,285	122,109	122,599	123,345	123,812	0.5%
Danville	41,364	41,712	42,067	42,217	42,498	42,720	0.7%
El Cerrito	23,193	23,350	23,552	23,649	23,801	23,910	0.6%
Hercules	23,795	23,938	24,079	24,153	24,299	24,403	0.5%
Lafayette	23,567	23,696	23,895	24,024	24,186	24,312	0.6%
Martinez	35,437	35,630	35,846	36,055	36,264	36,578	0.6%
Moraga	15,863	15,929	16,019	16,076	16,168	16,238	0.5%
Oakley	32,930	34,226	35,351	35,998	36,573	37,252	2.6%
Orinda	17,341	17,484	17,647	17,714	17,839	17,925	0.7%
Pinole	18,304	18,335	18,376	18,461	18,581	18,664	0.4%
Pittsburg	61,873	62,201	63,181	63,735	64,779	65,339	1.1%
Pleasant Hill	32,793	32,963	33,175	33,280	33,477	33,633	0.5%
Richmond	102,313	102,887	103,764	104,382	105,004	105,562	0.6%
San Pablo	28,848	29,232	29,245	28,931	29,137	29,266	0.3%
San Ramon	66,642	69,428	71,788	73,111	74,753	76,154	2.9%
Walnut Creek	63,339	63,786	64,240	64,710	65,306	65,684	0.7%
Unincorporated	<u>158,789</u>	<u>159,542</u>	<u>158,985</u>	<u>161,184</u>	<u>162,999</u>	<u>163,762</u>	<u>0.6%</u>
<b>Total</b>	<b>1,027,264</b>	<b>1,038,390</b>	<b>1,047,948</b>	<b>1,056,306</b>	<b>1,066,602</b>	<b>1,074,702</b>	<b>0.9%</b>

Source: California Department of Finance

The technology bubble of the late 1990s had a considerable impact on Contra Costa County. With a heavy push from surrounding, higher cost-of-living counties, Contra Costa saw a rapid influx of new single-family homes and residential communities. While the county's average home price is higher than California as a whole, within the Bay Area, Contra Costa County is considered a reasonably priced market.

## Transportation

The East Bay is an integral part of California's transportation infrastructure. From the region, it is possible to ship freight by highway, air, rail and sea, providing direct access to many of the world's

most lucrative markets. The economic developments that occur in Contra Costa County are aided by its highly integrated transportation system, which ranks among the best in the country. Highway transportation is provided by State Highway 4, connecting the cities of Pittsburg, Brentwood, Oakley and Antioch to Interstates 680 and 80 to the west. Interstate 80 connects Richmond with Oakland to the south and Sacramento to the north. It also connects with the Bay Bridge, providing access to San Francisco. Interstate 680 connects with State Highway 4 near Concord, providing access to the cities of Concord, Pleasant Hill and Walnut Creek.

The state freeways and county highways are supplemented by the rapid-transit systems, BART (Bay Area Rapid Transit), and AC (Alameda/Contra Costa) Transit bus service. Amtrak trains provide service to Contra Costa County and run northward to Sacramento and the Pacific Northwest, southward to San Jose/Silicon Valley and Los Angeles, and eastward to the eastern United States. Freight transportation is aided by the Santa Fe and Union Pacific Railroads, whose main lines serve both the industrial coastal areas as well as the inland farm region.

With the congestion that currently exists and the growth that is forecast, governmental entities including the cities of Pittsburg, Antioch, Oakley, Brentwood, Contra Costa County, Tri Delta Transit, Bay Area Rapid Transit District, and the Metropolitan Transportation Commission have formed a partnership to bring public transportation called eBART to East county. eBART is a system that consists of light weight, self-propelled rail cars known as Diesel Multiple Units (DMUs) running from the current Pittsburg-Bay Point BART station in the median of SR 4 and then moving onto the Mococo line of the Union Pacific Railroad. Six stations are currently proposed.

Several ports, including facilities in Richmond, Crockett and Martinez, lie along the county's major adjacent bodies of water: Suisun Bay, San Pablo Bay, and the channel that connects them, the Carquinez Straits. These waterways provide ocean transport service and terminals, which give local industry access to markets in the Far and Middle East as well as Central and Latin America. A County-owned public airport, Buchanan Field, is located in Concord and offers general aviation and cargo service. This service is further supplemented by international passenger capabilities of both the Oakland and San Francisco International airports.

## **Employment & Economy**

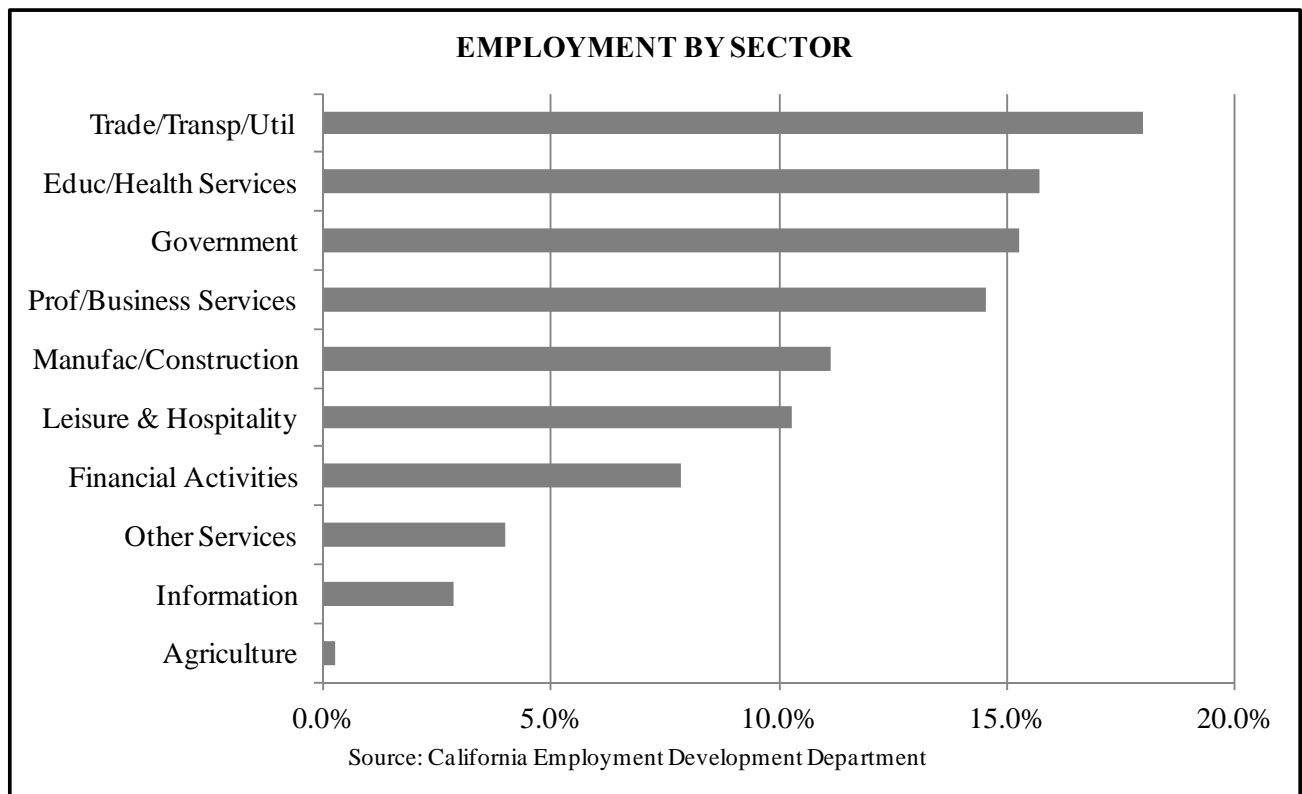
The California Employment Development Department has reported the following employment data for Contra Costa County over the past several years.

<b>EMPLOYMENT TRENDS</b>						
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Labor Force	524,600	525,100	524,200	529,200	535,700	538,900
Employment	492,200	471,700	465,900	474,300	487,800	499,100
Job Growth	1,300	(20,500)	(5,800)	8,400	13,500	11,300
Unemployment Rate	6.2%	10.2%	11.1%	10.4%	8.9%	7.4%

Source: California Employment Development Department

The unemployment rate in Contra Costa County was 5.8% in May 2014, which compares to rates of 7.6% for California and 6.3% for the U.S. Most areas within the state and nation, including Contra Costa County, saw unemployment rates decline from 2004-2006, increase from 2007-2010, and decline during 2011-2013.

Contra Costa County has a diverse economy, with no one sector accounting for a majority of the employment in the region. The following chart indicates the percentage of total employment for each sector within the county.



As can be seen in the chart above, the area's largest employment sectors are Trade, Transportation and Utilities (which includes retail and wholesale trade); Educational and Health Services ; Government; and Professional and Business Services.

The following table lists the largest private employers in the county.

### TOP 10 PRIVATE EMPLOYERS

Employer	Employees	Industry
Chevron Corp.	4,700	Oil refiner
Kaiser Foundation Hospital	2,300	Hospital
John Muir Medical Center	1,900	Hospital
Bio-Rad Laboratories	1,700	Biotechnology
John Muir/Mt. Diablo Medical Center	1,500	Hospital
24 Hour Fitness	1,300	Health club
Doctors Medical Center	1,000	Hospital
USS Posco Industries	975	Steel mill
Contra Costa Newspapers, Inc.	900	Publisher
Bank of the West	800	Financial institution

Source: Contra Costa County Annual Financial Report

Other major employers in the region include Contra Costa County, various city governments, various school districts, Diablo Valley College, Aetna Health Services, Bay Area Rapid Transit (BART), Berlex Biosciences, Concord Naval Weapons Station, Martinez Refining and Tesoro Refining.

### Household Income

Median household income represents a broad statistical measure of well-being or standard of living in a community. The median income level divides households into two equal segments with one half of households earning less than the median and the other half earning more. The median income is considered to be a better indicator than the average household income as it is not dramatically affected by unusually high or low values. In the year 2012 (most recent data available from the U.S. Census Bureau), Contra Costa County's median household income was \$74,208, which was significantly higher than the state of California's median income of \$58,322. The county ranks fourth in the state in household income (after Santa Clara, Marin and San Mateo).

### Recreation & Community Facilities

The county is home to several regional parks and three state parks. Franks Tract State Recreation Area is a water-accessible only area located north of the county and utilized by anglers and waterfowl hunters; the John Marsh State Park is located near Brentwood; and a pristine ecological treasure, Mount Diablo State Park is located in central Contra Costa County. Two national historic sites can also be found in the county, the home of Nobel Prize winner Eugene O'Neill in Danville

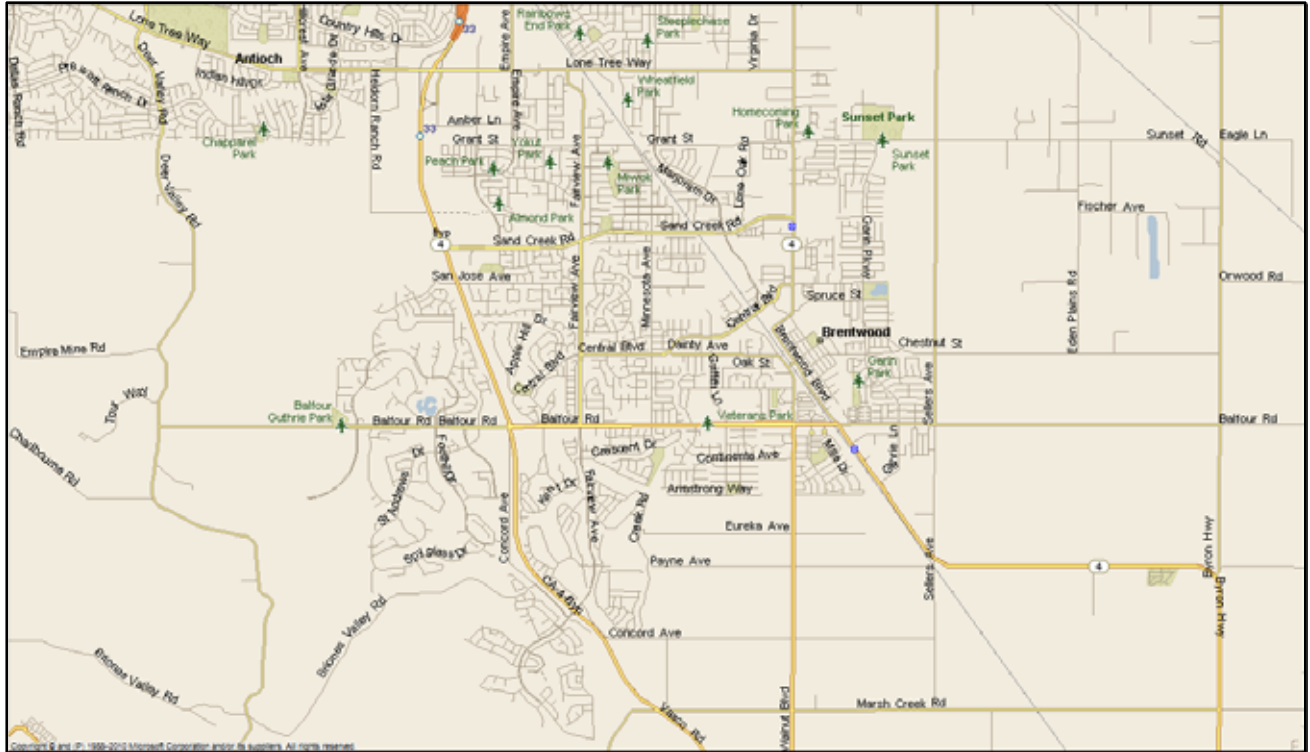
and the former residence of famous naturalist John Muir in Martinez. As with virtually all major metropolitan areas, a multitude of public parks, health clubs and golf courses can be found throughout the county.

Contra Costa County provides higher education to its residents via three junior colleges, Contra Costa College, Diablo Valley College and Los Medanos College. The county is also host to a handful of private, four-year institutions, foremost of which is Saint Mary's College in Moraga, enrolling over 4,000 students annually. K-12 education is segmented into eight school districts throughout the county, offering services to nearly 200,000 youth.

## **Conclusion**

Contra Costa County has experienced steady population growth, averaging 0.9% per year over the past five years. Most of this growth has been due to in-migration of businesses and residents from more expensive Bay Area counties. The county's economy continues to diversify and represents one of the more stable regional economies in California. Housing in the county remains more affordable compared with much of the rest of the Bay Area. After a period of contraction in the economy and real estate markets around 2008-2010, the region has seen improvement in employment and economic conditions over the past few years. The near-term outlook is for continued recovery and growth.

## CITY OF BRENTWOOD



### Introduction

This section of the report provides an analysis of the observable data that indicate patterns of growth, structure and/or change that may enhance or detract from property values. For the purpose of this analysis, a neighborhood is defined as “a group of complementary land uses; a congruous grouping of inhabitants, buildings or business enterprises.”<sup>3</sup>

### Neighborhood Boundaries

The boundaries of a neighborhood identify the physical area that influences the value of the subject property. These boundaries may coincide with observable changes in prevailing land use or occupant characteristics. Physical features such as the type of development, street patterns, terrain, vegetation and parcel size tend to identify neighborhoods. Roadways, waterways and changing elevations can also create neighborhood boundaries.

The appraised properties are located within the city of Brentwood. Lone Tree Way represents the northern boundary of the subject neighborhood. Other boundaries can generally be described as the Deer Valley Road to the west, Balfour Road to the south and Sellers Avenue to the east.

<sup>3</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> ed. (Chicago: Appraisal Institute, 2010), 133.

## **Demographics**

The city of Brentwood is located in the easternmost portion of Contra Costa County in the East Bay Area. Directly adjacent to Brentwood are the cities of Antioch and Oakley, while the city of Pittsburg lies to the west.

The city functions primarily as a residential center, allowing convenient access to the business-related areas of the East Bay, the Central Valley and the Sacramento region. Brentwood's agricultural roots, which are shared by most of Contra Costa County, are still prevalent despite the ongoing transition towards residential build-out. Early in its history, the city was nationally recognized as the primary shipping point for wheat and barley, and still is home to numerous crops, including grain, alfalfa, almonds, tomatoes and several types of fruit.

According to demographic reports, the population of the city of Brentwood is estimated to be approximately 54,071 persons as of 2013, with a projected increase to 58,288 by 2018. The median age is 35.8 years and the average household size is 3.14 persons. The median household income is \$91,114. There are an estimated 17,178 occupied housing units in the neighborhood, of which 74.4% are owner-occupied and 25.6% are renter occupied.

According to the California Employment Development Department, Contra Costa County has an unemployment rate of 6.0% as of June 2014. Further, with a workforce of approximately 11,200 persons, the city of Brentwood has a reported unemployment rate of 5.3%, which is lower than the unemployment rate of the State of California as a whole (7.4%).

The Brentwood area, along with most of Contra Costa County, is also viewed as one of the last refuges for affordable housing in the Bay Area, drawing many residents from surrounding communities into the city. This has contributed to rising home values in Brentwood. According to DataQuick Information Services, the median resale home price in the city of Brentwood as of May 2014 was \$440,000, which marks a 6.02% increase from the same period the previous year.

## **Transportation**

Given Brentwood's proximity to a number of East Bay business centers, the city is subject to a large amount of commuter traffic during the week. As a result, the main mode of transportation in and out of the city is by car. The State Highway 4 Bypass, a two and four-lane roadway that extends north through Brentwood and connects with (primary) State Highway 4, which extends east-west as a four, six and eight-lane freeway and provides access from the East Contra Costa County cities of Oakley and Antioch westward to Interstate 680 near Concord, and then to Interstate 80 near Pinole and Hercules in western Contra Costa County. From those two Interstates, access is provided to all the major business centers in the Bay Area, including San Francisco, Oakland, Walnut Creek and San

Jose. From Oakley, State Highway 4 leads north and connects with State Highway 160, providing access to the Delta region and the Sacramento Valley. To the east, Highway 4 provides access to San Joaquin County and the city of Stockton, intersecting with Interstate 5 and State Highway 99 before continuing eastward to several Sierra Nevada foothill communities.

The appraised properties are located along or proximate to several major neighborhood thoroughfares, including, Sand Creek Road, Lone Tree Way, Brentwood Boulevard, Balfour Road, Central Boulevard and Fairview Avenue. Lone Tree Way is a primary east-west thoroughfare through Brentwood and links the city with the adjacent city of Antioch.

Rail access is provided via AMTRAK, a passenger service, as well as the Atchison, Topeka, Santa Fe and Southern Pacific Railroad companies. From the north portion of Oakley, access is gained via the San Joaquin River, a deep-water channel servicing the cities of Oakley, Antioch and Stockton. Ocean vessels and barges utilize this waterway, allowing for bulk transport to and from the area. Air transportation is available via the Concord Airport, approximately 20 miles west of Oakley, as well as the San Francisco and Oakland International Airports. The final major transportation service close to Oakley is Bay Area Rapid Transit (BART), which runs from Pittsburg.

The cities of Pittsburg, Antioch, Oakley and Brentwood, Contra Costa County, Tri Delta Transit, Bay Area Rapid Transit District, and the Metropolitan Transportation Commission formed a partnership to bring public transportation called eBART to east Contra Costa County. eBART is a system that consists of light weight, self-propelled rail cars known as Diesel Multiple Units (DMUs) running from the current Pittsburg-Bay Point BART station in the median of State Highway 4 and then moving onto the Mococo line of the Union Pacific Railroad. Construction is continuing. Presently eBart extends east to Hillcrest Avenue in Antioch.

**Land Uses**

The following table summarizes some of the land use characteristics of the subject neighborhood.

Neighborhood Life Cycle Stage	Stability
Real Estate Cycle	Recovery/Improvement
Land Uses	Residential/Commercial/Retail
Predominant Land Uses	Residential/Commercial/Retail
Age Range of R/E Improvements	0-25 years
General Quality & Condition of Improvements	Above Average
Percentage Developed (approx.)	75%
Infrastructure / Land Use Planning	Average



Most of the city of Brentwood is developed with residential uses. Residents have convenient access to employment centers in the East Bay, the Central Valley and the Sacramento region.

Along with growth in population and housing, the city is adding retail development to accommodate its residents. Williamson Ranch Plaza is located along Lone Tree Way just west of Hillcrest Avenue. This is a large scale commercial center housing major retailers such as Wal-Mart, Staples, Sleep Train, Orchard Supply Hardware, Denny's, Payless Shoe Source, Citi Bank, Jack in the Box and other inline retailers. Also along Lone Tree Way, is Deer Valley Plaza, a neighborhood shopping center with tenants including Century 16 Theatres, FoodMaxx, McDonald's, Taco Bell, and CVS. At the intersection of Lone Tree Way and Jeffery Way is Slatten Ranch Center, which includes Target Greatland, Sports Chalet, Old Navy, PetsMart, Office Depot, BevMo, Wells Fargo, Bed Bath & Beyond, Cost Plus World Market and additional in-line spaces. Just west of the Slatten Ranch Center, at the corner of Lone Tree Way and the Highway 4 Bypass, is the Lone Tree Plaza shopping center, with tenants such as The Home Depot, Kohl's, Trader Joe's, Babies 'R Us, Michael's Crafts, Famous Footwear and Sports Authority. At the southeast corner, a commercial development includes Chuck E Cheese's, Buffalo Wild Wings, Wendy's, Shell gas station and other uses. To the east along Lone Tree Way is the Lone Tree Center, anchored by Goodwill and Pizza Guys. The John Muir Medical Hospital site is located at the southwest corner Highway 4 Bypass and Balfour Road. This 572-licensed bed hospital is designated as the only trauma center for Contra Costa County and portions of Solano County.

One of Brentwood's newer industrial developments is the Sunset Industrial Complex, a 32.5-acre industrial business park located north of Sunset Road, a half-mile east of Highway 4. This complex is intended for mostly industrial uses, and a limited amount of supporting retail uses. Additional non-industrial uses in the complex include the Sunset Sports Complex and the City of Brentwood Corporation Yard. The sports complex, which opened in March 2005, includes soccer, baseball and softball fields as well as concession areas.

### **Community Uses**

The neighborhood contains typical community uses, including schools, churches, libraries, parks and golf courses. Golfing opportunities are located at the Brentwood Country Club and the Deer Ranch Country Club. The neighborhood is serviced by the John Muir Medical Center, located at the southwest corner of Balfour Road and John Muir Parkway. Sutter Delta Medical Center and Kaiser both have facilities approximately five miles to the west in Antioch.

High school education for Brentwood residents is provided by two primary facilities: Liberty High, in Brentwood, which is part of the Liberty Union School District. According to GreatSchools.org, this school has a score of 8 (out of 10). The 9-12<sup>th</sup> grade school has approximately 2,100 students. Closer to the subject, and within the city of Oakley, is Freedom High School (also part of Liberty

Union School District), has a GreatSchool.org rating of 7. This school also provides 9<sup>th</sup> – 12<sup>th</sup> grade education and has approximately 2,400 students.

## **Conclusion**

In conclusion, the appraised properties are located in a well-balanced commuter neighborhood that has experienced significant residential and commercial growth in recent years. Development of residential and commercial projects are continuing, albeit at lesser rates of expansion than in years preceding the broad economic declines begun in 2008; though, the residential housing market has entered a recovery phase and several new subdivisions have begun marketing new homes again. The characteristics of the neighborhood relative to other locales in the region are desirable and builders have recently acquired vacant lots in Brentwood for new construction.

## RESIDENTIAL MARKET OVERVIEW

### Market Definition

The area is characterized as a developing bedroom community for Bay Area households. In the near term the East Contra Costa County area appeals to first-time and first-time move up buyers in the Bay Area markets (commuters). The area also provides age-restricted (Trilogy) developments targeting retirement, move-down buyers.

### Single-Family Building Permits

Building permit data for the city of Brentwood is shown below.

Year	Single-Family Building Permits
2004	1,308
2005	1,413
2006	475
2007	357
2008	37
2009	87
2010	167
2011	104
2012	248
2013	478
2014*	147
10-Year Average (excluding 2014)	467

\* Through May

Source: SOCDs

Prior to 2006, single-family building permits consistently exceeded 1,250 per year, peaking in 2002 at 1,682 single-family building permits issued. Following the residential market collapse in the fourth quarter of 2005, residential building permits began a significant downward trend, reaching a low of 37 permits in 2008. Since then, building permit activity has gradually increased, reaching 478 permits in 2013.

### Median Prices – New and Resale Prices Combined

According to DataQuick, in Brentwood the median price (resale and new homes) as of May 2014 was up 6.0% year-over-year to \$440,000, with year-over-year median prices increasing in each of

the last 12 months. The median sale price per square foot was \$198, which is a 23.6% increase over the past year.

### Historical New Home Pricing and Sales

A table depicting the average pricing of active detached single-family residential projects in Brentwood since the First Quarter 2008 is provided below. The data indicated in the table—like much of the data presented in this section of the report—was collected by The Gregory Group, a firm that publishes new home prices and absorption statistics for areas of California.

Quarter	Average Price	% Change Average Price	Average Home Size	Number of Sales	Number of Projects
1Q 2008	\$636,180		2,990	59	14
2Q 2008	\$591,605	-7.0%	2,985	56	11
3Q 2008	\$543,018	-8.2%	2,904	49	8
4Q 2008	\$527,286	-2.9%	2,511	21	6
1Q 2009	\$519,506	-1.5%	2,563	24	5
2Q 2009	\$535,358	3.1%	2,478	-52	3
3Q 2009	\$535,358	0.0%	2,478	41	3
4Q 2009	\$537,054	0.3%	2,484	28	3
1Q 2010	\$539,903	0.5%	2,484	6	3
2Q 2010	\$537,494	-0.4%	2,484	23	3
3Q 2010	\$514,206	-4.3%	2,448	15	3
4Q 2010	\$513,156	-0.2%	2,450	8	3
1Q 2011	\$513,162	0.0%	2,450	15	3
2Q 2011	\$502,250	-2.1%	2,380	10	3
3Q 2011	\$445,734	-11.3%	2,592	41	6
4Q 2011	\$449,372	0.8%	2,603	52	6
1Q 2012	\$447,359	-0.4%	2,603	76	6
2Q 2012	\$462,638	3.4%	2,643	44	5
3Q 2012	\$492,508	6.5%	2,692	124	4
4Q 2012	\$498,643	1.2%	2,649	85	5
1Q 2013	\$526,238	5.5%	2,740	79	5
2Q 2013	\$596,470	13.3%	2,658	65	4
3Q 2013	\$596,470	0.0%	2,701	37	4
4Q 2013	\$536,084	-10.1%	2,669	68	7
1Q 2014	\$526,238	-1.8%	2,559	79	8

Source: The Gregory Group

As shown above, average new home pricing declined significantly from 2008 through the third quarter of 2011, dropping from \$636,180 to \$445,734, before recovery began to show modest appreciation in 2012. Since then, home prices and the number of active projects has started to increase, as have the number of sales each quarter.

## Absorption

There are eight residential subdivisions in Brentwood actively marketing homes. The map below shows the active projects, which is followed by a description of each project and a table summarizing sales rates at the active detached projects in the area. As with the preceding data, the following information was collected by The Gregory Group, a firm that publishes new home prices and absorption statistics for areas of California.

### ACTIVE PROJECTS MAP



PROJECT INFORMATION				AT A GLANCE								
<b>Project Name</b> El Sol				<b>Average Price</b> \$342,265				<b>Qtr Sold</b> 2				
<b>Region</b> East Bay				<b>Average Sq Ft</b> 1,588				<b>Qtr WSR</b> 0.15				
<b>County</b> Contra Costa				<b>Total Inventory</b> 47				<b>Tot WSR</b> 1.00				
<b>Community</b> Brentwood				<b>Standing Inventory</b> 0				<b>Avg Incentives</b> \$0				
<b>Master Plan</b> No				<b>Open Date</b> 03/15/14				<b>Survey Date</b> 4/1/14				
<b>Age Restricted</b> No				<b>Developer Name</b> William Lyon Homes				<b>Special Tax per Month</b> \$233.00				
<b>Project Phone</b> (925) 513-6965				<b>Developer Phone</b> (925) 543-5500				<b>HOA per Month</b> \$94.00				
<b>Sales Office Hours</b> Daily 10 - 5				<b>Product Type</b> Detached				<b>Broker Coop</b> 3.0%				
<b>Type Description</b> Alley Loaded				<b>Special Incentives</b> \$0								
<b>GPS Coordinates</b> N : 37.937175 W : 121.704293				<b>Lot Size</b> 2,100				<b>Project Density</b>				
<b>Cross Street</b>				<b>Lot Dimension</b> 30 x 70				<b>Model/Trailer</b> Model				
<b>Finished Lots</b> N/A				<b>Blue Top Lots</b> N/A								
PLAN DETAILS												
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room	
1	1,356	\$330,000	\$243.36	\$0	\$330,000	\$243.36	3	2.5	2	2	None	
2	1,446	\$337,175	\$233.18	\$0	\$337,175	\$233.18	3	2.5	2	2	None	
3	1,762	\$347,883	\$197.44	\$0	\$347,883	\$197.44	3	2.5	2	2	Bonus	
4	1,789	\$354,000	\$197.88	\$0	\$354,000	\$197.88	3	2.5	2	2	Bonus	
SURVEY INFORMATION												
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/14	49	6	2	2	47	43	4	20	1.00	0.15	\$342,265	0.00

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE								
<b>Project Name</b> Kensington				<b>Average Price</b> \$552,323				<b>Qtr Sold</b> 10				
<b>Region</b> East Bay				<b>Average Sq Ft</b> 3,532				<b>Qtr WSR</b> 0.77				
<b>County</b> Contra Costa				<b>Total Inventory</b> 23				<b>Tot WSR</b> 1.26				
<b>Community</b> Brentwood				<b>Standing Inventory</b> 0				<b>Avg Incentives</b> \$5,000				
<b>Master Plan</b> No				<b>Open Date</b> 10/19/13				<b>Survey Date</b> 4/1/14				
<b>Age Restricted</b> No				<b>Developer Name</b> Van Daele Homes				<b>Special Tax per Month</b> \$250.00				
<b>Project Phone</b> (925) 513-4664				<b>Developer Phone</b> (855) 558-2632				<b>HOA per Month</b> \$0.00				
<b>Sales Office Hours</b> M - Yu 10 - 5; W - Su 12 - 5				<b>Product Type</b> Detached				<b>Broker Coop</b> 3.0%				
<b>Type Description</b> Traditional				<b>Special Incentives</b> \$0								
<b>GPS Coordinates</b> N : 37.962674 W : 121.716417				<b>Lot Size</b> 8,000				<b>Project Density</b>				
<b>Cross Street</b>				<b>Lot Dimension</b> 80 x 100				<b>Model/Trailer</b> Model				
<b>Finished Lots</b> N/A				<b>Blue Top Lots</b> N/A								
PLAN DETAILS												
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room	
1	2,905	\$539,990	\$185.88	\$5,000	\$534,990	\$184.16	3	3.5	1	3	None	
2	3,645	\$546,990	\$150.07	\$5,000	\$541,990	\$148.69	4	4.5	2	3	Bonus, Library	
3	4,047	\$569,990	\$140.84	\$5,000	\$564,990	\$139.61	4	3.5	2	4	Bonus, Library	
SURVEY INFORMATION												
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/14	52	33	29	10	23	19	4	135	1.26	0.77	\$552,323	0.00
Qtr 4/13	52	24	19	19	33	28	5	100	1.90	1.46	\$552,323	0.00

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE								
<b>Project Name</b> Penrose @ Barrington	<b>Average Price</b> \$480,940			<b>Qtr Sold</b> 2								
<b>Region</b> East Bay	<b>Average Sq Ft</b> 2,739			<b>Qtr WSR</b> 0.15								
<b>County</b> Contra Costa	<b>Total Inventory</b> 0			<b>Tot WSR</b> 0.51								
<b>Community</b> Brentwood	<b>Standing Inventory</b> 0			<b>Avg Incentives</b> \$5,000								
<b>Master Plan</b> No	<b>Open Date</b> 04/15/11			<b>Survey Date</b> 4/1/14								
<b>Age Restricted</b> No	<b>Developer Name</b> Tri Pointe Homes			<b>Special Tax per Month</b> \$0.00								
<b>Project Phone</b> (925) 516-7327	<b>Developer Phone</b> (925) 847-8700			<b>HOA per Month</b> \$0.00								
<b>Sales Office Hours</b> Daily 10 - 5; W 12 - 5	<b>Product Type</b> Detached			<b>Broker Coop</b> 3.0%								
<b>Type Description</b> Traditional	<b>Special Incentives</b> \$0			<b>Project Density</b>								
<b>GPS Coordinates</b> N : 37.951169 W : 121.687152	<b>Lot Size</b> 7,000			<b>Model/Trailer</b> Model								
<b>Cross Street</b> Oakville Court and Milford Street	<b>Lot Dimension</b> 70 x 100			<b>Model/Trailer</b> Model								
<b>Finished Lots</b> N/A	<b>Blue Top Lots</b> N/A											
PLAN DETAILS												
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room	
1	2,041	\$459,000	\$224.89	\$5,000	\$454,000	\$222.44	3	2	1	2	None	
2	2,230	\$500,000	\$224.22	\$5,000	\$495,000	\$221.97	4	3	1	2	None	
3	2,999	\$479,900	\$160.02	\$5,000	\$474,900	\$158.35	4	3	2	2	None	
4	3,065	\$479,900	\$156.57	\$5,000	\$474,900	\$154.94	4	3	2	2	Loft	
5	3,361	\$485,900	\$144.57	\$5,000	\$480,900	\$143.08	4	3	2	2	None	
SURVEY INFORMATION												
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/14	79	79	79	2	0	0	0	15	0.51	0.15	\$480,940	0.00
Qtr 4/13	79	79	77	5	2	0	2	16	0.55	0.38	\$480,940	0.00
Qtr 3/13	79	79	72	1	7	0	7	25	0.56	0.08	\$480,940	- 2.64
Qtr 2/13	108	80	71	20	37	28	9	35	0.62	1.54	\$494,000	5.04
Qtr 1/13	108	61	51	6	57	47	10	35	0.50	0.46	\$470,280	15.73
Qtr 4/12	108	61	45	1	63	47	16	25	0.61	0.08	\$406,346	13.50
Qtr 3/12	108	55	44	9	64	53	11	25	0.58	0.69	\$358,000	- 0.83
Qtr 2/12	108	40	35	13	73	68	5	25	0.56	1.00	\$361,000	0.00
Qtr 1/12	108	25	22	4	86	83	3	15	0.44	0.31	\$361,000	0.00
Qtr 4/11	108	20	18	-1	90	88	2	20	0.49	- 0.08	\$361,000	0.00
Qtr 3/11	108	20	19	9	89	88	1	19	0.79	0.69	\$361,000	0.00

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE				
<b>Project Name</b> Portofino Estates				<b>Average Price</b> \$665,000				<b>Qtr Sold</b> 10
<b>Region</b> East Bay				<b>Average Sq Ft</b> 3,569				<b>Qtr WSR</b> 0.77
<b>County</b> Contra Costa				<b>Total Inventory</b> 85				<b>Tot WSR</b> 0.99
<b>Community</b> Brentwood				<b>Standing Inventory</b> 0				<b>Avg Incentives</b> \$0
<b>Master Plan</b> No				<b>Open Date</b> 04/01/11				<b>Survey Date</b> 4/1/14
<b>Age Restricted</b> No				<b>Developer Name</b> Discovery Builders				<b>Special Tax per Month</b> \$0.00
<b>Project Phone</b> (925) 420-6177				<b>Developer Phone</b> (925) 682-6419				<b>HOA per Month</b> \$0.00
<b>Sales Office Hours</b> Daily 10 - 6				<b>Product Type</b> Detached				<b>Broker Coop</b> 2.0%
<b>Type Description</b> Traditional				<b>Special Incentives</b> \$0				
<b>GPS Coordinates</b> N : 37.957462 W : 121.705551				<b>Lot Size</b> 8,000				<b>Project Density</b>
<b>Cross Street</b> Big Basin Drive and Adams Lane				<b>Lot Dimension</b> 80 x 100				<b>Model/Trailer</b> Model
<b>Finished Lots</b> N/A				<b>Blue Top Lots</b> N/A				

PLAN DETAILS											
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
1	2,903	\$599,000	\$206.34	\$0	\$599,000	\$206.34	4	2.5	1	3	No
2	3,036	\$617,000	\$203.23	\$0	\$617,000	\$203.23	4	2.5	1	2	No
3	3,836	\$649,000	\$169.19	\$0	\$649,000	\$169.19	5	3	2	2	Loft
4	3,933	\$729,000	\$185.35	\$0	\$729,000	\$185.35	5	4	2	2	Loft
5	4,141	\$731,000	\$176.53	\$0	\$731,000	\$176.53	6	4.5	2	2	Loft

SURVEY INFORMATION													
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change	
Qtr 1/14	240	155	155	10	85	85	0	15	0.99	0.77	\$665,000	0.00	
Qtr 4/13	240	145	145	12	95	95	0	20	1.01	0.92	\$665,000	0.00	
Qtr 3/13	240	137	133	10	107	103	4	20	1.02	0.77	\$665,000	- 0.70	
Qtr 2/13	240	124	123	12	117	116	1	40	1.05	0.92	\$669,700	7.32	
Qtr 1/13	240	118	111	2	129	122	7	50	1.07	0.15	\$624,000	11.23	
Qtr 4/12	240	110	109	12	131	130	1	50	1.20	0.92	\$561,000	- 4.43	
Qtr 3/12	240	100	97	42	143	140	3	50	1.24	3.23	\$587,000	8.70	
Qtr 2/12	140	35	55	20	85	105	-20	35	0.52	1.54	\$540,000	0.00	
Qtr 1/12	140	30	35	15	105	110	-5	30	0.52	1.15	\$540,000	0.00	
Qtr 4/11	140	20	20	8	120	120	0	30	0.51	0.62	\$540,000	0.00	
Qtr 3/11	140	20	12	6	128	120	8	15	0.46	0.46	\$540,000	0.00	

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE				
<b>Project Name</b> Siena				<b>Average Price</b> \$401,480				<b>Qtr Sold</b> 24
<b>Region</b> East Bay				<b>Average Sq Ft</b> 2,065				<b>Qtr WSR</b> 1.85
<b>County</b> Contra Costa				<b>Total Inventory</b> 5				<b>Tot WSR</b> 2.12
<b>Community</b> Brentwood				<b>Standing Inventory</b> 0				<b>Avg Incentives</b> \$6,000
<b>Master Plan</b> No				<b>Open Date</b> 10/05/13				<b>Survey Date</b> 4/1/14
<b>Age Restricted</b> No				<b>Developer Name</b> Lennar Homes				<b>Special Tax per Month</b> \$173.00
<b>Project Phone</b> (925) 308-2960				<b>Developer Phone</b> (877) 275-8341				<b>HOA per Month</b> \$0.00
<b>Sales Office Hours</b> M 12 - 5; Tu - Su 10 - 5				<b>Product Type</b> Detached				<b>Broker Coop</b> 3.0%
<b>Type Description</b> Small Lot, Detached				<b>Special Incentives</b> \$0				
<b>GPS Coordinates</b> N : 37.929914 W : 121.735468				<b>Lot Size</b> 3,000				<b>Project Density</b>
<b>Cross Street</b>				<b>Lot Dimension</b> 50 x 60				<b>Model/Trailer</b> Model
<b>Finished Lots</b> N/A				<b>Blue Top Lots</b> N/A				

PLAN DETAILS											
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
1	1,860	\$368,880	\$198.32	\$6,000	\$362,880	\$195.10	4	2.5	2	2	None
2	1,923	\$373,880	\$194.43	\$6,000	\$367,880	\$191.31	3	2.5	2	2	Loft
3	1,976	\$388,880	\$196.80	\$6,000	\$382,880	\$193.77	4	2.5	2	2	None
4	2,257	\$433,880	\$192.24	\$6,000	\$427,880	\$189.58	4	3.5	2	2	None
5	2,309	\$441,880	\$191.37	\$6,000	\$435,880	\$188.77	4	3	2	2	Loft, Retreat, Tech

SURVEY INFORMATION													
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change	
Qtr 1/14	58	58	53	24	5	0	5	20	2.12	1.85	\$401,480	1.31	
Qtr 4/13	58	32	29	29	29	26	3	30	2.42	2.23	\$396,280	0.00	

Source: The Gregory Group



PROJECT INFORMATION				AT A GLANCE								
<b>Project Name</b> Stratford	<b>Average Price</b> \$486,240			<b>Qtr Sold</b> 4								
<b>Region</b> East Bay	<b>Average Sq Ft</b> 3,036			<b>Qtr WSR</b> 0.31								
<b>County</b> Contra Costa	<b>Total Inventory</b> 76			<b>Tot WSR</b> 1.00								
<b>Community</b> Brentwood	<b>Standing Inventory</b> 0			<b>Avg Incentives</b> \$5,000								
<b>Master Plan</b> No	<b>Open Date</b> 10/19/13			<b>Survey Date</b> 4/1/14								
<b>Age Restricted</b> No	<b>Developer Name</b> Van Daele Homes			<b>Special Tax per Month</b> \$250.00								
<b>Project Phone</b> (925) 513-4663	<b>Developer Phone</b> (855) 558-2632			<b>HOA per Month</b> \$0.00								
<b>Sales Office Hours</b> M - Tu 10 - 5; W - Su 12 - 5	<b>Product Type</b> Detached			<b>Broker Coop</b> 3.0%								
<b>Type Description</b> Traditional	<b>Special Incentives</b> \$0			<b>Project Density</b>								
<b>GPS Coordinates</b> N : 0.000000 W : 0.000000	<b>Lot Size</b> 6,000			<b>Model/Trailer</b> Model								
<b>Cross Street</b>	<b>Lot Dimension</b> 60 x 100											
<b>Finished Lots</b> N/A	<b>Blue Top Lots</b> N/A											
PLAN DETAILS												
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room	
1	2,529	\$424,990	\$168.05	\$5,000	\$419,990	\$166.07	4	3	2	2	Loft	
2	2,859	\$492,990	\$172.43	\$5,000	\$487,990	\$170.69	4	3.5	1	3	None	
3	3,158	\$501,990	\$158.96	\$5,000	\$496,990	\$157.37	4	4.5	2	3	Bonus	
4	3,601	\$524,990	\$145.79	\$5,000	\$519,990	\$144.40	4	3.5	2	3	Bonus, Library	
SURVEY INFORMATION												
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/14	99	28	23	4	76	71	5	119	1.00	0.31	\$486,240	- 2.27
Qtr 4/13	99	26	19	19	80	73	7	130	1.90	1.46	\$497,530	0.00

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE								
<b>Project Name</b> Trilogy at the Vineyards	<b>Average Price</b> \$589,199			<b>Qtr Sold</b> 33								
<b>Region</b> East Bay	<b>Average Sq Ft</b> 2,102			<b>Qtr WSR</b> 2.54								
<b>County</b> Contra Costa	<b>Total Inventory</b> 647			<b>Tot WSR</b> 1.10								
<b>Community</b> Brentwood	<b>Standing Inventory</b> 0			<b>Avg Incentives</b> \$7,500								
<b>Master Plan</b> No	<b>Open Date</b> 01/27/07			<b>Survey Date</b> 4/1/14								
<b>Age Restricted</b> Yes	<b>Developer Name</b> Shea Homes			<b>Special Tax per Month</b> \$120.00								
<b>Project Phone</b> (925) 809-7205	<b>Developer Phone</b> (925) 245-3600			<b>HOA per Month</b> \$214.00								
<b>Sales Office Hours</b> Sa - Th 9 - 5; F 12 - 5	<b>Product Type</b> Detached			<b>Broker Coop</b> 3.0%								
<b>Type Description</b> Traditional	<b>Special Incentives</b> \$0			<b>Project Density</b>								
<b>GPS Coordinates</b> N : 37.905880 W : 121.725120	<b>Lot Size</b> 7,500			<b>Model/Trailer</b> Model								
<b>Cross Street</b> Concord Avenue and Fairview Avenue	<b>Lot Dimension</b> 75 X 100											
<b>Finished Lots</b> N/A	<b>Blue Top Lots</b> N/A											
PLAN DETAILS												
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room	
1	1,465	\$445,999	\$304.44	\$7,500	\$438,499	\$299.32	2	2	1	2	No	
2	1,719	\$511,999	\$297.85	\$7,500	\$504,499	\$293.48	2	2	1	2	No	
3	1,745	\$566,999	\$324.93	\$7,500	\$559,499	\$320.63	2	2	1	2	No	
4	1,965	\$548,999	\$279.39	\$7,500	\$541,499	\$275.57	2	2	1	2	No	
5	2,052	\$569,999	\$277.78	\$7,500	\$562,499	\$274.12	2	2.5	1	2	No	
6	2,097	\$591,999	\$282.31	\$7,500	\$584,499	\$278.73	3	2.5	1	2	No	
7	2,289	\$618,999	\$270.42	\$7,500	\$611,499	\$267.15	2	2.5	1	2	No	
8	2,337	\$639,999	\$273.85	\$7,500	\$632,499	\$270.65	3	2.5	1	2	No	
9	2,647	\$681,999	\$257.65	\$7,500	\$674,499	\$254.82	3	2.5	1	3	No	
10	2,709	\$714,999	\$263.93	\$7,500	\$707,499	\$261.17	3	2.5	1	3	No	
SURVEY INFORMATION												
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/14	1,058	425	411	33	647	633	14	50	1.10	2.54	\$589,199	0.00

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE								
<b>Project Name</b> Woodhaven				<b>Average Price</b> \$501,667	<b>Qtr Sold</b> 14							
<b>Region</b> East Bay				<b>Average Sq Ft</b> 2,597	<b>Qtr WSR</b> 1.08							
<b>County</b> Contra Costa				<b>Total Inventory</b> 58	<b>Tot WSR</b> 0.56							
<b>Community</b> Brentwood				<b>Standing Inventory</b> 0	<b>Avg Incentives</b> \$10,000							
<b>Master Plan</b> No				<b>Open Date</b> 08/01/13	<b>Survey Date</b> 4/1/14							
<b>Age Restricted</b> No				<b>Developer Name</b> Signature Homes	<b>Special Tax per Month</b> \$233.00							
<b>Project Phone</b> (925) 271-7923				<b>Developer Phone</b> (925) 463-1122	<b>HOA per Month</b> \$0.00							
<b>Sales Office Hours</b> Daily 10 - 5				<b>Product Type</b> Detached	<b>Broker Coop</b> 3.0%							
<b>Type Description</b> Traditional				<b>Special Incentives</b> \$0								
<b>GPS Coordinates</b> N : 37.943351 W : 121.687728				<b>Lot Size</b> 7,000	<b>Project Density</b>							
<b>Cross Street</b>				<b>Lot Dimension</b> 70 x 100	<b>Model/Trailer</b> Model							
<b>Finished Lots</b> N/A				<b>Blue Top Lots</b> N/A								
PLAN DETAILS												
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room	
1	2,256	\$480,000	\$212.77	\$10,000	\$470,000	\$208.33	4	3	2	2	None	
2	2,518	\$511,000	\$202.94	\$10,000	\$501,000	\$198.97	4	3	1	3	None	
3	3,018	\$514,000	\$170.31	\$10,000	\$504,000	\$167.00	4	3	2	3	Bonus	
SURVEY INFORMATION												
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/14	77	21	19	14	58	56	2	35	0.56	1.08	\$501,667	3.28
Qtr 4/13	77	10	5	4	72	67	5	20	0.24	0.31	\$485,750	0.00

Source: The Gregory Group

In the table below is a summary of the absorption rates for each project and quarter over the past seven quarters. Also included are the absorption rates reported for projects no longer actively marketing homes (sold out).

### ABSORPTION RATES BY PROJECT AND QUARTER

Project By Area	Builder	Avg. Home Price (1Q 2014 Only)	Avg. Home Size (1Q 2014 Only)	Lot Size or Type	1Q	4Q	3Q	2Q	1Q	4Q	3Q	Average Per Quarter	Average Per Month
					2014	2013	2013	2013	2013	2012	2012		
El Sol	William Lyon Homes	\$342,265	1,588	2,100	2	-	-	-	-	-	-	2.0	2.0
Kensington	Van Daele Homes	\$552,323	3,532	8,000	10	19	-	-	-	-	-	14.5	7.3
Penrose @ Barrington	Tri Pointe Homes	\$480,940	2,739	7,000	2	5	1	20	6	10	9	7.6	1.1
Potofino Estates	Discovery Builders	\$665,000	3,569	8,000	10	12	10	12	2	12	42	14.3	2.0
Siena	Lennar Homes	\$401,480	2,065	3,000	24	29	-	-	-	-	-	26.5	13.3
Stratford	Van Daele Homes	\$486,240	3,036	6,000	4	19	-	-	-	-	-	11.5	5.8
Trilogy at the Vineyards	Shea Homes	\$589,199	2,102	7,500	33	18	20	20	45	49	45	32.9	4.7
Woodhaven	Signature Homes	\$501,667	2,597	7,000	14	4	-	-	-	-	-	9.0	4.5
Encanto	Meritage Homes	-	-	6,000	-	-	2	13	21	3	-	9.8	2.4
Carmel Estates	Meritage Homes	-	-	10,000	-	-	-	-	5	14	28	15.7	5.2
Total					99	106	33	65	79	88	124		
No. of Active Projects					8	7	4	4	5	5	4		
Quarterly Pro-Rata					12.4	15.1	8.3	16.3	15.8	17.6	31.0		
Monthly Pro-Rata					4.1	5.0	2.8	5.4	5.3	5.9	10.3		
											5.5	Avg. Monthly (Pro Rata)	

In Brentwood, projects have averaged 5.5 sales per month over the last seven quarters, due in large part to the successful sales at the age-restricted Trilogy at the Vineyards project, which consistently achieved sales between 18 and 45 units per quarter. Absorption rates are anticipated to be steady to slightly increasing over the next 12 months. As prices in Brentwood and other East Contra Costa County markets continue to recover from the lows over the past several years, we anticipate increased demand for new homes in Brentwood and surrounding communities, which will lead to strengthening absorption.

## Conclusion

The following are key points from this section that are restated, in summary.

- New home prices have increased in recent quarters after several years of declining and depressed conditions;
- Absorption rates have remained relatively strong in Brentwood in recent quarters as Bay Area prices have increased;
- Demand for new single-family homes from Bay Area commuters has led to an increase in active residential projects in Brentwood, with four new projects coming on line since the Fourth Quarter 2013.

Across the region home prices and absorption rates have strengthened and it appears the residential cycle is entering a period of expansion. It is unclear whether prices will continue to trend upward or whether prices will level off while continuing to achieve more steady sales. Future price and absorption trends will be influenced by macroeconomic factors. If priced appropriately, there appears to be adequate new home demand to warrant new construction in Brentwood. The inventory of available finished lots in the region is decreasing. Builders are looking for unimproved lots for near term site development and home construction. Builders are speculating on home price increases in their land purchases in order to secure lot inventory. Meanwhile, the number of distressed sales in the region is lessening, albeit at a time when market distress remains well above average. Into the foreseeable future, home and lot prices are anticipated to be stable to increasing.

## **HIGHEST AND BEST USE ANALYSIS**

The term “highest and best use,” as used in this report, is defined as follows:

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.<sup>4</sup>

Two analyses are typically required for highest and best use. The first analysis is highest and best use of the land as though vacant. The second analysis is the highest and best use of the land as improved, which is not applicable, since the appraised properties are vacant land. (Definitions of these terms are provided in the *Glossary of Terms* in the Addenda to this report.)

### **Highest and Best Use as though Vacant**

In accordance with the definition of highest and best use, it is appropriate to analyze the subject as though vacant as it relates to legal permissibility, physical possibility, financial feasibility and maximum productivity.

#### ***Legal Permissibility***

The legal factors influencing the highest and best use of the subject property are primarily government regulations such as zoning and building codes. The appraised properties represent land zoned for residential development, with significant portions containing final map approval. Based on the difficulties in obtaining entitlement approvals, it is doubtful any significant project changes would be allowed.

#### ***Physical Possibility***

The physical and locational characteristics of the properties have been previously described in this report. In summary, the physical characteristics of the site, terrain and soils are suitable for the proposed uses.

Location considerations include the compatibility of the subject’s proposed use(s) and location with respect to surrounding uses. As indicated previously, the appraised properties comprise land throughout the city of Brentwood that has undergone extensive planning and review. Proposed developments and densities have been carefully designed to include an appropriate mix of land uses that are compatible with adjacent uses and uses throughout the area.

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<sup>4</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> ed. (Chicago: Appraisal Institute, 2010), 93.

It should be noted at the time of inspection the appraiser did not observe the existence of hazardous material, which may or may not be present on the properties. The appraiser has no knowledge of the existence of such materials on the properties. However, the appraiser is not qualified to detect such substances. The presence of potentially hazardous materials could affect the value of the properties. The value estimate herein is predicated on the assumption there is no material on or in the properties that would cause a loss of value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field if desired.

There are no known significant easements that would prohibit the development of the properties. Overall, the appraised properties have locational characteristics, access and utilities (or access thereto), which support the intended residential uses.

### ***Financial Feasibility***

The feasibility of the allowable uses is dependent on the supply and demand conditions, which influence the competitive position of each type of property use within the development. The demand for single-family development within the project will affect the timing and feasibility of other property uses within the development.

The feasibility of single-family development is dependent on the regional supply and demand conditions. Sales of new homes in Brentwood have once again begun to improve after a prolonged period of contraction that began in 2008 during the past few years. Brentwood and the adjacent communities of East Contra Costa County, which include Antioch, Oakley and Pittsburg, serve as housing destinations for commuters to the San Francisco Bay Area region. Historically, Brentwood has provided residential developments for homebuyers seeking single-family residences outside Alameda County.

Merchant builders have once again shown an interest in developing production-oriented projects Brentwood, with four new home subdivisions opened since the Fourth Quarter 2013. The appraised properties consist of various residential lot size categories ranging from 2,100 square feet to 13,000 square feet. The most financially feasible use of the appraised properties is production-oriented single-family residential development consistent with that currently being marketed in Brentwood, with average absorption rates as of the first quarter of 2014 of 4.1 homes per month.

### ***Maximum Productivity***

There is only one land use that is legally permissible, physically possible and financially feasible; to develop the appraised properties as single-family residential homes and subdivisions.

## **Conclusion of the Highest and Best Use – As Though Vacant**

Legal, physical, and market conditions have been analyzed to evaluate the highest and best use of the properties. The analysis is presented to evaluate the type of use(s) that will generate the greatest level of future benefits possible to the properties. The only use that meets the four criteria for determining the highest and best use is a well-balanced single-family residential development. The appraised properties should be developed according to this land use designation. Based on this analysis, residential development is judged to be the subject's highest and best use as vacant land. The undeveloped parcels comprising Tract 9332 should be assembled and developed consistent with the proposed tentative subdivision map.

## **Probable Buyer**

The most probable buyers of the appraised properties are merchant builders looking to acquire lots and entitled land for production home development.

## APPROACHES TO VALUE

The valuation process is a systematic procedure used in the valuation of real property.<sup>5</sup> This process involves the investigation, organization and analysis of pertinent market data and other related factors that affect the market value of real estate. The market data is analyzed in terms of any one or all of the three traditional approaches to estimating real estate value. These are the cost, sales comparison, and income capitalization approaches. Each approach to value is briefly discussed and defined as follows:

### **Cost Approach**

The cost approach is based on the premise that no prudent buyer would pay more for a particular property than the cost to acquire a similar site and construct improvements of equivalent desirability and utility. Thus, this approach to value relates directly to the economic principle of substitution, as well as supply and demand. The cost approach is most applicable when valuing properties where the improvements are new or suffer only a minor amount of accrued depreciation, and is especially persuasive when the site value is well supported. The cost approach is also highly relevant when valuing special-purpose or specialty properties and other properties that are not frequently exchanged in the market.

The definition of the cost approach is offered as follows:

A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.<sup>6</sup>

### **Sales Comparison Approach**

The sales comparison approach is based on the premise that the value of a property is directly related to the prices being generated for comparable, competitive properties in the marketplace. Similar to the cost approach, the economic principles of substitution, as well as supply and demand are basic to the sales comparison approach. This approach has broad applicability and is particularly persuasive when there has been an adequate volume of recent, reliable transactions of similar properties that indicate value patterns or trends in the market. When sufficient data are available, this approach is the most direct and systematic approach to value estimation. Typically, the sales comparison approach is most pertinent when valuing land, single-family homes and small, owner-occupied commercial and office properties.

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<sup>5</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> ed. (Chicago: Appraisal Institute, 2010), 205.

<sup>6</sup> The Dictionary of Real Estate Appraisal, 47.

The definition of the sales comparison approach is offered as follows:

The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.<sup>7</sup>

### **Income Capitalization Approach**

The income capitalization approach is based on the premise that income-producing real estate is typically purchased as an investment. From an investor's point of view, the potential earning power of a property is the critical element affecting value. The concepts of anticipation and change, as they relate to supply and demand issues and substitution, are fundamental to this valuation approach. These concepts are important because the value of income-producing real estate is created by the expectation of benefits (income) to be derived in the future, which is subject to changes in market conditions. Value may be defined as the present worth of the rights to these future benefits.

Within the income capitalization approach there are two basic techniques that can be utilized to estimate market value. These techniques of valuation are direct capitalization and 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 a single year's income is used. Yield and value changes are implied but not identified.<sup>8</sup>

*Yield Capitalization:* A method used to convert future benefits into present value by 1) discounting each future benefit at an appropriate yield rate, or 2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate.<sup>9</sup>

The definition of the income capitalization approach is offered as follows:

A set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.<sup>10</sup>

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<sup>7</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> ed. (Chicago: Appraisal Institute, 2010), 175.

<sup>8</sup> The Dictionary of Real Estate Appraisal, 58.

<sup>9</sup> The Dictionary of Real Estate Appraisal, 211.

<sup>10</sup> The Dictionary of Real Estate Appraisal, 99.



## **APPRAISAL METHODOLOGY**

The market value of the appraised properties, by ownership, subject to the assessment lien securing the City of Brentwood Assessment District No. 2005-1, will be estimated using the sales comparison approach to value. In the sales comparison approach to value, the improved, partially improved and unimproved residential lots will be compared to bulk lot sales in the East Bay region. As previously noted, while a number of parcels are held by Shea Homes Limited Partnership, or affiliates of Shea Homes (Trilogy Vineyards, LLC), it is our opinion the parcels, if marketed concurrently, would likely sell in bulk within one year; thus, no additional discounting is warranted.

## MARKET VALUATION

### PRODUCTION LOT ANALYSIS

In order to estimate the market value of the residential lots comprising the appraised properties, the sales comparison approach to value will be employed. The underlying premise of the sales comparison approach is the market value of a property is directly related to the price of comparable, competitive properties in the marketplace. In the sales comparison approach, the market value of the subject lots will be estimated by a comparison to similar properties that have recently sold, are listed for sale or are under contract.

This approach is based on the economic principle of substitution. According to *The Appraisal of Real Estate*, 14<sup>th</sup> Edition (Chicago: Appraisal Institute, 2013), “*The principle of substitution holds that the value of property tends to be set by the cost of acquiring a substitute or alternative property of similar utility and desirability within a reasonable amount of time.*” The sales comparison approach is applicable when there are sufficient recent, reliable transactions to indicate value patterns or trends in the market.

The proper application of this approach requires obtaining recent sales data for comparison with the subject property. In order to assemble the comparable sales, we searched public records and other data sources for leads, then confirmed the raw data obtained with parties directly related to the transactions (primarily brokers, buyers and sellers).

Consideration is given to factors such as property rights conveyed, financing, conditions of sale, and market appreciation or depreciation since the date of sale. Differences in physical characteristics, such as location, number of lots, typical lot size, lot premiums/discounts, site utility/topography and zoning/entitlements are considered in the analysis.

The appraised properties comprise various lot sizes ranging from 2,100 square feet to over 15,000 square feet; though, the lots are situated within subdivisions with typical lot size categories of 2,100 square feet, 3,050 square feet, 6,000 square feet, 6,500, square feet, 7,500 square feet, 9,500 square feet and a few lots of 10,000 and 13,000 square feet in size. For purposes of comparison, the predominant, typical lot size of 6,000 square feet will form the basis of analysis, from which adjustments will be made for the varying lot size categories within the District.

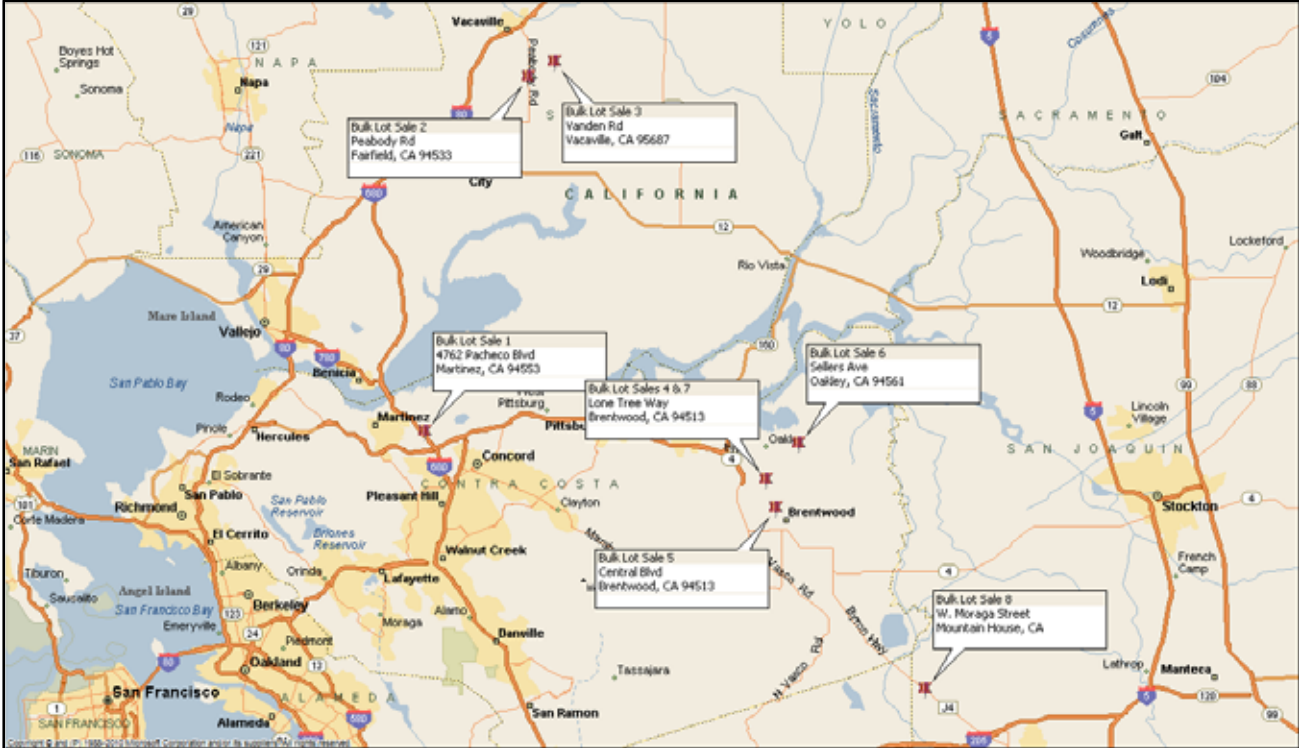
In the collection of data for analysis, eight comparables have been identified as being representative of the market and it is believed the sales data collected is sufficient for comparison to the subject properties and pertinent to the valuation herein. The data from the comparable sales is summarized in the table on the next page, along with a location map, followed by detailed sales sheets and a discussion of adjustments necessary for comparison with the subject properties. For purposes of this

analysis, the market data will be compared to the predominant lot category within the District, the 6,000 square foot lots.

### BULK LOT SALES SUMMARY

No.	Property Identification	Sale Date	Sale Price	No. of Lots	Price per Lot	Typical Lot Size (sf)
1	Green Ridge Estates 4762 Pacheco Boulevard Martinez, Contra Costa County APN: 161-570-001 thru -021	Nov-13	\$1,475,000	20	<b>\$73,750</b> (partially finished)	3,105
2	Goldridge Subdivision W/S Peabody Road, N/O Putah South Canal Fairfield, Solano County APN: 0166-130-010, -020, -040, -060, et al	Jul-13	\$29,000,000	230	<b>\$126,087</b> (blue top)	5,150
3	Vanden Ranch Subdivison Leisure Town Road at Vanden Road Vacaville, Solano County APN: 0137-040-020, -090	May-13	\$8,580,000	216	<b>\$39,722</b> (paper)	4,050
4	Steeplechase Subdivision (portion) NWC Lone Tree Way and O'Hara Avenue Brentwood, Contra Costa County APN:	May-13	\$9,800,000	70	<b>\$140,000</b> (finished)	6,000
5	Palmilla Subdivision N/S Central Blvd., W/O Walnut Blvd. Brentwood, Contra Costa County APN: 017-650-001 thru 040, et al	Apr-13	\$8,970,444	105	<b>\$85,433</b> (partially finished)	2,680
6	Emerson Subdivision NWC Sellers Avenue & East Cypress Road Oakley, Contra Costa County APN: 037-192-026	Mar-13	\$17,650,000	567	<b>\$31,129</b> (paper)	6,000
7	Steeplechase Subdivision (portion) NWC Lone Tree Way and O'Hara Avenue Brentwood, Contra Costa County APN: 018-640-006 thru -012, et al	Dec-12	\$9,750,000	75	<b>\$130,000</b> (finished)	7,000
8	Mountain House - Neighborhood G (ptn.) Moraga Street Mounatin House, San Joaquin County APN: 256-030-01 thru -10, -29 thru -47, et al	Aug-12	\$5,005,000	73	<b>\$68,562</b> (finished)	3,500

**BULK LOT SALES MAP**



## BULK LOT SALE 1

### Property Identification

Project Name	Green Ridge Estates
Location	4762 Pacheco Boulevard
APN	161-570-001 thru -021
City	Martinez
County	Contra Costa County

### Sale Data

Grantor	First National Bank of Northern California
Grantee	East Bay Habitat for Humanity
Sale Date	November 19, 2013
Deed Book Page	272562
Confirmation Source	Broker
Property Rights Conveyed	Fee Simple
Conditions of Sale	REO at Market
Financing Terms	Cash Equivalent
Sale Price	\$1,475,000
Annual Special Taxes per Lot	\$0

### Land Data

Zoning	MF low density/PUD
Topography	Sloping
Utilities	All available
Number of Lots	20 (plus one common area roadway parcel)
Land Area (Acres)	2.47
Density (Units per Acre)	8 units per acre
Development Status at Sale	Partially finished (costs unknown)
Typical Lot Size (SF)	3,105 square feet

### Indicators (per Lot)

Sale Price	\$ 73,750
Bonds	\$ <u>0</u>
Total Consideration	\$ 73,750
Site Development Costs	\$ 0
Permits and Fees	\$ 31,000

### Remarks

This property is the November 2013 REO sale of 20 partially improved lots in Martinez, Contra Costa County. The grading plan was complete and sewer lines were installed, but not accepted. The lots needed to be regarded. Permits and fees were reportedly between \$30,000 and \$32,000 per lot. The lots were approved for 20 detached homes ranging from 1,497 to 2,155 square feet. While costs to complete were unavailable, in light of the condition of the lots, an estimate of \$25,000 per lot is estimated.

## BULK LOT SALE 2

### Property Identification

Project Name	Goldridge Subdivision
Location	West side of Peabody Road, north of Putah South Canal
APN	0166-130-010, -020, -040, -060, -080, -150, -160 and -200
City	Fairfield
County	Stanislaus

### Sale Data

Grantor	Columbus Gold Ridge LLC
Grantee	Richmond American Homes
Sale Date	July 12, 2013
Deed Book Page	69284
Confirmation Source	Broker/Public Records
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$29,000,000
Annual Special Taxes per Lot	\$0

### Land Data

Zoning	Single-family
Topography	Generally level
Utilities	All available
Number of Lots	230
Land Area (Acres)	N/A
Density (Units per Acre)	N/A
Development Status at Sale	Blue top
Typical Lot Size (SF)	68 lots @ 3,500 sf 82 lots @ 5,200 sf 90 lots @ 6,500 sf

### Indicators (per Lot)

Sale Price	\$126,087
Bonds	\$ <u>0</u>
Total Consideration	\$126,087
Site Development Costs	\$ 24,235
Permits and Fees	\$ 58,500

### Remarks

The comparable is a portion of the Goldridge development in Fairfield, which includes 230 lots in blue top condition with remaining site development costs estimated at \$5,574,000, or \$24,235 per lot. A Community Facilities District (City of Fairfield CFD No. 2004) encumbers the property and a special tax lien of \$150 per month, per home is projected for this project upon completion.

### BULK LOT SALE 3

#### Property Identification

Project Name	Vanden Ranch
Location	Leisure Town Road at Vanden Road
APN	0137-040-020 and -090
City	Vacaville
County	Solano County

#### Sale Data

Grantor	Vanden Ranch LLC
Grantee	Meritage Homes
Sale Date	May 30, 2013
Deed Book Page	54021
Confirmation Source	Broker/Public Records
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$8,580,000 (includes a credit of \$1,080,000)
Special Taxes per Lot	\$0

#### Land Data

Zoning	Single-family
Topography	Generally Level
Utilities	All available
Number of Lots	216
Land Area (Acres)	N/Av
Density (Units per Acre)	N/Av
Development Status at Sale	Unimproved lots
Typical Lot Size (SF)	4,050

#### Indicators

Sale Price	\$ 39,722
Bonds	\$ <u>0</u>
Total Consideration	\$ 39,722
Site Development Cost (Per Lot)	\$ 70,000
Permits and Fees (Per Lot)	\$ 65,000

#### Remarks

This comparable is the May 2013 sale of 216 tentatively mapped lots comprising the Vanden Ranch subdivision in Vacaville, Solano County. The purchase price was \$7,500,000 and the buyer was obligated to purchase certain fee credits, which apply to the project at approximately \$1,080,000. No other bonds or assessments were assumed with the purchase. The purchase was negotiated in 2012 and it was represented the buyer benefitted from weaker market conditions at the time the price was determined.

## BULK LOT SALE 4

### Property Identification

Project Name	Steeplechase (portion)
Location	Northwest corner of Lone Tree Way and OHara Avenue
APN	Book 018, Pages 610 and 620
City	Brentwood
County	Contra Costa County

### Sale Data

Grantor	Brentwood Steeplechase, LLC
Grantee	NorCal Steeplechase LLC (Van Daele Homes)
Sale Date	May 2, 2013
Deed Book Page	48222
Confirmation Source	Broker
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$9,800,000
Special Taxes per Lot	\$11,390

### Land Data

Zoning	Single-family
Topography	Generally level
Utilities	All available
Number of Lots	70
Land Area (Acres)	9.64
Density (Units per Acre)	7 units per acre
Development Status at Sale	Finished Lots
Typical Lot Size (SF)	6,000

### Indicators (per Lot)

Sale Price	\$140,000
Bonds	<u>\$ 11,390</u>
Total Consideration	\$151,390
Site Development Costs	\$ 0
Permits and Fees	\$ 45,000

### Remarks

This comparable is the May 2013 second phase takedown of 70 finished lots by Van Daele Homes in the Steeplechase development in Brentwood. The first phase (Comparable 7) sold in December 2012. The broker reported the fees were lower than typical (\$45,000 versus \$70,000) in Brentwood, as some fees were prepaid. Reportedly, the second phase takedown includes a profit participation with the seller of a 50/50 split over margins attained above 8%.



## BULK LOT SALE 5

### Property Identification

Project Name	Palmilla
Location	North side of Central Boulevard, west of Walnut Boulevard
APN	017-650-001 thru -040, -43 thru -058; 017-640-001 thru -030, -033 thru -041, and -043 thru -052
City	Brentwood
County	Contra Costa County

### Sale Data

Grantor	The Palmilla Project Owner LLC
Grantee	Brentwood Palmilla Owner LLC
Sale Date	April 23, 2013
Deed Book Page	100653
Confirmation Source	Broker/Public records
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$8,970,444
Special Taxes per Lot	\$11,390

### Land Data

Zoning	Single-family
Topography	Generally Level
Utilities	All available
Number of Lots	105
Land Area (Acres)	N/Av
Density (Units per Acre)	N/Av
Development Status at Sale	Partially Finished Lots
Typical Lot Size (SF)	2,680

### Indicators

Sale Price	\$ 85,433
Bonds	<u>\$ 11,390</u>
Total Consideration	\$ 96,823
Site Development Cost (Per Lot)	\$ 17,986
Permits and Fees (Per Lot)	\$ 28,500

### Remarks

This property is the April 2013 sale of the Palmilla subdivision in Brentwood by William Lyon Homes, which included 105 partially finished lots proposed for two product lines. Lot sizes are typically 2,200 and 3,100 square feet, with a weighted average of 2,680 square feet.

## BULK LOT SALE 6

### Property Identification

Project Name	Emerson Ranch
Location	Northwest corner of Sellers Avenue & East Cypress Road
APN	037-192-026
City	Oakley
County	Contra Costa County

### Sale Data

Grantor	New Urban Communities
Grantee	Brookfield Holdings LLC
Sale Date	March 29, 2013
Deed Book Page	078880
Confirmation Source	Buyer/Public records
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$17,650,000 (see remarks)
Special Taxes per Lot	\$0

### Land Data

Zoning	Single-family and commercial
Topography	Generally Level
Utilities	All available
Number of Lots	567
Land Area (Acres)	116.5 (see remarks)
Density (Units per Acre)	4.8 units per acre
Development Status at Sale	Unimproved Lots
Typical Lot Size (SF)	6,000

### Indicators

Sale Price	\$ 31,129
Bonds	\$ <u>    0</u>
Total Consideration	\$ 31,129
Site Development Cost (Per Lot)	\$ 65,230
Permits and Fees (Per Lot)	\$ 50,000

### Remarks

This comparable is the March 2013 sale of the Emerson subdivision in Oakley, Contra Costa County. Brookfield Homes acquired the property, which totaled 140.25 acres, with 116.5 acres tentatively mapped for 567 single-family lots and 23.75 acres designated for commercial land uses. According to the buyer, the commercial land component had an allocated purchase price of \$2,500,000, with \$17,650,000 allocated to the residential lots. Site development costs, including profit, were estimated at \$65,230 per lot.

## BULK LOT SALE 7

### Property Identification

Project Name	Steeplechase (portion)
Location	Northwest corner of Lone Tree Way and OHara Avenue
APN	018-610-006 thru -012, -051 thru -079; 018-620-016 thru -028, -041, -042, -048, -049 and -055 thru -076
City	Brentwood
County	Contra Costa County

### Sale Data

Grantor	Brentwood Steeplechase, LLC
Grantee	NorCal Steeplechase LLC (Van Daele Homes)
Sale Date	December 31, 2012
Deed Book Page	333206
Confirmation Source	Seller/Public records
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$9,750,000
Special Taxes per Lot	\$11,390

### Land Data

Zoning	Single-family
Topography	Generally level
Utilities	All available
Number of Lots	75
Land Area (Acres)	N/A
Density (Units per Acre)	N/A
Development Status at Sale	Finished Lots
Typical Lot Size (SF)	7,000

### Indicators (per Lot)

Sale Price	\$130,000
Bonds	<u>\$ 11,390</u>
Total Consideration	\$141,390
Site Development Costs	\$ 0
Permits and Fees	\$ 50,000

### Remarks

This comparable is the December 2012 first phase takedown of 75 finished lots by Van Daele Homes in the Steeplechase development in Brentwood.

## BULK LOT SALE 8

### Property Identification

Project Name	Mountain House – Portion of Neighborhood G
Location	Moraga Street
APN	256-030-01 thru -10, -29 thru -47; 256-050-09 thru -16, -45 thru -48; 256-060-33 thru -40; 256-070-01 thru 23
City	Mountain House
County	San Joaquin

### Sale Data

Grantor	Trimark Communities, LLC
Grantee	Lennar Homes of CA
Sale Date	August 8, 2012
Deed Book Page	100151
Confirmation Source	Broker
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Canceled Contract Price	\$5,005,000
Annual Special Taxes per Lot	\$1,200

### Land Data

Zoning	Single-family
Topography	Generally level
Utilities	All available
Number of Lots	73
Land Area (Acres)	N/A
Density (Units per Acre)	N/A
Development Status at Sale	Finished
Typical Lot Size (SF)	3,500

### Indicators (per Lot)

Sale Price	\$ 68,562
Bonds	<u>\$ 13,763</u>
Total Consideration	\$ 82,325
Site Development Costs	\$ 0
Permits and Fees	\$ 26,000

### Remarks

The comparable is the August 2012 transfer of 73 finished lots in Mountain House with a typical lot size of 3,500 square feet.

## **Analysis and Conclusion**

The comparable transactions are adjusted based on the profile of the subject property with regard to categories that affect market value. For certain adjustments such as site development cost, permits and fees and Special Taxes, adjustments are made using actual or estimated (present value) dollar amounts. Other adjustments may be categories as either superior or inferior, with percentage adjustments applied accordingly. If a comparable has an attribute considered superior to that of the subject, it is adjusted downward to negate the effect the item has on the price of the comparable. The opposite is true of categories considered inferior to the subject. The adjustments are made in consideration of paired sales, the appraiser's experience and knowledge and interviews with market participants.

At a minimum, the appraiser considers the need to make adjustments for the following items:

- Expenditures after Sale (i.e. site development costs (if any), permits and fees, bond encumbrance and atypical carrying costs such as Homeowner's Association fees)
- Property rights conveyed
- Financing terms
- Conditions of sale (motivation)
- Market conditions (time)
- Location
- Physical features

A detailed analysis involving the adjustment factors is presented below.

### ***Loaded Lot Analysis***

Since each comparable has the same highest and best use as the subject property—near term single-family residential development—we apply adjustments for remaining site development costs (if any) and permits and fees on a dollar-for-dollar basis. That is, the comparables are analyzed on a loaded-lot-basis, where any remaining site development costs and permits and fees due at building permit are added to the lot price to yield a price that reflects the total consideration. After all other adjustments are applied (market conditions, physical characteristics, etc.), we deduct the subject's remaining permits and fees to determine the subject's improved lot value.

### **Expenditures After Sale**

For subdivision land, expenditures after sale typically include site development costs, permits and fees and bond encumbrance. For subdivisions where site development is complete and final subdivision map has recorded, adjustments for remaining site development costs do not apply.

### Adjustments for Bond Encumbrance

If applicable, we consider the remaining bond terms to estimate a remaining principal bond balance. While bond interest rates may vary somewhat, for approximation purposes, we utilized a 6% discount rate. The estimated bond encumbrances are added to the loaded lot prices on a dollar-for-dollar basis.

### ***Property Rights Conveyed***

In transactions of real property, the rights being conveyed vary widely and have a significant impact on the sales price. As previously noted, the opinion of value in this report is based on a fee simple estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat, as well as non-detrimental easements, community facility districts and conditions, covenants and restrictions (CC&Rs). All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

### ***Financing Terms***

In analyzing the comparables, it is necessary to adjust for financing terms that differ from market terms. Typically, if the buyer retained third party financing (other than the seller) for the purpose of purchasing the property, a cash price is presumed and no adjustment is required. However, in instances where the seller provides financing as a debt instrument, a premium may have been paid by the buyer for below-market financing terms or a discount may have been demanded by the buyer if the financing terms were above market. The premium or discounted price must then be adjusted to a cash equivalent basis. The comparable sales were cash to the seller transactions and do not require adjustments.

### ***Conditions of Sale***

Adverse conditions of sale can account for a significant discrepancy from the sales price actually paid compared to that of the market. This discrepancy in price is generally attributed to the motivations of the buyer and the seller. Certain conditions of sale are considered to be non-market and may include the following:

- a seller acting under duress,
- a lack of exposure to the open market,
- an inter-family or inter-business transaction for the sake of family or business interest,
- an unusual tax consideration,
- a premium paid for site assemblage,
- a sale at legal auction, or
- an eminent domain proceeding.

The comparables did not involve any non-market conditions of sale and do not require adjustments.

### ***Market Conditions***

Market conditions vary over time, but the date of this appraisal is for a specific point in time. In a dynamic economy – one that is undergoing changes in the value of the dollar, interest rates and economic growth or decline – extra attention needs to be paid to assess changing market conditions. Significant monthly changes in price levels can occur in several areas of a city, while prices in other areas remain relatively stable. Although the adjustment for market conditions is often referred to as a time adjustment, time is not the cause of the adjustment.

The comparables represent transactions that occurred between August 2012 and November 2013. Lot prices have increased since the time period between August 2012 and April 2013. Upward adjustments are applied accordingly.

### ***Physical Characteristics***

The physical characteristics of a property can impact the selling price. Those that may impact value include the following:

#### Location

Location adjustments are applied in consideration of area home prices, household income and other characteristics. The comparables are located in Solano, Contra Costa and San Joaquin Counties. The subjects' Brentwood location is considered good relative to the overall area. In comparison to Brentwood, upward adjustments are warranted for comparables located in Martinez, which is a heavily industrial submarket (though closer to San Francisco), Vacaville, Oakley and Mountain House, which are considered inferior submarkets to the subject in terms of location. While, in general, Fairfield is considered similar to Brentwood in terms of proximity to the Bay, a slight downward adjustment is considered reasonable, as this master planned community offers proximity to Travis Air Force Base, which is the major employer in the Solano County region.

#### Community Appeal

The typical subdivision lots comprising the appraised properties within the boundaries of Assessment District No. 2005-1 offer average community appeal, being situated within master planned communities, as do the comparables; thus, no adjustment is warranted.

### Number of Lots

Generally, there is an inverse relationship between the number of lots and price per lot such that larger projects (with a greater number of lots) achieve a lower price per lot. However, market participants indicate that projects of fewer than 20 lots are achieving discounts because of fewer buyers (merchant builders generally require at least this many lots to develop project synergy and offset model costs). Comparable 1 contains 20 lots and receives an upward adjustment when compared to the typical transfer of bulk lots in the East Bay Area market. The remaining comparables do not require adjustments.

### Lot Size (Typical)

In comparison to the 6,000 square foot typical lot size, adjustments for differences in lot size between the comparables and subject are warranted. Specifically, Comparables 1, 2, 3, 5 and 8 are discernibly smaller in size and merit upward adjustments, with Comparables 1, 5 and 8 receiving significant upward adjustments. A downward adjustment is applied to Comparable 7 for its larger typical lot size. In the estimation of bulk market lot values for the other typical lot size categories comprising the appraised property at the end of this section, we have considered paired sales to assist with the determination of a lot size adjustment factor, as well as market participant interviews.

### Site Utility

Differences in contour, drainage, soil conditions, as well as project design, can affect the utility and, therefore, the market value of the properties. The subject property and most of the comparables are planned for traditional single-family lots and all have average site utility. Adjustments for this factor do not apply. However, Comparable 5, the recent sale of a subdivision within the District, is a small lot, four-pack designed subdivision, which is considered inferior to the traditional lot configuration and an upward adjustment is applied.

### Lot Premiums

The subject and all of comparables are anticipated to achieve a similar level of lot premiums (cul-de-sac, corner, inverted corner). No adjustments are necessary.

### **Adjustment Grid**

The grid on the following page reflects the afore-discussed adjustments.



<b>ADJUSTMENT GRID - BULK LOT SALES</b>									
<b>Elements of Comparison:</b>	<b>Subject</b>	<b>Sale 1</b>	<b>Sale 2</b>	<b>Sale 3</b>	<b>Sale 4</b>	<b>Sale 5</b>	<b>Sale 6</b>	<b>Sale 7</b>	<b>Sale 8</b>
Lot Price		\$73,750	\$126,087	\$39,722	\$140,000	\$85,433	\$31,129	\$130,000	\$68,562
Remaining Site Development Costs	\$0	\$25,000	\$24,235	\$70,000	\$0	\$17,986	\$65,230	\$0	\$0
Permits and Fees		\$31,000	\$58,500	\$65,000	\$45,000	\$28,500	\$50,000	\$50,000	\$26,000
<b>Loaded Lot Price Before Bonds</b>		<b>\$129,750</b>	<b>\$208,822</b>	<b>\$174,722</b>	<b>\$185,000</b>	<b>\$131,919</b>	<b>\$146,359</b>	<b>\$180,000</b>	<b>\$94,562</b>
Special Taxes		\$0	\$0	\$0	\$1,440	\$1,440	\$0	\$1,440	\$1,200
Years To Maturity (Approx)		0	0	0	11	11	0	11	20
Present Value at 6%		\$0	\$0	\$0	\$11,357	\$11,357	\$0	\$11,357	\$13,764
<b>Loaded Lot Price After Bonds</b>		<b>\$129,750</b>	<b>\$208,822</b>	<b>\$174,722</b>	<b>\$196,357</b>	<b>\$143,276</b>	<b>\$146,359</b>	<b>\$191,357</b>	<b>\$108,326</b>
Property Rights Conveyed Adjustment	Fee Simple	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Financing Terms Adjustment	Cash Equiv.	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Sale Conditions Adjustment	Market	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Market Conditions Adjustment	Jul-14 (Appraisal)	Nov-13	Jul-13	May-13	May-13	Apr-13 Upward	Mar-13 Upward	Dec-12 Sig. Upward	Aug-12 Sig. Upward
<b>Physical Characteristics:</b>									
Location Adjustment	Brentwood	Martinez Upward	Fairfield Sl. Downward	Vacaville Upward	Brentwood	Brentwood	Oakley Upward	Brentwood	Mtn. House Upward
Community Appeal Adjustment	Average	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Number of Lots Adjustment	Varios	20 Upward	230	216	70	105	567	75	73
Lot Size (Typical) Adjustment	6,000	3,105 Sig. Upward	5,150 Sl. Upward	4,050 Upward	6,000	2,680 Sig. Upward	6,000	7,000 Downward	3,500 Sig. Upward
Topography/Utility Adjustment	Average	Similar	Similar	Similar	Similar	Inferior Upward	Similar	Similar	Similar
Lot Premiums/Discounts Adjustment	Average	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
<b>Summary of Adjustments</b>		<b>Sig. Upward</b>	<b>Similar</b>	<b>Upward</b>	<b>Similar</b>	<b>Upward</b>	<b>Upward</b>	<b>Similar</b>	<b>Sig. Upward</b>
<b>Adjusted Loaded Lot Value</b>		<b>&gt; \$129,750</b>	<b>≈ \$208,822</b>	<b>&gt; \$174,722</b>	<b>≈ \$196,357</b>	<b>&gt; \$143,276</b>	<b>&gt; \$102,335</b>	<b>≈ \$191,357</b>	<b>&gt; \$108,326</b>
<b>Concluded Loaded Lot Value:</b>	<b>\$200,000</b>								
Less: Permits and Fees (typical)	(\$50,000)								
Less: Remaining Site Development Costs	\$0								
<b>Estimated Improved Lot Indicator</b>	<b>\$150,000</b>								

## Conclusion of Improved Lot Value

The comparables reflect an unadjusted range of \$31,129 to \$140,000 per lot; however, the broad range is the result of the data including both unimproved and improved single-family lots. On a loaded lot basis, and considering assumed bond debt, the comparables reflect a range of \$104,750 to \$208,822 per lot. With emphasis on Bulk Lot Sales 2, 4 and 7 in comparison to the typical 6,000 square foot lot category, a loaded lot value of \$200,000 is considered reasonable. Based on the Comparables from the Brentwood submarket, a typical permit and fee of \$50,000 is considered reasonable, and deducting the typical permits and fees due at building permit from the loaded lot value concluded above (\$200,000) yields an improved lot value of **\$150,000** per lot for the typical 6,000 square foot lots.

In the following table, adjustments for discrepancies in lot size are made to the above-concluded typical lot for each typical lot size category within the District. An adjustment of \$7 per square foot differential in lot size is considered reasonable for the traditional lot size categories based on paired sales in the market and conversations with land brokers. For the small lot categories (Palmilla

subdivision), an adjustment of \$10 per square foot differential is appropriate, which considers the inferior lot configuration associated with this development.

<b>Typical Lot Size</b>	<b>Description</b>	<b>Indicated Lot Values</b>
2,100	Single-Family Lots	\$111,000
3,050	Single-Family Lots	\$121,000
6,000	Single-Family Lots	\$150,000
6,500	Single-Family Lots	\$154,000
7,500	Single-Family Lots	\$161,000
9,500	Single-Family Lots	\$175,000
10,000	Single-Family Lots	\$178,000
13,000	Single-Family Lots	\$199,000

As previously noted, Tracts (Subdivisions) 8909, 8910 and 9186 (Diablo Estates, LLC) contains partially improved residential lots; a final map was recorded, with subdivision performance bonds posted securing the completion of in-tract improvements. However, in-tracts and remaining offsite improvements are not complete. Original site development costs provided at the time of the District formation will be relied upon to estimate the market value, in bulk, of these lots. Specifically, on-site (in-tract) and remaining offsite development costs for Tract 8796 were reported at \$77,812 per lot, which will be deducted from the corresponding improved lot value, which is calculated below:

<b>Lot Size</b>	<b>Improved Lot Value</b>	<b>Less Remaining Costs</b>	<b>Unimproved Lot Value (Rd.)</b>
Phase V-A – 9,500	\$175,000	-\$77,812	\$97,000
Phase V-B – 13,000	\$199,000	-\$77,812	\$120,000

There is one Assessor’s parcel (018-570-005) located on Natwick Way, which is a remainder lot within Tract 8875 previously developed by Meritage Homes. Though the lot size is reported as 10,877 square feet, the lot configuration and size is actually smaller, as there was a cul-de-sac bulb created at the terminus of the street rather than what was depicted on the parcel map (see aerial below), which limits the utility of the lot. The parcel was purchased from Meritage Homes of California in August 2012 for \$24,000. With the appreciation in the market since the acquisition, and considering the bond indebtedness on the parcel, a market value for this lot of \$50,000 is considered reasonable.



## RESIDENTIAL LAND ANALYSIS

There are several residential land parcels that were previously entitled, but entitlements have either lapsed or development plans have changed, including future phases of the Palmilla subdivision and Trilogy development. Consequently, these parcels will be valued using large, residential land sales.

The subject parcels to be appraised herein include the following:

Tract	Owner	APN	Parcel Size
8729 (TM 9332)	Palmilla Project Owner LLC	017-170-007	15.25
8729 (TM 9332)	Palmilla Project Owner LLC	017-131-026	9.20
8729 (TM 9332)	Palmilla Project Owner LLC	017-140-028	13.70
8729 (TM 9332)	Palmilla Project Owner LLC	017-170-008	11.76
8729 (TM 9332)	Palmilla Project Owner LLC	017-160-005	6.89
8796/8906	Trilogy Vineyards LLC	007-380-027	51.60
8908	Trilogy Vineyards LLC	007-380-030	93.26

According to the City of Brentwood Public Works – Engineering Department, the five Palmilla parcels are the undeveloped remainder of tentative subdivision map (TSM) 8729, from which only one final map of 112 lots was recorded from the original tentative subdivision map. The five parcels are currently owned by Palmilla Project Owner, LLC (Integral Communities), which recently submitted (June 3, 2014) for a revised Tentative Map (No. 9332) revising the number of lots on these five remaining parcels to 296. Reportedly, William Lyon Homes, which developed the abovementioned 112 lots, is under contract to acquire the balance of the Palmilla project; though, details of the transaction were unavailable. As these parcels are part of one tentative subdivision map, and would likely sell in a single transaction, as assembled, which is reportedly in process, the five parcels will be analyzed as if assembled, as 56.8 acres of residential land.

With respect to parcel 007-380-027, it is the future Phase III of the Trilogy age-restricted development. This parcel is planned as the last residential phase with 204 active adult lots. According to the City of Brentwood Public Works – Engineering Department, it may be a few years before a final map is recorded or improvements begun. Further, Assessor’s parcel 007-380-030, which was formerly part of Tract 8796, was recently subdivided into 383 residential lots (Tract 8908), with site development initiated. However, for purposes of this analysis, the 93.26 acres comprising these lots will be analyzed herein, from which the value will be divided and assigned to each of the 383 developable parcels reported on the Tax Roll (see *Market Value by Assessor’s Parcel* in the Addenda to this report).

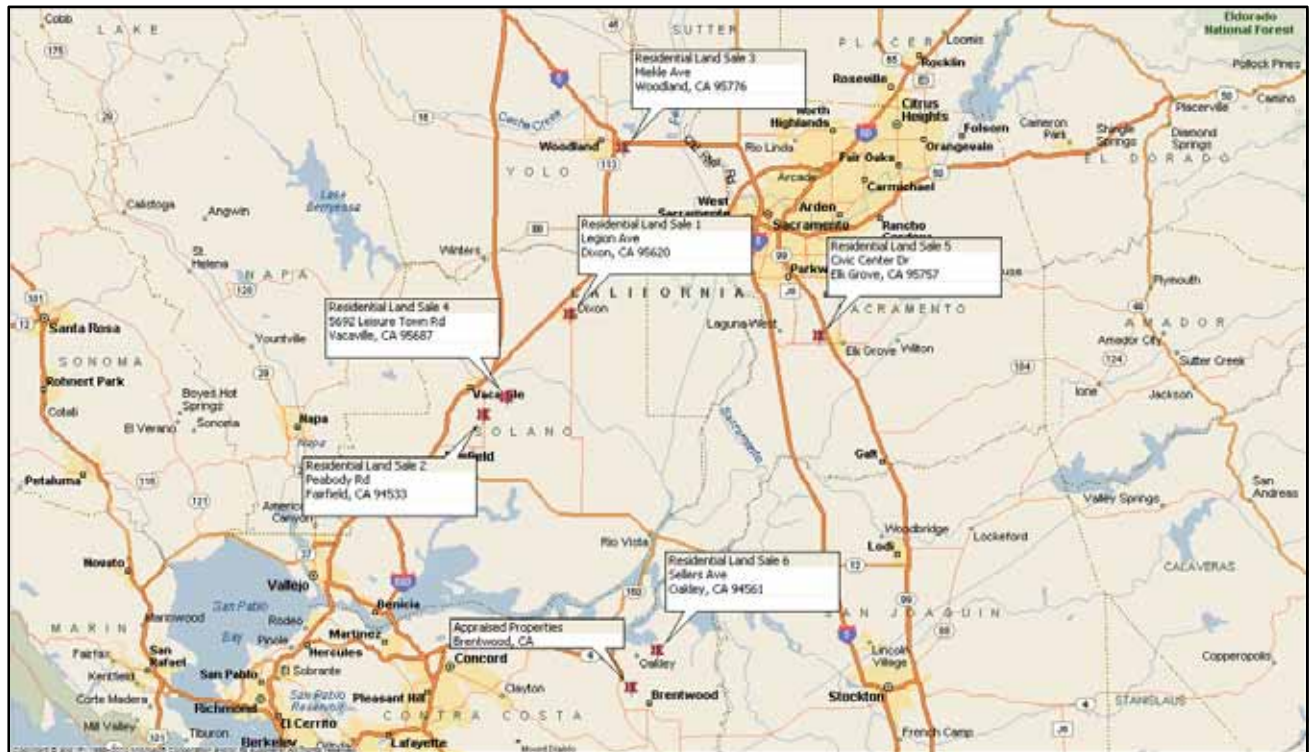
Our search revealed several sales that are suitable for comparison to the subject parcels. We will begin by presenting a summary tabulation and location map, followed by detailed sales sheets, a discussion of

adjustments, an adjustment grid and our conclusion of land value for the subject property. Due to the limited amount of data in the subject's immediate area, we expanded our search parameters to include properties in surrounding areas. The six comparables arrayed on the following page are the most recent transactions considered reasonably similar to the subject property.

## RESIDENTIAL LAND SALES SUMMARY

No.	Property Identification	Sale Date	Sale Price	Land Area (Acre / SF)	Sale Price per Acre	PV of Bonds per Acre
1	North of Legion Avenue, west of Highway 113 Dixon, Solano County	Pending	\$8,745,000	22.08 961,805	<b>\$396,060</b>	\$0.00
2	W/O Peabody Road, N/O Joeseph Gervas Drive Fairfield, Solano County	Jul-13	\$29,000,000	62.42 2,719,015	<b>\$464,595</b>	\$0.00
3	NEC of Mickle Avenue and Heritage Parkway Woodland, Yolo County	Jun-13	\$6,426,000	16.22 706,543	<b>\$396,178</b>	\$186,842
4	5692 & 5726 Leisure Town Road Vacaville, Solano County	May-13	\$15,000,000	33.95 1,478,862	<b>\$441,826</b>	\$0.00
5	S/O Civic Center Drive, W/O Laguna Springs Drive Elk Grove, Sacramento County	Mar-13	\$11,480,306	31.31 1,363,864	<b>\$366,666</b>	\$133,243
6	NWC Sellers Avenue & East Cypress Road Oakley, Contra Costa County	Mar-13	\$17,650,000	116.5 5,074,740	<b>\$151,502</b>	\$0.00

## RESIDENTIAL LAND SALES MAP



## COMPARABLE LAND SALE 1

### Property Identification

Project Name	Valley Glen – Phase 2, Unit 1 and Unit 3 portion
Location	North side of Legion Avenue, west of Highway 113
APN	0114-033-150
City	Dixon
County	Solano County

### Sale Data

Grantor	Rich Haven-Visser LLC/Manitoba Ventures LLC
Grantee	Confidential
Closing Date	Pending
Deed Book Page	N/Ap
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market – See Remarks
Financing Terms	Cash Equivalent
Sale Price	\$8,745,000
PV of Bonds	\$0

### Land Data

Zoning	MDL, Medium Density Residential Low
Topography	Generally level
Utilities	All available
Number of Lots	106
Land Area (Acres)	22.08
Density (Units per Acre)	4.8
Development Status at Sale	Unimproved Lots

### Indicators

Sale Price Per Acre	\$396,060
PV of Bonds Per Acre	\$0

### Remarks

This property is under contract to a national homebuilder. The seller acquired the property in late 2009 in a Net Operating Loss (NOL) transaction from Pulte Homes. This property is affected by Measure B, a voter imposed bill which allows a maximum 3% growth rate in total housing units per year, but because no development has occurred in recent years and allocations have been rolled over to subsequent years, Measure B is not anticipated to be a binding constraint on the project.

## COMPARABLE LAND SALE 2

### Property Identification

Project Name	Goldridge Unit 10
Location	West side of Peabody Road, north of Joseph Gervas Drive
APN	0166-130-010 et al
City	Fairfield
County	Solano County

### Sale Data

Grantor	Columbus Gold Ridge LLC
Grantee	Richmond American Homes
Closing Date	7/12/2013
Deed Book Page	69284
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$29,000,000
PV of Bonds	\$0

### Land Data

Zoning	RM 5-6, Single Family Residential
Topography	Generally level
Utilities	All available
Number of Lots	230
Land Area (Acres)	62.42
Density (Units per Acre)	3.7
Development Status at Sale	Unimproved Lots

### Indicators

Sale Price Per Acre	\$464,595
PV of Bonds Per Acre	\$0

### Remarks

This property represents the last undeveloped phase of a planned 1,300-unit master plan. The lots were in a blue-top condition (finish graded with streets cut) at the time of sale.



### COMPARABLE LAND SALE 3

#### Property Identification

Project Name	Parkview at Spring Lake
Location	Northeast corner of Mickle Avenue and Heritage Parkway
APN	042-580-013 et al
City	Woodland
County	Yolo County

#### Sale Data

Grantor	ALC IV Woodland-Spring Lake LLC
Grantee	Taylor Morrison Homes
Closing Date	6/5/2013
Deed Book Page	18984
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$6,426,000
PV of Bonds	\$3,030,577

#### Land Data

Zoning	SLSP, Spring Lake Specific Plan
Topography	Generally level
Utilities	All available
Number of Lots	108
Land Area (Acres)	16.22
Density (Units per Acre)	6.6
Development Status at Sale	Unimproved Lots

#### Indicators

Sale Price Per Acre	\$396,178
PV of Bonds Per Acre	\$186,842

#### Remarks

This property was rezoned in early 2013 from a 10-acre school site and 6 acres of multifamily land to single-family residential development. The seller obtained tentative map approval before selling the property to Taylor Morrison Homes. Presently the site has a Special Tax of \$593/lot levied against just 40 lots on six acres (the balance of the site was planned as a school site and a Special Tax was not levied), but upon final map recordation, Special Taxes will be levied against the entire property, and the Special Tax is anticipated to increase to \$1,991/lot.

## COMPARABLE LAND SALE 4

### Property Identification

Project Name	N/Av
Location	5692 & 5726 Leisure Town Road
APN	0137-040-020 & -090
City	Vacaville
County	Solano County

### Sale Data

Grantor	North Bay Construction, Inc.
Grantee	Meritage Homes of California, Inc.
Closing Date	5/30/2013
Deed Book Page	54021
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$15,000,000
PV of Bonds	\$0

### Land Data

Zoning	RLM 3-6, Single Family Residential
Topography	Generally level
Utilities	All available
Number of Lots	216
Land Area (Acres)	33.95
Density (Units per Acre)	12
Development Status at Sale	Unimproved Lots

### Indicators

Sale Price Per Acre	\$441,826
PV of Bonds Per Acre	\$0

### Remarks

This property represents the sale of 33.95 acres located south of the subject property in Vacaville. The future plan for the parcels is for single family development of 216 detached homes. Details regarding this transaction were confirmed via CoStar Property and public records. Although attempts were made, parties directly involved in this transaction could not be reached for comment.

## COMPARABLE LAND SALE 5

### Property Identification

Project Name	Allen Ranch – Laguna Ridge (portion)
Location	South side of Civic Center Drive, west of Laguna Springs Drive
APN	132-2150-002 et al
City	Elk Grove
County	Sacramento County

### Sale Data

Grantor	JJV LLC
Grantee	Standard Pacific Homes
Closing Date	3/29/2013
Deed Book Page	130329-1306
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$11,480,306
PV of Bonds	\$4,171,838

### Land Data

Zoning	RD-7, Single Family Residential
Topography	Generally level
Utilities	All available
Number of Lots	160
Land Area (Acres)	31.31
Density (Units per Acre)	5.1
Development Status at Sale	Unimproved Lots

### Indicators

Sale Price Per Acre	\$366,666
PV of Bonds Per Acre	\$133,243

### Remarks

Standard Pacific Homes acquired these unimproved lots in March 2013 from an entity of Jackson Properties. The property is located in the Laguna Ridge Specific Plan of Elk Grove. Backbone infrastructure to the site is in place with in-tract improvements remaining to be completed.

## COMPARABLE LAND SALE 6

### Property Identification

Project Name	Emerson Ranch
Location	Northwest corner of Sellers Avenue & East Cypress Road
APN	037-192-026
City	Oakley
County	Contra Costa County

### Sale Data

Grantor	New Urban Communities
Grantee	Brookfield Holdings LLC
Closing Date	March 29, 2013
Deed Book Page	078880
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$17,650,000 (see remarks)
PV of Bonds	\$0

### Land Data

Zoning	Single-family and commercial
Topography	Generally level
Utilities	All available
Number of Lots	216
Land Area (Acres)	116.5 (see remarks)
Density (Units per Acre)	4.8 units per acre
Development Status at Sale	Unimproved Lots

### Indicators

Sale Price Per Acre	\$151,502
PV of Bonds Per Acre	\$0

### Remarks

This comparable, previously discussed in the production lot analysis section, is the March 2013 sale of the Emerson subdivision in Oakley, Contra Costa County. Brookfield Homes acquired the property, which totaled 140.25 acres, with 116.5 acres tentatively mapped for 567 single-family lots and 23.75 acres designated for commercial land uses. According to the buyer, the commercial land component had an allocated purchase price of \$2,500,000, with \$17,650,000 allocated to the residential lots, or \$151,502 per acre.

## **Discussion of Adjustments**

The unit of comparison used for this analysis is the sale price per acre. This is the most common unit of comparison for larger parcels like the subject. In order to estimate the market value of the subject property via the comparable sales, it is necessary to adjust their sales prices for characteristics that are dissimilar to those of the subject property.

### ***Total Consideration***

Two of the comparables sales are encumbered by bonds, which is considering in the total sales price analyzed herein.

### ***Property Rights Conveyed***

In this appraisal, we are estimating the market value of the fee simple interest in the subject's underlying land. All of the comparables were fee simple sales and no adjustments are required.

### ***Financing Terms***

The market valuation of the subject property assumes cash or cash equivalent financing. All of the comparable sales were all cash to the seller or cash equivalent transactions and do not require any adjustments.

### ***Conditions of Sale***

Adverse conditions of sale can account for a significant discrepancy from the sales price actually paid compared to that of the market. This discrepancy in price is generally attributed to the motivations of the buyer and the seller. Certain conditions of sale are considered to be non-market and may include the following:

- a seller acting under duress,
- a lack of exposure to the open market,
- an inter-family or inter-business transaction for the sake of family or business interest,
- an unusual tax consideration,
- a premium paid for site assemblage,
- a sale at legal auction, or
- an eminent domain proceeding.

Most of the comparable sales represent arm's-length market transactions, with no unusual circumstances or motivations. However, Sale 1 represents a pending sale. This comparable receives

a downward adjustment for the likelihood that the closing sale price will be lower than the list price due to buyer and seller negotiations. No other adjustments are necessary for this category.

### ***Market Conditions***

Market conditions generally change over time, but the date of value is for a specific point in time. Therefore, in an unstable economy, one that is undergoing changes in the value of the dollar, interest rates and economic growth or decline, extra attention needs to be paid to assess changing market conditions. Significant changes in price levels can occur in several areas of a municipality, while prices in other areas remain relatively stable. Although the adjustment for market conditions is often referred to as a time adjustment, time is not the cause of the adjustment.

In evaluating market conditions, changes between the sale dates and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required. The residential market experienced a period of contraction in 2008 through 2011, although recent broker surveys suggest some stabilization and improvement in recent quarters. However, sale prices have not experienced significant appreciation. All of the comparables transferred since March 2013, and adjustments for market conditions are not applicable.

### ***Physical Characteristics***

The physical characteristics of a property can impact the selling price. Those that may impact value are discussed as follows:

#### Location

The subject parcels are located in Brentwood and are considered to have an average location relative to other nearby submarkets. Sales 1 and 3 are located in Dixon and Woodland, areas considered to be inferior in comparison to the subject's location. Therefore, these sales receive upward adjustments.

#### Visibility / Accessibility

The visibility and accessibility of a property can have a direct impact on property value. For example, if a property is landlocked, this is considered to be an inferior position compared to a property with open accessibility. However, if a property has good visibility or is in proximity to major linkages, this is considered a superior amenity in comparison to a property with limited visibility. All of the comparables possess similar visibility and accessibility characteristics as the subject property, and adjustments are not required.

### Land Area

Land area differences between properties can affect the prices per acre due to economies of scale with larger properties. That is, all else being equal, larger sites tend to sell for less per acre than smaller sites. Those comparables that are significantly larger than the subject receive upward adjustments, while those that are significantly smaller are adjusted downward.

### On-Site Improvements

Sales 1, 2, 3 and 5 are in blue top condition, where the lots are graded and the streets are cut. Therefore, these sales are considered superior to the subject parcels, which remain unimproved; thus, downward adjustments are warranted.

### Off-site Improvements

The subject property and all of the comparable sales have a similar level of off-site improvements in place; thus, no adjustments are necessary for this factor.

### Site Utility

The subject and all of the comparables offer average site utility in terms of parcel shape, topography, drainage, and soil conditions. No adjustments are applied.

### Zoning

The subject is zoned for low density residential with up to three dwellings per acre. Sales 3 and 4 are zoned for up to six to eight dwellings per acre. These densities are slightly superior to the subject and downward adjustments are made. No other adjustments are applied.

### Entitlements

The subject and comparables have a similar level of entitlements for residential development; thus, no adjustments are necessary.

### **Adjustment Grid**

The adjustment grid on the following page details the adjustments described on the preceding pages.

<b>ADJUSTMENT GRID - RESIDENTIAL LAND SALES</b>							
<b>Elements of Comparison:</b>	<b>Subject</b>	<b>Sale 1</b>	<b>Sale 2</b>	<b>Sale 3</b>	<b>Sale 4</b>	<b>Sale 5</b>	<b>Sale 6</b>
Sale Price per Acre		\$396,060	\$464,595	\$396,178	\$441,826	\$366,666	\$151,502
PV of Bonds		\$0	\$0	\$186,842	\$0	\$133,243	\$0
<b>Total Consideration per Acre</b>		<b>\$396,060</b>	<b>\$464,595</b>	<b>\$583,020</b>	<b>\$441,826</b>	<b>\$499,909</b>	<b>\$151,502</b>
Property Rights Conveyed Adjustment	Fee Simple	Similar	Similar	Similar	Similar	Similar	Similar
Financing Terms Adjustment	Cash Equiv.	Similar	Similar	Similar	Similar	Similar	Similar
Sale Conditions Adjustment	Market	Similar Sl. Downward	Similar	Similar	Similar	Similar	Similar
Market Conditions Adjustment	Jul-14 (Appraisal)	Pending	Jul-13	Jun-13	May-13	Mar-13	Mar-13
<b>Physical Characteristics:</b>							
Location Adjustment	Brentwood	Dixon <b>Upward</b>	Fairfield	Woodland <b>Upward</b>	Vacaville	Elk Grove	Oakley <b>Upward</b>
Visibility/Accessibility Adjustment	Average	Similar	Similar	Similar	Similar	Similar	Similar
Land Area (Acres) Adjustment	51.6 / 56.8 / 93.26	22.08	62.42	16.22 <b>Downward</b>	33.95	31.31	116.50 <b>Upward</b>
On-Site Improvements Adjustment	None	Partial <b>Downward</b>	Partial <b>Downward</b>	Partial <b>Downward</b>	Similar	Partial <b>Downward</b>	Similar
Site Utility Adjustment	Average	Similar	Similar	Similar	Similar	Similar	Similar
Zoning Adjustment	Average	Similar	Similar	Sl. Superior <b>Sl. Down</b>	Sl. Superior <b>Sl. Down</b>	Similar	Similar
<b>Summary of Adjustments</b>		<b>Similar</b>	<b>Downward</b>	<b>Downward</b>	<b>Sl. Down</b>	<b>Downward</b>	<b>Sig. Upward</b>
<b>Adjusted Per Acre Value</b>		<b>≈ \$396,060</b>	<b>&lt; \$464,595</b>	<b>&lt; \$583,020</b>	<b>≤\$441,826</b>	<b>&lt; \$499,909</b>	<b>&gt; \$151,502</b>
<b>Concluded Value per Acre:</b>	<b>\$400,000</b>						



## Conclusion of Land Value

Several land sales were analyzed for comparison to the subject's residential land parcels. The adjustment grid above illustrates the qualitative adjustments applied to the market data in order to equate it with the subject parcels. The value range is \$151,502 to \$583,020 per acre of land area. With emphasis on Comparables 1 and 4, which required the fewest number of adjustments, a market value of \$450,000 per acre is considered reasonable for the Palmilla parcels, \$400,000 per acre for the 51.6-acre Trilogy parcel and \$350,000 per acre is considered reasonable for the 93.26-acre Trilogy Tract 8908, which has recently been subdivided into 383 residential lots with site development underway. Applying these unit indicators to the subject parcels results in the following estimates of land value.

Tract	Ownership	Land Area	Value per Acre	Market Value
8729 (TM 9332)	Palmilla Project Owner LLC	15.25 acres	\$450,000	\$6,862,500
8729 (TM 9332)	Palmilla Project Owner LLC	9.20 acres	\$450,000	\$4,140,000
8729 (TM 9332)	Palmilla Project Owner LLC	13.70 acres	\$450,000	\$6,165,000
8729 (TM 9332)	Palmilla Project Owner LLC	11.76 acres	\$450,000	\$5,292,000
8729 (TM 9332)	Palmilla Project Owner LLC	6.89 acres	\$450,000	\$3,100,500
8796/8906	Trilogy Vineyards LLC	51.6 acres	\$400,000	\$20,640,000
8908	Trilogy Vineyards LLC	93.26 acres	\$350,000	\$32,641,000

In light of the fact Tract 8908 has been subdivided into 383 residential lots, now identified as parcels 007-650-001 thru -042; 007-660-001 thru -036; 007-670-001 thru -070; 007-680-001 thru -064; 007-690-001 thru -055; 007-700-001 thru -034; 007-710-001 thru -082. Applying the market value above (\$32,641,000) to each of the 383 residential lots suggests an unimproved lot value of \$85,225 (rd.) per lot, which will be assigned to each of the newly created Assessor's parcels.

## RURAL RESIDENTIAL LOT ANALYSIS

There are two rural residential lots within the boundaries of the District located on Gracie Lane, identified as parcels 016-100-025 and -026, and are 1.128 and 1.32 acres in size, respectively. In order to estimate the market value of these lots, the sales comparison approach is once again employed, which is based on the economic principle of substitution. The proper application of this approach requires obtaining recent sales data for comparison with the subject property. On the following page, we have arrayed comparable sales that have occurred in the region. The summary table is accompanied by a map and followed by a discussion of adjustments and conclusion of value. The basis of analysis is price per lot.

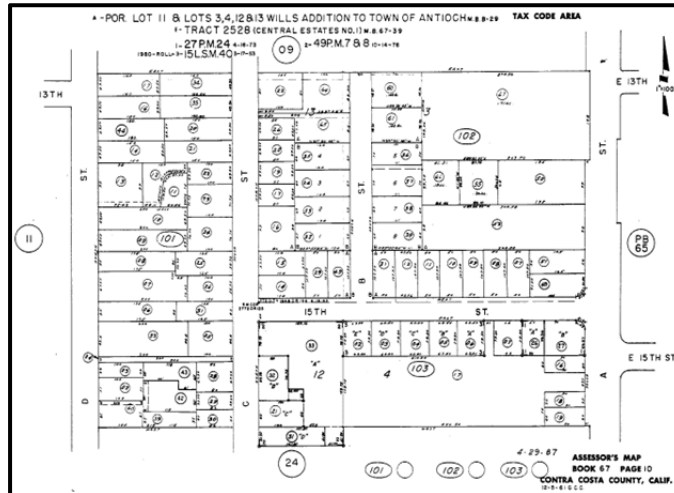
### RURAL RESIDENTIAL LOT SALES SUMMARY

No.	Property Identification	Sale Date	Sale Price	<u>Land Area</u> Acre/SF	Price per Acre
1	A Street Antioch, Contra Costa County APN: 067-103-017	Apr-14	<b>\$200,000</b>	<u>1.77</u> 77,013	\$113,124
2	90 Broadway Oakley, Contra Costa County APN: 032-040-024	Feb-14	<b>\$114,000</b>	<u>1.63</u> 71,002	\$69,939
3	3400B Concord Avenue Brentwood, Contra Costa County APN: 010-210-030	May-14 (Listing)	<b>\$235,000</b>	<u>2.00</u> 87,120	\$117,500
4	30 W. Cypress Road Oakley, Contra Costa County APN: 041-110-044-9	Aug-12 (Listing)	<b>\$197,000</b>	<u>0.97</u> 42,340	\$202,676

# RURAL RESIDENTIAL LOT SALES MAP



## LOT SALE 1



### Property Identification

Project Name	None
Location	A Street
APN	067-103-017
City	Antioch
County	Contra Costa County

### Sale Data

Grantor	Balacco Family Trust
Grantee	Arnulfo S. Ocampo
Days on Market	124
Closing Date	April 1, 2014
Deed Book Page	49430
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale (List) Price	\$200,000 (\$113,124 per acre)
Confirmation	Public records/MLS
Annual Special Taxes per Lot	None

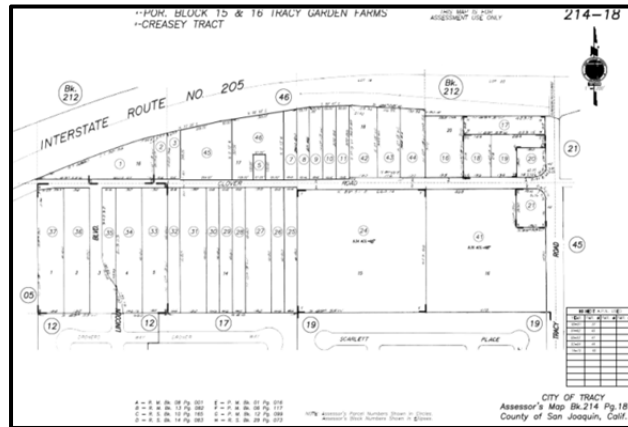
### Land Data

Zoning	Residential Multifamily
Topography	Level
View	Local
Utilities	Available
Land Area (Acres)	1.77

### Remarks

This comparable is the April 2014 sale of a 1.77-acre lot along the west line of A Street, at E. 15<sup>th</sup> Street, in Antioch. A portion of the property may allow for commercial development, with the balance multifamily development.

## LOT SALE 2



### Property Identification

Project Name	None
Location	11196 W. Clover Road
APN	214-180-36
City	Tracy
County	San Joaquin County

### Sale Data

Grantor	Good News Missionary Baptist Church
Grantee	Irfan Khan
Closing Date	March 26, 2013
Deed Book Page	39174
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$125,000 (\$64,433 per acre)
Confirmation	Public records/MLS
Annual Special Taxes per Lot	\$0

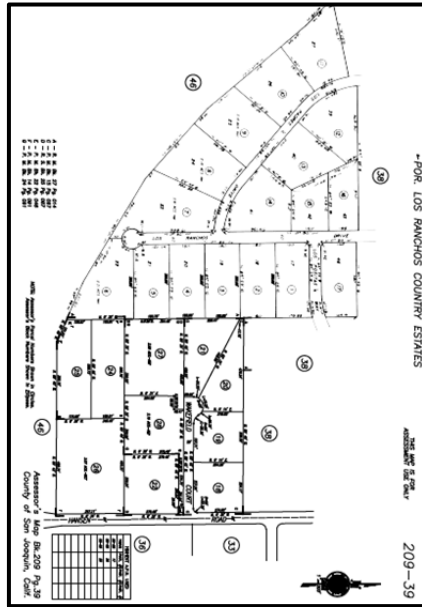
### Land Data

Zoning	Residential
Topography	Generally level
View	Local
Utilities	Public water within 500'; septic needed
Land Area (Acres)	1.94

### Remarks

This property is the March 2013 sale of a 1.94-acre residential parcel in Tracy. The property was on the market for a little over one year and sold for \$125,000, or \$25,000 below the asking price (\$150,000).

### LOT SALE 3



#### Property Identification

Project Name	None
Location	16670 Wakefield Court
APN	209-390-27
City	Tracy
County	San Joaquin County

#### Sale Data

Grantor	Willy Ngosi
Grantee	Timothy J & Cindy Bannister et al
Closing Date	December 16, 2011
Deed Book Page	155503
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$135,000 (\$48,214 per acre)
Confirmation	Public records/MLS
Annual Special Taxes per Lot	\$0

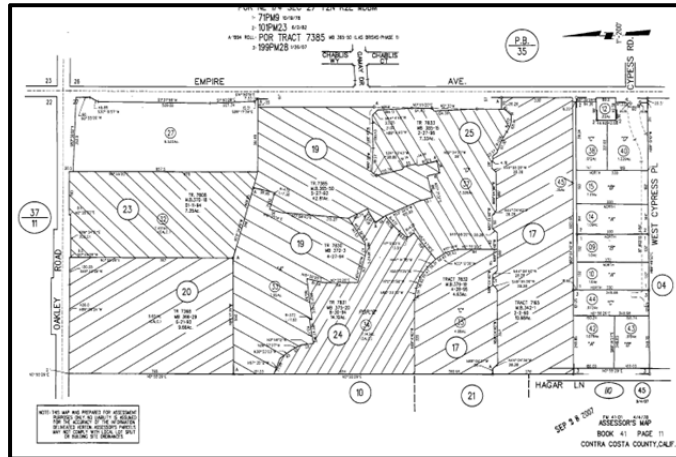
#### Land Data

Zoning	Residential
Topography	Generally level
View	Local
Utilities	Domestic well; septic needed
Land Area (Acres)	2.80

#### Remarks

This 2.8-acre residential parcel in Tracy sold in December 2011 for \$135,000, or 20% below the list price (\$169,000). The property was on the market for 114 days.

## LOT SALE 4



### Property Identification

Project Name	None
Location	W. Cypress Road
APN	041-110-044-9
City	Oakley
County	Contra Costa County

### Sale Data

Grantor	Wayne Roy Hains
Grantee	N/A
Days on Market	708
Closing Date	August 14, 2012 (Listing Date)
Deed Book Page	N/A
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale (List) Price	\$197,000 (\$117,500 per acre)
Confirmation	Public records/MLS
Annual Special Taxes per Lot	None

### Land Data

Zoning	Residential
Topography	Level
View	Local
Utilities	Available
Land Area (Acres)	0.97

### Remarks

This comparable is the current listing for an almost one-acre lot in Oakley. The property has been on the market for nearly two years.

## Analysis and Conclusion

The market data reflects a range of \$125,000 to \$235,000, or \$48,214 to \$117,500 per acre, with the upper end of the range indicative of a current listing, which has been on the market for nearly two years. Based on the data presented, and considering the location and size of the subject parcels, a conclusion of **\$175,000** per lot is considered reasonable and shown in the following table:

APN	Lot Size	Lot Value
016-100-025	1.128 acres	\$175,000
016-100-026	1.32 acres	\$175,000



## SUMMARY AND CONCLUSION

The purpose of this appraisal has been to estimate the market values (*fee simple estate*) of the appraised properties, which comprise a portion of the land areas situated within the boundaries of City of Brentwood Assessment District No. 2005-1. The market value estimates also account for the impact of the Assessment Lien securing the bonds. The following estimate represents the the cumulative (aggregate) value of the appraised properties comprising a portion of City of Brentwood Assessment District No. 2005-1, which is not equivalent to the market value of the District as a whole. As a result of our analysis, it is our opinion the cumulative (aggregate) value of the subject properties, in accordance with the definitions, certifications, assumptions and conditions set forth in the attached document (please refer to pages 6 through 8), as of July 9, 2014, are...

**\$125,516,175**

Please see the *Market Value by Assessor's Parcel* table in the Addenda for a description and breakdown of the value above by ownership and parcel.

## EXPOSURE TIME

Exposure time is the period a property interest 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. Marketing time reflects the time it might take to sell an interest in real property at its estimated market value during the period *immediately after* the effective date of the appraisal. Exposure time and marketing time may or may not be similar depending on whether market activity in the immediate future continues in the same manner as in the immediate past. Indications of the exposure time associated with a market value estimate are provided by the marketing times of sale comparables, interviews with participants in the market, and analysis of general economic conditions. Estimation of a future marketing time is more difficult, requiring forecasting and analysis of trends. The exposure time is estimated for the subject property below.

As described above, exposure time is defined as the length of time a property interest 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. It is a retrospective estimate of time based on an analysis of past events assuming a competitive and open market. The residential land market throughout the Bay Area has shown signs of recovery. A transfer of residential land has typically occurred within 12 months of exposure. Given the size of the subject properties, and the condition of the market, it is expected that if appropriately priced, the exposure time for the subject properties, by ownership, would likely be in line with the high end of the range, or approximately **12 months**.

# **ADDENDA**

**MARKET VALUE BY ASSESSOR'S PARCEL**

City of Brentwood  
Assessment District No. 2005-1  
Charge Detail Report (Sorted by Assessor's Parcel Number)

Assessment No.	Assessor Parcel No.	Original Assessment	Principal	Interest	Admin Charge 2	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Valc	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
17-285	007-380-027	\$4,477,227.72	\$104,277.19	\$187,736.87	\$7,738.24	\$299,752.30	\$3,606,764.09	TRILOGY VINEYARDS LLC	\$4,902,000	\$0	\$4,902,000	\$20,640,000	\$3,711,041.28	5.56	VSFR	Tentative Map
8-113	017-170-007	\$2,408,894.90	\$56,104.54	\$101,008.57	\$4,163.43	\$161,276.54	\$1,940,557.00	PALMILLA PROJECT OWNER LLC	\$904,086	\$0	\$904,086	\$6,862,500	\$1,996,661.54	3.44	VSFR	Tentative Map
1-1	017-131-026	\$1,759,861.21	\$40,988.17	\$73,793.62	\$3,041.67	\$117,823.46	\$1,417,708.59	PALMILLA PROJECT OWNER LLC	\$632,860	\$0	\$632,860	\$4,140,000	\$1,458,696.77	2.84	VSFR	Tentative Map
2-1	017-140-028	\$1,199,111.66	\$27,928.00	\$50,280.55	\$2,072.49	\$80,281.04	\$965,980.10	PALMILLA PROJECT OWNER LLC	\$354,100	\$0	\$354,100	\$6,165,000	\$993,908.09	6.20	VSFR	Tentative Map
8-114	017-170-008	\$1,107,917.08	\$25,804.02	\$46,456.62	\$1,914.88	\$74,175.52	\$892,515.59	PALMILLA PROJECT OWNER LLC	\$376,702	\$0	\$376,702	\$5,292,000	\$918,319.61	5.76	VSFR	Tentative Map
2-2	017-160-005	\$856,646.91	\$19,951.80	\$35,920.49	\$1,480.59	\$57,352.88	\$690,097.42	PALMILLA PROJECT OWNER LLC	\$316,430	\$0	\$316,430	\$3,100,500	\$710,049.22	4.37	VSFR	Tentative Map
18-1	007-500-001	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-2	007-500-002	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-3	007-500-003	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-4	007-500-004	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-7	007-500-007	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-8	007-500-008	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-9	007-500-009	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-10	007-500-010	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-13	007-500-013	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-14	007-500-014	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-15	007-500-015	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-16	007-500-016	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-17	007-500-017	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-18	007-500-018	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-19	007-500-019	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-20	007-500-020	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-21	007-500-021	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-22	007-500-022	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-23	007-500-023	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-24	007-500-024	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-25	007-500-025	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-26	007-500-026	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-27	007-500-027	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-28	007-500-028	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-29	007-500-029	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-30	007-500-030	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-31	007-500-031	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-32	007-500-032	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-33	007-500-033	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-34	007-500-034	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-35	007-500-035	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-36	007-500-036	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-37	007-500-037	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-38	007-500-038	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-39	007-500-039	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-40	007-500-040	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-41	007-500-041	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-42	007-500-042	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-43	007-500-043	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-44	007-500-044	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-45	007-500-045	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-48	007-500-048	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-49	007-500-049	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-50	007-500-050	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-51	007-500-051	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-52	007-500-052	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-53	007-500-053	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-54	007-500-054	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-55	007-500-055	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
18-56	007-500-056	\$22,444.69	\$522.75	\$941.14	\$38.79	\$1,502.68	\$18,080.99	TRILOGY VINEYARDS LLC	\$98,580	\$0	\$98,580	\$150,000	\$18,603.74	8.06	VSFR	Finished Lots
1																





























City of Brentwood  
Assessment District No. 2005-1  
Charge Detail Report (Sorted by Assessor's Parcel Number)

Assessment No.	Assessor Parcel No.	Original Assessment	Principal	Interest	Admin Charge 2	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Value	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
17-314-10	007-640-010	\$19,517.11	\$454.56	\$818.38	\$33.73	\$1,306.68	\$15,722.59	DIABLO ESTATES LLC	\$30,000	\$0	\$30,000	\$120,000	\$16,177.15	7.42	VSFR	Partially Finished Lots
17-314-11	007-640-011	\$19,517.11	\$454.56	\$818.38	\$33.73	\$1,306.68	\$15,722.59	DIABLO ESTATES LLC	\$30,000	\$0	\$30,000	\$120,000	\$16,177.15	7.42	VSFR	Partially Finished Lots
8-67	017-640-007	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-68	017-640-008	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-69	017-640-009	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-70	017-640-010	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-71	017-640-011	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-72	017-640-012	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-73	017-640-013	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-74	017-640-014	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-75	017-640-015	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-76	017-640-016	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-77	017-640-017	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-78	017-640-018	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-81	017-640-021	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-82	017-640-022	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-83	017-640-023	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-84	017-640-024	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-85	017-640-025	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-87	017-640-027	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-88	017-640-028	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-89	017-640-029	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-90	017-640-030	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-94	017-640-034	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-95	017-640-035	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-96	017-640-036	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-97	017-640-037	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-98	017-640-038	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-99	017-640-039	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-103	017-640-043	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-104	017-640-044	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-105	017-640-045	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-106	017-640-046	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-107	017-640-047	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-108	017-640-048	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-109	017-640-049	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
8-111	017-640-051	\$19,403.10	\$451.91	\$813.60	\$33.54	\$1,299.06	\$15,630.74	BRENTWOOD PALMILLA OWNER LLC	\$85,385	\$0	\$85,385	\$111,000	\$16,082.65	6.90	VSFR	Finished Lots
18-5-1	007-500-064	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
18-11-1	007-500-065	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
18-46-1	007-500-066	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
17-31-1	007-510-089	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
17-158-1	007-510-090	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
17-34-1	007-520-068	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$154,000	\$8,088.58	19.04	VSFR	Finished Lots
17-39-1	007-520-069	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$154,000	\$8,088.58	19.04	VSFR	Finished Lots
17-43-1	007-520-070	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$154,000	\$8,088.58	19.04	VSFR	Finished Lots
17-138-1	007-520-071	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$154,000	\$8,088.58	19.04	VSFR	Finished Lots
17-288-162-1	007-540-052	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$154,000	\$8,088.58	19.04	VSFR	Finished Lots
17-226-1	007-550-047	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
17-288-64-1	007-620-061	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
17-288-85-1	007-620-062	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
17-288-88-1	007-620-063	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
17-288-92-1	007-620-064	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
17-288-121-1	007-630-071	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
17-288-127-1	007-630-072	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
17-288-130-1	007-630-073	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
17-288-145-1	007-630-074	\$9,758.56	\$227.28	\$409.19	\$16.87	\$653.34	\$7,861.30	TRILOGY VINEYARDS LLC	\$100,000	\$0	\$100,000	\$150,000	\$8,088.58	18.54	VSFR	Finished Lots
25-2	016-100-025	\$9,114.50	\$212.28	\$382.18	\$15.75	\$640.22	\$7,342.46	MEDEROS ROBERT & LINDA D	\$120,000	\$0	\$120,000	\$175,000	\$7,554.74	23.16	VSFR	Finished Lots
25-3	016-100-026	\$9,114.49	\$212.28	\$382.18	\$15.75	\$640.22	\$7,342.45	MEDEROS ROBERT & LINDA D	\$125,000	\$0	\$125,000	\$175,000	\$7,554.73	23.16	VSFR	Finished Lots

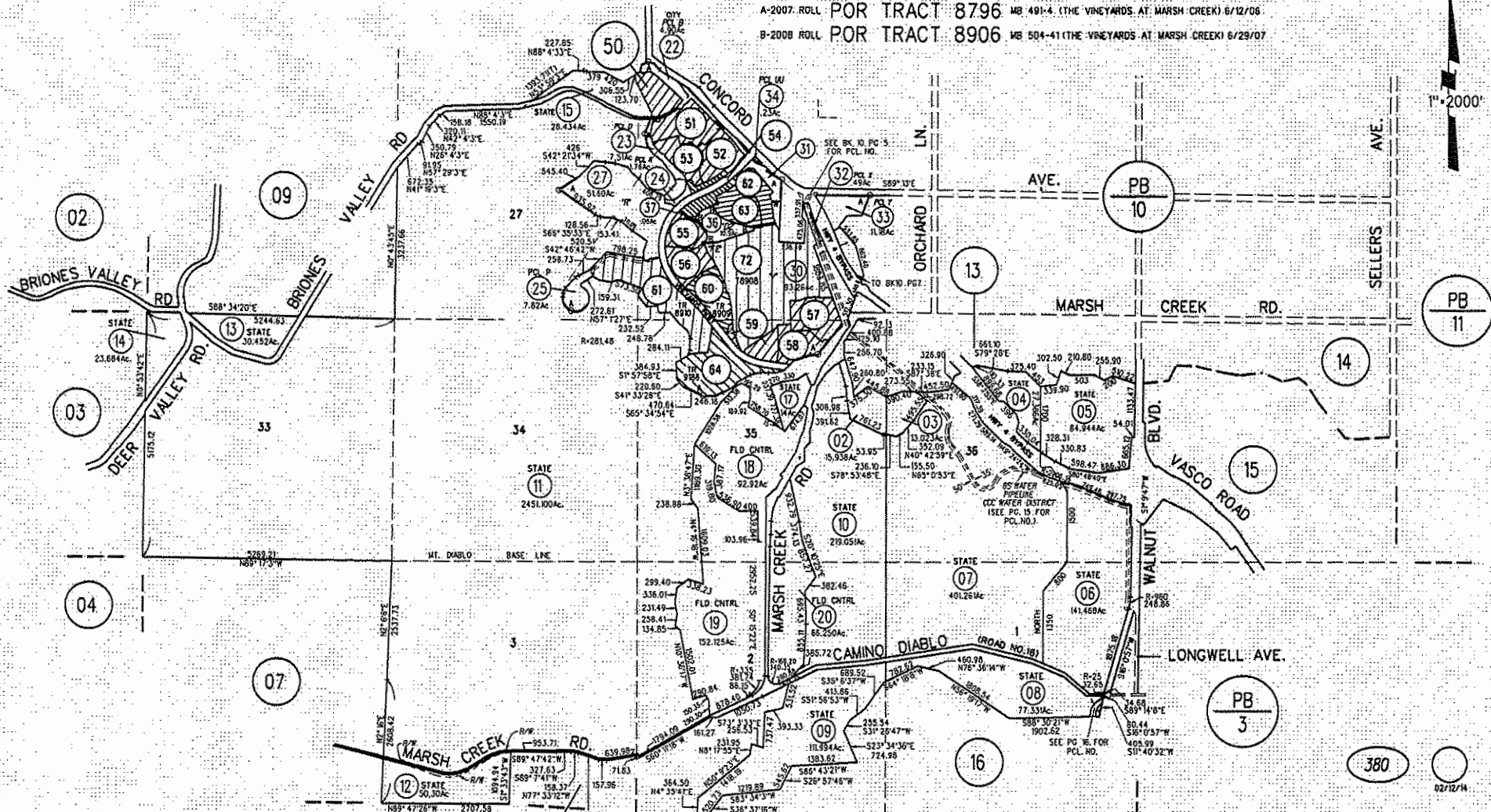
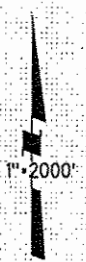
City of Brentwood  
Assessment District No. 2005-1  
Charge Detail Report (Sorted by Assessor's Parcel Number)

Assessment No.	Assessor Parcel No.	Original Assessment	Principal	Interest	Admin Charge 2	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Value	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
1323	Total	\$40,122,555.37	\$934,477.25	\$1,682,398.86	\$69,346.07	\$2,686,748.56	\$32,321,919.01		\$54,723,913	\$0	\$54,723,913	\$125,516,175	\$22,864,080.27	5.49		

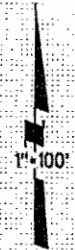
**ASSESORS PARCEL MAPS**

SEC 33&34 & POR SEC 22,23,26,27,35&36 T1N R2E MDBM  
 POR SEC 1,2&3 T1S R2E MDBM  
 BRENTWOOD IRRIGATED FARMS SUB NO 8 & 10 MB 17-375

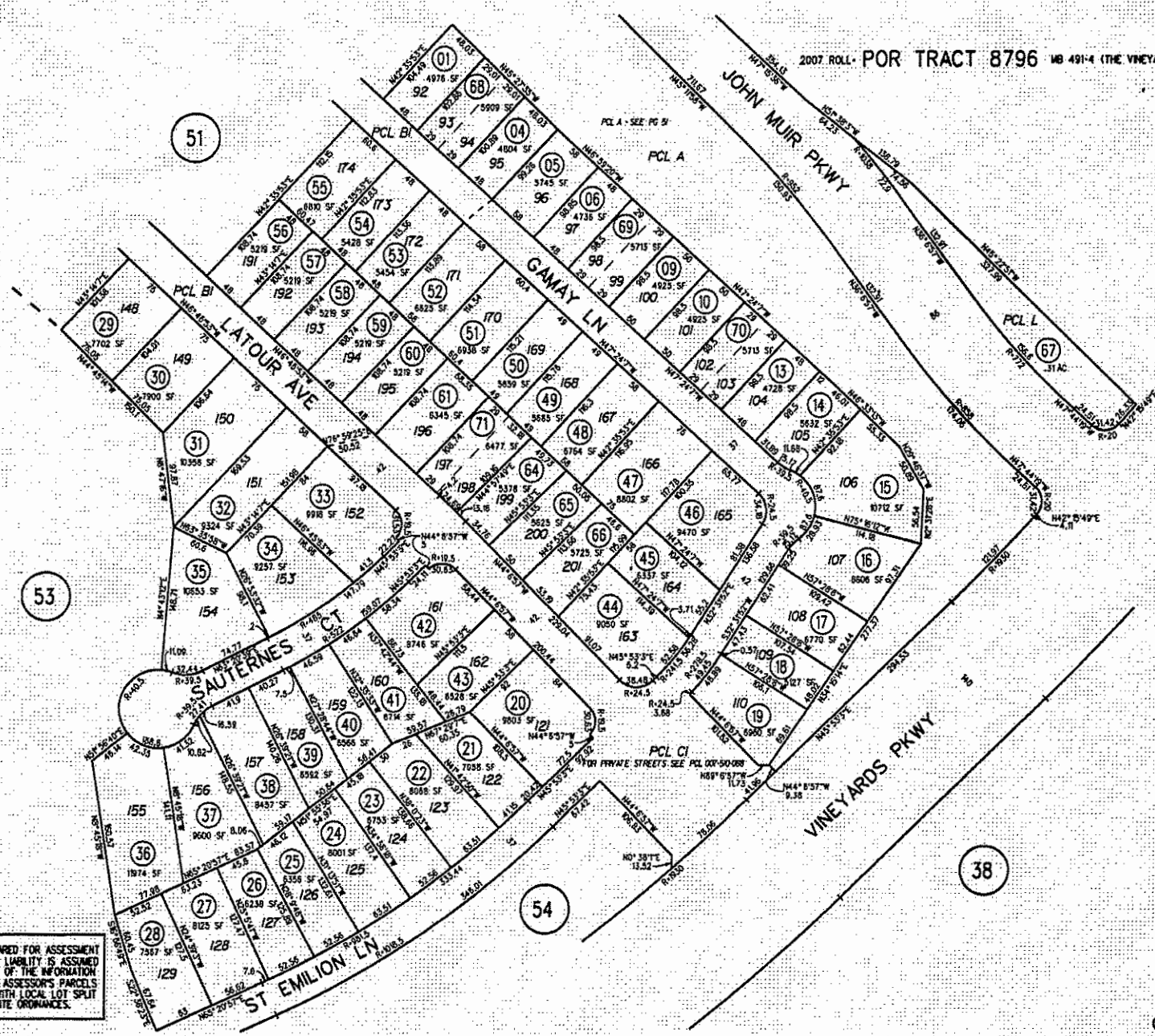
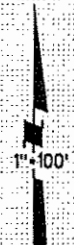
A-2007 ROLL POR TRACT 8796 MB 491-4 (THE VINEYARDS AT MARSH CREEK) 6/12/06  
 B-2008 ROLL POR TRACT 8906 MB 504-41 (THE VINEYARDS AT MARSH CREEK) 6/29/07



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

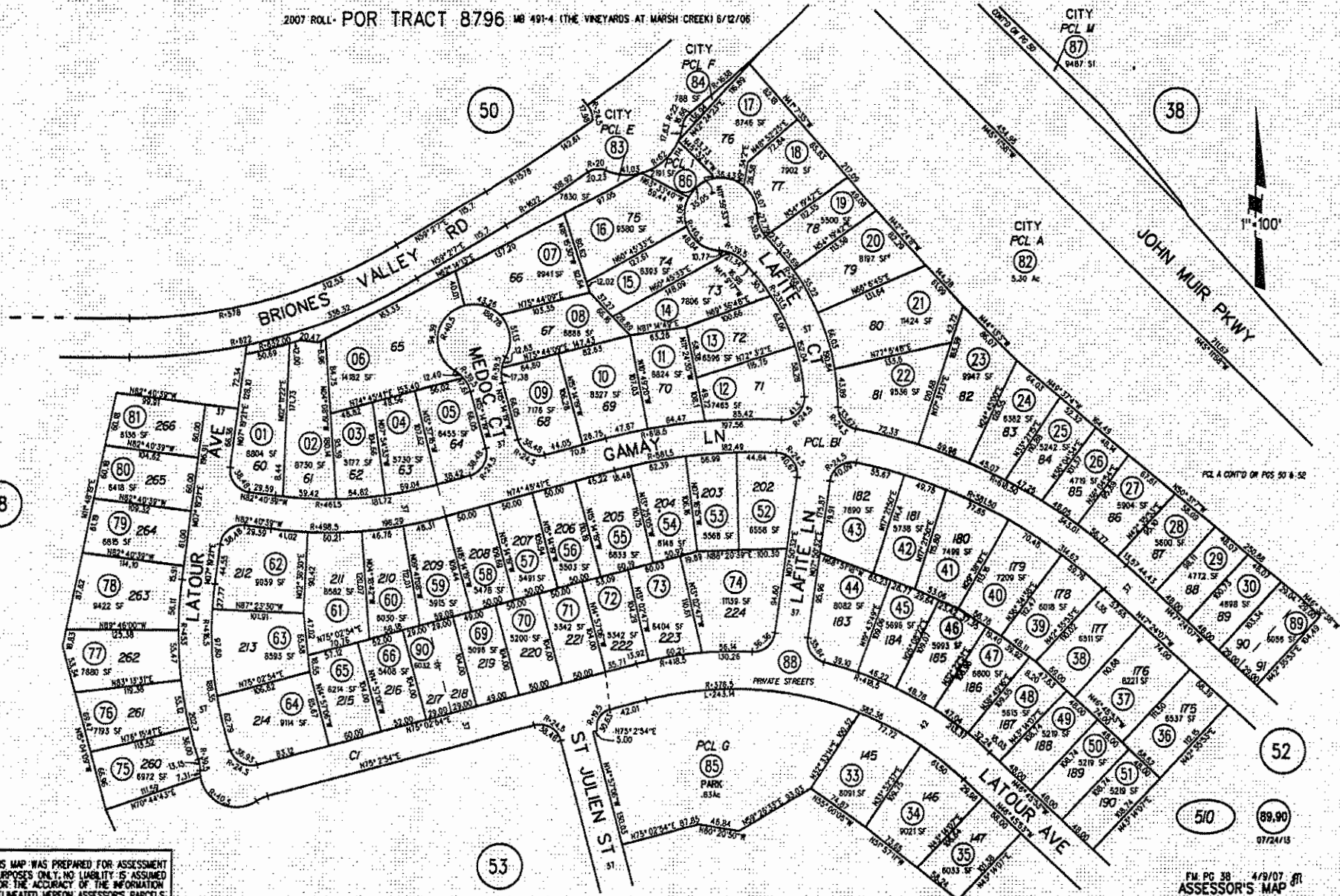


NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

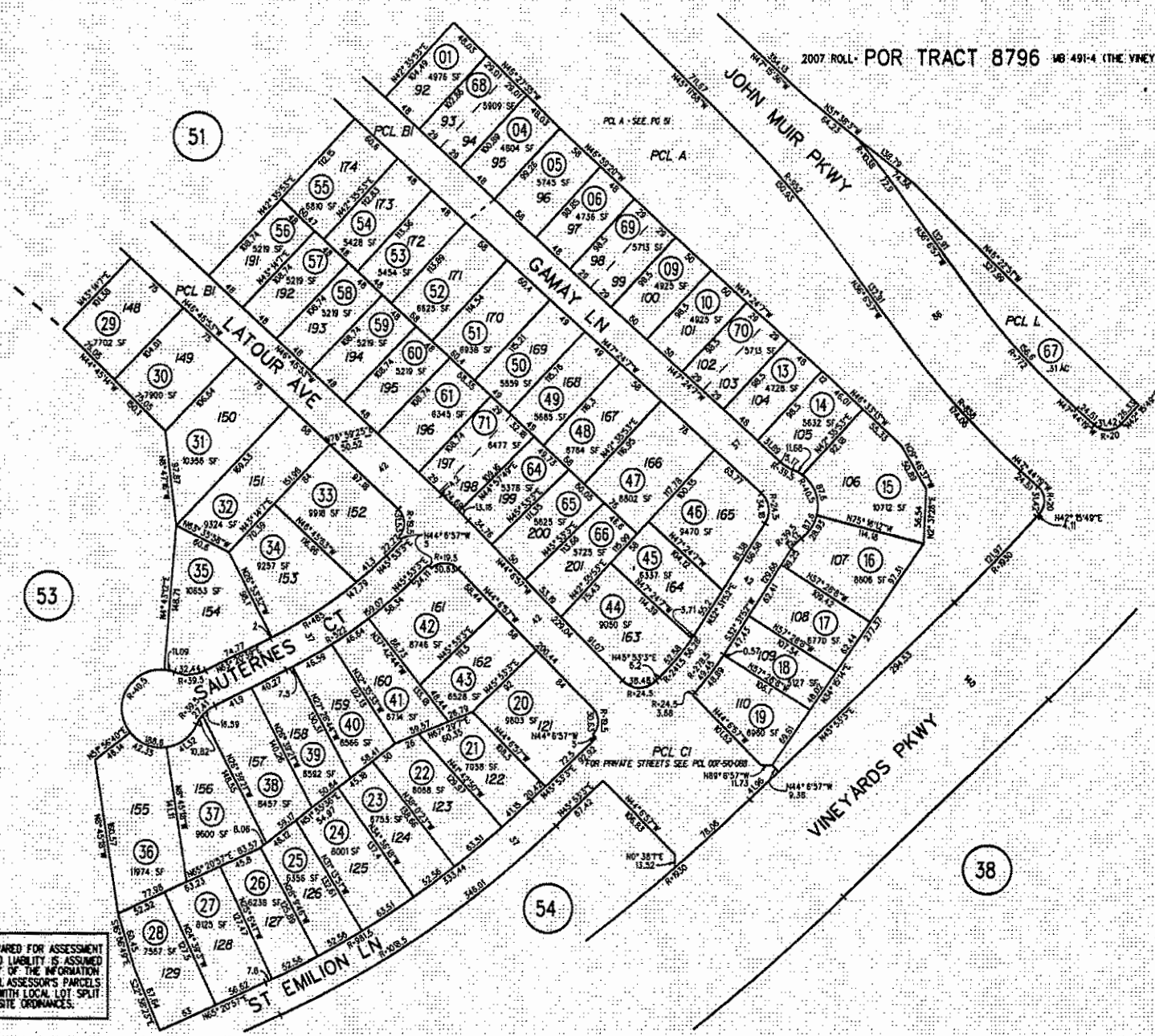
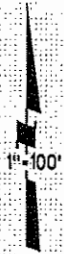


NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.



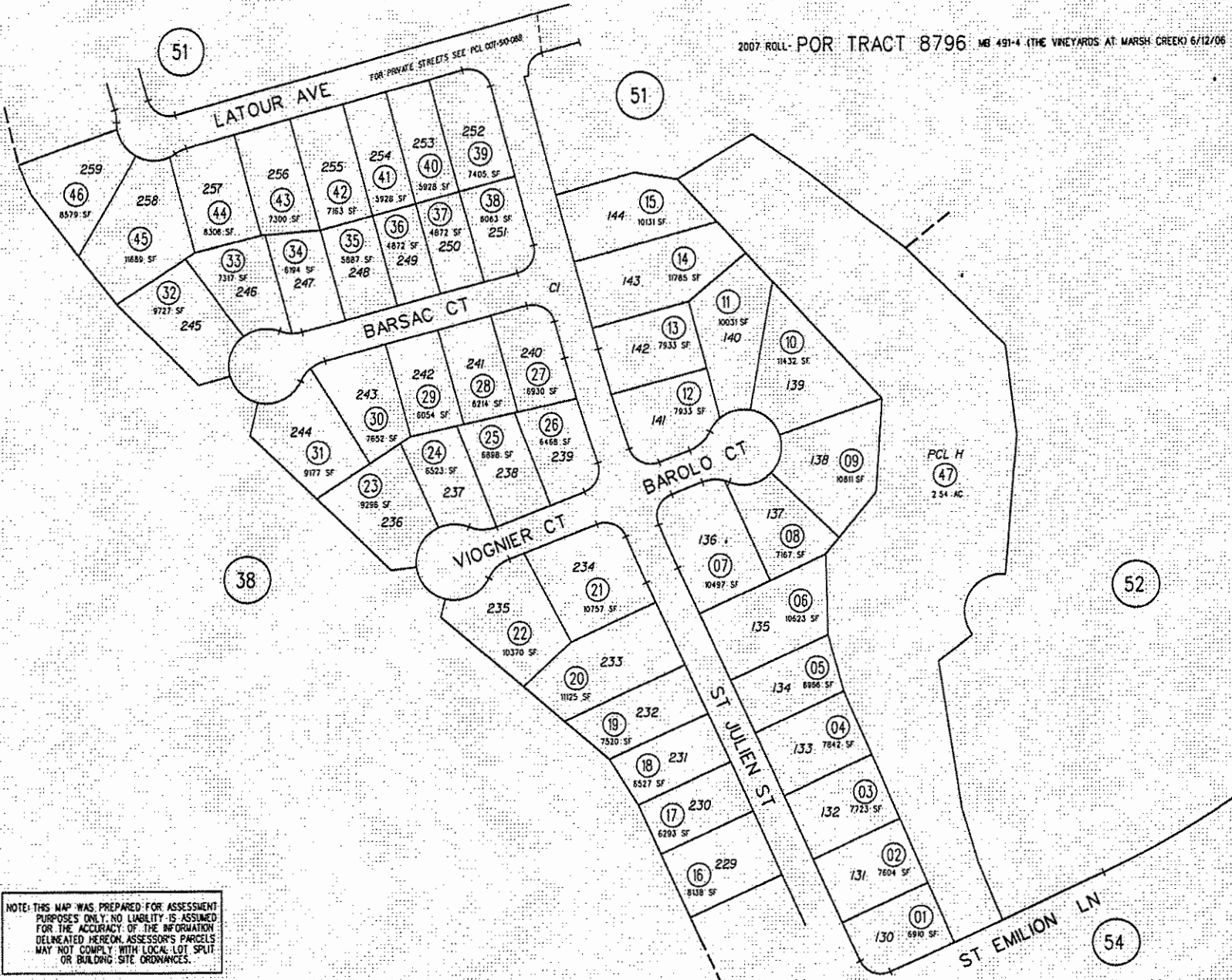


NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

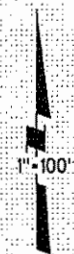


NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.



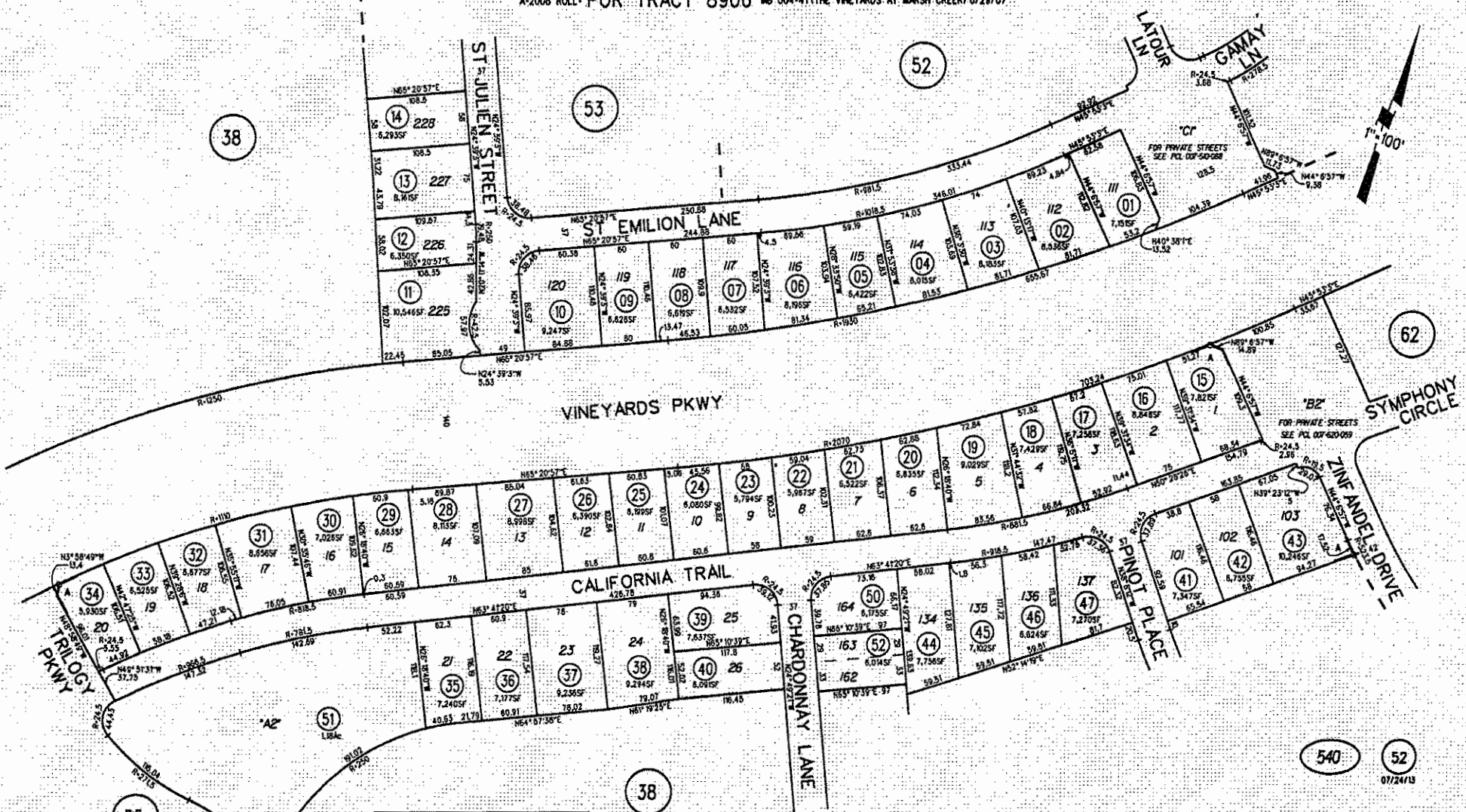


NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.



530  
5/28/01

2007 ROLL - POR TRACT 8796 MB 491-4 (THE VINEYARDS AT MARSH CREEK) 6/12/06  
 A-2008 ROLL - POR TRACT 8906 MB 604-41 (THE VINEYARDS AT MARSH CREEK) 6/28/07



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

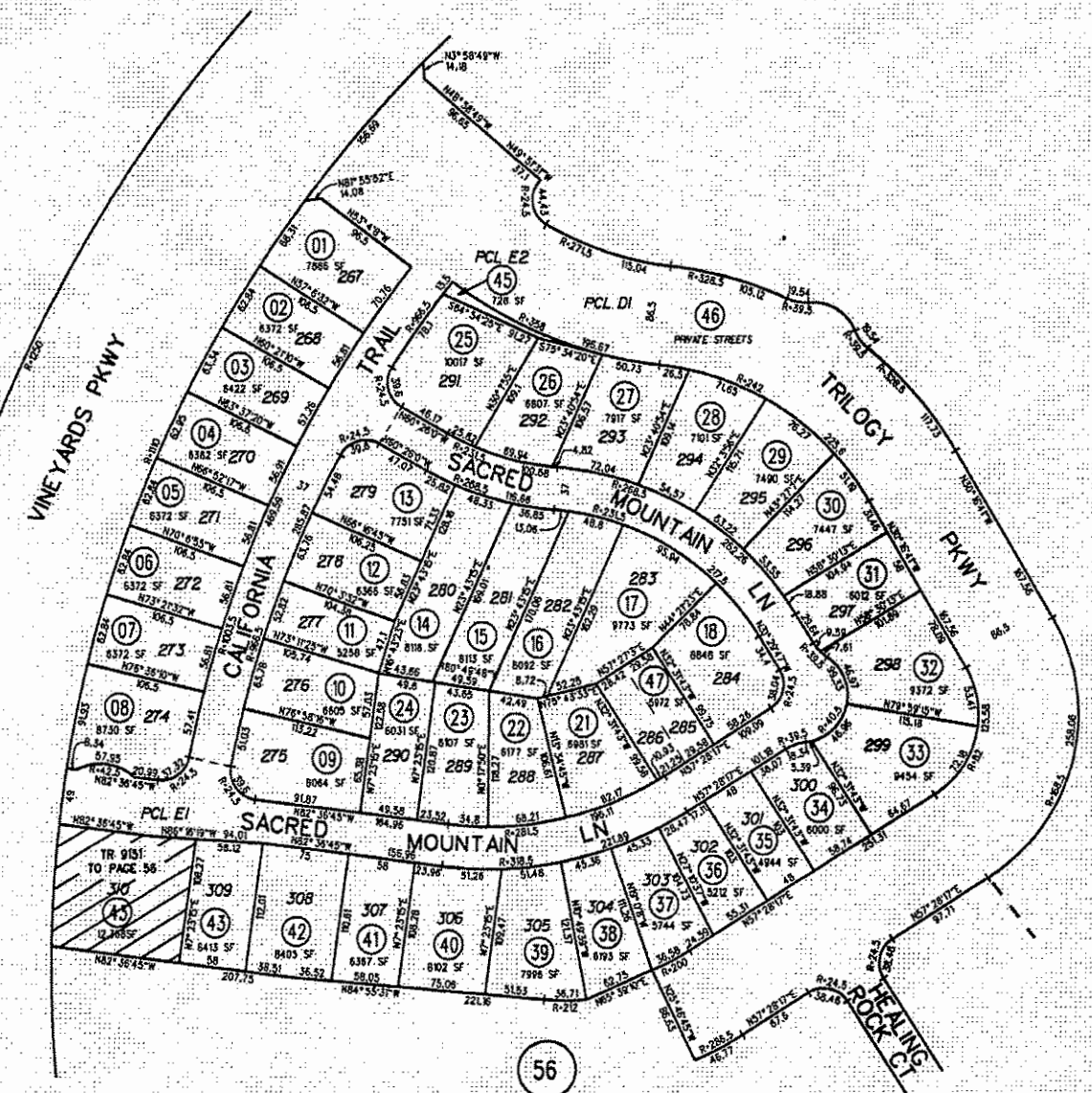
38

38

550

47  
07/24/13

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.



56

2007 ROLL - POR TRACT 8796 MB 491-4 (THE VINEYARDS AT MARSH CREEK) 6/12/06  
A- 2008 ROLL - TRACT 9151 MB 501-13 (THE VINEYARDS AT MARSH CREEK) 2/1/07

SACRED MOUNTAIN LN (PRIVATE)

TRILogy PKWY  
FOR PRIVATE STREETS SEE PCL 007-552006

HEALING ROCK CT

VINEYARDS PKWY

38

55

38

61

\*PCL S\*  
28  
9.28Ac

60

560

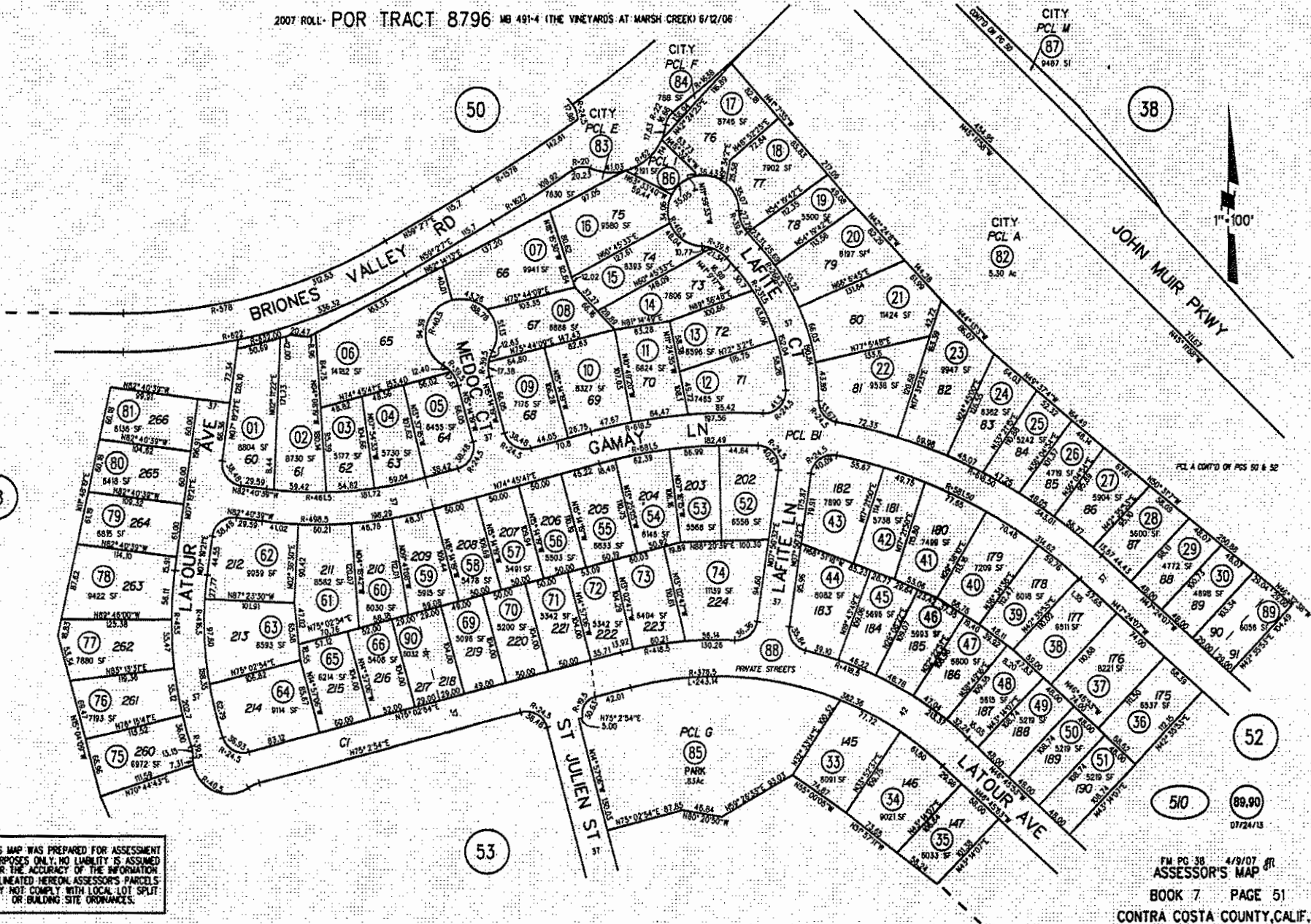
TR  
9151  
9/4/07

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

FM PG 38 4/9/07  
ASSESSOR'S MAP  
BOOK 7 PAGE 56  
CONTRA COSTA COUNTY, CALIF.

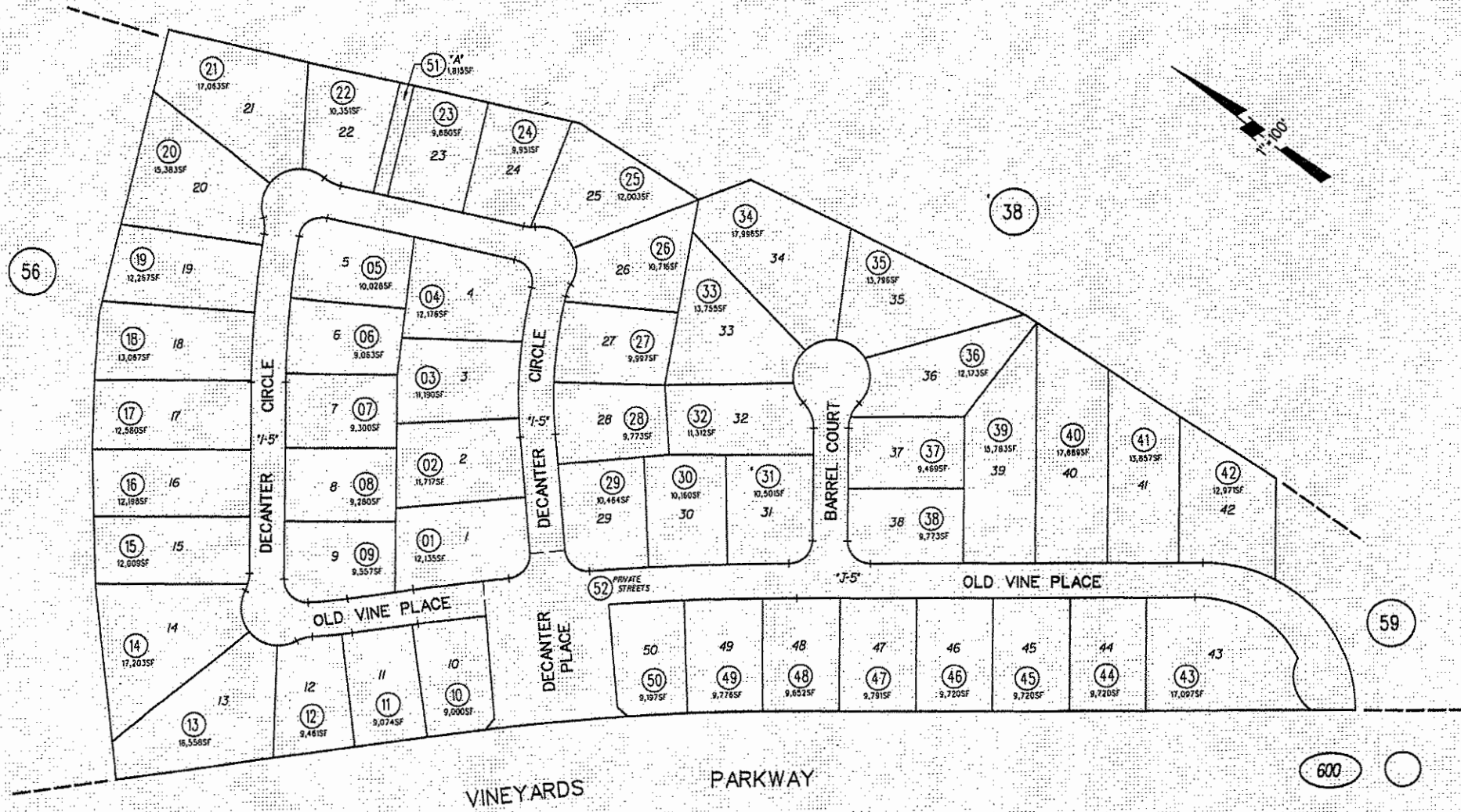






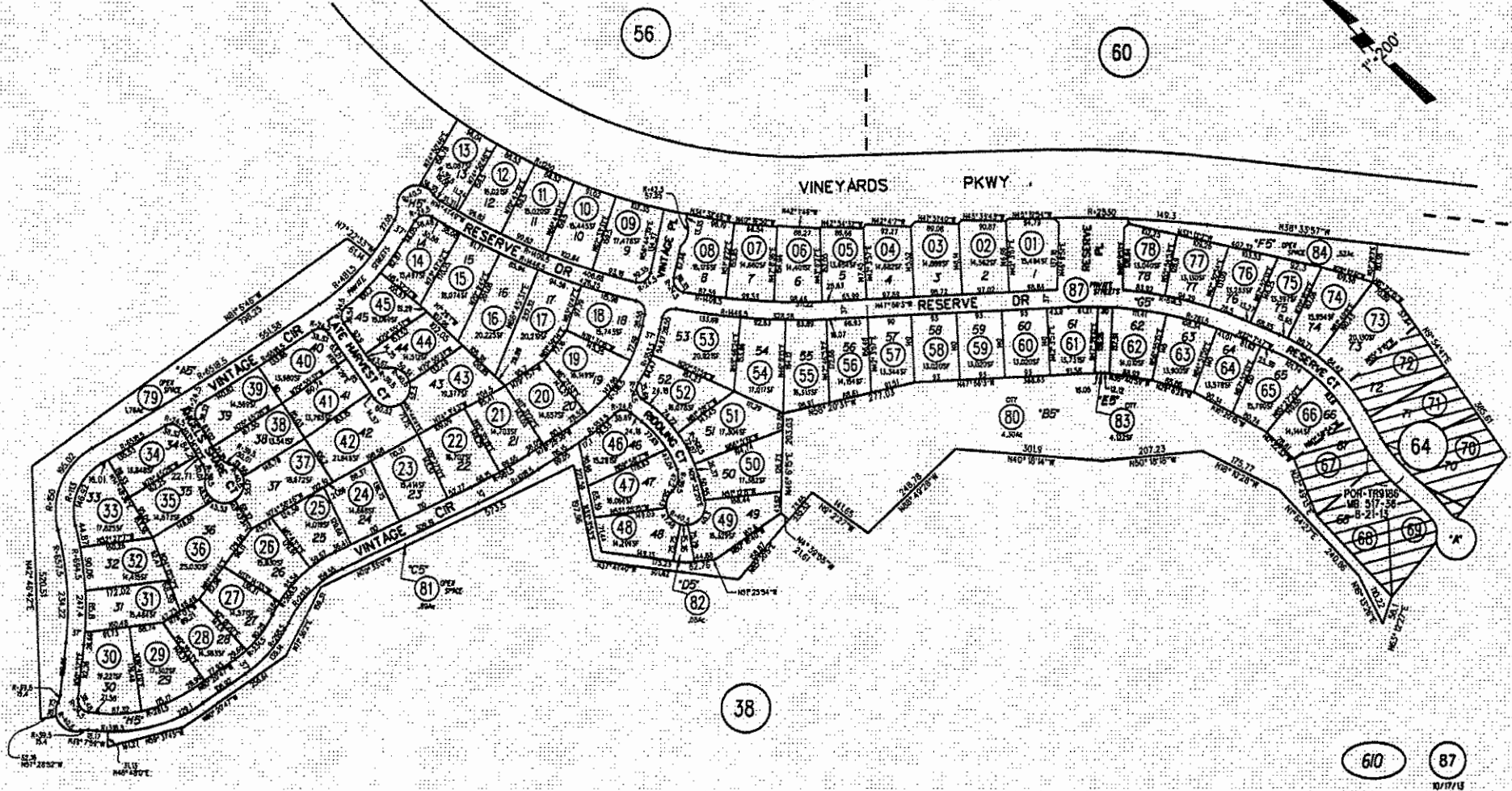
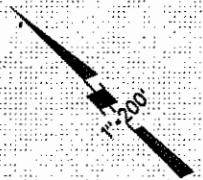
NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

2008 ROLL-TRACT 8909 MB 502-33 (THE VINEYARDS AT MARSH CREEK-PHASE 5A) 3/8/07

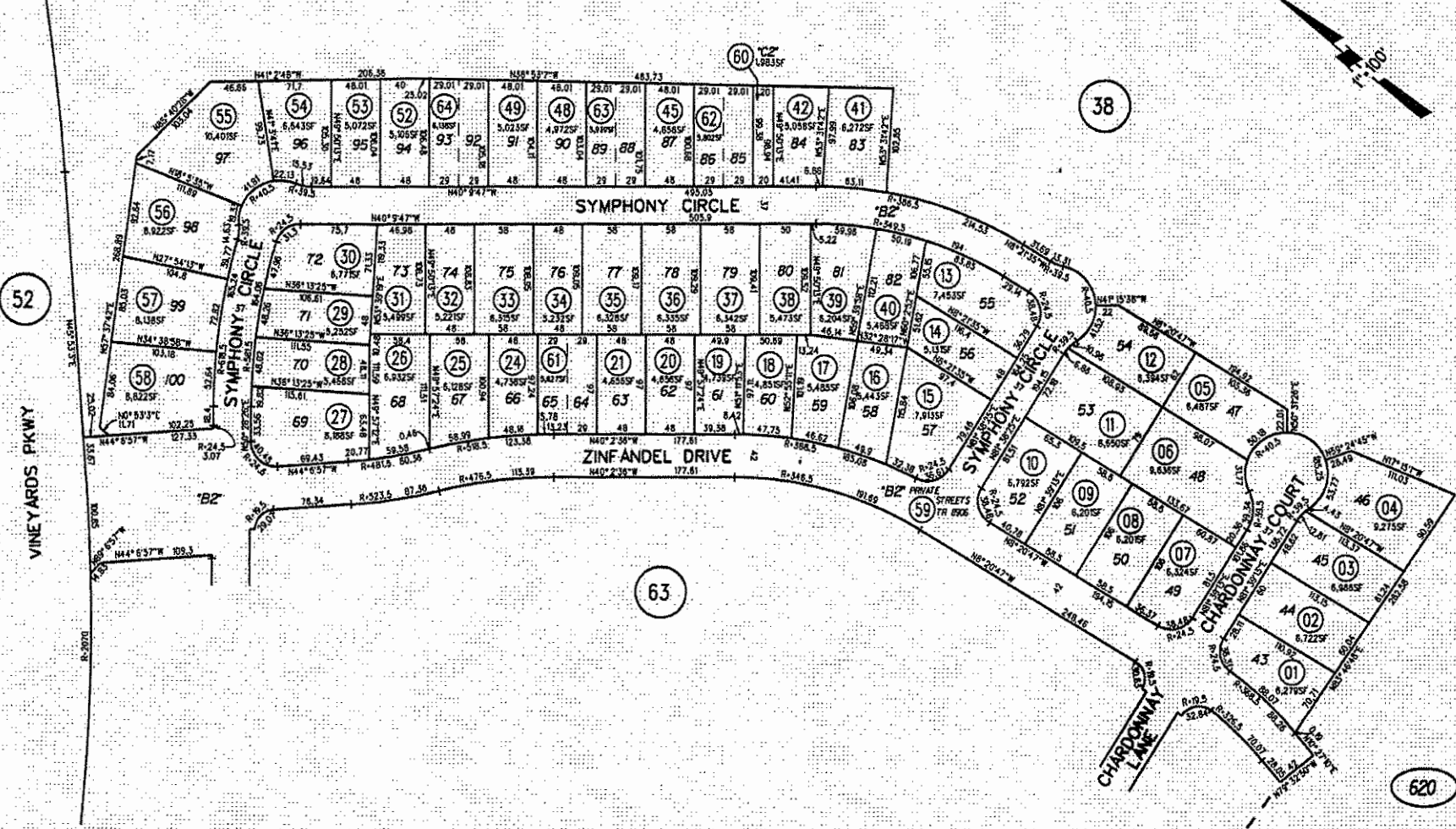
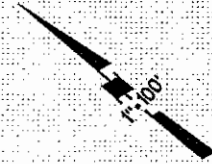


NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

38



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.



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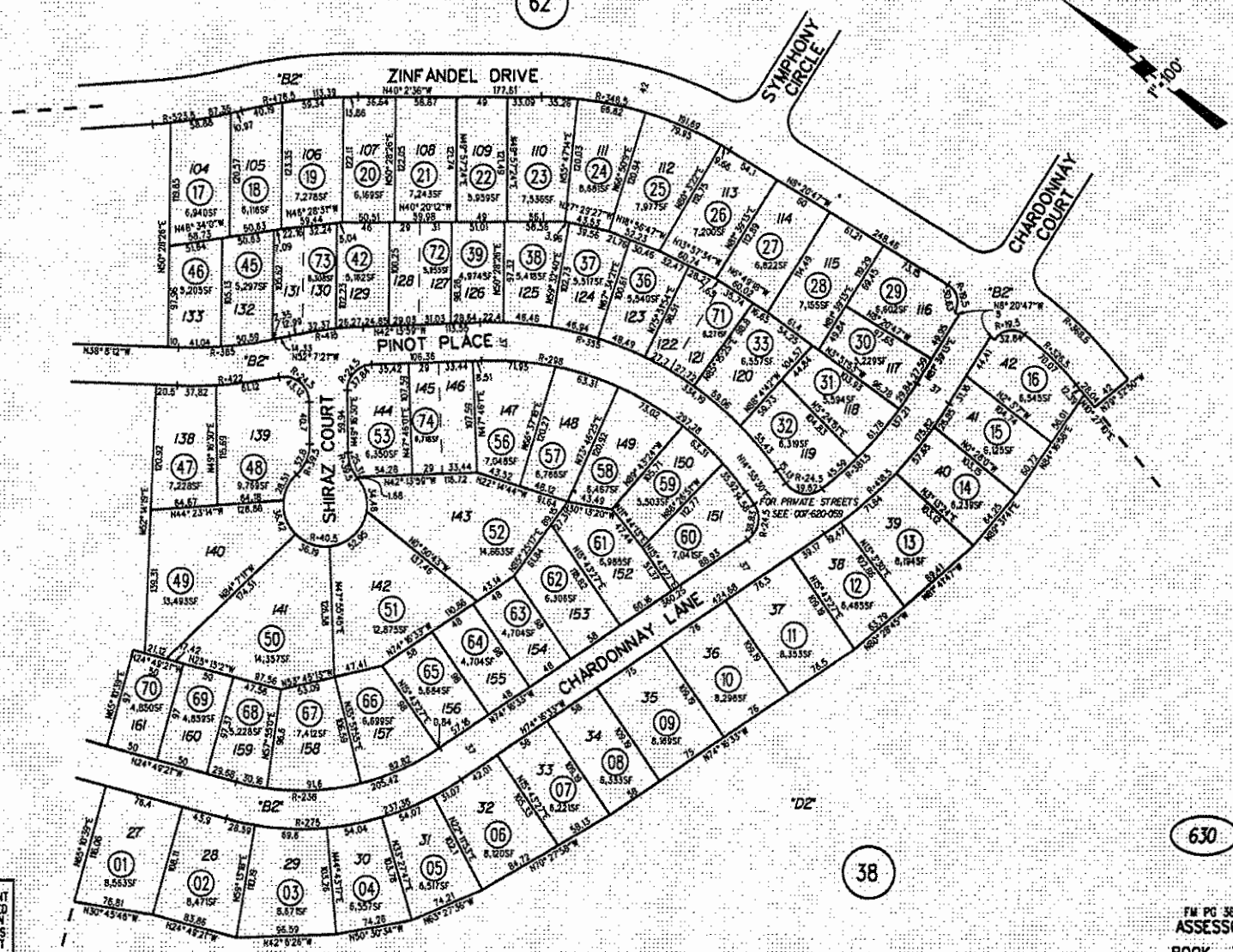
620 61-64  
08/03/15



2008 ROLL - POR TRACT 8906 MB 304-41 (THE VINEYARDS AT MARSH CREEK) 6/29/07

62

54

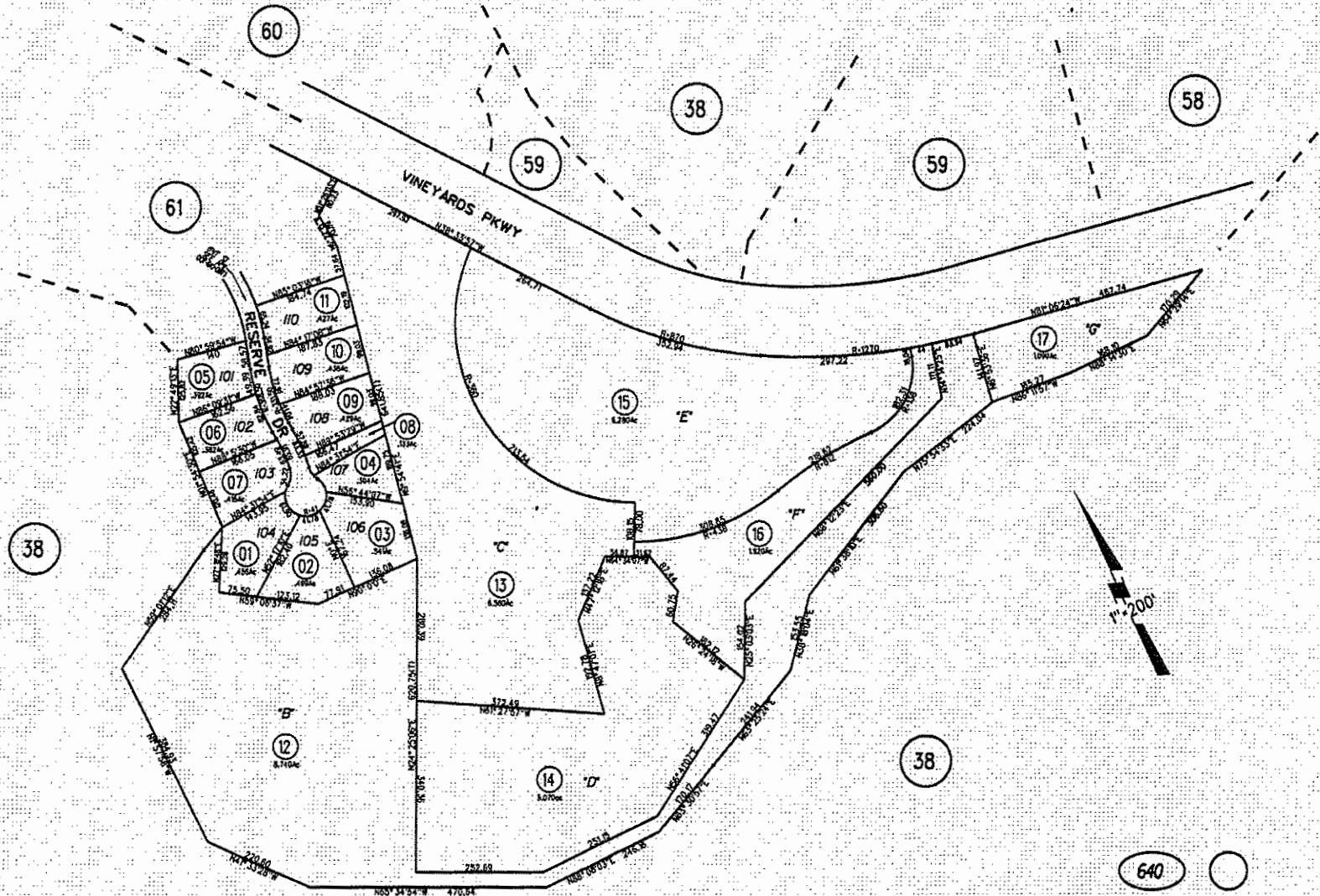


NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

630 71-74  
08/05/15

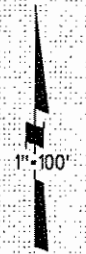
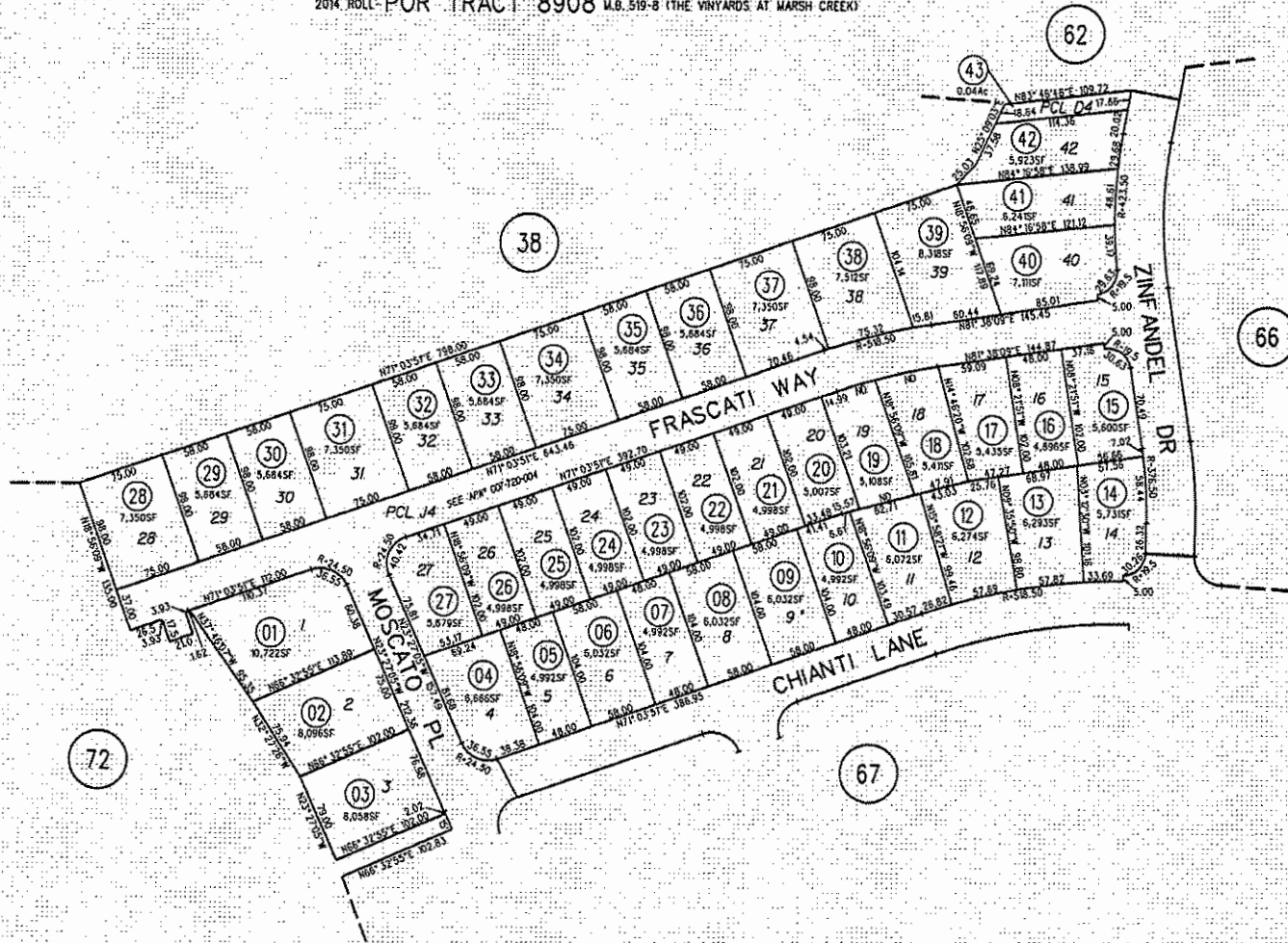
FM PG 38 12/3/07  
ASSESSOR'S MAP  
BOOK 7 PAGE 63  
CONTRA COSTA COUNTY, CALIF.

2014 ROLL - TRACT 9186 MS 517-36 (THE VINEYARDS AT MARSH CREEK)



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

2014 ROLL-POR TRACT 8908 M.B. 519-8 (THE VINYARDS AT MARSH CREEK)

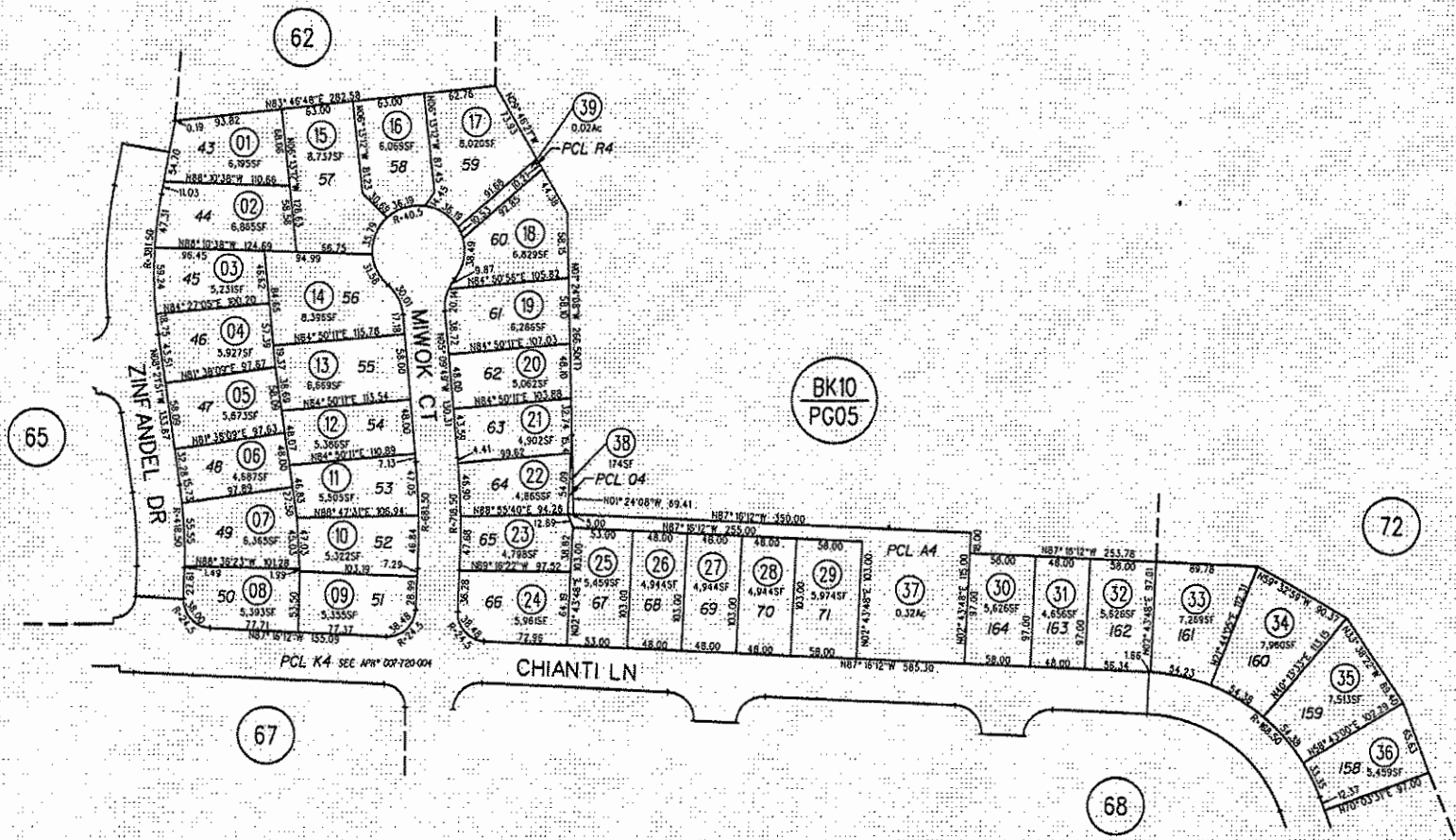
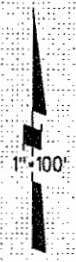


NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

650 TR 8908 02/12/14

FM 7 PG. 38 02-12-14 M.P.  
ASSESSOR'S MAP  
BOOK 7 PAGE 65  
CONTRA COSTA COUNTY, CALIF.

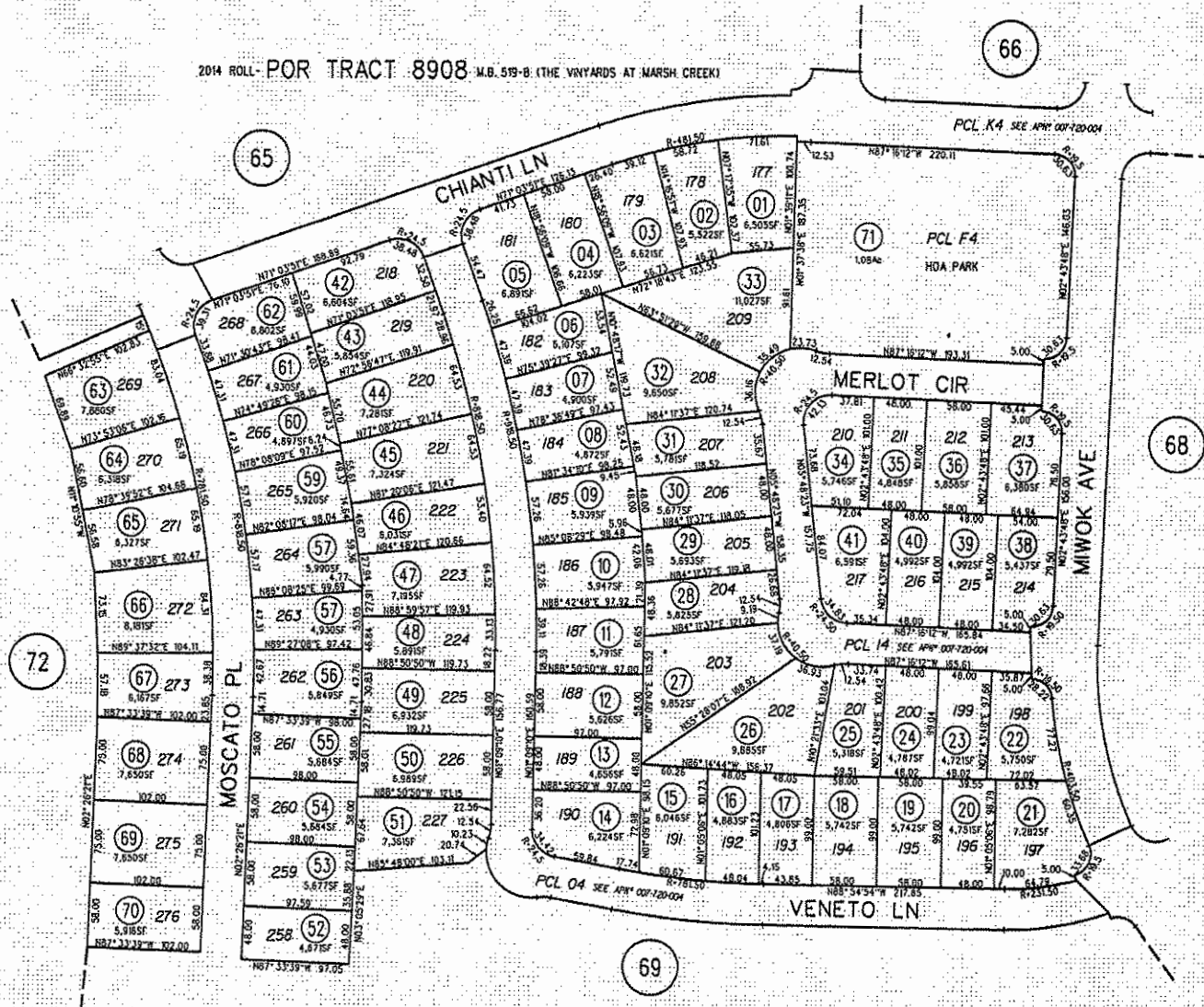
2014 ROLL-POR TRACT 8908 N.B. 519-8 (THE VINYARDS AT MARSH CREEK)



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.



2014 ROLL - POR TRACT 8908 - M.B. 519-B (THE VINYARDS AT MARSH CREEK)

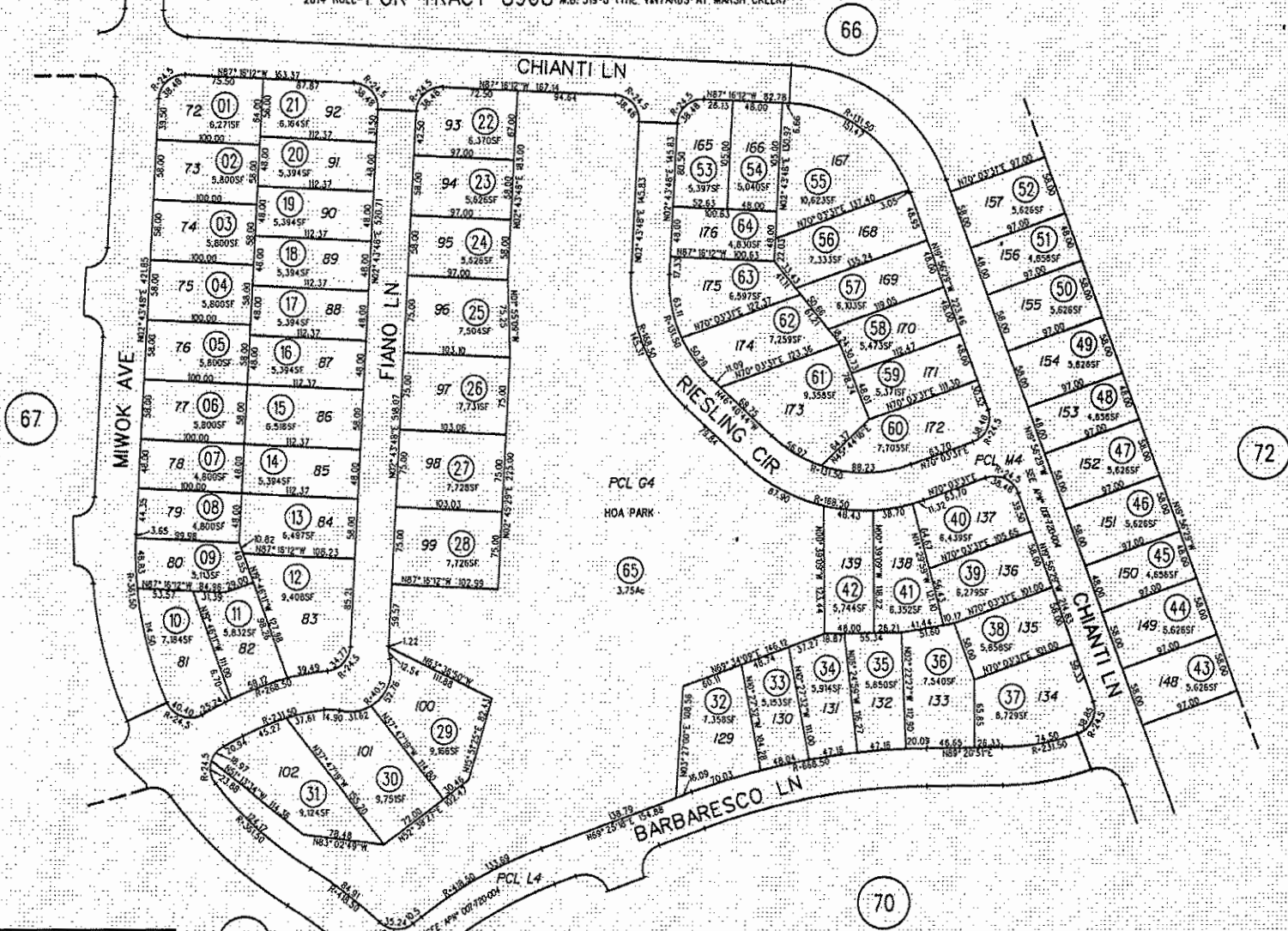


NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

670 TR 8908 02/02/14

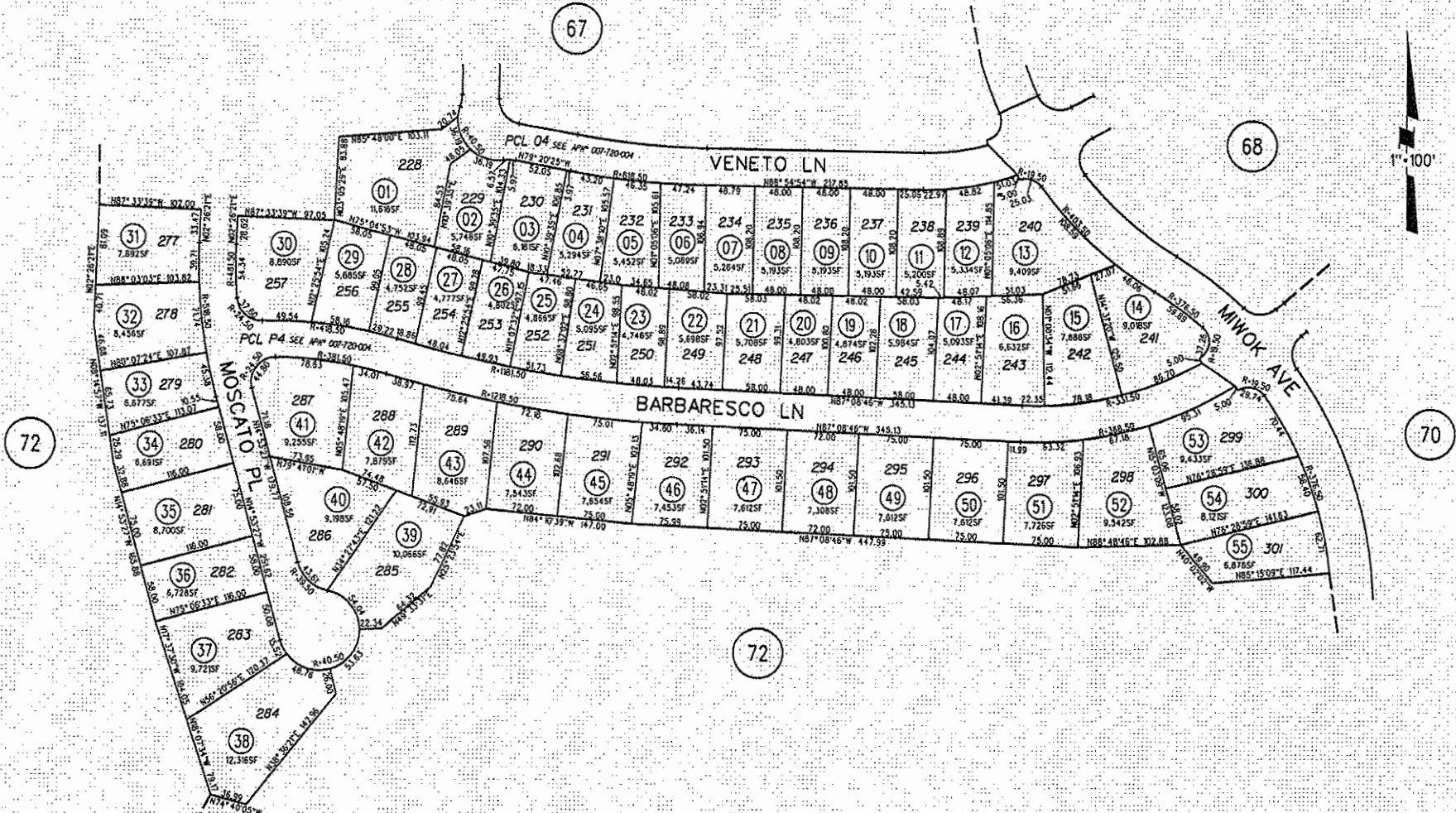
FM 7 PG. 38 02-12-14 M.P.  
ASSESSOR'S MAP  
BOOK 7 PAGE 67  
CONTRA COSTA COUNTY, CALIF.

2014 ROLL - POR TRACT 8908 M.B. 519-B (THE VINYARDS AT MARSH CREEK)



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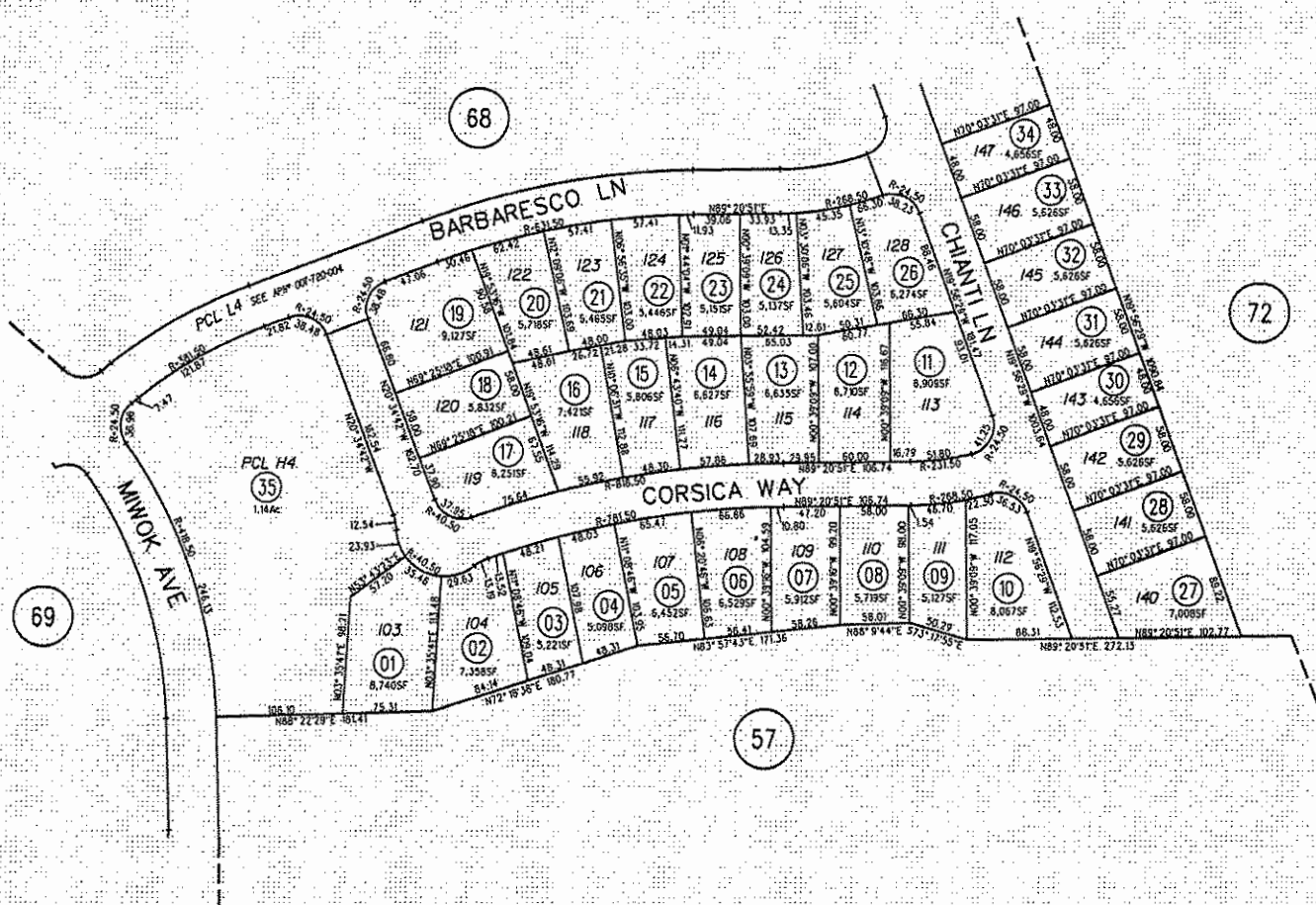
2014 ROLL - POR TRACT 8908 M.B. 519-B (THE VINYARDS AT MARSH CREEK)



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

690 TR 8908 02/12/14

FM 7 PG 38 02-12-14 M.P.  
 ASSESSOR'S MAP  
 BOOK 7 PAGE 69  
 CONTRA COSTA COUNTY, CALIF.



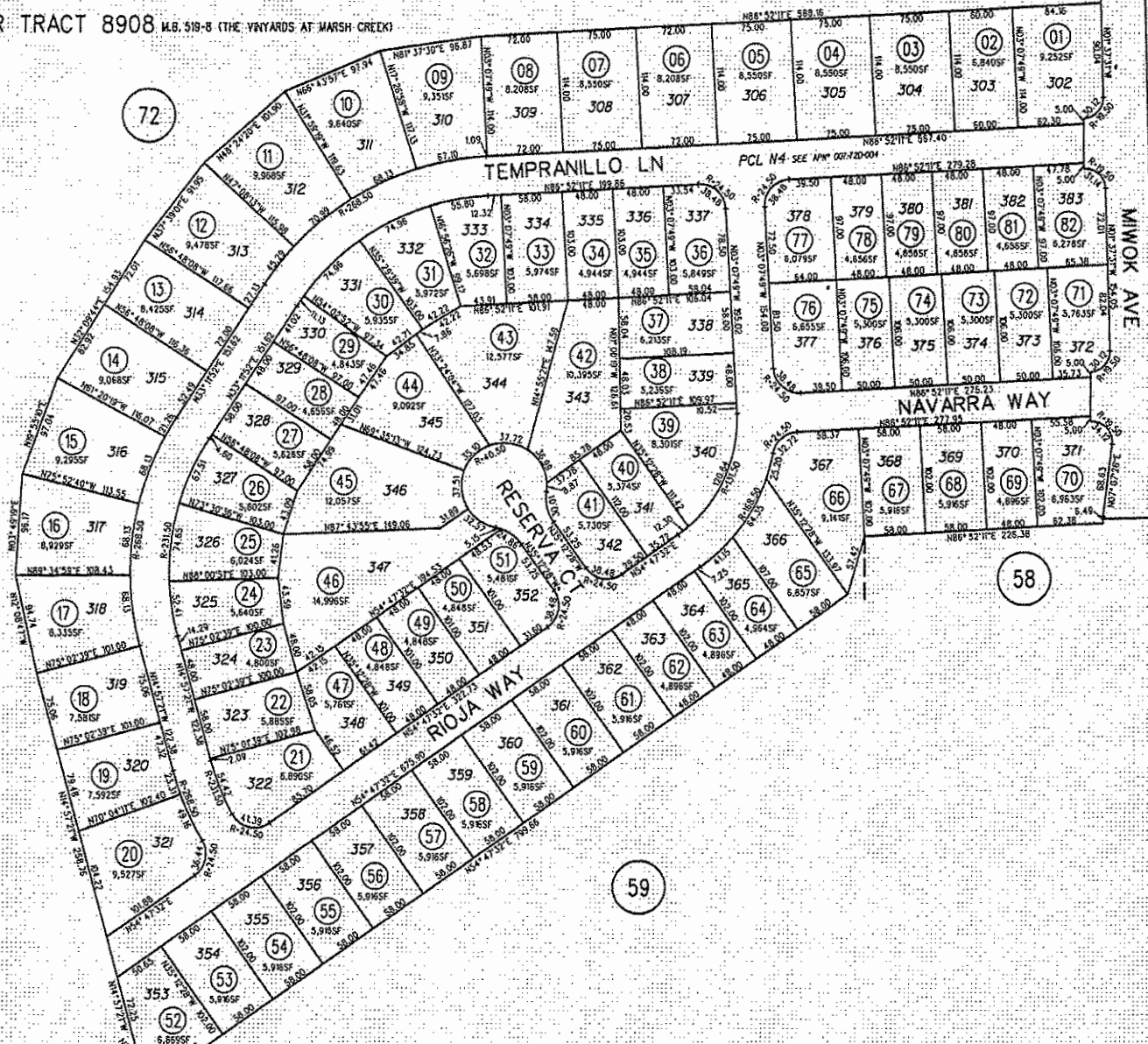
NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

700 TR 8908 02/12/14

FM.7 PG.38 02-12-14  
 ASSESSOR'S MAP M.P.  
 BOOK 7 PAGE 70  
 CONTRA COSTA COUNTY, CALIF.



2014 ROLL - POR TRACT 8908 M.B. 519-8 (THE VINYARDS AT MARSH CREEK)



57



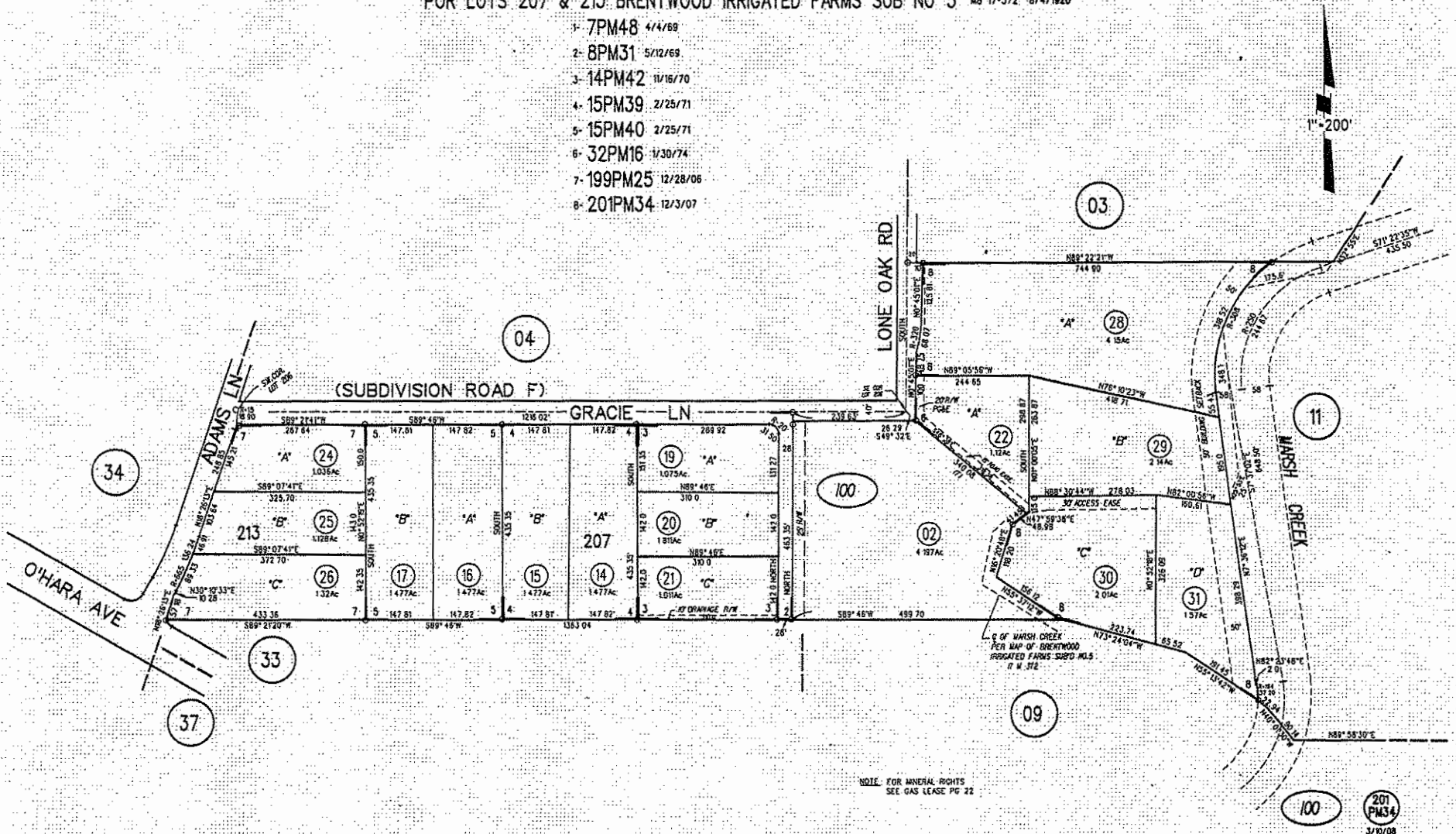
NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

710 TR 8908 02/12/14

FM 7 PG 38 02-12-14  
ASSESSOR'S MAP M.P.  
BOOK 7 PAGE 71  
CONTRA COSTA COUNTY, CALIF.

POR LOTS 207 & 213. BRENTWOOD IRRIGATED FARMS SUB NO 5 MS 17-372 8/4/1920

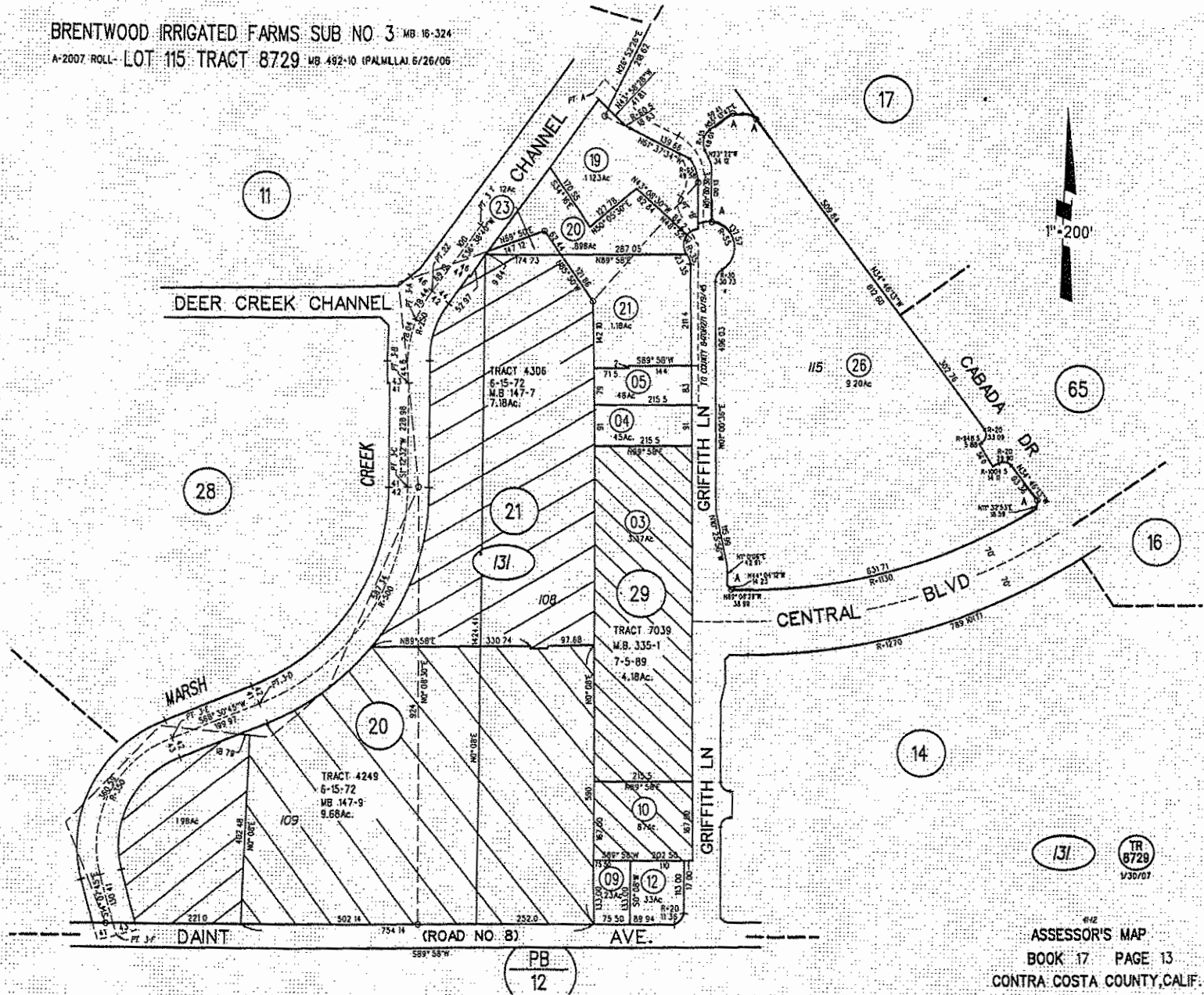
- 1- 7PM48 4/4/69
- 2- 8PM31 5/12/69
- 3- 14PM42 11/16/70
- 4- 15PM39 2/25/71
- 5- 15PM40 2/25/71
- 6- 32PM16 1/30/74
- 7- 199PM25 12/28/06
- 8- 201PM34 12/3/07



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREIN. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

NOTE FOR MINERAL RIGHTS SEE GAS LEASE PG 22

BRENTWOOD IRRIGATED FARMS SUB NO 3 M.B. 16-324  
 A-2007 ROLL- LOT 115 TRACT 8729 M.B. 492-10 (PALMLAI 6/26/06)



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.





LOT 103 BRENTWOOD IRRIGATED FARMS SUB NO 3 NB 16-324

A- 2007 ROLL- POR LOT 117 TRACT 8729 NB 492-10 (PALMILLA) 6/26/08

17



13  
01

CITY  
04  
3.75Ac

160

05  
6.69Ac

14

POR LOT 117  
(20.59Ac TOTAL LOT 117)

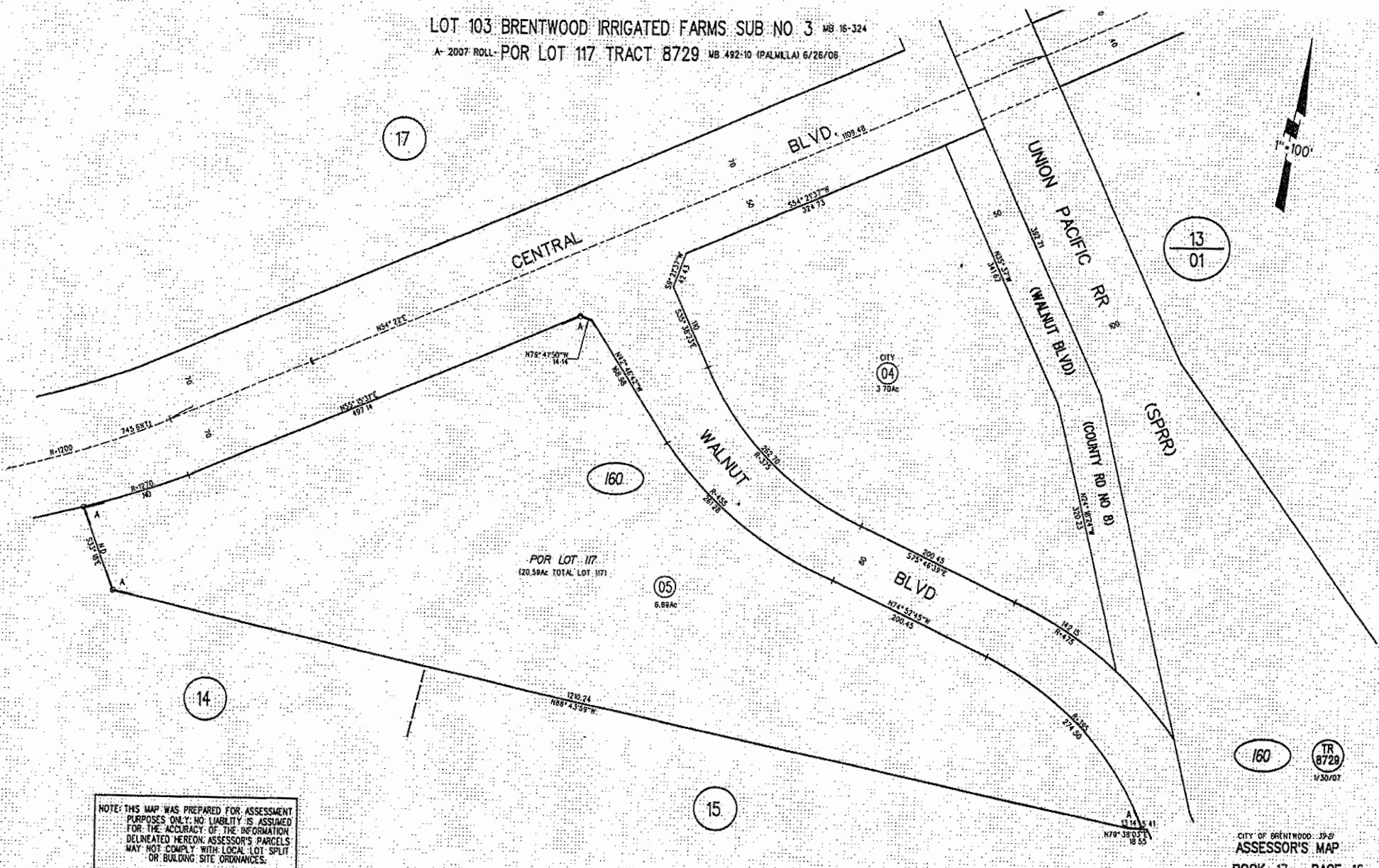
15

160

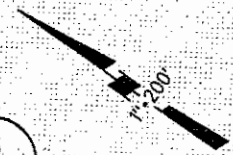
TR  
8729  
4/30/07

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

CITY OF BRENTWOOD - 19-01  
ASSESSOR'S MAP  
BOOK 17 PAGE 16  
CONTRA COSTA COUNTY, CALIF.



BRENTWOOD IRRIGATED FARMS SUB NO. 3 MB 16-324  
 A-2007 ROLL POR TRACT 8729 MB 492-10 (PALMILLA) 6/26/06



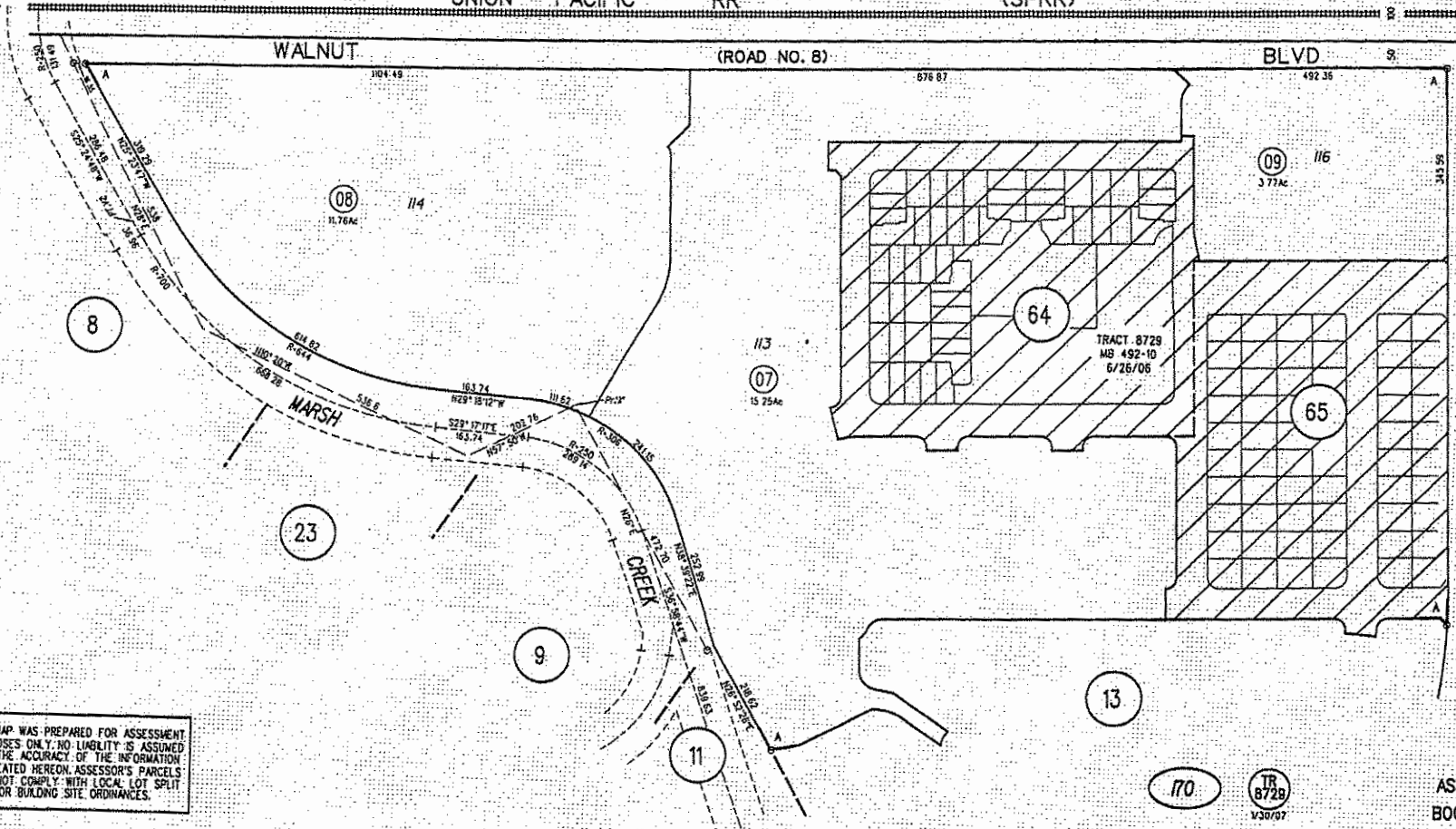
PB  
16

13  
01

CENTRAL  
BLVD

UNION PACIFIC RR (SPRR)

WALNUT (ROAD NO. 8) BLVD



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

170 TR 8729 V30/07

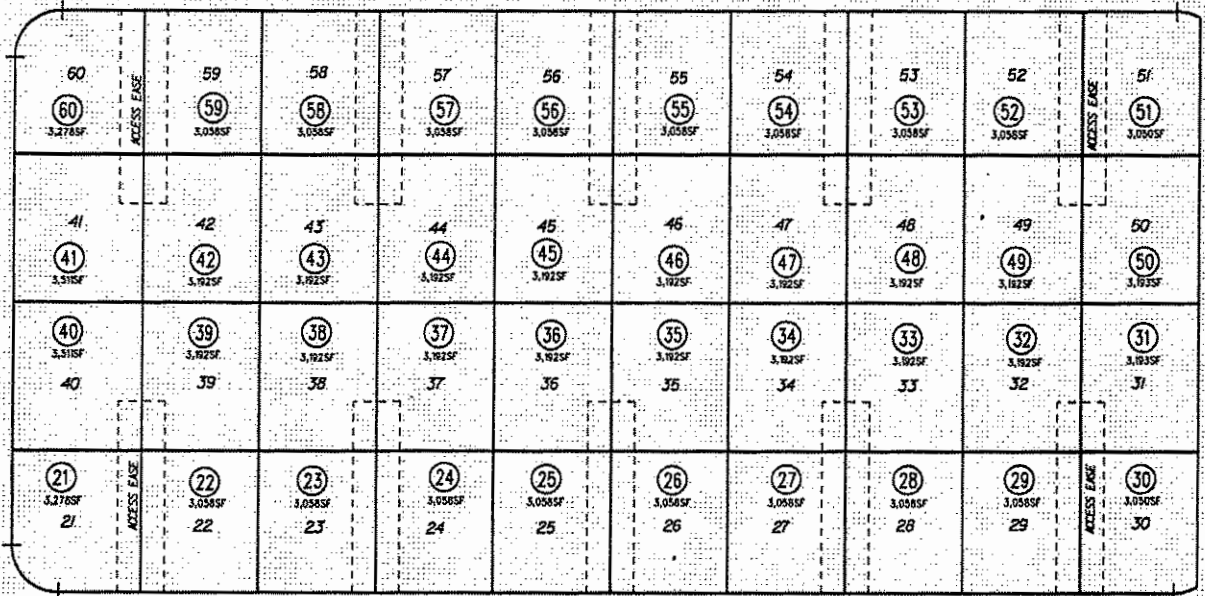
ASSESSOR'S MAP  
 BOOK 17 PAGE 17  
 CONTRA COSTA COUNTY, CALIF.



17

64

PACIFICA DRIVE



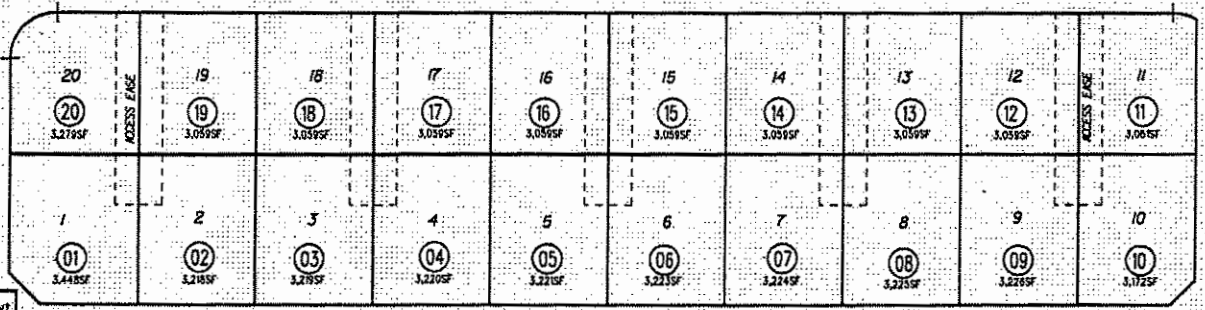
CABADA DRIVE

PALMILLA DRIVE

13

17

MACARTHUR WAY



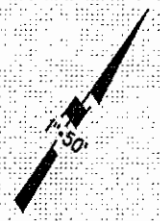
CENTRAL BOULEVARD

16

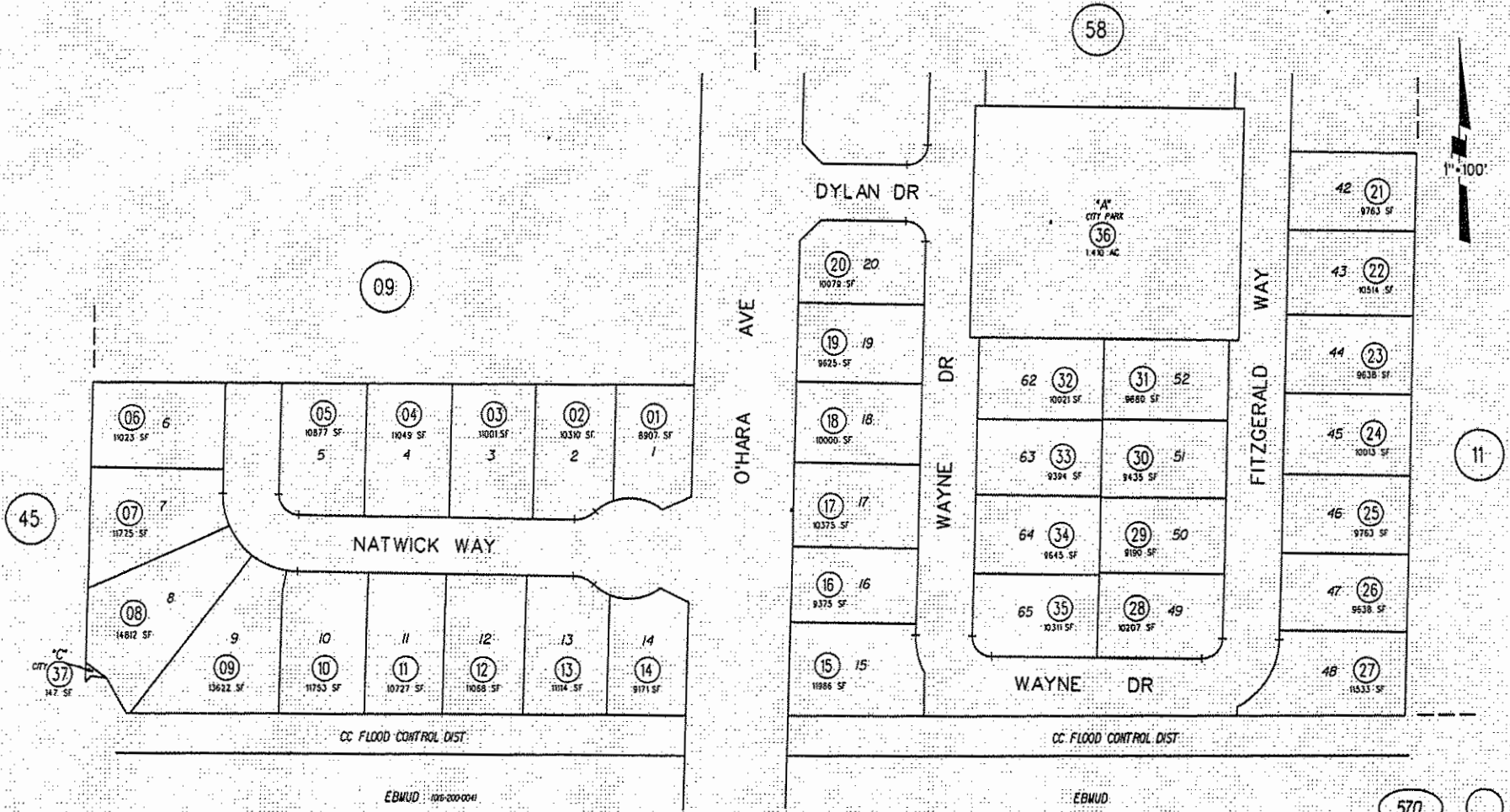
650

65

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BK  
16

570  
8/5/09

**READDRESSING/REASSIGNING  
APPRAISAL REPORTS**



### Readdressing/Reassigning Appraisal Reports

Seevers Jordan Ziegenmeyer adheres to the requirements of the 2014-2015 Edition of the Uniform Standards of Professional Appraisal Practice (USPAP). This edition is effective from January 1, 2014 through December 31, 2015. The following excerpts pertain to readdressing/reassigning appraisal reports:

#### **Advisory Opinion 26, Page A-89:**

Once a report has been prepared for a named client(s) and any other identified intended users and for an identified intended use, the appraiser cannot “readdress” (transfer) the report to another party.

#### **Advisory Opinion 27, Pages A-91 to A-92:**

Situations often arise in which appraisers who have previously appraised a property are asked by a different party to appraise the same property.... Accepting the assignment from the subsequent prospective client is not prohibited by USPAP, assuming appropriate disclosure is made to the client before being engaged and any existing confidential information is handled properly.... If there is a new potential client, valuation services performed for that new client would constitute a new assignment and the assignment results would be specific to that new assignment.

#### **Frequently Asked Question No. 122, Page F-56 to F-57:**

It is never permissible to readdress a report by simply changing the client’s name on a completed report, regardless of whether the first client gave a release. The request from Lender B must be treated as a new assignment.

## **GLOSSARY OF TERMS**

## GLOSSARY OF TERMS

Unless otherwise noted, the following definitions are from The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute, 2010).

**Aggregate of Retail Values (ARV):** The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent an opinion of value; it is simply the total of multiple market value conclusions.

**As Is Market Value:** The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.

**Band of Investment:** A technique in which the capitalization rates attributable to components of a capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment.

**Bulk (Discounted) Value:** The most probable price, in a sale of all parcels within a tract or development project, to a single purchaser or sales to multiple buyers, over a reasonable absorption period discounted to present value, as of a specified date, in cash, or in terms equivalent to cash, for which the property rights should sell after reasonable exposure, in a competitive market under all conditions requisite to a fair sale, with buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under stress. (Appraisal Standards For Land-Secured Financing, California Department Advisory Commission, 1994)

**Comparative-Unit Method:** A method used to derive a cost estimate in terms of dollars per unit of area or volume based on known costs of similar structures that are adjusted for time and physical differences; usually applied to total building area.

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

**Depreciation:** In appraising, 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.

**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 a single year's income is used. Yield and value changes are implied but not identified.

**Discounted Cash Flow (DCF) Analysis:** The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate.

**Discount Rate:** A yield rate used to convert future payments or receipts into present value; usually considered to be a synonym for *yield rate*.

**Disposition Value:** The most probable price that a specified interest in real property should bring under the following conditions: 1) consummation of a sale within a future exposure time specified by the client; 2) the property is subjected to market conditions prevailing as of the date of valuation; 3) both the buyer and seller are acting prudently and knowledgeably; 4) the seller is under compulsion to sell; 5) the buyer is typically motivated; 6) both parties are acting in what they consider to be their best interests; 7) an adequate marketing effort will be made during the exposure time specified by the client; 8) payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; 9) the price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

**Easement:** The right to use another's land for a stated purpose.

**Environmental Contamination:** Adverse environmental conditions resulting from the release of hazardous substances into the air, surface water, groundwater or soil. Generally, the concentrations of these substances would exceed regulatory limits established by the appropriate federal, state, and/or local agencies. (USPAP 2014-2015 Edition)

**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. (USPAP 2014-2015 Edition)

**External Obsolescence:** An element of depreciation; a diminution in value caused by negative externalities and generally incurable on the part of the owner, landlord, or tenant.

**Extraction:** A method of estimating land value in which the depreciated cost of the improvements on the improved property is

calculated and deducted from the total sale price to arrive at an estimated sale price for the land.

**Extraordinary Assumption:** An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. (USPAP 2014-2015 Edition)

**Fair Market Value:** 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. (California Code of Civil Procedure, Section 1263.320(a))

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

**Floor Area Ratio (FAR):** The relationship between the above-ground floor area of a building, as described by the building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.

**Functional Obsolescence (Incurable):** An element of depreciation; a defect caused by a deficiency or superadequacy in the structure, materials, or design that cannot be practically or economically corrected.

**Highest and Best Use:** The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four

criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.

**Highest and Best Use of Property as Improved:** The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

**Highest and Best Use of Land or a Site as though Vacant:** Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

**Hypothetical Condition:** A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. (USPAP 2014-2015 Edition)

**Income Capitalization Approach:** A set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.

**Leased Fee Interest:** A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship.

**Leasehold Interest:** The tenant's possessory interest created by a lease. (Negative leasehold: A lease situation in which the market rent is less than the contract rent. Positive leasehold: A lease situation in which the market rent is greater than the contract rent.)

**Liquidation Value:** See *Disposition Value*.

**Marketing Time:** An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

**Neighborhood:** A group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises.

**Obsolescence:** One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external.

**Prospective Opinion of Value:** A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

**Quantity Survey Method:** A cost-estimating method in which the quantity and quality of all materials used and all categories of labor required are estimated and unit cost figures are applied to arrive at a total cost estimate for labor and materials.

**Replacement Cost:** The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout.

**Reproduction Cost:** The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building.

**Sales Comparison Approach:** The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.

**Site Coverage Ratio:** The gross area of the building footprint divided by the site area.

**Stabilized Occupancy:** An expression of the expected occupancy of a property in its particular market considering current and forecasted supply and demand, assuming it is priced at market rent.

**Subdivision Development Method:** A method of estimating land value when subdivision development is the highest and best use of the parcel of land being appraised. When all direct and indirect costs and

entrepreneurial incentive are deducted from an estimate of the anticipated gross sales price of the finished lots (or residences), the resultant net sales proceeds are then discounted to present value at a market-derived rate over the development and absorption period to indicate the value of the land.

**Superadequacy:** An excess in the capacity or quality of a structure or structural component; determined by market standards.

**Unit-In-Place Method:** A cost-estimating method in which total building cost is estimated by adding together the unit costs for the various building components as installed; also called the *segregated cost method*.

**Yield Capitalization:** A method used to convert future benefits into present value by 1) discounting each future benefit at an appropriate yield rate, or 2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate.

**Yield Rate:** A rate of return on capital, usually expressed as a compound annual percentage rate. A yield rate considers all expected property benefits, including the proceeds from sale at the termination of the investment.



## **QUALIFICATIONS OF APPRAISER(S)**



Seevers  
Jordan  
Ziegenmeyer  
Real Estate Appraisal & Consultation

Northern California/Nevada  
3825 Atherton Road, Suite 500  
Rocklin, California 95765

P: (916) 435-3883 F: (916) 435-4774

## Eric A. Segal, Partner

### Introduction

Mr. Segal is a Certified General real estate appraiser with Seevers Jordan Ziegenmeyer, a real estate appraisal firm that engages in a wide variety of real estate valuation and consultation assignments. In 1998, Mr. Segal began his career in real estate as a research analyst/appraiser trainee for SJZ. By 1999, he began writing narrative appraisal reports covering a variety of income properties. Today, Mr. Segal is a partner in the firm and is involved in appraisal assignments covering a wide variety of properties including office, retail, industrial, multifamily housing, master planned communities, Mello-Roos and Assessment Districts, and residential subdivisions. He has developed the experience and background necessary to deal with complex assignments covering an array of property types.

### Professional Affiliations

Associate Member (General) - Appraisal Institute  
Certified General Real Estate Appraiser - State of California (No. AG026558)

### Education

#### *Academic:*

Bachelor of Science in Business Administration (Concentrations in Finance and Real Estate & Land Use Affairs), California State University, Sacramento

#### *Appraisal and Real Estate Courses:*

Uniform Standards of Professional Appraisal Practice  
Appraisal Principles  
Basic Income Capitalization  
Highest & Best Use and Market Analysis  
Advanced Income Capitalization  
Report Writing and Valuation Analysis  
Appraisal Litigation Practice and Courtroom Management  
Computer Enhanced Cash Flow Modeling  
Advanced Sales Comparison & Cost Approaches  
Advanced Applications



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## Sample of Appraisal Experience

Hunters Point Shipyard – Phase I  
San Francisco, San Francisco County, California

This appraisal was completed for use by the developer for determination of possible refinancing of the Redevelopment Agency of the City and County of San Francisco Community Facilities District (CFD) No. 7 (Hunters Point Shipyard) Bonds. The appraised property comprises Phase I of the Hunters Point Shipyard redevelopment area, which is commonly referred to as the Hilltop and Hillside subdivisions, and comprises approximately 75.32 gross acres of land, which includes 23.72± developable acres proposed for the construction of 1,142 residential units in a variety of attached single-family, townhouse and stacked residential units. Specifically, the Hilltop development contains 15.92± acres of land to be developed with 768 residential units, and the Hillside development contains 7.8± acres to be developed with 374 single-family residential units. In addition, Phase I will include 36.0± acres dedicated to parks and open space and 15.6± acres of streets and rights-of-way.

City of San Mateo Community Facilities District No.  
2008-1 (Bay Meadows)  
San Mateo, San Mateo County, California

This appraisal was completed for use in a land-secured financing associated with the development of 52± developable acres proposed for the development of 724,225 square feet of office space, approximately 85,374 square feet of retail space and 1,121 residential housing units, with 832 residential housing units being developed on the residential land component and the balance (289 units) to be developed as part of the mixed-use component. The report was prepared for the City of San Mateo Department of Finance.

City of Redwood City Community Facilities District  
No. 2010-1 (One Marina)  
Redwood City, San Mateo County, California

This appraisal was completed for use in a land-secured financing associated with the development of 16.62± acres proposed for the construction of 231 townhome and flat-style residential units within 24 detached buildings. The report was prepared for the City of Redwood City Department of Finance.

County of San Joaquin Community Facilities District  
No. 2009-2 (Vernalis Interchange)  
Vernalis, San Joaquin County, California

This assignment involved the appraisal of approximately 3,457.41 gross acres of land comprising 40 separate Assessor's parcels devoted to (or intended for) aggregate mining operations by six independent mining operators, including Teichert, West Coast Aggregates, Granite, Knife River, DeSilva Gates and Cemex. The summary appraisal was completed for bond financing purposes, with the proceeds intended to finance the construction of a new interchange on State Route 132 at Bird Road, which is intended to enhance traffic operation safety at this intersection. This report was prepared for the County of San Joaquin.



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### Sample of Appraisal Experience (continued)

HUD 223(f) Apartment Portfolio  
San Francisco, San Francisco County, California

This appraisal assignment involved the appraisal of nine multifamily properties in San Francisco containing between seven and 50 units, as well as mixed-use properties including ground floor retail tenants. The self-contained appraisals were completed in compliance with Federal regulatory requirements and guidelines that may apply as well as the requirements of the Federal Housing Administration (FHA) MAP Program for a 223(f) Refinance. This report was prepared for Column Guaranteed, LLC.

The Parkway & Quinto Ranch  
Santa Nella, Merced County, California

This appraisal involved the valuation of a 1,464-lot single-family residential master planned community that included residential, commercial and public use components, and a non-contingent 1,644-acre ranch subject to a conservation easement. This report was prepared for IndyMac Bank.

Reclamation District No. 17 – Mossdale Tract  
(portion)  
County of San Joaquin, California

The appraised properties represented a portion of Reclamation District No. 17 identified as vacant residential, vacant commercial and vacant industrial land, and excluded those properties within the boundaries of the District zoned as agricultural and public use, and those properties with an assessed improvement value on the most recent property tax roll. Reclamation District No. 17 (Mossdale Tract) is located in San Joaquin County and contains approximately 16,107.58 acres of land comprising approximately 13,335 assessor's parcels. This report was prepared for Reclamation District No. 17.

Bickford Ranch Community Facilities District No.  
2003-1  
Placer County, California

The hypothetical market valuation of a proposed master planned community that will include 847.2 acres of land designated for 1,783 residential lots and a 9.7-acre commercial component. The appraisal will be used for bond underwriting purposes and was prepared for the County of Placer.

El Dorado Hills Community Facilities District No.  
1992-1 (portion)  
El Dorado County, California

This assignment involved the hypothetical cumulative, or aggregate, valuation of a sizeable portion of the existing Serrano master planned community. The appraisal included 1,597 single-family residential lots, 382 custom single-family residential lots, 33.05 acres of commercial land and 344 existing single-family residences. The appraisal will be used for bond underwriting purposes and was prepared for the County of El Dorado.



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### Sample of Appraisal Experience (continued)

Diablo Grande Community Facilities District No. 1  
(Series 2002)  
Stanislaus County, California

The appraisal involved the valuation of a partially improved resort and master planned community offering 1,410 residential lots, multifamily land, commercial land, a hotel site, vineyards and two 18-hole championship golf courses. The appraisal was used for bond underwriting purposes and was prepared for Western Hills Water District.

Plumas Lake Community Facilities District No.  
2002-1  
Yuba County, California

This appraisal included the valuation of a portion of the proposed, and partially improved, Plumas Lake Specific Plan area, and comprised 3,314 detached single-family residential lots. The appraisal was used for bond underwriting purposes and was prepared for the Olivehurst Public Utility District.

Patterson Gardens & Keystone Pacific Business  
Park  
Patterson, Stanislaus County, California

This appraisal involved the valuation of a 985-lot single-family residential master planned community that included residential, commercial and public use components, and a non-contingent 224-acre industrial park. This report was prepared for Bank of America.



Business, Transportation & Housing Agency  
**OFFICE OF REAL ESTATE APPRAISERS**  
**REAL ESTATE APPRAISER LICENSE**

Eric A. Segal

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.

OREA APPRAISER IDENTIFICATION NUMBER: AG 026558

Effective Date: February 19, 2013  
Date Expires: February 18, 2015

  
Jim Martin, Director, OREA

3004944

# Appraisal Report

**Properties within Assessment**  
**District (AD) No. 2006-1 (Portion of)**  
Brentwood, Contra Costa County, California



**Date of Report:** August 11, 2014

**Prepared For:**

Ms. Pam Ehler  
Director of Finance & Information Systems  
City of Brentwood  
150 City Park Way  
Brentwood, CA 94513

**Prepared By:**

Eric A. Segal, Appraiser



Real Estate Appraisal & Consultation



August 11, 2014

Ms. Pam Ehler  
Director of Finance & Information Systems  
City of Brentwood  
150 City Park Way  
Brentwood, CA 94513

RE: Properties within Assessment District (AD) No. 2006-1  
Brentwood, California

Dear Ms. Ehler:

At your request and authorization, Seevers • Jordan • Ziegenmeyer has prepared an appraisal report and analyzed market data for the purpose of estimating the market value (*fee simple estate*) of the properties within City of Brentwood Assessment District (AD) No. 2006-1, which also represent a portion of Capital Improvement Financing Program (CIFP) 2006-1, under the assumptions and conditions contained in this report.

The appraisal report has been conducted in accordance with appraisal standards and guidelines found in the Uniform Standards of Professional Appraisal Practice (USPAP) and the Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (2004). This document is presented in an Appraisal Report Format, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the 2014-2015 edition of USPAP.

The Assessment District No. 2006-1 bond issuance was initiated to fund certain portions of public improvements required for the development of 800 single-family residential lots. The financing provided through the bond issuance was used for improvements to Sand Creek Road, Garin Parkway, Sunset Road, Lone Tree Way, Adams Lane, San Jose Avenue and O'Hara Avenue. These improvements included—but weren't limited to—drainage, water, sanitary sewer, joint trench utilities, concrete curbs, gutters and sidewalks, maintenance holes, street lighting, landscaping, masonry walls, traffic signals and other miscellaneous improvements. Additionally, the bond issuance financed the prepayment of a portion of the impact fees otherwise due, including roadway, major water and wastewater facilities, parks and trails and State Route 4 Bypass.

The subject properties are located in non-contiguous areas throughout the city of Brentwood, Contra Costa County, California. The table on the following page details the various components encompassing Assessment District No. 2006-1.



Owner	Tract	APN(s)	Land Use	Land Area (Acres)	No. of Lots	Typical Lot Size (SF)
West Coast Home Builders Inc.	8506	019-082-007	Tentatively Mapped Lots	133.72	166	8,000
Eugene E. Mangini Trustee	9050* (expired)	018-110-004	Unimproved Land	9.77	--	--
Maffeo Properties	9050* (expired)	018-110-008	Unimproved Land	8.86	--	--
Tri Point Homes Inc.	9098	016-530-001 thru -049; 016-540-001 thru -007, -009 thru -041	Finished SFR Lots	--	89	8,000
	8548	016-460-001 thru -022, -025 thru -051; 016-470-001 thru -056 and -062	Finished SFR Lots	--	106	7,200
	9097	016-520-001 thru -008, -011 thru -024, -026 thru -086	Finished SFR Lots	--	82	6,400
	9095	016-480-077 thru -085; 016-490-001 thru -011, -015 thru -027	Finished SFR Lots	--	33	5,700
	9096**	016-500-001 thru -004, -006 thru -049; 006-510-001 thru -005, -008 thru -043	Partially Improved Lots	--	89	7,000

\*Assessor's parcel 018-110-008 is a portion of Tract 9050, which was previously to be developed by Passport Homes. Parcel -008 was to include 30 residential lots and parcel -004 was to include 37 lots; however, the TM expired.

\*\*Tract 9096 is the last phase of the larger Subdivision 8549, which totalled 473 lots. The lots are partially improved; though, a final map was recorded.

The appraised properties contain a total of 565 proposed, partially improved and improved single-family residential lots. Specifically, there are 310 finished (improved) single-family residential lots, 89 partially improved single-family residential lots and 166 proposed single-family residential lots. There are a total of 402 individual Assessor's parcels comprising the appraised properties.

We have been requested to provide a cumulative, or aggregate, value estimate for the appraised properties, by parcel, under the assumptions and conditions cited in the attached report. Though a number of parcels are held by Tri Pointe Homes Inc., it is our opinion the parcels, if marketed concurrently, would likely sell in bulk within one year; thus, no additional discounting is warranted. The cumulative (aggregate) value of the District is the sum of the ownership interests in the City of Brentwood Assessment District No. 2006-1, which is comprised of multiple, separate ownerships. The aggregate value of the appraised properties within the District is not equivalent to the market value of the District as a whole.

The value estimates assume a transfer that reflects a cash transaction or terms considered to be equivalent to cash. The estimates are also premised on an assumed sale after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with buyer and seller each acting prudently, knowledgeably, for their own self-interest and assuming neither is under duress. The estimates of value account for the impact of the Assessment Lien securing the Bonds.

Ms. Pam Ehler  
August 11, 2014  
Page 3

As a result of our analysis, it is our opinion the cumulative (aggregate) value of the appraised properties comprising a portion of City of Brentwood Assessment District No. 2006-1, in accordance with the definitions, certifications, assumptions and conditions set forth in the attached document (please refer to pages 6 through 8), as of July 9, 2014, is...

**\$89,798,000**

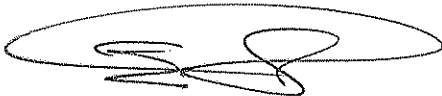
Please see the *Market Value by Assessor's Parcel* table in the Addenda for a description and breakdown of the value above by ownership and parcel.

This letter must remain attached to the report, which contains 76 pages plus related tables, exhibits and Addenda, in order for the value opinion set forth herein to be considered valid.

We hereby certify the subject properties have been inspected and we have impartially considered all data collected in the investigation. Further, we have no past, present or anticipated future interest in the property. The subject properties do not have any significant natural, cultural, recreational or scientific value. The appraiser certifies this appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan.

Thank you for the opportunity to work with your office on this assignment.

Sincerely,



Eric A. Segal, Appraiser  
State Certification No.: AG026558  
Expires: February 18, 2015

/jab

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## SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

**Property Name:** The appraised properties comprise a portion of the land areas situated within the boundaries of Assessment District No. 2006-1.

**Property Location:** The subject properties are located in non-contiguous areas of the city of Brentwood, Contra Costa County, California. The specific locations of each of the tracts/properties are detailed in the *Site Description* section of this report.

**Assessor's Parcel Numbers/Ownership:** The appraised properties consist of 402 separate Assessor's parcels (310 are finished single-family residential lots, with 89 partially improved), which are identified within the Addenda to this report (see *Market Value by Assessor's Parcel*). A breakdown of the number of parcels under each ownership group (more than four parcels) is shown in the table below:

Owner	No. of Parcels
Tri Pointe Homes Inc.	399
West Coast Home Builders Inc.	1
Eugene E. Mangini Trustee	1
Maffeo Properties	1
<b>Total</b>	<b>402</b>

It is noted there are a number of additional parcels within the City of Brentwood Assessment District No. 2006-1 that have vertical improvements constructed (and assessed) and are not part of this appraisal.

**Property Type/Current Use:** Improved, partially improved and unimproved residential lots

**Zoning/Land Use:** The various land components representing the subject property are zoned for single-family residential development. For a complete description of the governing zoning ordinances, please refer to the *Property Identification and Legal Data* section of this report.

**Flood Zone:** Zone CX – Areas outside of the 500-year flood plains (per [www.floodmaps.com](http://www.floodmaps.com), provided by Digital Media Services)

**Earthquake Zone:** According to the Seismic Safety Commission, the subject is located within Zone 3, which is assigned to areas of moderate seismic activity. The location within this zone does not prevent development. There are only

two zones in California. Zone 4 is assigned to areas of major faults. Zone 3 is assigned to areas with more moderate seismic activity. The subject is not located within a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone), as defined by Special Publication 42 (revised January 1994) of the California Department of Conservation, Division of Mines and Geology.

**Highest and Best Use:** Single-family residential development, as approved and proposed

**Date of Inspection:** July 9, 2014

**Effective Date of Value:** July 9, 2014

**Date of Report:** August 11, 2014

**Property Rights Appraised:** Fee simple estate

**Conclusion of Cumulative, or Aggregate, Value:** **\$89,798,000**

It should be noted the value presented above is subject to the general and extraordinary assumptions, hypothetical conditions and limiting conditions (please refer to pages 6 through 8) presented in the attached report.

## **CLIENT, INTENDED USER AND INTENDED USE**

The client and intended user of the report is the City of Brentwood. It is our understanding the report will be used for bond underwriting purposes.

## **APPRAISAL REPORT FORMAT**

This document represents an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the 2014-2015 edition of the Uniform Standards of Professional Appraisal Practice (USPAP).

## **TYPE AND DEFINITION OF VALUE**

The purpose of this appraisal is to estimate the market values of the subject properties by assessor's parcel, as well as the cumulative, or aggregate, value of the appraised property comprising a portion of City of Brentwood Assessment District No. 2006-1. Market value is defined as follows:

### ***Market Value:***

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

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interest;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U. S. Dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.<sup>1</sup>

## **PROPERTY RIGHTS APPRAISED**

The estimates of value derived in this report are for the fee simple estate. The definition of this real property interest is offered on the next page.

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<sup>1</sup> Code of Federal Regulations, Title 12, Section 34.42 (55 Federal Register 34696, Aug. 24, 1990; as amended at 57 Federal Register 12202, Apr. 9, 1992; 59 Federal Register 29499, June 7, 1994).

***Fee Simple Estate:*** absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.<sup>2</sup>

The rights appraised are also subject to the General and Extraordinary Assumptions and Limiting Conditions contained in this report and to any exceptions, encroachments, easements and rights-of-way recorded. The value estimates account for the impact of the assessment lien securing the City of Brentwood Assessment District No. 2006-1.

### **DATES OF INSPECTION, VALUE AND REPORT**

An inspection of the subject properties was completed on July 9, 2014, which represents the effective date of market value by ownership, and cumulative, or aggregate, value of the appraised properties. This appraisal report was completed and assembled on August 11, 2014.

### **SCOPE OF WORK**

This appraisal report has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP). This analysis is intended to be an “appraisal assignment,” as defined by USPAP; the intention is the appraisal service be performed in such a manner that the result of the analysis, opinions, or conclusion be that of a disinterested third party.

Several legal and physical aspects of the subject property were researched and documented. A physical inspection of the property was completed and serves as the basis for the site description contained in this report. The sales history was verified by consulting public records. The zoning and entitlements, earthquake zone, flood zone and utilities were verified with applicable public agencies at the County of Contra Costa. Property tax information for the current tax year was obtained from the Contra Costa County Treasurer-Tax Collector’s Office.

Data relating to the subject’s neighborhood and surrounding market area were analyzed and documented. This information was obtained through personal inspections of portions of the neighborhood and market area; newspaper articles; real estate conferences; and interviews with various market participants, including property owners, property managers, brokers, developers and local government agencies.

In this appraisal, the highest and best use of the subject property as though vacant was determined based on the four standard tests (legal permissibility, physical possibility, financial feasibility and maximum productivity).

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<sup>2</sup>The Dictionary of Real Estate Appraisal, 5<sup>th</sup> ed. (Chicago: Appraisal Institute, 2010), 78.

We have been requested to provide estimates of market value of the appraised properties. The sales comparison approach to value was used to determine the market value of each developable land use component comprising the subject property (production-oriented residential lots and tentatively mapped residential land). The data set and other market indicators was utilized to establish the incremental value difference between each of the lot groupings larger and smaller than the typical lot size used for analysis.

The cumulative, or aggregate, value of the appraised properties represents the sum of the value estimates concluded for each ownership interest, which is not equivalent to the market value of the District as a whole.

This appraisal report has been conducted in accordance with appraisal standards and guidelines found in the Uniform Standards of Professional Appraisal Practice (USPAP) and the Appraisal Standards for Land Secured Financing published by the California Debt and Investment Advisory Commission (2004).

I, Eric A. Segal, Appraiser, inspected the subject properties; collected and confirmed data related to the subject properties, comparables and the neighborhood/market area; analyzed market data; and prepared an appraisal report with estimates of value described above.



## **EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS**

It is noted the use of an extraordinary assumption or hypothetical condition can impact the results of an appraisal.

### **Extraordinary Assumptions**

1. It is assumed there are no adverse soil conditions, toxic substances or other environmental hazards that may interfere or inhibit the development of the subject properties.
2. The exact locations of the easements referenced in a preliminary title report were not provided to the appraiser. The appraiser is not a surveyor nor qualified to determine the exact location of the referenced easements. It is assumed the easements noted in the referenced preliminary title report do not have an impact on the opinions of value as provided in this report. If, at some future date, these easements are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion(s) of value. The opinions of value presented in this report are predicated on none of the items referenced in the preliminary title report having a detrimental impact upon the utility of the property as proposed, nor the opinions of value. If, at some future date, these exceptions are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion(s) of value.

### **Hypothetical Conditions**

(None)

## GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. No responsibility is assumed for matters of law or legal interpretation.
3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
4. The information and data furnished by others in preparation of this report is believed to be reliable, but no warranty is given for its accuracy.
5. It is assumed there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
6. It is assumed the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.
7. It is assumed the property conforms to all applicable zoning and use regulations and restrictions unless nonconformity has been identified, described and considered in the appraisal report.
8. It is assumed all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
9. It is assumed the use of the land and improvements is confined within the boundaries or property lines of the property described and there is no encroachment or trespass unless noted in the report.
10. Unless otherwise stated in this report, the existence of hazardous materials, 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 and other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user of this report is urged to retain an expert in this field, if desired.
11. The Americans with Disabilities Act (ADA) became effective January 26, 1992. I (we) have not made a specific survey or analysis of this property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. Since compliance matches each owner's financial ability with the cost-to cure the property's potential physical characteristics, the real estate appraiser cannot comment on compliance with ADA. A brief summary of the

subject's physical aspects is included in this report. It in no way suggests ADA compliance by the current owner. Given that compliance can change with each owner's financial ability to cure non-accessibility, the value of the subject does not consider possible non-compliance. Specific study of both the owner's financial ability and the cost-to-cure any deficiencies would be needed for the Department of Justice to determine compliance.

12. The appraisal is to be considered in its entirety and use of only a portion thereof will render the appraisal invalid.
13. Possession of this report or a copy thereof does not carry with it the right of publication nor may it be used for any purpose by anyone other than the client without the previous written consent of Seevers • Jordan • Ziegenmeyer.
14. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or any other media without the prior written consent and approval of Seevers • Jordan • Ziegenmeyer. Seevers • Jordan • Ziegenmeyer authorizes the reproduction of this report for publication in the preliminary official statement and official statement for Bond financing purposes.
15. The liability of Seevers • Jordan • Ziegenmeyer and its employees/subcontractors for errors/omissions, if any, in this work is limited to the amount of its compensation for the work performed in this assignment.
16. Acceptance and/or use of the appraisal report constitutes acceptance of all assumptions and limiting conditions stated in this report.
17. An inspection of the subject properties revealed no apparent adverse easements, encroachments or other conditions, which currently impact the subject. However, the exact locations of typical roadway and utility easements, or any additional easements, which would be referenced in a preliminary title report, were not provided to the appraiser. The appraiser is not a surveyor nor qualified to determine the exact location of easements. It is assumed typical easements do not have an impact on the opinion (s) of value as provided in this report. If, at some future date, these easements are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion (s) of value.
18. This appraisal report is prepared for the exclusive use of the appraiser's client. No third parties are authorized to rely upon this report without the express consent of the appraiser.
19. The appraiser is not qualified to determine the existence of mold, the cause of mold, the type of mold or whether mold might pose any risk to the property or its inhabitants. Additional inspection by a qualified professional is recommended.

## CERTIFICATION STATEMENT

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have not performed appraisal services regarding the properties that are the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- I have made a personal inspection of the property that is the subject of this report.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I certify that my State of California real estate appraiser license has never been revoked, suspended, cancelled, or restricted.
- I have the knowledge and experience to complete this appraisal assignment. Please see the Qualifications of Appraiser(s) portion of the Addenda to this report for additional information.
- As of the date of this report, I have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.



Eric A. Segal, Appraiser  
State Certification No.: AG026558 (February 18, 2015)

August 11, 2014  
DATE

## PROPERTY HISTORY

The following table details the various properties within the City of Brentwood Assessment District No. 2006-1 comprising the appraised properties.

Owner	Tract	APN(s)	Land Use	Land Area (Acres)	No. of Lots	Typical Lot Size (SF)
West Coast Home Builders Inc.	8506	019-082-007	Tentatively Mapped Lots	133.72	166	8,000
Eugene E. Mangini Trustee	9050* (expired)	018-110-004	Unimproved Land	9.77	--	--
Maffeo Properties	9050* (expired)	018-110-008	Unimproved Land	8.86	--	--
Tri Point Homes Inc.	9098	016-530-001 thru -049; 016-540-001 thru -007, -009 thru -041	Finished SFR Lots	--	89	8,000
	8548	016-460-001 thru -022, -025 thru -051; 016-470-001 thru -056 and -062	Finished SFR Lots	--	106	7,200
	9097	016-520-001 thru -008, -011 thru -024, -026 thru -086	Finished SFR Lots	--	82	6,400
	9095	016-480-077 thru -085; 016-490-001 thru -011, -015 thru -027	Finished SFR Lots	--	33	5,700
	9096**	016-500-001 thru -004, -006 thru -049; 006-510-001 thru -005, -008 thru -043	Partially Improved Lots	--	89	7,000

\*Assessor's parcel 018-110-008 is a portion of Tract 9050, which was previously to be developed by Passport Homes. Parcel -008 was to include 30 residential lots and parcel -004 was to include 37 lots; however, the TM expired.

\*\*Tract 9096 is the last phase of the larger Subdivision 8549, which totalled 473 lots. The lots are partially improved; though, a final map was recorded.

The appraised properties consist of 402 separate Assessor's parcels (310 are finished single-family residential lots and 89 are partially improved), which are identified within the Addenda to this report (see *Market Value by Assessor's Parcel*).

According to the City of Brentwood Public Works – Engineering Department, Subdivision 9096 was a portion of 8548 and a final map was recorded; though, site development was only partially completed. Subdivision performance bonds were posted naming the City of Brentwood as beneficiary) in the amount of \$2,073,315 to guarantee public improvements.

Tri Point Homes Inc. is currently marketing homes for sale within Tract 8548 (Penrose @ Barrington), which is detailed in the *Residential Market Overview* section presented later in this report. The balance of the properties is not presently being marketed for sale, nor are we aware of any market transfers within the past three years.

## **PROPERTY LEGAL DATA**

### **Location**

The subject properties are located in non-contiguous areas of the city of Brentwood, Contra Costa County, California. The specific locations of each of the tracts/properties are detailed in the *Site Description* section of this report.

### **Assessor's Parcel Number/Ownership**

The appraised properties consist of 402 separate Assessor's parcels (310 are finished single-family residential lots and 89 are partially improved), which are identified within the Addenda to this report (see *Market Value by Assessor's Parcel*).

### **Legal Description**

A legal description of the subject properties, which would be contained in a preliminary title report, was not provided for use in this analysis.

### **Assessment and Tax Information**

The property tax system in California was amended in 1978 by Article XIII to the State Constitution, commonly referred to as Proposition 13. It provides for a limitation on ad valorem property taxes and for a procedure to establish the current taxable value of real property by reference to a base year value, which is then modified annually to reflect inflation (if any). Annual increases cannot exceed 2% per year.

The base year was set at 1975-76, or any year thereafter in which the property is substantially improved or changes ownership. When either of these two conditions occur, the property is to be re-appraised at market value, which becomes the new base year assessed value. Proposition 13 also limits the maximum tax rate to 1% of the value of the property, exclusive of bonds and supplemental assessments. Bonded indebtedness approved prior to 1978 and any bonds subsequently approved by a two-thirds vote of the district, in which the property is located, can be added to the 1% tax rate.

The existing ad valorem taxes are of nominal consequence in this appraisal, primarily due to the fact these taxes will be adjusted substantially as the remaining infrastructure and property improvements are completed and in consideration of the definition of market value employed in this appraisal, which assumes a sale of the appraised properties. The appraised properties are subject to a tax rate of 1.1321%.

## **Zoning**

Assessment District No. 2006-1 relates to developable properties designated for single-family residential and mobile home park land uses. According to the City of Brentwood Planning Department, the General Plan designations for the subject properties are consistent with the proposed and existing uses. All of the properties have PD – Planned Development zoning ordinances. The purpose of the PD land use designation is to allow creative designs not associated with straight, or typical, zoning districts. Density variations are also required and/or permissible.

Each of the subdivisions has an approved tentative map, or recorded final map, and are consistent with the General Plan designations.

## **Flood Zone**

The subject property is located within Flood Zone CX, areas determined to be outside of the 500-year flood plains; determined to be outside the 1% and 0.2% annual chance floodplains. The flood data is provided by Digital Media Services ([www.floodmaps.com](http://www.floodmaps.com)). The FEMA community/panel number is 060439-0365F, dated June 16, 2009.

## **Earthquake Zone**

According to the Seismic Safety Commission the subject parcels are located within Zone 3, which is considered to be the lowest risk zone in California. There are only two zones in California. Zone 4 is assigned to areas of major faults. Zone 3 is assigned to areas with more moderate seismic activity. In addition, the subject is not located within a Fault-Rupture Hazard Zone (formerly referred to as an Alquist-Priolo Special Study Zone), as defined by Special Publication 42 (revised January 1994) of the California Department of Conservation, Division of Mines and Geology.

## **Conditions of Title**

A preliminary title report was not provided for this analysis. It is assumed there are no adverse conditions on title. The appraiser assumes no negative title restrictions and accepts no responsibility for matters pertaining to title.

## **Easements**

An inspection of the subject property revealed no apparent adverse easements, encroachments or other conditions currently impacting the parcels. Please refer to a preliminary title report for information regarding potential easements, as the appraiser is not a surveyor nor qualified to determine the exact location of any easements. It is assumed that any easements noted in a preliminary title report do not have an impact on the opinion of value set forth in this report. If at

some future date, any easements are determined to have a detrimental impact on value, the appraiser reserves the right to amend the opinion of value contained herein.

### **Assessor's Parcel Maps**

A complete set of Assessor's parcel maps encompassing the City of Brentwood Assessment District No. 2006-1 are included in the Addenda to this report.



## SITE DESCRIPTION

The appraised properties comprise a portion of the land areas situated within the boundaries of City of Brentwood Assessment District No. 2006-1 and consist of 402 separate Assessor’s parcels. The following table details the various land use components comprising the subject properties.

Owner	Tract	APN(s)	Land Use	Land Area (Acres)	No. of Lots	Typical Lot Size (SF)
West Coast Home Builders Inc.	8506	019-082-007	Tentatively Mapped Lots	133.72	166	8,000
Eugene E. Mangini Trustee	9050* (expired)	018-110-004	Unimproved Land	9.77	--	--
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Tri Point Homes Inc.	9098	016-530-001 thru -049; 016-540-001 thru -007, -009 thru -041	Finished SFR Lots	--	89	8,000
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	9096**	016-500-001 thru -004, -006 thru -049; 006-510-001 thru -005, -008 thru -043	Partially Improved Lots	--	89	7,000

\*Assessor's parcel 018-110-008 is a portion of Tract 9050, which was previously to be developed by Passport Homes. Parcel -008 was to include 30 residential lots and parcel -004 was to include 37 lots; however, the TM expired.

\*\*Tract 9096 is the last phase of the larger Subdivision 8549, which totalled 473 lots. The lots are partially improved; though, a final map was recorded.

The subject property is further discussed as follows.

**Size and Shape:**

The subject properties within Assessment District No. 2006-1 represent seven non-contiguous clusters of parcels that are, for the most part, irregular in shape.

**Topography:**

The topography of the properties is generally level, with the exception of Assessor’s parcel 019-082-007, which comprises 133.72 acres of land with sloping and undulating terrain.

**Soil:**

The appraiser has not been provided a soils report to determine the load bearing capacity of the subject properties. Based on the surrounding improvements, no adverse subsoil conditions are apparent. The soils appear to be similar to other local parcels that, to the best of our knowledge, have been improved with no adverse effects.

**Drainage:**

Based on the development plans, our physical inspection of the subject properties, and assuming typical grading and paving work will be completed, it is expected the subject properties will provide adequate drainage. With respect to the existing single-family residences, drainage appears adequate.

**Offsite Improvements:** Most of the off-site improvements, including curbs, gutters, streets, sidewalks and street lights are in place.

**Frontage/Access:** The subject properties offer adequate frontage along either interior streets or major thoroughfares, including Sand Creek Road and Garin Parkway.

**Utilities:** Public utilities, including electricity, gas, water, and telephone service, have been extended to, or are available to, the subject lots. Public utilities serving the subject properties are as follows:

<b>Water:</b>	City of Brentwood
<b>Sewer:</b>	City of Brentwood
<b>Electricity:</b>	Pacific Gas and Electric
<b>Natural Gas:</b>	Pacific Gas and Electric
<b>Telephone:</b>	AT&T

**Environmental Issues:** At the time of inspection, the appraiser did not observe the existence of hazardous material, which may or may not be present on the properties. The appraiser has no knowledge of the existence of such materials on the properties. However, the appraiser is not qualified to detect such substances. The presence of potentially hazardous materials could affect the value of the properties. The value estimates are predicated on the assumption that there is no such material on or in the properties that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

**Functional Adequacy and Utility:** Development of the single-family residential subdivisions will require interior street systems to serve all of the various components of the subject properties. Based upon the development plans, overall functional utility is considered good.

**Conclusion:** The configuration and size of the subject properties are considered adequate for development. The demand for single-family product bodes well for the projects and should increase the demand for the complementary land uses within the city of Brentwood. We expect the land components represented by the subject properties will be competitive with other Brentwood developments, as well as similar developments located elsewhere in the East Contra Costa County area, including Antioch and Oakley.

**SUBJECT PHOTOGRAPHS**



Northerly view from Jennifer Street  
Partially finished lots



Northerly view from Jennifer Street  
Partially finished lots



Northeasterly view from Ridgefield Court  
Vacant residential lots



Southerly view from Bellerose Court  
Lots under construction



Southwesterly view from Colebrook Lane  
Single family residences



Northeasterly view from Colebrook Lane  
Vacant residential lots



Southwesterly view from Foxboro Court  
Vacant finished lots



Southwesterly view from Stratford Way  
Lots under construction



Westerly view from Grain Parkway  
Partially finished lots

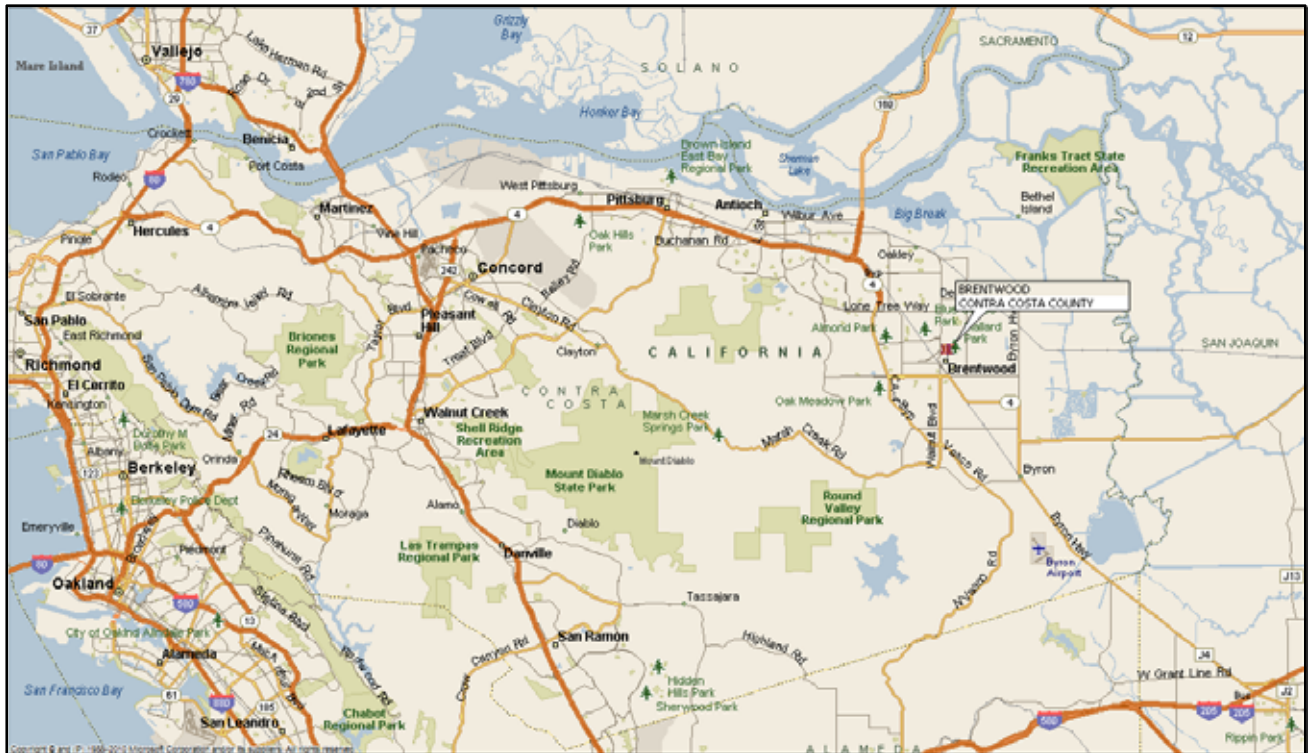


Northwesterly view from Grain Parkway  
Vacant finished lots



Southwesterly view from Grain Parkway  
Partially finished lots

## CONTRA COSTA COUNTY



### **Introduction**

Contra Costa County spans nearly 800 square miles, extending from the northeastern shore of the San Francisco Bay approximately 50 miles inland. The county is situated between Suisun and San Pablo Bays to the north, San Joaquin County to the east, Alameda County to the south and the San Francisco Bay to the west. Located in what is referred to as the East Bay region, Contra Costa County is part of one of the nation's largest urban centers, the San Francisco Bay Area. Surrounding counties include Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma.

Areas of rapid economic growth and development mark the county, but it still has maintained large portions of land dedicated to rural, recreational and industrial uses. Most development is regionally clustered, with the western and northern shorelines being highly industrialized and the interior sections of the county exhibiting mostly residential and commercial development. Nearly 85% of the county's residents reside within incorporated cities. The largest of those urban areas are Concord, Richmond and Antioch. The city of Martinez, located near the Carquinez Straits to the north of Contra Costa County, houses the county's governmental offices. Growth is particularly strong in the eastern portion of the county.

## Population

Contra Costa County has a population of over 1 million, and has shown moderate growth over the past five years, with an average annual growth rate of 0.9%. The most populous cities are Concord, Richmond and Antioch. The cities experiencing the highest rates of growth in recent years are San Ramon, Oakley and Brentwood.

The following table illustrates population trends for areas within Contra Costa County over the past few years.

POPULATION TRENDS							
City	2008	2009	2010	2011	2012	2013	%/Yr
Antioch	99,854	100,956	102,277	103,055	103,950	105,117	1.1%
Brentwood	49,710	50,997	51,453	52,030	52,635	53,278	1.4%
Clayton	10,717	10,813	10,899	10,942	11,008	11,093	0.7%
Concord	120,592	121,285	122,109	122,599	123,345	123,812	0.5%
Danville	41,364	41,712	42,067	42,217	42,498	42,720	0.7%
El Cerrito	23,193	23,350	23,552	23,649	23,801	23,910	0.6%
Hercules	23,795	23,938	24,079	24,153	24,299	24,403	0.5%
Lafayette	23,567	23,696	23,895	24,024	24,186	24,312	0.6%
Martinez	35,437	35,630	35,846	36,055	36,264	36,578	0.6%
Moraga	15,863	15,929	16,019	16,076	16,168	16,238	0.5%
Oakley	32,930	34,226	35,351	35,998	36,573	37,252	2.6%
Orinda	17,341	17,484	17,647	17,714	17,839	17,925	0.7%
Pinole	18,304	18,335	18,376	18,461	18,581	18,664	0.4%
Pittsburg	61,873	62,201	63,181	63,735	64,779	65,339	1.1%
Pleasant Hill	32,793	32,963	33,175	33,280	33,477	33,633	0.5%
Richmond	102,313	102,887	103,764	104,382	105,004	105,562	0.6%
San Pablo	28,848	29,232	29,245	28,931	29,137	29,266	0.3%
San Ramon	66,642	69,428	71,788	73,111	74,753	76,154	2.9%
Walnut Creek	63,339	63,786	64,240	64,710	65,306	65,684	0.7%
Unincorporated	<u>158,789</u>	<u>159,542</u>	<u>158,985</u>	<u>161,184</u>	<u>162,999</u>	<u>163,762</u>	<u>0.6%</u>
<b>Total</b>	<b>1,027,264</b>	<b>1,038,390</b>	<b>1,047,948</b>	<b>1,056,306</b>	<b>1,066,602</b>	<b>1,074,702</b>	<b>0.9%</b>

Source: California Department of Finance

The technology bubble of the late 1990s had a considerable impact on Contra Costa County. With a heavy push from surrounding, higher cost-of-living counties, Contra Costa saw a rapid influx of new single-family homes and residential communities. While the county's average home price is higher than California as a whole, within the Bay Area, Contra Costa County is considered a reasonably priced market.

## Transportation

The East Bay is an integral part of California's transportation infrastructure. From the region, it is possible to ship freight by highway, air, rail and sea, providing direct access to many of the world's



most lucrative markets. The economic developments that occur in Contra Costa County are aided by its highly integrated transportation system, which ranks among the best in the country. Highway transportation is provided by State Highway 4, connecting the cities of Pittsburg, Brentwood, Oakley and Antioch to Interstates 680 and 80 to the west. Interstate 80 connects Richmond with Oakland to the south and Sacramento to the north. It also connects with the Bay Bridge, providing access to San Francisco. Interstate 680 connects with State Highway 4 near Concord, providing access to the cities of Concord, Pleasant Hill and Walnut Creek.

The state freeways and county highways are supplemented by the rapid-transit systems, BART (Bay Area Rapid Transit), and AC (Alameda/Contra Costa) Transit bus service. Amtrak trains provide service to Contra Costa County and run northward to Sacramento and the Pacific Northwest, southward to San Jose/Silicon Valley and Los Angeles, and eastward to the eastern United States. Freight transportation is aided by the Santa Fe and Union Pacific Railroads, whose main lines serve both the industrial coastal areas as well as the inland farm region.

With the congestion that currently exists and the growth that is forecast, governmental entities including the cities of Pittsburg, Antioch, Oakley, Brentwood, Contra Costa County, Tri Delta Transit, Bay Area Rapid Transit District, and the Metropolitan Transportation Commission have formed a partnership to bring public transportation called eBART to East county. eBART is a system that consists of light weight, self-propelled rail cars known as Diesel Multiple Units (DMUs) running from the current Pittsburg-Bay Point BART station in the median of SR 4 and then moving onto the Mococo line of the Union Pacific Railroad. Six stations are currently proposed.

Several ports, including facilities in Richmond, Crockett and Martinez, lie along the county's major adjacent bodies of water: Suisun Bay, San Pablo Bay, and the channel that connects them, the Carquinez Straits. These waterways provide ocean transport service and terminals, which give local industry access to markets in the Far and Middle East as well as Central and Latin America. A County-owned public airport, Buchanan Field, is located in Concord and offers general aviation and cargo service. This service is further supplemented by international passenger capabilities of both the Oakland and San Francisco International airports.

## **Employment & Economy**

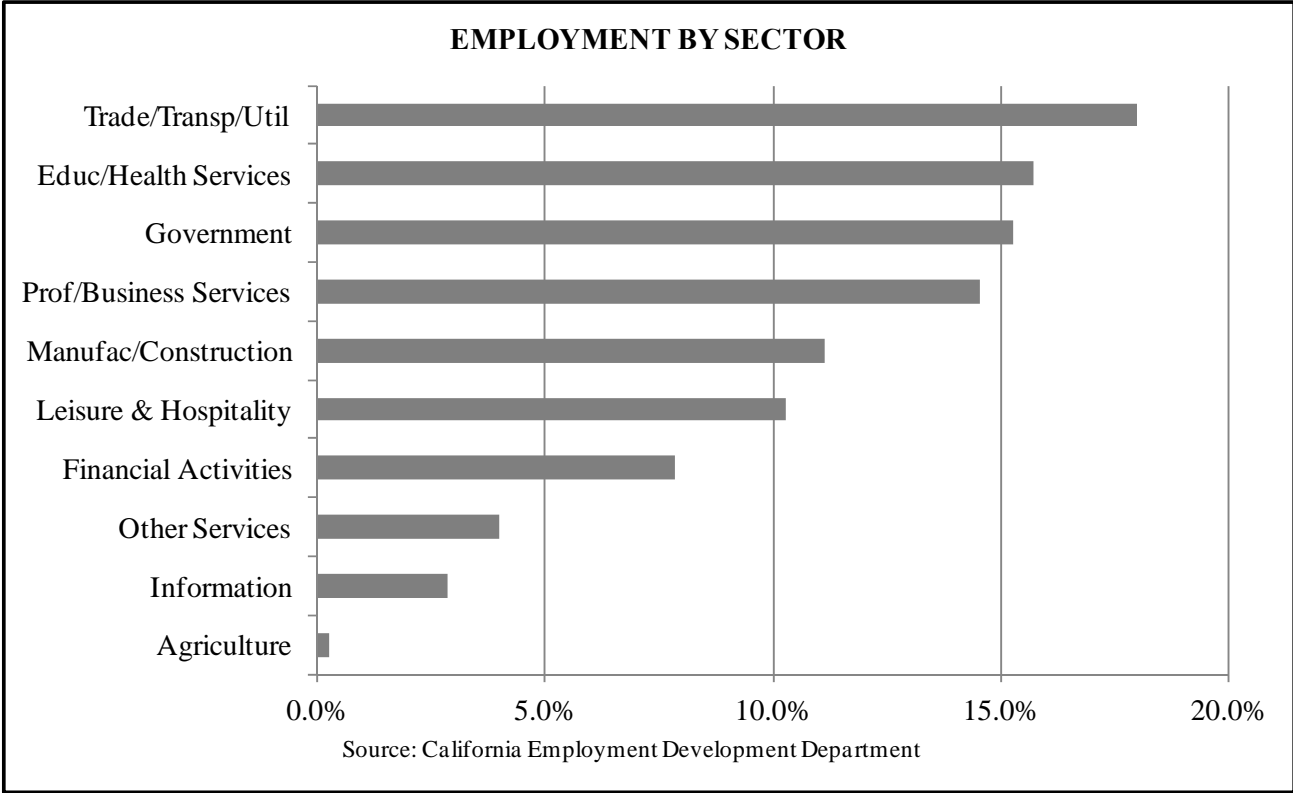
The California Employment Development Department has reported the following employment data for Contra Costa County over the past several years.

<b>EMPLOYMENT TRENDS</b>						
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Labor Force	524,600	525,100	524,200	529,200	535,700	538,900
Employment	492,200	471,700	465,900	474,300	487,800	499,100
Job Growth	1,300	(20,500)	(5,800)	8,400	13,500	11,300
Unemployment Rate	6.2%	10.2%	11.1%	10.4%	8.9%	7.4%

Source: California Employment Development Department

The unemployment rate in Contra Costa County was 5.8% in May 2014, which compares to rates of 7.6% for California and 6.3% for the U.S. Most areas within the state and nation, including Contra Costa County, saw unemployment rates decline from 2004-2006, increase from 2007-2010, and decline during 2011-2013.

Contra Costa County has a diverse economy, with no one sector accounting for a majority of the employment in the region. The following chart indicates the percentage of total employment for each sector within the county.



As can be seen in the chart above, the area’s largest employment sectors are Trade, Transportation and Utilities (which includes retail and wholesale trade); Educational and Health Services ; Government; and Professional and Business Services.



The following table lists the largest private employers in the county.

**TOP 10 PRIVATE EMPLOYERS**

<b>Employer</b>	<b>Employees</b>	<b>Industry</b>
Chevron Corp.	4,700	Oil refiner
Kaiser Foundation Hospital	2,300	Hospital
John Muir Medical Center	1,900	Hospital
Bio-Rad Laboratories	1,700	Biotechnology
John Muir/Mt. Diablo Medical Center	1,500	Hospital
24 Hour Fitness	1,300	Health club
Doctors Medical Center	1,000	Hospital
USS Posco Industries	975	Steel mill
Contra Costa Newspapers, Inc.	900	Publisher
Bank of the West	800	Financial institution

Source: Contra Costa County Annual Financial Report

Other major employers in the region include Contra Costa County, various city governments, various school districts, Diablo Valley College, Aetna Health Services, Bay Area Rapid Transit (BART), Berlex Biosciences, Concord Naval Weapons Station, Martinez Refining and Tesoro Refining.

**Household Income**

Median household income represents a broad statistical measure of well-being or standard of living in a community. The median income level divides households into two equal segments with one half of households earning less than the median and the other half earning more. The median income is considered to be a better indicator than the average household income as it is not dramatically affected by unusually high or low values. In the year 2012 (most recent data available from the U.S. Census Bureau), Contra Costa County’s median household income was \$74,208, which was significantly higher than the state of California’s median income of \$58,322. The county ranks fourth in the state in household income (after Santa Clara, Marin and San Mateo).

**Recreation & Community Facilities**

The county is home to several regional parks and three state parks. Franks Tract State Recreation Area is a water-accessible only area located north of the county and utilized by anglers and waterfowl hunters; the John Marsh State Park is located near Brentwood; and a pristine ecological treasure, Mount Diablo State Park is located in central Contra Costa County. Two national historic sites can also be found in the county, the home of Nobel Prize winner Eugene O’Neill in Danville

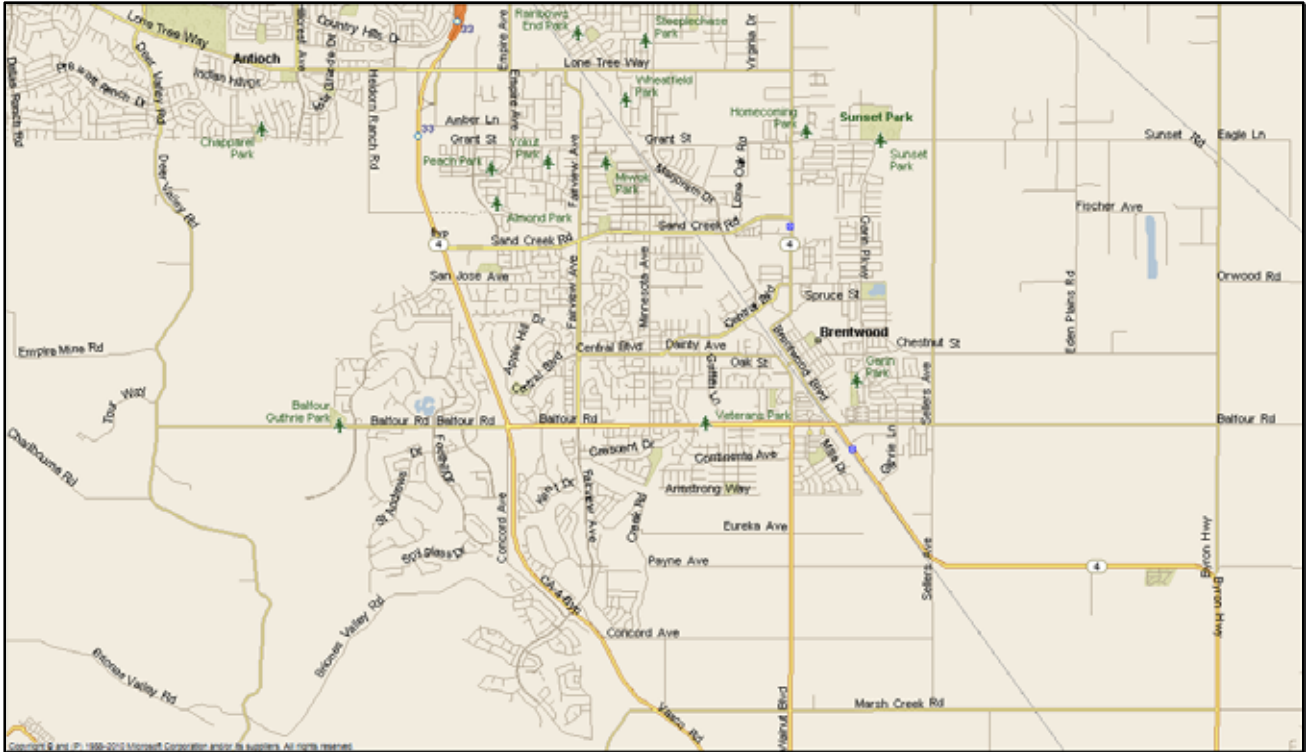
and the former residence of famous naturalist John Muir in Martinez. As with virtually all major metropolitan areas, a multitude of public parks, health clubs and golf courses can be found throughout the county.

Contra Costa County provides higher education to its residents via three junior colleges, Contra Costa College, Diablo Valley College and Los Medanos College. The county is also host to a handful of private, four-year institutions, foremost of which is Saint Mary's College in Moraga, enrolling over 4,000 students annually. K-12 education is segmented into eight school districts throughout the county, offering services to nearly 200,000 youth.

## **Conclusion**

Contra Costa County has experienced steady population growth, averaging 0.9% per year over the past five years. Most of this growth has been due to in-migration of businesses and residents from more expensive Bay Area counties. The county's economy continues to diversify and represents one of the more stable regional economies in California. Housing in the county remains more affordable compared with much of the rest of the Bay Area. After a period of contraction in the economy and real estate markets around 2008-2010, the region has seen improvement in employment and economic conditions over the past few years. The near-term outlook is for continued recovery and growth.

## CITY OF BRENTWOOD



### Introduction

This section of the report provides an analysis of the observable data that indicate patterns of growth, structure and/or change that may enhance or detract from property values. For the purpose of this analysis, a neighborhood is defined as “a group of complementary land uses; a congruous grouping of inhabitants, buildings or business enterprises.”<sup>3</sup>

### Neighborhood Boundaries

The boundaries of a neighborhood identify the physical area that influences the value of the subject property. These boundaries may coincide with observable changes in prevailing land use or occupant characteristics. Physical features such as the type of development, street patterns, terrain, vegetation and parcel size tend to identify neighborhoods. Roadways, waterways and changing elevations can also create neighborhood boundaries.

The appraised properties are located within the city of Brentwood. Lone Tree Way represents the northern boundary of the subject neighborhood. Other boundaries can generally be described as the Deer Valley Road to the west, Balfour Road to the south and Sellers Avenue to the east.

<sup>3</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> ed. (Chicago: Appraisal Institute, 2010), 133.

## **Demographics**

The city of Brentwood is located in the easternmost portion of Contra Costa County in the East Bay Area. Directly adjacent to Brentwood are the cities of Antioch and Oakley, while the city of Pittsburg lies to the west.

The city functions primarily as a residential center, allowing convenient access to the business-related areas of the East Bay, the Central Valley and the Sacramento region. Brentwood's agricultural roots, which are shared by most of Contra Costa County, are still prevalent despite the ongoing transition towards residential build-out. Early in its history, the city was nationally recognized as the primary shipping point for wheat and barley, and still is home to numerous crops, including grain, alfalfa, almonds, tomatoes and several types of fruit.

According to demographic reports, the population of the city of Brentwood is estimated to be approximately 54,071 persons as of 2013, with a projected increase to 58,288 by 2018. The median age is 35.8 years and the average household size is 3.14 persons. The median household income is \$91,114. There are an estimated 17,178 occupied housing units in the neighborhood, of which 74.4% are owner-occupied and 25.6% are renter occupied.

According to the California Employment Development Department, Contra Costa County has an unemployment rate of 6.0% as of June 2014. Further, with a workforce of approximately 11,200 persons, the city of Brentwood has a reported unemployment rate of 5.3%, which is lower than the unemployment rate of the State of California as a whole (7.4%).

The Brentwood area, along with most of Contra Costa County, is also viewed as one of the last refuges for affordable housing in the Bay Area, drawing many residents from surrounding communities into the city. This has contributed to rising home values in Brentwood. According to DataQuick Information Services, the median resale home price in the city of Brentwood as of May 2014 was \$440,000, which marks a 6.02% increase from the same period the previous year.

## **Transportation**

Given Brentwood's proximity to a number of East Bay business centers, the city is subject to a large amount of commuter traffic during the week. As a result, the main mode of transportation in and out of the city is by car. The State Highway 4 Bypass, a two and four-lane roadway that extends north through Brentwood and connects with (primary) State Highway 4, which extends east-west as a four, six and eight-lane freeway and provides access from the East Contra Costa County cities of Oakley and Antioch westward to Interstate 680 near Concord, and then to Interstate 80 near Pinole and Hercules in western Contra Costa County. From those two Interstates, access is provided to all the major business centers in the Bay Area, including San Francisco, Oakland, Walnut Creek and San

Jose. From Oakley, State Highway 4 leads north and connects with State Highway 160, providing access to the Delta region and the Sacramento Valley. To the east, Highway 4 provides access to San Joaquin County and the city of Stockton, intersecting with Interstate 5 and State Highway 99 before continuing eastward to several Sierra Nevada foothill communities.

The appraised properties are located along or proximate to several major neighborhood thoroughfares, including, Sand Creek Road, Lone Tree Way, Brentwood Boulevard, Balfour Road, Central Boulevard and Fairview Avenue. Lone Tree Way is a primary east-west thoroughfare through Brentwood and links the city with the adjacent city of Antioch.

Rail access is provided via AMTRAK, a passenger service, as well as the Atchison, Topeka, Santa Fe and Southern Pacific Railroad companies. From the north portion of Oakley, access is gained via the San Joaquin River, a deep-water channel servicing the cities of Oakley, Antioch and Stockton. Ocean vessels and barges utilize this waterway, allowing for bulk transport to and from the area. Air transportation is available via the Concord Airport, approximately 20 miles west of Oakley, as well as the San Francisco and Oakland International Airports. The final major transportation service close to Oakley is Bay Area Rapid Transit (BART), which runs from Pittsburg.

The cities of Pittsburg, Antioch, Oakley and Brentwood, Contra Costa County, Tri Delta Transit, Bay Area Rapid Transit District, and the Metropolitan Transportation Commission formed a partnership to bring public transportation called eBART to east Contra Costa County. eBART is a system that consists of light weight, self-propelled rail cars known as Diesel Multiple Units (DMUs) running from the current Pittsburg-Bay Point BART station in the median of State Highway 4 and then moving onto the Mococo line of the Union Pacific Railroad. Construction is continuing. Presently eBart extends east to Hillcrest Avenue in Antioch.

**Land Uses**

The following table summarizes some of the land use characteristics of the subject neighborhood.

Neighborhood Life Cycle Stage	Stability
Real Estate Cycle	Recovery/Improvement
Land Uses	Residential/Commercial/Retail
Predominant Land Uses	Residential/Commercial/Retail
Age Range of R/E Improvements	0-25 years
General Quality & Condition of Improvements	Above Average
Percentage Developed (approx.)	75%
Infrastructure / Land Use Planning	Average

Most of the city of Brentwood is developed with residential uses. Residents have convenient access to employment centers in the East Bay, the Central Valley and the Sacramento region.

Along with growth in population and housing, the city is adding retail development to accommodate its residents. Williamson Ranch Plaza is located along Lone Tree Way just west of Hillcrest Avenue. This is a large scale commercial center housing major retailers such as Wal-Mart, Staples, Sleep Train, Orchard Supply Hardware, Denny's, Payless Shoe Source, Citi Bank, Jack in the Box and other inline retailers. Also along Lone Tree Way, is Deer Valley Plaza, a neighborhood shopping center with tenants including Century 16 Theatres, FoodMaxx, McDonald's, Taco Bell, and CVS. At the intersection of Lone Tree Way and Jeffery Way is Slatten Ranch Center, which includes Target Greatland, Sports Chalet, Old Navy, PetsMart, Office Depot, BevMo, Wells Fargo, Bed Bath & Beyond, Cost Plus World Market and additional in-line spaces. Just west of the Slatten Ranch Center, at the corner of Lone Tree Way and the Highway 4 Bypass, is the Lone Tree Plaza shopping center, with tenants such as The Home Depot, Kohl's, Trader Joe's, Babies 'R Us, Michael's Crafts, Famous Footwear and Sports Authority. At the southeast corner, a commercial development includes Chuck E Cheese's, Buffalo Wild Wings, Wendy's, Shell gas station and other uses. To the east along Lone Tree Way is the Lone Tree Center, anchored by Goodwill and Pizza Guys. The John Muir Medical Hospital site is located at the southwest corner Highway 4 Bypass and Balfour Road. This 572-licensed bed hospital is designated as the only trauma center for Contra Costa County and portions of Solano County.

One of Brentwood's newer industrial developments is the Sunset Industrial Complex, a 32.5-acre industrial business park located north of Sunset Road, a half-mile east of Highway 4. This complex is intended for mostly industrial uses, and a limited amount of supporting retail uses. Additional non-industrial uses in the complex include the Sunset Sports Complex and the City of Brentwood Corporation Yard. The sports complex, which opened in March 2005, includes soccer, baseball and softball fields as well as concession areas.

### **Community Uses**

The neighborhood contains typical community uses, including schools, churches, libraries, parks and golf courses. Golfing opportunities are located at the Brentwood Country Club and the Deer Ranch Country Club. The neighborhood is serviced by the John Muir Medical Center, located at the southwest corner of Balfour Road and John Muir Parkway. Sutter Delta Medical Center and Kaiser both have facilities approximately five miles to the west in Antioch.

High school education for Brentwood residents is provided by two primary facilities: Liberty High, in Brentwood, which is part of the Liberty Union School District. According to GreatSchools.org, this school has a score of 8 (out of 10). The 9-12<sup>th</sup> grade school has approximately 2,100 students. Closer to the subject, and within the city of Oakley, is Freedom High School (also part of Liberty

Union School District), has a GreatSchool.org rating of 7. This school also provides 9<sup>th</sup> – 12<sup>th</sup> grade education and has approximately 2,400 students.

## **Conclusion**

In conclusion, the appraised properties are located in a well-balanced commuter neighborhood that has experienced significant residential and commercial growth in recent years. Development of residential and commercial projects are continuing, albeit at lesser rates of expansion than in years preceding the broad economic declines begun in 2008; though, the residential housing market has entered a recovery phase and several new subdivisions have begun marketing new homes again. The characteristics of the neighborhood relative to other locales in the region are desirable and builders have recently acquired vacant lots in Brentwood for new construction.

## RESIDENTIAL MARKET OVERVIEW

### Market Definition

The area is characterized as a developing bedroom community for Bay Area households. In the near term the East Contra Costa County area appeals to first-time and first-time move up buyers in the Bay Area markets (commuters). The area also provides age-restricted (Trilogy) developments targeting retirement, move-down buyers.

### Single-Family Building Permits

Building permit data for the city of Brentwood is shown below.

Year	Single-Family Building Permits
2004	1,308
2005	1,413
2006	475
2007	357
2008	37
2009	87
2010	167
2011	104
2012	248
2013	478
2014*	147
10-Year Average (excluding 2014)	467

\* Through May

Source: SOCDs

Prior to 2006, single-family building permits consistently exceeded 1,250 per year, peaking in 2002 at 1,682 single-family building permits issued. Following the residential market collapse in the fourth quarter of 2005, residential building permits began a significant downward trend, reaching a low of 37 permits in 2008. Since then, building permit activity has gradually increased, reaching 478 permits in 2013.

### Median Prices – New and Resale Prices Combined

According to DataQuick, in Brentwood the median price (resale and new homes) as of May 2014 was up 6.0% year-over-year to \$440,000, with year-over-year median prices increasing in each of



the last 12 months. The median sale price per square foot was \$198, which is a 23.6% increase over the past year.

### Historical New Home Pricing and Sales

A table depicting the average pricing of active detached single-family residential projects in Brentwood since the First Quarter 2008 is provided below. The data indicated in the table—like much of the data presented in this section of the report—was collected by The Gregory Group, a firm that publishes new home prices and absorption statistics for areas of California.

Quarter	Average Price	% Change Average Price	Average Home Size	Number of Sales	Number of Projects
1Q 2008	\$636,180		2,990	59	14
2Q 2008	\$591,605	-7.0%	2,985	56	11
3Q 2008	\$543,018	-8.2%	2,904	49	8
4Q 2008	\$527,286	-2.9%	2,511	21	6
1Q 2009	\$519,506	-1.5%	2,563	24	5
2Q 2009	\$535,358	3.1%	2,478	-52	3
3Q 2009	\$535,358	0.0%	2,478	41	3
4Q 2009	\$537,054	0.3%	2,484	28	3
1Q 2010	\$539,903	0.5%	2,484	6	3
2Q 2010	\$537,494	-0.4%	2,484	23	3
3Q 2010	\$514,206	-4.3%	2,448	15	3
4Q 2010	\$513,156	-0.2%	2,450	8	3
1Q 2011	\$513,162	0.0%	2,450	15	3
2Q 2011	\$502,250	-2.1%	2,380	10	3
3Q 2011	\$445,734	-11.3%	2,592	41	6
4Q 2011	\$449,372	0.8%	2,603	52	6
1Q 2012	\$447,359	-0.4%	2,603	76	6
2Q 2012	\$462,638	3.4%	2,643	44	5
3Q 2012	\$492,508	6.5%	2,692	124	4
4Q 2012	\$498,643	1.2%	2,649	85	5
1Q 2013	\$526,238	5.5%	2,740	79	5
2Q 2013	\$596,470	13.3%	2,658	65	4
3Q 2013	\$596,470	0.0%	2,701	37	4
4Q 2013	\$536,084	-10.1%	2,669	68	7
1Q 2014	\$526,238	-1.8%	2,559	79	8

Source: The Gregory Group

As shown above, average new home pricing declined significantly from 2008 through the third quarter of 2011, dropping from \$636,180 to \$445,734, before recovery began to show modest appreciation in 2012. Since then, home prices and the number of active projects has started to increase, as have the number of sales each quarter.

## Absorption

There are eight residential subdivisions in Brentwood actively marketing homes. The map below shows the active projects, which is followed by a description of each project and a table summarizing sales rates at the active detached projects in the area. As with the preceding data, the following information was collected by The Gregory Group, a firm that publishes new home prices and absorption statistics for areas of California.

### ACTIVE PROJECTS MAP



PROJECT INFORMATION				AT A GLANCE								
<b>Project Name</b> El Sol				<b>Average Price</b> \$342,265				<b>Qtr Sold</b> 2				
<b>Region</b> East Bay				<b>Average Sq Ft</b> 1,588				<b>Qtr WSR</b> 0.15				
<b>County</b> Contra Costa				<b>Total Inventory</b> 47				<b>Tot WSR</b> 1.00				
<b>Community</b> Brentwood				<b>Standing Inventory</b> 0				<b>Avg Incentives</b> \$0				
<b>Master Plan</b> No				<b>Open Date</b> 03/15/14				<b>Survey Date</b> 4/1/14				
<b>Age Restricted</b> No				<b>Developer Name</b> William Lyon Homes				<b>Special Tax per Month</b> \$233.00				
<b>Project Phone</b> (925) 513-6965				<b>Developer Phone</b> (925) 543-5500				<b>HOA per Month</b> \$94.00				
<b>Sales Office Hours</b> Daily 10 - 5				<b>Product Type</b> Detached				<b>Broker Coop</b> 3.0%				
<b>Type Description</b> Alley Loaded				<b>Special Incentives</b> \$0								
<b>GPS Coordinates</b> N : 37.937175 W : 121.704293				<b>Lot Size</b> 2,100				<b>Project Density</b>				
<b>Cross Street</b>				<b>Lot Dimension</b> 30 x 70				<b>Model/Trailer</b> Model				
<b>Finished Lots</b> N/A				<b>Blue Top Lots</b> N/A								
PLAN DETAILS												
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room	
1	1,356	\$330,000	\$243.36	\$0	\$330,000	\$243.36	3	2.5	2	2	None	
2	1,446	\$337,175	\$233.18	\$0	\$337,175	\$233.18	3	2.5	2	2	None	
3	1,762	\$347,883	\$197.44	\$0	\$347,883	\$197.44	3	2.5	2	2	Bonus	
4	1,789	\$354,000	\$197.88	\$0	\$354,000	\$197.88	3	2.5	2	2	Bonus	
SURVEY INFORMATION												
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/14	49	6	2	2	47	43	4	20	1.00	0.15	\$342,265	0.00

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE								
<b>Project Name</b> Kensington				<b>Average Price</b> \$552,323				<b>Qtr Sold</b> 10				
<b>Region</b> East Bay				<b>Average Sq Ft</b> 3,532				<b>Qtr WSR</b> 0.77				
<b>County</b> Contra Costa				<b>Total Inventory</b> 23				<b>Tot WSR</b> 1.26				
<b>Community</b> Brentwood				<b>Standing Inventory</b> 0				<b>Avg Incentives</b> \$5,000				
<b>Master Plan</b> No				<b>Open Date</b> 10/19/13				<b>Survey Date</b> 4/1/14				
<b>Age Restricted</b> No				<b>Developer Name</b> Van Daele Homes				<b>Special Tax per Month</b> \$250.00				
<b>Project Phone</b> (925) 513-4664				<b>Developer Phone</b> (855) 558-2632				<b>HOA per Month</b> \$0.00				
<b>Sales Office Hours</b> M - Yu 10 - 5; W - Su 12 - 5				<b>Product Type</b> Detached				<b>Broker Coop</b> 3.0%				
<b>Type Description</b> Traditional				<b>Special Incentives</b> \$0								
<b>GPS Coordinates</b> N : 37.962674 W : 121.716417				<b>Lot Size</b> 8,000				<b>Project Density</b>				
<b>Cross Street</b>				<b>Lot Dimension</b> 80 x 100				<b>Model/Trailer</b> Model				
<b>Finished Lots</b> N/A				<b>Blue Top Lots</b> N/A								
PLAN DETAILS												
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room	
1	2,905	\$539,990	\$185.88	\$5,000	\$534,990	\$184.16	3	3.5	1	3	None	
2	3,645	\$546,990	\$150.07	\$5,000	\$541,990	\$148.69	4	4.5	2	3	Bonus, Library	
3	4,047	\$569,990	\$140.84	\$5,000	\$564,990	\$139.61	4	3.5	2	4	Bonus, Library	
SURVEY INFORMATION												
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/14	52	33	29	10	23	19	4	135	1.26	0.77	\$552,323	0.00
Qtr 4/13	52	24	19	19	33	28	5	100	1.90	1.46	\$552,323	0.00

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE								
<b>Project Name</b> Penrose @ Barrington				<b>Average Price</b> \$480,940				<b>Qtr Sold</b> 2				
<b>Region</b> East Bay				<b>Average Sq Ft</b> 2,739				<b>Qtr WSR</b> 0.15				
<b>County</b> Contra Costa				<b>Total Inventory</b> 0				<b>Tot WSR</b> 0.51				
<b>Community</b> Brentwood				<b>Standing Inventory</b> 0				<b>Avg Incentives</b> \$5,000				
<b>Master Plan</b> No				<b>Open Date</b> 04/15/11				<b>Survey Date</b> 4/1/14				
<b>Age Restricted</b> No				<b>Developer Name</b> Tri Pointe Homes				<b>Special Tax per Month</b> \$0.00				
<b>Project Phone</b> (925) 516-7327				<b>Developer Phone</b> (925) 847-8700				<b>HOA per Month</b> \$0.00				
<b>Sales Office Hours</b> Daily 10 - 5; W 12 - 5				<b>Product Type</b> Detached				<b>Broker Coop</b> 3.0%				
<b>Type Description</b> Traditional				<b>Special Incentives</b> \$0								
<b>GPS Coordinates</b> N : 37.951169 W : 121.687152				<b>Lot Size</b> 7,000				<b>Project Density</b>				
<b>Cross Street</b> Oakville Court and Milford Street				<b>Lot Dimension</b> 70 x 100				<b>Model/Trailer</b> Model				
<b>Finished Lots</b> N/A				<b>Blue Top Lots</b> N/A								
PLAN DETAILS												
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room	
1	2,041	\$459,000	\$224.89	\$5,000	\$454,000	\$222.44	3	2	1	2	None	
2	2,230	\$500,000	\$224.22	\$5,000	\$495,000	\$221.97	4	3	1	2	None	
3	2,999	\$479,900	\$160.02	\$5,000	\$474,900	\$158.35	4	3	2	2	None	
4	3,065	\$479,900	\$156.57	\$5,000	\$474,900	\$154.94	4	3	2	2	Loft	
5	3,361	\$485,900	\$144.57	\$5,000	\$480,900	\$143.08	4	3	2	2	None	
SURVEY INFORMATION												
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/14	79	79	79	2	0	0	0	15	0.51	0.15	\$480,940	0.00
Qtr 4/13	79	79	77	5	2	0	2	16	0.55	0.38	\$480,940	0.00
Qtr 3/13	79	79	72	1	7	0	7	25	0.56	0.08	\$480,940	- 2.64
Qtr 2/13	108	80	71	20	37	28	9	35	0.62	1.54	\$494,000	5.04
Qtr 1/13	108	61	51	6	57	47	10	35	0.50	0.46	\$470,280	15.73
Qtr 4/12	108	61	45	1	63	47	16	25	0.61	0.08	\$406,346	13.50
Qtr 3/12	108	55	44	9	64	53	11	25	0.58	0.69	\$358,000	- 0.83
Qtr 2/12	108	40	35	13	73	68	5	25	0.56	1.00	\$361,000	0.00
Qtr 1/12	108	25	22	4	86	83	3	15	0.44	0.31	\$361,000	0.00
Qtr 4/11	108	20	18	-1	90	88	2	20	0.49	- 0.08	\$361,000	0.00
Qtr 3/11	108	20	19	9	89	88	1	19	0.79	0.69	\$361,000	0.00

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE				
<b>Project Name</b> Portofino Estates				<b>Average Price</b> \$665,000				<b>Qtr Sold</b> 10
<b>Region</b> East Bay				<b>Average Sq Ft</b> 3,569				<b>Qtr WSR</b> 0.77
<b>County</b> Contra Costa				<b>Total Inventory</b> 85				<b>Tot WSR</b> 0.99
<b>Community</b> Brentwood				<b>Standing Inventory</b> 0				<b>Avg Incentives</b> \$0
<b>Master Plan</b> No				<b>Open Date</b> 04/01/11				<b>Survey Date</b> 4/1/14
<b>Age Restricted</b> No				<b>Developer Name</b> Discovery Builders				<b>Special Tax per Month</b> \$0.00
<b>Project Phone</b> (925) 420-6177				<b>Developer Phone</b> (925) 682-6419				<b>HOA per Month</b> \$0.00
<b>Sales Office Hours</b> Daily 10 - 6				<b>Product Type</b> Detached				<b>Broker Coop</b> 2.0%
<b>Type Description</b> Traditional				<b>Special Incentives</b> \$0				
<b>GPS Coordinates</b> N : 37.957462 W : 121.705551				<b>Lot Size</b> 8,000				<b>Project Density</b>
<b>Cross Street</b> Big Basin Drive and Adams Lane				<b>Lot Dimension</b> 80 x 100				<b>Model/Trailer</b> Model
<b>Finished Lots</b> N/A				<b>Blue Top Lots</b> N/A				

PLAN DETAILS											
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
1	2,903	\$599,000	\$206.34	\$0	\$599,000	\$206.34	4	2.5	1	3	No
2	3,036	\$617,000	\$203.23	\$0	\$617,000	\$203.23	4	2.5	1	2	No
3	3,836	\$649,000	\$169.19	\$0	\$649,000	\$169.19	5	3	2	2	Loft
4	3,933	\$729,000	\$185.35	\$0	\$729,000	\$185.35	5	4	2	2	Loft
5	4,141	\$731,000	\$176.53	\$0	\$731,000	\$176.53	6	4.5	2	2	Loft

SURVEY INFORMATION														
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change		
Qtr 1/14	240	155	155	10	85	85	0	15	0.99	0.77	\$665,000	0.00		
Qtr 4/13	240	145	145	12	95	95	0	20	1.01	0.92	\$665,000	0.00		
Qtr 3/13	240	137	133	10	107	103	4	20	1.02	0.77	\$665,000	- 0.70		
Qtr 2/13	240	124	123	12	117	116	1	40	1.05	0.92	\$669,700	7.32		
Qtr 1/13	240	118	111	2	129	122	7	50	1.07	0.15	\$624,000	11.23		
Qtr 4/12	240	110	109	12	131	130	1	50	1.20	0.92	\$561,000	- 4.43		
Qtr 3/12	240	100	97	42	143	140	3	50	1.24	3.23	\$587,000	8.70		
Qtr 2/12	140	35	55	20	85	105	-20	35	0.52	1.54	\$540,000	0.00		
Qtr 1/12	140	30	35	15	105	110	-5	30	0.52	1.15	\$540,000	0.00		
Qtr 4/11	140	20	20	8	120	120	0	30	0.51	0.62	\$540,000	0.00		
Qtr 3/11	140	20	12	6	128	120	8	15	0.46	0.46	\$540,000	0.00		

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE				
<b>Project Name</b> Siena				<b>Average Price</b> \$401,480				<b>Qtr Sold</b> 24
<b>Region</b> East Bay				<b>Average Sq Ft</b> 2,065				<b>Qtr WSR</b> 1.85
<b>County</b> Contra Costa				<b>Total Inventory</b> 5				<b>Tot WSR</b> 2.12
<b>Community</b> Brentwood				<b>Standing Inventory</b> 0				<b>Avg Incentives</b> \$6,000
<b>Master Plan</b> No				<b>Open Date</b> 10/05/13				<b>Survey Date</b> 4/1/14
<b>Age Restricted</b> No				<b>Developer Name</b> Lennar Homes				<b>Special Tax per Month</b> \$173.00
<b>Project Phone</b> (925) 308-2960				<b>Developer Phone</b> (877) 275-8341				<b>HOA per Month</b> \$0.00
<b>Sales Office Hours</b> M 12 - 5; Tu - Su 10 - 5				<b>Product Type</b> Detached				<b>Broker Coop</b> 3.0%
<b>Type Description</b> Small Lot, Detached				<b>Special Incentives</b> \$0				
<b>GPS Coordinates</b> N : 37.929914 W : 121.735468				<b>Lot Size</b> 3,000				<b>Project Density</b>
<b>Cross Street</b>				<b>Lot Dimension</b> 50 x 60				<b>Model/Trailer</b> Model
<b>Finished Lots</b> N/A				<b>Blue Top Lots</b> N/A				

PLAN DETAILS											
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room
1	1,860	\$368,880	\$198.32	\$6,000	\$362,880	\$195.10	4	2.5	2	2	None
2	1,923	\$373,880	\$194.43	\$6,000	\$367,880	\$191.31	3	2.5	2	2	Loft
3	1,976	\$388,880	\$196.80	\$6,000	\$382,880	\$193.77	4	2.5	2	2	None
4	2,257	\$433,880	\$192.24	\$6,000	\$427,880	\$189.58	4	3.5	2	2	None
5	2,309	\$441,880	\$191.37	\$6,000	\$435,880	\$188.77	4	3	2	2	Loft, Retreat, Tech

SURVEY INFORMATION														
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change		
Qtr 1/14	58	58	53	24	5	0	5	20	2.12	1.85	\$401,480	1.31		
Qtr 4/13	58	32	29	29	29	26	3	30	2.42	2.23	\$396,280	0.00		

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE								
<b>Project Name</b> Stratford				<b>Average Price</b> \$486,240				<b>Qtr Sold</b> 4				
<b>Region</b> East Bay				<b>Average Sq Ft</b> 3,036				<b>Qtr WSR</b> 0.31				
<b>County</b> Contra Costa				<b>Total Inventory</b> 76				<b>Tot WSR</b> 1.00				
<b>Community</b> Brentwood				<b>Standing Inventory</b> 0				<b>Avg Incentives</b> \$5,000				
<b>Master Plan</b> No				<b>Open Date</b> 10/19/13				<b>Survey Date</b> 4/1/14				
<b>Age Restricted</b> No				<b>Developer Name</b> Van Daele Homes				<b>Special Tax per Month</b> \$250.00				
<b>Project Phone</b> (925) 513-4663				<b>Developer Phone</b> (855) 558-2632				<b>HOA per Month</b> \$0.00				
<b>Sales Office Hours</b> M - Tu 10 - 5; W - Su 12 - 5				<b>Product Type</b> Detached				<b>Broker Coop</b> 3.0%				
<b>Type Description</b> Traditional				<b>Special Incentives</b> \$0				<b>Project Density</b>				
<b>GPS Coordinates</b> N : 0.000000 W : 0.000000				<b>Lot Size</b> 6,000				<b>Model/Trailer</b> Model				
<b>Cross Street</b>				<b>Lot Dimension</b> 60 x 100								
<b>Finished Lots</b> N/A				<b>Blue Top Lots</b> N/A								
PLAN DETAILS												
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room	
1	2,529	\$424,990	\$168.05	\$5,000	\$419,990	\$166.07	4	3	2	2	Loft	
2	2,859	\$492,990	\$172.43	\$5,000	\$487,990	\$170.69	4	3.5	1	3	None	
3	3,158	\$501,990	\$158.96	\$5,000	\$496,990	\$157.37	4	4.5	2	3	Bonus	
4	3,601	\$524,990	\$145.79	\$5,000	\$519,990	\$144.40	4	3.5	2	3	Bonus, Library	
SURVEY INFORMATION												
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/14	99	28	23	4	76	71	5	119	1.00	0.31	\$486,240	- 2.27
Qtr 4/13	99	26	19	19	80	73	7	130	1.90	1.46	\$497,530	0.00

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE								
<b>Project Name</b> Trilogy at the Vineyards				<b>Average Price</b> \$589,199				<b>Qtr Sold</b> 33				
<b>Region</b> East Bay				<b>Average Sq Ft</b> 2,102				<b>Qtr WSR</b> 2.54				
<b>County</b> Contra Costa				<b>Total Inventory</b> 647				<b>Tot WSR</b> 1.10				
<b>Community</b> Brentwood				<b>Standing Inventory</b> 0				<b>Avg Incentives</b> \$7,500				
<b>Master Plan</b> No				<b>Open Date</b> 01/27/07				<b>Survey Date</b> 4/1/14				
<b>Age Restricted</b> Yes				<b>Developer Name</b> Shea Homes				<b>Special Tax per Month</b> \$120.00				
<b>Project Phone</b> (925) 809-7205				<b>Developer Phone</b> (925) 245-3600				<b>HOA per Month</b> \$214.00				
<b>Sales Office Hours</b> Sa - Th 9 - 5; F 12 - 5				<b>Product Type</b> Detached				<b>Broker Coop</b> 3.0%				
<b>Type Description</b> Traditional				<b>Special Incentives</b> \$0				<b>Project Density</b>				
<b>GPS Coordinates</b> N : 37.905880 W : 121.725120				<b>Lot Size</b> 7,500				<b>Model/Trailer</b> Model				
<b>Cross Street</b> Concord Avenue and Fairview Avenue				<b>Lot Dimension</b> 75 X 100								
<b>Finished Lots</b> N/A				<b>Blue Top Lots</b> N/A								
PLAN DETAILS												
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room	
1	1,465	\$445,999	\$304.44	\$7,500	\$438,499	\$299.32	2	2	1	2	No	
2	1,719	\$511,999	\$297.85	\$7,500	\$504,499	\$293.48	2	2	1	2	No	
3	1,745	\$566,999	\$324.93	\$7,500	\$559,499	\$320.63	2	2	1	2	No	
4	1,965	\$548,999	\$279.39	\$7,500	\$541,499	\$275.57	2	2	1	2	No	
5	2,052	\$569,999	\$277.78	\$7,500	\$562,499	\$274.12	2	2.5	1	2	No	
6	2,097	\$591,999	\$282.31	\$7,500	\$584,499	\$278.73	3	2.5	1	2	No	
7	2,289	\$618,999	\$270.42	\$7,500	\$611,499	\$267.15	2	2.5	1	2	No	
8	2,337	\$639,999	\$273.85	\$7,500	\$632,499	\$270.65	3	2.5	1	2	No	
9	2,647	\$681,999	\$257.65	\$7,500	\$674,499	\$254.82	3	2.5	1	3	No	
10	2,709	\$714,999	\$263.93	\$7,500	\$707,499	\$261.17	3	2.5	1	3	No	
SURVEY INFORMATION												
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/14	1,058	425	411	33	647	633	14	50	1.10	2.54	\$589,199	0.00

Source: The Gregory Group

PROJECT INFORMATION				AT A GLANCE								
Project Name	Woodhaven	Average Price	\$501,667	Qtr Sold	14	Region	East Bay					
Region	East Bay	Average Sq Ft	2,597	Qtr WSR	1.08	County	Contra Costa					
County	Contra Costa	Total Inventory	58	Tot WSR	0.56	Community	Brentwood					
Community	Brentwood	Standing Inventory	0	Avg Incentives	\$10,000	Master Plan	No					
Master Plan	No	Open Date	08/01/13	Survey Date	4/1/14	Age Restricted	No					
Age Restricted	No	Developer Name	Signature Homes	Special Tax per Month	\$233.00	Project Phone	(925) 271-7923					
Project Phone	(925) 271-7923	Developer Phone	(925) 463-1122	HOA per Month	\$0.00	Sales Office Hours	Daily 10 - 5					
Sales Office Hours	Daily 10 - 5	Product Type	Detached	Broker Coop	3.0%	Type Description	Traditional					
Type Description	Traditional	Special Incentives	\$0	Project Density		GPS Coordinates	N : 37.943351 W : 121.687728					
GPS Coordinates	N : 37.943351 W : 121.687728	Lot Size	7,000	Model/Trailer	Model	Cross Street						
Cross Street		Lot Dimension	70 x 100	Finished Lots	N/A	Finished Lots	N/A					
Finished Lots	N/A	Blue Top Lots	N/A									
PLAN DETAILS												
Plan	Home Size	Base Price	Price Sq Ft	Incentives	Net Price	Net Price/Sq Ft	Bed	Bath	Levels	Garage	Other Room	
1	2,256	\$480,000	\$212.77	\$10,000	\$470,000	\$208.33	4	3	2	2	None	
2	2,518	\$511,000	\$202.94	\$10,000	\$501,000	\$198.97	4	3	1	3	None	
3	3,018	\$514,000	\$170.31	\$10,000	\$504,000	\$167.00	4	3	2	3	Bonus	
SURVEY INFORMATION												
Survey Per	Units Planned	Units Offered	Units Sold	Qtr Sold	Tot Inv	Unoffrd Inv	Unsold Inv	Wkly Traffic	Tot WSR	Qtr WSR	Avg Price	% Change
Qtr 1/14	77	21	19	14	58	56	2	35	0.56	1.08	\$501,667	3.28
Qtr 4/13	77	10	5	4	72	67	5	20	0.24	0.31	\$485,750	0.00

Source: The Gregory Group

In the table below is a summary of the absorption rates for each project and quarter over the past seven quarters. Also included are the absorption rates reported for projects no longer actively marketing homes (sold out).

### ABSORPTION RATES BY PROJECT AND QUARTER

Project By Area	Builder	Avg. Home Price (1Q 2014 Only)	Avg. Home Size (1Q 2014 Only)	Lot Size or Type	1Q	4Q	3Q	2Q	1Q	4Q	3Q	Average Per Quarter	Average Per Month
					2014	2013	2013	2013	2013	2012	2012		
El Sol	William Lyon Homes	\$342,265	1,588	2,100	2	-	-	-	-	-	-	2.0	2.0
Kensington	Van Daele Homes	\$552,323	3,532	8,000	10	19	-	-	-	-	-	14.5	7.3
Penrose @ Barrington	Tri Pointe Homes	\$480,940	2,739	7,000	2	5	1	20	6	10	9	7.6	1.1
Potofino Estates	Discovery Builders	\$665,000	3,569	8,000	10	12	10	12	2	12	42	14.3	2.0
Siena	Lennar Homes	\$401,480	2,065	3,000	24	29	-	-	-	-	-	26.5	13.3
Stratford	Van Daele Homes	\$486,240	3,036	6,000	4	19	-	-	-	-	-	11.5	5.8
Trilogy at the Vineyards	Shea Homes	\$589,199	2,102	7,500	33	18	20	20	45	49	45	32.9	4.7
Woodhaven	Signature Homes	\$501,667	2,597	7,000	14	4	-	-	-	-	-	9.0	4.5
Encanto	Meritage Homes	-	-	6,000	-	-	2	13	21	3	-	9.8	2.4
Carmel Estates	Meritage Homes	-	-	10,000	-	-	-	-	5	14	28	15.7	5.2
				Total	99	106	33	65	79	88	124		
				No. of Active Projects	8	7	4	4	5	5	4		
				Quarterly Pro-Rata	12.4	15.1	8.3	16.3	15.8	17.6	31.0		
				Monthly Pro-Rata	4.1	5.0	2.8	5.4	5.3	5.9	10.3		
												5.5	Avg. Monthly (Pro Rata)

In Brentwood, projects have averaged 5.5 sales per month over the last seven quarters, due in large part to the successful sales at the age-restricted Trilogy at the Vineyards project, which consistently achieved sales between 18 and 45 units per quarter. Absorption rates are anticipated to be steady to slightly increasing over the next 12 months. As prices in Brentwood and other East Contra Costa County markets continue to recover from the lows over the past several years, we anticipate increased demand for new homes in Brentwood and surrounding communities, which will lead to strengthening absorption.

## **Conclusion**

The following are key points from this section that are restated, in summary.

- New home prices have increased in recent quarters after several years of declining and depressed conditions;
- Absorption rates have remained relatively strong in Brentwood in recent quarters as Bay Area prices have increased;
- Demand for new single-family homes from Bay Area commuters has led to an increase in active residential projects in Brentwood, with four new projects coming on line since the Fourth Quarter 2013.

Across the region home prices and absorption rates have strengthened and it appears the residential cycle is entering a period of expansion. It is unclear whether prices will continue to trend upward or whether prices will level off while continuing to achieve more steady sales. Future price and absorption trends will be influenced by macroeconomic factors. If priced appropriately, there appears to be adequate new home demand to warrant new construction in Brentwood. The inventory of available finished lots in the region is decreasing. Builders are looking for unimproved lots for near term site development and home construction. Builders are speculating on home price increases in their land purchases in order to secure lot inventory. Meanwhile, the number of distressed sales in the region is lessening, albeit at a time when market distress remains well above average. Into the foreseeable future, home and lot prices are anticipated to be stable to increasing.



## **HIGHEST AND BEST USE ANALYSIS**

The term “highest and best use,” as used in this report, is defined as follows:

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.<sup>4</sup>

Two analyses are typically required for highest and best use. The first analysis is highest and best use of the land as though vacant. The second analysis is the highest and best use of the land as improved, which is not applicable, since the appraised properties are vacant land. (Definitions of these terms are provided in the *Glossary of Terms* in the Addenda to this report.)

### **Highest and Best Use as though Vacant**

In accordance with the definition of highest and best use, it is appropriate to analyze the subject as though vacant as it relates to legal permissibility, physical possibility, financial feasibility and maximum productivity.

#### ***Legal Permissibility***

The legal factors influencing the highest and best use of the subject property are primarily government regulations such as zoning and building codes. The appraised properties represent land zoned for residential development, with significant portions containing final map approval. Based on the difficulties in obtaining entitlement approvals, it is doubtful any significant project changes would be allowed.

#### ***Physical Possibility***

The physical and locational characteristics of the properties have been previously described in this report. In summary, the physical characteristics of the site, terrain and soils are suitable for the proposed uses.

Location considerations include the compatibility of the subject’s proposed use(s) and location with respect to surrounding uses. As indicated previously, the appraised properties comprise land throughout the city of Brentwood that has undergone extensive planning and review. Proposed developments and densities have been carefully designed to include an appropriate mix of land uses that are compatible with adjacent uses and uses throughout the area.

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<sup>4</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> ed. (Chicago: Appraisal Institute, 2010), 93.

It should be noted at the time of inspection the appraiser did not observe the existence of hazardous material, which may or may not be present on the properties. The appraiser has no knowledge of the existence of such materials on the properties. However, the appraiser is not qualified to detect such substances. The presence of potentially hazardous materials could affect the value of the properties. The value estimate herein is predicated on the assumption there is no material on or in the properties that would cause a loss of value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field if desired.

There are no known significant easements that would prohibit the development of the properties. Overall, the appraised properties have locational characteristics, access and utilities (or access thereto), which support the intended residential uses.

### ***Financial Feasibility***

The feasibility of the allowable uses is dependent on the supply and demand conditions, which influence the competitive position of each type of property use within the development. The demand for single-family development within the project will affect the timing and feasibility of other property uses within the development.

The feasibility of single-family development is dependent on the regional supply and demand conditions. Sales of new homes in Brentwood have once again begun to improve after a prolonged period of contraction that began in 2008 during the past few years. Brentwood and the adjacent communities of East Contra Costa County, which include Antioch, Oakley and Pittsburg, serve as housing destinations for commuters to the San Francisco Bay Area region. Historically, Brentwood has provided residential developments for homebuyers seeking single-family residences outside Alameda County.

Merchant builders have once again shown an interest in developing production-oriented projects Brentwood, with four new home subdivisions opened since the Fourth Quarter 2013. The appraised properties consist of various residential lot size categories ranging from 2,100 square feet to 13,000 square feet. The most financially feasible use of the appraised properties is production-oriented single-family residential development consistent with that currently being marketed in Brentwood, with average absorption rates as of the first quarter of 2014 of 4.1 homes per month.

### ***Maximum Productivity***

There is only one land use that is legally permissible, physically possible and financially feasible; to develop the appraised properties as single-family residential homes and subdivisions.

## **Conclusion of the Highest and Best Use – As Though Vacant**

Legal, physical, and market conditions have been analyzed to evaluate the highest and best use of the properties. The analysis is presented to evaluate the type of use(s) that will generate the greatest level of future benefits possible to the properties. The only use that meets the four criteria for determining the highest and best use is a well-balanced single-family residential development. The appraised properties should be developed according to this land use designation. Based on this analysis, residential development is judged to be the subject's highest and best use as vacant land.

## **Probable Buyer**

The most probable buyers of the appraised properties are merchant builders looking to acquire lots and entitled land for production home development.

## APPROACHES TO VALUE

The valuation process is a systematic procedure used in the valuation of real property.<sup>5</sup> This process involves the investigation, organization and analysis of pertinent market data and other related factors that affect the market value of real estate. The market data is analyzed in terms of any one or all of the three traditional approaches to estimating real estate value. These are the cost, sales comparison, and income capitalization approaches. Each approach to value is briefly discussed and defined as follows:

### **Cost Approach**

The cost approach is based on the premise that no prudent buyer would pay more for a particular property than the cost to acquire a similar site and construct improvements of equivalent desirability and utility. Thus, this approach to value relates directly to the economic principle of substitution, as well as supply and demand. The cost approach is most applicable when valuing properties where the improvements are new or suffer only a minor amount of accrued depreciation, and is especially persuasive when the site value is well supported. The cost approach is also highly relevant when valuing special-purpose or specialty properties and other properties that are not frequently exchanged in the market.

The definition of the cost approach is offered as follows:

A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement for) the existing structure, including an entrepreneurial incentive, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.<sup>6</sup>

### **Sales Comparison Approach**

The sales comparison approach is based on the premise that the value of a property is directly related to the prices being generated for comparable, competitive properties in the marketplace. Similar to the cost approach, the economic principles of substitution, as well as supply and demand are basic to the sales comparison approach. This approach has broad applicability and is particularly persuasive when there has been an adequate volume of recent, reliable transactions of similar properties that indicate value patterns or trends in the market. When sufficient data are available, this approach is the most direct and systematic approach to value estimation. Typically, the sales comparison approach is most pertinent when valuing land, single-family homes and small, owner-occupied commercial and office properties.

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<sup>5</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> ed. (Chicago: Appraisal Institute, 2010), 205.

<sup>6</sup> The Dictionary of Real Estate Appraisal, 47.

The definition of the sales comparison approach is offered as follows:

The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.<sup>7</sup>

### **Income Capitalization Approach**

The income capitalization approach is based on the premise that income-producing real estate is typically purchased as an investment. From an investor's point of view, the potential earning power of a property is the critical element affecting value. The concepts of anticipation and change, as they relate to supply and demand issues and substitution, are fundamental to this valuation approach. These concepts are important because the value of income-producing real estate is created by the expectation of benefits (income) to be derived in the future, which is subject to changes in market conditions. Value may be defined as the present worth of the rights to these future benefits.

Within the income capitalization approach there are two basic techniques that can be utilized to estimate market value. These techniques of valuation are direct capitalization and 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 a single year's income is used. Yield and value changes are implied but not identified.<sup>8</sup>

*Yield Capitalization:* A method used to convert future benefits into present value by 1) discounting each future benefit at an appropriate yield rate, or 2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate.<sup>9</sup>

The definition of the income capitalization approach is offered as follows:

A set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.<sup>10</sup>

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<sup>7</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> ed. (Chicago: Appraisal Institute, 2010), 175.

<sup>8</sup> The Dictionary of Real Estate Appraisal, 58.

<sup>9</sup> The Dictionary of Real Estate Appraisal, 211.

<sup>10</sup> The Dictionary of Real Estate Appraisal, 99.

## **APPRAISAL METHODOLOGY**

The market value of the appraised properties, by ownership, subject to the assessment lien securing the City of Brentwood Assessment District No. 2006-1, will be estimated using the sales comparison approach to value. In the sales comparison approach to value, the improved, partially improved and unimproved residential lots will be compared to bulk lot sales in the East Bay region.

## MARKET VALUATION

### PRODUCTION LOT ANALYSIS

In order to estimate the market value of the residential lots comprising the appraised properties, the sales comparison approach to value will be employed. The underlying premise of the sales comparison approach is the market value of a property is directly related to the price of comparable, competitive properties in the marketplace. In the sales comparison approach, the market value of the subject lots will be estimated by a comparison to similar properties that have recently sold, are listed for sale or are under contract.

This approach is based on the economic principle of substitution. According to *The Appraisal of Real Estate*, 14<sup>th</sup> Edition (Chicago: Appraisal Institute, 2013), “*The principle of substitution holds that the value of property tends to be set by the cost of acquiring a substitute or alternative property of similar utility and desirability within a reasonable amount of time.*” The sales comparison approach is applicable when there are sufficient recent, reliable transactions to indicate value patterns or trends in the market.

The proper application of this approach requires obtaining recent sales data for comparison with the subject property. In order to assemble the comparable sales, we searched public records and other data sources for leads, then confirmed the raw data obtained with parties directly related to the transactions (primarily brokers, buyers and sellers).

Consideration is given to factors such as property rights conveyed, financing, conditions of sale, and market appreciation or depreciation since the date of sale. Differences in physical characteristics, such as location, number of lots, typical lot size, lot premiums/discounts, site utility/topography and zoning/entitlements are considered in the analysis.

The appraised properties comprise various lot sizes ranging from 5,700 square feet to 8,000 square feet. For purposes of comparison, the predominant, typical lot size of 7,200 square feet will form the basis of analysis, from which adjustments will be made for the varying lot size categories within the District.

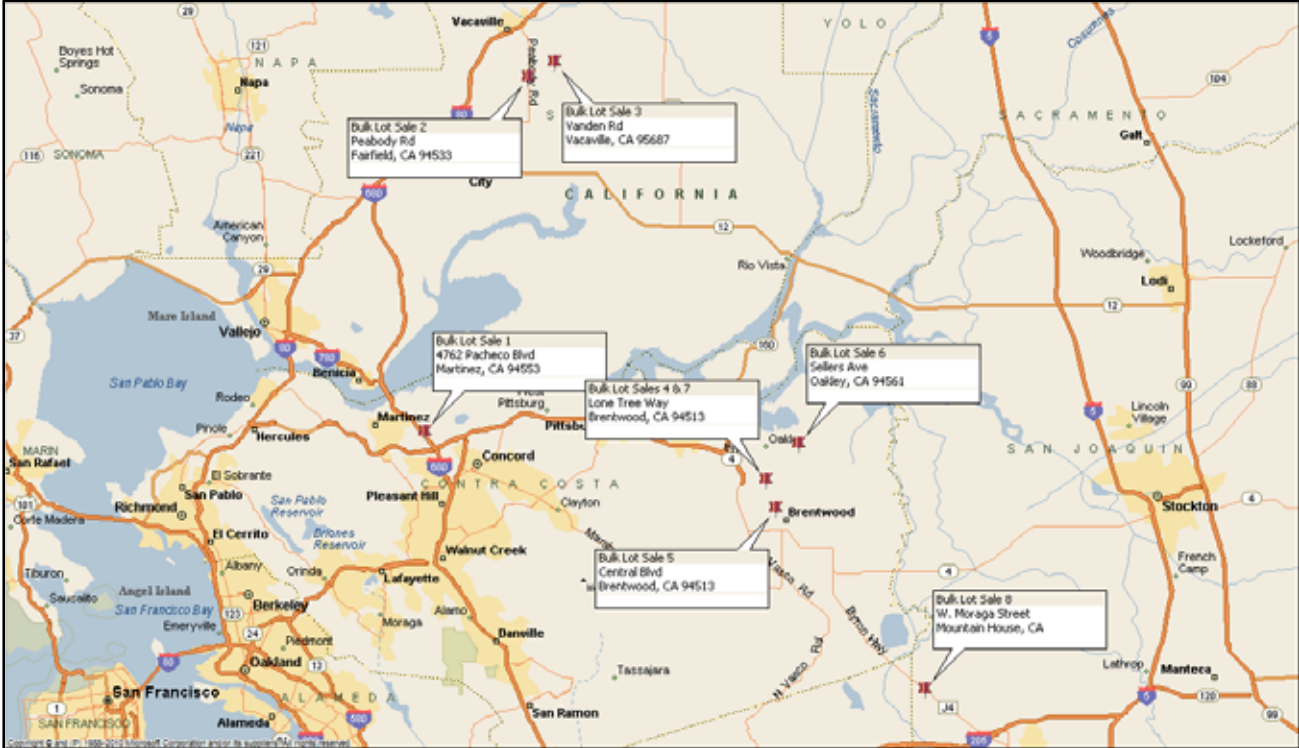
In the collection of data for analysis, eight comparables have been identified as being representative of the market and it is believed the sales data collected is sufficient for comparison to the subject properties and pertinent to the valuation herein. The data from the comparable sales is summarized in the table on the next page, along with a location map, followed by detailed sales sheets and a discussion of adjustments necessary for comparison with the subject properties. For purposes of this analysis, the market data will be compared to the predominant lot category within the District, the 7,200 square foot lots.

## BULK LOT SALES SUMMARY

No.	Property Identification	Sale Date	Sale Price	No. of Lots	Price per Lot	Typical Lot Size (sf)
1	Green Ridge Estates 4762 Pacheco Boulevard Martinez, Contra Costa County APN: 161-570-001 thru -021	Nov-13	\$1,475,000	20	<b>\$73,750</b> (partially finished)	3,105
2	Goldridge Subdivision W/S Peabody Road, N/O Putah South Canal Fairfield, Solano County APN: 0166-130-010, -020, -040, -060, et al	Jul-13	\$29,000,000	230	<b>\$126,087</b> (blue top)	5,150
3	Vanden Ranch Subdivison Leisure Town Road at Vanden Road Vacaville, Solano County APN: 0137-040-020, -090	May-13	\$8,580,000	216	<b>\$39,722</b> (paper)	4,050
4	Steeplechase Subdivision (portion) NWC Lone Tree Way and O'Hara Avenue Brentwood, Contra Costa County APN:	May-13	\$9,800,000	70	<b>\$140,000</b> (finished)	6,000
5	Palmilla Subdivision N/S Central Blvd., W/O Walnut Blvd. Brentwood, Contra Costa County APN: 017-650-001 thru 040, et al	Apr-13	\$8,970,444	105	<b>\$85,433</b> (partially finished)	2,680
6	Emerson Subdivision NWC Sellers Avenue & East Cypress Road Oakley, Contra Costa County APN: 037-192-026	Mar-13	\$17,650,000	567	<b>\$31,129</b> (paper)	6,000
7	Steeplechase Subdivision (portion) NWC Lone Tree Way and O'Hara Avenue Brentwood, Contra Costa County APN: 018-640-006 thru -012, et al	Dec-12	\$9,750,000	75	<b>\$130,000</b> (finished)	7,000
8	Mountain House - Neighborhood G (ptn.) Moraga Street Mounatin House, San Joaquin County APN: 256-030-01 thru -10, -29 thru -47, et al	Aug-12	\$5,005,000	73	<b>\$68,562</b> (finished)	3,500



# BULK LOT SALES MAP



## BULK LOT SALE 1

### Property Identification

Project Name	Green Ridge Estates
Location	4762 Pacheco Boulevard
APN	161-570-001 thru -021
City	Martinez
County	Contra Costa County

### Sale Data

Grantor	First National Bank of Northern California
Grantee	East Bay Habitat for Humanity
Sale Date	November 19, 2013
Deed Book Page	272562
Confirmation Source	Broker
Property Rights Conveyed	Fee Simple
Conditions of Sale	REO at Market
Financing Terms	Cash Equivalent
Sale Price	\$1,475,000
Annual Special Taxes per Lot	\$0

### Land Data

Zoning	MF low density/PUD
Topography	Sloping
Utilities	All available
Number of Lots	20 (plus one common area roadway parcel)
Land Area (Acres)	2.47
Density (Units per Acre)	8 units per acre
Development Status at Sale	Partially finished (costs unknown)
Typical Lot Size (SF)	3,105 square feet

### Indicators (per Lot)

Sale Price	\$ 73,750
Bonds	\$ <u>0</u>
Total Consideration	\$ 73,750
Site Development Costs	\$ 0
Permits and Fees	\$ 31,000

### Remarks

This property is the November 2013 REO sale of 20 partially improved lots in Martinez, Contra Costa County. The grading plan was complete and sewer lines were installed, but not accepted. The lots needed to be regarded. Permits and fees were reportedly between \$30,000 and \$32,000 per lot. The lots were approved for 20 detached homes ranging from 1,497 to 2,155 square feet.

## BULK LOT SALE 2

### Property Identification

Project Name	Goldridge Subdivision
Location	West side of Peabody Road, north of Putah South Canal
APN	0166-130-010, -020, -040, -060, -080, -150, -160 and -200
City	Fairfield
County	Stanislaus

### Sale Data

Grantor	Columbus Gold Ridge LLC
Grantee	Richmond American Homes
Sale Date	July 12, 2013
Deed Book Page	69284
Confirmation Source	Broker/Public Records
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$29,000,000
Annual Special Taxes per Lot	\$0

### Land Data

Zoning	Single-family
Topography	Generally level
Utilities	All available
Number of Lots	230
Land Area (Acres)	N/A
Density (Units per Acre)	N/A
Development Status at Sale	Blue top
Typical Lot Size (SF)	68 lots @ 3,500 sf 82 lots @ 5,200 sf 90 lots @ 6,500 sf

### Indicators (per Lot)

Sale Price	\$126,087
Bonds	\$ <u>0</u>
Total Consideration	\$126,087
Site Development Costs	\$ 24,235
Permits and Fees	\$ 58,500

### Remarks

The comparable is a portion of the Goldridge development in Fairfield, which includes 230 lots in blue top condition with remaining site development costs estimated at \$5,574,000, or \$24,235 per lot. A Community Facilities District (City of Fairfield CFD No. 2004) encumbers the property and a special tax lien of \$150 per month, per home is projected for this project upon completion.

### BULK LOT SALE 3

#### Property Identification

Project Name	Vanden Ranch
Location	Leisure Town Road at Vanden Road
APN	0137-040-020 and -090
City	Vacaville
County	Solano County

#### Sale Data

Grantor	Vanden Ranch LLC
Grantee	Meritage Homes
Sale Date	May 30, 2013
Deed Book Page	54021
Confirmation Source	Broker/Public Records
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$8,580,000 (includes a credit of \$1,080,000)
Special Taxes per Lot	\$0

#### Land Data

Zoning	Single-family
Topography	Generally Level
Utilities	All available
Number of Lots	216
Land Area (Acres)	N/Av
Density (Units per Acre)	N/Av
Development Status at Sale	Unimproved lots
Typical Lot Size (SF)	4,050

#### Indicators

Sale Price	\$ 39,722
Bonds	\$ <u>0</u>
Total Consideration	\$ 39,722
Site Development Cost (Per Lot)	\$ 70,000
Permits and Fees (Per Lot)	\$ 65,000

#### Remarks

This comparable is the May 2013 sale of 216 tentatively mapped lots comprising the Vanden Ranch subdivision in Vacaville, Solano County. The purchase price was \$7,500,000 and the buyer was obligated to purchase certain fee credits, which apply to the project at approximately \$1,080,000. No other bonds or assessments were assumed with the purchase. The purchase was negotiated in 2012 and it was represented the buyer benefitted from weaker market conditions at the time the price was determined.

## BULK LOT SALE 4

### Property Identification

Project Name	Steeplechase (portion)
Location	Northwest corner of Lone Tree Way and OHara Avenue
APN	Book 018, Pages 610 and 620
City	Brentwood
County	Contra Costa County

### Sale Data

Grantor	Brentwood Steeplechase, LLC
Grantee	NorCal Steeplechase LLC (Van Daele Homes)
Sale Date	May 2, 2013
Deed Book Page	48222
Confirmation Source	Broker
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$9,800,000
Special Taxes per Lot	\$11,390

### Land Data

Zoning	Single-family
Topography	Generally level
Utilities	All available
Number of Lots	70
Land Area (Acres)	9.64
Density (Units per Acre)	7 units per acre
Development Status at Sale	Finished Lots
Typical Lot Size (SF)	6,000

### Indicators (per Lot)

Sale Price	\$140,000
Bonds	<u>\$ 11,390</u>
Total Consideration	\$151,390
Site Development Costs	\$ 0
Permits and Fees	\$ 45,000

### Remarks

This comparable is the May 2013 second phase takedown of 70 finished lots by Van Daele Homes in the Steeplechase development in Brentwood. The first phase (Comparable 7) sold in December 2012. The broker reported the fees were lower than typical (\$45,000 versus \$70,000) in Brentwood, as some fees were prepaid. Reportedly, the second phase takedown includes a profit participation with the seller of a 50/50 split over margins attained above 8%.

## BULK LOT SALE 5

### Property Identification

Project Name	Palmilla
Location	North side of Central Boulevard, west of Walnut Boulevard
APN	017-650-001 thru -040, -43 thru -058; 017-640-001 thru -030, -033 thru -041, and -043 thru -052
City	Brentwood
County	Contra Costa County

### Sale Data

Grantor	The Palmilla Project Owner LLC
Grantee	Brentwood Palmilla Owner LLC
Sale Date	April 23, 2013
Deed Book Page	100653
Confirmation Source	Broker/Public records
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$8,970,444
Special Taxes per Lot	\$11,390

### Land Data

Zoning	Single-family
Topography	Generally Level
Utilities	All available
Number of Lots	105
Land Area (Acres)	N/Av
Density (Units per Acre)	N/Av
Development Status at Sale	Partially Finished Lots
Typical Lot Size (SF)	2,680

### Indicators

Sale Price	\$ 85,433
Bonds	<u>\$ 11,390</u>
Total Consideration	\$ 96,823
Site Development Cost (Per Lot)	\$ 17,986
Permits and Fees (Per Lot)	\$ 28,500

### Remarks

This property is the April 2013 sale of the Palmilla subdivision in Brentwood by William Lyon Homes, which included 105 partially finished lots proposed for two product lines. Lot sizes are typically 2,200 and 3,100 square feet, with a weighted average of 2,680 square feet.

## BULK LOT SALE 6

### Property Identification

Project Name	Emerson Ranch
Location	Northwest corner of Sellers Avenue & East Cypress Road
APN	037-192-026
City	Oakley
County	Contra Costa County

### Sale Data

Grantor	New Urban Communities
Grantee	Brookfield Holdings LLC
Sale Date	March 29, 2013
Deed Book Page	078880
Confirmation Source	Buyer/Public records
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$17,650,000 (see remarks)
Special Taxes per Lot	\$0

### Land Data

Zoning	Single-family and commercial
Topography	Generally Level
Utilities	All available
Number of Lots	17
Land Area (Acres)	116.5
Density (Units per Acre)	4.8 units per acre
Development Status at Sale	Unimproved Lots
Typical Lot Size (SF)	6,000

### Indicators

Sale Price	\$ 31,129
Bonds	\$ <u>    0</u>
Total Consideration	\$ 31,129
Site Development Cost (Per Lot)	\$ 65,230
Permits and Fees (Per Lot)	\$ 50,000

### Remarks

This comparable is the March 2013 sale of the Emerson subdivision in Oakley, Contra Costa County. Brookfield Homes acquired the property, which totaled 140.25 acres, with 116.5 acres tentatively mapped for 567 single-family lots and 23.75 acres designated for commercial land uses. According to the buyer, the commercial land component had an allocated purchase price of \$2,500,000, with \$17,650,000 allocated to the residential lots. Site development costs, including profit, were estimated at \$65,230 per lot.

## BULK LOT SALE 7

### Property Identification

Project Name	Steeplechase (portion)
Location	Northwest corner of Lone Tree Way and OHara Avenue
APN	018-610-006 thru -012, -051 thru -079; 018-620-016 thru -028, -041, -042, -048, -049 and -055 thru -076
City	Brentwood
County	Contra Costa County

### Sale Data

Grantor	Brentwood Steeplechase, LLC
Grantee	NorCal Steeplechase LLC (Van Daele Homes)
Sale Date	December 31, 2012
Deed Book Page	333206
Confirmation Source	Seller/Public records
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$9,750,000
Special Taxes per Lot	\$11,390

### Land Data

Zoning	Single-family
Topography	Generally level
Utilities	All available
Number of Lots	75
Land Area (Acres)	N/A
Density (Units per Acre)	N/A
Development Status at Sale	Finished Lots
Typical Lot Size (SF)	7,000

### Indicators (per Lot)

Sale Price	\$130,000
Bonds	<u>\$ 11,390</u>
Total Consideration	\$141,390
Site Development Costs	\$ 0
Permits and Fees	\$ 50,000

### Remarks

This comparable is the December 2012 first phase takedown of 75 finished lots by Van Daele Homes in the Steeplechase development in Brentwood.



## BULK LOT SALE 8

### Property Identification

Project Name	Mountain House – Portion of Neighborhood G
Location	Moraga Street
APN	256-030-01 thru -10, -29 thru -47; 256-050-09 thru -16, -45 thru -48; 256-060-33 thru -40; 256-070-01 thru 23
City	Mountain House
County	San Joaquin

### Sale Data

Grantor	Trimark Communities, LLC
Grantee	Lennar Homes of CA
Sale Date	August 8, 2012
Deed Book Page	100151
Confirmation Source	Broker
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Canceled Contract Price	\$5,005,000
Annual Special Taxes per Lot	\$1,200

### Land Data

Zoning	Single-family
Topography	Generally level
Utilities	All available
Number of Lots	73
Land Area (Acres)	N/A
Density (Units per Acre)	N/A
Development Status at Sale	Finished
Typical Lot Size (SF)	3,500

### Indicators (per Lot)

Sale Price	\$ 68,562
Bonds	<u>\$ 13,763</u>
Total Consideration	\$ 82,325
Site Development Costs	\$ 0
Permits and Fees	\$ 26,000

### Remarks

The comparable is the August 2012 transfer of 73 finished lots in Mountain House with a typical lot size of 3,500 square feet.

## **Analysis and Conclusion**

The comparable transactions are adjusted based on the profile of the subject property with regard to categories that affect market value. For certain adjustments such as site development cost, permits and fees and Special Taxes, adjustments are made using actual or estimated (present value) dollar amounts. Other adjustments may be categories as either superior or inferior, with percentage adjustments applied accordingly. If a comparable has an attribute considered superior to that of the subject, it is adjusted downward to negate the effect the item has on the price of the comparable. The opposite is true of categories considered inferior to the subject. The adjustments are made in consideration of paired sales, the appraiser's experience and knowledge and interviews with market participants.

At a minimum, the appraiser considers the need to make adjustments for the following items:

- Expenditures after Sale (i.e. site development costs (if any), permits and fees, bond encumbrance and atypical carrying costs such as Homeowner's Association fees)
- Property rights conveyed
- Financing terms
- Conditions of sale (motivation)
- Market conditions (time)
- Location
- Physical features

A detailed analysis involving the adjustment factors is presented below.

### ***Loaded Lot Analysis***

Since each comparable has the same highest and best use as the subject property—near term single-family residential development—we apply adjustments for remaining site development costs (if any) and permits and fees on a dollar-for-dollar basis. That is, the comparables are analyzed on a loaded-lot-basis, where any remaining site development costs and permits and fees due at building permit are added to the lot price to yield a price that reflects the total consideration. After all other adjustments are applied (market conditions, physical characteristics, etc.), we deduct the subject's remaining permits and fees to determine the subject's improved lot value.

### **Expenditures After Sale**

For subdivision land, expenditures after sale typically include site development costs, permits and fees and bond encumbrance. For subdivisions where site development is complete and final subdivision map has recorded, adjustments for remaining site development costs do not apply.

### Adjustments for Bond Encumbrance

If applicable, we consider the remaining bond terms to estimate a remaining principal bond balance. While bond interest rates may vary somewhat, for approximation purposes, we utilized a 6% discount rate. The estimated bond encumbrances are added to the loaded lot prices on a dollar-for-dollar basis.

### ***Property Rights Conveyed***

In transactions of real property, the rights being conveyed vary widely and have a significant impact on the sales price. As previously noted, the opinion of value in this report is based on a fee simple estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat, as well as non-detrimental easements, community facility districts and conditions, covenants and restrictions (CC&Rs). All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

### ***Financing Terms***

In analyzing the comparables, it is necessary to adjust for financing terms that differ from market terms. Typically, if the buyer retained third party financing (other than the seller) for the purpose of purchasing the property, a cash price is presumed and no adjustment is required. However, in instances where the seller provides financing as a debt instrument, a premium may have been paid by the buyer for below-market financing terms or a discount may have been demanded by the buyer if the financing terms were above market. The premium or discounted price must then be adjusted to a cash equivalent basis. The comparable sales were cash to the seller transactions and do not require adjustments.

### ***Conditions of Sale***

Adverse conditions of sale can account for a significant discrepancy from the sales price actually paid compared to that of the market. This discrepancy in price is generally attributed to the motivations of the buyer and the seller. Certain conditions of sale are considered to be non-market and may include the following:

- a seller acting under duress,
- a lack of exposure to the open market,
- an inter-family or inter-business transaction for the sake of family or business interest,
- an unusual tax consideration,
- a premium paid for site assemblage,
- a sale at legal auction, or
- an eminent domain proceeding.

The comparables did not involve any non-market conditions of sale and do not require adjustments.

### ***Market Conditions***

Market conditions vary over time, but the date of this appraisal is for a specific point in time. In a dynamic economy – one that is undergoing changes in the value of the dollar, interest rates and economic growth or decline – extra attention needs to be paid to assess changing market conditions. Significant monthly changes in price levels can occur in several areas of a city, while prices in other areas remain relatively stable. Although the adjustment for market conditions is often referred to as a time adjustment, time is not the cause of the adjustment.

The comparables represent transactions that occurred between August 2012 and November 2013. Lot prices have increased since the time period between August 2012 and April 2013. Upward adjustments are applied accordingly.

### ***Physical Characteristics***

The physical characteristics of a property can impact the selling price. Those that may impact value include the following:

#### Location

Location adjustments are applied in consideration of area home prices, household income and other characteristics. The comparables are located in Solano, Contra Costa and San Joaquin Counties. The subjects' Brentwood location is considered good relative to the overall area. In comparison to Brentwood, upward adjustments are warranted for comparables located in Martinez, which is a heavily industrial submarket (though closer to San Francisco), Vacaville, Oakley and Mountain House, which are considered inferior submarkets to the subject in terms of location. While, in general, Fairfield is considered similar to Brentwood in terms of proximity to the Bay, a slight downward adjustment is considered reasonable, as this master planned community offers proximity to Travis Air Force Base, which is the major employer in the Solano County region.

#### Community Appeal

The typical subdivision lots comprising the appraised properties within the boundaries of Assessment District No. 2006-1 offer average community appeal, being situated within master planned communities, as do the comparables; thus, no adjustment is warranted.

### Number of Lots

Generally, there is an inverse relationship between the number of lots and price per lot such that larger projects (with a greater number of lots) achieve a lower price per lot. However, market participants indicate that projects of fewer than 20 lots are achieving discounts because of fewer buyers (merchant builders generally require at least this many lots to develop project synergy and offset model costs). Comparable 1 contains 20 lots and receives an upward adjustment when compared to the typical transfer of bulk lots in the East Bay Area market. The remaining comparables do not require adjustments.

### Lot Size (Typical)

In comparison to the 7,200 square foot typical lot size, adjustments for differences in lot size between the comparables and subject are warranted. Specifically, Comparables 1, 3, 5 and 8 are discernibly smaller in size and merit significant upward adjustments. Comparables 2, 4 and 6 are smaller than the subject and also warrant upward adjustments. In the estimation of bulk market lot values for the other typical lot size categories comprising the appraised property at the end of this section, we have considered paired sales to assist with the determination of a lot size adjustment factor, as well as market participant interviews.

### Site Utility

Differences in contour, drainage, soil conditions, as well as project design, can affect the utility and, therefore, the market value of the properties. The subject property and most of the comparables are planned for traditional single-family lots and all have average site utility. Adjustments for this factor do not apply. However, Comparable 5 is a small lot, four-pack designed subdivision, which is considered inferior to the traditional lot configuration and an upward adjustment is applied.

### Lot Premiums

The subject and all of comparables are anticipated to achieve a similar level of lot premiums (cul-de-sac, corner, inverted corner). No adjustments are necessary.

### **Adjustment Grid**

The grid on the following page reflects the afore-discussed adjustments.

<b>ADJUSTMENT GRID - BULK LOT SALES</b>									
<b>Elements of Comparison:</b>	<b>Subject</b>	<b>Sale 1</b>	<b>Sale 2</b>	<b>Sale 3</b>	<b>Sale 4</b>	<b>Sale 5</b>	<b>Sale 6</b>	<b>Sale 7</b>	<b>Sale 8</b>
Lot Price		\$73,750	\$126,087	\$39,722	\$140,000	\$85,433	\$31,129	\$130,000	\$68,562
Remaining Site Development Costs	\$0	\$25,000	\$24,235	\$70,000	\$0	\$17,986	\$65,230	\$0	\$0
Permits and Fees		\$31,000	\$58,500	\$65,000	\$45,000	\$28,500	\$50,000	\$50,000	\$26,000
<b>Loaded Lot Price Before Bonds</b>		<b>\$129,750</b>	<b>\$208,822</b>	<b>\$174,722</b>	<b>\$185,000</b>	<b>\$131,919</b>	<b>\$146,359</b>	<b>\$180,000</b>	<b>\$94,562</b>
Special Taxes		\$0	\$0	\$0	\$1,440	\$1,440	\$0	\$1,440	\$1,200
Years To Maturity (Approx)		0	0	0	11	11	0	11	20
Present Value at 6%		\$0	\$0	\$0	\$11,357	\$11,357	\$0	\$11,357	\$13,764
<b>Loaded Lot Price After Bonds</b>		<b>\$129,750</b>	<b>\$208,822</b>	<b>\$174,722</b>	<b>\$196,357</b>	<b>\$143,276</b>	<b>\$146,359</b>	<b>\$191,357</b>	<b>\$108,326</b>
Property Rights Conveyed Adjustment	Fee Simple	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Financing Terms Adjustment	Cash Equiv.	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Sale Conditions Adjustment	Market	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Market Conditions Adjustment	Jul-14 (Appraisal)	Nov-13	Jul-13	May-13	May-13	Apr-13 Upward	Mar-13 Upward	Dec-12 Sig. Upward	Aug-12 Sig. Upward
<b>Physical Characteristics:</b>									
Location Adjustment	Brentwood	Martinez Upward	Fairfield Sl. Downward	Vacaville Upward	Brentwood	Brentwood	Oakley Upward	Brentwood	Mtn. House Upward
Community Appeal Adjustment	Average	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Number of Lots Adjustment	106	20 Upward	230	216	70	105	567 Sig. Upward	75	73
Lot Size (Typical) Adjustment	7,200	3,105 Sig. Upward	5,150 Upward	4,050 Sig. Upward	6,000 Upward	2,680 Sig. Upward	6,000 Upward	7,000	3,500 Sig. Upward
Topography/Utility Adjustment	Average	Similar	Similar	Similar	Similar	Inferior Upward	Similar	Similar	Similar
Lot Premiums/Discounts Adjustment	Average	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
<b>Summary of Adjustments</b>		<b>Sig. Upward</b>	<b>Similar</b>	<b>Upward</b>	<b>Similar</b>	<b>Upward</b>	<b>Upward</b>	<b>Similar</b>	<b>Sig. Upward</b>
<b>Adjusted Loaded Lot Value</b>		<b>&gt; \$129,750</b>	<b>≈ \$208,822</b>	<b>&gt; \$174,722</b>	<b>≈ \$196,357</b>	<b>&gt; \$143,276</b>	<b>&gt; \$102,335</b>	<b>≈ \$191,357</b>	<b>&gt; \$108,326</b>
<b>Concluded Loaded Lot Value:</b>	<b>\$205,000</b>								
Less: Permits and Fees (typical)	(\$50,000)								
Less: Remaining Site Development Costs	\$0								
<b>Estimated Improved Lot Indicator</b>	<b>\$155,000</b>								

## Conclusion of Improved Lot Value

The comparables reflect an unadjusted range of \$31,129 to \$140,000 per lot; however, the broad range is the result of the data including both unimproved and improved single-family lots. On a loaded lot basis, and considering assumed bond debt, the comparables reflect a range of \$104,750 to \$208,822 per lot. With emphasis on Bulk Lot Sales 2, 4 and 7 in comparison to the typical 7,200 square foot lot category, a loaded lot value of \$205,000 is considered reasonable. Based on the Comparables from the Brentwood submarket, a typical permit and fee of \$50,000 is considered reasonable, and deducting the typical permits and fees due at building permit from the loaded lot value concluded above (\$205,000) yields an improved lot value of **\$155,000** per lot for the typical 7,200 square foot lots.

In the following table, adjustments for discrepancies in lot size are made to the above-concluded typical lot for each typical lot size category within the District. An adjustment of \$7 per square foot differential in lot size is considered reasonable for the traditional lot size categories based on paired sales in the market and conversations with land brokers.

<b>Typical Lot Size</b>	<b>Description</b>	<b>Indicated Lot Values</b>
5,700	Single-Family Lots	\$145,000
6,400	Single-Family Lots	\$149,000
7,000	Single-Family Lots	\$154,000
7,200	Single-Family Lots	\$155,000
8,000	Single-Family Lots	\$161,000

As previously noted, Tract (Subdivision) 9096 contains partially improved residential lots; a final map was recorded, with subdivision performance bonds posted securing the completion of in-tract improvements. However, in-tracts are not complete. According to the City of Brentwood Public Works – Engineering Department, the remaining amount of site development secured through performance bonds is \$2,073,315, or \$23,296 per lot (89 lots), which will be deducted from the corresponding improved lot value, which is calculated below:

<b>Lot Size</b>	<b>Improved Lot Value</b>	<b>Less Remaining Costs</b>	<b>Unimproved Lot Value (Rd.)</b>
7,000	\$154,000	-\$23,296	\$130,000

#### **RESIDENTIAL LAND ANALYSIS**

There are three unimproved residential land parcels that were previously entitled, but entitlements have either lapsed or development plans have changed. Consequently, these parcels will be valued using large, residential land sales. The subject parcels to be appraised include the following:

<b>Tract</b>	<b>Owner</b>	<b>APN</b>	<b>Parcel Size</b>
8506	West Coast Home Builders, Inc.	019-082-007	133.72
9050	Maffeo Properties	018-110-008	8.86
9050	Eugene E. Mangini, Trustee	018-110-004	9.77

According to the City of Brentwood Public Works – Engineering Department, Tract 8506 was originally entitled for 166 residential lots; however, the owner (West Coast Home Builders, Inc.) has submitted a new application to revise the development to 228 residential lots of 5,000 square feet average. Assessor’s parcel 018-110-008 (formerly Tract 9050) was entitled for 30 residential lots to be developed by Passport Homes and parcel 018-110-004 was entitled for 37 lots; however, the tentative map has since expired. Reportedly, Braddock & Logan have submitted an application for new entitlements on parcel -008 and Lafferty Homes have submitted an application for new entitlements on parcel -004.

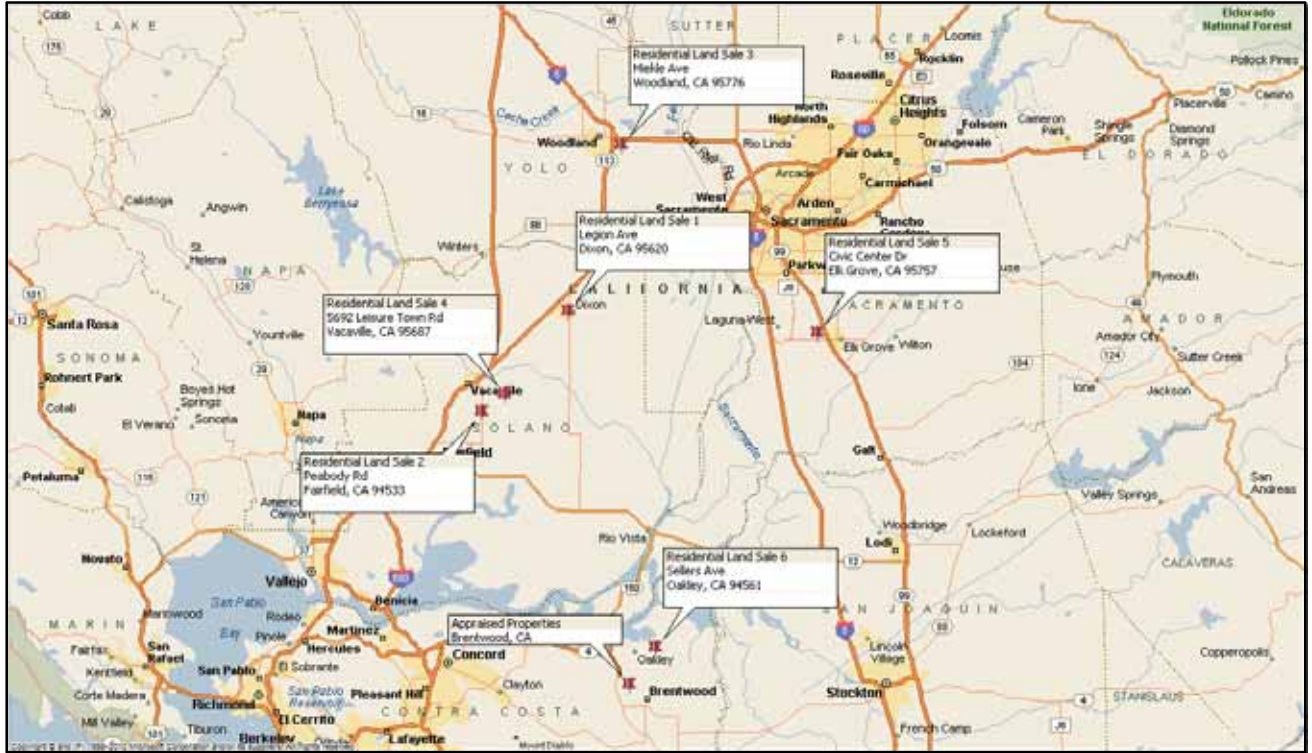
Our search revealed several sales suitable for comparison to the subject parcels. We will begin by presenting a summary tabulation and location map, followed by detailed sales sheets, a discussion of adjustments, an adjustment grid and our conclusion of land value for the subject property. Due to the limited amount of data in the subject's immediate area, we expanded our search parameters to include properties in surrounding areas. The six comparables arrayed below are the most recent transactions considered reasonably similar to the subject property.

**RESIDENTIAL LAND SALES SUMMARY**

No.	Property Identification	Sale Date	Sale Price	Land Area (Acre / SF)	Sale Price per Acre	PV of Bonds per Acre
1	North of Legion Avenue, west of Highway 113 Dixon, Solano County	Pending	\$8,745,000	22.08 <hr/> 961,805	<b>\$396,060</b>	\$0.00
2	W/O Peabody Road, N/O Joeseph Gervas Drive Fairfield, Solano County	Jul-13	\$29,000,000	62.42 <hr/> 2,719,015	<b>\$464,595</b>	\$0.00
3	NEC of Mickle Avenue and Heritage Parkway Woodland, Yolo County	Jun-13	\$6,426,000	16.22 <hr/> 706,543	<b>\$396,178</b>	\$186,842
4	5692 & 5726 Leisure Town Road Vacaville, Solano County	May-13	\$15,000,000	33.95 <hr/> 1,478,862	<b>\$441,826</b>	\$0.00
5	S/O Civic Center Drive, W/O Laguna Springs Drive Elk Grove, Sacramento County	Mar-13	\$11,480,306	31.31 <hr/> 1,363,864	<b>\$366,666</b>	\$133,243
6	NWC Sellers Avenue & East Cypress Road Oakley, Contra Costa County	Mar-13	\$17,650,000	116.5 <hr/> 5,074,740	<b>\$151,502</b>	\$0.00



# RESIDENTIAL LAND SALES MAP



## COMPARABLE LAND SALE 1

### Property Identification

Project Name	Valley Glen – Phase 2, Unit 1 and Unit 3 portion
Location	North side of Legion Avenue, west of Highway 113
APN	0114-033-150
City	Dixon
County	Solano County

### Sale Data

Grantor	Rich Haven-Visser LLC/Manitoba Ventures LLC
Grantee	Confidential
Closing Date	Pending
Deed Book Page	N/Ap
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market – See Remarks
Financing Terms	Cash Equivalent
Sale Price	\$8,745,000
PV of Bonds	\$0

### Land Data

Zoning	MDL, Medium Density Residential Low
Topography	Generally level
Utilities	All available
Number of Lots	106
Land Area (Acres)	22.08
Density (Units per Acre)	4.8
Development Status at Sale	Unimproved Lots

### Indicators

Sale Price Per Acre	\$396,060
PV of Bonds Per Acre	\$0

### Remarks

This property is under contract to a national homebuilder. The seller acquired the property in late 2009 in a Net Operating Loss (NOL) transaction from Pulte Homes. This property is affected by Measure B, a voter imposed bill which allows a maximum 3% growth rate in total housing units per year, but because no development has occurred in recent years and allocations have been rolled over to subsequent years, Measure B is not anticipated to be a binding constraint on the project.

## COMPARABLE LAND SALE 2

### Property Identification

Project Name	Goldridge Unit 10
Location	West side of Peabody Road, north of Joseph Gervas Drive
APN	0166-130-010 et al
City	Fairfield
County	Solano County

### Sale Data

Grantor	Columbus Gold Ridge LLC
Grantee	Richmond American Homes
Closing Date	7/12/2013
Deed Book Page	69284
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$29,000,000
PV of Bonds	\$0

### Land Data

Zoning	RM 5-6, Single Family Residential
Topography	Generally level
Utilities	All available
Number of Lots	230
Land Area (Acres)	62.42
Density (Units per Acre)	3.7
Development Status at Sale	Unimproved Lots

### Indicators

Sale Price Per Acre	\$464,595
PV of Bonds Per Acre	\$0

### Remarks

This property represents the last undeveloped phase of a planned 1,300-unit master plan. The lots were in a blue-top condition (finish graded with streets cut) at the time of sale.

### COMPARABLE LAND SALE 3

#### Property Identification

Project Name	Parkview at Spring Lake
Location	Northeast corner of Mickle Avenue and Heritage Parkway
APN	042-580-013 et al
City	Woodland
County	Yolo County

#### Sale Data

Grantor	ALC IV Woodland-Spring Lake LLC
Grantee	Taylor Morrison Homes
Closing Date	6/5/2013
Deed Book Page	18984
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$6,426,000
PV of Bonds	\$3,030,577

#### Land Data

Zoning	SLSP, Spring Lake Specific Plan
Topography	Generally level
Utilities	All available
Number of Lots	108
Land Area (Acres)	16.22
Density (Units per Acre)	6.6
Development Status at Sale	Unimproved Lots

#### Indicators

Sale Price Per Acre	\$396,178
PV of Bonds Per Acre	\$186,842

#### Remarks

This property was rezoned in early 2013 from a 10-acre school site and 6 acres of multifamily land to single-family residential development. The seller obtained tentative map approval before selling the property to Taylor Morrison Homes. Presently the site has a Special Tax of \$593/lot levied against just 40 lots on six acres (the balance of the site was planned as a school site and a Special Tax was not levied), but upon final map recordation, Special Taxes will be levied against the entire property, and the Special Tax is anticipated to increase to \$1,991/lot.

## COMPARABLE LAND SALE 4

### Property Identification

Project Name	N/Av
Location	5692 & 5726 Leisure Town Road
APN	0137-040-020 & -090
City	Vacaville
County	Solano County

### Sale Data

Grantor	North Bay Construction, Inc.
Grantee	Meritage Homes of California, Inc.
Closing Date	5/30/2013
Deed Book Page	54021
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$15,000,000
PV of Bonds	\$0

### Land Data

Zoning	RLM 3-6, Single Family Residential
Topography	Generally level
Utilities	All available
Number of Lots	216
Land Area (Acres)	33.95
Density (Units per Acre)	12
Development Status at Sale	Unimproved Lots

### Indicators

Sale Price Per Acre	\$441,826
PV of Bonds Per Acre	\$0

### Remarks

This property represents the sale of 33.95 acres located south of the subject property in Vacaville. The future plan for the parcels is for single family development of 216 detached homes. Details regarding this transaction were confirmed via CoStar Property and public records. Although attempts were made, parties directly involved in this transaction could not be reached for comment.

## COMPARABLE LAND SALE 5

### Property Identification

Project Name	Allen Ranch – Laguna Ridge (portion)
Location	South side of Civic Center Drive, west of Laguna Springs Drive
APN	132-2150-002 et al
City	Elk Grove
County	Sacramento County

### Sale Data

Grantor	JJV LLC
Grantee	Standard Pacific Homes
Closing Date	3/29/2013
Deed Book Page	130329-1306
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$11,480,306
PV of Bonds	\$4,171,838

### Land Data

Zoning	RD-7, Single Family Residential
Topography	Generally level
Utilities	All available
Number of Lots	160
Land Area (Acres)	31.31
Density (Units per Acre)	5.1
Development Status at Sale	Unimproved Lots

### Indicators

Sale Price Per Acre	\$366,666
PV of Bonds Per Acre	\$133,243

### Remarks

Standard Pacific Homes acquired these unimproved lots in March 2013 from an entity of Jackson Properties. The property is located in the Laguna Ridge Specific Plan of Elk Grove. Backbone infrastructure to the site is in place with in-tract improvements remaining to be completed.

## COMPARABLE LAND SALE 6

### Property Identification

Project Name	Emerson Ranch
Location	Northwest corner of Sellers Avenue & East Cypress Road
APN	037-192-026
City	Oakley
County	Contra Costa County

### Sale Data

Grantor	New Urban Communities
Grantee	Brookfield Holdings LLC
Closing Date	March 29, 2013
Deed Book Page	078880
Property Rights Conveyed	Fee Simple
Conditions of Sale	Market
Financing Terms	Cash Equivalent
Sale Price	\$17,650,000 (see remarks)
PV of Bonds	\$0

### Land Data

Zoning	Single-family and commercial
Topography	Generally level
Utilities	All available
Number of Lots	216
Land Area (Acres)	116.5 (see remarks)
Density (Units per Acre)	4.8 units per acre
Development Status at Sale	Unimproved Lots

### Indicators

Sale Price Per Acre	\$151,502
PV of Bonds Per Acre	\$0

### Remarks

This comparable, previously discussed in the production lot analysis section, is the March 2013 sale of the Emerson subdivision in Oakley, Contra Costa County. Brookfield Homes acquired the property, which totaled 140.25 acres, with 116.5 acres tentatively mapped for 567 single-family lots and 23.75 acres designated for commercial land uses. According to the buyer, the commercial land component had an allocated purchase price of \$2,500,000, with \$17,650,000 allocated to the residential lots, or \$151,502 per acre.

## **Discussion of Adjustments**

The unit of comparison used for this analysis is the sale price per acre. This is the most common unit of comparison for larger parcels like the subject. In order to estimate the market value of the subject property via the comparable sales, it is necessary to adjust their sales prices for characteristics that are dissimilar to those of the subject property.

### ***Total Consideration***

Two of the comparables sales are encumbered by bonds, which is considering in the total sales price analyzed herein.

### ***Property Rights Conveyed***

In this appraisal, we are estimating the market value of the fee simple interest in the subject's underlying land. All of the comparables were fee simple sales and no adjustments are required.

### ***Financing Terms***

The market valuation of the subject property assumes cash or cash equivalent financing. All of the comparable sales were all cash to the seller or cash equivalent transactions and do not require any adjustments.

### ***Conditions of Sale***

Adverse conditions of sale can account for a significant discrepancy from the sales price actually paid compared to that of the market. This discrepancy in price is generally attributed to the motivations of the buyer and the seller. Certain conditions of sale are considered to be non-market and may include the following:

- a seller acting under duress,
- a lack of exposure to the open market,
- an inter-family or inter-business transaction for the sake of family or business interest,
- an unusual tax consideration,
- a premium paid for site assemblage,
- a sale at legal auction, or
- an eminent domain proceeding.

Most of the comparable sales represent arm's-length market transactions, with no unusual circumstances or motivations. However, Sale 1 represents a pending sale. This comparable receives



a downward adjustment for the likelihood that the closing sale price will be lower than the list price due to buyer and seller negotiations. No other adjustments are necessary for this category.

### ***Market Conditions***

Market conditions generally change over time, but the date of value is for a specific point in time. Therefore, in an unstable economy, one that is undergoing changes in the value of the dollar, interest rates and economic growth or decline, extra attention needs to be paid to assess changing market conditions. Significant changes in price levels can occur in several areas of a municipality, while prices in other areas remain relatively stable. Although the adjustment for market conditions is often referred to as a time adjustment, time is not the cause of the adjustment.

In evaluating market conditions, changes between the sale dates and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required. The residential market experienced a period of contraction in 2008 through 2011, although recent broker surveys suggest some stabilization and improvement in recent quarters. However, sale prices have not experienced significant appreciation. All of the comparables transferred since March 2013, and adjustments for market conditions are not applicable.

### ***Physical Characteristics***

The physical characteristics of a property can impact the selling price. Those that may impact value are discussed as follows:

#### Location

The subject parcels are located in Brentwood and are considered to have an average location relative to other nearby submarkets. Sales 1 and 3 are located in Dixon and Woodland, areas considered to be inferior in comparison to the subject's location. Therefore, these sales receive upward adjustments.

#### Visibility / Accessibility

The visibility and accessibility of a property can have a direct impact on property value. For example, if a property is landlocked, this is considered to be an inferior position compared to a property with open accessibility. However, if a property has good visibility or is in proximity to major linkages, this is considered a superior amenity in comparison to a property with limited visibility. All of the comparables possess similar visibility and accessibility characteristics as the subject property, and adjustments are not required.

## Land Area

Land area differences between properties can affect the prices per acre due to economies of scale with larger properties. That is, all else being equal, larger sites tend to sell for less per acre than smaller sites. Those comparables that are significantly larger than the subject receive upward adjustments, while those that are significantly smaller are adjusted downward.

## On-Site Improvements

Sales 1, 2, 3 and 5 are in blue top condition, where the lots are graded and the streets are cut. Therefore, these sales are considered superior to the subject parcels, which remain unimproved; thus, downward adjustments are warranted.

## Off-site Improvements

The subject property and all of the comparable sales have a similar level of off-site improvements in place; thus, no adjustments are necessary for this factor.

## Site Utility

The subject and all of the comparables offer average site utility in terms of parcel shape, topography, drainage, and soil conditions. No adjustments are applied.

## Zoning

The subject parcels are zoned for, or previously entitled for, residential development with up to three dwellings per acre. Sales 3 and 4 are zoned for up to six to eight dwellings per acre. These densities are slightly superior to the subject and downward adjustments are made. No other adjustments are applied.

## Entitlements

The subject and comparables have a similar level of entitlements (or the entitlement process is considered perfunctory with respect to the subject parcels) for residential development; thus, no adjustments are necessary.

## **Adjustment Grid**

The adjustment grids on the following page detail the adjustments described on the preceding pages.

<b>ADJUSTMENT GRID - RESIDENTIAL LAND SALES</b>							
<b>Elements of Comparison:</b>	<b>Subject</b>	<b>Sale 1</b>	<b>Sale 2</b>	<b>Sale 3</b>	<b>Sale 4</b>	<b>Sale 5</b>	<b>Sale 6</b>
Sale Price per Acre		\$396,060	\$464,595	\$396,178	\$441,826	\$366,666	\$151,502
PV of Bonds		\$0	\$0	\$186,842	\$0	\$133,243	\$0
<b>Total Consideration per Acre</b>		<b>\$396,060</b>	<b>\$464,595</b>	<b>\$583,020</b>	<b>\$441,826</b>	<b>\$499,909</b>	<b>\$151,502</b>
Property Rights Conveyed Adjustment	Fee Simple	Similar	Similar	Similar	Similar	Similar	Similar
Financing Terms Adjustment	Cash Equiv.	Similar	Similar	Similar	Similar	Similar	Similar
Sale Conditions Adjustment	Market	Similar Sl. Downward	Similar	Similar	Similar	Similar	Similar
Market Conditions Adjustment	Jul-14 (Appraisal)	Pending	Jul-13	Jun-13	May-13	Mar-13	Mar-13
<b>Physical Characteristics:</b>							
Location Adjustment	Brentwood	Dixon <b>Upward</b>	Fairfield	Woodland <b>Upward</b>	Vacaville	Elk Grove	Oakley <b>Upward</b>
Visibility/Accessibility Adjustment	Average	Similar	Similar	Similar	Similar	Similar	Similar
Land Area (Acres) Adjustment	133.72	22.08 <b>Downward</b>	62.42	16.22 <b>Downward</b>	33.95 <b>Downward</b>	31.31 <b>Downward</b>	116.50
On-Site Improvements Adjustment	None	Partial <b>Downward</b>	Partial <b>Downward</b>	Partial <b>Downward</b>	Similar	Partial <b>Downward</b>	Similar
Site Utility Adjustment	Average	Similar	Similar	Similar	Similar	Similar	Similar
Zoning Adjustment	Average	Similar	Similar	Superior <b>Downward</b>	Superior <b>Downward</b>	Similar	Similar
Entitlements Adjustment	Yes	Similar	Similar	Similar	Similar	Similar	Similar
<b>Summary of Adjustments</b>		<b>Downward</b>	<b>Downward</b>	<b>Downward</b>	<b>Similar</b>	<b>Downward</b>	<b>Upward</b>
<b>Adjusted Per Acre Value</b>		<b>&lt;\$396,060</b>	<b>&lt; \$464,595</b>	<b>&lt; \$583,020</b>	<b>&lt; \$441,826</b>	<b>&lt; \$499,909</b>	<b>&gt; \$151,502</b>
<b>Concluded Value per Acre:</b>	<b>\$200,000</b>						

<b>ADJUSTMENT GRID - RESIDENTIAL LAND SALES</b>							
<b>Elements of Comparison:</b>	<b>Subject</b>	<b>Sale 1</b>	<b>Sale 2</b>	<b>Sale 3</b>	<b>Sale 4</b>	<b>Sale 5</b>	<b>Sale 6</b>
Sale Price per Acre		\$396,060	\$464,595	\$396,178	\$441,826	\$366,666	\$151,502
PV of Bonds		\$0	\$0	\$186,842	\$0	\$133,243	\$0
<b>Total Consideration per Acre</b>		<b>\$396,060</b>	<b>\$464,595</b>	<b>\$583,020</b>	<b>\$441,826</b>	<b>\$499,909</b>	<b>\$151,502</b>
Property Rights Conveyed Adjustment	Fee Simple	Similar	Similar	Similar	Similar	Similar	Similar
Financing Terms Adjustment	Cash Equiv.	Similar	Similar	Similar	Similar	Similar	Similar
Sale Conditions Adjustment	Market	Similar Sl. Downward	Similar	Similar	Similar	Similar	Similar
Market Conditions Adjustment	Jul-14 (Appraisal)	Pending	Jul-13	Jun-13	May-13	Mar-13	Mar-13
<b>Physical Characteristics:</b>							
Location Adjustment	Brentwood	Dixon <b>Upward</b>	Fairfield	Woodland <b>Upward</b>	Vacaville	Elk Grove	Oakley <b>Upward</b>
Visibility/Accessibility Adjustment	Average	Similar	Similar	Similar	Similar	Similar	Similar
Land Area (Acres) Adjustment	8.86 / 9.77	22.08 <b>Downward</b>	62.42 <b>Downward</b>	16.22 <b>Downward</b>	33.95 <b>Downward</b>	31.31 <b>Downward</b>	116.50
On-Site Improvements Adjustment	None	Partial <b>Downward</b>	Partial <b>Downward</b>	Partial <b>Downward</b>	Similar	Partial <b>Downward</b>	Similar
Site Utility Adjustment	Average	Similar	Similar	Similar	Similar	Similar	Similar
Zoning Adjustment	Average	Similar	Similar	Superior <b>Downward</b>	Superior <b>Downward</b>	Similar	Similar
Entitlements Adjustment	Expired	Yes <b>Downward</b>	Yes <b>Downward</b>	Yes <b>Downward</b>	Yes <b>Downward</b>	Yes <b>Downward</b>	Yes <b>Downward</b>
<b>Summary of Adjustments</b>		<b>Downward</b>	<b>Downward</b>	<b>Downward</b>	<b>Similar</b>	<b>Downward</b>	<b>Upward</b>
<b>Adjusted Per Acre Value</b>		<b>&lt;\$396,060</b>	<b>&lt; \$464,595</b>	<b>&lt; \$583,020</b>	<b>&lt; \$441,826</b>	<b>&lt; \$499,909</b>	<b>&gt; \$151,502</b>
<b>Concluded Value per Acre:</b>	<b>\$200,000</b>						

## Conclusion of Land Value

Several land sales were analyzed for comparison to the subject's residential land parcels. The adjustment grid above illustrates the qualitative adjustments applied to the market data in order to equate it with the subject parcels. The value range is \$151,502 to \$583,020 per acre of land area. Tract 8506 (133.72 acres) is a sizeable property with undulating topography, which increases development costs. Based on the adjustments applied, a conclusion of value towards the lower end of the range, or \$200,000 per acre, is considered reasonable. The Maffeo Properties and Mangini parcels (formerly Tract 9050) are small (8.86 and 9.77 acres), which may have limited appeal to certain homebuilders. Given their smaller size, a conclusion of value of \$200,000 per acre is also considered reasonable. Applying these unit indicators to the subject parcels results in the following estimates of land value.

Tract	Ownership	Land Area	Value per Acre	Market Value (Rd.)
8506	West Coast Home Builders, Inc.	133.72 acres	\$200,000	\$26,740,000
9050	Maffeo Properties	8.86 acres	\$200,000	\$1,772,000
9050	Eugene E. Mangini Trustee	9.77 acres	\$200,000	\$1,954,000

## SUMMARY AND CONCLUSION

The purpose of this appraisal has been to estimate the market values (*fee simple estate*) of the appraised properties, which comprise a portion of the land areas situated within the boundaries of City of Brentwood Assessment District No. 2006-1. The market value estimates also account for the impact of the Assessment Lien securing the bonds. The following estimate represents the cumulative (aggregate) value of the appraised properties comprising a portion of City of Brentwood Assessment District No. 2006-1, which is not equivalent to the market value of the District as a whole. As a result of our analysis, it is our opinion the cumulative (aggregate) value of the subject properties, in accordance with the definitions, certifications, assumptions and conditions set forth in the attached document (please refer to pages 6 through 8), as of July 9, 2014, are...

**\$89,798,000**

Please see the *Market Value by Assessor's Parcel* table in the Addenda for a description and breakdown of the value above by ownership and parcel.

## EXPOSURE TIME

Exposure time is the period a property interest 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. Marketing time reflects the time it might take to sell an interest in real property at its estimated market value during the period *immediately after* the effective date of the appraisal. Exposure time and marketing time may or may not be similar depending on whether market activity in the immediate future continues in the same manner as in the immediate past. Indications of the exposure time associated with a market value estimate are provided by the marketing times of sale comparables, interviews with participants in the market, and analysis of general economic conditions. Estimation of a future marketing time is more difficult, requiring forecasting and analysis of trends. The exposure time is estimated for the subject property below.

As described above, exposure time is defined as the length of time a property interest 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. It is a retrospective estimate of time based on an analysis of past events assuming a competitive and open market. The residential land market throughout the Bay Area has shown signs of recovery. A transfer of residential land has typically occurred within 12 months of exposure. Given the size of the subject properties, and the condition of the market, it is expected that if appropriately priced, the exposure time for the subject properties, by ownership, would likely be in line with the high end of the range, or approximately **12 months**.

# **ADDENDA**



**MARKET VALUE BY ASSESSOR'S PARCEL**

City of Brentwood  
Assessment District No. 2006-1  
Charge Detail Report (Sorted by Assessor's Parcel Number)

Assessment No.	Assessor Parcel No.	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Vale	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
14-1	019-082-007	\$282,568.70	\$3,461,079.54	WEST COAST HOME BUILDERS INC	\$3,178,806	\$0	\$3,178,806	\$26,740,000	\$3,552,699.70	7.53	VSFR	Tentative Map
12	018-110-004	\$27,235.54	\$333,598.03	MANGINI EUGENE E TRE	\$46,972	\$15,967	\$62,939	\$1,954,000	\$342,428.89	5.71	SFR	Residenital Land
13	018-110-008	\$45,959.98	\$562,946.67	MAFFEO PROPERTIES	\$202,029	\$0	\$202,029	\$1,772,000	\$577,848.75	3.07	VSFR	Residenital Land
1-405	016-530-001	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-406	016-530-002	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-407	016-530-003	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-408	016-530-004	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-409	016-530-005	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-410	016-530-006	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-411	016-530-007	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-412	016-530-008	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-454	016-530-009	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-455	016-530-010	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-456	016-530-011	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-457	016-530-012	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-458	016-530-013	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-459	016-530-014	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-460	016-530-015	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-461	016-530-016	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-462	016-530-017	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-463	016-530-018	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-464	016-530-019	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-465	016-530-020	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-466	016-530-021	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-467	016-530-022	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-468	016-530-023	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-469	016-530-024	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-470	016-530-025	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-471	016-530-026	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-472	016-530-027	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-473	016-530-028	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-474	016-530-029	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-475	016-530-030	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-476	016-530-031	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-477	016-530-032	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-478	016-530-033	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-479	016-530-034	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-480	016-530-035	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-481	016-530-036	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-482	016-530-037	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-483	016-530-038	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-484	016-530-039	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-485	016-530-040	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot

City of Brentwood  
Assessment District No. 2006-1  
Charge Detail Report (Sorted by Assessor's Parcel Number)

Assessment No.	Assessor Parcel No.	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Vale	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
1-486	016-530-041	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-487	016-530-042	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-488	016-530-043	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-489	016-530-044	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-490	016-530-045	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-491	016-530-046	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-492	016-530-047	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-493	016-530-048	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-494	016-530-049	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-413	016-540-001	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-414	016-540-002	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-415	016-540-003	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-416	016-540-004	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-417	016-540-005	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-418	016-540-006	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-419	016-540-007	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-421	016-540-009	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-422	016-540-010	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-423	016-540-011	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-424	016-540-012	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-425	016-540-013	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-426	016-540-014	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-427	016-540-015	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-428	016-540-016	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-429	016-540-017	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-430	016-540-018	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-431	016-540-019	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-432	016-540-020	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-433	016-540-021	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-434	016-540-022	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-435	016-540-023	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-436	016-540-024	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-437	016-540-025	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-438	016-540-026	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-439	016-540-027	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-440	016-540-028	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-441	016-540-029	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-442	016-540-030	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-443	016-540-031	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-444	016-540-032	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-445	016-540-033	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-446	016-540-034	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-447	016-540-035	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot

City of Brentwood  
Assessment District No. 2006-1  
Charge Detail Report (Sorted by Assessor's Parcel Number)

Assessment No.	Assessor Parcel No.	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Vale	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
1-448	016-540-036	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-449	016-540-037	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-450	016-540-038	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-451	016-540-039	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-452	016-540-040	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-453	016-540-041	\$1,702.22	\$20,849.88	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$161,000	\$21,401.81	7.52	VSFR	Finished Lot
1-1	016-460-001	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-2	016-460-002	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-3	016-460-003	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-4	016-460-004	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-5	016-460-005	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-6	016-460-006	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-7	016-460-007	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-28	016-460-008	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-29	016-460-009	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-30	016-460-010	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-31	016-460-011	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-32	016-460-012	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-33	016-460-013	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-34	016-460-014	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-35	016-460-015	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-36	016-460-016	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-37	016-460-017	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-38	016-460-018	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-39	016-460-019	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-40	016-460-020	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-41	016-460-021	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-42	016-460-022	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-64	016-460-025	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-65	016-460-026	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-66	016-460-027	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-67	016-460-028	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-68	016-460-029	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-69	016-460-030	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-70	016-460-031	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-71	016-460-032	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-72	016-460-033	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-73	016-460-034	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-74	016-460-035	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-75	016-460-036	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-76	016-460-037	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-77	016-460-038	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-78	016-460-039	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot

City of Brentwood  
Assessment District No. 2006-1  
Charge Detail Report (Sorted by Assessor's Parcel Number)

Assessment No.	Assessor Parcel No.	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Vale	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
1-79	016-460-040	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-96	016-460-041	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-97	016-460-042	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-98	016-460-043	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-99	016-460-044	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-100	016-460-045	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-101	016-460-046	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-102	016-460-047	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-103	016-460-048	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-104	016-460-049	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-105	016-460-050	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-106	016-460-051	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-8	016-470-001	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-9	016-470-002	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-10	016-470-003	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-11	016-470-004	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-12	016-470-005	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-13	016-470-006	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-14	016-470-007	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-15	016-470-008	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-16	016-470-009	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-17	016-470-010	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-18	016-470-011	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-19	016-470-012	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-20	016-470-013	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-21	016-470-014	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-22	016-470-015	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-23	016-470-016	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-24	016-470-017	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-25	016-470-018	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-26	016-470-019	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-27	016-470-020	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-45	016-470-021	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-46	016-470-022	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-47	016-470-023	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-48	016-470-024	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-49	016-470-025	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-50	016-470-026	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-51	016-470-027	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-52	016-470-028	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-53	016-470-029	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-54	016-470-030	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-55	016-470-031	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot

City of Brentwood  
Assessment District No. 2006-1  
Charge Detail Report (Sorted by Assessor's Parcel Number)

Assessment No.	Assessor Parcel No.	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Vale	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
1-56	016-470-032	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-57	016-470-033	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-58	016-470-034	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-59	016-470-035	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-60	016-470-036	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-61	016-470-037	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-62	016-470-038	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-63	016-470-039	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-80	016-470-040	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-81	016-470-041	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-82	016-470-042	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-83	016-470-043	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-84	016-470-044	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-85	016-470-045	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-86	016-470-046	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-87	016-470-047	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-88	016-470-048	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-89	016-470-049	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-90	016-470-050	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-91	016-470-051	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-92	016-470-052	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-93	016-470-053	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-94	016-470-054	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-95	016-470-055	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-107	016-470-056	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-113	016-470-062	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$155,000	\$17,121.44	9.05	VSFR	Finished Lot
1-319	016-520-001	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-320	016-520-002	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-321	016-520-003	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-322	016-520-004	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-323	016-520-005	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-324	016-520-006	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-325	016-520-007	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-326	016-520-008	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-329	016-520-011	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,394	\$0	\$131,394	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-330	016-520-012	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-331	016-520-013	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-332	016-520-014	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-333	016-520-015	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-334	016-520-016	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-335	016-520-017	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-336	016-520-018	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-337	016-520-019	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot

City of Brentwood  
Assessment District No. 2006-1  
Charge Detail Report (Sorted by Assessor's Parcel Number)

Assessment No.	Assessor Parcel No.	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Vale	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
1-338	016-520-020	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-339	016-520-021	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-340	016-520-022	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-341	016-520-023	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-342	016-520-024	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-344	016-520-026	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-345	016-520-027	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-346	016-520-028	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-347	016-520-029	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-348	016-520-030	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-349	016-520-031	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-350	016-520-032	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-351	016-520-033	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-352	016-520-034	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-353	016-520-035	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-354	016-520-036	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-355	016-520-037	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-356	016-520-038	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-357	016-520-039	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-358	016-520-040	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-359	016-520-041	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-360	016-520-042	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-361	016-520-043	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-362	016-520-044	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-363	016-520-045	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-364	016-520-046	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-365	016-520-047	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-366	016-520-048	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-367	016-520-049	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-368	016-520-050	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-369	016-520-051	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-370	016-520-052	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-371	016-520-053	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-372	016-520-054	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-373	016-520-055	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-374	016-520-056	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-375	016-520-057	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-376	016-520-058	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-377	016-520-059	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-378	016-520-060	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-379	016-520-061	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-380	016-520-062	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-381	016-520-063	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot



City of Brentwood  
Assessment District No. 2006-1  
Charge Detail Report (Sorted by Assessor's Parcel Number)

Assessment No.	Assessor Parcel No.	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Value	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
1-383	016-520-065	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-384	016-520-066	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-385	016-520-067	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-386	016-520-068	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-387	016-520-069	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-388	016-520-070	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-389	016-520-071	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-390	016-520-072	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-391	016-520-073	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-392	016-520-074	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-393	016-520-075	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-394	016-520-076	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-395	016-520-077	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-396	016-520-078	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-397	016-520-079	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-398	016-520-080	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-399	016-520-081	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-400	016-520-082	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-401	016-520-083	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-402	016-520-084	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-403	016-520-085	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-404	016-520-086	\$1,361.78	\$16,679.90	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$149,000	\$17,121.44	8.70	VSFR	Finished Lot
1-204	016-480-077	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-205	016-480-078	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-206	016-480-079	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-207	016-480-080	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-208	016-480-081	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-209	016-480-082	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-210	016-480-083	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-211	016-480-084	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-212	016-480-085	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-181	016-490-001	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-182	016-490-002	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-183	016-490-003	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-184	016-490-004	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-185	016-490-005	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-186	016-490-006	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-187	016-490-007	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-188	016-490-008	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-189	016-490-009	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-190	016-490-010	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-191	016-490-011	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-213	016-490-015	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot



City of Brentwood  
Assessment District No. 2006-1  
Charge Detail Report (Sorted by Assessor's Parcel Number)

Assessment No.	Assessor Parcel No.	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Value	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
1-214	016-490-016	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-215	016-490-017	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-216	016-490-018	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-217	016-490-019	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-218	016-490-020	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-219	016-490-021	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-220	016-490-022	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-221	016-490-023	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-222	016-490-024	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-223	016-490-025	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-224	016-490-026	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-225	016-490-027	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$110,254	\$0	\$110,254	\$145,000	\$12,387.11	11.71	VSFR	Finished Lot
1-227	016-500-001	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.11	10.49	VSFR	Finished Lot
1-228	016-500-002	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.11	10.49	VSFR	Finished Lot
1-229	016-500-003	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.11	10.49	VSFR	Finished Lot
1-230	016-500-004	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.11	10.49	VSFR	Finished Lot
1-232	016-500-006	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.11	10.49	VSFR	Finished Lot
1-233	016-500-007	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.11	10.49	VSFR	Finished Lot
1-234	016-500-008	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.11	10.49	VSFR	Finished Lot
1-235	016-500-009	\$985.24	\$12,067.66	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.11	10.49	VSFR	Finished Lot
1-256	016-500-010	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-257	016-500-011	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-258	016-500-012	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-259	016-500-013	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-260	016-500-014	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-261	016-500-015	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-262	016-500-016	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-263	016-500-017	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-264	016-500-018	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-265	016-500-019	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-266	016-500-020	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-267	016-500-021	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-268	016-500-022	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-269	016-500-023	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-270	016-500-024	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-271	016-500-025	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-272	016-500-026	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-273	016-500-027	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-274	016-500-028	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-275	016-500-029	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-276	016-500-030	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-277	016-500-031	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-278	016-500-032	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot

City of Brentwood  
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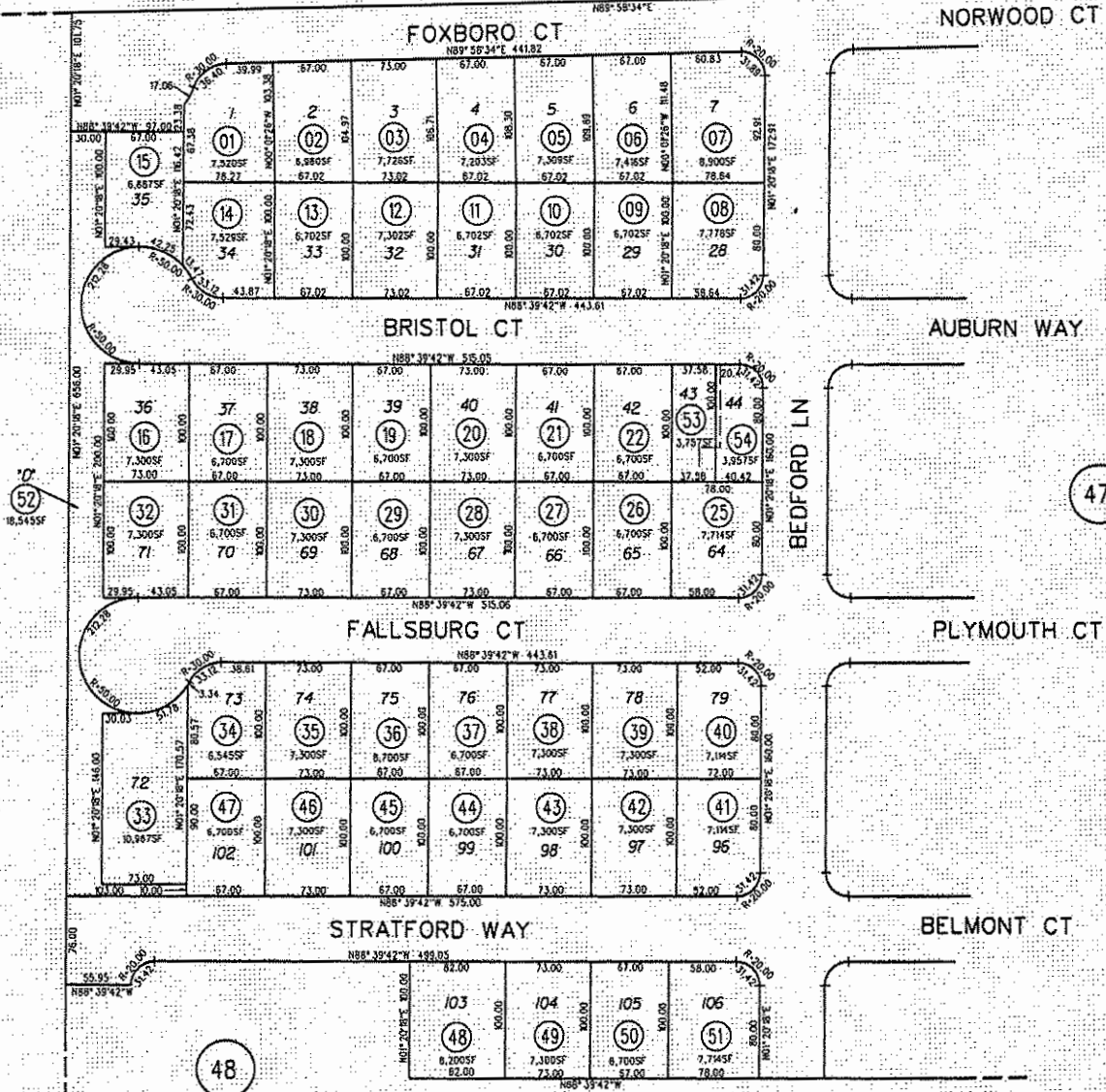
Assessment No.	Assessor Parcel No.	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Vale	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
1-279	016-500-033	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-280	016-500-034	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-281	016-500-035	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-282	016-500-036	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-283	016-500-037	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-284	016-500-038	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-285	016-500-039	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-286	016-500-040	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-287	016-500-041	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-288	016-500-042	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-289	016-500-043	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-290	016-500-044	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-291	016-500-045	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-292	016-500-046	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-293	016-500-047	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-294	016-500-048	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-295	016-500-049	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-236	016-510-001	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-237	016-510-002	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-238	016-510-003	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-239	016-510-004	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-240	016-510-005	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-243	016-510-008	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-244	016-510-009	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-245	016-510-010	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-246	016-510-011	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-247	016-510-012	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-248	016-510-013	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-249	016-510-014	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-250	016-510-015	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-251	016-510-016	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-252	016-510-017	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-253	016-510-018	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-254	016-510-019	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-255	016-510-020	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-296	016-510-021	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-297	016-510-022	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-298	016-510-023	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-299	016-510-024	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-300	016-510-025	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-301	016-510-026	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-302	016-510-027	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-303	016-510-028	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot

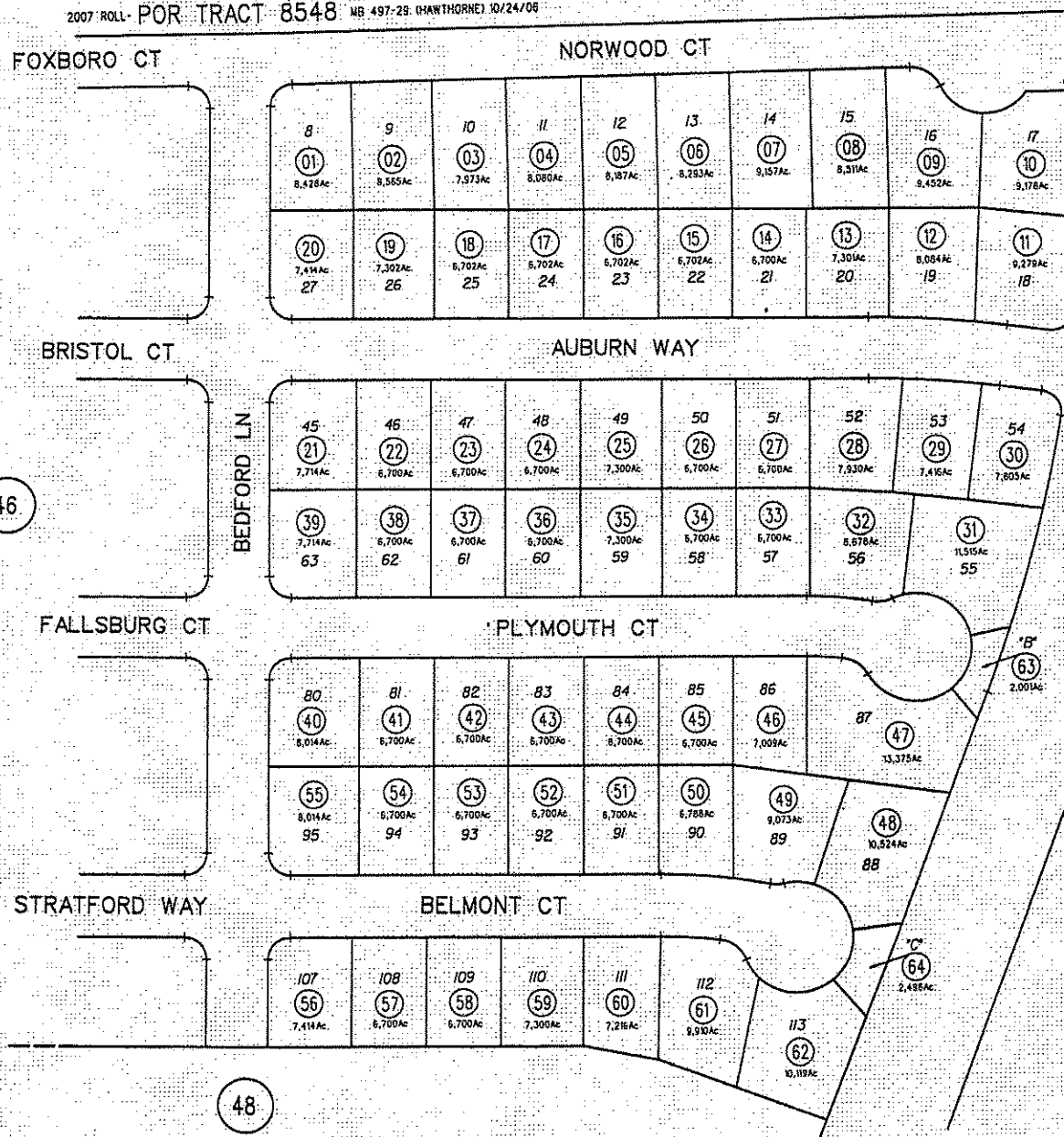
City of Brentwood  
Assessment District No. 2006-1  
Charge Detail Report (Sorted by Assessor's Parcel Number)

Assessment No.	Assessor Parcel No.	FY 2014-15 Levy	Remaining Principal Amount	Owner Name	Land Value	Improvement Vale	Total Value	Appraised Value	Remaining Lien on 9/3/14	Value to Lien	Class	Land Use / Development Status
1-304	016-510-029	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-305	016-510-030	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-306	016-510-031	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-307	016-510-032	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-308	016-510-033	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-309	016-510-034	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-310	016-510-035	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-311	016-510-036	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-312	016-510-037	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-313	016-510-038	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-314	016-510-039	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-315	016-510-040	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-316	016-510-041	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-317	016-510-042	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
1-318	016-510-043	\$985.22	\$12,067.65	TRI POINTE HOMES INC	\$131,354	\$0	\$131,354	\$130,000	\$12,387.10	10.49	VSFR	Finished Lot
Total		\$883,474.10	\$10,821,338.54		\$52,905,193	\$15,967	\$52,921,160	\$89,798,000	\$11,107,796.21	8.08		

**ASSESSOR'S PARCEL MAPS**

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY; NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON; ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.





NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELIVERED. NEITHER ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

STRATFORD WAY

2007 ROLL - POR TRACT 9095 MB. 487-41 (PENROSE) 11/1/06

29

46

47

1" = 100'

STRATFORD WAY

COLEBROOK LN

MILFORD ST

BEDFORD LN

BEDFORD CT

MILFORD ST

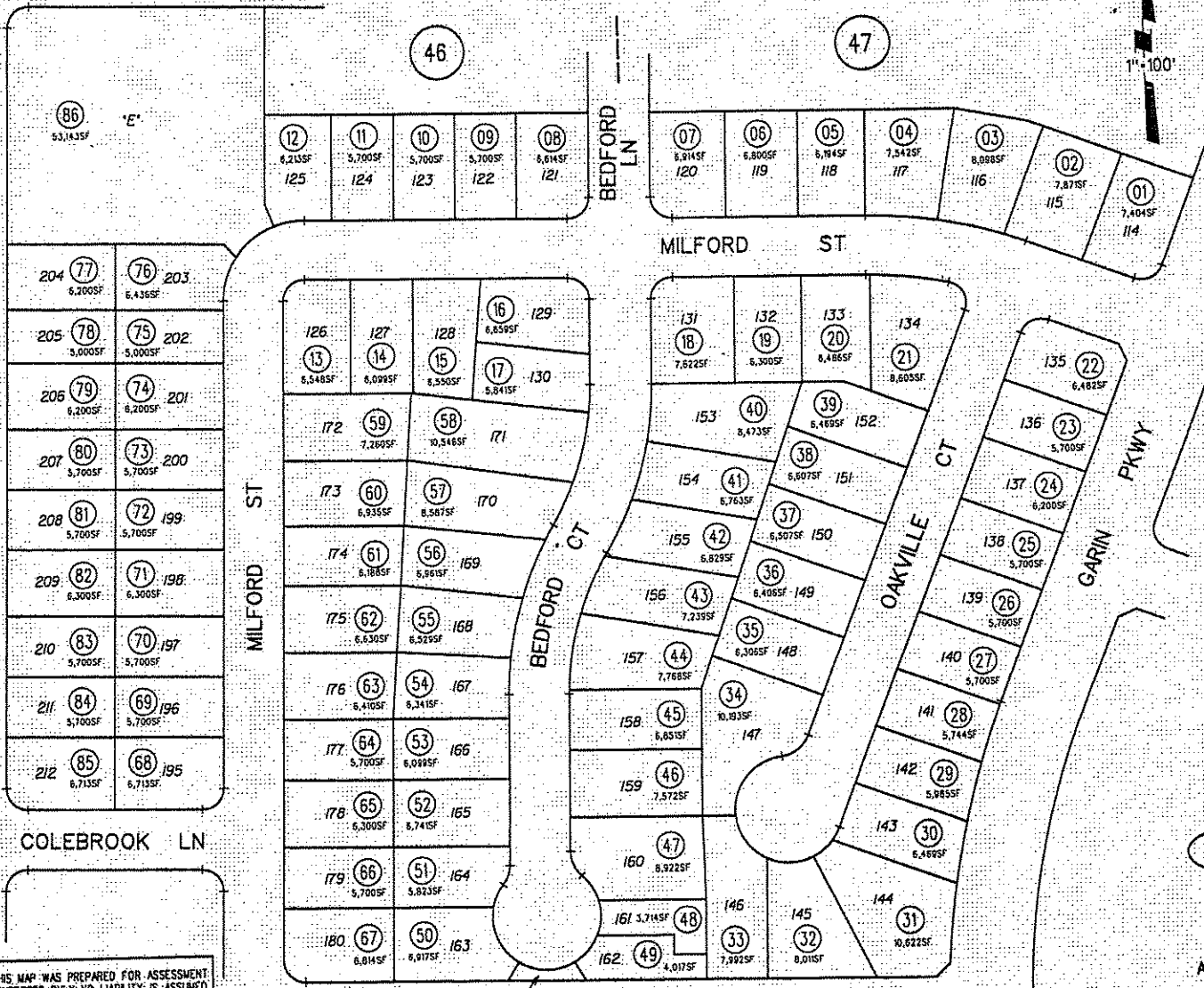
FARMINGTON DR

OAKVILLE CT

GARIN PKWY

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

FM PG 19 3/27/07  
ASSESSOR'S MAP  
BOOK: 16 PAGE 48  
CONTRA COSTA COUNTY, CALIF.



27

17

53

480

86  
53.143SF

12  
6.213SF  
125

11  
5.700SF  
124

10  
5.700SF  
123

09  
5.700SF  
122

08  
6.614SF  
121

07  
6.914SF  
120

06  
6.800SF  
119

05  
6.184SF  
118

04  
7.542SF  
117

03  
8.080SF  
116

02  
7.871SF  
115

01  
7.404SF  
114

204 77  
6.200SF

76 203  
6.436SF

205 78  
5.000SF

75 202  
5.000SF

206 79  
6.200SF

74 201  
6.200SF

207 80  
5.700SF

73 200  
5.700SF

208 81  
5.700SF

72 199  
5.700SF

209 82  
6.300SF

71 198  
6.300SF

210 83  
5.700SF

70 197  
5.700SF

211 84  
5.700SF

69 196  
5.700SF

212 85  
6.711SF

68 195  
6.711SF

126  
6.548SF

127  
6.099SF

128  
6.590SF

16 129  
6.839SF

13  
6.548SF

14  
6.099SF

15  
6.590SF

17 130  
6.841SF

172  
7.289SF

59  
7.289SF

58  
10.516SF

171

173  
6.935SF

60  
6.935SF

57  
8.587SF

170

174  
6.186SF

61  
6.186SF

56  
8.991SF

169

175  
6.630SF

62  
6.630SF

55  
6.529SF

168

176  
6.410SF

63  
6.410SF

54  
6.341SF

167

177  
5.700SF

64  
5.700SF

53  
6.099SF

166

178  
6.300SF

65  
6.300SF

52  
8.741SF

165

179  
5.700SF

66  
5.700SF

51  
5.823SF

164

180  
6.814SF

67  
6.814SF

50  
6.017SF

163

131  
7.822SF

18  
7.822SF

132  
6.300SF

19  
6.300SF

133  
8.486SF

20  
8.486SF

134  
8.603SF

21  
8.603SF

153  
8.473SF

40  
8.473SF

39  
6.469SF

152

154  
6.763SF

41  
6.763SF

38  
6.607SF

151

155  
6.829SF

42  
6.829SF

37  
6.507SF

150

156  
7.239SF

43  
7.239SF

36  
6.408SF

149

157  
7.768SF

44  
7.768SF

35  
6.306SF

148

158  
6.851SF

45  
6.851SF

34  
10.835SF

147

159  
7.572SF

46  
7.572SF

33  
7.992SF

146

160  
8.922SF

47  
8.922SF

32  
8.016SF

145

161  
5.714SF

48  
5.714SF

31  
10.622SF

144

162  
4.017SF

49  
4.017SF

33  
7.992SF

145

135 22  
6.482SF

136 23  
5.700SF

137 24  
6.200SF

138 25  
5.700SF

139 26  
5.700SF

140 27  
5.700SF

141 28  
5.744SF

142 29  
5.985SF

143 30  
6.495SF

27

COLEBROOK LN

48

213	15	14	194
	6,564SF	6,564SF	
214	16	13	193
	5,700SF	5,700SF	
215	17	12	192
	5,000SF	5,000SF	
216	18	11	191
	5,700SF	5,700SF	
217	19	10	190
	5,800SF	5,800SF	
218	20	09	189
	5,800SF	5,800SF	
219	21	08	188
	6,300SF	6,300SF	
220	22	07	187
	5,700SF	5,700SF	
221	23	06	186
	5,700SF	5,700SF	
222	24	05	185
	6,400SF	6,400SF	
223	25	04	184
	5,700SF	5,700SF	
224	26	03	183
	5,700SF	5,700SF	
225	27	02	182
	6,300SF	6,300SF	
226	28	01	181
	5,383SF	5,873SF	

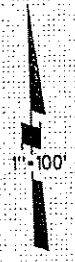
FARMINGTON DR

17

STRATFORD CT

MILFORD CT

19



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

490



19

POR TRACT 9096 AB 498-1 (WYNSTONE) 11/1/06

54

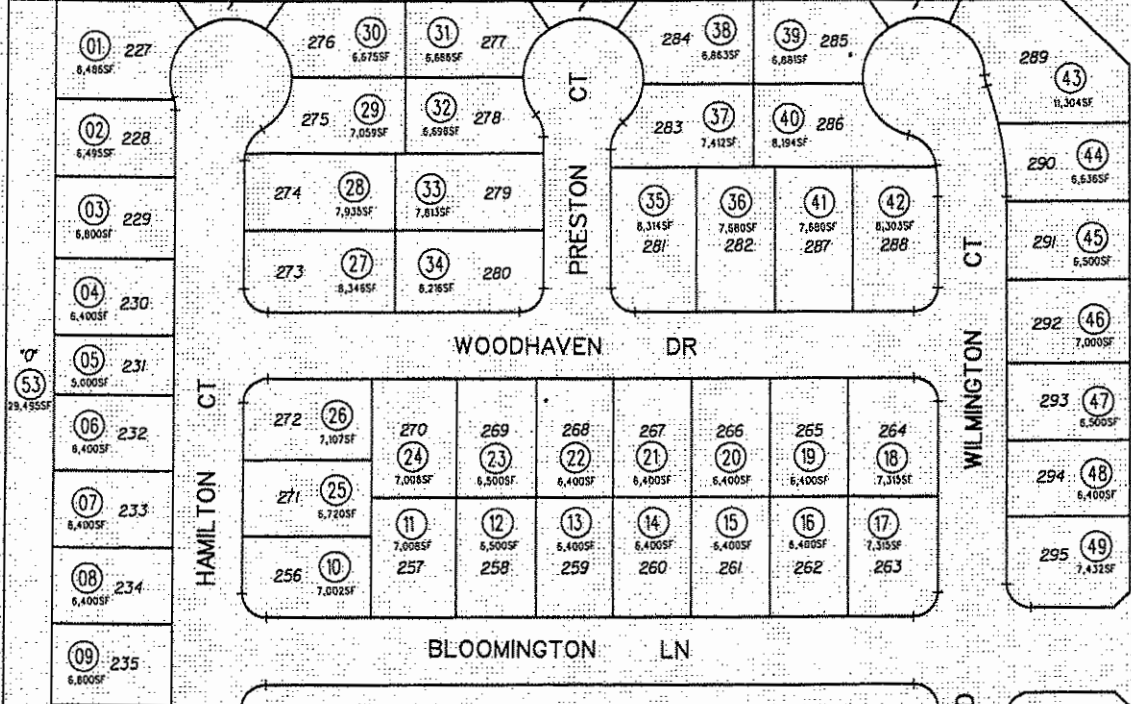
SAND CREEK RD

N<sup>o</sup> 52  
1,387SF

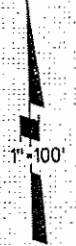
N<sup>o</sup> 51  
1,400SF

N<sup>o</sup> 50  
1,139SF

17



GARIN PKWY



52

28

51

500

NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

POR TRACT 9096 MB 498-1 (WYNSTONE) 11/9/06

17

50



28

52

16

44

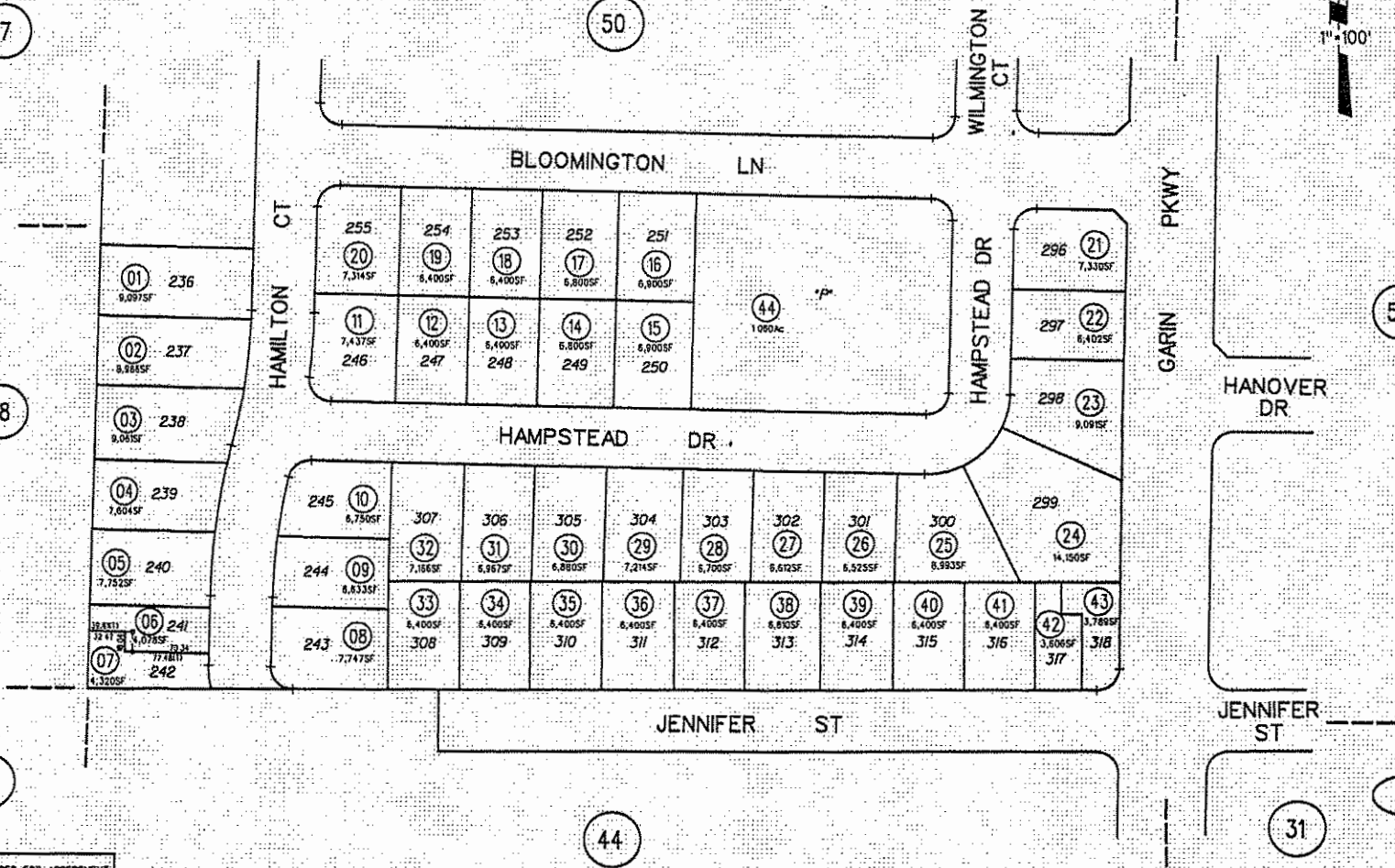
31

510

LLA  
06&07  
7/24/07

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FM PG 19 3/27/07  
ASSESSOR'S MAP  
BOOK 16 PAGE 51  
CONTRA COSTA COUNTY, CALIF.



POR TRACT 9098 MB 498-19 (MARQUETTE) IV/1/08



48

19

19

530

54

MILFORD ST

PKWY

GARIN

FARMINGTON DR

DR

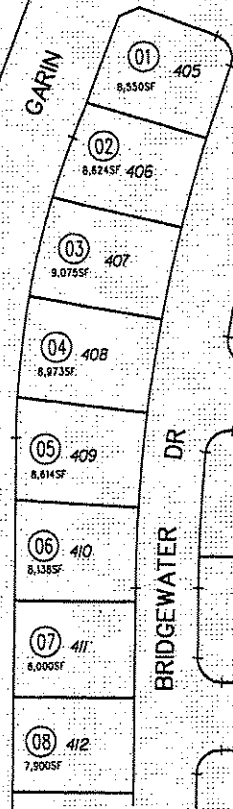
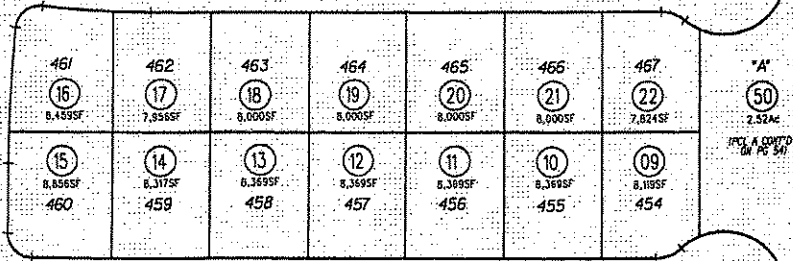
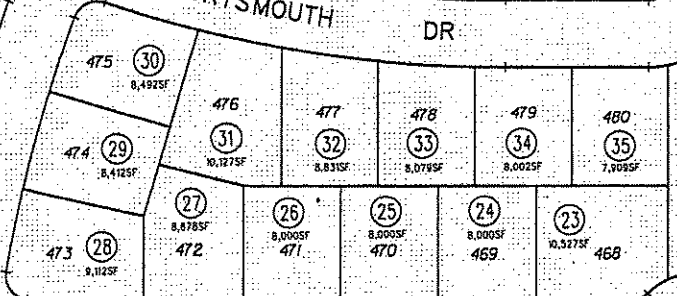
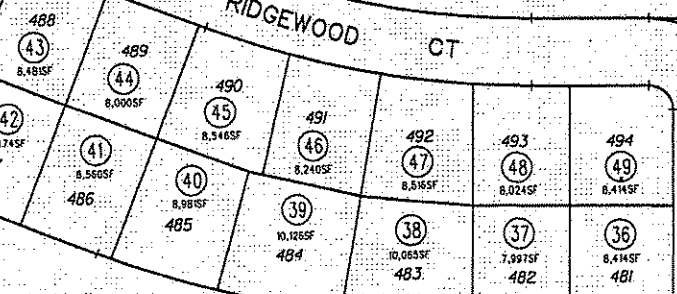
BRIDGEWATER

RIDGEWOOD CT

PORTSMOUTH DR

AVONDALE CT

BLOOMFIELD CT



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

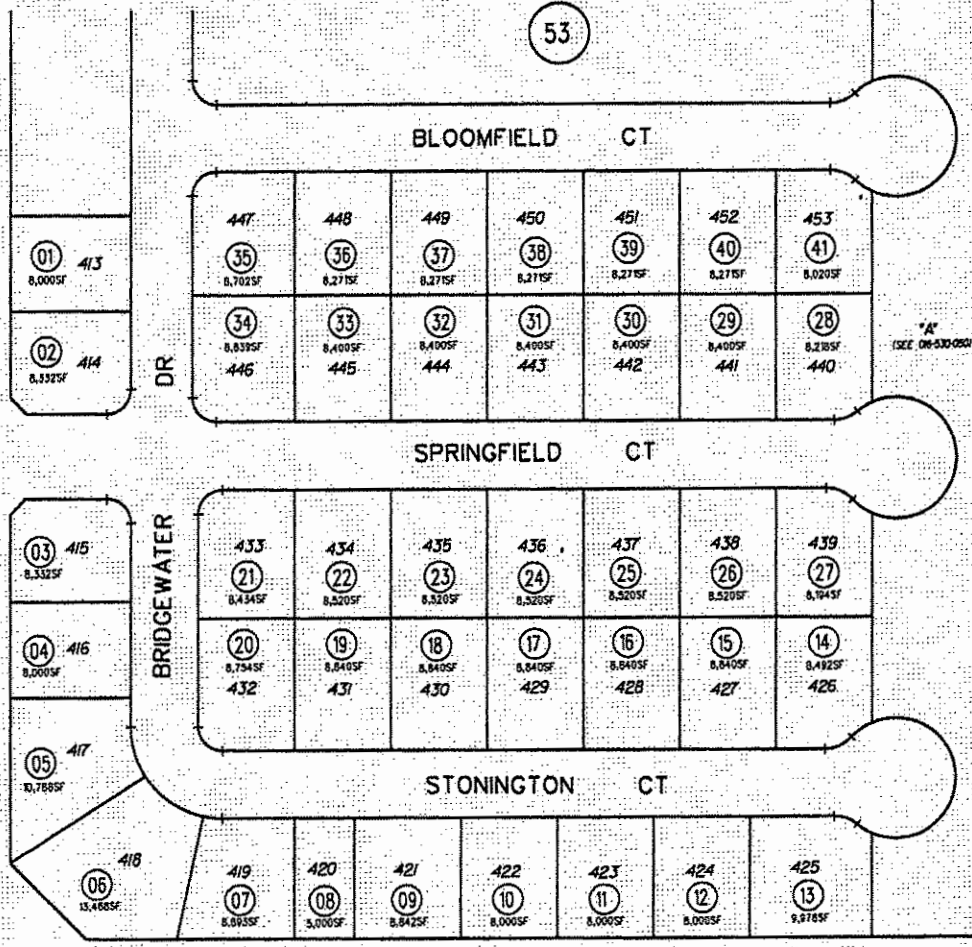
FOR TRACT 9098 MB 498-19 (MARQUETTE) 10/1/06



19

19

GARIN PKWY



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

540

8/8/10

FM PG 19 3/27/07 g1  
ASSESSOR'S MAP  
BOOK 16 PAGE 54  
CONTRA COSTA COUNTY, CALIF.

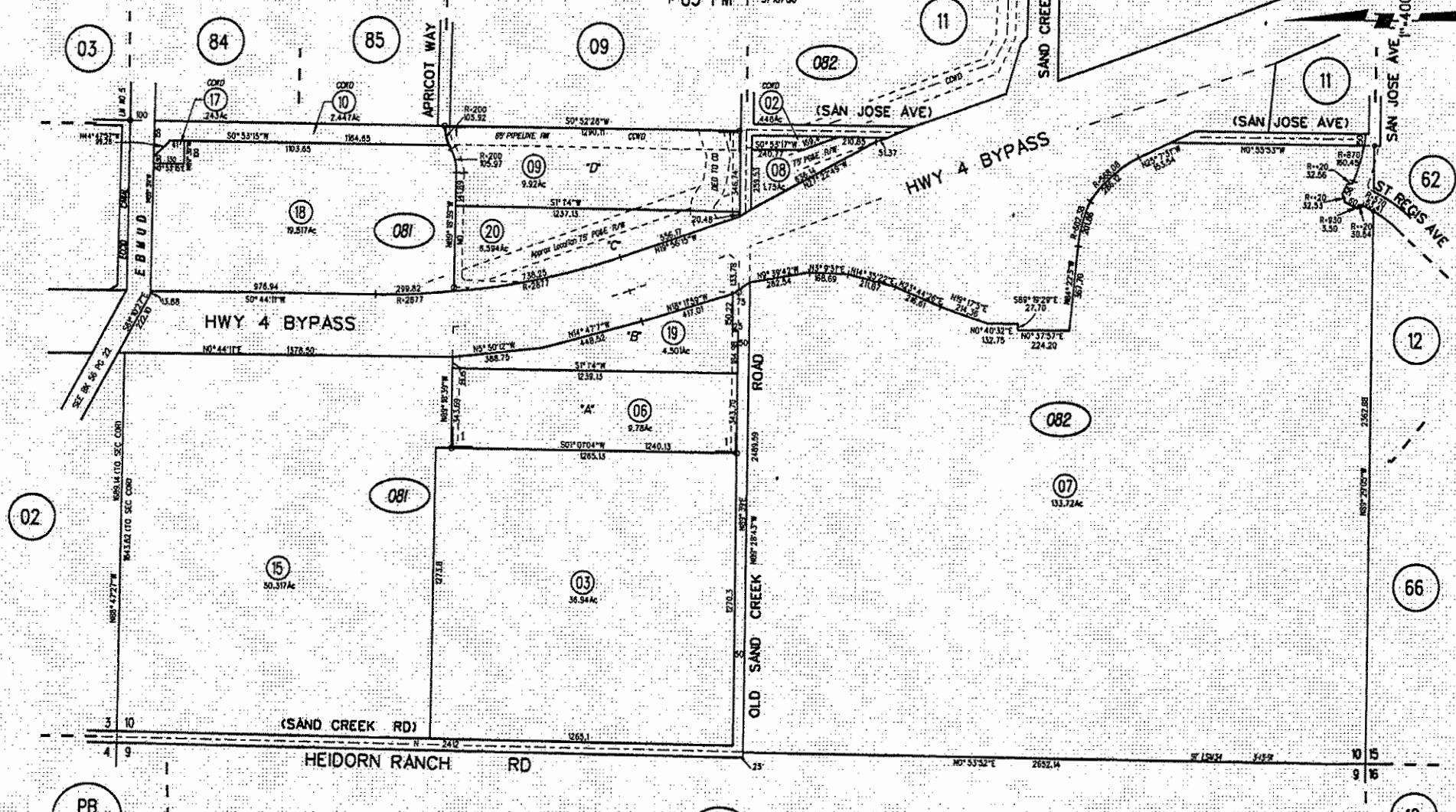
52





W 1/2 SEC 10 T1N R2E MDBM  
 85 PM 1 3/10/80

K-24



NOTE: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE INFORMATION DELINEATED HEREON. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT SPLIT OR BUILDING SITE ORDINANCES.

FM 54-17 9/9/84  
 ASSESSOR'S MAP  
 BOOK 19 PAGE 8  
 CONTRA COSTA COUNTY, CALIF.  
 AMS 10-21-89

PB  
56

PB  
57

081  
20  
08/23/09  
082  
08  
10/23/12

12

**READDRESSING / REASSIGNING  
APPRAISAL REPORTS**



Seevers

Jordan

Ziegenmeyer

Real Estate Appraisal & Consultation

### Readdressing/Reassigning Appraisal Reports

Seevers Jordan Ziegenmeyer adheres to the requirements of the 2012-2013 Edition of the Uniform Standards of Professional Appraisal Practice (USPAP). This edition is effective from January 1, 2012 through December 31, 2013. The following excerpts pertain to readdressing/reassigning appraisal reports:

#### **Advisory Opinion 26, Page A-86:**

Once a report has been prepared for a named client(s) and any other identified intended users and for an identified intended use, the appraiser cannot “readdress” (transfer) the report to another party.

#### **Advisory Opinion 27, Pages A-88 to A-89:**

Situations often arise in which appraisers who have previously appraised a property are asked by a different party to appraise the same property.... Accepting the assignment from the subsequent prospective client is not prohibited by USPAP, assuming appropriate disclosure is made to the client before being engaged and any existing confidential information is handled properly.... If there is a new potential client, valuation services performed for that new client would constitute a new assignment and the assignment results would be specific to that new assignment.

#### **Frequently Asked Question No. 121, Page F-56:**

It is never permissible to readdress a report by simply changing the client’s name on a completed report, regardless of whether the first client gave a release. The request from Lender B must be treated as a new assignment.



## **GLOSSARY OF TERMS**

## GLOSSARY OF TERMS

Unless otherwise noted, the following definitions are from The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute, 2010).

**Aggregate of Retail Values (ARV):** The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent an opinion of value; it is simply the total of multiple market value conclusions.

**As Is Market Value:** The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.

**Band of Investment:** A technique in which the capitalization rates attributable to components of a capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment.

**Bulk (Discounted) Value:** The most probable price, in a sale of all parcels within a tract or development project, to a single purchaser or sales to multiple buyers, over a reasonable absorption period discounted to present value, as of a specified date, in cash, or in terms equivalent to cash, for which the property rights should sell after reasonable exposure, in a competitive market under all conditions requisite to a fair sale, with buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under stress. (Appraisal Standards For Land-Secured Financing, California Department Advisory Commission, 1994)

**Comparative-Unit Method:** A method used to derive a cost estimate in terms of dollars per unit of area or volume based on known costs of similar structures that are adjusted for time and physical differences; usually applied to total building area.

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

**Depreciation:** In appraising, 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.

**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 a single year's income is used. Yield and value changes are implied but not identified.

**Discounted Cash Flow (DCF) Analysis:** The procedure in which a discount rate is applied to a set of projected income streams and a reversion. The analyst specifies the quantity, variability, timing, and duration of the income streams and the quantity and timing of the reversion, and discounts each to its present value at a specified yield rate.

**Discount Rate:** A yield rate used to convert future payments or receipts into present value; usually considered to be a synonym for *yield rate*.

**Disposition Value:** The most probable price that a specified interest in real property should bring under the following conditions: 1) consummation of a sale within a future exposure time specified by the client; 2) the property is subjected to market conditions prevailing as of the date of valuation; 3) both the buyer and seller are acting prudently and knowledgeably; 4) the seller is under compulsion to sell; 5) the buyer is typically motivated; 6) both parties are acting in what they consider to be their best interests; 7) an adequate marketing effort will be made during the exposure time specified by the client; 8) payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; 9) the price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

**Easement:** The right to use another's land for a stated purpose.

**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. (USPAP 2012-2013 Edition)

**External Obsolescence:** An element of depreciation; a diminution in value caused by negative externalities and generally incurable on the part of the owner, landlord, or tenant.

**Extraction:** A method of estimating land value in which the depreciated cost of the improvements on the improved property is calculated and deducted from the total sale price to arrive at an estimated sale price for the land.

**Extraordinary Assumption:** An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. (USPAP

2012-2013 Edition)

**Fair Market Value:** 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. (California Code of Civil Procedure, Section 1263.320(a))

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

**Floor Area Ratio (FAR):** The relationship between the above-ground floor area of a building, as described by the building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.

**Functional Obsolescence (Incurable):** An element of depreciation; a defect caused by a deficiency or superadequacy in the structure, materials, or design that cannot be practically or economically corrected.

**Highest and Best Use:** The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to the user and timing of the use – that is adequately supported and results in the highest present value.

**Highest and Best Use of Property as**

**Improved:** The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

**Highest and Best Use of Land or a Site as**

**though Vacant:** Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

**Hypothetical Condition:** A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. (USPAP 2012-2013 Edition)

**Income Capitalization Approach:** A set of procedures through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.

**Leased Fee Interest:** A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship.

**Leasehold Interest:** The tenant's possessory interest created by a lease. (Negative leasehold: A lease situation in which the market rent is less than the contract rent. Positive leasehold: A lease situation in which the market rent is greater than the contract rent.)

**Liquidation Value:** See *Disposition Value*.

**Marketing Time:** An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

**Neighborhood:** A group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises.

**Obsolescence:** One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external.

**Prospective Opinion of Value:** A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

**Quantity Survey Method:** A cost-estimating method in which the quantity and quality of all materials used and all categories of labor required are estimated and unit cost figures are applied to arrive at a total cost estimate for labor and materials.

**Replacement Cost:** The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout.

**Reproduction Cost:** The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all the deficiencies, superadequacies, and obsolescence of the subject building.

**Sales Comparison Approach:** The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.

**Site Coverage Ratio:** The gross area of the building footprint divided by the site area.

**Stabilized Occupancy:** An expression of the expected occupancy of a property in its particular market considering current and forecasted supply and demand, assuming it is priced at market rent.

**Subdivision Development Method:** A method of estimating land value when subdivision development is the highest and best use of the parcel of land being appraised. When all direct and indirect costs and entrepreneurial incentive are deducted from an estimate of the anticipated gross sales price of the finished lots (or residences), the resultant net sales proceeds are then discounted to present value at a market-derived rate over the development and absorption period to indicate the value of the land.

**Superadequacy:** An excess in the capacity or quality of a structure or structural component; determined by market standards.

**Unit-In-Place Method:** A cost-estimating method in which total building cost is estimated by adding together the unit costs for the various building components as installed; also called the *segregated cost method*.

**Yield Capitalization:** A method used to convert future benefits into present value by 1) discounting each future benefit at an appropriate yield rate, or 2) developing an overall rate that explicitly reflects the investment's income pattern, holding period, value change, and yield rate.

**Yield Rate:** A rate of return on capital, usually expressed as a compound annual percentage rate. A yield rate considers all expected property benefits, including the proceeds from sale at the termination of the investment.

**QUALIFICATIONS OF APPRAISER(S)**



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Jordan  
Ziegenmeyer

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## Eric A. Segal, Partner

### Introduction

Mr. Segal is a Certified General real estate appraiser with Seevers Jordan Ziegenmeyer, a real estate appraisal firm that engages in a wide variety of real estate valuation and consultation assignments. In 1998, Mr. Segal began his career in real estate as a research analyst/appraiser trainee for SJZ. By 1999, he began writing narrative appraisal reports covering a variety of income properties. Today, Mr. Segal is a partner in the firm and is involved in appraisal assignments covering a wide variety of properties including office, retail, industrial, multifamily housing, master planned communities, Mello-Roos and Assessment Districts, and residential subdivisions. He has developed the experience and background necessary to deal with complex assignments covering an array of property types.

### Professional Affiliations

Associate Member (General) - Appraisal Institute

Certified General Real Estate Appraiser - State of California (No. AG026558)

### Education

#### *Academic:*

Bachelor of Science in Business Administration (Concentrations in Finance and Real Estate & Land Use Affairs), California State University, Sacramento

#### *Appraisal and Real Estate Courses:*

Uniform Standards of Professional Appraisal Practice

Appraisal Principles

Basic Income Capitalization

Highest & Best Use and Market Analysis

Advanced Income Capitalization

Report Writing and Valuation Analysis

Appraisal Litigation Practice and Courtroom Management

Computer Enhanced Cash Flow Modeling

Advanced Sales Comparison & Cost Approaches

Advanced Applications



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## Sample of Appraisal Experience

Hunters Point Shipyard – Phase I  
San Francisco, San Francisco County, California

This appraisal was completed for use by the developer for determination of possible refinancing of the Redevelopment Agency of the City and County of San Francisco Community Facilities District (CFD) No. 7 (Hunters Point Shipyard) Bonds. The appraised property comprises Phase I of the Hunters Point Shipyard redevelopment area, which is commonly referred to as the Hilltop and Hillside subdivisions, and comprises approximately 75.32 gross acres of land, which includes 23.72± developable acres proposed for the construction of 1,142 residential units in a variety of attached single-family, townhouse and stacked residential units. Specifically, the Hilltop development contains 15.92± acres of land to be developed with 768 residential units, and the Hillside development contains 7.8± acres to be developed with 374 single-family residential units. In addition, Phase I will include 36.0± acres dedicated to parks and open space and 15.6± acres of streets and rights-of-way.

City of San Mateo Community Facilities District No.  
2008-1 (Bay Meadows)  
San Mateo, San Mateo County, California

This appraisal was completed for use in a land-secured financing associated with the development of 52± developable acres proposed for the development of 724,225 square feet of office space, approximately 85,374 square feet of retail space and 1,121 residential housing units, with 832 residential housing units being developed on the residential land component and the balance (289 units) to be developed as part of the mixed-use component. The report was prepared for the City of San Mateo Department of Finance.

City of Redwood City Community Facilities District  
No. 2010-1 (One Marina)  
Redwood City, San Mateo County, California

This appraisal was completed for use in a land-secured financing associated with the development of 16.62± acres proposed for the construction of 231 townhome and flat-style residential units within 24 detached buildings. The report was prepared for the City of Redwood City Department of Finance.

County of San Joaquin Community Facilities District  
No. 2009-2 (Vernalis Interchange)  
Vernalis, San Joaquin County, California

This assignment involved the appraisal of approximately 3,457.41 gross acres of land comprising 40 separate Assessor's parcels devoted to (or intended for) aggregate mining operations by six independent mining operators, including Teichert, West Coast Aggregates, Granite, Knife River, DeSilva Gates and Cemex. The summary appraisal was completed for bond financing purposes, with the proceeds intended to finance the construction of a new interchange on State Route 132 at Bird Road, which is intended to enhance traffic operation safety at this intersection. This report was prepared for the County of San Joaquin.





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### Sample of Appraisal Experience (continued)

HUD 223(f) Apartment Portfolio  
San Francisco, San Francisco County, California

This appraisal assignment involved the appraisal of nine multifamily properties in San Francisco containing between seven and 50 units, as well as mixed-use properties including ground floor retail tenants. The self-contained appraisals were completed in compliance with Federal regulatory requirements and guidelines that may apply as well as the requirements of the Federal Housing Administration (FHA) MAP Program for a 223(f) Refinance. This report was prepared for Column Guaranteed, LLC.

The Parkway & Quinto Ranch  
Santa Nella, Merced County, California

This appraisal involved the valuation of a 1,464-lot single-family residential master planned community that included residential, commercial and public use components, and a non-contingent 1,644-acre ranch subject to a conservation easement. This report was prepared for IndyMac Bank.

Reclamation District No. 17 – Mossdale Tract  
(portion)  
County of San Joaquin, California

The appraised properties represented a portion of Reclamation District No. 17 identified as vacant residential, vacant commercial and vacant industrial land, and excluded those properties within the boundaries of the District zoned as agricultural and public use, and those properties with an assessed improvement value on the most recent property tax roll. Reclamation District No. 17 (Mossdale Tract) is located in San Joaquin County and contains approximately 16,107.58 acres of land comprising approximately 13,335 assessor's parcels. This report was prepared for Reclamation District No. 17.

Bickford Ranch Community Facilities District No.  
2003-1  
Placer County, California

The hypothetical market valuation of a proposed master planned community that will include 847.2 acres of land designated for 1,783 residential lots and a 9.7-acre commercial component. The appraisal will be used for bond underwriting purposes and was prepared for the County of Placer.

El Dorado Hills Community Facilities District No.  
1992-1 (portion)  
El Dorado County, California

This assignment involved the hypothetical cumulative, or aggregate, valuation of a sizeable portion of the existing Serrano master planned community. The appraisal included 1,597 single-family residential lots, 382 custom single-family residential lots, 33.05 acres of commercial land and 344 existing single-family residences. The appraisal will be used for bond underwriting purposes and was prepared for the County of El Dorado.



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### Sample of Appraisal Experience (continued)

Diablo Grande Community Facilities District No. 1  
(Series 2002)  
Stanislaus County, California

The appraisal involved the valuation of a partially improved resort and master planned community offering 1,410 residential lots, multifamily land, commercial land, a hotel site, vineyards and two 18-hole championship golf courses. The appraisal was used for bond underwriting purposes and was prepared for Western Hills Water District.

Plumas Lake Community Facilities District No.  
2002-1  
Yuba County, California

This appraisal included the valuation of a portion of the proposed, and partially improved, Plumas Lake Specific Plan area, and comprised 3,314 detached single-family residential lots. The appraisal was used for bond underwriting purposes and was prepared for the Olivehurst Public Utility District.

Patterson Gardens & Keystone Pacific Business  
Park  
Patterson, Stanislaus County, California

This appraisal involved the valuation of a 985-lot single-family residential master planned community that included residential, commercial and public use components, and a non-contingent 224-acre industrial park. This report was prepared for Bank of America.



Business, Transportation & Housing Agency  
**OFFICE OF REAL ESTATE APPRAISERS**  
**REAL ESTATE APPRAISER LICENSE**

Eric A. Segal

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.

OREA APPRAISER IDENTIFICATION NUMBER: AG 026558

Effective Date: February 19, 2013  
Date Expires: February 18, 2015

  
Jim Martin, Director, OREA

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