

RESOLUTION NO. OB-23-14

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER EL CAJON REDEVELOPMENT AGENCY APPROVING THE PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF EL CAJON AS SUCCESSOR AGENCY AND JKC EL CAJON, LLC, FOR THE SALE OF SITE #10, APN 482-250-34-00, LOCATED AT 572-588 NORTH JOHNSON AVENUE.

WHEREAS, on January 15, 2014, the Oversight Board approved the Amended Long Range Property Management Plan ("Amended Plan") as Resolution No. OB-07-14; and

WHEREAS, the California Department of Finance ("DOF") approved by the Amended Long Range Property Management Plan on February 21, 2014; and

WHEREAS, the El Cajon City Council, acting solely in its capacity as Successor Agency to the El Cajon Redevelopment Agency (the "Successor Agency"), approved the Amended Plan on March 11, 2014; and

WHEREAS, at least 10 days' notice to the public of the proposed transfer and related actions was provided pursuant to Health & Safety Code Section 34181(f); and

WHEREAS, the disposal strategy of the Amended Plan for Site #10, APN 482-250-34-00, located at 572-588 North Johnson Avenue (the "Property"), authorizes the sale of the Property in the open market with the approved broker, Commercial Properties Group and Retail Insite; and

WHEREAS, the Property, a 1.36 acre parcel in a premium location adjacent to Interstate 8 with easy access to the freeway, was appraised on May 27, 2014, and determined to have a value of \$1,750,000; and

WHEREAS, on July 25, 2014, JKC El Cajon, LLC submitted a Letter of Intent to the Successor Agency to purchase the Property; and

WHEREAS, a Purchase and Sale Agreement (the "Agreement") has been prepared with a purchase price of the appraised value; and

WHEREAS, the proposed sale would be in the best interests of the Successor Agency, the City of El Cajon, and all taxing entities by disposing of properties under enforceable obligations in an expeditious manner, as approved in the Amended Plan by the DOF.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER CITY OF EL CAJON REDEVELOPMENT AGENCY AS FOLLOWS:

- A. The Oversight Board finds that:
  - 1. The recitals above are true and correct and have been incorporated herein by reference; and
  - 2. The proposed sale is exempt from the California Environmental Quality Act (CEQA) under Section 15061 (b) (3) (General Rule) of the CEQA Guidelines because it will have no physical effect on the environment; and
  - 3. The proposed sale would be in the best interest of the taxing entities because it will dispose of properties under enforceable obligations in an expeditious manner, as approved in the Amended Plan by the DOF; and
  - 4. At least 10 days' notice to the public of the proposed sale and other actions was provided pursuant to Health & Safety Code Section 34181(f).
  
- B. The Oversight Board hereby APPROVES the sale of Site #10, APN 482-250-34-00, a 1.36 acre parcel in a premium location adjacent to Interstate 8 with easy access to the freeway, located at 572-588 North Johnson Avenue, and all necessary and related agreements and/or assignments, from the Successor Agency to JKC El Cajon, LLC, pursuant to the Amended Long Range Property Management Plan.
  
- C. The Oversight Board hereby APPROVES execution by the City Manager of the City of El Cajon, or such person designated by the City Manager, acting in the capacity of chief executive officer for the Successor Agency, of all documents, agreements and/or assignments necessary to complete the sale on behalf of the Successor Agency.

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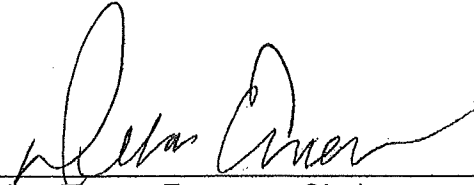
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PASSED AND ADOPTED by the Oversight Board of the Successor Agency of the former El Cajon Redevelopment Agency at a regularly-scheduled meeting held this 17th day of September 2014, by the following vote to wit:

AYES: ABUSHABAN, BUXBAUM, CHADWICK, DAVIES, GRIFFIN,  
TURNER-EMERSON

NOES: NONE

ABSENT: SHUTE



Debra Turner-Emerson, Chairperson

ATTEST:



Majed Al-Ghafry, Oversight Board Secretary

**PURCHASE AND SALE AGREEMENT**

**By and Between**

**CITY OF EL CAJON AS SUCCESSOR AGENCY TO THE FORMER EL CAJON  
REDEVELOPMENT AGENCY  
("Seller")**

**and**

**JKC EL CAJON, LLC  
("Buyer")**

## PURCHASE AND SALE AGREEMENT

This Agreement of Purchase and Sale ("Agreement") is made and entered into as of the \_\_\_ day of \_\_\_\_\_, 2014. CITY OF EL CAJON AS SUCCESSOR AGENCY TO THE FORMER EL CAJON REDEVELOPMENT AGENCY, a municipal corporation, ("Seller") agrees to sell to JKC EL CAJON, LLC, an Oregon limited liability company, ("Buyer"), that certain real property located in the city of El Cajon, county of San Diego, state of California, described in Exhibit "A", attached hereto (the "Property").

### **I. Recitals**

The following recitals are true and correct and are hereby incorporated by reference.

A. Seller is the owner of the Property two commercially zoned parcels, located at 572 North Johnson Avenue, El Cajon, California and its adjacent parcel, identified by Assessor's Parcel Number ("APN") 482-250-34. The Property, and the improvements located on the Property (if any), (collectively referred to as "Property") is depicted in the attached Exhibit "A."

B. Buyer desires to purchase and Seller desires to sell the Property on the terms and conditions of this Agreement.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

### **II. Purchase Price and Terms**

A. Subject to the terms of this Agreement and according to terms and conditions set out in that certain *REVISED* Letter of Intent to Purchase Agreement ("LOI") executed July 25, 2014, by Buyer, and August 13, 2014, by Seller, hereby incorporated as if fully set forth herein, but with such changes as set forth herein, Buyer has agreed to buy, and Seller agreed to sell, the Property, as outlined in the Lease Option, for One Million Seven Hundred Seventy-Seven Thousand Two Hundred Sixty Dollars and No Cents (\$1,777,260.00) (the "Purchase Price"). The parties acknowledge that the LOI provides that the Purchase Price is reduced by Thirty-six Thousand Dollars and No Cents (\$36,000.00) for a sign area of 1,200 square feet (the "Sign Area") for the City of El Cajon (the "City"); however the Seller is to receive the full amount of the Purchase Price from the Buyer, the acquisition of the Sign Area by the City notwithstanding, the arrangements of which shall not be a condition of the close of escrow.

#### **B. Deposits.**

1. Initial Deposit. Upon signing this Agreement, Buyer shall deliver to Escrow Holder FIFTY THOUSAND and 00/100 Dollars (\$50,000.00) as a good faith deposit ("Initial Deposit"). Such deposit shall be deposited into Escrow and credited against costs chargeable to Buyer at the Close of Escrow.

2. Deposit. The Initial Deposit and a subsequent deposit made by the Buyer in the amount of FIFTY THOUSAND and 00/100 Dollars (\$50,000.00) due on or before 61 calendar days after this Agreement is signed by both parties (the "Second Deposit"), are sometimes referred to herein as the "Deposits." The Deposits shall, if requested by Buyer, be deposited by Escrow Holder in an interest-bearing bank or savings and loan association account and the accrued interest shall become part of the Deposits. All Deposits shall be made by cash, check or wired funds.

C. Buyer's Entry onto Property. While this Agreement is in effect, Buyer, its agents, contractors and subcontractors shall have the right to enter upon the Property, at reasonable times during ordinary business hours and upon prior written notice to Seller, to make any and all inspections and tests as Buyer reasonably deems desirable and which may be accomplished without causing any material alteration or damage to the Property. Buyer agrees to indemnify, defend and hold Seller and the Property harmless from any and all costs, loss, liability, damages or expenses, of any kind or nature, arising solely out of or resulting from such entry.

### III. Escrow

A. Opening of Escrow. The "Escrow Holder" shall be Oak Tree Escrow Company in El Cajon, California. For purposes of this Agreement, the Escrow shall be deemed opened on the date Escrow Holder shall have received a fully executed copy of this Agreement (or signed duplicate counterparts) from both Buyer and Seller. Buyer and Seller agree to deposit this Agreement with Escrow Holder within two (2) business days after this Agreement has been signed by both parties ("Execution Date"). Escrow Holder shall confirm to Buyer and Seller, in writing, the date Escrow is opened, the expiration date of any review periods, and the Closing Date. In addition, Buyer and Seller agree to execute, deliver and be bound by any reasonable or customary supplemental escrow instructions of Escrow Holder or other instruments as may reasonably be required by Escrow Holder in order to consummate the transaction contemplated by this Agreement; Buyer and Seller agree to sign and deliver such supplemental escrow instructions to Escrow Holder within two (2) business days after receipt thereof. If there is any inconsistency between such supplemental instructions and this Agreement, this Agreement shall control as between Buyer and Seller unless such supplemental instructions expressly state that they supersede or modify this Agreement.

B. Conditions Precedent. Buyer's obligation to purchase the Property from Seller is subject to the following conditions precedents, which are for Buyer's benefit only:

1. Conditions of Title. It shall be a condition to the Close of Escrow that title to the Property is conveyed to Buyer by Seller by Grant Deed subject only to any of the following approved conditions of title ("Approved Conditions of Title"):

- a. All nondelinquent real estate taxes and assessments.
- b. Building use or occupancy restrictions and zoning and building

laws and ordinances of the Federal, state, municipal, city and other governmental authorities having jurisdiction over the Property.

c. All matters which would be disclosed by an inspection or survey of the Property.

2. Title. Within seven (7) calendar days of the Execution Date, Seller shall provide Buyer at Seller's expense a preliminary report for the Property ("Preliminary Report") issued by First American Title Company ("Title Company"), together with copies of all exceptions and the documents supporting the exceptions ("Exceptions") in the Preliminary Report. Within thirty (30) calendar days following the Execution Date Buyer shall review the Preliminary Report and approve or disapprove of the conditions of the title reflected in the report ("Conditions of Title"). Should a supplemental report be issued disclosing additional title exceptions that significantly affect the operation of the Property or involve a material surface encroachment or impairment of access, then (i) the foregoing procedures shall apply to the new exceptions disclosed by the supplemental report, except that the above-referenced 7-day and 30-day periods shall be reduced to three (3) calendar days and ten (10) calendar days, respectively, and (ii) if necessary, the Close of Escrow shall be extended to the extent necessary to accommodate the foregoing procedures.

Seller agrees to pay and discharge upon Close of Escrow all deeds of trust, mortgages, mechanics' liens, judgments and attachment liens and other encumbrances securing an obligation to pay money which exist as of the date hereof or are created or suffered by Seller (other than (i) the Lease Option; (ii) taxes on Buyer's possessory interest in the Property, whether delinquent or non-delinquent; and non-delinquent taxes, special assessments, and other fees and assessments which are to be prorated as provided herein, and liens and encumbrances created or suffered by Buyer).

3. Title Policies. On or before the Completion of the Sale, Buyer shall have received evidence that Title Company is ready, willing, and able to issue, upon payment of Title Company's regularly scheduled premium, a California Land Title Association ("CLTA") extended owner's policy of title insurance ("Owner's Policy") for the parcel, in the face amount of the Purchase Price (the "Title Policy") with the endorsements Buyer may require ("Endorsements"), showing title to the Property vested in Buyer subject only to the Condition of Title, the lien of real property taxes for the current fiscal year not yet due or payable, and the standard preprinted exceptions and stipulations of the Title Policies.

4. Physical Condition of the Property. Within thirty (30) calendar days of the Execution Date Buyer shall review and approve or disapprove of the physical condition of the Property. Seller shall not cause the physical condition of the Property to deteriorate or change after the date of the inspection, normal wear and tear excepted, without the prior written consent of Buyer.



5. Property Documents. Within three (3) Business Days of this Agreement, Seller shall deliver to Buyer copies of all permits, soils reports, licenses, maintenance contracts, utility contracts, operating contracts, management contracts, service contracts, and other contracts pertaining to the Property, together with any amendments or modifications (collectively, "Property Documents"). Within thirty (30) calendar days following the Execution Date Buyer shall review and approve or disapprove each Property Document. On or before the Close of Escrow, Seller shall assign to Buyer all of Seller's rights and remedies under the Property Documents, to the extent assignable, pursuant to an assignment of contracts, warranties, guarantees, and other intangible property ("Assignment of Contracts") in form and substance satisfactory to Buyer. At Buyer's request, the Assignment of Contracts shall exclude Seller's rights under any Property Documents designated by Buyer. At Buyer's request, Seller shall obtain the consent to assignment of any other parties to the Property Documents that Buyer specifies. At Buyer's request, Seller shall terminate the Property Documents that Buyer specifies by delivering notices to the other parties under the Property Documents in sufficient time to terminate the Property Documents prior to the Close of Escrow.

6. Financing Contingency. Buyer shall have sixty (60) calendar days following the Execution Date to obtain commercially reasonable financing, which, when combined with the Deposits, will satisfy the Purchase Price.

7. City Acquisition of Sign Area. The parties understand that the City's acquisition of the Sign Area shall occur by separate agreement between the Buyer and the City. It is the intent of the Buyer and the City that the conveyance of title shall occur immediately following Close of Escrow in this transaction. In the event that the City has not, cannot, or will not purchase the Sign Area by the Close of Escrow, this condition to closing shall be deemed waived by the parties and be of no further force and effect as between the Seller and the Buyer.

8. [Reserved]

9. [Reserved.]

10. Warranty Bill of Sale. [Intentionally Omitted]

11. Failure of Conditions Precedent. If any of the Conditions Precedent have not been fulfilled within the applicable time periods or if Buyer disapproves of matters for which Buyer's approval is required, Buyer may:

a. Waive and Close. Waive the condition or disapproval and close Escrow in accordance with this Agreement, without adjustment or abatement of the Purchase Price; or

b. Cure and Close: Cure the failure of condition or representation and reduce the Purchase Price by an amount equal to the cost of cure; or

c. Terminate. Terminate this Agreement by written notice to Seller and to Title Company ("Buyer's Termination Notice").

C. Title Policy. Title shall be evidenced by the willingness of the Title Company to issue its standard coverage CLTA Owner's Form Policy of Title Insurance ("Title Policy") in the aggregate amount of the Purchase Price showing title to the Property vested in Buyer. Buyer may elect to request that Title Company issue an extended coverage title policy provided the issuance thereof does not delay the Close of Escrow.

D. Close of Escrow. For purposes of this Agreement, the "Close of Escrow" shall be defined as the date that the grant deed or deeds conveying the Property to Buyer is or are recorded in the Official Records of San Diego County, California. Escrow shall close on or before fifteen (15) days after the Buyer's approval as set forth in paragraphs 2, 3, 4, 5, and 6, above (the "Closing Date").

E. Conditions to Close of Escrow.

Conditions to Buyer's Obligations. Buyer's obligation to consummate the transaction contemplated by this Agreement is subject to the satisfaction of the following conditions for Buyer's benefit on or prior to the dates designated below for the satisfaction of such conditions (or Buyer's waiver thereof, it being agreed that Buyer may waive any or all of such conditions by written waiver):

1. Seller's Obligations. As of the Close of Escrow, Seller shall have performed all of the obligations required to be performed by Seller under this Agreement.

2. Seller's Representations. All representations and warranties made by Seller to Buyer in this Agreement shall be true and correct as of the Closing Date and shall survive the closing. Seller represents and warrants to Buyer that as of the date of this Agreement and as of the Completion of Sale:

a. Disclosure. Seller has disclosed to Buyer all information concerning the Property to which Seller has access, and all information concerning the Property that Seller has provided to Buyer is complete and correct in all respects.

3. Condition of Property. To the best of Seller's knowledge, the Property is in good condition and free from any defects, including without limitation, erosion, drainage or soil problems, hazardous materials as defined in paragraph 14, below, physical, mechanical or electrical defects, defects in the pavement, or defects in utility systems.

4. Special Assessments or Condemnation. There are not presently pending (i) any special assessments, except as expressly stated in the Property Documents or

Preliminary Report, or (ii) condemnation actions against the Property or any party. Moreover, Seller has not received notice of any special assessments or condemnation actions being contemplated. There are no existing, proposed, or contemplated eminent domain proceedings that would affect the Property. Moreover, Seller has not received any notice of existing, proposed, or contemplated eminent domain proceedings that would affect the property.

5. Title.

a. Ownership. Seller is the legal and equitable owner of the Property, with full right to convey. Seller has not granted any options or rights of first refusal or rights of first offer to third parties to purchase or otherwise acquire an interest in the Property.

b. Encumbrances. The Property is free and clear of all liens, encumbrances, claims, rights, demands, easements, leases, agreements, covenants, conditions, and restrictions of any kind, unless otherwise expressly stated in the Property Documents.

c. Encroachments. Except as shown on a survey, if obtained by the Buyer, there are no encroachments on the Property from adjoining properties, and the Property does not encroach on adjoining properties, easements, or streets.

d. Streets. There are no existing, proposed, or contemplated plans to widen, modify, or realign any street or highway which affects the contemplated size of, use of, or set-backs on the Property and the improvements.

6. Compliance with Laws. All laws, ordinances, rules, and regulations of any government or agency, body, or subdivision thereof, bearing on the construction, operation, ownership, or use of the Property, have been complied with by Seller.

7. Utilities. All water, sewer, electric, telephone, and drainage facilities, and all other utilities required by law or for the normal operation of the Property are installed to the property lines of the Property, have been connected, are connected with valid permits, are in good working order, and are adequate to service the Property.

8. Permits. Seller has obtained all appropriate licenses, permits, easements, and rights of way, including proofs of dedication, which are required to use and operate the Property. There are no commitments or agreements affecting the Property that have not been disclosed by Seller to Buyer in writing.

9. State of Facts. Seller is not in default of Seller's obligations or liabilities pertaining to the Property; nor are there facts, circumstances, conditions, or events, which, after notice or lapse of time, would constitute default. Seller has not received notice or information that any party to any of the Property Documents considers a breach

or default to have occurred; nor has Seller any reason to believe that there is likely to be a default under any of the documents.

10. Consents and Release. Seller has obtained all required consents, releases, and permissions to convey good and marketable title to Buyer.

11. Litigation. Seller is not involved in or aware of pending or threatened litigation that could affect the Property, or title to the Property. Furthermore, there are no proceedings pending or threatened against Seller before any court or administrative agency relating to the Property that may adversely affect the Property, now or in the future, or that may adversely affect Seller's ability to fulfill all obligations under this Agreement and the related documents.

12. Authority. This Agreement and all other documents delivered prior to or at the Completion of Sale (i) have been duly authorized, executed, and delivered by Seller; (ii) are binding obligations of Seller; (iii) are collectively sufficient to transfer all of Seller's rights to the Property; and (iv) do not violate the provisions of any agreement to which Seller is a party or that affect the Property, and do not violate articles of incorporation and bylaws subject, however, to applicable bankruptcy, insolvency, and other similar laws affecting the enforcement of creditors' rights generally, and to principles of equitable remedies.

13. Foreign Investment in Real Property Tax Act. Seller is not a "foreign person" within the meaning of Internal Revenue Code § 1445.

14. Toxic or Hazardous Waste.

a. To the best of Seller's knowledge, the Property is free and has always been free from Hazardous Substances and is not and has never been in violation of any Environmental Laws.

b. To the best of Seller's knowledge, there are no buried or partially buried storage tanks located on the Property.

c. Seller has received no notice, warning, notice of violation, administrative complaint, judicial complaint, or other formal or informal notice alleging that conditions on the Property are or have been in violation of any Environmental Law, or informing Seller that the Property is subject to investigation or inquiry regarding Hazardous Substances on the Property or the potential violation of any Environmental Law.

d. There is no monitoring program required by the Environmental Protection Agency (EPA) or any similar state agency concerning the Property.

e. No toxic or hazardous chemicals, waste, or substances of any kind

have ever been spilled, disposed of, or stored on, under, or at the Property, whether by accident, burying, drainage, or storage in containers, tanks or holding areas, or by any other means.

f. The Property has never been used as a dump or landfill.

#### IV. Seller's Covenants.

Seller agrees as follows:

A. Payment of All Obligations. Seller shall have discharged all mechanics' and materialmen's liens arising from labor and materials furnished prior to the Completion of Sale. Seller will discharge all of Seller's obligations and liabilities under the Property Documents and any related documents arising prior to the Completion of Sale.

B. Brokers. Seller shall indemnify, defend, and hold Buyer harmless from loss, cost, or expense, including but not limited to attorney fees and court costs, resulting from any fee or commission claim by a broker or finder claiming through Seller.

C. Litigation. Seller shall immediately notify Buyer of any lawsuits, condemnation proceedings, rezoning, or other governmental order or action, or any threat thereof, known to Seller that might affect the Property or any interest of Buyer.

D. Conditions to Seller's Obligations. For the benefit of Seller, the Close of Escrow shall be conditioned upon the occurrence and/or satisfaction of each of the following conditions (or Seller's waiver thereof, it being agreed that Seller may waive any or all of such conditions by written waiver):

1. Buyer's Obligations. Buyer shall have timely performed all of the obligations required by the terms of this Agreement to be performed by Buyer.

2. Buyer's Representations. All representations and warranties made by Buyer to Seller in this Agreement shall be true and correct as of the Close of Escrow. Buyer represents to Seller the following:

a. Brokers. Buyer shall indemnify, defend, and hold Seller harmless from and against any loss, cost, or expense, including but not limited to, attorney fees and court costs, resulting from a fee or commission claim by a broker or finder claiming through Buyer.

b. Authority. This Agreement and all other documents delivered prior to or on the Completion of Sale, (i) have been authorized, executed, and delivered by Buyer; (ii) are binding obligations of Buyer; and (iii) neither violate the provisions of any agreement to which Buyer is a party, nor violate any articles

of incorporation or trust agreement of Buyer; subject, however, to applicable bankruptcy, insolvency, and other similar laws for enforcement of creditors' rights, and to principles of equitable remedies.

F. Deposits by Seller. At least two (2) business days prior to the Close of Escrow, Seller shall deposit or cause to be deposited with Escrow Holder the following documents and instruments:

1. Grant Deed. The Grant Deed in the form attached as Exhibit "B" conveying the Property to Buyer duly executed by Seller, acknowledged and in recordable form.

2. Seller's Certificate - Federal. A federal certificate of non-foreign status ("Federal Certificate"), duly executed by Seller, in the form normally used by the Escrow Holder.

3. Seller's Certificate - State. A California Franchise Tax Board Form 597-W, duly executed by Seller ("State Certificate").

G. Deposits by Buyer. At least one (1) day prior to the Close of Escrow, Buyer shall deposit or cause to be deposited with Escrow Holder (a) in cash or cash equivalent the amount set out in Escrow Holder's estimate of Buyer's share of closing costs and proration charges payable pursuant to this Agreement, and the signed Natural Hazards Disclosure Statement if required to be provided by Seller.

V. Costs and Expenses.

A. The cost and expense of the Title Policy shall be paid by Seller, excluding additional costs for the Title Policy if Buyer elects to obtain any endorsements or extended coverage, in which event the premium and any additional cost for endorsements or extended coverage in excess of the premium for standard coverage as well as the cost of any survey necessary for the issuance of such policy shall also be paid by Buyer. Escrow Holder's fee shall be shared equally between Buyer and Seller. Seller shall pay all documentary transfer taxes payable in connection with the recordation of the Grant Deed, if any. Buyer shall pay the Escrow Holder's customary charges for document drafting, recording and miscellaneous charges. If, as a result of no fault of Buyer or Seller, Escrow fails to close, Buyer shall be responsible for all of Escrow Holder's and Title Company's fees and charges.

B. Prorations. Except for current and delinquent (if any) possessory interest taxes, which remain the responsibility of the Buyer, real and personal property taxes, special assessments, and any owners' association and landscape maintenance district assessments on the Property (as appropriate) ("Taxes") shall be prorated on the basis that Seller is responsible for (i) all Taxes for the fiscal year of the applicable taxing authorities occurring prior to the "Current Tax Period", and (ii) that portion of Taxes for the Current Tax Period determined on the basis of the number of days which have elapsed from the first day of the Current Tax Period to the Close

of Escrow, inclusive, whether or not the same shall be payable prior to the Close of Escrow. The phrase "Current Tax Period" refers to the fiscal year of the applicable taxing authority in which the Close of Escrow occurs. In the event that as of the Close of Escrow the actual Tax bills for the year or years in question are not available and the amount of Taxes to be prorated as aforesaid cannot be ascertained, then rates, mileages and assessed valuation of the previous year, with known changes, shall be used, and when the actual amount of Taxes for the year or years in question shall be determinable, then Taxes will be re-prorated between the parties to reflect the actual amount of Taxes, provided that a party makes written demand on the one from whom it is entitled to such adjustment within one (1) year after the Close of Escrow. Any corrected adjustment or proration shall be paid in cash to the party entitled thereto.

Seller agrees to pay all taxes and assessments with respect to the Property that are allocable to the period before the Close of Escrow and to indemnify, defend and hold harmless Buyer from all loss, liability and expense arising from Seller's failure to pay such taxes and assessments.

Buyer agrees to pay all real property transfer taxes payable upon recordation of the Deed; and any sales and use taxes connected with the completion of sale.

C. Disbursements and Other Actions by Escrow. Upon the Close of Escrow, the Escrow Holder shall promptly undertake all of the following in the manner indicated:

1. Prorations. Prorate all matters referenced above based upon the statement delivered into Escrow signed by the parties.
2. Recording. Cause the Grant Deed in the form of Exhibit "B" attached hereto, and any other documents which the parties hereto may mutually direct, to be recorded in the Official Records of San Diego County, California.
3. Funds. Disburse from funds deposited by Buyer with Escrow Holder towards payment of all items chargeable to the account of Buyer pursuant hereto in payment of such costs to Seller, and disburse the balance of such funds, if any, to Buyer.
4. Documents to Buyer. Deliver the Federal Certificate and the State Certificate to Buyer.
5. Documents to Seller. [Intentionally Omitted]
6. Title Policy. Direct the Title Company to issue the Title Policy to Buyer.

D. Seller's Representations and Warranties. BUYER ACKNOWLEDGES AND AGREES THAT EXCEPT AS SET FORTH HEREIN SELLER HAS MADE ABSOLUTELY NO REPRESENTATIONS OR WARRANTIES REGARDING THE PROPERTY, INCLUDING, WITHOUT LIMITATION, ITS CONDITION, ITS PAST USE, OR ITS SUITABILITY FOR BUYER'S INTENDED USE, AND THAT BUYER IS PURCHASING

THE PROPERTY ON AN "AS-IS" BASIS. Notwithstanding the foregoing, Seller makes the following representations to Buyer: Seller has the legal right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby; the execution, delivery and performance of this Agreement have been duly authorized and no other action by Seller is requisite to the valid and binding execution, delivery and performance of this Agreement; Seller has no actual knowledge of any Hazardous Materials on or under the Property or any underground tanks on the Property or of any claims, easements, leases or other liens or encumbrances affecting the Property that are not disclosed by the public records.

E. Buyer's Covenants, Representations and Warranties. In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Property to Buyer, Buyer makes the following covenants, representations and warranties (item 5 below, being a covenant running with the land, which may be included in the Grant Deed):

1. Authority. Buyer has the legal right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, and the execution, delivery and performance of this Agreement have been duly authorized and no other action by Buyer is requisite to the valid and binding execution, delivery and performance of this Agreement, except as otherwise expressly set forth herein.

2. Physical Condition. Buyer shall inspect the Property to the extent Buyer deems necessary or desirable. Buyer's closing of Escrow shall constitute Buyer's representation to Seller that Buyer is satisfied in all respects with the Property, including, without limitation, size, the physical condition and condition of any and all improvements.

3. "AS-IS" Nature Of Sale. Buyer acknowledges and agrees that except as set forth herein, or in referenced documents, Seller has not made, does not make and specifically negates and disclaims any representations, warranties, or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to (a) the value, nature, quality of condition of the Property, including, without limitation, the water, soil and geology; (b) the income to be derived from the Property; (c) the suitability of the Property for any and all activities and uses which Buyer may conduct thereon; (d) the compliance of or by the Property or its operation with any laws, rules, ordinances or regulations of any applicable governmental authority or body; (e) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Property; (f) the manner or quality of the construction or materials, if any, incorporated into the Property; (g) the manner, quality, state of repair or lack of repair of the Property; or (h) any other matter with respect to the Property, and specifically (except as set forth herein) that Seller, except as specifically stated herein or in related documents, has not made, does not make, and specifically disclaims any representations regarding compliance with any environmental protection, pollution or land use laws, rules, regulations, orders or requirements, including solid waste, as defined by the U.S. Environmental Protection Agency regulations at 40 C.F.R., Part 261, or the disposal or existence, in or on the Property, of



any hazardous substance, as defined by the Comprehensive Environmental Response Compensation And Liability Act of 1980, as amended, and regulations promulgated thereunder. (The substances, wastes and materials that are regulated by the foregoing laws or any other state and/or federal laws are herein referred to as "Hazardous Materials.") Buyer further acknowledges and agrees that any information provided or to be provided by or on behalf of Seller with respect to the Property was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information. Seller is not liable or bound in any manner by any oral or written statements, representations or information pertaining to the Property, or the operation thereof, furnished by any real estate broker, agent, employee, servant or other person. Buyer further acknowledges and agrees that the sale of the Property as provided for herein is made on an "AS-IS" condition and basis with all faults.

4. Except for Seller's representations and warranties set forth herein, Buyer and anyone claiming by, through or under Buyer hereby fully and irrevocably releases Seller, its partners, employees, officers, directors, shareholders, representatives, agents, successors and assigns, from any and all claims that it may now have or hereafter acquire against such persons and entities for any cost, loss, liability, damage, expense, demand, action or cause of action arising from or related to any construction defects, errors, omissions or other conditions, including, but not limited to, Hazardous Materials and environmental matters, affecting the Property, or any portion thereof. This release includes claims of which Buyer is presently unaware or that Buyer does not presently suspect to exist in its favor, which, if known by Buyer, would materially affect Buyer's release of Seller. Buyer specifically waives the provision of California Civil Code §1542, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

5. Buyer agrees that said Property is to continue to be used solely for purposes of an outdoor dining and a public thoroughfare as provided in the Lease Option.

6. Intentionally Omitted.

7. Intentionally Omitted.

8. Intentionally Omitted.

9. The representations and warranties of Buyer and Seller set forth in this Agreement shall be true on and as of the Close of Escrow and shall survive the closing.

10. Buyer's Indemnity. Buyer agrees to indemnify, protect and defend

Seller against and hold Seller harmless from any claims, losses, damages, costs or expenses including, without limitation, any reasonable attorneys' fees, asserted against, incurred or suffered by Seller resulting from any breach by Buyer following the Closing Date of express obligations of Buyer arising under this Agreement. Buyer's obligations under this Section 10 shall survive Close of Escrow or termination of this Agreement for a period of one year. In the event of a material breach by Buyer of this Agreement prior to the Closing Date, Seller shall have as its sole and exclusive remedy the right to retain the Deposit as liquidated damages to the extent and as provided below.

11. Seller's Indemnity. Seller agrees to indemnify, protect and defend Buyer against and hold Buyer harmless from any and all claims, demands, liabilities, losses, damages, costs and expenses including, without limitation, all reasonable attorneys' fees, asserted against, incurred or suffered by Buyer resulting from (i) any breach by Seller of this Agreement, (ii) any liability or obligation of Seller that Buyer is not required to assume under this Agreement or accruing prior to such assumption, (iii) any personal injury or property damage occurring in, on or about the Property or relating thereto on or before the Close of Escrow, from any cause whatsoever except Buyer's inspection or other activities on or about the Property, or (iv) the untruth, inaccuracy or breach of any of the representations, warranties, covenants and agreements made by Seller pursuant to this Agreement. Seller's obligations under this Section 11 shall survive Close of Escrow or termination of this Agreement for a period of one year. Neither the foregoing nor any other provision of this Agreement shall limit the rights and remedies available to Buyer at law or in equity, whether by statute or otherwise, and all such rights and remedies shall be cumulative and non-exclusive.

12. Indemnification of Escrow Holder. If this Agreement or any matter relating hereto shall become the subject of any litigation or controversy, Buyer and Seller agree, jointly and severally, to hold Escrow Holder free and harmless from any loss or expense, including attorneys' fees, that may be suffered by it by reason thereof except for losses or expenses as may arise from Escrow Holder's negligent or willful misconduct. If conflicting demands are made or notices served upon Escrow Holder with respect to this Agreement, the parties expressly agree that Escrow Holder shall be entitled to file a suit in interpleader and obtain an order from the court requiring the parties to interplead and litigate their several claims and rights among themselves. Upon the filing of the action in interpleader, Escrow Holder shall be fully released and discharged from any obligations imposed upon it by this Agreement.

13. Damage or Condemnation Prior to Closing. Seller shall promptly notify Buyer of any casualty to the Property or any condemnation proceeding commenced prior to the Close of Escrow of which Seller obtains actual knowledge. If any such damage or proceeding relates to or may result in the loss of any material portion of the Property, Buyer may, at its option, elect either to: (i) terminate this Agreement, in which event neither party shall have any further rights or obligations hereunder and Buyer's Initial Deposit, Second Deposit (if made), and any extension fee(s) shall be refunded to Buyer, or (ii) continue this Agreement in effect, in which event upon the Close of Escrow, Buyer

shall be entitled to any compensation, awards, or other payments or relief resulting from such casualty or condemnation proceeding.

**VI. Further Assurances**

Whenever requested by the other party, each party shall execute, acknowledge, and deliver any further conveyances, assignments, confirmations, satisfactions, releases, powers of attorney, instruments of further assurance, approvals, consents, and any other instruments and documents as may be necessary, expedient, or proper, to complete any conveyance, transfer, sale, or assignment contemplated by this Agreement, and to do any other acts and to execute, acknowledge, and deliver any requested document to carry out the intent and purpose of this Agreement.

**VII. Miscellaneous**

A. Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, delivered by reputable overnight carrier, sent by certified mail, postage prepaid, return receipt requested, or sent by telecopy, and shall be deemed received upon the earlier of (i) if personally delivered or delivered by overnight courier, the date of delivery to the address of the person to receive such notice, (ii) if mailed, two (2) business days after the date of posting by the United States post office, (iii) if given by telecopy, when sent. Any notice, request, demand, direction or other communication sent by telecopy must be confirmed within forty-eight (48) hours by letter mailed or delivered in accordance with the foregoing.

To Buyer:	JKC El Cajon, LLC 1600 Valley River Drive, Suite 209 Eugene OR 97401 Attention: John Keifer
With a copy to:	Hamilton W. Budge Jr. Gardner, Potter, Budge, Spickard & Cascagnette, LLC 725 Country Club Road Eugene, OR 97401
To Seller:	City of El Cajon as Successor Agency to the Former El Cajon Redevelopment Agency 200 Civic Center Way El Cajon CA 92020 Attention: Douglas Williford
With a copy to:	Morgan L. Foley, Esq. McDougal, Love Eckis, Boehmer & Foley 8100 La Mesa Blvd., Suite 200

La Mesa, CA 91942

To Escrow Holder: Oak Tree Escrows

El Cajon CA 92020

Notice of change of address shall be given by written notice in the manner detailed in this Paragraph. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent.

B. Brokers. Buyer and Seller each agree that Commercial Properties Group | Retail Insight ("Broker") represents both the Seller and the Buyer, in a "dual agency" relationship. Except for Broker's dual agency relationship, Buyer and Seller represents and warrants to the other that there will be no brokers' or finders' fees payable in respect of this transaction based upon any statement, representation or agreement made by Buyer or Seller, respectively. Any commission to Brokers shall be paid by Seller upon Close of Escrow in accordance with a separate agreement between Broker and Seller. If any claims for brokers' or finders' fees for the consummation of this Agreement arise, other than that to be paid by Sellers to the Brokers, then Buyer hereby agrees to indemnify, save harmless and defend Seller from and against such claims if they shall be based upon any statement or representation or agreement by Buyer, and Seller hereby agrees to indemnify, save harmless and defend Buyer if such claims shall be based upon any statement, representation or agreement made by Seller.

C. Legal Fees. In the event any lawsuit or arbitration proceeding is brought by a party hereto against another party hereunder by reason of any breach of any of the covenants or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, or for declaratory relief, the prevailing party in such action or proceeding shall be entitled to have and recover of and from the other party its costs and reasonable attorneys' fees.

D. Assignment. At any time Buyer is not in default hereunder, Buyer may assign its rights under this Agreement to a third party assignee. Seller shall not have the right to assign or mortgage this Agreement or any portion of this Agreement without Buyer's prior written consent.

E. Other Fees and Assessments. [Intentionally Omitted]

F. Survival of Covenants. The covenants, representations and warranties of both Buyer and Seller set forth in this Agreement shall survive the recordation of the Grant Deed and the Close of Escrow.

G. Required Actions of Buyer and Seller. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the purchase and sale herein contemplated and shall use their reasonable best efforts to accomplish the Close of Escrow in accordance with the provisions hereof.

H. Time of Essence. Time is of the essence of each and every term, condition, obligation and provision hereof.

I. Counterparts. This Agreement (and any amendments and escrow instructions) may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument. Documents delivered by telephonic facsimile transmission shall be valid and binding.

J. Captions. Any captions to, or headings of, the paragraphs or subparagraphs of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof. This Agreement shall be interpreted in accordance with its reasonable meaning, and not strictly for or against either party.

K. No Obligations to Third Parties. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties thereto, to any person or entity other than the parties hereto.

L. Exhibits. The Exhibits attached hereto are hereby incorporated herein by this reference.

M. Amendment to this Agreement. This Agreement, together with all referenced and/or attached documents, contains the entire understanding of the parties regarding the subject matter and may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

N. Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

O. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

P. Fees and Other Expenses. Except as otherwise provided herein, each of the parties shall pay its own fees and expenses in connection with this Agreement.

Q. Agreement. No agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of either party, shall be of any effect unless it is in writing and executed by the party to be bound thereby.

R. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

S. Confidentiality. Buyer shall keep all information and reports obtained from Seller or relating to the Property or the proposed transaction confidential and will not disclose any such

confidential information to any other person or entity without obtaining the prior written consent of Seller, unless required to disclose documents or reports by operation of law or by order of a court of competent jurisdiction.

T. Authority. Each individual who signs this Agreement on behalf of an entity represents and warrants that he/she is authorized to do so and to bind such entity.

U. Special Tax. There are no special taxes levied against the Property.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement at San Diego County, California as of the day and year first-above written.

**"BUYER"**

**"SELLER"**

JKC EL CAJON, LLC  
an Oregon limited liability company

CITY OF EL CAJON AS SUCCESSOR  
AGENCY TO FORMER EI CAJON  
REDEVELOPMENT AGENCY,  
a municipal corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Print Title: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

APPROVED AS TO LEGALITY AND  
FORM:

By: \_\_\_\_\_  
Morgan L. Foley, City Attorney

ACCEPTANCE BY ESCROW HOLDER

OAK TREE ESCROW COMPANY hereby acknowledges that it has received a fully executed counterpart of the foregoing Purchase and Sale Agreement and agrees to act as Escrow Holder thereunder and to be bound by and perform the terms thereof as such terms apply to Escrow Holder.

Dated: \_\_\_\_\_, 2014

OAK TREE ESCROW COMPANY

By: \_\_\_\_\_  
Name: Bobbi Paul  
Title: \_\_\_\_\_

**EXHIBIT A**

(Description of Property)



**EXHIBIT B**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

\_\_\_\_\_  
DOCUMENTARY TRANSFER TAX \$ \_\_\_\_\_ SPACE ABOVE THIS LINE FOR RECORDER'S USE

\_\_\_\_\_ Computed on the consideration or value of property conveyed; OR

\_\_\_\_\_ Computed on the consideration or value less liens or  
encumbrances remaining at time of sale.

\_\_\_\_\_  
Signature of Declarant or Agent determining tax - Firm Name

APN: 482-250-34

**GRANT DEED**

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

The CITY OF EL CAJON AS SUCCESSOR AGENCY TO THE FORMER EL CAJON  
REDEVELOPMENT AGENCY, a municipal corporation

hereby GRANT(S) to JKC EL CAJON, LLC, an Oregon limited liability company

the real property in the City of El Cajon, County of San Diego, State of California, described as:

**[DESCRIBE]**

This conveyance is made subject to easements, restrictions and other matters of record, including, but not limited to,  
the following:

**[DESCRIBE]**

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

By: \_\_\_\_\_

its

By: \_\_\_\_\_

Its: \_\_\_\_\_

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, 2014 before me, \_\_\_\_\_ (insert name and title of the officer), personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

Mark A. Smith, Principal  
Andrew A. Smith, MAI  
1936-1999

**ANDREW A. SMITH COMPANY**

Real Estate Appraisers & Consultants  
4215 Spring Street, Suite 225  
La Mesa, California 91941-7983

telephone (619) 464-8844  
fax (619) 464-8813  
aasco@pacbell.net

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September 9, 2014

Adriana Castaneda  
Management Analyst  
City of El Cajon  
Dept. of Community Development  
200 Civic Center Way  
El Cajon, CA 92020

*Reference:* APPRAISAL OF  
Vacant Site of 1.36 acres  
APN: 482-250-34-00  
572 N. Johnson Avenue  
El Cajon, CA 92020

Fee Simple Market Value as of May 27, 2014: \$1,750,000

Dear Ms. Castaneda:

Please be advise the appraisal completed on the above referenced property on May 27, 2014 includes mailing addresses 572-588 N Johnson Avenue. These addresses are included in APN# 482-250-34-00.

If you have any questions regarding this letter or the appraisal report, please feel free to contact me.

Respectfully submitted,



Mark A. Smith  
Certified General Appraiser #AG006537

**APPRAISAL OF**  
**Vacant Site**  
**572 N. Johnson Avenue**  
**APN 482-250-34-00**  
**El Cajon, California 92020**

FOR

City of El Cajon  
Adriana Castaneda, Management Analyst  
Dept. of Community Development  
200 Civic Center Way  
El Cajon, CA 92020

DATE OF VALUE

May 27, 2014

DATE OF REPORT

May 29, 2014

BY

Mark A. Smith  
Andrew A. Smith Company  
4215 Spring Street, Suite 225  
La Mesa, California 91941

Mark A. Smith, Principal  
Andrew A. Smith, MAI  
1936-1999

**ANDREW A. SMITH COMPANY**

Real Estate Appraisers & Consultants  
4215 Spring Street, Suite 225  
La Mesa, California 91941-7983

telephone (619) 464-8844  
fax (619) 464-8813  
aasco@pacbell.net

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May 29, 2014

Adriana Castaneda  
Management Analyst  
City of El Cajon  
Dept. of Community Development  
200 Civic Center Way  
El Cajon, CA 92020

*Reference:* APPRAISAL OF  
Vacant Site of 1.36 acres  
APN: 482-250-34-00  
572 N. Johnson Avenue  
El Cajon, CA 92020

Fee Simple Market Value as of May 27, 2014: \$1,750,000

Dear Ms. Castaneda:

At your request, and pursuant to your authorization, I have inspected the above referenced property and performed a market data search to formulate my opinion of the fee simple market value as of May 27, 2014. The opinion of value presented is based on the assumption the site is vacant and free and clear of any leases, liens and/or encumbrances.

I have made an on-site inspection of the subject, reviewed the sites zoning, and analyzed available data and information having a bearing on market value. My findings are submitted in this *Restricted Use Report* in an expanded letter format. Additional information upon which these findings are based will be retained in a work file, which are available upon request. In a *Restricted Use Report* the appraiser's opinions and conclusions may not be fully understood properly without reviewing the additional information available in the work file. The city of El Cajon is the only intended user of this report. See Limiting Conditions section.

**REAL ESTATE APPRAISED:** Assessor parcel number 482-250-34-00. Property is located in the city of El Cajon, California, 92020.

**OWNERSHIP OF RECORD:** City of El Cajon.

Adriana Castaneda  
Management Analyst  
May 29, 2014  
page 2

**PURPOSE OF THE APPRAISAL AND REPORT:** The objective of this appraisal is to assist the city of El Cajon in determining the unencumbered fee simple market value of the above referenced property for internal decision making, planning and possible sale of the site as of May 27, 2014. My opinion of value is subject to the assumptions and contingent conditions as set forth in this report.

**FUNCTION OF THE APPRAISAL:** The function or use of the report is to assist the client, the city of El Cajon, in evaluating the fee simple market value as of May 27, 2014. This report has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) and complies with Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA).

**DATE OF VALUATION:** The subject was appraised as of May 27, 2014.

**DATE OF REPORT:** May 29, 2014

**PROPERTY RIGHTS APPRAISED:** Fee Simple Estate is defined on page 111 of the Thirteenth Edition of The Appraisal of Real Estate Appraisal (2008), sponsored by the Appraisal Institute as:

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

**DEFINITION OF VALUE SOUGHT:** The term "*market value*" for Federally Insured Financial Institutions as used herein is defined as:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently and 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:

- a. Buyer and seller are typically motivated;
- b. Both parties are well informed or well advised, and acting in what they consider their best interests;

Adriana Castaneda  
Management Analyst  
May 29, 2014  
page 3

- c. A reasonable time is allowed for exposure in the open market;
- d. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.<sup>1</sup>

I have interpreted the phrase "most probable price" to mean that amount of money a property will bring in the market on the date of valuation assuming good exposure to the market and the forceful, intelligent and concentrated effort to sell. It is not the highest price obtainable under any and all circumstances, such as the uninformed buyer or a buyer having a special need for that particular property.

**DEFINITION OF HIGHEST AND BEST USE:** As defined in the Fourteenth Edition of The Appraisal of Real Estate, published by the Appraisal Institute, highest and best use is:

*"Is the reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible, and that results in the highest value."*

**HISTORY OF THE PROPERTY:** The site transferred ownership on January 30, 2012, from the El Cajon Redevelopment Agency to the City of El Cajon. This was not an arms length transfer with no sales price reported. The El Cajon Redevelopment Agency acquired the site on August 24, 2009, for a recorded price of \$8,850,000 which included multiple properties. All improvements have been removed since the 2009 purchase. Prior to the August 2009 purchase the property was improved with three 1-story industrial buildings of concrete block construction on a concrete foundation. The center was originally designed as a multi-tenant automotive service center. The buildings were reportedly constructed in 1978. The buildings contained approximately 14,400 square feet and the site was asphalt paved and improved with approximately 50 marked open asphalt paved parking spaces.

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<sup>1</sup> The Appraisal of Real Estate, Fourteenth Edition, copyright 2013, Appraisal Institute.

Adriana Castaneda  
Management Analyst  
May 29, 2014  
page 4

**DISCLOSURE OF COMPETENCY:** We are aware of the competency provision of USPAP and the author of this report meet the standards. Since 1982, Mark A. Smith has appraised numerous offices/industrial/commercial properties and land throughout San Diego County and Southern California. In addition, Mark Smith has appraised numerous residential properties including: remaining phases of existing residential subdivisions, nearly finished lots and raw land for future residential attached and detached unit subdivision developments, and large master-planned communities in various levels of development and/or construction.

**HIGHEST & BEST USE (As Vacant):** After inspection of the property, consideration of legal and physical constraints, neighborhood market trends, and analysis of permitted uses considering the site's location, access, configuration, and taking into consideration the present economic prospects for commercial uses as allowed by current zoning, I have concluded that the Highest and Best Use of the subject would be to develop the property with a well-designed commercial, office or mixed use building.

**HIGHEST & BEST USE (As Improved):** The site is currently unimproved. The Highest and Best Use of the subject as improved would be the same as vacant or to be develop the vacant lot with a well-designed commercial, office or mixed use building.

**IDENTIFICATION OF THE PROPERTY:** A formal legal description has not been provided for review. The San Diego County Assessor refers to the property as assessors' parcel number 482-250-34-00. The street address is 572 North Johnson Avenue, El Cajon, California, 92020.

**DESCRIPTION OF THE SITE:** The site is irregular in shape containing approximately 1.36 acres or 59,242 square feet per the County of San Diego Assessors records. The site is level, located at street grade, and assumed to be fully useable. The site is located on the west side of N. Johnson Avenue adjacent south of the east bound off-ramp of Interstate 8 at Johnson Avenue which is traffic controlled by a signal light. At the site Johnson Avenue is a four-lane traffic street with center turn lane. Located within the city of El Cajon, customary municipal utilities are available.

N. Johnson Avenue is a heavily-traveled street in the community with a 2010 average weekday traffic count of 16,100 vehicles at the site. The site also offers visibility to east bound traffic on Interstate 8. The general area is commercial in nature, particularly along N. Johnson Avenue.



Adriana Castaneda  
Management Analyst  
May 29, 2014  
page 5

ASSESSOR INFORMATION AS REPORTED BY REALIST

PARCEL NUMBER	ASSESSED LAND	ASSESSED IMPROVEMENTS	ASSESSED VALUE	13/14 TAXES	REPORTED GROSS LOT SIZE SF	REPORTED GROSS LOT SIZE ACRES
482-250-34-00	\$0	\$0	\$0	\$0	59,242 SF	1.36

Note: Owned by a public agency, the site is exempt from property taxes.

**ZONING:** The city of El Cajon has zoned the site C-M (Heavy Commercial - Light Industrial). The existing commercial center is conforming to the zone. The city of El Cajon describes the C-M zone as follows:

*The C-M zone is intended to provide for:*

*A. Light industrial uses with relatively minor impacts on the surrounding area and which are contained in buildings and consist of: light manufacturing, wholesale trade, processing, servicing, assembly and distribution.*

*B. Commercial trade uses consisting of wholesale and specific, listed retail uses, which combine aspects of commercial with light industrial operations, such that the commercial trade aspects occupy no more than fifty percent of the gross floor area of the building or buildings which make up the business on the same site. The commercial trade may be retail or wholesale or a combination of the two.*

*C. Commercial trade uses which are limited to the sale and/or distribution of large box items such as furniture, appliances, carpeting, etc. and the incidental sales of items accessory to the large box items as long as the incidental sales do not exceed fifteen percent of the total sales.  
(Ord. 4459, 1994.)*

**CURRENT USE/IMPROVEMENTS:** The site is currently a vacant unimproved finished lot. The site is fenced and currently used as a storage lot of new cars for a near-by car dealership.

**SCOPE OF THE APPRAISAL:** I will provide my opinion of market value based on the highest and best use as a vacant site. The initial step in the valuation process required that the property be physically inspected, which was last performed on May 26, 2014. The fee simple value of the property was estimated by applying the sale comparison approach to value. The

Adriana Castaneda  
Management Analyst  
May 29, 2014  
page 6

cost and income approaches to value were not considered to be an applicable approach for the subject.

I have concluded the exclusion of the cost and income approaches does not reduce the reliability of the concluded market value as is acceptable based on the provision per USPAP. The scope of work to be performed is consistent with the expectations of participants in the market for the same or similar appraisal service and with the appraiser's peers in performing the same or similar assignments in compliance with USPAP.

**SALES COMPARISONS APPROACH:** The Sales Comparison Approach compares the subject improvements to comparable properties that have recently sold or are listed for sale, preferably in the immediate market area. It is applicable to all types of properties for which there is sufficient data to analyze. This method of arriving at an indication of value is considered most reliable when properties are bought and sold in an area with regularity.

To value the subject property via the Sales Comparison Approach, a search was made for reasonably recent transactions, as of the date of value, of commercial sites with similar location, size, exposure, utility, improvements, comparable zoning and appeal. The site is unimproved with vacant lots and comparables with limited improvements considered to be the best indicators of value available.

#### **LAND VALUATION ANALYSIS**

In order to value the site as if vacant and available for development to its highest and best use, a search was made for sales of commercial oriented and zoned sites in El Cajon and the East County area. I made an effort to locate market data from within the general area to reduce any location adjustments needed. During my market data gathering process I looked for sites capable of supporting similar uses with a focus on location, size of the site, access, utilities and recent transactions. A broker or principal involved in the transactions was contacted (when possible) to confirm the price and terms of the sales as well as to gain additional information surrounding the transfer and trends in the immediate area. Each of the transactions was viewed on a drive-by basis to determine the comparability of the location, topography and other physical characteristics.

**Summary and Analysis of Land Sales** - I have included sales that reflect the thinking of various investors and developers that provide sufficient data to indicate a value range for the subject. After analyzing approximately 40 sale transactions, I found the following eight

Adriana Castaneda  
 Management Analyst  
 May 29, 2014  
 page 7

comparables to be of significant help in determining the value. The following chart summarizes those comparables that were deemed most useful in the analysis of value for the subject:

<i>LAND TRANSACTIONS SUMMARY</i>							
SALE No.	LOCATION PARCEL NUMBER	DOCUMENT NO. SELLER/BUYER	SALE DATE	SALE PRICE	SITE Sq.Ft.	ZONE	PRICE PSF
Subject	572 N Johnson Avenue El Cajon, 92020 482-250-34-00	N/A	N/A	N/A	59,242	C-M	N/A
1	2205 Vista Way Oceanside, 92054 165-120-20 & 57	14-027422 Nissan USA/Scripps Health	01/2014	\$6,531,500	192,100	CC	\$34.00
2	12087 Woodside Ave. Lakeside, 92040 382-070-76-00	13-376786 Othman/Velasquez	06/2013	\$1,100,000	22,216	C-36	\$49.51
3	7901 Navajo Road San Diego, 92119 675-430-10-00	13-182444 Silvestre/Phan	03/2013	\$550,000	27,443	CN-1-2	\$20.04
4	680 S. Marshall Ave. El Cajon, 92020 487-490-19-00	13-108387 Kamfiroozio/Sunroad	02/2013	\$3,350,000	168,534	C-G	\$19.88
5	9416 Mission Gorge Rd. Santee, 92071 381-040-43-00	12-0576509 Lowes HIW Inc./ Chick-Fil-A, Inc.	09/2012	\$1,000,000	26,998	GC	\$37.04
6	9414 Mission Gorge Rd. Santee, 92071 381-040-44-00	12-0472866 Kohls Dept. Store/ In-N-Out Burgers	08/2012	\$1,025,000	27,891	GC	\$36.75
7	300 El Cajon Boulevard El Cajon, 92020 487-321-02-00	12-385708 Goldene Trenfel LLC/ MAG 300 ECB LLC	07/2012	\$2,500,000	74,488	C-G	\$33.56
8	440 N. Johnson Ave. El Cajon, 92020 487-121-43-00	11-318816 El Cajon Redevelopment /Inland Properties	06/2011	\$2,500,000	104,544	C-M	\$23.91

**Transaction 1** is situated approximately 35 miles northwesterly of the subject in the city of Oceanside. The site is located near the northeast corner of Vista Way and State Highway 78 with superior highway exposure and access. The property consists of 4.41 acres and is generally rectangular in shape. The lot was previously used as a car dealership lot with

Adriana Castaneda  
Management Analyst  
May 29, 2014  
page 8

building improvements removed prior to the sale. The current zone is CC by the city of Oceanside, a general community commercial zone. The topography is level and all useable. The buyer purchased the site to build a medical facility. This was an all cash transaction. This property is overall superior to the subject property.

**Transaction 2** is located approximately 4.5 miles northerly of the subject in the community of Lakeside. The site is signalized corner location with superior exposure and access. The site was previously improved as a gas station. The zone is C-36, a general commercial zone. The buyer put a cash down payment of \$772,000 (70%) and obtained financing of \$328,000 from Private Individual FAS Financial Inc. Overall, this property is superior to the subject property.

**Transaction 3** is located approximately 3 miles northwesterly of the subject in the city of San Diego. The site is signalized corner location with inferior exposure. The site was previously improved as a gas station but was a vacant lot at the time of sale. The zone is CN-1-2, a general neighborhood commercial zone. The buyer put a cash down payment of \$150,000 (27.3%) and the seller carried the balance of \$400,000. Overall, this property is inferior to the subject property.

**Transaction 4** is situated approximately one mile southerly of the subject in the city of El Cajon. The site is located at the southwest corner of Marshall Avenue and El Cajon Boulevard with superior exposure and access. The property consists of 3.87 acres and is generally rectangular in shape. The lot was previously used as a car dealership lot with the buyer removing all improvements. The site is zoned is C-G by the city of El Cajon, a general commercial zone. The topography is level and all useable. The buyer purchased the site to build a new car dealership facility. The buyer put a cash down payment of \$850,000 (25.4%) and obtained a new 1<sup>st</sup> loan of \$2,500,000 from BMW Financial Services NA, LLC. This property is overall inferior to the subject property.

**Transaction 5** is located about 3 miles northerly of the subject property in the site of Santee. The site is a pad location within an existing shopping center with good frontage and signalized access to Mission Gorge Road. The overall access, exposure and location are superior to the subject. The site is level and all useable. The site is zoned GC, a general commercial zoning. This was an all cash sale. The buyer has constructed a Chick-Fil-A fast food restaurant on the site. Overall, this property is superior to the subject property.

Adriana Castaneda  
Management Analyst  
May 29, 2014  
page 9

**Transaction 6** is located about 3 miles northerly of the subject property in the site of Santee. The site is a pad location within an existing shopping center with good frontage and signalized access to Mission Gorge Road. The overall access, exposure and location are superior to the subject. The site is level and all useable. The zone is zoned GC, a general commercial zoning. This was an all cash sale. The buyer has constructed an In-N-Out fast food restaurant on the site. Overall, this property is superior to the subject property.

**Transaction 7** is situated approximately one-half mile southerly of the subject in the city of El Cajon. The site is located on the west side of El Cajon Boulevard, south of Main Street with inferior exposure and access. The property consists of 1.71 acres and is generally rectangular in shape. The lot was previously used as a car dealership with approximately 26,172 square feet of showroom and repairs facilities. The building was vacant for several years with the improvements in average to fair condition. The site is zoned C-G by the city of El Cajon, a general commercial zone. The topography is level and all useable. The buyer purchased the site for use as a new car dealership facility and owned addition vacant sites surrounding the property. The buyer put a cash down payment of \$750,000 (30%) and obtained a loan of \$1,750,000 from a private lender. This property is overall superior to the subject property.

**Transaction 8** is the transaction located two sites south from the subject on N. Johnson Avenue. The property was a vacant ready to build site at the time of sale. The site has direct signalize access on N. Johnson Avenue. The terrain is level and all useable. The zone is C-M. The seller was the El Cajon Redevelopment Agency. The agency confirmed the sales price was at market price. The sale was financed through the Redevelopment Agency with a \$600,000 (24%) cash down payment. The buyer has improved the site for commercial truck sales. The buyer has the potential to reduce the loan based on sales tax generation at the site. Overall, this property is similar to the subject property but required upward adjustments for the date of sale.

The table on the following page summarizes the major categories of comparison of the sales with the subject property.

The subject property was placed on an array with the sale transactions based on its comparability in the table below. It falls between Transaction 7, which is considered superior at \$33.56 per square foot and Transaction 9 which is considered inferior and sold at \$23.91 per square foot.

Adriana Castaneda  
 Management Analyst  
 May 29, 2014  
 page 10

<i>LAND TRANSACTIONS ARRAY</i>			
<b>NO.</b>	<b>LOCATION ASSESSOR'S PARCEL NUMBER</b>	<b>PRICE/ SQ. FT.</b>	<b>COMPARISON</b>
2	12087 Woodside Ave. Lakeside, 92040	\$49.51	Superior
5	9416 Mission Gorge Santee, 92071	\$37.04	Superior
6	9414 Mission Gorge Santee, 92071	\$36.75	Superior
1	2205 Vista Way Oceanside, 92054	\$34.00	Superior
7	300 El Cajon Boulevard El Cajon, 92020	\$33.56	Superior
	<b>SUBJECT PROPERTY</b>		
8	440 N. Johnson Avenue El Cajon, 92020	\$23.91	Inferior
3	7901 Navajo Road San Diego, 92119	\$20.04	Inferior
4	680 S. Marshall Avenue El Cajon, 92020	\$19.88	Inferior

The table on the following page summarizes the major categories of comparison of the sales with the subject property.



**ANALYSIS OF MARKET DATA:** The preceding comparables represent market transactions which are somewhat similar to the subject and represent the transactions which are considered to be the best indicators of value located. After applying the appropriate adjustments, I have concluded that the subject has a market value of approximately \$27.50 to \$31.00 per square foot of site area. Given an estimated lot size of 59,242 square feet, a valuation of \$1,629,155 to \$1,836,502 is indicated by the Sales Comparison Approach which was rounded to \$1,750,000. This equates to approximately \$29.54 per square foot. Based upon my analysis of the data and my experience, it is my opinion the subject vacant site has a market value for the fee simple interest of \$1,750,000 as of the date of value May 27, 2014.

***ONE MILLION SEVEN-HUNDRED FIFTY THOUSAND DOLLARS  
(\$1,750,000)***

**INDICATED EXPOSURE TIME:** Six to 12 months. For the purpose of this report, an exposure time of approximately nine months is considered appropriate

**INDICATED MARKETING TIME:** My appraised value estimates a marketing period similar to exposure time, or approximately nine months.

The valuation and this report are prepared in conformance with the Code of Professional Ethics and the Uniform Standards of Professional Practice (USPAP) as promulgated by the Appraisal Foundation. It is subject to the Certification, Assumptions and Limiting Conditions and Definitions contained in this report.

Thank you for this opportunity to be of service. If you have any questions regarding this appraisal report, please feel free to contact me.

Respectfully submitted,



Mark A. Smith  
*Certified General Appraiser #AG006537*



# **ADDENDA**

## CERTIFICATION

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

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

I 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 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*.

I have made a personal inspection of the property that is the subject of this report.

No one provided significant real property appraisal assistance to the person signing this certification.

The real estate that is the subject of this appraisal was valued as of May 27, 2014.



Mark A. Smith  
Certified General Appraiser #AG006537

Date: 05/30/2014

## ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report was prepared with the following basic assumptions.

1. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
2. No responsibility is assumed for the legal description or for matters including legal or title considerations such as title defects, liens, encroachments or overlapping boundaries. Title is assumed to be marketable and free and clear of all liens and encumbrances, easements, and restrictions except those specifically discussed in the report.
3. Responsible ownership and competent management are assumed.
4. Maps, plats and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose.
5. Soils engineering studies were not provided and it is assumed that there are no hidden or unapparent conditions which would render the subject more or less valuable. No responsibility is assumed for such conditions or for arranging engineering studies that may be required to discover them.
6. It is assumed that there are no environmental or ecological factors that would prevent orderly development of the land to its estimated Highest and Best Use or preclude continued Highest and Best Use of the improvements.
7. Neither all nor part of the contents of this report (especially any conclusions of value, the identity of the appraisers) shall be disseminated to the public through advertising, public relations, news, sales or other media without prior written consent of Mark A. Smith.
8. By reason of this appraisal, I am not required to give further consultation, testimony, or be in attendance in court with reference to the subject, unless arrangements have been previously made.
9. I assume no responsibility for economic or physical factors that may affect the opinions stated in this report that occurs at some date after the letter transmitting this appraisal report.
10. I have assumed the site is free and clear of any adverse easements or encroachments.

## ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

11. The identification of toxic or hazardous waste is beyond the expertise of the real estate appraisers. I recommend employment of a professional in that field to identify, quantify and/or dispose of any problems, if they exist.

12. The appraiser assumes no responsibility for any hazardous or toxic waste substance (including those that are on the site either underground or stored) and this appraisal assumes that there are no such influences unless otherwise stated within the body of this report. It should be understood that adverse toxic or hazardous waste conditions found on the site could dramatically impact the indicated value.

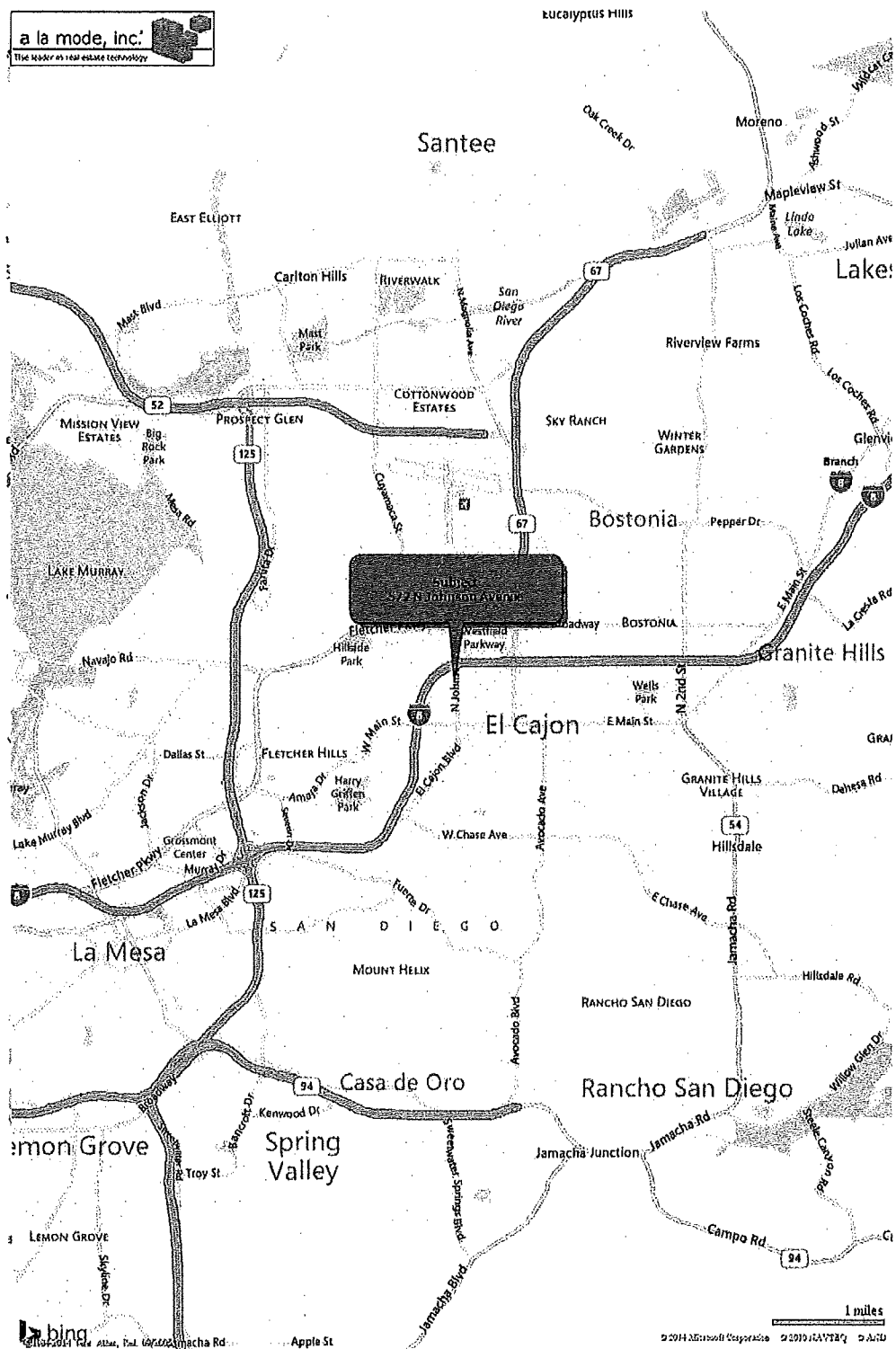
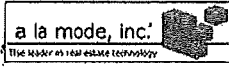
13. This is a *Restricted Use Report* which is intended to comply with the reporting requirements set fourth under Standard Rule 2-2 (c) of the Uniform Standards of Professional Appraisal Practice for a *Restricted Report*. As such, it does not include discussions of the data, reasoning, and analysis that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analysis is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report. The city of El Cajon is the only intended user of this report.

14. Lot size was obtained from Realist data source. It is recommended the sites be surveyed to confirm land areas prior to making any final decisions.

15. Certification Addendum: I have not performed any prior appraisal services regarding the subject property, as an appraiser, within the three (3) year period immediately preceding acceptance of this appraisal assignment.

16. This appraisal is subject to the following Extraordinary Assumptions: The value conclusion assumes an environmentally clean site. If the site is not clean, it would alter my final conclusion of value. The site in the past has been leased by several auto repair businesses. I have assumed the site has NOT been contaminated from the prior automotive repair users. Should the site be contaminated or have environmentally issues the opinion of value could be significantly less.

# LOCATION MAP

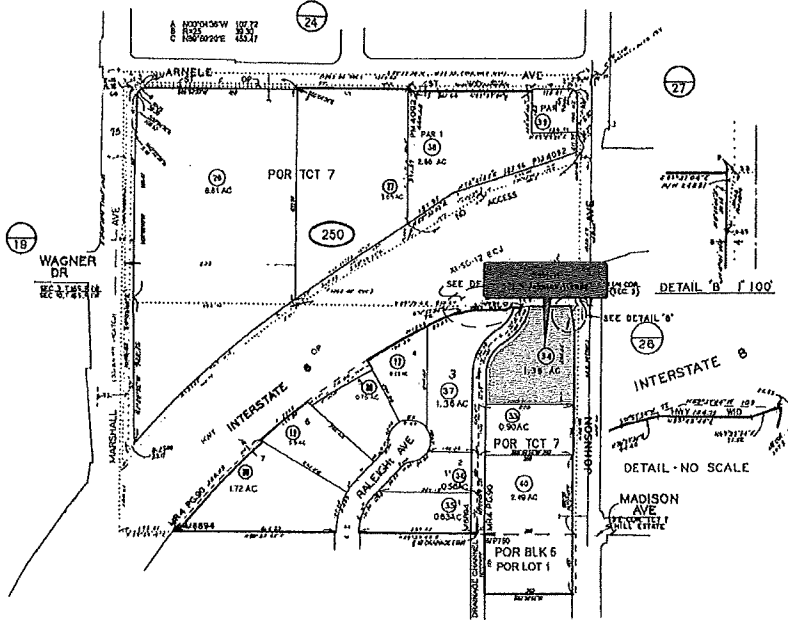


# PLAT MAP

03

482-250

482-25



SECTION

CHANGES		DATE	BY	REASON
NO.	DESCRIPTION			
1	ADD			
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3	ADD			
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50	ADD			

1" = 100'-00"

SAN DIEGO COUNTY  
 ASSESSOR'S MAP  
 BOOK 189 PAGE 28

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSURED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.

487/12

SHY 1

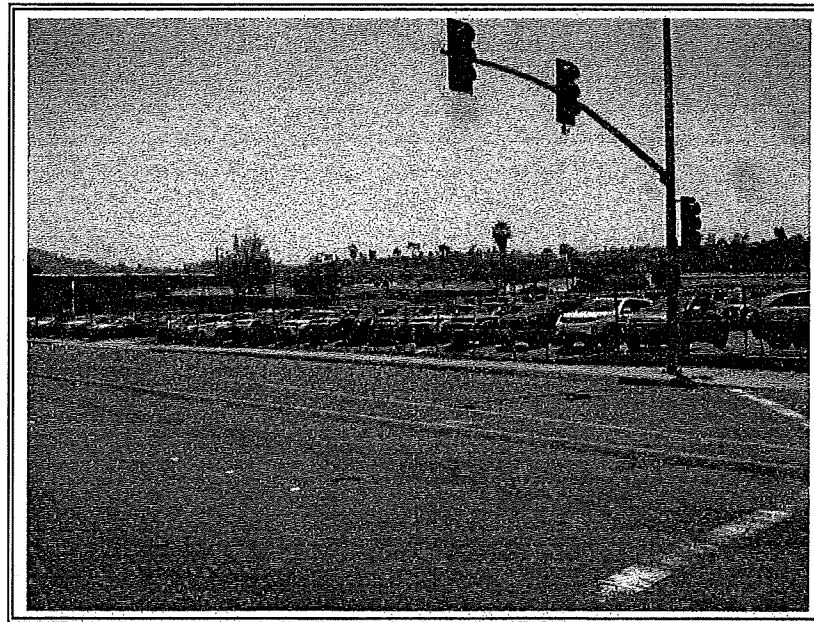
MAP 6894-VALLEY INDUSTRIAL PARK  
 MR 4-PG 90(CC 262)-HILL ESTATE IN RHO EL CAJON  
 MAP 750(LB 60)-RHO EL CAJON TRACTS E & F  
 ROS 9809

# SUBJECT PHOTOGRAPHS

May 26, 2014



Looking westerly toward the subject from N. Johnson Avenue.



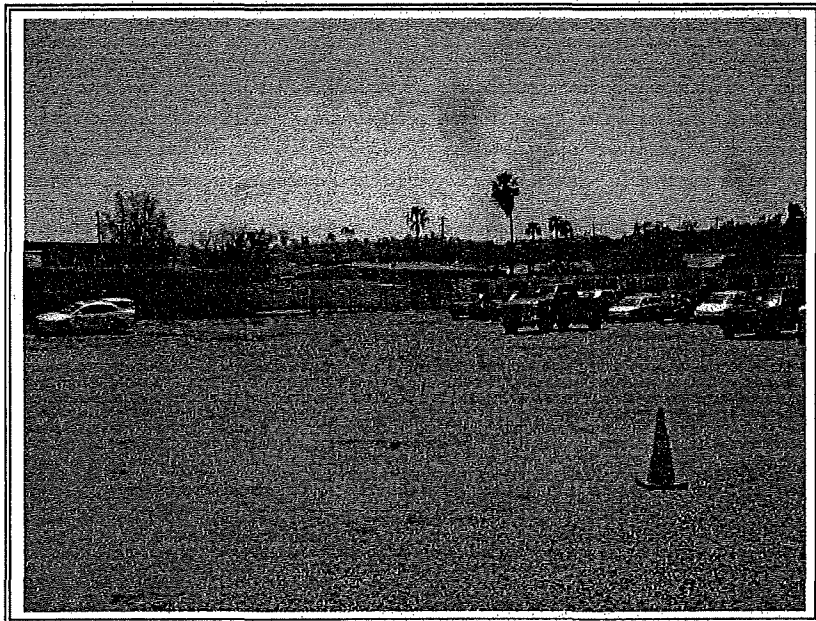
Looking southwesterly toward the subject from N. Johnson Avenue.

## SUBJECT PHOTOGRAPHS

May 26, 2014



Looking northwesterly toward the subject from N. Johnson Avenue.



Looking in a southwesterly direction over the subject site.



## SUBJECT PHOTOGRAPHS

May 26, 2014



Looking in an easterly direction over the subject site.



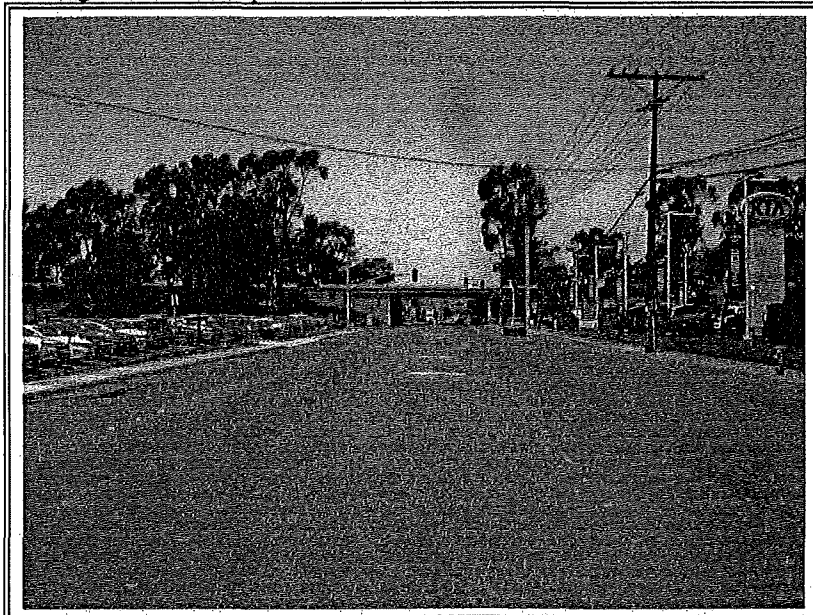
Looking in a westerly direction toward the Interstate 8 off-ramp and its intersection with Johnson Avenue. The subject is located on the left side of the picture.

## SUBJECT PHOTOGRAPHS

May 26, 2014



Looking in a southerly direction along N. Johnson Avenue from the intersection with the Interstate 8 off-ramp. The subject is located on the right side of the picture.

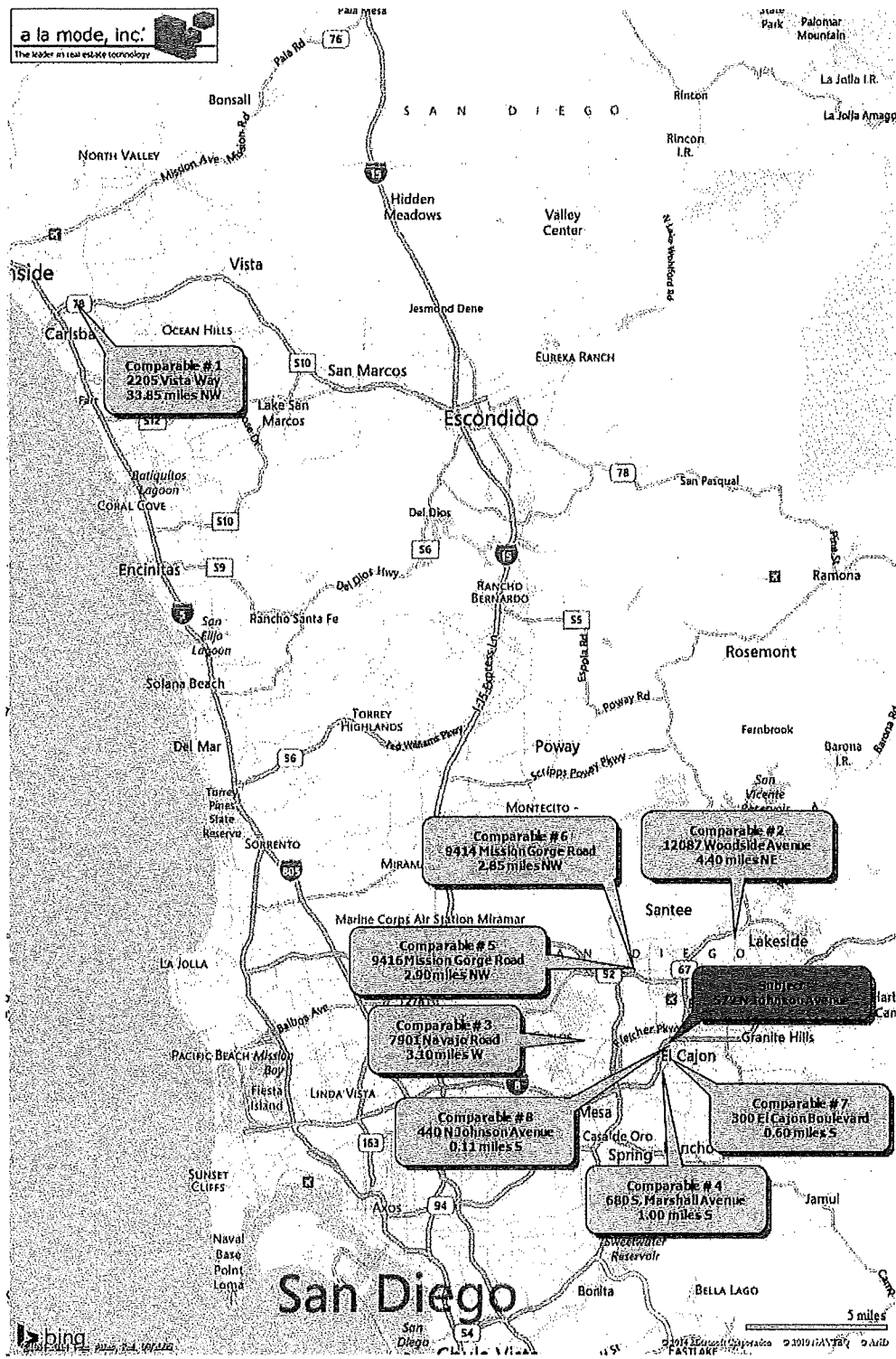


Looking in a northerly direction along N. Johnson Avenue. The subject is located on the left side of the picture.

SUBJECT PHOTOGRAPHS  
Undated Aerial Photograph



# LAND SALES LOCATION MAP



## **QUALIFICATIONS OF MARK A. SMITH, REAL ESTATE APPRAISER**

Company Name: Andrew A. Smith Company  
Mark A. Smith, Principal  
Office Address: 4215 Spring Street, Suite 225  
La Mesa, CA 91941  
Telephone: (619) 464-8844  
e-mail: [aasco@pacbell.net](mailto:aasco@pacbell.net)

### **EDUCATION**

B.S. (Real Estate) San Diego State University - 1985

Courses & Seminars Completed include:

- Apartment Appraisals
- Land Market & Real Estate Analysis
- Theory of Real Property Valuation
- The Appraiser as an Expert Witness
- Housing, Renewal & Real Estate Dynamics
- Principles of Planning
- Real Estate Appraisal Problems
- Uniform Standards of Professional Appraisal Practice
- Uniform Appraisal Standards for Federal Land Acquisitions
- Loss Prevention Seminar
- Residential Econometrics
- Federal and State Laws and Regulations Workshop
- Standards of Professional Practice, Part A
- Standards of Professional Practice, Part B
- Appraisal Procedures
- Capitalization Theory, Part A
- Capitalization Theory, Part B
- Real Estate Appraisal Principles
- Residential Valuation

### **APPRAISAL EXPERIENCE**

Real Estate Appraiser with Andrew A. Smith Company since December 1982, Principal since June of 1999. Properties appraised included large and small shopping centers, office buildings, improved and vacant industrial properties, residential subdivisions, large special purpose projects including school sites, freeway acquisitions, pipeline right-of-ways, major and minor leasehold, construction defects, partial interests, easements and leased fee interests, Federal land, single family, condominium and apartment projects, single family lots, vacant and rural land. Qualified as an Expert Witness, Superior Court.

### **STATE LICENSING & CERTIFICATION**

Certified General Appraiser No. AG 006537 by State of California

**CURRENT & PAST APPRAISAL CLIENTS OF THE ANDREW A. SMITH COMPANY**

**GOVERNMENT AGENCIES**

California Dept. of  
Transportation (Caltrans)  
Centre City Devel. Corporation  
(San Diego)  
City of El Cajon  
City of Oceanside  
City of San Diego  
County of Imperial  
County of San Diego

Department of Interior - Bureau of  
Indian Affairs  
Department of Interior - Bureau of  
Land Management  
Escondido Schools  
Federal Deposit Ins. Corporation  
Metropolitan Transit Dev. Board  
Otay Water District  
Rainbow Water District

San Diego City Schools  
San Diego County Water  
Authority  
San Diego Housing Commission  
San Diego Unified Port District  
U.S. Department of Justice  
U.S. Forest Service  
U.S. Navy  
U.S. Postal Service

**BANKS AND LENDERS**

Aetna Life  
Bank of America  
Banque Nationale de Paris  
California Bank & Trust  
Citicorp  
Community National Bank  
Countrywide  
Downey Savings  
Evangelical Christian Credit  
Union  
First Capital  
First Franklin  
First Western Mortgage  
Flagstar Bank

Greyhound Leasing  
Grossmont Fed. Credit Union  
Headlands Mortgage Company  
Keystone Asset Management, Inc.  
Los Padres Bank  
Mitsui Manufacturers  
Mortgage Guarantee Insurance Co.  
(M.G.I.C.)  
Nations Bank  
North American Mortgage Co.  
Norwest Mortgage  
Pacific Crest Bank  
Pacific Western Bank  
Public Schools Credit Union

Pacific National Bank  
Pacific Trust  
Redlands Thrift  
Security Business Bank of San  
Diego  
Standard Life of Portland  
State Savings & Loan Association  
Sunwest Bank  
Svenska Handelsbanken  
Transamerica  
Tokai Bank of California  
Union Bank  
Wells Fargo Bank  
Western Federal

**DEVELOPERS**

Aetna Life Insurance Company  
Allred-Collins  
Baldwin Corporation  
Burnham Pacific  
Carmel Mountain Ranch  
Carlton Santee Corporation

Davlyn  
Hallmark Communities  
Kaiser Aetna  
M.J. Brock Company  
Nexus Corporation  
Patrick Development

Penasquitos Properties  
Scudder, Stevens & Clark  
Shapell Industries  
Signal Landmark  
Sunroad  
Wilmark Development

**ATTORNEYS and  
ACCOUNTANTS**

Asaro & Keagy  
Burkley, Greenberg & Fields  
Charles Kellett, CPA  
Daley & Heft

Higgs Fletcher & Mack  
Gerbel & VanDamme  
Luce, Forward, Hamilton &  
Scripps  
McDougal Meloche Love & Eckis

Procopio Cory Hargreaves and  
Savitch  
Robert W. Stevens  
Thatcher & Hurst  
White and Robinson

**CORPORATIONS**

Arthur Anderson Company  
Prudential Relocation  
Bob Baker Enterprises  
Calmat  
Chevys  
Church of Jesus Christ  
of Latter-Day Saints  
Foodmaker, Inc.  
Ford Motor Company  
Fuller Ford  
GMAC

IBM  
Kaiser Foundation  
Kaiser Permanente  
La Jolla Country Club  
Mira Costa College  
Mobil Oil  
Outdoor Media Group  
San Diego Gas & Electric Co.  
San Diego Medical Center  
San Diego Pipeline Co.  
Santa Monica Hospital  
SECOR

Shadow Mountain Community  
Church  
Stanford University  
Sycuan Band of Mission Indians  
Taco Bell  
Thrifty Oil  
Trust for Public Land  
Shell/Texaco, Inc.  
ConocoPhillips (Unocal)  
University of San Diego  
USAir  
US Trust Company of CA