

BUSS-SHELGER ASSOCIATES

Real Estate Consultants

865 S. Figueroa Street, Suite 3338
Los Angeles, California 90017
Telephone: (213) 388-7272
Facsimile: (213) 388-5276
E-Mail: bussshelger@pacbell.net

October 10, 2014

Wildlife Conservation Board
1807 13th Street, Suite 103
Sacramento, California 95811

Attention: Mr. John Walsh
Senior Land Agent

Reference: Appraisal Review
282± Undeveloped Acres
Fillmore, Ventura County

Our File No. 4923-14

Mr. Walsh:

In response to your request, we have completed a review of the Appraisal Report noted above and herein convey pertinent comments, observations and conclusions, presented in conformance to the Uniform Standards of Professional Practice (USPAP) published by the Appraisal Foundation.

INTRODUCTORY COMMENTS

On September 23, 2014, Buss-Shelger Associates was engaged by Wildlife Conservation Board (WCB) to complete a "Desk Review" of the referenced Appraisal Report, which was prepared for WCB by Schenberger, Taylor, McCormick & Jecker Inc; signed by Todd O. Murphy, MAI, ARA, California State Certification No. AG002286. Initially a desk review was completed, subsequently a visual inspection of the subject property and the market data presented and analyzed was undertaken, this involves an investigation and analysis of sales comparison information to augment the analysis and conclusions presented in the Appraisal Report.

CONCLUSIONS

The Appraisal Report reviewed outlines a value conclusion based on the Sales Comparison Approach & Income Approach, stated as of July 23, 2014:

Fair Market Value 282.27± acres \$8,465,000

In light of the Scope of Review (presented on the next page) and other items subsequently discussed, it is my opinion that the Appraisal Report essentially conforms to the Uniform Standards of Professional Appraisal Practice (USPAP) and is internally consistent and complete, providing a supportable opinion of "as is" fee simple Market Value.

SCOPE OF REVIEW

The Appraisal Report previously noted was scrutinized in relation to factual information, general methodology, relevance of valuation methodology and market data, appropriateness and clarity of assumptions and analyses, and the reasonableness of conclusions for both the farmland and riverbed right-of-way. The reviewer focused on primary and substantive issues that directly affect the valuation process and resultant aggregate value estimate. A search for potential minor variations, discrepancies or departures in secondary, non-essential and/or format-related parameters was not belabored. The reviewer did inspect the subject property for this assignment, as well as the comparable market data presented in the Appraisal Report. A review of available public sources was made to verify basic information and comparable data input as set forth in the Appraisal Report; an independent search for additional market information was not made, due in part with extensive familiarity with the Newhall Land inventory for more than 30 years.

DOCUMENTS REVIEWED

The primary document reviewed is an Appraisal Report in narrative format prepared by Schenberger, Taylor, McCormick & Jecker, Inc., dated August 18, 2014. Public zoning and General Plan information, germane recorded public documents and germane general information contained in our files from prior and/or current appraisal assignments were part of the review process. It is noted that a Preliminary Title Report for the subject property was listed as an Addenda item in the Appraisal Report's Table of Contents.

DATE OF REVIEW

Completed October 10, 2014; inspected on October 9, 2014.

PURPOSE OF ASSIGNMENT

The reviewer's purpose is to confirm or deny the appropriateness and reasonableness of the analyses, opinions and conclusions set forth in the Appraisal Report.

INTENDED USER AND USE OF REVIEW

To the undersigned's knowledge, Wildlife Conservation Board will utilize this review related to the potential acquisition or leasing of the appraised property.

REVIEWER'S COMPETENCE

The undersigned is competent to complete this review as required by The Uniform Standards of Professional Practice (USPAP), both in terms of general and specific knowledge and experience in the subject locale as well as property type.

PERTINENT COMMENTS

Easements & Title Encumbrances

On pages 94 thru 101 the easements and encumbrances that are outlined in the Preliminary Title Report are listed. Each item has been discussed and the final conclusion is that the ranch remains readily useable for agricultural purposes is reasonable.

Market Comparables

On pages 184 & 185 the comparables are listed. Sales in the immediate area are very scarce; appraiser had to use sales dating as far back as 2011, as well as current listings. Adjustments were required due to the larger parcel of the subject; the adjustments are considered reasonable. The largest consideration for the agricultural land component is the availability of water; the Appraisal Report adjusted for this variable; adjustments for the type of soil were also a significant factor considered and allowed for. Both were addressed and properly recognized in the appraisal.

The market comparables for the River Corridor Land is located on page 198. These four sales are all to the Nature Conservancy. Sale No. 1 was a transfer for mitigation purposes, then donated to the Nature Conservancy. The data ranges from 40 acres to 770 acres; a very complete analysis was made and the market value of \$1,250 per acre was very well documented.

Income Valuation

Page 210 lists the Market Rent Survey for agricultural land; none of the comparable rents involved watercress production acreage. The review of income and expenses per acre for row crops and herbs was a very good adjustment index.

Other Components

The following listed sections of the Appraisal Report have been reviewed and found adequately addressed in light of information mandated by USPAP. The appraiser's conclusions are considered logical and adequately supported by the data and analysis presented in the Appraisal Report.

- Valuation Assignment
- Market Area
- Subject Property (includes Highest and Best Use)
- Valuation Technique and Analysis
- Value Conclusion

CONCLUSION

Based on the review and site inspection completed, it is my opinion that the value conclusion as stated at \$8,465,000 in the Appraisal Report is reasonable. In view of all factors considered, the aggregate opinion of fair market value conveyed in the Appraisal Report is not contested. It is realized that within the industry that opinions of value on the same property can vary as much as 10% and still be considered reasonable; nevertheless the opinions expressed are properly supported. The preponderance of value is in the Agricultural land, the data varies widely from \$24,193 to \$90,653 per acre for holdings ranging in size from 25 to 317 acres. The relationship of each data point to the subject acreage is proposed, addressed and unitized.

The land lease rental concluded to is based on actual market rates, this likewise is considered realistic. The income analysis is of interest, having significant adjustments were required, consequently less weight was placed on this study, appropriately so.

CERTIFICATION

The following applies to the review of an appraisal report by Schenberger, Taylor, McCormick & Jecker, LLC (Todd O. Murphy, MAI, ARA) as of July 23, 2014 which addressed 282.27 acres of combined farmland and riverbed known as the "Beserra Ranch" in Fillmore, Ventura County, California.

- The undersigned reviewer certifies that he has personally inspected the property described herein for the purpose of this review. He has no direct or indirect interest in or bias with respect to the subject property, or personal interest of bias toward the parties involved.
- The reported analyses, opinions and conclusions are the personal, unbiased professional opinions, and conclusions of the undersigned; employment in this review is not in any manner contingent upon developing or reporting predetermined results or otherwise contingent upon anything other than the delivery of this report.
- This review assignment was not based upon a requested minimum valuation, a specific valuation or the approval of a loan.
- To the best of the reviewer's knowledge and belief, all of the statements contained herein, upon which the opinions and conclusions expressed are based, are true and accurate; that no one provided appraisal review assistance to the individual signing this certification.
- The reviewer's compensation is not contingent on an action or event resulting from the analyses, opinions or conclusions in this desk review or from its use.
- The reviewer's analysis, opinions, and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation.

Respectfully submitted,

BUSS-SHELGER ASSOCIATES



Ronald L. Buss, MAI