



WARD LEVY

APPRAISAL GROUP INC

APPRAISAL REVIEW OF:

Golden Gate Fields
1100 Eastshore Highway
Berkeley/Albany, CA

Prepared by Tamara Spokane, MAI and G. Michael Yovino-Young, MAI, ASA, FRICS

Dates of Value of April 1, 2026 and April 1, 2027

Report Date of August 28, 2026

APPRAISAL REVIEW DATE:

April 30, 2026



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Santa Rosa, CA 95401
(707) 575-7778
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August 31, 2026

Ms. Jessica Davenport
San Francisco Bay Area Regional Manager
California State Coastal Conservancy
1515 Clay Street, 10th Floor
Oakland, CA 94612-1401
(510) 286-1015

RE: Golden Gate Fields
1100 Eastshore Highway
Berkeley/Albany, CA

Dear Ms. Davenport:

As requested by you, I have prepared an appraisal review of the above referenced property per the scope of the assignment. The appraisal report date is August 28, 2026 and the dates of value are April 1, 2026 and April 1, 2027. The first date of value represents the market value of the Fee Simple interest "as is" while the second represents the value upon completion of improvement demolition. The appraisal review date (date of inspection by the reviewer) is April 30, 2026 and the review report date is August 31, 2026. The report was prepared by Tamara Spokane, MAI and G. Michael Yovino-Young, MAI, ASA, FRICS.

The intended users of the appraisal review are the California Coastal Conservancy and Wildlife Conservation Board. The intended use is to assist in determining compliance with the 2024 Uniform Standards of Professional Appraisal Practice (USPAP) and the 2012 Combined Coastal Conservancy and Department of General Services (DGS) Environmental Appraisal Specifications (except as noted in the Reviewer's Scope of Work).

The property appraised is commonly known as the Golden Gate Fields, a horse racing track and facility straddling both the cities of Albany and Berkeley. It opened in 1947 as a racetrack facility, closing operations in June 2024. Improvements are at the end of their economic life. The property is situated along the eastern shore of the San Francisco Bay, and directly west of Interstate 80/580. The subject site offers direct, unobstructed views of the San Francisco Bay and the Golden Gate Bridge.

The property contains five parcels, one within the City of Berkeley with a zoning designation Specific Plan (SP), and four in Albany zoned Waterfront (WF). The General Plan designations are Waterfront/Marina (Berkeley), and Commercial Recreational (Albany). The total site area is ~162 acres, with ~130 acres of surface land, and ~32 acres of submerged land.

The purpose of the appraisal report was to determine the market value of the Fee Simple interest in the entire property subject to its current highest and best use without any

hypothetical conditions in addition to the prospective market value of the Fee Simple interest in the subject property one year in the future whereupon the improvements are assumed to be removed (Upon Completion), as follows:

Value Conclusions			
Date of Value	Premise	Interest Appraised	Value
04/01/26	As Is	Fee Simple	\$155,000,000
04/01/27	Upon Completion	Fee Simple	\$175,000,000

This appraisal review contains no extraordinary assumptions or hypothetical conditions. The appraisal report under review is subject to the following Extraordinary Assumptions and Hypothetical Conditions:

Extraordinary Assumptions
- We have relied on acreages for each subject parcel reported in parcel records and relied on the acreages of the uplands and submerged land as reported by TPL and the property owner and these are assumed to be accurate. The legal boundaries of the subject property are assumed to be accurate and are sufficient for the purposes of this appraisal. - This appraisal utilizes the extraordinary assumption that the subject is delivered as vacant land and will be cleared of all existing above ground structural improvements that include the horse track, grandstand, stables, and related improvements at the sole cost of the seller, as specified under the Option Agreement dated February 10, 2026. If any changes are made to these assumptions, we reserve the right to alter our opinions and conclusions. This appraisal further assumes that the estimated cost for demolition of the above ground infrastructure of \$20,000,000 is reasonable and that any additional costs are the sellers responsibility. - The scope of the seller's demolition estimated at \$20,000,000 does not include demolition of some site improvements such as asphalt parking areas or other subterranean infrastructure. Therefore, we assume that additional demolition costs for these items might be required in order to create a development site consistent with the estimated highest and best use. - We reviewed and relied on a Phase I Environmental Site Assessment prepared by Amicus-Strategic Environmental Consulting (Amicus), dated January 16, 2026. This report states that based on a review of historic information and the site reconnaissance described in the ESA, no REC or environmental conditions likely to compromise future property uses were identified. We therefore assume that the site is reasonably clear and clean of environmental and historical contamination. - We assume that per the Option Agreement dated February 10, 2026, Seller will provide, under the terms of an Environmental Conditions Holdback Agreement, a fixed amount that will be held in a post-closing escrow account and applied toward the remediation costs of known environmental conditions. Per the Option Agreement, the Environmental Conditions Holdback will cover costs that may be incurred by EBRPD with respect to any and all post-Closing environmental remediation and other environmental conditions or matters with respect to the Property, including but not limited to costs associated with the ten-year Pollution Legal Liability (PLL) policy such as the cost of the policy premium, the cost of any five-year renewal premium, and deductible costs; the cost to remediate known environmental conditions on the Property not covered by the PLL; and EBRPD's cost to perform further investigation and physical testing after Close of Escrow, but before the conclusion of the PLL coverage period. - The component values and wetlands analysis is based on the extraordinary assumption that it is feasible that the subject site can be subdivided based on lot line adjustments to create separate and salable legal parcels for each zone of use.
Hypothetical Conditions
None



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Respectfully submitted,

A handwritten signature in blue ink that reads "Howard R. Levy".

Howard R. Levy, MAI, AI-GRS
California General Certified Appraiser
BREA License Number AG003852
Expiration: August 30, 2026

TABLE OF CONTENTS

APPRAISAL EXECUTIVE SUMMARY	1
IDENTIFICATION OF APPRAISAL PROBLEM	3
REVIEW APPRAISER'S QUALIFICATIONS	4
REVIEWER'S SCOPE OF WORK	5
APPRAISAL SUMMARY	6
COMPLIANCE WITH STANDARDS.....	7
REVIEWER'S ANALYSIS	8
APPRAISAL METHODS	8
ADEQUACY AND QUALITY OF APPRAISAL.....	8
SPECIALTY INTERESTS	8
DATA QUALITY	8
BASIS OF VALUE	8
APPRAISAL CREDIBILITY	8
AREAS OF DISAGREEMENT.....	8
CONTACT WITH APPRAISER	8
CHANGED CIRCUMSTANCES	10
STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS	11
CERTIFICATION OF HOWARD R. LEVY, MAI, AI-GRS	12
QUALIFICATIONS OF HOWARD R. LEVY, MAI, AI-GRS.....	13

APPRAISAL EXECUTIVE SUMMARY

Property Identification	
Property Name	Golden Gate Fields
Property Type	Sport & Entertainment
Address	1100 Eastshore Highway
City, State, Zip	Berkeley/Albany, CA
County	Alameda
Census Tract	3480.00
Site	
Number of Parcels	5
Assessor's Parcel Numbers	060-2535-001-02, 066-2680-003-001, 066-2680-003-07, 066-2686-016-00 & 066-2686-017
Total Land Area	<u>Acres</u>
Gross	162
Submersed	32
General Plan Designation	Waterfront/Marina & Commercial Recreational
Zoning	Specific Plan & Waterfront
Shape	Irregular
Topography	Level
Flood Zone	Flood Zone X, Flood Panel Number 06001COO18H, dated December 21, 2018, is defined as areas outside the 100- and 500-year floodplain. Flood insurance is not required in Zone X. Portions of the subject land extend into zones A and V, and these areas do require flood insurance. Zone V is for Coastal areas with a 1% or greater chance of flooding and an additional hazard associated with storm waves. These areas have a 26% chance of flooding over the life of a 30-year mortgage. No base flood elevations are shown within these zones.
Panel #	06001COO18H
Panel Date	12/21/2018
Improvements	

Golden Gate Fields was primarily used for horse racing and special events that included the operation of a horse racing track, stables, and support facilities. It is owned and was operated by the Stronach Group, one of the largest horse racing companies in North America. The horse track is a one-mile oval-shaped track with a turf course of seven furlongs.

The track also includes a grandstand and clubhouse, located at the elevated "Fleming Point" portion of the main Albany parcel. The grandstand features several banquet rooms, dining and entertainment areas and concession kiosks. All interior personal property has been auctioned off since the race track facility closed in June 2024, according to the site manager.

The clubhouse and restaurant feature direct, unobstructed views of the Golden Gate Bridge and San Francisco. The grandstand improvements contain an estimated 175,000 square feet of area, however much is open air and not fully enclosed. The condition and quality of these improvements is currently below average and at the end of their economic life. The buildings are weathered and have deferred maintenance especially since the track has now been closed for nearly two years.

Highest and Best Use As Vacant & As Improved

The conclusion of the highest and best use of the property, as improved and as vacant, is for redevelopment with a mix of commercial recreation use and open space. The highest and best use would likely include the creation of a joint masterplan between the two cities that provides a minimum of 50% dedicated open space, (perhaps 70-75% on the Albany parcel) with 27 acres of commercial use to be developed on the Albany parcel.

Any proposed development should generally stay within the existing building footprints in order to promote and preserve public access to coastal areas of the site. A hotel with a convention center and event space with public recreational uses would likely gain support from both Cities and the community, as well as support from the BCDC and the East Bay Regional Park District. A hotel component would optimize the view amenity, generate revenue for the City of Albany for the schools, and maximize the value of the underlying land.

An alternate use that gained both public and jurisdictional support in the past is for a Life Science, research institute or educational campus, again with a minimum open space requirement of 50%.

A mix of use with the right group of parties that supports and promotes public recreational use, open space, but also is income generating would get public support and gain a passing vote under Measure C. Alternatively, a commercial recreational use which is legal under the current zoning ordinances with a residential component, similar to the phased redevelopment of the Alameda Naval base, would be considered a legal use. This would not likely require a public vote, given recent examples where new state housing laws that promote housing development, prevail over local zoning jurisdictions.

Value Conclusions

<u>Valuation Scenarios</u>	<u>Date</u>	<u>Value Perspective</u>	<u>Interest Appraised</u>	<u>Value</u>
As Is	April 1, 2026	Current	Fee Simple	\$155,000,000
As Complete	April 1, 2027	Prospective	Fee Simple	\$175,000,000

Extraordinary Assumptions

- We have relied on acreages for each subject parcel reported in parcel records and relied on the acreages of the uplands and submerged land as reported by TPL and the property owner and these are assumed to be accurate. The legal boundaries of the subject property are assumed to be accurate and are sufficient for the purposes of this appraisal.
- This appraisal utilizes the extraordinary assumption that the subject is delivered as vacant land and will be cleared of all existing above ground structural improvements that include the horse track, grandstand, stables, and related improvements at the sole cost of the seller, as specified under the Option Agreement dated February 10, 2026. If any changes are made to these assumptions, we reserve the right to alter our opinions and conclusions. This appraisal further assumes that the estimated cost for demolition of the above ground infrastructure of \$20,000,000 is reasonable and that any additional costs are the sellers responsibility.
- The scope of the seller's demolition estimated at \$20,000,000 does not include demolition of some site improvements such as asphalt parking areas or other subterranean infrastructure. Therefore, we assume that additional demolition costs for these items might be required in order to create a development site consistent with the estimated highest and best use.
- We reviewed and relied on a Phase I Environmental Site Assessment prepared by Amicus-Strategic Environmental Consulting (Amicus), dated January 16, 2026. This report states that based on a review of historic information and the site reconnaissance described in the ESA, no REC or environmental conditions likely to compromise future property uses were identified. We therefore assume that the site is reasonably clear and clean of environmental and historical contamination.
- We assume that per the Option Agreement dated February 10, 2026, Seller will provide, under the terms of an Environmental Conditions Holdback Agreement, a fixed amount that will be held in a post-closing escrow account and applied toward the remediation costs of known environmental conditions. Per the Option Agreement, the Environmental Conditions Holdback will cover costs that may be incurred by EBRPD with respect to any and all post-Closing environmental remediation and other environmental conditions or matters with respect to the Property, including but not limited to costs associated with the ten-year Pollution Legal Liability (PLL) policy such as the cost of the policy premium, the cost of any five-year renewal premium, and deductible costs; the cost to remediate known environmental conditions on the Property not covered by the PLL; and EBRPD's cost to perform further investigation and physical testing after Close of Escrow, but before the conclusion of the PLL coverage period.
- The component values and wetlands analysis is based on the extraordinary assumption that it is feasible that the subject site can be subdivided based on lot line adjustments to create separate and salable legal parcels for each zone of use.

Hypothetical Conditions

- None

IDENTIFICATION OF APPRAISAL PROBLEM

The property appraised is commonly known as the Golden Gate Fields, a horse racing track and facility straddling both the cities of Albany and Berkeley. It opened in 1947 as a racetrack facility, closing operations in June 2024. Improvements are at the end of their economic life. The property is situated along the eastern shore of the San Francisco Bay, and directly west of Interstate 80/580. The subject site offers direct, unobstructed views of the San Francisco Bay and the Golden Gate Bridge.

The property contains five parcels, one within the City of Berkeley with a zoning designation Specific Plan (SP), and four in Albany zoned Waterfront (WF). The General Plan designations are Waterfront/Marina (Berkeley), and Commercial Recreational (Albany). The total site area is ~162 acres, with ~130 acres of surface land, and ~32 acres of submerged land.

The purpose of the appraisal report was to determine the market value of the Fee Simple interest in the entire property subject to its current highest and best use without any hypothetical conditions in addition to the prospective market value of the Fee Simple interest in the subject property one year in the future whereupon the improvements are assumed to be removed.

The purpose of the appraisal review is different from the appraisers in that the clients, intended use, intended users and methodology are not the same.

Appraisal Client:	Trust for Public Land
Review Client:	California State Coastal Conservancy
Appraisal Intended Use:	To provide the market value of the subject land to assist with the client's due diligence with regard to a potential acquisition and funding in conformity with the 2024 Uniform Standards of Professional Appraisal Practice (USPAP) and the State of California's guidelines. The latter is assumed to be primarily the Department of General Services (DGS) Appraisal Specifications (Revised January 1, 2008).
Review Intended Use:	To assist in determining compliance with the 2024 Uniform Standards of Professional Appraisal Practice (USPAP) and the 2012 Combined Coastal Conservancy and Department of General Services (DGS) Environmental Appraisal Specifications (except as noted in the Reviewer's Scope of Work).
Appraisal Intended Users:	The Trust for Public Land (TPL), East Bay Regional Park District (EBRPD), State Coastal Conservancy, Wildlife Conservation Board, California Natural Resources Agency, the property ownership, as well as other potential

	purchasers, financiers and the California State Department of General Services (DGS).
Review Intended Users:	California Coastal Conservancy and Wildlife Conservation Board
Appraisal Methodology:	The appraisal was prepared in conformity with the current Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and with the understanding of the State of California's guidelines.
Review Methodology:	The review was prepared to in conformity with the 2024 Uniform Standards of Professional Appraisal Practice (USPAP) and the February 2023 Wildlife Conservation Board Appraisal Review and Disclosure Policy (except as noted in the Reviewer's Scope of Work).
Report Appraiser:	Tamara Spokane, MAI and G. Michael Yovino-Young, MAI, ASA, FRICS
Reviewer:	Howard R. Levy, MAI, AI-GRS
Appraisal Inspection Date:	April 1, 2026
Review Inspection Date:	April 30, 2026
Appraisal Dates of Value:	April 1, 2026 and April 1, 2027
Appraisal Report Date:	August 28, 2026
Review Report Date:	August 31, 2026

REVIEW APPRAISER'S QUALIFICATIONS

The reviewer has nearly 40 years of experience that includes preparation of appraisal reviews, narrative, form and oral appraisal reports on unimproved lands, conservation easements, single and multi-family residential developments, affordable housing, PUD subdivisions, professional and medical office buildings, retail buildings, shopping centers, light and heavy industrial buildings, restaurants, senior care facilities, funeral homes, resorts, lodging, movie theaters, feasibility and marketability analysis for lending, sale, estate, legal and eminent domain purposes. The reviewer has qualified as an expert witness before the Superior Court of California and the United States Bankruptcy Court.

The reviewer has prepared numerous reports pursuant to USPAP, DGS, WCB, and SCC standards for local nonprofit land conservation organizations (e.g., Mendocino Land Trust, Sonoma Land

Trust and LandPaths) and has reviewed appraisals prepared by others under those standards. Reviews have been prepared for the Sonoma County Agricultural and Open Space District for many decades, including as the District's primary reviewer for the past five years. Most recently, the reviewer has assisted the District in modernizing its appraisal guidelines to align with DGS standards more closely.

The reviewer has completed two narrative appraisal reviews for the WCB in recent years: Coyote Valley Landscape Linkage Expansion (Santa Clara County) and Camatta Ranch (San Luis Obispo County) that involved inspection and preparation of narrative reviews evaluating whether the appraisal reports complied with USPAP, WCB, and DGS standards.

Please refer to the complete Qualifications of Howard R. Levy, MAI, AI-GRS contained at the end of the review.

REVIEWER'S SCOPE OF WORK

A review of an appraisal is intended to determine if the appraisal report leads the reader to a logical and reasonable conclusion of the indicated value by means determined by the adequacy and appropriateness of the data, as well as the analysis leading to the final value. The review process falls under Standard 3 of the Uniform Standards of Professional Appraisal Practice (USPAP) and utilizes the February 2023 Wildlife Conservation Board Appraisal Review and Disclosure Policy for structure.

Though the reviewer does not provide an opinion of value, inspection of the comparable sales or independent verification of the data included in the appraisal report, the review is considered a credible assignment result in accordance with USPAP Standards Rule 3-1(c). The review involves a complete reading of the appraisal with an eye toward determining whether the appraisal utilizes typical methodology and techniques for the interest appraised and type of property. Logic, communication skills, reasonableness of assumptions and lack of mathematical and typographical errors are analyzed. Inspection of the subject property, surroundings and the appraisal's description of both have provided sufficient background for the intended use.

In addition, the scope of the review is intended to determine whether the appraisal report (and any subsequent revisions) conform to the December 19, 2012, Combined Coastal Conservancy and Department of General Services (DGS) Environmental Appraisal Specifications.

The reviewer inspected the subject property, including the exterior and interior of a representative sample of the improvements, on April 30, 2026 per the client's request. A one-hour tour was provided by Amanda Howard, Venue Manager at Golden Gate Fields, who is employed by the owner, Golden Gate Land Holdings LLC. Photographs were taken and retained in the reviewer's work file. No obvious differences between the appraisal's descriptions and the reviewer's own observations were noted. The appraiser was to be contacted by the reviewer as part of the amended scope of assignment if questions arose.

APPRAISAL SUMMARY

The appraisal report was professionally written, thorough and indicates a good command of the subject market's attributes that are of importance to the most probable buyer.

The front end of the report contains all of the USPAP required reporting elements in good detail that fully explains relevant area, neighborhood and market analysis, exposure time, title report exceptions, zoning, general plan land use designation, site characteristics and improvement summary. The report provides a USPAP compliant Certification, Purpose, Report and Value Dates, Intended User and Uses and Competency sections.

The subject is comprised of ~162-acres of land, of which ~130-acres are dry surface and ~32-acres are submerged. It is presently improved with a closed horse racing track, stables, parking, storage and living facilities. The improvements are concluded to have no future value and are to be demolished pursuant to the current option agreement between the owner and the Trust for Public Land.

The highest and best use (HABU) analysis is extensive, particularly concerning interviews with past and present city, county and state officials as well as other parties with knowledge of the subject's history. This duplicates exactly the approach the most probable buyer would utilize to determine what would be legally possible for such a highly visible and controversial potential development site. There is also a thorough analysis of the somewhat complicated split zoning/land use designation due to the fact that the subject is within two cities. The maximally productive HABU of the site, as vacant, is for redevelopment with a mix of commercial recreation use and a minimum of 50% dedication open space. The improvements are of no contributory value and thus, this represents the HABU as improved as well.

Valuation of the land utilizes a standard Sales Comparison approach with the addition of a secondary analysis valuing the various subject zones of potential uses.

Sales Comparison Approach: Nine comparable sales are detailed and utilized to develop a market value opinion of the entire subject ~162 acres. The sales include properties in Northern and Southern California that are pending or have sold in the recent past that would appeal to the same most probable buyer as the subject. The sales range from \$65M - \$540M or \$15 - \$63 PSF. Site sizes range from 51 – 433 acres. The comparable properties include other sports-related complexes, a former golf course, raceway, office park, amusement park and utility sub-station. These include what appear to be properties with very similar potential HABUs as the subject and development timelines. Two sales of defunct horse racing facilities are added for support.

Quantitative adjustments to the sale prices are made for supportable differences between the subject and comparable sales, including property rights, immediate expenditures, view/waterfront and size/scale. The adjusted unit prices range from a narrower \$28 - \$53 PSF. A concluded unit value of \$32 PSF is reconciled within the narrative discussion by placing most weight on the most similar sales. This indicates a site value of \$181,520,000.

The subject also has 32-acres of submerged land that is incorporated as a contributory value to the previous \$32 PSF conclusion that made adjustment for waterfront location and view amenity and based on methodology supported by an Appraisal Institute Journal analysis. Direct sales of submerged land were reportedly not available.

The total land value conclusion via the Sale Comparison Approach is \$181,520,000.

Component Values: A secondary and supporting analysis was provided as a check on the Sales Comparison Approach indication. Each component, or zone of value, is valued as though it was a standalone parcel. The different components are outlined on page 106 and include ~57 acres of developable upland areas, 32 acres of submerged land, 17 acres of open space and 56 acres of a potential wetlands mitigation bank.

The ~57-acre uplands portion is valued utilizing direct sales comparison to other Bay Area sites sold in the recent past that would include a similar potential housing or campus development. These sales range from \$49 - \$110 PSF. The narrative discussion is utilized to support the \$60-\$66 PSF conclusion. Open Space sales range from \$2.21 - \$12.75 PSF and are utilized in the narrative discussion to support a \$5 PSF subject unit value. A more limited narrative discussion of the potential wetlands area is utilized to support a wetlands unit value of \$11.07 PSF and is supported later in the report by a wetlands mitigation bank credit sales market study and discounted cash flow analysis.

The sum of component value conclusions is a gross aggregate retail value and is further discounted to reflect that they are part of a larger whole, to account for legal, holding and sale costs, as well as developer's profit. The resultant component value analysis is \$167,750,000.

Land Value Reconciliation: The two valuation methods indicate \$181,520,000 and \$167,750,000, respectively, and \$175,000,000 is concluded by placing most weight on the more reliable Sales Comparison Approach.

As Is Value: The demolition of the "vertical infrastructure" is estimated in the improvement description to be \$20M and includes all costs, permits, contingencies and profit and are subtracted from the land value to arrive at the \$155,000,000 subject market value of the fee simple interest as is.

COMPLIANCE WITH STANDARDS

The appraisal complies with the 2024 Uniform Standards of Professional Appraisal Practice (USPAP) in full. The December 19, 2012 Combined Coastal Conservancy and Department of General Services (DGS) Environmental Appraisal Specifications contains a definition of market value that conflicts with the DGS Appraisal Specifications definition. This is more fully explained in the "Contact with the Appraiser" section below. The appraiser's scope of assignment was to utilize the DGS definition while the reviewer's scope utilizes the Combined Specification definition. There is no way to reconcile this conflict as the appraiser has a different client that requires compliance with DGS only.

There are no other known applicable State standards violated.

REVIEWER'S ANALYSIS

The appraiser's analysis, methodology, adequacy, data quality, basis of value, and credibility are all more than adequate in the reviewer's experience and indicate a very good command of the transactions and participants in the subject's market area. It is clear from the narrative that the appraiser has an excellent grasp of the political influencers that will determine what is legally permissible. The comparable write-ups indicate a very thorough confirmation of the attributes important to market participants. Comparable sales were checked for mathematical errors and continuity between tables, write-ups and narrative with no errors observed. The well-written report and excellent set of comparables gives the reader confidence that the somewhat subjective conclusions of unit values are supported by logic and expertise.

APPRAISAL METHODS

The appraisal's methodology is more than adequate to replicate the motivation of the most probable buyer. The Sales Comparison Approach is best representative of the market and the check utilizing the Component Values section adds support and increases the reliability of the methodology.

ADEQUACY AND QUALITY OF APPRAISAL

Addressed in Reviewer's Analysis.

SPECIALTY INTERESTS

There are no timber, minerals, water or other specialty interests. The submerged land zone of value is for the land under the water and the air space over it, not the water itself.

DATA QUALITY

Addressed in Reviewer's Analysis.

BASIS OF VALUE

Addressed in Appraisal Summary.

APPRAISAL CREDIBILITY

Addressed in Reviewer's Analysis.

AREAS OF DISAGREEMENT

There are no areas of disagreement.

CONTACT WITH APPRAISER

The amended scope of the review assignment included contact with the appraiser. Questions

and comments were emailed to the appraiser on May 29, 2026. This was followed up with a phone conversation and subsequent revised report dated June 1, 2026. Additional revisions were made subsequently based on comments from DGS that resulted in no market value changes. The most recent revision report date is August 28, 2026.

My discussion with the appraiser involved the following issues that resulted in changes to the appraisal. None of the changes were materially significant.

- 1) The original appraisal report contained no discussion of implied dedication, prescriptive rights, occupancy rights, or other unrecorded easements within the report (Specifications #31). *The appraiser noted this oversight and the revised appraisal report contains compliant verbiage on page 20.*
- 2) Recent conversations with DGS review appraisers indicate that they are looking more closely at the impact of future sea level rise, when the property is projected to be underwater sometime in the foreseeable future and to detail market participants' reaction to the projected rise. Page 19 contained sufficient discussion of sea level rise for the intended use, but it was unclear if this will adequately address the DGS requirements. *The appraiser added additional comments on sea level rise on page 19 that will hopefully satisfy DGS reviewers.*
- 3) The comparable sale sheets within the Component Value section don't technically meet the requirements (Specifications #23). The lack of a formal write-up for these secondary comparables is adequate for the intended use, but DGS may require them to be in the same format as the Sales Comparison Approach section. *The appraiser agreed that formal write-ups for these secondary comparables were unnecessary and thus, no changes were made.*
- 4) The definition of market value in the Combined specifications is different from the one utilized by DGS. The Combined specifications utilizes a "most probable" price definition while the DGS specifications utilize the California Code of Civil Procedures Section 1263.320 definition which incorporates the term "highest price." The appraisal utilizes the DGS "highest price" definition but also included reference to other market value definitions. DGS appraisal reviewers have stated in the past that they do not accept reports that contain any market value definition other than the one specified within their regulations. It is unclear whether the mere reference to the other market value definitions would conflict with this policy. *Regardless, the appraiser deleted any reference to other market value definitions to avoid confusion (page 25). However, the market value definition now conflicts with the Combined Specifications definition. This is unavoidable and it is outside the scope of the assignment to try to reconcile the conflict.*
- 5) The difference between the two definitions may or may not result in a different market value and determining whether the difference, if any, is material is outside the scope of the appraisal and review assignments.
- 6) The prospective future value assumes the subject will be delivered as vacant land and "will be clear of all existing above ground structural improvements." On page 63 the

report defines this as “demolition of the above ground vertical infrastructure.” The option agreement, as summarized on page 21, implies that the seller will additionally remove all “above-ground infrastructure.” There are many acres of paving that are in poor condition that need to be removed as part of any re-development projected under the HABU and it was unclear whether this is part of the demolition budget. *The appraiser clarified in our phone conversation that the buyer and seller have agreed that the parking lot improvements are to remain. Language was added to page 22 that made this clearer. Furthermore, the appraiser reiterated that the prospective market value assumes that only the parking lot improvement will remain.*

- 7) There was no description of the easement that is comprised of the public coastal trail that separates the improved property from the Bay. Did the easement allow crossing by the owner of the subject property? If not, would this impact the market value? *The appraisal now clarifies that the subject property retained a right to cross the public coastal trail easement. This was clarified on page 20.*
- 8) The report stated that wetlands were not observed (page 19). The reviewer observed what appears to be wetlands of ~2.5 acres along the northeast corner of the site along Buchanan Street that is several feet below the road and parking lot surfaces. This contradiction would have no impact upon market value given that the same paragraph states that wetlands “are understood to be present along Buchanan Street” and that HABU calls for at least 50% open space. *The appraiser clarified and added revised language on page 19 that stated wetlands were in fact observed and this was accounted for in the market value determination.*
- 9) The appraised interest is fee simple. There is a cellular tower leased by Verizon Wireless through 2034. The income from the tower is immaterial to the entire market value and thus, was not analyzed further in the original appraisal. The interest appraised should still technically be leased fee, though identifying it as such would have no impact upon the HABU or market value. The report lacks the engagement document so it was unclear whether the scope of the appraiser’s assignment included a fee simple analysis only. *The revised appraisal now adds language on page 12 that clarifies that the scope of the assignment was to determine the market value of the fee simple interest and there would be no material difference had the leased fee interest been referenced.*

CHANGED CIRCUMSTANCES

The date of the as is value is April 1, 2026 and the review report date is August 31, 2026. The reviewer is unaware of any circumstances arising after the date of value that would materially change the appraiser’s conclusions.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal review is for no purpose other than to assist the client and intended users pursuant to the Scope of Work, and the review appraiser is neither qualified to nor attempting to go beyond that narrow scope.

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

The analysis, opinions and conclusions presented in this review were based solely on the data contained in the referenced appraisal report, which was presumed reliable for any factual subject information, unless otherwise noted within the review. It was also assumed that no material errors in the data nor undisclosed conditions of the property or the marketplace exist that would be apparent only from additional extensive research.

The review appraiser assumes all Extraordinary Assumptions and Hypothetical Conditions utilized in the reviewed appraisal are valid and reasonable for the Reviewer's Scope of Work and Assignment Conditions. If any of the Extraordinary Assumptions and Hypothetical Conditions are void the values may significantly change.

There are no requirements, by reason of this appraisal review, to give testimony or appear in court or any pretrial conference or appearance required by subpoena with reference to the property in question, unless agreed to previously by the reviewer, sufficient notice is given to allow adequate preparation and additional fees are paid by the client at our regular rates for such appearances and the preparation necessitated thereby.

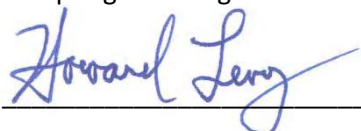
This review report is made for the information and/or guidance of the client, and possession of this review report, or a copy thereof, does not carry with it the right of publication. Neither all nor any part of the contents of this review report shall be conveyed to the public through advertising, public relations, news, sales or other media without the written consent and approval of the reviewer, except as noted in the Wildlife Conservation Board Appraisal Review and Disclosure Policy (Amended March 2013 and February 2023). Nor shall the reviewer, firm or professional organization of which the appraisers are members be identified without the written consent of Ward Levy Appraisal Group, Inc.

It is suggested that those who possess this review report should not give copies to others. Legal advice should be obtained on potential liability issues before this is done. Anyone who gives out an incomplete or altered copy of the review report (including all attachments), does so at his/her own risk and assumes complete liability for any harm caused by giving out an incomplete or altered copy. Neither the appraisers nor Ward Levy Appraisal Group, Inc. assumes any liability for harm caused by reliance upon an incomplete or altered copy of the review report given out by others.

CERTIFICATION OF HOWARD R. LEVY, MAI, AI-GRS

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial unbiased professional analyses, opinions, and conclusions.
3. 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.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. 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 estimate, a requested minimum valuation, a specific valuation, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. My analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.
7. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
8. My engagement in this appraisal assignment was not contingent upon developing or reporting predetermined results.
9. I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant professional assistance to the person signing this report.
11. This appraisal review conforms to the 2024 Uniform Standards of Professional Appraisal Practice (USPAP) and the February 2023 Wildlife Conservation Board Appraisal Review and Disclosure Policy (except as noted in the Scope of the Assignment).
12. I meet all the requirements of the Competency Provision of the current Uniform Standards of Professional Appraisal Practice (USPAP).
13. As of the date of this report, I have completed the requirements under the continuing education program of the Appraisal Institute.
14. I have not performed or provided any services regarding this property in the three years prior to accepting this assignment.



Howard R. Levy, MAI, AI-GRS
State of California Certified
General Real Estate Appraiser
OREA License Number AG003852
Expiration: August 30, 2028

QUALIFICATIONS OF HOWARD R. LEVY, MAI, AI-GRS

Education

University of Wisconsin - Madison

- Master of Science, Real Estate Appraisal and Investment Analysis
- Bachelor of Business Administration, Finance

Appraisal Experience

Of counsel to Ward Levy Appraisal Group, Inc., an independent real property valuation services firm (2017 – Present)

President of Ward Levy Appraisal Group, Inc., an independent real property valuation services firm (2014 – 2016)

President of Howard Levy Appraisal Group, Inc., formerly Hornsby Levy Appraisal Group, Inc., an independent real property valuation and right of way acquisition services firm (2002 – 2014)

Senior Appraisal Associate with the independent real property valuation and right of way acquisition services firm of G.F. Hornsby and Associates in Santa Rosa, California (1995 – 2002)

Associate Appraiser with the independent real property valuation firm of Crocker Hornsby in Santa Rosa, California (1988 – 1995)

Associate Appraiser with the independent real property valuation firm of William L. Hafner, MAI, in Santa Rosa, California (1987 – 1988)

Thirty-nine years of experience that includes preparation of appraisal reviews, narrative, form and oral appraisal reports on unimproved lands, conservation easements, single and multi-family residential developments, affordable housing, PUD subdivisions, professional and medical office buildings, retail buildings, shopping centers, light and heavy industrial buildings, restaurants, senior care facilities, funeral homes, resorts, lodging, movie theaters, feasibility and marketability analysis for lending, sale, estate, legal and eminent domain purposes.

Qualified as an expert witness before the Superior Court of California and the United States Bankruptcy Court.

Most recently prepared reviews of appraisals of the fee simple interest and conservation easements for the CA Wildlife Conservation Board, State Coastal Conservancy, Sonoma Land Trust and the Sonoma County Agricultural Preservation and Open Space District.

Professional Membership

Designated Member of the Appraisal Institute (MAI)
Appraisal Institute General Review Specialist (AI-GRS)
Continuing Education Requirements Completed

Licensure

California Certified General Real Estate Appraiser, License AG003852, Expires August 30, 2026