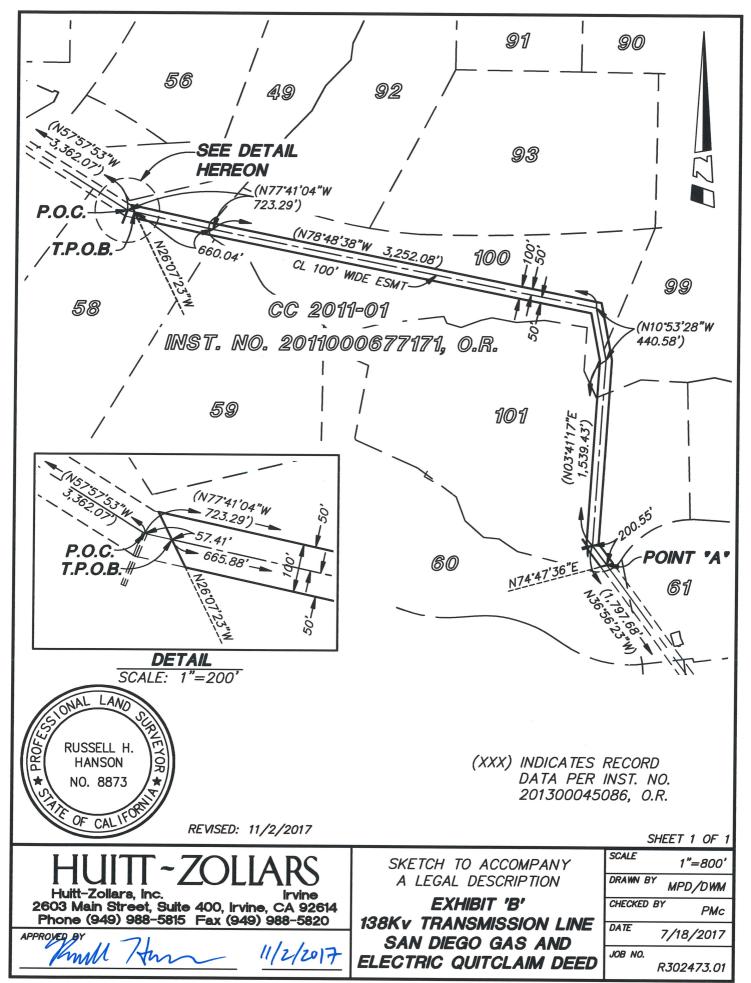
EXHIBIT A LEGAL DESCRIPTION FOR THE PROPERTY



R: \R30247301 \CADD \MAPPING \DWG \EX \30247301 JEX03.DWG



HUITT-ZOLLARS, INC. = 2603 Main Street = Suite 400 = Irvine, CA 92614-4250 = 949.988.5815 phone = 949.988.5820 fax = huitt-zollars.com

R302473.01 07-21-17 Revised 11-02-17

EXHIBIT A LEGAL DESCRIPTION 138Kv TRANSMISSION LINE SAN DIEGO GAS & ELECTRIC QUITCLAIM DEED

Being a portion of Parcels 58, 99, 100 and 101 of Certificate of Compliance CC 2011-01, in the Unincorporated Territory of the County of Orange, State of California, recorded December 27, 2011 as Instrument No. 2011000677171 of Official Records, in the office of the County Recorder of said County, included within a strip of land, 100.00 feet in width, the centerline of said strip, being described as follows:

Commencing at the Northwesterly terminus of that certain course along the centerline of the Easement granted to San Diego Gas & Electric, recorded July 29, 2013 as Instrument No. 2013000450856 of said Official Records, described as having a bearing and distance of "North 77°41'04" West 723.29 feet" in said Easement Deed; thence along said centerline South 77°41'04" East 57.41 feet to the TRUE POINT OF BEGINNING; thence continuing along said centerline, the following five (5) courses: South 77°41'04" East 665.88 feet, South 78°48'38" East 3252.08 feet, South 10°53'28" East 440.58 feet, North 03°41'17" East 1539.43 feet, and South 36°56'23" East 200.55 feet to a point hereinafter referred to as Point "A".

The sidelines of said strip of land shall be lengthened or shortened so as to originate on a line bearing North 26°07'23" West, through said TRUE POINT OF BEGINNING and terminate Southerly on a line bearing North 74°47'36" East, through said Point "A".

Containing an area of 609,851 square feet (14.000 acres), more or less.

Subject to covenants, conditions, reservations, restrictions, rights-of-way and easements, if any, of record.

As shown on Exhibit B attached hereto and by this reference made a part hereof.

Knull

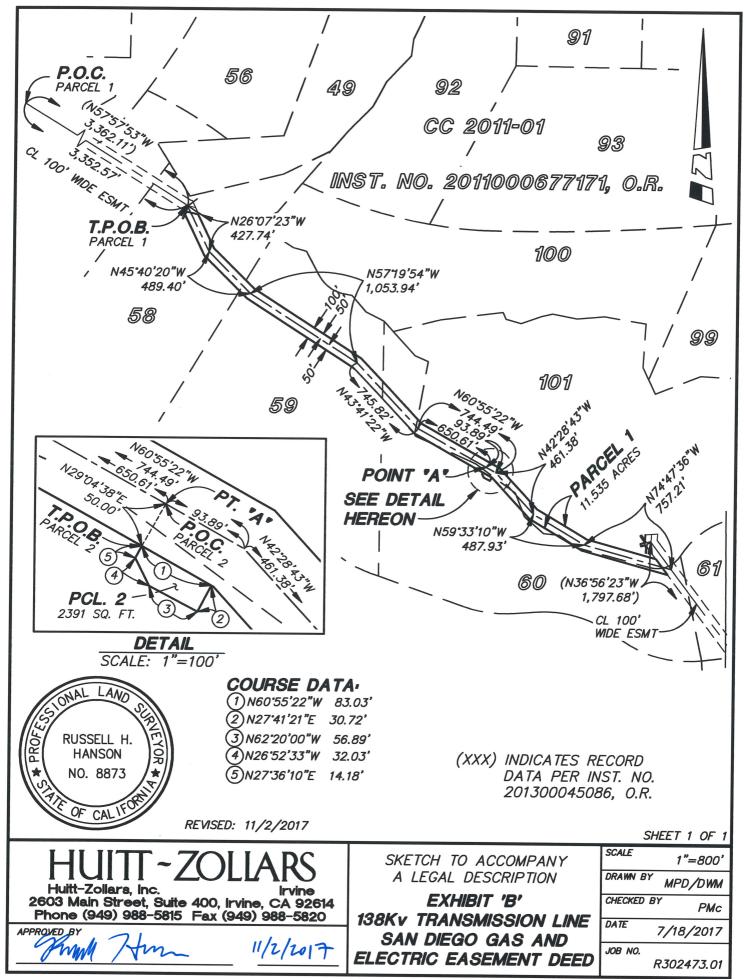
RUSSELL H. HANSON, PLS 8873



r/R302473.01/a/l/SDGE-Quitclaim/zk/hpm

(SK) PCF

EXHIBIT B LEGAL DESCRIPTION FOR THE NEW EASEMENT



R: \R30247301 \CADD \MAPPING \DWG \EX \30247301 JEX04.DWG



HUITT-ZOLLARS, INC. • 2603 Main Street • Suite 400 • Irvine, CA 92614-4250 • 949.988.5815 phone • 949.988.5820 fax • huitt-zollars.com

R302473.01 07-21-17 Revised 11-02-17

EXHIBIT A LEGAL DESCRIPTION 138Kv TRANSMISSION LINE SAN DIEGO GAS & ELECTRIC EASEMENT DEED

Parcel 1:

Being a portion of Parcels 58, 59, 60 and 101 of Certificate of Compliance CC 2011-01, in the Unincorporated Territory of the County of Orange, State of California, recorded' December 27, 2011 as Instrument No. 2011000677171 of Official Records, in the office of the County Recorder of said County, included within a strip of land, 100.00 feet in width, the centerline of said strip being described as follows:

Commencing at the Northwesterly terminus of that certain course along the centerline of the Easement granted to San Diego Gas & Electric recorded July 29, 2013 as Instrument No. 2013000450856 of said Official Records, described as having a bearing and distance of "North 57°57'53" West 3362.11 feet" in said Easement Deed; thence along said centerline South 57°57'53" East 3352.57 feet to the TRUE POINT OF BEGINNING; thence leaving said centerline South 26°07'23" East 427.74 feet; thence South 45°40'20" East 489.40 feet; thence South 57°19'54" East 1053.94 feet; thence South 43°41'22" East 745.82 feet; thence South 60°55'22" East 650.61 feet to a point hereinafter referred to as Point "A"; thence continuing South 60°55'22" East 492.93 feet; thence South 74°47'36" East 757.21 feet to said centerline of said Easement to San Diego Gas & Electric.

EXCEPTING therefrom any portion of said Easement to San Diego Gas & Electric, recorded July 29, 2013 as Instrument No. 2013000450856 of said Official Records.

ALSO EXCEPTING therefrom any portion of the Easement to San Diego Gas & Electric, recorded May 14, 1993 as Instrument No. 93-0326646 of said Official Records.

Containing an area of 502,469 square feet (11.535 acres), more or less.

Parcel 2:

N 64 PCF

That portion of Parcel 60 of Certificate of Compliance CC 2011-01, in the Unincorporated Territory of the County of Orange, State of California, recorded

EXHIBIT A LEGAL DESCRIPTION-CONTINUED 138Kv TRANSMISSION LINE SAN DIEGO GAS & ELECTRIC EASEMENT DEED PAGE 2 R302473.01 07-21-17 Revised 11-02-17

December 27, 2011 as Instrument No. 2011000677171 of Official Records, in the office of the County Recorder, which is described as follows:

Commencing at Point "A" as described in Parcel 1 herein above; thence South 29°04'38" West 50.00 feet to a point on the Southwesterly sideline of Parcel 1 as described herein above, said point being the TRUE POINT OF BEGINNING; thence along said Southwesterly sideline South 60°55'22" East 83.03 feet; thence leaving said Southwesterly sideline South 27°41'21" West 30.72 feet; thence North 62°20'00" West 56.89 feet; thence North 26°52'33" West 32.03 feet to a line bearing North 27°36'10" East and passing through said TRUE POINT OF BEGINNING; thence North 27°36'10" East 14.18 feet to the TRUE POINT OF BEGINNING.

Containing an area of 2,391 square feet, more or less.

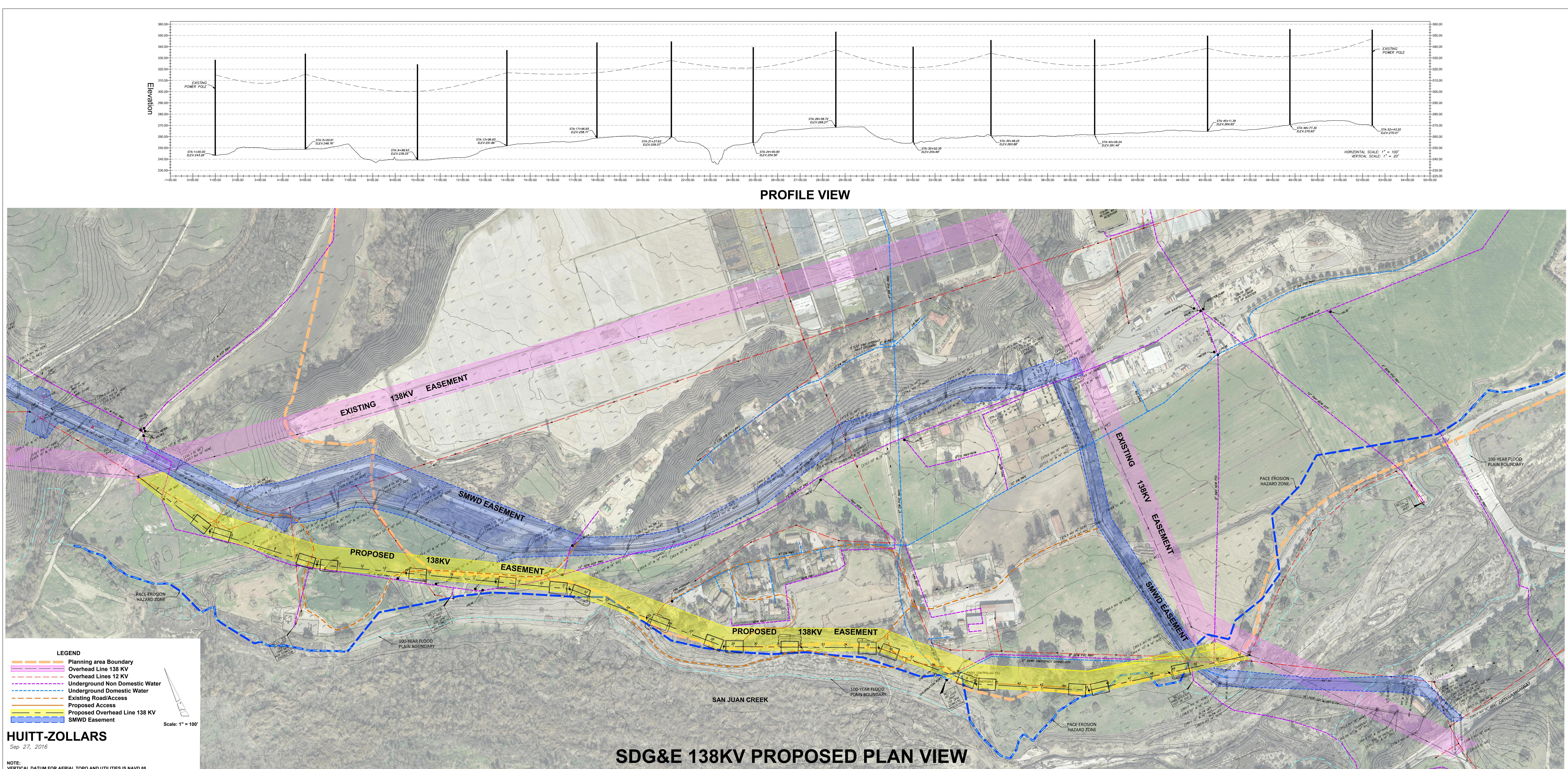
Subject to covenants, conditions, reservations, restrictions, rights-of-way and easements, if any, of record.

As shown on Exhibit B attached hereto and by this reference made a part hereof.

RUSSELL H. HANSON, PLS 8873



EXHIBIT C MAP OF PROPOSED CONSTRUCTION AREA



VERTICAL DATUM FOR AERIAL TOPO AND UTILITIES IS NAVD 88

			— — — 360 — — — 350 — — — 350
		EXISTING POWER POLE	— — — 3 40 —
			— — — 320 —
			— — — 3 10 —
			— — — 3 00 —
			— — — 290 —
STA: 45+11.39		~	
ELEV: 264.65'	STA: 48+77.30 ELEV: 270.60'	STA: 52+43.20 ELEV: 270.01'	
			<u>-</u> 260
	+ +	HORIZONTAL SCALE: $1" = 100'$ VERTICAL SCALE: $1" = 20'$	250 240
· · · · · · · · · · · · · · · · · · ·			

EXHIBIT D SDG&E MOST RECENT QUARTERLY BALANCE SHEET AND INCOME STATEMENT

SAN DIEGO GAS & ELECTRIC COMPANY BALANCE SHEET ASSETS AND OTHER DEBITS June 2019

	1. UTILITY PLANT	 2019
101	UTILITY PLANT IN SERVICE	19,619,106,406
102	UTILITY PLANT PURCHASED OR SOLD	279,422
104	UTILITY PLANT LEASED TO OTHERS	85,194,000
105	PLANT HELD FOR FUTURE USE	-
106	COMPLETED CONSTRUCTION NOT CLASSIFIED	-
107	CONSTRUCTION WORK IN PROGRESS	1,331,811,773
108	ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT	(5,831,497,519)
111	ACCUMULATED PROVISION FOR AMORTIZATION OF UTILITY PLANT	(970,771,465)
114	ELEC PLANT ACQUISITION ADJ	3,750,722
115	ACCUM PROVISION FOR AMORT OF ELECTRIC PLANT ACQUIS ADJ	(1,875,360)
118	OTHER UTILITY PLANT	1,421,081,651
119	ACCUMULATED PROVISION FOR DEPRECIATION AND	
	AMORTIZATION OF OTHER UTILITY PLANT	(294,975,553)
120	NUCLEAR FUEL - NET	 -
	TOTAL NET UTILITY PLANT	\$ 15,362,104,077
	2. OTHER PROPERTY AND INVESTMENTS	
	NONUTILITY PROPERTY	\$ 6,030,597
	NONUTILITY PROPERTY ACCUMULATED PROVISION FOR DEPRECIATION AND	\$
122	NONUTILITY PROPERTY ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION	\$ (326,049)
122 158	NONUTILITY PROPERTY ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION NON-CURRENT PORTION OF ALLOWANCES	\$
122 158 123	NONUTILITY PROPERTY ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION NON-CURRENT PORTION OF ALLOWANCES INVESTMENTS IN SUBSIDIARY COMPANIES	\$ (326,049)
122 158 123 124	NONUTILITY PROPERTY ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION NON-CURRENT PORTION OF ALLOWANCES INVESTMENTS IN SUBSIDIARY COMPANIES OTHER INVESTMENTS	\$ (326,049)
121 122 158 123 124 125	NONUTILITY PROPERTY ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION NON-CURRENT PORTION OF ALLOWANCES INVESTMENTS IN SUBSIDIARY COMPANIES OTHER INVESTMENTS SINKING FUNDS	\$ (326,049) 179,048,887 - - -
122 158 123 124 125 128	NONUTILITY PROPERTY ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION NON-CURRENT PORTION OF ALLOWANCES INVESTMENTS IN SUBSIDIARY COMPANIES OTHER INVESTMENTS SINKING FUNDS OTHER SPECIAL FUNDS	\$ (326,049) 179,048,887 - - 1,043,513,735
22 58 23 24 25	NONUTILITY PROPERTY ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION NON-CURRENT PORTION OF ALLOWANCES INVESTMENTS IN SUBSIDIARY COMPANIES OTHER INVESTMENTS SINKING FUNDS	\$ (326,049) 179,048,887 - - -

SAN DIEGO GAS & ELECTRIC COMPANY BALANCE SHEET ASSETS AND OTHER DEBITS June 2019

3. CURRENT AND ACCRUED ASSETS			
			2019
131	CASH	\$	2,860,276
132	INTEREST SPECIAL DEPOSITS		-
134	OTHER SPECIAL DEPOSITS		-
135	WORKING FUNDS		500
136	TEMPORARY CASH INVESTMENTS		-
141	NOTES RECEIVABLE		-
142	CUSTOMER ACCOUNTS RECEIVABLE		318,126,079
143	OTHER ACCOUNTS RECEIVABLE		90,582,463
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS		(3,548,137)
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES		8,379
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES		68,283
151	FUEL STOCK		-
152	FUEL STOCK EXPENSE UNDISTRIBUTED		-
154	PLANT MATERIALS AND OPERATING SUPPLIES		129,599,967
156	OTHER MATERIALS AND SUPPLIES		-
158	ALLOWANCES		194,528,538
158	LESS: NON-CURRENT PORTION OF ALLOWANCES		(179,048,887)
163	STORES EXPENSE UNDISTRIBUTED		-
164	GAS STORED		494,932
165	PREPAYMENTS		99,492,879
171	INTEREST AND DIVIDENDS RECEIVABLE		2,441,315
173	ACCRUED UTILITY REVENUES		59,393,000
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS		3,700,000
175	DERIVATIVE INSTRUMENT ASSETS		281,650,453
175	LESS: LONG -TERM PORTION OF DERIVATIVE INSTRUMENT		
	ASSETS		(237,997,006)
	TOTAL CURRENT AND ACCRUED ASSETS	\$	762,353,034

4. DEFERRED DEBITS

181 182 183 184 185 186 188 189 190	UNAMORTIZED DEBT EXPENSE UNRECOVERED PLANT AND OTHER REGULATORY ASSETS PRELIMINARY SURVEY & INVESTIGATION CHARGES CLEARING ACCOUNTS TEMPORARY FACILITIES MISCELLANEOUS DEFERRED DEBITS RESEARCH AND DEVELOPMENT UNAMORTIZED LOSS ON REACQUIRED DEBT ACCUMULATED DEFERRED INCOME TAXES	\$ 36,846,107 2,023,647,009 579,012 197,589 415,459 94,826,562 - 5,554,654 184,223,970
	TOTAL DEFERRED DEBITS	\$ 2,346,290,362
	TOTAL ASSETS AND OTHER DEBITS	\$ 19,937,011,649

SAN DIEGO GAS & ELECTRIC COMPANY BALANCE SHEET LIABILITIES AND OTHER CREDITS

June 2019

5. PROPRIETARY CAPITAL	
	2019
201 COMMON STOCK ISSUED 204 PREFERRED STOCK ISSUED	\$ 291,458,395
207 PREMIUM ON CAPITAL STOCK 210 GAIN ON RETIRED CAPITAL STOCK	- 591,282,978 -
211 MISCELLANEOUS PAID-IN CAPITAL	479,665,368
214 CAPITAL STOCK EXPENSE	(24,605,640)
216 UNAPPROPRIATED RETAINED EARNINGS	5,006,693,883
219 ACCUMULATED OTHER COMPREHENSIVE INCOME	(10,726,122)
TOTAL PROPRIETARY CAPITAL	\$ 6,333,768,862
6. LONG-TERM DEBT	
221 BONDS	\$ 5,158,409,000
223 ADVANCES FROM ASSOCIATED COMPANIES	-
224 OTHER LONG-TERM DEBT	-
225 UNAMORTIZED PREMIUM ON LONG-TERM DEBT 226 UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	- (12,600,846)
	(12,000,040)
TOTAL LONG-TERM DEBT	\$ 5,145,808,154
7. OTHER NONCURRENT LIABILITIES	
227 OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT	\$ 1,359,061,068
228.2 ACCUMULATED PROVISION FOR INJURIES AND DAMAGES	26,366,766
228.3 ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS 228.4 ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS	220,352,888
244 LONG TERM PORTION OF DERIVATIVE LIABILITIES	78,054,691
230 ASSET RETIREMENT OBLIGATIONS	861,823,336
TOTAL OTHER NONCURRENT LIABILITIES	\$ 2,545,658,749

SAN DIEGO GAS & ELECTRIC COMPANY BALANCE SHEET LIABILITIES AND OTHER CREDITS June 2019

8. CURRENT AND ACCRUED LIABILITES	 2019
NOTES PAYABLE ACCOUNTS PAYABLE NOTES PAYABLE TO ASSOCIATED COMPANIES ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES CUSTOMER DEPOSITS TAXES ACCRUED INTEREST ACCRUED DIVIDENDS DECLARED TAX COLLECTIONS PAYABLE MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES OBLIGATIONS UNDER CAPITAL LEASES - CURRENT DERIVATIVE INSTRUMENT LIABILITIES LESS: LONG-TERM PORTION OF DERIVATIVE LIABILITIES DERIVATIVE INSTRUMENT LIABILITIES - HEDGES	\$ 18,500,000 456,358,521 - 95,805,530 81,171,399 2,565,747 43,720,431 - 5,433,725 102,217,217 332,031,710 127,502,230 (78,054,691) -
TOTAL CURRENT AND ACCRUED LIABILITIES	\$ 1,187,251,819
9. DEFERRED CREDITS	
CUSTOMER ADVANCES FOR CONSTRUCTION OTHER DEFERRED CREDITS OTHER REGULATORY LIABILITIES ACCUMULATED DEFERRED INVESTMENT TAX CREDITS UNAMORTIZED GAIN ON REACQUIRED DEBT ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED ACCUMULATED DEFERRED INCOME TAXES - PROPERTY ACCUMULATED DEFERRED INCOME TAXES - OTHER	\$ 72,639,005 347,064,735 2,461,589,323 15,096,623 - 1,682,256,508 145,877,871
TOTAL DEFERRED CREDITS	\$ 4,724,524,065
TOTAL LIABILITIES AND OTHER CREDITS	\$ 19,937,011,649

Data from SPL as of September 17, 2019

		SAN DIEGO GAS	& ELECTRIC COMPANY		
	Ι	Jur	a 30, 2019		
(a)	Amounts and Kinds of Stock Authorized:				
	Common Stock		255,000,000	shares	Without Par Value
	Amounts and Kinds of Stock Outstanding:				
	Common Stock		116,583,358	shares	291,458,395
(b)	Brief Description of Mortgage:				
()	Full information as to this item is given in Applic	ation Nos. 93-09-069, 04-01-	009, 06-05-015, 08-07-029, 10	-10-023, 12-03-005, 15-08-0	011, and 18-02-012 to
	which references are hereby made.				
(c)	Number and Amount of Bonds Authorized and	d Issued:			
()		Nominal	Par Value		
		Date of	Authorized		Interest Paid
		Date of	Authonized		(update required in Q4' 20xx) as of Q4' 2018
	First Mortgage Bonds:	Issue	and Issued	Outstanding	as 01 Q4 2010
	5.875% Series VV, due 2034	06-17-04	43,615,000	43,615,000	2,562,288
	5.875% Series WW, due 2034	06-17-04	40,000,000	40,000,000	2.349.915
	5.875% Series XX, due 2034	06-17-04	35,000,000	35,000,000	2.056.175
	5.875% Series YY, due 2034	06-17-04	24,000,000	24,000,000	1,409,949
	5.875% Series ZZ, due 2034	06-17-04	33,650,000	33,650,000	1,976,866
	4.00% Series AAA, due 2039	06-17-04	75,000,000	75,000,000	3,000,000
	5.35% Series BBB, due 2035	05-19-05	250,000,000	250,000,000	13.375.000
	6.00% Series DDD. due 2026	06-08-06	250,000,000	250,000,000	15,000,000
	1.65% Series EEE, due 2018	09-21-06	161,240,000	0	1,330,230
	6.125% Series FFF, due 2037	09-20-07	250,000,000	250,000,000	15,312,500
	6.00% Series GGG, due 2039	05-14-09	300,000,000	300,000,000	18,000,000
	5.35% Series HHH, due 2040	05-13-10	250,000,000	250,000,000	13,375,000
	4.50% Series III, due 2040	08-26-10	500,000,000	500,000,000	22,500,000
	3.00% Series JJJ, due 2021	08-18-11	350,000,000	350,000,000	10,500,000
	3.95% Series LLL, due 2041	11-17-11	250,000,000	250,000,000	9,875,000
	4.30% Series MMM, due 2042	03-22-12	250,000,000	250,000,000	10,750,000
	3.60% Series NNN, due 2023	09-09-13	450,000,000	450,000,000	16,200,000
	1.9140% Series PPP, due 2023	03-12-15	250,000,000	42,951,382	2.905.194
	2.50% Series QQQ, due 2026	05-12-15	500,000,000	500,000,000	12,500,000
	3.75% Series RRR, due 2020	06-08-17	400,000,000	400,000,000	15,000,000
	4.15% Series SSS, due 2048	05-15-18	400,000,000	400,000,000	8,207,778
	4.10% Series TTT, due 2049	05-31-19	400,000,000	400,000,000	1,366,667
	Total First Mortgage Bonds:	05-51-19	400,000,000	5.094.216.382	1,300,007
				0,004,210,002	100,002,002
	Unsecured Bonds:				
	5.30% CV96A, due 2021	08-02-96	0		
	5.50% CV96B, due 2021	11-21-96	0	0	(
	4.90% CV97A, due 2023	10-31-97	0	0	
	Total Unsecured Bonds	10-31-31	0	0	0
	Total Bondo				
	Total Bonds:				199,552,562
	TOTAL LONG-TERM DEBT			5,094,216,382	

SAN DIEGO GAS & ELECTRIC COMPANY STATEMENT OF INCOME AND RETAINED EARNINGS June 2019

1. UTILITY OPERATING INCOME

400 401 402 403-7 408.1 409.1 410.1 411.1 411.4 411.6	OPERATING REVENUES OPERATING EXPENSES MAINTENANCE EXPENSES DEPRECIATION AND AMORTIZATION EXPENSES TAXES OTHER THAN INCOME TAXES INCOME TAXES PROVISION FOR DEFERRED INCOME TAXES PROVISION FOR DEFERRED INCOME TAXES PROVISION FOR DEFERRED INCOME TAXES - CREDIT INVESTMENT TAX CREDIT ADJUSTMENTS GAIN FROM DISPOSITION OF UTILITY PLANT	\$ 1,469,111,361 89,123,550 352,548,807 78,147,625 65,959,749 50,863,516 (80,008,070) (526,493) -	\$	2,425,498,209
				\$2,025,220,045
	NET OPERATING INCOME		\$	400,278,164
	2. OTHER INCOME AND DEDUCTIONS			
415 417 417.1 418 418.1 419 419.1 421 421.1 421.2 425	REVENUE FROM MERCHANDISING, JOBBING AND CONTRACT WORK REVENUES OF NONUTILITY OPERATIONS EXPENSES OF NONUTILITY OPERATIONS NONOPERATING RENTAL INCOME EQUITY IN EARNINGS OF SUBSIDIARIES INTEREST AND DIVIDEND INCOME ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION MISCELLANEOUS NONOPERATING INCOME GAIN ON DISPOSITION OF PROPERTY TOTAL OTHER INCOME LOSS ON DISPOSITION OF PROPERTY MISCELLANEOUS AMORTIZATION	\$ (2,530,873) 17,070 14,170,634 28,871,657 291,919 - 40,820,407	-	
425 426	MISCELLANEOUS AMORTIZATION MISCELLANEOUS OTHER INCOME DEDUCTIONS TOTAL OTHER INCOME DEDUCTIONS	\$ 5,601,596 5,726,620		
408.2 409.2 410.2 411.2	TAXES OTHER THAN INCOME TAXES INCOME TAXES PROVISION FOR DEFERRED INCOME TAXES PROVISION FOR DEFERRED INCOME TAXES - CREDIT TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS	\$ 369,020 893,571 17,207,606 (14,757,135) 3,713,062		
	TOTAL OTHER INCOME AND DEDUCTIONS		\$	31,380,725
	INCOME BEFORE INTEREST CHARGES			431,658,889
	EXTRAORDINARY ITEMS AFTER TAXES NET INTEREST CHARGES*			- 110,435,183
	NET INCOME		\$	321,223,706
			φ	521,225,700

*NET OF ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION, (\$10,267,664)

SAN DIEGO GAS & ELECTRIC COMPANY STATEMENT OF INCOME AND RETAINED EARNINGS June 2019

3. RETAINED EARNINGS

RETAINED EARNINGS AT BEGINNING OF PERIOD, AS PREVIOUSLY REPORTED	\$ 4,683,700,304
NET INCOME (FROM PRECEDING PAGE)	321,223,706
DIVIDEND TO PARENT COMPANY	-
DIVIDENDS DECLARED - PREFERRED STOCK	-
DIVIDENDS DECLARED - COMMON STOCK	-
OTHER RETAINED EARNINGS ADJUSTMENTS	1,769,873
RETAINED EARNINGS AT END OF PERIOD	\$ 5,006,693,883

SAN DIEGO GAS & ELECTRIC COMPANY

COST OF PROPERTY AND DEPRECIATION RESERVE APPLICABLE THERETO AS OF JUNE 30, 2019

No.	<u>Account</u>	Original <u>Cost</u>	Reserve for Depreciation and <u>Amortization</u>
ELECT	RIC DEPARTMENT		
302	Franchises and Consents	222,841.36	202,900.30
303	Misc. Intangible Plant	177,867,002.34	135,310,076.13
	TOTAL INTANGIBLE PLANT	178,089,843.70	135,512,976.43
310.1	Land	14,526,518.29	46,518.29
310.2	Land Rights	0.00	0.00
311	Structures and Improvements	89,282,779.56	44,642,515.77
312	Boiler Plant Equipment	161,941,815.44	82,131,265.65
314	Turbogenerator Units	130,874,299.77	54,571,669.02
315	Accessory Electric Equipment	86,242,427.04	42,622,710.15
316	Miscellaneous Power Plant Equipment	53,528,902.07	16,185,452.45
	Steam Production Contra Accounts	(1,621,911.83)	(517,733.32)
	TOTAL STEAM PRODUCTION	534,774,830.34	239,682,398.01
340.1	Land	224,368.91	0.00
340.2	Land Rights	2,427.96	2,427.96
341	Structures and Improvements	23,664,945.54	9,636,195.85
342	Fuel Holders, Producers & Accessories	21,651,593.69	8,741,206.12
343	Prime Movers	95,333,635.07	45,778,329.15
344	Generators	361,344,432.76	166,337,278.77
345	Accessory Electric Equipment	32,510,919.85	16,090,699.58
346	Miscellaneous Power Plant Equipment	30,821,693.60	16,529,326.23
	TOTAL OTHER PRODUCTION	565,554,017.38	263,115,463.66
	TOTAL ELECTRIC PRODUCTION	1,100,328,847.72	502,797,861.67

<u>No.</u>	<u>Account</u>	Original <u>Cost</u>	Reserve for Depreciation and <u>Amortization</u>
350.1 350.2 352 353 354 355 356 357 358 359	Land Land Rights Structures and Improvements Station Equipment Towers and Fixtures Poles and Fixtures Overhead Conductors and Devices Underground Conduit Underground Conductors and Devices Roads and Trails	78,615,129.53 $161,983,142.62$ $610,206,835.79$ $1,829,093,355.20$ $905,731,530.80$ $676,083,192.06$ $689,423,108.08$ $470,219,798.64$ $525,338,927.17$ $327,265,061.36$	0.00 25,239,499.23 86,815,855.33 386,976,906.29 196,024,286.14 135,313,033.92 252,879,735.54 75,258,483.02 73,863,159.72 40,890,598.38
	TOTAL TRANSMISSION	6,273,960,081.25	1,273,261,557.57
360.1 360.2 361 362 363 364 365 366 367 368.1 368.2 369.1 369.2 370.1 370.2 371 373.1 373.1	Land Land Rights Structures and Improvements Station Equipment Storage Battery Equipment Poles, Towers and Fixtures Overhead Conductors and Devices Underground Conduit Underground Conduit Underground Conductors and Devices Line Transformers Protective Devices and Capacitors Services Overhead Services Underground Meters Meter Installations Installations on Customers' Premises St. Lighting & Signal SysTransformers Street Lighting & Signal Systems	16,490,990.26 90,088,908.66 10,086,044.98 574,598,422.78 127,513,025.39 819,626,987.24 805,474,964.68 1,360,590,938.51 1,671,814,222.50 668,206,539.52 34,632,140.81 190,038,442.11 371,871,039.09 200,068,683.19 62,138,760.83 9,566,175.02 0.00 32,299,637.78 7,045,105,923.35	$\begin{array}{r} 0.00\\ 45,530,371.90\\ 1,743,296.88\\ 220,277,155.61\\ 35,629,169.44\\ 295,059,463.63\\ 236,473,158.63\\ 529,978,331.39\\ 966,636,222.09\\ 201,504,818.68\\ 12,788,664.26\\ 116,141,226.52\\ 260,455,724.31\\ 109,166,743.25\\ 28,769,191.37\\ 10,621,376.93\\ 0.00\\ 20,967,777.25\\ \hline 3,091,742,692.14\\ \end{array}$
389.1 389.2 390 392.1 392.2 393 394.1 394.2 395 396 397 398	Land Land Rights Structures and Improvements Transportation Equipment - Autos Transportation Equipment - Trailers Stores Equipment Portable Tools Shop Equipment Laboratory Equipment Power Operated Equipment Communication Equipment Miscellaneous Equipment TOTAL GENERAL PLANT	$\begin{array}{r} 7,312,142.54\\ 0.00\\ 45,608,818.57\\ 0.00\\ 58,145.67\\ 46,521.59\\ 34,365,479.14\\ 278,147.42\\ 5,333,953.73\\ 60,528.93\\ 324,177,176.45\\ 61,974,394.40\\ 479,215,308.44\\ \end{array}$	0.00 0.00 26,780,615.05 49,884.21 19,972.21 1,734.19 10,058,679.93 213,854.52 1,078,024.13 117,501.67 130,271,431.12 3,241,998.15 171,833,695.18
101	TOTAL ELECTRIC PLANT	15,076,700,004.46	5,175,148,782.99

<u>No.</u>	<u>Account</u>	Original <u>Cost</u>	Reserve for Depreciation and <u>Amortization</u>
GAS PI	ANT		
302 303	Franchises and Consents Miscellaneous Intangible Plant	86,104.20 0.00	86,104.20 0.00
	TOTAL INTANGIBLE PLANT	86,104.20	86,104.20
360.1 361 362.2 363 363.1 363.2 363.3 363.4 363.5 363.6	Land Structures and Improvements Gas Holders Liquefied Natural Gas Holders Purification Equipment Liquefaction Equipment Vaporizing Equipment Compressor Equipment Measuring and Regulating Equipment Other Equipment LNG Distribution Storage Equipment	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
365.1 365.2 366 367 368 369 371	Land Land Rights Structures and Improvements Mains Compressor Station Equipment Measuring and Regulating Equipment Other Equipment	4,649,143.75 3,515,541.91 19,306,097.54 246,096,743.09 92,393,328.87 27,902,867.39 1,994,264.34 395,857,986.89	0.00 1,528,883.35 11,055,464.01 88,714,929.09 72,862,537.27 17,816,772.30 157,091.79 192,135,677.81
374.1 374.2 375 376 378 380 381 382 385 386 387	Land Land Rights Structures and Improvements Mains Measuring & Regulating Station Equipment Distribution Services Meters and Regulators Meter and Regulator Installations Ind. Measuring & Regulating Station Equipment Other Property On Customers' Premises Other Equipment	1,083,616.95 8,395,720.77 43,446.91 1,269,768,422.91 19,033,328.64 338,407,659.61 166,243,631.10 106,870,867.40 1,516,810.70 0.00 11,402,034.82 1,922,765,539.81	0.00 7,300,959.56 61,253.10 415,796,467.94 9,077,230.45 297,559,185.80 70,596,678.45 47,386,855.27 1,277,007.95 0.00 5,924,054.47 854,979,692.99

<u>No.</u>	<u>Account</u>	Original Cost	Reserve for Depreciation and <u>Amortization</u>
392.1	Transportation Equipment - Autos	0.00	25,503.00
392.2	Transportation Equipment - Trailers	0.00	0.13
394.1	Portable Tools	11,672,344.53	4,025,905.17
394.2	Shop Equipment	71,501.71	33,987.34
395	Laboratory Equipment	0.00	(7,344.15)
396	Power Operated Equipment	16,162.40	14,560.53
397	Communication Equipment	2,377,110.36	850,329.68
398	Miscellaneous Equipment	465,784.09	129,717.62
	TOTAL GENERAL PLANT	14,602,903.09	5,072,659.32
101	TOTAL GAS PLANT	2,335,481,337.10	1,053,529,132.25

COMMON PLANT

303	Miscellaneous Intangible Plant	590,896,815.94	380,422,568.47
350.1	Land	0.00	0.00
360.1	Land	0.00	0.00
389.1	Land	7,494,792.37	0.00
389.2	Land Rights	27,776.34	27,776.34
390	Structures and Improvements	448,179,095.04	167,701,181.42
391.1	Office Furniture and Equipment - Other	40,545,416.35	15,481,875.52
391.2	Office Furniture and Equipment - Computer E	67,339,335.40	17,709,767.11
392.1	Transportation Equipment - Autos	677,909.38	277,109.82
392.2	Transportation Equipment - Trailers	107,977.72	4,960.83
392.3	Transportation Equipment - Aviation	11,580,557.15	1,731,768.19
393	Stores Equipment	333,835.97	30,057.23
394.1	Portable Tools	1,520,822.86	516,940.69
394.2	Shop Equipment	142,759.33	92,400.43
394.3	Garage Equipment	1,854,148.83	395,469.88
395	Laboratory Equipment	1,731,116.64	826,300.03
396	Power Operated Equipment	0.00	(192,979.10)
397	Communication Equipment	240,860,116.54	86,462,690.04
398	Miscellaneous Equipment	5,136,413.68	469,080.39
Topside		0.00	
•	-		
118.1	TOTAL COMMON PLANT	1,418,428,889.54	671,956,967.29
	TOTAL ELECTRIC PLANT	15,076,700,004.46	5,175,148,782.99
	TOTAL GAS PLANT	2,335,481,337.10	1,053,529,132.25
	TOTAL COMMON PLANT	1,418,428,889.54	671,956,967.29
101 &		1,410,420,009.04	071,950,907.29
118.1	TOTAL	18,830,610,231.10	6,900,634,882.53
101	PLANT IN SERV-SONGS FULLY RECOVER	0.00	0.00
	-		
101	PLANT IN SERV-ELECTRIC NON-RECON		
	Electric	0.00	0.00
	Gas	0.00	0.00
	Common	0.00	0.00
		0.00	0.00

<u>No.</u>	Account	Original Cost	Reserve for Depreciation and <u>Amortization</u>
101	PLANT IN SERV-CONTRA-ELECTRIC Electric Common	0.00 0.00 0.00	0.00 0.00 0.00
101	PLANT IN SERV-PP TO SAP OUT OF BAL Electic	0.00	0.00
118	PLANT IN SERV-COMMON NON-RECON Common - Transferred Asset Adjustment	(1,540,513.52)	(1,540,513.52)
101	Accrual for Retirements Electric Gas	(8,673,977.14) (1,821,385.86)	(8,673,977.14) (1,821,385.86)
	TOTAL PLANT IN SERV-ACCRUAL FOR RE	(10,495,363.00)	(10,495,363.00)
102	Electric Gas	279,421.69 0.00	0.00 0.00
	TOTAL PLANT PURCHASED OR SOLD	279,421.69	0.00
104	Electric Gas	85,194,000.02 0.00	21,353,444.91 0.00
	TOTAL PLANT LEASED TO OTHERS	85,194,000.02	21,353,444.91
105	Plant Held for Future Use Electric Gas	0.00 0.00	0.00 0.00
	TOTAL PLANT HELD FOR FUTURE USE	0.00	0.00
107	Construction Work in Progress Electric Gas Common	1,035,834,631.26 113,700,623.59 182,276,518.47	
	TOTAL CONSTRUCTION WORK IN PROGRESS	1,331,811,773.32	0.00

No.	<u>Account</u>	Original Cost	Reserve for Depreciation and <u>Amortization</u>
108.5	Accumulated Nuclear Decommissioning Electric	0.00	1,042,605,025
	TOTAL ACCUMULATED NUCLEAR DECOMMISSIONING	0.00	1,042,605,025.49
101.1 118.1	ELECTRIC CAPITAL LEASES COMMON CAPITAL LEASE	1,902,822,019.46 19,451,676.98 1,922,273,696.44	348,972,049.51 12,020,229.45 360,992,278.96
143 143	FAS 143 ASSETS - Legal Obligation SONGS Plant Closure - FAS 143 contra FIN 47 ASSETS - Non-Legal Obligation FAS 143 ASSETS - Legal Obligation	17,125,479.67 0.00 109,841,313.16 0.00	(1,039,081,655) 0 43,570,120 (1,717,597,919)
	TOTAL FAS 143 UTILITY PLANT TOTAL	126,966,792.83 22,285,100,038.88	(2,713,109,453.55) 5,600,440,301.82

SAN DIEGO GAS & ELECTRIC COMPANY SUMMARY OF EARNINGS June 2019 (\$ IN MILLIONS)

Line No. Item	Amount	
1 Operating Revenue	\$	2,425
2 Operating Expenses		2,025
3 Net Operating Income	\$	400
4 Weighted Average Rate Base	\$	10,116
5 Rate of Return*		7.96%

*Authorized Cost of Capital

State of California Attorney General's Office P.O. Box 944255 Sacramento, CA 94244-2550

Naval Facilities Engineering Command Navy Rate Intervention 1314 Harwood Street SE Washing Navy Yard, DC 20374

City of Carlsbad Attn. City Attorney 1200 Carlsbad Village Drive Carlsbad, CA 92008-19589

City of Chula Vista Attn. City Attorney 276 Fourth Ave Chula Vista, Ca 91910-2631

City of Dana Point Attn. City Attorney 33282 Golden Lantern Dana Point, CA 92629

City of Del Mar Attn. City Clerk 1050 Camino Del Mar Del Mar, CA 92014

City of Encinitas Attn. City Attorney 505 S. Vulcan Ave. Encinitas, CA 92024

City of Escondido Attn. City Attorney 201 N. Broadway Escondido, CA 92025

City of Imperial Beach Attn. City Clerk 825 Imperial Beach Blvd Imperial Beach, CA 92032

City of Laguna Beach Attn. City Clerk 505 Forest Ave Laguna Beach, CA 92651 State of California Attn. Director Dept of General Services PO Box 989052 West Sacramento, CA 95798-9052

Alpine County Attn. County Clerk 99 Water Street, P.O. Box 158 Markleeville, CA 96120

City of Carlsbad Attn. Office of the County Clerk 1200 Carlsbad Village Drive Carlsbad, CA 92008-19589

City of Coronado Attn. Office of the City Clerk 1825 Strand Way Coronado, CA 92118

City of Dana Point Attn. City Clerk 33282 Golden Lantern Dana Point, CA 92629

City of El Cajon Attn. City Clerk 200 Civic Way El Cajon, CA 92020

City of Encinitas Attn. City Clerk 505 S. Vulcan Ave. Encinitas, CA 92024

City of Fallbrook Chamber of Commerce Attn. City Clerk 111 S. Main Avenue Fallbrook, CA 92028

City of Imperial Beach Attn. City Attorney 825 Imperial Beach Blvd Imperial Beach, CA 92032

City of Laguna Beach Attn. City Attorney 505 Forest Ave Laguna Beach, CA 92651 Department of U.S. Administration General Services Administration 300 N. Los Angeles St. #3108 Los Angeles, CA 90012

Borrego Springs Chamber of Commerce Attn. City Clerk 786 Palm Canyon Dr PO Box 420 Borrego Springs CA 92004-0420

City of Chula Vista Attn: Office of the City Clerk 276 Fourth Avenue Chula Vista, California 91910-2631

City of Coronado Attn. City Attorney 1825 Strand Way Coronado, CA 92118

City of Del Mar Attn. City Attorney 1050 Camino Del Mar Del Mar, CA 92014

City of El Cajon Attn. City Attorney 200 Civic Way El Cajon, CA 92020

City of Escondido Attn. City Clerk 201 N. Broadway Escondido, CA 92025

City of Fallbrook Chamber of Commerce Attn. City Attorney 111 S. Main Avenue Fallbrook, CA 92028

Julian Chamber of Commerce P.O. Box 1866 2129 Main Street Julian, CA

City of Laguna Niguel Attn. City Attorney 30111 Crown Valley Parkway Laguna Niguel, California 92677 City of Laguna Niguel Attn. City Clerk 30111 Crown Valley Parkway Laguna Niguel, California 92677

City of La Mesa Attn. City Clerk 8130 Allison Avenue La Mesa, CA 91941

City of Mission Viejo Attn: City Clerk 200 Civic Center Mission Viejo, CA 92691

City of National City Attn. City Attorney 1243 National City Blvd National City, CA 92050

County of Orange Attn. County Counsel P.O. Box 1379 Santa Ana, CA 92702

City of Poway Attn. City Attorney P.O. Box 789 Poway, CA 92064

City of San Diego Attn. Mayor 202 C Street, 11th Floor San Diego, CA 92101

County of San Diego Attn. County Counsel 1600 Pacific Hwy San Diego, CA 92101

City of San Diego Attn. City Clerk 202 C Street, 2nd Floor San Diego, CA 92101

City of Santee Attn. City Clerk 10601 Magnolia Avenue Santee, CA 92071 City of Lakeside Attn. City Clerk 9924 Vine Street Lakeside CA 92040

City of Lemon Grove Attn. City Clerk 3232 Main St. Lemon Grove, CA 92045

City of Mission Viejo Attn: City Attorney 200 Civic Center Mission Viejo, CA 92691

City of Oceanside Attn. City Clerk 300 N. Coast Highway Oceanside, CA 92054-2885

County of Orange Attn. County Clerk 12 Civic Center Plaza, Room 101 Santa Ana, CA 92701

City of Ramona Attn. City Clerk 960 Main Street Ramona, CA 92065

City of San Clemente Attn. City Clerk 100 Avenida Presidio San Clemente, CA 92672

County of San Diego Attn. County Clerk P.O. Box 121750 San Diego, CA 92101

City of San Marcos Attn. City Attorney 1 Civic Center Dr. San Marcos, CA 92069

City of Santee Attn. City Attorney 10601 Magnolia Avenue Santee, CA 92071 City of La Mesa Attn. City Attorney 8130 Allison Avenue La Mesa, CA 91941

City of Lemon Grove Attn. City Attorney 3232 Main St. Lemon Grove, CA 92045

City of National City Attn. City Clerk 1243 National City Blvd National City, CA 92050

City of Oceanside Attn. City Attorney 300 N. Coast Highway Oceanside, CA 92054-2885

City of Poway Attn. City Clerk P.O. Box 789 Poway, CA 92064

City of Ramona Attn. City Attorney 960 Main Street Ramona, CA 92065

City of San Clemente Attn. City Attorney 100 Avenida Presidio San Clemente, CA 92672

City of San Diego Attn. City Attorney 1200 Third Ave. Suite 1620 San Diego, CA 92101

City of San Marcos Attn. City Clerk 1 Civic Center Dr. San Marcos, CA 92069

City of Solana Beach Attn. City Attorney 635 S. Highway 101 Solana Beach, CA 92075 Spring Valley Chamber of Commerce Attn. City Clerk 3322 Sweetwater Springs Blvd, Ste. 202 Spring Valley, CA 91977-3142

City of Vista Attn. City Clerk 200 Civic Center Drive Vista, CA 92084 Valley Center Chamber of Commerce Attn. City Clerk P.O. Box 8 Valley Center, CA 92082

City of Aliso Viejo 12 Journey Aliso Viejo, CA 92656 City of Vista Attn. City Attorney 200 Civic Center Drive, Bldg. K Vista, CA 92084

		TACHMENT C		
San		ompany Total Regulatory Capitaliz	ation	
		Jun 30, 2019		
		(\$ Millions)		
				D. S. S. S. S.
N-	luteur et 0/	Dand	Maturity	Principal
No.	Interest %	Bond	Maturity	(\$ millions)
2	5.875%	SERIES VV (CV2004A)	2/15/34	43.0
23	5.875%	SERIES WW (CV2004B)	2/15/34	40.0
4	5.875% 5.875%	SERIES XX (CV2004C) SERIES YY (CV2004D)	2/15/34 1/01/34	35.0
5	5.875%	SERIES ZZ (CV2004D)	1/01/34	24.0
6	4.000%	SERIES AAA (CV2004E)	5/01/39	75.0
7	5.350%	SERIES BBB	5/15/35	250.0
8	6.000%	SERIES DDD	6/1/26	250.0
9	6.125%	SERIES DDD	9/15/37	250.0
10	6.000%	SERIES GGG	6/1/39	300.0
11	5.350%	SERIES HHH	5/15/40	250.0
12	4.500%	SERIES III	8/15/40	500.0
13	3.000%	SERIES JJJ	8/15/21	350.0
14	3.950%	SERIES LLL	11/15/41	250.0
15	4.300%	SERIES MMM	4/1/42	250.0
16	3.600%	SERIES NNN	9/1/23	450.0
18	1.914%	SERIES PPP	2/1/22	43.0
19	2.500%	SERIES QQQ	5/15/26	500.0
20	3.750%	SERIES RRR	6/1/47	400.0
21	4.150%	SERIES SSS	5/15/48	400.0
22	4.100%	SERIES TTT	6/15/49	400.0
Total First Mortgage Bonds				5,094.2
TOTAL LT-DEBT BEFORE Unamortized premiu	ms, issue expenses & loss o	on reacquired debt net of tax		5,094.2
Unamortized discount less premium				(12.6
Unamortized issued expense				(36.8
Unamortized loss on reacquired debt net of tax				(3.3
Total Unamortized Debt (less premiums, issue ex	penses & loss on reacquired	debt net of tax)		(52.7)
TOTAL LT-DEBT NET of Unamortized premuims	, issue expenses & loss on	reacquired debt net of tax		5,041.5
		•		-,
Equity Capital				
Common Stock Equity				6,333.8
Total Equity				6,333.8
TOTAL REGULATORY CAPITALIZATION				11,375.3

EXHIBIT E DISTRIBUTION EASEMENT

Recording Requested by San Diego Gas & Electric Company

When recorded, mail to:

San Diego Gas & Electric Company 8335 Century Park Court, Suite 100 San Diego, CA 92123-1569 Attn: Real Estate Records - CP11D

Recorded in Official Records, Orange County Tom Daly, Clerk-Recorder 2007000733703 08:17am 12/14/07

V

	SPACE ABOVE FOR RECORDER'S USE
Project No. Const. No.	(Replacement for por. of RW 6574, exc. WO 2871602 & 2884052)
A.P.N.	125-150-42; 125-161-03,07,08,30,35,45; 125-171-13,86
	Transfer Tax None M Cays TO ELATON
	SAN DIE CO GAS & ELECTRIC COMPANY

EASEMENT

DMB SAN JUAN INVESTMENT NORTH, LLC, a Delaware limited liability company (Grantor), grants to SAN DIEGO GAS & ELECTRIC COMPANY, a corporation (Grantee), an easement and right of way in, upon, over, under and across the lands hereinafter described, to erect, construct, change the size of, improve, reconstruct, relocate, repair, maintain and use facilities consisting of Poles, wires, cables and appurtenances for the transmission and distribution of electricity.

The above facilities will be installed at such locations and elevations upon, along, over and under the hereinafter described easement as Grantee may now or hereafter deem convenient or necessary. Grantee also has the right of ingress and egress, to, from and along this easement in, upon, over and across the hereinafter described lands. Grantee further has the right, but not the duty to clear and keep this easement clear from explosives, buildings, structures and materials.

The property in which this easement and right of way is hereby granted is situated in the County of Orange, State of California, described as follows:

Parcels 34, 37, 44, 45, 46, 48, 58, 59, 61, 62, 63, 65, 69, and 70 of Certificate of Compliance CC 2001-01 recorded July 26,2001 as Instrument No. 20010508635 and Parcel 1 of Parcel Map No. 94-153 filed June 23, 1995 in Book 287, Pages 9 and 10, all of Official Records of said County of Orange.

The easement in the aforesaid land is more particularly described and shown in Exhibit "A", consisting of seven (7) pages, attached hereto and by this reference made a part hereof.

Grantor grants to Grantee the right to maintain on Grantor's property adjacent to this easement such anchorage existing at the date of execution hereof.

Easement replacing 1930 Letter Agreement Rev (2)

-1-

1

Grantor shall not erect, place or construct, nor permit to be erected, placed or constructed, any building or other structure, plant any tree, drill or dig any well, within this easement.

Grantor shall not increase or decrease the ground surface elevations within this easement after installation of Grantee's facilities, without prior written consent of Grantee, which consent shall not unreasonably be withheld.

Grantee shall have the right but not the duty, to trim or remove trees and brush along or adjacent to this easement and remove roots from within this easement whenever Grantee deems it necessary. Said right shall not relieve Grantor of the duty as owner to trim or remove trees and brush to prevent danger or hazard to property or persons.

Grantor shall have the right, from time to time, to cause Grantee to relocate (and, upon such request, Grantee shall relocate) any and all facilities, equipment and other property of Grantee within the Easement Area to another easement area acceptable to Grantee and owned by Grantor or any affiliate thereof provided, in any and all such events, the costs and expenses of any and each such relocation (i) shall not be borne by, or otherwise be the liability of, Grantee and (ii) shall be paid by Grantor.

CONDUITS CARRY HIGH VOLTAGE ELECTRICAL CONDUCTORS, therefore Grantor shall not make or allow any excavation or fill to be made within this easement WITHOUT FIRST NOTIFYING SAN DIEGO GAS & ELECTRIC COMPANY BY CALLING (619) 696-2000, and OBTAINING PERMISSION.

All engineering data and/or legal descriptions(s) for the location(s) of the facilities in this easement has been furnished to Grantee by Grantor's Engineer, James F. Gillen, PLS 5557 (expires 9/30/07). Grantor accepts full responsibility for the accuracy of such data and descriptions and declares that the descriptions represent the locations of Grantee's facilities within Grantor's property as previously agreed upon by Grantor and Grantee. Grantor agrees that should any changes in grade, realignment of road, street, or avenue, or relocation of facilities become necessary as a result of inaccuracies of data furnished by Grantor, such changes, realignment or relocation shall be immediately remedied by Grantor at Grantor's sole expense, and upon Grantor's failure to remedy same within 30 days after demand, Grantee shall have the right, but not the duty, to make such changes, realignments or relocations and Grantor shall promptly pay to Grantee all reasonable charges thereof.

This easement shall be binding upon and inure to the benefit of successors, heirs, executors, administrators, permittees, licensees, agents or assigns of Grantor and Grantee.

Easement replacing 1930 Letter Agreement Rev (2)

-2-

IN WITNESS WHEREOF, Grantor executed this instrument this $\frac{25}{25}$ day of Opril, 2007. DMB SAN JUAN INVESTMENT NORTH, LLC, a Delaware limited liability company

By: RANCHO MISSION VIEJO, LLC, a Delaware limited liability company, its authorized agent and manager By: (signature) Name: Donald L. Voch Its: 0 OO. By: (signature) dwards Name: Gregory Its: SA. VPiend CFO

Easement replacing 1930 Letter Agreement Rev (2)

-3-

STATE OF Chifornia)	
COUNTY OF Cronge)SS.	
On April 25 2007, before me ban Lee DYER ADTARY	_
MUBLIC (name, title of officer), appeared DONALD L. VODRA OUD GREGORY J. FOWARDS	-

>> personally known to me

, **•**

o 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.

WITNESS my hand and official seal.

Signature_

JOAN LEE DYER Commission # 1525392 Notary Public - California **Orange County** My Comm. Expires Nov 8, 2008

Easement replacing 1930 Letter Agreement Rev (2)

-4-

EXHIBIT "A"

10-1159-03 (A) 04-20-07

LEGAL DESCRIPTION SAN DIEGO GAS AND ELECTRIC EASEMENT DEED

That portion of Parcels 34, 37, 44, 45, 46, 48, 58, 59, 61, 62, 63, 65, 69 and 70 of Certificate of Compliance No. CC 2001-01, in the Unincorporated Territory of the County of Orange, State of California, recorded July 26, 2001 as Instrument No. 20010508635 of Official Records, in the office of the County Recorder of said County, together with that portion of Parcel 1 of Parcel Map No. 94-153, in said Unincorporated Territory, as shown on the map recorded June 23, 1995 in Book 287, Pages 9 and 10 of Parcel Maps, in the office of said County Recorder, being a strip of land, 10.00 feet in width, the centerline of said strip being described in parcels as follows:

PARCEL 1:

Commencing at the most Easterly corner of the Planning Area 1 boundary as shown on Sheet No. 5 on Record of Survey 2006-1181, in said Unincorporated Territory, filed in Book 218, Pages 14 through 24, inclusive, of Records of Survey, in the office of said County Recorder; thence along the Easterly line of said Planning Area 1 boundary, the following courses: South 9°07'36" West 648.51 feet and South 8°47'12" West 1827.52 feet to a point of intersection with the centerline of the unrecorded 12-foot wide easement to San Diego Consolidated Gas & Electric Company, as described in a letter dated March 17, 1930 from Rancho Santa Margarita, a corporation, said point also being the TRUE POINT OF BEGINNING; thence leaving said Easterly line and along the centerline of said unrecorded easement, the following courses: North 75°50'35" East 2177.18 feet; thence South 80°57'12" East 599.71 feet; thence leaving said unrecorded easement North 13°11'45" East 677.77 feet; thence North 13°11'45" East 754.84 feet; thence South 75°03'32" Bast 1047.48 feet; thence South 42°46'48" East 805.20 feet; thence North 79°04'04" East 237.84 feet; thence South 64°21'24" East 466.31 feet; thence South 32°09'22" East 1027.93 feet; thence South 81°02'53" East 5789.64 feet, said point also being a point of intersection with the centerline of said unrecorded easement; thence along the centerline of said unrecorded easement North 79°47'05" East 1171.14 feet to a point hereinafter referred to as "Point A", shown as "Point C" in said unrecorded easement, said "Point A" being distant North 60°40'11" East 21.47 feet from the Northwesterly corner of Parcel 1 of said Parcel Map No. 94-153; thence continuing along the centerline of said unrecorded easement, the following courses: North 79°47'05" East 712.93 feet; thence North 73°23'18" East 3192.34 feet; thence North 77°58'04" East 807.96 feet.

The sidelines of said easement to be lengthened or shortened to originate in said Easterly line of Planning Area 1.

r/10-1159-03/a/l/sdge/zk/hpm

EXHIBIT "A" LEGAL DESCRIPTION-CONTINUED SAN DIEGO GAS AND ELECTRIC EASEMENT DEED PAGE 2 10-1159-03 (A) 04-20-07

PARCEL 2:

× .

Beginning at "Point A" as described in Parcel 1 herein above; thence South 18°56'20". West 978.25 feet.

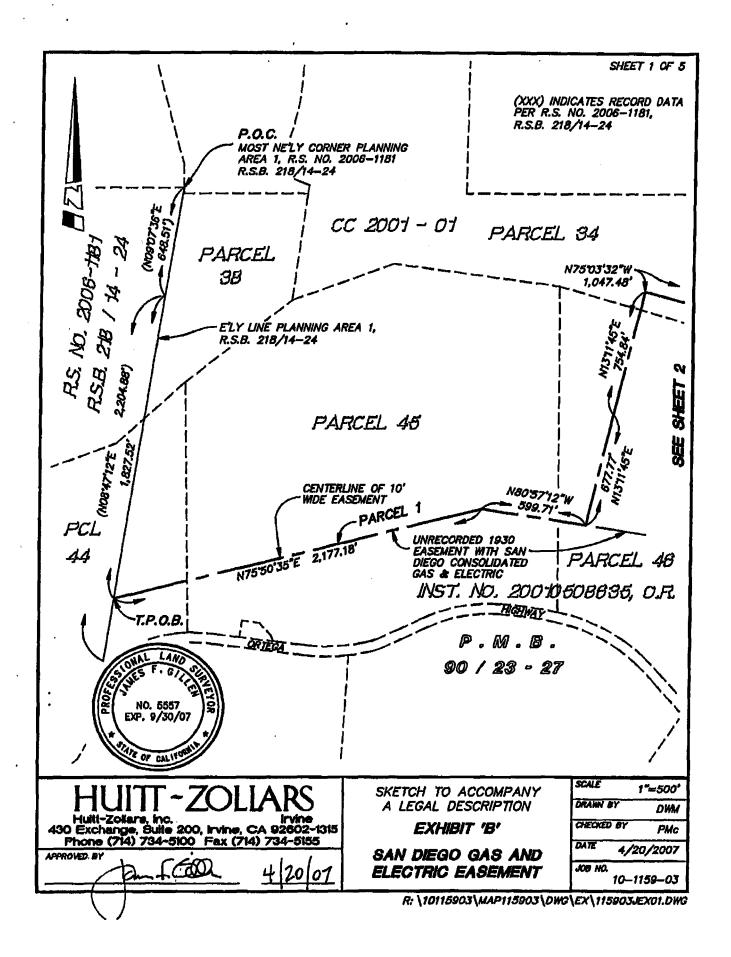
EXCEPTING therefrom that portion lying within Parcel 1 described herein above.

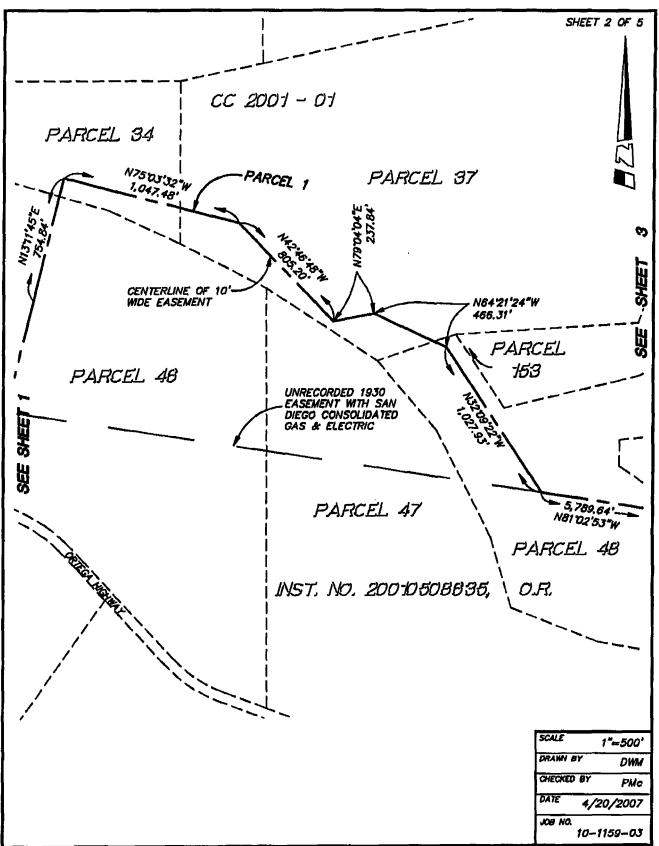
Containing an area of 4.693 acres, more or less.

Subject to covenants, conditions, reservations, rights of way and easements, if any, of record.

NO. 5557 EXP, 09/30/07 JAMES F. GILLEN, PLS 5557

r/10-1159-03/a/i/sdge/zk/hpm





.

•

.

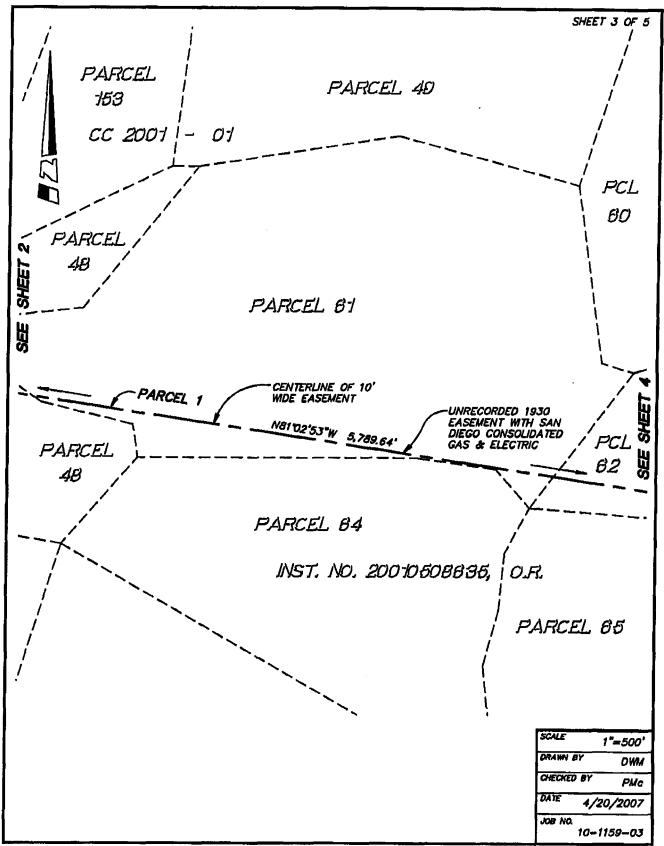
R: \10115903\MAP115903\DWG\EX\115903JEX01.DWG

. .

.

. .

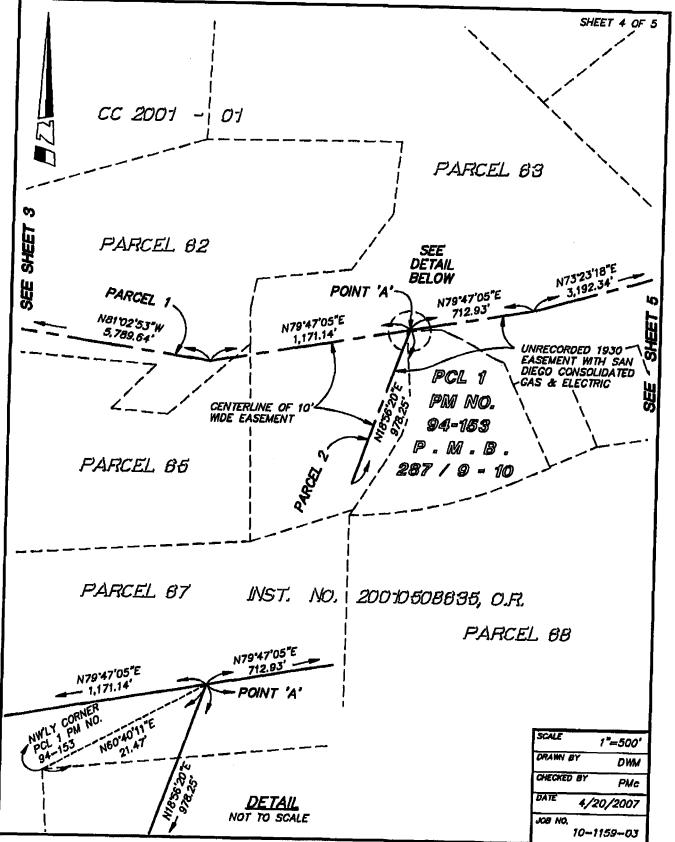
I.



ı.

R: \10115903\MAP115903\DWG\EX\115903JEX01.DWG

L



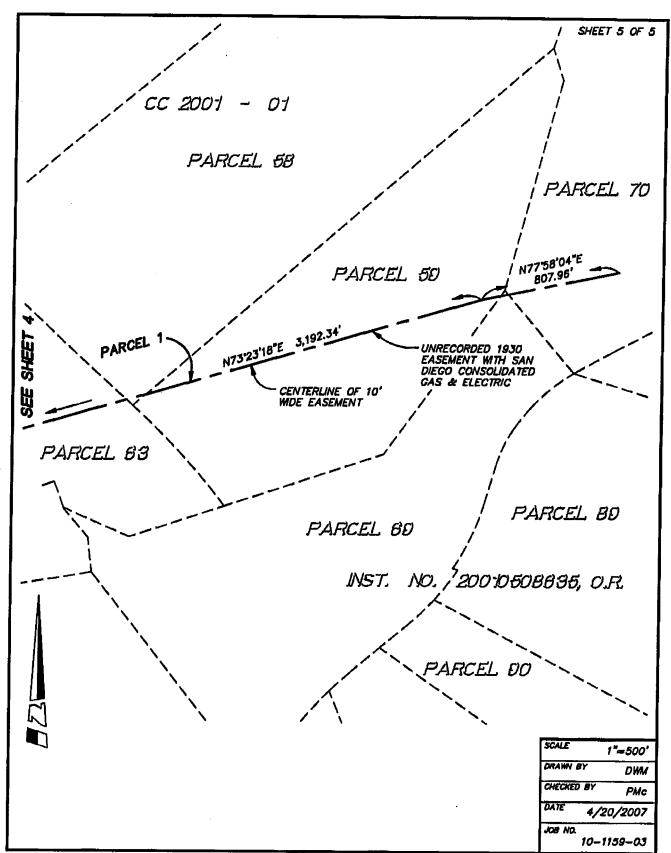
.

.

R: \10115903\MAP115903\DWG\EX\115903JEX01.DWG

1 2

Т



.

ı,

R: \10115903\MAP115903\DWG\EX\115903JEX01.DWG

I

EXHIBIT F APPRAISAL

APPRAISAL REPORT

FOR

SAN DIEGO GAS & ELECTRIC COMPANY

OF

138KV EASEMENT RELOCATION PROJECT PLANNING AREA 3 & THE RESERVE RANCHO MISSION VIEJO ORANGE COUNTY, CALIFORNIA

DATE OF VALUATION

AUGUST 27, 2019

DATE OF REPORT

AUGUST 30, 2019

BY

KEAGY REAL ESTATE 8321 LEMON AVENUE LA MESA, CALIFORNIA 91941 (619) 462-4350 FAX (619) 462-2156

KEAGY REAL ESTATE

REAL ESTATE APPRAISAL & CONSULTATION

KENNETH A. KEAGY, MAI

8321 LEMON AVENUE LA MESA, CALIFORNIA 91941 TELEPHONE: (619) 462-4350 FACSIMILE: (619) 462-2156 E-mail: Keagyre@pacbell.net

August 30, 2019

Our File No. 19-55

San Diego Gas and Electric Company c/o Greg Mayo, SR/WA, Senior Right of Way Agent Land Services Department 571 Enterprise Street #SD1460 Escondido, CA 92029

Re: <u>Rancho Mission Viejo 138kV Easement Relocation Project</u> Market Value of Existing/Quitclaim & New/Relocated SDG&E Easements Planning Area 3 & The Reserve, Rancho Mission Viejo, Orange County, CA

Mr. Mayo:

In response to your request, I have estimated the market value of two easements that are the subject of a proposed easement exchange (and 138kV facility relocation) between San Diego Gas & Electric Company (SDG&E) and the owners of Rancho Mission Viejo (RMV) in south Orange County. The impetus for the proposed easement exchange is the need to relocate a portion of an existing 138kV system of SDG&E poles and lines that would otherwise interfere with the future alignment and construction of Cow Camp Road, and other planned development, through Planning Area 3 of RMV.

The purpose of the appraisal is to estimate the market value of SDG&E's existing 14.00acre easement to be quitclaimed to RMV, and to estimate the market value of the new/relocated 11.58-acre easement deeded by RMV (transferring title as DMB San Juan Investment North LLC) in April 2019 to SDG&E in preparation of relocation of the 138kV facilities. The contributory value of certain enhancements to the land made by RMV to all-weather access, and to service roads and work pads in the new/relocated easement, were considered in the valuation process.

The client is SDG&E. The only intended users of this appraisal report are SDG&E and its agents, and the California Public Utilities Commission (CPUC) to the extent of its regulatory authority regarding the proposed easement exchange. The intended use of this appraisal report is to assist SDG&E (the client) in facilitating the proposed easement exchange.

The appraisal was prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) and the Code of Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. This report is intended to comply with USPAP Standards Rule 2-2(a) for preparation of an Appraisal Report.

The amount of information and level of detail in this report is specific to the needs of the client. My work file, which contains additional information upon which my opinions are based, will be retained for future client review upon request.

Based on evaluation of the existing/quitclaim and new/relocated easements, analysis of the market data presented in this report, and consideration of the land enhancements made by RMV to the new/relocated easement, the following summarizes the estimated market value of the easements to be exchanged. The date of valuation is August 27, 2019.

SUMMARY OF EASEMENT VALUES	
Existing SDG&E Easement to be Quitclaimed	\$5,864,850
New/Relocated SDG&E Easement ¹	\$3,869,279
Difference in Easement Values	\$1,995,571
Rounded (to nearest \$1,000)	\$1,996,000
¹ Including the value of land enhancements funded by RMV.	

The analysis of enhancements to the market value of the new/relocated easement focused solely on improvements to the land (i.e. Cow Camp Road Phase 2A all-weather access, and a service road and work pads in the new/relocated easement). It was beyond the scope of this appraisal to consider value enhancements resulting from the replacement of wood poles and power lines in the existing SDG&E easement with steel monopoles and power lines to be installed in the new/relocated easement.

The opinions of market value expressed herein are based in part on the standard assumptions and limiting conditions listed on pages 10 and 11.

I appreciate the opportunity to be of professional service.

Respectfully,

Kennetl O. Keng

Kenneth A Keagy, MAI State Certified - General ID No. AG 008497

KAK

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

LOCATION	Rancho Mission Viejo, Planning Area 3 and The Reserve in unincorporated south Orange County, California.				
LAND OWNER	DMB San Juan Investment North LLC				
EASEMENT OWNER	San Diego Gas & Electric Company				
INTERESTS APPRAISED	Easements for electric transmission.				
LARGER PARCEL SIZE	415.246 acres (based on Certificate of Compliance).				
IMPROVEMENTS	The existing SDG&E easement is improved we system of poles and lines. The new/relocated of unimproved land as of this writing. Valuation improvements was beyond the scope of the approximation of the scope of the approximation.	easement is of the			
LAND USE REGULATIONS	The Ranch Master Area Plan, Planning Area 3 and The Reserve. Zoning is PC, Planned Community; County of Orange jurisdiction.				
CURRENT USE	Ranch uses, agricultural, open space and 138k transmission facility.	V electric			
HIGHEST & BEST USE	Master-planned development, open space Reserve and 138kV electric transmission facility.				
VALUATION METHOD	Sales Comparison Approach for land valuation	n.			
DATE OF VALUE	August 27, 2019				
DATE OF REPORT	August 30, 2019				
VALUE CONCLUSIONS	Existing/Quitclaim SDG&E Easement: New/Relocated SDG&E Easement: Difference in Easement Values (Rounded):	\$5,864,850 <u>\$3,869,279</u> \$1,996,000			

TABLE OF CONTENTS

INTRODUCTION

Executive Summary	6
USPAP Appraisal Report Format	
Scope of Work	
USPAP Jurisdictional Exception Rule	8
USPAP Competency Rule	8
Identification of the Subject Property	8
Property Rights Appraised	
Identification of the Client	9
Purpose, Intended Use and Intended Users of the Appraisal	9
Definition of Market Value	9
Exposure Time	10
Effective Date of the Appraisal & Report	10
Limiting Conditions and Assumptions	
Certification	

APPRAISAL REPORT

Area Description	
The Ranch Master Area Plan	
Larger Parcel Analysis	
Property Description	
Subject Ground Photographs	
Land Use Regulations – Planning Area 3 & The Reserve	
Valuation Analysis	
Highest & Best Use	
Development Land Sales Summary Table & Location Map	
Development Land Sales Comparison Grids	
Riparian Mitigation Land Sales Summary Table & Location Map	
Easement Exchange Values	

ADDENDUM

Market Data Summaries	70-100
New/Relocated Easement Deed	101-112
Draft SDG&E Quitclaim Deed	113-117
RMV Construction Costs - Cow Camp Road & Relocated 138kV Facility	118-120
Appraiser Qualifications	121-125

INTRODUCTION

EXECUTIVE SUMMARY

This appraisal addresses the market value of two easements that are the subject of a proposed easement exchange (and 138kV facility relocation) between SDG&E and the owners of Rancho Mission Viejo (RMV). Rancho Mission Viejo is a huge land holding exceeding 20,000 acres east of San Juan Capistrano in unincorporated south Orange County that is master planned for phased development over the next 20-25 years. The easements in question are located in the south end of Planning Area 3 of "The Ranch" and in a portion of the planned open space Reserve. The motivation for the proposed easement exchange is RMV's need to relocate a portion of an existing 138kV system of SDG&E poles and lines that would otherwise interfere with the alignment and construction of Cow Camp Road (now under construction), and other planned development, through Planning Area 3.

The existing 14.00-acre SDG&E easement to be quitclaimed mostly crosses through Planning Area 3, which is slated primarily for residential development. A small portion (1.45 acres) of the existing SDG&E easement crosses the planned habitat Reserve of The Ranch, which is an open space conservation system. The new/relocated easement has 11.58 acres, of which 6.56 acres is development land in Planning Area 3 and 5.02 acres is in the Reserve.

The Planning Area 3 development land has a substantially higher per-acre value than the Reserve land. Therefore, this appraisal researched and analyzed both development land sales and mitigation/open space land sales. It was estimated that the Planning Area 3 development land within the boundaries of the defined Subject larger parcel had a contributory market value of \$510,000 per acre. The Reserve/open space land within the boundaries of the defined Subject larger parcel was estimated to have a contributory market value of \$80,000 per acre.

The market value of the two easements in question was calculated based on the per-acre values of the development land and the Reserve land. Additionally, the contributory value of certain enhancements to the new/relocated easement land made by RMV were considered in the valuation process. The land enhancements that were considered included a service road and work pads at pole locations in the new/relocated easement, and all-weather access resulting from the construction of Cow Camp Road to Planning Area 3 (current access to the 138kV facilities can be interrupted by seasonal flooding of San Juan Creek and Gobernadora Creek). Any value enhancements resulting from replacement and relocation of the existing wood poles and lines with new steel monopoles and lines was beyond the scope of this report and was not considered.

Because the existing SDG&E easement to be quitclaimed has a larger size (14.00 acres) than the new/relocated easement (11.58 acres), and because it largely consists of Planning Area 3 development land, it has a higher market value than the new/relocated easement, which has more land in the lower-value Reserve. After adjustments for land enhancements made by RMV to the new/relocated easement, it was concluded that the difference in easement values was \$1,996,000.

USPAP APPRAISAL REPORT FORMAT

The Uniform Standards of Professional Appraisal Practice (USPAP) require each written appraisal report to be prepared using either an Appraisal Report or a Restricted Appraisal Report format. When the intended users include parties other than the client, the written report is to follow the Appraisal Report standards. When the intended users do not include parties other than the client, a Restricted Appraisal Report may be provided. The essential difference between these two options is in the content and level of information provided. The appropriate reporting option and the level of information necessary in the report are dependent on the intended use and the intended users. The Appraisal Report option is used for this assignment.

SCOPE OF WORK

The scope of work included those tasks necessary to reach an opinion of the market value of the two Subject easements to be exchanged. The appraiser met with Rancho Mission Viejo representatives and made a field inspection and took photographs of the two easements, and viewed the Ranch in the proximity of the two easements. Numerous land use documents, map and photographs relating to development of Rancho Mission Viejo were provided by RMV representatives and were reviewed and considered as part of the appraisal effort. These documents included, but were not limited to:

- The Ranch Plan Draft Program EIR No. 589,
- The Ranch Plan, Master Area Plan & Subarea Plans 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8 & 4.1,
- Addendum 3.1 to Final EIR Nos. 584 and 589 Infrastructure Improvements for Cow Camp Road & "K" Street,
- (Master) Conservation Easement Deed recorded January 14, 2010,
- Action by Unanimous Written Consent of Board of Directors of The Reserve at Rancho Mission Viejo dated November 16, 2018,
- Electric Transmission Facility Relocation Agreement between SDG&E and RMV PA3 Development LLC dated February 5, 2019,
- Draft Quitclaim Deed,
- New/Relocated Easement Deed recorded April 23, 2019,
- Various RMV planning maps and photographs, including maps illustrating the proposed easement exchange,
- Cow Camp Road Construction Costs,
- New/Relocated Easement Improvement Costs,
- First American Preliminary Title Report dated October 4, 2017

The Subject land was appraised using the Sales Comparison Approach. Land sales were researched from various sources and databases, and were confirmed from a combination of public records, deeds and interviews of real estate listing and selling agents, appraisers and transaction principals when possible. The Income and Cost approaches to value were not used because they were not relevant or reliable in the valuation of the Subject land.

The draft project documents, including right-of-way maps and the proposed easement documents, were reviewed. The value of the proposed easements was calculated by multiplying the easement areas by a concluded per-acre value and applying a percentage of the fee simple interest acquired. The existing and proposed easements were valued at 90% of fee simple interest based on their use for electric transmission facilities. The value of the new/relocated easement was adjusted upward by the value of land enhancements funded by RMV.

Gary S. Cox, MAI assisted in market data research.

USPAP JURISDICTIONAL EXCEPTION RULE

USPAP contains a Jurisdictional Exception rule which provides a saving or severability clause intended to preserve the balance of USPAP if one or more of its parts are determined as contrary to law or public policy of a jurisdiction. The appraiser is required to identify the part or parts of USPAP disregarded and the legal authority justifying the action in the appraiser's report if the Jurisdictional Exception Rule is applied. This appraisal report does not invoke the Jurisdictional Exception Rule.

USPAP COMPETENCY RULE

USPAP requires that the appraiser has the knowledge and experience to complete the appraisal assignment competently or, alternatively, to 1) disclose the lack of knowledge and/or experience to the client before accepting the assignment, 2) take all steps necessary to complete the assignment competently and 3) describe the steps taken in the appraisal report. The appraiser has previously acquired the necessary knowledge and experience to complete the present appraisal assignment in a competent manner.

IDENTIFICATION OF THE SUBJECT PROPERTY

This appraisal addresses the market value of two electric transmission line easements located in Planning Area 3 and in a portion of the habitat Reserve of Rancho Mission Viejo, a master-planned development east of San Juan Capistrano in south Orange County. The two easements appraised herein are identified and described in the easement deeds included in the Addendum of this report (see pages 101-117).

PROPERTY RIGHTS APPRAISED

This is an appraisal of the fee simple interest of the Subject land and an appraisal of two electric transmission line easements. The sixth edition of <u>The Dictionary of Real Estate</u> <u>Appraisal</u> (Appraisal Institute) defines a fee simple estate and an easement as follows:

Fee Simple Estate

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

Easement

"The right to use another's land for a stated purpose."

CLIENT

The client is San Diego Gas & Electric Company.

PURPOSE, INTENDED USE AND INTENDED USERS OF THE APPRAISAL

The purpose of the appraisal is to estimate the market value of SDG&E's existing easement to be quitclaimed to RMV, and to estimate the market value of the new/relocated easement deeded by RMV in April 2019 to SDG&E in preparation of relocation of 138kV facilities. The only intended users of this appraisal report are SDG&E and its agents, and the California Public Utilities Commission (CPUC) to the extent of its regulatory authority regarding the proposed easement exchange. The intended use of this appraisal report is to assist SDG&E in facilitating the proposed easement exchange. This appraisal report is not intended for any other use and the appraiser accepts no responsibility or liability for any unauthorized use of this report.

DEFINITION OF MARKET VALUE

The definition of Market Value that is appropriate for this assignment is the following Market Value definition in the sixth edition of the <u>Dictionary of Real Estate</u> <u>Appraisal</u>:

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

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

EXPOSURE TIME

Exposure Time is defined by USPAP as the:

"Estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal."

The appraiser's conclusion of market value for the Subject presumes prior exposure on the market. The duration of time needed to procure a buyer depends on various factors, such as market conditions, whether a competent real estate agent is retained to professionally market the property, and whether the asking price is near market value.

The Subject consists of two unusual land types: raw master-planned development land and riparian mitigation land. Neither of these two land types is typically marketed in a traditional open market forum, such as the MLS or other listing database. Instead, these land types are usually marketed directly from seller to prospective buyers. For example, the owner of master-planned development acreage may directly approach a handful of experienced land developers to sell the land. Similarly, the seller of riparian mitigation land would directly contact active land developers to sell the land. For these land types, it is not unusual for exposure times to exceed a year, and to stretch into multiple years. The market data in this report does not provide any guidance regarding expected exposure time. Based on past experience and market observations, a realistic exposure time for the Subject land is one to two years using a direct marketing effort by a qualified land broker.

EFFECTIVE DATE OF THE APPRAISAL & REPORT

The effective date of the appraisal, also referred to as the "date of value," is August 27, 2019. The date of the appraisal report is August 30, 2019.

LIMITING CONDITIONS AND ASSUMPTIONS

In the preparation of this report, certain basic assumptions have been relied upon. There are also certain limiting conditions which circumscribe the scope of this report.

- 1. It is assumed that factual information and data furnished by SDG&E, RMV representatives and others are substantially correct. The appraiser has made a reasonable effort to confirm the accuracy of such information. That no liability be assumed on account of inaccuracies in such factual data.
- 2. That no guarantee is made as to the correctness of estimates or opinions, if any, furnished by others and which have been used in making this appraisal. That no liabilities be assumed on account of inaccuracies in such estimates or opinions.

- 3. A preliminary title report for the Subject property was provided for review. Title of the Subject property is assumed to be marketable and free of all liens and encumbrances including easements, rights-of-way, restrictions, and reservations not of record that could adversely affect fair market value. The Subject property was appraised as if free of monetary encumbrances and liens.
- 4. That no liability is assumed on account of matters of a legal nature affecting these properties, such as title defects, liens, encroachments, overlapping boundaries, et cetera.
- 5. Maps, photo and plats furnished by this appraiser are not based on a survey but are furnished as an aid to the reader in visualizing the property.
- 6. The appraiser is not qualified to detect hazardous materials on, in, under or around the Subject property. The appraiser has no actual knowledge of any hazardous materials on or in the Subject property. The appraiser is not qualified to detect such substances. Portions of the land appraised have been used agriculturally, which raises the question whether there are any pesticides or herbicides present. The user of this report is urged to retain a qualified consultant to evaluate the property for hazardous materials, if desired. The Subject property is appraised as if free from hazardous materials.
- 7. The reported acreage of the Subject property is based on Certificate of Compliance records and is assumed to be accurate. No warranty or guarantee is made herein regarding the accuracy of the reported acreage and the user of this report is urged to investigate and confirm actual acreage to his own satisfaction.
- 8. The reported acreage of the existing SDG&E easement to be quitclaimed and the new/relocated easement is assumed to be accurate. No warranty or guarantee is made herein regarding the accuracy of the reported acreage and the user of this report is urged to investigate and confirm actual acreage to his own satisfaction.
- 9. No soils studies were provided for review. It is assumed that soil conditions are suitable for development of the land to its highest and best use, and that there are no hidden or unapparent adverse soil conditions that would result in a decrease in market value. No warranty or guarantee is made regarding the seismic stability of the land.
- 10. Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any Appraisers or to the MAI designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without the prior written consent and approval of Keagy Real Estate.

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 performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

I have no bias with respect to the property that is the subject of this report or to the parties involved with the 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.

Gary S. Cox, MAI provided significant real property appraisal assistance to the person signing this certification.

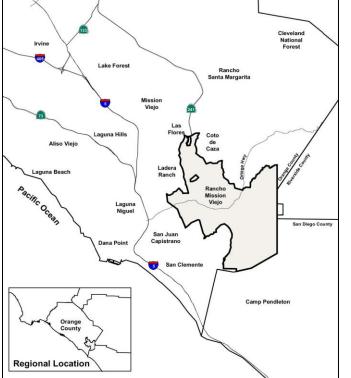
The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, Kenneth A Keagy and Gary S. Cox have completed the requirements of the continuing education program of the Appraisal Institute.

Kennetl O. Keng

Kenneth A. Keagy, MAI State Certified-General ID No. AG 008497



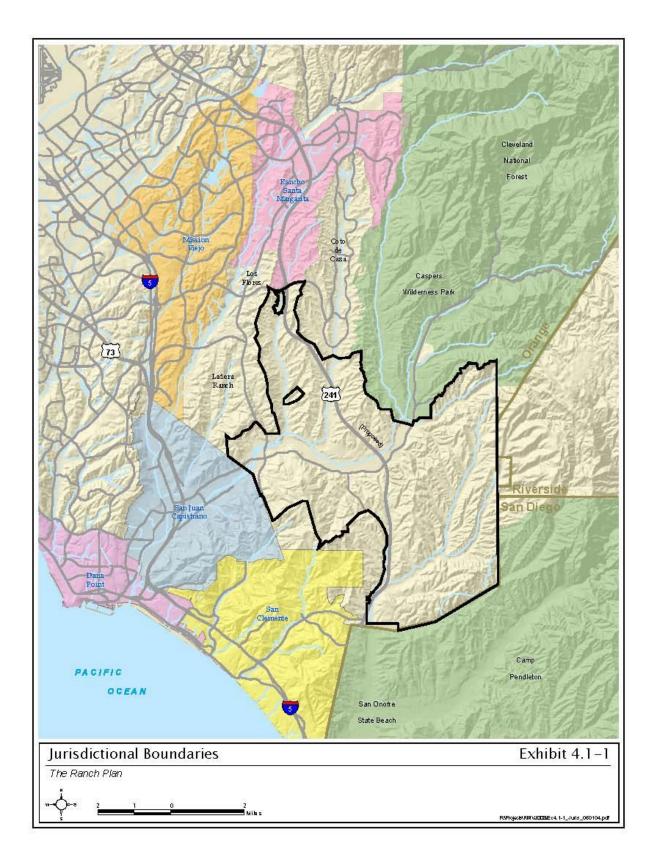
AREA DESCRIPTION

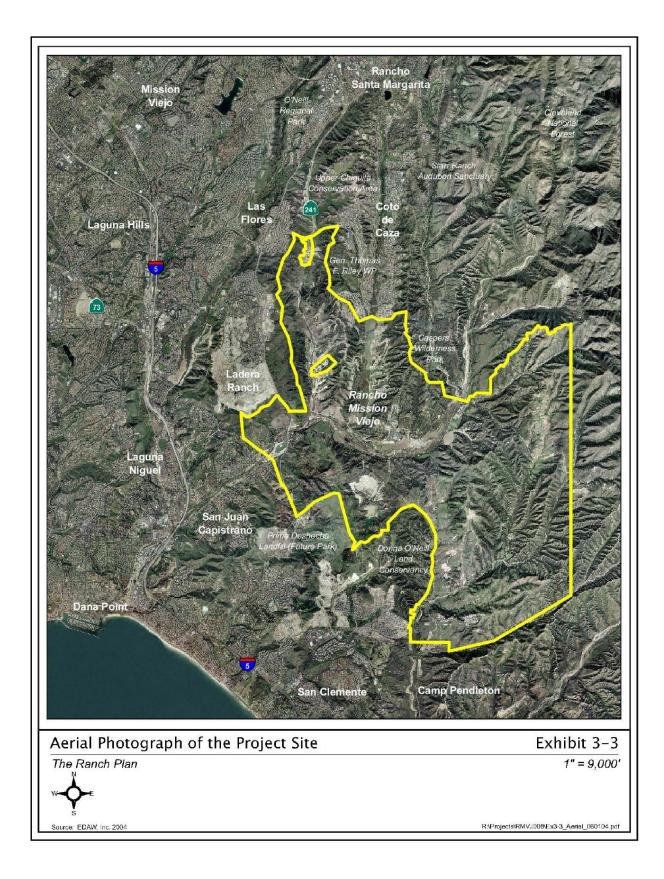
The Subject easements that are valued in this appraisal report are a part of the sprawling Rancho Mission Viejo (or the "Ranch") in south Orange County. The Ranch has over 20,000 acres and is master-planned for ongoing and future development that will take 20 years or more to complete. As shown on the facing map, the Ranch is located east of San Juan Capistrano and extends to the south boundary of Orange County, adjacent to Camp Pendleton in San Diego County. It also shares a boundary with Riverside County. Other surrounding cities and communities include Coto de Caza, Las Flores and Rancho Santa Margarita to the north, Ladera Ranch to the northwest and San Clemente to the southwest (see Exhibit 4.1-1 from The Ranch Plan on page 14). The undeveloped lands to the

east and northeast of the Ranch include the 544-acre Riley Wilderness Park and the 8,000-acre Caspers Wilderness Park, both owned by the County of Orange and a part of the South Subregion Habitat Conservation Plan (SSHCP). Exhibit 3-3 from The Ranch Plan (see page 15) illustrates the location of the Ranch and surrounding uses.

RMV has average access to local freeways and major roads. Interstate 5 is the main north-south commuting freeway corridor and provides access to employment centers in central and north Orange County, as well as Los Angeles. State Route 74 (Ortega Highway) is the main east-west road that provides access to Interstate 5, about 2.5 miles west of the Ranch. Other route alternatives from the Ranch to I-5 include Crown Valley Parkway via Antonio Parkway, and Oso Parkway via either Las Patrones Parkway or Antonio Parkway. Las Patrones Parkway provides a north connection to toll road State Route 241 at Oso Parkway. The toll road system provides an alternative commute route to employment centers in greater Orange County and Los Angeles.

As the Ranch develops, support services and shopping is being built to serve local residents. To date, the only notable community shopping center now operating in the Ranch is Sendero Marketplace at Ortega Highway and Antonio Parkway. Recreation, park and school facilities are also being constructed as the Ranch development phases proceed. Other support services, such as shopping, medical offices, professional offices and public services are available in the adjacent city of San Juan Capistrano. The Pacific Ocean is about 7 miles west of the Ranch. Sailing, surfing, sunbathing and other beach and ocean recreation is conveniently available in Dana Point, San Clemente and other nearby coastal cities and communities.





THE RANCH MASTER AREA PLAN

On November 8, 2004, the Orange County Board of Supervisors approved a General Plan Amendment (Resolution No. 04-291), Zone Change (Resolution No. 04-292 and Ordinance No. 04-014), and Development Agreement (Resolution No. 04-293 and Ordinance No. 04-015) for the original 22,815-acre Ranch Plan Planned Community area. Concurrent with the foregoing planning efforts, the Board of Supervisors adopted Resolution No. 04-290, certifying FEIR 589 as complete, adequate, and in full compliance with the requirements of CEQA and the State CEQA Guidelines. On December 8, 2004, the City of Mission Viejo and a coalition of concerned environmental groups (Resource Organizations) filed separate actions in the Orange County Superior Court challenging the Board of Supervisors' approval of the Ranch Plan project and its certification of FEIR 589. Following a series of meetings and negotiations between representatives of the County, the City, the applicant, and the Resource Organizations, the parties achieved full settlement. The settlement agreement resulted in an increase in the amount of open space that will be permanently protected and managed, and reduced the acreage available for development activities.

The Master Area Plan for the ongoing and future development of Rancho Mission Viejo ("The Ranch") sets forth the generalized location and acreage of various proposed land uses, as well as densities and intensities of these uses. Future development in The Ranch will primarily be residential with supporting commercial, retail, open space, public uses (e.g. schools, parks, fire stations, sheriff stations, etc.) and limited business park use. As summarized in the table below (extracted from the Master Area Plan), The Ranch planning area has 22,683 gross acres, of which 16,915 acres are slated for open space use and 5,768 acres are planned for development.

		Development Use										
	Residential		Urban Activity Neighborhood Center (UAC) Center		Business Park		Golf Resort	lent Acres	Open Space Use	Planning Area totals		
Planning Area	Gross Acres	Maximum Dwelling Units	Gross Acres	Maximum Square Footage of Non- Residential Uses tin thousands)	Gross Acres	Maximum Square Footage (in thousands)	Gross Acres	Maximum Square Footage (in thousands)	Gross Acres	Total Gross Development Acres	Open Space Acres	Gross Acres
Planning Area 1	446	1,287	5	30	13	95				464	240	704
Planning Area 2	795	2,700	45	500	5	25				845	835	1,680
Planning Areas 3 and 4	2,416	7,500	201	2,950	19	145	50	305		2,686	627	3,313
Planning Areas 5 and 8	1,705	2,513			13	235	30	915	25	1,773	3,010	4,783
Planning Area 10											12,203	12,203
Subtotal	5,362	14,000	251	3,480	50	500	80	1,220	25			
Total		20 C	С			67		5.0 S		5,768	16,915	22,683

TABLE 2 RANCHO MISSION VIEJO PLANNED COMMUNITY STATISTICAL SUMMARY

Source: Draft Master Area Plan for Planning Areas 3 and 4 2014.

The Master Area Plan proposes development of up to 14,000 dwelling units in Planning Areas 1, 2, 3, 4, 5, 8 and 10 at an average density of 2.6 units per gross residential acre (these seven planning areas total 5,362 gross residential acres). Other planned uses include 251 acres of Urban Activity Center uses with up to 3,480,000 square feet of buildings, 50 acres of neighborhood centers with up to 500,000 square feet of buildings, and 80 acres of business park use with up to 1,220,000 square feet of buildings. Development will be phased sequentially by planning areas and subareas, and is expected to take 20 to 25 years to reach full build-out. Of course, timing of development will depend largely on economic conditions and buyer demand.

Development of The Ranch will require substantial investment in infrastructure, as each phase consists of raw land with minimal existing roads and utilities. Major roads, bridges, utilities, schools, parks, fire stations, sheriff stations, and other improvements will be constructed to support each phase of development. The 16,915-acre "Reserve" will be mostly passive, dedicated open space set aside for preservation as mitigation of environmental impacts in the development areas. Some approved uses will be allowed in The Reserve, such as continuing ranching and agricultural activities, as well as approved utility corridors. Exhibit 3-21 from The Ranch Plan on page 20 shows the general location of the Ranch Planning Areas.

PLANNING AREA 1 – SENDERO



Planning Area has 704 gross acres, of which 446 acres were developed with up to 1,287 housing units; 240 acres were set aside for open space (see facing photo of the general PA 1 area). Other uses included an Urban Activity Center (5 acres), a Neighborhood Center and The Ranch House (a community center). PA 1 was the first village of the Ranch to be developed and is located at Ortega Highway and Antonio Parkway. Land grading and infrastructure development began in about 2010-2011 and the first homes began construction in late 2012. The Ranch development officially opened for the sale of homes in the summer of 2013. By mid-2015, the Sendero residential product was sold out in response to strong market demand.

There are seven residential neighborhoods in PA 1. The homes vary from detached single-family to attached townhomes. Guest builders including Lyon, Shea Homes, TRI Pointe, Ryland Homes, Meritage and Sea Country purchased rough-graded superpads from Rancho Mission Viejo for development of the subdivisions. Del Webb and Standard Pacific built two age-restricted "Gavilan Community" neighborhoods of single-family and paired homes for buyers age 55 and up.

Aside from the variety of attached, detached and senior housing types, PA 1 was developed with a community retail center (Sendero Marketplace) at the northeast corner of Ortega Highway and Antonio Parkway. This retail center is anchored by a Gelson's Market and Rite Aid, and includes inline retail space, restaurants and a gas station. Sendero Field, at the northwest corner of Ortega Highway and Antonio Parkway, provides 15 acres of ball fields, pickleball courts, and an Adventure Play Park.

PLANNING AREA 2 – ESENCIA



Planning Area 2 has 1,680 gross acres, of which about half (835 acres) are in the Habitat Reserve (see facing photo showing the general PA 2 area). Residential development will occur on 795 acres, and there will be 45 acres for Urban Activity Center uses and 5 acres for Neighborhood Center uses. PA 2 is planned for up to 2,700 housing units and is the second village of the Ranch to develop. PA 2 is marketed as the community of "Esencia," consisting of three sub-communities marketed as Canyon House, Hilltop and NorthWalk. Esencia homes began construction in 2015 and eight neighborhoods opened for sale in late summer 2016. Market demand was strong from 2016 to mid-2018, when market prices began to stabilize and sales rates slowed. Notwithstanding slower market conditions

since mid-2018, housing sales have overall been strong, and most of the Canyon House and Hilltop neighborhood homes have been built and sold.

The final PA 2 NorthWalk community is under construction and home sales are ongoing. NorthWalk has nine neighborhoods marketed as Alma, Avant, Azure, Cobalt, Modena, Reverie, Topaz, Vida and Vivaz. The Alma and Vida subdivisions are age-restricted (55+) Gavilan neighborhoods. NorthWalk will have 750 detached and attached homes.

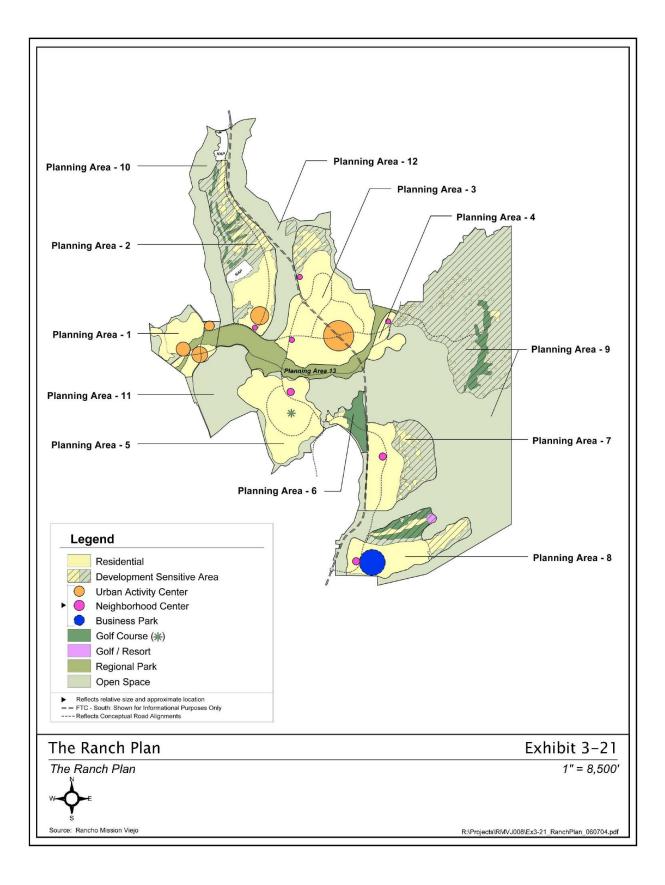
The table below summarizes the current builders, housing product type and pricing in the Esencia community as of August 2019. New homes prices range from \$510,000 to the mid \$1,000,000s depending on product type and model. Typical pricing is in the \$600,000 to \$900,000 range, except for luxury product exceeding \$1,000,000. The Gavilan neighborhoods are age-restricted (55+).

ESENCIA HOMES FOR SALE						
Project	Builder	Туре	Living Area	Pricing	Pricing/SF	
Alma	Del Webb	SFR (55+)	1,827-2,426 SF	\$700,000-\$790,000	\$326-\$383	
Alondra	Shea Homes	SFR (55+)	2,241-2,344 SF	\$933,000-\$1,013,000	\$416-\$432	
Arista	Del Webb	SFR (55+)	1,466-1,875 SF	\$660,000-\$735,000	\$392-\$450	
Avant	Lennar	SFR	1,677-2,151 SF	\$775,000-\$850,000	\$395-\$462	
Azure	New Home Company	Attached	707-1,619 SF	\$400,000-\$600,000	\$371-566	
Briosa	William Lyon Homes	SFR	3,069-3,486 SF	\$1,021,000-\$1,118,000	\$321-\$333	
Cortesa	Shea Homes	SFR	1,831-2,116 SF	\$748,000-\$839,000	\$396-\$402	
Iris	Lennar	SFR (55+)	1,729-2,340 SF	\$600,000-\$900,000	\$347-\$385	
Modena	Meritage Homes	Paired	1,479-1,962 SF	\$510,000-\$662,000	\$337-\$345	
Reverie	William Lyon Homes	SFR	1,914-2,917 SF	\$775,000-\$866,000	\$297-\$405	
Topaz	New Home Company	SFR	2,897-4,587 SF	Mid \$1,000,000s		
Veranda	MBK Homes	SFR	1,681-2,424 SF	\$599,000-\$765,000	\$316-\$356	
Vida	Del Webb	SFR (55+)	1,279-2,006 SF	\$598,000-\$728,000	\$363-\$468	
Viridian	TRI Pointe Homes	SFR	2,516-2,926 SF	\$948,00-\$997,000	\$341-\$377	
Vivaz	Lennar	SFR	1,701-2,153 SF	\$750,000-\$850,000	\$395-\$441	
Source: <u>www.ranchomissionviejo.com/homes</u> (08-15-2019)						

Community facilities in Esencia include the community clubhouses of Canyon House, The Garage and Hilltop Club. Pavilion Field, next to Esencia School, has sports fields, a multipurpose gym, and a lawn for picnicking and play. In 2020, Esencia Sports Park is expected to open for residents use with tennis and pickleball courts, a swimming pool and multi-use fields. In addition, approximately 50 acres of commercial space is envisioned at Esencia for such uses as retail shops and services, restaurants, professional offices, and more.

The remainder of The Ranch (outside PA 1 and PA 2) retains its historical use and character as a working ranch with mostly equestrian and agricultural uses, including citrus orchards on a few hundred acres, and cattle grazing. The Ranch owners proudly point to the 120-year history of these ranching operations. Rancho Mission Viejo is the last working ranch in Orange County. Other past and current Ranch uses include a container nursery, natural resource extraction, and materials processing, among others. A small area of the Ranch in the vicinity of Ortega Highway and San Juan Creek is leased for various business operations, including Greenstone Materials (crushed stone, sand and gravel), Olsen Pavingstone, Cemex (Ready-Mix Concrete), CR&R (Material Recovery Facility) and Ewles Material (concrete and asphalt recycling).

The Subject land is a part of Planning Area 3 and the Reserve, which are discussed later in this report.



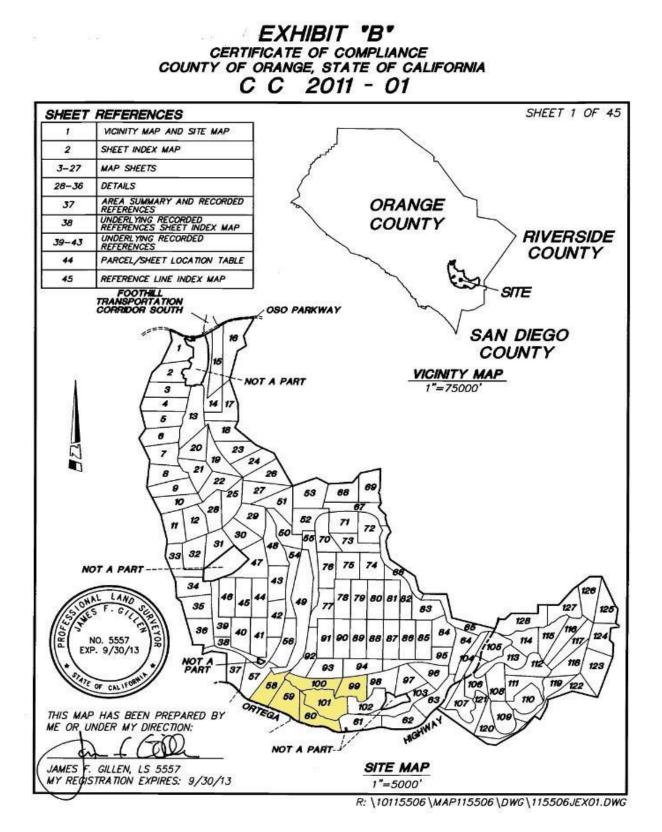
LARGER PARCEL ANALYSIS

The Subject easements are part of the Ranch, which consists of over 20,000 acres. For valuation purposes, it was necessary to define the limits of the land to be appraised, referred to as the "larger parcel" in this assignment. The term "larger parcel" has its origin in eminent domain valuation whereby the limits of the appraised property are governed by unity of title, physical contiguity and unity of use. Although these eminent domain tests do not apply to the current assignment, the concept of a larger parcel allows consideration of a smaller subsection of the Ranch to be valued, otherwise the appraisal would involve an unwieldy task of valuing tens of thousands of acres without any relevant market data.

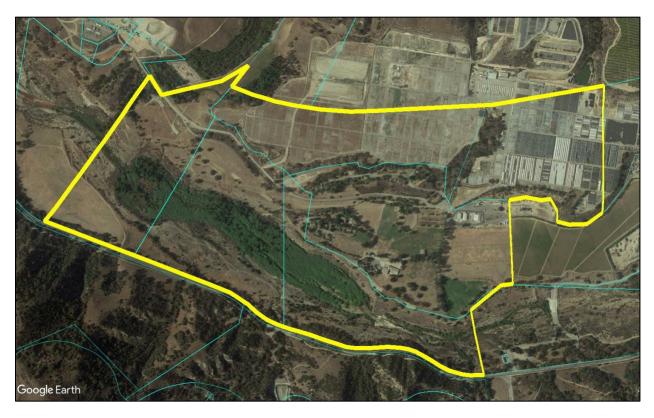
One size metric that was considered for the larger parcel was to use the boundaries of Planning Area 3 and the Habitat Reserve, the two planning subareas in which the two Subject easements are located. However, these subareas are still much larger than optimal for finding and analyzing relevant market data for comparison purposes.

An alternative method of defining the larger parcel is to use the boundaries of existing legal parcels. The Ranch is comprised of over 100 legal parcels that were officially recognized in Certificate of Compliance 2011-01 by the County of Orange. The two Subject easements cross six of these legal parcels, namely Parcels 58, 59, 60, 99, 100 and 101. In concept, these six legal parcels could be sold separately from the rest of the Ranch and, therefore, provide a logical basis for delineation of the larger parcel boundaries (notwithstanding that it is highly likely that RMV would continue hold these parcels with the larger Ranch for coordinated future development).

Therefore, for this appraisal, the six legal parcels constitute the larger parcel for valuation purposes. The six legal parcels total about 415 acres and are described in detail in the following Property Description section of this report. The reader is referred to the Certificate of Compliance map and aerial Google Earth photo on pages 22 and 23 illustrating the larger parcel.



The Ranch consists of 128 legal parcels as shown on the map above. The two Subject easements cross Parcels 58, 59, 60, 99, 100 & 101 (see yellow shaded parcels), which are defined as the larger parcel appraised in this assignment.



LARGER PARCEL AERIAL PHOTOGRAPH

The Subject larger parcel is outlined in yellow above. Faint lines mark the approximate boundaries of Certificate of Compliance Parcels 58, 59, 60, 99, 100 and 101. The larger parcel has about 415 acres. The southerly and southwesterly portions are in the San Juan Creek and Gobernadora Creek floodplains. The rest of the land consists of uplands, mostly developed with ranch and agricultural uses.

PROPERTY DESCRIPTION

RECORD OWNER

DMB San Juan Investment North LLC owns a fee simple interest in the land appraised. SDG&E owns an easement interest in the existing 138kV corridor that is proposed to be quitclaimed as part of the easement exchange.

LOCATION

The larger parcel is located along the north edge of San Juan Creek, north of Ortega Highway at Gibby Road in Rancho Mission Viejo, unincorporated Orange County, California. A portion of old Cow Camp Road crosses the property and connects to Gibby Road to the south. The west edge of the larger parcel is located at the confluence of Gobernadora Creek and San Juan Creek. The reader is referred to the aerial map of the larger parcel on page 23.

LEGAL DESCRIPTION

The larger parcel is legally identified as Parcels 58, 59, 60, 99, 100 and 101 of Certificate of Compliance 2011-01, County of Orange. A metes and bounds description of each of the two Subject easements in question is included in the Addendum of this report (see pages 101-117).

SALES HISTORY

The larger parcel has not sold in the past five years, nor has it recently been offered for sale, to the appraiser's knowledge.

LOT SIZE & SHAPE

The larger parcel has an irregular shape. According to Certificate of Compliance 2011-01, the six legal parcels and the larger parcel have the following acreages:

Larger Parcel Size	
Parcel 58	64.758 acres
Parcel 59	74.773 acres
Parcel 60	60.270 acres
Parcel 99	60.378 acres
Parcel 100	60.321 acres
Parcel 101	94.746 acres
Total Size	415.246 acres

ACCESS

Access to and from the larger parcel is by paved and dirt ranch roads extending north from Ortega Highway and east from the new section of Cow Camp Road near Esencia Drive. The southerly access route is from Gibby Road, which is paved as it crosses San Juan Creek. This southerly access route uses an Arizona crossing at San Juan Creek, and therefore is subject to occasional flooding. The westerly dirt road access along the old Cow Camp Road alignment crosses Gobernadora Creek and is also subject to occasional flooding.

As part of the Planning Area 3 development, the Cow Camp Road bridge is presently being constructed over Gobernadora Creek with a combination of public and private funding by the County of Orange and RMV. When completed in the next 1-2 years, Cow Camp Road will provide all-weather access to the larger parcel and the new/relocated 138kV SDG&E easement. There are also plans for a bridge crossing at Gibby Road and San Juan Creek, but that improvement is not presently under construction.

TOPOGRAPHY

Most of the larger parcel consists of gentle terrain, including a near-level mesa in the north and northeast portions where there was recently a large container nursery operation. From this mesa, the land slopes gently to the south and southwest toward San Juan Creek and Gobernadora Creek. There is a minor amount of moderate and steep slopes in a finger canyon interrupting the mesa and at the transition from the mesa to the ranch lands upland of the creeks. The two easements involved in the proposed exchange are primarily located in the areas of gentle topography. The area of the larger parcel lying within the proposed Habitat Preserve has gentle topography that is subject to inundation from creek flows.

DRAINAGE & FLOOD HAZARD

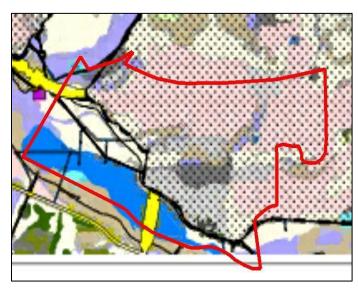
The larger parcel slopes gently down to the south and southwest. Because the land is presently improved with ranch and agricultural uses, there is no urban storm drainage system installed. In general, existing drainage is by sheet flow and natural drainage courses down to San Juan Creek and Gobernadora Creek, where waters then flow westerly off the Ranch toward San Juan Capistrano and the Pacific Ocean.

The portions of the larger parcel lying north of the north bank of San Juan Creek and east of the east bank Gobernadora Creek are outside the identified FEMA floodplain. All of Planning Area 3 and all, or nearly all, of the two Subject easements are outside the FEMA flood hazard zone (Pole Z101594 may be at the very edge of, and within, FEMA Zone A).

The portions of the larger parcel lying in the Habitat Reserve, south of the north bank of San Juan Creek and southwesterly of the east bank of Gobernadora Creek, are in FEMA Zone A, where base flood elevations have not been determined according to FEMA mapping. The map below shows the FEMA Zone A flood hazard area with the blue and orange lines indicating the approximate location of the existing SDG&E easement (blue) and new/relocated easement (orange).



BIOLOGICAL RESOURCES



The south portion of the Subject larger parcel is in the Reserve and consists of wetlands and riparian habitat. The facing excerpt from the Vegetation Communities Map on page 34 outlines the Subject larger parcel in red and shows the habitat types in the area of San Juan Creek and Gobernadora Creek as mostly open water (blue) with minor areas of marsh (purple) and upland grasslands (creme). The bright yellow segments indicate roads, i.e. the Gibby Road crossing at San Juan Creek (lower yellow) and the Cow Camp Road crossing at Gobernadora Creek (upper

left yellow). The other areas of the larger parcel are mostly disturbed/developed with ranch and agricultural uses although there is a minor amount of scrub vegetation in some areas.

UTILITIES

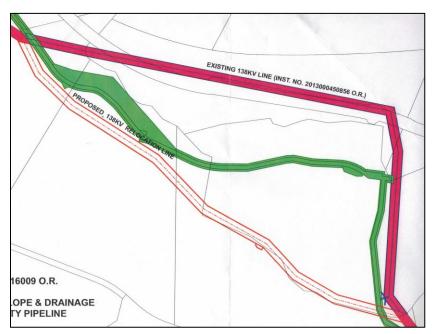
The larger parcel is presently served with electric service by SDG&E, telecommunications service and private wells. There is an agricultural irrigation system that originates at the well sites, including in the vicinity of San Juan Creek. Ranch homes are supported by private septic systems. Future development will require extension of public water, sewer and storm drainage improvements to development sites. There are a few major public utilities in Planning Area 3, including the 66-inch South County Pipeline, owned by the Santa Margarita Water District, that parallels the north side of San Juan Creek as it crosses the Ranch. Of course, SDG&E has a 138kV electrical transmission facility, which is the subject of this appraisal report.

ENCUMBRANCES

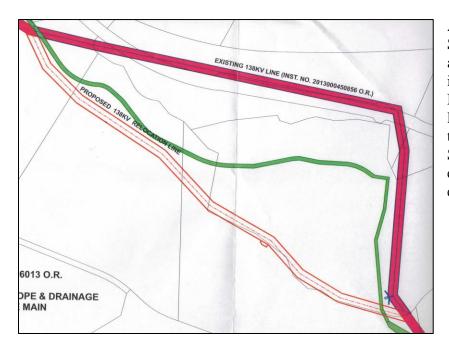
A First American Title Company preliminary title report dated October 4, 2017 was provided for review, however, this title report covers a portion of Parcels 99 and 100 of Certificate of Compliance CC 2011-11 and right of way for Cow Camp Road, but does not appear to include the area affected by the proposed easement exchange.

The title report provided lists various typical utility easements of record, including eight SDG&E easements. There are several title exceptions relating to future development of the land, such as an agreement for school facilities, an option agreement for Foothill South, a Rancho Mission Viejo Development Agreement, a Notice of Settlement and Declaration of Restrictions, a Secured Fire Protection Agreement, a Declaration of Irrevocable Covenant and an Irrevocable Offer to Convey Real Property. There are two title exceptions for unrecorded leases and exceptions for options to purchase and option agreements. The title report did not include a plotted easements map and it was beyond the scope of this report to investigate the location and extent of the utility easements.

RMV representatives provided maps showing two utility easements in the vicinity of the Subject easements. These two utility easements are not listed in the preliminary title report provided. Each utility easement is summarized below:



An easement in favor of Santa Margarita Water District (SMWD) for pipelines, slope and drainage - this is identified as the South County Pipeline (see map excerpt on left). This easement is improved with a 66-inch water pipeline that crosses the existing/quitclaim SDG&E easement at its west end. The facing map identifies the pipeline easement shaded green and the existing SDG&E 138kV easement shaded red. The new/relocated easement is outlined in red.



An easement in favor of SMWD for pipelines, slope and drainage – this is identified as Sewer Force Main (see map excerpt on left). This easement crosses the existing/quitclaim SDG&E easement at its west end and the new/relocated easement at its southeast end.

HAZARDOUS MATERIALS

It was beyond the scope of this report to review any environmental studies regarding potential hazardous materials in, on and around the Ranch. For the purpose of this appraisal, the two easements valued herein are assumed to be free of hazardous materials. The reader is referred to the Limiting Conditions and Assumptions regarding hazardous materials on page 11 of this report.

ASSESSOR/TAX DATA

The six legal parcel that comprise the larger parcel are not individually-assessed tax parcels. These six legal parcels are a part of the following County Assessor tax parcels:

Assessor Parcel No.	Plat Map Acres	Assessment (2018-19)	Annual Taxes
125-163-13	62.24	\$672,695	\$7,450.34
125-163-19	139.38	\$514,925	\$6,632.30
125-163-33	1,939.85	\$67,452,225	\$701,747.90

The tax rate area is 82105. Taxes are charged based on 1% of the assessed value plus assessments for voter-approved bonded indebtedness for public improvements such as schools. Development of infrastructure in Planning Area 3 is expected to use CFD funding (Community Facilities District), commonly referred to as Mello-Roos bonds. Future homeowners will pay an additional monthly tax secured to the tax roll to pay for the CFD bond interest. For example, homeowners in the Esencia community pay about 1.8% to 2.0% of assessed value in total property taxes (1% base tax + CFD charges + voter-approved indebtedness).

IMPROVEMENTS

The larger parcel has ranch, equestrian and agricultural improvements including about a dozen ranch houses, barns, storage buildings, ranch offices, greenhouses, horse corrals, riding rings, outbuildings and ranch fencing. These improvements are not relevant to the valuation of the easements to be exchanged and were not inspected or valued in this appraisal assignment.

CURRENT USES

The Subject larger parcel is a part of the larger Rancho Mission Viejo, which continues to be used as a working ranch as it has for the past 120 years or more. Ranching uses include housing for ranch workers, avocado & citrus orchards, barley growing, a former container nursery, equestrian riding rings, horse stables and corrals, and natural resource extractive uses, among others. Some of the ranch uses are planned to be continued as allowed uses pursuant to the Master Area Plan, but others will be discontinued when Planning Area 3 develops. The map on page 33 shows current and recent ranch uses in the vicinity of the Subject larger parcel.

DATE OF INSPECTION

July 2, 2019, accompanied by Jeff Thompson of Rancho Mission Viejo.

SUBJECT PHOTOGRAPHS – EXISTING SDG&E EASEMENT



SDG&E TL13831, Pole Z101594 looking south from paved ranch road, showing new work pad



View north from Pole Z101594, showing Pole Z101595 & existing SDG&E easement through pasture



Looking north from Pole Z101594, showing new SDG&E maintenance vehicle parking area



Looking south at Pole Z101597 & existing SDG&E lines through pasture land



View north of existing SDG&E easement from north of pasture, looking toward Pole Z101598



Looking east at angle Pole Z101599

SUBJECT PHOTOGRAPHS – EXISTING SDG&E EASEMENT



Looking south at Pole Z101599, showing compacted earth and gravel work area



Looking westerly from Pole Z101599



Looking east toward Pole Z101602 from ranch road



Looking southeast at gravel access path and work area next to Pole Z101602



View northerly from haul road of Cow Camp Road bridge under construction and existing SDG&E Poles Z101606 (left) and Z101605 (distant right)



Looking west at haul road and Pole Z101607

SUBJECT PHOTOGRAPHS - NEW SDG&E EASEMENT



View northwest from ranch road of new SDG&E easement corridor (Pole Z101594 is behind camera)



Looking southeasterly toward distant Pole Z101594, showing new SDG&E easement & service road



Looking northwest at new SDG&E easement in area of ranch house and well site.



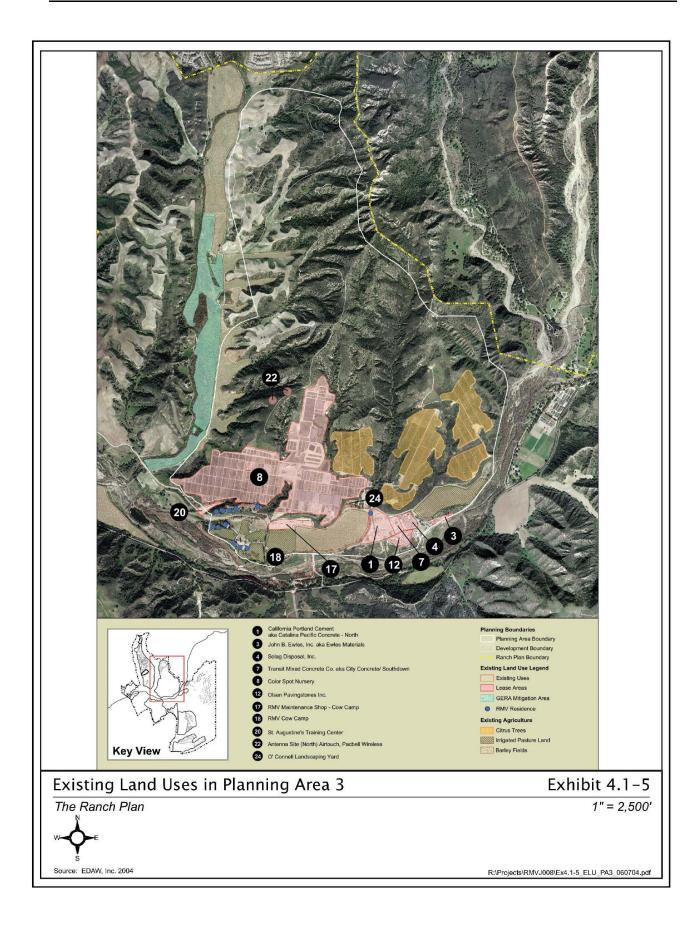
Looking southeast from Pole Z101607 showing route of new SDG&E easement

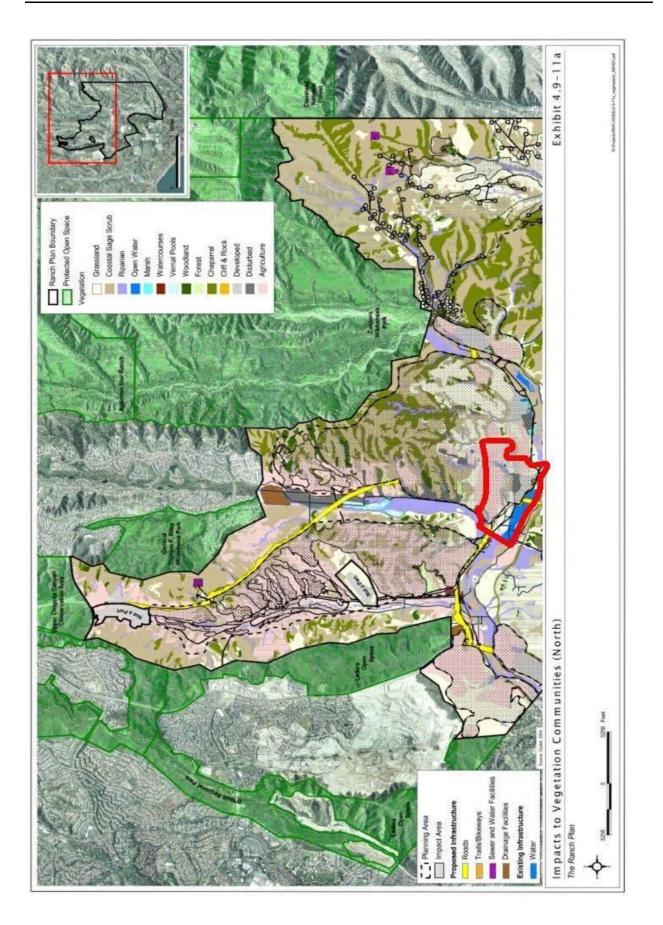


View east of haul road used by SDG&E for ingress/egress



Looking southwest, showing generalized view of south portion of the Ranch





19-55: SDG&E – Rancho Mission Viejo 138kV Easement Relocation Project

LAND USE REGULATIONS (PLANNING AREA 3 AND THE RESERVE)

The Subject larger parcel is zoned PC, Planned Community, a generic zone that gives the land developer broad flexibility in designing future neighborhoods and land uses within the constraints of the Master Area Plan and Subarea Plans. Until tentative maps are processed and finalized, the product type and location of future land uses are fluid and subject to changes in market demand and consumer preferences. The Master Area Plan and Subarea Plans, however, define permitted land use types, densities and intensities.

The Subject larger parcel is the south portion of Planning Area 3 and in the Habitat Reserve. The acreages in PA 3 and the Reserve are summarized below:

Larger Parcel Zones of Use	
Development Land, Planning Area 3	184.74 acres
Habitat Reserve	230.51 acres
Total Larger Parcel	415.25 acres

The Master Area Plan and Subarea Plans will guide future development of the Subject larger parcel. The following is a discussion of Planning Area 3 and The Reserve.

PLANNING AREA 3

The table below summarizes permitted land uses for Planning Area 3 (and PA 4):

						D	evelopment	Uses				-	_	Open	Planning
		Residential				Urban Activity Center (UAC)			Neighbor-hood Center		siness Park	age		Space Use	Area Totals
Planning Area	Gross Acres	Net Acres	Maximum Dwelling Units	Age-Qualified Dwelling Units	Parkland Gross Acres	Gross Acres	Maximum Square Footage of Non- Residential Uses (in thousands)	Gross Acres	Maximum Square Footage (In thousands)	Gross Acres	Maximum Square Footage (in thousands)	Golf Resort Gross Acreage	Total Gross Acres	Open Space Acres	Gross Acres
Planning Areas 3 and 4	2,416	1,450	7,500	2,919	100	201	2,950	19	145	50	305	0	2,686	627	3,313
Subarea 3.1	254	165	962	390	5			3	15				257		
Subarea 3.2	266	172	1,154	468	5			3	15				269		
Subarea 3.3	249	143	1,001	406	5			3	15				252		
Subarea 3.4	242	150	881	357	5			10	100				252		
Subarea 3.5	128	67	700	284	5					50	305		178		
Subarea 3.6	282	154	1,171	515	20	53	750						335		
Subarea 3.7	319	207	1,131	499	5								319		
Subarea 3.8	274				50	35	500						309		
Subarea 4.1	402	392	500			113	1,700						515		

TABLE 3 PLANNING AREAS 3 AND 4 DEVELOPMENT TABLE



Planning Area 3 is centrally located in the Ranch and is generally bounded by San Juan Creek and Ortega Highway to the south and east, Gobernadora Creek and Esencia (PA 2) to the west. Ladera Ranch to the northwest and the community of Cota de Caza to the north. The north end of PA 3 consists mostly of moderate to steep undeveloped hills. The south end of PA 3 is developed with ranch, agriculture and extractive uses in the vicinity of San Juan Creek. The facing photo shows the general area of Planning Area 3. The map on page 20 depicts the location of Planning Area 3 relative to the larger Ranch. Planning Area 3 has 2,798 gross acres as shown in the table above. There are 627 acres of planned open space in the Habitat Reserve, leaving 2,171 acres of developable land. Of these

2,171 gross development acres, nearly 93% is planned for construction of up to 7,000 dwelling units on 2,014 acres, or an average density of 3.48 dwelling units per gross acre. Up to 2,919 of the dwelling units are designated as age-qualified (55+). The residential development areas will include 100 acres of park land.

Other planned uses on the remaining 157 acres in PA 3 include Urban Activity Centers (88 acres) with up to 1,250,000 square feet of buildings, Neighborhood Centers (19 acres) with up to 145,000 square feet of buildings and a Business Park (50 acres) with up to 305,000 square feet of buildings. The Ranch Plan Draft Program EIR No. 589 Land Use Element defines an Urban Activity Center as an area:

"...intended for high-intensity mixed-use development. Appropriate land uses include, but are not limited to, residential, commercial, and offices uses; industrial parks and materials recovery/recycling facilities; civic, cultural, and educational uses; and childcare facilities."

The Ranch Plan Draft Program EIR No. 589 describes the Urban Activity Center land uses in Planning Area 3 as follows:

"Within the non-residential development area, a variety of urban activity uses are proposed. The proposed project would allow for approximately 1,680,000 square feet of urban activity center uses, consisting of office space, 100,000 square feet of neighborhood commercial, and a Town Center. These uses would be clustered around New Ortega Highway..." (i.e. Cow Camp Road)

Planning Area 3 Subareas

As the table on page 35 shows, Planning Area 3 is segmented into eight subareas for planning purposes. The Subareas are numbered 3.1 to 3.8 based on their expected phased development (see PA 3 subarea map on page 39). The portions of the Subject easements that are in Planning Area 3 are primarily in Subarea 3.8, although some of the existing SDG&E easement is in Subarea 3.1 (north of the future Cow Camp Road alignment).

Subarea 3.1 – This subarea will be the first to be developed in PA 3. It is located on the north side of future Cow Camp Road and adjacent east of Gobernadora Creek. Subarea 3.1 is planned mostly for residential development. Subarea 3.1 has 257 gross development acres, of which 254 acres are planned for construction of up to 962 dwelling units, or an average density of 3.9 units per gross acre. Residential uses may include a 3-acre affordable housing site, park land, recreational uses and up to 12 acres of community facilities, including a potential K-8 school and day care center. The only non-residential use planned in Subarea 3.1 is a Neighborhood Center on 3 acres.

Subarea 3.8 – The developable portions of the two Subject easements are mostly in Subarea 3.8, which will be the last phase of development in Planning Area 3. Subarea 3.8 is located on the south side of future Cow Camp Road, north of San Juan Creek and east of Gobernadora Creek. Subarea 3.8 has 309 gross acres, of which 274 acres are planned for residential uses. However, no new dwelling units are planned in Subarea 3.8, instead the residential acreage will be developed with detention basins, water quality basins and sports park land to support the housing that will be built in the other subareas. Some of Subarea 3.8 will be retained for historical ranch uses, including agriculture. The only non-residential use planned in Subarea 3.8 is an Urban Activity Center (on 35 acres) with up to 500,000 square feet of building. The Subarea Plan describes Subarea 3.8 as follows:

"Subarea 3.8

The 309-gross-acre Subarea 3.8 is located in the southerly portion of Planning Area 3. Cow Camp Road would traverse the northern boundary of the westerly portion of the subarea in a generally an east-west direction. San Juan Creek is located southerly of Subarea 3.8. The following land uses are proposed:

• 274 gross acres of development area generally zoned residential, which may include, but not be limited to, the following uses allowed by Section III.A (Residential) of the Ranch Plan Planned Community Program Text:

• Up to 50 acres of proposed sports park uses.

• Approximately 80 acres of detention basins and water quality basins, as allowed by Section III.F.1.1.1)b) (Community Facilities) of the Ranch Plan Planned Community Program Text.

• Approximately 75 acres of uses allowed by Ranch Plan Planned Community Text Section III.H: Agricultural and Other Existing and On-Going Uses (including but not limited to Item III.H.2.d: "Ranching facilities also used periodically for recreational purposes (including "Cow Camp" at 31471 Ortega Highway."

• Up to 35 acres and up to 500,000-square-feet of uses permitted by Section III.D.1.a (Urban Activity Center – Principal Permitted Uses) of the Ranch Plan PC Program Text."

Planning Area 3 is in the tentative map processing phase, which will initially include "A" maps defining major infrastructure and superpads for future development. Later, guest builders are expected to process "B" maps showing internal subdivision streets and individual legal house lots. Some of the "A" superpads are expected to be developed, without further subdivision, with uses such as apartment housing, shopping centers, schools and parks.

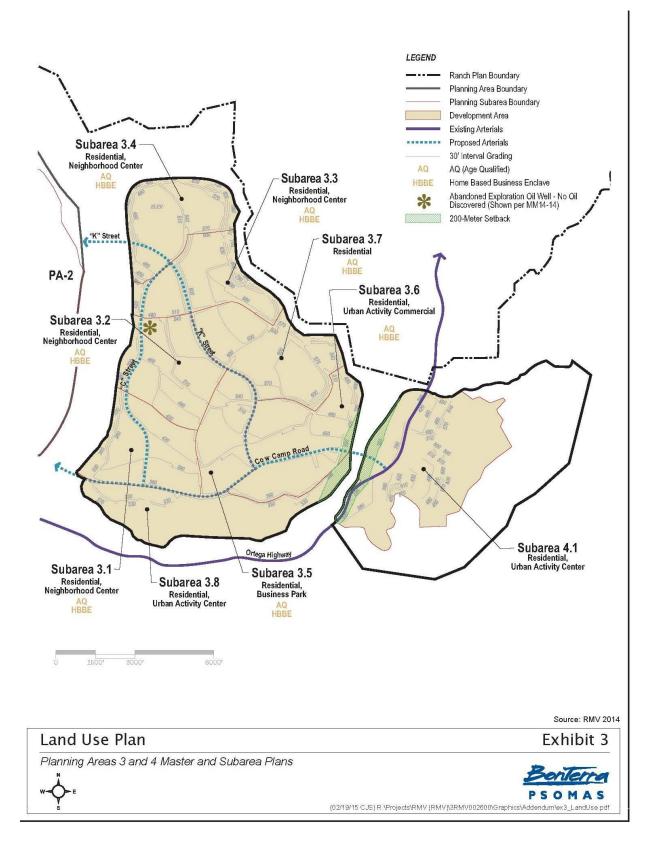
THE RESERVE

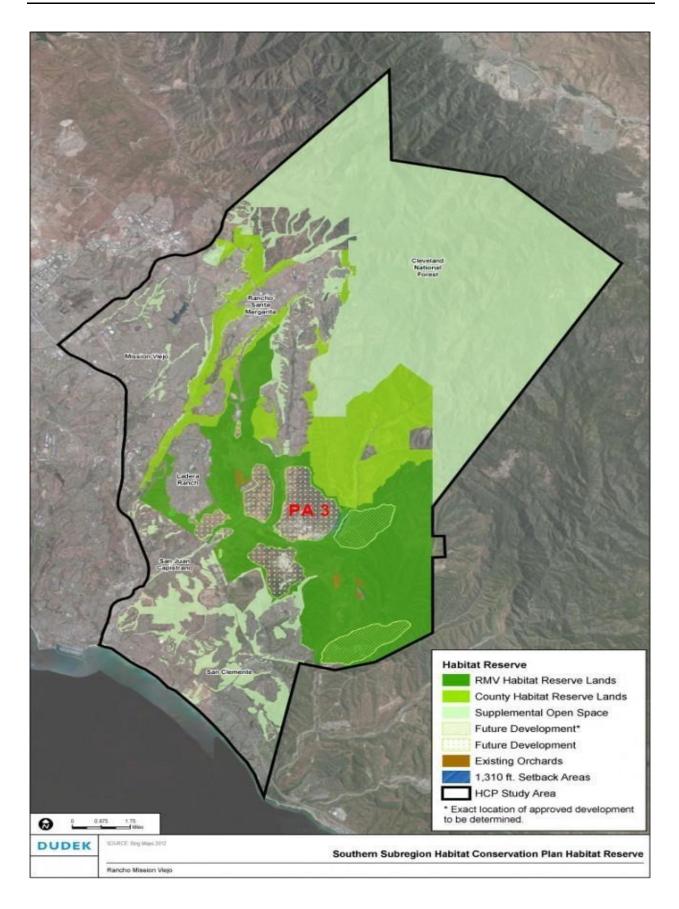
A large area of the Ranch will be preserved as open space to mitigate environmental impacts of Ranch development. The land use table on page 16 shows 16,915 gross acres, or about 75% of the Ranch, will be conserved in the Habitat Reserve. Dedication of lands into the Reserve by recordation of conservation easements will occur concurrently with phased development of the individual Planning Areas. For example, those areas of the Reserve associated with development of Sendero (PA 1) and Esencia (PA 2) have been dedicated to permanent Reserve use. The map on page 40 prepared by Dudek shows Planning Area 3 (PA 3) is surrounded by the future Reserve, including lands owned by the County of Orange to the east/northeast.

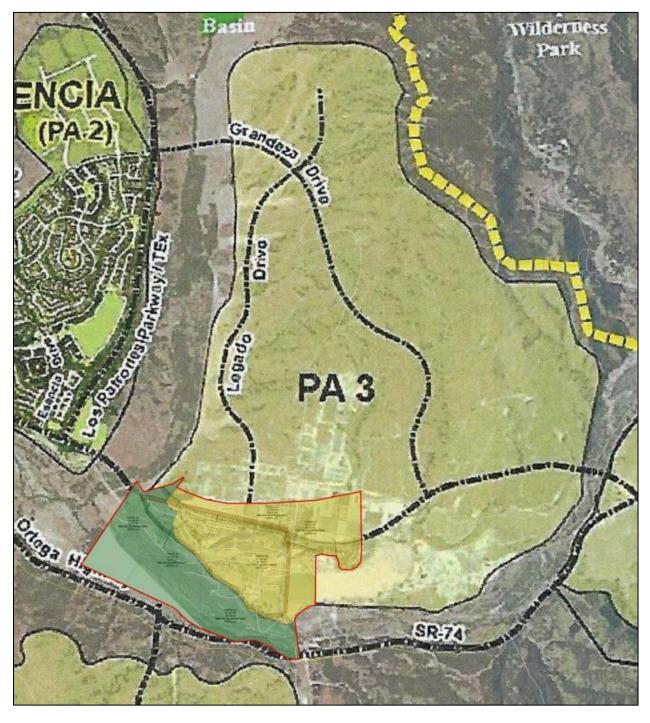
Of the approximate 415 acres that comprise the Subject larger parcel, 230.51 acres are in the planned Reserve. This future conserved open space is generally located in the floodplain of San Juan Creek and Gobernadora Creek (see map on page 41). This area has not yet been dedicated to conservation, but will be as Planning Area 3 phased development occurs.

The Reserve plan is the result of a concerted effort by the owners of RMV, the County of Orange, the U.S. Fish & Wildlife Service, the California Dept. of Fish & Wildlife, environmental groups and local stakeholders to conserve a large block of land to sustain existing habitat for a variety of sensitive animal and plant species. This effort culminated in the Master Area Plan, which establishes the areas of the Ranch that can be developed and the areas that will be preserved as natural habitat.

The RMV Habitat Reserve is a part of the Southern Subregion Habitat Conservation Plan (SSHCP), which calls for 75% of the Ranch to be preserved. The goal of the SSHCP is the permanent conservation and management of natural habitat needed to sustain long-term survival of wildlife and plant species. The SSHCP creates a habitat reserve that will consist of the RMV Reserve lands and 11,950 acres in O'Neill Regional Park, Caspers Wilderness Park and Riley Wilderness Park owned by the County of Orange.







The Subject larger parcel is outlined in red above. The area shaded yellow within the larger parcel is in Planning Area 3 and is slated for future development consistent with the Master Area Plan and Subarea Plans. The green shaded area in the larger parcel is in the planned Habitat Preserve.

DESCRIPTION OF THE 138KV SDG&E EASEMENT RELOCATION PROJECT

This appraisal addresses the market value of two easements that are the subject of a proposed easement exchange and 138kV facility relocation between SDG&E and the owners of Rancho Mission Viejo (RMV). The easements in question are located in the south end of Planning Area 3 of the Ranch and in a portion of the planned open space Habitat Reserve. The motivation for the proposed easement exchange is RMV's need to relocate a portion of an existing 138kV system of SDG&E poles and lines that would otherwise interfere with the alignment and construction of Cow Camp Road (now under construction), and other planned development, through Planning Area 3.

The 138kV relocation project involves an exchange of 100-foot-wide electric transmission easements, followed by installation of steel monopoles and lines in the new easement at RMV's expense. RMV ownership has already granted a new/relocated 11.58-acre easement to SDG&E (see April 2019 recorded easement deed on pages 101-112 in the Addendum of this report). SDG&E will quitclaim a 14.00-acre segment of its existing easement to RMV (see draft quitclaim deed and its attachments on pages 113-117 in the Addendum).

The exhibit on page 43 shows the generalized location of the Subject easements in relation to the whole Ranch. The exhibit on page 44 shows the Subject larger parcel shaded in yellow and green, the existing/quitclaim SDG&E easement in orange, and the new/relocated easement in blue. The map has a legend indicating the existing SDG&E easement has 14.04 acres and the new/relocated easement has 11.58 acres. However, the draft quitclaim deed in the Addendum shows the easement area to be quitclaimed has been refined to 14.00 acres.

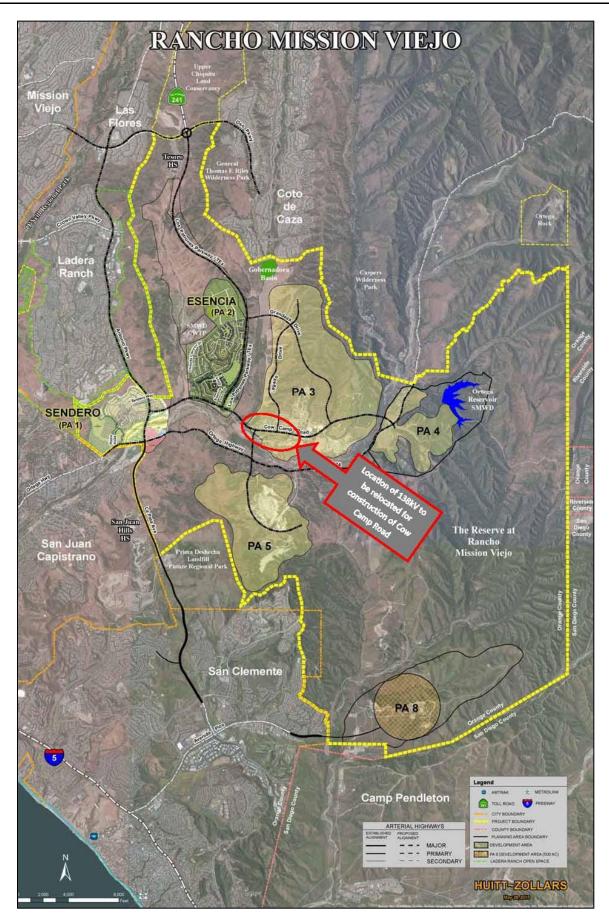
Existing/Quitclaim Easement – The map exhibit on page 45 is a focused view of the two Subject easements. Shown in green, the existing SDG&E easement to be quitclaimed mostly crosses through Planning Area 3, which is slated primarily for residential development. A small portion of the existing SDG&E easement crosses the planned Habitat Reserve at its west end. The map exhibit on page 45 shows the following acreages in the existing/quitclaim easement:

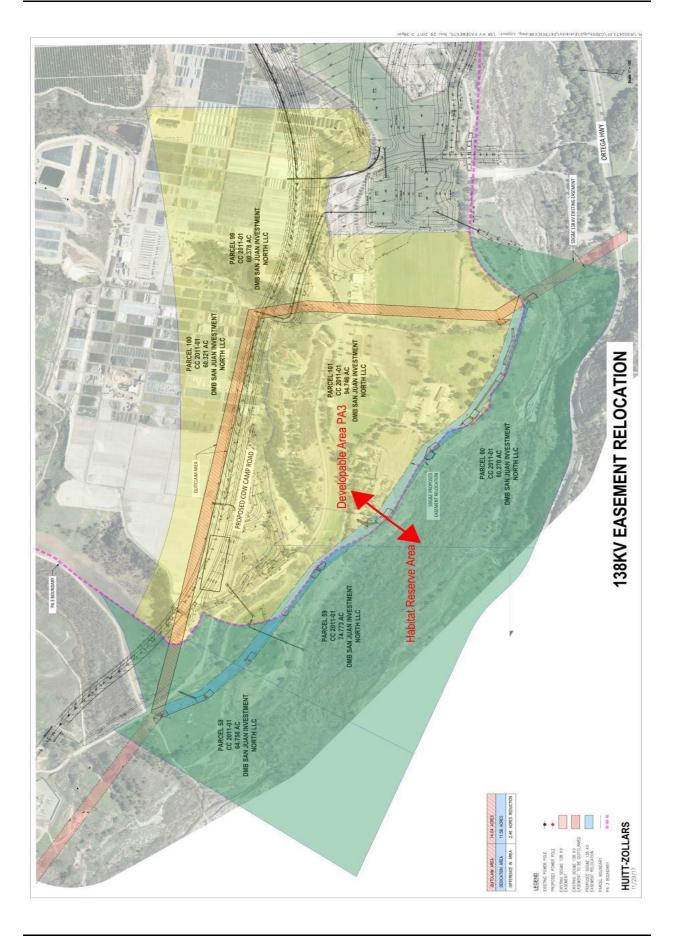
	Total Area	Outside PA 3	Inside PA 3
Quitclaim Area	14.04 acres	1.45 acres	12.59 acres

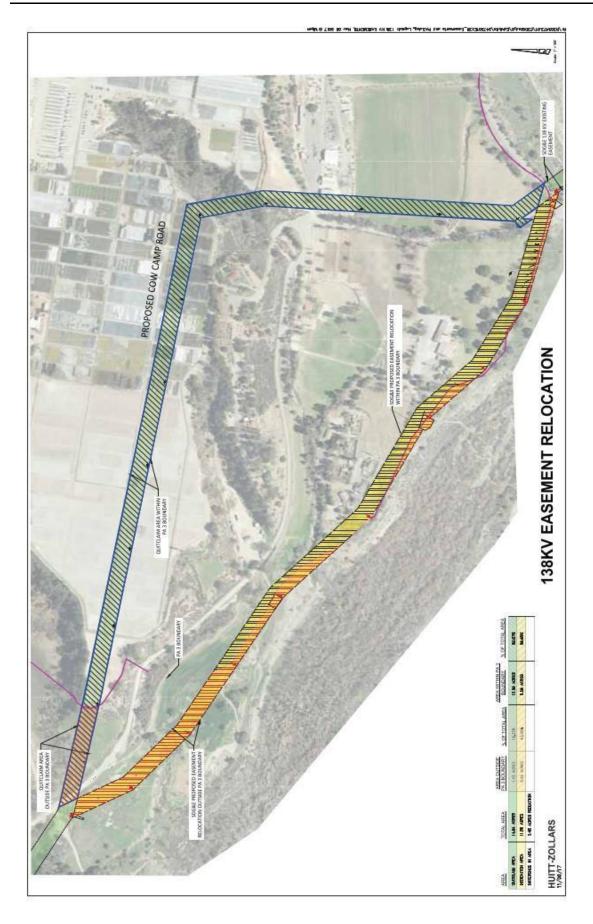
Because the draft quitclaim deed legal description shows a slightly smaller easement area of 14.00 acres, for valuation purposes the quitclaim area will be allocated as 1.45 acres in the Reserve and 12.55 acres in Planning Area 3.

New/Relocated Easement - Shown in yellow on the map exhibit (p. 45), the new/relocated easement (or "dedication area") straddles the boundary of Planning Area 3 and the Habitat Reserve. The map exhibit shows the following acreages in the new/relocated easement:

	Total Area	Outside PA 3	Inside PA 3
Dedication Area	11.58 acres	5.02 acres	6.56 acres







VALUATION ANALYSIS

The existing/quitclaim SDG&E easement and the new/relocated easement are situated in two distinct areas of The Ranch: 1) Planning Area 3 slated for future development and 2) The Reserve planned as an open space system to mitigate environmental impacts. Each of the two easements in question have segments in Planning Area 3 and in the Reserve. The larger parcel was appraised using a zone of value method whereby the higher contributory value of the development land was estimated based on development land sales data, and the lower contributory value of the Reserve land was estimated based on mitigation land sales.

HIGHEST & BEST USE

Highest and best use is generally defined as the reasonably probable use that is legally permissible, financially feasible, physically possible and results in the maximally productive land use.

The Subject larger parcel is part of the master-planned Rancho Mission Viejo development and future land uses are defined by the Master Area Plan and Subarea Plans, specifically Planning Area 3 and the Habitat Reserve. The larger parcel is physically suited to accommodate future development due to its gentle topography, except in the Reserve which is planned as mitigation for environmental impacts in the development areas. However, there is presently a lack of infrastructure and future development will require road and bridge construction, and extension of major water, sewer and other utilities. Market demand for housing in south Orange County, and in Planning Area 2 of The Ranch, is presently steady and the longterm expectation is for continuing demand due to population growth and a scarcity of land available for new housing development.

Based on the above facts and reasoning, the highest and best use of the larger parcel is a combination of future development and open space conservation consistent with the Ranch Master Area Plan and Subarea Plans. The reader is referred to the earlier discussion of The Ranch Master Area Plan, and specifically Planning Area 3 and The Reserve for information about planned uses. Planning Area 3 will mostly be developed with residential uses. Other uses, such as neighborhood retail centers, an urban activity center and water quality basins, will be constructed to support the housing units in other subareas. Those areas of the larger parcel within the planned Reserve will be dedicated to permanent conservation. Some historical ranch, agricultural and equestrian uses are allowed by the Master Area Plan and are expected to continue in limited areas of Planning Area 3.

VALUE OF THE DEVELOPMENT LAND

The developable land in Planning Area 3 that is within the boundaries of the defined larger parcel is in a raw condition, but is entitled for development consistent with the Master Area Plan and Subarea Plans. Planning Area 3, as discussed earlier in this report, is slated mainly for development of housing at an average density of 3.48 units per gross acre. However, there are other planned uses including Urban Activity Centers, neighborhood commercial and a business park in Planning Area 3.

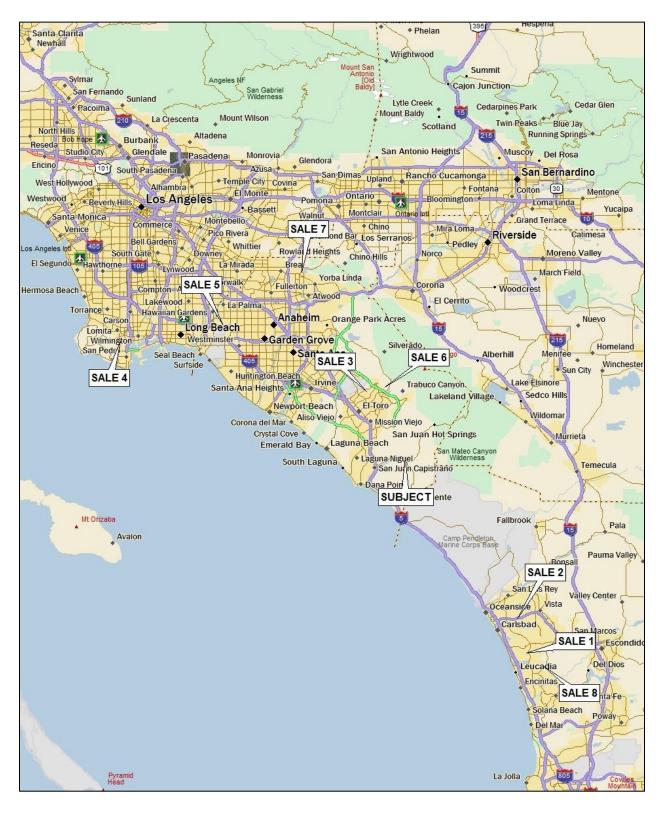
The Sales Comparison Approach was used to estimate the contributory value of the development land. Because most of Planning Area 3 will be developed residentially, the search for relevant land sales focused on raw residential acreage in Orange County. Due to a scarcity of land sales similar with the Subject land, the geographic search area was expanded to include north San Diego County and Los Angeles County, and sales back to 2012 were considered. The customary unit of comparison for acreage land is price per acre, but in this case price-per-unit was very useful given that residential developers often use this unit of comparison.

This report includes a discussion of eight raw development land sales, seven of which are residential land. One sale is a combination of planned commercial and residential uses – this sale was useful because part of Planning Area 3 in the vicinity of the Subject easements will be developed with an Urban Activity Center that includes commercial uses. The table below summarizes the eight development land sales. The accompanying map depicts the location of the Subject and each sale property. The reader is referred to the Addendum (pages 71-87) for a detailed summary, photographs and maps of Development Sales 1-8.

		DEVELOPME	ENT LAND	SALES SU		[]	
Sale	Project/				No. Units/		
ID	Location	Sale Price	Sale Date	Acres	Density	\$/Acre	\$/DU
1	Treviso	\$18,500,000	Oct 2017	50.8 AC ¹	123 SFRs	\$364,173 ¹	\$150,407
	Ambrosia Lane,				2.4 DU/AC		
	Carlsbad						
2	The Preserve	\$48,000,000	Feb 2015	155.17AC ²	636 DU	\$309,338 ²	\$75,472
	Haymar Drive,				4.1 DU/AC		
	Carlsbad						
3	Serrano Summit	\$136,000,000	Sept 2017	59.635 AC	608 DU	\$2,280,540	\$223,684
	Biscayne Bay Drive,				10.2 DU/AC		
	Lake Forest						
4	Ponte View	\$151,600,000	April 2018	61.53 AC	676 DU	\$2,463,839	\$224,260
	Western Ave,				11.0 DU/AC		
	Los Angeles (San Pedro)						
5	Ovation @ Flora Park	\$55,000,000	April 2017	27.821 AC	244 DU	\$1,976,923	\$225,410
	Enterprise Drive,				8.8 DU/AC		
	Cypress						
6	IronRidge	\$178,000,000	Nov 2015	83.78 AC	626 DU	\$2,124,612	\$284,345
	Glenn Ranch Road,				7.47 DU/AC		
	Lake Forest						
7	Buena Vida	\$66,203,000	Oct 2015	40.711 AC	269 DU	\$1,626,170	\$246,108
	Valencia Avenue				6.6 DU/AC		
	Brea						
8	La Costa Town Square	\$38,000,000	Jan 2012	83 AC	190 DU	\$457,831	N.M. ³
	La Costa Avenue,				285k SF retail		
	Carlsbad						

² Excluding 61.19 acres of dedicated off-site open space.

³ Parcel has combination of residential and commercial land – Price per unit is Not Meaningful (N.M.).



DEVELOPMENT LAND SALES LOCATION MAP

Discussion of Development Land Sales

The eight sales exhibited a wide range of prices per acre, principally due to a wide range of development densities. In general, the higher density properties sell for higher prices per acre. The prices ranged from \$309,338 to \$2,463,839 per acre. Predictably, the lowest prices per acre were Development Land Sales 1 and 2, which had the lowest densities. Development Land Sales 3-7 had much higher densities (6.6 to 11 units per acre) than the Subject's density (3.48 units per acre), and sold for higher prices ranging from \$1,626,170 to \$2,463,839 per acre. This variability in density made analysis of these sales more difficult on a price per acre basis.

On a price-per-unit basis, the price pattern of Development Land Sales 1-7 was more uniform than price-per-acre. Sales 1-7 sold within a range of \$75,472 to \$284,345 per dwelling unit, with five sales within the \$150,407 to \$246,108 per unit price range. The following is a description of each development land sale.

Development Land Sale 1 (\$364,173/acre, net of mitigation; \$150,407/DU) is the October 2017 sale of a 60.56-acre parcel of raw land entitled for development of a 123-lot single-family subdivision on the east side of Ambrosia Lane at Poinsettia Lane in Carlsbad, San Diego County. The sale price was \$18,500,000 or \$150,407 per dwelling unit. The land has mixed terrain, but the developable portion (about 20 acres) had gentle terrain and had been farmed. The 60.56 acres included approximately 10 acres set aside as mitigation land. Lennar Homes was the buyer. During escrow, Lennar entitled the land for the 123-lot subdivision, known as "Treviso." The 123 detached homes will be on the north 20.1 acres. Another 25 acres will be open space. Lennar will spend about \$1.7 million to build Poinsettia Lane through this parcel (there is already \$11 million contributed by other developers toward the construction of this road). As part of a lawsuit settlement and Community Benefit Agreement, Lennar will build an offsite 3.1-acre public park for about \$3 million at Buena Vista Reservoir and will restore 3 acres of chaparral habitat at Veteran's Park and up to 5.7 acres at Aviara Park. The Treviso project broke ground in summer 2018. Homes will range from 1,755 to 2,785 SF. Pricing has not been announced as of August 2019. Excluding the mitigation land, this property will develop at a net density of 2.4 units per acre (123 units \div 50.8 acres). The Carlsbad location is rated as inferior compared with the Subject's south Orange County location, requiring upward adjustment. Downward adjustments are justified for the difference in acreage and entitlement status compared with the Subject. The Subject's Planning Area 3 will develop at an average density of 3.48 units per gross acre, which is a higher density than this sale; adjustment for the difference in density is needed.

Development Land Sale 2 (\$309,338/acre, net of offsite mitigation; \$75,472/DU) is the February 2015 sale of 216.36 acres of raw, entitled land for development of 636 housing units south of Highway 78 and west of Marron Road in Carlsbad, San Diego County. The acreage includes 61.19 acres of offsite open space, and 155 acres within the development area. The sale price was \$48,000,000 or \$75,472 per dwelling unit. The land has mixed terrain, disturbed by past quarry use; there is some coastal sage scrub and riparian habitat in Buena Creek. Cornerstone bought the 155-acre former quarry land with an approved master plan for development of 636 housing units (56 detached homes, 48 duplex homes, 102 triplex homes, 88 multi-plex homes, 278 market-rate apartments and 64 affordable apartments), or a density of 4.1 units per acre. This project is marketed as "The Preserve" (formerly "Quarry Creek"). Ninetytwo (92) acres of the 155 acres are open space. Cornerstone was required to build a bridge over Buena Vista Creek at a cost of \$4.8 million. As of summer 2019, detached homes ranging from 1,917 SF to 2,521 SF were selling from the high \$700,000s. Attached duplex, triplex and multiplex homes with 1,402 SF to 2,100 SF were selling from the mid-\$500,000s to the high \$600,000s. This project required minor onsite mitigation (0.42 acres riparian creation, 0.84 acres wetlands enhancement). Impacts to non-native grassland and CSS were mitigated onsite with conservation easements and limited habitat restoration. The 61.19-acres offsite parcel was dedicated as open space in settlement of a lawsuit by local stakeholders. The Carlsbad location is rated as inferior compared with the Subject's south Orange County location, requiring upward adjustment. Downward adjustments are justified for the difference development density and entitlement status compared with the Subject.

Development Land Sale 3 (\$2,280,540/acre; \$223,684/DU) is the September 2017 sale of 59.635 gross acres of raw, entitled land for development of 608 housing units on Biscayne Bay Drive in Lake Forest, Orange County. The sale price was \$136,000,000 cash or \$223,684 per unit. The land has gentle terrain and was mostly cleared of sensitive vegetation. The seller was Irvine Ranch Water District and the buyer was Lennar Homes. Lennar purchased this property for development of "Serrano Summit," approved for up to 608 residential units, two pocket parks and a recreation center at the time of sale. There are three parcels, one for the residential development (53 acres), one for a drainage basin (3.4 acres), and one for a passive park (3.2 acres). The land sold in a raw condition but it was mostly cleared of sensitive vegetation. TM 17331 for Serrano Summit was approved by the City of Lake Forest in February 2012. Lennar will build six neighborhoods with a variety of attached homes, detached homes, single-family homes, townhomes and duplexes. Home floor plans and pricing have not been announced as of August 2019. The first two neighborhoods – Amara and Soria – will open for sales in early 2020. Lennar is obligated to pay Lake Forest Transportation Mitigations fees. Lennar will also pay a sports park and community center facilities fee of \$27,365 per housing unit. This property has a superior Lake Forest location compared with the Subject's location. It is also superior in land size, entitlements and probable development costs. Serrano Summit will have a density of 10.2 units per acre, far higher than the Subject's average 3.48 units per acre. These superior features make price-per-acre comparison more difficult due to the large downward adjustments needed. On a price per unit basis, this sale indicates a value for the Subject land substantially below \$223,684 per acre due to its superior features.

Development Land Sale 4 (\$2,463,839/acre; \$224,260/DU) is the April 2018 sale of 61.53 gross acres of rough-graded, entitled land for development of 676 housing units on S. Western Avenue at Redondela Drive in the Wilmington-Harbor City area, in the city of Los Angeles. The sale price was \$151,600,000 cash or \$224,260 per unit. Harridge Development Group dba SFI Brideview LLC, purchased this land for development of "Ponte View," a housing project with approvals for 676 housing units, including single-family homes, townhomes and condominium flats (the Ponte View at San Pedro Specific Plan allows up to 700 housing units). There will be two community recreation facilities. The land was cleared, rough-graded and entitled at the time of sale. Water, sewer, storm drain and retention walls were in place. The buyer has not announced its development timetable, product type or home pricing as of August 2019. In comparison with the Subject, this property is far superior in terms of probable development costs as it had already been rough-graded and wet utilities, drainage facilities and retaining walls had been installed/constructed. Due to these utility improvements, this property sold for the highest price per acre. Downward adjustments are needed for the superior location, smaller acreage, density, entitlements and development costs.

Development Land Sale 5 (\$1,976,923/acre; \$225,410/DU) is the April 2017 sale of 27.821 gross acres of rough-graded, entitled land for development of 244 housing units on Enterprise Drive in the city of Cypress, Orange County. The sale price was \$55,000,000 or \$225,410 per unit. The land was cleared of sensitive vegetation. The buyer, an entity of William Lyon Homes Inc., purchased this entitled parcel for development of "Ovation at Flora Park," a residential project with 244 age-restricted (55+) homes. The project will have two distinct gated neighborhoods (Jasmine and Bougainvillea) with 10 different floor plans. Jasmine homes will be one and two-story paired homes with 1,416 to 2,221 SF, priced from the low \$700,000s. Bougainvillea homes will be 2-story with 1,761 to 2,563 SF, priced from the mid \$800,000s. This project will be developed at a density of 8.8 units per acre, far higher than the Subject density. The location in north Orange County, near Los Angeles, is closer to employment centers and is superior to the Subject location. Downward adjustments are needed for location, land size, density, entitlements and probable development costs. An adjacent 5-acre commercial site on Katella Avenue was not part of this transaction.

Development Land Sale 6 (\$2,124,612/acre; \$284,345/DU) is the November 2015 purchase of 83.78 gross acres of raw, entitled land for development of 626 housing units on the south side of Glenn Ranch Road at Saddleback Ranch Road in Lake Forest, Orange County. The sale price was \$178,000,000 or \$284,345 per unit. At the time of sale, the land was raw and had terrain that undulated from gentle to moderate. Landsea Homes, dba SRC-PH Investments LLC, purchased this entitled land for development of the residential portion of master-planned Portola Center South (renamed "IronRidge"). IronRidge will have 626 housing units, of which 304 will be single-family, 260 will be multi-family and 57 will be affordable homes. There will be six neighborhoods. As of August 2019, Landsea was marketing detached single-family homes and attached 2-story & 3-story townhomes in the neighborhoods of Silver Oak, Copperleaf, Sagebluff, Brookhaven and Windstone. Homes range from 2 bedroom 1,311 square feet to 5 bedroom 3,814 square feet. Pricing ranges from the high \$500,000s to the low \$700,000s for the townhomes (1,311 to 2,346 SF). The single-family homes (2,492 to 3,814 SF) are priced from the high \$900,000s to the high \$1,200,000s. The Portola Center project was approved in November 2013. This project has a density of 7.47 units per acre. This sale is superior with the Subject and needs downward adjustments for location, land size, density, entitlements and probable development costs. An adjacent neighborhood commercial site and adjacent park site were not included in this sale.

Development Land Sale 7 (\$1,626,170/acre; \$246,108/DU) is the October 2015 purchase of 40.711 gross acres of rough-graded, entitled land for development of 269 housing units at the southeast corner of N. Rose Drive and Valencia Avenue in Brea, Orange County. The sale price was \$66,203,000 or \$246,108 per unit. Pulte Homes purchased this land for development of "Buena Vida," a 269-home, age-restricted Del Webb community in the La Floresta master plan area. The land was rough-graded and some streets and utilities were installed. At the time of sale, there was an approved Tentative Map. Pulte is building three Del Webb neighborhoods offering detached single-family homes and attached homes, and a recreation center. As of August 2019, detached homes ranging from 2,216 to 2,329 SF in the Olvera neighborhood were available at \$965,000 to \$1,053,000 (except for one higher priced model home). The La Floresta master plan area, which is nearing build-out, will have over 1,100 housing units, a 386,800-square-foot retail center, parks, trails, and a clubhouse. This property is substantially superior with the Subject and needs downward adjustments for location, land size, density (6.6 units per acre), entitlements and probable development costs.

Development Land Sale 8 (\$457,831 per acre) is the January 2012 sale of an 83-acre parcel located at the east corner of La Costa Avenue and Rancho Santa Fe Road in Carlsbad, San Diego County. The sale price was \$38,000,000 or \$457,831 per acre. The buyer is an entity of Safeway Inc., which bought this entitled, raw land for development of the 31-acre, 285,000-SF La Costa Town Square shopping center. Portions of the land were also entitled for residential development. The buyer later sold the residential portions of the land to home builders. There are now two developed SFR tracts with 32 and 63 homes. There is a 6.3-acre multi-family lot that will be developed with 95 attached homes, including 76 market-rate units and 19 affordable units. The shopping center has been built and businesses include Von's, Michael's, Petco, 24HR Fitness, Chipotle, Habit Burger, Luna Grill, Starbucks, Jersey Mike's, Bank of America, Chase Bank, Wells Fargo, SDCCU and various personal service businesses. An 8-screen theatre with 850 seats is also planned. This sale is included in this analysis despite its older sale date because part of the Subject land is planned for development of 35 acres of Urban Activity Center, which will likely be somewhat similar with the La Costa Town Square that was developed on this land. The 2012 sale date requires upward adjustment, nonetheless this sale is useful because sales of large, raw commercial acreage are rare.

Adjustment Process

The eight land sales sold for a wide price range, both on a price-per-acre basis and on a price-per-unit basis. It is uncommon for development acreage to sell when in a raw condition with substantial infrastructure needed, as is the case for the Subject land. Most of the development land sales were overall superior with the Subject land, principally due to mapped entitlements, higher density and lower development costs. To narrow the range of unit indicators, the sales were compared with the Subject and price adjustments were made to account for any differences in property rights conveyed, financing terms, conditions of sale, market conditions, location, land size, density, entitlements and development costs. The sales were analyzed both on a price-per-acre and price-per-unit basis. The adjustment process for each unit of comparison was the same, except for density, which has a positive relationship to price-per-acre but an inverse relationship to price-per-unit. The following is a brief summary of the adjustment process.

Property Rights – Even though the ultimate objective of this appraisal is to estimate the value of the Subject easements, the valuation process begins with an estimate of the Subject's fee simple land value. All of the sales involved fee simple purchases and no adjustment was necessary.

Financing Terms – The Subject land is appraised on a cash equivalent basis. All of the sales involved cash payment, so no adjustment was made for financing terms.

Conditions of Sale – The Subject is appraised under normal conditions of sale (e.g. no bankruptcy, duress, unusual conditions, etc.). All of the sales occurred under normal conditions of sale and no adjustments were warranted.

Market Conditions – The sales occurred from January 2012 to April 2018, during a period of rising housing prices. Due to a limited number of land sales from which to measure price trends, housing prices were used as a proxy for the land appreciation rate. From 2015 to mid-2018, Orange County housing prices increased at an average rate of about 0.4% per month, then stabilized through summer 2019. Development Sales 1-7, which occurred from February 2015 to April 2018, were adjusted up by 0.4% per month through August 2018 to account for rising market conditions, but no adjustment was needed from August 2018 to August 2019. Development Sale 8 occurred in January 2012, much earlier than the other sales, and average housing prices increased 60% or +0.75% per month from January 2012 to August 2018 due to a big price jump in prices in the 2012-2013 period. However, a 60% upward adjustment to Sale 8 is not supported because it has a large commercial component that likely experienced a lower price appreciation rate than the housing rate. For this reason, Sale 8 was also adjusted upward at 0.4% per month, or 32% total.

Location – The Subject has a good south Orange County location, but it is at a competitive disadvantage compared with the land sales that are closer to Los Angeles and in areas close to employment centers. Conversely, the Orange County location was rated as superior to the three sales in Carlsbad. Location adjustments of +20% to -10% were made.

Land Size – The Subject development land has 184.74 acres. In general, residential land prices tend to decline as acreage increases due to longer absorption periods and higher holding costs for larger properties. The sales ranged in size from 27.82 to 155.17 acres. The adjustment for size was -5% per doubling based on past analysis of acreage sales.

Density – The Subject land in Planning Area 3 is slated for residential development at 3.48 units per gross acre, which is low compared to all but one of the comparable land sales. When comparing price-per-acre, higher density usually results in a higher price per acre. Conversely, when comparing price-per-unit, higher density usually results in a lower price per unit because, as the density rises, the size of the homes typically decrease. For this reason, the adjustments on a price-per-acre basis will be reversed on a price-per-unit basis. For example, Sale 1 has a lower density (2.4 du/acre) and is adjusted up 15% on a price per acre basis, but is adjusted down 15% on a price per unit basis. The density adjustments ranged from +15% to -25% on a price per acre basis and -15% to +25% on a price per unit basis.

Entitlements – The Subject has an approved Master Area Plan and Subarea Plan for Planning Area 3. Tentative maps are reportedly in process for parts of Planning Area 3. The comparable sales were entitled at the Tentative Map stage and are superior with the Subject in this respect; a -10% adjustment was made to each of the sales for entitlement status.

Development Costs – The Subject will likely have relatively high development costs due to the need to extend Cow Camp Road by bridge over Gobernadora Creek, to build a bridge over San Juan Creek and to extend major utility infrastructure to Planning Area 3. In comparison, most of the comparable sales likely had much lower development costs because they were adjacent to developed roads and utilities. Some of the sales were also rough-graded and had some utilities already installed. Sales 1 and 2 were rated as similar with the Subject in terms of probable development costs, as each required major road and bridge construction, and other site development costs. The other sales were adjusted down by 15% to 25% for development costs.

Conclusion of Development Land Value

The adjustment grids on pages 55 and 56 summarize the adjustments made to each development land sale.

Price Per Acre Analysis - After adjustment, the sales indicated a value range of about \$380,000 to \$960,000 per acre. Excluding the highest and lowest indicators, the six remaining sales indicated a value range of about \$420,000 to \$647,000 per acre, with an average of about \$512,000 per acre. Based on this analysis, a value of \$500,000 per acre is supported for the Subject development land. With 184.74 development acres, the contributory value of the development land is \$92,370,000 (184.74 acres x \$500,000 per acre).

Price Per Unit Analysis - On a per-unit basis, the sales indicated a value range of about \$102,000 to \$257,000 per unit after adjustment. Excluding the highest and lowest sales, the remaining five adjusted sales ranged from about \$127,000 to \$181,000 per unit with an average of about \$155,000 per unit. Based on this analysis, a value of \$150,000 per unit is supported for the Subject development land. With 184.74 development acres and an average density of 3.48 units per acre in Planning Area 3, the Subject development land is allocated 642 housing units for this analysis (184.74 acres x 3.48 unit per acre). At a value of \$150,000 per unit, the contributory value of the development land is \$96,300,000 (642 units x \$150,000 per unit).

Reconciliation - The price-per-acre and price-per-unit analyses results in very similar value indications for the Subject's development land. The per-acre analysis indicated a value of \$92,370,000. The per-unit analysis indicated a value of \$96,300,000. Reconciling at the mid-point would result in contributory land value of \$94,335,000 for the 184.74 acres, or \$510,637 per acre. Based on the available market data and the analyses discussed above, it is concluded that the contributory value of the Subject development land was \$510,000 per gross acre. This per-acre unit value will be applied to the valuation of the Subject easements.

	RESI	DENTIAL LA	ND SALES CO	OMPARISON (GRID – PRICE	PER GROSS	ACRE		
	SUBJECT	Sale 1 Carlsbad	Sale 2 Carlsbad	Sale 3 Lake Forest	Sale 4 San Pedro	Sale 5 Cypress	Sale 6 Lake Forest	Sale 7 Brea	Sale 8 Carlsbad
Sale Price		\$18,500,000	\$48,000,000	\$136,000,000	\$151,600,000	\$55,000,000	\$178,000,000	\$66,203,000	\$38,000,000
Sale Date		Oct. 2017	Feb. 2015	Sept. 2017	April 2018	April 2017	Nov. 2015	Oct. 2015	Jan. 2012
Acres	184.74 AC	50.8 AC	155.17 AC	59.6 AC	61.53 AC	27.82 AC	83.78 AC	40.71 AC	83 AC
Density (DU/AC)	3.48 DU/AC	2.4 DU/AC	4.1 DU/AC	10.2 DU/AC	11.0 DU/AC	8.8 DU/AC	7.47 DU/AC	6.6 DU/AC	N/A
\$/Acre		\$364,173	\$309,338	\$2,280,540	\$2,463,839	\$1,976,923	\$2,124,612	\$1,626,170	\$457,831
Property Rights	Fee Simple	0%	0%	0%	0%	0%	0%	0%	0%
Financing	Cash Eq.	0%	0%	0%	0%	0%	0%	0%	0%
Conditions of Sale	Normal	0%	0%	0%	0%	0%	0%	0%	0%
Adjusted \$/Acre		\$364,173	\$309,338	\$2,280,540	\$2,463,839	\$1,976,923	\$2,124,612	\$1,626,170	\$457,831
Market Conditions	Aug. 2019	+4%	+17%	+5%	+2%	+6%	+13%	+14%	+32%
Adjusted \$/Acre		\$378,740	\$361,925	\$2,394,567	\$2,513,116	\$2,095,538	\$2,400,812	\$1,853,834	\$604,337
Physical/Legal Features		•		·			·		
Location	So. Orange	+15%	+20%	-10%	-10%	-10%	-10%	-10%	+10%
Land Size – AC	184.74	-9%	0%	-8%	-8%	-13%	-5%	-11%	-5%
Density (DU/AC)	3.48	+15%	-5%	-25%	-25%	-20%	-20%	-15%	0%
Entitlements	Subarea Plan	-10%	-10%	-10%	-10%	-10%	-10%	-10%	-10%
Development Costs	High	0%	0%	-20%	-25%	-25%	-15%	-25%	-20%
Net Adjustments		+11%	+5%	-73%	-78%	-78%	-60%	-71%	-25%
Indicated Value/Acre		\$420,401	\$380,021	\$646,533	\$552,886	\$460,946	\$960,325	\$537,612	\$453,253
Conclusion Value/Acre	\$500,000								
Indicated Value - 184.74 Ac	\$92,370,000								

	RESIDENTIAL	LAND SALES	COMPARISC	N GRID – PR	ICE PER DWE	LLING UNIT		
	SUBJECT	Sale 1 Carlsbad	Sale 2 Carlsbad	Sale 3 Lake Forest	Sale 4 San Pedro	Sale 5 Cypress	Sale 6 Lake Forest	Sale 7 Brea
Sale Price		\$18,500,000	\$48,000,000	\$136,000,000	\$151,600,000	\$55,000,000	\$178,000,000	\$66,203,000
Sale Date		Oct. 2017	Feb. 2015	Sept. 2017	April 2018	April 2017	Nov. 2015	Oct. 2015
No. Dwelling Units	642 allocated	123 DU	636 DU	608 DU	676 DU	244 DU	626 DU	269 DU
Density (DU/AC)	3.48 DU/AC	2.4 DU/AC	4.1 DU/AC	10.2 DU/AC	11.0 DU/AC	8.8 DU/AC	7.47 DU/AC	6.6 DU/AC
\$/Dwelling Unit		\$150,407	\$75,472	\$223,684	\$224,260	\$225,410	\$284,345	\$246,108
Property Rights	Fee Simple	0%	0%	0%	0%	0%	0%	0%
Financing	Cash Eq.	0%	0%	0%	0%	0%	0%	0%
Conditions of Sale	Normal	0%	0%	0%	0%	0%	0%	0%
Adjusted \$/DU		\$150,407	\$75,472	\$223,684	\$224,260	\$225,410	\$284,345	\$246,108
Market Conditions	Aug. 2019	+4%	+17%	+5%	+2%	+6%	+13%	+14%
Adjusted \$/DU		\$156,423	\$88,302	\$234,868	\$228,745	\$238,935	\$321,310	\$280,563
Physical/Legal Features								
Location	So. Orange	+15%	+20%	-10%	-15%	-10%	-10%	-10%
Land Size – AC	184.74	-9%	0%	-8%	-8%	-13%	-5%	-11%
Density (DU/AC)	3.48	-15%	+5%	+25%	+25%	+20%	+20%	+15%
Entitlements	Subarea Plan	-10%	-10%	-10%	-10%	-10%	-10%	-10%
Development Costs	High	0%	0%	-20%	-25%	-25%	-15%	-25%
Net Physical/Legal Adjustments		-19%	+15%	-23%	-33%	-38%	-20%	-41%
Indicated Value/DU		\$126,703	\$101,548	\$180,848	\$153,259	\$148,140	\$257,048	\$165,532
Conclusion Value/DU	\$150,000							
Indicated Value - 642 DU	\$96,300,000							

"THE RESERVE" LAND VALUE

Portions of the existing/quitclaim SDG&E easement and the new/relocated easement are in The Reserve of Rancho Mission Viejo. The Reserve is a planned open space conservation area that will be set aside as mitigation for development impacts in The Ranch. However, the Reserve portions of the Subject easements have not yet been dedicated to public conservation. Dedication will occur as Planning Area 3 is developed in phases. Because the Reserve land within the limits of the Subject easements is presently unburdened by a conservation easement, it has a highest and best use as mitigation land and, in theory, could be sold apart from The Ranch (however, RMV will hold it to fulfill its own mitigation needs). Because the Reserve land within the limits of the Subject larger parcel is adjacent to San Juan Creek, it is best characterized as riparian habitat, or potential riparian habitat. The Reserve land does not have development potential, except to the extent that the relocated SDG&E utility facility is an allowed use.

Riparian Mitigation Land Sales

The Reserve land was valued by gathering sales of similar riparian mitigation land. Little relevant mitigation land sales activity was found in Orange County. In general, there are no mitigation banks in Orange County available to developers for the purchase of mitigation credits (there is one mitigation bank available to participating public entities). Developers must either mitigate onsite, or buy a property and offer it as mitigation, or request permission from the State and Federal resource agencies to mitigate by purchasing mitigation credits outside of Orange County. San Diego County has an active mitigation bank market. In addition to a search of the Orange County market for relevant mitigation sales data, riparian mitigation sales in north San Diego County were gathered and researched for this assignment as representing the best alternative market data available. Five relevant mitigation land sales were found in north San Diego County, and one mitigation sale was found in Orange County. The table below summarizes these six mitigation land sales. The reader is referred to the Addendum (pages 88 to 100) for a detailed summary, photograph and maps of each sale. To avoid confusion with the development land sales in this report, the mitigation land sales are labeled alphabetically.

	RIPARIAN MITIGATION LAND SALES SUMMARY									
Sale	Location	Sale Price	Sale Date	Acres	\$/Acre					
А	So. of Pala Road & Gird Road, Bonsall	\$6,389,000	Sept. 2010	159.72 AC	\$40,001					
	San Diego County									
В	So. of Pala Road & Gird Road, Bonsall	\$3,148,000	May 2011	82.84 AC	\$38,001					
	San Diego County									
С	S/S North River Road, Oceanside	\$3,618,000	Dec. 2011	56.54 AC	\$63,990					
	San Diego County									
D	W/S Old River Road, Bonsall	\$825,000	Feb. 2016	20.45 AC	\$40.342					
	San Diego County									
Е	N/S Camino del Rey at Old River	\$3,166,275	Jan. 2016	60.31 AC	\$52,500					
	Road, Bonsall, San Diego County									
F	So. of Glenn Ranch Road, Lake Forest	\$3,915,650	June 2017	71.18 AC	\$55,011					
	Orange County									



MITIGATION LAND SALES MAP

<u>Mitigation Sale A</u> (\$40,001 per acre) is the September 2010 sale of a 159.72-acre parcel located south of State Route 76 (Pala Road) and south of Gird Road in the Bonsall area of north San Diego County. The sale price was \$6,389,000 cash or \$40,001 per acre. This was an arm's length, opportunity purchase without the threat of condemnation. This land has gentle terrain, nearly all in the San Luis Rey River floodway and 100-year floodplain. Only a few acres are upland of the floodplain. Much of the land had been farmed, used for equestrian and an airstrip, but there were areas of riparian and wetland habitat. The General Plan designation is RL-40 (Rural Lands, one dwelling unit per 40 acres) and the zoning is A70, Agriculture. Access is by dirt Dulin Ranch Road extending north from W. Lilac Road, or from Dulin Road extending west from Old Highway 395. There was no water or sewer service, and no water well at the time of sale. Telephone and electric service were in the proximity.

This parcel was purchased by Caltrans to mitigate impacts to sensitive resources associated with the proposed State Route 76 widening and realignment project. Approvals from various resource agencies were received prior to the close of escrow for use as mitigation land for the Caltrans project. The purchase price was established by an MAI appraisal that was based on a highest and best use of the land for speculative investment and environmental mitigation. The entire property is identified by the County of San Diego as a wetland and in the proposed Preserve and PAMA (Pre-Approved Mitigation Area) of the draft North County Multiple Species Conservation Program (MSCP). Most of the property is in the FEMA flood hazard zone. County records show the vegetation types as mule fat scrub, southern cottonwood-willow riparian forest, non-native grassland, orchards/vineyards and urban/developed. The land has the potential for wetlands creation, enhancement and restoration.

Mitigation Sale B (\$38,001 per acre) is the May 2011 purchase of an 82.84-acre parcel located on the south side of State route 76 (Pala Road), across from Gird Road, in the Bonsall area of north San Diego County. The sale price was \$3,148,000 or \$38,001 per acre. This transaction was an opportunity purchase, freely negotiated without the threat of condemnation. The buyers were the City of Oceanside and SANDAG (San Diego Association of Governments). The seller was the Rincon San Luiseno Band of Mission Indians, which had earlier purchased the land for potential mitigation use relating to development of the Harrah's Rincon casino north of Valley Center (this land became surplus to Rincon's needs when it was able to mitigate on its other tribal lands). This land has gentle terrain, all in the San Luis Rey River floodplain. Access is by Pala Road frontage. The General Plan designation is RL-40 (Rural Lands) and the zoning is A72, Agriculture. Public utilities are located in the general vicinity, but none were extended to the parcel. The buyers acquired the land for mitigation of environmental impacts relating to the San Luis Rey River Flood Control Project in Oceanside and for the State Route 76 widening/realignment project by Caltrans. The northwesterly 39+ acres later became a part of the SR-76 public highway right-of-way. About 44 acres were available for wetlands/riparian restoration. County records show the vegetation as mostly southern cottonwood-willow riparian forest, with smaller areas of coast live oak woodland and non-vegetated channel or floodway.

Mitigation Sale C (\$63,990 per acre) is the December 2011 sale of a 56.54-acre parcel located on the south side of North River Road, east of Sleeping Indian Road, in Oceanside in north San Diego County. The sale price was \$3,618,000 cash or \$63,990 per acre. The land has gentle terrain mostly in the San Luis Rey River floodplain, and was cleared for tomato farming except for the river pilot channel. Access is by frontage on North River Road. Public utilities are available in the area. There is an appurtenant easement for well water use, utilities and access. The zoning is A, Agriculture. The General Plan designates most of the land as Agriculture and a smaller amount of Estate B - Residential (1.0-3.5 du/ac). The buyer, Wildlands SLR Holdings I LLC, purchased this land to create a wetlands mitigation bank for potential profits. At the time of sale, the land was farmed to tomatoes and there were no mitigation bank approvals. The land is mostly in the 100-year floodplain of San Luis Rey River. About 5 acres had degraded riparian habitat. The buyer received approvals in 2014 to create a 54-acre mitigation bank. In 2015, the river channel was realigned, historic fill soil (684,000 to 730,000 cubic yards) was excavated and exported to adjacent agricultural areas, and the floodplain was restored with riparian habitat. The mitigation bank has about 50+ credit acres of wetland/floodplain restoration/re-establishment and 3+ acres of upland restoration. There is an easement for well water use, utilities and access.

<u>Mitigation Sale D</u> (\$40,342 per acre) is the February 2016 purchase of a 20.45-acre parcel located on the west side of Old River Road, across from Little Gopher Canyon Road, in the Bonsall area of north San Diego County. The sale price was \$825,000 cash or \$40,342 per acre. The land has gentle terrain all in the floodplain of the San Luis Rey River. Access is by the Old River Road frontage. Public utilities are available in the general vicinity but were not installed. The County of San Diego purchased this land for addition to the San Luis Rey River Park. The vegetation is identified as southern cottonwood-willow riparian forest, southern willow scrub and non-native grassland habitat. The land is identified in the PAMA of the draft North County MSCP. The County will use the land for mostly passive recreation, trails and open space. The land has potential for wetland enhancement, restoration and creation for mitigation of future public projects, but the County did not conduct any biological resource studies to determine its mitigation potential at the time of sale. This sale recorded on two deeds. This purchase was paid for from the County General Fund. The sale price was allocated \$572,547 for Assessor Parcel 126-170-86 (now 90) and \$252,453 for Assessor Parcel 126-170-88.

<u>Mitigation Sale E</u> (\$52,500 per acre) is the January 2016 sale of a 60.31-acre parcel located on the north side of Camino del Rey, on the west side of W. Lilac Road, and across the street from Old River Road in the Bonsall area of north San Diego County. The sale price was \$3,166,275 cash or \$52,500 per acre. The zoning is S80, Open Space and the General Plan designation is Open Space. The County of San Diego purchased this land for addition to the San Luis Rey River Park. The land is in the San Luis Rey River floodway and 100-year floodplain and is mostly identified as urban/developed due to past use as the San Luis Rey Downs Golf Course. There is a small amount of southern cottonwood-willow riparian forest, mule fat scrub & non-vegetated channel. The County will use the land for passive and active recreation. The land has potential for wetland enhancement, restoration and creation for mitigation of future public projects. This parcel had been studied by the seller for future development of Moosa Wetland Mitigation Bank Phase III, which proposed 65% wetland creation, 9% wetland restoration and 20% upland buffer habitat.

Mitigation Sale F (\$55,011 per acre) is the June 2017 purchase of 71.18 unassigned acres of a larger 101.17-acre parcel located south of Glenn Ranch Road and southwest of Saddleback Ranch Road in Lake Forest, Orange County. The sale price was \$3,915,650 or \$55,011 per acre. The land is adjacent west of the Portola Center South development and consists of mixed topography with mostly coastal sage scrub habitat, but some southern cactus scrub and 4.36 acres of wetlands. Southern California Edison sold 71.18 acres of the 101.17-acre parcel to Baldwin & Sons dba USA Portola Properties LLC and Sunranch Capital Partners LLC for use as mitigation land for the Portola Center development project. The land is undeveloped except for dirt service roads and public hiking trails. The sale price was based on 66.82 acres of coastal sage scrub uplands habitat at \$32,500 per acre and 4.36 acres of wetlands at \$400,000 per acre. The price was set in December 2014. SCE reserved an access easement and the right to 30 coastal sage scrub/gnatcatcher mitigation credits. The limited wetland areas were planned for restoration and enhancement. The buyer paid a \$318,000 endowment for the wetlands and \$1,063,675 for the uplands, or a total of \$1,381,675 for the 101 total acres (\$13,680 per acre overall).

The six mitigation land sales ranged in price from \$38,001 to \$63,990 per acre. The Subject land, being in south Orange County, is located in a market with very little available riparian habitat available for purchase as mitigation land. There are no active mitigation banks in south Orange County (except as discussed below) and most of the land with riparian habitat is owned and controlled by Rancho Mission Viejo and the County of Orange (O'Neill Regional Park, Riley Wilderness Park and Caspers Wilderness Park). As a result, there are few opportunities for developers to purchase riparian mitigation land in Orange County. Because land prices are generally higher in supply-constrained markets, the five San Diego County mitigation land sales above tend to set a lower limit of value for the Subject riparian land.

Mitigation Sale F (\$55,011 per acre), which consists mostly of coastal sage scrub habitat, sets a lower limit of value on a per-acre basis for the Subject mitigation land because riparian habitat typically sells for a per-acre price premium due to its scarcity and its perceived higher biological value.

Orange County Mitigation Banks

In addition to the market data above, the appraiser investigated whether there are any relevant mitigation banks in Orange County that could meet the mitigation needs of private developers by allowing the purchase of mitigation credits (in-lieu of purchasing mitigation land). Only one example of a mitigation bank was found, but the mitigation credits are generally reserved only for participating governmental, or quasi-governmental entities, as discussed below.

Nature Reserve of Orange County - The County of Orange established the 38,000-acre Nature Reserve of Orange County to implement its Central/Coastal NCCP/HCP (Natural Community Conservation Plan/Habitat Conservation Plan). There are 39 protected sensitive species, including 9 plant and 30 animal species. The primary vegetation type in the Nature Reserve is coastal sage scrub, with smaller areas of oak woodland, native grassland, chaparral, Tecate cypress and riparian habitats. The Natural Communities Coalition (NCC) is a non-profit organization created to manage the NCCP/HCP. Jim Sulentich, Executive Director of NCC, confirmed that there is an in-lieu mitigation fee for the taking of coastal sage scrub habitat for participating governmental and quasi-governmental entities in the Central and Coastal subregions of Orange County. For 2019, the in-lieu coastal sage scrub mitigation fee is \$82,806.60 per acre, adjusted up by the CPI index from \$80,316.78 per acre in 2018. Purchasers of these CSS mitigation credits do not pay an additional endowment fee. However, there are no in-lieu mitigation fees for other habitat types, such as riparian, within the Nature Reserve.

Although non-participating members typically are not allowed to purchase in-lieu mitigation credits from the Nature Reserve, if there is a nexus relationship with a participating member and the wildlife agencies approve, a non-participating member can purchase mitigation credits. The only non-participating member purchase in 2018 was Shea Homes, which purchased 14.97 acres of CSS habitat from the Nature Reserve to mitigate takings at its Serrano project in Lake Forest. In total, Shea Homes paid \$1,202,342 for 14.97 mitigation credits (acres), or \$80,317 per credit acre. The table below was published in the 2018 Nature Reserve of Orange County Annual Report:

Non- Participating Landowner	Participating Landowner	Project Description	Acres of CSS Approved Take	Approved In- Lieu Mitigation Fee	Date Fee Received by NCC
Shea Homes		Pinnacle at Serrano Highlands, City of Lake Forest	14.52	\$1,166,199.65	02/02/2018
Shea Homes		Teresina (Pinnacle at Serrano Highlands), City of Lake Forest	0.30	\$24,095.03	05/24/2018
Shea Homes		Teresina (Pinnacle at Serrano Highlands), City of Lake Forest	0.15	\$12,047.52	12/10/2018
Totals			14.97	\$1,202,342.20	

Conclusion of Riparian Mitigation Land Value

The five north San Diego County riparian mitigation land sales indicated a top price of about \$64,000 per acre. No relevant riparian land sales were discovered in Orange County. The only recent item of relevant market data in Orange County was the sale of mostly coastal sage scrub habitat and a small amount of wetlands habitat for \$55,011 per acre.

The 2019 \$82,807-per-acre in-lieu mitigation fee for CSS habitat in the Nature Reserve in Orange County tends to set an upper limit of value since mitigation credits usually sell for premium prices compared with unentitled, potential mitigation land in the open market. Mitigation credits typically sell for premium prices because they do not require payment of an endowment by the buyer, and because the buyer can expeditiously purchase the precise number of mitigation credits needed, without the delay, expense and risk of identifying candidate properties for purchase in the open market, conducting biological surveys and then negotiating with State and Federal resource agencies for their approval. A good example of this mitigation credit price premium is illustrated by comparing the 2018 Shea Homes mitigation credit purchases of \$80,317 per acre in the Nature Reserve with the Baldwin & Sons purchase of CSS habitat from Southern California Edison for \$32,500 per acre in June 2017 (see Mitigation Sale F). Baldwin & Sons paid \$1,063,675 or \$15,919 per acre as an endowment for the 66.82 acres of CSS habitat. In total, Baldwin & Sons paid \$48,419 per acre (purchase price + endowment) for the CSS habitat, or 40% less than the per-acre price paid by Shea Homes for in-lieu mitigation credits.

Based on the above data and reasoning, the Subject riparian mitigation land is estimated to have a market value of \$80,000 per acre. This value estimate is about 25% higher than the highest indicated price per acre in north San Diego County, but is lower than the \$82,807-per-acre in-lieu mitigation fee for CSS habitat mitigation credits in the Orange County Nature Preserve.

The \$80,000 per acre unit value for the Subject riparian Reserve land will be applied in estimating the value of the existing/quitclaim SDG&E easement and the new/relocated easement.

EASEMENT EXCHANGE VALUES

The purpose of this appraisal report is to estimate the difference in value, if any, between the existing SDG&E easement to be quitclaimed to RMV and the new easement deeded to SDG&E for relocation of its 138kV utility facilities. This appraisal estimated the value of each easement based on the value of the land and the percentage of the bundle of rights held by SDG&E. Additionally, this appraisal considered offsets for value enhancements to the new easement land resulting from improvements made by RMV, as well as improved access resulting from the construction of Cow Camp Road to Planning Area 3.

Easement Values

In the valuation discussion above, it was concluded that the value of the Subject land in the developable portion of Planning Area 3 has a contributory market value of \$510,000 per acre. The Subject land in the open space Reserve has a contributory market value of \$80,000 per acre. Based on the use of the existing and new easements as utility corridors, it is concluded that the easement burden is 90% of the fee simple land value (leaving 10% of fee value to RMV within the easements). The value of the two easements, before consideration of enhancements, is calculated below:

SUMMARY OF EASEMENT VALUES BEFORE ENHANCEMENTS								
Existing/Quitclaim SDG&E Eas	Existing/Quitclaim SDG&E Easement							
Development Land – P.A. 3:	12.55 acres x \$510,000/acre x 90% =	\$5,760,450						
Reserve (Open Space):	1.45 acres x \$80,000/acre x 90% =	104,400						
Total Easement Value =			\$5,864,850					
New/Replacement SDG&E Ease	ement							
Development Land – P.A. 3:	6.56 acres x \$510,000/acre x 90% =	\$3,011,040						
Reserve (Open Space):	5.02 acres x \$80,000/acre x 90% =	361,440						
Total Easement Value =			\$3,372,480					
Difference in Easement Values Before Enhancement Offsets:								

Offsetting New/Relocated Easement Value Enhancements

In order to make the new/replacement easement land functional for use as a 138kV utility corridor, certain improvements (i.e. a graded service road and pole work areas) were made by RMV. Most of these improvements are <u>not</u> properly categorized as value enhancement offsets, but are merely equivalent functional replacements of the existing SDG&E utility corridor. Most of the existing SDG&E 138kV facilities have functional compacted earth service roads to the poles, and many of the poles have functional work areas. To assess the equivalency or enhancement of the new easement corridor improvements, the appraiser field reviewed the existing 138kV utility corridor for comparison.

New Service Road - Specifically, RMV constructed a compacted earth and decomposed granite (d.g.) service road along the length of the new easement to provide functional access for SDG&E service vehicles and equipment. For analysis purposes, this service road is estimated to average 20 feet in width and a total length of 5,173 linear feet (based on the B-sheet easement drawing) and other maps/drawings provided by RMV. The total service road area is, therefore, estimated at 103,460 square feet (5,173 LF x 20 = 103,460 SF).

New Work Areas - RMV also constructed d.g./compacted earth work area pads at each of the future pole locations in the new easement. Based on drawings provided by RMV and review of Google Earth photos, there are about 16 new work areas (two at each future angle pole location) that average about 55' x 80' including the overlapping 20-foot-wide service road. Excluding the service road, the work area pads average 35' x 80' or 2,800 SF each. The total estimated new work area is 44,800 square feet (2,800 SF x 16 work areas).

Existing Service Roads & Work Areas – Most of the existing 138kV utility corridor has functional service roads to each pole, and many of the poles have functional work areas with compacted earth/d.g. The following summarizes the appraiser's evaluation of the service roads and work areas around the existing poles:

	EXISTING	SDG&E 138K	V FIELD CONDITIONS
	Service Road	Vehicle	
Pole ID	to Pole	Work Area	Comments
Z101594	Paved	No	Work/parking pads added by RMV.
Z101595	None	No	In horse pasture ¹
Z101596	None	No	In horse pasture ¹
Z101597	None	No	In horse pasture ¹
Z101598	None	No	Pole is on a knoll; 120 feet to nursery road.
Z101599	Yes	Yes	On container nursery mesa.
Z101600	Yes	Yes	On container nursery mesa.
Z101601	Yes	Yes	On container nursery mesa.
Z101602	Yes	Yes	On container nursery mesa.
Z101603	Yes	Yes	On container nursery mesa.
Z101604	Yes	Yes	On container nursery mesa.
Z101605	Yes	Yes	On container nursery mesa.
Z101606	Yes	No	No work area pad observed.
Z101607	Yes	No	Work pad added by RMV.
¹ SDG&E exist	ting easement length	through the horse	e pasture is about 1,300 linear feet.

Because there are segments of the existing 138kV facility that do not have service roads to individual poles and lack graded work areas around the poles, a portion of the RMV work done to grade a service road and pole work pads in the new easement is a value enhancement.

The existing 138kV facility has seven poles without an observed work area pad. Assuming a typical work pad of 35' x 80' or 2,800 SF, the work area deficiency is 19,600 SF compared with the new 138kV facility work pads (2,800 SF x 7 work pads = 19,600 SF). Additionally, there is no service road directly to Poles Z101595, Z101596, Z101597 and Z101598; the cumulative distance from existing roads to these four poles is about 1,420 linear feet (1,300 LF through horse pasture, plus 120 feet to Pole Z101598 as summarized in the table above). Assuming a service road width of 20 feet, the service road deficiency is 28,400 square feet compared with the new 138kV service road (1,420 LF x 20' = 28,400 SF).

To estimate the value enhancement of the new service road and work pads in the new easement, RMV's actual construction costs were reviewed and analyzed (see pages 118-120 for cost spreadsheets provided by RMV). Certain deductions were made by the appraiser for costs that would not be applicable to the existing SDG&E easement if SDG&E were to construct service roads to the four poles and seven pole work pads identified above. A 15% allowance was added for the developer's overhead and management, which were not included in the costs provided by RMV for review. The table below summarizes the RMV service road and work pad costs for clearing and grading in the new easement, with appropriate cost adjustments (Note: RMV costs for 138kV design and materials are not included as SDG&E would not incur these costs if continuing to operate its existing 138kV facilities).

RMV CONSTRUCTION COSTS ¹							
SERVICE ROADS & WORK PADS IN NEW EASEMENT							
Access Road & Work Areas							
Spent to Date	\$542,126						
Plus: Retention Held	+32,937						
Less: Well Relocation – Electrical	-71,900						
Less: Appraisal	-8,300						
Adjusted Cost	\$494,863						
Service Road/Pads Cost Per Square Foot ²		\$3.34					
Vegetation Clearing							
Spent to Date	\$549,846						
Plus: Retention Held	+55,915						
Less: Well Relocation Services	-21,500						
Adjusted Cost	\$584,261						
Easement Clearing Cost Per Square Foot ³		+\$1.16					
Subtotal Access Road, Work Areas & Clearing	Costs Per SF	\$4.50					
Plus: Developer's Overhead & Management (15	%)	+0.68					
Total Access Road, Work Areas & Clearing Cos	sts Per SF	\$5.18					
¹ As of June 26, 2019							
2 \$494,863 ÷ 148,260 SF = \$3.34/SF (5,173 LF road	x 20' + 2,800 SF x 16 work areas)						
³ $584,261 \div 504,425$ SF = $1.16/SF$ (11.58 acres x 4	3,560 SF = 504,425 SF)						

The value enhancement to the new 138kV facility for the service road and graded work pads is calculated by applying RMV's \$5.18 per square foot total unit cost, including overhead and management, to the areas of quality difference (namely the service road deficiency to four existing 138kV poles and seven poles that lack work pads). The table below calculates the value of the new easement service road and work pad enhancements:

SERVICE ROAD & WORK PAD ENHANCEMENTS	
Clearing, Grading & DG Access Road & Work Areas	
Service Road Enhancements	
28,400 SF ¹ x \$5.18/SF	\$147,112
Pole Work Pad Enhancements	
19,600 SF ² x \$5.18/SF	101,528
Value of Service Road/Work Pad Enhancements	\$248,640
¹ 1,420 LF x 20' = 28,400 SF of service road deficiency to four existing poles.	
2 35' x 80' = 2,800 SF work pads x 7 pad deficiencies = 19,600 SF.	

Offsetting All-Weather Access Enhancement

The existing SDG&E 138kV facilities are accessed from the south by Ortega Highway and a paved Arizona crossing at San Juan Creek at Gibby Road. From the west, the existing SDG&E 138kV facilities are accessed from paved Cow Camp Road (near Esencia Drive) and a dirt road (Old Cow Camp Road) that crosses Gobernadora Creek. Neither of these routes provide all-weather access because the roads are subject to brief, occasional flooding during the rainy season. The existing system of roads is adequate for normal patrolling, inspection and maintenance of SDG&E's 138kV facilities. It is only in an emergency situation that road flooding would pose a problem. SDG&E has miles and miles of transmission facilities in its service territory that do not have vehicular access due to steep topography, sensitive biological resources and other constraints. In many cases, SDG&E uses helicopters for aerial access where road access is unavailable. In the present case, SDG&E could use a helicopter to access the Subject 138kV facilities in the event of an emergency. It would be economically infeasible for SDG&E build its own bridge over San Juan Creek to create all-weather access to its existing 138kV facilities.

RMV is in the process of building Cow Camp Road via a bridge structure over Gobernadora Creek to reach Planning Areas 3 & 4 for future development of up to 7,500 homes and other related land uses. A side benefit of the Cow Camp Road Phase 2A project is that it will create all-weather access to SDG&E's relocated 138kV easement. The Cow Camp Road Phase 2A bridge construction will cost upwards of \$40 million and will benefit all of Planning Areas 3 & 4. There is no direct correlation between the \$40,000,000 road/bridge cost and any value enhancement to the relocated SDG&E 138kV easement. However, the all-weather access will be of some limited benefit in rare emergency situations when the existing access routes would otherwise be flooded and helicopter access is unavailable.

Cow Camp Road Phase 2A design and construction are being funded by RMV and Orange County taxpayers. RMV expects to fund their portion of the costs from existing Planning Area 2 and future Planning Areas 3 & 4 CFD assessments (Mello-Roos). Inasmuch as the new/relocated SDG&E easement will not be assessed a CFD fee, a reasonable method of measuring the value enhancement of all-weather access is to apportion the Cow Camp Road Phase 2A costs to the 11.58 acres of new/relocated easement. RMV provided a cost summary for the Cow Camp Road Phase 2A project, indicating a cost of nearly \$40 million. However, the County of Orange will reimburse RMV over \$17 million for design and construction costs. The net RMV Cow Camp Road project costs of roughly \$21.65 million equates to \$18,635 per developable acre in Planning Area 3. Adding 15% for the developer's overhead and management (which were not included in the cost figures) indicates a value enhancement of \$21,430 an acre (see calculations at the top of page 68).

Based on the Cow Camp Road/bridge costs and the developable acres in Planning Area 3, a value enhancement of \$21,430 per acre is estimated for the new/relocated SDG&E easement. The table below summarizes an estimated value enhancement of \$21,430 per acre or \$248,159 for the new/relocated 11.58-acre SDG&E easement. This value enhancement is equivalent to 7.4% of the value of the new/relocated SDG&E easement (\$248,159 \div \$3,372,480 = 7.4%). This 7.4% value enhancement is reasonable given that emergency access during a flood would rarely be needed, and because SDG&E has the ability to access the easement by helicopter if necessary. In other words, the all-weather access adds value, but it is not a critical feature to the functioning of the 138kV facility, thus the value enhancement to the land is limited to its proportionate share of Cow Camp Road/bridge costs.

COW CAMP ROAD ALL-WEATHER			
ACCESS VALUE ENHANCMENT			
Cow Camp Road/Bridge Phase 2A Construction Costs			
Contracted to Date ¹	\$39,182,849		
Less: OCTA Design Cost Reimbursement ²	-3,250,000		
Less: OCTA Construction Cost Reimbursement ²	-14,278,770		
Net RMV Road/Bridge Construction Costs	\$21,654,079		
Developable Acres – Planning Area 3 ³	÷ 1,162		
Net RMV Road/Bridge Costs Per Developable Acre \$18,635			
Plus: Developer's Overhead & Management (15%) +2,795			
Total RMV Road/Bridge Costs Per Developable Acre \$21,430			
New/Relocated SDG&E Easement Acres	x 11.58		
Value Enhancement Due to All-Weather Access \$248,159			
¹ \$39,182,849 contract cost; \$24,525,472 was expended through June 26, 2019 and			
\$2,006,021 retention held. Bridge construction is ongoing.			
² Construction Agreement MA-080-17012088.			
³ P.A. 3 has 1,058 Net Residential acres, 35 Urban Activity Center acres, 50 Business			
Park acres and 19 Neighborhood Center acres, or 1,162 total develop	able acres.		

Final Opinion of Easement Exchange Values

Before considering value enhancements, the difference in easement values was estimated at \$2,492,370. Deducting the value enhancements indicates a final difference in value of \$1,996,000 (rounded) as calculated below:

SUMMARY OF EASEMENT VALUES AFTER ENHANCEMENTS			
Existing/Quitclaim SDG&E Eas	ement		
Development Land – P.A. 3:	12.55 acres x \$510,000/acre x 90% =	\$5,760,450	
Reserve (Open Space):	1.45 acres x \$80,000/acre x 90% =	+104,400	
Total Existing/Quitclaim SDC	&E Easement Value =		\$5,864,850
New/Relocated SDG&E Easeme	ent		
Development Land – P.A. 3:	6.56 acres x \$510,000/acre x 90% =	\$3,011,040	
Reserve (Open Space): $5.02 \text{ acres } x \$80,000/\text{acre } x 90\% = +361,440$			
Subtotal Easement Value = \$3,372,480			
Plus: Land Value Enhancements			
Service Road & Work Pads +248,640			
Cow Camp Road All-Weath	er Access	+248,159	
Total New/Relocated SDG&E Easement Value			\$3,869,279
Difference in Easement Values			\$1,995,571
Rounded (to nearest \$1,000)			\$1,996,000

The analysis above focused exclusively on enhancements to easement value as a result of access improvements (i.e. Cow Camp Road Phase 2A, a service road and work pads in the new/relocated easement). It was beyond the scope of this appraisal to consider value enhancements resulting from steel monopoles and power lines (compared with the existing wood poles and lines) that will be installed in the new/relocated easement that meet current safety and reliability standards.

ADDENDUM

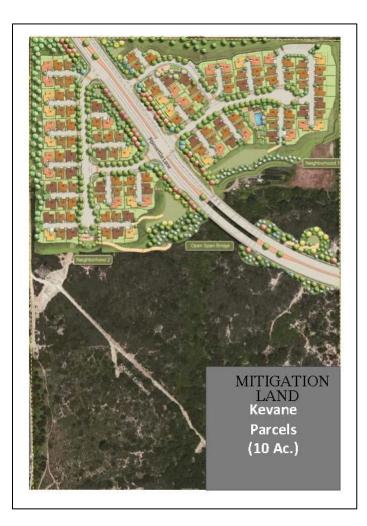
MARKET DATA

PROPERTY DATA				
Assessor Parcel No.:	215-020-07; 215-050-21, 22, 44	, 45, 46 & 47		
Location:	East side of Ambrosia Lane at th	ne dual termini of Po	vinsettia Lane, Carlsbad, CA.	
Legal Description:	N1/2 NWQ of NWQ Section 26 NWQ Section 26; SEQ of NWQ		WQ Section 23; SWQ of NWQ of 26; all in T12S, R4W, SBBM.	
Parcel Size/Shape:	60.56 gross acres and 50.8 acres net of mitigation land; rectangular shape	Topography & Vegetation:	Mixed terrain; north 1/3 rd was agricultural and south 2/3 rd was mostly chaparral, oak woodland	
Access	Extension of Poinsettia Lane.	Utilities:	Available adjacent or nearby.	
General Plan:	R-8, Residential (4-8 du/ac) OS, Open Space	Zoning:	RD-M, Residential Density Multiple & OS, Open Space	
TRANSACTION DA	ТА			
Seller:	2010-1 RADC/CADC Property XII, LLC	Buyer:	Lennar Homes of California, Inc.	
Deed Dated:	October 20, 2017	Deed Recorded:	October 20, 2017	
Document No.:	2017-0488762	DTT:	\$20,350.00 (F) = \$18,500,000	
Sale Price:	\$18,500,000; \$150,407/DU; \$364,173/ac net of mitigation	Terms:	Cash	
CONFIRMING SOURCE AND COMMENTS				
Source: CoStar COMPS; Grant deed; public records.				
Comments:	Lennar entitled the land for "Treviso," a 123-lot subdivision. The land has 60.56 gross acres. The southeast 10 acres will be mitigation land. The 123 detached homes will be on the north 20.1 acres. Another 25 acres will be open space. Lennar will spend about \$1.7 million to build Poinsettia Lane (there is already \$11 million contributed by other developers). As part of a lawsuit settlement and Community Benefit Agreement, Lennar will build an offsite 3.1-acre public park for about \$3 million at Buena Vista Reservoir and will restore 3 acres of chaparral habitat at Veteran's Park and up to 5.7 acres at Aviara Park. This project broke ground in summer 2018. Homes will range from 1,755 to 2,785 SF. Pricing has not been announced as of August 2019.			



DEVELOPMENT LAND SALE NO. 1 – AERIAL PHOTO

DEVELOPMENT LAND SALE NO. 1 – CONCEPT MAP





PROPERTY DATA					
Assessor Parcel No.:	167-040-11 & 21; 167-101-19; 168-011-20				
Location:	South side of Haymar Drive at H	Iwy 78, at west term	inus of Marron Road, Carlsbad, CA.		
Legal Description:	Portion Rancho Agua Hedionda, No. 86; Parcel 2 of Certificate of		arcels 1 & 2 of State Highway Map A-07-03; City of Carlsbad.		
Parcel Size/Shape:	216.36 gross acres & 155.17 acres net of 61.19 offsite open space parcel.	acres net of 61.19 offsite open Vegetation: quarry use, CSS & riparian in			
Access:	Haymar Rd & Marron Road	Utilities:	Available in area.		
General Plan:	Quarry Creek Master Plan	Zoning:	Quarry Creek Master Plan		
TRANSACTION DA	ТА				
Seller:	McMillin QC2, LLC	Buyer:	Presidio Cornerstone QC, LLC		
Deed Dated:	February 3, 2015	Deed Recorded:	February 4, 2015		
Document No.:	2015-0049269	DTT:	\$52,800.00 (F) = \$48,000,000		
Sale Price:	\$48,000,000 or \$75,472 per Terms: Cash unit; \$309,338/AC net of offsite open space parcel (61.19 AC)				
CONFIRMING SOU	RCE AND COMMENTS				
Source:	Linda Kamara, Cornerstone Con	nmunities; Grant dee	d; public records		
Comments: Cornerstone bought this 155-acre former quarry land with an approved master plan for development of 636 housing units (56 detached homes, 48 duplex homes, 102 triplex homes, 88 multi-plex homes, 278 market-rate apartments and 64 affordable apartments). This project is marketed as "The Preserve" (formerly "Quarry Creek"). Ninety-two (92) acres of the 155 acres are open space. Cornerstone built a bridge over Buena Vista Creek for \$4.8 million. As of summer 2019, detached homes 1,917 SF to 2,521 SF were selling from the high \$700,000s. Attached duplex, triplex and multi-plex homes with 1,402 SF to 2,100 SF were selling from the mid-\$500,000s to the high \$600,000s. This project required minor onsite mitigation (0.42 acres riparian creation, 0.84 acres wetlands enhancement). Impacts to non-native grassland and CSS were mitigated onsite with conservation easements and limited habitat restoration. APN 167-101-19 (61.19 acres) is an offsite parcel dedicated as open space in settlement of a lawsuit by local stakeholders.					



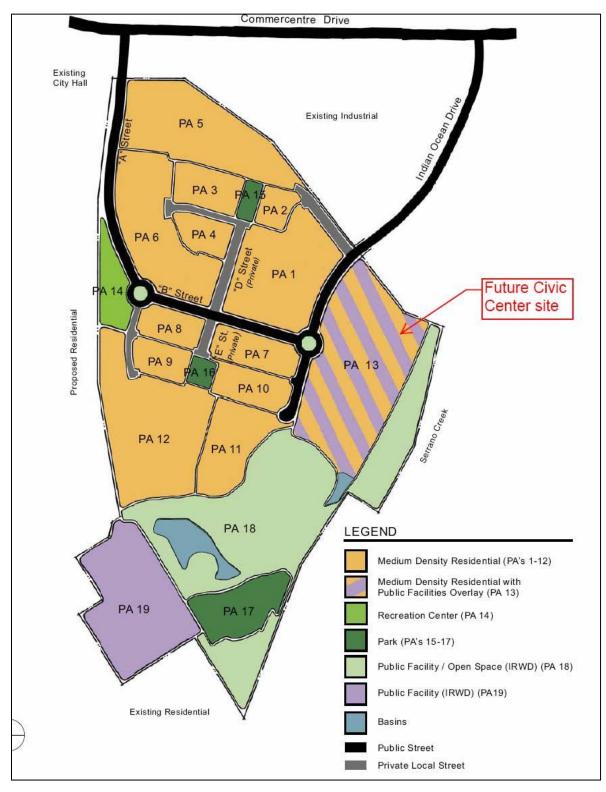
DEVELOPMENT LAND SALE NO. 2 – AERIAL PHOTO

Google Earth photo (February 19, 2018) showing "The Preserve" parcel outlined in yellow and ongoing site development of roads and housing.

610-35 610-20 H

PROPERTY DATA				
Assessor Parcel No.:	Parcel No.: 104-132-36, 65 & 84 (now 89, 90 & 91)			
Location:	South terminus of Biscayne Bay Dr. & Indian Ocean Drive, Lake Forest, CA			
Legal Description:	Portion Parcels 1 & 2 of Amend of Parcel Maps, City of Lake Fo	1	89-218 in Book 274, Pages 27-29 7.	
Parcel Size/Shape:	59.635 gross acres; 3 parcels with irregular shapes	Topography & Vegetation:	Gentle terrain, mostly cleared of native vegetation.	
Access:	Biscayne Bay Dr. & Indian Ocean Drive.	Utilities:	Available in area.	
General Plan:	Medium Density Residential (15-25 du/net acre)	Zoning:	R2-PD, Multi Family	
TRANSACTION DAT	'A			
Seller:	Irvine Ranch Water District	Buyer:	Lennar Homes of California Inc.	
Deed Dated:	September 1, 2017	Deed Recorded:	September 1, 2017	
Document No.:	2017-000374689	DTT:	\$149,600.00 (F) = \$136,000,000	
Sale Price:	\$136,000,000; \$223,684/DU; Terms: Cash \$2,280,540/AC			
CONFIRMING SOUR	CE AND COMMENTS			
Source:	CoStar COMPS; Grant deed; Ci	ty records		
Comments:	Lennar purchased this property for development of "Serrano Summit," approved for up to 608 residential units, two pocket parks and a recreation center. There are three parcels, one for the residential development (53 acres), one for a drainage basin (3.4 acres), and one for a passive park (3.2 acres). The land sold in a raw condition but it was mostly cleared of sensitive vegetation. TM 17331 for Serrano Summit was approved by the City of Lake Forest in February 2012. Lennar will build six neighborhoods with a variety of attached homes, detached homes, single-family homes, townhomes and duplexes. Home floor plans and pricing have not been announced as of August 2019. The first two neighborhoods – Amara and Soria – will open for sales in early 2020. Lennar is obligated to pay Lake Forest Transportation Mitigations fees. Lennar will also pay a sports park and community center facilities fee of \$27,365 per housing unit.			

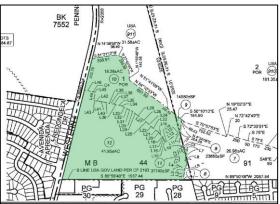
٦



DEVELOPMENT LAND SALE NO. 3 - LAND USE MAP

The land sold to Lennar includes Planning Areas 1-12, 14-17 and the "Basin" shown within Planning Area 18.





March 14, 2018 Google Earth Photograph

PROPERTY DATA					
Assessor Parcel No.:	7442-001-009, 010, 011 & 012				
Location:	East side of S. Western Avenue, opposite Redondela Drive, Wilmington-Harbor City area, Los Angeles, CA.				
Legal Description:	Portion Lots 1 & 2 of Tract No.	3192, City of Los An	geles.		
Parcel Size/Shape:	61.53 gross acres.	Topography & Vegetation:	Gentle, rough-graded site cleared of vegetation.		
Access:	S. Western Avenue frontage.	Utilities:	Water & sewer installed.		
General Plan:	Low Medium Residential II	Zoning:	Ponte Vista at San Pedro S.P.		
TRANSACTION DA	ТА				
Seller:	SFI Bridgeview, LLC	Buyer:	SOCAL San Pedro SPV I, LLC		
Deed Dated:	March 30, 2018	March 30, 2018 Deed Recorded: April 11, 2018			
Document No.:	2018-0345678	DTT:	\$166,760.00 (F) = \$151,600,000		
Sale Price:	\$151,600,000; \$224,260/DU; Terms: Cash \$2,463,839/AC				
CONFIRMING SOU	RCE AND COMMENTS				
Source:	Source: CoStar COMPS; Grant deed; City records.				
Comments:	Harridge Development Group dba SFI Brideview LLC, purchased this land for development of "Ponte View," a housing project with approvals for 676 housing units, including single-family homes, townhomes and condominium flats (the Ponte View at San Pedro Specific Plan allows up to 700 housing units). There will be two community recreation facilities. The land was cleared, rough-graded and entitled at the time of sale. Water, sewer, storm drain and retention walls were in place. The buyer has not announced its development timetable, product type or home pricing as of August 2019.				



DEVELOPMENT LAND SALE NO. 4 – SPECIFIC PLAN MAP

DEVELOPMENT LAND SALE NO. 4 – LAND USE TABLE

Table No. 1 Maximum Permitted Dwelling Units by Subarea				
Subarea No.	Use	Maximum Dwelling Units	DU/Acre	Area (Gross Acres)
1	Single-Family	69	8	9.7
2	Single-Family	60	11	5.7
3	Single-Family	79	11	7.2
4	Townhomes	140	21	6.9
5	Townhomes & Flats	140	18	8.1
6	Flats	212	23	9.5
7	Open Space/Recreation	N/A	N/A	14.3
TOTAL		700	11.4 (avg)	61.4

PROPERTY DATA		Hander Hander H. J.M. r H. J.	22 100 100 100 100 100 100 100 1	
Assessor Parcel No.:	241-231-81 to 96, inclusive			
Location:	East side of Enterprise Drive, 25	50 feet north of Kate	lla Avenue, Cypress, CA.	
Legal Description:	Lots 1-7 and Lots A and B of Ta	ract No. 18092, City	of Cypress, Orange County.	
Parcel Size/Shape:	27.821 gross acres; off- rectangular shape	Topography & Vegetation:	Level, cleared of vegetation.	
Access:	Paved Enterprise Drive.	Utilities:	Available.	
General Plan:	Commercial-Senior Housing (Cypress Business & Professional Center S.P.)	Zoning:	Cypress Business & Professional Center Specific Plan – Senior Housing	
TRANSACTION DAT	`A			
Seller:	C33, LLC	Buyer:	Barton Place Owner, LLC	
Deed Dated:	April 26, 2017	Deed Recorded:	April 26, 2017	
Document No.:	2017-000167789	DTT:	\$60,500.00 (F) = \$55,000,000	
Sale Price:	\$55,000,000; \$225,410/DU; Terms: Cash \$1,976,923/AC			
CONFIRMING SOURCE AND COMMENTS				
Source:	ce: CoStar COMPS; Grant deed; City records			
Comments:	The buyer, an entity of William Lyon Homes Inc., purchased this entitled parcel for development of "Ovation at Flora Park," a residential project with 244 age-restricted (55+) homes. The project will have two distinct gated neighborhoods (Jasmine and Bougainvillea) with 10 different floor plans. Jasmine homes will be one and two-story paired homes with 1,416 to 2,221 SF, priced from the low \$700,000s. Bougainvillea homes will be 2-story with 1,761 to 2,563 SF, priced from the mid \$800,000s. An adjacent 5-acre commercial site on Katella Avenue was not part of this transaction.			



DEVELOPMENT LAND SALE NO. 5 – CONCEPTUAL SITE PLAN

The blue-shaded commercial site on Katella Avenue was not included in the land sold to William Lyon Homes.

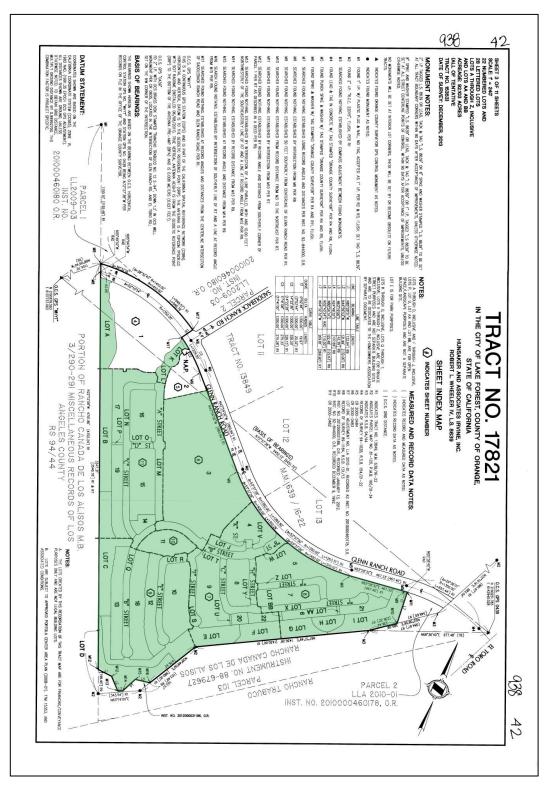


March 24, 2015 Google Earth Photograph

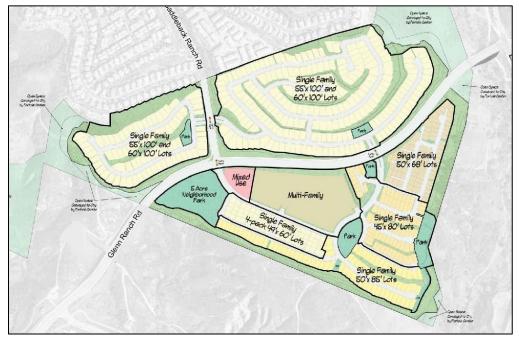
August 13, 2018 Google Earth Photograph

PROPERTY DATA				
Assessor Parcel No.:	Portion of 606-341-08 & 09; All of 606-351-03 & 07			
Location:	South side of Glenn Ranch Rd o	pposite Saddleback	Ranch Rd, Lake Forest, CA.	
Legal Description:	Lots 3-22 and Lots A-Z, AA and	d BB of Tract No. 17	7821, City of Lake Forest.	
Parcel Size/Shape:	92.103 gross map acres less Lots 1 & $2 = 83.78$ gross acres			
Access:	Glenn Ranch Rd frontage	Utilities:	Available	
General Plan:	Multi Family, Single Family, Open Space (Portola Center)	Zoning:	MF, Multi-Family SF, Single-Family	
TRANSACTION DAT	`A			
Seller:	SRC-PH Investments, LLC	Buyer:	LS-OC Portola, LLC	
Deed Dated:	November 11, 2015	Deed Recorded:	November 12, 2015	
Document No.:	2015-000585494	DTT:	\$195,800.00 (F) = \$178,000,000	
Sale Price:	\$178,000,000; \$284,345/DU; Terms: Cash \$2,124,612/AC			
CONFIRMING SOUR	RCE AND COMMENTS			
Source:	CoStar COMPS; Grant deed; Ci	ty records.		
Comments:	Landsea Homes, dba SRC-PH Investments LLC, purchased this entitled but raw land for development of the residential portion of master-planned Portola Center South (renamed "IronRidge"). IronRidge will have 626 housing units, of which 304 will be single-family, 260 will be multi-family and 57 will be affordable homes. There will be six neighborhoods. As of August 2019, Landsea was marketing detached single-family homes and attached 2-story & 3-story townhomes in the neighborhoods of Silver Oak, Copperleaf, Sagebluff, Brookhaven and Windstone. Homes range from 2 bedroom 1,311 square feet to 5 bedroom 3,814 square feet. Pricing ranges from the high \$500,000s to the low \$700,000s for the townhomes (1,311 to 2,346 SF). The single- family homes (2,492 to 3,814 SF) are priced from the high \$900,000s to the high \$1,200,000s. The Portola Center project was approved in November 2013.			

DEVELOPMENT LAND SALE NO. 6 – TRACT MAP

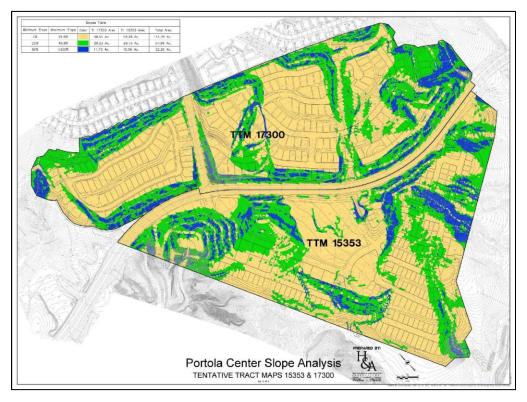


All but Lots 1 & 2 of Tract Map No. 17821 were sold to Landsea Homes.



DEVELOPMENT LAND SALE NO. 6 - LAND USE MAP

The portion purchased by Landsea Homes is south of Glenn Ranch Rd. and excludes the 5 Acre Neighborhood Park and Mixed Use site.



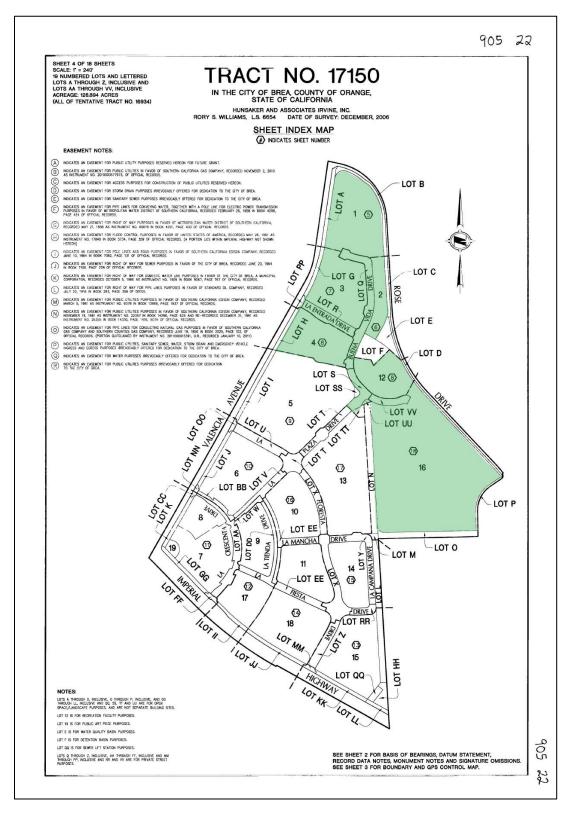
DEVELOPMENT LAND SALE NO. 6 – SLOPE MAP



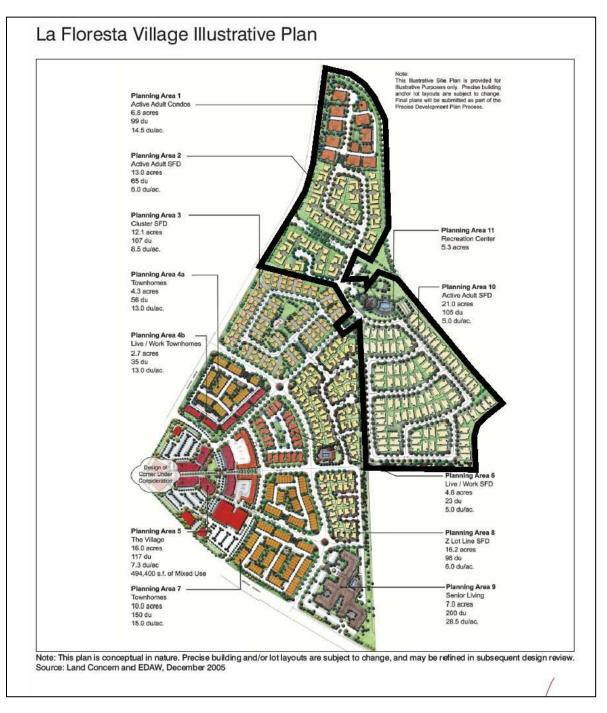
March 24, 2015 Photo

PROPERTY DATA					
Assessor Parcel No.:	320-351-01 to 07, 09, 37, 52, 56, 57, 58 & 59; 320-371-28				
Location:	Southeast corner of Valencia Av	venue & N. Rose Dri	ve, Brea, CA.		
Legal Description:	Lots 1-4, 12, 16 and Lots Q, R, 905, Pages 19 through 36, Oran		f Tract No. 17150 filed in Book		
Parcel Size/Shape:	40.711 gross acres	Topography & Vegetation:	Level, rough-graded		
Access:	Valencia Ave. & N. Rose Dr.	Utilities:	Available; some installed.		
General Plan:	Mixed Use II	Zoning:	MU-II, Mixed Use II		
TRANSACTION DAT	² A				
Seller:	La Floresta, LLC	Buyer:	Pulte Home Corporation		
Deed Dated:	September 30, 2015	Deed Recorded:	October 1, 2015		
Document No.:	2015-000502422	2015-000502422 DTT: \$72,823.30 (F) = \$66,203,000			
Sale Price:	\$66,203,000; \$246,108/DU Terms: Cash \$1,626,170/AC				
CONFIRMING SOUR	CE AND COMMENTS				
Source:	CoStar COMPS; Grant deed; Ci	ity records; Del Web	b website.		
Comments:	Pulte Homes purchased this land for development of "Buena Vida," a 269-home age- restricted Del Webb community in the La Floresta master plan area. The land was rough-graded and some streets and utilities were installed. Pulte is building three Del Webb neighborhoods offering detached single-family homes and attached homes, and a recreation center. As of August 2019, detached homes ranging from 2,216 to 2,329 SF in the Olvera neighborhood were available at \$965,000 to \$1,053,000 (except for one higher priced model home). The La Floresta master plan area, which is nearing build- out, will have over 1,100 housing units, a retail center, parks, trails, and a clubhouse.				

DEVELOPMENT LAND SALE NO. 7 - TRACT MAP



Green shaded parcels sold to Pulte Homes in October 2015



DEVELOPMENT LAND SALE NO. 7 - CONCEPT MAP

Black outlined area sold to Pulte Homes in October 2015



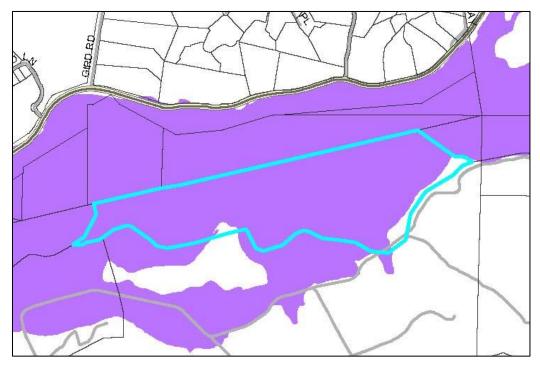
October 27, 2012 Google Earth Photograph

August 13, 2018 Google Earth Photograph

PROPERTY DATA				
Assessor Parcel No.:	223-050-68 & 70; 223-060-31 & 32 (now 223-051-All, 223-052-All; 223-053-All)			
Location:	East corner of La Costa Ave &	Rancho Santa Fe Ro	ad, Carlsbad, CA	
Legal Description:	Map No. 848; Portion Parcel 66	Por. Section 31, T12S, R3W, SBBM; Portion Lots 4 & 5 of Rancho Las Encinitas, Map No. 848; Portion Parcel 66398-A recorded February 16, 1967-21426; Portion land granted February 16, 1967-21427, City of Carlsbad, County of San Diego.		
Parcel Size/Shape:	$83\pm$ gross acres	Topography & Vegetation:	Gentle, scrub habitat	
Access:	Paved frontage, two streets	Utilities:	Available	
General Plan:	L, Local Shopping Center R4, Residential (0-4 du/ac) R8, Residential (4-8 du/ac) R23, Resid. (15-23 du/ac)	Zoning:	PC, Planned Community; approved for 285k SF retail, 95 SFRs & 95 attached dwellings	
TRANSACTION DAT	ΓA			
Seller:	La Costa Town Square LLC	Buyer:	Property Development Centers	
Deed Dated:	January 9, 2012	Deed Recorded:	January 9, 2012	
Document No.:	2012-0011559	DTT:	Non-Disclosed	
Sale Price:	\$38,000,000; \$457,831/AC	Terms:	Cash	
CONFIRMING SOUR	RCE AND COMMENTS			
Source:	CoStar COMPS; Grant deed; C	ity records		
Comments:	The buyer is an entity of Safeway Inc., which bought this entitled, raw land for development of the 31-acre, 285,000 SF La Costa Town Square shopping center. The buyer later sold the residential portions of the land to home builders. There are now two developed SFR tracts with 32 and 63 homes. There is a 6.3-acre multi-family lot that will be developed with 95 attached homes, including 76 market-rate units and 19 affordable units. The shopping center businesses include Von's, Michael's, Petco, 24HR Fitness, Chipotle, Habit Burger, Luna Grill, Starbucks, Jersey Mike's, Bank of America, Chase Bank, Wells Fargo, SDCCU and various personal service businesses. An 8-screen theatre with 850 seats is also planned.			

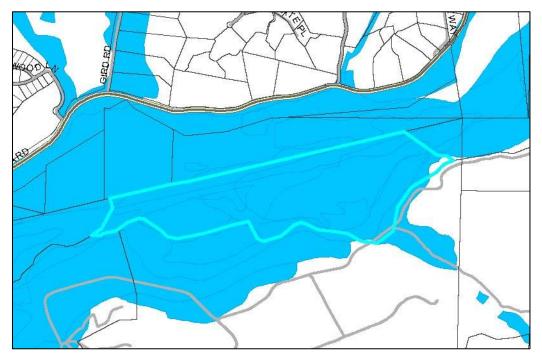
MITIGATION SALE NO. A

		SHT 4 May 76 May 76 Ma	135 135 135 135 135 135 136 137 137 137 137 137 137 137 137
PROPERTY DATA			
Assessor Parcel No.:	124-150-36		
Location:	South of State Route 76 (Pala R Monserate, San Luis Rey River	,	bad intersection, southwest of Via , San Diego County, CA.
Legal Description:	Portion of Tract "B" of Monsera	ate Rancho.	
Parcel Size/Shape:	159.72 acres, irregular shape	Topography & Vegetation:	Gentle terrain, nearly all in the San Luis Rey River floodway & floodplain; vegetation is agriculture, riparian & wetland.
Access:	Paved frontage on Hwy 76.	Utilities:	Available in area.
General Plan:	RL-40, Rural Lands (1 du/40)	Zoning:	A70, Agriculture (4 AC Min.)
TRANSACTION DAT	A		
Seller:	William D. Thead, Trustee	Buyer:	State of California
Deed Dated:	August 24, 2010	Deed Recorded:	September 9, 2010
Document No.:	0474505	DTT:	Tax exempt
Sale Price:	\$6,389,000 or \$40,001/acre	Terms:	Cash
CONFIRMING SOUR	CE AND COMMENTS		
Source:	Grant deed; RealQuest public re	cords; Pete Robertso	on, MAI
Comments:	appraisal that was based on a hig investment and environmental n County of San Diego as a wetlan County Multiple Species Conser flood hazard zone. County record	ate Route 76 widenir were received prior to project. The purchas ghest and best use of nitigation. The entire and and in the propose rvation Program. Mo rds show the vegetation	ing and realignment. Approvals to the close of escrow for use as the price was established by an MAI of the land for speculative the property is identified by the ed Preserve of the draft North bost of the property is in the FEMA



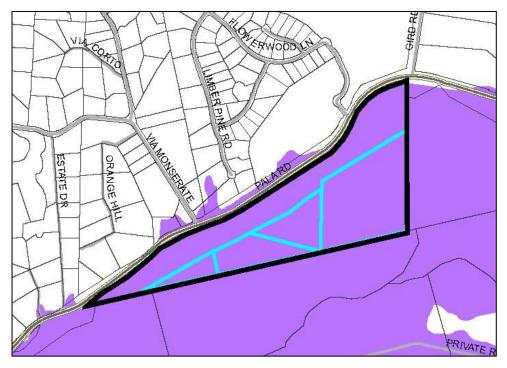
MITIGATION SALE NO. A – FEMA FLOOD MAP

MITIGATION SPACE SALE NO. A – COUNTY WETLANDS MAP



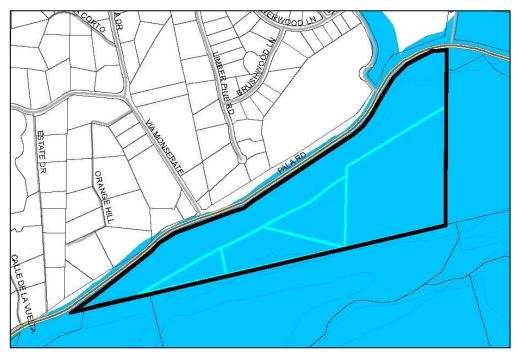
MITIGATION SALE NO. B

PROPERTY DATA			All AC ALL AND
Assessor Parcel No.:	124-140-22, 23 & 24; 124-150-2	26	
Location:		oad) and the Gird Ro	bad intersection, southwest of Via , San Diego County, CA.
Legal Description:	Lots 74, 75 & 76 of San Luis Rey Tract, Map No. 2323 and portion of SEQ of Section 16, T10S, R3W, SBBM.		
Parcel Size/Shape:	82.84 surveyed acres, irregular shape.	Topography & Vegetation:	Gentle terrain, all in the San Luis Rey River floodplain; vegetation is riparian, oak woodland & open channel.
Access:	Paved frontage on Hwy 76.	Utilities:	Available in area.
General Plan:	RL-40, Rural Lands (1 du/40)	Zoning:	A72, Agriculture (4 AC Min.)
TRANSACTION DAT	A		
Seller:	Rincon San Luiseno Band of Mission Indians	Buyer:	City of Oceanside/SANDAG
Deed Dated:	March 8, 2011	Deed Recorded:	May 31, 2011
Document No.:	0276650	DTT:	Tax exempt
Sale Price:	\$3,148,000 or \$38,001/acre	Terms:	Cash
CONFIRMING SOUR	CE AND COMMENTS		
Source:	Kevin Knowles, listing broker w records; grant deed; Pete Robert		ion Group; RealQuest public
Comments:	environmental impacts relating t Route 76 widening/realignment became a part of the SR-76 publ available for wetlands/riparian r	to a flood control proproject by Caltrans. ic highway right-of- estoration. County re llow riparian forest,	The northwesterly $39\pm$ acres later way. About 44 acres were



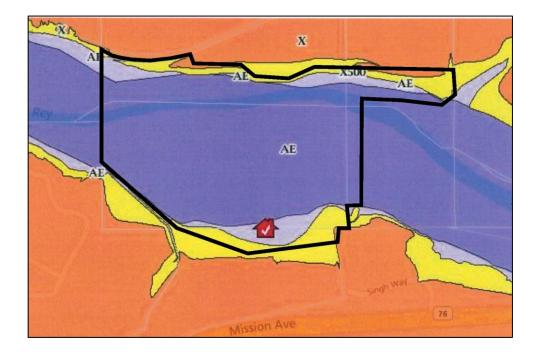
MITIGATION SALE NO. B – FEMA FLOOD MAP

MITIGATION SALE NO. B – COUNTY WETLANDS MAP



MITIGATION SALE NO. C

PROPERTY DATA		H RIVER RD 1.07 AC SEE DETAIL "A" 3.29 AC 3.29 AC 3.29 ST 3.29 ST 3.	SJY 200 177 200 SJY 200 177 200 SJY
Assessor Parcel No.:	122-130-33, 35, 37, 39 & 41		
Location:	South side of North River Road,	east of Sleeping Ind	lian Road, Oceanside, CA.
Legal Description:	Parcel B of Certificate of Compliance No. PLA-11-00004, being a portion of the West Half of Section 36, T10S, R4W and a portion of Parcel 2 of Certificate of Compliance PLA 02-98, City of Oceanside.		
Parcel Size/Shape:	56.54 acres, irregular shape.	Topography & Vegetation:	Gentle terrain, mostly in the San Luis Rey River floodplain and cleared for farming. About 5 acres were riparian.
Access:	Paved North River Rd.	Utilities:	Available in area.
General Plan:	A, Agriculture (2.5 acre min.) & Estate B, Residential (1.0- 3.5 du/ac)	Zoning:	A, Agriculture
TRANSACTION DAT	Α		
Seller:	Singh Property Management Company	Buyer:	Wildlands SLR Holdings I, LLC
Deed Dated:	November 14, 2011	Deed Recorded:	December 12, 2011
Document No.:	0666294	DTT:	\$3,978.80 (F) = \$3,618,000
Sale Price:	\$3,618,000 or \$63,990/acre	Terms:	Cash
CONFIRMING SOUR	CE AND COMMENTS		
Source:	Wildlandsinc.com; grant deed; f	ile data; City of Oce	anside public records
Comments:	5 acres had degraded riparian ha 54-acre mitigation bank. In 2015 (684,000 to 730,000 cubic yards areas, and the floodplain was res	d to tomatoes and the the 100-year floodp bitat. The buyer reco 5, the river channel w b) was excavated and stored with riparian H d/floodplain restorat	ere were no mitigation bank lain of San Luis Rey River. About eived approvals in 2014 to create a was realigned, historic fill soil exported to adjacent agricultural habitat. The mitigation bank has ion/re-establishment and 3+ acres



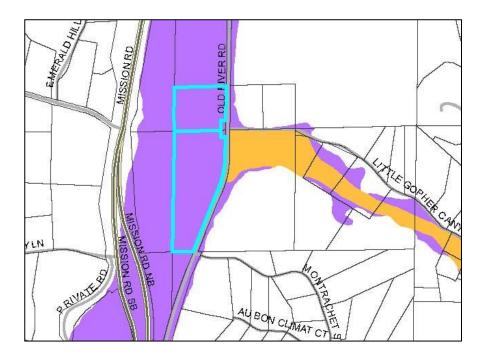
MITIGATION SALE NO. C – FEMA FLOOD MAP

MITIGATION SALE NO. C – AERIAL PHOTO AFTER RESTORATION



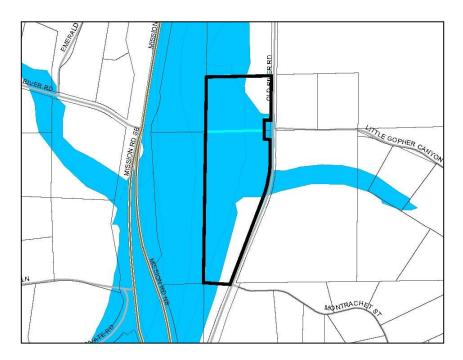
MITIGATION SALE NO. D

PROPERTY DATA			AND CONTRACT OF CO
Assessor Parcel No.:	126-170-88 & 90		
Location:	West side of Old River Road, op	posite Little Gopher	r Canyon Road, Bonsall, CA.
Legal Description:	Portion of South 15 acres of NWQ of NEQ; portion SWQ of NEQ; all in Section 31, T10S, R3W, SBBM.		
Parcel Size/Shape:	20.45 Assessor acres, irregular shape.	Topography & Vegetation:	Gentle terrain in the San Luis Rey River floodplain; southern cottonwood-willow riparian forest, southern willow scrub and non-native grassland habitat.
Access:	Paved Old River Road.	Utilities:	Available in area.
General Plan:	RL-40, Rural Lands (1 du/40); Open Space	Zoning:	A70, Agriculture (8 ac. min.); S80, Open Space
TRANSACTION DAT	`A		
Seller:	Singh Family Trust, et al.	Buyer:	County of San Diego
Deed Dated:	March 13, 2015	Deed Recorded:	February 29, 2016
Document No.:	0085747 & 0085748	DTT:	Tax exempt
Sale Price:	\$825,000 or \$40,342/acre	Terms:	Cash
CONFIRMING SOUR	CE AND COMMENTS		
Source:	Quentin Arvin, County represen	tative; grant deeds;	County records
Comments:	Park. The land is in the San Luis and was identified in the PAMA County Multiple Species Conser for mostly passive recreation, tra enhancement, restoration and cro County did not conduct any biol potential at the time of sale. This funded from the County General	s Rey River 100-yea (pre-approved mitig rvation Program (MS ails and open space. eation for mitigation ogical resource stud s sale recorded on tw I Fund. The sale price	gation area) of the draft North SCP). The County will use the land The land has potential for wetland of future public projects, but the ies to determine its mitigation wo deeds. This purchase was



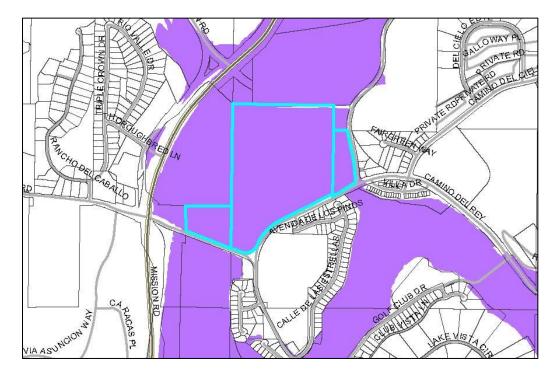
MITIGATION SALE NO. D – FEMA FLOOD MAP

MITIGATION SALE NO. D – COUNTY WETLANDS MAP



MITIGATION SALE NO. E

PROPERTY DATA			
Assessor Parcel No.:	126-230-14 & 67; 126-060-43		
Location:	North side of Camino del Rey, o Bonsall, CA.	opposite Old River R	Load and east of State Route 76,
Legal Description:	Portion SWQ of SWQ of Section 20, T10S, R3W, SBBM; Parcel D of Certificate of Compliance recorded 2014-0508286, being a portion of E1/2 of SWQ and NWQ of SEQ of Section 20, T10S, R3W, SBBM.		
Parcel Size/Shape:	60.31 acres, irregular shape (59.10 Assessor acres).	Topography & Vegetation:	Gentle terrain in the San Luis Rey River floodplain; most of the land is identified as developed due to past golf course use.
Access:	Paved Camino del Rey.	Utilities:	Available in area.
General Plan:	Open Space	Zoning:	S80, Open Space
TRANSACTION DAT	A		
Seller:	San Luis Rey Downs Enterprises LLC	Buyer:	County of San Diego
Deed Dated:	November 30, 2015	Deed Recorded:	January 8, 2016
Document No.:	0008295	DTT:	Tax exempt
Sale Price:	\$3,166,275 or \$52,500/acre	Terms:	Cash
CONFIRMING SOUR	CE AND COMMENTS		
Source:	Quentin Arvin, County represen	tative; grant deed; C	ounty records
Comments:	Park. The land is in the San Lui mostly identified as urban/devel amount of southern cottonwood channel. The County will use th potential for wetland enhancement public projects. This parcel had	s Rey River floodwa loped due to past gol -willow riparian fore e land for passive an ent, restoration and c been studied by the k Phase III, which pa	est, mule fat scrub & non-vegetated d active recreation. The land has reation for mitigation of future



MITIGATION SALE NO. E – FEMA FLOOD MAP

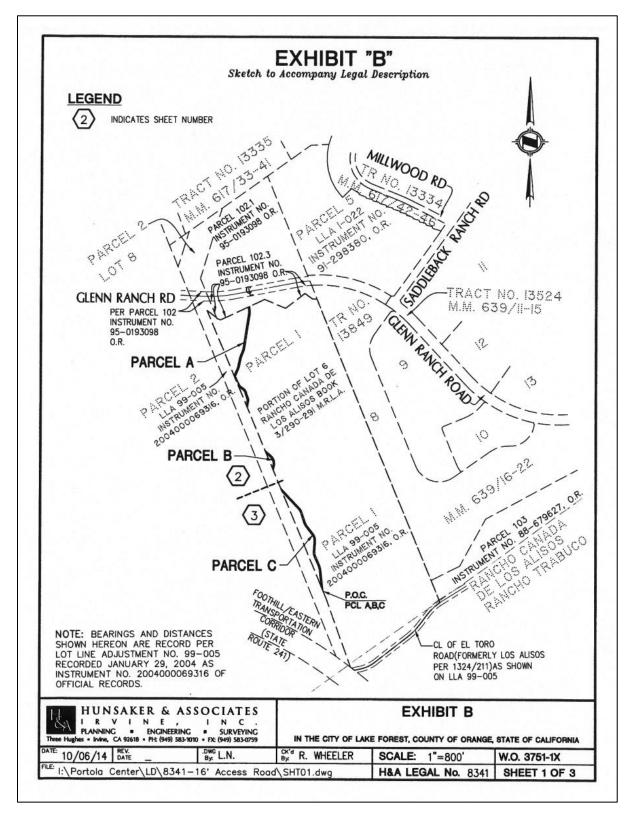
MITIGATION SALE NO. E - COUNTY WETLANDS MAP

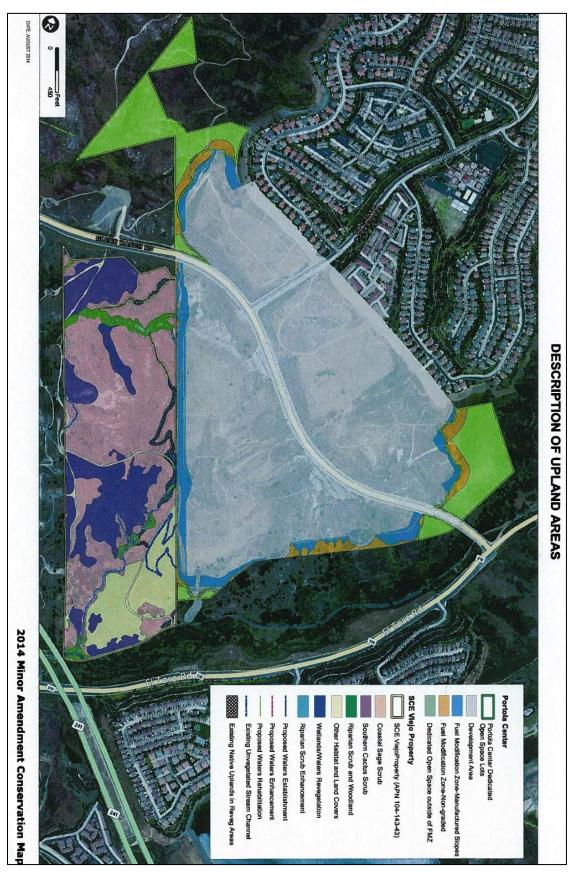


MITIGATION SALE NO. F

PROPERTY DATA		601-34 $+77$ 3.6 $601-34$ $+77$ 3.6	E 148-30-84C-POR.1 10 C 10 C
Assessor Parcel No.:	104-143-43		
Location:	South of Glenn Ranch Road, so Orange County, CA.	uthwest of Saddlebad	ck Ranch Road, Lake Forest,
Legal Description:	Parcel 1 of Lot Line Adjustment LL 99-005 recorded 11/29/1999 as document no. 1999-0816728 (re-recorded 2004-000069316), Orange County, CA.		
Parcel Size/Shape:	71.18 unassigned acres of a 101.17-acre parcel (99.27 Assessor acres).	Topography & Vegetation:	Mixed terrain w/coastal sage scrub, southern cactus scrub & 4.36 wetland acres.
Access:	Off Glenn Ranch Road and Aliso Creek Bikeway.	Utilities:	Available in area.
General Plan:	Open Space	Zoning:	A-1, Agricultural
TRANSACTION DAT	Â		
TRANSACTION DAT Seller:	A Southern California Edison Company	Buyer:	Baldwin & Sons with direct title transfer to Southwest Resource Management Association
	Southern California Edison	Buyer: Deed Recorded:	transfer to Southwest Resource
Seller:	Southern California Edison Company		transfer to Southwest Resource Management Association
Seller: Deed Dated:	Southern California Edison Company June 6, 2017	Deed Recorded:	transfer to Southwest Resource Management Association June 13 2017
Seller: Deed Dated: Document No.: Sale Price:	Southern California Edison Company June 6, 2017 2017000240818	Deed Recorded: DTT:	transfer to Southwest Resource Management Association June 13 2017 \$4,307.60 (F) = \$3,916,000
Seller: Deed Dated: Document No.: Sale Price:	Southern California Edison Company June 6, 2017 2017000240818 \$3,915,650 or \$55,011/acre CE AND COMMENTS Shelly Lamb, CEO Southwest F	Deed Recorded: DTT: Terms: Resource Managemen	transfer to Southwest Resource Management Association June 13 2017 \$4,307.60 (F) = \$3,916,000 Cash

MITIGATION SALE NO. F - EXHIBIT "B" DRAWING





MITIGATION SALE NO. F - HABITAT MAP

NEW/RELOCATED EASEMENT DEED (RECORDED APRIL 23, 2019)

114.00

Recorded in Official Records, Orange County

SPACE ABOVE FOR RECORDER'S USE

SAN DIEGO GAS & ELECTRIC COMPANY

2019000130605 9:21 am 04/23/19

0.00 0.00 0.00 0.00 30.00 0.00 0.000.0075.00 3.00

Transfer Tax \$100.00 (R&T 11911)

\$0 Consideration less than

Hugh Nguyen, Clerk-Recorder

65 414 E01 11

Recording Requested by San Diego Gas & Electric Company

When recorded, mail to:

San Diego Gas & Electric Company 8335 Century Park Court, CP12A San Diego, CA 92123-1569 Attn: Real Estate Records - CP12A

Project No: 662044-060 Const No: 2988625 APN: 125-163-33 (portion) S 12 ' 249 71 2

R/W 368423

EASEMENT

For good and valuable consideration, receipt of which is hereby acknowledged, DMB SAN JUAN INVESTMENT NORTH, LLC, a Delaware limited liability company (Grantor), grants to SAN DIEGO GAS & ELECTRIC COMPANY, a corporation (Grantee), an easement and rightof-way 100.00 feet in width, in, upon, over, under and across the lands hereinafter described (Easement) to erect, construct, change the size of, improve, reconstruct, relocate, expand, replace, repair, inspect, patrol, maintain and use one or more lines of towers and/or poles, as determined in Grantee's sole discretion from time to time, with wires and cables suspended thereon and supported thereby, including foundations, guys, anchorage, cross arms, braces, insulators, grounding wires and all other appliances, fixtures and appurtenances for use in connection therewith; also underground facilities consisting of, but not limited to, conduits, pads, manholes, handholds and junction boxes with wires and cables placed therein and thereon for (i) the transmission and distribution of electricity and all other purposes in connection therewith, and (ii) Grantee's internal telephone, signal and communication activities, together with their necessary fixtures and appurtenances (all hereinafter referred to as Grantee's Facilities), at such locations and elevations, both overhead and underground, as Grantee may now or hereafter deem convenient or necessary at any time and from time to time, in, upon, over, under, and across portions of Grantor's real property located in the County of Orange, State of California, more particularly described as:

Parcels 58, 59, 60 and 101 of Certificate of Compliance CC 2011-01, recorded December 27, 2011 as Instrument No. 2011000677171 of Official Records, Records of Orange County

(the Grantor Land).

The specific portion of the Grantor Land that is subject to this Easement (i.e., the Easement Area) is more particularly described in <u>Exhibit "A"</u> (consisting of two (2) pages), and shown and delineated in <u>Exhibit "B"</u> (consisting of one (1) page), attached hereto and made a part hereof.

-1-

11

Grantee shall have the right of ingress, egress and access to, from and along the Easement Area utilizing those roads located on the Grantor Land that are identified as "138 kV Access Road" on the attached Exhibit "C" (the Access Roads) provided, however, if such Access Roads become unusable or unpracticable, Grantee shall have the right to utilize reasonable alternative routes identified by Grantor; provided, however, in the event of an emergency, Grantee may use any route necessary, if the Access Roads are unusable to access the Easement Area. Grantor reserves the right, at all times, to realign or relocate, at Grantor's expense, the Access Roads; *PROVIDED THAT* in the event Grantor elects to realign or relocate the Access Roads (or any portions thereof), Grantor shall have the obligation to provide Grantee with at least thirty (30) day's prior written notice of such change and must provide reasonable, adequate and continuous access to the Easement Area.

. ... »;

Grantee shall also have the right to clear and keep clear said Easement Area from any vegetation, structures or other improvements, including, but not limited to, buildings, explosives, brush, trees, combustibles and other materials.

Neither Grantor nor its successors or assigns shall, without the prior written consent of Grantee, in its sole discretion, (i) erect, place or construct, or permit to be erected, placed or constructed, any improvements, buildings or other structures within the Easement Area, (ii) impound or store water or other fluid or flammable substances within the Easement Area or (iii) drill or dig any well within the Easement Area or (iv) subject to provisions in this Easement, plant any trees on or within the Easement Area; provided, however, subject to obtaining Grantee's prior written approval which is not to be unreasonably withheld, Grantor reserves the right to install operate and maintain, at its sole cost and expense, fences, water lines and appurtenances directly related to said fences and water lines within the Easement Area (so long as said facilities do not interfere with Grantee's rights hereunder).

Grantor shall not increase or decrease the ground surface elevations nor allow the ground surface elevations to be increased or decreased in any manner within the Easement Area, nor shall the ground be penetrated in any manner to a depth in excess of eighteen inches (18") without the prior written consent of Grantee.

Grantee shall have the right to erect, maintain and use gates in all fences which now cross or which may hereafter cross (i) the Easement Area and (ii) any routes of practical ingress and egress within the remaining portions of the Grantor Land that are designated by Grantor.

Grantor agrees that no other easement or right of way shall be granted or dedicated on, under or over the Easement Area without the prior written consent of Grantee, which consent shall not be unreasonably withheld.

Grantee shall have the right, at its sole cost and expense, to trim, cut and remove trees, brush, foliage, roots and other vegetation from within the Easement Area whenever in Grantee's judgment the same shall be necessary for the convenient and safe exercise of the rights herein granted. This right shall not relieve Grantor of any duty to trim, cut and remove trees and brush to prevent danger or hazard to property or persons.

All prospecting for or development of geothermal substances, minerals, oil, gas, petroleum, or other substances on the Grantor Land shall be done from locations outside the boundaries of the Easement Area; further, said prospecting or development shall be done in such a manner and by

-2-

methods that will not penetrate that five hundred foot (500') deep zone directly beneath the surface of the ground within the Easement Area, nor unreasonably interfere with Grantee's right of ingress and egress, operation, maintenance and repair of Grantee's Facilities located within the Easement Area.

Subject to all of the above-stated conditions and restrictions, Grantor reserves the right to use the area within the herein granted Easement; provided, however, that Grantor's use shall not, at any time, endanger, interfere with, or damage Grantee's Facilities, access, or other rights granted hereunder. Grantor expressly agrees that Grantee shall not be liable for damages to or loss of Grantor's improvements or operations resulting from Grantee's exercise of its rights granted in this Easement.

Grantee shall exercise the rights herein granted in accordance with all applicable laws, rules and regulations. Subject to the rights granted to Grantee herein and Grantor's compliance with the terms herein, Grantee shall avoid unreasonable interference with any uses and activities of Grantor, its successors and assigns within the Easement Area.

All engineering data and/or legal descriptions(s) for the location(s) of Grantee's Facilities in this Easement have been furnished to Grantee by Grantor's surveyor Russell H. Hanson, PLS 8873. Grantor accepts full responsibility for the accuracy of such data and descriptions and declares that the descriptions represent the locations of Grantee's Facilities within Grantor's property as previously agreed upon by Grantor and Grantee. If such engineering data and/or legal descriptions do not accurately represent the locations of Grantee's Facilities within Grantor's property, then this Easement shall be deemed to attach to the actual location of Grantee's Facilities which shall be deemed the Easement Area, and all of Grantor's and Grantee's rights, obligations and duties under this Easement shall attach to the Grantee's Facilities in their actual location. Grantor agrees that should any changes in grade, realignment of road, street, or avenue, or relocation of Grantee's Facilities become necessary as a result of inaccuracies of data furnished by Grantor, such changes, realignment or relocation shall be immediately remedied by Grantor at Grantor's sole expense, and upon Grantor's failure to remedy same within 30 days after demand, Grantee shall have the right, but not the duty, to make such changes, realignments or relocations and Grantor shall promptly pay to Grantee all reasonable charges thereof.

The primary purpose of this Easement is to facilitate the relocation of certain electrical transmission lines and facilities that are owned, operated and maintained by Grantee on lands located outside of the Easement Area. Specifically, Grantor and its affiliates own certain lands on which Grantee has heretofore installed certain above-ground transmission towers, lines and related appurtenances that are used to transmit 138 kV electrical power (the "TL 13831 Facilities"). In furtherance of Grantor's development plans, Grantor has requested that Grantee remove the TL 13831 Facilities from their current location and to relocate same to the Easement Area.

Consistent with the California Environmental Quality Act, the County of Orange certified two Final Environmental Impact Reports (FEIRS), FEIR 584 and FEIR 589, and one Addendum to FEIR 589 (Addendum), and signed one Memorandum dated March 27, 2017 (Memo) clarifying the scope of the Addendum, all of which collectively outline terms and requirements for on-going mitigation measures for biological resources within the Development Area (as defined in FEIR 584, FEIR 589, the Addendum, and the Memo). It is Grantor's sole responsibility to meet these terms and requirements and implement these mitigation measures to reduce impacts to sensitive habitat and sensitive or listed species for the Development Area, as well as any areas outside of

-3-

the Development Area where the TL 13831 Facilities will be relocated by Grantee. Because the relocation of the TL 13831 Facilities is only being completed at the request of Grantor, it is Grantor's sole responsibility to implement habitat and/or species conservation or protection measures, outlined in the RMV Habitat Conservation Plan (HCP). Grantor will have sole responsibility with regards to avoiding, minimizing, or mitigating biological resource impacts associated with the construction, operation and maintenance of the relocated TL 13831 Facilities for the duration of the HCP. Grantee shall cooperate with Grantor, at no cost to Grantee, to allow any necessary avoidance, minimization or mitigation measures that Grantor determines are necessary to comply with the terms of the HCP, provided that Grantee shall undertake any necessary actions, in its sole discretion, to continue to safely and reliably operate and maintain Grantee's Facilities, and Grantor will seek Grantee's prior written approval, which shall not be unreasonably withheld, of any proposed mitigation measures prior to implementation. If operation and maintenance activities of a non-emergency nature are required on Grantee's Facilities within the Easement Area, Grantee will use commercially reasonable efforts to coordinate with Grantor (acting through its Senior Vice President of Open Space & Resource Management) prior to conducting operation and maintenance in accordance with any measures required to comply with the HCP or Grantee standards.

י א ער א

Wherein, in this grant of Easement and right-of-way, Grantee's written consent is required, unless otherwise stated said consent shall not be unreasonably withheld.

The right to transfer and assign this Easement in whole or in part to another publicly regulated utility company engaged in the business of transmitting and distributing electric power is hereby granted to Grantee.

[THIS SPACE INTENTIONALLY LEFT BLANK]

This Easement and the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the successors, executors, heirs, administrators and assigns of Grantor and Grantee.

IN WITNESS WHEREOF, Grantor has executed Easement this <u>Sth</u> day of <u>March</u>, 2019.

"GRANTOR"

DMB SAN JUAN INVESTMENT NORTH, LLC., a Delaware limited liability company

By: Rancho Mission Viejo, LLC, a California limited liability company Its: Authorized agent and manager

By Name: Elise llinaton Its: Executive VP & CFO By: Name: Seremy T. Laster Its: Executive VP & COO

 A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California) County of Orange)

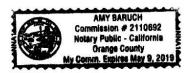
. . . .

On <u>March &, 2D19</u>, before me, <u>Arry Faruch</u>, a Notary Public, personally appeared <u>Elise L. Millington and Jereny T. Laster</u>, 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 <u>he/she</u>/they executed the same in <u>his/her</u>/their authorized capacity(ies), and that by <u>his/her</u>/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.

my Bau Signature



-6-

HUIT-ZOHARS

. . .

HUTT-ZOLLARS, INC + 2603 Main Streat + Suite 400 + Irvine, CA 92614+4250 + 949,988.5815 phone + 949,988.5820 lax + huitt-zollars.com

R302473.01 07-21-17 Revised 11-02-17

EXHIBIT A LEGAL DESCRIPTION 138Kv TRANSMISSION LINE SAN DIEGO GAS & ELECTRIC EASEMENT DEED

Parcel 1:

Being a portion of Parcels 58, 59, 60 and 101 of Certificate of Compliance CC 2011-01, in the Unincorporated Territory of the County of Orange, State of California, recorded' December 27, 2011 as Instrument No. 2011000677171 of Official Records, in the office of the County Recorder of said County, included within a strip of land, 100.00 feet in width, the centerline of said strip being described as follows:

Commencing at the Northwesterly terminus of that certain course along the centerline of the Easement granted to San Diego Gas & Electric recorded July 29, 2013 as Instrument No. 2013000450856 of said Official Records, described as having a bearing and distance of "North 57°57'53" West 3362.11 feet" in said Easement Deed; thence along said centerline South 57°57'53" East 3352.57 feet to the TRUE POINT OF BEGINNING; thence leaving said centerline South 26°07'23" East 427.74 feet; thence South 45°40'20" East 489.40 feet; thence South 57°19'54" East 1053.94 feet; thence South 43°41'22" East 745.82 feet; thence South 60°55'22" East 650.61 feet to a point hereinafter referred to as Point "A"; thence continuing South 60°55'22" East 492.93 feet; thence South 42°28'43" East 461.38 feet; thence South 59°33'10" East 492.93 feet; thence South 74°47'36" East 757.21 feet to said centerline of said Easement to San Diego Gas & Electric.

EXCEPTING therefrom any portion of said Easement to San Diego Gas & Electric, recorded July 29, 2013 as Instrument No. 2013000450856 of said Official Records.

ALSO EXCEPTING therefrom any portion of the Easement to San Diego Gas & Electric, recorded May 14, 1993 as Instrument No. 93-0326646 of said Official Records.

Containing an area of 502,469 square feet (11.535 acres), more or less.

Parcel 2:

That portion of Parcel 60 of Certificate of Compliance CC 2011-01, in the Unincorporated Territory of the County of Orange, State of California, recorded

r/R302473.01/a/I/SDGE-Relocation/zk/hpm

EXHIBIT A LEGAL DESCRIPTION-CONTINUED 138Kv TRANSMISSION LINE SAN DIEGO GAS & ELECTRIC EASEMENT DEED PAGE 2

. . .

R302473.01 07-21-17 Revised 11-02-17

December 27, 2011 as Instrument No. 2011000677171 of Official Records, in the office of the County Recorder, which is described as follows:

Commencing at Point "A" as described in Parcel 1 herein above; thence South 29°04'38" West 50.00 feet to a point on the Southwesterly sideline of Parcel 1 as described herein above, said point being the TRUE POINT OF BEGINNING; thence along said Southwesterly sideline South 60°55'22" East 83.03 feet; thence leaving said Southwesterly sideline South 27°41'21" West 30.72 feet; thence North 62°20'00" West 56.89 feet; thence North 26°52'33" West 32.03 feet to a line bearing North 27°36'10" East and passing through said TRUE POINT OF BEGINNING; thence North 27°36'10" East 14.18 feet to the TRUE POINT OF BEGINNING.

Containing an area of 2,391 square feet, more or less.

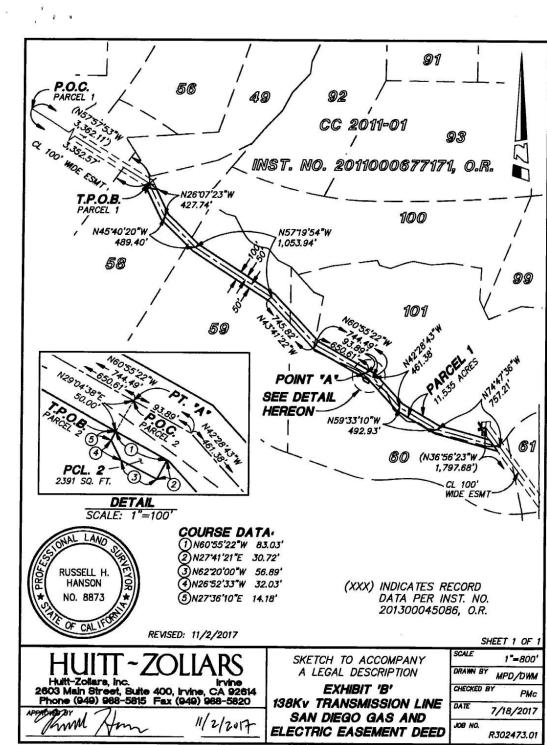
Subject to covenants, conditions, reservations, restrictions, rights-of-way and easements, if any, of record.

As shown on Exhibit B attached hereto and by this reference made a part hereof.

RUSSELL H. HANSON, PLS 8873



r/R302473.01/a/l/SDGE-Relocation/zk/hpm

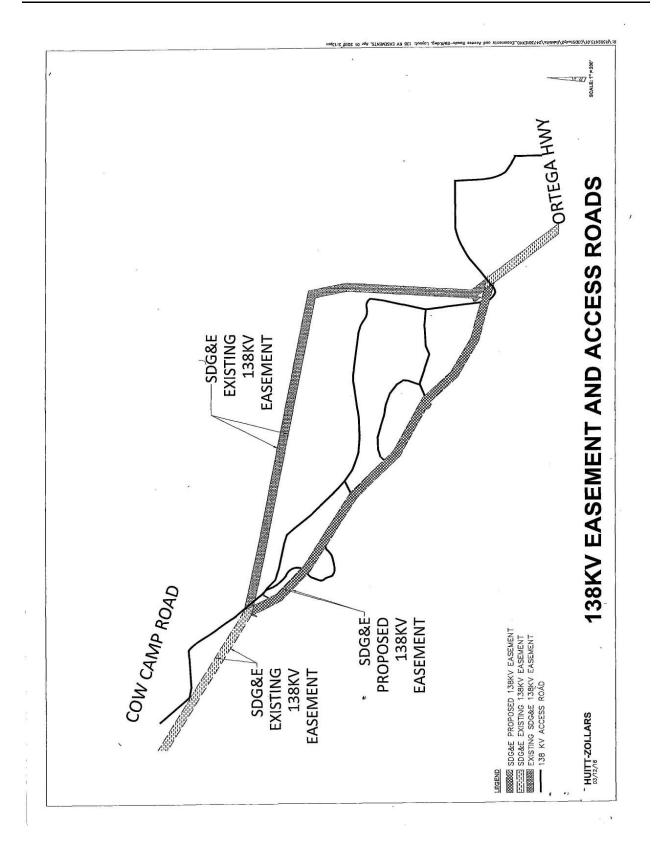


R: \R30247301\CADD\MAPPING\DWG\EX\30247301JEX04.DWG

Exhibit "C"

, i , i t

> Depiction of Access Roads (See Attached)



DRAFT SDG&E EASEMENT QUITCLAIM DEED

Recording Requested by San Diego Gas & Electric Company

When recorded, mail to:

San Diego Gas & Electric Company c/o Sempra Energy 8335 Century Park Court, Suite 100 San Diego, CA 92123-1569 Attn: Real Estate Records - CP11D

CO OF ORANGE APN No: 125-163-33 (por) Ref: R/W 368423 SPACE ABOVE FOR RECORDER'S USE

Transfer Tax <u>No Consideration</u> SAN DIEGO GAS & ELECTRIC COMPANY

QUITCLAIM EASEMENT

The land, tenements or realty is located in the



unincorporated area



City of San Juan Capistrano, and

SAN DIEGO GAS & ELECTRIC COMPANY, a California corporation (SDG&E) for valuable consideration, does hereby remise, release and forever quitclaim to DMB SAN JUAN INVESTMENT NORTH, LLC., a Delaware limited liability company, successors and assigns, and to any other person(s) or entity having a legal or equitable interest in the hereinafter described real property, all right, title, interest and claim of SDG&E in and to the following described real property that was acquired by virtue of the easement dated June 20, 2013, and recorded July 29, 2013 at Document No. 2013000450856 of Official Records of Orange County, State of California.

The real property in which said easement is quitclaimed is described in Exhibit A (consisting of one (1) page) and shown and delineated in Exhibit "B" (consisting of one (1) page), both attached hereto and made a part hereof.

This quitclaim does not release any interest or estate SDG&E may have in the abovedescribed real property except the easement(s) specified.

IN WITNESS WHEREOF, said San Diego Gas & Electric Company has caused this deed to be executed in its corporate name by its officer thereunto duly authorized this _____ day of _____ 20____.

SAN DIEGO GAS & ELECTRIC COMPANY, a California corporation

John Ritter, Land Services Manager

Drawn: GAM Checked:_____ Date: August 25, 2017 Q.C. No.: 2017-059 R/W No.: 204061 (ref: 81111)

STATE OF CALIFORNIA

COUNTY OF _______)^{SS.}

On _____, before me _____ (name, title of officer), 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_____

HUITT-ZOLIARS

HUITT-ZOLLARS, INC. # 2603 Main Street # Suite 400 # Irvine, CA 92614-4250 # 949.988.5815 phone # 949.988.5820 fax # huitt-zollars.com

R302473.01 07-21-17 Revised 11-02-17

EXHIBIT A LEGAL DESCRIPTION 138Kv TRANSMISSION LINE SAN DIEGO GAS & ELECTRIC QUITCLAIM DEED

Being a portion of Parcels 58, 99, 100 and 101 of Certificate of Compliance CC 2011-01, in the Unincorporated Territory of the County of Orange, State of California, recorded December 27, 2011 as Instrument No. 2011000677171 of Official Records, in the office of the County Recorder of said County, included within a strip of land, 100.00 feet in width, the centerline of said strip, being described as follows:

Commencing at the Northwesterly terminus of that certain course along the centerline of the Easement granted to San Diego Gas & Electric, recorded July 29, 2013 as Instrument No. 2013000450856 of said Official Records, described as having a bearing and distance of "North 77°41'04" West 723.29 feet" in said Easement Deed; thence along said centerline South 77°41'04" East 57.41 feet to the TRUE POINT OF BEGINNING; thence continuing along said centerline, the following five (5) courses: South 77°41'04" East 665.88 feet, South 78°48'38" East 3252.08 feet, South 10°53'28" East 440.58 feet, North 03°41'17" East 1539.43 feet, and South 36°56'23" East 200.55 feet to a point hereinafter referred to as Point "A".

The sidelines of said strip of land shall be lengthened or shortened so as to originate on a line bearing North 26°07'23" West, through said TRUE POINT OF BEGINNING and terminate Southerly on a line bearing North 74°47'36" East, through said Point "A".

Containing an area of 609,851 square feet (14.000 acres), more or less.

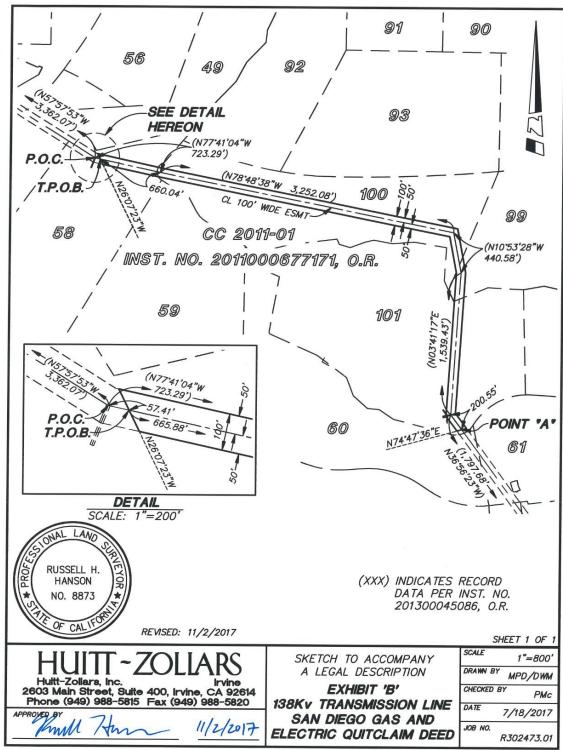
Subject to covenants, conditions, reservations, restrictions, rights-of-way and easements, if any, of record.

As shown on Exhibit B attached hereto and by this reference made a part hereof.

RUSSELL H. HANSON, PLS 8873

r/R302473.01/a/l/SDGE-Quitclaim/zk/hpm





R: \R30247301\CADD\MAPPING\DWG\EX\30247301JEX03.DWG

RMV CONSTRUCTION COSTS FOR COW CAMP ROAD & RELOCATED 138KV FACILITY

Update of Appraisal for 138kV Easement Relocation Project, RMV; updated 11/30/17 As of 6/26/19	Spent to	Retention	Total	Contracted
	Date	Held		to date
1. 138 kV grading and DG Access Road for design/construction for the new easement	542,126	32,937	575,064	788,500
2. 138kV clearing of vegetation for the new easement	549,846	55,915	605,761	605,761
3. 138kV SDG&E costs for design and procurement of poles for the new alignment				
a) Design (estimate from SDG&E)	662,000		662,000	660,000
b) Material Fee Request (estimate from SDG&E)	575,000		575,000	575,000
c) RMV Well #7 Relocation/Cox Communitcations	53,964		53,964	53,964
Total for #3	1,290,964	1	1,290,964	1,288,964
4. CCR S2A (bridge) design and construction	24,525,472	2,006,021	26,531,493	39,182,849
	26,908,408	2,094,873	29,003,281	41,866,074
•				
Less: b) Material Fee Request (estimate from SDG&E)	(275,000)	a	(575,000)	(275,000)
	26,333,408	2,094,873	28,428,281	41,291,074

Option: Material						
With Corporation and Corporation (Corporation) Contraction (Corporation) Contraction (Corporation) <thcorporation)< th=""></thcorporation)<>					Values	
Affect Comparing List Science List American List Science List American List Science List American List Science List American List Science List American List A	GrpDesc		Contract No.	ContractDesc	2011	222
Contribution Construction Construction<	1. 138kV grading	ARMC Corporation	036C1018	Archaeological Monitoring	18,579.80	
Control Control Sected in the Control		Glenn Lukos Associates	036C1007	Biological Monitoring for PA-3, CCR 2A and 138Kv Relocation	25,541.10	
Lu & S Construction, Inc. 056/103 135 Vincential Basport Basport Basport Bast 1 in support of Cow Camp 535 00 Nurw CM 056/103 135 Vincential Basport Bast 1 in support of Cow Camp 535 00 Nurw CM 056/103 135 Vincential Basport Bast 1 in support of Cow Camp 535 00 Nurw SM 056/103 73 Vincential Bast 1 in support of Cow Camp 535 00 Nurw SM 056/103 73 Vincential Bast 1 in support of Cow Camp 535 00 Nurw SM 051 103 73 Vincential Bast 1 in support of Cow Camp 535 00 Nurw SM 051 103 73 Vincential Bast 1 in support of Cow Camp 535 00 Nurw SM 051 103 73 000 1 (14) 10 1 (14) 10 Nurw SM 051 103 73 000 1 (14) 10 1 (14) 10 Nurv SM 051 103 73 000 1 (14) 10 1 (14) 10 Nurv SM 051 103 73 000 1 (14) 10 1 (14) 10 Nurv SM 051 103 73 000 1 (14) 10 1 (14) 10 Nurv SM 051 103 1 (14) 10 1 (14) 10 1 (14) 10 <td< td=""><td></td><td>GMU Geotechnical, Inc</td><td>036C1009</td><td>Geotechnical Services for the 138Kv Grading</td><td>22,201.25</td><td></td></td<>		GMU Geotechnical, Inc	036C1009	Geotechnical Services for the 138Kv Grading	22,201.25	
Murow Crit 06C/015 138V Reclaration and Support Bioart 0011 138V Reclaration and 00101 138V Reclaration and 00101 138V Reclaration and 00101 1380 Reclaration and		L & S Construction, Inc.	036C1025	138Kv Relocation	296,437.02	
Discretion Construction County of Construction Constructin Construction Constru		Murow CM	036C1015	138Kv Relocation Bid Support Bid#18021	45.835.00	
NEWAI Construction Cu, Inc. Retr. Mail Telestrical Electrical Electric			03601031	Lahor Compliance	3 350 00	
Newart Construction Co., Inc. 2006/1004 Read 138/v seament dearing requirements. 475:000 Northers Surveys Inc. 2056/1012 235/V.Survey Support 475:000 237:22:00 County of Compa 2056/1012 236/V.Survey Support 237:000 237:22:00 County of Compa 2056/1012 236/V.Survey Support 236/V.Survey Support 247:000 State Water Statewark, Flow, March 2051/012 236/V.Survey Support 236/V.Survey Support 237:000 State Water Statewark, Inc. 2055/102 236/V.Survey Support 236/V.Survey Support 235:000 Anotecon & Braham, Inc. 2051/012 238/V.Survey Support 23:000 23:000 Anotecon & State Water State March Intel Instruments 23:000 23:000 23:000 23:000 Anotecon & State Water State March Intel Instruments 23:000 23:000 23:000 23:000 Anotecon & State March Intel Instruments 23:000 24:000 23:000 24:000 Anotecon & State March Mar				RMV MWC - Well #7 Electrical Relocation Services for Well #7 in support of Cow Camp	71 900 00	
Notifiered Surveyerin. Concretion PA: Thereard Surject Edit (2010) PA: The Surject (2010) PA: The Surject (2010) PA: The Surject (2010) <td></td> <td>NEWest Construction Co. Inc.</td> <td>036C1004</td> <td>Road 138kV easement clearing requirements</td> <td></td> <td></td>		NEWest Construction Co. Inc.	036C1004	Road 138kV easement clearing requirements		
Market Research Market Res		Northetar Surveys Inc	03601000	104.3 Dhasing Studies Grading Support Birth1010	00 32C V	
Curry of Orange Fasta Water Resource Crift of State Mater Resource Crift of State State Crift of State State Crift of State State Crift of State		NOTIFICIAL OUT YOR SHILE.			00.012,4 00.00	
County Orange Service, Instantion Not All 200 Fee Service the work of the wate discharge application fast All and the frequence of all of Anisons Not Service the work of the wate discharge application and service the work of the wate discharge application fast Almerican The Instantes 1,00000 1,00000 SetVision Arisons Arisons Arisons 0,0000 1,00000 SetVision Arisons Arisons Arisons 0,0000 1,00000 Fast American The Insurance Arisons 1,38K Relocation 0,0000 1,00000 Fast Area Orange Arisons Arisons 1,38K Relocation 0,0000 Fast Area Orange Arisons Arisons 1,38K Relocation 1,4000 Arisons Arisons Arisons 1,38K Relocation 0,0000 Fast Arisons Arisons 0,0000 1,0000 1,0000 Arisons Arisons 0,0000 0,0000 1,0000 Arisons Arisons 0,0000 0,0000 1,00000 Arisons Arison			02001019		23,132.00	
Passetiats Legal Legal Legal Common State Resource Cirl Biol Vision 244000 244000 244000 244000 244000 244000 244000 244000 2600000 2600000 260		county or orange			15,/00.00	
Attact value of the control of the		Paskerian, Block, Martindale &	Legal	Legal	2,844.00	
Anderson & Brabant, Inc. NC14 Apprisial 0 750000 Art80027 Apprisial NC14 Apprisial 750000 PA181027 Art80027 Apprisial 0 1,0000 PA181275 Art80027 Apprisial 0 1,0000 PA181276 NC19 NOC Molerant 0 1,0000 First American Title insurance NC19 NOC Mole Transmitted 0 1,0000 Pacific Advance Clup any NC1 Essement Clearing Requirements 0.0314 2.36510 0.0324 3.23610 ARC NC3 Essement Clearing Requirements 0.0314 2.35610 0.0324 3.03246 3.0324 3.0324		State Water Resource Ctrl Brd	NC12	review the waste discharge application	1,044.00	
GATABOLT CATOR Appraisal Totol 1,8000 0 1,8000 F181 American Title Insurance K113 KI K181275 0 1,8000 90000 90000 90000 90000<		Anderson & Brabant, Inc.	NC14	Appraisal	800.00	
C4130027 C41300077 C4130077 C41300777 C4130077 C4130077			NC18	Appraisal	7 500 00	
Marking Marking Marking First American Title Insurance Molicity Molicity Molicity Molicity Molicity Molicity Molicity <thmolicit< td=""><td></td><td>C 41 00037</td><td>0.010077</td><td></td><td></td><td></td></thmolicit<>		C 41 00037	0.010077			
Print American Title Insurance Print 2/15 0 50000 First American Title Insurance Mol 30/105 15% Kelocation 9/10.0 8/10.0 First American Title Insurance Mol 20135 15% Kelocation 9/10.0 8/10.0 Facilit Advance Civil Eng. Inc. 0.089+1103 Essement Clearing Requirements 8/1.00 8/1.00 Pacific Advance Civil Eng. Inc. 0.089+1103 Essement Clearing Requirements 8/1.00 8/1.00 ARC NG5 Revographics 3/1.00 2/1.360.00 8/1.00 San Diago Gas & Electric NC2 Revographics 3/1.94.20 8/1.00 1/1.61.00 San Diago Gas & Electric NC2 Revographics 8/1.00 1/1.61.00 1/1.61.00 San Diago Gas & Electric NC2 Revographics 8/1.00 1/1.61.00 1/1.61.00 Cox Communications NC2 Revographics 8/10.00 1/1.61.00 1/1.61.00 Cox Communications NC2 Revographics 8/10.00 1/1.61.00 1/1.61.00 Cox Communications NC2		GA180027	17000145		-	
First Anterician Title Insurance NCI NOC First Anterician Title Insurance NCI Seconstruction, Inc. 036C1025 NUCC Vertily State Seconstruction 542.135.17 Pacific Advance Civil Eng. Inc. 036C1025 RNN MUCC - Weil #* SDS&E Relocation Services in Support of Cow Camp Road 136% 21.300.00 Pacific Advance Civil Eng. Inc. 036F1103 Easement Clearing Requirements 20.334.14 23.334.14 ARC NC3 Reprographics 20.345.10 039.14 23.354.10 San Juan Company NC3 Reprographics 2.334.14 23.334.04 23.354.04 San Juan Company NC3 Reprographics 2.334.14 23.334.04 23.334.04 San Juago Gas & Electric NC3 Relocation of the overhead 12/V communication lines 57.5000.00 57.5000.00 Cox Communication NC2 Relocation of the overhead 12/V communication lines 57.5000.00 53.233.33 57.5000.00 Cox Communication NC3 Relocation of the overhead 12/V communication lines 57.5000.00 53.230.33 57.5000.00 San Diego Gas & Electric NC2		PA1812/6	PA181276			
L & S Construction, Inc. 036C1025 138K/ Relocation 0421/36.17 Pacific Advance Civil Eng. Inc. 036P1103 Essement Clearing Requirements. 21,500.00 Pacific Advance Civil Eng. Inc. 036P1103 Essement Clearing Requirements. 2,366.10 AK NG4 Revographics 2,366.10 AK NG4 Revographics 2,366.10 San Juan Company NC3 Essement Clearing 3,194.82 San Juan Company NC3 Essement Clearing 3,194.82 San Juan Company NC3 Tree care 3,194.82 San Juan Company NC2 Revographics 3,194.82 San Diago Gas & Electric NC2 Relocation of the overhead 12/V communication lines 5,150.00 San Diago Gas & Electric NC2 Relocation of the overhead 12/V communication lines 5,156.90 San Diago Gas & Electric NC2 Relocation of the overhead of 2/V communication lines 5,156.90 San Diago Gas & Electric NC2 Relocation of the overhead of 2/V communication lines 5,156.90 San Diago Gas & Electric NC2 Relocation of the overhead of 2/V communication lines 5,156.90 San Diago Gas & Electric NC2 Relocation of the overhead of 2/V communication lines 5,123.90 San Diago Ga		First American Title Insurance	NC19	NOC	87.00	
L & S Construction, Inc. 036:1025 R38K/ Relocation 502:34.04 Pacific Advance Civil Eng. Inc. 036:1103 R38K/ Moleculing Requirements. 2:366:10 2:366:10 R C Next Next 8:8-ement Clearing Requirements. 2:366:10 2:366:10 R C Next Not3 Resoment Clearing Requirements. 2:366:10 2:366:10 R C Next Not3 Resoment Clearing 8:470:00 3:149.82 BrightView Tree Company NC13 Essement Clearing 3:149.82 3:194.82 San Juan Company NC13 Essement Clearing 3:149.82 3:194.82 San Juan Company NC13 Essement Clearing 3:149.82 3:194.190:00 R C NC2 Receate 3:149.82 3:139.33 3:179.00 San Juan Communications NC2 Receate 3:139.43 3:139.33 3:139.33 3:139.33 3:139.33 3:139.33 3:133.33 3:133.33 3:133.33 3:133.33 3:133.33 3:133.33 3:133.33 3:133.33 3:133.33 3:133.33 3:133.33 3:16 3:16.13.00 3:16.13.00 3:16.	1. 138kV grading Total				542,126.17	
Pacific Advance Civil Eng. In: RMV MWC - Well #7 SDG&E Relocation Services in Support of Cow Camp Road 136/K 21,5000 RX NG3 Eessement Clearing Requirements: 2366.10 2366.10 RX NG3 Resement Clearing Requirements: 2366.10 2366.10 San Juan Company NC3 Reprographics 2366.10 2366.10 San Juan Company NC3 Reprographics 2369.45.90 236.90 San Diago Gas & Electric NC21 Relocation of the overhead 12kV communication lines 549.45.90 575.000.00 San Diago Gas & Electric NC3 Raterials Rate Company 16.470.00 575.000.00 16.470.00 San Diago Gas & Electric NC3 Rate Company NC3 14.476.30 575.000.00 San Diago Gas & Electric NC3 Rate Company NC3 14.476.30 575.000.00 San Diago Gas & Electric NC3 NC3 Rate Company 14.766.90 14.765.90 Corrent Read PH 2A Relog and SMWD improvement Archeological Support 0.694.1694.14 2.1766.00 14.4765.39 Fourtainhaad Consuthing	2. 138kV Clearing	L & S Construction. Inc.	036C1025	138Kv Relocation	503 234 04	
Pacific Advance Civil Ends Construction Easement Clearing Requirements 236110 ARC NC3 Feas 3194700 BrightVlaw Tree Company NC13 Easement Clearing Requirements 3194700 BrightVlaw Tree Company NC13 Easement Clearing 3194700 BrightVlaw Tree Company NC13 Easement Clearing 3194590 RC NC13 Easement Clearing 3194590 3594 BrightVlaw Tree Company NC13 Easement Clearing 3194500 3594 Cox Communications NC21 Relocation of the overhead 12XV communication lines 52.300 00 55.300 San Diego Gas & Electric NC2 Materials NC2 840 MIC 57.300 00 San Diego Gas & Electric NC2 Materials NC2 840 MIC 57.300 00 55.91 San Diego Gas & Electric NC2 NC3 Relocation State S				RMV MWC - Well #7 SDG&F Relocation Services in Sunnort of Cow Camn Road 138vK	21 500 00	
ARC 2366.10 ARC NG3 Fees San Uan Company NC3 Eenorgaphics 3,194.82 San Uan Company NC3 Esternet Clearing 3,194.82 Bight/Vew Tree Company NC3 Esternet Clearing 3,194.82 San Uan Company NC3 Esternet Clearing 3,194.2000 Eight/Vew Tree Company NC21 Relocation of the overhead 12kV communication lines 5,53.08 San Diego Gas & Electric NC2 Materials 5,53.08 Cox Communications NC2 Relocation of the overhead 12kV communication lines 5,53.08 San Diego Gas & Electric NC2 Materials 5,53.08 Cox Communications NC2 Materials 5,53.0000 San Diego Gas & Electric NC2 Materials 5,53.0000 San Diego Gas & Electric NC2 Materials 5,53.0000 San Diego Gas & Electric NC2 NC2 5,50.0000 San Diego Gas & Electric NC2 NC3 1,13.99.000 ARMC Corporation 0567.000 0567.000 1,63.300 Garn Lukos Sacoiates 0367.002 0000 1,63.300 Garn Lukos Sacoiates 03657.002 00000 1,63.43.60 Garun Lukos Sac		Pacific Advance Civil Eng. Inc	036P1103	Essement Clearing Requirements	0000	
AFC With an Company Materials		n	NC5		7 266 10	
Anvertigent in the second of the overhead 12kV communication in the communication in the company NC13 Resement Clearing 3,1470.00 Bight/New Tree Company NC20 Tree care 3,1470.00 Cox Communications NC21 Relocation of the overhead 12kV communication lines 5,530.00 San Diego Gas & Electric NC2 Markinsis 3,194.22 Cox Communications NC2 Markinsis 5,530.00 San Diego Gas & Electric NC2 Markinsis 5,530.00 Cox Communication NC2 Markinsis 5,530.00 San Diego Gas & Electric NC3 RMV WELL #/ RELOCATION 5,530.00 Sond Gas A Electric NC3 RMV WELL #/ RELOCATION 5,530.00 San Diego Gas & Electric NC3 RMV WELL #/ RELOCATION 5,530.00 San Diego Gas & Electric NC3 RMV WELL #/ RELOCATION 5,530.00 San Diego Gas & Electric 0.365.0130 Cow Camp Road PL 2A Birdge & SMWD Improvement Archeological Support 5,930.963.893 Fountainhead Consulting Corp 0.365.0123 Cow Camp Road PL 2A Construction Support 1,630.294.20 Gas F Atkinson 0.365.0123 Cow Camp Road PL 2A Construction Support 1,630.902.42 Michael Baker International 0.365.0123 Cow Camp Road PL 2A Construction Support 1,430.43 <td></td> <td>Jav</td> <td></td> <td>Democrachico</td> <td>2,300.1U</td> <td></td>		Jav		Democrachico	2,300.1U	
BightView Tree Company NC13 Easemic Learning 13,194,72 BightView Tree Company NC13 The extent 54,59 Explorition Tree Company NC2 The extent 54,59 Explorition Tree Company NC2 The extent 54,59 San Diego Gas & Electric NC2 Relocation of the overhead 12kV communication lines 55,500 55,50 San Diego Gas & Electric NC2 Relocation of the overhead 12kV communication lines 575,0000 575,0000 San Diego Gas & Electric NC2 RMV WELL#7 RELOCATION 575,0000 1,613,00 San Diego Gas & Electric NC3 RMV WELL#7 RELOCATION 1,613,00 5,5130 ARMC Corporation 0365(1029 Cow Camp Road P12 A Bridge and SMWD Improvement Archeological Support 6,382,330 1,613,00 Fundianiad Corpusiting Corp 0365(1029 Cow Camp Road P12 A Construction Support 1,633,532 2,382,300 Glenn Lukos Associates 0365(1024 Cow Camp Road P12 A Construction Support 1,633,696 3,332,242 J.E.S. Engineering 0365(1034 Cow Camp Road P12 A Construction Support 1,4358,390 2,1756,500 Michael International 0365(1034 Cow Camp Road P12 A Construction Support 1,4359,80 1,4359,80 J.E.S. Engineering		ANC 0	1010		00.34	
BightView Tree Company NC20 Tree care 19,47000 55,91 Cox Communications NC21 Relocation of the overhead 12kV communication lines 5,530.00 5,591 5,591 San Diego Gas & Electric NC2 Retocation of the overhead 12kV communication lines 5,530.00 5,591 5,591 RNM Corporation NC2 Retocation of the overhead 12kV communication lines 5,530.00 5,590.00 5,590.00 RNM Corporation NC2 NM vell. #7 RELOCATION 1,613.00 5,532.30 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.00 5,593.20 5,593.20 5,593.20 5,593.20 5,593.20 5,593.20 5,593.20 5,503.00 5,593.20 5,503.00 5,593.20 5,503.20 5,503.20 5,503.20 5,503.20 5,503.20 5,503.20 5,503.20 5,503.20 5,503.20 5,503.20 5,503.20		san Juan Company	NC13		3,194.82	
Cox Communications NC21 Relocation of the overhead 12kV communication lines 54,93,64,50 55,51 San Diego Gas & Electric NC2 Materials FEL #7 FELOCATION 57,500.00 57,500.00 San Diego Gas & Electric NC2 Materials FRM VELL #7 FELOCATION 57,500.00 1613.00 57,500.00 NC3 RMW VELL #7 FELOCATION Utility Plan Review Fees 57,500.00 1,613.00 57,500.00 ARMC Corporation 036671039 Cow Camp Road PL 2A Bridge & SMVD Improvement Archeological Support 6,532.30 6,323.30 6,323.30 6,323.30 1,613.00 <td></td> <td>Brightview Iree Company</td> <td>NCZO</td> <td>lree care</td> <td>19,470.00</td> <td></td>		Brightview Iree Company	NCZO	lree care	19,470.00	
Cox Communications NC21 Relocation of the overhead 12kV communication lines 52,350.89 57,323.33 56,2000.00 51,339.332.33 52,323.33 52,323.33 52,323.33 53,33,333 53,333.33 5	2. 138kV Clearing Total				549,845.90	
San Diego Gas & Electric NC2 Materials 55,000.00 NC3 RMV WELL #7 RELOCATION 1,613.00 55,000.00 NC3 RMV WELL #7 RELOCATION 662,000.00 662,000.00 NC4 Utility Plan Review Fees 662,000.00 662,000.00 ARMC Corporation 0366/1029 Cow Camp Road 2A Bridge and SMVD Improvement Archeological Support 1,613.00 Fountainhead Consulting Corp 0366/1029 Cow Camp Road PH 2A Bridge and SMVD Improvements 1,230.963.339 Giann Lukos Associates 0366/1027 CCM 2A Bridge & SMWD Improvements 1,330.234.20 Giann Lukos Associates 0366/1026 Cow Camp Road PH 2A Construction Support 1,8,054,189.14 2,006.00 J.E.S. Engineering 0366/1026 Cow Camp Road PH 2A Construction Support 1,4,765.39 1,44,765.39 Michael Baker International 0366/1026 Cow Camp Road PH 2A Improvements 1,43,765.00 3,1552.50 Michael Baker International 0366/1026 Cow Camp Road PH 2A Improvements 1,43,765.39 1,44,765.39 Michael Baker International 0366/1026 Cow Camp Road PH 2A Improvements 1,43,765.00 2,1765.00 Michael Baker International 0366/1026 Cow Camp Road PH 2A Improvements 1,41,765.39 2,1765.00 Microw CM 0366/1026 <td>3.a 138kV Design</td> <td>Cox Communications</td> <td>NC21</td> <td>Relocation of the overhead 12kV communication lines</td> <td>52,350.89</td> <td></td>	3.a 138kV Design	Cox Communications	NC21	Relocation of the overhead 12kV communication lines	52,350.89	
NC3 RMV WELL #7 RELOCATION 1,613.00 SDGE Utility Plan Review Fees 6513.00 SDGE Utility Plan Review Fees 6382.30 Fountainhead Consulting Corp 036C1029 036C1029 6.382.30 Fountainhead Consulting Corp 036C1029 036C1029 6.382.30 Geinn Lukos Associates 036C1024 Cow Camp Road PH 24 Rhidge and SMVD Improvement Archeological Support 6.382.30 Giann Lukos Associates 036C1024 Cow Camp Road PH 24 Rhidge and SMVD Improvements 1.633.234.20 Guy F Atkinson Const., LLC 036C1024 Cow Camp Road PH 24 Rhidge and SMVD Improvements 1.633.234.20 J.E.S. Engineering 036C1024 Construction Support 8.030.70 8.030.70 Michael Baker International 036C1026 Cow Camp Road PH 2A Rhidge and SMVD Improvements 1.4,765.39 Mirchael Baker International 036C1026 Cow Camp Road Phases 2A & B Civil Engineering Services 3.1,755.00 Murrow CM 036C1021 Cow Camp Road Phases 2A & B Civil Engineering Services 3.1,432.44 2.006,02 Murrow CM 036C1025 Cow Camp Road Phases 2A & B Civil Engineering Services 3.1,432.44 2.1,755.39 Murrow CM 036C1021 Eudor Compliance 0.36.100.60 2.1,756.39 2.1,756.00 Northistar Surveys Inc. <td< td=""><td></td><td>San Diego Gas & Electric</td><td>NC2</td><td>Materials</td><td>575,000.00</td><td></td></td<>		San Diego Gas & Electric	NC2	Materials	575,000.00	
SDGE Utility Plan Review Fees 663_0000 ARMC Corporation 036C1030 Cow Camp Road 2A Bridge & SMWD Improvement Archeological Support 6.83_000.00 Fountainhead Consulting Corp 036C1029 Cow Camp Road PH 2A Bridge and SMWD Improvements 1,200_663.89 Giann Lukos Associates 036F1165 Regulatory Support Services Pertaining to the Gobernadora Bridge Scour Protection 1,339_294.20 Giann Lukos Associates 036F1165 Regulatory Support Services Pertaining to the Gobernadora Bridge Scour Protection 1,439_6.4189.14 2,006.02 Gust Fatkinson Const. LLC 036F1055 Cow Camp Road PH 2A Construction Support 1,437_65.39 1,447_65.39 Michael Baker International 036F1055 Cow Camp Road PH 2A Construction Support 1,439_0 1,439_0 Michael Baker International 036F1055 Cow Camp Road PH 2A Construction Support 1,439_0 1,439_0 Michael Baker International 036F1055 Cow Camp Road PH 2A Construction Support 1,439_0 1,439_0 Michael Baker International 036F1055 Cow Camp Road Phases 2A & B Civil Engineering Services 1,439_0 1,439_0 Michael Baker International 036F1055 Cow Camp Road PH 2A Improvements 3,552_50 1,439_0 Michael Baker International 036F1055 Cow Camp Road PH 2A Construction Support 1,4765.39 <td></td> <td></td> <td>NC3</td> <td>RMV WELL #7 RELOCATION</td> <td>1,613.00</td> <td></td>			NC3	RMV WELL #7 RELOCATION	1,613.00	
ARMC Corporation 1,290,963.389 ARMC Corporation 036C1030 Cow Camp Road 2A Bridge & SMWD Improvements 1,290,963.389 Fountainhead Consulting Corp 036C1029 Cow Camp Road PH 2A Bridge and SMWD Improvements 6.382.30 Fountainhead Consulting Corp 036C1029 Cow Camp Road PH 2A Bridge and SMWD Improvements 1,530,594.20 Gienn Lukos Associates 036F1165 Regulatory Support Services Pertaining to the Gobernadora Bridge Scour Protection 1,4,736.39 J.E.S. Engineering 036C1026 Cow Camp Road PH 2A Construction Support 1,4,766.39 1,4,766.39 Michael Baker International 036C1026 Cow Camp Road PH 2A Construction Support 1,4,766.39 1,4,766.39 Michael Baker International 036C1026 Cow Camp Road PH 2A Improvements 1,4,766.39 1,4,766.39 Murow CM 036C1021 Cow Camp Road PH 2A Improvements 3,552.50 1,4,766.39 Murow CM 036C1022 Bid Support for Cow Camp Road PH 2A Improvements 3,552.50 3,552.50 Murow CM 036C1021 NC1 Reprographics 3,552.50 3,552.50 Murow CM 036C1022 NC1 Reprographics 3,552.50 3,552.50 Murow CM NC1 NC1 Reprographics 1,47.68.77 AC NC1			SDGE	Utility Plan Review Fees	662,000.00	
ARMC Corporation 0365(1030 Cow Camp Road 2A Bridge & SMVD Improvement Archeological Support 6.382:30 Fountainhead Consulting Corp 0365(1029 Cow Camp Road PH 2A Bridge and SMVD Improvements (6.382:30) Glenn Likohead Consulting Corp 0365(1029 Cow Camp Road PH 2A Bridge and SMVD Improvements (1.83):234:20 Guy F Alkinson Cost, LLC 0365(1026 Cow Camp Road PH 2A Bridge and SMVD Improvements (1.8,054,189):14 2.006,02 J.E.S. Engineering 0365(1026 Construction Support (Fevaling Wage) (1.43):65:39 (1.43):65:39 Michael Baker International 0365(1025 Cow Camp Road Ph 2A Construction Support (1.4,765:39 (1.4,765:39 Michael Baker International 0365(1021 Cow Camp Road Ph 2A Construction Support (1.4,765:39 (1.4,765:39 Murow CM 0365(1021 Cow Camp Road Ph 2A Construction Support (1.4,765:39 (1.4,765:39 (1.4,765:39 Murow CM 0365(1021 Labor Compliance (1.8,09,470) (1.4,765:39 (1.4,765:39 Northstar Surveys Inc. 0365(1021 Cow Camp Road Ph 2A Improvements (1.4,765:39 (1.4,765:39 Northstar Su	3.a 138kV Design Total				1,290,963.89	
Fountainhead Consulting Corp 0365(1029 Cow Camp Road PH 2A Bridge and SMWD Improvements 1,633,294,20 Giam Luckos Associates 0365(102) Cow Camp Road PH 2A Bridge and SMWD Improvements 1,633,294,20 Guy F Atkinson Const., LLC 0365(102) CCR 2A Bridge & SMWD Improvements 1,626,18940 2,006,00 Guy F Atkinson Const., LLC 0365(1024 Construction Support (Prevailing Wage) 8,030,70 8,030,70 J.E.S. Engineering 0365(1024 Construction Support 0366(1024 Construction Support 1,4,765,39 Michael Baker International 0365(1021 Babor Compliance 1,439,80 1,439,80 Murow CM 0365(1021 Bud Support (Prevailing Wage) 8,030,70 8,030,70 8,030,70 Murow CM 0365(1021 Babor Compliance 036,01025 Cow Camp Road PH 2A Improvements 3,552,50 1,47,85,39 Murow CM 0365(1022 Bid Support for Cow Road PH 2A Improvements 3,552,50 3,552,50 3,552,50 3,552,50 3,552,50 541,84 7,687,78 2,666,87 1,667,78 2,666,87 1,765,00 1,765,00 1,766,76 <td>4.a Bridge Construction</td> <td>ARMC Corporation</td> <td>036C1030</td> <td>Cow Camp Road 2A Bridge & SMWD Improvement Archeological Support</td> <td>6,382.30</td> <td>0</td>	4.a Bridge Construction	ARMC Corporation	036C1030	Cow Camp Road 2A Bridge & SMWD Improvement Archeological Support	6,382.30	0
Glem Lukos Associates 03671155 Regulatory Support Services Pertaining to the Gobernadora Bridge Scour Protection 24,736.80 Guy F Attinison Const., LLC 036571024 Construction Support (Prevailing Wage) 8,030.70 J.E.S. Engineering 036571034 Construction Support (Prevailing Wage) 8,030.70 8,030.70 J.E.S. Engineering 036571034 Construction Support (Prevailing Wage) 8,030.70 14,765.39 Michael Baker International 03651025 Cow Camp Road PH 2× Construction Support 1,439.80 1,439.80 Murow CM 03651025 Cow Camp Road PH 2× Construction Services 1,439.80 21,765.00 Nuow CM 03651022 Edd Phases 2A & B Civil Engineering Services 1,439.80 21,765.00 Nuow CM 03651022 Edd Support for Cow Camp Road PH 2A Improvements 51,857.00 21,765.00 Murow CM 03651022 Bid Support for Cow Camp Road PH 2A Improvements 541.84 47,687.78 R.B. Holt, Inc NC16 Import/Fill/Compact 20,629.46 47,687.78 20,660.22 R.B. Holt, Inc NC17 Approved CFD Package 24,55,417.18			036C1029	Cow Camp Road PH 2A Bridge and SMWD Improvements	1,639,294.20	0
Guy F Atkinson Const, LLC 0365(1027 CCR 2A Bridge & SIWUD Improvements 18,054,189.14 2,006,02 0.5.5. Engineering 0365(1026 Construction Support (Prevailing Wage) 8,030,70 8,030,70 0.5.5. Engineering 0365(1026 Construction Support 14,765,39 14,765,39 0.36671025 Cow Camp Road PH 2A Construction Support 1,439,80 1,439,80 1,439,80 Michael Baker International 03671025 Cow Camp Road PH 2A Construction Support 1,439,80 1,439,80 Nurow CM 036671031 Labor Compliance 1,430,80 21,765,00 33,552,50 Nurow CM 036671022 Bid Support for Cow Camp Road PH 2A Improvements 5,41,84 2,666,87 AC NC16 Import/FillCompact NC16 47,687,76 47,687,76 AC Union Bank of California NC17 Approved CFD Package 24,56,417,18 2006,02 County of Orange-CFD NC17 Approved CFD Package 24,56,417,18 2006,02		Glenn Lukos Associates	036P1165	Regulatory Support Services Pertaining to the Gobernadora Bridge Scour Protection	24,736.80	
J.E.S. Engineering 036C1034 Construction Support 8.030.70 Michael Baker International 036C1026 Cow Camp Road PH 2A Construction Support 14,1765.39 Michael Baker International 036C1026 Cow Camp Road PH 2A Construction Support 1,430.80 Michael Baker International 036C1035 Cow Camp Road PH 2A Construction Support 1,430.80 Murow CM 036C1021 Labor Compliance 2,1765.00 21,765.00 Northstar Surveys Inc. 036C1022 Bid Support for Cow Camp Road PH 2A Improvements 2,1765.00 ARC NC4 Report for Cow Camp Road PH 2A Improvements 2,1765.00 33.552.50 ARC NC16 Import/Fill/Compact 2,1765.00 33.552.50 ARC NC16 Import/Fill/Compact 2,1765.00 2,1697.73 Union Bank of California NC3 Letter of Credit 4,500.429.46 2,606.02 County of Orange-CFD NC17 Approved CFD Package 24,550.477.178 2,006.02 County of Orange-CFD NC17 Approved CFD Package 24,551.417.78 2,006.02		Guy F Atkinson Const., LLC	036C1027	CCR 2A Bridge & SMWD Improvements	18,054,189.14	
Michael Baker International 036C1026 Cow Camp Road PH 2A Construction Support 144.765.39 Michael Baker International 036C1025 Cow Camp Road Phases 2A & B Civi Engineering Services 1,439.80 Murow CM 036C1031 Labor Compliance 21.765.39 1,43.960 Northstar Surveys Inc. 036C1022 Bid Support for Cow Camp Road PH 2A Improvements 24.164 ARC NC4 Reprographics 541.84 541.84 ARC NC4 Reprographics 541.84 541.84 R. Hot, Inc NC16 Improvements 541.84 7.66.87 Nonthistar Surveys Inc. 036C1022 Reprographics 541.84 7.687.78 R. Hot, Inc NC16 Improved CFD Arc 47.687.78 2.006.02 County of Orange-CFD NC17 Approved CFD Package 4.50.429.46 2.006.02 2.006.02		J.E.S. Engineering	036C1034	Construction Support (Prevailing Wage)	8,030.70	
036F1055 Cow Camp Road Phases 2A & B Civil Engineering Services 1,439.80 Murow CM 036C1031 Labor Compliance 21,765.00 Northstar Surveys Inc. 036C1022 Bid Support for Cow Camp Road PH 2A Improvements 3,552.50 AC Northstar Surveys Inc. 036C1022 Bid Support for Cow Camp Road PH 2A Improvements 3,552.50 AC NC4 Reprographics 3,552.50 3,552.50 AC NC4 Reprographics 3,552.50 3,552.50 AC NC4 Reprographics 3,552.50 3,552.50 AC NC16 Import/Fill/Compact 2,696.87 4,7687.78 Union Bank of California NC3 Letter of Credit 4,509.471.78 2,006.02 County of Orange-CFD NC17 Approved CFD Package 24,556.417.178 2,096.02 County of Orange-CFD NC17 Approved CFD Package 24,556.417.178 2,096.02		Michael Baker International	036C1026	Cow Camp Road PH 2A Construction Support	144,765.39	0
Murow CM 036C1031 Labor Compliance 21,765,00 Northistar Surveys Inc. 036C1022 Bid Support for Cow Camp Road PH 2A Improvements 33,552.50 Act Northistar Surveys Inc. 036C1022 Bid Support for Cow Camp Road PH 2A Improvements 541.84 Act NC4 Reprographics 541.84 27,65.00 Act NC16 Import/FillCompact 22,656.87 47,687.78 Union Bank of California NC6 Letter of Credit 47,687.78 2,006,02 County of Orange-CFD NC17 Approved CFD Package 24,557.417.18 2,006,02 County of Orange-CFD NC17 Approved CFD Package 24,557.417.18 2,006,02			036P1055	Cow Camp Road Phases 2A & B Civil Engineering Services	1,439.80	0
Northstar Surveys Inc. 036C1022 Bid Support for Cow Camp Road PH 2A Improvements 33.552.50 AR NC4 Repergraphics 34.184 AR NC4 Repergraphics 54.184 AR NC4 Repergraphics 55.50 AR NC16 Import/FillCompact 25.656.87 Union Bank of California NC3 Letter of Credit 47.687.78 County of Orange-CFD NC17 Approved CFD Package 24.55.417.18 2,006.02 County of Orange-CFD NC17 Approved CFD Package 24.55.417.18 2,006.02		Murow CM	036C1031	Labor Compliance	21,765.00	
AIC NC4 Reprographics 541.84 R.B. Holt, Inc NC16 Import/Fill/Compact 22.656.87 Union Bank of California NC3 Letter of Credit 47.687.78 Union Bank of California NC3 Letter of Credit 4.56.71 County of Orange-CFD NC17 Approved CFD Package 24,55.471.78 2,006.02 County of Orange-CFD NC17 Approved CFD Package 24,55.471.78 2,006.02		Northstar Surveys Inc.	036C1022	Bid Support for Cow Camp Road PH 2A Improvements	33,552.50	0
R.B. Holt, Inc NC16 Import/Fil/Compact 22,656,87 Union Bank of California NC8 Letter of Credit 47,687,78 County of Orange-CFD NC17 Approved CFD Package 24,556,471,78 2,006,02 County of Orange-CFD NC17 Approved CFD Package 24,556,471,78 2,006,02 County of Orange-CFD NC17 Approved CFD Package 24,556,471,78 2,006,02		ARC	NC4	Reprographics	541.84	0
Union Bank of California NC8 Letter of Credit 47,687.78 County of Orange-CFD NC17 Approved CFD Package 4.520,429.46 County of Orange-CFD NC17 Approved CFD Package 24,520,429.46 County of Orange-CFD NC17 Approved CFD Package 24,520,471.78 County of Orange-CFD NC17 Approved CFD Package 24,530,471.78		R.B. Holt, Inc	NC16	Import/Fill/Compact	22,656.87	0
County of Orange-CFD NC17 Approved CFD Package 4,520,429,46 24,525,471,78 24,525,471,78 26,908,407,74 26,308,407,77 26,308,407,77 26,308,407,77 26,308,407,77 26,308,407,77 26,308,407,77 26,308,407,77 26,308,407,77 26,308,407,77 26,308,407,77 26,308,407,77 26,308,407,77 26,308,407,77 26,308,407,77 26,308,407,77 26,3		Union Bank of California	NC8	Letter of Credit	47,687.78	0
24,525,471.78 26,908,407,74		County of Orange-CFD	NC17	Approved CFD Package	4,520,429.46	0
26,908,407,74	4.a Bridge Construction Total				24,525,471.78	
	Grand Total				26.908.407.74	

COW CAMP ROAD SEGMENT 2 - BRIDGE COSTS Analysis for Appraisal As of 4/23/19 Contract List Report

QUALIFICATIONS KENNETH A. KEAGY, MAI

PROFESSIONAL MEMBERSHIPS	Appraisal Institute, MAI Designation - 1990 (Member 8532) International Right-of-Way Association, Member
STATE LICENSE	State of California, Certified General Real Estate Appraiser (Certification No. AG008497)
EDUCATION	San Diego State University B.S., Business Finance, 1985 Summa Cum Laude San Diego State University - Real Estate Courses Real Estate Law Real Estate Appraisal Real Estate Principles and Practices Real Estate Finance Urban Planning Appraisal Institute (AIREA) Advanced Applications Advanced Income Capitalization Analyzing Distressed Real Estate Appraising for the IRS Appraising from Blueprints & Specifications Appraising Manufactured Housing Basic Valuation Procedures Capitalization Theory & Techniques Part A Capitalization Theory & Techniques Part B Case Studies in R.E. Evaluation Evaluating Commercial Construction Litigation Valuation Partial Interest Valuation Practical Regression Using Excel Real Estate Appraisal Principles Residential Valuation Standards of Professional Practice Uniform Appraisal Standards for Federal Land Acquisitions Valuation of Detrimental Conditions in Real Estate Valuation of Detrimental Conditions in Real Estate Valuation Gomencial Green Buildings Various Day Seminars for Continuing Education

International Right-of-Way Association Interpreting Engineering Drawings (Course 103)

EMPLOYMENT	Keagy Real Estate (sole proprietor) Real Estate Appraisal and Consultati La Mesa, CA 1999 to present	ion
	Lee C. Johnson Company Real Estate Appraisal and Consultati La Mesa, CA 1980 to 1998	ion
APPRAISAL EXPERIENCE	Residential, Improved Single-Family Houses Condominiums Mobilehomes/Manuf. Homes Multiple Housing, 2 to 4 Units Apartments Mobilehome Parks Ranches Commercial, Improved Retail Centers Retail, Single-Tenant Restaurants Financial Institutions Auto Dealerships Gas Stations Office Buildings Medical Office Buildings General Retail/Commercial Hotel/Motel/SRO Special Purpose Correctional Placement Centers Fraternal Organizations Religious Facilities Housing for Disabled Other Fractional Interest Discounts Leased Fee Valuation Leasehold Valuation	Land Residential Lots Subdivision Land Multi-Family Land Agricultural Land Mitigation Land Commercial Land Industrial Land Investment Acreage Industrial, Improved Industrial Buildings Self-Storage Facilities Easement Valuation Electric Transmission Pipelines Road Access Air Rights Drainage/Slope/TCE General Utility Litigation Condemnation Inverse Condemnation Encroachment/Trespass Nuisance/Diminution Construction Defect Rent Determination Partnership Disputes Partition Actions Estate Taxation
SUPPLEMENTAL INFORMATION	Qualified as Expert Witness Superior Court, County of San Di Assessment Appeals Board, Cour Federal Bankruptcy Court U.S. District Court Arbitration Testimony, JAMS Served as Sole Arbiter and on Arbit Real Estate Brokers license, State of	nty of San Diego tration Panels

REPRESENTATIVE CLIENTS

Alexandria Real Estate Equities Allen Matkins American Property Enterprises Ault, Davis & Schonfeld Bartz Law Firm Best & Krieger Bruckner & Walker Caldarelli Hejmanowski & Page Cajon Valley Union School District Catholic Diocese Centre City Development Corporation (CCDC) Christensen & Spath City of Chula Vista City of Del Mar City of El Cajon City of Encinitas City of Escondido City of Imperial Beach Redevelopment Agency City of Lemon Grove City of National City Community Dev. Commission City of San Diego City of San Marcos Civic San Diego County of San Diego Daley & Heft Detisch, Law Office of Don Detisch Duckor, Spradling, Metzger & Wynne EastLake Company Endeman, Lincoln, Turek & Heater **Epic Land Solutions** Fitch, Stephen J. Fitch & Associates Foley & Lardner Gatzke, Dillon & Ballance **Greyhound Lines** Handlery Hotels Hart King & Coldren Helix Water District Hervey & Wood Kilroy Realty Corporation Kirby Noonan Lance & Hoge Lounsbery Ferguson Altona & Peak

Luce Forward Marinos, Law Office of James S. Marinos Massie Berman McDougal Love Eckis Boehmer & Foley McKenna Long & Aldridge Musick Peeler & Garrett Northrop Grumman Corporation O'Connor, Packer & Dunivan Otay Water District Pardee Homes Point Loma Law Procopio Cory Hargreaves & Savitch Cluff, Jerry D. Cluff Law Offices **Project Design Consultants** Pyle Sims Duncan & Stevenson Rauch Detisch & Steinke Ravin Glovinsky San Diego City Schools San Diego County Water Authority San Diego Gas & Electric Company San Diego Revitalization Corporation San Diego Unified Port District San Marcos Unified School District Sandler & Rosen Seltzer Caplan McMahon Vitek Sempra Energy Sheppard, Mullin, Richter & Hampton Silicon Valley Law Group So. California Housing Development Corp. Solomon Ward Seidenwurm & Smith Stutz, Gallagher, Artiano, Shinoff & Holtz Sweetwater Authority Sweetwater Union High School District Turner & Maasch U.S. Army Corps of Engineers U.S. Attorney's Office U.S. Department of Justice Vallecitos Water District Wertz McDade Wallace Moot & Brower Wright & L'Estrange Jackson & Wallace LLP Zalkin & Zimmer

QUALIFICATIONS GARY S. COX, MAI

EXPERIENCE: Gary S. Cox Real Estate Real Estate Appraiser and Consultant 1983 to present 8321 Lemon Avenue La Mesa, California 91941 Providing independent appraisal services to San Diego County appraisal offices

Palmer, Groth & Pietka, Inc.

Portland, Oregon October 2000 to 2003 Staff Appraiser

PROFESSIONALState of California, Certified General Appraiser (Certification No.**MEMBERSHIPS:**AG005666)

Appraisal Institute

California Bar Association (Inactive Member)

EDUCATION: Thomas Jefferson College of Law Juris Doctorate San Diego, California 1978

Bachelor of Arts Degree

University of Cincinnati Political Science Cincinnati, Ohio June 1972

Appraisal Institute

7-Hour USPAP Update - 2012 Appraisal Curriculum Overview - 2011 Uniform Appraisal Standards for Federal Land Acquisition - 2011 Appraising for the IRS - 2011 San Diego Economic Forecast - 2010 Eminent Domain Case Updates - 2010 Condemnation Appraising - 2009 Hypothetical Conditions - 2008 Business Practices & Ethics - June 2008 National USPAP Update, June 2007 Standards of Professional Practice - A, June 1987 Standards of Professional Practice - B, June 1987 Applied Income Property Valuation, April 1987

EDUCATION (CONT): Appraisal Institute

Principles of Income Property Appraising, October 1985 Applied Residential Property Valuation, October 1984 Real Estate Appraisal Principles, June 1983

International Right-of-Way Association

The Appraisal of Partial Acquisitions, June 1998

PROPERTY TYPES APPRAISED:

Industrial Apartments Vacant Commercial Land Retail Buildings Vacant Residential Land Rights-of-Way Easements Special Purpose Properties Office Buildings

EXHIBIT G NEW EASEMENT AND QUITCLAIM

Recording Requested by San Diego Gas & Electric Company

When recorded, mail to:

San Diego Gas & Electric Company 8335 Century Park Court, CP12A San Diego, CA 92123-1569 Attn: Real Estate Records - CP12A

 Project No:
 662044-060

 Const No:
 2988625

 APN:
 125-163-33 (portion)

 S R > 249712

Recorded in Official Records, Orange County Hugh Nguyen, Clerk-Recorder * \$ R 0 0 1 0 7 8 2 9 3 7 \$ * 2019000130605 9:21 am 04/23/19 65 414 E01 11 0.00 0.00 0.00 0.00 30.00 0.00 0.000.0075.00 3.00

SPACE ABOVE FOR RECORDER'S USE \$0 Consideration less than Transfer Tax \$100.00 (R&T 11911) SAN DIEGO GAS & ELECTRIC COMPANY

R/W 368423

EASEMENT

For good and valuable consideration, receipt of which is hereby acknowledged, DMB SAN JUAN INVESTMENT NORTH, LLC, a Delaware limited liability company (Grantor), grants to SAN DIEGO GAS & ELECTRIC COMPANY, a corporation (Grantee), an easement and rightof-way 100.00 feet in width, in, upon, over, under and across the lands hereinafter described (Easement) to erect, construct, change the size of, improve, reconstruct, relocate, expand, replace, repair, inspect, patrol, maintain and use one or more lines of towers and/or poles, as determined in Grantee's sole discretion from time to time, with wires and cables suspended thereon and supported thereby, including foundations, guys, anchorage, cross arms, braces, insulators, grounding wires and all other appliances, fixtures and appurtenances for use in connection therewith; also underground facilities consisting of, but not limited to, conduits, pads, manholes, handholds and junction boxes with wires and cables placed therein and thereon for (i) the transmission and distribution of electricity and all other purposes in connection therewith, and (ii) Grantee's internal telephone, signal and communication activities, together with their necessary fixtures and appurtenances (all hereinafter referred to as Grantee's Facilities), at such locations and elevations, both overhead and underground, as Grantee may now or hereafter deem convenient or necessary at any time and from time to time, in, upon, over, under, and across portions of Grantor's real property located in the County of Orange, State of California, more particularly described as:

Parcels 58, 59, 60 and 101 of Certificate of Compliance CC 2011-01, recorded December 27, 2011 as Instrument No. 2011000677171 of Official Records, Records of Orange County

(the Grantor Land).

The specific portion of the Grantor Land that is subject to this Easement (i.e., the Easement Area) is more particularly described in <u>Exhibit "A"</u> (consisting of two (2) pages), and shown and delineated in <u>Exhibit "B"</u> (consisting of one (1) page), attached hereto and made a part hereof.

Grantee shall have the right of ingress, egress and access to, from and along the Easement Area utilizing those roads located on the Grantor Land that are identified as "138 kV Access Road" on the attached <u>Exhibit "C"</u> (the Access Roads) provided, however, if such Access Roads become unusable or unpracticable, Grantee shall have the right to utilize reasonable alternative routes identified by Grantor; provided, however, in the event of an emergency, Grantee may use any route necessary, if the Access Roads are unusable to access the Easement Area. Grantor reserves the right, at all times, to realign or relocate, at Grantor's expense, the Access Roads; *PROVIDED THAT* in the event Grantor elects to realign or relocate the Access Roads (or any portions thereof), Grantor shall have the obligation to provide Grantee with at least thirty (30) day's prior written notice of such change and must provide reasonable, adequate and continuous access to the Easement Area.

مديل

Grantee shall also have the right to clear and keep clear said Easement Area from any vegetation, structures or other improvements, including, but not limited to, buildings, explosives, brush, trees, combustibles and other materials.

Neither Grantor nor its successors or assigns shall, without the prior written consent of Grantee, in its sole discretion, (i) erect, place or construct, or permit to be erected, placed or constructed, any improvements, buildings or other structures within the Easement Area, (ii) impound or store water or other fluid or flammable substances within the Easement Area or (iii) drill or dig any well within the Easement Area or (iv) subject to provisions in this Easement, plant any trees on or within the Easement Area; provided, however, subject to obtaining Grantee's prior written approval which is not to be unreasonably withheld, Grantor reserves the right to install operate and maintain, at its sole cost and expense, fences, water lines and appurtenances directly related to said fences and water lines within the Easement Area (so long as said facilities do not interfere with Grantee's rights hereunder).

Grantor shall not increase or decrease the ground surface elevations nor allow the ground surface elevations to be increased or decreased in any manner within the Easement Area, nor shall the ground be penetrated in any manner to a depth in excess of eighteen inches (18") without the prior written consent of Grantee.

Grantee shall have the right to erect, maintain and use gates in all fences which now cross or which may hereafter cross (i) the Easement Area and (ii) any routes of practical ingress and egress within the remaining portions of the Grantor Land that are designated by Grantor.

Grantor agrees that no other easement or right of way shall be granted or dedicated on, under or over the Easement Area without the prior written consent of Grantee, which consent shall not be unreasonably withheld.

Grantee shall have the right, at its sole cost and expense, to trim, cut and remove trees, brush, foliage, roots and other vegetation from within the Easement Area whenever in Grantee's judgment the same shall be necessary for the convenient and safe exercise of the rights herein granted. This right shall not relieve Grantor of any duty to trim, cut and remove trees and brush to prevent danger or hazard to property or persons.

All prospecting for or development of geothermal substances, minerals, oil, gas, petroleum, or other substances on the Grantor Land shall be done from locations outside the boundaries of the Easement Area; further, said prospecting or development shall be done in such a manner and by

methods that will not penetrate that five hundred foot (500') deep zone directly beneath the surface of the ground within the Easement Area, nor unreasonably interfere with Grantee's right of ingress and egress, operation, maintenance and repair of Grantee's Facilities located within the Easement Area.

Subject to all of the above-stated conditions and restrictions, Grantor reserves the right to use the area within the herein granted Easement; provided, however, that Grantor's use shall not, at any time, endanger, interfere with, or damage Grantee's Facilities, access, or other rights granted hereunder. Grantor expressly agrees that Grantee shall not be liable for damages to or loss of Grantor's improvements or operations resulting from Grantee's exercise of its rights granted in this Easement.

Grantee shall exercise the rights herein granted in accordance with all applicable laws, rules and regulations. Subject to the rights granted to Grantee herein and Grantor's compliance with the terms herein, Grantee shall avoid unreasonable interference with any uses and activities of Grantor, its successors and assigns within the Easement Area.

All engineering data and/or legal descriptions(s) for the location(s) of Grantee's Facilities in this Easement have been furnished to Grantee by Grantor's surveyor Russell H. Hanson, PLS 8873. Grantor accepts full responsibility for the accuracy of such data and descriptions and declares that the descriptions represent the locations of Grantee's Facilities within Grantor's property as previously agreed upon by Grantor and Grantee. If such engineering data and/or legal descriptions do not accurately represent the locations of Grantee's Facilities within Grantor's property, then this Easement shall be deemed to attach to the actual location of Grantee's Facilities which shall be deemed the Easement Area, and all of Grantor's and Grantee's rights, obligations and duties under this Easement shall attach to the Grantee's Facilities in their actual location. Grantor agrees that should any changes in grade, realignment of road, street, or avenue, or relocation of Grantee's Facilities become necessary as a result of inaccuracies of data furnished by Grantor, such changes, realignment or relocation shall be immediately remedied by Grantor at Grantor's sole expense, and upon Grantor's failure to remedy same within 30 days after demand, Grantee shall have the right, but not the duty, to make such changes, realignments or relocations and Grantor shall promptly pay to Grantee all reasonable charges thereof.

The primary purpose of this Easement is to facilitate the relocation of certain electrical transmission lines and facilities that are owned, operated and maintained by Grantee on lands located outside of the Easement Area. Specifically, Grantor and its affiliates own certain lands on which Grantee has heretofore installed certain above-ground transmission towers, lines and related appurtenances that are used to transmit 138 kV electrical power (the "TL 13831 Facilities"). In furtherance of Grantor's development plans, Grantor has requested that Grantee remove the TL 13831 Facilities from their current location and to relocate same to the Easement Area.

Consistent with the California Environmental Quality Act, the County of Orange certified two Final Environmental Impact Reports (FEIRS), FEIR 584 and FEIR 589, and one Addendum to FEIR 589 (Addendum), and signed one Memorandum dated March 27, 2017 (Memo) clarifying the scope of the Addendum, all of which collectively outline terms and requirements for on-going mitigation measures for biological resources within the Development Area (as defined in FEIR 584, FEIR 589, the Addendum, and the Memo). It is Grantor's sole responsibility to meet these terms and requirements and implement these mitigation measures to reduce impacts to sensitive habitat and sensitive or listed species for the Development Area, as well as any areas outside of the Development Area where the TL 13831 Facilities will be relocated by Grantee. Because the relocation of the TL 13831 Facilities is only being completed at the request of Grantor, it is Grantor's sole responsibility to implement habitat and/or species conservation or protection measures, outlined in the RMV Habitat Conservation Plan (HCP). Grantor will have sole responsibility with regards to avoiding, minimizing, or mitigating biological resource impacts associated with the construction, operation and maintenance of the relocated TL 13831 Facilities for the duration of the HCP. Grantee shall cooperate with Grantor, at no cost to Grantee, to allow any necessary avoidance, minimization or mitigation measures that Grantor determines are necessary to comply with the terms of the HCP, provided that Grantee shall undertake any necessary actions, in its sole discretion, to continue to safely and reliably operate and maintain Grantee's Facilities, and Grantor will seek Grantee's prior written approval, which shall not be unreasonably withheld, of any proposed mitigation measures prior to implementation. If operation and maintenance activities of a non-emergency nature are required on Grantee's Facilities within the Easement Area, Grantee will use commercially reasonable efforts to coordinate with Grantor (acting through its Senior Vice President of Open Space & Resource Management) prior to conducting operation and maintenance in accordance with any measures required to comply with the HCP or Grantee standards.

Wherein, in this grant of Easement and right-of-way, Grantee's written consent is required, unless otherwise stated said consent shall not be unreasonably withheld.

The right to transfer and assign this Easement in whole or in part to another publicly regulated utility company engaged in the business of transmitting and distributing electric power is hereby granted to Grantee.

[THIS SPACE INTENTIONALLY LEFT BLANK]

This Easement and the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the successors, executors, heirs, administrators and assigns of Grantor and Grantee.

IN WITNESS WHEREOF, Grantor has executed Easement this \underline{SH} day of \underline{March} , 2019.

"GRANTOR"

DMB SAN JUAN INVESTMENT NORTH, LLC., a Delaware limited liability company

 By: Rancho Mission Viejo, LLC, a California limited liability company
 Its: Authorized agent and manager

By: Villingtor Name: lise Its: Executive VPA& CFO By:_ Name: Laster Its:_ ∕deremv T. I Executive VP & COO

Drawn: GAM Checked: ______ Sketch: attached Date: August 25, 2017 A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California) County of <u>Orange</u>)

On <u>March &, 2D19</u>, before me, <u>Any Parish</u>, a Notary Public, personally appeared <u>Elize L. Millington and Jeremy T. Latter</u>, 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 <u>he/she</u>/they executed the same in <u>his/her</u>/their authorized capacity(ies), and that by <u>his/her</u>/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.

mu Signature \



HUIT-ZOHARS

HUTT-ZOLLARS, INC. + 2603 Main Streat + Suite 400 + Irving, CA 92614-4250 + 949,988.5815 phone + 949,988.5820 lax + huill-zollars.com

R302473.01 07-21-17 Revised 11-02-17

and the second second second

EXHIBIT A LEGAL DESCRIPTION 138Kv TRANSMISSION LINE SAN DIEGO GAS & ELECTRIC EASEMENT DEED

Parcel 1:

Being a portion of Parcels 58, 59, 60 and 101 of Certificate of Compliance CC 2011-01, in the Unincorporated Territory of the County of Orange, State of California, recorded' December 27, 2011 as Instrument No. 2011000677171 of Official Records, in the office of the County Recorder of said County, included within a strip of land, 100.00 feet in width, the centerline of said strip being described as follows:

Commencing at the Northwesterly terminus of that certain course along the centerline of the Easement granted to San Diego Gas & Electric recorded July 29, 2013 as Instrument No. 2013000450856 of said Official Records, described as having a bearing and distance of "North 57°57'53" West 3362.11 feet" in said Easement Deed; thence along said centerline South 57°57'53" East 3352.57 feet to the TRUE POINT OF BEGINNING; thence leaving said centerline South 26°07'23" East 427.74 feet; thence South 45°40'20" East 489.40 feet; thence South 57°19'54" East 1053.94 feet; thence South 43°41'22" East 745.82 feet; thence South 60°55'22" East 650.61 feet to a point hereinafter referred to as Point "A"; thence continuing South 60°55'22" East 93.89 feet; thence South 74°47'36" East 757.21 feet to said centerline of said Easement to San Diego Gas & Electric.

EXCEPTING therefrom any portion of said Easement to San Diego Gas & Electric, recorded July 29, 2013 as Instrument No. 2013000450856 of said Official Records.

ALSO EXCEPTING therefrom any portion of the Easement to San Diego Gas & Electric, recorded May 14, 1993 as Instrument No. 93-0326646 of said Official Records.

Containing an area of 502,469 square feet (11.535 acres), more or less.

Parcel 2:

 $(X,Y^{(1)},Y$

That portion of Parcel 60 of Certificate of Compliance CC 2011-01, in the Unincorporated Territory of the County of Orange, State of California, recorded

EXHIBIT A LEGAL DESCRIPTION-CONTINUED 138Kv TRANSMISSION LINE SAN DIEGO GAS & ELECTRIC EASEMENT DEED PAGE 2 R302473.01 07-21-17 Revised 11-02-17

December 27, 2011 as Instrument No. 2011000677171 of Official Records, in the office of the County Recorder, which is described as follows:

Commencing at Point "A" as described in Parcel 1 herein above; thence South 29°04'38" West 50.00 feet to a point on the Southwesterly sideline of Parcel 1 as described herein above, said point being the TRUE POINT OF BEGINNING; thence along said Southwesterly sideline South 60°55'22" East 83.03 feet; thence leaving said Southwesterly sideline South 27°41'21" West 30.72 feet; thence North 62°20'00" West 56.89 feet; thence North 26°52'33" West 32.03 feet to a line bearing North 27°36'10" East and passing through said TRUE POINT OF BEGINNING; thence North 27°36'10" East 14.18 feet to the TRUE POINT OF BEGINNING.

Containing an area of 2,391 square feet, more or less.

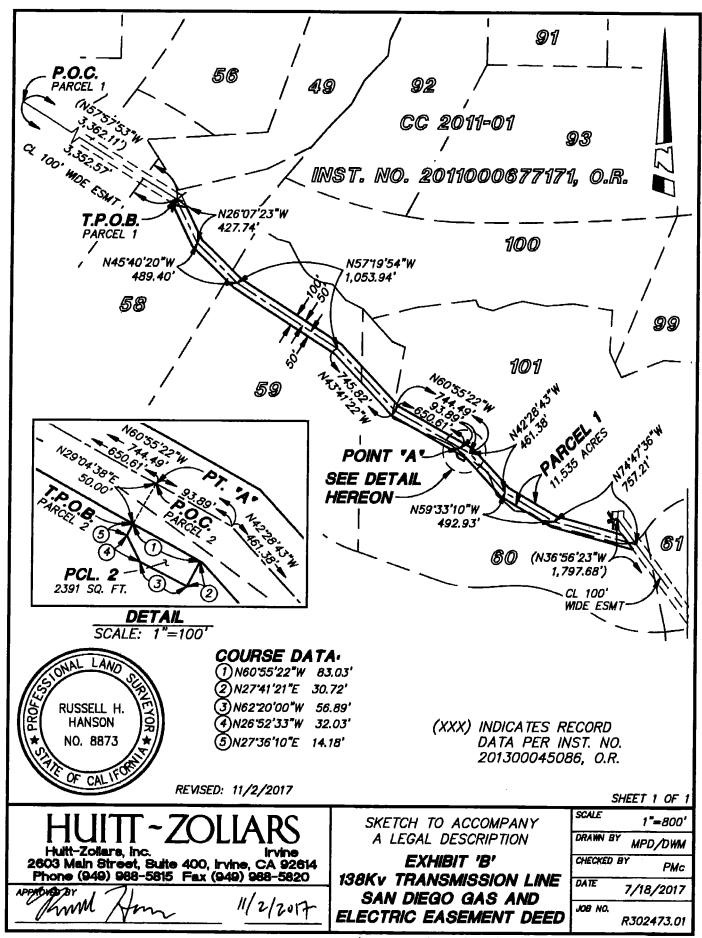
Subject to covenants, conditions, reservations, restrictions, rights-of-way and easements, if any, of record.

As shown on Exhibit B attached hereto and by this reference made a part hereof.

mM .

RUSSELL H. HANSON, PLS 8873



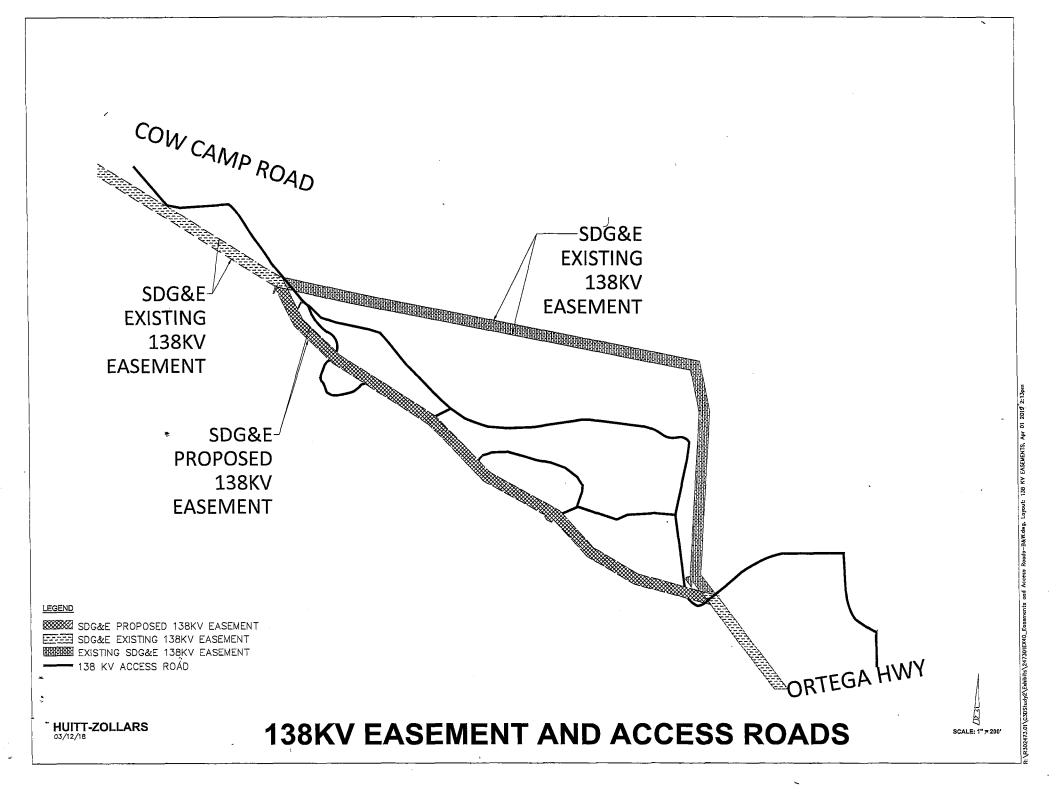


4°

Exhibit "C"

Depiction of Access Roads

(See Attached)



Recording Requested by San Diego Gas & Electric Company

When recorded, mail to:

San Diego Gas & Electric Company c/o Sempra Energy 8335 Century Park Court, Suite 100 San Diego, CA 92123-1569 Attn: Real Estate Records - CP11D

CO OF ORANGE APN No: 125-163-33 (por) Ref: R/W 368423

SPACE ABOVE FOR RECORDER'S USE

Transfer Tax <u>No Consideration</u> SAN DIEGO GAS & ELECTRIC COMPANY

QUITCLAIM EASEMENT

The land, tenements or realty is located in the



unincorporated area



City of San Juan Capistrano, and

SAN DIEGO GAS & ELECTRIC COMPANY, a California corporation (SDG&E) for valuable consideration, does hereby remise, release and forever quitclaim to DMB SAN JUAN INVESTMENT NORTH, LLC., a Delaware limited liability company, successors and assigns, and to any other person(s) or entity having a legal or equitable interest in the hereinafter described real property, all right, title, interest and claim of SDG&E in and to the following described real property that was acquired by virtue of the easement dated June 20, 2013, and recorded July 29, 2013 at Document No. 2013000450856 of Official Records of Orange County, State of California.

The real property in which said easement is quitclaimed is described in Exhibit A (consisting of one (1) page) and shown and delineated in Exhibit "B" (consisting of one (1) page), both attached hereto and made a part hereof.

This quitclaim does not release any interest or estate SDG&E may have in the abovedescribed real property except the easement(s) specified.

IN WITNESS WHEREOF, said San Diego Gas & Electric Company has caused this deed to be executed in its corporate name by its officer thereunto duly authorized this _____ day of _____ 20____.

SAN DIEGO GAS & ELECTRIC COMPANY, a California corporation

By

John Ritter, Land Services Manager

Drawn: GAM Checked:_____ Date: August 25, 2017 Q.C. No.: 2017-059 R/W No.: 204061 (ref: 81111)

STATE OF CALIFORNIA

COUNTY OF ________)^{SS.}

 On ______, before me ______

 ______ (name, title of officer), 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_____

HUITT-ZOLIARS

HUITT-ZOLLARS, INC. + 2603 Main Street + Suite 400 + Irvine, CA 92614-4250 + 949.988.5815 phone + 949.988.5820 fax + huitt-zollars.com

R302473.01 07-21-17 Revised 11-02-17

EXHIBIT A LEGAL DESCRIPTION 138Kv TRANSMISSION LINE SAN DIEGO GAS & ELECTRIC QUITCLAIM DEED

Being a portion of Parcels 58, 99, 100 and 101 of Certificate of Compliance CC 2011-01, in the Unincorporated Territory of the County of Orange, State of California, recorded December 27, 2011 as Instrument No. 2011000677171 of Official Records, in the office of the County Recorder of said County, included within a strip of land, 100.00 feet in width, the centerline of said strip, being described as follows:

Commencing at the Northwesterly terminus of that certain course along the centerline of the Easement granted to San Diego Gas & Electric, recorded July 29, 2013 as Instrument No. 2013000450856 of said Official Records, described as having a bearing and distance of "North 77°41'04" West 723.29 feet" in said Easement Deed; thence along said centerline South 77°41'04" East 57.41 feet to the TRUE POINT OF BEGINNING; thence continuing along said centerline, the following five (5) courses: South 77°41'04" East 665.88 feet, South 78°48'38" East 3252.08 feet, South 10°53'28" East 440.58 feet, North 03°41'17" East 1539.43 feet, and South 36°56'23" East 200.55 feet to a point hereinafter referred to as Point "A".

The sidelines of said strip of land shall be lengthened or shortened so as to originate on a line bearing North 26°07'23" West, through said TRUE POINT OF BEGINNING and terminate Southerly on a line bearing North 74°47'36" East, through said Point "A".

Containing an area of 609,851 square feet (14.000 acres), more or less.

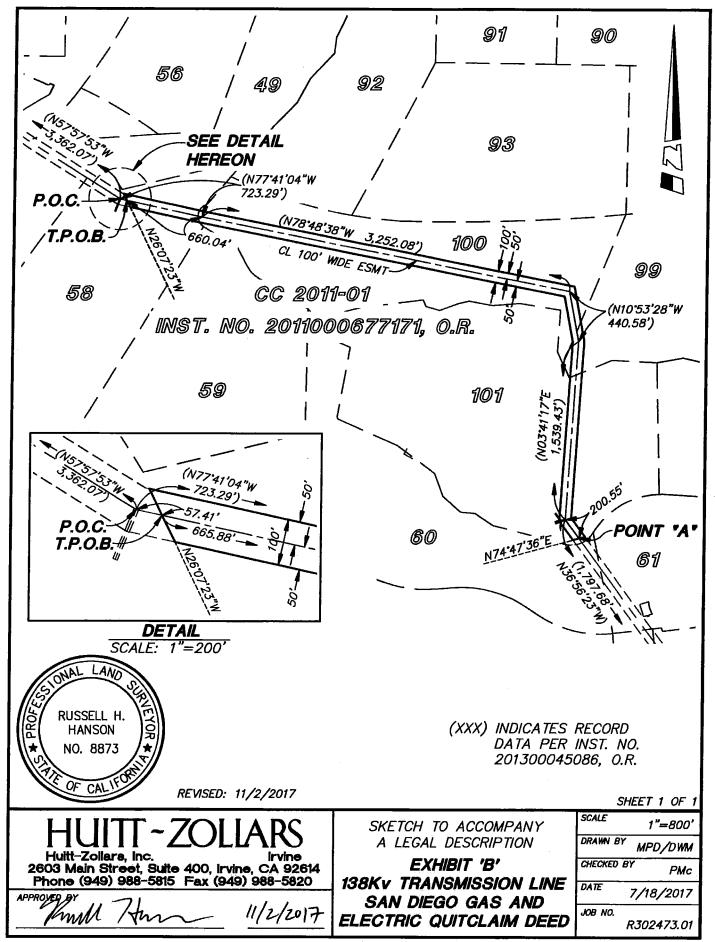
Subject to covenants, conditions, reservations, restrictions, rights-of-way and easements, if any, of record.

As shown on Exhibit B attached hereto and by this reference made a part hereof.

RUSSELL H. HANSON, PLS 8873



r/R302473.01/a/l/SDGE-Quitclaim/zk/hpm (前 協) 阿匹



R: \R30247301 \CADD \MAPPING \DWG \EX \30247301 JEX03.DWG

EXHIBIT H NOTICE OF PROPOSED CONSTRUCTION

NOTICE OF PROPOSED CONSTRUCTION

Project Name: THE TL13831 RANCHO MISSION VIEJO CUSTOMER RELOCATION PROJECT IN THE UNINCORPORATED AREA OF THE COUNTY OF ORANGE, CALIFORNIA

Date: TBD

SDG&E Application Number A.19-xx-____

Proposed Construction

San Diego Gas & Electric Company ("SDG&E") will relocate portions of an existing 138kV electric power line easement located immediately east of the City of San Juan Capistrano within the area known as the "Ranch Plan," a 22,815 acre Planned Community (the "Property") to a new 138kV electric power line easement located in close proximity to the Property ("New Easement") (the "Proposed Construction").

Project Description

The Proposed Construction would remove existing facilities, which consist of 14 poles (2 steel, 12 wood) and associated conductors, hardware, and access facilities within an existing 100-foot-wide easement and replace them with 10 galvanized engineered pier foundation steel poles and associated conductors and hardware. Existing poles have an average height of 81 feet and new poles would have an average height of 92 feet, an increase of approximately 14 percent. Prior to installation, reinforced concrete foundations would be constructed for each new steel pole. Access roads will be approximately 14 feet wide and suitable for heavy utility vehicles to allow routine maintenance. Construction of these roadways would be conducted in accordance with guidelines for new construction of access roads as provided by SDG&E. Temporary storage and stringing sites would be located within the RMV planned community development area identified in Final Environmental Impact Report (FEIR) 589 or as being disturbed, developed, or bare ground. The staging yard site will be temporary and fenced during the construction period.

SDG&E would remove the existing overhead structures and vacate the Existing Easement. The proposed staging yard is located on customer-owned property that has been considered in the FEIR 589.

Magnetic Field Management

The California Public Utilities Commission (Commission) requires utilities to consider "no-cost" and "low-cost" magnetic field management measures on all new transmission and power line projects. In accordance with SDG&E's *EMF Design Guidelines for Electrical Facilities* (Guidelines), as filed with the Commission in compliance with Decision (D.) 93-11-013 and updated in compliance with D.06-01-042, SDG&E is not required to implement magnetic field management measures on this Proposed Construction because the work is considered limited in scope and does not provide significant opportunity to do so. "No-cost" measures are those that will not increase overall project costs but will reduce the magnetic field levels. "Low-cost" measures are those costing in the range of 4% of the total budgeted project cost which would reduce the magnetic field levels by at least 15% at the edge of Right-of-Way.

Exemption from Commission Authority

Pursuant to General Order (G.O.) 131-D, Section XI., Paragraph B.4., San Diego Gas & Electric Company (SDG&E) hereby submits a notice of construction of the Proposed Construction in the County of Orange, California.

The Proposed Construction is exempt from G.O. 131-D, Section III.A., Certificate of Public Convenience and Necessity (CPCN) requirements because all the facilities are designed to operate below 200 kilovolts (200kV). The Proposed Construction is also exempt from G.O. 131-D, Section III.B, Permit to Construct (PTC) requirements because it qualifies for the following exemption under G.O. 131-D, Section III.B.1, and there are no exceptions to the exemption.

• Section III.B.1.f – "power lines or substations to be relocated or constructed which have undergone environmental review pursuant to CEQA as part of a larger project, and for which the final CEQA document...finds no significant unavoidable environmental impacts caused by the proposed line or substation."

FEIR 589 and the subsequent Addendum prepared by the County of Orange addressed the impacts associated with the realignment of existing power lines and did not identify any significant impacts associated with those actions. Furthermore, the County of Orange also approved a CEQA Memo dated March 27, 2017 entitled "Relocation of the San Diego Gas & Electric 138 Kilovolt Transmission Line," which further confirmed that the Proposed Construction had been addressed as part of CEQA documents prepared for a larger project.

EXHIBIT I NOTICE DISTRIBUTION LIST

Notice Distribution List

THE TL 13831 RANCHO MISSION VIEJO CUSTOMER RELOCATION PROJECT IN THE UNINCORPORATED AREA OF THE COUNTY OF ORANGE, CALIFORNIA

California Public Utilities Commission

Ed Randolph 505 Van Ness Avenue San Francisco, CA 94102

Lonn Maier 300 Capitol Mall Sacramento, CA 95814

Mary Jo Borak 505 Van Ness Avenue San Francisco, CA 94102

Molly Sterkel 505 Van Ness Avenue San Francisco, CA 94102

County of Orange

Supervisor Lisa Bartlett 333 W. Santa Ana Blvd. Santa Ana, CA 92701

California Energy Commission

Mr. Drew Bohan Executive Director 1516 Ninth Street, Mail Stop 39 Sacramento, CA 95814

Newspaper of General Circulation

Orange County Register

Neighborhood Notification

The Exhibit H Notice will be posted on-site and off-site where the Proposed Construction will be located.