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Job #: 25-14036-re

February 28, 2025

Chris Bogan
Coachella Valley Water District
75515 Hovley Lane East
Palm Desert, CA 92211

Re:

**Valuation of Proposed Pipeline Alignment and
Permanent Easement
Located at 71200 Garfield Street
Mecca, California 92254**

Dear Ms. Bogan:

The purpose of this report is to set forth our opinion of the market value of the real property under the premise of a fee simple interest in the above referenced property. The property was visited on February 25, 2025 and the effective date of value is February 25, 2025. The function or use of this report is to value the subject real estate for internal decision-making purposes.

The definitions of value are as such:

Market Value As-Is: means the estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.

Market Value: means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming that 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 title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;

NORTHERN CALIFORNIA OFFICE

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4. Payment is made in terms of cash in U.S. Dollars or in terms of financial arrangements comparable thereto; and
 5. 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.
- [Source: OCC, 12 CFR Part 34, Subpart C-Appraisals, 34.42 Definitions (h)]

Based upon the investigations undertaken, the analyses made, and upon our experience as real estate appraisers, we have formed the opinion that, as of effective date of value, and subject to the premises, assumptions, limiting conditions, and certifications set forth within this report, the subject real estate has the following estimated value.

The estimated “*as is*” market value of the impact due to the proposed easement and the value of the two affected date trees, as of February 25, 2025, is:

TWENTY FOUR THOUSAND DOLLARS

\$24,000

The **Appraisal Report** which follows sets forth the results of the investigations and analyses, pertinent facts about the area and the subject property, comparable data, and the reasoning, in part, leading to the conclusions set forth. This report is also in compliance with Title XI of the Financial Institutions Reform Recovery and Enforcement Act of 1989 (FIRREA) and with FIRREA 12 CFR PART 323 regulations.

This report complies with the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Foundation, whereby the Standards are procedures to be followed in performing an appraisal. Appraisal reports are based upon information contained within Standard 2-2(a).

Cordially,

FRAZIER CAPITAL



Stephen K. Bethel, MAI, MA, MA, BA
Director
CA License No. AG013533
sbethel@fraziercapital.com
Expiration Date: January 30, 2027



Greg Moon
Senior Appraiser
License No: AG3002681
gregory@fraziercapital.com
Expiration Date: October 9, 2026

EXECUTIVE SUMMARY

LOCATION: 71200 Garfield Street
Mecca, California 92254

FINAL VALUE: \$24,000 – *Impact to fee value due to easement*

EFFECTIVE DATE OF VALUE: February 25, 2025 - “As-Is”

INTEREST VALUED: Fee simple Interest

PARTIAL LEGAL DESCRIPTION: Please see addendum

CENSUS TRACT/ LOT: 45604 / 3065

OWNERSHIP: Anthony Vineyards Inc

“AS-IS” LAND DATA: Pertinent subject site data can be seen in the table below:

LAND SUMMARY TABLE				
Parcel Number	Location	Size Land SF	Size Acre	Shape
729-140-011	71200 Garfield Street	3,515,292	80.70	Rectangular
729-140-012		3,515,292	80.70	Rectangular
Totals:		7,030,584	161.40	
Source: Plat Map & County Records				

Earthquake Hazard: The subject is not within a defined Alquist-Priolo Fault Zone
The subject has not been evaluated for Liquefaction Zone hazards
The subject has not been evaluated for Landslide Zone hazards

Flood Hazard: Unshaded Zone X; Map #06065C2950H; March 6, 2018

Environmental Issues: None Apparent

Zoning: W-1 - Watercourse, watershed and conservation areas & W-2 - Controlled development areas

Taxes: \$22,992.88 (2024/2025)

SITE/IMPROVEMENTS: The subject is comprised of two parcels that are rectangular in shape and have level topography. The site is currently an operational orchard that is primarily planted with date palm trees. The southern portion of parcel 729-140-012 was not planted with date palms but with row crops. The orchard is improved with typical infrastructure associated with date palm orchards. Based

upon aerial imaging, there is a permanent structure located on parcel 729-140-011 as well as some smaller sheds. However, as the purpose of this appraisal is to determine the underlying land value of the parcel and the value of the proposed pipeline easement, the existing improvements have not been discussed further.

Based upon county data, the subject's parcels are located within the Coachella Valley Multiple Species Habitat Conservation Plan Boundary. Development within the boundary may be subject to the local development mitigation fee. The properties, however, are not in a CVMSHCP Conservation Area where development is severely restricted.

PROPOSED EASEMENT:

The Coachella Valley Water District has planned for a permanent easement on the site as part of the Palm Desert Groundwater Replenishment, Phase 2 Mitigation Project. The proposed easement will allow CVWD to construct an irrigation pipeline extension to serve the project, which will be located to the south of the subject. Initially, both a permanent pipeline easement and a temporary construction easement were proposed for the site. The client indicated that the construction easement is no longer required and only a permanent easement is now proposed for the subject site.

The permanent easement will primarily be located on parcel 729-140-011. The pipe length will be 1,345.17 feet westbound through parcels 729-140-011 and 729-140-012 and 1,335.55 feet southbound through parcel 729-140-011. The pipe size will be 12 inches in diameter and the permanent easement width will be 15 feet. Therefore, the total area of the pipeline easement will be 1.231 acres, or roughly 53,622 square feet. Based upon the exhibit provided, this is known as "Parcel A". "Parcel B" is a 1,200 square foot rectangular area that will be located at the eastern terminus of the proposed pipeline easement and will be located both on parcels 729-140-011 and 729-140-012. The area of the proposed easement is not presently planted but is comprised of a flat dirt road that provides access to various portions of the orchard.

The path of the permanent easement can be seen in the following image. It should be noted that the image still includes information regarding a proposed temporary construction easement. As previously mentioned, this easement will no longer be required.



Exhibit B of the pipeline easement legal description can be seen below. It is assumed that this is the final draft of the easement area and no additional changes will be made.

Parcel A:

Beginning at a point on the South Line of said Section 25, distant thereon East 40.00 feet from the Southwest Corner of said Section 25, said point being on a line parallel with and 40.00 feet East of the West Line of said Section 25, said point also being the **True Point of Beginning**;

Thence, along said parallel line, North 1,335.55 feet;

Thence, leaving said parallel line, East 1,299.20 feet to a point hereinafter referred to as Point "A";

Thence, continuing East 45.97 feet to the **Point of Termination**.

The sidelines of said strip shall be extended or lengthened to meet and to terminate in the south line of said Section 25.

Parcel A containing 1.231 acres of land, more or less.

Parcel B:

PARCEL B

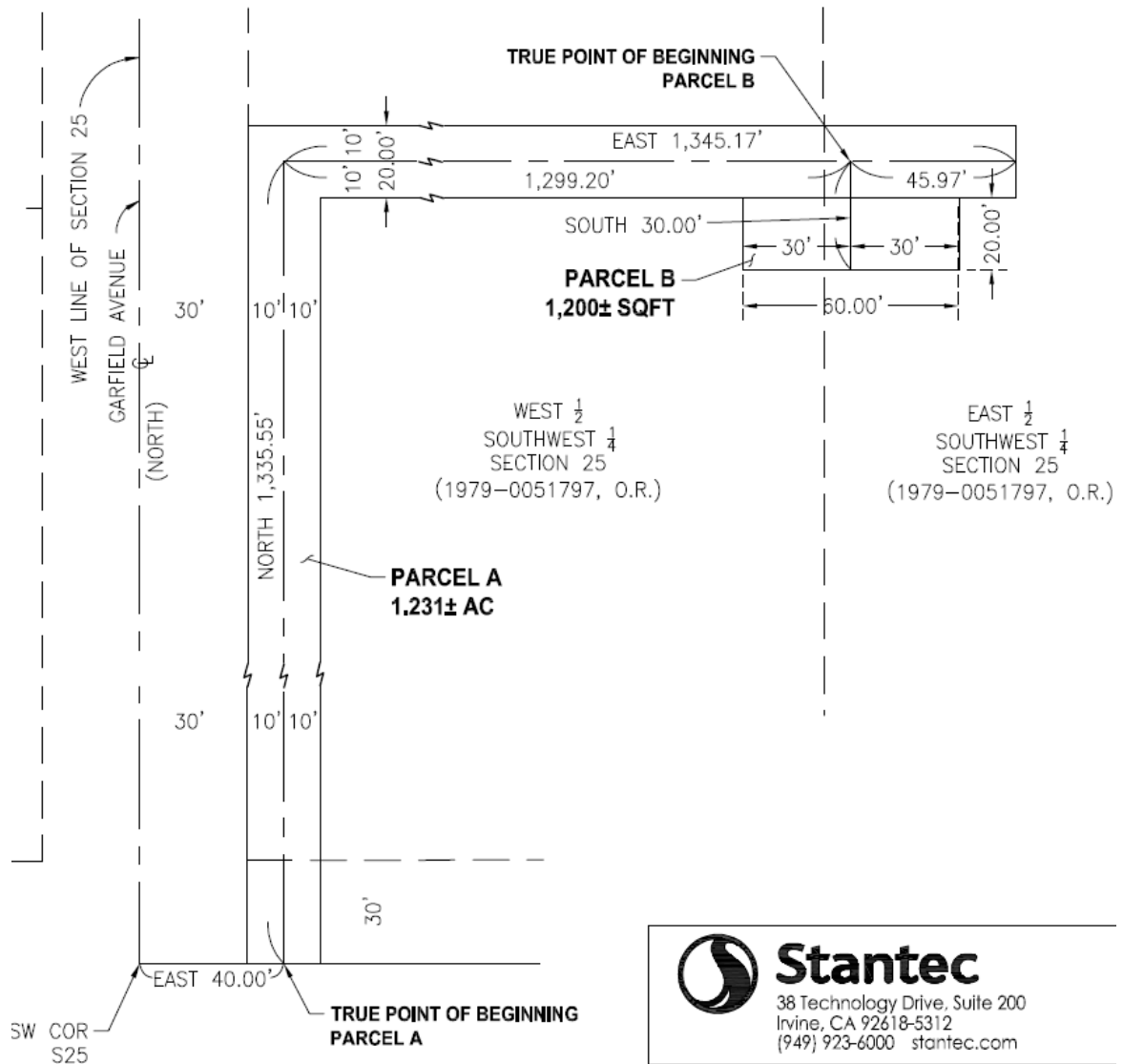
That portion of the Southwest Quarter of Section 25, Township 7 South, Range 9 East, San Bernardino Meridian granted to Anthony Vineyards Inc., a California Corporation, by Corporation Grant Deed recorded on March 15, 1979 as Document Number 1979-0051797, Official Records of the Office of the Recorder of Riverside County, State of California, according to the Official Plat thereof lying within a strip of land 60.00 feet wide, the centerline of which is more particularly described as:

Beginning at the hereinbefore described Point "A";

Thence, South 30.00 feet to the **Point of Termination**.

Excepting therefrom, any portion lying within hereinbefore described Parcel A.

Parcel B containing 1,200 square feet of land, more or less.



Stantec

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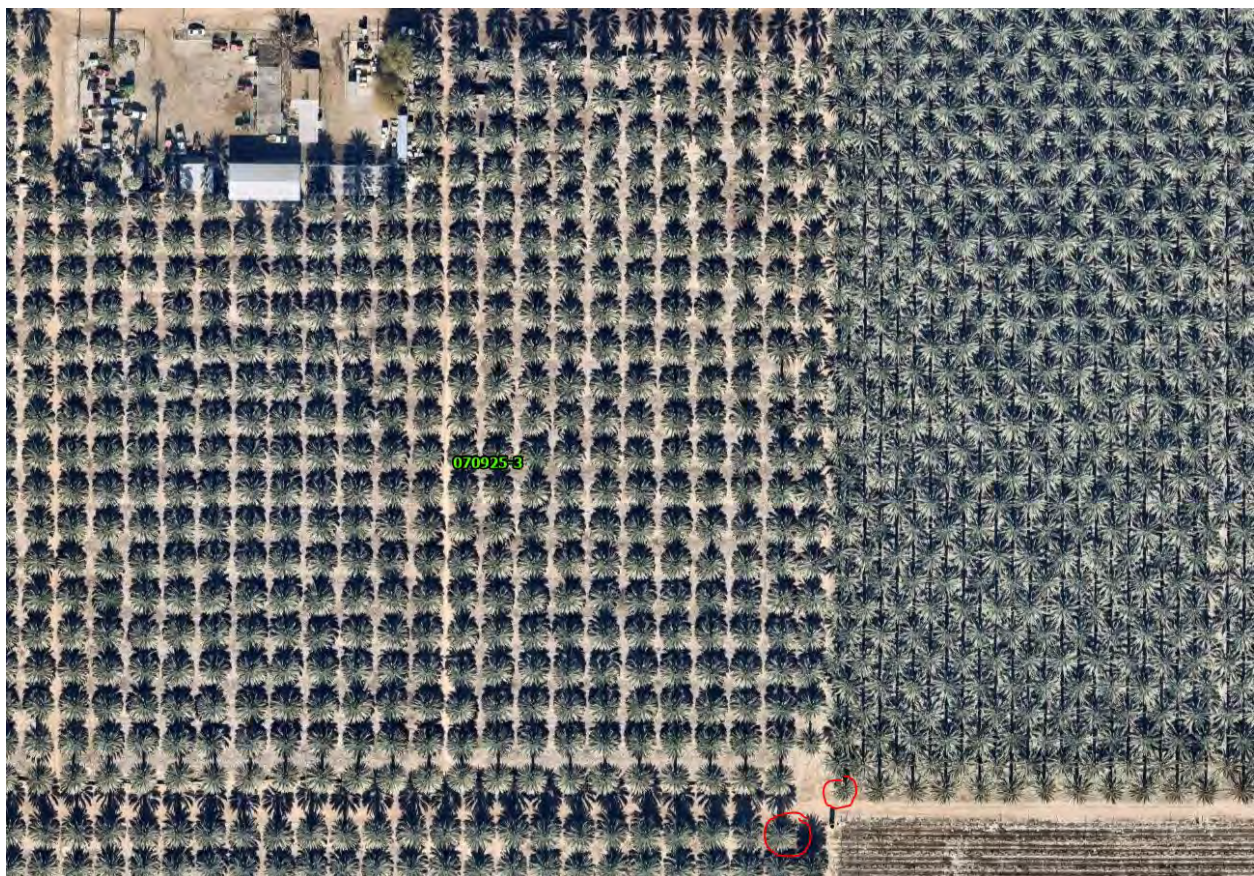
J.N. 1840 31808

DATE: 5/20/2024

EXECUTIVE SUMMARY

As one can see, the requested easement bisects parcel 729-140-011 and runs along the southwestern edge of the parcel to the proposed water basin located on parcel 729-170-012 (owned by CVWD). Parcel 729-140-012 is minimally affected by the eastern most part of the proposed easement with the majority of the proposed easement located along parcel 729-140-011.

In addition to the easement, it is reported that two trees will be affected. The location of the trees can be seen in the aerial image below. One tree is located along the eastern boundary of parcel 729-140-011 with the second tree located on the western border of parcel 729-140-012.



Specifics regarding the trees, including age and height, were requested but ultimately not provided. The owner had previously indicated that the value of the trees is \$5,000 each, or a total of \$10,000. The reasonableness of this estimate will be discussed later within the valuation.

Rights Conveyed by an Easement:

A formal easement description was not available with Exhibit A only stating that the easement is subject to

EXECUTIVE SUMMARY

conditions, covenants, rights, restrictions, easements, licenses, permits, leases, and rights-of-way, if any.

It is typical for sewer and pipeline easement grantees to have right of way access, including the right to enter upon, above, below, or through the surface to construct, maintain, replace, repair, enlarge, or otherwise utilize the premises for such purpose, without compensation or abatement of rent, provided the surface shall be restored as much as possible to the condition previously existing.

These rights conveyed have been considered within our subsequent analysis. If actual rights differ for this specific project, the conclusions reached herein may be altered.

Occupancy:

The subject property is 100% occupied by the owner and operated as an agricultural site and, primarily, a date orchard.

MARKETABILITY FOR SALE/ TYPICAL BUYER:

The most likely purchaser of the subject is considered to be an owner-user. The marketing time is estimated to be 12-24 months.

MAJOR AREA INFLUENCE:

Mecca Agricultural Land Market

HIGHEST AND BEST USE:

- As if Vacant:
- As Improved:

To hold for future agricultural development
Current 'as-is' use

APPROACHES TO VALUE:

- Value Conclusions:

Parcel	Easement Category	Easement Area (Acres)	Land Value /Acre	Value of Unencumbered Land	Impact %	Value of Impact to Easement value	Value of Encumbered Land
Parcel A	Pipeline Easement	1.23	\$ 18,000	\$ 22,140	60%	\$ 13,284	\$ 8,856
Parcel B	Pipeline Easement	0.03	\$ 18,000	\$ 540	75%	\$ 405	\$ 135
Subtotal						\$ 13,689	
Rounded						\$ 14,000	
Plus: Tree Value						\$ 10,000	
Total						\$ 24,000	

COMMENTS:

The subject is currently not in escrow nor listed for sale that we are aware of. We are unaware of any offers that have been made to the owner on behalf of the Coachella Valley Water District for the easement area.

The proposed easement was previously appraised by Frazier Capital Valuation for a total of \$21,000 (rounded) and an effective date of May 27, 2024. Per the client, there have been no changes to the proposed easement with the exception of the name of the project.

