

**APPRAISAL OF:**

**10480 FINCH AVENUE**

**CUPERTINO, CALIFORNIA**

**APN 375-40-067**

**PREPARED FOR:**

**CUPERTINO UNION SCHOOL DISTRICT**

**C/O SCOTT SHELDON**

**TERRA REALTY ADVISORS**

**450 CHADBOURNE ROAD SUITE G**

**FAIRFIELD, CALIFORNIA**

**APRIL 2026**

**2026CNA108**

April 8, 2026

Cupertino Union School District  
c/o Scott Sheldon  
Terra Realty Advisors  
450 Chadbourne Road, Suite G  
Fairfield, California 94534

Re: 2026CNA108, *Appraisal Report*  
10480 Finch Avenue  
Cupertino, California  
APN 375-40-067

Dear Mr. Sheldon:

At your request and authorization, Carneghi-Nakasako & Associates has appraised the real property addressed at 10480 Finch Avenue in the City of Cupertino, Santa Clara County, California. The subject property is further identified by the Santa Clara County Assessor's office as assessor's parcel number (APN): 375-40-067.

The subject property is located along the south side of Phil Lane at the terminus of Finch Avenue. It consists of one legal parcel comprising a land area of approximately 1.414 acres, or about 61,605 square feet, and is vacant of any notable building and/or site improvements other than perimeter fencing. It was acquired by Cupertino Union School District (CUSD) in late 2016 for a planned expansion of the adjacent J.D. Sedgwick Elementary School. It is my understanding that CUSD has since changed course and is now contemplating the sale of the property. The property is zoned and general planned for low density residential uses.

The Client for this appraisal is the Cupertino Union School District, c/o Scott Sheldon with Terra Realty Advisors. The purpose of the appraisal is to estimate the current market value of the as is fee simple interest in the subject property based on an extraordinary assumption that, by utilizing State Density Bonus Law, the property can support a total of eleven dwelling units, comprised of eight market-rate units and three affordable, or below-market-rate, units. It is my understanding that the intended use/user of this report is for the exclusive use of the Cupertino Union School District for decisions regarding the prospective disposition of the property. ***This report should not be used or relied upon by any other parties for any reason.***

### **Market Value Conclusion**

Based on the research and analysis, and subject to the assumptions and limiting conditions contained in this report, it is the opinion of the undersigned that the market value of the fee simple interest in the subject property, as of April 2, 2026, is:

**TEN MILLION FOUR HUNDRED THOUSAND DOLLARS**

**(\$10,400,000)**

***This Appraisal Report is identified on the footer of each page as 2026CNA108 10480 Finch and includes this letter of transmittal plus related exhibits, tables, and addenda.***

### **Exposure Time**

Based on the research of comparable transactions and discussions with local real estate brokers as well as considering the current economic climate and real estate market, it is my opinion that the subject property would have required a reasonable exposure time of approximately six to twelve months, as of the date of valuation.

### **Certification**

I, the undersigned, hereby 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 I have no personal interest with respect to the parties involved; I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment; I previously provided appraisal services regarding the subject of this report for another client in August 2025; my engagement in this assignment was not contingent upon developing or reporting predetermined results; my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal; my analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the *Uniform*

*Standards of Professional Appraisal Practice*; I have made a personal inspection of the property that is the subject of this report; no one provided significant real property appraisal assistance to the person signing this certification; the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute; and 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, Matthew Watson, MAI has completed the continuing education program for Designated Members of the Appraisal Institute. In accordance with the Competency Provision in the USPAP, I certify that my education, experience, and knowledge are sufficient to appraise the type of property being valued in this report.

We are pleased to have had this opportunity to be of service. Please contact us if there are any questions regarding this appraisal.

Sincerely,

CARNEGHI-NAKASAKO & ASSOCIATES



Matthew Watson, MAI  
Certified General Real Estate Appraiser  
State of California No. AG040050

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### **ADDENDA**

**Terra Realty Advisors Memo**  
**Subject Photographs**  
**Removal Action Certification**  
**Comparable Land Sale Parcel Maps**  
**Qualifications of Appraiser**

**I. REPORT SUMMARY**

**A. Property Appraised**

The subject property of this appraisal is addressed at 10480 Finch Avenue, in the City of Cupertino, County of Santa Clara, California. This property is further identified by the Santa Clara County Assessor’s office as assessor’s parcel number (APN): 375-40-067.

The subject property is located along the south side of Phil Lane at the terminus of Finch Avenue. It consists of one legal parcel comprising a land area of approximately 1.414 acres, or about 61,605 square feet. The subject property represents vacant land surrounded by chain-link fencing. It was acquired by Cupertino Union School District (CUSD) in late 2016 for a planned expansion of the adjacent J.D. Sedgwick Elementary School. It is zoned and general planned for low density residential uses.

**B. Property Identifications**

For ease of reference, the following represents a summary of pertinent property identifications for the subject property.

<b>Assessor’s Parcel No:</b>	375-40-067
<b>General Plan Land Use:</b>	Low Density Residential
<b>Zoning:</b>	R1-6 (Single-Family Residential District, 6,000 square foot minimum lot size)
<b>Census Tract No.:</b>	5080.03
<b>Zip Code:</b>	95014
<b>Flood Zone:</b>	Zone X (shaded)
<b>Earthquake Fault Zone:</b>	Not within an Alquist Priolo Earthquake Fault Zone

**C. Client, Purpose, Intended Use, and Intended User**

The Client for this appraisal is the Cupertino Union School District, c/o Scott Sheldon with Terra Realty Advisors. The purpose of the appraisal is to estimate the current market value of the as is fee simple interest in the subject property based on an extraordinary assumption that, by utilizing State Density Bonus Law, the property can support a total of eleven dwelling units, comprised of eight market-rate units and three affordable, or below-market-rate, units.

It is my understanding that the intended use/user of this report is for the exclusive use of the Cupertino Union School District for decisions regarding the prospective disposition of the property. *This report should not be used or relied upon by any other parties for any reason.*

#### D. Report Format and Scope of Work

This report is intended to satisfy the requirements of USPAP Standards Rule 2-2 as a real property appraisal presented in an Appraisal Report format.

The scope of work performed within this Appraisal Report is to utilize the Sales Comparison Approach to value in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) to arrive at the market value conclusion(s) indicated as the purpose of this appraisal.

The client has provided a specific instruction that the appraisal is to reflect the property's current market value utilizing an extraordinary assumption that, by utilizing State Density Bonus Law, the property can support a total of eleven dwelling units, comprised of eight market-rate units and three affordable, or below-market-rate (BMR), units. *It is emphasized that we are not experts in State Density Bonus Law, and that our analysis will be based on an extraordinary assumption that such development is legally permissible.*

Specific steps for this appraisal include the inspection of the subject property, analysis of the highest and best use, and the research and analysis of comparable data to arrive at the value indication(s) as put forth in this report. The sources of information used in this report may have included: appraiser files; real estate brokers and agents; real estate developers; property owners; CoStar; LoopNet; MLS; DataTree; local government agencies; and other market participants.

#### E. Property Rights Appraised

The real property rights appraised are those of a **fee simple interest**. A fee simple interest in valuation terms is defined “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.”<sup>1</sup>

#### F. Definition of Market Value

**Market value** means “the most probable price, as of a specific date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each

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<sup>1</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.”<sup>2</sup>

### **G. Date of Personal Inspection, Valuation, and Report**

A personal inspection of the subject property was performed on August 19, 2025, at the time of a previous appraisal. The property was viewed again on April 2, 2026, which is the date of valuation for this appraisal. The property was viewed from Phil Lane and the east and south sides.

The date of this Appraisal Report is April 8, 2026.

### **H. Market Value Conclusion**

Based on the research and analysis, and subject to the assumptions and limiting conditions contained herein, it is the opinion of the appraiser that the market value of the fee simple interest in the subject property, as of April 2, 2026, is:

**TEN MILLION FOUR HUNDRED THOUSAND DOLLARS**

**(\$10,400,000)**

### **I. Exposure Time**

Based on research of comparable transactions and discussions with local real estate brokers as well as considering the current/projected economic climate and real estate market, it is my opinion that the subject property would have required a reasonable exposure time of approximately six to twelve months for the market value conclusion above.

### **J. Extraordinary Assumptions, General Assumptions, & Limiting Conditions**

#### *Extraordinary Assumptions*

1. A Condition of Title Guarantee Report was submitted for review at the time of a previous appraisal. Valuation of the subject property is based on the extraordinary assumption that title of the property is free and clear of any liens, easements, encumbrances, or encroachments, and special assessments, other than those identified in this report which may negatively affect the marketability of the subject property.
2. Based on a review of Environmental Assessment reports and a no further action letter from the DTSC, all known contaminants related to past

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<sup>2</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

agricultural uses and construction, are presumed to have been mitigated/removed. These activities occurred in late 2018/early 2019. More recent environmental information regarding the subject property is not known. Valuation of the subject property is based on the extraordinary assumption that no soil contamination exists because of chemical drainage or leakage in connection with any production/operation (current or historical) on or near the subject property.

3. At the direction of the client, it was an extraordinary assumption of this appraisal that by utilizing State Density Bonus Law, the subject property can support a total of eleven dwelling units, comprised of eight market-rate units and three affordable, or below-market-rate, units.

***The use of these extraordinary assumptions might have affected the assignment results.***

***General Assumptions and Limiting Conditions***

1. It is the client's responsibility to read this report and to inform the appraiser of any errors or omissions of which he/she is aware prior to utilizing this report or making it available to any third party.
2. Plot plans and maps are included to assist the reader in visualizing the property. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the appraiser is assumed by the appraiser.
3. All information has been checked where possible and is believed to be correct, but is not guaranteed as such.
4. The appraiser is not required to give testimony or appear in court in connection with this appraisal unless arrangements have been previously made.
5. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with the proper written qualification and only in its entirety, and only for the contracted intended use as stated herein.
6. Neither all nor part of the contents of this report shall be conveyed to the public through advertising, public relations, new sales, or other media

without the written consent and approval of the appraiser, particularly as to the valuation conclusions, the identity of the appraisers, or any reference to the Appraisal Institute or the MAI designation.

7. Information regarding any earthquake and flood hazard zones for the subject property was provided by outside sources. Accurately reading flood hazard and earthquake maps, as well as tracking constant changes in the zone designations, is a specialized skill and outside the scope of the services provided in this appraisal assignment. No responsibility is assumed by the appraisers in the misinterpretation of these maps. It is strongly recommended that any lending institution re-verify earthquake and flood hazard locations for any property for which they are providing a mortgage loan.

## II. AREA & NEIGHBORHOOD DESCRIPTION

### A. County of Santa Clara

Santa Clara County is the most populous of the San Francisco Bay Area counties. The County had an estimated population of 1,926,809 as of July 1, 2025, according to the State of California Department of Finance (DOF). This represents an *increase* of about 0.29 percent from the July 1, 2024 reported population; Santa Clara County added the fourth most total new residents among all counties in California between July 2024 and July 2025. Population growth in Santa Clara County is generally limited by the fully built out nature of the area. The DOF estimated that Santa Clara County had 709,914 housing units as of January 1, 2025. In its publication *Plan Bay Area 2050*, the Association of Bay Area Governments (ABAG) in conjunction with the Metropolitan Transportation Commission forecasts the number of households in Santa Clara County to increase to 1,075,000 in the year-2050, which would represent about 33 percent of all growth in the region

According to statistics published by the State of California Employment Development Department (EDD), the Santa Clara County unemployment rate was 4.0 percent as of December 2025, based on a labor force of 1,031,500. This is 10 basis points higher than the unemployment rate of 3.9 percent from one year earlier, based on a labor force of 1,021,300, and lower than the 4.2 percent unemployment rate of November 2025. The December 2025 rate declined for the fourth consecutive month following a recent peak of 4.8 percent in July 2025, the highest it had been since August 2021 when it was 5.0 percent. Overall, despite some fluctuation over the last two years, employment conditions are considered stable and at the natural rate of unemployment, which economists typically consider to range between four and five percent.

Santa Clara County is well-served by transportation routes. U.S Highway 101 travels in a north/south direction through the middle of the County, continuing north to San Francisco and south to Los Angeles. Interstate 880 extends south from Oakland in the north, through Santa Clara County, where it becomes State Highway 17, extending into Santa Cruz County. Interstate 280 crosses through the middle of Santa Clara County in an east/west direction, before turning north towards San Francisco. Interstate 680 extends in a predominantly northerly direction across the eastern portion of the County, extending into Alameda County. State Highways 237, 85, and 87 provide further freeway transportation through the County.

Public transportation options in Santa Clara County include an extensive bus network, a Light Rail system, Bay Area Rapid Transit (BART) rail service, and the Caltrain commuter rail service. The Light Rail system provides public transportation to areas of San Jose, Santa Clara, Sunnyvale, Mountain View,

Campbell, Los Gatos, and Milpitas. A 2.4-mile extension along Capitol Expressway is under construction and will extend the system to Eastridge Mall. The Caltrain commuter rail service extends from Gilroy in the south, through San Jose, to San Francisco in the north, with multiple stops provided in both Santa Clara and San Mateo Counties. A planned extension of the BART regional rail system, which serves the greater San Francisco Bay Area, into downtown San Jose will further enhance public transit options. BART currently terminates in the Berryessa neighborhood of San Jose. The metro area is served by San Jose Mineta International Airport (SJC) with non-stop service to more than 40 destinations.

## **B. City of Cupertino**

The City of Cupertino is situated in the northern portion of Santa Clara County. Cupertino is one of many cities that claim to be the “heart” of Silicon Valley, as many computer and technology companies were founded here and in the surrounding areas. Like the County as a whole, the City’s population and employment bases expanded dramatically during recent decades, with growth more recently slowing due to lack of remaining land suitable for residential development. The DOF most recently estimated the City’s population at 59,831 as of January 1, 2025. This represents a 0.09 percent *decrease* in the number of residents from one year prior. The number of housing units in Cupertino as of January 1, 2025 was 21,942, according to the DOF, higher than the year-ago estimate of 21,837 housing units.

The (preliminary) unemployment rate, as reported by the EDD, was at 4.2 percent in the City of Cupertino as of December 2025 and represents a 30-basis point increase from the year-ago unemployment rate of 3.9 percent. Like the County, 2024 and 2025 both had sub-four percent readings in April and May but every other month has had an unemployment rate at 4.0 percent or higher. The current unemployment rate is still within the natural range that indicates full employment conditions.

Cupertino is well served by transportation routes. Interstate 280 extends in an east/west direction along Cupertino’s northern boundary, while Highway 85 extends in a generally northerly direction along Cupertino’s western side. Major surface arterials include De Anza Boulevard, extending in a north/south direction, and Stevens Creek Boulevard, extending in an east/west direction.

According to the U.S. Census Bureau, from 2020-2024, Cupertino was comprised of 55.0% foreign born persons with 97.1% of all residents 25 and older being a high school graduate and 82.2% having attained a bachelor’s degree or higher. The median household income in 2024 dollars was \$234,707, among the highest in Santa Clara County. Cupertino is well-regarded for its public schools, which contributes to residential property values being well above the county median

(\$2,925,000 vs. \$1,489,000 in December 2025 per MLS for resale single family residences and condominiums).

Some of the largest employers in Cupertino include; Apple; De Anza College; Whole Foods Market; Target; Amazon; Cupertino Union School District; and the City of Cupertino, according to the City's FY 2024/2025 Comprehensive Annual Financial Report.

According to the State of California DOF, as of January 1, 2025, there were 21,942 housing units in Cupertino; 56.7 percent of these were single-family detached, about 12.8 percent were single-family attached, and the remaining were multifamily. Cupertino's General Plan estimates that 1,882 new residential units could be accommodated between 2014 and 2040 based on the current land use designations. The number of housing units in Cupertino as of January 1, 2024 was 21,837, according to the DOF. The DOF estimates that Cupertino has about 2.85 persons per household and had about 20,832 households as of January 1, 2025.

Notable uses in Cupertino include: De Anza Junior College; Apple's Infinite Loop campus; Apple's 2.8 million square foot "spaceship" campus facility; several parks, golf courses, and public facilities; and Main Street Cupertino. Apple's world headquarters are in Cupertino and can house up to 13,000 employees. Though Cupertino is home to the headquarters of many high-tech companies, very little manufacturing takes place in the city. The city's large office parks are primarily dedicated to management and design functions.

A review of planning documents on file with the City of Cupertino revealed multiple projects throughout the city in various phases of the entitlement process. The only significant under construction development occurring in Cupertino is the Westport project at 25661 Stevens Creek Blvd, which is under construction with 88 market rate townhomes and a senior living facility. The City's website indicates that the only recently completed construction was a 9-unit townhome development at 22690 Stevens Creek Blvd, which occurred in 2024.

Major approved projects in the City include: the former Vallco Fashion Mall redevelopment known as The Rise and includes 2,402 residential units, 425,000 square feet of retail, and 1.97 million square feet of office space; Summerhill Homes' 59-unit townhome development on a 2.97-acre site at 20840 Stevens Creek Blvd; Toll Brothers' 55-unit townhome development on a 2.72-acre site at 10075 Stevens Creek Blvd; a 57-unit townhome development by Dividend Homes on a 2.6-acre site at 20087 Stevens Creek Blvd; a 32-unit townhome development by Dividend Homes on a 1.77-acre site at 20045 Stevens Creek Blvd; two hotel projects (Cupertino Village Hotel and De Anza Hotel); and the Loc-n-Store self-storage facility at 10655 Mary Avenue, which is approved for a larger, modern 167,000 square foot multistory self-storage facility.

Additionally, there are several projects currently under review. Several of these are along Stevens Creek Blvd and several of these proposals that involve residential will utilize Senate Bill 330 and/or the Builder's Remedy. Nearly all the residential being proposed is for townhomes.

### C. Neighborhood Description

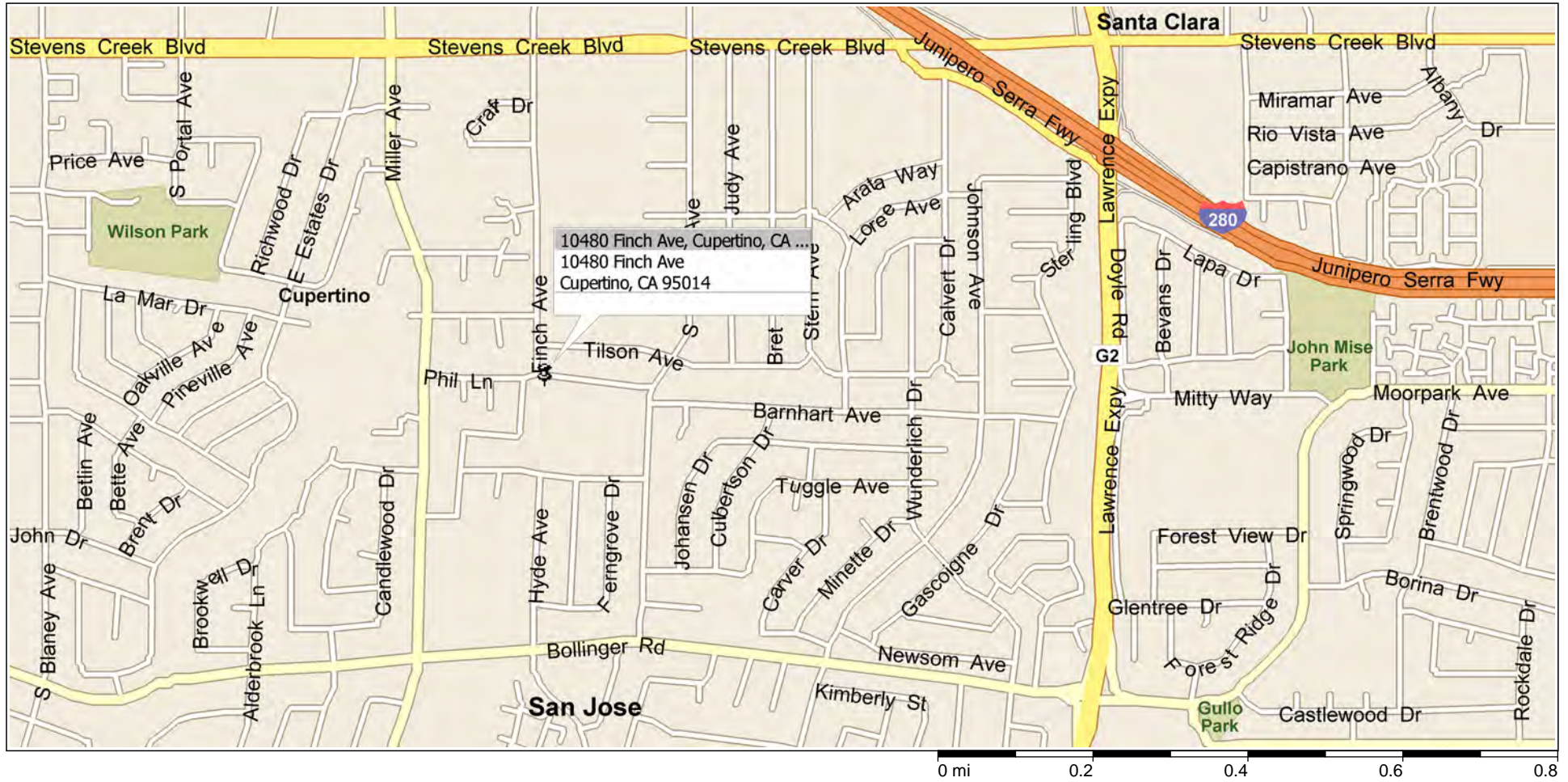
The subject property is in the east area of Cupertino commonly known as Rancho Rinconada. The neighborhood boundaries are generally: Stevens Creek Boulevard to the north, the city limits to the east and south, which are framed by Lawrence Expressway and Bollinger Road; and the western boundary generally includes portions of S. Tantau Ave, Miller Avenue, and the east side of Cupertino High School. This neighborhood is primarily residential in character with mostly average to good quality detached residential units appearing in average to good condition. This neighborhood was developed in the 1950's but not annexed into Cupertino until 1999. Much of this neighborhood was originally improved with Eichler styled single-family homes, which are Mid-20<sup>th</sup> Century modern styled tract houses. There are duplexes and apartments located along the western boundary of the neighborhood and the northern end of Tantau Avenue near Stevens Creek Blvd. There are retail and office use concentrated along Stevens Creek Blvd., Bollinger Road, and the northern portion of Miller Avenue.

The subject's Finch Avenue tees into the Main Street Cupertino development at Stevens Creek Boulevard, about one-half mile to the north. This development, opened in 2016, includes a mix of restaurants, apartments, office, a hotel, and other retail.

School attendance boundaries for the subject property include: D.J. Sedgwick Elementary School; Warren E. Hyde Middle School, and Cupertino High School. Adjacent uses to the subject property include: average to good quality, detached, single-family dwellings to the west and north across Phil Lane, and DJ Sedgwick Elementary School to the east and south.

The neighborhood is accessible via Miller Avenue, Finch Avenue, S. Tantau Avenue, Calvert Drive, and Johnson Avenue, which are all north/south roadways. Bollinger Road and Phil Lane/Barnhart Avenue provide east/west access Highway 280 is accessible within about one mile northeast via the Lawrence Expressway/Stevens Creek Blvd interchanges.

# NEIGHBORHOOD MAP



### III. MARKET ANALYSIS

The highest and best use of the subject property is concluded following to be a residential subdivision. Therefore, residential market conditions are presented in this chapter, as well as some discussion of the broader development market is included below.

#### A. General Economic Conditions

According to JLL's *2026 U.S. Construction Perspective* issued in mid-November 2025, "Construction spending fell 4.7% in 2025, illustrating the substantial impact of market uncertainty on industry performance. While JLL projects a return to positive territory with 0.4% growth in 2026, this near-flat trajectory underscores ongoing industry pressures and the critical need for localized strategies and adaptive project delivery... Material cost pressures are expected to intensify throughout 2026. Policy instability and reduced construction demand delayed trade impacts from materializing, creating conditions where cost increases will accelerate with activity... Construction employment faces structural challenges that extend beyond current market conditions. While reduced construction demand has masked underlying workforce constraints, these latent risks will become acute issues when construction starts rise in earnest. The industry's traditional employment growth patterns face fundamental disruption with current immigration policies, creating potential bottlenecks as activity accelerates."

UCLA Anderson Forecast's first quarterly report in 2026 states that *In December 2025, the Forecast anticipated an economy "muddling through" amid tariff shocks and labor market stagnation. Three months later, the balance of risks has shifted toward reacceleration in 2026, fueled by income tax cuts, expansion of fiscal stimulus and sustained artificial intelligence investment.*

*While aggregate indicators point toward stronger growth, the Forecast also highlights continued structural imbalances. Nationally, productivity gains and capital spending remain strong, even as segments of the labor market continue to recover unevenly. In California, output growth continues to exceed national performance, but payroll employment remains subdued, underscoring the divergence between production and hiring.*

#### ***The National Economy***

*The U.S. economy in 2025 was marked by tariff hikes, supply chain disruptions, reduced immigration flows and a record-setting 43-day federal government shutdown. Despite these headwinds, GDP expanded 2.2% for the year, remaining above the Congressional Budget Office's long-run neutral growth estimate.*

*Looking ahead, 2026 is expected to bring stronger growth. As the national report states, "With the immediate impact of tariff hikes largely realized, the stage is set*

*for substantial income tax cuts to stimulate an economy already buoyed by lower interest rates and massive capital expenditures in AI.”*

*Capital expenditures on AI infrastructure are projected to reach roughly \$660 billion in 2026 — approximately 2% of GDP. Hyperscalers continue to lead investment, though emerging constraints in energy supply, grid transmission capacity and chip depreciation costs may moderate the pace of expansion over time.*

*The most significant policy shift entering 2026 is fiscal expansion through the One Big Beautiful Bill Act. Retroactive income tax provisions are expected to increase refunds and boost disposable income, while new incentives such as bonus depreciation are projected to stimulate private investment. Combined fiscal effects are estimated to add between 0.5% and 1% to GDP, with additional stimulus possible from refunded tariff revenues.*

*GDP growth is projected to approach 3% in 2026, supported by tax-cut-driven consumption and continued AI investment. Growth is expected to moderate in 2027 and 2028 as fiscal stimulus fades and AI infrastructure expansion stabilizes, though sustained productivity gains may provide longer-term support.*

### ***The California Economy***

*California’s economy presents a contrasting pattern: strong output growth paired with weak payroll employment.*

*Using a monthly GDP methodology developed by the Forecast, economists estimate California’s fourth-quarter growth at 3.8% annualized, well above the initial 1.4% U.S. GDP estimate. The state has now grown faster than the nation for four consecutive quarters.*

*Yet payroll employment declined in 2025, marking the first sustained contraction since the pandemic. The unemployment rate has remained above 5% for nearly two years. As of December 2025, it stood at 5.5%.*

*The report characterizes the state’s structure as a “new bifurcated economy,” driven by AI, aerospace and other high-productivity sectors on one side, and slower-growing sectors such as construction, retail and segments of leisure and hospitality on the other. Venture capital concentration remains significant, with nearly 70% of U.S. venture funding flowing to California in early 2025.*

*Housing remains constrained by workforce shortages, tariff-related input costs and financing conditions. Lower mortgage rates may spur some additional activity, but permit levels remain subdued and multifamily development is not expected to accelerate materially in the near term.*

According to the Federal Reserve District's Beige Book, published March 4, 2026, *Overall economic activity increased at a slight to moderate pace in seven of the twelve Federal Reserve Districts, while the number of Districts reporting flat or declining activity increased from four in the prior period to five in the current period. Although consumer spending increased slightly on balance, two Districts reported ongoing declines, and many noted that sales were dampened by economic uncertainty, increased price sensitivity, and lower-income consumers pulling back on spending. Districts impacted by winter storms said that retail traffic generally slowed, and one District said immigration enforcement activity negatively affected customer demand in urban areas. Auto sales were mostly down for Districts that reported on them, with many citing continuing affordability issues. Manufacturing activity improved overall since the previous reporting period, with eight Districts reporting varying degrees of growth and two reporting declines. Manufacturing contacts in many Districts reported increases in new orders, and several cited boosts in demand from data centers and, relatedly, energy infrastructure. Transportation activity was mixed across Districts that reported on it, with three reporting contractions and two reporting modest growth. Overall, financial services activity was reported as stable to up, with commercial lending being the primary area of strength. For most Districts that reported on residential real estate and construction, sales and activity decreased slightly, with low inventories and affordability remaining key issues. Non-residential construction activity was mixed across reporting Districts but increased slightly on net. Among reporting Districts, agricultural conditions were mostly flat, and energy activity grew modestly on balance. Overall, economic expectations were optimistic, with most Districts expecting slight to moderate growth in the coming months.*

In the subject's Twelfth District (San Francisco), *Economic activity in the Twelfth District slowed slightly during the January through mid-February reporting period. Overall employment levels were stable on net, but there were reports of layoffs in the technology sector and attrition without replacement in other sectors. Wages grew at a slight pace, and annual pay increases were generally in line with historical averages. Prices rose moderately, and several contacts reported their input costs rising at a faster pace than their selling prices. Retail sales declined slightly, with consumers reportedly pulling back spending following the holiday shopping season, and contacts continued to describe a bifurcated, or K-shaped, economy. Demand for consumer and business services and residential real estate weakened slightly overall. Conditions in the manufacturing, agriculture, and resource-related sectors were stable on net, while activity in commercial real estate and financial services varied by market segment but were unchanged on balance. Demand for community support services, particularly for housing and food assistance, remained high. The economic outlook improved overall, with a higher share of contacts expecting economic activity this year to be similar to or slightly stronger than last year.*

As for real estate and construction activity in the subject's Twelfth District, *Conditions in residential real estate markets softened slightly. Demand for single-family homes remained weak. Reports indicated that for-sale housing units stayed on the market for longer durations and that it was more difficult to qualify for refinancing due to stricter lending standards. Demand for multi-family housing was generally stable but lagged supply in some markets, bringing rents down. Construction activity was restrained by elevated costs.*

## **B. Residential Market Conditions**

Market participants report minimal remaining available land for residential development in the local market, which has created few sale data points and has generally increased the demand for residential sites like the subject.

According to the National Association of Realtors, the housing affordability index (HAI), which measures the typical U.S. family's ability to qualify for a mortgage at current rates and prices, increased to 116.5 in January 2026, the seventh consecutive month this metric has increased. NAR's HAI is calculated using Freddie Mac's 30-year fixed-rate contract rate, which has decreased from 7.04% for the month of January 2025 to 6.19% as of January 2026.

The National Association of Home Builders Housing Market Index fell one point to 36 in February 2026, the second consecutive monthly decline, but higher than the recent low of 32 recorded in June, August, and September of 2025. This index has a scale from 0 to 100. A reading above 50 is an "indication that the majority of builders feel confident about the current and near-term outlook for housing. Lower ratings signify less optimism among builders."

### **1. Supply and Demand**

The State of California Department of Finance (DOF) compiles statistics on total housing units in both the cities and counties of California. Based on DOF statistics, Santa Clara County had a total housing supply of 709,914 units as of January 1, 2025. This represents an increase of 4,265 units over the 705,649 total units reported in January 2024. Extending further back in time, the DOF estimates the total supply of housing units in Santa Clara County at 652,007, as of January 2015. This indicates that over the ten-year period between 2015 and 2025, the housing supply in Santa Clara County increased by a total of 57,907 units, equivalent to a compounded annual increase of 0.85 percent, or an average of 5,791 units per year.

In the City of Cupertino, the DOF estimated that there were 21,942 housing units as of January 2025. This represents an increase of 105 units from the 21,837 housing units estimated in January 2024. Ten years earlier, in January 2015, the DOF estimated that there were 21,054

housing units in the City of Cupertino. This means the City has experienced a compounded annual increase of 0.41 percent or an average of about 89 units per year, over the past ten years. This is about one-half the growth rate compared to the County as a whole.

According to the statistics from the U.S. Census Bureau, single family permits in calendar year 2025 totaled 56,815 in California, which is a 7.1 percent decline from the 2024 total. Within the subject's San Jose-Sunnyvale-Santa Clara core based statistical area, the number of single-family permits decreased 4.5 percent between 2024 and 2025, falling from 2,207 to 2,108.

## 2. *For-Sale Residential Pricing and Sales Activity Characteristics*

Residential land prices typically trend with the improved market. Statistics are more readily available for the improved residential market, so these are presented and analyzed following.

The California Association of Realtors (C.A.R.) published their February Home Sales and Price Report in mid-March 2026. The report notes *Closed escrow sales of existing, single-family detached homes in California reached a seasonally adjusted annualized rate of 274,820 in February, according to data collected by C.A.R. from more than 90 local REALTOR® associations and MLSs statewide. This annualized figure reflects the number of homes that would be sold in 2026 if February's sales pace continued throughout the year, with adjustments made for typical seasonal patterns. February sales were up from 256,910 in January and down 0.3 percent from 275,600 in February 2025.*

*Despite the uptick, the streak of sub-300,000 seasonally adjusted annualized sales continued for the 41st consecutive month, underscoring the market's persistent weakness over the past few years. While the stronger-than-usual, month-to-month increase in pending sales provides some hope that closed transactions could improve in March, the recent spike in mortgage rates may dampen buyer momentum and keep sales activity subdued in the near term.*

*"Following a soft start to the year, the housing market regained momentum in February, with both sales and prices showing solid gains," said 2026 C.A.R. President Tamara Suminski, a Southern California broker and REALTOR®. "The conflict in the Middle East is creating some uncertainty for the broader economy and financial markets, which could lead to some short-term hesitation in the housing market. We remain hopeful though that the situation will stabilize in the weeks ahead,*

*allowing market fundamentals and buyer and seller confidence to reassert themselves.”*

*California’s median home price increased in February from both the prior month and year ago, bouncing back to \$830,370 from a 23-month low reached a month ago. The statewide median price rose 0.9 percent from January, outpacing the long-run average of -0.3 percent observed between January and February. On a year-over-year basis, the median price rose following two consecutive months of annual declines and posted its best growth rate in five months. While prices are expected to climb as the market approaches the spring homebuying season, lingering concerns about the broader economy and the market condition could constrain the pace of price gains in the months ahead.*

*“While mortgage rates remain below year-ago levels, they recently jumped to their highest level in seven months and could temper buyer momentum as we head into the spring homebuying season,” said C.A.R. Senior Vice President and Chief Economist Jordan Levine. “However, many homeowners remain locked in to historically low rates, and inventory remains tight, so any stabilization in rates could help bolster home prices in the spring market despite ongoing affordability and economic challenges.”*

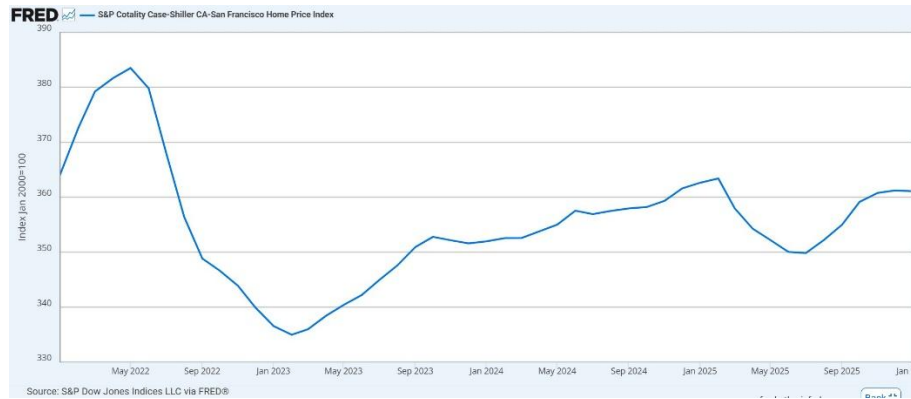
Within the San Francisco Bay Area region, the median price of existing single-family homes increased 2.8 percent over the past 12 months ended February 2026, while sales increased 4.0 percent, according to C.A.R. The County of Santa Clara experienced a median price increase of 0.8 percent year-over-year, with sales increasing 13.7 percent from a year ago, according to C.A.R. Over the last month in Santa Clara County, the median sale price increased 11.5 percent and sales increased 70.1 percent.

Several cities in the subject’s market, including Cupertino, have had to contend with Builder’s Remedy project proposals. These proposals tend to call for increased densities and some concessions in areas or on sites that wouldn’t normally be permitted to proceed as such, provided the project provides a certain percentage of low- or moderate-income units. These projects are still subject to CEQA and reasonable standards such as building code and fire code.

### Regional Housing Market

The Standard & Poor Cotality Case-Shiller Home Price Index measures the average change in value of residential real estate given a constant level of quality and reflects single-family housing. It is sometimes referred to as a repeat sale index. The next chart indicates that the index for the subject’s San Francisco Metropolitan Area *increased 2.59% from 351.97087 in*

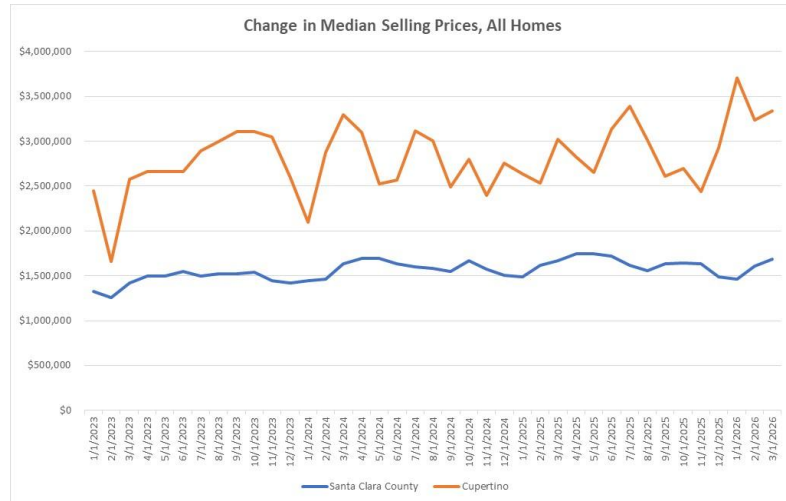
January 2024 to 361.07732 in January 2026. Over the 24 months between January 2023 and January 2026 the change was an *increase* of about 7.29 percent (or about 0.3 percent per month).



Local Housing Trends

Residential home pricing in the subject’s market area was declining in the second half of 2022 and early 2023. Median pricing began increasing over the course of 2023 before a slight pullback between November 2023 and February 2024. Median prices increased again in spring 2024 before pulling back over the latter half of the year and into early 2025 when prices were increasing again. Fall 2025 had another slight decline before rising prices in early 2026. As of March 2026, the local MLS indicates a median price for all types of homes sold of \$1,685,000 in Santa Clara County. This represents a slight increase of 0.75 percent from the March 2025 median price of \$1,672,500. It marks an increase from the median price of \$1,610,000 reported one month earlier. The March 2026 median price is just 3.7 percent below the all-time peak of \$1.75 million reported in both April and May 2025.

The chart below outlines general home pricing trends in Santa Clara County and Cupertino since the start of 2023 for all homes based on monthly MLS statistics:



Source: MLS Statistics

Within Cupertino, the March 2026 median price for all types of homes sold was \$3,343,000, which is an increase from the median price of \$3,240,000 one month earlier and an increase of about 10.5 percent from the March 2025 median price of \$3,025,000. However, like the county trend, the median price was oscillating through 2024 and 2025.

The median days to sell for all homes in Santa Clara County was 8 days in March 2026, the lowest reading since February, March and April 2025 when it was also 8 days. Median days to sell for all homes in Cupertino was 7 days in March 2026. Aside from the 23-day reading in December 2025, this metric has been 14 days or less every month since January 2023.

Based on MLS statistics, there was 1.8 months of inventory for single-family homes in Santa Clara County in March 2026. This is the fifteenth consecutive month that this metric has one month of inventory or higher. Within Cupertino, there was 2.1 months of inventory in March 2026, the third month out of the last five that this metric has been two months or more, following a 32-month period of this metric being two months or more just once. It is unclear whether this means demand is slowing, supply is increasing, or both.

Within Cupertino, the March 2026 median price for single-family homes sold was \$3,472,500 and represented a *decrease* of about six percent from the March 2025 median price of \$3,693,000. Median selling prices are at about the same level as spring 2024 and July 2025, and about 8.6 percent less than the recent peak of \$3.8M in February 2025.

**C. Conclusion**

The trend in price paid for residential land typically mirrors median selling prices of improved residential properties. Median sale prices decreased through much of 2022, rebounded somewhat in 2023 and were generally stable to increasing over the first half of 2024. The latter half of 2024 and early 2025 was characterized by declining median prices, but the spring of 2025 saw prices increasing again, before the summer and fall experienced declines. Early 2026 again had increasing median pricing suggesting that land value price appreciation was occurring. Elevated construction costs and mortgage rates have slowed the pace of development. Nonetheless, for-sale market conditions in the subject's market area are generally stable as supply is increasing and median pricing appears to be normalizing. Overall, market conditions are currently considered stable for the subject property with long-term outlook considered positive.

#### IV. PROPERTY IDENTIFICATION AND DESCRIPTION

##### A. Site Description

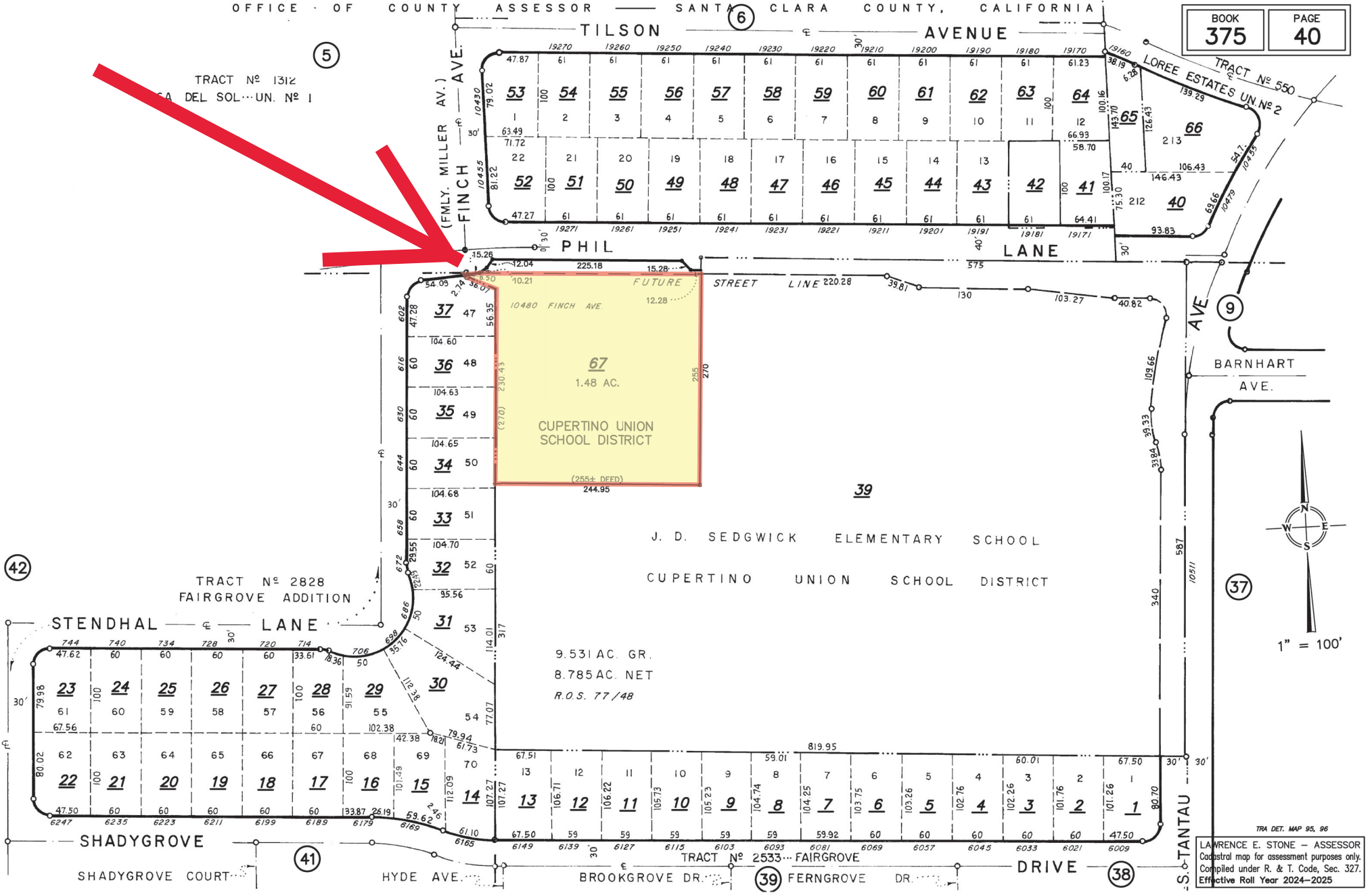
The subject property is commonly addressed at 10480 Finch Avenue, Cupertino, California. However, it is located along the south side of Phil Lane at the southeast intersection of Phil Lane with Finch Avenue. The subject property is further identified by the Santa Clara County Assessor's office as APN 375-40-067. A legal description of the subject property can be found in the Condition of Title Guarantee, displayed in the Addenda. The property was further identified based on the assessor's parcel map, aerial imagery, the advice of the ownership's representative, and my observations. An Assessor's Parcel Map identifying the subject site and surrounding streets and parcels, is provided on the following page. An aerial photograph from Google Earth is displayed below with the subject's approximate parcel boundaries shown in red:



The subject property is located along the south side of Phil Lane near the terminus of Finch Avenue, as shown in the aerial above. The subject property comprises one legal parcel containing a land area of approximately 1.414 net acres, or about 61,605 square feet. The gross size is about 1.48 acres and the difference between the net and gross is an approximate 16-foot-wide future street dedication along Phil Lane, as shown on the Assessor's Parcel Map. The shape of the subject parcel (absent the street dedication area) is nearly square with about 245 feet of frontage on Phil Lane and a depth of about 255 feet. The topography is level and

TRACT N° 1312  
LA DEL SOL UN. N° 1

TRACT N° 550  
LOREE ESTATES UN. N° 2



TRA DET. MAP 95, 96  
LAWRENCE E. STONE — ASSESSOR  
Cadastral map for assessment purposes only.  
Compiled under R. & T. Code, Sec. 327.  
Effective Roll Year 2024—2025

at street grade. The property has curb, gutter, and sidewalk; however, the subject's half-street side is narrow and the curb is painted red, prohibiting street parking. Access to the subject is via two curb cuts onto Phil Lane. Freeway access to Interstate 280 is available via the Stevens Creek Blvd and Lawrence Expy partial interchanges each within about one mile. The subject property is void of any structures, but there are various types of perimeter fencing. Refer to the pictures shown in the Addenda for a better understanding of the property.

Based on the size, nearly square shape of the site, adequate frontage, and level topography, developmental utility rates above average compared to competing properties.

## **B. Utilities**

The subject previously supported a single-family residential use and there are existing electrical and water lines on-site. Therefore, all utilities appear to be available to the subject site. These include natural gas, electricity, sewer, water, broadband, and telephone. It appears that each is available in sufficient quantity and has an adequate service capacity for any usage permitted on the property.

## **C. Preliminary Title Report, Easements, Encroachments, and Encumbrances**

A Condition of Title Guarantee (CTG) report from Old Republic National Title Insurance Company and dated July 8, 2025 was available for review and is displayed in the Addenda. This report identified two easements affecting the subject property. Exception 4 describes an easement in favor of Pacific Gas and Electric Company for transmission and distribution of electricity that affects the northern portion of the property. Exception 8 describes a drainage easement benefitting CUSD and affecting the northeasterly corner of the subject property. There is no negative affect on the development, marketability, or value of the subject property, based on these easements.

The CTG report indicates that the subject property includes a six-foot-wide easement for "maintaining, repairing, replacing and using a pipeline for conveying water." The location of this easement appears to be near the southeast corner of the adjacent JD Sedgwick Elementary School property. With public water available to the subject property, the need for this easement is negated and thus there is no affect on value. Exception 6 references a "future street line" which is shown on the assessor's parcel map; a different street dedication of 1,701 square feet along Phil Lane was granted to the County of Santa Clara in 1996. *Valuation of the subject property is based on the extraordinary assumption that title to the property is marketable and free and clear of any liens, easements, encumbrances, encroachments, and special assessments, other than those identified in this report.*

**D. Assessed Valuation and Real Estate Taxes**

The subject property is owned by a public entity and is therefore not assessed for ad valorem tax purposes. Real estate taxes were not a factor affecting the market value of the subject property.

**E. Environmental Observations**

Environmental Assessment reports prepared by Padre Associates, Inc. and dated from 2015 found high levels of lead and chlordane in the soil of the subject property. CUSD commenced on cleanup to remove about 160 cubic yards of contaminated soil offsite. The removal action field activities began and were completed in October 2018. On February 28, 2019 the Department of Toxic Substances Control (DTSC) certified that no further removal/remedial actions were necessary; a copy of this letter is displayed in the Addenda.

While it seems that all environmental aspects have been mitigated, an updated Phase I report was not available. No obvious signs of contamination were observed upon physical inspection of the subject property. However, I am not trained to identify such signs. *Valuation of the subject property is based on the extraordinary assumption that no soil contamination exists because of chemical drainage or leakage in connection with any production/operation (current or historical) on or near the subject property.* The appraiser assumes no responsibility for such conditions, or engineering, which might be required to discover such factors.

**F. Flood Hazard and Earthquake Information**

According to Flood Insurance Rate Map and Panel No. 06085C0209H, dated May 18, 2009, the subject property is in Flood Zone X(shaded). This zone identifies areas having a 0.2% annual chance flood hazard as well as areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile. Flood hazard insurance **is not** required within this zone.

The property is not within an Alquist-Priolo earthquake special studies zone.

**G. General Plan and Zoning Discussion**

The subject property is governed by the land use ordinances of the City of Cupertino. The 2040 General Plan land use designation is **Low Density Residential**. Under the Low Density Residential designation, *Sites have an established maximum density between 1-5 or 1-6 units (Rancho Rinconada) on each acre and may have a required minimum density. This category is intended to promote a suburban lifestyle of detached single-family homes. Planned residential communities can be incorporated into this category if the development form is*

*compatible with adjoining residential development. Duplexes with accessory dwelling units (up to a maximum of four total units) may be permitted per the City's Housing Element and Municipal Code regulations to support "missing middle" housing types.*

The property has a zoning designation of **R1-6 (Single-Family Residential District, 6,000 square foot minimum lot size)**. *R-1 single-family residence districts are intended to create, preserve and enhance areas suitable for detached dwellings in order to:*

- A. Enhance the identity of residential neighborhoods;*
- B. Ensure provision of light, air and a reasonable level of privacy to individual residential parcels;*
- C. Ensure a reasonable level of compatibility in scale of structures within residential neighborhoods; and*
- D. Reinforce the predominantly low-intensity setting in the community.*

Permitted uses in the R-1 zoning district include: one primary dwelling unit per lot; employee housing for six or fewer employees in each dwelling unit on each lot; an accessory dwelling unit; accessory facilities and uses customarily incidental to permitted uses; utility facilities; home occupations; small-family day care home; large-family day care home which meets parking criteria; small licensed residential care facility; unlicensed residential care facility located in housing of a type permitted in the zone; congregate residential with six or fewer residents; transitional housing; supportive housing; recreational for personal use horticulture, gardening, and growing of food products; buildings or structures which incorporate solar design feature that require variation from setbacks; maximum of four adult household pets per dwelling unit; and a maximum of one litter of dogs or cats up to four months of age.

General development restrictions under the subject's R1-6 zoning include:

- Minimum Lot Area: 6,000 square feet
- Minimum Lot Width: 60 feet (at front setback line)
- Max. Lot Coverage: 45% (plus 5% for overhangs, patios, porches)
- Max. Floor Area Ratio: 0.45
- Front Yard Setback: 20 feet 1<sup>st</sup> floor, 25 feet 2<sup>nd</sup> floor
- Side Yard Setback, 1<sup>st</sup> Floor: 5 feet on both sides
- Side Yard Setback, 2<sup>nd</sup> Floor: 25 feet combined, 10 feet minimum
- Rear Yard Setback: 20 feet 1<sup>st</sup> floor, 25 feet 2<sup>nd</sup> floor
- Maximum Height: 28 feet

Additionally, there are off-street parking and landscaping requirements.

## H. Ownership History

According to the Condition of Title Guarantee prepared by Old Republic National Title Insurance Company, fee title to the subject property is currently vested in:

*Cupertino Union School District, a California public school district*

Our research did not disclose any arm's-length ownership transfers of the subject property over the past five years and the property is not known to be actively marketed as available for sale. It is our understanding the subject property is not under contract and has not yet been deemed surplus. However, we are aware that the City of Cupertino has expressed interest in purchasing the subject property and this appraisal's purpose will be used as a tool in the potential disposition of the subject property.

## V. HIGHEST AND BEST USE AND VALUATION METHODOLOGY

### A. Highest and Best Use

Highest and best use is defined as “the reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.”<sup>3</sup> Implied in the definition of highest and best use is that the determination of highest and best use considers the contribution of a specific use to the community, and community development goals, as well as the benefits of that use to individual property owners.

For the highest and best use of land, the use must meet the following four criteria: the highest and best use must be 1) physically possible, 2) legally permissible, 3) financially feasible, and 4) maximally productive. The following paragraphs discuss each of the four criteria and conclude the highest and best use of the subject property.

#### *Physically Possible*

The subject property consists of one legal parcel containing a land area of approximately 1.414 acres, or about 61,605 square feet. The shape of the subject parcel (based on the net area) is nearly square with about 245 feet of frontage on Phil Lane and a depth of about 255 feet. The topography is level and at street grade. Based on the size, nearly square shape of the site, adequate frontage, and level topography, developmental utility rates above average compared to competing properties.

The physical characteristics of the subject property would allow for several types of development.

#### *Legally Permissible*

The subject site is General Planned by the City of Cupertino as Low Density Residential. This designation states that *Sites have an established maximum density between 1-5 or 1-6 units (Rancho Rinconada) on each acre and may have a required minimum density. This category is intended to promote a suburban lifestyle of detached single-family homes. Planned residential communities can be incorporated into this category if the development form is compatible with adjoining residential development. Duplexes with accessory dwelling units (up to a maximum of four total units) may be permitted per the City’s Housing Element and Municipal Code regulations to support “missing middle” housing types.*

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<sup>3</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

The subject property has a zoning designation of R1-6 (Single-Family Residential, 6,000 square foot minimum lot size). *R-1 single-family residence districts are intended to create, preserve and enhance areas suitable for detached dwellings.* One single-family dwelling per lot is the most typical use.

The subject's immediate neighborhood is primarily developed with average to good quality detached single-family residential uses in average to good condition. The physical and legal characteristics of the site indicate that the highest and best use is for some type of low-density residential development. Based on the land use ordinances, the subject could reasonably support up to seven dwelling units (5 DU/AC x 1.414 Ac), although application of State Density Bonus and the like would net more units.

According to a Terra Realty Advisors memo dated September 29, 2025 and displayed in the Addenda:

*The Finch property has a General Plan designation of Low Density Residential that allows 1-5 units per acre which calculates as 7.4 units; however, per City Staff, units are rounded down to the nearest whole number, therefore, only seven (7) units would be permitted per the General Plan density. Although the property is within the R1-6 Zoning District, which would permit up to 10 units based on minimum lot size per unit (" 6" multiplied by 1,000 square feet), because the zoning density must be consistent with the General Plan which governs, a maximum of seven (7) units would be allowed ...*

*The City of Cupertino provides a process to grant a density bonus above the allowed General Plan density for qualified projects through the State Density Bonus Law ...*

*As an example, if the developer provides affordable housing equal to 44% of the seven (7) base units allowed under the General Plan, three (3) units must be restricted to moderate income households. In return, the project would qualify for a density bonus of 3.5 units, which rounds up to four (4) additional units, resulting in a total of eleven (11) units, comprising eight (8) market-rate units and three (3) affordable units.*

Based on this Memo, *it was an extraordinary assumption of this appraisal that, by utilizing State Density Bonus Law, the property can support a total of eleven dwelling units, comprised of eight market-rate units and three affordable, or below-market-rate (BMR), units, and is a legally permissible use.*

### ***Financially Feasible & Maximally Productive***

As discussed in the Market Analysis chapter of this report, residential market conditions are generally stable, despite slowing demand. Over the last 24 months the monthly median selling price of a single-family home in Cupertino has ranged

from about \$2.71M to \$3.8M; the median selling price was \$3.2M or more in 23 of the past 26 months. Although homebuilders have slowed the pace of construction due in part to higher interest rates and some uncertainty with building costs, several projects continue to gain entitlements. Furthermore, some single-family developments were under construction on the date of value while I was driving neighborhood streets.

I discovered evidence of residential sites transacting and continuing to be built upon, supported by most of the sales comparables used in the following analysis. As indicated above, the subject could support up to seven new dwelling units without application of State Density Bonus or 11 units with State Density Bonus. Because developers often maximize density, an eleven-lot subdivision would be the most likely development plan for the subject site. Based on a review of the prices paid for a single dwelling unit on a 1.4-acre site versus single dwelling units on 4,000 to 5,000 square foot sites, a higher value is realized via subdivision into multiple lots. Therefore, given current residential market conditions and the actions of market participants, a subdivision into eleven residential lots is concluded as the maximally productive use.

### *Conclusion*

After analyzing the subject site based on the four highest and best use criteria, the highest and best use of the subject site is a subdivision into eleven residential lots.

## **B. Valuation Methodology**

As stated previously, this appraisal report utilizes the Sales Comparison Approach to value only. The cost approach is not appropriate for unimproved properties like the subject. Similarly, an income capitalization approach is not appropriate because the subject is not leased and using a subdivision development method would require too many estimates. Therefore, the Cost and Income Capitalization Approaches to value are not included in this analysis.

The Sales Comparison Approach is based on the principle of substitution, i.e., the value of a property is governed by the prices generally obtained for similar properties. In analyzing the market data, it is beneficial that the sales prices be reduced to common denominators to relate the degree of comparability to the property being appraised. The difficulty inherent in this approach is that no two properties are exactly alike.

## VI. LAND VALUATION

In land valuation, market value is best determined by the Sales Comparison Approach. This methodology studies the prices paid for similar development sites in the surrounding market area. As such, this chapter will discuss sales of development sites in the subject's market area considered comparable to the subject property.

Based on the highest and best use conclusion above, the subject's 1.414 acres could support eleven lots (at about 7.8 dwelling units per acre) based on application of State Density Bonus. Therefore, for the analysis following, a search for comparable sales that were about 15,000 square feet or larger and could support a density between about 4.0 and 16.0 dwelling units per acre was performed. Few sales intended for, or supporting, this density range were discovered, particularly in the west valley neighborhoods. Most of the residential development occurring, for which recent sales have occurred is for single lot developments, townhouse developments, and mixed-use developments along Stevens Creek Blvd. Search parameters were expanded to go back to 2022 and later, and to include a larger search radius, in an effort to include more relevant sales.

The comparable sale transactions considered the best indicators of value for the subject property are identified on the following table, keyed to the map that follows. In analyzing these sales, considerations are made for changing market conditions, as well as locational, physical, and legal characteristics. The units of comparison most widely used by buyers and sellers of development sites considered similar to the subject is the price per lot and price per square foot of land area.

### A. Comparable Land Sale Discussion

*Comparable Sale 1* represents the sale of five contiguous parcels to Dividend Homes, a regional home-builder. These legal parcels are generally addressed as 301-317 Moorpark Way, Mountain View, located about 5.6 miles northeast of the subject. This redevelopment site contains a total land area of 2.45 acres, or about 106,758 square feet. The overall shape is irregular, but functional, and there is about 180 feet of frontage along Sylvan Avenue and about 675 feet of frontage along the curve of Moorpark Way. The site is generally level and at street grade. The land use ordinances call for single-family residential uses. Based on its physical characteristics, this comparable has average developmental utility.

The property is situated at an off-ramp from eastbound SR-237 and northbound Sylvan Avenue becomes on on-ramp to eastbound SR-237. As such, this property has above average freeway access but is also subject to increased noise.

This property sold from multiple ownerships related to the Kenison family for a reported total consideration of \$18,201,000 in mid-November 2025. This is equivalent to about \$170 per square foot of land area. The property achieved vesting tentative map approval in March 2025 for a 22-unit townhome

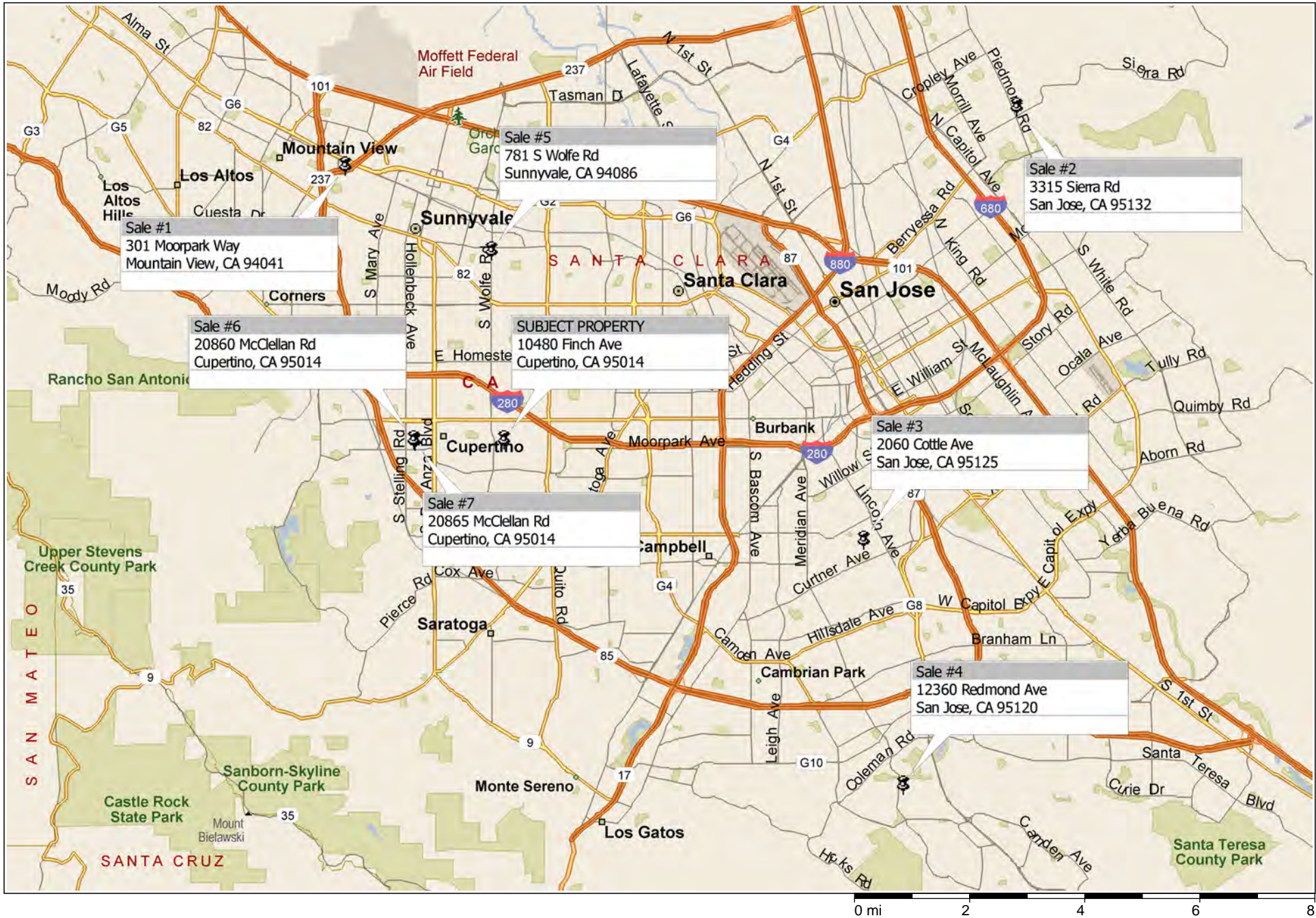
Table 1

**Comparable Land Sales Summary  
10480 Finch Avenue  
Cupertino, California**

#	Location	Sale Price/ COE Date	Property Size (Sq Ft / Acre)	Land Use Designation/ Zoning	Entitlements/ No. of Lots/ Density	Price/SF Land Area	Price/Lot	Grantor/Grantee Document #	Comments
1	301-317 Moorpark Way Mountain View APNs: 161-05- (003 thru 007)	\$18,201,000 11/14/2025	106,758 SF 2.45 Ac.	Low Density Residential R1-10sd	Entitled 22 DU 9.0 DU/Ac.	\$170	\$827,318	Karen S Kenison, et al. Dividend Homes #25903752, #25903753, #25903754, & #25903755	Received vesting tentative map approval in March 2025; three street frontages; two units dedicated for very low-income households allowing for 6 unit density bonus
2	3315 Sierra Road San Jose APN: 595-10-067	\$12,000,000 9/16/2025	118,067 SF 2.71 Ac.	Residential Neighborhood R-1-8 (PD)	Entitled 25 DU 9.2 DU/Ac.	\$102	\$480,000	Olivera Family Limited Partnership Robson Homes LLC #25870302	Buyer received tentative map approval to redevelop with 25 single-family homes and 5 common area lots in May 2025; gently sloping topography
3	2060 Cottle Ave San Jose APN: 439-05-015	\$4,030,000 4/8/2025	19,580 SF 0.45 Ac.	Residential Neighborhood R-1-8	Entitled 3 DU 6.7 DU/Ac.	\$206	\$1,343,333	1111 Pine Avenue LLC 2060 Cottle LLC #25788533	Sold with tentative parcel map approval for subdivision into three single family residential lots. Located in Willow Glen neighborhood. Property sold improved with 6,000 SF, one story religious facility from 1950s.
4	12360 Redmond Ave San Jose APNs: 577-13-065 & 577-13-079	\$5,180,000 7/29/2024	40,355 SF 0.93 Ac.	Residential Neighborhood R-1-5	Unentitled 5 DU 5.4 DU/Ac.	\$128	\$1,036,000	Redmond Investments LLC 5A Holdings LLC #25676486	Preliminary plan drawn showing five lots that was discussed with City in 2014. Buyer believed a 6-lot subvision may be possible
5	781 S Wolfe Road Sunnyvale APN: 211-05-009	\$4,500,000 7/12/2024	29,900 SF 0.69 Ac.	Low-Medium Density Residential R-2/PD	Unentitled 8 DU 11.7 DU/Ac.	\$151	\$562,500	Larry K Yamaoka 781 South Wolfe Road LP #25662912	Buyer received General Plan Amendment and rezoning allowing for higher density prior to close of escrow; proposed project is nearly identical adjacent project on north
6	20860 McClellan Road Cupertino APN: 359-20-030	\$9,300,000 9/1/2023	54,569 SF 1.25 Ac.	Low Density (1-5 DU/Ac) R1-10	Entitled 6 DU 4.8 DU/Ac.	\$170	\$1,550,000	District McClellan LLC AlphaX RE Capital INC #25525850	Sold with Tentative Map approval for a six-lot subdivision. Will require completion of Cherryland Drive half street
7	20865 McClellan Road Cupertino APN: 359-13-019	\$6,015,000 8/31/2022	42,117 SF 0.97 Ac.	Low Density (1-5 DU/Ac) R1-10	Unentitled 5 DU 5.2 DU/Ac.	\$143	\$1,203,000	Santina M Disalvo Trust 20865 McClellan LLC #25366098	Expected to support 4 to 5 Single Family Homes. Long escrow as Buyer worked on some preliminary approvals, which were not in place at time of escrow.
<b>SUBJECT</b> 10480 Finch Ave Cupertino APN: 375-40-067			61,605 SF 1.414 Ac.	Low Density (1-5 DU/Ac) R1-6	Unentitled 11 DU 7.8 DU/Ac.				Using State Density Bonus to increase lot count from 7 to 11; 3 BMRs

Source: Carmeghi-Nakasako & Associates, April 2026  
2026CNA108 10480 Finch

# COMPARABLE LAND SALES MAP



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development, equivalent to about 9.0 dwelling units per acre. Two of these units are dedicated for very low-income households, which allowed for this project to achieve a density bonus of 6 additional (market rate) units. Based on a 22-lot development, the purchase price was equivalent to about \$827,000 per lot. At the time of sale, this property was improved with various improvements, including retail, day care, and single-family dwellings, each of which will require demolition prior to redevelopment.

**Comparable Sale 2** reflects the purchase of a single legal parcel addressed as 3315 Sierra Road in San Jose, located in the Berryessa neighborhood approximately 10.75 miles northeast of the subject property. This comparable contains approximately 2.71 acres or 118,067 square feet of land area. This site is mostly rectangular with about 484 feet of frontage along Sierra Road. There is secondary frontage along Piedmont Road via a 32-foot-wide driveway that is about 150 feet in length. The northeast corner of Piedmont Rd and Sierra Rd is improved with a Rotten Robbie branded fueling station. This comparable site is at street grade, gently slopes to the west, and all off-sites are in place. Based on the size, shape, and frontages, developmental utility rates average in comparison to competing properties.

In September 2025, this property transacted at a purchase price of \$12,000,000, equivalent to a unit value of approximately \$102 per square foot of land area. The parcel has a General Plan land use designation of Residential Neighborhood. The buyer obtained a zone change from Agriculture to R-1-8 (PD) prior to the close of escrow as part of their entitlement approvals. The property transferred with entitlements for 25 single-family homes (Tract No. 10671). Based on a 25-lot subdivision, equivalent to a density of 9.2 dwelling units per acre (du/ac), a per unit value of \$480,000 is indicated by this sale. Five of the units will provide for ADU's. This project did not utilize any density bonus.

**Comparable Sale 3** reflects the sale of a property located at 2060 Cottle Avenue in the Willow Glen neighborhood of San Jose and about 6.5 miles east-southeast of the subject. This approximate 19,580 square foot, rectangular shaped corner site is level, at street grade, and contains approximately 173 feet of frontage along Cottle Avenue and approximately 110 feet along Malone Road. At the time of sale, this property was improved with an approximate 5,990 square foot, average quality religious facility that was reportedly constructed in 1956 and was in fair to average condition. In addition, there was an existing 10 foot wide Public Utilities Easement (PUE) running in an east/west direction through the southern portion of the site. This property has a General Plan land use designation of Residential Neighborhood and is zoned R-1-8, allowing for up to 8 dwelling units to the acre.

This property closed escrow in April 2025 for a purchase price of \$4,030,000, equivalent to a unit value of about \$206 per square foot of land area. Prior to closing, the Seller received vesting tentative map approval to create three,

separate, rectangular shaped legal lots ranging from about 6,300 to 7,100 square feet. Thus, the equivalent selling price was about \$1,343,000 per lot. (It is noted that this property sold unentitled in August 2022 for \$3,350,000. The April 2025 selling price is about 20 percent higher which is reflective of tentative map approval and mildly better market conditions.)

**Comparable Sale 4** is the sale of 12360 Redmond Avenue in San Jose, located roughly 9.25 miles southeast of the subject and in the Almaden Valley neighborhood of San Jose. The property is located at the southeast corner of Redmond Road and Mancuso Street and consists of two contiguous legal parcels containing a combined total of approximately 40,355 square feet, or about 0.93 acres. The site is mostly rectangular, level, at street grade, and has approximately 270 feet of frontage along Mancuso Street and about 130 feet of frontage along Redmond Road. The Redmond Avenue frontage is finished with curb, gutter, and sidewalk, but the Mancuso St frontage lacks these off-sites. There are two curb cuts onto Redmond Rd and two driveways leading onto Mancuso St. Based on the mostly rectangular shape of the site, two frontages, and level topography, developmental utility rates above average in comparison to competing properties. The property has a General Plan land use designation of Residential Neighborhood and has a conforming zoning designation of R-1-5, which is a single-family zoning requiring 8,000 square foot minimum lot sizes.

In July 2024, the property transacted at a purchase price of \$5,180,000, which is equivalent to about \$128 per square foot of land area. At the time of sale, this property was improved with a one-story, average quality, wood-frame, building containing about 1,642 rentable square feet occupied as a preschool. These improvements date circa 1962 and displayed fair condition. The property had a preliminary plan for a five-lot residential development. Under a 5-lot project scenario, this is equivalent to a density of about 5.4 dwelling units per acre and indicates that the purchase price was equivalent to about \$1,036,000 per lot.

**Comparable Sale 5** is addressed as 781 S Wolfe Rd in Sunnyvale, and located approximately 3.3 miles north of the subject. This rectangular-shaped property has level topography, is at street grade, and comprises about 0.69 acres, or about 29,900 square feet. It is fully improved with all offsite improvements and has two curb cuts onto S. Wolfe Road. There appears to be secondary frontage along Lusterleaf Drive on the west. Based on its physical characteristics, development utility rates average in comparison to competing properties. The lot indicates a General Plan land use designation of Low-Medium Density Residential (7-14 dwelling units per acre) and is zoned R-2/PD (Low-Medium Residential with Planned Development combining district).

In July 2024, this property transacted for a purchase price of \$4,500,000, or about \$151 per square foot of land area. This property did not sell with any entitlements although the buyer had achieved a General Plan amendment and zoning change

prior to closing. The buyer is attempting to match the adjacent project on the north, which comprises 8 small-lot homes. As such, an eight-unit development is equivalent to 11.7 dwelling units per acre and the purchase price is equivalent to \$562,500 per unit. At the time of sale, this property was improved with an approximate 3,321 square foot single-family dwelling that dates from 1965 and appeared in fair condition. This property was not offered on the market prior to sale.

**Comparable Sale 6** is the sale of a development site addressed as 20860 McClellan Road in Cupertino, which is about 1.6 miles west of the subject property. This property comprises one legal parcel that has a net land area of about 1.25 acres, or about 54,569 square feet. This rectangular site has level topography and is at street grade. It has about 140 feet of frontage along McClellan Road and a depth of about 390 feet (following a 10' street dedication). Based on the shape, depth, and frontage of the site, development utility rates average. The General Plan land use designation is Low Density, allowing 1 to 5 dwelling units per acre, and the zoning designation is R1-10, a single-family designation calling for 10,000 square foot minimum lot sizes. At the time of sale, this property had received tentative map approval for a six-lot subdivision. This is equivalent to a density of about 4.8 dwelling units per acre. The median lot size of this project is 8,002 square feet.

This property sold in September 2023 for a reported price of \$9,300,000, equivalent to about \$170 per square foot of land area and \$1,550,000 per lot. At the time of sale, the site was improved with an older, average quality, single family detached dwelling plus an older, moderately large, low quality, metal-clad storage structure and a couple of small ancillary structures, all of which are in poor to fair condition. The existing building improvements, which totaled about 14,000 square feet, were considered to be at the end of their economic life and were planned for demolition.

**Comparable Sale 7** is located at 20865 McClellan Road, directly across the street from Comparable Sale 6. This development site comprises a single legal parcel that is rectangular, level, and at street grade. It is fully improved with all offsites. The gross size of this parcel is one acre and the net developable area, following a 10-foot-wide street dedication, is about 0.97 acres or 42,117 square feet. This site had a General Plan land use designation of Low Density, calling for residential uses at one to five units per acre. The corresponding zoning designation called for single-family residential uses on 10,000 square foot lot minimums. The property was being marketed as a redevelopment site, with the possibility of 4 or 5 lots, but had not received any entitlements as of the close of escrow. Based on the land use ordinances and developers penchant for higher densities, it is estimated that at the time of sale this site would have supported five lots.

This property sold in August 2022 at a reported purchase price of \$6,015,000, which is equivalent to about \$143 per square foot of land area. Based on the estimate that this property will support five single family residential lots, the purchase price was equivalent to about \$1,203,000 per lot. At the time of sale, this property was improved with a one story, 1,874 livable square foot, average to good quality single family dwelling that was reportedly constructed in 1957, was in fair to average condition, but contributed no value above that of the underlying land.

## **B. Comparable Land Sales Analysis**

The comparable land sales indicate an unadjusted range of about \$102 to \$206 per square foot of land and about \$480,000 to \$1,550,000 per lot. Adjustments will be applied to the comparable transactions to reflect comparative differences with the subject property.

It should be emphasized that although the adjustment process is a mechanical one, the analysis applied by the appraiser is less mechanical and more intuitive in nature. Specific adjustments are intended to represent the appraiser's best judgment concerning the differential between each comparable and the subject. Any specific adjustment should be considered general in nature and the overall process is intended to narrow the pattern indicated by the comparable data. A Comparable Land Sales Adjustment Grid summarizing the adjustments applied to the individual comparable sales is shown on the following page.

### ***Conditions of Sale***

Conditions of sale represent motivations involved in purchase negotiations or decisions, which may have affected the purchase price. All selected comparable sales are considered to have transacted under typical negotiations and no adjustments are applied in this category.

### ***Buyer Expenditures***

Each of the comparable sales represents a redevelopment site and was previously improved. As such, each will or would have required existing improvements to be demolished and hauled away. However, total demolition costs for each comparable were on the order of one percent or less of the respective sale prices and are concluded to be too insignificant to warrant any adjustment.

### ***Financing***

With the exception of Comparable 3, all selected comparable sales transacted on an all cash or cash-equivalent basis, and no financing adjustments are warranted. The seller of Comparable 3 provided financing in the amount of \$1,730,500, or about 43 percent of the purchase price. Given the substantial down payment, and

**Comparable Land Sales Adjustment Grid**  
**10480 Finch Avenue**  
**Cupertino, California**

	<b>Comparable 1</b>		<b>Comparable 2</b>		<b>Comparable 3</b>		<b>Comparable 4</b>		<b>Comparable 5</b>		<b>Comparable 6</b>		<b>Comparable 7</b>	
Address:	301-317 Moorpark Way Mountain View		3315 Sierra Road San Jose		2060 Cottle Ave San Jose		12360 Redmond Ave San Jose		781 S Wolfe Road Sunnyvale		20860 McClellan Road Cupertino		20865 McClellan Road Cupertino	
Close of Escrow:	11/14/2025		9/16/2025		4/8/2025		7/29/2024		7/12/2024		9/1/2023		8/31/2022	
Purchase Price:	\$18,201,000		\$12,000,000		\$4,030,000		\$5,180,000		\$4,500,000		\$9,300,000		\$6,015,000	
Density (DU/Ac) / No. of Lots Size (SF)	9.0 106,758	22	9.2 118,067	25	6.7 19,580	3	5.4 40,355	5	11.7 29,900	8	4.8 54,569	6	5.2 42,117	5
<b>Unadjusted Price SF/Lot:</b>	<b>\$170.49</b>	<b>\$827,318</b>	<b>\$101.64</b>	<b>\$480,000</b>	<b>\$205.82</b>	<b>\$1,343,333</b>	<b>\$128.36</b>	<b>\$1,036,000</b>	<b>\$150.50</b>	<b>\$562,500</b>	<b>\$170.43</b>	<b>\$1,550,000</b>	<b>\$142.82</b>	<b>\$1,203,000</b>
Conditions of Sale:	Arm's-Length	0.0%	Arm's-Length	0.0%	Arm's-Length	0.0%	Arm's-Length	0.0%	Arm's-Length	0.0%	Arm's-Length	0.0%	Arm's-Length	0.0%
Buyer Expenditures:	None Significant	0.0%	None Significant	0.0%	None Significant	0.0%	None Significant	0.0%	None Significant	0.0%	None Significant	0.0%	None Significant	0.0%
Financing:	All Cash	0.0%	All Cash	0.0%	Seller/57% Down	0.0%	All Cash	0.0%	Conventional	0.0%	Conventional	0.0%	Conventional	0.0%
Adjusted Sale Price:	\$18,201,000		\$12,000,000		\$4,030,000		\$5,180,000		\$4,500,000		\$9,300,000		\$6,015,000	
Adjusted Price SF/Lot:	\$170	\$827,318	\$102	\$480,000	\$206	\$1,343,333	\$128	\$1,036,000	\$151	\$562,500	\$170	\$1,550,000	\$143	\$1,203,000
Date of Sale	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	5.0%	5.0%	5.0%	10.0%	10.0%	15.0%	15.0%
Price Adj for Mkt Cond SF/Lot:	\$170	\$827,318	\$102	\$480,000	\$206	\$1,343,333	\$135	\$1,087,800	\$158	\$590,625	\$187	\$1,705,000	\$164	\$1,383,450
Location	20.0%	20.0%	80.0%	80.0%	25.0%	25.0%	20.0%	20.0%	25.0%	25.0%	0.0%	0.0%	0.0%	0.0%
Density / Average Lot Size	-5.0%	10.0%	-5.0%	10.0%	5.0%	-12.5%	10.0%	-25.0%	-15.0%	30.0%	10.0%	-25.0%	10.0%	-25.0%
Development Utility	0.0%	0.0%	5.0%	5.0%	-10.0%	-10.0%	-5.0%	-5.0%	-2.5%	-2.5%	0.0%	0.0%	0.0%	0.0%
Size/Development Magnitude	5.0%	5.0%	5.0%	5.0%	-15.0%	-10.0%	0.0%	-5.0%	0.0%	0.0%	0.0%	-5.0%	0.0%	-5.0%
Zoning/Legal/Entitlements	-20.0%	-20.0%	-20.0%	-20.0%	-20.0%	-20.0%	0.0%	0.0%	0.0%	0.0%	-20.0%	-20.0%	0.0%	0.0%
Total Adjusted % SF/Lot	0.0%	15.0%	65.0%	80.0%	-15.0%	-27.5%	25.0%	-15.0%	7.5%	52.5%	-10.0%	-50.0%	10.0%	-30.0%
<b>Adjusted Value SF/Lot</b>	<b>\$170</b>	<b>\$951,416</b>	<b>\$168</b>	<b>\$864,000</b>	<b>\$175</b>	<b>\$973,917</b>	<b>\$168</b>	<b>\$924,630</b>	<b>\$170</b>	<b>\$900,703</b>	<b>\$169</b>	<b>\$852,500</b>	<b>\$181</b>	<b>\$968,415</b>

Source: Carnegie-Nakasako & Associates, April 2026  
 2026CNA108 10480 Finch

after making all other adjustments to this comparable first, no adjustment for seller financing is concluded.

### *Market Conditions/Date of Sale*

As discussed in the Market Analysis chapter of this report, market conditions for residential land in Cupertino were generally flat over the last 6-12 months following mildly increasing prices in 2023 and early 2024 and oscillating prices in late 2024 and early 2025. Comparables 1, 2, and 3 transacted over the past year and are concluded to not warrant adjustment for date of sale. Comparables 4 and 5 sold in July 2024, considered a slightly inferior market period, and warrant upward adjustment. Likewise, the September 2023 sale date of Comparable 6 is considered an inferior market period, warranting upward adjustment. Comparable 7 closed escrow in August 2022 but went into contract in May 2021, during an inferior market period. Therefore, an upward adjustment is applied to this comparable for this element of comparison.

### *Location*

The subject property is in an established residential neighborhood proximate to services, parks, schools, and transportation routes. Adjustments for location were based on conversations with market participants, physical observations of the comparable properties and their immediate neighborhoods, and a comparison of median selling prices. Comparable 1 is in a mixed residential and light commercial area with above average freeway access but also with increased freeway noise. The overall locational appeal of this comparable rates inferior and warrants an upward adjustment. Comparable 2 is in the Berryessa neighborhood of San Jose, which rates far inferior to the subject's neighborhood, and warrants a significant upward adjustment. Comparable 3 is in the Willow Glen neighborhood of San Jose and across the street from Willow Glen High School. Supported by a comparison of median selling prices and market perception, an upward adjustment is warranted for the inferior location of this property. The location of Comparable 4, in the Almaden Valley area of San Jose and along a higher traffic street, rates inferior, supported by lower median selling prices, and warrants upward adjustment. Comparable 5 is in an area of Sunnyvale that rates inferior to the subject's neighborhood. Supported by a location along a higher traffic street, this comparable warrants an upward adjustment for location. Comparables 6 and 7 are along the same block of the same street in Cupertino, a neighborhood which tends to rate a little superior to the Rancho Rinconada neighborhood, but due to higher traffic volumes along McClellan, the overall location of these comparables is concluded to rate similar and no adjustments are warranted.

### *Density & Average Lot Size per Unit*

The subject is being valued as if it will support eleven lots, which is equivalent to a density of about 7.8 dwelling units per acre.

Typically, sites that can support a higher density will sell for more on a price per square foot of land area, and vice versa. Within the range of the comparables, the higher densities of Comparables 1, 2, and 5 warrant downward adjustment on a price per square foot of land area. The lower densities of Comparables 3, 4, 6, and 7 warrant upward adjustment on a price per square foot of land area.

Just as sites that can support a higher density will sell for more on a price per square foot of land area, they will sell for less on a price per lot basis. This is because each additional dwelling unit is requiring less and less land for development. Therefore, the adjustment on a per lot (or unit) basis for this category is also equivalent to an adjustment per average gross lot size per unit. The smaller average gross lot sizes of Comparables 1, 2, and 5 rate inferior and upward adjustment are warranted on a per lot basis. The larger average gross lot size of Comparables 3, 4, 6, and 7 rate superior and a downward adjustment is warranted on a price per lot basis.

### *Development Utility*

The subject property has a functional shape, a long frontage, and level topography. The overall development utility of Comparables 1, 6, and 7 rated similar to the subject and no adjustment for this category is concluded for these comparables. As noted above, Comparable 2 has gently sloping topography and there is a narrow driveway leading to Piedmont Road that reduces the overall usable area, rating inferior for this element of comparison and warranting an upward adjustment. Comparable 3 is a corner lot with finished offsites, and will require no new streets, rating superior development utility and warranting a downward adjustment. Although Comparable 4 is also a corner lot, it lacks finished off-sites along its longest frontage, rating a little superior for this element of comparison, and warrants downward adjustment but at a lesser degree than Comparable 3. As described above, Comparable 5 has secondary frontage along the rear, allowing for greater utility, and warranting a downward adjustment.

### *Development Size*

The magnitude or size of a development will affect the risk. A fewer number of total units in a development will require less risk as it will generally be faster to entitle and faster to lease-up or sellout a project. Conversely, larger developments entail more risk with typically longer entitlement/construction time-lines and longer lease-up/sellout periods. It is also true that a smaller sized parcel will typically command a higher price per square foot based on the law of diminishing returns. The larger sizes of Comparables 1 and 2, in terms of acreage, are

concluded to warrant an upward adjustment on a price per square foot of land area basis. Conversely, the smaller property size of Comparable 1 is concluded to warrant a downward adjustment on a price per square foot of land area basis. The larger development sizes of Comparables 1 and 2 warrant an upward adjustment, on a price per lot basis. Conversely, within the range of the comparables, the smaller subdivisions representing Comparables 3, 4, 6, and 7 are concluded to rate superior based on lower risk, and warrant downward adjustment for development magnitude on a price per lot basis. No size adjustments are concluded for Comparables 4, 5, 6, and 7, and no development magnitude adjustment is concluded for Comparable 5.

**Zoning, Entitlements, & Approvals**

This adjustment accounts for the applicable land use ordinances and any approvals or entitlements achieved by the close of escrow. The subject property represents an unentitled site with land use ordinances that would support lower density residential development. All selected comparables have similar land use designations that would allow for lower density residential development, indicating no adjustment. However, as noted above, Comparables 1, 2, 3, and 6 sold with entitlement approvals and thus warrant downward adjustment in this category, as shown on the adjustment grid.

**C. Market Value Conclusion**

After the adjustments outlined above, the selected comparables indicate a narrower range from approximately \$168 to \$181 per square foot of land area and about \$853,000 to \$974,000 per lot.

Price per Square Foot of Land Area

Comparable 7 is the oldest sale and its price per square foot unit value adjusted out of pattern, so it was given less weight for this conclusion. Absent this comparable, a narrower range of about \$168 to \$175 per square foot of land area is indicated. Greatest weight is given to Comparables 1 and 3 which are recent sales rating similar density, and to Comparable 6, the most recent sale from Cupertino. Given the subject’s physical, locational, and legal characteristics, and after considering current market conditions a unit value of **\$170 per square foot of land area** is concluded. Applying this concluded unit value to the subject site size results in a market value estimate as follows:

61,605 sq. ft.	x	\$170/sq. ft.	=	\$10,472,850
<b>Rounded</b>			=	<b>\$10,470,000</b>

Price per Lot

On a price per lot basis, the comparables adjusted to a range of about \$853,000 to \$974,000 per lot, with an average of about \$919,000 and a median of about \$925,000. Less weight is placed on Comparable 2 due to the significant size adjustment that was warranted. Greatest weight is given to Comparables 1 and 3, representing 2025 sales with similar density, and to Comparable 5, a similar development size in terms of number of lots. Secondary weight is placed on Comparable 6, the more recent sale from Cupertino. After consideration for the subject's physical, locational, and legal characteristics, and after considering current market conditions a unit value of **\$940,000 per lot** is concluded. Applying this concluded per lot value to the subject's assumed 11-lot potential results in a market value estimate as follows:

$$11 \text{ Lots} \quad \times \quad \$940,000/\text{Lot} = \quad \mathbf{\$10,340,000}$$

Reconciliation and Final Unit Value Conclusion

The sale comparables bracketed the estimated subject density and they included three sales from 2025, two sales from 2024, and one sale each from 2023 and 2022. Overall, despite limited sales data, necessitating the use of Cupertino sales from 2022 and 2023, the comparable sales are considered good indicators of value. Additionally, the two market value estimates above were within a tight range of about 1.3 percent. In this market, developers typically make their purchase decisions using the price per lot indicator. For this analysis, greater weight is given to the price per lot indicator.

Based on the research and analysis, and subject to the assumptions and limiting conditions contained herein, it is my opinion that the market value of the fee simple interest in the subject property, as of April 2, 2026, is:

**TEN MILLION FOUR HUNDRED THOUSAND DOLLARS**

**(\$10,400,000)**

*The reader is reminded that the conclusion above is subject to the extraordinary assumption that by utilizing State Density Bonus Law, the subject property can support a total of eleven dwelling units, comprised of eight market-rate units and three affordable, or below-market-rate, units.*

## VII. EXPOSURE TIME

A reasonable exposure time for the subject property is to be estimated in the event it was to be placed on the open market for sale. To estimate a reasonable exposure time, several factors must be taken into consideration. First, the overall demand and strength of the specific real estate market segment must be analyzed. If the market is relatively healthy, the exposure time will be shorter compared to a softer market in which the exposure time will be longer. Second, the physical, as well as income characteristics of a particular property must be considered, if appropriate.

Based on the exposure times for the sale of similar properties, together with conversations with active brokers in the market, it is my opinion that the subject property would have required a reasonable exposure time of approximately six to twelve months, as of the date of valuation, for the market value conclusion above.

# **ADDENDA**



## MEMO

**To:** Scott Sheldon  
**From:** Michelle Hightower, Angelica Jimenez  
**Date:** 29 September 2025  
**Re:** Cupertino Union School District (CUSD) – Finch Site Research Information

The following provides a summary of the research for CUSD regarding the Finch property, located at 10480 Finch Avenue, Cupertino, CA. The property is a 1.48-acre site.

The Finch property has a General Plan designation of Low Density Residential that allows 1-5 units per acre which calculates as 7.4 units; however, per City Staff, units are rounded down to the nearest whole number, therefore, only seven (7) units would be permitted per the General Plan density. Although the property is within the R1-6 Zoning District, which would permit up to 10 units based on minimum lot size per unit (“6” multiplied by 1,000 square feet), because the zoning density must be consistent with the General Plan which governs, a maximum of seven (7) units would be allowed.

The City of Cupertino provides a process to grant a density bonus above the allowed General Plan density for qualified projects through the State Density Bonus Law (Government Code §65915). For this property, the applicable requirements, as noted in Section 19.56.020 of the Cupertino Zoning Code, indicates housing developments with at least five units are eligible for a density bonus based on the selected type of affordability category as follows:

1. Construct:
  - a. Ten percent of the total units affordable to lower income households at affordable rent or affordable housing cost; or
  - b. Five percent of the total units affordable to very low income households at affordable rent or affordable housing cost; or
  - c. Ten percent of the total units proposed in a common interest development for sale to moderate income households, provided that all units in the development are offered to the public for purchase; or
  - d. A senior citizen housing development; or
2. Donate land in accordance with Section 19.56.030C(2). This allows a 15-35% density bonus if project meets certain criteria. ([Density Bonus/Land Donation Requirements](#))

For density bonuses, the City allows units to be rounded up to the next whole number. The maximum number of additional units allowed is based on the following table:

**Table 1 – CMC Table 19.56.030: Density Bonus Calculations**

Income Level of unit	Proportion of Total Affordable Dwelling Units	Maximum Density Bonus
Very Low Income	5%	20%
	6% - 11% <sup>(1)</sup>	22.5% - 35%
	12% - 14% <sup>(2)</sup>	38.75% - 46.25%
	15% or more	50%
Low Income	10%	20%
	11% - 20% <sup>(2)</sup>	21.5% - 35%
	21% - 23% <sup>(4)</sup>	38.75% - 46.25%
	24% or more	50%
Moderate Income (Common interest developments)	10%	5%
	11% - 40% <sup>(5)</sup>	6% - 35%
	41% - 43% <sup>(6)</sup>	38.75% - 46.25%
	44% or above	50%
Affordable Housing Development	100% <sup>(7)</sup>	80% or as specified in Government Code Section 65915
<ol style="list-style-type: none"> <li>1. For each 1% increase over 5% of the target units, the density bonus shall be increased by 2.5%, up to a maximum of 35%.</li> <li>2. For each 1% increase over 11% of the target units, the density bonus shall be increased by 3.75%, up to a maximum of 50%.</li> <li>3. For each 1% increase over 10% of the target units, the density bonus shall be increased by 1.5%, up to a maximum of 35%.</li> <li>4. For each 1% increase over 20% of the target units, the density bonus shall be increased by 3.75%, up to a maximum of 50%.</li> <li>5. For each 1% increase over 10% of the target units, the density bonus shall be increased by 1%, up to a maximum of 35%.</li> <li>6. For each 1% increase over 40% of the target units, the density bonus shall be increased by 3.75%, up to a maximum of 50%.</li> <li>7. Must meet the requirements of Government Code Section 65915(b)(1)(G) or successor provision.</li> </ol>		

As an example, if the developer provides affordable housing equal to 44% of the seven (7) base units allowed under the General Plan, three (3) units must be restricted to moderate-income households. In return, the project would qualify for a density bonus of 3.5 units, which rounds up to four (4) additional units, resulting in a total of eleven (11) units, comprising eight (8) market-rate units and three (3) affordable units.

## SUBJECT PROPERTY PHOTOS



**VIEW FROM PHIL LANE (4/2026)**



**LOOKING NORTH TOWARD PHIL LN FROM S. SUBJECT BOUNDARY (8/2025)**

## SUBJECT PROPERTY PHOTOS



**ALTERNATE VIEW OF SUBJECT LOOKING SOUTH FROM PHIL LN (8/2025)**



**EAST CURB CUT (4/2026)**

## SUBJECT PROPERTY PHOTOS



**NORTHWEST CORNER POCKET AREA (4/2026)**



**VIEW WITH WEST CURB CUT VISIBLE (4/2026)**

## SUBJECT PROPERTY PHOTOS



**STREET VIEW LOOKING EAST ALONG PHIL LN (8/2025)**



**STREET VIEW LOOKING WEST ALONG PHIL LN (8/2025)**

**REMOVAL ACTION CERTIFICATION  
CUPERTINO UNION SCHOOL DISTRICT  
SEDGWICK ELEMENTARY SCHOOL EXPANSION PROJECT  
CUPERTINO, CALIFORNIA**

**1. Certification of Remedial or Removal Action:**

I hereby certify that the following information is true and correct to the best of my knowledge.

1.	 Project Manager	April 30, 2019 Date
2.	 Unit Chief	5/3/2019 Date
3.	 Branch Chief	5/3/2019 Date

**2. Certification Statement: Based upon the information which is currently and actually known to the Department,**

The Department has determined that all appropriate response actions have been completed, that all acceptable engineering practices were implemented and that no further removal/remedial action is necessary.

The Department has determined, based upon a remedial investigation or site characterization that the site poses no significant threat to public health, welfare or the environment and therefore implementation of removal/remedial measures is not necessary.

The Department has determined that all appropriate removal/remedial actions have been completed and that all acceptable engineering practices were implemented; however, the site requires ongoing operation and maintenance (O&M) and monitoring efforts. The site will be deleted from the "active" site list following (1) a trial operation and maintenance period and (2) execution of a formal written settlement between Department and the responsible parties, if appropriate. However, the site will be placed on the Department's list of sites undergoing O&M to ensure proper monitoring of long-term cleanup efforts.

**3. Site Name and Location: (Street address, County, City and zip code)**

**Sedgwick Elementary School Expansion Project  
10480 Finch Avenue  
Cupertino, California 95014  
Santa Clara County**

A. List any other names that have been used to identify this site:

- None

B. Address of site if different from above:

C. Assessor's Parcel Number: - 375-40-067 (1.48 acres)

4. **Responsible Parties:** (Use extra pages if necessary.)

Name: Mr. Travis J. Kirk

Title: Senior Director, Facilities Operations

Firm: Cupertino Union School District

Address: 10301 Vista Drive

City: Cupertino, California

Zip: 95014

Telephone: (408) 252- 3000 Extension 61-370

**Relationship To Site:** (such as generator, hauler, etc.)

Senior Director, Facilities Operations

Current Landowner/Operator: Cupertino Union School District

5. **Brief Description and History of the Site:** (Include previous and current uses of site, a brief description of the cleanup action and concentrations of significant hazardous substances left on site)

The Cupertino Union School District (District) has expanded the existing Sedgwick Elementary School through the purchase of an adjoining 1.48-acre property identified by the Santa Clara County Assessor's Office as Assessor Parcel Number 375-40-067, located at 10480 Finch Avenue, Cupertino, California (Site). The District currently has no plans to develop the expansion property. The expansion property will not increase the number of students or classrooms at the existing Sedgwick Elementary School. Potable water and sewer services will continue to be provided by the local municipality.

Historically, the Site operated as an orchard from 1939 to 1956 and has been used as residential property since 1956 to 2018. Two small, single-room dwellings were located to the south of a workshop. The dwellings were of wood-

frame construction, resting on concrete blocks. A 500-gallon gasoline underground storage tank (UST) was removed from the Site in 1996. The Santa Clara Valley Water District subsequently issued a March 26, 1997 case closure letter stating that no further action related to the UST release was required.

The Site is bounded to the north by Phil Lane followed by single family residential subdivisions; to the east by Sedgwick Elementary School, followed by South Tantau Avenue and single family residential subdivisions; to the south by the Sedgwick Elementary School playfield, followed by single family residential subdivisions; and, to the west by single family residential subdivisions.

A Preliminary Environmental Assessment (PEA) and Supplemental Site Investigation (SSI) were completed to investigate and delineate, respectively, the Site for the following environmental conditions that may pose a threat to human health or the environment:

- Organochlorine pesticides (OCPs) and arsenic in soils from historic agricultural use;
- Lead in soils from the weathering of lead-based paint potentially used on existing and historic on-site building structures;
- OCPs in soils from potential termiticide use around existing and historic on-site building structures with wood components;
- Polychlorinated biphenyls (PCBs) in soils from the weathering of sealant compounds used in existing and historic building structures; and
- Volatile organic compounds and total petroleum hydrocarbons as gasoline in soils from former on-Site UST.

The results of the PEA screening level risk assessment estimated the total risk from chemicals of concern (COCs) identified in soils at the Site to be  $3.2 \times 10^{-5}$ , which had a potential increased cancer risk of greater than 1 in 1,000,000 ( $>10^{-6}$ ). The total health hazard index from COCs identified in soils at the Site was estimated to be 0.46, which does not provide an increased health hazard index (i.e.,  $>1$ ). Therefore, a response action to reduce or eliminate chlordane- and lead-impacted soils in the area of the workshop/single-room dwelling and residence was recommended.

The purpose of the response action was to mitigate potential risk to human health and the environment by the excavation and off-site disposal of soils containing concentrations of chlordane and lead exceeding the DTSC-modified screening level for chlordane and lead of 0.43 milligrams per kilogram (mg/kg) and 80 mg/kg, respectively. A screening-level human health risk assessment was conducted using the residential (also known as unrestricted) land-use scenario. The RAW activities focused on excavating approximately 300 cubic yards (cy) or approximately 15 truckloads of chlordane- and lead-contaminated soils. DTSC approved the RAW for implementation on April 26, 2018. Removal action field activities began on October 2, 2018 and were completed on October 30, 2018. The excavated soil was temporarily stockpiled on-site and characterized for waste

disposal. Approximately 257 tons (approximately 160 cy), 12 truckloads, of soils classified as non-hazardous waste were transported to Republic Services, Inc. Newby Island Landfill Facility located in Milpitas, Santa Clara County, California for disposal. The actual volume of soils removed from the Site was less than the estimated volume (300 cy) due to the discovery of deep concrete foundation walls, at several locations, that reduced the area of interior excavation and volume of soils requiring removal.

Confirmation soil sampling and chemical analyses were conducted when the planned soil excavation activities were completed. Confirmation soil samples were collected from the bottom and side walls of the excavation areas and were chemically analyzed by an analytical laboratory for the presence of OCPs and lead. The results of the confirmation soil sampling and subsequent screening level risk assessment indicate that the objectives and cleanup goals of the response action have been met.

Post response action activities human health risk screening evaluation concluded that the total risk from COCs identified in soil confirmation samples collected at the Site was estimated to be  $5.02 \times 10^{-7}$ , which does not present an increased cancer risk of greater than 1 in 1,000,000 ( $>10^{-6}$ ). The total health hazard index from COCs identified in soils at the Site was estimated to be 0.01, which does not present an increased health hazard index (i.e.,  $>1$ ). Therefore, further remediation at the Site for OCPs in soils is not warranted.

Lead concentrations reported in confirmation soil samples collected at the Site ranged from 8.2 to 55 mg/kg. Using the calculated 95 percent upper confidence limit for lead of 24 mg/kg, a risk assessment was performed using the DTSC lead risk assessment spreadsheet model (*LeadSpread Version 8*). Based on the LeadSpread output, exposure to the lead concentrations detected at the Site will result in a 90th percentile blood lead concentration of 0.6 micrograms per deciliter in children which is below the Office of Environmental Health Hazard Assessment's blood toxicity level of 1 micrograms per liter. Therefore, further remediation for lead in soils at the Site is not warranted.

The Removal Action Completion Report (RACR) concludes that removal action standards and objectives have been achieved, and that post-removal action Site conditions do not pose a significant threat to human health or the environment. Therefore, the RACR recommended the issuance of a "Site Certification" from DTSC regarding completion of the removal action for the Sedgwick Elementary School Expansion Project.

DTSC staff conducted a Site visit on October 2, 2018 to verify proper implementation of the RAW. Based on DTSC staff observations, the removal activities were consistent with those presented in the approved RAW. Confirmation soil sample results verified that removal action objectives and cleanup goals were achieved and that the Site no longer poses an unacceptable risk to human health or the environment. On February 28, 2019, DTSC approved

the revised RACR and certified that all response actions have been completed and further removal/remedial actions are not necessary for the Site.

6. **Type of Site:** (Check appropriate response)

Included in Bond Expenditure Plan? Yes \_\_\_\_\_ No X

RCRA-Permitted Facility \_\_\_\_\_ Bond - funded

RCRA Facility Closure \_\_\_\_\_ RP - funded

\*NPL No Federal Facility No

Other (i.e., walk-in): Schools Explain Briefly:

7. **Size of Site:** (Based on Expenditure Plan definition of size)

Small X Medium \_\_\_\_\_ Large \_\_\_\_\_ Extra Large \_\_\_\_\_

8. **Dates of Remedial or Removal Action:**

A. Initiated: October 2, 2018 B. Completed: October 30, 2018

\*Per SARA, any NPL site that is not permanently cleaned must be scheduled for a follow-up visit after 5 years to verify that cleanup measures are still satisfactory.

9. **Response Action Taken on Site:** (check appropriate action)

X Removal Action (satisfactory abatement of site)

\_\_\_\_\_ Final Remedial Action

\_\_\_\_\_ RCRA Enforcement/Closure action

\_\_\_\_\_ No action, further investigation verified that no cleanup action at site was needed.

A. Type of Remedial or Removal Action (e.g. Excavation and disposal, cap, on-site treatment?): **Excavation and Off-site disposal.**

B. Estimated quantity of waste associated with the site (i.e., tons/gallons/cubic yards) which was:

1. \_\_\_\_\_ treated

Amount:

2. \_\_\_\_\_ untreated (capped sites)

Amount:

3. X removed

Amount: 160 cubic yards

10. **Cleanup Levels/Standards:**

A. What were the cleanup standards established by the Department of Toxic Substances Control (DTSC) pursuant to the final remedial action plan (RAP) or workplan (if cleanup occurred as the result of a removal action (RA) prior to development of a RAP)?

**Chlordane**  
**Lead**

**0.43 mg/kg**  
**80.0 mg/kg**

B. Were the specified cleanup standards met? Yes  No

C. If "no", why not:

**11. DTSC Involvement in the Remedial or Removal Action:**

A. Did the Department order the Remedial or Removal Action?

Yes  No  Date of Order

B. Did the Department review and approve the following plans/procedures? (indicate date of review/approval if done):

<input checked="" type="checkbox"/> Sampling Analysis Procedures	Date: <u>April 26, 2018</u>
<input checked="" type="checkbox"/> Health & Safety Protections	Date: <u>April 26, 2018</u>
<input checked="" type="checkbox"/> Removal/Disposal Procedures	Date: <u>April 26, 2018</u>
<input checked="" type="checkbox"/> Removal Action Workplan	Date: <u>April 26, 2018</u>

C. If site was abated by a responsible party, did the Department receive a signed statement from a licensed professional on all phases of the Remedial Actions? (indicate date of statement)

<u>Removal Action Workplan</u>	Date <u>January 25, 2018</u>
<u>Removal Action Completion Report</u>	Date <u>February 26, 2019</u>

D. Did a registered engineer or geologist verify that acceptable engineering practices were implemented?

Yes  No  Name Alan Churchill, P.G., No. 9378

E. Did the Department confirm completion of all Remedial Actions?

Yes  No  Date of verification February 28, 2019  
(i.e. manifest, sampling, demonstrated installation and operation of treatment)

F. Did the Department (directly or through a contractor) actually perform the Remedial Action?

Yes  No  Name of Contractor: \_\_\_\_\_

G. Was there a community relations plan in place? Yes  No

H. Was a removal action workplan developed for this site? Yes  No

I. Did DTSC hold a public meeting regarding the draft RAW? Yes \_\_\_ No X

J. Were public comments addressed? **No comments were received.**

Yes \_\_\_ No X Date of DTSC analysis and response: \_\_\_\_\_

K. Are all the facts cited above adequately documented in the DTSC files?

Yes X No \_\_\_

If no, identify areas where documentation is lacking.

**12. EPA Involvement in the Remedial or Removal Action:**

A. Was the EPA involved in the site cleanup? Yes \_\_\_ No X

B. If yes, did EPA concur with all remedial actions? Yes \_\_\_ No N/A

B. EPA comments N/A

EPA staff involved in cleanup (Name, Title):

**13. Other Regulatory Agency Involvement in the Cleanup Action: N/A**

**Agency:**

\_\_\_ RWQCB

\_\_\_ ARB

\_\_\_ CHP

\_\_\_ Caltrans

\_\_\_ Other

**Activity:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Name of contact persons and agency:

**14. Post-Closure Activities: N/A**

A. Will there be post-closure activities at this site? (e.g. Operation and Maintenance)

B. Yes \_\_\_ No X If yes, describe:

B. Have post-closure plans been prepared and approved by the Department?

Yes \_\_\_ No N/A

C. What is the estimated duration of post-closure (including operations and maintenance) activities? N/A years.

D. Are deed restrictions proposed or in place? Yes \_\_\_ No X

If "yes", have deed restrictions been recorded with the County recorder?

Yes \_\_\_ No \_\_\_ Date: \_\_\_\_\_

If "no", who is responsible for assuring that the deed restrictions are recorded? Who is the Department contact? **No deed restrictions were required.**

Name/Phone Number

E. Has cost recovery been initiated? Yes  No

If yes, amount received **\$41,585.44 has been paid on the project with an outstanding balance of \$0.00 as of April 30, 2019.**

F. Were local planning agencies notified of the cleanup action? Yes  No

If yes, the name and address of agency:

**15. Expenditure of Funds and Source:**

(Information to be supplied by Toxic Accounting Unit)

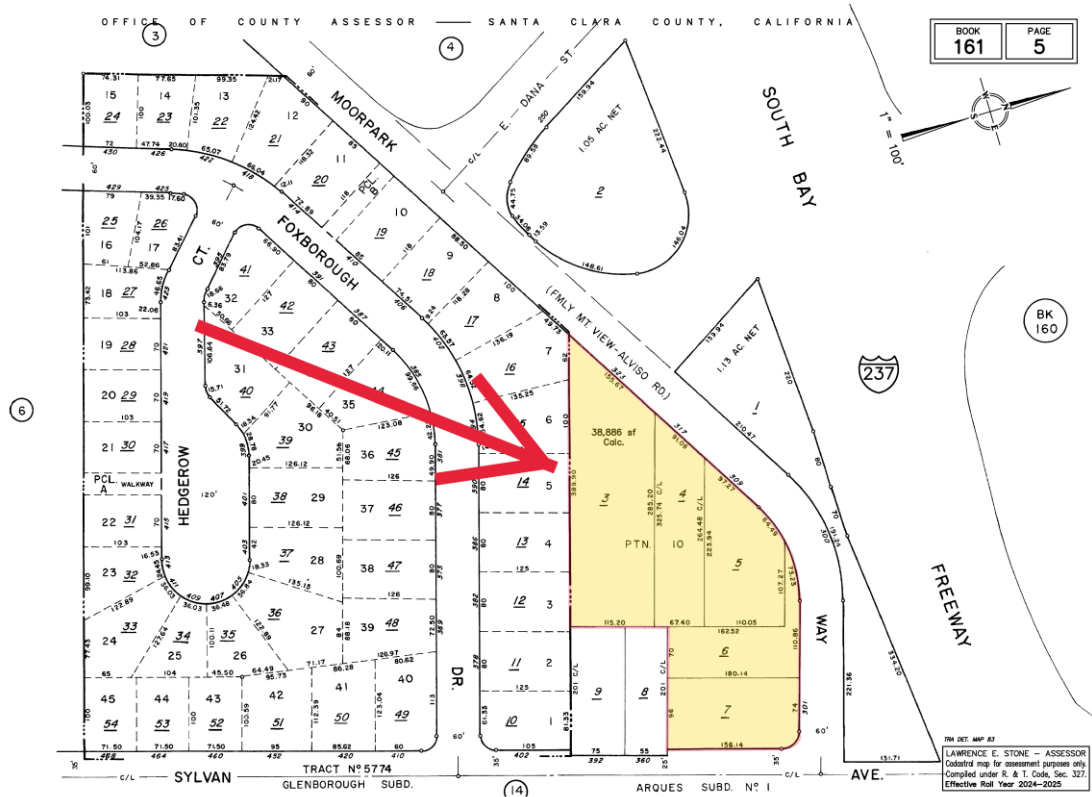
Funding Source and amount expended:

<input type="checkbox"/> HWCA	\$ _____	<input type="checkbox"/> HSA	\$ _____
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<input checked="" type="checkbox"/> RP	\$ _____	<input type="checkbox"/> Other	\$ _____
<input type="checkbox"/> Federal Cooperative Agreement	\$ _____		
<input type="checkbox"/> Other (Site Remediation Account)	\$ _____		

**16. Additional Comments:**

None.

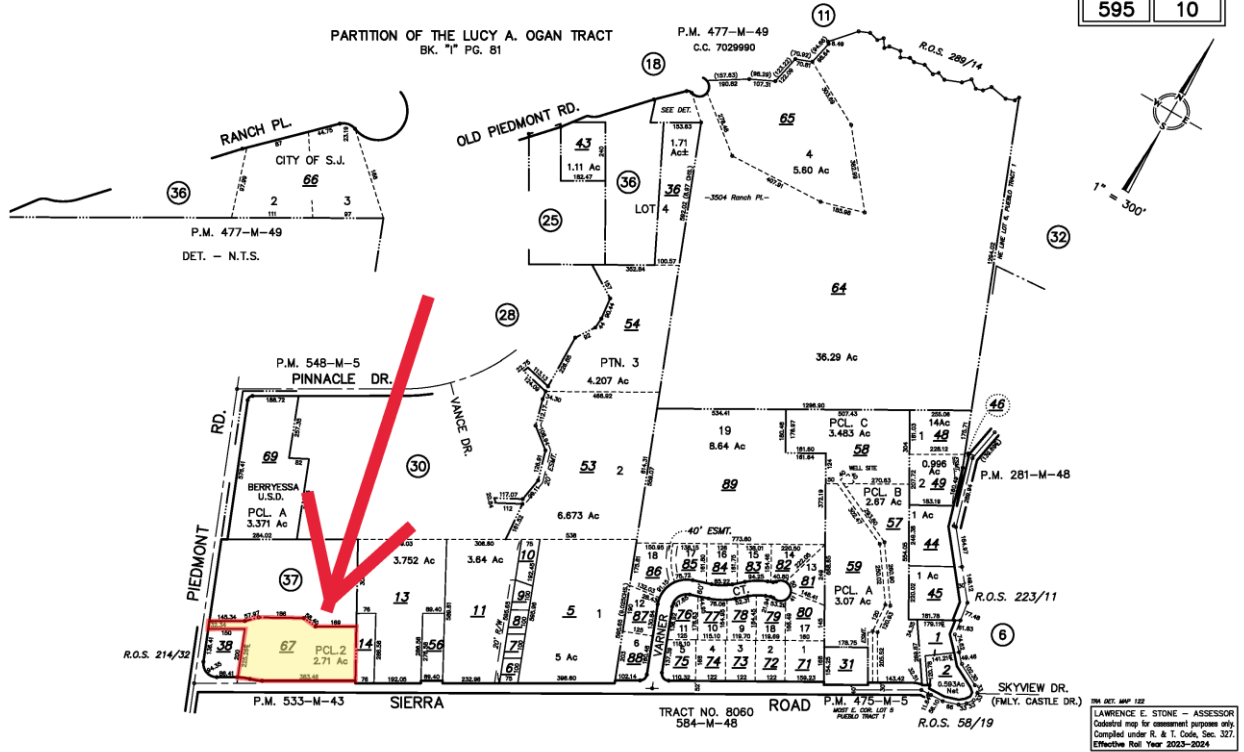
# COMPARABLE SALE PHOTOS AND PARCEL MAPS



# COMPARABLE SALE PHOTOS AND PARCEL MAPS

OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA

BOOK 595 PAGE 10

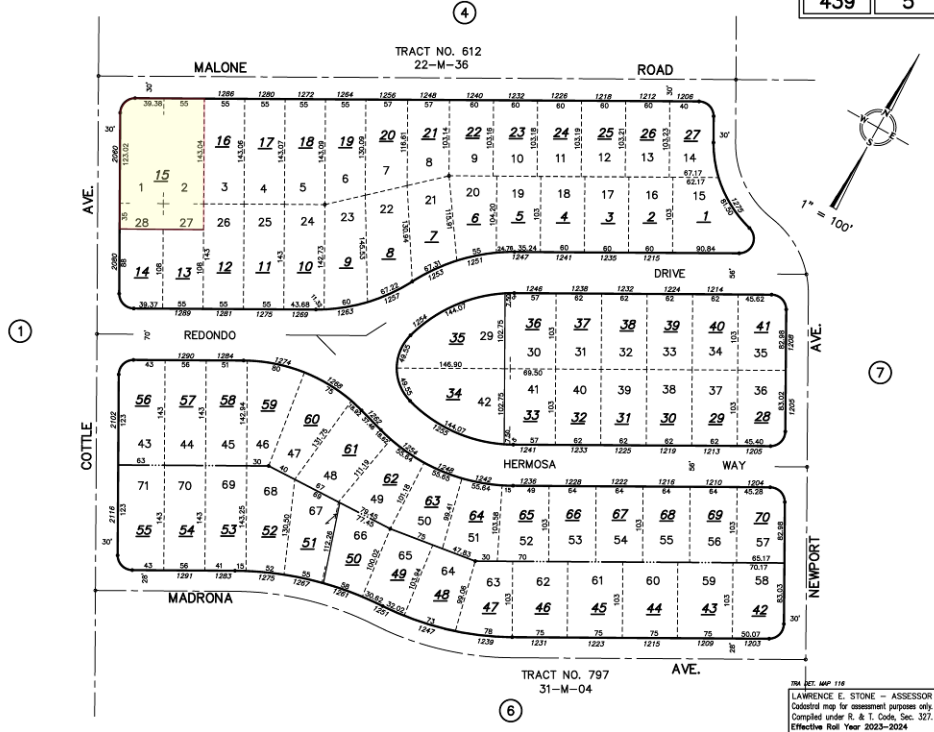


Comparable Sale 2

# COMPARABLE SALE PHOTOS AND PARCEL MAPS

OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA

BOOK 439 PAGE 5



LAWRENCE E. STONE - ASSESSOR  
 Cadastral map for assessment purposes only.  
 Compiled under R. & T. Code, Sec. 337.  
 Effective Roll Year 2023-2024.

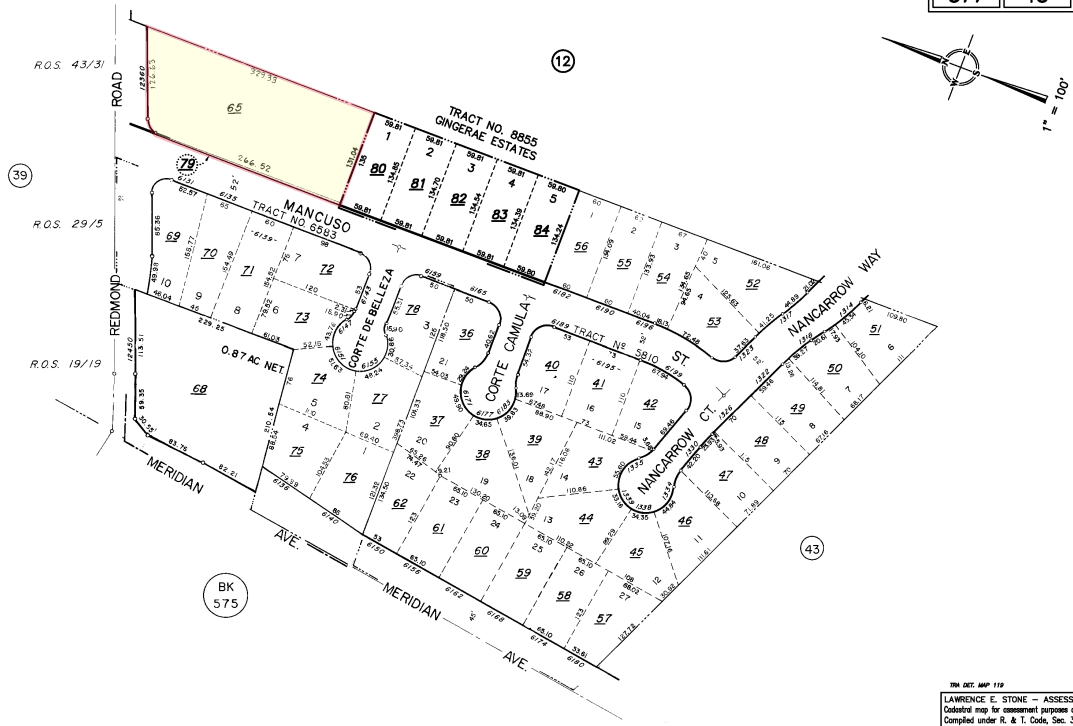


Comparable Sale 3

# COMPARABLE SALE PHOTOS AND PARCEL MAPS

OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA

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THE DEC. MAP 119  
LAWRENCE E. STONE — ASSESSOR  
Cadastral map for assessment purposes only.  
Compiled under R. & T. Code, Sec. 327.  
Effective Roll Year 2023-2024



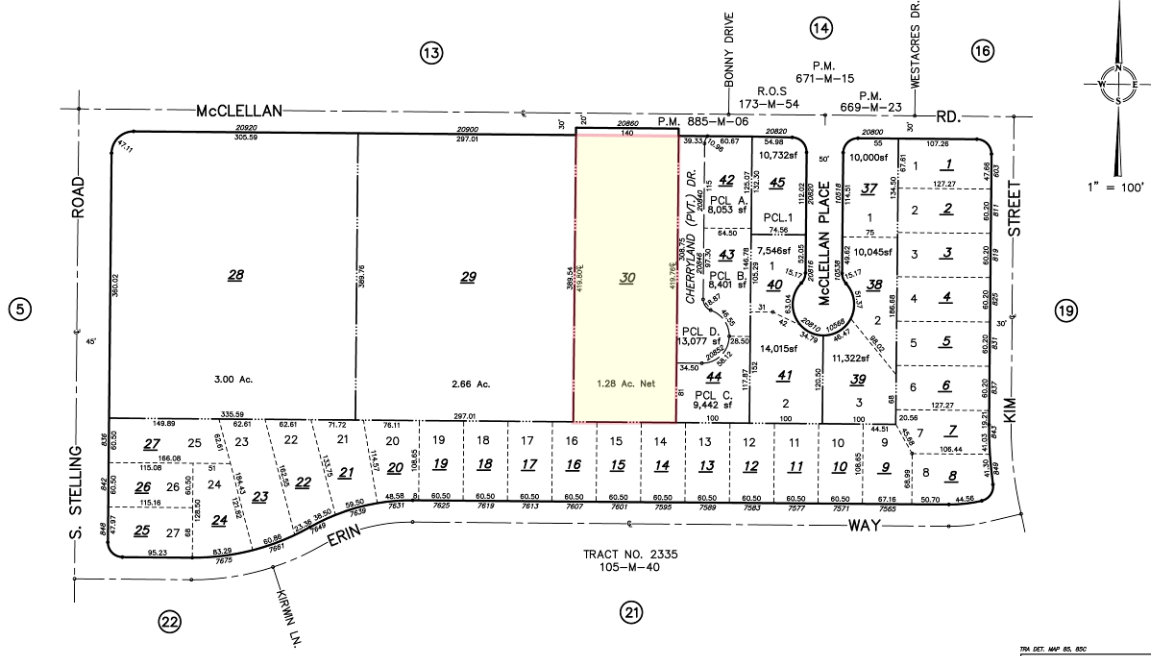
**Comparable Sale 4**



# COMPARABLE SALE PHOTOS AND PARCEL MAPS

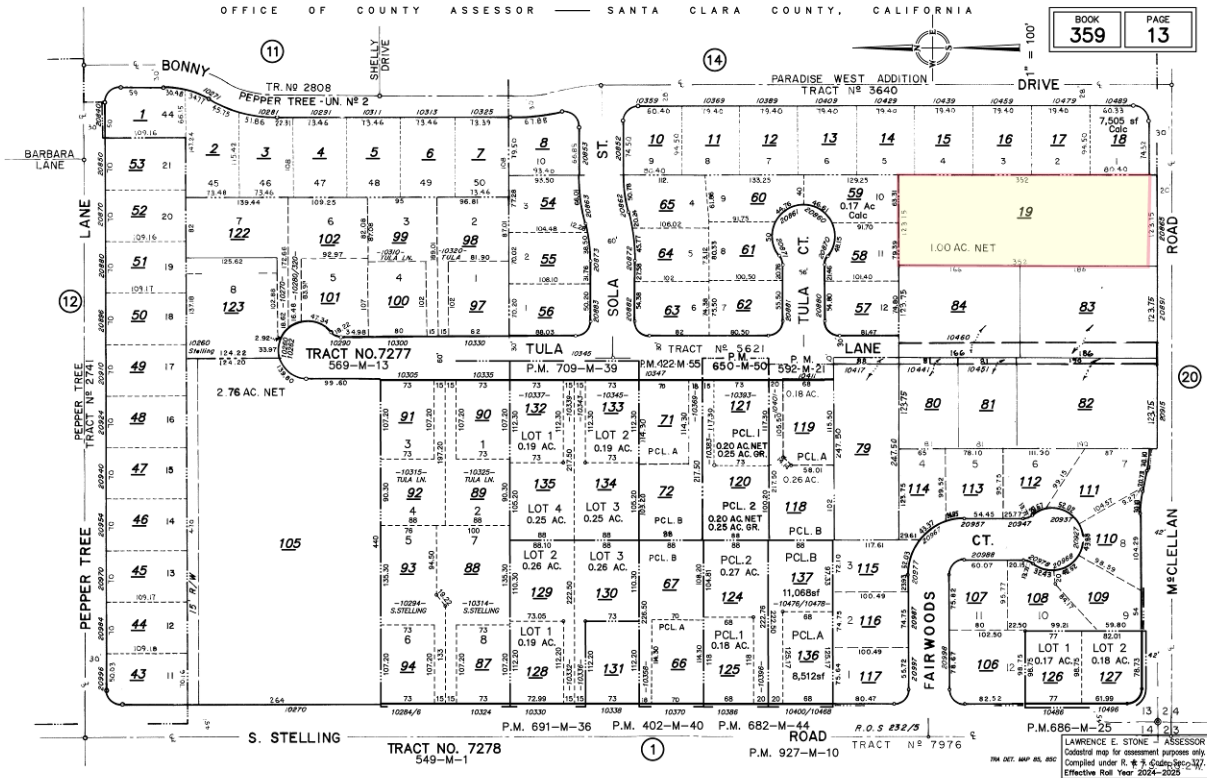
OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA

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Comparable Sale 6

# COMPARABLE SALE PHOTOS AND PARCEL MAPS



**Qualifications of Matthew Watson, MAI**  
**CARNEGHI-NAKASAKO + ASSOCIATES**

**Principal**

**California Certified General Real Estate Appraiser No. AG040050**

1550 The Alameda, Suite 210, San Jose CA 95126

Main: 408-535-0900 ext. 106

Direct: 408-514-1610

matt@cnaappraisal.com

Mr. Watson has been appraising commercial, industrial, residential, and special purpose properties in the broader San Francisco Bay Area since 2002. He was awarded the Appraisal Institute's MAI designation in 2016 and has furthered his appraisal knowledge by attending appraisal classes and seminars offered by the Appraisal Institute, including the past twenty-four Fall Conferences put on by the Appraisal Institute's Northern California Chapter. Past appraisal/valuation work include fee simple, leased fee, and leasehold appraisals of improved properties and/or land for: schools; service stations; office buildings; industrial; R&D buildings; warehouses; apartment complexes; retail; shopping centers; big-box retail; restaurants; mixed-use; auto-related uses; manufactured housing communities; churches; agriculture; ranchland; courthouse; data center; parking garages; historic properties; former salt ponds; residential and commercial condominiums; attached and detached single family dwellings, including residential subdivisions; and entitled development projects. Appraisal services have been provided to a variety of attorneys, individuals, trusts, partnerships, title companies, lenders, school districts, cities, and non-profits. He also provides services to property owners and various agencies for easement, right-of-way, and open space acquisitions.

**Experience**

<b>Since January 2018:</b>	<b>Project Manager/Principal</b>	Carneghi-Nakasako + Associates San Jose, California
<b>January 2002 – December 2017:</b>	<b>Appraiser/Senior Appraiser</b>	The Schmidt-Prescott Group, Inc. Fremont and San Jose, California

**Professional Affiliations**

- **California Certified General Real Estate Appraiser No. AG040050**
- **MAI Designated Member of the Appraisal Institute (No. 464083)**

# **Qualifications of Matthew Watson, MAI**

## **CARNEGHI-NAKASAKO + ASSOCIATES**

### **Education**

B.S. Electrical Engineering

University of California  
Santa Barbara, California

### **Appraisal & Real Estate Classes & Seminars**

2026-2027 7-Hour National USPAP Update

Advanced Concepts & Case Studies

Advanced Income Capitalization

Advanced Land Valuation

Advanced Sales Comparison & Cost Approaches

Appraising Automobile Dealerships

Business Practices & Ethics (Sept. 2025)

California Elimination of Bias and Cultural Competency for Appraisers (Nov. 2023)

Eminent Domain and Condemnation

Federal & California Statutory and Regulatory Laws (Nov. 2025)

General Market Analysis & Highest and Best Use

General Appraiser Report Writing & Case Studies

General Demonstration Report Writing

General Demonstration Report—Capstone Program

General Applications

Supervisory Appraiser/Trainee Appraiser Course

Spring Litigation Conference 2011, 2012, 2013, 2014, 2015, 2016

*Updated – December 2025*