

# MENDOCINO RAILWAY

Foot of Laurel Street  
Fort Bragg, California 95437

707 964 6371 TEL  
707 964 6428 FAX

November 6, 2020

Lorena Ruth Shea  
476 Alger Steet  
Fort Bragg, CA 95437

Re: Offer to Purchase and Appraisal Basis of Offer  
Mendocino Railway – Right of Way Acquisition  
**476 Alger Street, Fort Bragg, CA (APN No. 008-130-02)**

Dear Ms. Shea:

Mendocino Railway is seeking to acquire the above-referenced property (collectively “Subject Property”) in connection with its ongoing and future freight and passenger rail operations (“Project”). As the Subject Property is necessary for the Project, Mendocino Railway seeks to acquire the Subject Property from you. This letter constitutes Mendocino Railway’s offer to purchase the Subject Property for the Project.

A map and legal description of the Subject Property is enclosed herewith.

## 1. OFFER TO PURCHASE

Mendocino Railway hereby offers to purchase the Subject Property on the terms and conditions set forth below herein, and in a Purchase Agreement to be prepared upon your acceptance of the offer. It is the policy of Mendocino Railway to acquire property that is in private ownership only when it is necessary to do so, and through voluntary purchase if possible. In accordance with applicable law, Mendocino Railway has obtained, reviewed and approved an appraisal to establish the fair market value of the Subject Property.

A copy of Mendocino Railway’s approved appraisal is enclosed herewith for your review.

## 2. PURCHASE PRICE

Mendocino Railway hereby offers the sum of \$155,000 as just compensation for the acquisition of the Subject Property, free of liens and all other encumbrances except as may be agreed to by Mendocino Railway. This amount does not include any relocation assistance, benefits, or other payments (if any) which you may be entitled to receive if eligible.

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## 3. BASIS OF OFFER

The appraisal of the Subject Property takes into account the highest and best use, the location, the condition and size of any improvements existing on the land, if any, the date of value, and various factors that affect fair market value.

The appraisal includes an analysis of highest and best use, a valuation analysis, and the applicable approach to value used by the appraiser. Also included are the comparable sales used by the appraiser to determine the fair market value.

## CONDITIONS OF OFFER

This offer is subject to the timely acceptance by the owner of the Subject Property and the parties' execution of a Purchase Agreement and Joint Escrow Instructions.

The amount offered is also subject to any costs to remediate, and/or any diminution in value, related to the presence on the Subject Property of additional or other hazardous substances, products, waste, or other materials of any nature whatsoever which are or may become listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 United States Code Section 9601 et seq., or California Health and Safety Code section 25260.

## 4. ACCEPTANCE

If this offer is acceptable to you, please sign where indicated below, and return the signed agreement to Glenn L. Block, Esq., California Eminent Domain Law Group, 3429 Ocean View Blvd, Suite L, Glendale, CA 91208.

## 5. ADMISSIBILITY OF OFFER

If for any reason you do not accept Mendocino Railway's offer, please be advised that this letter and the offer made herein are made under the provisions of California Evidence Code section 1152, et seq., as an offer to compromise, and shall not be admissible to prove Mendocino Railway's liability and may not be used as an admission of value in any eminent domain or other proceeding.

## 6. OTHER INFORMATION

- A. If you accept this offer and enter into a Purchase Agreement, you are not required to pay recording fees, transfer fees or the pro rata share of real property taxes which are allocable to any period subsequent to the passage of title or possession of the Subject Property;
- B. Mendocino Railway's offer contemplates that all buildings, structures, and other improvements affixed to the land will be conveyed. The Subject Property is as described in the enclosed appraisal report;

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- C. The fair market value of the Subject Property being purchased is based upon a market value appraisal. The Appraisal is enclosed herewith. The amount:
- a. Represents the full amount of the appraisal of just compensation for the Subject Property interest to be purchased;
  - b. Is not less than the approved appraisal of the fair market value of the Subject Property as improved;
  - c. Disregards any decrease or increase in the fair market value of the real property to be acquired prior to the date of valuation caused by the public improvement for which the property is to be acquired or by the likelihood that the property would be acquired for such public improvement, other than physical deterioration, if any, within the reasonable control of the owner or occupant;
  - d. Does not reflect any consideration of or allowance for any relocation assistance and payments or other benefits which the owner may be entitled to receive if eligible;
- D. Mendocino Railway needs to begin construction and operation of the Project as soon as possible. Mendocino Railway's public use of the Subject Property is scheduled to begin as soon as Mendocino Railway acquires the property needed for the Project.

## 7. NON-ACCEPTANCE

It is Mendocino Railway's hope that our offer is agreeable to you and that the acquisition can begin immediately. Should you reject or fail to timely respond to this offer, you will be entitled to have the market value of the property, which will be the amount of compensation due to you, determined by a court of law in accordance with the laws of the State of California in an eminent domain proceeding.

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## 8. QUESTIONS

If you have any questions regarding this offer or the enclosed documents, please feel free to contact the undersigned or Mendocino Railway's eminent domain counsel, Glenn L. Block, Esq., California Eminent Domain Law Group, 3429 Ocean View Blvd, Suite L, Glendale, CA 91208.

Sincerely,



Robert J. Pinoli, Vice-President  
MENDOCINO RAILWAY

cc: Ms. Karen Shea (via email – [gmakaren@gmail.com](mailto:gmakaren@gmail.com))  
Glenn L. Block, Esq., California Eminent Domain Law Group, a P.C.

Enclosures:

1. Appraisal
2. Legal Description and Map Exhibit
3. Eminent Domain Informational Brochure

### AGREED & ACCEPTED:

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Lorena Ruth Shea

By: \_\_\_\_\_ Dated: \_\_\_\_\_  
Robert Jason Pinoli, Vice President  
Mendocino Railway

**SUBJECT**  
 Borrower Property owner: Ruth L Shea Census Tract 104.00 Map Reference Fort Bragg  
 Property Address 476 Alger St  
 City Fort Bragg County Mendocino State CA Zip Code 95437  
 Legal Description See attached legal description  
 Sale Price Not applicable Date of Sale N/A Loan Term N/A yrs. Property Rights Appraised  Fee  Leasehold  De Minimus PUD  
 Actual Real Estate Taxes \$668.00 (yr.) Loan charges to be paid by seller N/A Other sale concessions N/A  
 Lender/Client Client: California Eminent Domain Law Group, APC Address 3429 Ocean View Blvd, Suite L, Glendale, CA 91208, Attn: Glen Block, Esq.  
 Occupant Vacant Appraiser Maryellen Sheppard Instructions to Appraiser Base appraisal upon Fair Market Value definition as noted in  
 West's Ann.Cal.C.C Section 1263-320 - Fair market value. Full Definition shown elsewhere in these pages.

**NEIGHBORHOOD**

Location	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Employment Stability	<input type="checkbox"/> Good	<input checked="" type="checkbox"/> Avg	<input type="checkbox"/> Fair	<input type="checkbox"/> Poor
Built Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%	Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Growth Rate	<input type="checkbox"/> Fully Dev.	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Steady	Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Values	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining	Convenience to Schools	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	Adequacy of Public Transportation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marketing Time	<input type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 4-6 Mos.	<input type="checkbox"/> Over 6 Mos.	Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Present	<input type="checkbox"/> 75 % One-Unit	<input type="checkbox"/> % 2-4 Units	<input type="checkbox"/> % Apts	Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Land Use	<input type="checkbox"/> % Industrial	<input type="checkbox"/> % Vacant	<input checked="" type="checkbox"/> 25 % Public Schools	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Change in Present Land Use	<input checked="" type="checkbox"/> Not Likely	<input type="checkbox"/> Likely	<input type="checkbox"/> Taking Place(*)	Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	(*)From _____ To _____			Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<input type="checkbox"/> % Vacant	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
One-Unit Price Range	\$ <u>225,000</u> to \$ <u>600,000</u>	Predominant Value \$ <u>399,000</u>		Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
One-Unit Age	<u>10</u> yrs. to <u>130</u> yrs.	Predominant Age <u>90</u> yrs.		Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise) <u>See Attached Addendum.</u>				

**SITE**

Dimensions 153.94 X 245 = 37715 Sq.Ft.  Corner Lot  
 Zoning Classification Very High Density Residential Present Improvements  Do  Do Not Conform to Zoning Regulations  
 Highest and Best Use  Present Use  Other (specify) Residential development

Elec.	<input checked="" type="checkbox"/> PG&E	Topo	<u>relatively level</u>
Gas	<input type="checkbox"/> delivered propane	Size	<u>37715 sf</u>
Water	<input checked="" type="checkbox"/> City	Shape	<u>irregular</u>
San. Sewer	<input checked="" type="checkbox"/> City	View	<u>wooded</u>
	<input type="checkbox"/> Underground Elec & Tel	Drainage	<u>appears adequate</u>

OFF-SITE IMPROVEMENTS  
 Street Access  Public  Private  
 Surface paved  
 Maintenance  Public  Private  
 Storm Sewer  Curb/Gutter  
 Sidewalk  Street Lights

Property located in a HUD identified Special Flood Hazard Area?  Yes  No

Comments (favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions) FEMA Map 06045C1016G, dated 7/18/2017. The subject site lies in Zone X, defined as "areas determined to be outside the 0.2% annual chance floodplain. The subject property is zoned high density residential. The zoning regulation allows development of single and multiple residential units. Comp. 5 is also zoned for Very High Density Residential.

The undersigned has recited three recent sales of properties most similar and proximate to the subject and has to be considered these in the market analysis. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than subject property, a minus (-) adjustment is made, thus reducing the indicated value of the subject, if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

**MARKET DATA ANALYSIS**

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	<u>476 Alger St Fort Bragg, CA 95437</u>	<u>125 Livingston Street Fort Bragg, CA 95437</u>	<u>467 Park Street Fort Bragg, CA 95437</u>	<u>20 Swing Tree Lane Fort Bragg, CA 95437</u>
Proximity to subject		<u>0.42 miles SE</u>	<u>0.72 miles SW</u>	<u>0.66 miles SE</u>
Sales Price	<u>\$ Not applicable</u>	<u>\$ 181,000</u>	<u>\$ 200,000</u>	<u>\$ 75,000</u>
Price \$/Sq. Ft.		<u>20.92</u>	<u>10.33</u>	<u>9.84</u>
Data Source	<u>Inspection</u>	<u>MLS#27258, DOM 33</u>	<u>Flex MLS#26613, DOM144</u>	<u>Flex MLS#26874, DOM 192</u>
Date of Sale and Time Adjustment	<u>DESCRIPTION</u> <u>10/09/2020</u>	<u>DESCRIPTION</u> <u>07/15/2020</u>	<u>DESCRIPTION</u> <u>02/01/2019</u>	<u>DESCRIPTION</u> <u>11/15/2019</u>
Location	<u>Urban</u>	<u>Urban</u>	<u>N;Res;</u>	<u>Urban</u>
Site/View	<u>37715 sf</u>	<u>6500 sf</u>	<u>15000 sf</u>	<u>7620 sf</u>
Site Imp.	<u>Water &amp; sewer</u>	<u>Water &amp; sewer</u>	<u>Water &amp; sewer</u>	<u>to be developed</u>
Structural imp	<u>Structure to be razed</u>	<u>Old res.-poor cond.</u>	<u>Old res.-poor cond.</u>	<u>None</u>
Access	<u>Paved, public</u>	<u>Paved, public</u>	<u>Paved, public</u>	<u>Paved, public</u>
topography	<u>Moderate North</u>	<u>Rel level</u>	<u>Rel level</u>	<u>Rel level</u>
Sales or Financing Concessions	<u>Cash or equivalent Document#</u>	<u>Cash Doc#8369</u>	<u>Seller financing Doc#4381</u>	<u>cash Doc#Not yet reported</u>
Net Adj. (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - <u>\$ 25,000</u>	<input type="checkbox"/> + <input checked="" type="checkbox"/> - <u>\$ 45,000</u>	<input checked="" type="checkbox"/> + <input type="checkbox"/> - <u>\$ 35,000</u>
Indicated Value of Subject		Gross Adj: <u>35.9 %</u> Net Adj: <u>-13.8 %</u> <u>\$ 156,000</u>	Gross Adj: <u>27.5 %</u> Net Adj: <u>-22.5 %</u> <u>\$ 155,000</u>	Gross Adj: <u>46.7 %</u> Net Adj: <u>46.7 %</u> <u>\$ 110,000</u>

**RECONCILIATION**

Comments on Market Data See Attached Addendum.

Comments and Conditions of Appraisal Appraisal made as is.

Final Reconciliation The Sales Comparison Approach is the only relevant approach to value and, is, therefore, given most weight. Appraised value based on market exposure time of 120 to 180 days.

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE SUBJECT PROPERTY AS OF October 9, 2020 TO BE \$ 155,000

<b>APPRaiser</b>	<b>SUPERVISORY APPRAISER (if applicable)</b>
Signature <u>Maryellen Sheppard</u>	Signature _____
Name <u>Maryellen Sheppard</u>	Name _____
Title <u>Real Estate Appraiser</u>	Title _____
Date Report Signed <u>11/04/2020</u>	Date Report Signed _____
State Certification # <u>AG002980</u> State <u>CA</u>	State Certification # _____ State _____
State License # <u>CA</u> State _____	State License # _____ State _____
Expiration Date of Certification or License <u>11/03/2022</u>	Expiration Date of Certification or License _____
Date of Inspection <u>10/02/2020</u>	<input type="checkbox"/> Did <input type="checkbox"/> Did Not Inspect Property Date of Inspection _____



## ADDENDUM

Borrower: Property owner: Ruth L Shea

File No.: Shea476AlgerSt

Property Address: 476 Alger St

Case No.: 476 Alger St

City: Fort Bragg

State: CA

Zip: 95437

Lender: Client: California Eminent Domain Law Group, APC

### Neighborhood Comments

Fort Bragg is the largest city, along the coast, between San Francisco and Eureka, a distance of 310 miles. Because Fort Bragg provides residents with police protection, a manned fire department, public water and sewage disposal, city parks, and other urban amenities, it has been classified as an urban center. While Fort Bragg lacks the "urban" features associated with a much larger metropolitan region such as Santa Rosa and San Francisco, but it is an urban center for the Mendocino Coast.

Residential development in Fort Bragg has resulted in ill-defined neighborhoods. Generally, residential development has tended to be random, consisting mostly of single-home construction on a variety of lot sizes. Due to this haphazard development, Fort Bragg exhibits a mixture of housing quality, size and age. It is not at all unusual to find market-similar housing scattered throughout the incorporated area. It is also likely that neighboring houses will appeal to very different sectors of the market.

The subject property is located in the northeastern portion of Fort Bragg and is within walking distance of the Fort Bragg Middle School. The school playing fields are located southeast of the subject property.

The site is accessible via Alger Street which ends at the southwest corner of the subject site. The subject site is connected to Fort Bragg city services for water and sewage disposal.

### Comments on Sales Comparison

The subject property includes structures which have deteriorated beyond repair. The interior of the building was not inspected due to concerns over black mold issues and due to uncertainty as to unknown persons who appear to occupy the site. The site is littered with considerable rubbish, damaged personal property, and discarded clothing. It appears the site and perhaps the buildings have been occupied on and off for years by transient occupants. In an effort to avoid a dangerous circumstance, the structures were observed from the exterior only.

The Mendocino County Assessor's Office reports the subject residence dates from 1945 and contains 1,072 square feet with 3 bedrooms and one bathroom. There is a detached garage located south of the subject residence and to the east of Alger Street. The property is connected to Fort Bragg water and sewer for these services.

Due to the extremely poor condition of the subject structures, the property has been valued as a vacant site available for development.

Comp. 1 is the sale of an older home in poor condition when sold. It was vacant when sold and appeared to be in very poor condition. However, It is likely the comp. 1 residence could be rehabilitated for occupancy. It appears the subject residence has deteriorated beyond repair and would not be suitable for reconstruction due to reports of extensive mold in the home's interior.

Comp. 2 is also the sale of a low quality residence situated on an oversized lot. The comp. 2 residence was habitable when sold but was in poor condition and in need of significant repairs.

Comps 3 to 5 are sales of vacant sites which are not connected to city services but those services are available in the street. The subject site is connected to Fort Bragg City Water and sewer services and an upward adjustment was made to comps. 3, 4 and 5 for those differences.

Value range indicated by Sales Comparison Approach is from \$110,000 to \$156,000. A value conclusion of \$155,000 is considered realistic for the subject site. As noted above, the foregoing estimate of fair market value is based on the assumption the existing structures are of no value. I have knowledge and experience in appraising this type of property in this market area.

I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records, and other such data sources for the area in which the property is located.

The valuation of the subject property necessitated the use of available sales/listings which required adjustments for differences in several categories. Across the board adjustments are frequently a necessity in the local real estate market because individual properties vary so greatly.

I have considered relevant competitive listings/contract offerings in performing this appraisal, and any trend indicated by that data supported by the listing/offering information included in this report.

The foregoing estimate of market value is based on the following definition of market value:

The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for doing so, nor obligated to sell, and a buyer, being ready, willing, and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.

Definition of Fair Market Value:

The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for doing so, nor obligated to sell, and a buyer, being ready, willing, and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available. This appraisal is prepared in compliance with the eminent domain law, including this definition of fair market value (Cal Code of Civil Procedure 1263.320) and excludes any potential project influence (Cal Code of Civil Procedure 1263.330).

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided photographs, maps and other illustrations in the appraisal report to show only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.

4. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.

5. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.

6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.

7. The appraiser must provide his or her prior written consent before the client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the user(s) named in this document.

8. This appraisal is prepared in compliance with the eminent domain law, including the definition of fair market value (Cal Code of Civil Procedure 1263.320) and excludes any potential project influence (Cal Code of Civil Procedure 1263.330).



Certification

Borrower: Property owner: Ruth L Shea	File No.: Shea476AlgerSt
Property Address: 476 Alger St	Case No.: 476 Alger St
City: Fort Bragg	State: CA
	Zip: 95437
Lender: Client: California Eminent Domain Law Group, APC	

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected the most similar and proximate comparable transactions to the subject property for consideration in the sales comparison analysis and have made dollar adjustments when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
  
  2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
  
  3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
  
  4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
  
  5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
  
  6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or any other predetermined value.
  
  7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section. In addition, this appraisal is prepared in compliance with the eminent domain law, including the definition of fair market value (Cal Code of Civil Procedure 1263.320) and excludes any potential project influence (Cal Code of Civil Procedure 1263.330).
  
  8. I have personally inspected the subject property and, where accessible, viewed the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them.
- It should be noted that Karen Shea was contacted regarding the inspection of the subject property. Ms. Shea was offered the opportunity to be present when the property was inspected but declined the opportunity.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. No one provided on significant professional assistance regarding the performance of the appraisal or the preparation of the appraisal report. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

Maryellen Sheppard  
 Real Estate Appraiser, AG002980

Appraiser: \_\_\_\_\_ Supervisory Appraiser: \_\_\_\_\_  
 Name: \_\_\_\_\_ Name: \_\_\_\_\_

SUBJECT PROPERTY PHOTO ADDENDUM

Borrower: Property owner: Ruth L Shea	File No.: Shea476AlgerSt
Property Address: 476 Alger St	Case No.: 476 Alger St
City: Fort Bragg	State: CA
Lender: Client: California Eminent Domain Law Group, APC	Zip: 95437



FRONT VIEW OF  
SUBJECT PROPERTY

Appraised Date: October 9, 2020  
Appraised Value: \$ 155,000



REAR VIEW OF  
SUBJECT PROPERTY



STREET SCENE

Borrower: Property owner: Ruth L Shea

File No.: Shea476AlgerSt

Property Address: 476 Alger St

Case No.: 476 Alger St

City: Fort Bragg

State: CA

Zip: 95437

Lender: Client: California Eminent Domain Law Group, APC



View of Alger looking north.



Detail view of residential structure located on subject site.



View of rubbish pile on subject site.



Detached garage structure located on the subject site.



View of overgrowth and piled rubbish on subject site.



"Red tag" on subject residence.

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Property owner: Ruth L Shea	File No.: Shea476AlgerSt
Property Address: 476 Alger St	Case No.: 476 Alger St
City: Fort Bragg	State: CA
Lender: Client: California Eminent Domain Law Group, APC	Zip: 95437



COMPARABLE SALE #1

125 Livingston Street  
Fort Bragg, CA 95437  
Sale Date: 07/15/2020  
Sale Price: \$ 181,000



COMPARABLE SALE #2

467 Park Street  
Fort Bragg, CA 95437  
Sale Date: 02/01/2019  
Sale Price: \$ 200,000



COMPARABLE SALE #3

20 Swing Tree Lane  
Fort Bragg, CA 95437  
Sale Date: 11/15/2019  
Sale Price: \$ 75,000

COMPARABLE PROPERTY PHOTO ADDENDUM

Borrower: Property owner: Ruth L Shea	File No.: Shea476AlgerSt	
Property Address: 476 Alger St	Case No.: 476 Alger St	
City: Fort Bragg	State: CA	Zip: 95437
Lender: Client: California Eminent Domain Law Group, APC		



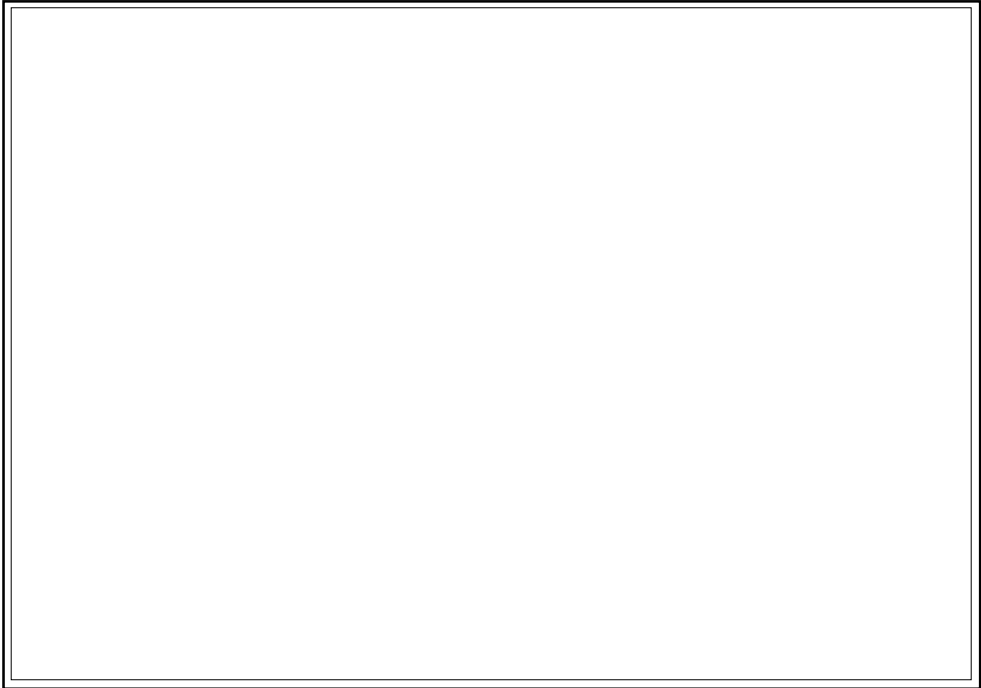
COMPARABLE SALE #4

851 Woodward Street  
Fort Bragg, CA 95437  
Sale Date: 10/15/2018  
Sale Price: \$ 111,000



COMPARABLE SALE #5

409 S Whipple Street  
Fort Bragg, CA 95437  
Sale Date: 10/09/2020  
Sale Price: \$ 94,000



COMPARABLE SALE #6

Sale Date:  
Sale Price: \$

PLAT MAP

Borrower: Property owner: Ruth L Shea

File No.: Shea476AlgerSt

Property Address: 476 Alger St

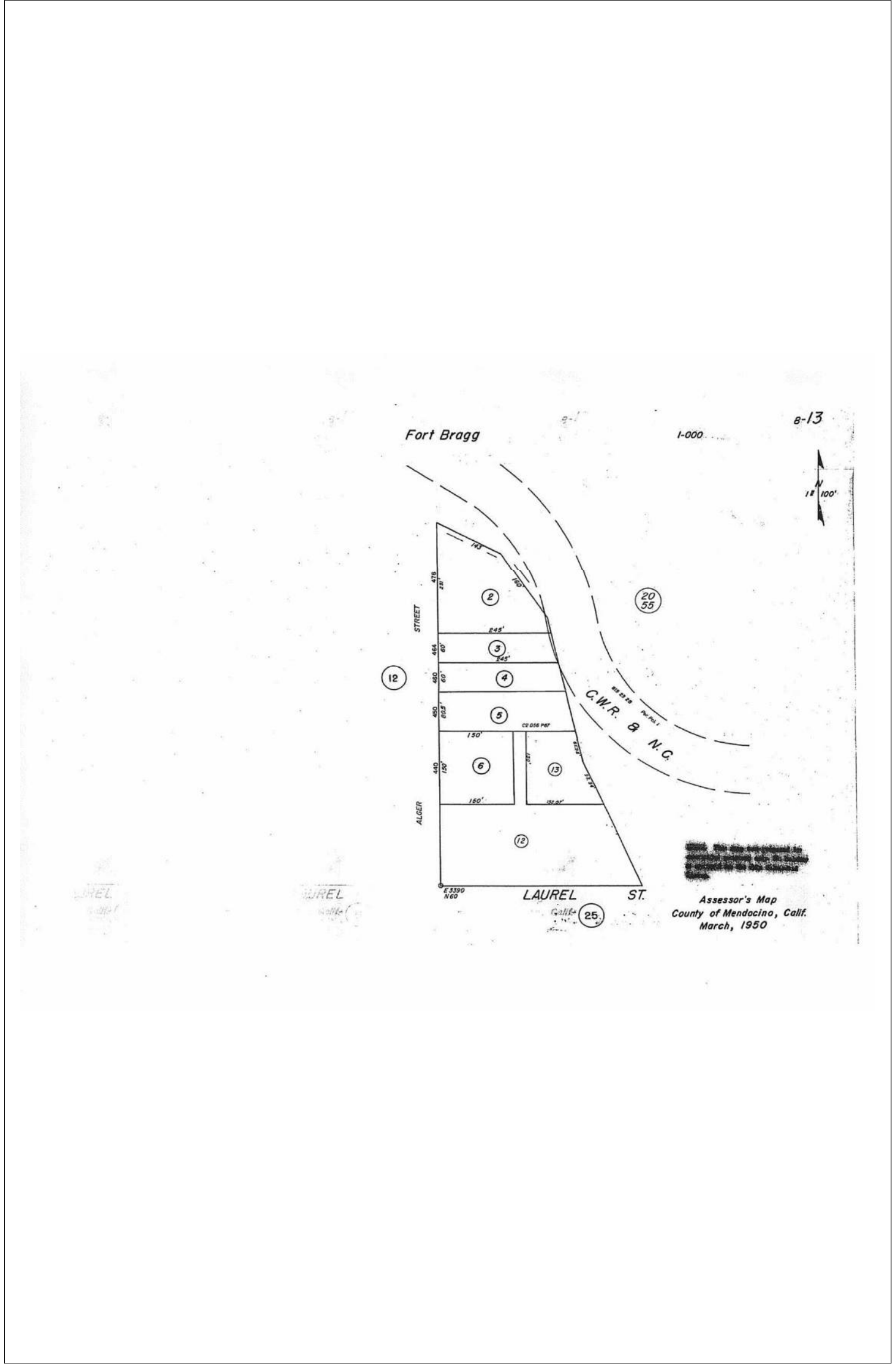
Case No.: 476 Alger St

City: Fort Bragg

State: CA

Zip: 95437

Lender: Client: California Eminent Domain Law Group, APC



Flood Map

Borrower: Property owner: Ruth L Shea

File No.: Shea476AlgerSt

Property Address: 476 Alger St

Case No.: 476 Alger St

City: Fort Bragg

State: CA

Zip: 95437

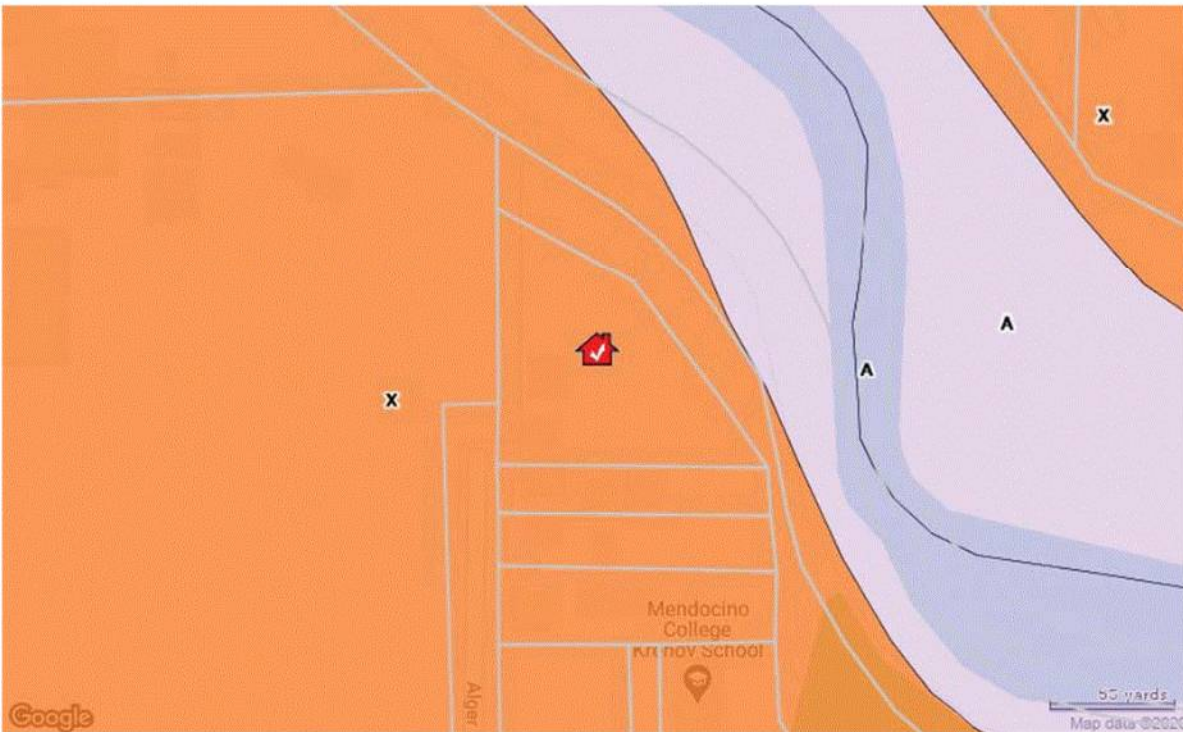
Lender: Client: California Eminent Domain Law Group, APC

**476 Alger St, Fort Bragg, CA 95437-3809, Mendocino County**

FLOOD MAP

Flood Zone Code	X
Report Date	11/03/2020
County	Mendocino
Flood Zone Panel	060184-06045C1010G
Flood Code Description	Zone X-An area that is determined to be outside the 100- and 500-year floodplains.

Panel Date	07/18/2017
Community Name	Fort Bragg
Special Flood Hazard Area (SFHA)	Out
Within 250 feet of multiple flood zone	Yes (A,X)



Flood Zones

- Coastal 100-year Floodway
- Undetermined
- Coastal 100-year Floodplain
- Unknown or Area Not Included
- 100-year Floodway
- 500-year Floodplain incl. levee protected area
- 100-year Floodplain
- Out of Special Flood Hazard Area

LOCATION MAP

Borrower: Property owner: Ruth L Shea

File No.: Shea476AlgerSt

Property Address: 476 Alger St

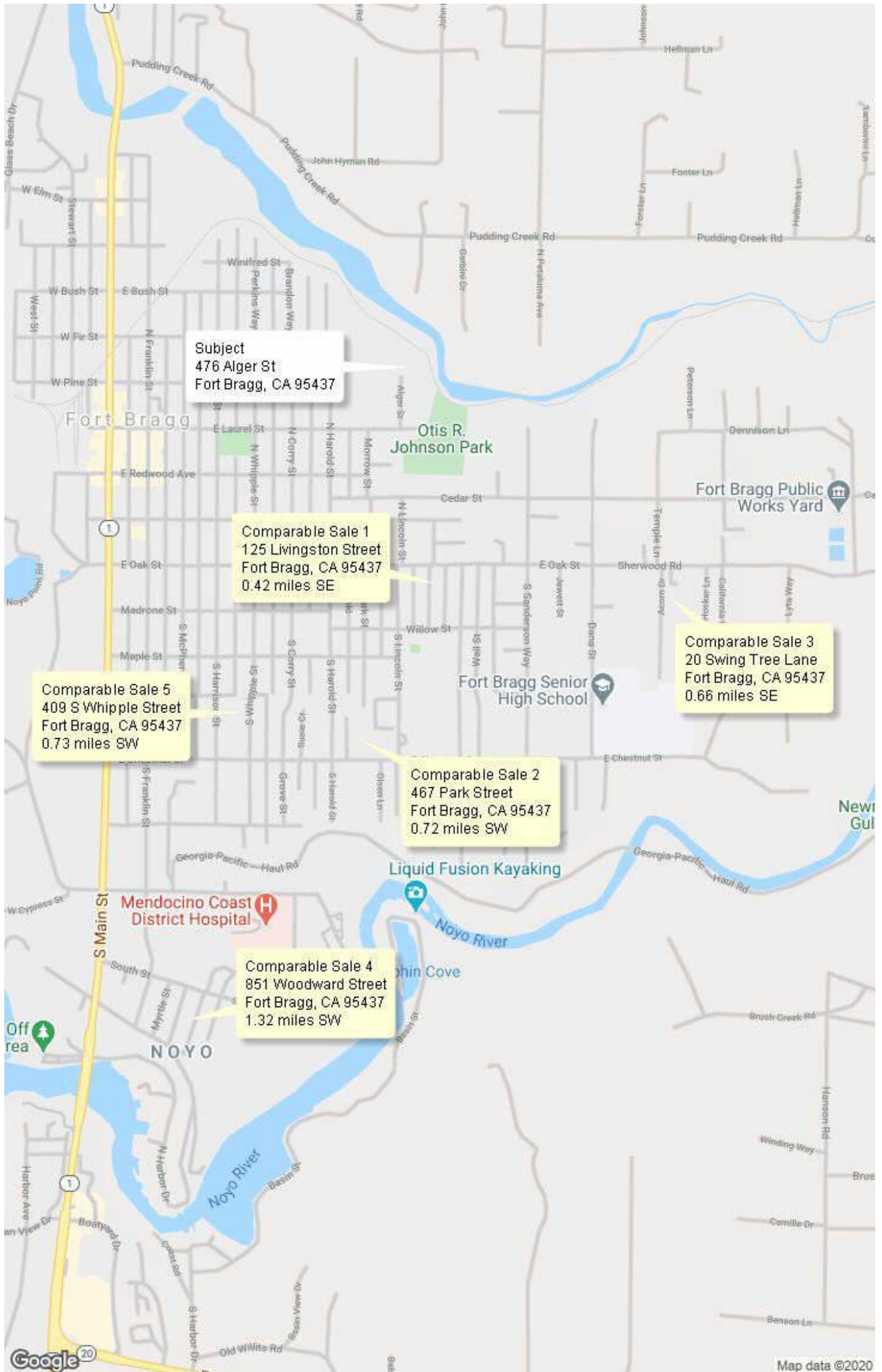
Case No.: 476 Alger St

City: Fort Bragg

State: CA

Zip: 95437

Lender: Client: California Eminent Domain Law Group, APC





Legal Description

Borrower: Property owner: Ruth L Shea

File No.: Shea476AlgerSt

Property Address: 476 Alger St

Case No.: 476 Alger St

City: Fort Bragg

State: CA

Zip: 95437

Lender: Client: California Eminent Domain Law Group, APC

Legal Description

the real property in the City of Fort Bragg  
County of Mendocino

, State of California, described as

Starting from the corner to Sections 1 and 12, Township 18 North, Range 18 West, and Sections 6 and 7, Township 18 North, Range 17 West, Mount Diablo Base and Meridian, and running thence East, 3390 feet; and thence North 575 feet to and for the point of beginning, and thence on the exterior boundaries of said lot and parcel of land North 231 feet; thence South 63° East, 143 feet; thence South 34 1/2° East, 160 feet; thence South 13° East to a point due East of the point of beginning; thence West to the point of beginning.

AP#008-120-02-00

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Borrower: Property owner: Ruth L Shea

File No.: Shea476AlgerSt

Property Address: 476 Alger St

Case No.: 476 Alger St

City: Fort Bragg

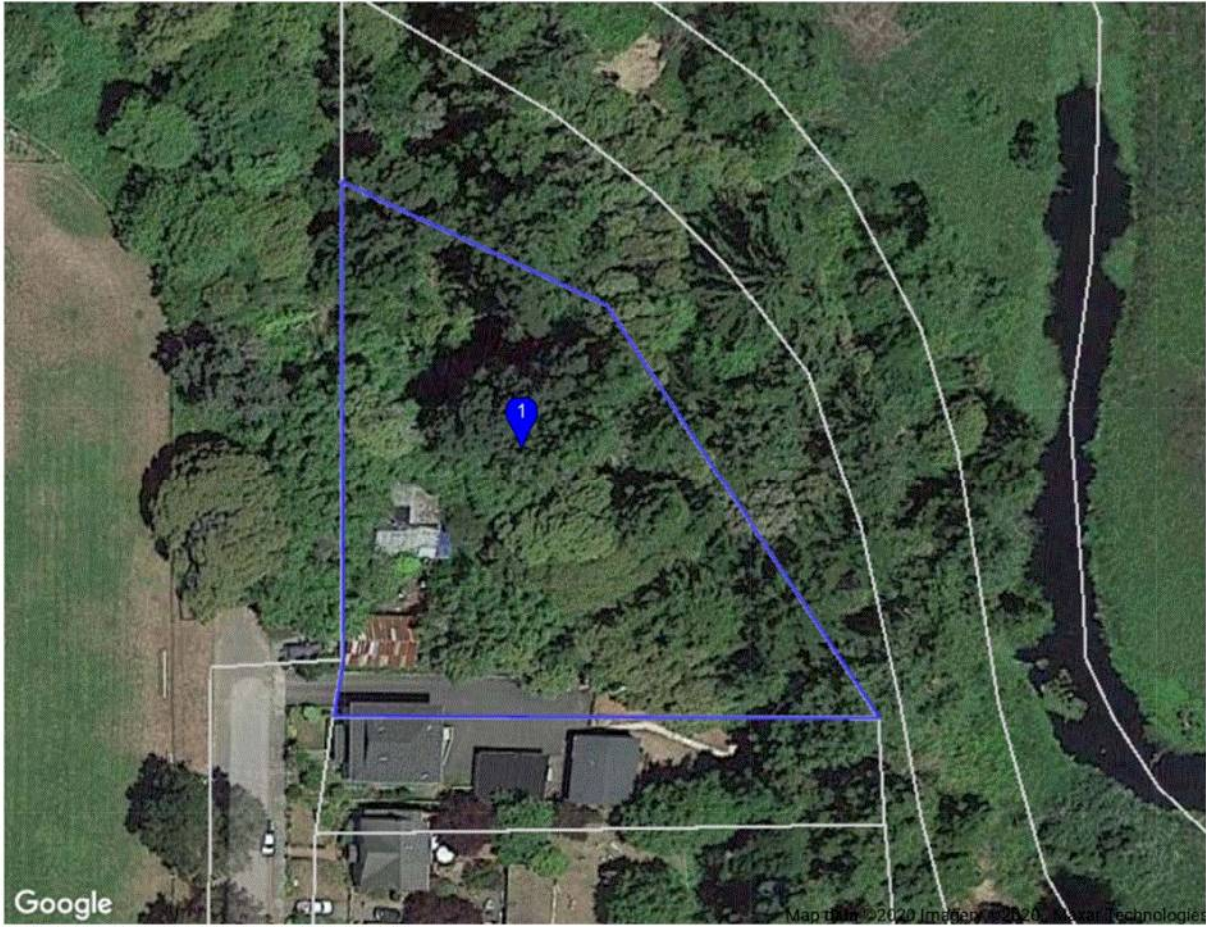
State: CA

Zip: 95437

Lender: Client: California Eminent Domain Law Group, APC

Search | ParcelQuest

<https://pqweb.parcelquest.com/>



Tax Document

Borrower: Property owner: Ruth L Shea	File No.: Shea476AlgerSt
Property Address: 476 Alger St	Case No.: 476 Alger St
City: Fort Bragg	State: CA Zip: 95437
Lender: Client: California Eminent Domain Law Group, APC	

Search | ParcelQuest

<https://pqweb.parcelquest.com/>



1 Property Address: 476 ALGER ST FORT BRAGG CA 95437-3809

**Ownership**

County: **MENDOCINO, CA**  
 Assessor: **KATRINA BARTOLOMIE, ASSESSOR**  
 Parcel # (APN): **008-130-02-00**  
 Parcel Status: **ACTIVE**  
 Owner Name: **SHEA LORENA RUTH**  
 Mailing Address: **476 ALGER ST FORT BRAGG CA 95437**  
 Legal Description:

**Assessment**

Total Value:	<b>\$52,383</b>	Use Code:	<b>0001</b>	Use Type:	<b>RESID. SINGLE FAMILY</b>
Land Value:	<b>\$22,448</b>	Tax Rate Area:	<b>001-000</b>	Zoning:	
Impr Value:	<b>\$29,935</b>	Year Assd:	<b>2020</b>	Census Tract:	<b>104.00/4</b>
Other Value:		Property Tax:		Price/SqFt:	
% Improved:	<b>57%</b>	Delinquent Yr:			
Exempt Amt:	<b>\$7,000</b>	HO Exempt:	<b>Y</b>		

**Sale History**

	Sale 1	Sale 2	Sale 3	Transfer
Document Date:	<b>06/01/1991</b>	<b>01/01/1956</b>		<b>06/01/1991</b>
Document Number:	<b>10772</b>	<b>16437</b>		<b>10772</b>
Document Type:				
Transfer Amount:				
Seller (Grantor):				

**Property Characteristics**

Bedrooms:	Fireplace:	Units:
Baths (Full):	A/C:	Stories:
Baths (Half):	Heating:	Quality:
Total Rooms:	Pool:	Building Class:
Bldg/Liv Area:	Park Type:	Condition:
Lot Acres:	Spaces:	Site Influence:
Lot SqFt:	Garage SqFt:	Timber Preserve:
Year Built:		Ag Preserve:
Effective Year:		

Borrower: Property owner: Ruth L Shea

File No.: Shea476AlgerSt

Property Address: 476 Alger St

Case No.: 476 Alger St

City: Fort Bragg

State: CA

Zip: 95437

Lender: Client: California Eminent Domain Law Group, APC



Business, Consumer Services & Housing Agency  
**BUREAU OF REAL ESTATE APPRAISERS**  
**REAL ESTATE APPRAISER LICENSE**

**Maryellen Sheppard**

has successfully met the requirements for a license as a residential and commercial real estate appraiser in the State of California and is, therefore, entitled to use the title:

“Certified General Real Estate Appraiser”

This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.

BREA APPRAISER IDENTIFICATION NUMBER: AG 002980

Effective Date: November 4, 2020

Date Expires: November 3, 2022

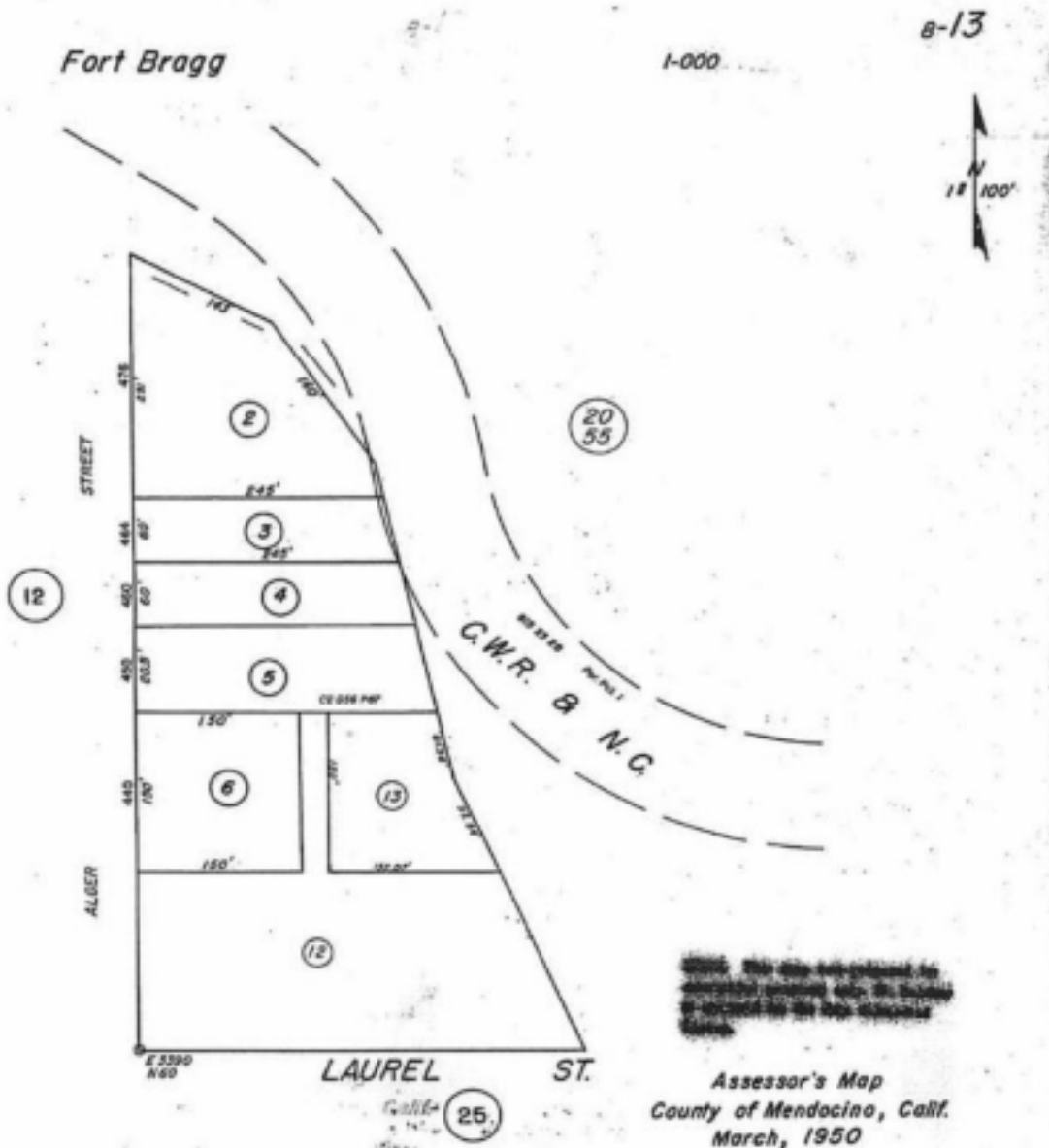
Loretta Dillon, Deputy Bureau Chief, BREA

3054546

## LEGAL DESCRIPTION AND ASSESSOR PARCEL MAP

Starting from the corner to Sections 1 and 12, Township 18 North, Range 18 West, and Sections 6 and 7, Township 18 North, Range 17 West, Mount Diablo Base and Meridian, and running thence East, 3390 feet; and thence North 575 feet to and for the point of beginning, and thence on the exterior boundaries of said lot and parcel of land North 231 feet; thence South 63° East, 143 feet; thence South 34 1/2° East, 160 feet; thence South 13° East to a point due East of the point of beginning; thence West to the point of beginning.

APN: 008-130-02



# **PUBLIC ACQUISITION / EMINENT DOMAIN INFORMATIONAL BROCHURE**

## **Introduction**

This brochure and provides general information about real property public acquisition procedures under Federal and State law that should be useful to you.

This brochure may not answer all of your questions. If you have more questions about the acquisition of your property, please contact the Agency responsible for the project. (Check the end of this brochure for the name of the person to contact at the Agency.) Ask your questions before you sell your property. Afterwards, it may be too late.

## **General Questions**

### **What Right Has Any Public Agency To Acquire My Property?**

The Federal Government and every State government have certain powers which are necessary for them to operate effectively. For example, they have the power to levy taxes and the power to maintain order. Another government power is the power to acquire private property for public purposes. This is known as the power of eminent domain.

The rights of each of us are protected, however, by the Fifth and Fourteenth Amendments of the U.S. Constitution and by State constitutions and eminent domain laws which guarantee that if a public agency takes private property it must pay "just compensation" to the owner.

### **Who Made The Decision To Buy My Property?**

The decision to acquire a property for a public project usually involves many persons and many determinations. The final determination to proceed with the project is made only after a thorough review which may include public hearings to obtain the views of interested citizens.

If you have any questions about the project or the selection of your property for acquisition, you should ask a representative of the Agency which is responsible for the project.

### **How Will The Agency Determine How Much To Offer Me For My Property?**

Before making you an offer, the Agency will obtain at least one appraisal of your property by a competent real property appraiser who is familiar with local property values. The appraiser will inspect your property and prepare a summary that includes his or her professional opinion of its current fair market value.

The Agency must offer you "just compensation" for your property. This amount cannot be less than the appraised fair market value of the property. "Just compensation" for your property does not take into account your relocation needs. If you are eligible for relocation assistance, it will be additional.

## **What Is Fair Market Value?**

Fair market value is sometimes defined as that amount of money which would probably be paid for a property in a sale between a willing seller, who does not have to sell, and a willing buyer, who does not have to buy. In some areas a different term or definition may be used.

The fair market value of a property is generally considered to be "just compensation." Fair market value does not take into account intangible elements such as sentimental value, good will, business profits, or any special value that your property may have for you or for the Agency.

## **How Does An Appraiser Determine The Fair Market Value Of My Property?**

Each parcel of real property is different and therefore no single formula can be devised to appraise all properties. Among the factors an appraiser typically considers in estimating the value of real property are:

- ) How it compares with similar properties in the area that have been sold recently.
- ) How much rental income it could produce.
- ) How much it would cost to reproduce the buildings and other structures, less any depreciation.

## **Will I Have A Chance To Talk To The Appraiser?**

Yes. You will be contacted and given the opportunity to accompany the appraiser on his or her inspection of your property. You may then inform the appraiser of any special features which you believe may add to the value of your property. It is in your best interest to provide the appraiser with all the useful information you can in order to insure that nothing of allowable value will be overlooked. If you are unable to meet with the appraiser, you may wish to have a person who is familiar with your property represent you.

## **How Soon Will I Receive A Written Purchase Offer?**

Generally, this will depend on the amount of work required to appraise your property. In the case of a typical single-family house, it is usually possible to make a written purchase offer within 45 to 60 days of the date an appraiser is selected to appraise the property.

Promptly after the appraisal has been reviewed (and any necessary corrections obtained), the Agency will determine just compensation and give you a written purchase offer in that amount along with a "summary statement," explaining the basis for the offer. No negotiations are to take place before you receive the written purchase offer and summary statement.

## **What Is In The Summary Statement Of The Basis For The Offer Of Just Compensation?**

The summary statement of the basis for the offer of just compensation will include:

- ) An accurate description of the property and the interest in the property to be acquired.
- ) A statement of the amount offered as just compensation. (If only part of the property is to be acquired, the compensation for the part to be acquired and the compensation for damages, if any, to the remaining part will be separately stated.)
- ) A list of the buildings and other improvements covered by the offer. (If there is a separately held interest in the property not owned by you and not covered by the offer (e.g., a tenant-owned improvement), it will be so identified.)

## **Must I Accept The Agency's Offer?**

No. You are entitled to present your evidence as to the amount you believe is the fair market value of your property and to make suggestions for changing the terms and conditions of the offer. The Agency will consider your evidence and suggestions. When fully justified by the available evidence of value, the offer price will be increased.

## **May Someone Represent Me During Negotiations?**

Yes. If you would like an attorney or anyone else to represent you during negotiations, please inform the Agency. However, the law does not require the Agency to pay the costs of such representation.

## **If I Reach Agreement With The Agency, How Soon Will I Be Paid?**

If you reach a satisfactory agreement to sell your property and your ownership (title to the property) is clear, payment will be made at a mutually acceptable time. Generally, this should be possible within 30 to 90 days after you sign a purchase contract. If the title evidence obtained by the Agency indicates that further action is necessary to show that your ownership is clear, you may be able to hasten the payment by helping the Agency obtain the necessary proof. (Title evidence is basically a legal record of the ownership of the property. It identifies the owners of record and lists the restrictive deed covenants and recorded mortgages, liens, and other instruments affecting your ownership of the property.)

## **What Happens If I Don't Agree To The Agency's Purchase Offer?**

If you are unable to reach an agreement through negotiations, the Agency may file a suit in court to acquire your property through an eminent domain proceeding. Eminent domain proceedings are often called condemnations. If your property is to be acquired by condemnation, the Agency will file the condemnation suit without unreasonable delay.



An Agency may also decide not to buy your property, if it cannot reach agreement on a price, and find another property to buy instead.

### **What Happens After The Agency Condemns My Property?**

You will be notified of the action. Condemnation procedures vary, and the Agency will explain the procedures which apply in your case.

Generally, when an Agency files a condemnation suit, it must deposit with the court (or in an escrow account) an amount not less than its appraisal of the fair market value of the property. You should be able to withdraw this amount, less any amounts necessary to pay off any mortgage or other liens on the property and to resolve any special ownership problems. Withdrawal of your share of the money will not affect your right to seek additional compensation for your property.

During the condemnation proceeding, you will be provided an opportunity to introduce your evidence as to the value of your property. Of course, the Agency will have the same right. After hearing the evidence of all parties, the court will determine the amount of just compensation. If that amount exceeds the amount deposited by the Agency, you will be paid the difference, plus any interest that may be provided by law.

To help you in presenting your case in a condemnation proceeding, you may wish to employ an attorney and an appraiser. However, in most cases the costs of these professional services and other costs which an owner incurs in presenting his or her case to the court must be paid by the owner.

### **What Can I Do If I Am Not Satisfied With The Court's Determination?**

If you are not satisfied with the court judgment, you may file an appeal with the appropriate appellate court for the area in which your property is located. If you are considering an appeal, you should check on the applicable time limit for filing the appeal and consult with your attorney on whether you have a basis for the appeal. The Agency may also file an appeal if it believes the amount of the judgment is too high.

### **Will I Have To Pay Any Closing Costs?**

You will be responsible for the payment of the balance on any mortgage and other liens on your property. Also, if your ownership is not clear, you may have to pay the cost of clearing it. But the Agency is responsible for all reasonable and necessary costs for:

- ) Typical services required to complete the sale, recording fees, revenue stamps, transfer taxes and any similar expenses which are incidental to transferring ownership to the Agency.
- ) Penalty costs and other charges related to prepayment of any recorded mortgage on the property that was entered into in good faith.
- ) Real property taxes covering the period beginning on the date the Agency

acquires your property.

Whenever possible, the Agency will make arrangements to pay these costs directly. If you must incur any of these expenses yourself, you will be repaid--usually at the time of closing. If you later discover other costs for which you should be repaid, you should request repayment from the Agency immediately. The Agency will assist you in filing a claim. Finally, if you believe that you were not properly repaid, you may appeal the decision to the Agency.

### **May I Keep Any Of The Buildings Or Other Improvements On My Property?**

Very often, many or all of the improvements on the property are not required by the Agency. This might include such items as a fireplace mantel, your favorite shrubbery, or even an entire house. If you wish to keep any improvements, please let the Agency know as soon as possible.

If you do arrange to keep any improvement, the Agency will deduct only its salvage value from the purchase price you would otherwise receive. (The salvage value of an item is its probable selling price if offered for sale on the condition that the buyer will remove it at his or her own expense.) Of course, if you arrange to keep any real property improvement, you will not be eligible to receive a relocation payment for the cost of moving it to a new location.

### **Can The Agency Take Only A Part Of My Property?**

Yes. But if the purchase of only a part of your property reduces the value of the remaining part(s), you will be paid for the loss in value. Also, if any remaining part would have little or no utility or value to you, the Agency will offer to buy that remaining part from you.

Occasionally, a public project will increase the value of the part which is not acquired by the Agency. Under some eminent domain laws, the amount of such increase in value is deducted from the purchase payment the owner would otherwise receive.

### **Will I Have To Pay Rent To The Agency After My Property Is Acquired?**

If you remain on the property after the acquisition, you may be required to pay a fair rent to the Agency. Such rent will not exceed that charged for the use of comparable properties in the area.

### **How Soon Must I Move?**

If possible, a mutually agreeable date for the move will be worked out. Unless there is an urgent need for your property (e.g., your occupancy would present a health or safety emergency), you will not be required to move without at least 90 days advance written notice.

If you reach a voluntary agreement to sell your property, you will not be required to

move before you receive the agreed purchase price. If the property is acquired by condemnation, you cannot be required to move before the estimated fair market value of the property has been deposited with the court so that you can withdraw your share.

If you are being displaced from your home, you will not be required to move before a comparable replacement home is available to you.

### **Will I Receive Relocation Assistance?**

Applicable relocation regulations require that certain relocation payments and other assistance must be provided to families, individuals, businesses, farms, and nonprofit organizations when they are displaced or their personal property must be moved as a result of a project that is covered by such regulations.

The Agency will furnish you a full explanation of any relocation assistance to which you may be entitled. If you have any questions about such assistance, please contact the Agency. In order for the Agency to fulfill its relocation obligations to you, you must keep the Agency informed of your plans.

### **Loss of goodwill?**

The owner of a business affected by an acquisition may, in certain circumstances, be entitled to compensation for the loss of business goodwill.

### **My Property Is Worth More Now. Must I Pay Capital Gains Tax On The Increase?**

Internal Revenue Service (IRS) Publication 544 explains how the Federal income tax would apply to a gain or loss resulting from the sale or condemnation of real property, or its sale under the threat of condemnation, for public purposes. If you have any questions about the IRS rules, you should discuss your particular circumstances with your personal tax advisor or your local IRS office.

### **I'm A Veteran. How About My VA Loan?**

After your VA home mortgage loan has been repaid, you will be permitted to obtain another VA loan to purchase another property. Check on such arrangements with your nearest Veterans Administration Office.

### **Is It Possible To Donate Property?**

Yes. You may donate your property or sell it to the Agency for less than its fair market value. The Agency must obtain an appraisal of the property and offer just compensation for it, unless you release the Agency from these obligations.

## **Additional Information**

If you have any questions after reading this booklet, contact the Agency and discuss your concerns with the Agency representative.

Agency: Mendocino Railway

Address: Foot of Laurel Street, Fort Bragg, California 95437

Office Hours: 9 a.m. to 5 p.m., Monday through Friday

Telephone Number: (707) 964-6371

Person to Contact: Robert Jason Pinoli