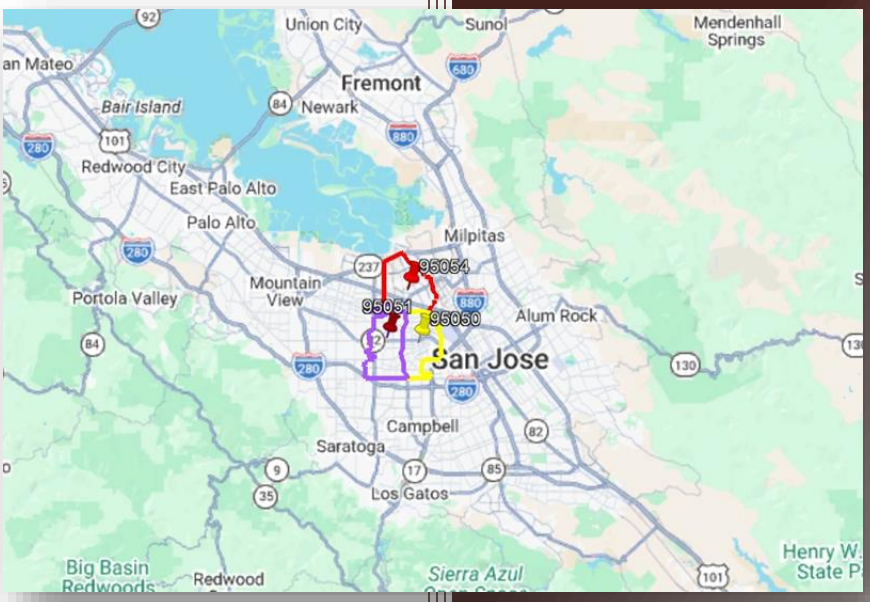
THE DORÉ GROUP
INTERNATIONAL REAL ESTATE CONSULTATION AND FORENSIC VALUATION

Real Estate Appraisal Report

Annual Land Valuation: City of Santa Clara



Prepared For:

Ms. Gina Saporito
Parks and Recreation Dept.
City of Santa Clara
1500 Warburton Ave.
Santa Clara, CA 95050

THE DORÉ GROUP
INTERNATIONAL REAL ESTATE CONSULTATION
AND FORENSIC VALUATION

February 27, 2026

Ms. Gina Saporito
Parks and Recreation Dept.
City of Santa Clara
1500 Warburton Ave.
Santa Clara, CA 95050

Re: Annual Land Valuation Appraisal Report
Average Value of Three Hypothetical Lots
One for Each Zip Code (95050, 95051, and 95054)
File Name: TDG 2026 001

Dear Ms. Saporito:

Pursuant to your request, I have completed the annual land valuation appraisal to aid the City of Santa Clara in establishing park impact fees. More specifically, the subject property consists of three hypothetical one-acre lots, one in each of the City's three zip codes (95050, 95051, and 95054). The date of value for this appraisal report is December 31st, 2025.

We investigated, gathered data, and made the analyses necessary to fulfill the scope of work of this assignment, which was to estimate the fair market value of a hypothetical 1-acre lot considering all zoning types in the City of Santa Clara. These zoning types are defined as: high-density residential, medium-density residential, single family (low-density residential), commercial, and industrial. To form and report the average value per acre of land in the three existing Zip Codes in the City of Santa Clara consisting of 95050, 95051, and 95054, we utilized an average value according to the weighted average of these different property types, based on the percentage of total land area associated with the different property types that sold in the City of Santa Clara in 2025.

The intended user of this report is the City of Santa Clara. The intended use of this appraisal is to provide fair market value to assist the City in determining park impact fees.

This appraisal was prepared in conformance with the Uniform Standards of Professional Appraisal Practice (U.S.P.A.P.), and the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute. This appraisal report was also prepared in conformance with the Supplemental Instructions for the Appraisal of the Fair Market Value of Land, which was included as a part of the Scope of Work for this appraisal assignment by the client and intended user, the City of Santa Clara.

We certify that we have no present or contemplated future interest in the property beyond these estimates of value. We have performed no services, as appraisers, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Your attention is directed to the Hypothetical Conditions, Extraordinary Assumptions, and General Conditions and Assumptions sections of this report. Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, I note the following:

Hypothetical Conditions:

- The subject of this appraisal report is three hypothetical one-acre lots in each of the City's zip codes (95050, 95051, and 95054). It is a hypothetical condition of this appraisal report that these lots exist as a finished lot, and are rated average in all physical, locational and legal aspects in relation to the dataset.

- It is a hypothetical condition of this appraisal report that the subject lots are able to support all legally permissible uses analyzed in this appraisal report, ranging from very low density residential to commercial/industrial.

Extraordinary Assumptions:

- There are no extraordinary assumptions included in this appraisal report.

Based on the appraisal described in the accompanying report, subject to the Hypothetical Conditions, Extraordinary Assumptions, and General Conditions & Assumptions, I have made the following value conclusion:

Final Reconciliation	
Zip Code	Reconciled Fair Market Value
95051	$5,573,000
95050	$5,359,000
95054	$5,037,000

The market exposure preceding December 31, 2025, would have been 6 months and the estimated marketing period as of December 31, 2025, is 6 months for the Fair Market Value.

Thank you for the opportunity of submitting this appraisal. If I can be of further service, please do not hesitate to call.

Respectfully submitted,
The Doré Group, Inc.

Lance W. Doré, MAI, FRICS
President / CEO
CA-AG002464
lwdore@thedoregroup.com

Calvin Farris
Certified General Appraiser
CA-AG3013216
cfarris@thedoregroup.com

TABLE OF CONTENTS

Table of Contents 5
Summary of Salient Facts and Conclusions 6
Definitions of Market Value and Fair Market Value 8
Hypothetical Conditions and Extraordinary Assumptions 9
General Conditions and Assumptions 10
Scope of Work 13
  Regional Map 16
Regional Description – Santa Clara County 17
  Area Map 24
Area Description — City of Santa Clara 25
Single-Family Housing Market Overview (Santa Clara) 29
Multi-Family (Medium- and High-Density Residential) 31
Commercial (Retail and Office) 33
Industrial (Flex, Logistics, R&D) 35
Highest and Best Use 38
Valuation Methodology 39
Single Family (Low Density Residential) Land Comparables Adjustment Grid 45
Medium Density Residential Land Comparables Adjustment Grid 54
High Density Residential Land Comparables Adjustment Grid 62
Commercial Land Comparables Adjustment Grid 70
  Land Comparable Summary Table 74
Industrial Land Comparables Adjustment Grid 79
Weighted Average Analysis 82
  Weighted Average Conclusion 83
Zip Code Weighting Analysis 84
  Zip Code Trend Analysis 84
  Concluded zip code adjustments (95050 baseline) 85
Final Reconciliation 86
Certification Statement 87
Addenda 89

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

SUBJECT:	Three hypothetical one-acre lots, one in each of the City's three zip codes (95050, 95051, and 95054)
CLIENT:	City of Santa Clara
DATE OF VALUE:	December 31, 2025
DATE OF REPORT:	February 27, 2026
INTEREST APPRAISED:	Fee Simple Interest
PURPOSE OF APPRAISAL:	The purpose of this appraisal is assisting the City of Santa Clara in determining park impact fees
INTENDED USE:	The intended use of this appraisal is to determine the fair market value of the hypothetical lots as defined in this report
INTENDED USER(S):	The City of Santa Clara
APPRAISAL HISTORY:	The City of Santa Clara has contracted an appraisal of this type for several subsequent years. The 2024 report, developed by Frank Schmidt and Associates, and effective December 31st, 2024, was made available for our review.
CURRENT LISTING / CONTRACT(S):	We have assumed no current contracts in place on the hypothetical subject properties.
HIGHEST AND BEST USE	
Site As Vacant:	Land for Development (See Hypothetical Conditions)
As Improved:	Land for Development (See Hypothetical Conditions)

PROPERTY (HYPOTHETICAL)

SUBJECT: Three hypothetical, rectangular, finished lots of 1 acre each.

LAND AREA: Each Hypothetical Lot is one acre (43,560 square feet).

IMPROVEMENTS: None. Finished Lot

PERSONAL PROPERTY: No personal property was included in my reconciled fair market value estimates.

TOPOGRAPHY: Our analysis assumes topography consistent with the average lot transacted in each zip code.

ACCESS: Our analysis assumes access consistent with the average lot transacted in each zip code.

UTILITIES: Our analysis assumes access to utilities consistent with the average lot transacted in each zip code.

ZONING: Our analysis utilizes a weighted average of land area transacted which encompasses the following zoning categories in the City of Santa Clara:

Single Family (Low Density Residential), Medium Density Residential, High Density Residential, Commercial, and Industrial.

PARCEL SHAPE / UTILITY: Our analysis assumes the hypothetical lot is rectangular in shape.

COMMENTS: The above physical characteristics of the hypothetical lots appraised are outlined by the client as part of the scope of work of this appraisal assignment.

VALUE INDICATIONS

Zip Code	Reconciled Fair Market Value
95051	$5,573,000
95050	$5,359,000
95054	$5,037,000

DEFINITIONS OF MARKET VALUE AND FAIR MARKET VALUE

DEFINITIONS OF MARKET VALUE

Fair Market Value, as defined by the California Civil Code:

> "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 so doing, nor obliged 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."[1]

PROPERTY RIGHTS APPRAISED

The property right of ownership appraised was the fee simple estate. Fee simple interest does include mineral rights, unless otherwise stated. The fee simple title can be defined as follows:

> *"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."*[2]

ESTIMATED EXPOSURE AND MARKETING PERIOD

Marketing Time: An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal.

Exposure Time: The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market.

PERSONAL PROPERTY, FIXTURES, AND INTANGIBLE ITEMS

The land valued in this assignment did not include any personal property, fixtures, equipment, or intangibles.

[1] California Civil Code § 1263.320(a)

[2] Ibid.

HYPOTHETICAL CONDITIONS AND EXTRAORDINARY ASSUMPTIONS

Acceptance of and/or use of this report constitutes acceptance of the indicated Hypothetical Conditions and Extraordinary Assumptions; these can only be modified in a written document(s) executed by both parties.

HYPOTHETICAL CONDITIONS

A hypothetical condition is defined as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purposes of analysis."[3]

The following hypothetical conditions apply to this specific appraisal assignment:

- The subject of this appraisal report is three hypothetical one-acre lots in each of the City's zip codes (95050, 95051, and 95054). It is a hypothetical condition of this appraisal report that these lots exist as a finished lot, and are rated average in all physical, locational and legal aspects in relation to the dataset.

- It is a hypothetical condition of this appraisal report that the subject lots are able to support all legally permissible uses analyzed in this appraisal report, ranging from very low density residential to commercial/industrial.

EXTRAORDINARY ASSUMPTIONS

An extraordinary assumption is defined as "an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions."[4]

The following Extraordinary Assumptions apply to this specific appraisal assignment:

- There are no Extraordinary Assumptions for this appraisal assignment.

[3] Uniform Standards of Professional Appraisal Practice, 2020-22 edition.
[4] Ibid.

GENERAL CONDITIONS AND ASSUMPTIONS

The appraisal has been completed subject to the following General Conditions and Assumptions:

- This appraisal was completed per the requirements of the *Uniform Standards of Professional Appraisal Practice (USPAP)* and those additional requirements expected of a member of the Appraisal Institute. The development process used was a complete analysis that is documented in this appraisal report.

- By use of this appraisal report, each party that uses this report agrees to be bound by all of the Hypothetical Conditions and Extraordinary Assumptions stated herein. The opinions are only as of the date stated in the appraisal report. Changes since that date in external and market factors, or in the subject property itself, can significantly affect the conclusions presented in the appraisal report.

- I was not provided with a preliminary title report for the subject property. I assume the title is Fee Simple, good, and transferable.

- This appraisal is to be used only for the purpose stated herein. While the distribution of this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed as this report is intended to be used in whole and not in part.

- All files, work papers, and documents developed in connection with this assignment are the property of The Doré Group. No part of this appraisal, its value estimates, or the identity of the firm or the appraiser(s) may be communicated to the public through advertising, public relations, media sales, or other media without The Doré Group's prior written consent. If the appraisal report is referred to or included in any offering material or prospectus, the report shall be deemed referred to or included for informational purposes only, and The Doré Group, its employees, and the appraiser(s) have no liability to such recipients. The Doré Group disclaims any and all liability to any party other than the party that retained The Doré Group to prepare the appraisal report.

- The information contained in this appraisal report, or upon which the report is based, has been gathered from sources the appraiser(s) assumes to be reliable and accurate. The owner of the subject property may have provided some of such information. Neither the appraiser(s), nor The Doré Group, shall be responsible for the accuracy or completeness of such information, including the correctness of estimates, opinions, dimensions, sketches, exhibits, and factual matters. Any authorized user of the appraisal report is obligated to bring to the attention of The Doré Group any inaccuracies or errors that it believes are contained in the report. Any plans provided are intended to assist the client in visualizing the property; no other use of these plans is intended or permitted. Appraisals are based on the data available at the time the assignment is completed. Amendments/modifications to appraisals based on new information made available after the appraisal was completed will be made, as soon as reasonably possible, for an additional fee.

- No part of the appraisal report shall be used in conjunction with any other analyses. Reference to the Appraisal Institute or to the MAI designation is prohibited. Except as may be otherwise stated in the letter of engagement, the appraisal report may not be used by any person(s) other than the party(ies) to whom it is addressed or for purposes other than that for which it was prepared. Any authorized user(s) of this appraisal report who provides a copy to, or permits reliance thereon by, any person or entity not authorized by The Doré Group in writing to use or rely thereon, hereby agrees to indemnify and hold The Doré Group, its affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the appraisal report by any such unauthorized person(s) or entity(ies).

- If the appraisal report is submitted to a lender or investor with the prior approval of The Doré Group, such party should consider this report as only one factor, together with its independent investment considerations and underwriting criteria, in its overall investment decision. Such lender or investor is specifically cautioned to understand all Hypothetical Conditions and Extraordinary Assumptions incorporated in this appraisal report.

- The appraiser(s) may not divulge the material (evaluation) contents of the report, analytical findings, or conclusions, or give a copy of the report to anyone other than the client, legal authorities via subpoena, or the Appraisal Institute.

- The appraisal report is based on the assumption of: (a) responsible ownership and competent management of the subject property; (b) no hidden or unapparent conditions of the subject property, subsoil or structures that render the property more or less valuable (no responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them); (c) full compliance with all applicable federal, state and local zoning and environmental regulations and laws, unless noncompliance is stated, defined and considered in the Report; and (d) all required licenses, certificates of occupancy and other governmental consents have been or can be obtained and renewed for any use on which the value opinion contained in the appraisal report is based.

- The appraiser(s) is not qualified to test for any hazardous substances and no responsibility is assumed for such conditions or engineering necessary to discover them. The appraiser assumed that the subject property is clear of all environmental contamination, and the appraised value was based on this assumption.

- No opinion is intended to be expressed and no responsibility is assumed for the legal description or for any matters that are legal in nature or require legal expertise or specialized knowledge beyond that of a real estate appraiser. Title to the subject property was presumed to be good and merchantable and the property was appraised assuming there were no adverse easements, encroachments, liens, encumbrances, special assessments, or other restrictions.

- The appraised value was based on the assumption that there were no tax liens affecting the subject property. Unless otherwise noted, the subject property was found to be current in the payment of real estate taxes as of the date of value according to the applicable county treasurer-tax collector. It was assumed that any special assessments affecting the subject property are typical and appropriate for the area and do not have an impact on the value conclusion in this report and that any outstanding bonds have been paid.

- Unless stated herein, the subject property is assumed to be outside of areas where flood hazard insurance is mandatory. Maps used by public and private agencies to determine these areas are limited with respect to accuracy. Due diligence has been exercised in interpreting these maps, but no responsibility is assumed for misinterpretation.

- No opinion is expressed with regard to potential seismic impact and it was assumed that the subject's potential risks are similar to those shared by most properties throughout the region. The Doré Group makes no warranty as to the seismic stability of the subject land. The assumption was made that any future development of the property, if any, would occur in accordance with all appropriate regulations and ordinances regarding grading, fill, and applicable building codes.

- Except as may be otherwise stated in the letter of engagement, the appraiser(s) shall not be required to give testimony in any court or administrative proceeding relating to the subject property or the appraisal. If the appraiser(s) is subpoenaed pursuant to a court order, the client agrees to pay The Doré Group's regular per diem rate plus expenses.

- In the event of a claim against The Doré Group, its affiliates, their respective officers or employees, or the appraiser(s) in connection with or in any way relating to this appraisal report or this engagement, the maximum damages recoverable shall be the amount of the monies actually collected by The Doré Group or its affiliates for this appraisal report and under no circumstances shall any claim for consequential damages be made.

- Necessary licenses, permits, consents, legislative or administrative authority from any local, state, or federal government, or private entity, are assumed to be in place or reasonably obtainable.

SCOPE OF WORK

According to the *Uniform Standards of Professional Appraisal Practice*, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). Therefore, the appraiser must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

In preparing this report, I investigated numerous improved and land sales and listings from the area, and confirmed all data with buyers, sellers, brokers, property developers, leasing agents, and public officials when possible. I collected, confirmed, and reported data that were applicable in the valuation process. Data collection involved the use of various sources including CoStar, the Multiple Listing Services, RealQuest (a data collection service), County deed records, and in-house materials. The data collected and confirmed have been reported to an extent sufficient for the particular appraisal problem involved.

This appraisal is prepared for Ms. Gina Saporito, Parks and Recreation Department, City of Santa Clara. The purpose of this appraisal is to assist the City of Santa Clara in determining park impact fees. The intended use of this appraisal is for determining the fair market value of the hypothetical subject lots, as defined in this report. The intended users of this report include the City of Santa Clara.

VALUATION METHODOLOGY

The appraisal provides the Fair Market Value for a hypothetical, rectangular, and useable one acre site for each of the three primary zip codes: 95050, 95051, and 95054. This analysis conforms to the Uniform Standards of Professional Appraisal Practice, utilizing a valuation date of December 31st, 2025. The methodology of this report relies on a weighted average of transactions based on the total land area transacted for each land use category. An appropriate sample of comparable sales was researched and confirmed by the appraisers. This sample was then verified, cleaned, segmented, categorized and analyzed by the appraisers to arrive at an average value for each land use type in each zip code. These average values were then synthesized into one weighted average for each zip code.

SELECTION CRITERIA AND ADJUSTMENTS

Transactions must be arms-length and cannot be more than three years old. Sites with clouded titles or environmental impairments are excluded. For comparable sales older than one year, an inflation factor is applied based on market trends and rental data. While no data points are excluded solely for being at the high or low end of the spectrum, all transactions are vetted for consistency and credibility.

RECONCILIATION AND WEIGHTING

The final value conclusion employs a comparative, iterative approach that integrates both qualitative and quantitative factors. Weighting is applied to property types based on the percentage of total land area in the sales transactions rather than the number of sales or the total dollar volume. This ensures the average value reflects the physical distribution of land use within the subject zip codes.

REPORT TYPE:	This is an appraisal report as defined by Uniform Standards of Professional Appraisal Practice. This format provides a summary of the appraisal process, subject and market data, and valuation analyses.
PROPERTY IDENTIFICATION:	The subject is three hypothetical lots and have been defined by narrative description in accordance with the scope of work for this appraisal.
PROPERTY RIGHTS APPRAISED:	Fee Simple Interest
INSPECTION:	An inspection of the environs analyzed in this report was conducted by Lance Doré on February 12th, 2026. Calvin Farris did not inspect the environs.
MARKET AREA AND ANALYSIS OF MARKET CONDITIONS:	A complete analysis of market conditions has been made. The appraiser maintains and has access to comprehensive databases for this market area and has reviewed the market for sales and listings relevant to this analysis.
HIGHEST AND BEST USE ANALYSIS:	See Hypothetical Conditions
VALUATION ANALYSES:	
Cost Approach:	A cost approach was not applied as the hypothetical lots do not feature improvements.

Sales Comparison Approach: A sales comparison approach was conducted to determine the fair market value of the hypothetical lots as defined in this report.

Income Approach: An income approach was not applied as the hypothetical subject lots feature no improvements which would generate income to necessitate an income approach.

HYPOTHETICAL CONDITIONS:

- The subject of this appraisal report is three hypothetical one-acre lots in each of the City's zip codes (95050, 95051, and 95054). It is a hypothetical condition of this appraisal report that these lots exist as a finished lot, and are rated average in all physical, locational and legal aspects in relation to the dataset.

- It is a Hypothetical Condition of this appraisal report that the subject lots are able to support all legally permissible uses analyzed in this appraisal report, ranging from very low density residential to commercial/industrial.

EXTRAORDINARY ASSUMPTIONS:

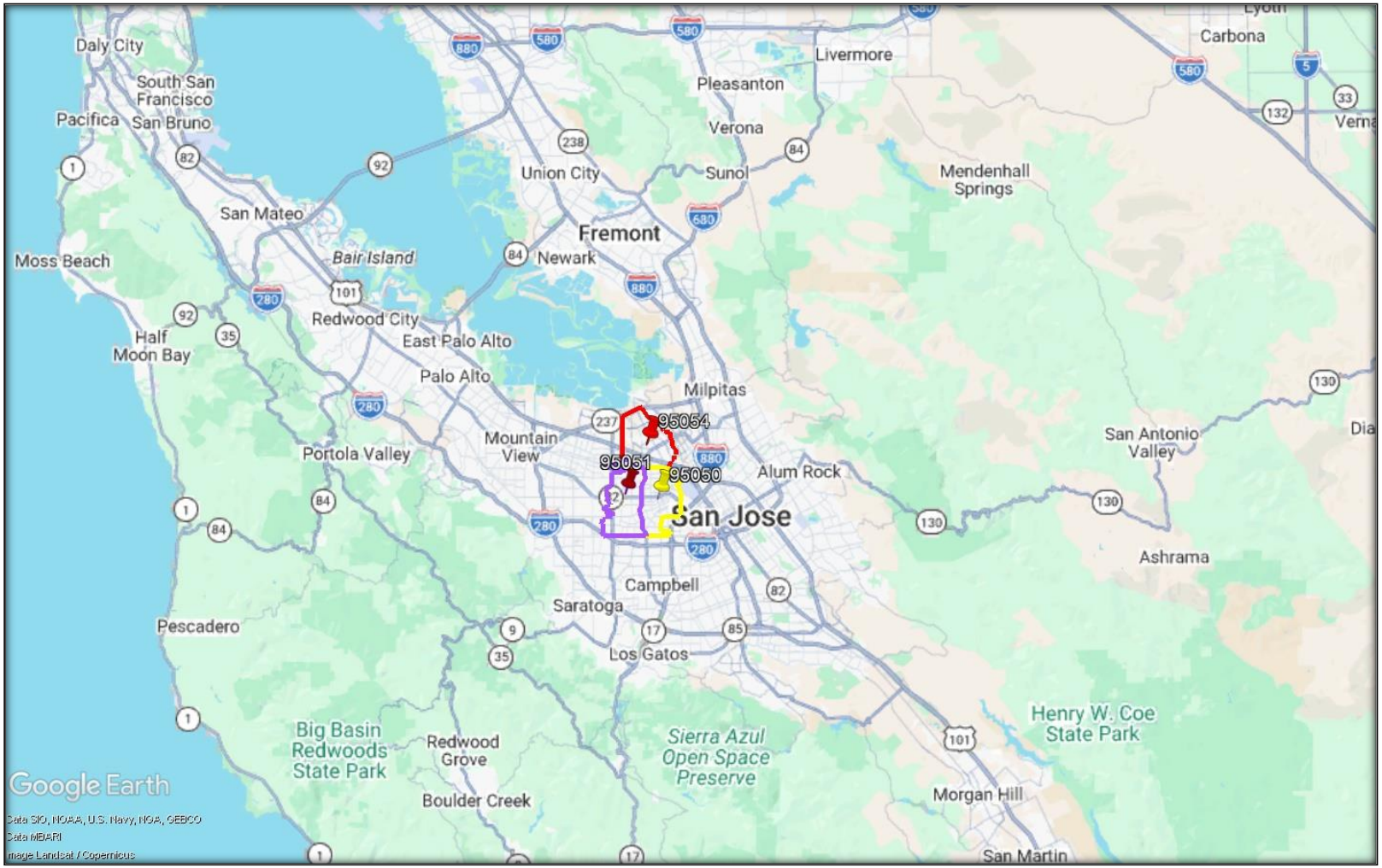
- There are no Extraordinary Assumptions for this appraisal assignment.

DOCUMENTATION: The Doré Group was provided with the document(s) listed below. Unless noted, the document(s) did not indicate any unusual or detrimental conditions that have an impact on value. These documents were assumed to be accurate and were relied upon in the valuation of the subject property.

- Attachment A: Supplemental Instructions for the Appraisal of the Fair Market Value of Land.
- 2024 Annual Land Valuation Appraisal Report completed by Frank Schmidt & Associates

No responsibility is assumed for any missing pertinent data contained within these documents and the reconciled value does not reflect knowledge of their content.

REGIONAL MAP



REGIONAL DESCRIPTION – SANTA CLARA COUNTY

LOCATION

Santa Clara County, officially the County of Santa Clara, is a county in California. The county is located at the southern end of the San Francisco Bay and encompasses 1,312 square miles. The Santa Clara Valley runs the entire length of the county from north to south, ringing the Diablo Range on the east, and the Santa Cruz Mountains on the west. Salt marshes and wetlands lie in the northwestern part of the county, adjacent to the waters of San Francisco Bay.

Santa Clara County is part of the San Jose-Sunnyvale-Santa Clara, CA Metropolitan Statistical Area as well as the San Jose-San Francisco-Oakland, CA Combined Statistical Area. Located at the southern end of the San Francisco Bay, the highly urbanized Santa Clara Valley within Santa Clara County is also known as Silicon Valley. Santa Clara is the most populous county in the San Francisco Bay Area and in Northern California and is one of the most affluent counties in the United States.

TRANSPORTATION

The county has an extensive freeway system and a separate expressway system. Expressways in California are distinct from freeways; although access to adjoining properties is eliminated, at-grade intersections are allowed. However, unlike expressways virtually everywhere else in California, the Santa Clara County expressways were built, signed, and maintained as county roads; they are not maintained by Caltrans, although they are patrolled by the California Highway Patrol.

There is also a large street network dominated by four- and six-lane arterials. Some of the newer boulevards (primarily in the West Valley) are divided with landscaped medians. Primary freeways include Interstates 280, 680 and 880, U.S. Route 101 and State Routes 9, 17, 25, 35, 82, 85, 87, 130, 152, 156, and 237.

The Santa Clara Valley Transportation Authority (VTA) is a special district responsible for public transit services (bus and light rail), congestion management, specific highway improvement projects, and countywide transportation planning for Santa Clara County, California. It is one of the governing parties for the Caltrain commuter rail line that serves the county. Santa Clara

Station is served by Caltrain which provides service to Gilroy, San Jose, Silicon Valley, San Francisco Airport and San Francisco, the ACE system which provides services to Stockton, and Amtrak which provides service to Sacramento and Oakland. In the Future, BART will provide service to San Jose and Santa Clara.

The county's main airport is Norman Y. Mineta San José International Airport (SJC). It is a U.S. Customs and Border Protection port of entry and has eight international routes (one to Canada, one to England, one to Germany, one to Japan, two to Mexico, and two to China) but the airport's busiest routes are all to cities in the western United States. San Francisco International Airport (SFO) is also often used for commercial services by residents of Santa Clara County.

Moffett Federal Airfield (NUQ), a former U.S. Naval Air Station, is used by the Air National Guard, NASA, Lockheed Martin, Google, and by the San Jose Police and Santa Clara County Sheriff's Department as an air operation base. There are also smaller general aviation airports in Palo Alto (PAO), San Jose (Reid-Hillview) (RHV), and San Martin (E16).

SERVICES / RECREATION

The county provides a wide range of services to its residents. These services include general government (administration and finance), public protection (law enforcement, detention, and criminal prosecution), road maintenance, health care, public assistance, fire protection, libraries, sanitation, and general aviation airports. There are 31 public school districts in the county, and three major universities include Stanford University, Santa Clara University and San Jose State University. The Santa Clara County Parks and Recreation Department manages 29 parks with a total area over 52,000 acres.

Santa Clara County's City Population Estimates			
City	1-Jan-24	1-Jan-25	% change
Campbell	43,377	43,281	-0.2
Cupertino	59,887	59,831	-0.1
Gilroy	61,531	62,205	1.1
Los Altos	31,523	31,720	0.6
Los Altos Hills	8,520	8,548	0.3
Los Gatos	33,500	33,355	-0.4
Milpitas	82,401	81,915	-0.6
Monte Sereno	3,613	3,637	0.7
Morgan Hill	46,573	46,599	0.1
Mountain View	86,674	86,513	-0.2
Palo Alto	68,570	68,794	0.3
San Jose	980,174	979,415	-0.1
Santa Clara	133,829	134,587	0.6
Saratoga	31,020	31,110	0.3
Sunnyvale	158,948	159,673	0.5
Balance of County	91,266	91,076	-0.2
Santa Clara	**1,921,406**	**1,922,259**	**0.0**
Source: California Department of Finance			

Population / Demographics

Santa Clara County had been steadily growing for the last several decades. The county's population has grown more than 25 percent since 1990, and it is the sixth most populated county in California. There are 15 incorporated cities located within the county where more than 95 percent of the county's residents live. The county seat is the City of San Jose, which is the largest city in the San Francisco Bay Area. San Jose is also the third largest city in California, and the tenth largest city in the United States. The California Development Department reported the county's population at 1,922,259 as of January 2025, which is nearly unchanged from the January 2024 estimate of 1,921,406.

According to 2024 census data, the county had 672,426 households with an estimated 2.80 persons per household. The median age was 38.2 years.

HISTORICAL POPULATION AND PROJECTIONS (2020 - 2070)							
	2020	2030	2040	2050	2060	2070	% Change (2020-2070)
Santa Clara	**1,927,909**	**1,930,171**	**1,949,323**	**1,939,283**	**1,876,361**	**1,766,437**	**-8.4%**
California	39,535,726	39,771,423	40,968,090	41,726,601	41,720,611	41,237,997	**4.3%**
Source: California Dept of Finance							

Largest Employers in Santa Clara County		
Employer	# Employees	% of Total
County of Santa Clara	23,423	2.39%
Apple Inc.	10,936	1.11%
University of California, Santa Cruz	9,554	0.97%
Safeway Norther California Division	7,261	0.74%
City of San Jose	7,000	0.71%
Applied Materials	6,100	0.62%
San Jose State University	4,026	0.41%
Meta Platforms Inc.	3,966	0.40%
Deloitte	3,425	0.35%
Super Micro Computer Inc.	3,073	0.31%
Source: 2025 Santa Clara Annual Comprehensive Financial Rep		

Regional Economy

Trends in employment are a key indicator of economic health and strongly correlate with real estate demand. The county's economy is heavily service based. Technology, both hardware and software, dominates the service sector by value, but like any other county, Santa Clara has its share of retail and office support workers.

Labor Force / Unemployment

According to the California Employment Development Department, the county's labor force totaled 1,036,800 as of September 2025, of which 990,200 were employed, indicating a 4.5% unemployment rate. This compares to the statewide jobless rate of 5.5% and the national rate of 4.4%.

Personal / Median Household Income

Personal income is a significant factor in determining the real estate demand in the market. According to the 2024 American Community Survey (US Census), Santa Clara County had a per capita income of $82,180, which is considerably higher than the state's income of $49,934. Median household income was $168,154, compared to $100,149 in the state. Census data indicated a total of 7.0% of the county population lives below the poverty level, which is lower than the state (11.8%).

Real Estate Development

Santa Clara and Surrounding Counties Home Trends			
City	Median Price		
	Dec-25	Dec-24	% Change
Alameda	$980,000	$1,047,000	-6.4%
Merced	$395,000	$425,000	-7.1%
Monterey	$833,000	$925,000	-9.9%
San Benito	$762,500	$792,500	-3.8%
San Joaquin	$660,000	$605,000	9.1%
San Mateo	$1,641,500	$1,474,750	11.3%
Santa Clara	**$1,500,000**	**$1,529,746**	**-1.9%**
Santa Cruz	$1,215,000	$1,200,000	1.3%
Stanislaus	$450,000	$509,000	-11.6%
Source: CRMLS			

Residential

According to the California Department of Finance, as of January 2025, the county had a total of 688,035 housing units consisting of 358,135 single family detached units, 69,111 single family attached units, 49,129 2-4 units, 193,200 5+ units, and 18,370 mobile homes. Nearly 95.4% of the units were occupied.

Similar to many California counties, Santa Clara County faces the issue of affordable housing. The county's home prices are still among the highest in the state. According to the California Regional Multiple Listing Service (CRMLS), the median home price in Santa Clara County was $1,500,000 as of December 2025, which is a -1.9% decrease from the previous year.

Multi Family

According to CoStar, San Jose's multifamily market is poised to end 2025 on a strong footing, with fundamentals stabilizing after a period of volatility. Vacancy rates declined to 4.6%, reversing the upward trend seen in 2024 when deliveries outpaced absorption. This improvement reflects robust renter demand, which absorbed 4,200 units over the past 12 months, outstripping the 2,500 units delivered. While absorption remains below the post-pandemic peak of 8,000 units in 2021, it signals healthy leasing activity amid economic headwinds.

The market's resilience is underpinned by Silicon Valley's tech-driven economy, despite layoffs and slower job growth in the information sector. Population growth has resumed following pandemic-era declines, supported by international immigration, though recent policy changes could temper this trend. High home prices and mortgage rates above 6% continue to widen the affordability gap, reinforcing rental demand.

Rent growth accelerated to 3.2% year-over-year, surpassing the 10-year average of 2.2%. Premium submarkets, such as Palo Alto and Mountain View, posted gains above 4.5%, while more

affordable areas, like East San Jose, saw modest increases of around 2%. Concessions remain prevalent in luxury properties, but overall pricing power has strengthened as vacancy tightens.

Construction activity has slowed dramatically, with only 2,500 units under construction, down from 7,000 at the start of 2024. Developers cite high financing costs and risk aversion, although optimism persists for transit-oriented projects under California's new zoning law, which enables taller buildings near transit hubs.

Looking ahead, vacancy is expected to trend lower as limited new supply meets steady demand. Rent growth is expected to remain positive but moderate, with high-end properties continuing to outperform. While macroeconomic uncertainty and immigration policy shifts pose risks, San Jose's position as a tech hub and the ongoing AI boom provide a solid foundation for long term stability.

OFFICE

The San Jose office sector is showing signs of a rebound as 2025 draws to a close. Improved tenant interest has led to the highest quarterly leasing activity since 2022. Nevertheless, a series of tenant contractions over the past year has weighed on net absorption, causing the vacancy rate to remain at 15.2%, near its historical peak.

Market volatility and uncertainty remain prominent. While some Silicon Valley tech leaders, such as NVIDIA, have experienced remarkable expansion, legacy firms like Cisco and Intel have encountered significant competitive pressures from international rivals.

Artificial intelligence continues to be a growth engine, fueled by substantial investments from venture capital and established technology companies. AI-focused firms are driving new demand for office space, but broader adoption of AI across industries may ultimately reduce office requirements by shrinking workforce sizes. The latest employment figures indicate ongoing layoffs and declining job growth, especially in roles traditionally based in offices.

After a surge of new office completions in 2023, construction activity slowed. Several speculative developments have been delayed, and no major projects have commenced in the past two years. As a result, the volume of office space under construction, under 2 million SF, is now at its lowest point since the Great Recession.

Over the past year, San Jose's vacancy rate has risen by 30 basis points, reaching its highest level in two decades. Vacancy in top-tier (4 & 5 Star) buildings stands at 17.2%.

Following three consecutive years of declining rents, average asking rates stabilized in 2024, posting a 2.8% increase over the past year. Landlords continue to offer generous concession packages to attract tenants and boost occupancy.

The recent uptick in leasing activity is expected to translate into positive absorption as new tenants move in over the coming year. Vacancy rates are projected to decline, while rent growth is likely to continue at a moderate pace.

RETAIL

During the first quarter of 2026, the San Jose retail sector is shaped by opposing trends. Silicon Valley's post-pandemic recovery has driven solid economic momentum, with increased demand for technological products and services leading to income growth for residents. However, some economic headwinds persist, including elevated interest rates, layoffs in the tech industry, and changing consumer spending patterns. These factors have led to retailer bankruptcies and downsizing.

With low population growth, the San Jose retail market is mature. The overall inventory of retail space has held steady over the last five years. After a sluggish 2023, leasing activity rebounded in 2024, and 2025 is on track to see the highest leasing volume in eight years.

Leasing activity has been driven mainly by grocery stores, entertainment venues, automotive businesses, and fitness centers.

Ongoing closures of national chain stores have kept move-outs elevated, acting as a counter to new leasing activity, causing net absorption to be generally flat. Annual net absorption for the year stands at -72,000 SF.

The city features five major regional malls, serving as the central shopping destinations. These malls are popular and achieve the highest rents in the market.

Beyond individual car dealership projects, new construction focuses on mixed-use urban villages that combine residential, hotel, and office spaces with street level retail. While several such developments are underway, some have encountered delays due to economic challenges, including reduced office demand and high construction financing costs.

After several years of moderate increases, the recent economic slowdown led to a leveling off of rents in 2023. Nevertheless, average rent has moved higher over the past year, with annual growth reaching 4.9% this quarter, compared to a five-year average of 2.6%, and outpacing national growth of 1.9%.

With limited new supply and subdued demand, major shifts in San Jose's retail market are unlikely in the near term. Vacancy rates are expected to remain steady, and a return to stronger rent growth will likely depend on further improvements in the local economy.

INDUSTRIAL

The San Jose industrial market is closing 2025 with mixed signals, reflecting a cautious tenant environment and persistent economic headwinds. Vacancy edged up to 8.3%, marking a nearly

100-basis-point increase year-over-year, driven by negative net absorption of -500,000 SF. Flex properties bore the brunt of this softness, posting an average vacancy rate of 11.5%, while logistics assets remained comparatively tighter at 6.8%. The availability rate, including sublet space, is 10.5% as of 2026Q1, underscoring elevated competition among landlords.

Leasing demand continued to favor large logistics facilities, supported by e-commerce and third-party logistics operators, while mid-sized logistics and flex buildings saw muted interest. The small-bay segment, however, maintained resilience, benefiting from local service-oriented businesses. Construction activity remained robust, with 4.4 million SF underway, above the national average, highlighting developer confidence in long-term fundamentals despite near-term leasing challenges. Projects include advanced manufacturing facilities and data centers, though power constraints in Santa Clara pose risks for future hyperscale development.

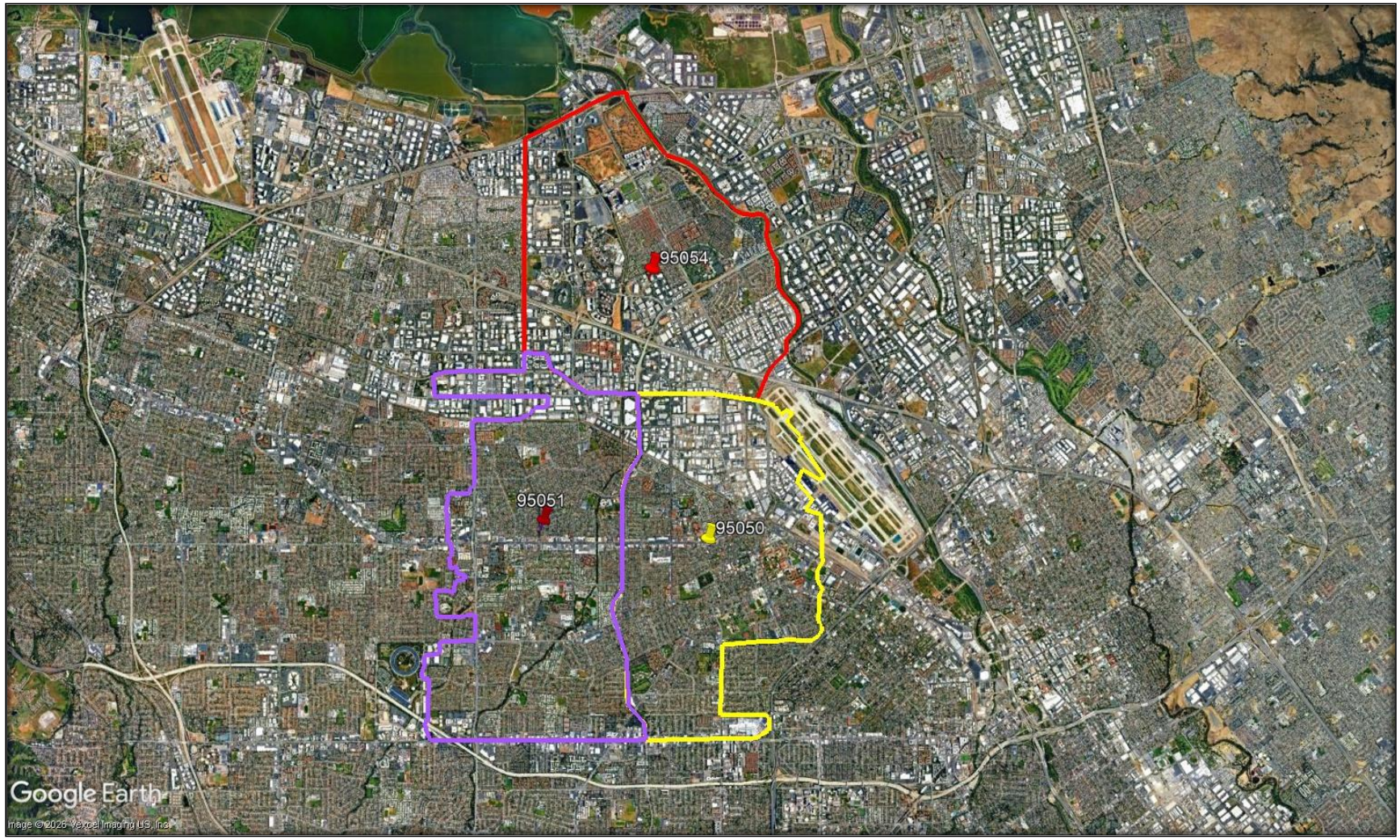
Rent trends softened further, with asking rents declining 0.3% year-over-year to $26.00/SF, marking the third consecutive quarterly drop. Flex rents fell to $32.00/SF, while logistics dipped to $19.00/SF, signaling a tenant favorable environment. Concessions, including free rent and TI allowances, have become more prevalent as landlords compete for occupancy.

Looking ahead, the vacancy rate is expected to rise modestly through mid-2026 as speculative deliveries hit the market. Rent growth is expected to remain subdued, with logistics outperforming flex space. Submarkets with constrained supply and proximity to transportation corridors are expected to maintain relative strength, while power availability will continue to be a critical determinant for data center expansion.

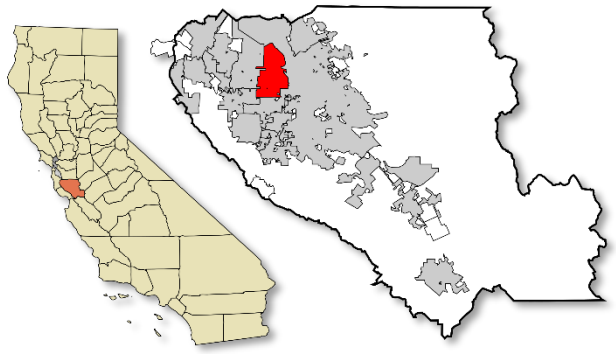
CONCLUSION

Santa Clara County has an established reputation and a stable economy, which is fueled by its inclusion in the Silicon Valley portion of the thriving San Francisco Bay Area. Several other factors, including good schools, a year-round mild climate, and overall quality of life, are the primary reasons why the region is expected to thrive over the long-term.

AREA MAP


95054
95051
95050
Google Earth
Image © 2026 Vexcel Imaging US, Inc.

AREA DESCRIPTION — CITY OF SANTA CLARA



LOCATION / TRANSPORTATION

Santa Clara is centrally located in Santa Clara County in Northern California, within the southern portion of the San Francisco Bay Area. The city sits in the center of Silicon Valley, approximately 45 miles southeast of San Francisco and 10 miles northwest of downtown San Jose. Santa Clara is bordered by San Jose to the south, east, and west, Sunnyvale to the northwest, and Cupertino to the west. According to the U.S. Census Bureau, the city covers an area of 18.4 square miles, all of it land.

POPULATION / DEMOGRAPHICS

Santa Clara has a diverse, largely urban population shaped by its role as a major center for technology, employment, and higher education. According to the California Department of Finance, the population was 134,587 as of January 2025, which is an increase of 0.6% from January 2024. According to the 2024 American Community Survey/US Census, Santa Clara had 54,135 households with 2.37 persons per household and a median age of 34.2 years.

SERVICES / RECREATION

The city provides a full range of services. These services include police, fire protection and emergency dispatch; electric, water, solid waste, and sanitary sewer services; the construction and maintenance of streets and infrastructure; parks and recreational activities and cultural events; planning and zoning; library; cemetery; and general administrative and support services.

Recreation in the city is provided through the city's parks and recreation system, which includes neighborhood parks, sports fields, aquatic facilities, and community centers. The city also hosts Levi's Stadium and is located near regional cultural, entertainment, and outdoor facilities throughout Silicon Valley.

LOCAL ECONOMY

Santa Clara's economy is closely tied to Silicon Valley and is primarily driven by technology, professional services, manufacturing, healthcare, education, and retail trade. The city is home to a number of technology and semiconductor firms, data centers, corporate offices, and research facilities. Healthcare systems, higher education institutions, and government also contribute significantly to the economy.

According to California's Employment Development Department, Santa Clara's unemployment rate as of September 2025 was 3.9%. The city's labor force totaled 78,700 and 75,700 were employed. According to the 2024 American Community Survey/US Census, the median household income in the city was $180,631, and a total of 7.7% of the population was living below the poverty level.

Real Estate Development

Real estate development in Santa Clara is shaped largely by its central role within Silicon Valley and its proximity to major employment centers. Most of the city's recent growth has focused on infill and redevelopment, particularly near transit corridors, major roadways, and established commercial areas. New projects frequently emphasize higher-density residential uses, mixed-use developments, and transit-oriented housing to address ongoing demand and state housing requirements, while making efficient use of limited available land.

Commercial development continues to support the city's strong employment base, with ongoing investment in office, research and development, and technology-related facilities. Older commercial and industrial properties are increasingly being modernized or repositioned to meet current market needs, including flexible office and mixed-use formats. Overall, development activity in Santa Clara reflects a balance between accommodating growth, supporting economic activity, and integrating new projects into an established urban environment.

Residential

According to California's Department of Finance as of January 1st, 2025, the city had a total of 50,229 housing units, which could be broken down into 19,565 single family detached units, 4,741 single family attached units, 25,879 multi-family units, and 44 mobile homes.

The California Multiple Listing Service (CRMLS) reported a median home price of $1,625,000 in December 2025, which is a -1.6% decrease from the previous year.

Conclusion

Santa Clara is expected to remain a key economic and residential center within Silicon Valley, with growth shaped by infill development, redevelopment, and continued demand tied to regional employment. Supported by a strong local economy, extensive municipal services, and access to major transportation and employment centers, the city's outlook remains stable while balancing growth.

LAND USE CATEGORIES

To ensure a credible and consistent analysis, all comparable sales are categorized into five land use categories derived from the density ranges and permitted uses established by the City of Santa Clara General Plan and its equivalent Zoning Ordinances. The categories defined for analysis are included below:

1. **Single Family (Low Density Residential):** Includes Very Low Density (0 to 10 du/ac) and Low Density (11 to 19 du/ac) designations, primarily encompassing R1 and R2 zoning districts for detached homes and townhomes.

2. **Medium Density Residential**: Includes developments with densities of 20 to 36 du/ac, primarily within the R3 zoning classification.

3. **High Density Residential:** Includes urban-style mid-rise and podium developments with densities of 37 to 50 du/ac, typically within R4 zoning districts.

4. **Commercial:** Encompasses Neighborhood, Community, and Regional Commercial designations (CN, CC, CR, OA/OG) including retail, office, and hotel uses.

5. **Industrial:** Includes Light Industrial, Heavy Industrial, and Industrial Park designations (ML, MH, MP) for warehousing, R&D, and data centers. We have also included the Low and High Intensity Office/R&D designations within this category.

Please note, these categories have been defined in accordance with the scope of work of this appraisal assignment. The purpose of categorization is to determine the applicable per SF value for each land use type, and then determine the total reconciled per acre value based on the weighted average of land area sold in each category. An analysis is conducted for each property type based on the available data. A table outlining and expanding upon the buckets defined above can be found o n the next page:

Land Use Classification Table				
Category Name	**General Plan Designation**	**Density Range/Intensity**	**Primary Zoning Districts**	**Typical Uses/ Notes**
Single Family	Very Low Density Residential, Low Density Residential	0-19 DU/AC	R1 (Single Family), R2 (Two-Family)	Detached single-family homes, Duets / Duplexes, Low-density townhomes
Medium Density Residential	Medium Density Residential	20-36 DU/AC	R3 (Multi-Family), PD (Planned Development)	Low-rise apartments, Rowhouses & Townhouses, Garden-style complexes
High Density Residential	High Density Residential, Very High Density (Specific Plans)	37-50+ DU/AC	R4 (High Density), PD (Planned Development)**	Urban mid-rise buildings, Podium developments, Structured parking residential
Commercial	Neighborhood, Community, and Regional Commercial	FAR 0.40-0.60	CN (Neighborhood), CC (Community), CR (Regional), OA/OG (Office)	Retail centers & Supermarkets, Office buildings, Hotels & Service Commercial
Industrial	Light Industrial, Heavy Industrial, Low and High-Intensity Office/R&D	FAR 0.45-2.00	ML (Light Industrial), MH (Heavy Industrial), MP (Industrial Park)	Data Centers, R&D / Flex Tech, Manufacturing & Warehousing

LAND USE CATEGORIES: MARKET CONDITIONS

This section provides an aggregated overview of the market conditions within the Central, North, and South Santa Clara submarkets as of the December 31st, 2025 date of value. The analysis relies on reported market data from CoStar submarket reports to support valuation conclusions for hypothetical one-acre lots across the designated zip codes. These market overviews are relied on to reconcile the appropriate market conditions adjustments applied in the sales comparison approaches to value.

Comparable sales from Santa Clara, San Jose, Sunnyvale, Cupertino, Campbell, and Milpitas are considered competitive and relevant because these cities are adjacent or near-adjacent jurisdictions within the same regional employment base, share similar demand drivers tied to major technology and institutional employers, and participate in the same broadly integrated buyer pool for infill and redevelopment land. Market participants commonly evaluate land opportunities across these cities based on relative zoning potential, entitlement risk, site utility, and overall location attributes rather than municipal boundaries alone. Accordingly, sales from these nearby Silicon Valley submarkets provide meaningful support for land pricing and market trend conclusions applicable to Santa Clara when analyzed with appropriate adjustments and qualitative weighting.

SINGLE-FAMILY HOUSING MARKET OVERVIEW (SANTA CLARA)

As of January 2026, Santa Clara's single-family housing market remains strongly supply-constrained and highly competitive. Citywide conditions reflect a clear seller-leaning environment, supported by very low months of inventory, fast marketing times, and persistent sale-to-list premiums. While pricing varies meaningfully across Santa Clara's three ZIP codes, the broader pattern is consistent: limited supply continues to sustain pricing power, even where short-term volatility appears in monthly median sales figures.

INVENTORY AND MARKET BALANCE

Santa Clara is operating with exceptionally tight inventory. Citywide months of inventory is approximately 0.60, indicating a market where demand materially exceeds available supply. Consistent with this imbalance, homes are selling quickly, with a median of 10 days on market. Competitive pressure is also evident in pricing outcomes, as the sold-to-list price ratio averages about 106.5%, confirming that many transactions are closing above asking price.

At the ZIP-code level, supply remains constrained across all submarkets, though conditions vary. 95051 is the tightest among the ZIP codes at roughly 0.83 months of inventory, while 95050 and 95054 show comparatively higher, yet still low, inventory at about 1.27 and 1.49 months, respectively. Median marketing times remain short across the board, ranging from roughly 12–15 days.

PRICING AND VALUE TRENDS

Citywide pricing metrics indicate continued strength. In January 2026, the median sold price for Santa Clara single-family homes is approximately $2,289,000, while the median list price is

approximately $1,911,500. In parallel, the citywide median estimated property value is approximately $1,966,640, reflecting a +3.47% change over the prior 12 months.

Rolling 12-month trend data also supports the broader narrative of elevated pricing. As of January 2026, the rolling 12-month median sales price is approximately $2,030,000 for Santa Clara City overall. Rolling 12-month average price per square foot is approximately $1,344/SF, indicating sustained value intensity even after the rapid run-up earlier in the cycle.

CONCLUSION

Santa Clara's single-family market remains structurally undersupplied, and current conditions reflect an environment where buyers continue to compete aggressively for limited inventory. Citywide months of inventory near 0.60, marketing times near 10 days, and a 106%+ sold-to-list ratio reinforce a market defined by scarcity and pricing power. While ZIP-level results show meaningful differences, particularly the volatility observed in 95054, the broader metrics indicate that the single-family sector remains resilient and highly priced across Santa Clara, providing a consistent benchmark for interpreting underlying residential land value trends in the City.

Based on the Santa Clara City rolling 12-month median sales price trend for single-family residential properties, market conditions were measurably stronger during the 2023–2024 period and more modest during 2025. From January 1, 2023 through December 31, 2024, the median increased about 9.4%, which equates to an annualized (compounded) rate of approximately +4.8% per year, supporting a more material time adjustment for sales occurring earlier in that interval. By contrast, from January 1, 2025 through December 31, 2025, the median increased about 1.7%, equating to an annualized rate of approximately +1.8% per year, indicating a substantially slower pace of appreciation and supporting a smaller market conditions adjustment for sales within 2025.

Market Conditions Adjustments Single Family	
Timeframe	Annualized Adjustment
Jan 2023 - Dec 2024	4.80%
Jan 2025 - Dec 2025	1.80%

MULTI-FAMILY (MEDIUM- AND HIGH-DENSITY RESIDENTIAL)

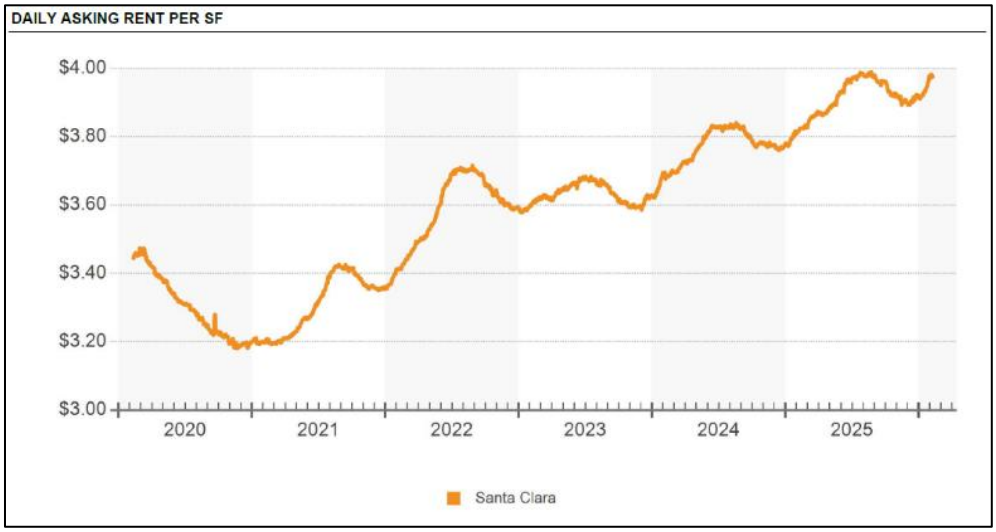
The Santa Clara multi-family market, which provides the principal income context for the City's Medium Density Residential and High Density Residential land use categories, closed 2025 with strong demand fundamentals despite a near-term increase in vacancy driven by elevated new supply. Over the past 12 months, the submarket delivered 1,345 units and absorbed 1,434 units, reflecting the strongest leasing performance in the San Jose metro. This recent delivery cycle temporarily lifted overall vacancy, but stabilized conditions remain materially tighter, indicating healthy underlying demand for professionally managed apartment product.

INVENTORY AND VACANCY

Santa Clara's multi-family inventory totals 23,421 units. Vacancy is reported at 6.5%, representing a year-over-year increase attributable to the recent wave of deliveries; however, stabilized vacancy is near 4%, indicating that the elevated headline rate is largely a function of lease-up in newly delivered projects. Vacancy varies by asset class, with 4 & 5 Star properties reporting higher vacancy during lease-up, while 1 & 2 Star properties remain comparatively tight. Importantly, the construction cycle has paused following the 2025 delivery surge, with zero units currently under construction, supporting the expectation that vacancy can normalize as recent deliveries are absorbed.

RENTAL RATES

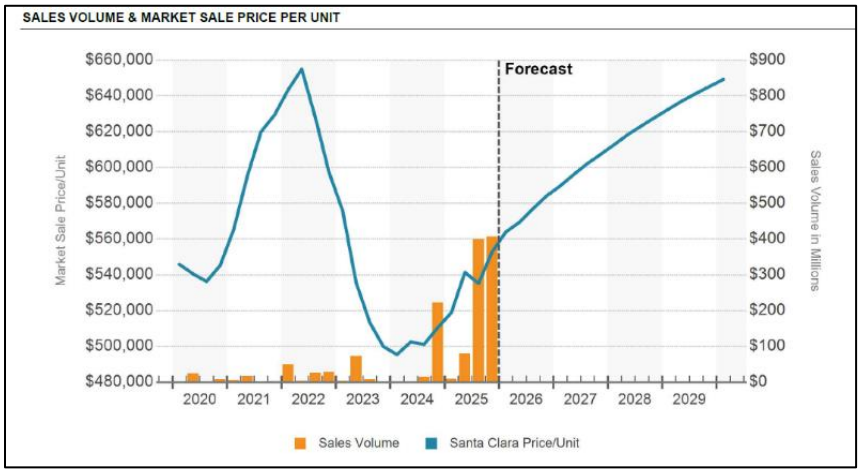
Rents resumed growth in 2024 and accelerated through 2025. As of the first quarter of 2026, average asking rent is $3,573 per unit, reflecting 4.1% year-over-year growth, while effective rent is reported at $3,526 per unit with 4.7% year-over-year growth, indicating that concessions remain present but are not preventing overall rent gains. Rent levels are tiered by quality, with 4 & 5 Star properties averaging $4,125 per unit, 3 Star properties averaging $3,357 per unit, and 1 & 2 Star properties averaging $2,379 per unit.



Daily Asking Rent Per SF (Multifamily Santa Clara)

INVESTMENT AND SALES ACTIVITY

Investment activity strengthened materially in 2025. Trailing 12-month sales volume is approximately $890 million across 23 transactions, with average pricing near $490,000 per unit and an average cap rate of 4.9%. Recent transactions include large institutional acquisitions, illustrating continued investor appetite for both scale and quality within the Santa Clara multi-family market.



CONCLUSION

Santa Clara's multi-family market demonstrates resilient demand, supported by strong absorption and renewed rent growth, while the recent increase in vacancy is closely tied to a one-time surge in deliveries rather than structural weakening. With no units under construction and stabilized vacancy materially below the current headline rate, the near-term outlook reflects market rebalancing as new communities complete lease-up. These conditions provide a factual and supportable basis for interpreting multi-family income potential and investor pricing behavior applicable to the City's Medium- and High-Density Residential land use categories.

Based on the Santa Clara multifamily submarket trends (representative of medium- to high-density residential property types), the market supports two distinct time-adjustment regimes over the analysis period. For January 1, 2023 through December 31, 2024, investment pricing indicators reflect modest appreciation while leasing fundamentals shifted from muted rent growth in 2023 to stronger rent growth in 2024 (despite some vacancy expansion), supporting a reconciled market conditions adjustment of approximately +2.5% per year for that period. For January 1, 2025 through December 31, 2025, pricing metrics indicate a more pronounced increase in values while rents remained positively trending, supporting the conclusion that overall market pricing advanced at a faster pace than income growth alone would imply; therefore, a reconciled market conditions adjustment of approximately +5.0% per year is concluded for 2025.

Market Conditions Adjustments Multifamily	
Timeframe	Annualized Adjustment
Jan 2023 - Dec 2024	2.50%
Jan 2025 - Dec 2025	5.00%

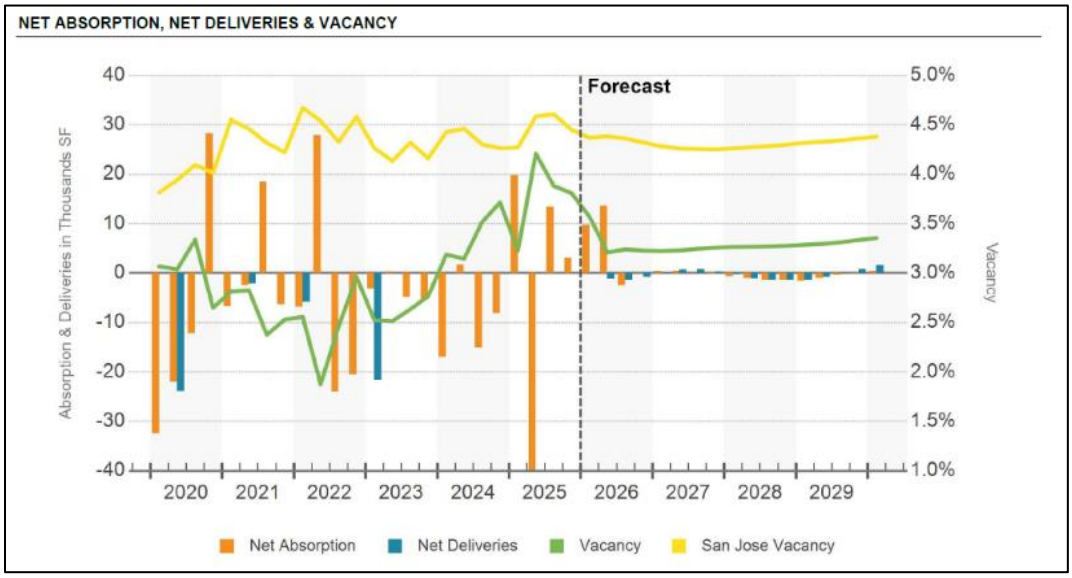
COMMERCIAL (RETAIL AND OFFICE)

The Santa Clara commercial real estate market, encompassing both the retail and office sectors across the Central, North, and South submarkets, presents a bifurcated landscape as of 2025. While the retail sector is characterized by tight vacancies and constrained supply, the office sector exhibits more elevated vacancies alongside stronger transactional volume in key pockets.

INVENTORY AND VACANCY

Combined commercial inventory spans over 27 million square feet, heavily weighted toward the office sector. The office market contains approximately 21.9 million square feet of space. Within the office sector, North Santa Clara holds the largest concentration at 10.6 million square feet, but it also struggles with the highest vacancy rate at 18.8%. South Santa Clara's office vacancy stands at 12.0% on 2.2 million square feet of inventory, while Central Santa Clara shows the tightest office market with a 7.7% vacancy rate across its 9.1 million square feet.

Conversely, the retail market is significantly smaller, totaling roughly 5.34 million square feet, and exhibits highly stabilized fundamentals. South Santa Clara dominates the retail footprint with 4.1 million square feet and a healthy vacancy rate of 3.7%. North and Central Santa Clara contain 660,000 and 580,000 square feet of retail space, respectively, with very low vacancies of 3.5% and 2.4%.



South Santa Clara County Retail Submarket

RENTAL RATES

Despite differing vacancy profiles, both retail and office landlords have maintained positive year-over-year rent growth across all Santa Clara submarkets. In the retail sector, asking rents range from $32.00 per square foot in Central Santa Clara to a high of $59.00 per square foot in North Santa Clara. Retail rent growth remains steady, varying from 1.8% to 2.1% annually.

Office rental rates are also competitive, with Central Santa Clara commanding approximately

$57.00 per square foot alongside an impressive 3.9% annual rent growth. Office rents in North and South Santa Clara average $50.00 and $48.00 per square foot, respectively, with annual growth rates of 2.7% and 2.6%.

Investment and Sales Activity

Commercial investment activity reveals distinct investor preferences. The Central Santa Clara office submarket led overall commercial sales velocity by a wide margin, recording 10 property transactions over the past year totaling $574 million in sales volume and an estimated market capitalization rate of 6.9%. South Santa Clara also saw office trades amounting to $55.9 million across two properties.

Retail investment was more subdued but steady in the southern and central areas. South Santa Clara recorded four retail sales totaling $16.2 million, while Central Santa Clara saw a single retail transaction for $3.0 million. North Santa Clara experienced a complete pause in both retail and office investment, with zero sales reported in either sector over the past year. Capitalization rates for retail assets are generally tighter than office, resting between 5.5% and 5.8% across the city.

Conclusion

The Santa Clara commercial real estate market is anchored by an absolute lack of new development, which continues to insulate both the retail and office sectors from oversupply risks. Retail remains an incredibly tight and stable asset class, while the office sector, despite higher vacancies in the North and South, continues to drive massive capital investment and rent growth, particularly in the Central submarket. These distinct trends provide a solid, factual foundation for assessing underlying commercial land values across the city.

Based on the City of Santa Clara commercial submarket evidence (office and retail), we have reconciled two distinct market conditions adjustments over the analysis period. For January 1, 2023 through December 31, 2024, overall commercial values are concluded to have declined at approximately −8.0% per year (annualized), driven primarily by the office segment's measurable valuation reset (pricing indices declining across Central, North, and South Santa Clara) while leasing conditions showed only limited offsetting support (rents generally increased but vacancy pressure was evident, particularly in office). For January 1, 2025 through December 31, 2025, overall commercial values are concluded to have increased at approximately +2.0% per year (annualized), supported by modest stabilization/firming in office pricing indices and continued positive leasing signals, while retail performance was generally stable to improving (rising asking rents and mostly stable/positive pricing indicators in key submarkets). These reconciled time adjustments are intended as aggregate, citywide market conditions indicators suitable for application to Santa Clara commercial sales where a single, supportable time trend is required.

Market Conditions Adjustments Commercial	
Timeframe	Reconciled Adjustment
Jan 2023 - Dec 2024	-8.00%
Jan 2025 - Dec 2025	2.00%

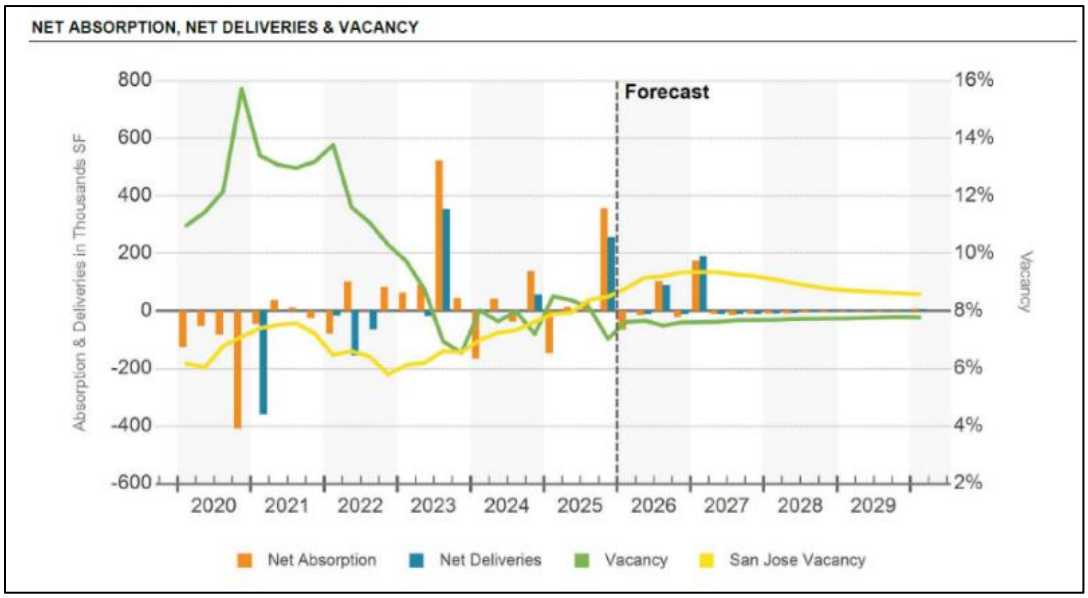
INDUSTRIAL (FLEX, LOGISTICS, R&D)

The Santa Clara industrial real estate market, encompassing the Central, North, and South submarkets, reflects a supply-constrained and stabilized environment as of late 2025. While North Santa Clara contains the majority of the city's industrial inventory and demonstrates moderate vacancy alongside limited development activity, South Santa Clara remains fully occupied with no construction underway. Central Santa Clara continues to function as an established and institutionally active industrial node. Overall, the market is characterized by limited new supply, stable rent levels, and steady capital markets participation.

INVENTORY AND VACANCY

Combined industrial inventory across the three submarkets totals approximately 13.3 million square feet, heavily weighted toward North Santa Clara at roughly 11.5 million square feet. South Santa Clara comprises approximately 898,000 square feet, making it the smallest industrial concentration within the city.

Vacancy conditions vary by submarket. North Santa Clara reports vacancy near 8%, with availability slightly higher, driven largely by elevated flex vacancy relative to logistics and specialized product. The absence of new deliveries in South Santa Clara over the past decade underscores the submarket's structurally constrained supply profile. Construction activity within the broader market remains limited and is concentrated primarily in North Santa Clara.



North Santa Clara County Industrial Submarket

RENTAL RATES

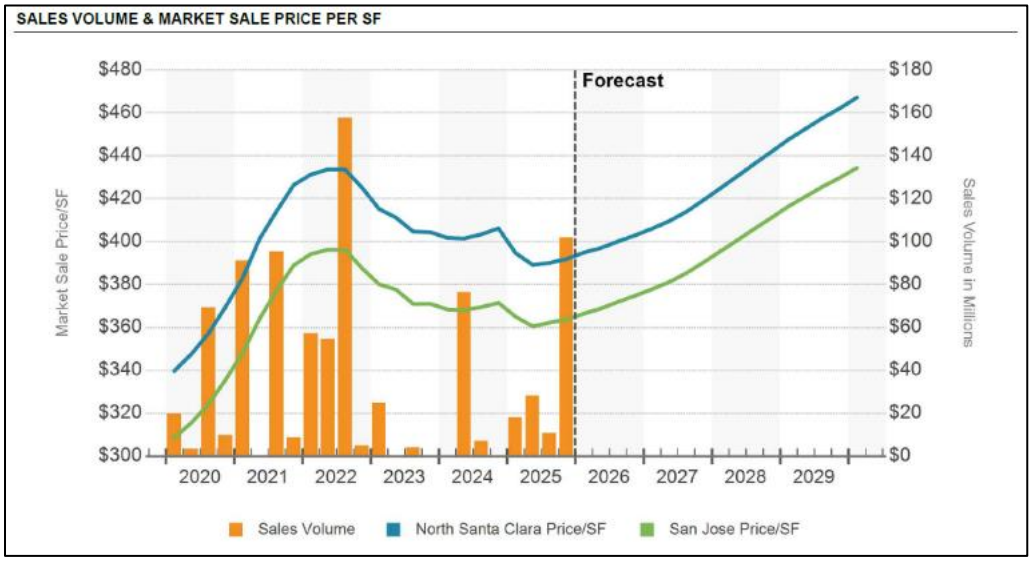
Industrial asking rents across Santa Clara remain generally stable, averaging in the mid-$26 per square foot range in both North and South submarkets. Flex product commands the highest rental

rates, generally exceeding $30 per square foot, while logistics space averages in the low-$20 per square foot range. Specialized industrial product falls between these two tiers.

Year-over-year rent growth remains modest following prior expansionary cycles. South Santa Clara has experienced slightly stronger recent rent growth relative to North Santa Clara, though overall annual increases across the city remain moderate and consistent with a stabilized industrial market.

INVESTMENT AND SALES ACTIVITY

Industrial capital markets activity remains steady, with transaction volume concentrated primarily in North Santa Clara over the past 12 months. Citywide market pricing trends indicate pricing generally in the mid-$300s to upper-$300s per square foot, while select South Santa Clara transactions have achieved higher per-square-foot metrics, consistent with its near-zero vacancy condition and limited supply. At the same time, broader pricing indices across Central and North Santa Clara reflect modest softening from peak levels through 2024 and into 2025, supporting reconciled market conditions adjustments of approximately 2.0% per year for the January 1, 2023, December 31, 2024 period and approximately 2.5% per year for January 1, 2025-December 31, 2025. Estimated market capitalization rates across the submarkets remain in the mid-6% range, indicating stabilized income expectations in the current environment, while observed rent trends are generally stable to improving, together suggesting that the mild negative time trend is primarily attributable to cap-rate expansion rather than weakening leasing fundamentals.



CONCLUSION

The Santa Clara industrial market continues to demonstrate constrained supply, stabilized occupancy, and moderate rent growth across its submarkets. South Santa Clara's full occupancy and absence of construction highlight the scarcity of available industrial space, while North Santa Clara provides the primary base of inventory and transaction activity within the city. These

consistent and measurable fundamentals provide a reliable framework for evaluating underlying industrial land values across Santa Clara.

Based on the City of Santa Clara industrial submarket evidence (Central, North, and South), the market supports modest negative market conditions over both analysis periods, with value trends driven primarily by cap-rate expansion despite generally stable-to-improving leasing fundamentals. For January 1, 2023 through December 31, 2024, CoStar's sales-side pricing indicators show a mild decline in values (pricing indices drifting downward from earlier peak levels), while asking rents generally increased and vacancy remained relatively contained; reconciling these signals, an overall industrial market conditions adjustment of0 -2.0% per year (annualized) is supported for this period. For January 1, 2025 through December 31, 2025, pricing indices reflect continued modest softening into 2025 while rent growth was flat to modest, indicating that higher-rate pricing pressure persisted even as income performance remained comparatively steady; therefore, an industrial market conditions adjustment of -2.5% per year (annualized) is concluded for 2025.

Market Conditions Adjustments Industrial	
Timeframe	Reconciled Adjustment
Jan 2023 - Dec 2024	-2.00%
Jan 2025 - Dec 2025	-2.50%

HIGHEST AND BEST USE

Highest and best use may be defined as:

> *"The reasonably probable use that produces the most benefits and highest land value at any given time."*[5]

Typically, to meet the highest and best use, the four criteria are:

1. ***Legally Permissible:*** *What uses are permitted by zoning and other legal restrictions?*

2. ***Physically Possible:*** *To what use is the site physically adaptable?*

3. ***Financially Feasible:*** *Which possible and permissible use will produce any net return to the owner of the site?*

4. ***Maximally Productive.*** *Among the feasible uses which use will produce the highest net return, (i.e., the highest present worth)?*

This assignment applies a hypothetical condition that expands legal permissibility by assuming the hypothetical subject lot could represent the range of land use categories and zoning districts that occur throughout the City of Santa Clara, rather than being constrained to a single, site-specific designation. Accordingly, the highest and best use conclusion is expressed as a set of representative uses consistent with the Citywide land use spectrum used in the analysis.

Under this hypothetical condition, the highest and best use of the hypothetical lot is for development (or interim holding pending market support) consistent with one of the principal Citywide land use categories.

The average indicated land value developed in this appraisal, derived from sales comparison approaches across these land use categories and weighted in accordance with the scope of work, is contingent upon the hypothetical condition described in this appraisal report. Specifically, the concluded average value reflects a hypothetical lot that is representative of the City's broader development capacity across the listed residential, commercial, and industrial use ranges, and is not intended to represent the highest and best use of any specific, physically identified parcel absent confirmation of that parcel's actual General Plan designation, zoning, and other applicable land use constraints.

[5] *The Appraisal of Real Estate*, 15th ed., p. 305 (Chicago: Appraisal Institute 2020).

VALUATION METHODOLOGY

Three basic approaches may be used to arrive at an estimate of market value. They are:

1. The Cost Approach
2. The Income Approach
3. The Sales Comparison Approach

COST APPROACH

The Cost Approach is summarized as follows:

Cost New
- Depreciation
+ Land Value
= Value

INCOME APPROACH

The Income Approach converts the anticipated flow of future benefits (income) to a present value estimate through a capitalization and or a discounting process.

SALES COMPARISON APPROACH

The Sales Comparison Approach compares sales of similar properties with the subject property. Each comparable sale is adjusted for its inferior or superior characteristics. The values derived from the adjusted comparable sales form a range of value for the subject. By process of correlation and analysis, a final indicated value is derived.

FINAL RECONCILIATION

The appraisal process concludes with the final reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others.

METHODOLOGIES APPLIED

We have applied 5 separate sales comparison approaches, one for each land use category. Based on the hypothetical nature of the subject, each sales comparison approach represents a spectrum of land sales which together, form a basis for the average value per unit for each asset class. When possible, we used land sales with little or no adjustment needed. In some cases, sales conditions adjustments were applied. Market conditions adjustments were also applied in accordance with the specified scope of work for this appraisal project.

SALES COMPARISON APPROACH: SINGLE FAMILY (LOW DENSITY RESIDENTIAL)

The hypothetical subject's land value has been developed via the Sales Comparison Approach, which is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. This sales comparison approach is conducted in order to determine average value, and therefore, no adjustments beyond market conditions and sales conditions adjustments were necessary, except where noted. The process below describes the applied methodology utilized to reach conclusions of value in the subsequent 5 sales comparison approaches.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed, and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the hypothetical subject property.
- The value indication of each comparable sale is analyzed, and the data reconciled for a final indication of value via the Sales Comparison Approach.

SINGLE FAMILY (LOW DENSITY) LAND COMPARABLES

I searched for comparables with a similar highest and best use of single family (low density) development. Comparisons are made to the hypothetical subject relative to differences or similarities in time, location, physical characteristics, and sales conditions. Percentage or dollar adjustments are then made to the selling and/or listing price of each comparable for property rights, financing, time of sale, and unusual sales conditions; qualitative comparisons are made for physical differences between each comparable and the subject. A range of values results from this approach. I correlated the range into a final value by selectively rating the comparables as to their overall comparative value to the hypothetical subject property, which is meant to represent the average of values analyzed.

I have researched six land comparables for this analysis. All of the comparables reflect closed sales and are documented on the following pages with a summary grid, location map and aerial photographs.

SINGLE FAMILY LAND COMPARABLE SUMMARY TABLE

Land Comparables Summary						
Comp	Address City	Date Assessor Parcel No	Book/Page or Reference Doc Price	Acres Price Per Acre	Zoning Price Per SF	Sale Comments
Subject	Santa Clara Single Family Lot	12/31/2025	NA	1.00	Single Family/Low Density Residential (R1, R2)	This is the hypothetical subject property.
Subject	Santa Clara	NA	NA	NA	Good	
1	20860 McClellan Rd Cupertino	8/25/2023 359-20-030	25525850 $9,300,000	1.35 $6,888,889	R1B2 $158.15	20860 McClellan Road, Cupertino, California 95014 (APN 359-20-030) sold on August 25, 2023 for $9,300,000, which equates to approximately $6,888,889 per acre based on a reported site size of 1.35 acres (58,806 SF), or about $158.15 per land SF. The property is zoned R1B2. The transaction was conveyed by Grant Deed from District McClellan LLC (grantor) to AlphaMcClellan LLC (grantee) and was recorded in Santa Clara County on September 1, 2023 as Document No. 25525850.
2	Doyle Road and Lawrence Expressway San Jose	12/20/2023 381-19-015	25577414 $5,100,000	1.02 $5,000,000	R1-8 $114.78	The Doyle Road and Lawrence Expressway sale in San Jose involved one parcel (381-19-015) totaling 1.02 acres that sold for $5,100,000 on 12/20/2023 (Doc #25577414). The transaction equates to approximately $5 million per acre and $1114 per land SF. Title transferred via Grant Deed from VOP REF Doyle LLC to Harker School, as confirmed by the recorded deed. This transaction represents the sale of land with development pressure currently zoned for residential development at up 8 dwelling units per acre.
3	781 Wolfe Road	7/9/2024	25662912	0.69	R0	781 S. Wolfe Road, Sunnyvale, CA 94086 (APN 211-05-009) transferred by Grant Deed on July 9, 2024 for $4,500,000 and was recorded July 12, 2024 (Santa Clara County Doc. 25662912). The reported site area is

4	Sunnyvale	211-05-009	$4,500,000	$6,521,739	$149.72	0.69 acres (29,850 SF), indicating a land value metric of approximately $6,521,739 per acre (about $150.75 per land SF). Title transferred from the George Yamaoka and Misako Yamaoka Family Trust (as amended), executed by the trustee, to 781 South Wolfe Road, L.P. (California limited partnership). The land was sold as a single family residential redevelopment project.
4	1020 5th Street San Jose	12/30/2025 235-09-016, -017, -018, -019	25925105 $2,470,000	0.63 $3,920,635	R2 $90.01	1020 N 5th Street, San Jose, CA 95112 is a multi-parcel vacant land transaction involving APNs 235-09-016, 235-09-017, 235-09-018, and 235-09-019. The reported consideration is $2,470,000. The sale date is 12/11/2025 and the recording date is 12/30/2025, recorded in Santa Clara County as Document No. 25925105. Title transferred from the Allen Wong and Lillian Wong 1991 Trust (trustees) to Kellogg & Kay LLC (California LLC). Zoning is shown as R2, and the site size reported is 0.63 acres.
5	839 N 14th Street San Jose	2/8/2024 249-12-100	25596092 $550,000	0.12 $4,583,333	R2 $105.22	This comparable sale involves a vacant land parcel identified as APN 249-12-100 in San Jose, Santa Clara County, with the location noted as between 833 N 14th Street and 845 N 14th Street near Vestal Street. The site is reported to contain 0.12 acres (5,227 square feet), with zoning shown as R2. The property sold on 02/08/2024 for $550,000, following a contract date of 01/25/2024, and it was offered at $625,000 prior to sale. The transfer was conveyed by Grant Deed dated 01/29/2024 and recorded 02/08/2024 as Document No. 25596092 from Karen M. Garcia to Jagjit S. Bains.
6	0 Walnut Grove San Jose	6/7/2024 274-28-062	25647476 $560,000	0.14 $4,000,000	R1 $91.83	This comparable sale involves a vacant land parcel in San Jose, California (95128/95126), identified as APN 274-28-062, located adjacent to 1894 Walnut Grove Avenue at the end of a cul-de-sac near N. Bascom Avenue. The site is reported at 0.14 acres, with lot area figures shown as 6,098 square feet and 6,295 square feet. Zoning is shown as R1. The property sold for $560,000, with a purchase contract date of 05/29/2024 and a close/recording date of 06/07/2024. The conveyance was by Grant Deed recorded as Document No. 25647476 from Walker William E to Pan Family Trust.

THE COMPARISON PROCESS

In the comparison process, I take into consideration the financial and physical differences between each land comparable. Categories of adjustment and/or comparison include: 1) property rights conveyed; 2) terms of sale; 3) conditions of sale; 4) buyer expenditures; 5) market conditions; and, 6) physical characteristics (including location, topography, utilities, zoning, etc.).

The comparables are analyzed on a price per square foot of land basis as this is the most applicable unit of comparison for the subject land as it reflects development land. This was clear when analyzing the comparable data where pricing levels, when analyzed on a price per square foot of land basis, were consistent and reflective of the market.

Each comparables' gross acreage and land square footage was obtained from public records, published sales information, and/or other reliable sources. The subject's overall market value was delineated from the market data.

The comparison process is fairly subjective in nature primarily due to the many characteristics of value, variances in buyer/seller influences, imperfections in the market, etc. Adjustments and/or comparisons are an attempt to reflect value contributions of the various factors in the marketplace. Many of the comparisons of physical characteristics overlap and reflect overall desirability. The comparison grid following this section is an empirical format to simply lead the reader to a logical conclusion of the final estimated value.

PROPERTY RIGHTS

The property right appraised was the fee simple estate. All of the land comparables transferred (or are marketing) the fee simple interest, thus, there are no adjustments warranted.

FINANCING (TERMS OF SALE)

Financing (terms of sale) include below market rates, buy downs, atypical payback periods, or any financing situations that are not commonly accepted within the marketplace. In the subject market, land is typically purchased with all cash or the seller takes back a first trust deed with a large (20%-50%) down payment. The comparables sold for cash or with conventional forms of financing; thus, no adjustments were warranted.

CONDITIONS OF SALE

Conditions of sale include any distressed influences, less than arm's length transactions, or other related influences that are not attributable to financing/terms of sale, market conditions, or physical differences. All Comparables reflected closed transactions, however, Comparable 1 featured some permitting completed but was not entitled. To reflect this slight advantage in the market, we have applied a -10% adjustment to the sale.

MARKET CONDITIONS

Market conditions adjustments take into consideration appreciation or depreciation that has occurred in the market. All land comparables reflected sales that closed between August of 2023 and December of 2025. According to our analysis of market conditions over this time period (see market conditions section) we have made the following market conditions adjustments.

Market Conditions Adjustments Single Family	
Timeframe	Reconciled Adjustment
Jan 2023 - Dec 2024	4.80%
Jan 2025 - Dec 2025	1.80%

These adjustments are displayed visually in an adjustment grid on the following page.

SINGLE FAMILY (LOW DENSITY RESIDENTIAL) LAND COMPARABLES ADJUSTMENT GRID

Land Analysis Grid			Comp 1		Comp 2		Comp 3		Comp 4	
Address	Low Density Lot		20860 McClellan Road		Doyle Road and Lawrence Exp.		781 Wolfe Road		1020 5th Street	
City	Santa Clara		Cupertino		San Jose		Sunnyvale		San Jose	
State	CA		CA		CA		CA		CA	
Date	12/31/2026		8/25/2023		12/20/2023		7/9/2024		12/30/2025	
Price	NA		$9,300,000		$5,100,000		$4,500,000		$2,470,000	
Land SF	43,560		58,806		44,431		30,056		27,443	
Price Per SF	NA		$158		$115		$150		$90	
Transaction Adjustments										
Property Rights	Fee Simple		Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional		Full	0.0%	Full	0.0%	Full	0.0%	Full	0.0%
Conditions of Sale	Normal		Permits	-10.0%	Normal	0.0%	Normal	0.0%	Normal	0.0%
Adjusted Land SF Unit Price			**$142**		**$115**		**$150**		**$90**	
Market Trends Through	12/31/2024	4.8%	6.6%		5.0%		2.3%		0.0%	
Adjusted Land SF Unit Price			**$152**		**$120**		**$153**		**$90**	
Subsequent Trends Ending	12/31/2025	1.8%	1.8%		1.8%		1.8%		0.0%	
Overall Comparison			**Superior**		**Sl. Inferior**		**Superior**		**Inferior**	
Adjusted Land SF Unit Price			**$154**		**$123**		**$156**		**$90**	

SINGLE FAMILY (LOW DENSITY RESIDENTIAL) LAND COMPARABLES ADJUSTMENT GRID CONTINUED

Comp 5		Comp 6	
849 N 14th Street		0 Walnut Grove	
San Jose		San Jose	
CA		CA	
2/8/2024		6/7/2024	
$550,000		$560,000	
5,227		6,098	
$105		$92	
Fee Simple	0.0%	Fee Simple	0.0%
Full	0.0%	Full	0.0%
Normal	0.0%	Normal	0.0%
$105		**$92**	
4.3%		2.7%	
$110		**$94**	
1.8%		1.8%	
Sl. Inferior		**Inferior**	
$112		**$96**	

SALES COMPARISON APPROACH CONCLUSION

A total of six (6) land comparables are used in the sales comparison approach to land value. The land comparable data are sufficient in quality and quantity to estimate the hypothetical subject's market value, with key physical and non-physical characteristics analyzed and reconciled in the adjustment process.

The comparable sales reflect final adjusted unit prices ranging from $90 to $156 per square foot, with only one adjustment applied for conditions of sale (Comparable 1).

Market conditions adjustments applied through 12/31/2024 ranged from 0.0% to 6.6%, and subsequent market trend adjustments applied through 12/31/2025 ranged from 0.0% to 1.8%; these adjustments were applied consistently with the scope of work for this appraisal report.

These comparables are selectively weighted based on their qualitative characteristics within the dataset to arrive at the reconciled value per SF for the hypothetical subject (reflecting highest and best use of single family) of $130

My conclusion is shown below:

RECONCILED MARKET VALUE PER SF (SINGLE FAMILY)

INDICATED VALUE PER LAND SF: $130

SALES COMPARISON APPROACH: MEDIUM DENSITY RESIDENTIAL

The hypothetical subject's land value has been developed via the Sales Comparison Approach, which is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. This sales comparison approach is conducted in order to determine average value, and therefore, no adjustments beyond market conditions and sales conditions adjustments were necessary, except where noted. The process below describes the applied methodology utilized to reach conclusions of value in the subsequent sales comparison approaches.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed, and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the hypothetical subject property.
- The value indication of each comparable sale is analyzed, and the data reconciled for a final indication of value via the Sales Comparison Approach.

MEDIUM DENSITY LAND COMPARABLES

I searched for comparables with a similar highest and best use of medium density development. Comparisons are made to the hypothetical subject relative to differences or similarities in time, location, physical characteristics, and sales conditions. Percentage or dollar adjustments are then made to the selling and/or listing price of each comparable for property rights, financing, time of sale, and unusual sales conditions; qualitative comparisons are made for physical differences between each comparable and the subject. A range of values results from this approach. I correlated the range into a final value by selectively rating the comparables as to their overall comparative value to the hypothetical subject property, which is meant to represent the average of values analyzed.

I have researched six land comparables for this analysis. All of the comparables reflect closed sales and are documented on the following pages with a summary grid, location map and aerial photographs.

MEDIUM DENSITY LAND COMPARABLE SUMMARY TABLE

Comp	Address City	Date Assessor Parcel No	Book/Page or Reference Doc Price	Acres Price Per Acre	Zoning Price Per SF	Sale Comments
Subject	Santa Clara Medium Density Lot	12/31/2025	NA	1.00	High Density Residential	This is the hypothetical subject property.
Subject	Santa Clara	NA	NA	NA	Good	
1	479 Boynton Ave San Jose	9/10/2024 303-48-020	25710271 $2,000,000	0.37 $5,405,405	MUN $124.09	Sale of 479 Boynton Ave, San Jose, CA 95117 involved one parcel (APN 303-48-020) conveyed by Grant Deed from Jessica Briscoe (Grantor) to Dreamhouse5 Investment LLC, A California Limited Liability Company (Grantee). The deed is dated 10/04/2024 and was recorded 10/10/2024 in Santa Clara County as Document No. 25710271. Total consideration for the sale was $2,000,000. Zoning indicates MUN with development potential of up to ~30 dwelling units per acre (subject to municipal standards and approvals).
2	320 Virginia Ave Campbell	10/18/2024 404-07-033	25714034 $19,385,000	2.16 $8,974,537	PD (See Comments) $206.03	Sale of 320 Virginia Ave, Campbell, CA 95008 involved one parcel (APN 404-07-033) conveyed by Grant Deed from Vop Ref Virginia, LLC, A California Limited Liability Company (Grantor) to Kb Home South Bay Inc., A California Corporation (Grantee). The deed was dated 10/18/2024 and recorded 10/18/2024 in Santa Clara County as Document No. 25714034.The reported consideration for the sale was $19,385,000, and the site contains approximately 2.16 acres. The project description indicates a proposed medium-density residential community consisting of 40 townhome-style condominium units with central common open space and two private streets, supported by 94 on-site parking spaces (garage and guest) plus typical landscaping/hardscape and stormwater improvements. Based on 2.08 acres described for the vacant development site, the stated plan reflects a site density of 19.22 units per acre, however, based on net acreage, this falls above 20 DU/acre and is therefore included in the medium density residential analysis.

3	3155 El Camino Real Santa Clara	2/14/2023 220-32-057, -058	25436710 $16,500,000	2.44 $6,762,295	PD (See Comments) $155.24	Sale of 3155 El Camino Real, Santa Clara, CA involved two parcels (APNs 220-32-057 and 220-32-058) consolidated for a planned residential redevelopment, with an approved rezoning from Thoroughfare Commercial (CT) to Planned Development (PD) to allow construction of a 60-unit, three-story townhome project. The property is identified with Bowers Plaza GP as seller and Toll West Coast LLC as buyer. The recorded reference for the transaction is Document No. 25436710. The site contains approximately 2.44 acres, implying a conceptual density of roughly 24.6 DU/AC based on the stated 60-unit plan (60 ÷ 2.44), subject to final plans and conditions of approval.
4	541 Page Street San Jose	5/5/2025 277-19-035	25801965 $1,785,000	0.31 $5,758,065	R3 $132.19	Sale of 541 Page Street, San Jose, CA 95126-3385 involved one parcel (APN 277-19-035) conveyed by Grant Deed from Page Prime Capital LLC, A California Limited Liability Company (Grantor) to Amirhossein Karbalaeinamatmoeini and Shabdiz Sharif, husband and wife as joint tenants (Grantee). The deed was dated 04/10/2025 and recorded 05/05/2025 in Santa Clara County as Document No. 25801965. Total consideration for the sale was $1,785,000. The property is zoned R3 on an approximately 0.31-acre site (13,576 SF); for medium-density residential context, R3 generally supports small multi-family development potential subject to City of San Jose standards and approvals.
5	416 Crescent Sunnyvale	3/21/2025 211-35-009, 211-35-008	25780593 $10,100,000	0.88 $11,477,273	R3 $263.48	Sale of 416 Crescent Ave, Sunnyvale, CA 94087 involved two parcels (APNs 211-35-009 and 211-35-008) and sold 03/21/2025 for $10,100,000 under redevelopment conditions, with Document No. 25780593 recorded in Santa Clara County. The site is reported at 0.88 acres and is zoned R3. Existing improvements include one single-family residence and an approximately 6,000 SF shed on a portion of the property, and the buyer intended to retain the house while developing the balance of the site with 18 townhome-style condominium units. Based on the stated 18-unit concept, the implied density is approximately 20.5 DU/AC (18 ÷ 0.88). An adjustment is warranted versus unimproved land sales to account for the contributory value/utility of the retained residence and other on-site improvements.

6	972 Elm Street San Jose	3/18/2025 230-41-025	35778879 $3,580,000	0.44 $8,136,364	PD (See Comments) $186.79	Sale of 972 Elm St, San Jose, CA 95126 (APN 230-41-025) sold 03/18/2025 for $3,580,000 after 63 days on market. The site contains approximately 0.4362 acres (19,000 SF). The property was marketed as a redevelopment opportunity and notes the parcel was recently entitled for 8 single-family homes, with an additional stated potential of up to 13 dwelling units (citing “city approved density of 30 units/acre”), subject to final plans and approvals. The subject is also reported as approved for rezoning to Planned Development (PD), and a multifamily project is expected in the medium-density range.

THE COMPARISON PROCESS

In the comparison process, I take into consideration the financial and physical differences between each land comparable. Categories of adjustment and/or comparison include: 1) property rights conveyed; 2) terms of sale; 3) conditions of sale; 4) buyer expenditures; 5) market conditions; and, 6) physical characteristics (including location, topography, utilities, zoning, etc.).

The comparables are analyzed on a price per square foot of land basis as this is the most applicable unit of comparison for the subject land as it reflects development land. This was clear when analyzing the comparable data where pricing levels, when analyzed on a price per square foot of land basis, were consistent and reflective of the market.

Each comparables' gross acreage and land square footage was obtained from public records, published sales information, and/or other reliable sources. The subject's overall market value was delineated from the market data.

The comparison process is fairly subjective in nature primarily due to the many characteristics of value, variances in buyer/seller influences, imperfections in the market, etc. Adjustments and/or comparisons are an attempt to reflect value contributions of the various factors in the marketplace. Many of the comparisons of physical characteristics overlap and reflect overall desirability. The comparison grid following this section is an empirical format to simply lead the reader to a logical conclusion of the final estimated value.

PROPERTY RIGHTS

The property right appraised was the fee simple estate. All of the land comparables transferred (or are marketing) the fee simple interest, thus, there are no adjustments warranted.

FINANCING (TERMS OF SALE)

Financing (terms of sale) include below market rates, buy downs, atypical payback periods, or any financing situations that are not commonly accepted within the marketplace. In the subject market, land is typically purchased with all cash or the seller takes back a first trust deed with a large (20%-50%) down payment. The comparables sold for cash or with conventional forms of financing; thus, no adjustments were warranted.

CONDITIONS OF SALE

Conditions of sale include any distressed influences, less than arm's length transactions, or other related influences that are not attributable to financing/terms of sale, market conditions, or physical differences. All Comparables reflected closed transactions, however, Comparable 2 was nearly entitled for development and sold as lot ready to build, and therefore we have applied a -25% adjustment to reflect the decrease in

entitlement risk for the buyer. Additionally, Comparable 5 was approximately 30% improved, and the buyer planned to retain the improvements for cash flow (CoStar) and therefore a -30% adjustment is applied.

MARKET CONDITIONS

Market conditions adjustments take into consideration appreciation or depreciation that has occurred in the market. All land comparables reflected sales that closed between February of 2023 and May of 2025. According to our analysis of market conditions over this time period (see market conditions section) we have made the following market conditions adjustments.

Market Conditions Adjustments Multifamily	
Timeframe	Reconciled Adjustment
Jan 2023 - Dec 2024	2.50%
Jan 2025 - Dec 2025	5.00%

These adjustments are displayed visually in an adjustment grid on the following page.

MEDIUM DENSITY RESIDENTIAL LAND COMPARABLES ADJUSTMENT GRID

Land Analysis Grid			Comp 1		Comp 2		Comp 3		Comp 4	
Address	Meidum Density Lot		479 Boynton Ave		320 Virginia Ave		3155 El Camino Real		541 Page Street	
City	Santa Clara		San Jose		Campbell		Santa Clara		San Jose	
State	CA		CA		CA		CA		CA	
Date	12/31/2026		3/10/2024		10/18/2024		2/14/2023		5/5/2025	
Price	NA		$2,000,000		$19,385,000		$16,500,000		$1,785,000	
Land SF	43,560		16,117		94,090		106,286		13,504	
Price Per SF	NA		$124		$206		$155		$132	
Transaction Adjustments										
Property Rights	Fee Simple		Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional		Full	0.0%	Full	0.0%	Full	0.0%	Full	0.0%
Conditions of Sale	Normal		Normal	0.0%	Entitled	-25.0%	Normal	0.0%	Normal	0.0%
Adjusted Land SF Unit Price			**$124**		**$155**		**$155**		**$132**	
Market Trends Through	12/31/2024	2.5%	2.0%		0.5%		4.8%		0.0%	
Adjusted Land SF Unit Price			**$127**		**$155**		**$163**		**$132**	
Subsequent Trends Ending	12/31/2025	5.0%	5.0%		5.0%		5.0%		3.3%	
Overall Comparison			**Inferior**		**Similar**		**Similar**		**Sl. Inferior**	
Adjusted Land SF Unit Price			**$133**		**$163**		**$171**		**$136**	

MEDIUM DENSITY RESIDENTIAL LAND COMPARABLES ADJUSTMENT GRID CONTINUED

Comp 5		Comp 6	
416 Crescent Ave		372 Elm Street	
Sunnyvale		San Jose	
CA		CA	
3/21/2025		3/18/2025	
$10,100,000		$3,580,000	
38,333		19,166	
$263		$187	
Fee Simple	0.0%	Fee Simple	0.0%
Full	0.0%	Full	0.0%
Improved	- 30.0%	Normal	0.0%
$184		**$187**	
0.0%		0.0%	
$184		**$187**	
3.9%		3.9%	
Superior		**Superior**	
$192		**$194**	

SALES COMPARISON APPROACH CONCLUSION

A total of six (6) land comparables are used in the sales comparison approach to land value. The land comparable data are sufficient in quality and quantity to estimate the hypothetical subject's market value, with key physical and non-physical characteristics analyzed and reconciled in the adjustment process.

The comparable sales reflect final adjusted unit prices ranging from $133 to $194 per square foot, with two adjustments applied for conditions of sale (Comparable 2 at -25.0% and Comparable 5 at -30.0%).

These comparables are selectively weighted based on their qualitative characteristics within the dataset to arrive at the reconciled value per SF for the hypothetical subject (reflecting highest and best use of Medium Density Residential) of $170.

My conclusion is shown below:

RECONCILED MARKET VALUE PER SF (MEDIUM DENSITY RESIDENTIAL)

INDICATED VALUE PER LAND SF: $170

SALES COMPARISON APPROACH: HIGH DENSITY RESIDENTIAL

The hypothetical subject's land value has been developed via the Sales Comparison Approach, which is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. This sales comparison approach is conducted in order to determine average value, and therefore, no adjustments beyond market conditions and sales conditions adjustments were necessary, except where noted. The process below describes the applied methodology utilized to reach conclusions of value in the subsequent sales comparison approaches.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed, and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the hypothetical subject property.
- The value indication of each comparable sale is analyzed, and the data reconciled for a final indication of value via the Sales Comparison Approach.

HIGH DENSITY LAND COMPARABLES

I searched for comparables with a similar highest and best use of high density residential development. Comparisons are made to the hypothetical subject relative to differences or similarities in time, location, physical characteristics, and sales conditions. Percentage or dollar adjustments are then made to the selling and/or listing price of each comparable for property rights, financing, time of sale, and unusual sales conditions; qualitative comparisons are made for physical differences between each comparable and the subject. A range of values results from this approach. I correlated the range into a final value by selectively rating the comparables as to their overall comparative value to the hypothetical subject property, which is meant to represent the average of values analyzed.

I have researched four land comparables for this analysis. All of the comparables reflect closed sales and are documented on the following pages with a summary grid, location map and aerial photographs.

HIGH DENSITY LAND COMPARABLE SUMMARY TABLE

Comp	Address City	Date Assessor Parcel No	Book/Page or Reference Doc Price	Acres Price Per Acre	Zoning Price Per SF	Sale Comments
Subject	Santa Clara Average High Density Lot	12/31/2025	NA	1.00	High Density Residential	This is the hypothetical subject property.
Subject	Santa Clara	NA	NA	NA	NA	
1	434 Crescent Ave Sunnyvale	3/25/2024 211-35-030	25613899 $2,720,000	0.26 $10,461,538	R4 $240.16	The sale of 434 Crescent Ave, Sunnyvale, CA 94087 involved one parcel (APN 211-35-030) conveyed by Grant Deed from Edmond Ghandour And Emmanuella Amy Ullman, As Co-Trustees Of The Jensen Family Trust Dated March 14, 1985 (Grantor) to Crescent Eternal LLC, A California Limited Liability Company (Grantee). The deed is dated 01/30/2024 and was recorded 03/25/2024 in Santa Clara County as Document No. 25613899. Total consideration for the sale was $2,720,000, with close of escrow reported 03/25/2024 and 30 days on market. The site contains approximately 0.26 acres and is zoned R4, which allows for up to 50 dwelling units per acre; no project approvals or specific development plans were indicated for this property in the provided materials.
2	777 Saratoga Road Sunnyvale	10/14/2025 201-36-002	25883223 $44,250,000	5.22 $8,477,011	PD (See Comments) $194.61	Sale of 777 Sunnyvale Saratoga Rd, Sunnyvale, CA involved 1 parcel (APN 201-36-002) conveyed by Grant Deed from Mardit Properties, A Limited Partnership (Grantor) to Mrp Hnhb, LLC, A Delaware Limited Liability Company (Grantee). The deed was executed 10/10/2025 and recorded 10/14/2025 in Santa Clara County as Doc. No. 25883223. Total consideration for the sale was $44,250,000. The property is identified as a redevelopment opportunity with a proposed 242-unit plan (162 apartments + 80 townhomes) including a two-level parking garage and approximately 2,000 SF of ground-floor commercial space, reportedly approved by the City of Sunnyvale (July). Using a land

						area of 5.22 acres, the proposed density is approximately 46.4 DU/AC (242 units ÷ 5.22 acres).
3	0 Seely Ave San Jose	1/31/2025 097-15-034	25760386 $73,627,500	11.31 $6,509,947	PD (See Comments) $149.45	Sale of Seely Ave (APN 097-15-034), San Jose, CA 95131 involved one APN totaling 11.31 acres and was conveyed by Grant Deed from Seely Development Partners LLC, a Delaware limited liability company (Grantor) to Summerhill Epic Way LLC, a California limited liability company (Grantee). The grant deed was dated 01/31/2025 and recorded 01/31/2025 in Santa Clara County as Document No. 25760386, with a reported sale price of $73,627,500. The broader Planned Development concept for the overall project calls for 1,472 residential units (townhomes and mid-rise apartments), 18,965 SF of neighborhood retail, and a 2.5-acre public park (plus dedication of ~0.11 acre for a municipal water well site); applying the 1,472-unit program to the total projectr site of approximately 22 acres implies a conceptual density of approximately 67 DU/AC (1,472 ÷ 22), noting this sale represents only part of the overall project area and the final unit allocation to this APN may differ.
4	1905 Tarob Court Milpitas	8/5/2025 086-36-041	25849557 $13,500,000	2.36 $5,720,339	R4 (PD) $131.32	Sale of 1905 Tarob Ct, Milpitas, CA involved 1 parcel (APN 086-36-041) conveyed by Grant Deed from Geomax, A California General Partnership (Grantor) to Toll West Coast LLC, A Delaware Limited Liability Company (Grantee). The deed was executed 08/01/2025 and recorded 08/05/2025 in Santa Clara County as Doc. No. 25849557. Total consideration for the sale was $13,500,000. The site is described as part of a phased redevelopment known as Parkside West, originally proposed to include townhomes plus accessory dwelling units (ADUs), is now in the process of updated approvals and is expected to be developed a much higher density in accordance with the R4 zoning.

THE COMPARISON PROCESS

In the comparison process, I take into consideration the financial and physical differences between each land comparable. Categories of adjustment and/or comparison include: 1) property rights conveyed; 2) terms of sale; 3) conditions of sale; 4) buyer expenditures; 5) market conditions; and, 6) physical characteristics (including location, topography, utilities, zoning, etc.).

The comparables are analyzed on a price per square foot of land basis as this is the most applicable unit of comparison for the subject land as it reflects development land. This was clear when analyzing the comparable data where pricing levels, when analyzed on a price per square foot of land basis, were consistent and reflective of the market.

Each comparables' gross acreage and land square footage was obtained from public records, published sales information, and/or other reliable sources. The subject's overall market value was delineated from the market data.

The comparison process is fairly subjective in nature primarily due to the many characteristics of value, variances in buyer/seller influences, imperfections in the market, etc. Adjustments and/or comparisons are an attempt to reflect value contributions of the various factors in the marketplace. Many of the comparisons of physical characteristics overlap and reflect overall desirability. The comparison grid following this section is an empirical format to simply lead the reader to a logical conclusion of the final estimated value.

PROPERTY RIGHTS

The property right appraised was the fee simple estate. All of the land comparables transferred (or are marketing) the fee simple interest, thus, there are no adjustments warranted.

FINANCING (TERMS OF SALE)

Financing (terms of sale) include below market rates, buy downs, atypical payback periods, or any financing situations that are not commonly accepted within the marketplace. In the subject market, land is typically purchased with all cash or the seller takes back a first trust deed with a large (20%-50%) down payment. The comparables sold for cash or with conventional forms of financing; thus, no adjustments were warranted.

CONDITIONS OF SALE

Conditions of sale include any distressed influences, less than arm's length transactions, or other related influences that are not attributable to financing/terms of sale, market conditions, or physical differences. All Comparables reflected closed transactions, however, Comparable 4 featured significant improvements that required demolition prior to redevelopment. We have applied a percentage adjustment in accordance with estimated price per SF costs to demolish (reflected as % of total price). This resulted in an adjustment

of 60% for comparable 4. Comparable 3 featured approximately 20% of the site, which per master plan, must be dedicated as parkland. Therefore a 20% adjustment was made to reflect net acreage for high density residential development.

MARKET CONDITIONS

Market conditions adjustments take into consideration appreciation or depreciation that has occurred in the market. All land comparables reflected sales that closed between March of 2024 and October of 2025. According to our analysis of market conditions over this time period (see market conditions section) we have made the following market conditions adjustments.

Market Conditions Adjustments Multifamily	
Timeframe	Reconciled Adjustment
Jan 2023 - Dec 2024	2.50%
Jan 2025 - Dec 2025	5.00%

These adjustments are displayed visually in an adjustment grid on the following page.

HIGH DENSITY RESIDENTIAL LAND COMPARABLES ADJUSTMENT GRID

Land Comparables Adjustment Grid										
Land Analysis Grid			**Comp 1**		**Comp 2**		**Comp 3**		**Comp 4**	
Address	High Density Lot		434 Crescent Ave		777 Saratoga Road		0 Seely Ave		1905 Tarob Court	
City	Santa Clara		Sunnyvale		Sunnyvale		San Jose		Milpitas	
State	CA		CA		CA		CA		CA	
Date	12/31/2026		3/25/2024		10/14/2025		1/31/2025		8/5/2025	
Price	NA		$2,720,000		$44,250,000		$73,627,500		$13,500,000	
Land SF	43,560		11,326		227,383		492,664		102,802	
Price Per SF	$0		$240		$195		$149		$131	
Transaction Adjustments										
Property Rights	Fee Simple		Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional		Full	0.0%	Full	0.0%	Full	0.0%	Full	0.0%
Conditions of Sale	Normal		Normal	0.0%	Normal	0.0%	Net Acreage	20.0%	Redev	60.0%
Adjusted Land SF Unit Price			**$240**		**$195**		**$179**		**$210**	
Market Trends Through	12/31/2024	2.5%	1.9%		0.0%		0.0%		0.0%	
Adjusted Land SF Unit Price			**$245**		**$195**		**$179**		**$210**	
Subsequent Trends Ending	12/31/2025	5.0%	5.0%		1.0%		4.6%		2.0%	
Overall Comparison			**Superior**		**Similar**		**Sl. Inferior**		**Sl. Superior**	
Adjusted Land SF Unit Price			**$257**		**$197**		**$188**		**$214**	

SALES COMPARISON APPROACH CONCLUSION

A total of five (5) land comparables are used in the sales comparison approach to land value. The land comparable data are sufficient in quality and quantity to estimate the hypothetical subject's market value, with key physical and non-physical characteristics analyzed and reconciled in the adjustment process.

The comparable sales reflect final adjusted unit prices ranging from $179 to $257 per square foot, with two adjustments applied for conditions of sale (Comparable 3 at +20.0% and Comparable 5 at +100.0%).

These comparables are selectively weighted based on their qualitative characteristics within the dataset to arrive at the reconciled value per SF for the hypothetical subject (reflecting highest and best use of High Density Residential) of $200.

My conclusion is shown below:

RECONCILED MARKET VALUE PER SF (HIGH DENSITY RESIDENTIAL)

INDICATED VALUE PER LAND SF: $200

SALES COMPARISON APPROACH: COMMERCIAL

The hypothetical subject's land value has been developed via the Sales Comparison Approach, which is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. This sales comparison approach is conducted in order to determine average value, and therefore, no adjustments beyond market conditions and sales conditions adjustments were necessary, except where noted. The process below describes the applied methodology utilized to reach conclusions of value in the subsequent sales comparison approaches.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed, and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the hypothetical subject property.
- The value indication of each comparable sale is analyzed, and the data reconciled for a final indication of value via the Sales Comparison Approach.

COMMERCIAL LAND COMPARABLES

I searched for comparables with a similar highest and best use of commercial development. Comparisons are made to the hypothetical subject relative to differences or similarities in time, location, physical characteristics, and sales conditions. Percentage or dollar adjustments are then made to the selling and/or listing price of each comparable for property rights, financing, time of sale, and unusual sales conditions; qualitative comparisons are made for physical differences between each comparable and the subject. A range of values results from this approach. I correlated the range into a final value by selectively rating the comparables as to their overall comparative value to the hypothetical subject property, which is meant to represent the average of values analyzed.

I have researched six land comparables for this analysis. All of the comparables reflect closed sales and are documented on the following pages with a summary grid, location map and aerial photographs.

COMMERCIAL LAND COMPARABLE SUMMARY TABLE

Comp	Address / City	Date / Assessor Parcel No	Book/Page or Reference Doc / Price	Acres / Price Per Acre	Zoning / Price Per SF	Utilities / Topography	Sale Comments
Subject	Santa Clara Average Commercial Lot	12/31/2025	NA	1.00	Commercial (CC, CN, CR, OA, Etc.)	All Available	This is the hypothetical subject property.
Subject	Santa Clara	NA	NA	NA	Good	Level	
1	2035 White Oak Ln	12/15/2023	25575802	0.69	CN	All Available	2035 White Oak Ln, Santa Clara, CA is a ±0.69-acre (approximately 30,056 SF) land sale that closed for $3,700,000 in December 2023, equating to roughly $5.36 million per acre and $123 per land SF. The property is identified as APN 213-30-053 and is zoned Neighborhood Commercial (CN/CN-equivalent per public records and CoStar). The Grant Deed (Doc #25575802) was recorded on 12/15/2023, transferring title from Florence Sordello, Trustee of the Sordello Family Trust B, to Equilon Enterprises LLC dba Shell Oil Products US. At the time of sale, the site was considered a non-income-producing asset, supporting its treatment as a redevelopment land comp.
2	Santa Clara	213-30-053	$3,700,000	$5,362,319	$123.10	Generally Level	
2	Santa Teresa St	5/22/2023	25478281	10.62	DC	All Available	The Santa Teresa St sale in San Jose involved a two-parcel assemblage (APNs 259-23-024 and 259-23-020) totaling 10.62 acres (±462,781 SF) that sold for $56,500,000 on 05/22/2023 (Doc #25478281). The transaction equates to approximately $5.32 million per acre and $122 per land SF, reflecting downtown San Jose land pricing levels. Title transferred via Grant Deed from Insight Rail Yard, LLC to LS Power Grid California, LLC, as confirmed by the recorded deed. CoStar characterizes the property as raw land zoned DC (Downtown Primary Commercial) at the time of sale.
	San Jose	259-23-020, 259-23-024	$56,500,000	$5,320,151	$122.13	Generally Level	

							This transaction represents a large-scale urban redevelopment land assemblage within the San Jose downtown market.
3	160 Saratoga Ave Santa Clara	6/27/2025 294-38-010, 294-38-013	25827811 $3,888,000	1.21 $3,213,223	OG $73.77	All Available Generally Level	The sale of 160 Saratoga Ave, Santa Clara, CA involved a two-parcel assemblage (APNs 294-38-010 and 294-38-013) totaling approximately 1.21 acres (±52,708 SF). The property sold for $3,888,000 on 06/27/2025 (Doc #25827811), reflecting a land value of approximately $3.21 million per acre and $73.76 per land SF. Title transferred via Grant Deed from The Tim and Emily Bonasera Revocable Living Trust to 7A Holdings LLC. CoStar characterizes the transaction as a land redevelopment sale with zoning reported as OG, and the analysis is presented on a land-only basis. This sale reflects small-scale commercial infill land pricing within the Santa Clara market
4	5000 Stevens Creek Blvd San Jose	8/29/2025 296-27-003, 296-27-004	25862575 $5,800,000	1.00 $5,800,000	C3 $133.15	All Available Generally Level	The sale of 5000 Stevens Creek Blvd, San Jose, CA involved a two-parcel assemblage (APNs 296-27-003 and 296-27-004) totaling approximately 1.00 acre (±43,560 SF). The property sold for $5,800,000 with a recording date of 08/29/2025 under Document No. 25862575, reflecting pricing of approximately $5.8 million per acre and $133 per land SF. Title transferred via Grant Deed from Tronis Stevens Creek-Tully Properties L.P. to Pacific American Properties, LLC, as confirmed by the recorded deed. CoStar characterizes the transaction as a land redevelopment sale with C3 zoning, and the site was analyzed on a land-only basis at the time of sale. This transaction reflects small-scale commercial land pricing along the Stevens Creek corridor within the San Jose market.
5	213–235 N 4th St	5/28/2024	25641932	0.21	C3	All Available	The sale of 213–235 N 4th St, San Jose, CA involved a two-parcel assemblage (APNs 467-01-035 and 467-01-036) totaling approximately 0.21 acres (±9,034 SF) in the downtown San Jose market. The property sold for

5	San Jose	467-01-035, 467-01-036	$750,000	$3,571,429	$81.99	Generally Level	$750,000 with a recording date of 05/28/2024 under Document No. 25641932, reflecting land pricing of approximately $3.57 million per acre and $83 per land SF. Title transferred via Grant Deed from The Elaine Evans Living Trust (through its successor trustee) to Buelow 3rd Street LLC, as confirmed by the recorded deed. CoStar characterizes the property as a land redevelopment sale with C3 zoning, and the transaction is analyzed on a land-only basis. This sale reflects smaller-scale urban infill land pricing within the Downtown San Jose commercial market.
6	4340 Stevens Creek Blvd San Jose	2/20/2024 296-38-014, 296-38-013	25599995 $3,470,000	1.30 $2,669,231	CG $61.28	All Available Generally Level	The sale of 4340 Stevens Creek Blvd, San Jose, CA involved a two-parcel assemblage (portions of APNs 296-38-014 and 296-38-013) totaling approximately 1.30 acres (±56,628 SF). The property sold for $3,470,000 with a recording date of 02/20/2024 under Document No. 25599995, reflecting land pricing of approximately $2.67 million per acre and $61 per land SF. Title transferred via Grant Deed from MPG Stevens Creek Owner, LLC to San Jose Stevens Creek Associates, LP, as confirmed by the recorded deed. CoStar characterizes the transaction as a land redevelopment sale with CG zoning, and the analysis is presented on a land-only basis. This sale reflects mid-scale commercial corridor land pricing along the Stevens Creek Boulevard corridor within the San Jose market.

THE COMPARISON PROCESS

In the comparison process, I take into consideration the financial and physical differences between each land comparable. Categories of adjustment and/or comparison include: 1) property rights conveyed; 2) terms of sale; 3) conditions of sale; 4) buyer expenditures; 5) market conditions; and, 6) physical characteristics (including location, topography, utilities, zoning, etc.).

The comparables are analyzed on a price per square foot of land basis as this is the most applicable unit of comparison for the subject land as it reflects development land. This was clear when analyzing the comparable data where pricing levels, when analyzed on a price per square foot of land basis, were consistent and reflective of the market.

Each comparables' gross acreage and land square footage was obtained from public records, published sales information, and/or other reliable sources. The subject's overall market value was delineated from the market data.

The comparison process is fairly subjective in nature primarily due to the many characteristics of value, variances in buyer/seller influences, imperfections in the market, etc. Adjustments and/or comparisons are an attempt to reflect value contributions of the various factors in the marketplace. Many of the comparisons of physical characteristics overlap and reflect overall desirability. The comparison grid following this section is an empirical format to simply lead the reader to a logical conclusion of the final estimated value.

PROPERTY RIGHTS

The property right appraised was the fee simple estate. All of the land comparables transferred (or are marketing) the fee simple interest, thus, there are no adjustments warranted.

FINANCING (TERMS OF SALE)

Financing (terms of sale) include below market rates, buy downs, atypical payback periods, or any financing situations that are not commonly accepted within the marketplace. In the subject market, land is typically purchased with all cash or the seller takes back a first trust deed with a large (20%-50%) down payment. The comparables sold for cash or with conventional forms of financing; thus, no adjustments were warranted.

CONDITIONS OF SALE

Conditions of sale include any distressed influences, less than arm's length transactions, or other related influences that are not attributable to financing/terms of sale, market conditions, or physical differences. All comparables reflected closed transactions and normal market conditions of sale; thus, no adjustments were warranted.

MARKET CONDITIONS

Market conditions adjustments take into consideration appreciation or depreciation that has occurred in the market. All land comparables reflected sales that closed between May of 2023 and August of 2025. According to our analysis of market conditions over this time period (see market conditions section), we have made the following market conditions adjustments.

Market Conditions Adjustments Commercial	
Timeframe	Reconciled Adjustment
Jan 2023 - Dec 2024	-8.00%
Jan 2025 - Dec 2025	2.00%

These adjustments are displayed visually in an adjustment grid on the following page.

COMMERCIAL LAND COMPARABLES ADJUSTMENT GRID

Land Analysis Grid			Comp 1		Comp 2		Comp 3		Comp 4	
Address	Average Commercial Lot		2035 White Oak Ln		Santa Teresa St		160 Saratoga Ave		5000 Stevens Creek Blvd	
City	Santa Clara		Santa Clara		San Jose		Santa Clara		San Jose	
State	CA		CA		CA		CA		CA	
Date	12/31/2026		12/15/2023		5/22/2023		6/27/2025		8/29/2025	
Price	NA		$3,700,000		$56,500,000		$3,888,000		$5,800,000	
Land SF	43,560		30,056		462,607		52,708		43,560	
Price Per SF	$0		$123		$122		$74		$133	
Transaction Adjustments										
Property Rights	Fee Simple		Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional		Full	0.0%	Full	0.0%	Full	0.0%	Full	0.0%
Conditions of Sale	Normal		Normal	0.0%	Normal	0.0%	Normal	0.0%	Normal	0.0%
Adjusted Land SF Unit Price			**$123**		**$122**		**$74**		**$133**	
Market Trends Through	12/31/2024	-8.0%	-8.4%		-12.6%		0.0%		0.0%	
Adjusted Land SF Unit Price			**$113**		**$107**		**$74**		**$133**	
Subsequent Trends Ending	12/31/2025	2.0%	2.0%		2.0%		1.0%		0.7%	
Overall Comparison			**Similar**		**Similar**		**Sl. Inferior**		**Superior**	
Adjusted Land SF Unit Price			**$115**		**$109**		**$75**		**$134**	

COMMERCIAL LAND COMPARABLES ADJUSTMENT GRID CONTINUED

Comp 5		Comp 6	
213–235 N 4th St		4340 Stevens Creek Blvd	
San Jose		San Jose	
CA		CA	
5/28/2024		2/20/2024	
$750,000		$3,740,000	
9,148		56,628	
$82		$66	
Fee Simple	0.0%	Fee Simple	0.0%
Full	0.0%	Full	0.0%
Normal	0.0%	Normal	0.0%
$82		**$66**	
-4.8%		-6.9%	
$78		**$61**	
2.0%		2.0%	
Sl. Inferior		**Inferior**	
$80		**$63**	

SALES COMPARISON APPROACH CONCLUSION

A total of six (6) land comparables are used in the sales comparison approach to land value. The land comparable data are sufficient in quality and quantity to estimate the hypothetical subject's market value, with key physical and non-physical characteristics analyzed and reconciled in the adjustment process.

The comparable sales reflect final adjusted unit prices ranging from $63 to $134 per square foot, with no adjustments applied for conditions of sale.

These comparables are selectively weighted based on their qualitative characteristics within the dataset to arrive at the reconciled value per SF for the hypothetical subject (reflecting highest and best use of Commercial) of $110.

RECONCILED MARKET VALUE PER SF (COMMERCIAL)

INDICATED VALUE PER LAND SF: $110

SALES COMPARISON APPROACH: INDUSTRIAL

The hypothetical subject's land value has been developed via the Sales Comparison Approach, which is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. This sales comparison approach is conducted in order to determine average value, and therefore, no adjustments beyond market conditions and sales conditions adjustments were necessary, except where noted. The process below describes the applied methodology utilized to reach conclusions of value in the subsequent sales comparison approaches.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed, and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the hypothetical subject property.
- The value indication of each comparable sale is analyzed, and the data reconciled for a final indication of value via the Sales Comparison Approach.

INDUSTRIAL LAND COMPARABLES

I searched for comparables with a similar highest and best use of industrial development. Comparisons are made to the hypothetical subject relative to differences or similarities in time, location, physical characteristics, and sales conditions. Percentage or dollar adjustments are then made to the selling and/or listing price of each comparable for property rights, financing, time of sale, and unusual sales conditions; qualitative comparisons are made for physical differences between each comparable and the subject. A range of values results from this approach. I correlated the range into a final value by selectively rating the comparables as to their overall comparative value to the hypothetical subject property, which is meant to represent the average of values analyzed.

I have researched seven land comparables for this analysis. All of the comparables reflect closed sales and are documented on the following pages with a summary grid, location map and aerial photographs.

INDUSTRIAL LAND COMPARABLE SUMMARY TABLE

Comp	Address City	Date Assessor Parcel No	Book/Page or Reference Doc Price	Acres Price Per Acre	Zoning Price Per SF	Sale Comments
Subject	Average Industrial Lot	12/31/2025	NA	1.00	Industrial (ML, MH, MP, Etc.)	This is the hypothetical subject industrial lot.
Subject	Santa Clara	NA	NA	NA	Good	
1	Freedom Cir	10/25/2023	25549436	13.28	ML	This comparable sale consists of a two-parcel land assemblage totaling 13.28 acres located along Freedom Circle in Santa Clara, California. The site was vacant at the time of sale and is zoned CP, supporting commercial or planned development uses. Title transferred by Grant Deed from Freedom Circle Venture, Llc, A Delaware Limited Liability Company to Cre-Gs Freedom Circle Phase I Owner, Llc, A Delaware Limited Liability Company. The transaction closed in October 2023 and was recorded on October 25, 2023, under Document No. 25549436. The reported consideration of $50,000,000 reflects a large-scale land acquisition within the North Santa Clara submarket, reportedly positioned for future high-density residential or mixed-use development.
2	Santa Clara	104-40-036, 104-40-021	$50,000,000	$3,765,060	$86.43	
2	1535-1575 Industrial Ave	12/30/2024	25748931	3.62	HI	This comparable sale represents a two-property industrial land portfolio located along Industrial Avenue in San Jose, California, totaling approximately 3.62 acres. The site was previously developed and is zoned HI (Heavy Industrial), supporting a range of industrial and contractor-oriented uses. Title transferred by Grant Deed from Lba Rvi-Company Xliv, Llc, A Delaware Limited Liability Company to Zs Propco Of San Jose, Llc, A Delaware Limited Liability Company. The transaction closed on December 27, 2024, and was recorded on December 30, 2024, under Document No. 25748931. The total reported consideration was $12,000,000, reflecting a portfolio acquisition within the San Jose industrial market with pricing consistent with industrial redevelopment or repositioning potential.
	San Jose	237-30-031	$12,000,000	$3,314,917	$76.10	

3	420 Nelo Street	7/15/2025	25835293	2.47	MH	This comparable sale consists of two parcels located at 420 Nelo Street in Santa Clara, California, with a combined site area of approximately 2.47 acres. The property was improved as an equipment yard at the time of transfer and is zoned MH, allowing for heavy industrial uses. Title conveyed by Grant Deed from Dcmg Properties, Llc, A California Limited Liability Company to Fr Ca Property Holding 14, Lp, A Delaware Limited Partnership. The transaction closed on July 11, 2025, and was recorded on July 15, 2025, under Document No. 25835293. The reported consideration of $10,625,000 reflects a portfolio transaction involving two parcels within the North Santa Clara industrial market, consistent with investor demand for industrial outdoor storage and redevelopment-oriented assets.
4	Santa Clara	101-15-040, 101-15-043	$10,625,000	$4,301,619	$98.75	
4	3625 Peterson Way	12/11/2025	25917029	14.76	ML	This comparable sale consists of a 14.76-acre site located at 3625 Peterson Way in Santa Clara, California, within the North Santa Clara submarket. Although improved with a 218,375 square foot research and development facility at the time of transfer, the transaction was analyzed and marketed on a price-per-land-area basis, reflecting redevelopment potential rather than contributory building value. The property is zoned ML, which supports manufacturing, logistics, and other industrial redevelopment uses consistent with the surrounding employment corridor. Title transferred by Grant Deed from Bxp Peterson Lp, A Delaware Limited Partnership to 3625 Peterson Way, Llc, A Delaware Limited Liability Company, with the deed recorded on December 11, 2025, under Document No. 25917029.
	Santa Clara	216-30-049	$90,000,000	$6,097,561	$139.98	
5	387 Umbarger Road	11/30/2023	25569170	0.32	ML	This comparable sale consists of a 0.32-acre industrial land parcel located on Umbarger Road in San Jose, California. The site was vacant at the time of transfer and is zoned ML, permitting a range of light industrial and manufacturing uses. Title conveyed by Grant Deed to Parma Llc. The transaction closed on November 28, 2023, and was recorded on November 30, 2023, under Document No. 25569170. The reported consideration of $815,000 reflects a small infill industrial land acquisition within the East San Jose submarket, providing a relevant data point for smaller-scale industrial yard or development sites.
6	San Jose	497-37-002	$815,000	$2,546,875	$58.47	
6	681 Trimble Road	1/31/2025	25760384	11.22	IP	This comparable sale consists of an 11.22-acre land parcel located at 681 E Trimble Road in San Jose, California, within the North San Jose industrial corridor. The site was improved as orchard land at the time of transfer and is zoned IP, allowing for industrial park and employment-

	San Jose	097-15-033	$42,000,000	$3,743,316	$85.93	oriented development. Title transferred by Grant Deed from Cms Investments, Llc, A California Limited Liability Company And Jdm Investments, Llc, A California Limited Liability Company to Seely Development Partners Llc, A Delaware Limited Liability Company. The transaction closed and recorded on January 31, 2025, under Document No. 25760384. The reported consideration of $42,000,000 reflects a land acquisition within a major industrial and technology submarket, supporting its relevance as a comparable for large-scale redevelopment-oriented land transactions.
7	550–600 E Brokaw Rd	2/9/2024	25596686	19.78	M4 (San Jose)	The sale of 550–600 E Brokaw Rd, San Jose, CA involved a single parcel (APN 237-08-079) totaling approximately 19.78 acres (±861,617 SF). The property sold for $80,000,000 with a recording date of 02/09/2024 under Document No. 25596686, reflecting land pricing of approximately $4.04 million per acre and $92.85 per land SF. Title transferred via Grant Deed from Caracol Property Owner LLC to Super Micro Computer, Inc., as confirmed by the recorded deed. Although historically improved, the transaction is analyzed on a land redevelopment basis consistent with CoStar's site-level reporting and zoning of M4 (San Jose). This sale represents a large-scale North San Jose redevelopment land acquisition within an established industrial and technology corridor.
8	San Jose	237-08-079	$80,000,000	$4,044,489	$92.85	

THE COMPARISON PROCESS

In the comparison process, I take into consideration the financial and physical differences between each land comparable. Categories of adjustment and/or comparison include: 1) property rights conveyed; 2) terms of sale; 3) conditions of sale; 4) buyer expenditures; 5) market conditions; and, 6) physical characteristics (including location, topography, utilities, zoning, etc.).

The comparables are analyzed on a price per square foot of land basis as this is the most applicable unit of comparison for the subject land as it reflects development land. This was clear when analyzing the comparable data where pricing levels, when analyzed on a price per square foot of land basis, were consistent and reflective of the market.

Each comparables' gross acreage and land square footage was obtained from public records, published sales information, and/or other reliable sources. The subject's overall market value was delineated from the market data.

The comparison process is fairly subjective in nature primarily due to the many characteristics of value, variances in buyer/seller influences, imperfections in the market, etc. Adjustments and/or comparisons are an attempt to reflect value contributions of the various factors in the marketplace. Many of the comparisons of physical characteristics overlap and reflect overall desirability. The comparison grid following this section is an empirical format to simply lead the reader to a logical conclusion of the final estimated value.

PROPERTY RIGHTS

The property right appraised was the fee simple estate. All of the land comparables transferred (or are marketing) the fee simple interest, thus, there are no adjustments warranted.

FINANCING (TERMS OF SALE)

Financing (terms of sale) include below market rates, buy downs, atypical payback periods, or any financing situations that are not commonly accepted within the marketplace. In the subject market, land is typically purchased with all cash or the seller takes back a first trust deed with a large (20%-50%) down payment. The comparables sold for cash or with conventional forms of financing; thus, no adjustments were warranted.

CONDITIONS OF SALE

Conditions of sale include any distressed influences, less than arm's length transactions, or other related influences that are not attributable to financing/terms of sale, market conditions, or physical differences. All comparables reflected closed transactions and normal market conditions of sale; thus, no adjustments were warranted.

MARKET CONDITIONS

Market conditions adjustments take into consideration appreciation or depreciation that has occurred in the market. All land comparables reflected sales that closed between October of 2023 and December of 2025. According to our analysis of market conditions over this time period (see market conditions section), we have made the following market conditions adjustments.

Market Conditions Adjustments Industrial	
Timeframe	Reconciled Adjustment
Jan 2023 - Dec 2024	-2.00%
Jan 2025 - Dec 2025	-2.50%

These adjustments are displayed visually in an adjustment grid on the following page.

INDUSTRIAL LAND COMPARABLES ADJUSTMENT GRID

Land Analysis Grid			Comp 1		Comp 2		Comp 3		Comp 4	
Address	Industrial Lot		Freedom Cir		1535-1575 Industrial Ave		420 Nelo Street		3625 Peterson Way	
City	Santa Clara		Santa Clara		San Jose		Santa Clara		Santa Clara	
State	CA		CA		CA		CA		CA	
Date	12/31/2025		10/25/2023		12/30/2024		7/15/2025		12/11/2025	
Price	NA		$50,000,000		$12,000,000		$10,625,000		$90,000,000	
Land SF	43,560		578,477		157,687		107,593		642,946	
Price Per SF	NA		$86		$76		$99		$140	
Transaction Adjustments										
Property Rights	Fee Simple		Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional		Full	0.0%	Full	0.0%	Full	0.0%	Full	0.0%
Conditions of Sale	Normal		Normal	0.0%	Normal	0.0%	Normal	0.0%	Normal	0.0%
Adjusted Land SF Unit Price			**$86**		**$76**		**$99**		**$140**	
Market Trends Through	12/31/2024	-2.0%	-2.4%		0.0%		0.0%		0.0%	
Adjusted Land SF Unit Price			**$84**		**$76**		**$99**		**$140**	
Subsequent Trends Ending	12/31/2025	-2.5%	3.0%		-2.5%		-1.2%		-0.1%	
Overall Comparison			**Sl. Inferior**		**Inferior**		**Similar**		**Sl. Superior**	
Adjusted Land SF Unit Price			**$87**		**$74**		**$98**		**$140**	

INDUSTRIAL LAND COMPARABLES ADJUSTMENT GRID CONTINUED

Comp 5		Comp 6		Comp 7	
387 Umbarger Road		681 Timble Road		555-600 E Brokaw Street	
San Jose		San Jose		San Jose	
CA		CA		CA	
11/30/2023		1/31/2025		2/9/2024	
$815,000		$42,000,000		$80,000,000	
13,939		488,743		861,617	
$58		$86		$93	
Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Full	0.0%	Full	0.0%	Full	0.0%
Normal	0.0%	Normal	0.0%	Normal	0.0%
$58		$86		$93	
-2.2%		0.0%		-1.8%	
$57		$86		$91	
-2.5%		-2.3%		-2.5%	
Inferior		Sl. Inferior		Similar	
$56		$84		$89	

SALES COMPARISON APPROACH CONCLUSION

A total of seven (7) land comparables are used in the sales comparison approach to land value. The land comparable data are sufficient in quality and quantity to estimate the hypothetical subject's market value, with key physical and non-physical characteristics analyzed and reconciled in the adjustment process.

The comparable sales reflect final adjusted unit prices ranging from $56 to $140 per square foot, with no adjustments applied for conditions of sale.

These comparables are selectively weighted based on their qualitative characteristics within the dataset to arrive at the reconciled value per SF for the hypothetical subject (reflecting highest and best use of Industrial) of $95.

The reconciled land value conclusion is shown below:

RECONCILED MARKET VALUE PER SF (INDUSTRIAL)

INDICATED VALUE PER LAND SF: $95

WEIGHTED AVERAGE ANALYSIS

As part of the Sales Comparison Approach development for the City of Santa Clara market area, an acreage-weighting analysis was completed to support reconciliation across multiple land use/property categories. The purpose of this step was to quantify the relative contribution of each property type to overall land area transacted in the City of Santa Clara during calendar year 2025, and to develop category weights for use in the final reconciliation of indicated values derived from separate Sales Comparison Approaches (SCAs) by property type.

The data utilized for this analysis was obtained from ParcelQuest records sourced from the City of Santa Clara. The dataset represents all sales transactions occurring within Santa Clara city limits in 2025, and includes zoning and property use descriptors along with site area information (including lot size in acres). Each sale record was categorized into one of five property types consistent with the valuation framework used in this assignment: (1) Single Family (Low Density Residential), (2) Medium Density Residential, (3) High Density Residential, (4) Commercial, and (5) Industrial. Classification was based primarily on the dataset's property use descriptor fields and supported by zoning information where necessary. Site area (acres) was then aggregated by category to measure the total land area represented by each property type.

The results of this step are summarized in the accompanying table, which reports the total area represented by each category, and each category's percentage of total acreage. These percentages represent the weighting factors to be applied to the indicated value conclusions developed independently for each property type's Sales Comparison Approach.

2025 WEIGHTED AVERAGE ANALYSIS TABLE

Sale Type	Total Acreage	Total SF	% of Total (Weight)
Single Family (Low Density)	64.62	2,814,847	42.28%
Medium Density Residential	11.4	496,584	7.46%
High-Density Residential	8.91	388,120	5.83%
Commercial	15.49	674,744	10.14%
Industrial	52.41	2,282,980	34.29%
	152.83	**6,657,275**	**100.00%**

Based on the 2025 Santa Clara sales dataset, total land area transacted sums to approximately 153 acres (about 6.66 million square feet), and the acreage distribution indicates that Single Family (Low Density) sales comprised the largest share at 42.28% of total acreage (64.62 acres). Industrial sales represented the second-largest share at 34.29% (52.41 acres), followed by Commercial at 10.14% (15.49 acres). Medium Density Residential accounted for 7.46% (11.40

acres), while High-Density Residential represented 5.83% (8.91 acres). These percentages were adopted as the category weights to be applied to the concluded Sales Comparison Approach indications for each property type in the reconciliation below.

Weighted Average Conclusion

Below, the reconciled price-per-square-foot indications are converted to price-per-acre conclusions and then applied to the acreage-derived category weights from the 2025 Santa Clara sales dataset. This weighting procedure reflects the relative share of land area transacted by property type during the analysis period and provides a market-supported basis for combining the category indications into a single citywide conclusion.

Weighted Value Conclusions

Weighting					
Land Use	Price Per SF	Price Per Acre	x	Weighted Average	= Weighted Value
Single Family (Low Density)	$130.00	$5,662,800		42.28%	$2,394,360.64
Medium Density Residential	$170.00	$7,405,200		7.46%	$552,373.75
High-Density Residential	$200.00	$8,712,000		5.83%	$507,910.23
Commercial	$110.00	$4,791,600		10.14%	$485,649.96
Industrial	$95.00	$4,138,200		34.29%	$1,419,113.15
				Total	**$5,359,407.72**
				Rounded	**$5,359,000.00**

Applying the category weights (42.28% Single Family/Low Density, 7.46% Medium Density Residential, 5.83% High-Density Residential, 10.14% Commercial, and 34.29% Industrial) to the respective concluded price-per-acre indications results in a weighted value indication of $5,359,407.72 per acre, rounded to $5,359,000 per acre.

This weighted value is developed to represent the average value of one acre of land, reflecting all use types in the City of Santa Clara for 2025. In the next section, we will develop adjustments based on the indicated value difference according to Zip code. Based on our analysis, 95050 is consistently the median zip code in terms of average value, and therefore the figure concluded above will serve as the baseline for comparison, as well as the concluded value for Zip code 95050.

ZIP CODE WEIGHTING ANALYSIS

As part of the scope of work for this appraisal assignment, location differences between the City's primary zip codes (95050, 95051, and 95054) were analyzed to develop generalized zip-code adjustments. The intent of this step is to establish reasonable, market-supported directional adjustments that reduce broad locational bias when applied across the City's major land-use categories (single family/low density residential, medium density residential, high density residential, commercial, and industrial).

ZIP CODE TREND ANALYSIS

Zip-level residential pricing trends were evaluated using two complementary indicators derived from MLS reporting. First, the median sales price chart (five-year trend, rolling 12 months) shows a consistent ranking over time in which 95051 trends above 95050, while 95054 trends below 95050. Second, the MLS rolling 12-month median price per square foot series indicates the same directional relationship on a price-efficiency basis: 95051 has historically exceeded 95050, while 95054 has trended below 95050. Taken together, the median price and median $/SF indicators are directionally consistent and support that, on an aggregated basis, 95050 functions as the most "average" pricing area, with 95051 generally superior and 95054 generally inferior.

Although these median indicators demonstrate meaningful spreads at certain points in time, a tempered reconciliation is appropriate for this assignment given the context and the intended application of the adjustment. Both metrics reflect the mix of sales within each rolling period including differences in size, age/condition, renovations, product type, and neighborhood pocket effects. In addition, zip code boundaries do not align perfectly with neighborhood quality; market appeal varies within each zip and overlaps across zip boundaries, making a smaller differential more supportable as a generalized citywide factor.

Further, these adjustments are applied across multiple land-use categories. While the MLS-reported median indicators reflect a market sample that includes a mix of marketed transactions and therefore provides a useful gauge of general pricing trends by zip code, the broader study reconciles value conclusions across both residential and nonresidential uses; accordingly, a conservative zip factor is appropriate. In addition, MLS-reported metrics do not represent all sales activity citywide and are not property-matched measures of location; therefore, the observed spreads are relied upon primarily to confirm direction and inform magnitude rather than dictate the final adjustment.

CONCLUDED ZIP CODE ADJUSTMENTS (95050 BASELINE)

Based on the consistent directional evidence from both median sales price (graphic) and median $/SF (MLS rolling 12-month series), and recognizing the need for an adjustment suitable for citywide application across property types, the following zip code adjustments are concluded:

Zip Code Adjustments Conclusion		
Zip Code	Reconciled Adj.	Concluded Price Per Acre
95051	4%	$5,573,000
95050	0%	$5,359,000
95054	-6%	$5,037,000

These adjustments intentionally temper the larger spreads implied by certain median endpoints and rolling periods, while still reflecting the persistent ranking shown in both indicators. The concluded differentials are considered reasonable and supportable for use as generalized zip-level factors within the broader reconciliation of average land value indicators across the City of Santa Clara.

FINAL RECONCILIATION

The process of reconciliation involves the analysis of each approach to value. The quality of data applied the significance of each approach as it relates to market behavior and defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively with each other.

In this assignment, the primary and most defensible value evidence was the Sales Comparison Approach. We conducted a total of five sales comparison approaches, one for each of the established land-use categories (very low-, low-, medium-, and high-density residential, commercial, and industrial). The results of these analyses were weighted based on the proportion of total transacted acreage represented by each category in 2025. Following this weighting procedure, zip code adjustments were applied using 95050 as the baseline market area, resulting in indicated per acre values for each zip code. Our conclusions are shown below:

Based on the data and analyses developed in this appraisal, I reconciled the following value as of December 31, 2025, subject to the Hypothetical Conditions, Extraordinary Assumptions, and General Conditions and Assumptions:

FINAL RECONCILIATION

Zip Code	Reconciled Fair Market Value
95051	$5,573,000
95050	$5,359,000
95054	$5,037,000

The exposure time is estimated at 6 months and the marketing time is estimated at 6 months.

CERTIFICATION STATEMENT

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective future interest in the property that is the subject of this report, and 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.
- 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 estimate, 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 (USPAP).
- I certify sufficient competence to appraise this property through education and experience, in addition to the internal resources of the appraisal firm.
- As of the date of this report, Lance W. Doré, MAI, FRICS has completed the continuing education program for designated members of the Appraisal Institute.
- I have performed no services, as appraisers, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- Lance W. Doré, MAI, FRICS did not make an inspection of the subject property as it is hypothetical.

Respectfully submitted,

Lance W. Doré, MAI, FRICS
President / CEO
The Doré Group
AG002464
lwdore@thedoregroup.com

CERTIFICATION STATEMENT

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective future interest in the property that is the subject of this report and 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.
- 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 estimate, 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 (USPAP).
- I certify sufficient competence to appraise this property through education and experience, in addition to the internal resources of the appraisal firm.
- I have not performed services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the Standards and Ethics Education Requirements for Associate Members of the Appraisal Institute.
- I did not inspect the subject property as it is hypothetical.

Respectfully submitted,

Calvin Farris
Appraiser
BREA# 3013216
Cfarris@thedoregroup.com
3990 Old Town Avenue, Suite B104
San Diego, CA 92110

ADDENDA

THE DORÉ GROUP
INTERNATIONAL REAL ESTATE CONSULTATION AND FORENSIC VALUATION

LANCE W. DORÉ, MAI, FRICS

Lance W. Doré is the President and CEO of The Doré Group. In this role, he directs all valuation assignments involving a wide variety of conventional and complex real properties, serves as litigation support to both public and private clients, provides expert advisory services (including forensic analyses and market and feasibility studies), and manages the overall operations of The Doré Group.

Mr. Doré has been a real estate appraiser since 1983, initially working for Bank of America as a staff appraiser then as a senior appraiser with a fee appraisal firm in Del Mar, California. In 1988, he formed L.W. Doré, Real Estate Consultants and grew the firm through the addition of two partners forming Doré & Curry, Inc. (1990) and Doré, Curry, & Marschall, Inc. (1997). In 1999, Doré, Curry, & Marschall, Inc. became the San Diego office for Integra Realty Resources with Mr. Doré serving as Managing Director. In the fall of 2005, Mr. Doré joined Cushman & Wakefield as the National Practice Leader of the Government Affairs and Energy division. In 2007, he pursued an opportunity to serve as the President of European Emerging Markets and Vice President of Client Services for PGP, Inc./Colliers International. Mr. Doré's unique depth of experience, coupled with his high personal standards of service, led him to found The Doré Group in 2010.

Experience

Mr. Doré's work experience spans a wide variety of property types with special expertise in the valuation of energy facilities, conservation land, open space corridors and ranches. In addition, he has also appraised planned-unit developments, residential income properties, senior housing, shopping centers, office, industrial, mixed-use properties, and a multitude of special purpose properties, including, but not limited to hotels, ski resorts, restaurants, hospitals, recreational camps, auto service and wrecking centers, equestrian facilities, and golf courses. He regularly serves as an expert advisor conducting appraisal reviews, forensic studies, and marketability and feasibility analyses. In addition, Mr. Doré is uniquely qualified and experienced in litigation testimony, consultation and advisory services for all real estate related issues. His geographical valuation expertise is focused in the western United States and extends to Tokyo (Japan), Central America, Mexico, Cyprus, and Moscow (Russia).

Licenses/Certifications/ Affiliations

Certified General Real Estate Appraiser – **State of California** (OREA No. AG002464)
California Licensed Real Estate Broker & Realtor member - **San Diego Board of Realtors**
Credentialed Mediator – **National Conflict Resolution Center**
Member of the Appraisal Institute **(MAI No. 8471)**
Fellow of the Royal Institute of Charter Surveyors **(FRICS Designation)**
Registered Valuer - **Royal Institute of Charter Surveyors** for international valuation
Member of the International Right of Way Association **(IR/WA)**
Member of the Family Firm Institute – **FFI**
Member of the Lambda Alpha International – Land Economic Society – **LAI**

Instructor Positions

National Instructor (*Real Estate Valuation Principles & Practice)* - **Appraisal Institute**
Adjunct Professor - **Russian Federation Finance Academy**
National Instructor – (*Business Development and Leadership*) – **Royal Institute of Charter Surveyors**
National Instructor - (Red Book Standards) - **Royal Institute of Charter Surveyors**
National Instructor - (Hotel Valuation) - **Royal Institute of Charter Surveyors**
National Instructor - (International Valuation and Property Measurement Standards) - **Royal Institute of Charter Surveyors**
National Instructor - (Subdivision Development) - **Royal Institute of Charter Surveyors**
National Instructor - (Automated Valuation Models) - **Royal Institute of Charter Surveyors**
National Instructor - (Bridging the Gap of IVSC v. USPAP) - **Royal Institute of Charter Surveyors**

2990 Old Town Avenue | Suite B204 | San Diego, California 92110 | 619.933.3040 | www.thedoregroup.com

Leadership/Committees

Past President – **Appraisal Institute**, San Diego Chapter
Past member of *International Relations Committee* – **Appraisal Institute**
Past member of *Ethics & Standards Committee* – **Appraisal Institute**

Speaking Engagements

Appraisal Institute (National Seminar Series, Los Angeles, CA) - Land Valuation & Environmental Issues
The Trust for Public Land (San Diego, CA) - Natural Communities Conservation Plan
Pan Pacific Conference (Auckland, New Zealand) – Valuation of Submerged Lands
Government of Cyprus (Nicosia, Cyprus) – Valuation of Golf Courses and Marinas
The Russian Federation (Moscow, Russia) - Valuation of Land and Appraisal Principles
The Russian Federation (Goa, India) - Valuation of Oil and Gas and Power Plants
Royal Institute of Charter Surveyors (Montego Bay, Jamaica) – Government & Regulatory Risk
Graziadio School of Business & Management, Pepperdine (Los Angeles, CA)–2008 US & California Forecast
Appraisal Institute (San Diego, CA) – Unique Valuations in Real Estate
Appraisal Institute (San Diego, CA) – International Financial Reporting Standards (IFRS)
California Redevelopment Agency (Workshop Series, CA) – Real Estate Valuation for AB1X 26 & AB1484
Risk Management Association (RMA) – Appraisal Risk and the Valuation Process
University of San Diego – MBA program – Guest Lecturer
University of San Francisco – Geller Family Business Center – Family Office Valuation
NAI Global Conference – Real Estate Investment Pyramid

Publications

Appraisal Journal (October 2001) – "The Valuation of Submerged Land"
Energy Pulse *(March 2006)* – **"**The Highest and Best Use of Power Plants"
Union of Pan America Valuers *(November 2010)* – "Impact of Public to Private Partnerships in BRICS"
Wall Street Journal *(August 2001)* – "Power Plant Owners Fight to Lower Taxes"
The Secret of Real Estate – Revealed (2011)
IRWA Right of Way (*July/August 2018)* – "Conservation Easements – Unraveling the Mystery"

Representative Client List

Public Entities

United States Department of the Interior
United States Department of Navy
Government of Cyprus
State of California – Judicial Courts
State of California – Auditor
County of Riverside
County of Monterey
City of San Diego
Los Angeles Dept. of Water and Power
City of Monterey
United States Forest Service
United States Department of Justice
Russian Federation
County of San Diego
County of San Bernardino
County of Los Angeles
City of Riverside
Port of Long Beach
Port of Oakland
Port of Vancouver

Legal Clients – Local, Regional, National and International Firms. Criminal, Transactional and Civil Litigation. Qualified Expert in Federal Bankruptcy Court, United States Judicial District Court, California Superior Court, San Diego Superior Court, Los Angeles Superior Court, Washington State Superior Court.

Financial Institutions – All Major Local, Regional and National Organizations. Savings and Loans, Banks, Insurance Companies, Investment Firms, Brokerage Firms and Insurance Companies.

Non-Profit Conservation Groups – Local, Regional and National Organizations.

Family Offices – Estate Planning, Tax Planning, Consultation

2990 Old Town Avenue | Suite B304 | San Diego, California 92110 | 619.944.3040 | www.thedoregroup.com