

Executive Summary
1.47± Residentially Developable Acres
4325 and 4339 Alder Avenue, Fremont, CA

February 22, 2012

The Opportunity: Dutra Enterprises, Inc. – on behalf of Terreno Ventures Group, LLC, a California limited liability company – is offering a total of 1.47± acres for sale (APN 501-42-76), located at 4325 and 4339 Alder Ave. in the City of Fremont. The property is situated across nearby Oliveira Elementary (API Score: 867) and in close proximity to Thornton Jr. High (API = 869) and American High schools (API = 811). It is also near parks, shopping, public transportation, Interstates 680 and 880, commuter rail including Altamont Commuter Express (ACE), Amtrak Capital Corridor and BART and is surrounded by quality existing residential development.

Zoning: The property is zoned R-1 with density being 5 to 7 dwelling units per acre. However, City Staff has suggested that high density, single family detached in the range of 12 du's/acre may be suitable for the site. The yield would then be an estimated 16 to 19 du's.

Topography: The property is essentially level and its configuration advantageous for high density, single family detached residential development.

Proposed Terms and Conditions:

- *Purchase Price:* \$2,495,000 (\$1,697,279 per acre or \$131,315.78 per lot).
- *Escrow Period:* 12 months from execution of a Purchase and Sales Agreement (PSA) or upon approval of the Tentative Map, whichever occurs first. Buyer will have the right to extend the escrow for one (3), three month period upon payment of an extension deposit of \$50,000. Said extension deposit, when paid, will be non-refundable and be immediately released to Seller.
- *Deposits / Due Diligence Period:* Seller requests an initial deposit of \$75,000 with additional deposits of \$50,000 payable prior to the end of each three (3) months after the due diligence period. The due diligence period will be sixty (60) days after the full ratification of the PSA. Upon Buyer's approval or waiver of contingencies prior to the end of the due diligence period, the initial deposit and each additional deposit will be non-refundable, immediately released to Seller, and be applied to the purchase price at close of escrow.

Pertinent Information: Seller has demolished the structures on the property, is currently in the process of removing most of the trees, and obtaining Phase I and II clearances for the property. Seller has obtained a decision from HARB that the previously standing adobes are "not historic" but did require that some of the bricks from the adobe structures be salvaged and used on site as part of a frontage adobe wall, monument or other appropriate site use.

Site Plan: A sample site plan and floors plans have been developed by Jill Williams of KTGy for your perusal.

Offers: Interested parties are encouraged to contact **John A. Dutra, Board Chairman, or Tony F. Dutra, CEO.**

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ASSESSOR'S MAP 501

Code Area Nos. 12-013

- (A) EX-MISSION SAN JOSE Case 1-6-15 (C) TR. 2253 4523 (E) TR. 2468 4943
- (B) RANCHO POTRERO de los CERRITOS (T. Pacheco & A. Alvizo) Patent Book A, Pg. 217 (D) TR. 2372 4561 (F) P.M. 5836 19110

42

SCALE 1" = 100'

DRAWN: 02-14-11 CC REVISED:

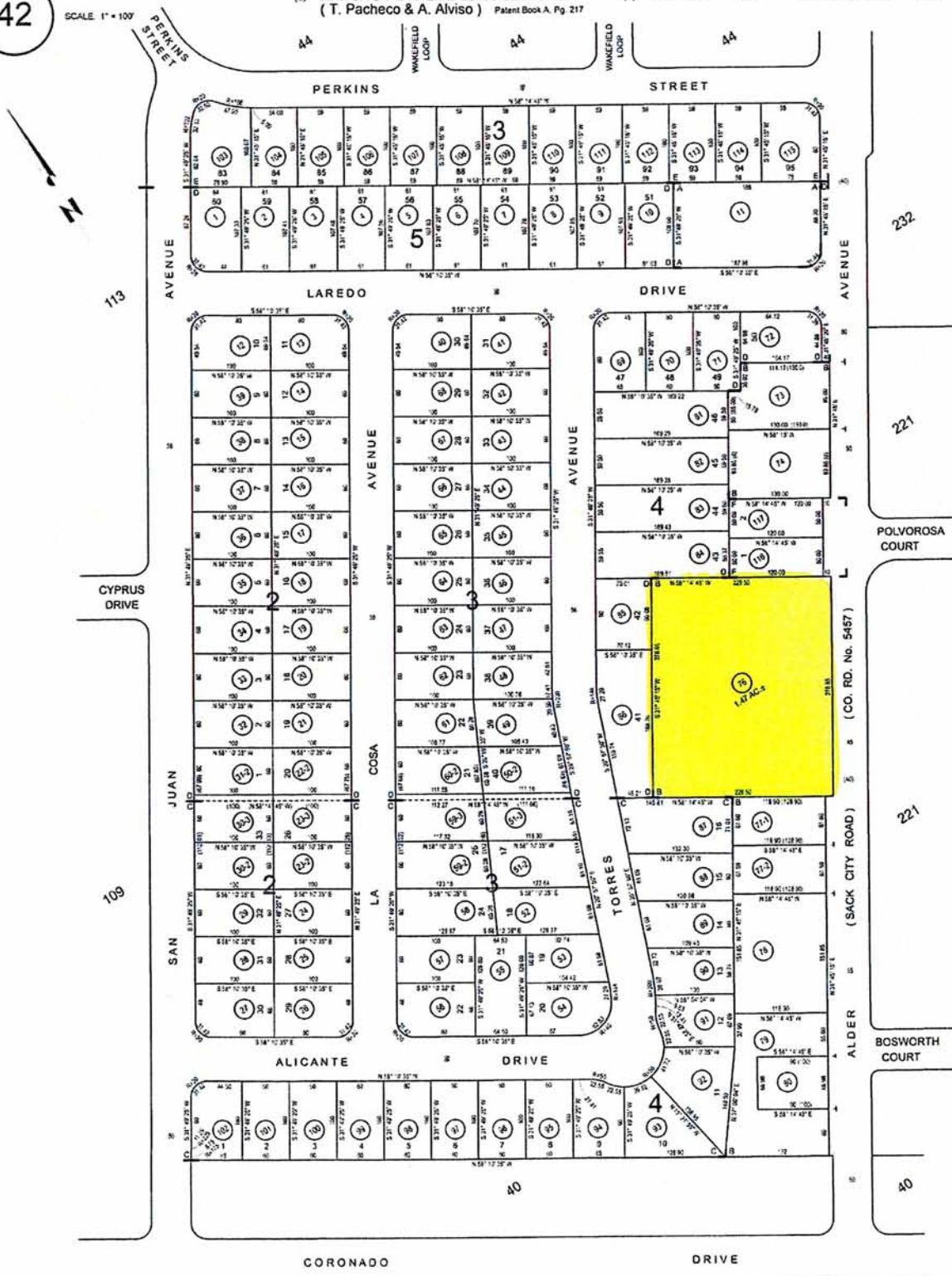
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TRA: 48A

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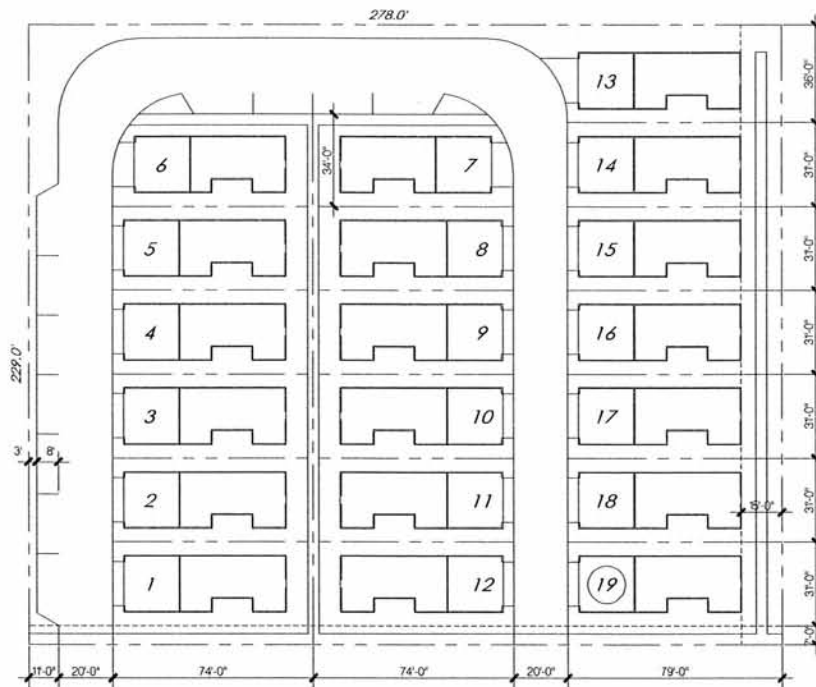
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4325 & 4339 Alder Avenue, Fremont, California





Site Plan



Dutra Enterprises, Inc.

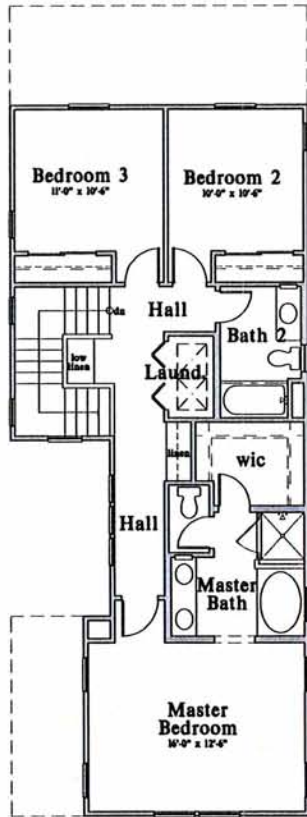
Alder Avenue

Fremont, California

KTGY Group INC.
 Architecture + Planning
 560 Second Street, Suite 200
 Oakland, California 94607
 ktgy.com
 510 272 2910



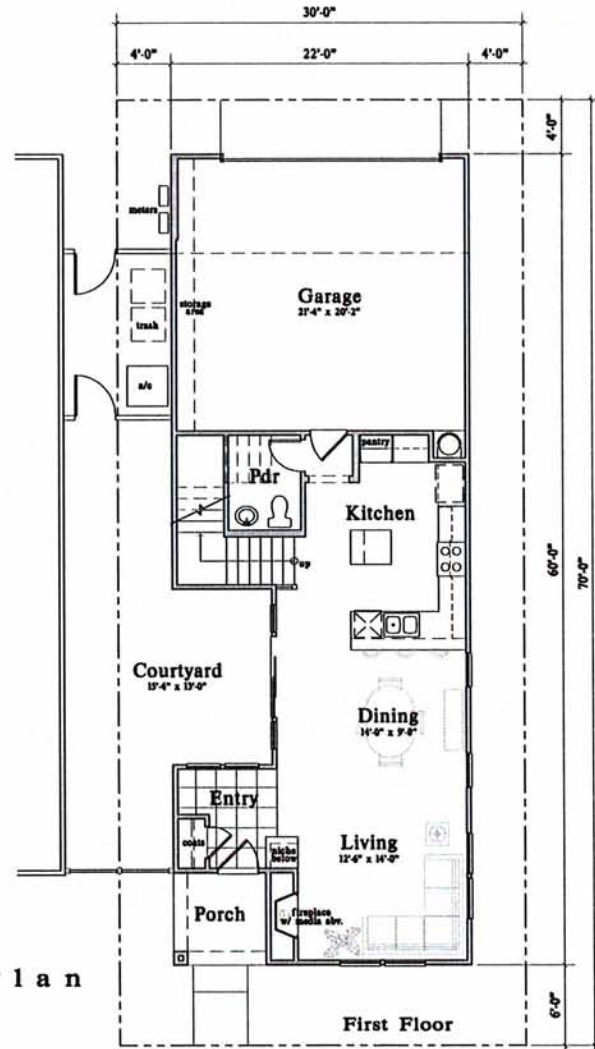
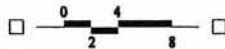
February 20, 2012

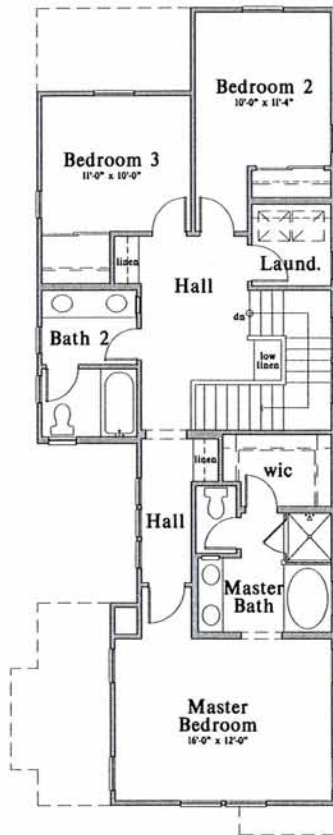


Second Floor

Floor Plan
 3 Bedrooms
 2 1/2 Bath
 1639 Sq. Ft.

Plan 3 Floor Plan

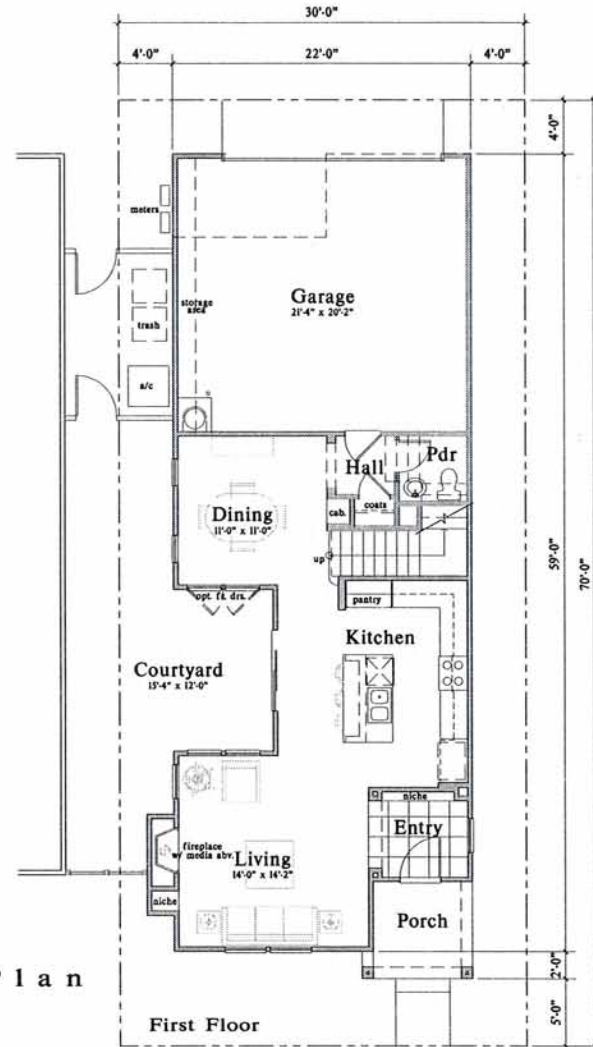
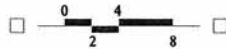




Second Floor

Floor Plan
 3 Bedrooms
 2 1/2 Bath
 1709 Sq. Ft.

Plan 2 Floor Plan



First Floor

MEASURES OF PROGRESS

Academic Performance Index

The Academic Performance Index (API) is California’s way of comparing schools based on student test scores. The index was created in 1999 to help parents and educators recognize schools that show progress and identify schools that need help. It is also used to compare schools in a statewide ranking system. The California Department of Education (CDE) calculates a school’s API using student test results from the California Standards Tests and, for high schools, the California High School Exit Exam (CAHSEE). APIs range from 200 to 1000. The CDE expects all schools to eventually obtain APIs of at least 800. **Additional information on the API can be found on the CDE Web site.**

Oliveira’s API was 867 (out of 1000). This is an increase of 21 points compared with last year’s API. All students took the test. You can find three years of detailed API results in the Data Almanac that accompanies this report.

API RANKINGS: Based on our 2009–2010 test results, we started the 2010–2011 school year with a base API of 846. The state ranks all schools according to this score on a scale from 1 to 10 (10 being highest). Compared with all elementary schools in California, our school ranked 7 out of 10.

SIMILAR SCHOOL RANKINGS: We also received a second ranking that compared us with the 100 schools with the most similar students, teachers, and class sizes. Compared with these schools, our school ranked 8 out of 10. The CDE recalculates this factor every year. To read more about the specific elements included in this calculation, refer to the **CDE Web site**.

API GROWTH TARGETS: Each year the CDE sets specific API “growth targets” for every school. It assigns one growth target for the entire school, and it sets additional targets for ethnic groups, English Learners, special education students, or socioeconomic subgroups of students that make up a significant portion of the student body. Schools are required to meet all of their growth targets. If they do, they may be eligible to apply for awards through the California School Recognition Program and the Title I Achieving Schools Program.

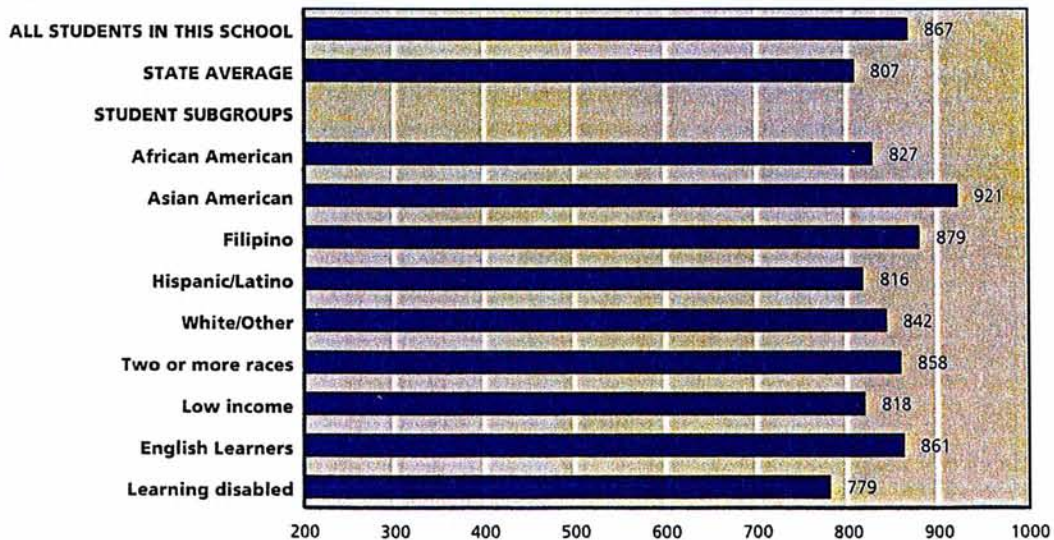
We met our assigned growth targets during the 2010–2011 school year. Just for reference, 64 percent of elementary schools statewide met their growth targets.

CALIFORNIA API ACADEMIC PERFORMANCE INDEX	
Met schoolwide growth target	Yes
Met growth target for prior school year	Yes
API score	867
Growth attained from prior year	+21
Met subgroup* growth targets	Yes

SOURCE: API based on spring 2011 test cycle. Growth scores alone are displayed and are current as of November 2011.

*Ethnic groups, English Learners, special ed students, or socioeconomic groups of students that make up 15 percent or more of a school’s student body. These groups must meet AYP and API goals.
R/P - Results pending due to challenge by school.
N/A - Results not available.

API, Spring 2011



SOURCE: API based on spring 2011 test cycle. State average represents elementary schools only.
NOTE: Only groups of students that represent at least 15 percent of total enrollment are calculated and displayed as student subgroups.

MEASURES OF PROGRESS

Academic Performance Index

The Academic Performance Index (API) is California’s way of comparing schools based on student test scores. The index was created in 1999 to help parents and educators recognize schools that show progress and identify schools that need help. It is also used to compare schools in a statewide ranking system. The California Department of Education (CDE) calculates a school’s API using student test results from the California Standards Tests and, for high schools, the California High School Exit Exam (CAHSEE). APIs range from 200 to 1000. The CDE expects all schools to eventually obtain APIs of at least 800. **Additional information on the API** can be found on the CDE Web site.

Thornton’s API was 869 (out of 1000). This is an increase of 1 point compared with last year’s API. All students took the test. You can find three years of detailed API results in the Data Almanac that accompanies this report.

API RANKINGS: Based on our 2009–2010 test results, we started the 2010–2011 school year with a base API of 868. The state ranks all schools according to this score on a scale from 1 to 10 (10 being highest). Compared with all middle schools in California, our school ranked 9 out of 10.

SIMILAR SCHOOL RANKINGS: We also received a second ranking that compared us with the 100 schools with the most similar students, teachers, and class sizes. Compared with these schools, our school ranked 3 out of 10. The CDE recalculates this factor every year. To read more about the specific elements included in this calculation, refer to the CDE Web site.

API GROWTH TARGETS: Each year the CDE sets specific API “growth targets” for every school. It assigns one growth target for the entire school, and it sets additional targets for ethnic groups, English Learners, special education students, or socioeconomic subgroups of students that make up a significant portion of the student body. Schools are required to meet all of their growth targets. If they do, they may be eligible to apply for awards through the California School Recognition Program and the Title I Achieving Schools Program.

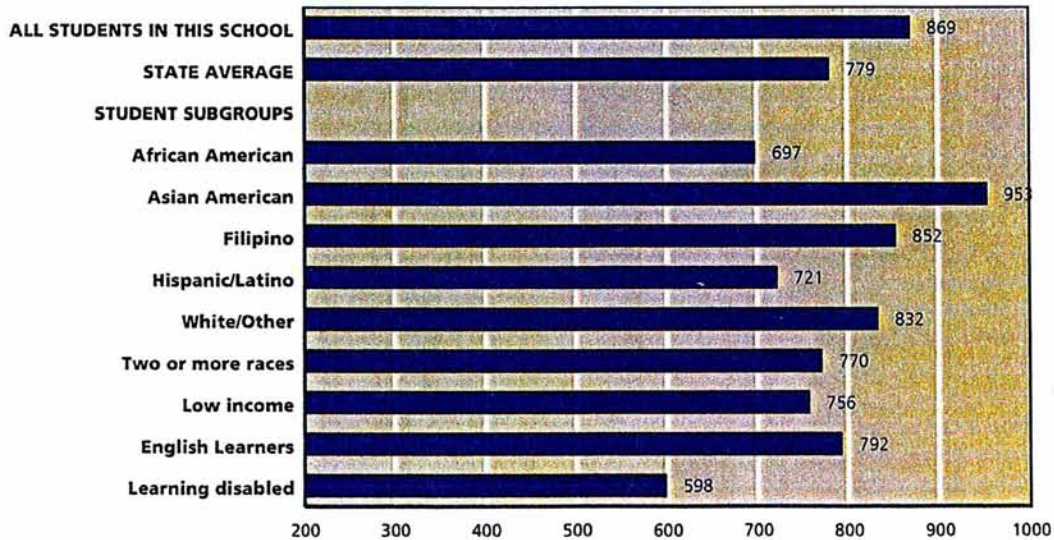
We did not meet some or all of our assigned growth targets during the 2010–2011 school year. Just for reference, 50 percent of middle schools statewide met their growth targets.

CALIFORNIA API ACADEMIC PERFORMANCE INDEX	
Met schoolwide growth target	Yes
Met growth target for prior school year	Yes
API score	869
Growth attained from prior year	+1
Met subgroup* growth targets	No

SOURCE: API based on spring 2011 test cycle. Growth scores alone are displayed and are current as of November 2011.

*Ethnic groups, English Learners, special ed students, or socioeconomic groups of students that make up 15 percent or more of a school’s student body. These groups must meet AYP and API goals.
R/P - Results pending due to challenge by school.
N/A - Results not available.

API, Spring 2011



SOURCE: API based on spring 2011 test cycle. State average represents middle schools only.
NOTE: Only groups of students that represent at least 15 percent of total enrollment are calculated and displayed as student subgroups.

MEASURES OF PROGRESS

Academic Performance Index

The Academic Performance Index (API) is California’s way of comparing schools based on student test scores. The index was created in 1999 to help parents and educators recognize schools that show progress and identify schools that need help. It is also used to compare schools in a statewide ranking system. The California Department of Education (CDE) calculates a school’s API using student test results from the California Standards Tests and, for high schools, the California High School Exit Exam (CAHSEE). APIs range from 200 to 1000. The CDE expects all schools to eventually obtain APIs of at least 800. Additional information on the API can be found on the CDE Web site.

American’s API was 811 (out of 1000). This is an increase of 15 points compared with last year’s API. About 99 percent of our students took the test. You can find three years of detailed API results in the Data Almanac that accompanies this report.

API RANKINGS: Based on our 2009–2010 test results, we started the 2010–2011 school year with a base API of 796. The state ranks all schools according to this score on a scale from 1 to 10 (10 being highest). Compared with all high schools in California, our school ranked 8 out of 10.

SIMILAR SCHOOL RANKINGS: We also received a second ranking that compared us with the 100 schools with the most similar students, teachers, and class sizes. Compared with these schools, our school ranked 2 out of 10. The CDE recalculates this factor every year. To read more about the specific elements included in this calculation, refer to the CDE Web site.

API GROWTH TARGETS: Each year the CDE sets specific API “growth targets” for every school. It assigns one growth target for the entire school, and it sets additional targets for ethnic groups, English Learners, special education students, or socioeconomic subgroups of students that make up a significant portion of the student body. Schools are required to meet all of their growth targets. If they do, they may be eligible to apply for awards through the California School Recognition Program and the Title I Achieving Schools Program.

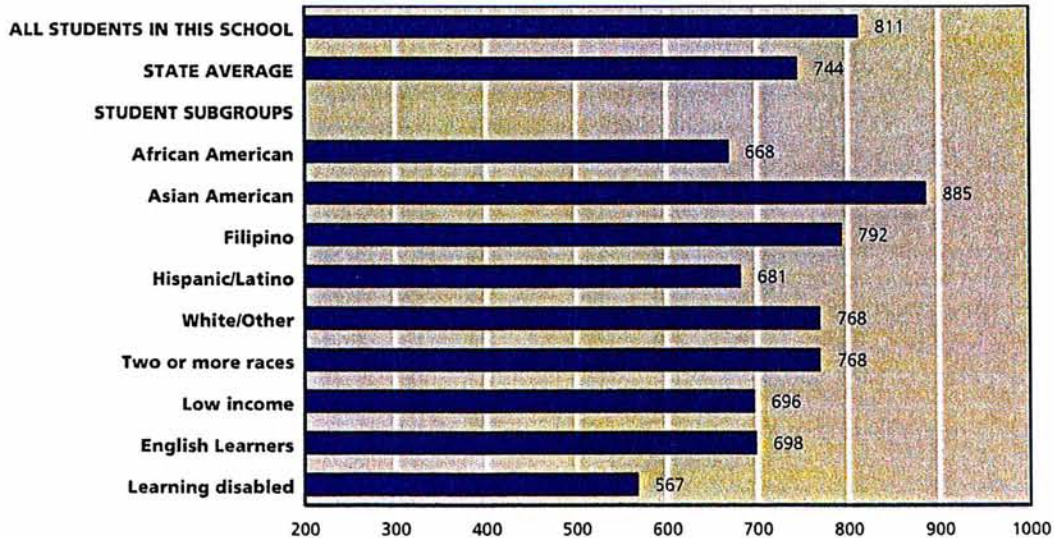
We did not meet some or all of our assigned growth targets during the 2010–2011 school year. Just for reference, 32 percent of high schools statewide met their growth targets.

CALIFORNIA API ACADEMIC PERFORMANCE INDEX	
Met schoolwide growth target	Yes
Met growth target for prior school year	Yes
API score	811
Growth attained from prior year	+15
Met subgroup* growth targets	No

SOURCE: API based on spring 2011 test cycle. Growth scores alone are displayed and are current as of November 2011.

*Ethnic groups, English Learners, special ed students, or socioeconomic groups of students that make up 15 percent or more of a school’s student body. These groups must meet AYP and API goals.
R/P - Results pending due to challenge by school.
N/A - Results not available.

API, Spring 2011



SOURCE: API based on spring 2011 test cycle. State average represents high schools only.
NOTE: Only groups of students that represent at least 15 percent of total enrollment are calculated and displayed as student subgroups.

Alder Ave.

PROJECT SUMMARY

UNITS	PLAN	Size	Price	Totals	Avg. per Unit	Per SqFt	%
9	0	1,639	605,000	5,445,000		369.13	45.21%
10	0	1,709	620,000	6,200,000		362.79	51.48%
0	0	0	0	0		0.00	0.00%
0	0	0	0	0		0.00	0.00%
0	0	0	0	0		0.00	0.00%
0	0	0	0	0		0.00	0.00%
0	0	0	0	0		0.00	0.00%
0	0	0	0	0		0.00	0.00%
0	0	0	0	0		0.00	0.00%
19	Base Price			11,645,000	612,895	365.72	96.69%
	Lot Premiums			19,000	1,000	0.60	0.16%
	Options			380,000	20,000	11.93	3.16%
	Model Recovery			0	0	0.00	0.00%
TOTAL REVENUE				12,044,000	633,895	378.25	100.00%

COST SUMMARY

Land		2,495,000	131,316	78.36	20.72%		
Closing Costs & Commissions		30,000	1,579	0.94	0.25%		
Bonds & Fees		1,954,702	102,879	61.39	16.23%		
Onsite Improvements		874,000	46,000	27.45	7.26%		
Offsite Improvements		109,250	5,750	3.43	0.91%		
Common Area		104,500	5,500	3.28	0.87%		
Engineering		177,551	9,345	5.58	1.47%		
	<i>Subtotal Finished Lot</i>		5,745,003	302,369	180.43	47.70%	
Direct Construction		2,040,941	107,418	64.10	16.95%		
Construction Contingency		61,228	3,223	1.92	0.51%		
Lot Improvements		38,000	2,000	1.19	0.32%		
	<i>Subtotal Hard Cost</i>		2,140,170	112,641	67.21	17.77%	
Construction Indirects		100,000	5,263	3.14	0.83%		
Customer Service		38,209	2,011	1.20	0.32%		
Project Development		249,128	13,112	7.82	2.07%		
Overhead		361,320	19,017	11.35	3.00%		
Financing & Fees		180,744	9,513	5.68	1.50%		
Property Tax		41,404	2,179	1.30	0.34%		
Sales Complex		130,996	6,895	4.11	1.09%		
Sales & Marketing Expense		85,500	4,500	2.69	0.71%		
Co-op / Marketing Fees		156,572	8,241	4.92	1.30%		
	<i>Subtotal Soft Costs</i>		1,343,873	70,730	42.21	11.16%	
TOTAL COST				9,229,046	485,739	289.85	76.63%
GROSS PROFIT				2,814,954	148,155	88.41	23.37%
	Less: Preferred Return	0.00%	-	0	0.00	0.00%	
	Partner Profit	0.00%	-	0	0.00	0.00%	
NET PROFIT				\$ 2,814,954	148,155	88.41	23.37%

Total Return **23.37%**