

John G. Ellis, MAI, CRE, FRICS  
Integra Realty Resources – Los Angeles

Gregory M. Berman, Esq.  
Bergman Dacey Goldsmith

Patrick Spillane  
IDS Real Estate Group

# Building a Base for Value

## Opinions and Testimony Supported by Multiple Experts



50<sup>th</sup> Annual Litigation Seminar  
Southern California Chapter of the Appraisal Institute  
November 9, 2017

# Types of Assignments in Which the Appraiser Relies on the Work of Others

1. Non-litigation (no testimony anticipated)
2. Litigation (reasonable probability of testimony)

# Non-Litigation Appraisals That May Require the Expertise of Others

1. Valuation of real property as part of the value of a going concern
2. Estimates of construction costs and development schedules for proposed construction
3. Environmental remediation costs and timing
4. Grading costs for sloping land
5. Interpretation of complex zoning and land use guidelines
6. Special studies needed for highest and best use analysis

# Non-Litigation Example: Testing Multiple Alternatives as Part of the Highest and Best Use Study



# Uses Analyzed as Potential Highest and Best Use as Improved

1. Office preservation
2. Office conversion
3. Mixed-use: Emphasis on multi-residential
4. Educational/institutional use
5. Hospitality

# Completing the Highest and Best Use Study

1. Examine uses from perspectives of legally permissible and financially feasible. Eliminate those that do not pass: ***Appraiser***
2. For remaining uses, develop a plan to show design of project that can be used to estimate costs: ***Architect***
3. Develop cost estimates for purpose of implementing architect's plan: ***Cost Estimator***
4. Incorporate design and cost elements into valuation analysis: ***Appraiser***
5. Conclude as to highest and best use: ***Appraiser***

# Reliance on Other Experts in Non-Litigation Matters

- A. Guide Note 4 (from the Guide Notes to the Standards of Professional Appraisal Practice of the Appraisal Institute)
- B. Guide Note 5 is sometimes applicable
- C. How does this affect the review process after report is delivered to client?
- D. How is this different from the use of other experts in a litigation assignment?

# How does an attorney evaluate potential expert witnesses?

## Independence of the Expert

1. Better Risk Analysis
2. You Want An Expert To Believe In What They're Saying = More Credible to Judge and Jury
3. Ethical
4. Better Results

## Expert Witnesses v. Consultants

1. The difference
2. When to use each

# How does an attorney evaluate potential expert witnesses?

## What Does the Law Require? Look to the Model Jury Instructions

Generalized Jury Instructions	Eminent Domain Jury Instructions
CACI 203 – Each Party’s Production of Evidence	CACI 3515 – Opinions of value are most important, but jury may rely on other (expert) witnesses to understand valuation witnesses
CACI 219 – Evaluating an Expert	CACI 3517 – Comparable Sales
CACI 220 – Use of Hypotheticals with Experts	
CACI 221 – Weighing Conflicting Expert Opinions	

# How does an attorney evaluate potential expert witnesses?

## What Does the Law Require? Look to the Model Jury Instructions

- CACI 203 – “You may consider the ability of each party to provide evidence. **If a party provided weaker evidence when it could have provided stronger evidence, you may distrust the weaker evidence.**”
  - If you have an expert witness, use them unless you have a really compelling reason not to.
  - Otherwise, the other side will point out your lack of presentation of your own experts, which will damage your credibility

# How does an attorney evaluate potential expert witnesses?

## What Does the Law Require? Look to the Model Jury Instructions

- CACI 219 – “... You do not have to accept an expert’s opinion. ... You may believe all, part, or none of an expert’s testimony. In deciding whether to believe an expert’s testimony, you should consider:
  - 1) **The expert’s training and experience;**
  - 2) **The facts the expert relied on;** and
  - 3) **The reasons for the expert’s opinion.”**
- Elements (2) and (3) are particularly important when deciding to use multiple sub-experts to buttress an appraiser’s opinion.

# How does an attorney evaluate potential expert witnesses?

## What Does the Law Require? Look to the Model Jury Instructions

- CACI 220 – “The law allows expert witnesses to be asked questions that are based on assumed facts. These are sometimes called ‘hypothetical questions.’ . . . .”
  - Use of hypotheticals are generally useful, but don’t overuse them.
  - Be very careful with the use of hypotheticals when cross-examining a hostile expert witness

# How does an attorney evaluate potential expert witnesses?

## What Does the Law Require? Look to the Model Jury Instructions

- CACI 221 – “If the expert witnesses disagreed with one another, you should **weigh each opinion** against the others. You should examine **the reasons given for each opinion** and **the facts or other matters** that each witness **relied on**. You may also compare the experts’ **qualifications**.”
  - Qualifications matter, but likeability and believability matter more.
  - The facts relied upon by experts, like sub-experts, are very important.

# How does an attorney evaluate potential expert witnesses?

## What Does the Law Require? Look to the Model Jury Instructions

- Eminent Domain Instruction, CACI 3515 – “You must decide the value of property based solely on the testimony of the witnesses who have given their opinion of fair market value. **You may consider other evidence only to help you understand and weigh the testimony of those witnesses. . . .**”
  - The most important witness in an eminent domain case is the expert appraiser, who testifies on fair market value.
  - However, this jury instruction allows for the use of foundational experts, relied upon by the appraiser, in eminent domain.

# How does an attorney evaluate potential expert witnesses?

## What Does the Law Require? Look to the Model Jury Instructions

- Eminent Domain Instruction, CACI 3517 – “To assist you in determining the fair market value of the property, you have heard evidence of **comparable sales**. It is up to you to decide the importance of this evidence in determining the fair market value.”
  - Comparable Sales are important to convince a jury that your Fair Market Value determination is trustworthy.
  - Location is particularly important. Use maps to show the reasonableness of your comparable sales, and the unreasonableness of the opposing appraiser’s comparable sales.

# The Pros and Cons of Layered Expert Testimony

What are the “pros” and “cons” of layered expert testimony?

## Pros

- Tells story.
- Supports the appraiser by laying a foundation for areas where the appraiser doesn't have expertise (engineering, architecture, etc.)

## Cons

- A foundational expert can screw up, which would undercut the ultimate appraisal opinion.
- More expense.

# Capabilities of Other Potential Witnesses

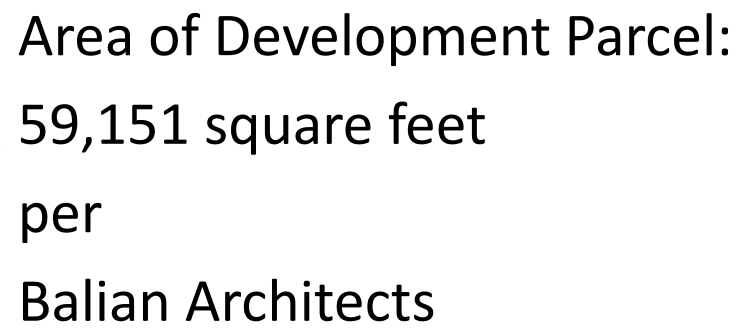
Professional	License?	Use
Land-Use Planner	No	<i>Legally permissible uses / density / zoning issues &amp; concerns</i>
Architect	Yes	<i>How to maximize value / minimize impacts</i>
Civil Engineer	Yes	<i>Specific land area measurement</i>
Structural Engineer	Yes	<i>Solving constructability issues</i>
Soil Engineer	Yes	<i>When needed for specific geotechnical issues</i>
Acoustic Engineer	Yes	<i>Sound and/or construction noise related impacts</i>
Cost Estimator	Yes (for contractors) No (for non-contractors)	<i>Determining the incremental cost associated with impacts</i>

# Case Study Example: Partial Taking for a New Subway Station

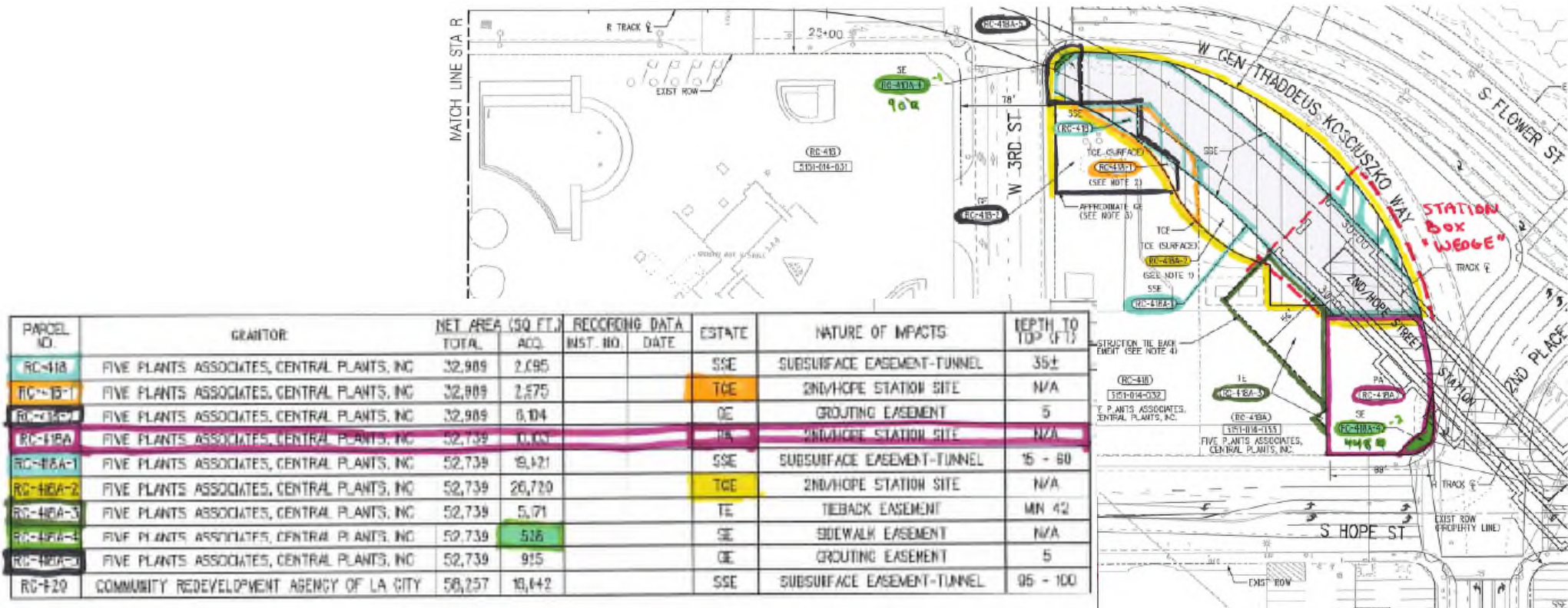


# The Intended Use

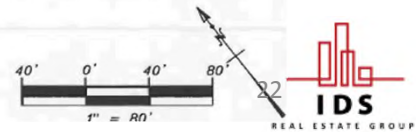
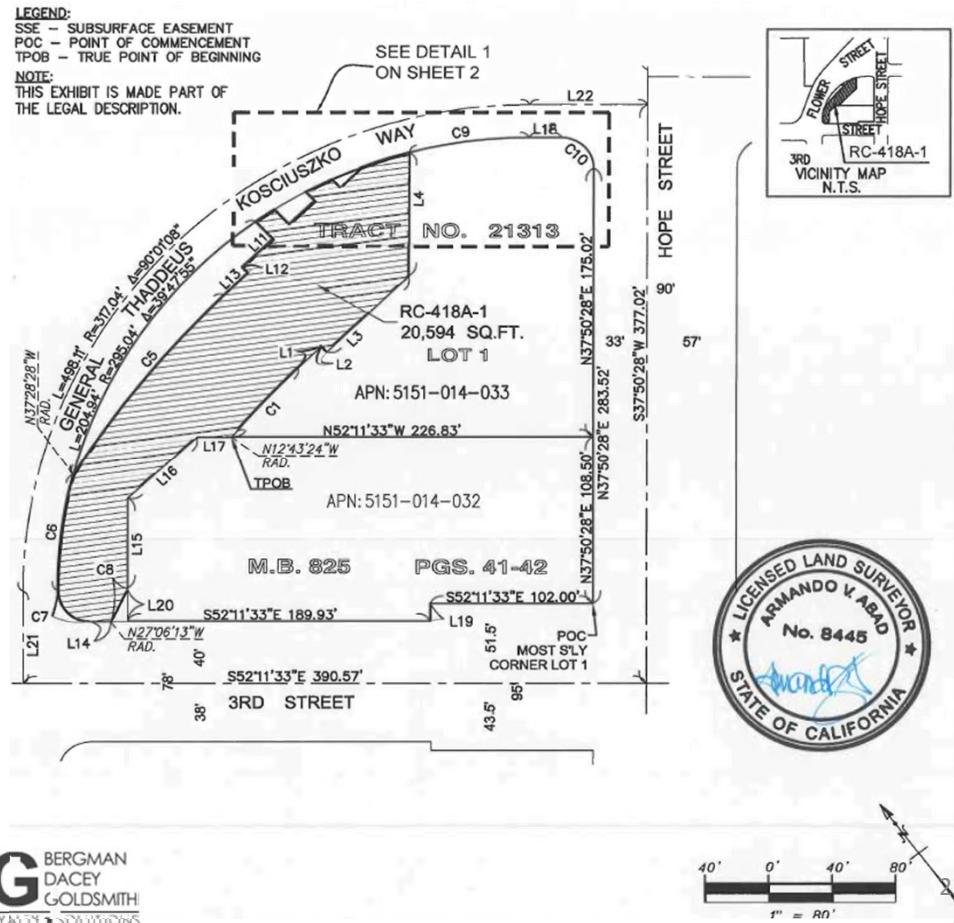
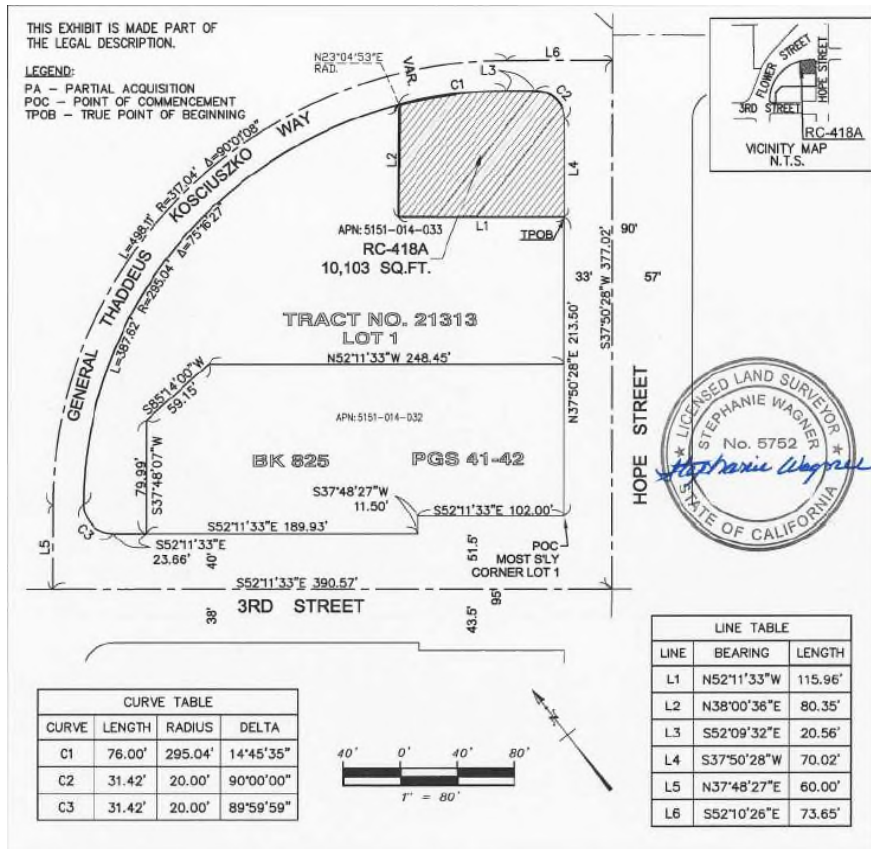




# The Parts Acquired



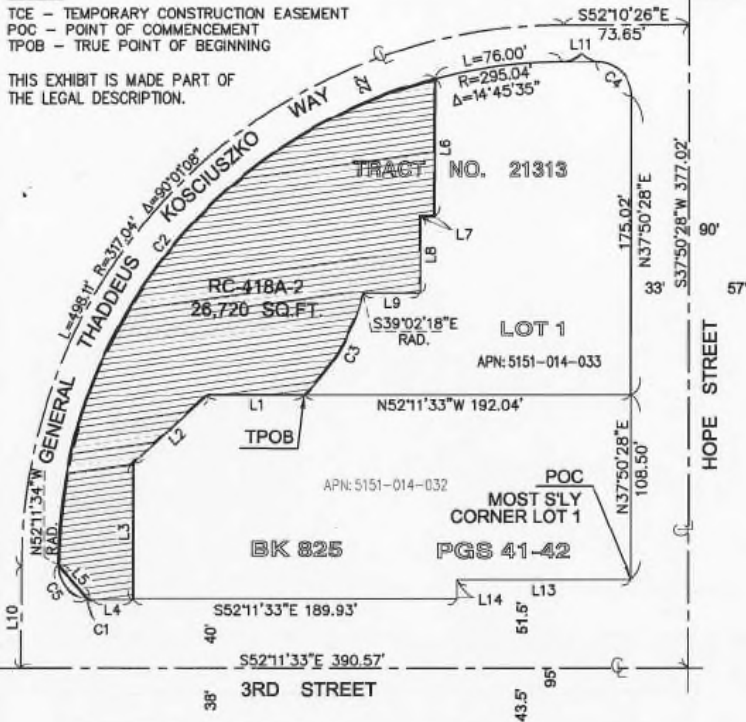
# The Parts Acquired



# LEGEND:

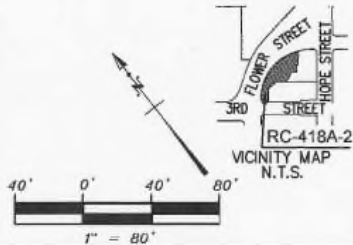
TCE - TEMPORARY CONSTRUCTION EASEMENT  
POC - POINT OF COMMENCEMENT  
TPOB - TRUE POINT OF BEGINNING

THIS EXHIBIT IS MADE PART OF  
THE LEGAL DESCRIPTION.



LINE TABLE		
LINE	BEARING	LENGTH
L1	N52°11'33\"W	56.41'
L2	S85°14'00\"W	59.15'
L3	S37°47'51\"W	79.99'
L4	N52°11'33\"W	23.67'
L5	N03°28'54\"W	26.39'
L6	S38°00'36\"W	80.35'
L7	N52°11'33\"W	8.04'
L8	S37°57'09\"W	45.42'
L9	N52°02'51\"W	33.66'
L10	N37°48'27\"E	60.00'
L11	S52°09'32\"E	20.56'
L13	S52°11'33\"E	102.00'
L14	S37°48'27\"W	11.50'

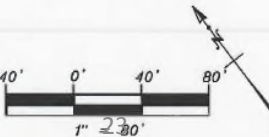
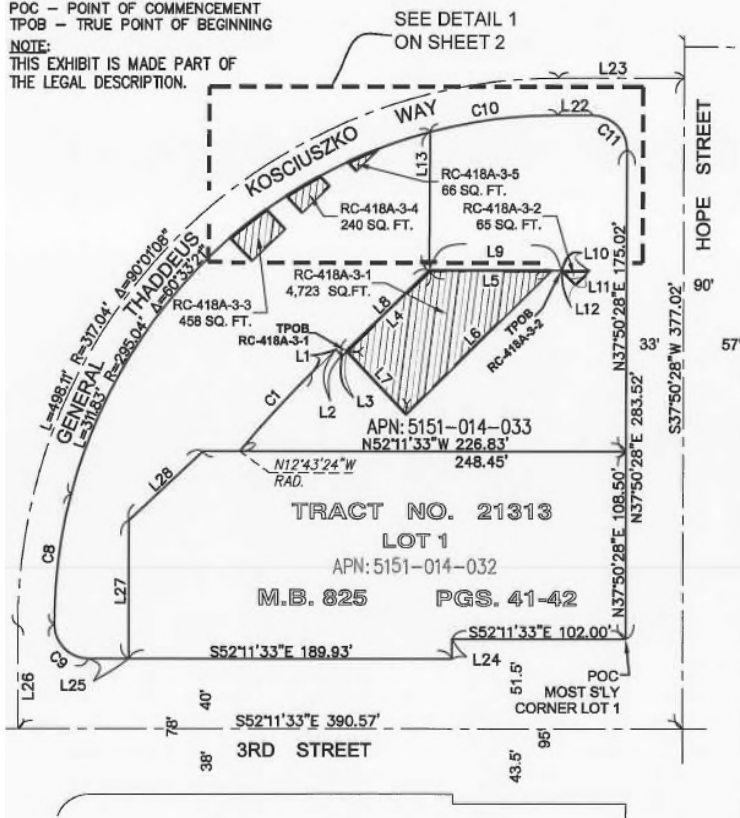
CURVE TABLE			
CURVE	LENGTH	RADIUS	DELTA
C1	2.59'	20.00'	7°25'19\"
C2	387.62'	295.04'	75°16'27\"
C3	69.83'	119.40'	33°30'30\"
C4	31.42'	20.00'	90°00'00\"
C5	28.83'	20.00'	82°34'40\"



# LEGEND:

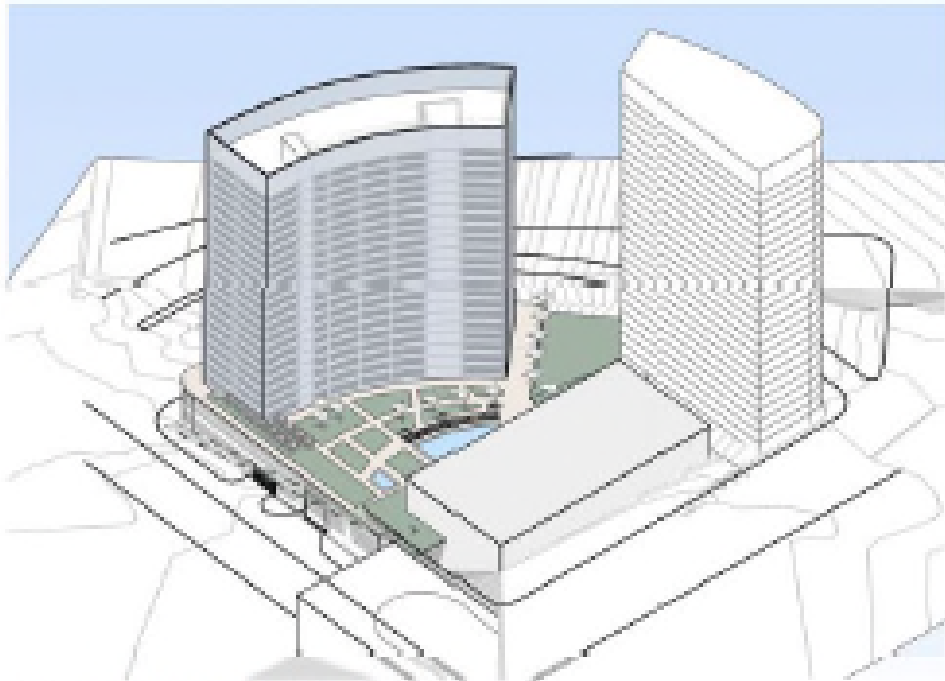
TE - TIEBACK EASEMENT  
POC - POINT OF COMMENCEMENT  
TPOB - TRUE POINT OF BEGINNING

NOTE:  
THIS EXHIBIT IS MADE PART OF  
THE LEGAL DESCRIPTION.

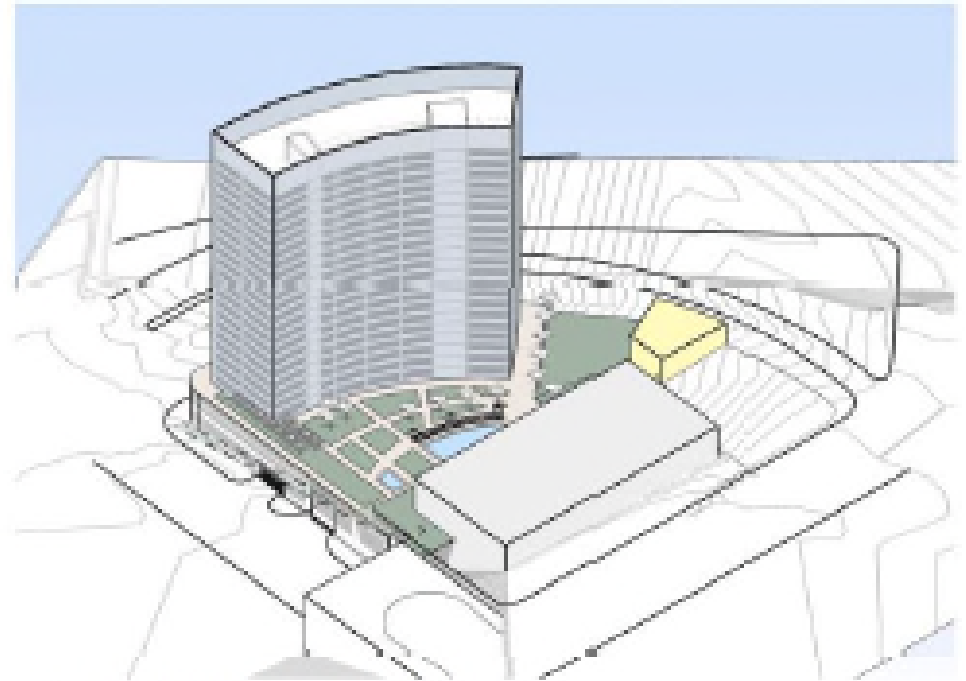




# Assessing the Take's Impacts to Future Development

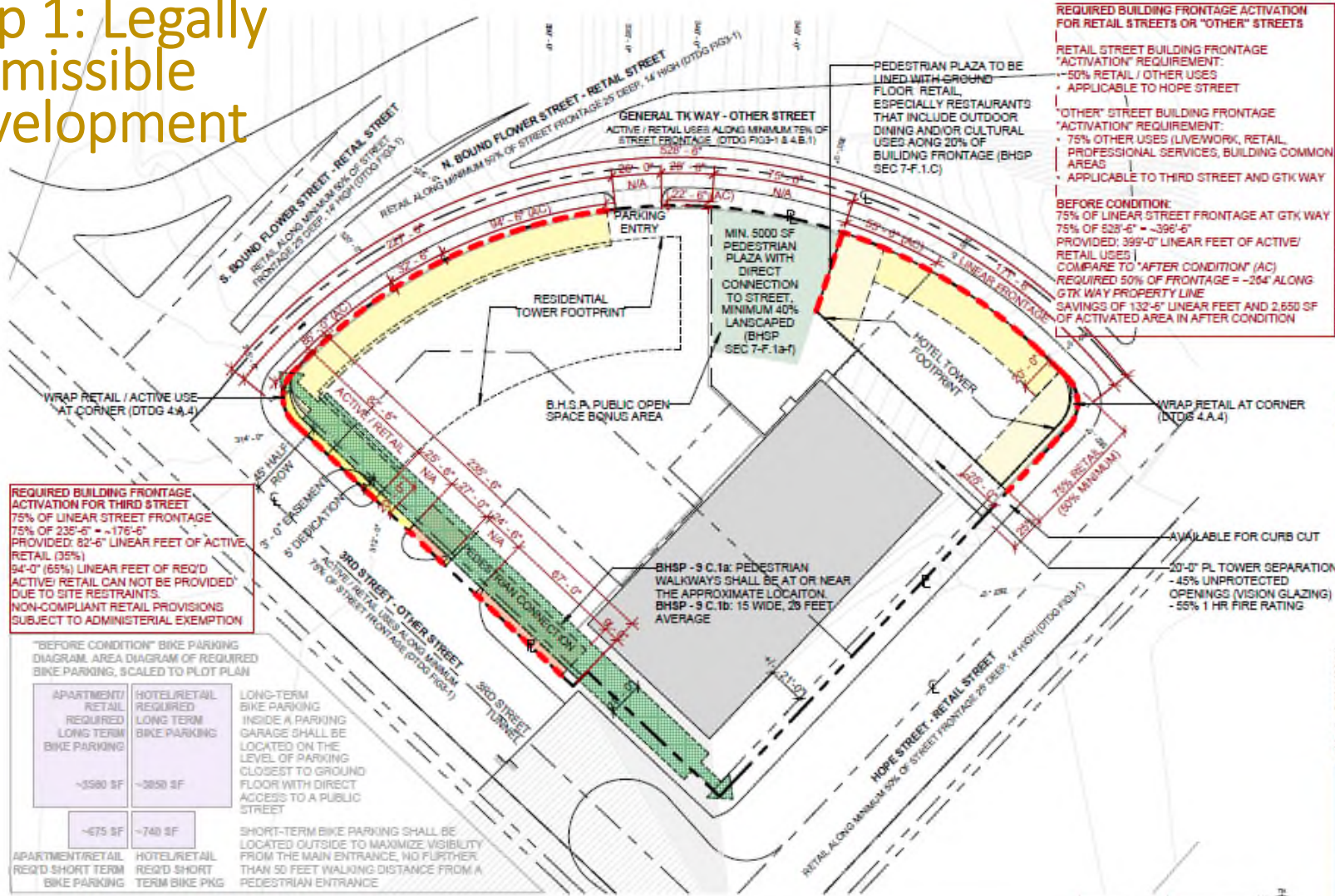


1 BEFORE CONDITION - AXO



2 AFTER CONDITION - AXO

# Step 1: Legally Permissible Development



**APPRAISAL SET DRAFT**

**BALIAN ARCHITECTS**

1111 WILSON AVENUE, SUITE 1000, LOS ANGELES, CA 90017  
P: 213.377.5500  
WWW.BALIANARCHITECTS.COM

**IDS REAL ESTATE**

5182 PHOENIXA ST. SUITE 1000  
LOS ANGELES, CA 90021  
TEL: 213.562.9312 OR 213.627.9937

**M metro**

**ATTY / CLIENT PRIVILEGED DOCUMENT**

**MASTER PLAN**

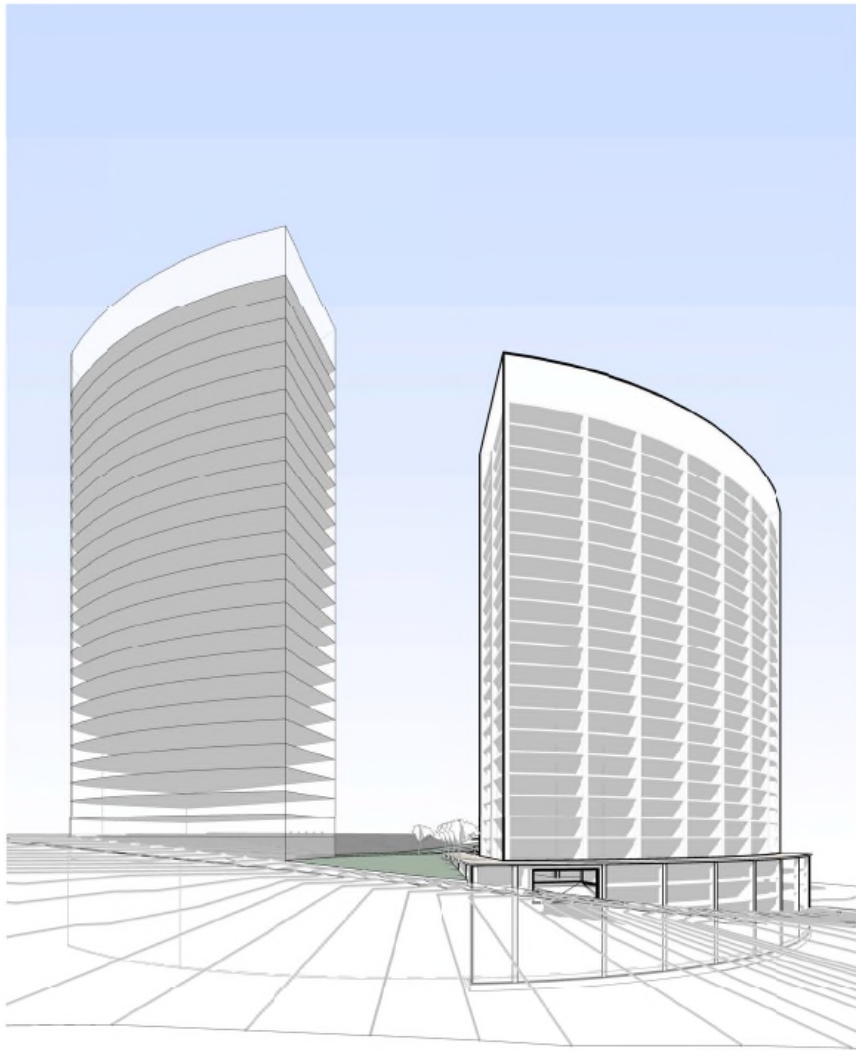
BUNKER HILL BLOCK H  
LOS ANGELES, CA 90012

THIS DOCUMENT IS PRELIMINARY AND NOT FOR CONSTRUCTION. IT IS THE PROPERTY OF BALIAN ARCHITECTS AND SHALL REMAIN THE PROPERTY OF BALIAN ARCHITECTS. NO PART OF THIS DOCUMENT SHALL BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF BALIAN ARCHITECTS. ALL RIGHTS RESERVED.

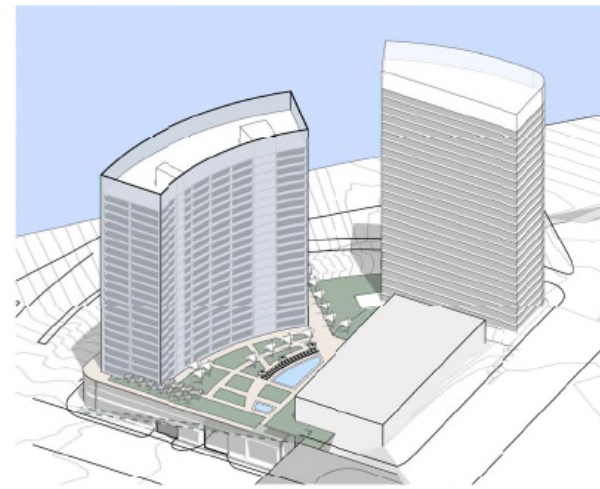
APRIL 4, 2014 1" = 50'-0"  
PROJECT# 14086

**"BEFORE CONDITION" PLANNING / ZONING CONSTRAINTS**

**101**



1 BEFORE CONDITION - PERSPECTIVE



2 BEFORE CONDITION

BEFORE CONDITION STUDIES	
SHEET #	SHEET NAME
100	BEFORE CONDITION STUDIES
101	"BEFORE CONDITION" PLANNING / ZONING CONSTRAINTS
102	"BEFORE CONDITION" SITE PLAN
103	"BEFORE CONDITION" TYPICAL TOWER
104	STRUCTURAL GRID & PARKING STUDY
105	"BEFORE CONDITION" SECTION

## BEFORE CONDITION STUDIES

APPRAISAL SET  
DRAFT

**BALIAN**  
ARCHITECTS  
INC.  
5115 FIGUEROA STREET, SUITE 1600  
LOS ANGELES, CA 90071  
+ 1.213.377.5500  
WWW.BALIANARCHITECTS.COM

IDS REAL ESTATE  
5115 S. FIGUEROA ST., SUITE 1600  
LOS ANGELES, CA 90071  
(T) 213.362.9312 (F) 213.627.9937



ATTY / CLIENT  
PRIVILEGED  
DOCUMENT

MASTER PLAN  
BUNKER HILL BLOCK H  
LOS ANGELES, CA 90012

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE. IT IS THE POLICY OF THE ARCHITECT TO MAKE AVAILABLE TO THE PUBLIC ALL INFORMATION CONTAINED HEREIN, EXCEPT WHERE SHOWN OTHERWISE. IT IS THE POLICY OF THE ARCHITECT TO MAKE AVAILABLE TO THE PUBLIC ALL INFORMATION CONTAINED HEREIN, EXCEPT WHERE SHOWN OTHERWISE. IT IS THE POLICY OF THE ARCHITECT TO MAKE AVAILABLE TO THE PUBLIC ALL INFORMATION CONTAINED HEREIN, EXCEPT WHERE SHOWN OTHERWISE.

MARCH 18, 2014  
PROJECT # 14.002

BEFORE  
CONDITION  
STUDIES

100 27

**CENTRAL PLANTS COOLING TOWER:**  
 LOT AREA: +/- 26,593 SF  
 159,558 (6:1 FAR)

**FEE TAKE PARCEL:**  
 LOT AREA: +/- 10,103 SF  
 60,618 (6:1 FAR)

**REMAINDER SITE:**  
 LOT AREA: +/- 49,048 SF  
 294,288 (6:1 FAR)

**CENTRAL PLANTS FACILITY - FUTURE DEVELOPMENT ANALYSIS  
 FOR FAR DEVELOPMENT ANALYSIS**

**FUTURE REDEVELOPMENT OF CENTRAL PLANTS COOLING TOWER STRUCTURE FOOTPRINT**  
 26,593 SF = 159,558 FAR (6:1)  
 26,593 SF = 345,709 FAR (13:1)  
 INFORMATIONAL ANALYSIS: \*OPTIMAL: CENTRAL PLANTS FUTURE DEVELOPMENT PARCEL DIMENSIONS

**RESIDENTIAL / HOTEL FLOOR PLATE**  
 68' x 180' = 12,240 SF  
 12,240 SF x 21 Levels = 257,040 SF  
 257,040 / 26,593 SF = 9.67:1 TFAR

**OFFICE FLOOR PLATE**  
 116' x 195' = 22,620 SF  
 22,620 SF x 15 Levels = 339,300 SF  
 339,300 / 26,593 = 12.76 TFAR



3 RESIDENTIAL FLOOR PLATE STUDY ON CENTRAL PLANT LOT  
 1" = 100'-0"



2 OFFICE FLOOR PLATE STUDY ON CENTRAL PLANT LOT  
 1" = 100'-0"

PARKING COUNTS - CENTRAL PLANT LOT			
LEVEL	UNIT DESCRIPTION	TYPE	COUNT
CENTRAL PLANT PARKING LAYOUT STUDY	Parking Space - Compact	7'-0" x 15'-0"	41
CENTRAL PLANT PARKING LAYOUT STUDY	Parking Space - Standard	8'-0" x 18'-0"	33
Grand Total:			74

APPRAISAL SET  
 DRAFT

**BALIAN**  
 ARCHITECTS  
 3011 PIERCE DRIVE, SUITE 100, LOS ANGELES, CA 90017  
 +1.213.377.5500  
 WWW.BALIANARCHITECTS.COM

**IDS REAL ESTATE**  
 515 S. FIGUEROA ST., SUITE 600  
 LOS ANGELES, CA 90071  
 (213) 345-9515 OR (213) 627-9937



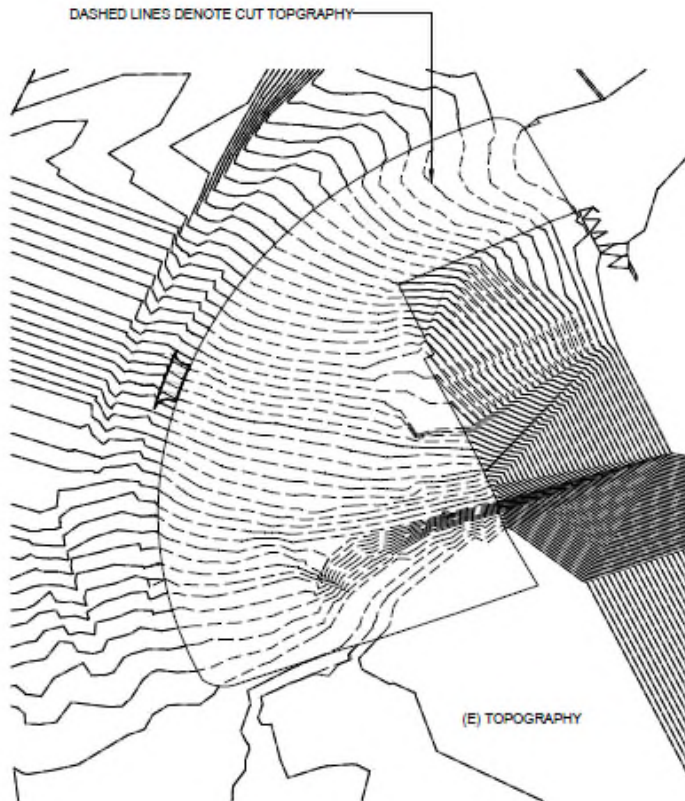
**ATTY / CLIENT  
 PRIVILEGED  
 DOCUMENT**

**MASTER PLAN**  
 BUNKER HILL BLOCK H  
 LOS ANGELES, CA 90012

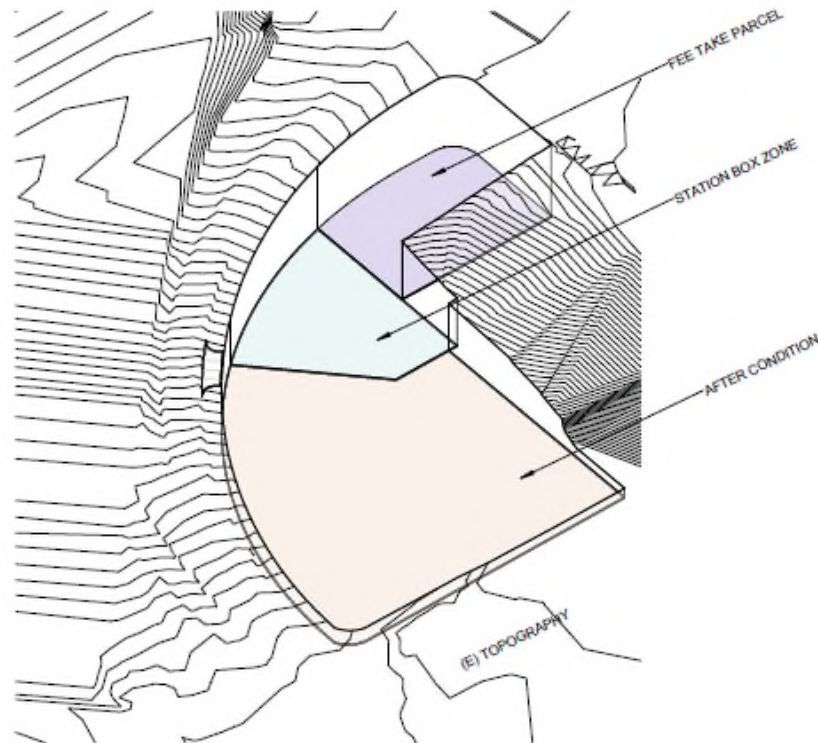
ALL RIGHTS RESERVED  
 APRIL 4, 2014 As Indicated  
 PROJECT # 1403

**PARKING STUDY  
 AT CENTRAL  
 PLANT**

015



1 TOPOGRAPHY CUT/FILL DIAGRAM - TOP OF CUT



2 TOPOGRAPHY CUT/FILL DIAGRAM - BASE OF CUT

BLOCK H - TOPOGRAPHY CALCULATIONS			
DESCRIPTION	CUT	FILL	NET CUT/FILL
1. AFTER CONDITION	32099.75 CY	0.00 CY	-32099.75 CY
2. STATION BOX ZONE	16065.99 CY	0.00 CY	-16065.99 CY
3. FEE TAKE PARCEL	20052.23 CY	0.00 CY	-20052.23 CY
4. GTK WAY DRIVEWAY	2.95 CY	0.34 CY	-2.61 CY
Grand total: 4	68220.91 CY	0.34 CY	-68220.58 CY

EXCAVATION DEPTH MEASURED TO BOTTOM OF LEVEL B1  
CONCRETE SLAB AT +/- 304'-8" EL.  
EXCAVATION FOR FOUNDATION WORK NOT INCLUDED IN  
CALCULATIONS

APPRAISAL SET  
DRAFT

BALIAN  
ARCHITECTS

3015 FIGUEROA STREET, SUITE 1000  
LOS ANGELES, CA 90071  
+ 1 213 377 5500  
WWW.BALIANARCHITECTS.COM



IDS REAL ESTATE  
515 S FIGUEROA ST. SUITE 1000  
LOS ANGELES, CA 90071  
(714) 213 362 (912) 213 627 (957)



ATTY / CLIENT  
PRIVILEGED  
DOCUMENT

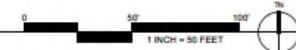
MASTER PLAN  
BUNKER HILL BLOCK H  
LOS ANGELES, CA 90012

THIS DOCUMENT IS THE PROPERTY OF BALIAN ARCHITECTS, INC. AND IS TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREIN. NO PART OF THIS DOCUMENT IS TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF BALIAN ARCHITECTS, INC. © 2014 BALIAN ARCHITECTS, INC. ALL RIGHTS RESERVED.

APRIL 4, 2014  
PROJECT # 14002

TOPOGRAPHY  
CUT/FILL  
SCHEDULE

016



APPRAISAL SET  
DRAFT

**IDS REAL ESTATE**  
515 S. FIGUEROA ST., SUITE 1600  
LOS ANGELES, CA 90071  
(T) 213.362.9312 (F) 213.627.9937



ATTY / CLIENT  
PRIVILEGED  
DOCUMENT

**MASTER PLAN**  
BUNKER HILL BLOCK H  
LOS ANGELES, CA 90012

ALL DRAWINGS, SPECIFICATIONS, DATA, AND GEOMETRIC DATA ARE AND SHALL REMAIN THE PROPERTY OF BALUAN ARCHITECTS, INC. NO OTHER TRANSMISSION, REPRODUCTION, OR ELECTRONIC REPRODUCTION OF THESE DRAWINGS OR IN PART OF IS ALLOWED. THIS SET OF DRAWINGS IS CONTRACTED WITH YOU TO BE USED FOR THE PROJECT CONTRACT THAT THE SPECIFIC PROJECT FOR WHICH THEY WERE CREATED. ANY OTHER UNAUTHORIZED REPRODUCTION FROM THE ORIGINAL SET OF DRAWINGS IS PROHIBITED. THE ORIGINAL SET SHALL BE PROTECTED WITH THE HIGHEST LEVEL OF THE LAW.

© 2014 BALUAN ARCHITECTS, INC.  
ALL RIGHTS RESERVED

MARCH 18, 2014 1" = 50'-0"  
PROJECT # 141002

**"BEFORE  
CONDITION"  
SITE PLAN**

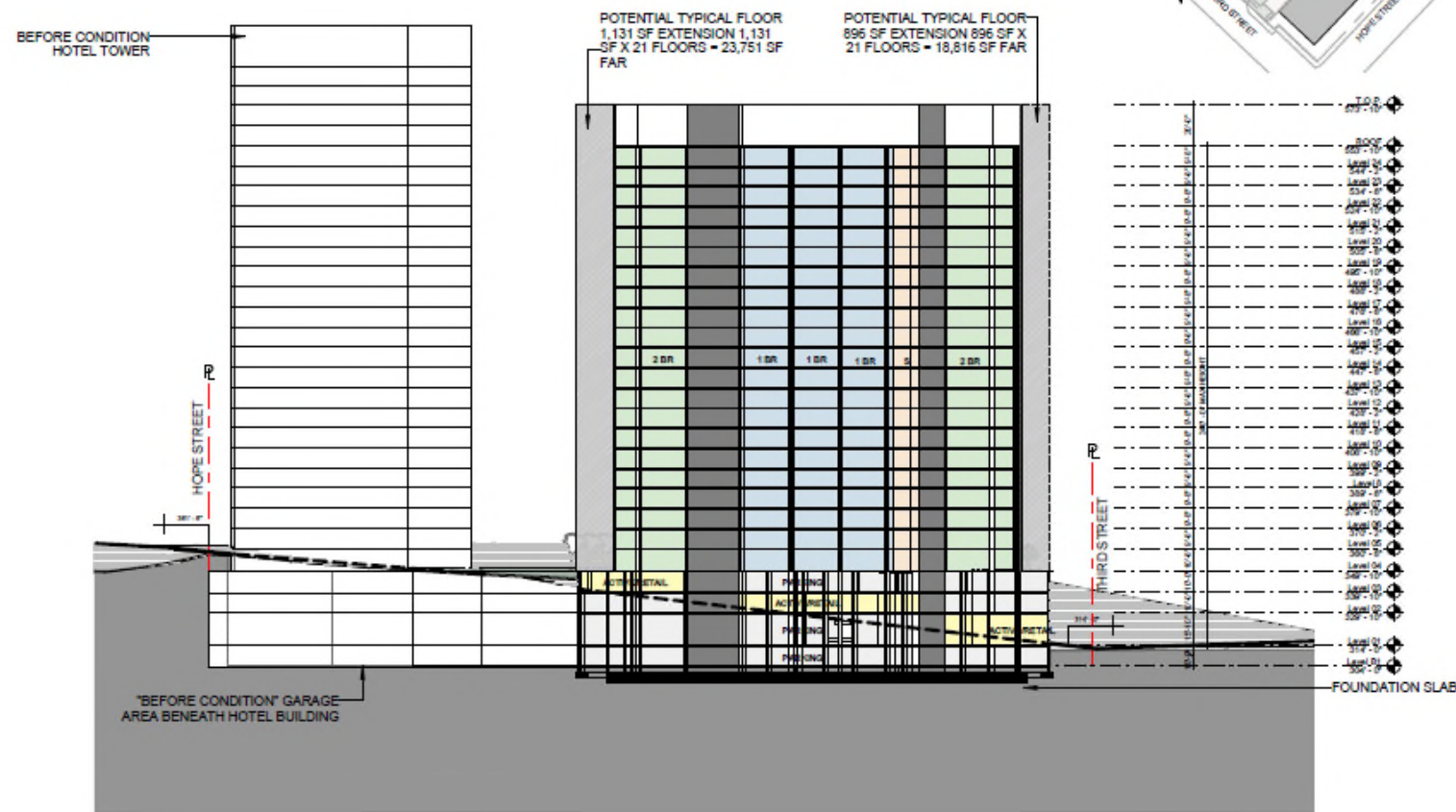
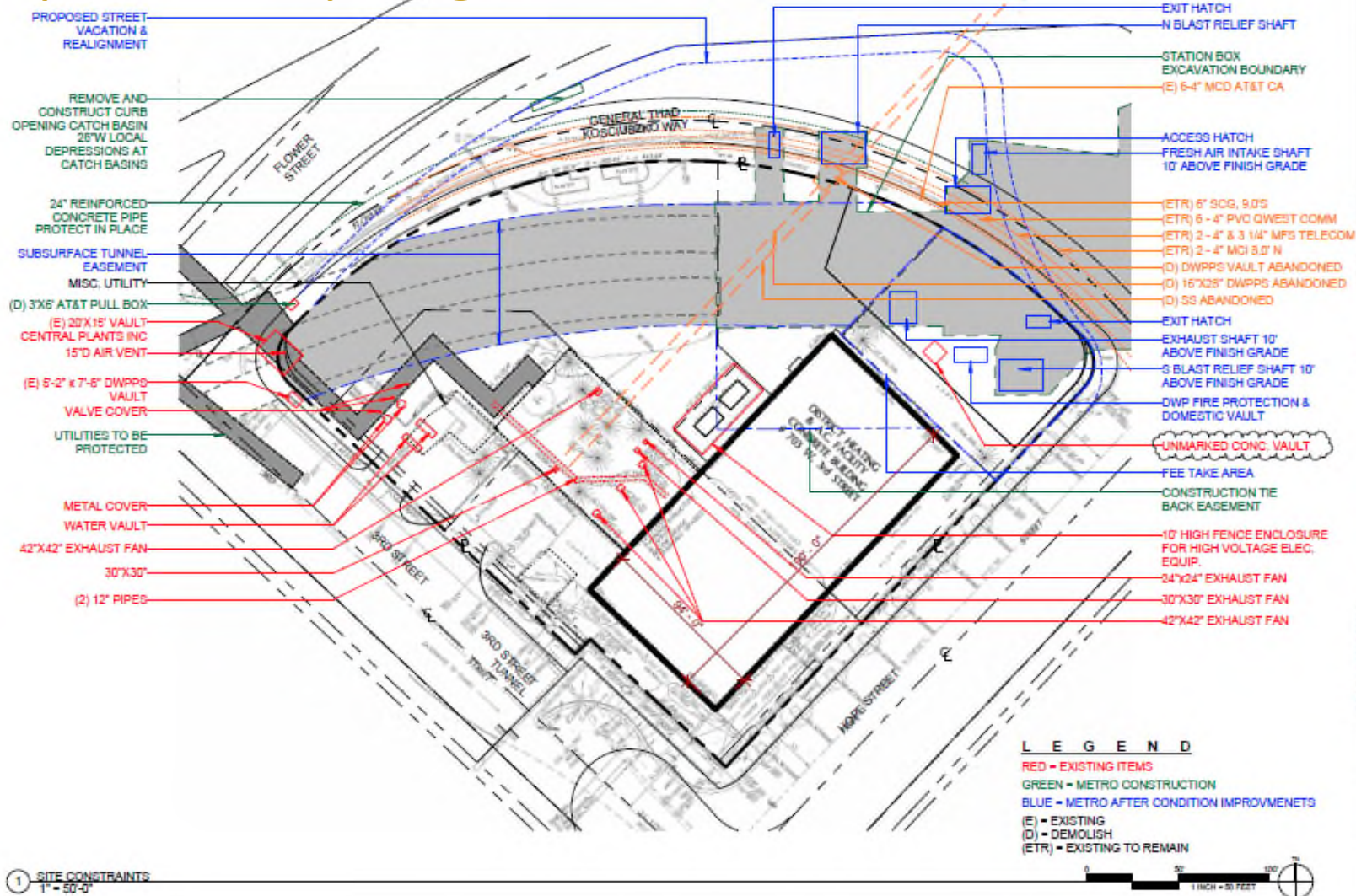


Figure 1 is a map of the study area. It shows a large rectangular area with a smaller rectangle inside, representing the study site. A scale bar at the bottom indicates 1 inch = 50 feet. A north arrow is also present.

105

# Step 2: Analyzing the After Condition



**APPRaisal SET DRAFT**

**BALIAN ARCHITECTS**  
 5711 WILSON AVENUE, SUITE 1000  
 LOS ANGELES, CA 90012  
 +1 213.377.5500  
 WWW.BALIANARCHITECTS.COM

**IDS REAL ESTATE**  
 515 S. FLORENCE ST., SUITE 1000  
 LOS ANGELES, CA 90071  
 (213) 542-9515 / (213) 547-9517

**M metro**

**ATTY / CLIENT PRIVILEGED DOCUMENT**

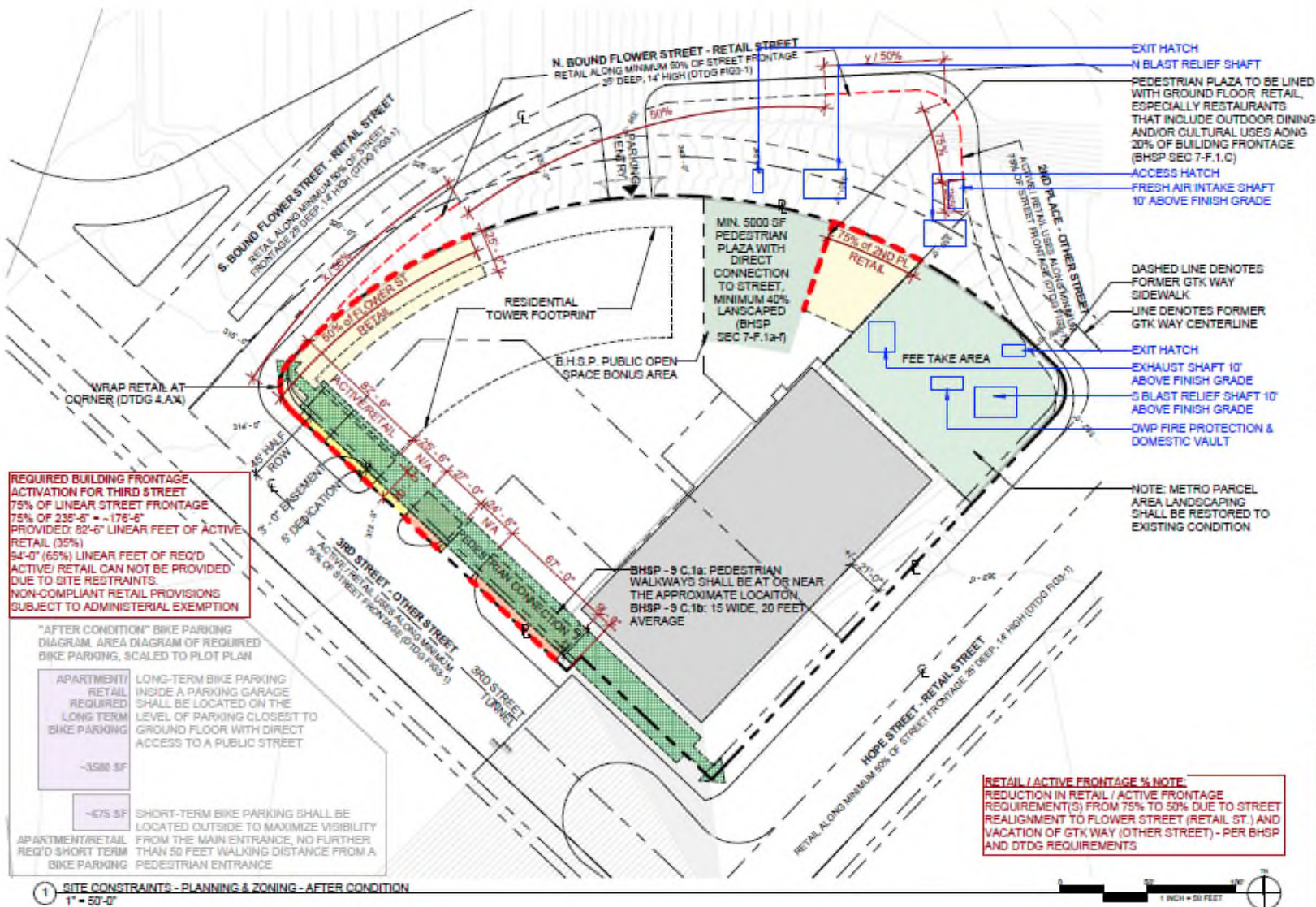
**MASTER PLAN**  
 BUNKER HILL BLOCK H  
 LOS ANGELES, CA 90012

THIS DOCUMENT IS THE PROPERTY OF BALIAN ARCHITECTS, INC. AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM. ANY UNAUTHORIZED REPRODUCTION OR TRANSMISSION OF THIS DOCUMENT IS PROHIBITED. BALIAN ARCHITECTS, INC. SHALL BE RESPONSIBLE FOR THE CONTENTS OF THIS DOCUMENT. ALL RIGHTS RESERVED.

**APRIL 4, 2014** **1" = 50'-0"**  
**PROJECT #** **14002**

**SITE CONSTRAINTS UTILITIES & FUTURE EXCAVATION**

**012**



APPRAISAL SET  
**DRAFT**

**BALIAN**  
 ARCHITECTS  
 1014 HUNTERS STREET, SUITE 1000  
 LOS ANGELES, CA 90015  
 +1 213 377 5500  
 WWW.BALIANARCHITECTS.COM

**IDS REAL ESTATE**  
 5115 S. FIGUEROA ST., SUITE 1000  
 LOS ANGELES, CA 90011  
 (213) 545-1212 (213) 215-6277



**ATTY / CLIENT**  
**PRIVILEGED**  
**DOCUMENT**

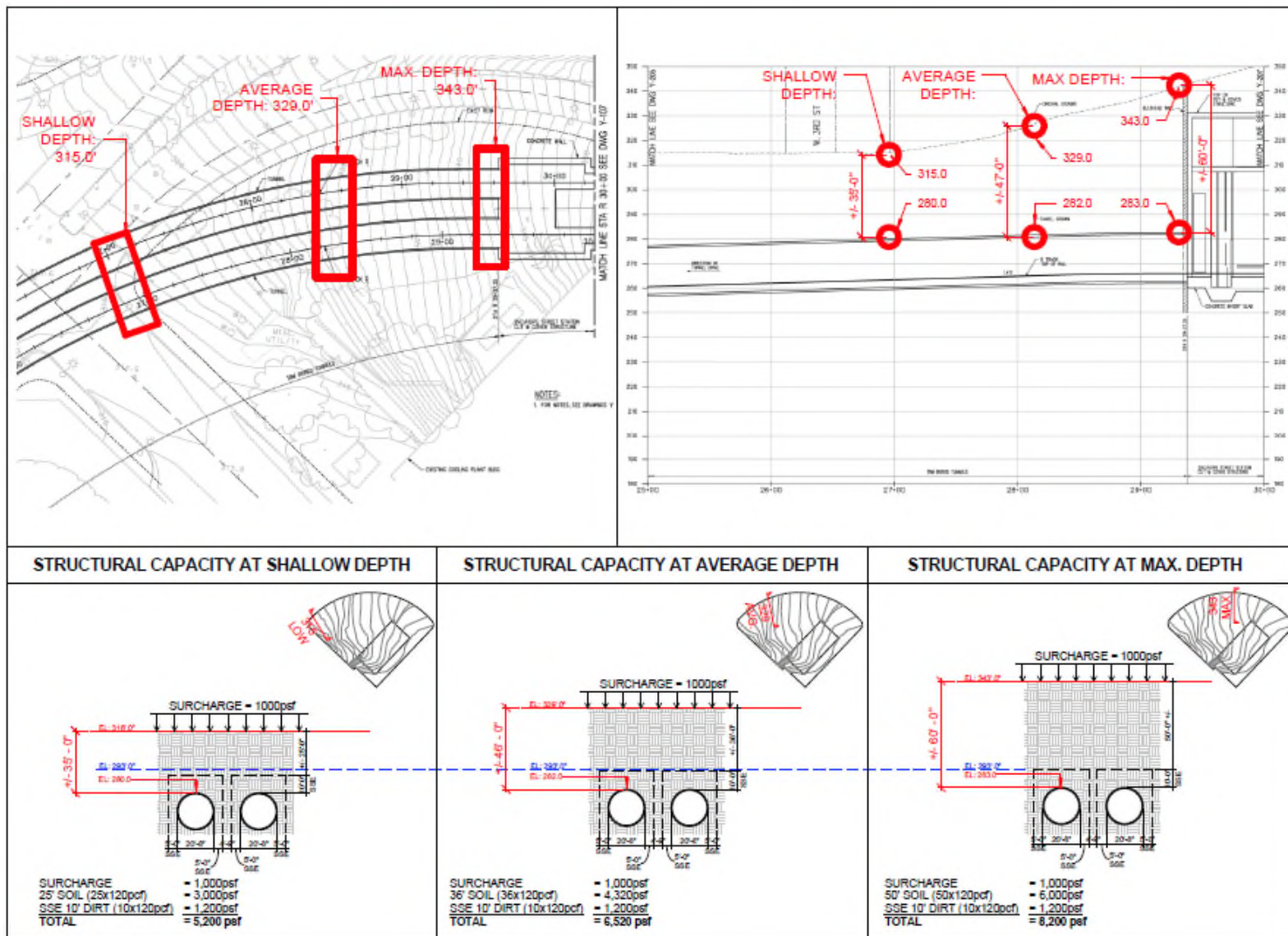
**MASTER PLAN**  
 BUNKER HILL BLOCK H  
 LOS ANGELES, CA 90012

THIS DOCUMENT IS PREPARED FOR THE CLIENT'S USE ONLY. IT IS NOT TO BE USED FOR ANY OTHER PURPOSE. THE CLIENT IS RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS. THE ARCHITECTS ASSUME NO LIABILITY FOR ANY ERRORS OR OMISSIONS. ALL RIGHTS RESERVED.

APRIL 4, 2014 1" = 50'-0"  
 PROJECT # 14002

**"AFTER**  
**CONDITION"**  
**PLANNING /**  
**ZONING**  
**CONSTRAINTS**

**201**



APPRAISAL SET  
DRAFT

BALIAN  
ARCHITECTS

2014 PUGUE BLVD STE 200, LOS ANGELES CA 90011  
+1.213.377.5500  
WWW.BALIANARCHITECTS.COM



IDS REAL ESTATE  
515 S FIGUEROA ST. SUITE 1000  
LOS ANGELES, CA 90071  
ON 213.546.9512 OR 213.547.9927



ATTY / CLIENT  
PRIVILEGED  
DOCUMENT

MASTER PLAN

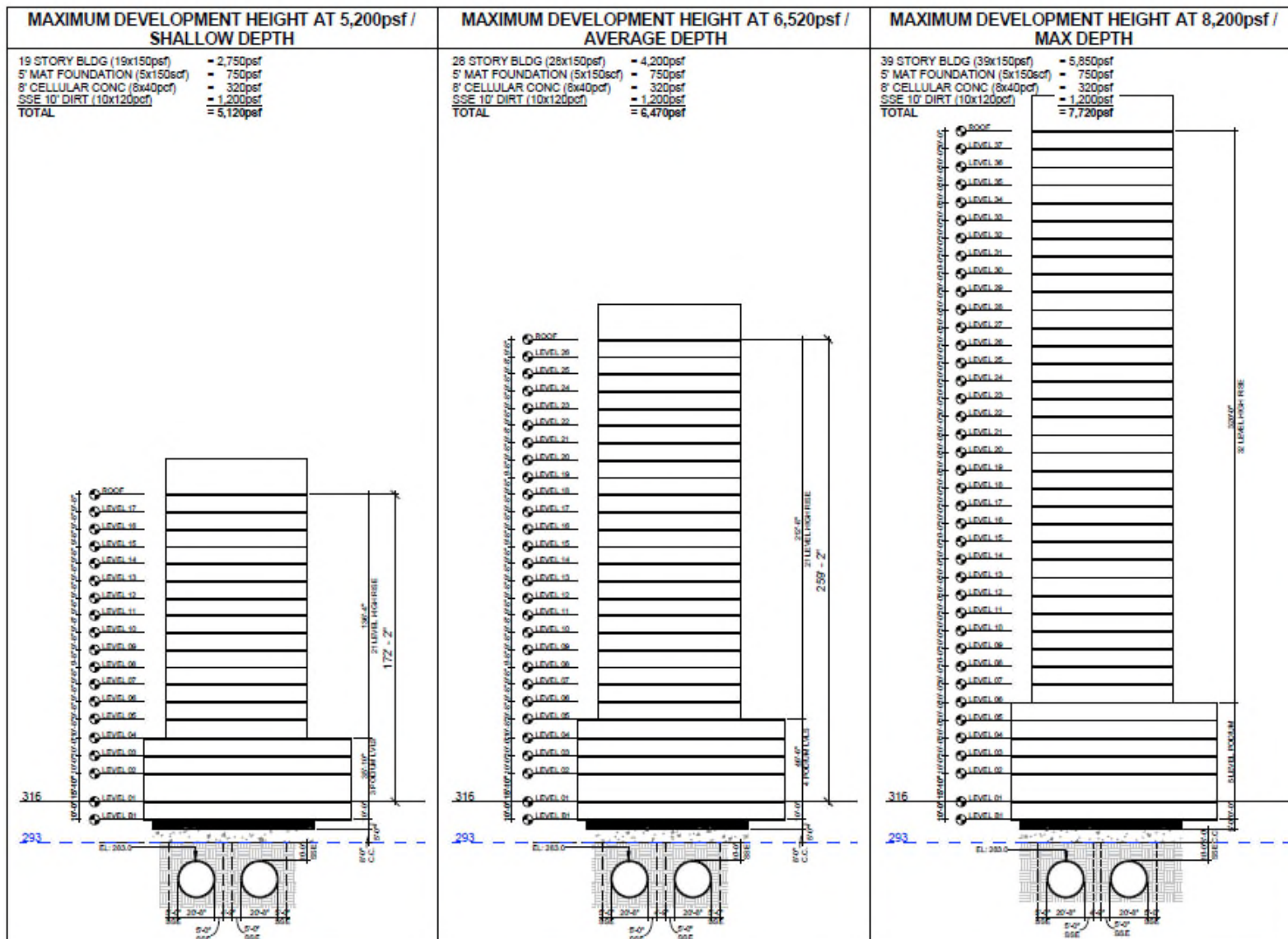
BUNKER HILL BLOCK H  
LOS ANGELES, CA 90012

ALL RIGHTS RESERVED

APRIL 4, 2014 1" = 50'-0"  
PROJECT# 14003

SUBSURFACE  
EASEMENT  
STRUCTURAL  
CAPACITY

009



APPRaisal SET

DRAFT

BALIAN

ARCHITECTS

2514 PIEDMONT BLVD STE 1000 LOS ANGELES CA 90027

+1 213.377.5500

WWW.BALIANARCHITECTS.COM

IDS REAL ESTATE

515 S FIGUEROA ST. SUITE 1800

LOS ANGELES, CA 90071

DT 213.565.9515 OR 213.527.9927

M

metro

ATTY / CLIENT

PRIVILEGED

DOCUMENT

MASTER PLAN

BUNKER HILL BLOCK H

LOS ANGELES, CA 90012

ALL RIGHTS RESERVED

APRIL 4, 2014

PROJECT #

16002

BUILDING HEIGHT TO MEET PSF ALLOWANCES

010

35

# STRUCTURAL WEIGHT OF MAX. FAR TOWER

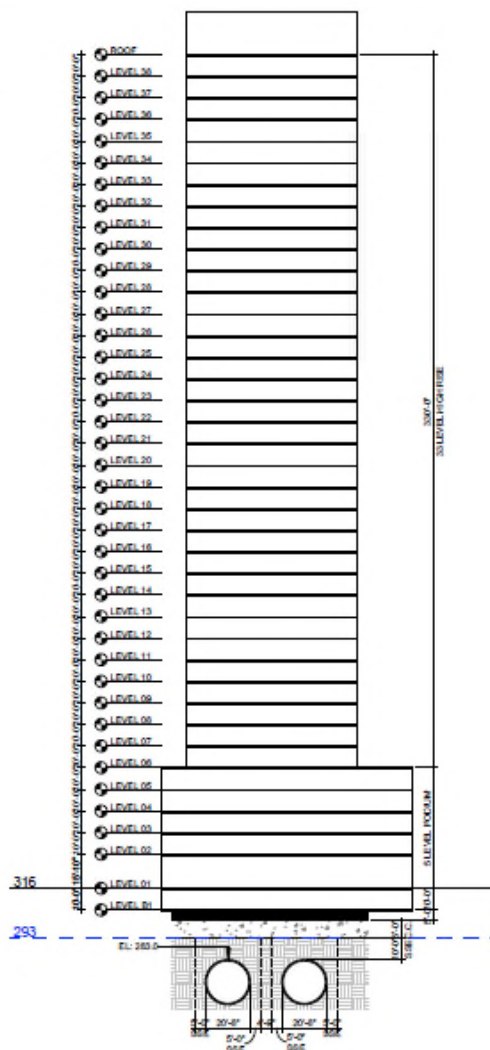
## MAX FAR

450,408 FAR x 0.9 EFFICIENCY = 405,367 SF / 12,500 SF = 33 LEVELS

40 STORY BLDG (41x150psf) = 6,000psf  
 5' MAT FOUNDATION (5x150scf) = 750psf  
 8' CELLULAR CONC (8x40pcf) = 320psf  
 SSE 10' DIRT (10x120pcf) = 1,200psf  
 TOTAL = 8,270psf

LOW END: 8,270-5,200 = NOT OK  
 AVERAGE DEPTH: 8,270-6,500 = NOT OK  
 DEEPEST DEPTH: 8,270-8,200 = NOT OK

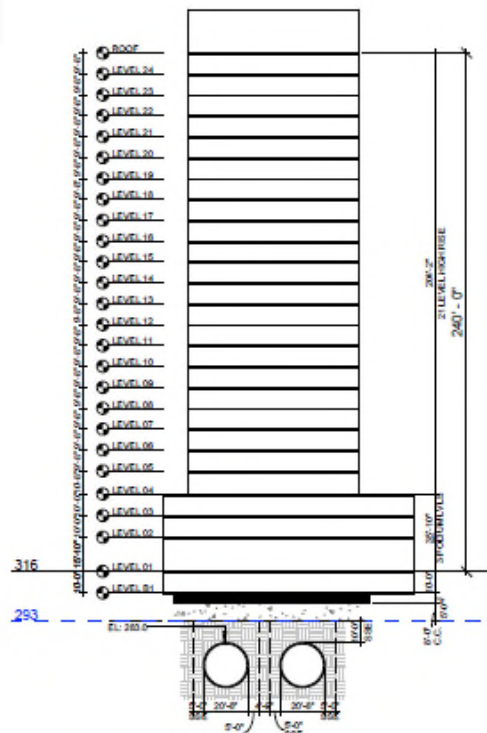
VERY CLOSE!



# STRUCTURAL WEIGHT OF 240' TOWER

26 STORY BLDG (26x150psf) = 3,900psf  
 5' MAT FOUNDATION (5x150scf) = 750psf  
 8' CELLULAR CONC (8x40pcf) = 320psf  
 SSE 10' DIRT (10x120pcf) = 1,200psf  
 TOTAL = 6,170 psf

LOW END: 6,170-5,200 = NOT OK  
 AVERAGE DEPTH: 6,170-6,500 = OK  
 DEEPEST DEPTH: 6,170-8,200 = OK



APPRAISAL SET  
 DRAFT

BALIAN  
 ARCHITECTS

2751 FOUNTAIN STREET, SUITE 1000, WEST HAVEN, CT 06457  
 +1.213.377.5500  
 WWW.BALIANARCHITECTS.COM

IDS REAL ESTATE  
 515 S. PULVERA ST. SUITE 1400  
 LOS ANGELES, CA 90071  
 (213) 562-9512 (213) 527-9527



ATTY / CLIENT  
 PRIVILEGED  
 DOCUMENT

MASTER PLAN  
 BUNKER HILL BLOCK H  
 LOS ANGELES, CA 90012

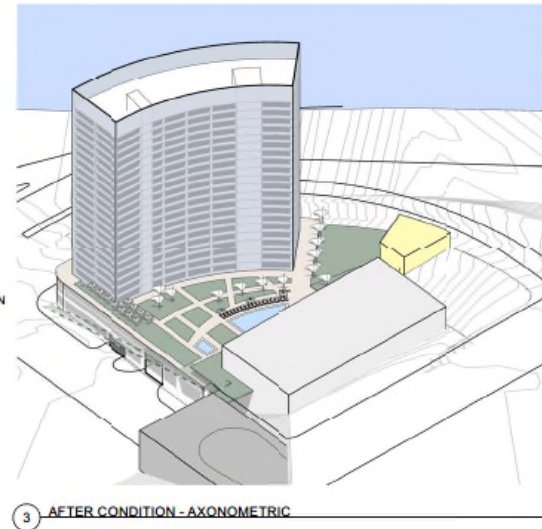
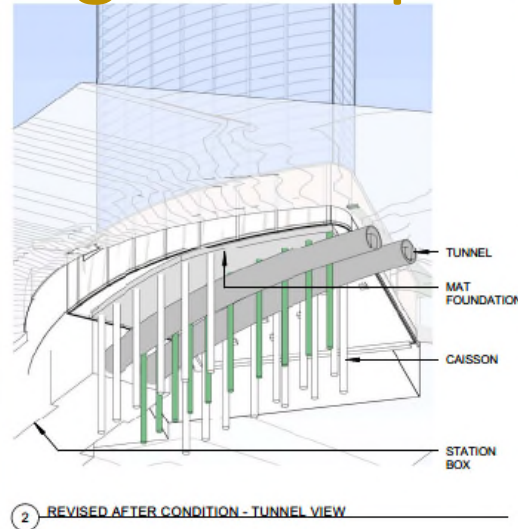
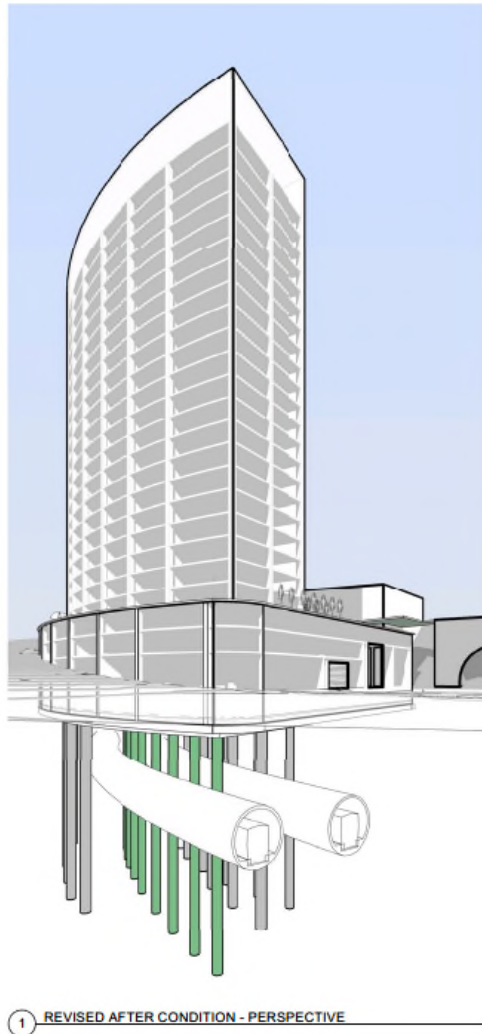
ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE AND SHALL REMAIN THE PROPERTY OF BALKAN ARCHITECTS, INC. NO PART OF THIS DOCUMENT IS TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF BALKAN ARCHITECTS, INC. THIS DOCUMENT IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE AND SHALL REMAIN THE PROPERTY OF BALKAN ARCHITECTS, INC. ALL RIGHTS RESERVED.

APRIL 4, 2014 1" = 50'-0"  
 PROJECT # 14002

STRUCTURAL  
 WEIGHT OF 240'  
 & MAX. FAR  
 TOWERS

011

# Step 3: Determining the Impacts



AFTER CONDITION STUDIES	
SHEET #	SHEET NAME
200	AFTER CONDITION STUDIES
201	"AFTER CONDITION" PLANNING / ZONING CONSTRAINTS
202	"AFTER CONDITION" SITE PLAN
203	"AFTER CONDITION" LEVEL B1
204	"AFTER CONDITION" LEVEL 01
205	"AFTER CONDITION" LEVEL 02
206	"AFTER CONDITION" LEVEL 03
207	"AFTER CONDITION" LEVEL 04
208	"AFTER CONDITION" SECTION
209	"AFTER CONDITION" SECTION
210	"AFTER CONDITION" AXONOMETRIC VIEWS

## AFTER CONDITION STUDIES

APPRAISAL SET  
DRAFT

BALIAN  
ARCHITECTS  
515 S. FIGUEROA STREET, SUITE 1600  
LOS ANGELES, CA 90071  
+1.213.377.5500  
WWW.BALIANARCHITECTS.COM

IDS REAL ESTATE  
515 S. FIGUEROA ST., SUITE 1600  
LOS ANGELES, CA 90071  
(T) 213.362.9312 (F) 213.627.9937



ATTY / CLIENT  
PRIVILEGED  
DOCUMENT

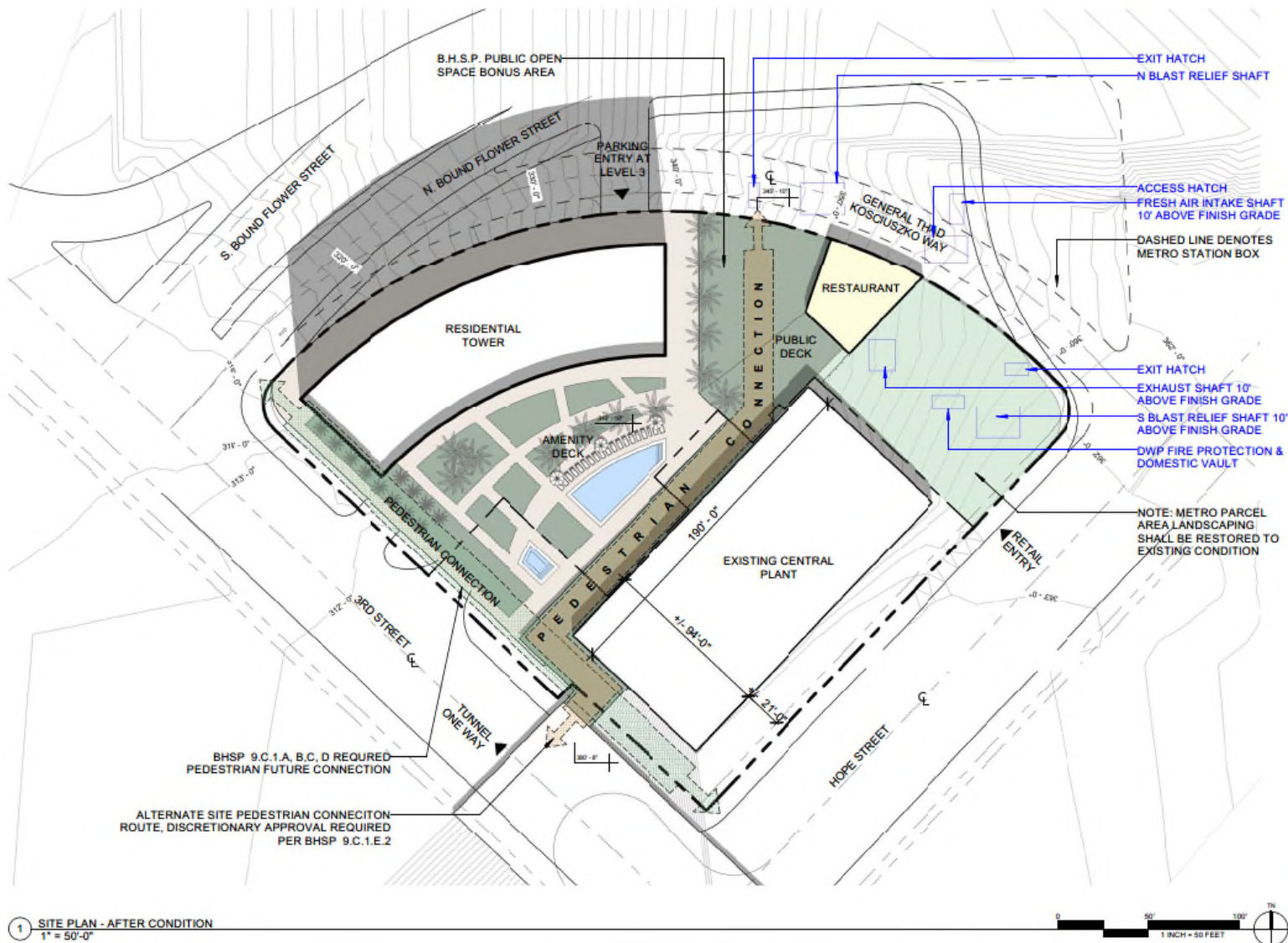
MASTER PLAN  
BUNKER HILL BLOCK H  
LOS ANGELES, CA 90012

THE SHOWN REPRESENTATION OF THE PROJECT IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE A GUARANTEE OF ANY KIND. THE PROJECT IS SUBJECT TO THE CITY OF LOS ANGELES' FINAL DECISION ON THE PROJECT. THE PROJECT IS SUBJECT TO THE CITY OF LOS ANGELES' FINAL DECISION ON THE PROJECT. THE PROJECT IS SUBJECT TO THE CITY OF LOS ANGELES' FINAL DECISION ON THE PROJECT.

MARCH 18, 2014  
PROJECT # 14.002

AFTER  
CONDITION  
STUDIES

200 37



APPRAISAL SET  
**DRAFT**

**BALIAN**  
ARCHITECTS  
INC.  
515 S. FIGUEROA STREET, SUITE 1600  
LOS ANGELES, CA 90071  
+1.213.377.5500  
WWW.BALIANARCHITECTS.COM



**IDS REAL ESTATE**  
515 S. FIGUEROA ST., SUITE 1600  
LOS ANGELES, CA 90071  
(T) 213.362.9312 (F) 213.627.9937



**ATTY / CLIENT  
PRIVILEGED  
DOCUMENT**

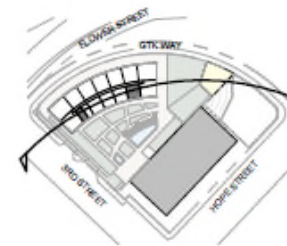
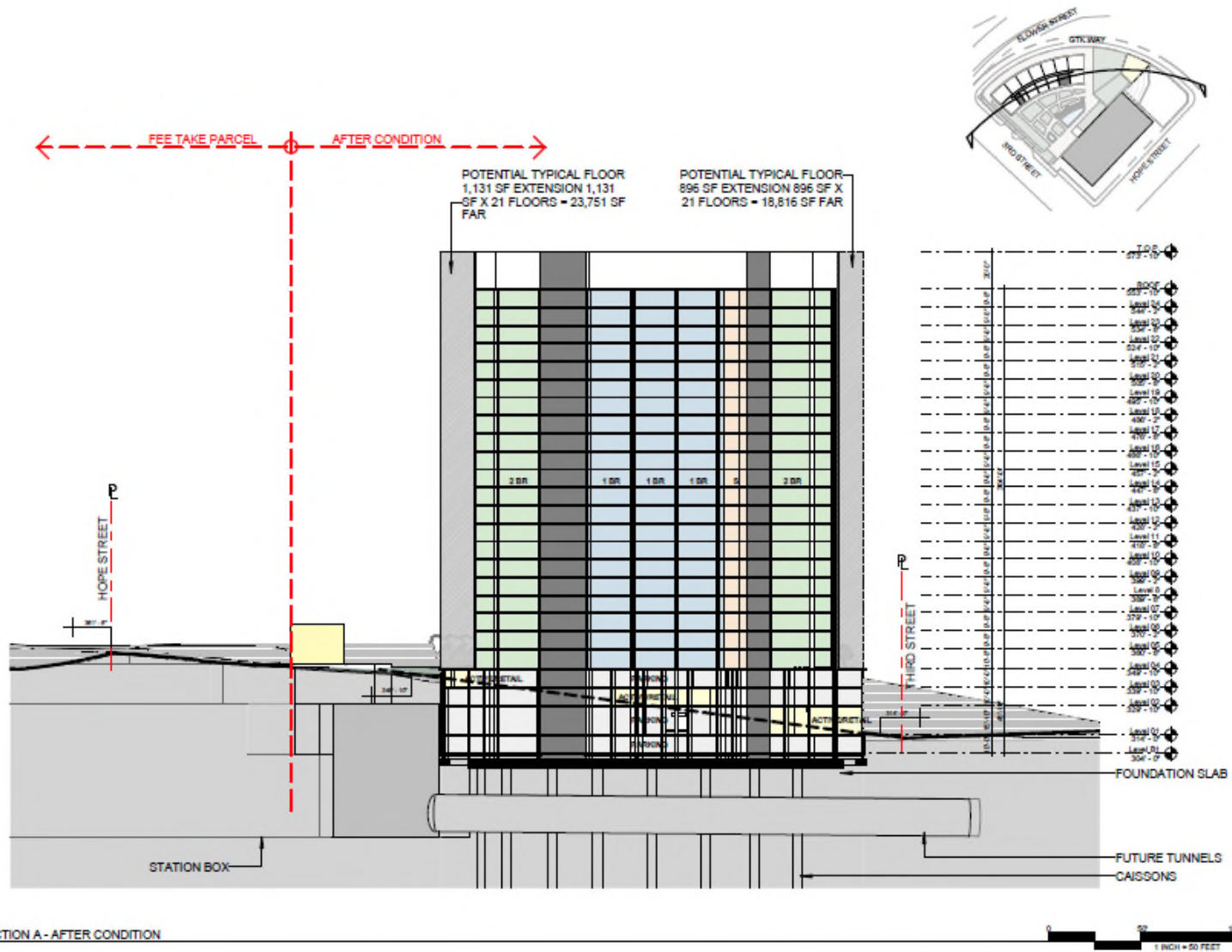
**MASTER PLAN**  
BUNKER HILL BLOCK H  
LOS ANGELES, CA 90012

ALL DRAWINGS PREPARED BY BALIAN ARCHITECTS, INC. AND/OR ITS SUBSIDIARIES. NO PART OF THIS DRAWING SHALL BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF BALIAN ARCHITECTS, INC. © 2014 BALIAN ARCHITECTS, INC. ALL RIGHTS RESERVED.

MARCH 18, 2014 1" = 50'-0"  
PROJECT # 14.002

'AFTER  
CONDITION'  
SITE PLAN

202 38



APPRAISAL SET  
**DRAFT**

**BALIAN**  
ARCHITECTS  
2514 PICO BLVD STE 1000 WEST HOLLYWOOD CA 90069  
+1 213 377 5500  
WWW.BALIANARCHITECTS.COM

**IDS REAL ESTATE**  
515 S. PICO BLVD. STE 1000  
LOS ANGELES, CA 90071  
DT 213 342 9512 OR 213 327 9527

**M**  
metro

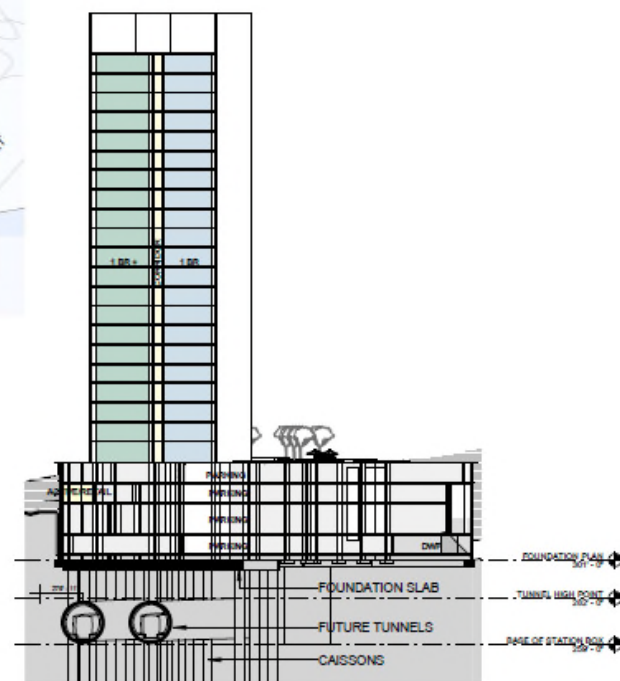
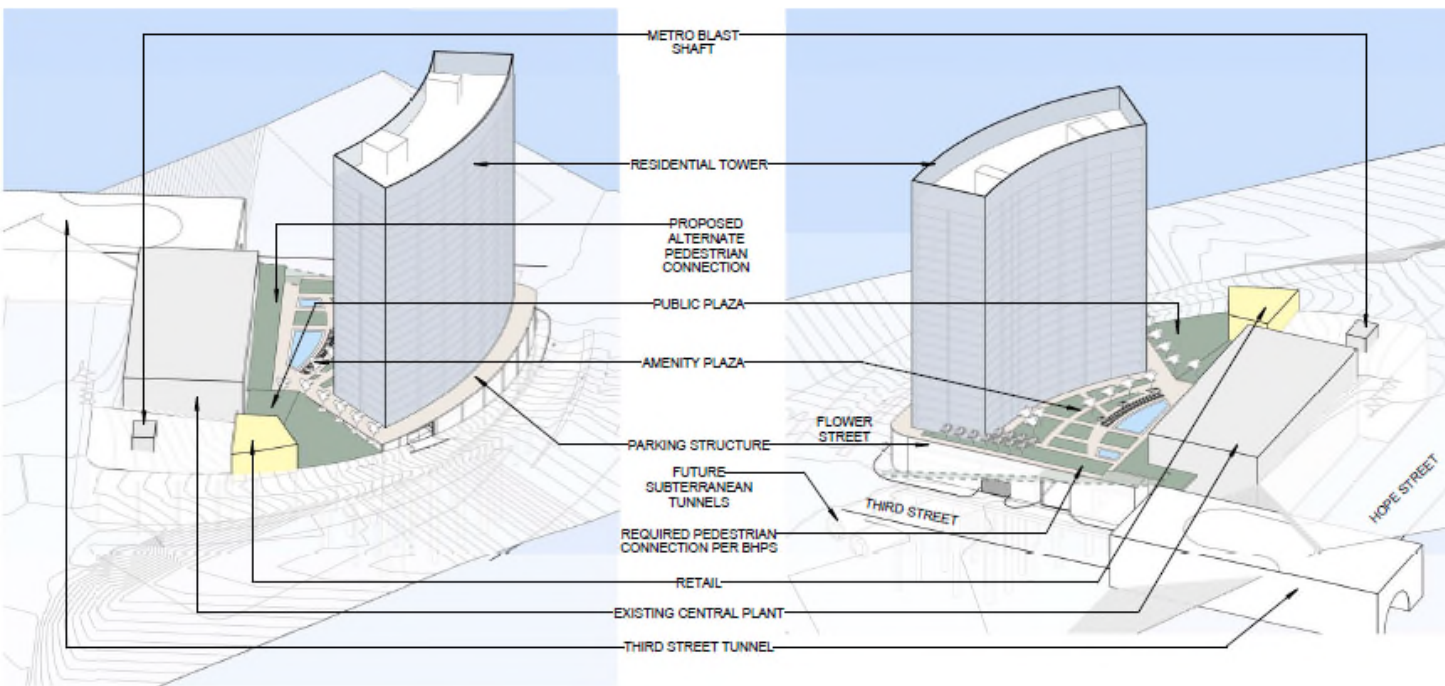
ATTY / CLIENT  
PRIVILEGED  
DOCUMENT

**MASTER PLAN**  
BUNKER HILL BLOCK H  
LOS ANGELES, CA 90012

APRIL 4, 2014 As indicated  
PROJECT # 14030

**"AFTER CONDITION" SECTION**

**208**



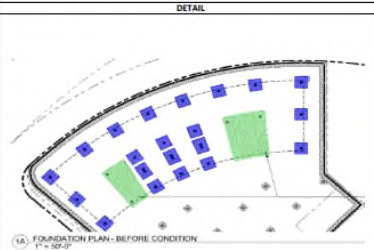
① BUILDING SECTION B  
1" = 50'-0"

0 50' 100'

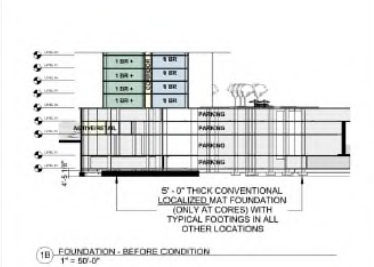
1 INCH = 50 FEET

BUNKER HILL BLOCK H - Foundation - 9' deep non-PT vs. 5' deep PT Mat (Option 1)

COST BREAKDOWN - Spread Footings with 9' Deep Non-PT Mat				
	QTY	UNIT	COST/UNIT	AMOUNT
Spread Footings (assume 3' deep)				
Excavation	245 CY	\$30	\$7,340	
Concrete	245 CY	\$335	\$81,965	
Rebar (130 lbs/cy)	36,700 LBS	\$0.97	\$35,599	
Place	245 CY	\$35	\$8,565	
Pump	245 CY	\$20	\$4,895	
9' Deep Mat Slab				
Excavation	657 CY	\$30	\$19,710	
Concrete	657 CY	\$351	\$230,607	
Rebar (200 lbs/cy)	131,400 LBS	\$0.97	\$127,458	
Waterproofing	5,166 SF	\$11.00	\$56,826	
Place	657 CY	\$35	\$23,095	
Pump	657 CY	\$20	\$13,140	
Removal of Spoils	962 CY	\$15	\$14,325	
<b>DIRECT COST TOTAL</b>				<b>\$622,620</b>
<b>INDIRECTS</b>				<b>\$113,130</b>
(GC, FEE, CONTINGENCY, SUBGUARD, CONSTRUCTION SERVICES, GEN EXPENSE, GROSS RECEIPTS TAX)				
<b>TOTAL</b>				<b>\$735,750</b>



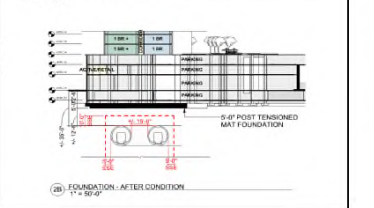
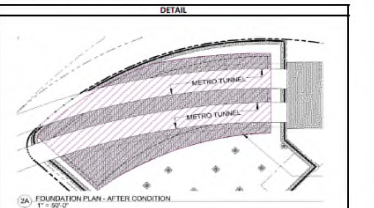
COST BREAKDOWN - Spread Footings with 5' Deep PT Mat				
	QTY	UNIT	COST/UNIT	AMOUNT
Spread Footings				
Excavation	245 CY	\$30	\$7,340	
Concrete	245 CY	\$335	\$81,965	
Rebar (130 lbs/cy)	36,700 LBS	\$0.97	\$35,599	
Place	245 CY	\$35	\$8,565	
Pump	245 CY	\$20	\$4,895	
5' Deep Mat Slab				
Excavation	365 CY	\$30	\$10,950	
Concrete	365 CY	\$351	\$127,915	
Rebar (175 lbs/cy)	63,875 LBS	\$0.97	\$61,959	
Post Tension (75 lbs/cy)	27,375 LBS	\$2.50	\$68,438	
Waterproofing	5,166 SF	\$11.00	\$56,826	
Place	365 CY	\$35	\$12,775	
Pump	365 CY	\$20	\$7,300	
Removal of Spoils	610 CY	\$15	\$9,150	
<b>DIRECT COST TOTAL</b>				<b>\$493,866</b>
<b>INDIRECTS</b>				<b>\$85,735</b>
(GC, FEE, CONTINGENCY, SUBGUARD, CONSTRUCTION SERVICES, GEN EXPENSE, GROSS RECEIPTS TAX)				
<b>TOTAL</b>				<b>\$579,602</b>



DELTA		
DELTA USING 5' DEEP PT MAT IN LIEU OF 9' MAT		(\$128,754)
Indirect		(\$23,395)
<b>TOTAL</b>		<b>(\$152,149)</b>

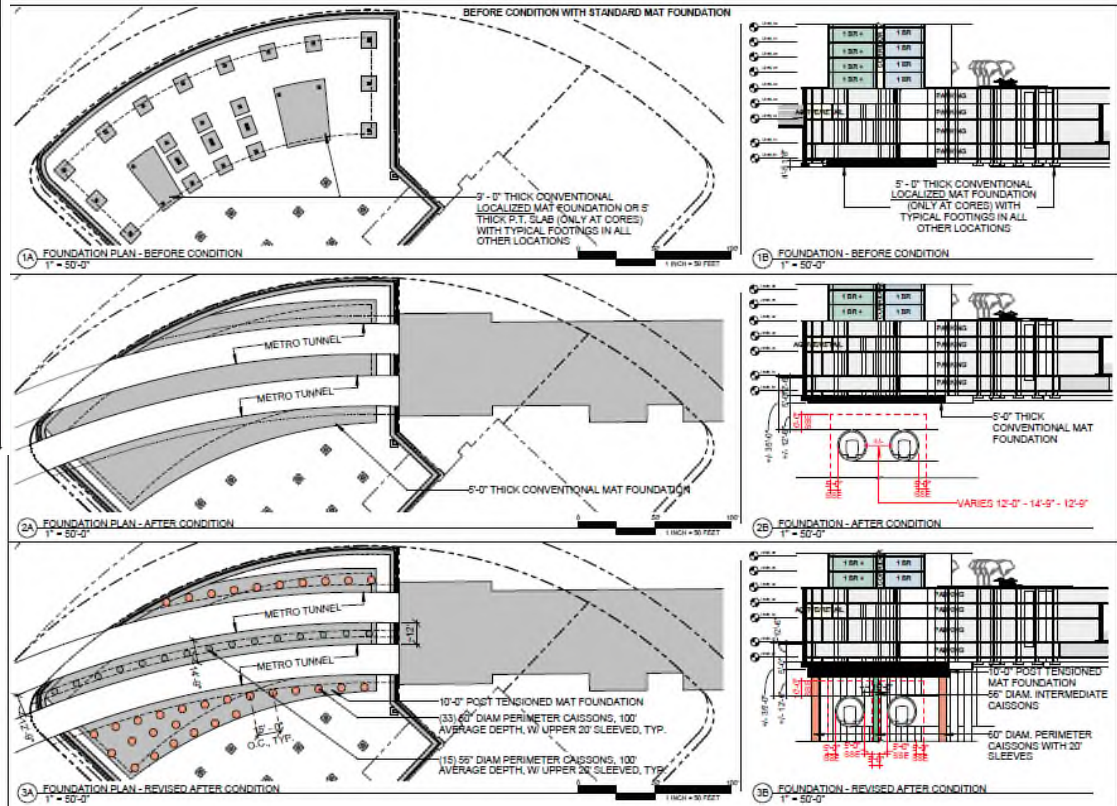
BUNKER HILL BLOCK H - Foundation - 5' Deep Conventional Mat Slab (Option 2)

COST BREAKDOWN: 5' DEEP CONVENTIONAL MAT SLAB				
	QTY	UNIT	COST/UNIT	AMOUNT
Option 2: Foundation - 5' deep Mat Slab				
Excavation	3,236 SF	\$35	\$113,244	
Formwork	2,870 SF	\$15	\$43,050	
Concrete	3,236 CY	\$225	\$728,000	
Rebar (200 lbs/cy)	642,111 LBS	\$0.97	\$622,698	
Place	3,236 CY	\$35	\$113,244	
Pump	3,236 CY	\$20	\$64,712	
Finish Top	17,472 SF	\$1.50	\$26,208	
Waterproofing	2,870 SF	\$13.00	\$37,310	
Removal of Spoils from Mat Foundation	3,236 CY	\$20	\$64,712	
<b>DIRECT COST TOTAL</b>				<b>\$1,812,437</b>
<b>INDIRECTS</b>				<b>\$329,320</b>
(GC, FEE, CONTINGENCY, SUBGUARD, CONSTRUCTION SERVICES, GEN EXPENSE, GROSS RECEIPTS TAX)				
<b>TOTAL</b>				<b>\$2,141,757</b>



QUALIFICATIONS	

# Step 4: Determining and Costing the Impacts



APPRAISAL SET  
DRAFT

BALIAN  
ARCHITECTS  
1115 S. GLENDALE ST., SUITE 400  
LOS ANGELES, CA 90012  
+1 213 377 9500  
NEW FALL 2014 EDITION

IDS REAL ESTATE  
815 S. GLENDALE ST., SUITE 400  
LOS ANGELES, CA 90012  
+1 213 342 9312 OR 213 627 4637



ATTY / CLIENT  
PRIVILEGED  
DOCUMENT

MASTER PLAN  
BUNKER HILL BLOCK H  
LOS ANGELES, CA 90012

APRIL 4, 2014  
PROJECT 4  
1" = 50'-0"  
1/4" = 1'-0"

FOUNDATION  
OPTION  
STUDIES

014

# Step 5: The Opinion

CENTRAL PLANTS – BUNKER HILL BLOCK “H” | REGIONAL CONNECTOR ROW IMPACT COST  
AFTER-CONDITION SUMMARY TABLE

After-Condition / ROW Impact Category	Value of Impact
Fee Take Parcel / RC-418A 10,103 Isf at market value	Appraiser Determined
Loss of Hope Street Frontage Fee take density of 80,618 sq.ft. compensated by Take 150,196± of “transferred density” a ‘wash’ w/ After Condition development + benefits of Subway Station. 144,090± of Before Condition West Tower density positively impacted by After Condition and Reg Con Project.	Net Positive
After-Condition Parking Reduction	\$6,680,101
After-Condition Street Frontage Activation Reduction	\$771,450
Pedestrian Plaza – Retail/Restaurant Building	Net Positive
Parking Garage – Fee Take Parcel Construction Cost Reduction Equals: \$1,401,525	Included Above
Parking Garage –Station Box Wedge Parcel Construction Cost Reduction	No Net Impact
Structural Foundation / Unified Mat Foundation For towers of 33 floors or less / Up to 517 units / 442,200± sq.ft. Floor Area / 9:1 FAR or near Unified Dev. FAR	\$1,558,155
Legally Permissible Maximum Density – Potential Parking Impact – None estimated Potential Structural Load Impact [Caissons >33 flrs \$9,277,844] Potential Parking “Wrap” Cost [> 884 units w/ code min prkg: \$3,199,966]	None \$0 \$0
Structural Design & Permitting Cost	\$295,000
After-Condition Constructability Issues in Public Right-of-Way	\$15,000
Other Construction Issues	\$0
RC-418-1 / Temp Construction Easement – Time Value Appraiser Determined	10 – 33 mos. net time lost
RC-418-2 & RC-418A-5 / Grouting Easements – Remediation Expense	\$21,571
RC-418A-3 / Tieback Easement – Remediation Expense	\$20,798
RC-418A-4 / Sidewalk Easement	\$0
Quantifiable Sub-total ROW / After-Condition Impact Value	\$5,571,027

John G. Ellis, MAI, CRE, FRICS  
Integra Realty Resources – Los Angeles  
(818) 290-5444  
[jellis@irr.com](mailto:jellis@irr.com)



Gregory M. Berman, Esq.  
Bergman Dacey Goldsmith  
(310) 470-6110  
[gbergman@bdgfirm.com](mailto:gbergman@bdgfirm.com)



Patrick Spillane  
IDS Real Estate Group  
(213) 362-9300  
[pspillane@idsrealestate.com](mailto:pspillane@idsrealestate.com)



---

# Questions & Answers

---

