

TRANSMITTAL

To:
Council

DATE
09-06-17

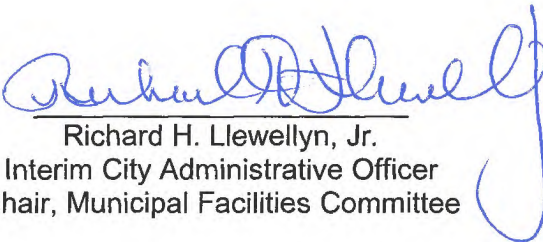
COUNCIL FILE NO.
09-0914

From:
Municipal Facilities Committee

COUNCIL DISTRICT
11

At its meeting of August 31, 2017, the Municipal Facilities Committee approved recommendations in the attached City Administrative Officer (CAO) and the Department of General Services (GSD) reports and instructed staff to transmit to Council for consideration.

Fiscal Impact Statement: The sale of City-owned property located at 1611 S. Beloit Avenue for a total purchase price of \$1,848,000 will have a positive impact on the Special Parking Revenue Fund. There is no anticipated impact to the General Fund.


Richard H. Llewellyn, Jr.
Interim City Administrative Officer
Chair, Municipal Facilities Committee

RHL:AM:15180022

Attachment

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: August 29, 2017

CAO File No. 0150-10983-0000

Council File No. 09-0914

Council District: 11

To: Municipal Facilities Committee

From: Richard H. Llewellyn, Jr., Interim City Administrative Officer

Subject: **REVISED – CAO REPORT, DATED JULY 24, 2017, PROPOSED DIRECT SALE OF SURPLUS PROPERTY—LOCATED AT 1611 S. BELOIT AVENUE, 90025**

RECOMMENDATIONS

That the City Council, subject to the approval of the Mayor:

1. Determine that the property located at 1611 S. Beloit Avenue is no longer required for City use and that the public interest is best served by the direct sale of the Property;
2. Instruct the City Attorney to prepare an ordinance relative to the sale of the Property, without notice of sale or advertisement of bids, to Quattro SM/Beloit Partners, LLC for the sale price of \$1,848,000;
3. Request the City Attorney to prepare the purchase and sale agreement based on the terms specified in the Findings Section of this report for the sale of the Property;
4. Require as a condition of any sale, that the Buyer indemnify the City of any current or future environmental issues affecting the property;
5. Instruct that the \$1,848,000 in proceeds from the sale, less estimated escrow fees of \$10,000, of the City parking lot at 1611 S. Beloit Avenue in Los Angeles be deposited into the Special Parking Revenue Fund, Fund 363;
6. Instruct the General Manager of the Department of General Services to sign a land use application, and any related documents as necessary for the processing of a land use application, so that Quattro can begin entitling the mixed use development project on the 1611 South Beloit Avenue and 11216 West Santa Monica Boulevard sites;
7. Instruct the Department of General Services to complete the transactions outlined in the ordinance, process the necessary documentation to execute the sale, and deposit the proceeds into the appropriate accounts, as directed by the Los Angeles Administrative Code and as approved to form by the City Attorney; and,

8. Authorize the City Administrative Officer to make any necessary technical corrections to implement the intent of the Council and Mayor.

SUMMARY

The Department of General Services (GSD) requests authority for the direct sale of City-owned surplus property located at 1611 S. Beloit Avenue (Property) in CD 11 to Quattro SM/Beloit Partners, LLC (Buyer) for \$1,848,000. The Property, approximately 6,000 square feet and a Los Angeles Department of Transportation (LADOT) Municipal Off-Street Parking Lot (Lot 654), is small, out-of-the-way and underutilized in its current capacity as municipal parking.

At its meeting of July 27, 2017, the Municipal Facilities Committee (MFC) approved recommendations in Attachment A, a City Administrative Officer (CAO) and GSD reports and instructed staff to transmit to Council for consideration.

Since release of the report to the City Clerk, the City Attorney has requested further clarification regarding the project. Specifically, the City Attorney requested clarification from GSD and CAO regarding the December 2016 appraisal as well as a discussion of the need for indemnification of the City for potential environmental contamination. This revised report with amended recommendations addresses the City Attorney concerns and provides additional detail on the appraisals.

BACKGROUND

On April 22, 2009, CD 11 introduced a Motion (Rosendahl – Hahn) declaring the City-owned Municipal Parking Lot 654 at 1611 Beloit Avenue surplus. The Motion instructed the General Manager of LADOT to sell the property at fair market value, for use as a commercial development within the approved zoning for the property and to deposit the proceeds from the sale into the Special Parking Revenue Fund (SPRF) expressly for the purpose of “land acquisition and construction of an off-street municipal parking lot within the 11th Council District, in the Sawtelle Boulevard corridor, between Tennessee Avenue and Exposition Boulevard near the Exposition Light Rail Line”. The motion was subsequently considered by the Transportation, Information Technology and General Services (ITGS) and Budget and Finance (B&F) Committees.

At its July 22, 2009 meeting, the Transportation Committee considered the recommendations contained in the Motion, and after considerable public comment, authorized LADOT to release a solicitation document advertising the sale of the site. The Transportation Committee further amended the instruction on the proceeds of the sale and instead of specifying the replacement project, directed the deposit of the net proceeds to SPRF. The amendment provided LADOT the flexibility to address parking needs within the area based on its expert analysis and determination. On August 11, 2009, ITGS concurred with the Transportation Committee and on October 19, 2009, B&F also concurred. The Property was officially declared surplus on November 11, 2009 (C.F.09-0914) by Council Motion and subsequently approved by the Council on November 18, 2009.

Appraised Value - GSD reports that there were no objections from City departments or any other

public agency on the proposed sale and in 2011, GSD hired EICHEL, Inc. to determine the value of the Property. The completed appraisal report, dated June 29, 2011, stated that the as-is market value of the property assumed assembled with the adjacent Chevron site was \$1,848,000. Due to the economic downturn, the sale was abandoned. On June 6, 2017, GSD reported that the updated property assemblage value is \$1,230,000, but the purchase price negotiated through the council office is \$1,848,000, which is substantially higher than the current assemblage value of the property.

Zoning - In a letter dated May 8, 2017, the Planning Department (Planning) reported that “while the sale of the subject property, for any use or purpose that is allowed within that zone, is generally consistent with the intents and purposes of the City’s General Plan, it may be appropriate to consider any contingencies of sale that would safeguard the ongoing provision of public parking spaces in the event that the subject parcel is redeveloped”. While our Office notes the comments from Planning, we defer to the recommendations from the Transportation Committee as we concur that LADOT should determine municipal parking needs in concert with its overall strategic plan and needs assessment.

BOE Dedication and CEQA - On May 15, 2017, the Bureau of Engineering (BOE) reviewed City records and provided comments on the proposed disposition of the Property. The BOE requests the following dedications:

1. Dedicate 2.5-feet along the property alley frontage to complete a 10-foot half right of way; and
2. Dedicate 3-feet along the property street frontage to complete a 33-foot half right-of-way.

The BOE also stated that “the City does not know or have reasonable cause to believe that any release of a hazardous substance has come to be located on or beneath the Property”. However, Buyer owns an adjacent property and business, and given the current gas/service station of the adjacent property, the City Attorney advises that the Council require as a condition of the sale, that the Buyer indemnify the City of any environmental issues. The indemnity is recommended because the Buyer is the adjacent property owner and currently operates a fully functioning gas/service station on the property and plans to redevelop both properties as one large deal once acquisition of the City property is consummated.

Lastly, BOE determined that the sale of the Property was categorically exempt from the provisions of CEQA pursuant to City CEQA Guidelines, Categorical Exemption, under Classes 12, Article III, of the City CEQA Guidelines in that “this project involves the sale of surplus government property that does not possess significant values for wildlife habitat or other environmental purposes”. BOE affirms that they have complied with the statutory disclosure law by including the language stated in their report. Our Office has confirmed that no Phase I or Phase II reports were conducted by the City.

To the best of our knowledge, the proposed sale is in accordance with Charter Section 385 Sale of Property, LAAC Section 7.22 Recommendations Required of City Departments; LAAC Section 7.27 Private Sale; and California Government Code Section 54220 Surplus Land, which establish

the basic guidelines for the sale of City-owned surplus property. Further, pursuant to LAAC Section 7.22(d), the CAO reviewed the proposed direct sale and recommends approval of the sale and the proposed ordinance, once finalized by the City Attorney, which state the terms and conditions, legal description and recommendations for reservations and/or easements that should be retained by the City, approved by the City Attorney as to form and legality.

FISCAL IMPACT STATEMENT

The sale of City-owned property located at 1611 S. Beloit Avenue for a total purchase price of \$1,848,000 to Quattro SM/Beloit Partners, LLC, is anticipated to have a positive impact on the Special Parking Revenue Fund. There is no anticipated negative impact to the General Fund.

FINDINGS

1. Public Interest

In accordance with LAAC Division 7, Chapter 1, Article 4 Section 7.27, the Council may determine that the sale of City-owned property is in the public interest or necessity. In this event, the Council may, by ordinance with two-thirds vote, authorize the sale of City-owned property, without notice of sale or advertisement for bids, upon review and recommendation by the City Administrative Officer. GSD reports that the sale of the property is in the best interest of the City because it will eliminate costly maintenance of the City parcel and there will be a one-time deposit of \$1,848,000 to the Special Parking Revenue Fund.

2. Terms of Sale

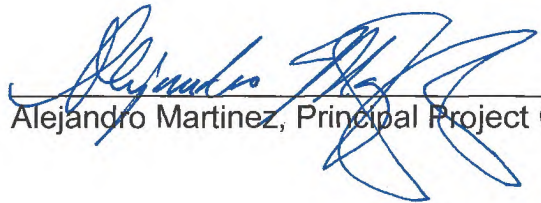
The following are the terms of sale as described in the Ordinance:

- The sale price is \$1,848,000, which is the agreed upon price between the City and the Buyer;
- The Buyer is Quattro SM/Beloit Partners, LLC;
- The Property will be sold in "As Is" condition and without any warranty as to fitness for use, fitness for a particular use, or condition of the Property, and that the City has no obligation to correct any condition of the Property, whether known before or after the date of the sale;
- In accordance with Section 3, the Buyer shall pay escrow and all incidental costs associated with this property purchase transaction including, but not limited to, recording fees, documentary transfer fees, title insurance fees, escrow fees, personal property taxes where applicable, and any other real estate transaction taxes. The Buyer, at his own expense, may obtain any desired survey of the Property;
- Subject to covenants, conditions, restrictions, encroachments, reservations, easements, rights, and rights-of-way of record or which are apparent from a visual inspection of the real property and excepting and reserving to the City any interest in the fee to the adjacent

streets which would otherwise pass with the conveyance.

3. Property Description / Legal Description

The Property is located at 1611 S. Beloit Avenue, Los Angeles, with APN 4261-007-900. The Property is zoned C2-ILV and lies within Council District 11 and within the West Los Angeles Community Plan. The legal description is attached to this report.


Alejandro Martinez, Principal Project Coordinator

APPROVED:


Yolanda Chavez, Assistant City Administrative Officer

Attachment A: CAO report approved by MFC on July 29, 2017 and attachments

TRANSMITTAL

To:
Council

DATE
08-02-17

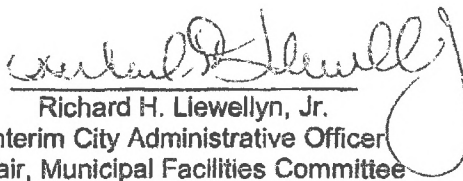
COUNCIL FILE NO.
09-0914

From:
Municipal Facilities Committee

COUNCIL DISTRICT
11

At its meeting of July 27, 2017, the Municipal Facilities Committee approved recommendations in the attached City Administrative Officer (CAO) and the Department of General Services (GSD) reports and instructed staff to transmit to Council for consideration.

Fiscal Impact Statement: The sale of City-owned property located at 1611 S. Beloit Avenue for a total purchase price of \$1,848,000 will have a positive impact on the Special Parking Revenue Fund. There is no anticipated impact to the General Fund.


Richard H. Llewellyn, Jr.
Interim City Administrative Officer
Chair, Municipal Facilities Committee

RHL:AM:151800013

Attachment

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: July 24, 2017

CAO File No. 0150-10983-0000

Council File No. 09-0914

Council District: 11

To: Municipal Facilities Committee

From: Richard H. Llewellyn, Jr., Interim City Administrative Officer 

Subject: **PROPOSED DIRECT SALE OF SURPLUS PROPERTY—LOCATED AT 1611 S. BELOIT STREET, 90025**

RECOMMENDATIONS

That the City Council, subject to the approval of the Mayor:

1. Determine that the property located at 1611 S. Beloit Avenue is no longer required for City use and that the public interest is best served by the direct sale of the Property;
2. Adopt the attached ordinance relative to the sale of the Property, without notice of sale or advertisement of bids, to Quattro SM/Beloit Partners, LLC for the sale price of \$1,848,000;
3. Request the City Attorney to prepare the purchase and sale agreement based on the terms specified in the ordinance for the sale of the Property; and,
4. Instruct the Department of General Services to complete the transactions outlined in the ordinance, process the necessary documentation to execute the sale, and deposit the proceeds into the appropriate accounts, as directed by the Los Angeles Administrative Code and as approved to form by the City Attorney.

SUMMARY

The Department of General Services (GSD) requests authority for the direct sale of City-owned surplus property located at 1611 S. Beloit Street (Property) in Council District 9 to Quattro SM/Beloit Partners, LLC (Buyer) for \$1,848,000. The Property, approximately 6,000 square feet and a Los Angeles Department of Transportation (LADOT) Municipal Off-Street Parking Lot (Lot 654), is small, out-of-the-way and underutilized in its current capacity as municipal parking.

On April 22, 2009, Council District 11 introduced a Motion (Rosendahl – Hahn) declaring the City-owned Municipal Parking Lot 654 at 1611 Beloit Street surplus. The Motion instructed the LADOT General Manager to sell the property at fair market value, for use as a commercial development

corridor, between Tennessee Avenue and Exposition Boulevard near the Exposition Light Rail Line". The motion was subsequently considered by the Transportation, Information Technology and General Services and Budget and Finance Committees.

At its July 22, 2009 meeting, the Transportation Committee considered the recommendations contained in the Motion, and after considerable public comment, authorized LADOT to release a solicitation document advertising the sale of the site at fair market value for use as a commercial development within the approved zoning for the property. The Committee further amended the instruction on the proceeds of the sale and instead of specifying the replacement project, directed the deposit of the net proceeds to the Special Parking Revenue Fund. The amendment provided LADOT the flexibility to address parking needs within the area based on its expert analysis and determination. On August 11, 2009, the Information Technology and Government Affairs Committee concurred with the Transportation Committee and on October 19, 2009, the Budget and Finance Committee also concurred with the Transportation Committee. This matter was forwarded and approved by the Council on November 18, 2009. GSD reports that there were no objections from City departments or any other public agency on the proposed sale.

In a letter dated May 8, 2017, the Planning Department reported that "while the sale of the subject property, for any use or purpose that is allowed within that zone, is generally consistent with the intents and purposes of the City's General Plan, it may be appropriate to consider any contingencies of sale that would safeguard the ongoing provision of public parking spaces in the event that the subject parcel is redeveloped". While our Office notes the comments from Planning, we defer to the recommendations from the Transportation Committee as we concur that LADOT should determine municipal parking needs in concert with its overall strategic plan and needs assessment.

On May 15, 2017, the Bureau of Engineering (BOE) reviewed City records and provided comments on the proposed disposition of the Property. BOE requests the following dedications:

1. Dedicate 2.5-feet along the property alley frontage to complete a 10-foot half right of way; and
2. Dedicate 3-feet along the property street frontage to complete a 33-foot half right-of-way.

BOE also stated that "the City does not know or have reasonable cause to believe that any release of a hazardous substance has come to be located on or beneath the Property". Lastly, BOE determined that the sale of the Property was categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to City CEQA Guidelines, Categorical Exemption, under Classes 12, Article III, of the city CEQA Guidelines in that "this project involves the sale of surplus government property that does not possess significant values for wildlife habitat or other environmental purposes".

The Property was officially declared surplus on November 11, 2009 (C.F.09-0914) by Council approval of the Motion. Buyer owns an adjacent property and business. In 2011, GSD hired EICHEL, Inc. to determine the value of the Property. The completed appraisal report, dated June 29, 2011, stated that the fair market as-is value of the Property was \$1,200,000 and the as-is market value of the property assumed assembled with the adjacent Chevron site was \$1,848,000.

A direct sale value of \$1,848,000 has been tentatively negotiated. The proceeds of the sale shall be deposited in the Special Parking Revenue Fund.

To the best of our knowledge, the proposed sale is in accordance with Charter Section 385 Sale of Property, LAAC Section 7.22 Recommendations Required of City Departments; LAAC Section 7.27 Private Sale; and California Government Code Section 54220 Surplus Land, which establish the basic guidelines for the sale of City-owned surplus property. Further, pursuant to LAAC Section 7.22(d), the CAO reviewed the proposed direct sale and recommends approval of the sale and the attached ordinances prepared by GSD, which state the terms and conditions, legal description and recommendations for reservations and/or easements that should be retained by the City, approved by the City Attorney as to form and legality.

FISCAL IMPACT STATEMENT

The sale of City-owned property located at 1611 S. Beloit Avenue for a total purchase price of \$1,848,000 will have a positive impact on the Special Parking Revenue Fund. There is no anticipated impact to the General Fund.

FINDINGS

1. Public Interest

In accordance with LAAC Division 7, Chapter 1, Article 4 Section 7.27, the Council may determine that the sale of City-owned property is in the public interest or necessity. In this event, the Council may, by ordinance with two-thirds vote, authorize the sale of City-owned property, without notice of sale or advertisement for bids, upon review and recommendation by the City Administrative Officer. GSD reports that the sale of the property is in the best interest of the City because it will eliminate costly maintenance of the City parcel and there will be a one-time deposit of \$1,848,000 to the Special Parking Revenue Fund.

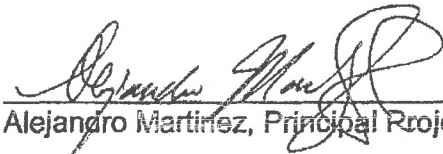
2. Terms of Sale

The following are the terms of sale as described in the Ordinance:

- The sale price is \$1,848,000, which is the agreed upon price between the City and the Buyer;
- The Property will be sold in "As Is" condition and without any warranty as to fitness for use, fitness for a particular use, or condition of the Property, and that the City has no obligation to correct any condition of the Property, whether known before or after the date of the sale;
- In accordance with Section 3, the Buyer shall pay escrow and all incidental costs associated with this property purchase transaction including, but not limited to, recording fees, documentary transfer fees, title insurance fees, escrow fees, personal property taxes where applicable, and any other real estate transaction taxes. The Buyer, at his own expense, may obtain any desired survey of the Property;
- Subject to covenants, conditions, restrictions, encroachments, reservations, easements, rights, and rights-of-way of record or which are apparent from a visual inspection of the real property and excepting and reserving to the City any interest in the fee to the adjacent streets which would otherwise pass with the conveyance;
- Subject to the covenant and agreement to run with the land that the Property shall be held as one parcel with the adjacent parcel or real property owned by the grantee, and the said combined parcel shall not be divided in ownership except pursuant to a subdivision map or parcel map approved in accordance with the laws of the State of California and the City of Los Angeles.

3. Property Description / Legal Description

The Property is located at 1611 S. Beloit Avenue, Los Angeles, with APN 4261-007-900. The Property is zoned C2-ILV and lies within Council District 11 and within the West Los Angeles Community Plan. The legal description is Attachment A to this report.


Alejandro Martinez, Principal Project Coordinator

APPROVED:


Yolanda Chavez, Assistant City Administrative Officer



RHL:AM:15180007

Attachments

Attachment A: Memo from GSD to CAO
Attachment B: Ordinance with Legal Description

**CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE**

DATE: June 5, 2017

TO: Richard H. Llewellyn Jr., Interim City Administrative Officer
City Administrative Officer

Attention: Terry Sauer, Chief Administrative Analyst

FROM: Tony M. Royster, General Manager
Department of General Services



**SUBJECT: REVIEW OF PROPOSED DIRECT SALE OF THE PROPERTY
LOCATED AT 1611 S. BELOIT, LOS ANGELES, CA 90025,
APN: 4261-007-900, CD 11**

The General Services Department, Real Estate Services Division (RES) is in the process of selling the above-referenced property through a direct sale to Quattro SM/Beloit Partners, LLC, a California limited Liability Company (Quattro) at the request of Council District 11. The proposed sale is in compliance with Government Code Section 54220. Most surplus property is sold at a public auction to the highest bidder. The proposed sale to Quattro is in compliance with Government Code Section 54220. In some cases, as defined in Los Angeles Administrative Code (LAAC) Section 7.27, the "Council may determine that the public interest or necessity requires the sale, conveyance, or exchange of real property owned by the City or... of any City interest in the real property without notice of sale or advertisement for bids. In the event of such determination the Council may, by ordinance adopted by the vote of at least two-thirds of all of its members authorize the execution of such deed...or other instrument as may be necessary to effect such sale..."

Section 7.22 (d) of the LAAC also provides that "... the City Administrative Officer shall review the proposed direct sale and recommend to the Council upon its propriety."

Two appraisal reports are being transmitted. The first with an effective date of June 29, 2011 with an as-is market value of the property **assumed assembled** with the adjacent Chevron site (Quattro ownership), of \$1,848,000. The other appraisal report has an effective date of December 7, 2016 with a market value of the real property as-is of \$1,050,000 (Not assembled). A direct sale with the adjacent property owner (Quattro) at \$1,848,000 has been tentatively negotiated through the council office.

RESD has followed the Surplus Property Procedure to declare the Property surplus and hereby submitting the Property's surplus package to the City Administrative Officer's office for review and recommendation to the City Council for direct sale to Quattro.

0150 10/15/17 10

A revised legal description of the subject property has been ordered from Public Work's Survey and Mapping Division and is expected to be finalized by June 16, 2017.

We have attached documentation, for your information, showing the necessary approvals obtained in processing the sale of this property in accordance with LAAC Sections 7.22 and 7.27. Should there be any question or additional information required, please contact Armando Parra, Senior Real Estate Officer at extension 2-8559, or email armando.parra@lacity.org.

Attachments

APN: 4261-007-900

ADDRESS: 1611 S. BELOIT AVE,
LOS ANGELES, CA 90025 – CD 11

1	Assessor Parcel Map	Exhibit I
2	54220 Notices	Exhibit II
3	City Title Report	Exhibit III
4	Legal Description	Exhibit IV
5	BOE District Engineer Report BOE Geotechnical Report BOE Environment Report	Exhibit V
6	Planning Approval (50 days waiver acceptance)	Exhibit VI
7	Council District Approval	Exhibit VII
8	Appraisal Report	Exhibit VIII
9	Ordinance (DRAFT)	Exhibit IX
10	Detail on Source of Funds/Account used to purchase Property	Exhibit X
11	Detail on Fund, Account to deposit sale proceeds	Exhibit XI

EXHIBIT I

SCALE 1" = 60'

2003

INTERNATIONAL

MASSACHUSETTS

AVE.

SAWTELLE BLVD.

SANTA MONICA

BLK

Part of

EWB

SAN DIEGO

TRACT NO. 2533

M.B. 31-B3

BARRETT VILLA TRACT

M.R. 70-32-35

CODE
57

FOX PREV. ASST. SER: 1704-7

10-28-84
11-7-84
1-22-85
6-30-82
7-29-85
7-28-85

Arrived
8-17-88
4-16-89
2-27-89
8-29-82
9-18-84

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200199-34

200101420001-28

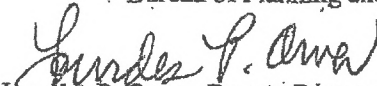
馬克思在《論德意志意識形態》中，曾指出：

EXHIBIT II

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: August 27, 2009

TO: Rita L. Robinson, General Manager
Department of Transportation
100 S. Main Street, 10th Floor, MS 725
Los Angeles, CA 90012
Attention: Jay Kim, Transportation Engineer
Bureau of Planning and Land use Development, MS 725

FROM: 
Lourdes P. Owen, Deputy Director
Asset Management Division, Department of General Services

SUBJECT: PROPOSED SALE OF SURPLUS PROPERTY - LADOT OFF-STREET
PARKING LOT NO. 654, 1611 BELOIT AVENUE, APN: 4261-007-900

The Asset Management Division is processing for possible sale the off-street Parking Lot No. 654 located at 1611 Beloit Avenue, identified on the attached assessor map, per Council File 09-0914

<u>APN</u>	<u>ADDRESS</u>	<u>CD</u>
4261-007-900	1611 Beloit Avenue	11

This information is supplied in advance of the sale in compliance with the provisions of Section 54220 through 54232 of the Government Code to give you an opportunity to purchase the property at market value.

Section 54220 provides as follows....that surplus land, prior to disposition shall be made available for park and recreation purposes, for open space purposes, or for low and moderate income housing purposes.

Please return a signed copy of this letter to Room 201, City Hall South, Asset Management Division. Your response within 60 days of this letter is sincerely appreciated. Should you need additional information, please contact Gemma Lopez, Senior Real Estate Officer at (213) 922-8542.

☒ I have no objection to the sale.
☐ I object to the proposed sale.

Signature

Name

Title

Date

 Ali Mahdavi

PR TRANSP. ENG.

MS 725

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: August 27, 2009

TO: Rita L. Robinson, General Manager
Department of Transportation
100 S. Main Street, 10th Floor, MS 725
Los Angeles, CA 90012
Attention: Jay Kim, Transportation Engineer
Bureau of Planning and Land use Development, MS 725

FROM: 
Lourdes P. Owen, Deputy Director
Asset Management Division, Department of General Services

SUBJECT: PROPOSED SALE OF SURPLUS PROPERTY -- LADOT OFF-STREET
PARKING LOT NO. 654, 1611 BELOIT AVENUE, APN: 4261-007-900

The Asset Management Division is processing for possible sale the off-street Parking Lot No. 654 located at 1611 Beloit Avenue, identified on the attached assessor map, per Council File 09-0914.

<u>APN</u>	<u>ADDRESS</u>	<u>CD</u>
4261-007-900	1611 Beloit Avenue	11

This information is supplied in advance of the sale in compliance with the provisions of Section 54220 through 54232 of the Government Code to give you an opportunity to purchase the property at market value.

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Please return a signed copy of this letter to Room 201, City Hall South, Asset Management Division. Your response within 60 days of this letter is sincerely appreciated. Should you need additional information, please contact Gemma Lopez, Senior Real Estate Officer at (213) 922-8542.

☒ I have no objection to the sale.
☐ I object to the proposed sale.

Signature

Name

Title

Date


Ali Mahdavi

RR-T.E. 12/01/09

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

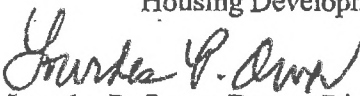
DATE: August 27, 2009

TO: Rushmore D. Cervantes, Interim General Manager
Los Angeles Housing Department
1200 W 7th Street, 9th Floor, MS 958
Los Angeles, CA 90017
Attention: Yolanda Chavez, AGM
Housing Development, MS 958

RECEIVED

AUG 31 2009

**LA Housing Department
Office of the Executive Director**

FROM: 
Lourdes P. Owen, Deputy Director
Asset Management Division, Department of General Services

SUBJECT: **PROPOSED SALE OF SURPLUS PROPERTY - LADOT OFF-STREET
PARKING LOT NO. 654, 1611 BELOIT AVENUE, APN: 4261-007-900**

The Asset Management Division is processing for possible sale the off-street Parking Lot No. 654 located at 1611 Beloit Avenue, identified on the attached assessor map, per Council File 09-0914.

<u>APN</u>	<u>ADDRESS</u>	<u>CD</u>
4261-007-900	1611 Beloit Avenue	11

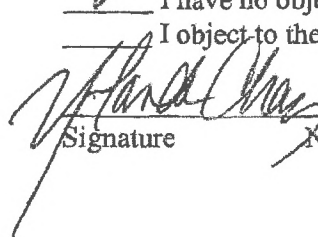
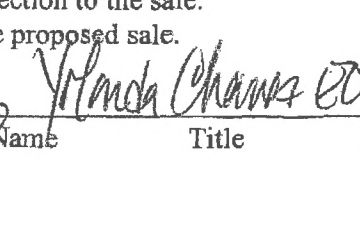
This information is supplied in advance of the sale in compliance with the provisions of Section 54220 through 54232 of the Government Code to give you an opportunity to purchase the property at market value.

Section 54220 provides as follows....that surplus land, prior to disposition shall be made available for park and recreation purposes, for open space purposes, or for low and moderate income housing purposes.

Please return a signed copy of this letter to Room 201, City Hall South, Asset Management Division. Your response within 60 days of this letter is sincerely appreciated. Should you need additional information, please contact Gemma Lopez, Senior Real Estate Officer at (213) 922-8542.

☒ I have no objection to the sale.

☐ I object to the proposed sale.

  ED 09/15/09
Signature Name Title Date

CITY OF LOS ANGELES
CALIFORNIA

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX NO. (213) 928-9515

August 25, 2009

Los Angeles County Metropolitan Transportation Agency
1 Gateway Plaza, MS 99-13-8
Los Angeles, CA 90012

Attention: Velma Marshall, Director of Real Estate

PROPOSED SALE OF SURPLUS PROPERTY - LADOT OFF-STREET PARKING
LOT NO. 654, 1611 BELOIT AVENUE, APN: 4261-007-900

The Asset Management Division is processing for possible sale, the off-street parking lot no. 654 located at 1611 Beloit Avenue, identified on the attached assessor map, per Council File 09-0914.


<u>APN</u>	<u>ADDRESS/LOCATION</u>	<u>CD</u>
4261-007-900	1611 Beloit Avenue	11

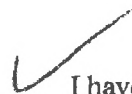
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Sincerely yours,


Lourdes P. Owen, Deputy Director



I have no objections to the sale.

I object to the proposed sale

 DEU-Real Estate 9/2/09
Signature Name Title Date

Attachment



CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: August 27, 2009

TO: John Kirk Mukri, General Manager
Department of Recreation and Parks
221 N. Figueroa St., 15th Floor, MS 625
Los Angeles, CA 90012
Attention: Cid Macaraeg, Director
Real Estate and Land Management, MS 625/23

FROM: 
Lourdes P. Owen, Deputy Director
Asset Management Division, Department of General Services MS 706

SUBJECT: PROPOSED SALE OF SURPLUS PROPERTY - LADOT OFF-STREET
PARKING LOT NO. 654, 1611 BELOIT AVENUE, APN: 4261-007-900

The Asset Management Division is processing for possible sale the off-street Parking Lot No. 654 located at 1611 Beloit Avenue, identified on the attached assessor map, per Council File 09-0914.


<u>APN</u>	<u>ADDRESS</u>	<u>CD</u>
4261-007-900	1611 Beloit Avenue	11

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☒ I have no objection to the sale.
☐ I object to the proposed sale.

 Cid Macaraeg, Director Real Estate
Signature Name Title Date 9-1-09

4261 7
SCALE 1" = 80'

2003

MASSACHUSETTS

AVE.

CORINTH AVE.

SANTA MONICA

SAWTELLE BLVD.

BLVD.

BELOIT

AVE.

FREWAY APPROACHES

SAN DIEGO

FRWY.

TRACT NO. 2533
M.B. 31-83

BARRETT VILLA TRACT
M.R. 70-32-35

CODE
67

FOR PREV. ASSAFT. SEE 1704-7

OCT 29 2002
ASSessor's MAP
COUNTY OF LOS ANGELES, CALIF.

10-86-85 12-17-86
11-7-84 4-16-87
12-27-81 5-29-82
12-12-82 3-18-84
12-12-82 3-18-84
12-12-82 3-18-84

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: August 27, 2009

Community Development Department

TO: Richard L. Benbow, General Manager
Community Development Department
1200 W 7th Street, 6th Floor, MS 854
Los Angeles, CA 90017
Attention: Robert Sainz, AGM
Economic Development Division, MS 854

AUG 31 2009

Executive Management

FROM: Lourdes P. Owen, Deputy Director
Asset Management Division, Department of General Services

SUBJECT: PROPOSED SALE OF SURPLUS PROPERTY - LADOT OFF-STREET
PARKING LOT NO. 654, 1611 BELOIT AVENUE, APN: 4261-007-900

The Asset Management Division is processing for possible sale the off-street Parking Lot No. 654 located at 1611 Beloit Avenue, identified on the attached assessor map, per Council File 09-0914.

<u>APN</u>	<u>ADDRESS</u>	<u>CD</u>
4261-007-900	1611 Beloit Avenue	11

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Please return a signed copy of this letter to Room 201, City Hall South, Asset Management Division. Your response within 60 days of this letter is sincerely appreciated. Should you need additional information, please contact Gemma Lopez, Senior Real Estate Officer at (213) 922-8542.

XX I have no objection to the sale.
I object to the proposed sale.

Louise Y. Benjamin Director, AGM 8.31.09
Signature Name Title Date
Louise Benjamin

MASSACHUSETTS

AVE.

CORINTH

AVE

SANTA
MONICA

SAWTELLE BLVD.

四六

IN

BELOIT

AVE.

FREEWAY APPROACHES

SAN DIEGO

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TRACT NO. 2533

M.B. 31-83

BARRETT VILLA TRACT

M.R. 70-32-35

CODE
67

FOR PREV. ASSMT. SEE: 1704-7

ASSessor's MAP
COUNTY OF LOS ANGELES, CALIF.

OCT 29 2002

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: August 27, 2009

TO: Michael A. Perez, General Manager
Department of Fire & Police Pensions
320 E 2nd Street, Suite 400, MS 390
Los Angeles, CA 90012-4207

FROM: 
Lourdes P. Owen, Deputy Director
Asset Management Division, Department of General Services

SUBJECT: PROPOSED SALE OF SURPLUS PROPERTY - LADOT OFF-STREET
PARKING LOT NO. 654, 1611 BELOIT AVENUE, APN: 4261-007-900

The Asset Management Division is processing for possible sale the off-street Parking Lot No. 654 located at 1611 Beloit Avenue, identified on the attached assessor map, per Council File 09-0914.

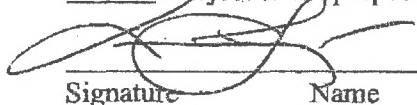
<u>APN</u>	<u>ADDRESS</u>	<u>CD</u>
4261-007-900	1611 Beloit Avenue	11

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Please return a signed copy of this letter to Room 201, City Hall South, Asset Management Division. Your response within 60 days of this letter is sincerely appreciated. Should you need additional information, please contact Gemma Lopez, Senior Real Estate Officer at (213) 922-8542.

☒ I have no objection to the sale.
☐ I object to the proposed sale.

 8/31/09
Signature Name Title Date

Attachment

EXHIBIT III



UPDATED TITLE REPORT # 3

DATE: April 24, 2017

APN: 4261-007-900

JOB TITLE: 1611 S. Beloit Avenue

Title to the Land hereinafter described is vested as follows:

Vestee: City of Los Angeles, a Municipal corporation
Final Order: Recorded August 28, 1964 as instrument No. 5175 in Book D
2608 Page 517 Official Records.
Grantors: Albert N. Ragler et al.
Return Address: City Attorney 1900 City Hall Los Angeles 12
DTT: None.

Taxes, bonds and assessments not covered by this report.

Tax Area Code: 00067
Parcel No.: 4261-007-900

Subject to:

1. General and Special County and City taxes for fiscal year 2008-2009
 - 1st Installment: not examined
 - 2nd Installment: not examined
2. Bonds and Assessments: not examined

If any of the above items contain any restriction based on race, color, religion, sex, familial status, marital status, disability, national origin or ancestry, that restriction violates State and Federal Fair Housing Laws and is omitted, unless and only to the extent that the covenant, condition or restriction (a) is exempt under Title 42 of the United States Code, or (b) relates to handicap but does not discriminate against handicapped persons.

LEGAL DESCRIPTION:

LOT 3 IN BLOCK M OF BARRETT VILLA TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 70 PAGE 32 THROUGH 35 INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Searched by: Jose L. Ramirez

Checked by: _____

Date: _____

Department of General Services
Real Estate Services Division

By Jose L. Ramirez
Jose L. Ramirez, Title Examiner

Approved by _____

Armando Parra, Senior Real Estate Officer

EXHIBIT IV

EXHIBIT "A"

APN: 4261-007-900

ADDRESS: 1611 S. Beloit Ave., Los Angeles, CA 90025

LEGAL DESCRIPTION:

Lot 3 in Block M of Barrett Villa Tract, in the City of Los Angeles, County of Los Angeles, State of California as per map recorded in Book 70, Pages 32 through 35, inclusive, of Miscellaneous Records, in the office of the County Recorder of said county

RESERVING unto the City of Los Angeles the northeasterly 3.00 feet of said lot for public street purpose and the southwesterly 2.50 feet of said lot for public alley purpose.

SUBJECT TO all covenants, conditions, restrictions, exceptions, reservations, easements, rights and right of way of record.




[Handwritten signature]
4/6/17

EXHIBIT V

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 15, 2017

TO: David Roberts, Assistant Director
Real Estate Services Division, STOP #708
Department of General Services

FROM: 
Michael Patonai, District Engineer
West Los Angeles District, STOP #499
Bureau of Engineering
Department of Public Works

SUBJECT: THIS IS IN RESPONSE TO YOUR PROPOSAL OF May 5, 2017 TO SELL CITY-OWNED LAND.

Address: 1611 Beloit Avenue, Los Angeles, CA 90025

Legal Description: 129B149-325, 4261007900, Lot 3, Block M & Barrett Villa Tract.
(Pin Number, APN, Lot Block & Tract, or Parcel & Parcel Map)

YES NO

☒ ☐ Is this land located in the West Los Angeles Engineering District?

☒ ☐ Is land sale recommended?
Comment: _____.

☒ ☐ Dedicate public street right-of-way?
Description of dedication: Dedicate 2.5-feet along the property alley frontage to complete a 10-foot half right-of-way. Dedicate 3-feet along the property street frontage to complete a 33-foot half right-of-way.

☐ ☒ There is excess right-of-way available.
Description of land: _____.

☐ ☒ Retain sanitary sewer easement?
Easement description: _____.

☐ ☒ Retain storm drain easement?
Easement description: _____.

☐ ☒ Retain _____ easement?
Easement description: _____.

If any questions arise, contact Luz Rabelo at (310) 477-3740.

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

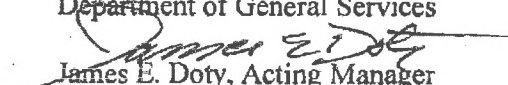
CITY OF LOS ANGELES
SET MANAGEMENT
JAN 18 2011
2011 FEB 22 AM 11:03

Date: FEB 15 2011

To: Lourdes Owen, Deputy Director
Asset Management Division
Department of General Services

MS 201

Reginald Jones Sawyer

From: 
James E. Doty, Acting Manager
Environmental Management Division
Bureau of Engineering
Department of Public Works

Subject: CEQA CLEARANCE AND HAZARDOUS SUBSTANCE DISCLOSURE FOR
PROPOSED SALE OF 1611 BELOIT STREET (OFFSTREET PARKING LOT
654), APN 4261-007-900.

Attached please find a completed Notice of Exemption for the above-captioned project. This project has been evaluated in accordance with requirements of the *California Environmental Quality Act* (CEQA). The project qualified for a Categorical Exemption under Classes 12, Article III, of the city CEQA Guidelines.

This determination is based on the information submitted to us by your office and on our subsequent investigation. Please review the enclosed notice carefully. If the notice incompletely or inaccurately describes the project, the City could be vulnerable to legal challenges. If you think there may be inconsistencies, or if the project description changes, please contact this office for a re-evaluation of the project's exempt status.

The attached Notice of Exemption serves as your record that the CEQA review has been completed and it should be retained in the official project file. The Notice of Exemption may be filed with the Los Angeles County Clerk after the project is approved or a determination is made to carry out the project. Filing with the County Clerk is not usually required but has the advantage of limiting legal challenges to a 35-day period. Without the filing, legal challenges can be filed up to 180 days following commencement of the project. The filing is subject to a \$75 filing fee, which your office will be expected to provide. If you want EMG to file the notice with the County Clerk, please let us know immediately after the sale is approved or a determination is made to proceed with the sale.

With respect to the Hazardous Substance Disclosure, the *California Health and Safety Code* §25359.7(a) states that, "Any owner of **non-residential** real property who knows, or has reasonable cause to believe, that any release of hazardous substance has come to be located on or beneath that real property shall, prior to the sale, lease, or rental of the real property by that owner, give written notice of that condition to the buyer, lessee, or renter of the real property."

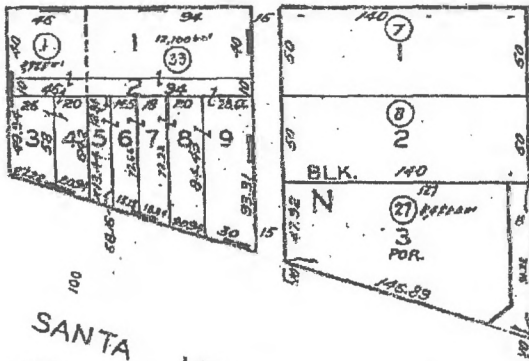
4261 7
SCALE 1" = 60'

2003

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Revised:
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4-16-88
2-27-89
5-29-89
3-18-89
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88002102508 007001-85

CORINTH AVE.

MASSACHUSETTS



SANTA MONICA

TRACT NO. 2533

M.B. 31-83

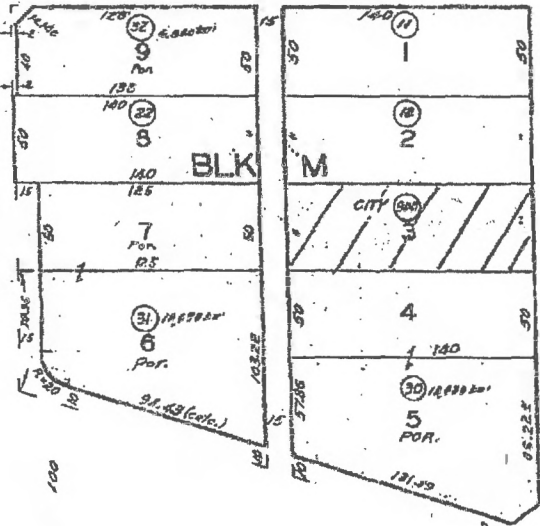
BARRETT VILLA TRACT

M.R. 70-32-35

CODE
67

FOR PREV. ASSMT. SEE: 1704-7

SAWTELLE BLVD.



BLVD.

AVE.

BELOIT

FREEWAY APPROACHES

FRWY.

SAN DIEGO

OCT 29 2002

ASSESSOR'S MAP
COUNTY OF LOS ANGELES, CALIF.

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT

CITY OF LOS ANGELES
CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX No. (213) 928-9515

August 25, 2009

Santa Monica Mountains Conservancy
5750 Ramirez Canyon Road
Malibu, CA 90265
Attention: Joe Edmiston, Executive Director

PROPOSED SALE OF SURPLUS PROPERTY - LADOT OFF-STREET PARKING
LOT NO. 654, 1611 BELOIT AVENUE, APN: 4261-007-900

The Asset Management Division is processing for possible sale, the off-street parking lot no. 654 located at 1611 Beloit Avenue, identified on the attached assessor map, per Council File 09-0914.

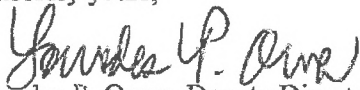
<u>APN</u>	<u>ADDRESS/LOCATION</u>	<u>CD</u>
4261-007-900	1611 Beloit Avenue	11

This information is supplied in advance of the sale in compliance with the provisions of Section 54220 through 54232 of the Government Code to give you an opportunity to purchase the property at market value.

Section 54220 provides as follows ...that surplus land, prior to disposition should be made available for park and recreation purposes, for open space purposes, or for low and moderate income housing purposes.

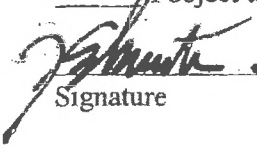
Please return a signed copy of this letter to Room 201, City Hall South, Asset Management. Your response within 60 days of this letter is sincerely appreciated. Should you need additional information, please contact Gemma Lopez, Senior Real Estate Officer at (213) 922-8542.

Sincerely yours,


Lourdes P. Owen, Deputy Director

Attachment

☒ I have no objections to the sale.
☐ I object to the proposed sale.

 J. EDMISTON EXEC. 9-24-09
Signature Name Title Date
DIRECTOR

4261 7

SCALE 1" = 60'

203

AVE

MASSACHUSETTS

AVE.

CORINTH

SANTA
MONICA

SAWTELLE BLVD.

BELOIT

AVE.

FREEWAY APPROACHES

FRWY.

SAN DIEGO

TRACT No. 2533

M.B. 31-83

BARRETT MILL TRACT

M.R. 70-32-35

CODE

67

FOR PREV. ASSMT. SEE: 1704-7

ASSASSIN'S MAP
COUNTY OF LOS ANGELES, CALIF.

ASBESTOS' MAP

COUNTY OF LOS ANGELES, CALIF.

CITY OF LOS ANGELES
CALIFORNIA

AD00002

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT

RECEIVED
RECORDS DEPT



ANTONIO R. VILLARAIGOSA
MAYOR

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX NO. (213) 928-9515

'09 AUG 31 P12:36

August 25, 2009

Cecilia V. Estolano, CEO
Community Redevelopment Agency of the City of Los Angeles
354 South Spring Street, Suite 800
Los Angeles, CA 90013
Attention: Philip Tondreault, Director of Real Estate

PROPOSED SALE OF SURPLUS PROPERTY - LADOT OFF-STREET PARKING
LOT NO. 654, 1611 BELOIT AVENUE, APN: 4261-007-900

The Asset Management Division is processing for possible sale, the off-street parking lot no. 654 located at 1611 Beloit Avenue, identified on the attached assessor map, per Council File 09-0914.

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Sincerely yours,

Lourdes P. Owen
Lourdes P. Owen, Deputy Director

Action: Tondreault ☒ I have no objections to the sale.
☐ I object to the proposed sale
Info: Philip Tondreault
Attachment: Philip Tondreault
Signature: Philip Tondreault Name: Philip Tondreault Title: Deputy Director Date: 9/01/09

4261 7

SCALE 1" = 60'

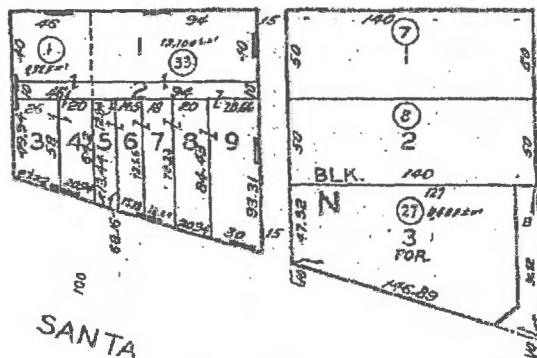
2003

Revised:
10-26-64 5-17-55
11-7-54 8-16-58
2-27-61 2-27-61
660812 5-29-60
70077705 3-18-60
121122516
230726601-04
241105-04
25021029020101-25

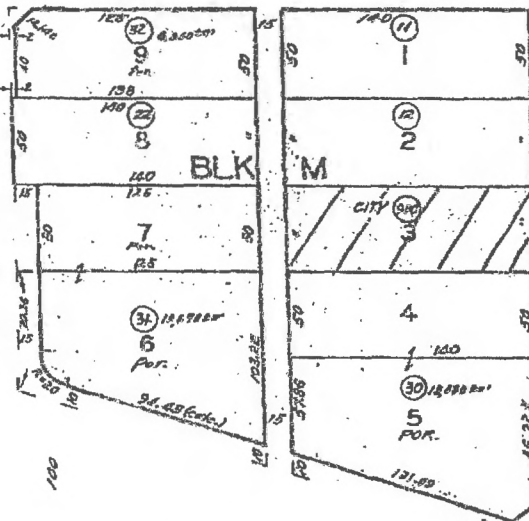
CORINTH AVE.

MASSACHUSETTS

AVE.



SAWTELLE BLVD.



BELOIT AVE.

FREEWAY APPROACHES

FRWY.

SAN DIEGO

SANTA MONICA

BLVD.

TRACT NO. 2533

M.B. 31-83

BARRETT VILLA TRACT

M.R. 70-32-35

CODE
67

FOR PREV. ASSMT. SEE: 1704-7

OCT 29 2002

ASSESSOR'S MAP
COUNTY OF LOS ANGELES, CALIF.

HAZARDOUS SUBSTANCE DISCLOSURE
1611 Beloit Avenue, Offstreet Parking Lot # 654 APN4262-007-900

In response to your request, the Department of Public Works Bureau of Engineering reviewed City records, including the Fire Department, as well as searched databases from the U.S. Environmental Protection Agency and California Department of Toxic Substances Control to provide the information required by state law to be disclosed to prospective purchasers of the city-owned commercial property named above.

No Fire Department records were found on the onsite usage or storage hazardous materials. Furthermore, no Fire Department records were found on the installation, presence or removal of underground storage tanks (UST) on the property. In addition, multisystem queries yielded no records for the 1611 Beloit Avenue property. The following representation is based solely on the foregoing information and not on any sampling or sub-surface investigation. As a result, it is not a definitive indicator of whether or not the property has been affected by a release of a hazardous substance. This information is a disclosure and is not intended to be part of any contract between the city and the purchaser.

The city does not know or have reasonable cause to believe that any release of a hazardous substance has come to be located on or beneath this real property.

Although not legally required, the following natural hazards information is provided for discretionary disclosure. As with the foregoing disclosure, these representations are based on the city's knowledge and analysis of maps drawn by city, state and federal agencies. As a result, they are not definitive indicators of whether or not the property will be affected by a natural disaster.

THIS REAL PROPERTY LIES WITHIN THE FOLLOWING HAZARDOUS AREA(S):

1. An EARTHQUAKE FAULT ZONE pursuant to § 2622 of the Public Resources Code?
Yes X No
2. A SEISMIC HAZARD ZONE pursuant to § 2696 of the Public Resources Code?
Yes _____ (Landslide zone) Yes X (Liquefaction zone) No _____
3. A SPECIAL FLOOD HAZARD AREA (any type Zone "A" or "V") designated by the Federal Emergency Management Agency?
Yes No X
4. An AREA OF POTENTIAL FLOODING shown on a dam failure inundation map pursuant to § 8589.5 of the Government Code, or potential for inundation from tsunami or seiche pursuant to § 2692.1 of the Public Resources Code?
Yes X No _____
5. A VERY HIGH FIRE HAZARD SEVERITY ZONE pursuant to § 51178 or 51179 of the Government Code?

HAZARDOUS SUBSTANCE DISCLOSURE
1611 Beloit Avenue, Offstreet Parking Lot # 654 APN4262-007-900

Yes _____

No X

6. Pursuant to § 4125 of the Public Resources Code, there are no WILDLAND AREAS THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISKS AND HAZARDS within the City of Los Angeles.

If you have any questions, please do not hesitate to telephone William Jones of my staff at (213) 485-5760.

COUNTY CLERK'S USE

CITY OF LOS ANGELES
OFFICE OF THE CITY CLERK
ROOM 395, CITY HALL
LOS ANGELES, CALIFORNIA 90012
CALIFORNIA ENVIRONMENTAL QUALITY ACT
NOTICE OF EXEMPTION
(Articles II and III - City CEQA Guidelines)

CITY CLERK'S USE

Submission of this form is optional. The form shall be filed with the County Clerk, 12400 E. Imperial Highway, Norwalk, California, 90650, pursuant to Public Resources Code Section 21152(b). Pursuant to Public Resources Code Section 21167(d), the filing of this notice starts a 35-day statute of limitations on court challenges to the approval of the project.

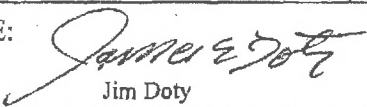
LEAD CITY AGENCY AND ADDRESS: Environmental Management Group Los Angeles City Engineer 1149 S. Broadway, MS 939 Los Angeles, CA 90015		COUNCIL DISTRICT 11			
PROJECT TITLE: SURPLUS PROPERTY SALE, OFFSTREET PARKING LOT 654 (1611 BELOIT AVENUE) APN 4262-007-900		LOG REFERENCE			
PROJECT LOCATION: 1611 Beloit Avenue, Los Angeles, California 90025.		T.G.: P.632, A5.			
DESCRIPTION OF NATURE, PURPOSE, AND BENEFICIARIES OF PROJECT: This project involves the proposed sale of existing surplus, City-owned property.					
CONTACT PERSON William Jones		TELEPHONE NUMBER (213) 485-5760			
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> EXEMPT STATUS: (Check One) <input type="checkbox"/> MINISTERIAL <input type="checkbox"/> DECLARED EMERGENCY <input type="checkbox"/> EMERGENCY PROJECT <input type="checkbox"/> GENERAL EXEMPTION <input checked="" type="checkbox"/> CATEGORICAL EXEMPTION* <input type="checkbox"/> STATUTORY* </td> <td style="width: 33%; vertical-align: top;"> CITY CEQA GUIDELINES Art. II, Sec. 2.b Art. II, Sec. 2.a(1) Art. II, Sec. 2.a(2)(3) Art. II, Sec. 1 Art. III, Sec. 1 Class 12 Art. _____ </td> <td style="width: 33%; vertical-align: top;"> STATE CEQA GUIDELINES Sec. 15268 Sec. 15269(a) Sec. 15269(b)(c) Sec. 15061(b)(3) Sec. 15301 (c) Sec. _____ </td> </tr> </table>			EXEMPT STATUS: (Check One) <input type="checkbox"/> MINISTERIAL <input type="checkbox"/> DECLARED EMERGENCY <input type="checkbox"/> EMERGENCY PROJECT <input type="checkbox"/> GENERAL EXEMPTION <input checked="" type="checkbox"/> CATEGORICAL EXEMPTION* <input type="checkbox"/> STATUTORY*	CITY CEQA GUIDELINES Art. II, Sec. 2.b Art. II, Sec. 2.a(1) Art. II, Sec. 2.a(2)(3) Art. II, Sec. 1 Art. III, Sec. 1 Class 12 Art. _____	STATE CEQA GUIDELINES Sec. 15268 Sec. 15269(a) Sec. 15269(b)(c) Sec. 15061(b)(3) Sec. 15301 (c) Sec. _____
EXEMPT STATUS: (Check One) <input type="checkbox"/> MINISTERIAL <input type="checkbox"/> DECLARED EMERGENCY <input type="checkbox"/> EMERGENCY PROJECT <input type="checkbox"/> GENERAL EXEMPTION <input checked="" type="checkbox"/> CATEGORICAL EXEMPTION* <input type="checkbox"/> STATUTORY*	CITY CEQA GUIDELINES Art. II, Sec. 2.b Art. II, Sec. 2.a(1) Art. II, Sec. 2.a(2)(3) Art. II, Sec. 1 Art. III, Sec. 1 Class 12 Art. _____	STATE CEQA GUIDELINES Sec. 15268 Sec. 15269(a) Sec. 15269(b)(c) Sec. 15061(b)(3) Sec. 15301 (c) Sec. _____			
* See Public Resources Code Sec. 21080 and set forth state and city guidelines provisions.					
JUSTIFICATION FOR PROJECT EXEMPTION: This project involves the sale of surplus government property that does not possess significant values for wildlife habitat or other environmental purposes. Furthermore, the use of the property, and adjacent properties, has not changed since the time of purchase by the City.					
IF FILED BY APPLICANT, ATTACH CERTIFIED DOCUMENT OF EXEMPTION FINDING					
SIGNATURE:  Jim Doty	TITLE: Acting Manager Environmental Management Group	DATE: 2/14/11			
FEE: \$75.00	RECEIPT NO.	REC'D BY			
DISTRIBUTION: (1) County Clerk (2) City Clerk (3) Agency Record		DATE			

EXHIBIT VI

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

May 8, 2017

TO: David L. Roberts, Assistant Director
Real Estate Services Division
Department of General Services
ATTN: Armando Parra

FROM: Craig Weber, Principal City Planner *CW*
Policy Planning Bureau
Department of City Planning

SUBJECT: Proposed Sale of 1611 S Beloit, APN 4261-007-900

We have received your request for comment regarding the sale of a 6,012.6-square-foot piece of property located at 1611 S Beloit Avenue, alternately identified as assessor parcel number 4261-007-900.

The subject property is located within the West Los Angeles Community Plan area, and is designated for Neighborhood Commercial use, with a corresponding zone of C2-IVL. The property is also located within the West Los Angeles Transportation Improvement and Mitigation Specific Plan (TIMP) area. That Specific Plan applies development fees to certain types of new development, which are used to fund local transportation improvement projects. Additionally, amendments are proposed to that Specific Plan that will broaden the types of development projects that will be subject to fees, modify the current fee structure, and refresh the types of transportation improvement projects that are to be funded. Additional information regarding the current and proposed Specific Plan can be found at the web addresses provided below.

It is our understanding that the subject site is currently operated as a publically accessible surface parking lot that provides 20 parking spaces. While amendments proposed to the West Los Angeles TIMP envision an array of multi-modal mobility improvements, there nevertheless remains a need for available public parking within the neighborhood—an observation reinforced by current West Los Angeles Community Plan goals and policies:

Goal 13: A sufficient supply of well-designed and convenient on-street parking and off-street parking facilities throughout the plan area.

Objective 13-1 To provide parking in appropriate locations in accordance with Citywide standards and community needs.

While the sale of the subject property, for any use or purpose that is allowed within that zone, is generally consistent with the intents and purposes of the City's General Plan, it may be appropriate to consider any contingencies of sale that would safeguard the ongoing provision of public parking spaces in the event that the subject parcel is redeveloped.

Please contact me directly if you need any additional information.

Currently adopted West Los Angeles TIMP Specific Plan:
<https://planning.lacity.org/complan/specplan/pdf/WLATIMP.PDF>

Proposed amendments to West Los Angeles TIMP Specific Plan:
<http://www.westsidemobilityplan.com/>

EXHIBIT VII



MIKE BONIN

City of Los Angeles
Councilmember, Eleventh District

May 4, 2017

Tony M. Royster, General Manager and City Purchasing Agent
Department of General Services
City Hall South
111 E. 1st Street, Room
Los Angeles, CA 90012

Dear Mr. Royster,

The purpose of this letter is to request that the Department of General Services continue the surplus property and sale process initiated under Council File Number 09-0914. Please contact Ezra Gale from my office at (213) 473-7011 with any questions.

Regards,

MIKE BONIN
Councilmember, 11th District

EG/mt

Westchester Office
7166 W. Manchester Boulevard
Los Angeles, CA 90045
(310) 568-8772
(310) 410-3946 Fax

City Hall
200 N. Spring Street, Room 475
Los Angeles, CA 90012
(213) 473-7011
(213) 473-6926 Fax

West Los Angeles Office
1645 Corinth Avenue, Room 201
Los Angeles, CA 90025
(310) 575-8461
(310) 575-8305 Fax



EXHIBIT VIII

Appraisal Report

Appraisal of:

Los Angeles Off Street Parking Lot
APN# 4261-007-900

Located at:

1611 S. Beloit Avenue, Los Angeles, CA 90025

Date of Report:

August 23, 2017

Date of Value:

December 7, 2016

Prepared For:

David Roberts
City of Los Angeles
Department of General Services
111 E. First Street Room 201
Los Angeles, CA 90012

Prepared By:**Epic Land Solutions, Inc.**

Appraisal Group
2601 Airport Drive, Suite 115
Torrance, CA 90505

Ph: 310-626-4848

Fx: 310-891-3348

www.epicland.com

Epic Land Solutions, Inc.

3517 Camino Del Rio S #404 San
Diego, CA 92108

Phone: (619) 573-6048
Fax: (619) 574-2667

August 23, 2017

David Roberts
City of Los Angeles
Department of General Services
111 E. First Street Room 201
Los Angeles, CA 90012
Telephone: (213) 922-8500
Email: david.l.roberts@lacity.org

**Re: Appraisal of Real Property - Commercial Land located on
Beloit Avenue between Santa Monica Blvd. & Massachusetts Avenue
1611 S. Beloit Avenue
Los Angeles, CA 90025
APN: 4261-007-900
Project Code: EA16066-LA-Off Street Parking**

Dear Mr. Roberts:

At your request and authorization, we have prepared an appraisal report of the "as is" fee simple interest of the market value for the above referenced real property.

Data, information, and calculations leading to the value conclusion are incorporated in the report following this letter. The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) and the Code of Professional Ethics of the Appraisal Institute.

Based upon the results of the investigation and analyses contained in the following report, subject to the Limiting Conditions and Assumptions, we have formed the following conclusion of the total estimated market value of the real property "as is", as of December 7, 2016:

\$1,050,000

ONE MILLION FIFTY THOUSAND DOLLARS

In addition to a market value estimate, we were asked to provide an investment value estimate, analyzing what the adjacent property owner would pay for the property, the property owner to the north or the property owner to the south. From my analysis of this market I found that a premium was paid for plottage, or assemblage. The difference between these two states is in the range of 15% to 20%. Therefore, to account for assemblage to an adjacent owner a 17.65% adjustment up, or to about \$175 per square foot, would be appropriate. This would be my estimate of the investment value (price) the next door property owner would pay for the subject property. The total estimate of investment value, as of December 6, 2016, is \$1,230,000.

Please refer to the attached appraisal report, plus exhibits, for documentation of the reported value estimate.

Respectfully submitted,



D. Michael Mason MAI, SRA
Certified General Real Estate Appraiser
Chief Appraiser -
Epic Land Solutions, Inc.
California License: AG001673



Kent Carpenter, MAI
Certified General Real Estate Appraiser
Senior Appraiser -
Epic Land Solutions, Inc.
California License AG# AG003087

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Mr. David Roberts – Department of General Services
Appraisal of Real Property for the City of Los Angeles
August 23, 2017

Executive Summary

Property reference:	Off Street Parking Lot on Beloit Avenue
Property Address:	1611 South Beloit Avenue, Los Angeles, CA 90025
APN(s):	4261-007-900
Property type:	Commercial Land Property (Parking Lot)
Report Format:	Appraisal Report
Date of appraisal report:	August 23, 2017
Date of value:	December 7, 2016
Date of initial site inspection:	December 7, 2016.
Real estate interest appraised:	Fee Simple Interest
Purpose of the appraisal:	To render an opinion of the defined market value of the subject property.
Location:	The subject property is along the west side of Beloit Avenue, just north of Santa Monica Blvd.
Improvements Description:	Asphalt paving
Site description:	The subject property is a vacant 7,012 square foot lot that is currently used for parking. The subject parcel is zoned C2-1VL per the city of Los Angeles
Highest and Best Use:	Redevelopment into a mixed use commercial/residential project, or a multi-family development or a small office building.
Estimated Market Value:	\$1,050,000

Mr. David Roberts – Department of General Services
Appraisal of Real Property for the City of Los Angeles
August 23, 2017

Intended User

The intended user of this appraisal report is the client, the city of Los Angeles. There are no other intended users. Anyone else using or relying on this appraisal is considered an unintended user and no fiduciary obligation is owed by the appraiser to that party

Intended Use

The intended use of this appraisal report is for the internal use of the client for a potential sale. The appraisal cannot be used for any other purpose such as evaluation for collateral for a loan, collateral for bond funding, appealing taxes, settling an estate, submission to Superior Court for condemnation, etc.

Date and Purpose of the Appraisal

The purpose of this appraisal is to render to you our opinion of the defined market value of the subject property. The date of value is December 7, 2016. This date coincides with the initial inspection date of the property. The property has been re-inspected several times during this assignment, the most recent being January 8, 2017.

Owner of Record & Property History

The subject is currently owned in fee simple by the City of Los Angeles, a Municipal Corporation. Public records indicate that the subject was acquired by its current owner on August 28, 1964. To our knowledge there have been no listings or offers on the property since that time, with the subject currently being used as a parking lot.

Definition of Market Value

The purpose of this report is to render our opinion of current Market Value of the fee simple interest in the subject land. Market Value, as used in this report, comes from Federal Regulatory Agency's regulations relating to the development of an appraisal and is defined as being:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) buyer and seller are typically motivated;*
- (2) both parties are well informed or well advised, and acting in what they consider their own best interests;*
- (3) a reasonable time is allowed for exposure in the open market;*
- (4) payment is made in terms of cash in U.S. Dollars or in terms of financial arrangements comparable thereto; and*
- (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."*

Scope of Work

In order to complete this assignment, we reviewed the subject property data on Realquest, verified the zoning with the city planning department, investigated, analyzed, and conducted a verification of sales and listings of vacant parcels with similar development potential in the surrounding Los Angeles area. We initially inspected the subject property and the comparables on December 7, 2016, and this date serves as the date of value. The

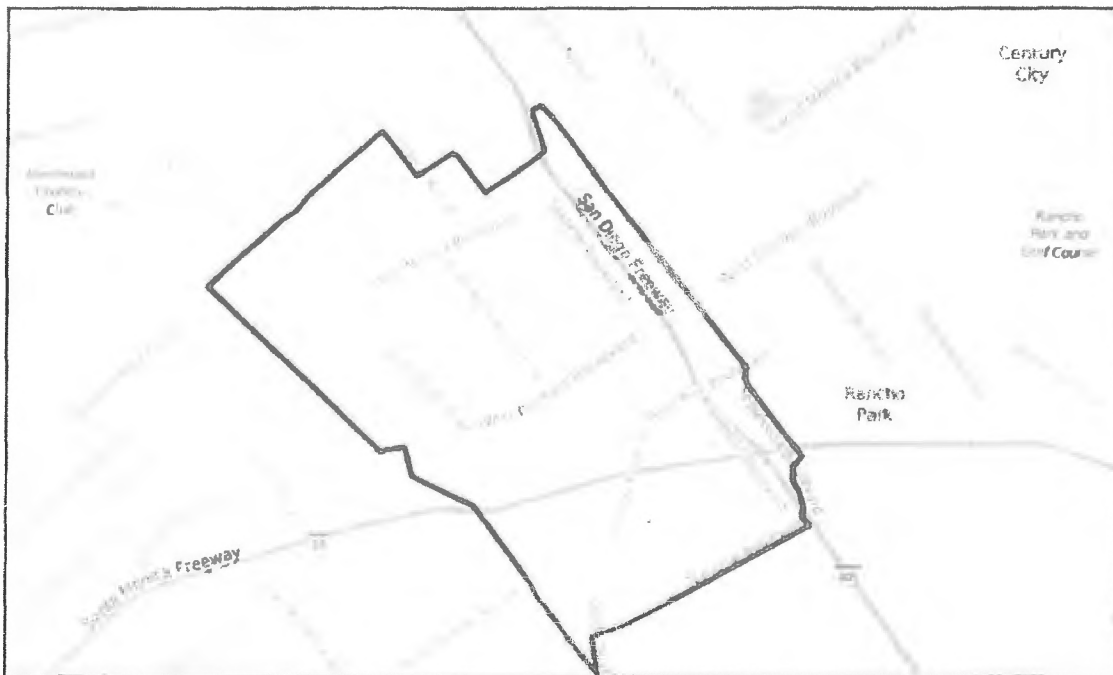
subject property and comparable sales were inspected several times during the course of this assignment, the most recent being January 8, 2017. Our value opinion and analyses comply with the Uniform Standards of Professional Appraisal Practice and is unbiased and impartial. No predetermined value or opinion formed the basis of any conclusions stated in this appraisal. The depth of the investigation and analysis is meant to be in keeping with the purpose of the appraisal.

Presentation of Data Collected

Neighborhood Description

In this section of the report, we provide details about the local area and describe the influences that bear on the real estate market as well as the subject property. A map of the local area is presented on the following page. Below are insights into the local area based on fieldwork, interviews, demographic data and experience working in this market.

The subject property is located in the city of Los Angeles, within Los Angeles County. Specifically, the property is within the Sawtelle neighborhood of Los Angeles. Generally located west of the 405 freeway, south of Wilshire Blvd., north of National Blvd. & east of Centinella Avenue, a map of the neighborhood is presented below:



Sawtelle is located in the westside region of Los Angeles County, and includes both incorporated and unincorporated areas of the city of Los Angeles. The name "Sawtelle" has also been used to refer only to the Veterans Administration complex, including the modern hospital (West Los Angeles Medical Center) and north of Wilshire Boulevard, the former site of the historical Sawtelle Veterans Home and outbuildings. This

area is on unincorporated land west of the Interstate 405 freeway. The entire Sawtelle area includes portions of zip codes 90049, 90064, and 90025 and all of zip code 90073 (a P.O. zip code within the 90025 area, used exclusively by the West Los Angeles Medical Center/Veterans Affairs Wadsworth Medical Hospital). The incorporated (municipal) area of Sawtelle, which lies to the south of the unincorporated area, includes the Sawtelle neighborhood, a 1.82-square-mile district of the city of Los Angeles. This district, where the subject property is located, was at one time an independent municipality, but it was consolidated with Los Angeles in 1922. The area extends about 1.0 miles to either side of Santa Monica Boulevard, running westward about 1.3 miles from the California Interstate 405 freeway (San Diego Freeway) and Sawtelle Boulevard, toward the city of Santa Monica. Per L.A Department of City Planning, the population within this 2.69 square mile neighborhood is 38,698, a 7.96% increase from the year 2000. The population density per square mile is average for the city of Los Angeles, but among the highest for the County. The median household income is \$57,710 which is average for both the city and county. The average household size is 1.9 which is low for the city and county.

The neighborhood has good access to major roads and freeways, and has an abundance of both public and private schools within the Los Angeles Unified School District. Research shows a total of 17 public schools and 14 private schools (elementary, middle and high schools) within the neighborhood and surrounding one mile. The neighborhood's close proximity to the 405, Westwood, Century City, Santa Monica and the Olympic Blvd tech corridor make it an appealing location for UCLA students, start-up workers and creative types. Additionally, in the near future, the Expo Line will bring two new light-rail stations to the area, putting Culver City and downtown within reach.

In recent months, Sawtelle has been undergoing a building boom that is changing the character of the neighborhood away from low density single family homes to a dense urban environment that includes large mixed-use development, in-fill housing and mid-rise condominiums. Portions of the 90049, 90064 and 90025 zip codes overlap into the Sawtelle area, which contain many neighborhoods of higher priced homes. Earlier this year the 90064 zip code had a median home sale price of \$1.532 million based on 11 sales, and the 90025 zip code displayed median home sale prices of \$1.379 million based on six sales.



Below is a demographic study of the area, sourced by *Esri*, an on-line resource center that provides information used to analyze and compare the past, present, and future trends of properties and geographical areas.

Mr. David Roberts – Department of General Services
Appraisal of Real Property for the City of Los Angeles
August 23, 2017

LOCAL AREA DEMOGRAPHICS							
Description	1 Mile	3 miles	5 miles	Description	1 Mile	3 miles	5 miles
Population				Average Household Income			
2000 Population	42,245	251,234	553,984	2016	\$106,648	\$123,767	\$122,580
2010 Population	44,095	261,097	569,499	2021	\$117,473	\$135,290	\$134,190
2016 Population	45,921	271,202	592,067	Change 2016-2021	10.15%	9.31%	9.47%
2021 Population	47,653	280,737	613,433	Median Household Income			
Change 2000-2010	4.38%	3.93%	2.80%	2016	\$72,112	\$80,150	\$79,451
Change 2010-2016	4.14%	3.87%	3.96%	2021	\$79,764	\$90,627	\$90,607
Change 2016-2021	3.77%	3.52%	3.61%	Change 2016-2021	10.61%	13.07%	14.04%
Households				2016 Households by Income			
2000 Households	22,426	116,879	259,208	<\$15,000	2,559	13,807	29,696
2010 Households	22,580	118,484	264,137	\$15,000-\$24,999	1,851	8,156	18,832
2016 Households	23,217	121,641	272,051	\$25,000-\$34,999	1,796	8,184	19,390
2021 Households	23,954	125,407	280,728	\$35,000-\$49,999	2,598	11,401	25,728
Change 2000-2010	0.69%	1.37%	1.90%	\$50,000-\$74,999	3,288	15,941	35,787
Change 2010-2016	2.82%	2.66%	3.00%	\$75,000-\$99,999	2,526	13,291	29,985
Change 2016-2021	3.17%	3.10%	3.19%	\$100,000-\$149,999	3,906	19,784	44,466
Total Housing Units				\$150,000-\$199,999	2,063	11,075	24,316
2000 Housing Units	23,385	122,132	272,640	\$200,000 or greater	2,831	20,014	43,844
2010 Housing Units	24,766	128,085	287,005	Median Home Value			
2016 Housing Units	25,202	130,883	294,200	2016	\$709,209	\$982,716	\$954,998
2021 Housing Units	25,603	133,990	301,365	2021	\$735,440	\$1,000,001	\$976,894
Housing Units (2016)				Change 2016-2021	3.70%	1.76%	2.29%
Total Housing Units	25,202	130,883	294,200	Average Home Value			
Owner Occupied	5,388	42,725	96,619	2016	\$762,379	\$958,552	\$936,844
Renter Occupied	17,829	78,916	175,433	2021	\$782,072	\$982,694	\$963,134
Housing Units (2021)				Change 2016-2021	2.58%	2.52%	2.81%
Total Housing Units	25,603	133,990	301,365	Housing Units by Units in Structure			
Owner Occupied	5,556	43,808	98,720	1 - Detached	2,030	32,712	81,502
Renter Occupied	18,398	81,599	182,008	1- Attached	703	3,557	10,111
Housing Units by Year Built				2	475	2,076	8,426
2010 or Later	232	898	1,703	3 or 4	1,104	7,746	20,516
2000 to 2009	2,863	9,371	19,413	5 to 9	6,036	22,090	44,354
1990 to 1999	2,196	8,659	17,085	10 to 19	6,029	22,922	44,441
1980 to 1989	3,572	14,448	27,822	20 to 49	4,464	17,682	37,451
1970 to 1979	5,594	22,896	48,665	50 or greater	3,444	18,197	36,513
1960 to 1969	4,597	20,640	45,550	Mobile Home	72	401	834
1950 to 1959	2,488	18,335	44,872	Boat/RV/Van	0	39	86
1940 to 1949	1,126	15,266	32,834				
1939 or Earlier	1,689	16,281	46,292				



The subject has relatively good exposure and visibility by virtue of its location adjacent to the 405 freeway off-ramp to Santa Monica Blvd. However, notwithstanding its close proximity to heavily traveled Santa Monica Boulevard (one lot to the south), its location on a one-way street that merges with the off-ramp at its terminus severely limits access to the site from other areas. The surrounding property uses include:

NORTH: Adjacent north is a two story apartment building that was constructed in 1929 and offers no on-site parking. It is secured along the alley and subject property by a 6-foot high chain link fence topped with three strands of barb wire and razor ribbon. Adjacent north of this, on the southwest corner of the Beloit Avenue and Massachusetts Avenue is a three story (28-foot high) former motel property that is now in use as a 33-unit single apartment project, with 16 parking spaces. This is a secure property being surrounded by a 6-foot chain link fence topped by three strands of barbed wire. North of these two properties is a 63-unit apartment complex called Beloit at Ohio. This four-story building was constructed in 2014 and the site was assembled in 2011 from various purchases for approximately \$100 per square foot. It is a 35,000 square foot land parcel indicating a density of one unit per 555 square feet of land. The units contain 2, 3 and 4 bedrooms and parking is provided free in a one level subterranean garage. Most of the rest of the land uses to the north are office and retail including the UCLA Thrift Store, West End Hotel offering private and shared bathrooms,

New Vista Convalescent Hospital, etc. Further north is the Veterans Administration Hospital complex which dominates the land use north of Ohio Avenue.

SOUTH: Adjacent south of the subject property, at the northwest corner of Beloit Avenue and Santa Monica Boulevard, is a Chevron service station with convenience store. The station was constructed in 1972 and contains 1,736 square feet. There are three pump islands with 12 pump positions. Adjacent west of this service station, at the northeast corner of Santa Monica and Sawtelle Boulevards is a strip shopping center containing 8,780 square feet and constructed in 1985. There are six tenants in the strip center including a 7-11 store, Subway sandwich, dry cleaners, print shop and a bagel/donut shop. There is a large (10' x 30'), illuminated, Clear Channel billboard on the property at a height of about 40-feet which shines directly toward the subject property. On the southwest corner of Beloit Avenue and Santa Monica Boulevard is a four story Holiday Inn Express hotel with parking on the ground floor. Santa Monica Boulevard is lined with commercial businesses in this district including other service stations, 1920s built, single story strip commercial buildings with tenants like Janette Bras, Nuart Cinema, wood flooring and several billboards. Santa Monica Boulevard has an average daily traffic count in this location of nearly 50,000 vehicles. The intersection of Beloit Avenue and Santa Monica Boulevard is signalized.

EAST: The Santa Monica Freeway, I-405 is directly across Beloit Avenue from the subject property. The off-ramp for the southbound traffic has recently been re-constructed. The average annual daily traffic count is about 300,000 vehicles as of the 2015 census. The striping on Beloit Avenue at the subject property, along with traffic, makes merging onto the southbound freeway nearly impossible and dangerous. While the property is freeway close, it is not easily accessible. This freeway serves to separate the subject property district from anything further east and with the sound-wall the top of the freeway structure is 30-feet above grade.

WEST: Directly west of the subject property is the strip center with the 7-11 store previously described. Sawtelle Boulevard is the next street west and it has an average daily traffic count of nearly 20,000 vehicles. This street is lined with commercial buildings. Just north of the 7-11 strip center is a single story warehouse property with Votel Mobil systems as a tenant. The warehouse contains 5,772 square feet and was constructed in 1976. There is a large (10' x 30') illuminated Regency billboard over this building extending to a height of about 40-feet. Security is provided to this warehouse by a 6-foot high chain link fence topped with three strands of barb wire along the alley. At the southwest corner of Sawtelle Boulevard and Massachusetts Avenue is a four story office building that has free, ground level parking for 22 vehicles. The three stories of offices contain about 13,800 square feet. This building was constructed in 1982 and rises to a height of 45-feet. Across Sawtelle Boulevard at the southwest corner with Massachusetts Avenue, is a three tenant, two story retail building that contains 7,776 square feet and was constructed in 1915. There is parking on-site for four vehicles and the leasing agent advertises that there is daytime parking available at the City of Los Angeles lot (subject property). The charge for parking is \$160 per month for a tandem space. This building has a large (8' x 25') illuminated Gannett billboard over the building, and one of the tenants is the west annex of the main UCLA Thrift Store, which is at the northwest corner of Massachusetts and Sawtelle. Directly south of this is a Union 76 service station at the northwest corner of Sawtelle and Santa Monica Boulevards. Due west of this, along Santa Monica Boulevard, is an Enterprise rent-a-car lot.

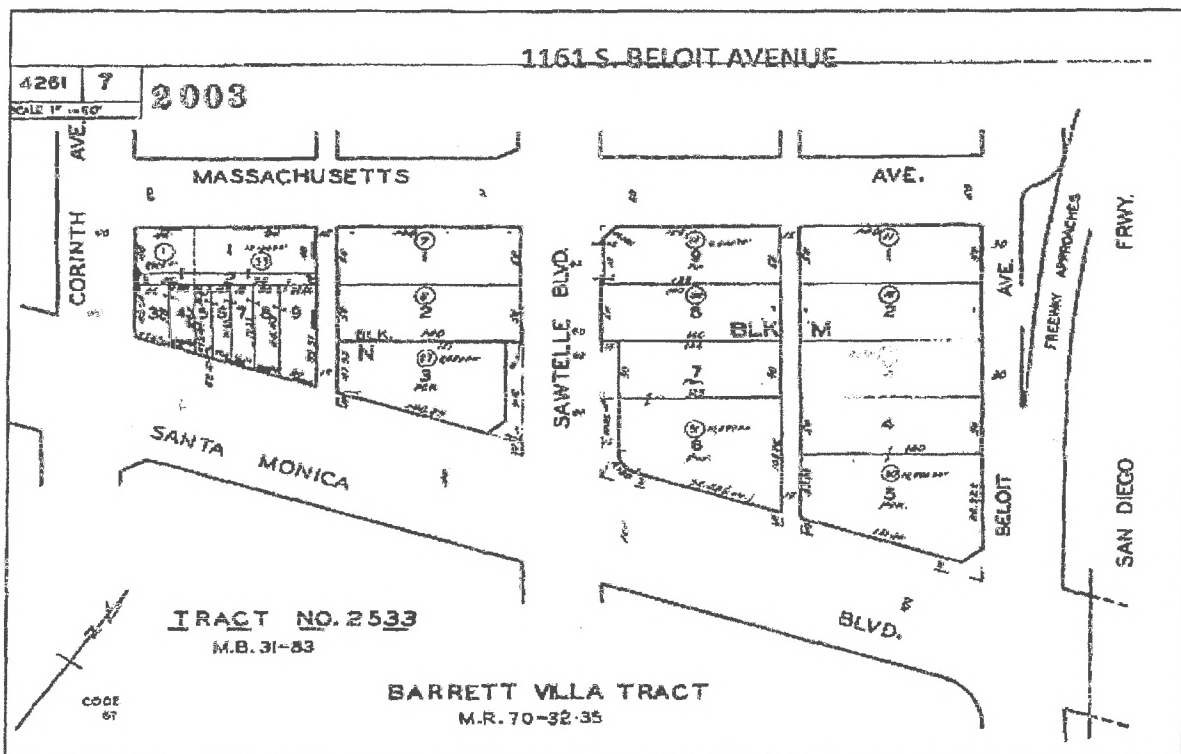
The subject property is one lot removed from the properties along the Santa Monica Boulevard commercial corridor which is characterized by a variety of older commercial land uses including hotels, gas stations, restaurants, retail centers, and general retail/office establishments. There is an average daily traffic count of

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380,000 vehicles on three sides of the subject property and with surrounding buildings, the 405 Freeway and billboards, there would be very limited views afforded from the subject property if developed with a two or three story building.

Site Description

The subject property is a vacant 7,012 square foot lot that is currently used for parking. It is striped for 20-vehicles, double loaded with a central drive aisle, one-way from east to west. The assessor's parcel number is 4261-007-900. Following is a plat map showing the size, shape and location of the subject land.



The legal description is as follows:

LOT 3 IN BLOCK M OF BARRETT VILLA TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 70 PAGE 32 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

The property fronts along the west side of Beloit Avenue, just north of Santa Monica Boulevard. The site has 50 feet of frontage on Beloit Avenue which is the primary access, and a property depth of 140 feet. Beloit Avenue has an average daily traffic count of about 10,000 vehicles at the subject property. Along the west side of the property is a 15 foot wide paved public alley that provides secondary access to the property. Because of utility poles in certain places the width narrows to 12-feet. It is only one lane. Beloit Avenue is a fully improved street with asphalt-concrete paving, concrete curbs, gutters and sidewalks along both sides of the road. However, due to a grade separation and the I-405 freeway off ramp to the east, the east side of Beloit Avenue at the subject location is improved with only concrete curb and gutter and a dirt upslope to the off ramp. Street lights are located along both sides of Beloit Avenue.

From Massachusetts Avenue (just north of subject) to Santa Monica Boulevard to the south, Beloit Avenue narrows from its two lane, two-way street design north of Massachusetts to a one-way (south), single lane street that merges with a 3-lane freeway off-ramp approximately 150 feet north of Santa Monica Boulevard. As such, primary access to the subject is a right in-right out configuration off of Beloit Avenue. Prior to Beloit Avenues merge with the off ramp, and at the southern boundary of the subject property, is a stop sign. The property is currently used as a public parking lot on a meter pay basis. Parking is allowed during the day only from 7AM to 9PM. There are approximately 20 parking spaces on the property that can only be accessed from a center drive lane off of Beloit Avenue since the spaces are angled and it is double loaded with a central drive aisle. Adjoining building improvements combined with 6-foot high chain link fences create a defined property boundary. The chain link fences along the north and south property line are topped with three strands of barb wire.

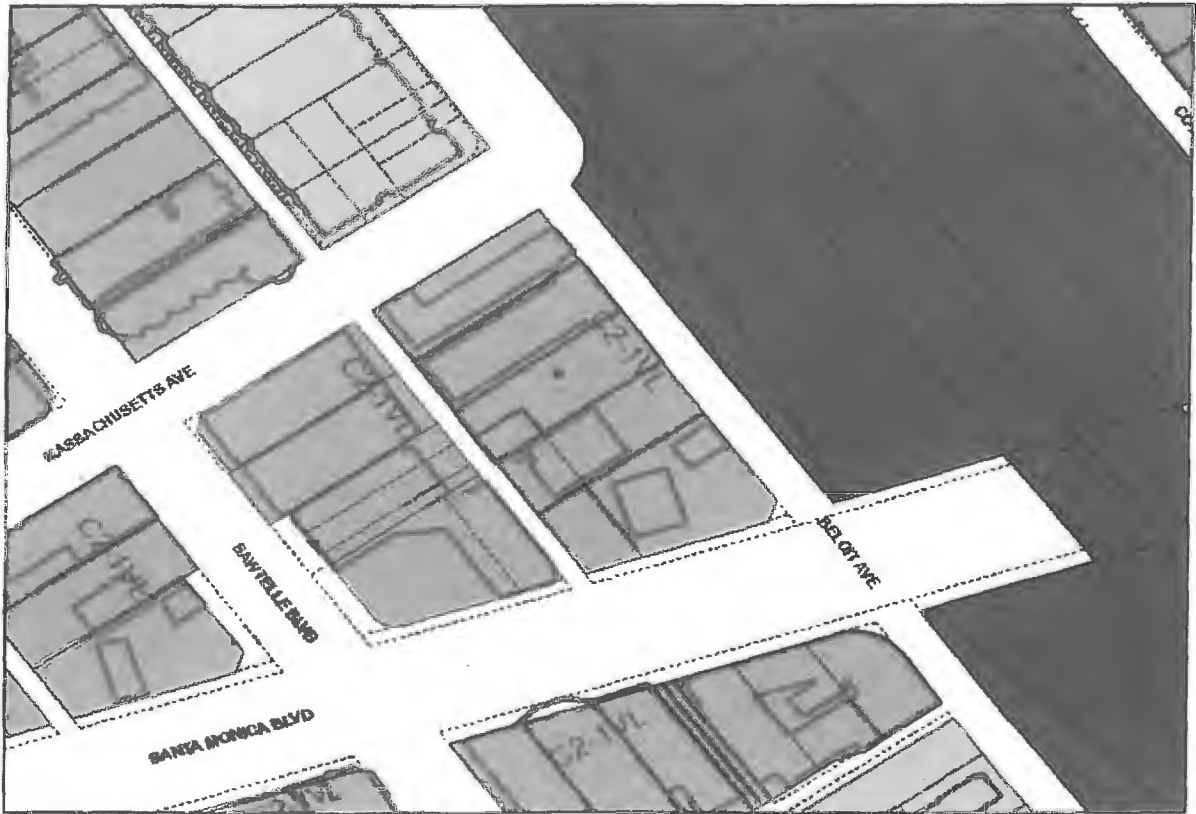
The current assessed value on the property is \$53,791. As a government owned property, the property is exempt from payment of taxes.

Zoning

The subject parcel is zoned C2-1VL per the city of Los Angeles. This commercial zone in Height District 1 allows for mixed-use development as well as the C1 zone uses (retail, theatres, hotels, broadcasting studios, parking buildings, parks/playgrounds, residential uses allowed in the R4 zone). Other permitted uses include limited manufacturing, service stations/garages, retail contracting businesses, churches and schools. As the R-4 zone allows for all of the residential uses allowed within the R1, R2 and R3 zones, the allowable residential uses on the subject property include single family residences, home occupations, apartment houses, multiple dwellings, child care facilities (20 max), churches, schools, and homeless shelters.

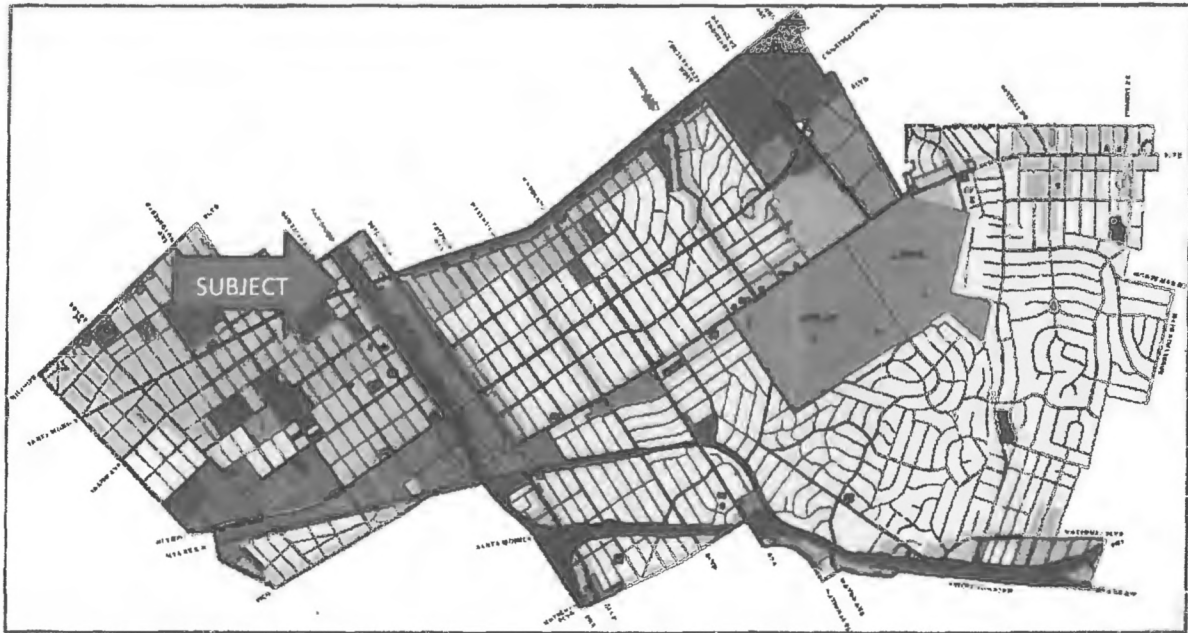
Development regulations within Height District 1 cannot exceed one and one-half times the buildable area of the lot, with the VL (Very Limited) designation prohibiting buildings over three stories or heights over 45 feet. However, if a development in this zone is used entirely for residential purposes, the building shall be limited as to the number of feet in height, but not as to the number of stories. Development regulations within the C2 zone include no front yard setback requirement, no side yard setback requirements for commercial use, R4 setback requirements for residential use, and the same minimum lot size (5,000 square feet) and minimum lot width (50') as that specified in the R4 zone.

At the allowed density (1 DU per 400 sf), the subject property (7,012 square feet) could support a maximum development of 18 residential units. A portion of the zoning map which includes the subject property is shown following.



General Plan

The subject is located within the West Los Angeles Community Plan with a designation of Neighborhood Commercial as depicted on the following map:



LAND USE			
RESIDENTIAL			
LOW DENSITY	CORRESPONDING ZONES	MEDIUM DENSITY	CORRESPONDING ZONES
LOW	RS, RLS, RLS-R, RLS-RH	LOW-MEDIUM DENSITY	RS, RLS, RLS-R, RLS-RH
		MEDIUM	RS
		HIGH-MEDIUM DENSITY	RS
COMMERCIAL			
NEIGHBORHOOD	CL, CL-R, CL-RH, CL-RH-R	LIGHT	CM, CM-R, CM-RH
COMMUNITY	CL, CL-R, CL-RH, CL-RH-R	LIGHT POTENTIAL	CM, CM-R, CM-RH
COMMUNITY	CL, CL-R, CL-RH, CL-RH-R		
INDUSTRIAL	CL, CL-R, CL-RH, CL-RH-R		
PARKING			
PARKING	CL, CL-R, CL-RH, CL-RH-R		
OPEN SPACE, PUBLIC FACILITIES			
		OPEN SPACE	OS, OS-R
		PUBLIC FACILITIES	OS, OS-R

The subject land parcel is generally level and at street grade. All of the usual and necessary public utilities are connected to the subject property. Water, sewer and electrical service are provided by the City of Los Angeles. Natural gas is from The Gas Company. The subject property has curb, gutter and sidewalks along its Beloit Avenue frontage.

This appraisal is based on the assumption that there are no unusual soils problems associated with the property and that load bearing capacity and drainage are adequate. No soils report was provided.

There was nothing discovered which would indicate there are environmental issues associated with the subject property. The appraisers are not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraisers that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental concerns. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous material may affect the value of the subject property. Our value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. Descriptions and comments are the result of routine observations made during the appraisal process.

Highest and Best Use

The highest and best use of any property depends upon the physical and legal restrictions imposed by the size, shape, location and zoning of the site, and the size, sitting, quality and condition of the improvements. Since the improvements do not contribute to the overall value of the property, we have evaluated the site's highest and best use as if vacant only. The use must be (1) physically possible, (2) legally permissible, (3) financially feasible, and (4) maximally productive.

Physically Possible - The subject property is of sufficient size and shape to be a developable site. It is generally level, at street grade, and has utility connections. However, its location on a one way, single lane street combined with its relatively small size and interior location (not on a corner) limits its desirability and use potential. Its potential uses are additionally impacted by its "sandwiched" location between a service station and a non-conforming apartment building. With only 50-feet of lot width parking would be a limiting factor. With a requirement for a guest parking space, trash container area and conveyance to upper floors, at most only 18 parking spaces could be configured on the site. The surrounding uses create a boxed in sensation limiting view potential for a two or three story structure, either office or residential. The adjacent commercial uses and traffic counts are considered intrusive to a good quality residential development. As such location, surrounding uses, size and access exert above average influence on the possible uses of the site.

Legally Permissible - The subject is zoned C2-1VL which allows for a variety of commercial and residential uses including mixed-use development. The maximum residential density allowed on the subject would be 1 unit per 400 square feet of land area, or a maximum of 18 units. However, with only 18 parking spaces, and a requirement of an average of 1.5-spaces per residential unit assuming an equal mix of singles, one and two-bedrooms, only 12-units could be constructed. This is a density of 584 square feet of land per apartment unit. With a density of 1.5-times the buildable area of the lot only 10,500 square feet (7,012 x 1.5) could be constructed on the site. With this square footage, and assuming a residential development of 12-units, this would equate to an average unit size of 875 square feet. In this area the older buildings with no amenities have these smaller residential units. A fully residential project with 12 one bedroom units appears to be the greatest residential density allowed, if the units had two bedrooms or more then at most only nine residential units could be constructed. Parking requirements for an office building are 2.0-spaces

per 1,000 square feet indicating at most a 9,000 square foot office building could be developed on the property. ($18\text{-spaces} \div 2.0/1,000$). The prevailing land uses in the area are commercial/retail along Santa Monica Boulevard, with apartments and office buildings on the interior parcels off the main corridors and commercial along Sawtelle Avenue.

Financially Feasible – The surrounding uses, size and access to and from the property would render development of a mixed use or residential property difficult. Based on our analysis of the market, assemblage with an adjoining parcel for redevelopment of an office, residential or retail use would be a feasible use of the property. Additional feasible uses of the property would be the purchase by an adjacent property owner for expansion of existing uses (building or parking). However, this would not reflect the value of the property to the market in general, but value to a limited number of potential buyers with very specific motivations. A small owner-user office or commercial building with low parking and access demands could also be a feasible use of the property, as could a mixed use, i.e. residential-commercial use.

The new Beloit at Ohio apartments north of the subject property, for example, contain 2, 3 and 4 bedroom apartments with the smallest three-bedroom units containing 1,300 square feet and the largest four-bedroom units having 1,645 square feet. There are only two two-bedroom units. Rents are typically from \$2.50 to \$3.00 per square foot (\$3,400 to \$4,000) depending upon floor and size. All units have three bathrooms and parking is provided at a rate of two spaces per unit, tandem. If the subject property had one bedroom, 875 square foot units, and rented for \$3.00 per square foot on a modified gross basis, the monthly rent would be \$2,625 per apartment. The newer office building at 1600 Sawtelle Avenue recently leased suites at \$1.75 to \$2.05 per square foot on a net basis. Using an apartment expenses ratio of 35% indicates that apartment rents and office rents for a new building at the subject property are about the same. Second story office space for the property at Sawtelle and Massachusetts is now available for lease at \$3.00 per square foot on a gross basis. This is for second story office over a restaurant, the building was constructed in 1915, has only walk-up service to the second floor with no on-site parking. These examples demonstrate the subject property could be developed with either residential, office or mixed use.

At the client's request we have added a short analysis of the value of the existing improvements, or tested the continued use as a parking lot. Only one nearby property was found to charge for parking at a rate of \$160 per month for a tandem space. However, most of the office, retail and apartment buildings are under-parked, and while there is demand for parking, with parking provided free at nearby buildings most users will be reticent to paying for parking at the subject property. With an estimated land value of \$1,050,000, and using a land capitalization rate of 7%, the net income at the subject property would be \$73,500 ($\$1,050,000 \times 7\%$). If vacancy and expenses (real estate taxes, insurance, repairs/maintenance and management) are added to the net income at a rate of 35% of the gross income, the annual gross income is \$113,077 ($\$113,077 \times 65\% = \$73,500$). For the 20 parking spaces at the subject property this would equate to income of about \$471 per space per month ($\$113,077 / 20 / 12$). This figure is higher than monthly parking in Westwood, Downtown Los Angeles or Century City of about \$300 to \$350 per month, and indicates the current improvements do not contribute to the overall value of the subject property.

Maximally Productive – The maximally productive use of the site would be (1) assemblage with adjoining properties for redevelopment of an office, residential or retail use, or (2) purchase by an adjacent property owner for expansion of existing uses (building or parking), or (3) development of a small owner-user office or commercial building with low parking/ access demands, or (4) development with a low-rise apartment.

The most likely buyer is either an adjoining property owner or a developer. Because we are estimating market value the price to an adjoining owner has not been considered in this analysis. Presumably an adjoining owner would pay more than market value since there would be plottage. This is demonstrated by the fact that nearby properties are under-parked and even advertise the fact that the subject property parking is available. Feasibility is a reflection of the land value, i.e. if someone pays too much for the subject property, development is not feasible. Looked at from the other side, value must reflect what can be developed on the site, generally termed a residual analysis. This type of analysis goes beyond an appraisal assignment and is not included as part of this appraisal. Therefore, our conclusion of value reflects the physical attributes of the site, i.e. location, surrounding uses, size and access. This in turn renders one of these uses financially feasible and maximally productive at this time.

Appraisal Procedures Followed, Methodologies

For the appraisal of the subject property the sales comparison approach is the only applicable approach to value.

The sales comparison approach derives a market value opinion by making a comparative analysis of recently sold properties having similar physical and economic characteristics to the property being appraised. Each sale property is compared to the subject property focusing on similarities and differences that influence value. This approach was applied in the valuation of the subject property.

The income capitalization approach is a method of valuation suited for investment properties because the foundation of the estimate is anticipated income, which is the primary reason investors buy this type of property. The price they are willing to pay is directly related to the income it is capable of producing and its prospect for change in value. The income approach was not used in this appraisal as the subject property is not subject to a lease and is typically not leased. For an essentially vacant commercially zoned parcel, without specific engineering studies for development cost, a developmental analysis is not practical and will not result in meaningful analysis. Current market participants are not purchasing properties similar to the subject property based on this type of analysis and listing agents are not pricing or selling properties based on this analysis. The cost approach was not employed in the valuation of the subject property because the subject property is only land.

Sales Comparison Approach

We have selected seven sales to process the sales comparison approach to value. On the following page is a summary of the market data, followed by a Market Data Map which shows the relative location of each sale to the subject property. After this is a discussion of each of the sales, comparing each to the subject property for each relevant element of comparison and from this analysis an appropriate value indication is concluded in the reconciliation section of the appraisal report.

The sale properties are all located within a 3½-miles of the subject property. All have occurred from June 2016 through November 2016. Three of the sales are zoned commercial and four are zoned exclusively for residential. The properties range in size from 4,745 to 12,750 square feet, when combining the properties that sold together to one buyer. When individual properties are considered, without consideration of assemblage, they average 6,776 square feet compared to the subject property which

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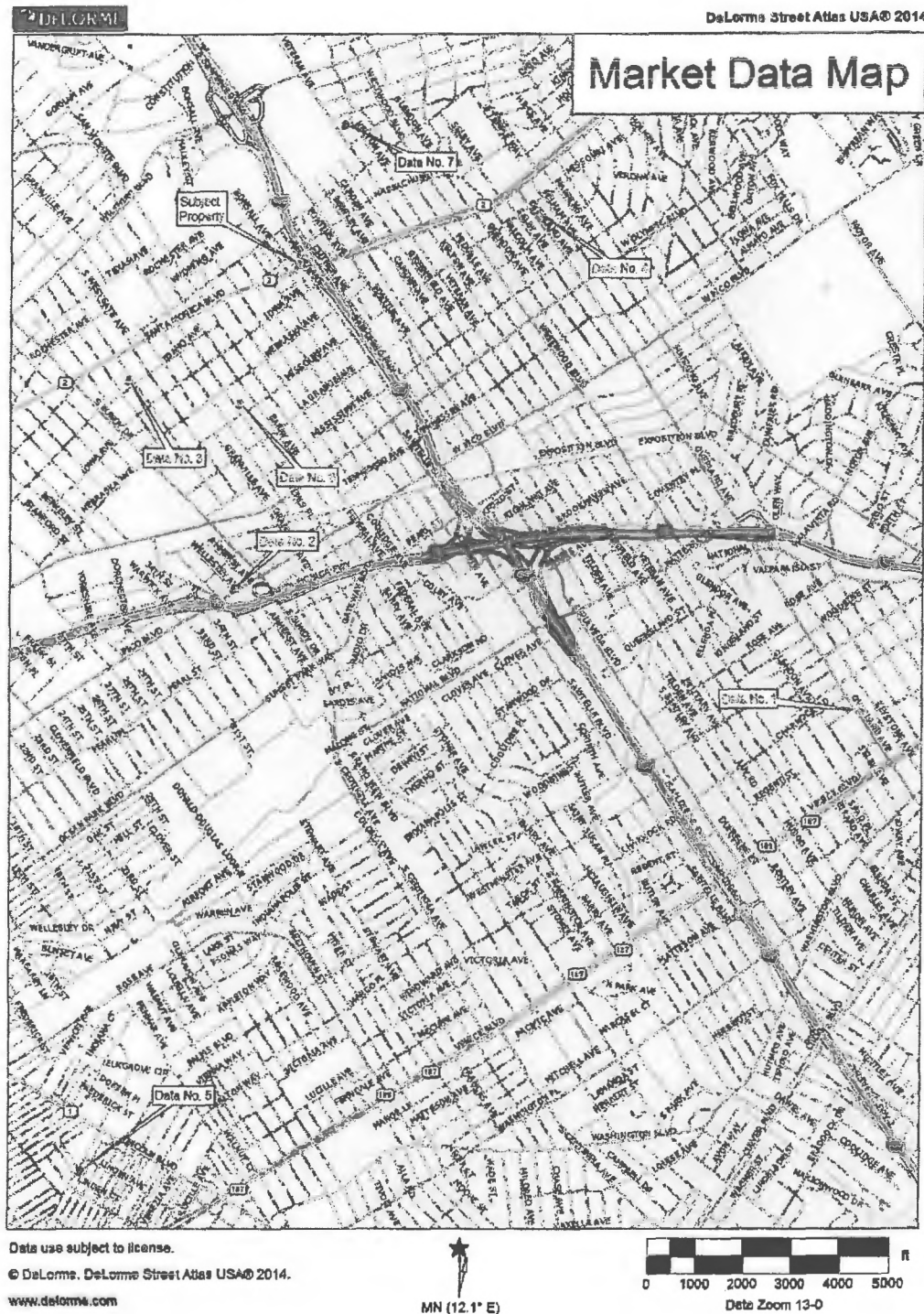
contains 7,012 square feet. Overall, this is considered a very reasonable data set from which to estimate the market value of the subject property as it is, an undeveloped parcel suitable for development to its highest and best use. The sales are all superior to the subject property, the subject property being in an inferior location, in inferior environs, with poor access and only 50-feet wide. However, this data set represents properties which are near the subject property generally in the West Los Angeles area of Los Angeles.

We attempted to limit our search to those properties having 5,000 to 10,000 square feet and which sold in 2016. Along with size, the 50-feet of width at the subject property was also an important consideration. As much as possible we attempted to find sales which were ready for immediate development, rather than having building improvements which were leased and earning income. After our discussion and analysis of the proximate West Los Angeles sales, we have summarized seven market data transactions which for the most part are inferior to the subject property, because they are outside the West Los Angeles environment. These will also be discussed in general. Attempts were made to verify each sale with a party to the transaction but some of the sales information is based solely on public records; Costar, MLS, RealQuest, LandVision, personal inspection and etc.

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Land Sales Summary							
Data No.	Location APN	Size (SF)	Zone	Sale Date Doc No.	Buyer Seller	Sale Price	\$/PSF
1A	3672 Overland Avenue Los Angeles 90034 4314-010-078	5,825	C2-1	9/29/2016 1190842	Overland Asset Group Colegrove Family Trust	\$1,500,000	\$257.51
1B	3688 Overland Avenue Los Angeles 90034 4314-010-081	5,825	C2-1	9/29/2016 1190842	Overland Asset Group Amnon Gafni	\$1,700,000	\$291.85
Data 1 Combined		11,650				\$3,200,000	\$274.68
2	12229 Pico Boulevard Los Angeles 90064 4259-029-009	4,745	[Q] C2-1VL-CDO	9/14/2016 1109221	Andrea Liss Dolphin Properties	\$1,650,000	\$347.73
3	1553 S. Armacost Avenue Los Angeles 90025 4263-034-017	7,000	R3-1	8/24/2016 1007261	Wiseman Development, Inc. Ray Gonzales	\$1,700,000	\$242.86
4	1906, 1910-1914 Overland Avenue Los Angeles 90025 4321-008-017, 018	12,200	R3-1-O	6/3/2016 641959	Arya Capital Investments, Inc. Robert & Susan Warner	\$5,300,000	\$434.43
5A	840 California Avenue Venice 90291 4241-007-007	6,375	RD 1.5-1	6/16/2016 694615	Antonio Gochicoa, Jr., Trustee 836 CALI, LLC	\$1,500,000	\$235.29
5B	836 California Avenue Venice 90291 4241-007-008	6,375	RD 1.5-1	6/16/2016 694613	Guedea Family Trust 836 CALI, LLC	\$1,500,000	\$235.29
Data 5 Combined		12,750				\$3,000,000	\$235.29
6A	1832 S. Barrington Avenue Los Angeles 90025 4262-021-020	5,698	RD 1.5-1	6/14/2016 68424	1832 Barrington Plaza LLC Katsuo K. Akazawa	\$1,273,000	\$223.41
6B	1836 S. Barrington Avenue Los Angeles 90025 4262-021-019	5,698	RD 1.5-1	11/3/2016 1365267	1832 Barrington Plaza LLC Fred & Nina William	\$1,278,000	\$224.29
Data 6 Combined		11,396				\$2,551,000	\$223.85
7	1361 Kelton Avenue Los Angeles 90024 4324-007-017	8,020	C2-1D	7/11/2016 801394	AHS Real Estate LLC Ali Habibi	\$3,900,000	\$486.28
Subject Property	1611 S. Beloit Ave Los Angeles	7,012	C2-1VL	12/7/2016 D.O.V.			
Average Size (Sales)		6,776					
Average of Sales							\$297.89
Minimum							\$223.41
Maximum							\$486.28

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Data 1 is located in a similar neighborhood and location but it is removed from any freeway. It is in the Palms area. It is similar to the subject property in terms of having an auto body repair business adjacent south, a large billboard to the north and Overland Avenue has approximately the same traffic count as Santa Monica Boulevard in the area of the subject property. The sale occurred at the same time as the purchase, by the same buyer, of the property next door at 3668 Overland Avenue. The buyer specializes in affordable housing development. The two grant deeds were recorded at the same time. There were two different sellers, but the buyer was purchasing a property with 100-feet of frontage along Overland Avenue. One property is improved with a 1,432 square foot retail building and the other with a 1,573 square foot duplex residence. These improvements contributed marginally to the overall property value, only on an interim basis. The sales price should be adjusted down for plottage. Plottage results from the increased development opportunity from having a property with 100-feet of frontage and being overall larger. The property appears to need to dedicate 9-feet upon development resulting in a net lot size of 100-feet wide and 116.5-feet deep. The 100-feet of frontage makes this property's purchase vastly superior along with the plottage. Based on this sale the subject property is worth \$165 per square foot of land area.

Data 2 is located along Pico Boulevard and the buyer was the adjoining property owner. The buyer owned the property on the corner of Pico Boulevard and Wellesley Avenue since 2006 and purchased this property as soon as it became available. The property was marketed as an improved commercial property and was on the market for only 71-days with a 40-day escrow. This was a motivated buyer. The property, by virtue of being assembled to a corner parcel, now creates a much larger corner parcel for the buyer (9,450 square feet) and this is considered very valuable. Together the property has 86-feet of Pico Boulevard frontage and 110-feet along Wellesley Avenue. This property is located two blocks west of Bundy Drive and one block east of Centinela Avenue. It is within 1,600-feet (>1/3-mile) of the Expo Line Station at Bundy. The sales price should be adjusted down for plottage, down for the corner location and down for the building improvements. Based on this sale the subject property is worth \$165 per square foot of land area.

Data 3 is the sale of a six unit apartment building which was constructed in 1957 and contains 5 one bedroom units and one two bedroom unit. The property sold for \$480 per square foot of building area, or \$283,333 per apartment unit. A check of the surrounding three blocks for sales of other apartment buildings during 2016 containing from 5 to 10 units turned up four sales of apartment properties. These properties sold for \$290,000 to \$325,000 per apartment unit, and the property directly behind the sale property is available for purchase at \$322,222 per unit. The building improvements contribute marginally to the overall property value, but according to the buyer, the relocation and demolition costs tend to offset the improvement value. If vacant, the site could support at most eight units, which is not substantially more than the current density of six units. The buyer indicated they were now going through the entitlement process and were expecting to get 8-units, and that the R-3 zone with a 3:1 density makes this sale property superior to the subject property. The buyer, Michael Cohanzad at Wiseman Development, stated that the challenges to developing the subject property were the width of the lot, the location (freeway and service station) and the fact that it is limited to 1.5-times the buildable lot area. The sale property is in a superior location being about one mile from the freeway and surrounded by residential properties. Armacost Avenue has a traffic count of about 2,000 vehicles in this area, there are no properties surrounded by chain link fencing topped with barbed wire, and the property is not adjacent to a service station. Mr. Cohanzad indicated he would pay no more than \$1,000,000 for the subject property for the reasons already cited. Based on this sale the subject property is worth \$145 per square foot of land area.

Data 4 is the sale of two adjacent properties improved with 10 apartment units. One property has a 7-unit, 5,776 square foot apartment built in 1961. The other has a 3-unit, 3,746 square foot apartment building constructed in 1936. Upon development it appears 13-feet must be dedicated on Overland Avenue making the net area 122-feet by 100-feet, or 12,200 net square feet. Comparing the price per square foot from Data 4 to Data 3 demonstrates the increase in value from plottage. Both are improved with apartment buildings and the primary difference is that Data 3 (\$242/SF) has 50-feet of frontage and Data 4 (\$434/SF) has 100-feet of frontage. The discount for plottage indicated by these two sales is -44% $((1 - (\$242/\$434)))$, but this discount also includes street frontage and overall size. For Data 4 the density based on the zoning will allow development with at most 16-units, and with 10-units currently on the property the improvements do contribute to value. This can be demonstrated by the only apartment sale within one mile of this property in 2016 at \$430,000 per apartment unit and a current listing at \$620,000 per unit, compared to \$530,000 per apartment unit for Data 4. The improvement percentage in the assessed value serves as a guide to the contribution of the building improvements. This property is 500-feet south of Santa Monica Boulevard and there are conforming residential uses throughout the nearby district. It is not adjacent to a service station and overall is in a superior location. Based on this sale the subject property is worth \$140 per square foot of land area.

Data 5 was purchased by the same buyer as the property at 836 California, adjacent to the southwest. The sales price for each property was the same and together they have 70 feet of frontage along California Avenue. There was plottage involved. Dedication will be required for California Avenue and California Court, the alley to the rear, and the size of the property reflects its net area, 70-feet by 127.5-feet. The properties are located in Venice equidistant between Abbot Kinney Boulevard and Rose Avenue, both very desirable locations. The average, newer apartment rents in the area are substantially higher than in the subject's neighborhood and this demonstrates the superior location. Both properties are developed; one with a duplex and the other with a single family residence, and they are two blocks west of Lincoln Boulevard, the nearest commercial street. There is a newer Ralphs Grocery Store and Rite Aid pharmacy shopping center at California and Pacific Coast Highway. Broadway Elementary School is across the street from this property and Oakwood Recreation Center, a public park is 400-feet southwest. This property is surrounded by residential properties and is not adjacent to a service station, nor is it surrounded by large, illuminated billboards. Application has been made to the Coastal Commission to subdivide and develop the property with three single family residences. The homes will each have three stories and ground level and roof-top parking for seven vehicles. Each will have a pool, either ground level or roof-top. The fact that there were two parcels together figured prominently in the buyers purchase price. Based on this sale the subject property is worth \$120 per square foot of land area.

Data 6 is the sale of a property improved with a single family residence. It is the purchase of two properties side-by-side, each with 44-feet of frontage. It appears that upon development three feet will have to be dedicated, reducing the depth to 132-feet. There is plottage involved in the sale and the property is surrounded by strictly residential development. Average daily traffic counts at Missouri Avenue and Iowa are 1,363 vehicles indicating this is a good quality, quiet residential neighborhood. The property is nearly equidistant from Santa Monica Boulevard and Olympic Boulevard, nearly ½ mile north and south respectively. It is not adjacent to a service station, nor are there large, illuminated billboards surrounding the property. Average, newer apartment rents surrounding this property are higher than the subject property's location providing the basis for the assessment of a superior location. Based on this sale the subject property is worth \$115 per square foot of land area.

Data 7 is located in the Westwood area, a substantially superior location. It was advertised as being within walking distance of Westwood Village and UCLA and it is only one block east of Westwood Park. The property has 51 feet of frontage according to the assessor map, and it is located between two, very good quality condominium projects. They are discussed following:

- The property adjacent north, 10966 Rochester Avenue, is a 32-unit condominium project on a 15,250 square foot land parcel. This represents a density of 477 square feet of land per unit. The property was constructed in 1973 and is developed with six-stories of condominium units over subterranean parking. One unit has sold in the past year, a one bedroom, one bathroom unit containing 979 square feet for \$567,000. There are no current listings.
- The property adjacent south, 1375 Kelton, is a 37-unit project on a 23,176 square foot land parcel. This represents a density of 626 square feet of land per unit. The property was constructed in 1983 and has four stories of condominium units over a subterranean parking level. There have been five sales in the past year and there are no current listings. Only one 1-bedroom unit sold for \$540,000 and the four 2-bedroom units sold for an average price of \$735,500.

The balance of Kelton Avenue, and nearby surrounding streets, are developed with residential uses. The zoning imposes a height limit of 75 feet, or 6-stories, much higher than the subject property's 45-foot limit or three stories. Data 7 is developed with a 7-unit apartment building that is fully occupied and subject to rent control. The sales price equates to \$557,000 per apartment unit ($\$3,900,000 \div 7\text{-units}$) and within ½-mile there is a current listing for \$662,000 per unit and an August 2016 sale for \$566,000 per apartment unit. Data 7 was previously entitled but the entitlements expired. The buyer's broker, who is now involved with the development, indicated these entitlements could save about \$50,000 in development soft costs. They started the entitlement process in October 2016 and are proposing a 15-unit, 17,000 square foot apartment building. They anticipate a three year development period, or completion of the project in October 2019. The buyer's broker stated that the subject property was in a substantially inferior location, could not be developed to the same density, and that because of these things the capitalization rate on a finished apartment project would be 5.5% to 6%, much higher than other current sales of new projects. When asked what our property was worth, after doing some rough calculations they responded about \$1,000,000 to \$1,100,000. Average daily traffic within the residential neighborhood of Data 7 on the residential streets is about 2,000 vehicles. Average, newer apartment rents surrounding this property are higher than the subject property's location providing the basis for the adjustment of a superior location. With its superior zoning, location, existing improvements and surroundings it is vastly superior to the subject property. Based on this sale the subject property is worth \$195 per square foot of land area.

Adjustment Considerations

A summary of the adjustment analysis comparing the comparables to the subject is shown as follows:

Adjustment Summary							
	#1	#2	#3	#4	#5	#6	#7
Address	3672 Overland	12229 Pico	1553 Armacost	1906-14 Overland	836-40 California	1832-36 Barrington	1361 Kelton
Sale Price (PSF)	\$274.68	\$347.73	\$242.86	\$434.43	\$336.17	\$223.85	\$486.28
Transactional							
Interest Conveyed	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Conditions of Sale	Plottage	Plottage	Similar	Plottage	Plottage	Plottage	Similar
Financing	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Market Conditions	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>	<u>Similar</u>
Comparison	Superior	Superior	Similar	Superior	Superior	Superior	Similar
Physical							
Location	Sim.-Sl.Sup.	Superior	Superior	Superior	Superior	Superior	Superior
Access	Similar	Superior	Similar	Similar	Similar	Similar	Similar
Street Frontage	Superior	Similar	Similar	Superior	Superior	Superior	Similar
Size/Shape	Superior	Similar	Similar	Superior	Similar	Superior	Similar
Development Potential	Similar	Similar	Superior	Superior	Similar	Similar	Superior
Site Imp	<u>Superior</u>	<u>Superior</u>	<u>Superior</u>	<u>Superior</u>	<u>Superior</u>	<u>Superior</u>	<u>Superior</u>
Comparison	Superior	Superior	Superior	Superior	Superior	Superior	Superior
Overall Comparison	Superior	Superior	Superior	Far Superior	Superior	Superior	Far Superior
Value Indication	\$165	\$165	\$145	\$140	\$120	\$115	\$195

After considering differences between these data items and the subject property, they demonstrate that the subject property cannot be worth near \$225 per square foot (\$1,575,000). In fact, after considering the differences between each of the sales and the subject property the subject property must be worth less than \$170 per square foot (\$1,200,000) but more than \$120 per square foot (\$840,000). After considering each of the sales, and placing primary weight on Data 1, 2, 3, 4 and 6, we have concluded on a value of \$150 per square foot, with a reasonable range set at \$145 to \$155 per square foot. This would provide an indicated value of \$1,050,000 (\$150 x 7,012)

Market Data Outside West Los Angeles Market

As was mentioned, the data set was chosen specifically because it is located in West Los Angeles. However, five of the sales involved plottage (or were part of an assemblage) Data 1, 2, 4, 5 and 6, and three of the sale properties, Data 3, 4 and 7, were heavily improved with the building improvements contributing to the overall value. Therefore we looked for sales of properties in other, somewhat comparable locations, which could serve to provide an indication of value for the subject property. These are summarized below and discussed briefly following this.

Land Sales Summary							
Data No.	Location APN	Size (SF)	Zone	Sale Date Doc No.	Buyer Seller	Sale Price	\$/PSF
A	5047 Lankershim Blvd No. Hollywood 2353-010-008	6,534	C4-1-CA	7/26/2016 869490	Napa Industries LLC Lankershim Noho LLC	\$1,150,000	\$176.00
B	4411 W. Magnolia Blvd. Burbank 2476-014-028	8,059	C3	3/31/2016 356964	Diadan Holdings Ltd Jan, Inc.	\$675,000	\$83.76
C	472 S Market St Inglewood 4021-022-001	4,356	C1	Listing N/A	N/A Alemayehu Teferi/Embaye Hana	\$650,000	\$149.22
D	11115 McCormick St No. Hollywood 2350-018-094	8,233	C4-2D-CA	1/29/2016 109758	Luna Capital Ventures, LLC CRA/LA designated local authority	\$1,310,000	\$159.12
E	5064 Santa Monica Blvd Los Angeles 5538-001-026	5,624	C2-1D	Listing N/A	N/A Karaguoziyan Nazik (TE), et al.	\$659,995	\$117.35
F	608 S Serrano Ave Los Angeles 5503-028-007	9,008	C2-2	4/25/2016 465847	Chul Heay Shin Kenneth E. Fisher Trust	\$1,000,000	\$111.01
G	1405 Virgil Place Los Angeles 5542-011-004	6,490	C2-1D	7/11/2016 801394	Childrens Hospital Los Angeles Ramon Lizarraga	\$500,000	\$77.04

Data A is the sale of 6,534 square foot lot located on Lankershim Boulevard in the community of North Hollywood. The property sold in July 2016 at a price of \$1,150,000, or \$176 per square foot. According to the broker, this was an above market sale price (was expecting to get \$1,000,000, or \$153.04) with the high sale price attributed to an assemblage premium (buyer had purchased adjoining properties as well). The property is zoned C4-1CA which allows for many of the same uses allowed on the subject property, namely C-2 zone uses and R-4 zone uses. The broker indicated that there is a 775 square foot fire turnaround easement which impacts the usability and site design of building improvements. The property is located in a far superior area to that of the subject property primarily due to its superior quality improvements and neighborhood identity. According to the broker, the buyers intended use for the property is for multi-family development.

Data B is the March 2016 sale of an 8,059 square foot lot located in the nearby community of Burbank. The property sold for \$675,000, or \$83.76 per square foot. Zoned C-3 (General Commercial) in the city of Burbank. The buyer of the property owns the adjacent parcel that is used as a recording studio, with the intended use of this parcel to be for future expansion and to prevent someone else from developing the lot. The buyer has no immediate plans to build anything on the lot and will leave it vacant. According to the broker, there was a full set of plans for a 3,000 square foot owner-user building that was offered with the purchase, but the buyer was not interested. The broker felt that the sale price was indicative of market value.

Data C is the current listing of a 4,356 square foot, triangular shaped lot located on S. Market Street in the city of Inglewood. The property is listed at a price of \$650,000, or \$149.22 per square foot.

While there are two small offices and a convenience store on the property, the property is essentially a redevelopment play. However, a buyer might give some value to the improvements on an interim use basis while redevelopment plans are being formulated. According to the broker, the property recently fell out of escrow (full price offer from a doctor), due to an individual in the buying entity absconding with the money and fleeing the country. The property is located at a high visible location with high traffic counts (30,000 cars per day). The property was zoned C-2 but has been rezoned in recent months along with many other Inglewood parcels to a mixed-use zone. This property is less than a mile from the Forum, new NFL stadium, new Metro Station, and LA International Airport.

Data D is the January 2016 sale of an 8,233 square foot property located on McCormick Street in the NoHo Arts District in the community of North Hollywood. The property sold at a price of \$1,310,000, or \$159.12 per square foot. The property sold under conditions of an on-line auction and a 30 day escrow, with the buyer's intended use unknown. However, the broker opined that the probable and highest and best use of the property would be for some form of multi-family use, consistent with the land use patterns in the immediate area. The property is zoned C-4, and like Comparable No. 1, is located in a far superior area to that of the subject property.

Data E is the current listing of a 5,624 square foot lot located in East Hollywood on Santa Monica Blvd. The property is listed for sale at \$659,995 or \$117.36 per square foot. According to the listing broker, the property is currently in escrow at a price close to the asking price. While there is an auto body shop on the property (\$2,500 per month with lease expiring in January of 2018) and a billboard on the property that brings in \$217 per month on a month to month basis, the list price is essentially a land value. However, a buyer might give some value to the improvements on an interim use basis while redevelopment plans are being formulated. The broker felt that a mixed-use development would be the most likely use of the property based on zoning and surrounding and uses.

Data F is the April 2016 sale of a 9,008 square foot lot located on South Serrano Avenue in Los Angeles. The property sold at a price of \$1,000,000 or \$111.01 per square foot. The property was being used as a parking lot at the time of sale with the buyer's intended use unknown. Attempts to confirm the buyer's intended use was not possible due to a language barrier. Like the subject property, this property is zoned C2. The property is a fully improved lot with all utilities available and concrete paving and perimeter fencing in place.

Data G is the sale of a 6,490 square foot parcel located at the corner of Virgil Place and De Longpre Avenue in the city of Los Angeles. The property sold for \$500,000 or \$76.73 per square foot. Like the subject property, the property is zoned C2 allowing for a variety of commercial and residential uses. The buyer of the property was The Children's Hospital of Los Angeles, and is in close proximity to the hospital. Currently used for parking, it appears that the property was purchased for continued parking use. However, calls inquiring about the intended use were not returned. The property is located on an interior street with poor visibility/exposure for commercial development. Like the subject property, adjacent land uses include single family and multi-family use.

These seven data items outside the West Los Angeles market area range from about \$77 to \$176 per square foot. Applying many of the same adjustments to this set of data as the primary data set indicates a range of \$100 to \$125 per square foot. The West Los Angeles market is very strong and would attract potential buyers for the subject property simply based on the subject property's location. Using these supplemental data items the value of the subject property cannot be less than \$125 per square foot, or \$875,000.

Reconciliation

The seven West Los Angeles data items ranged from about \$225 to \$485 per square foot before consideration of any differences. The subject property is 50-feet wide and several of the sales represented assemblages, the owner trying to create a property that is wider than 50-feet. This demonstrates that the subject property would not be as attractive to a developer at only 50-feet wide. In addition, some of the sale properties had improvements which contributed to the overall property value, and were marketed as investment properties. With development times taking from two to three years, even as a land parcel, it is better to collect income for an interim period, than to not have any income. The subject property is in a poor location, it is only 50-feet wide, and is just as susceptible to a commercial office development as to a multifamily residential building. This alone demonstrates its inferiority to the market data gathered. There are no amenities for a residential development nearby, like a park or attractive commercial areas, and the local area has a security problem as evidenced by the razor ribbon and barbed wire on adjacent fencing. When the adjacent service station is also considered, and with all the traffic right at the subject property, the subject property is not a desirable residential development site.

Based on our analysis and investigation into the value of the subject property as of December 7, 2016, the date of initial property inspection, the subject property is worth approximately \$150 per square foot, which would equate to a rounded value for the 7,012 square foot site of \$1,050,000. With potential for a 9 or 10-unit residential project this would equate to \$110,000 per potential unit, and this appears reasonable.

Additional Analysis – Investment Value

In addition to a market value estimate, we were asked to provide an investment value estimate, analyzing what the adjacent property owner would pay for the property, the property owner to the north or the property owner to the south.

Investment value is defined in the Dictionary of Real Estate Appraisal, 6th Edition, 2015, page 121 as:

The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.

From my analysis of this market I found that a premium was paid for plottage, or assemblage. The difference between these two states is in the range of 15% to 20%. Therefore, to account for assemblage to an adjacent owner a 17.65% adjustment up, or to about \$175 per square foot, would be appropriate. This would equate to about \$1,230,000. This would be my estimate of the investment value (price) the next door property owner would pay for the subject property.

Certification

The undersigned appraiser certifies that, to the best of his 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.
- They have no present, prospective, direct or indirect interest in the property that is the subject of this report, nor personal interest or bias with respect to the parties involved.
- They have no bias with respect to the property that is the subject of this report or to the parties involved in this assignment.
- Their engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Their compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 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, which include the Uniform Standards of Professional Appraisal Practice.
- D. Michael Mason, MAI has made a personal inspection of the property that is the subject of this report. Kent Carpenter, MAI has not made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the appraiser signing this certification.
- The appraisers signing this appraisal report has provided an appraisal of the subject property in the three years immediately preceding acceptance of this assignment. There have been no other services, as an appraiser, or in any other capacity, in the previous three years.

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- As of the date of this report, D. Michael Mason, MAI, has completed the continuing education program of the Appraisal Institute. As of the date of this report, Kent Carpenter, MAI, has completed the continuing education program 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.

Very Truly Yours,
Epic Land Solutions, Inc.



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Photographs



Looking west at the subject property from Beloit Avenue (Google Street View 11/14)



Looking east at subject from alley (Google Street View 11/14)

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Looking north along Beloit Avenue & freeway off-ramp (subject at left) (Google Street View 11/14)



Looking south along Beloit Avenue (subject at right) (Google Street View 11/14)



Looking north along alley (subject at right) (Google Street View 11/14)



Looking south along alley (subject at left) (Google Street View 11/14)



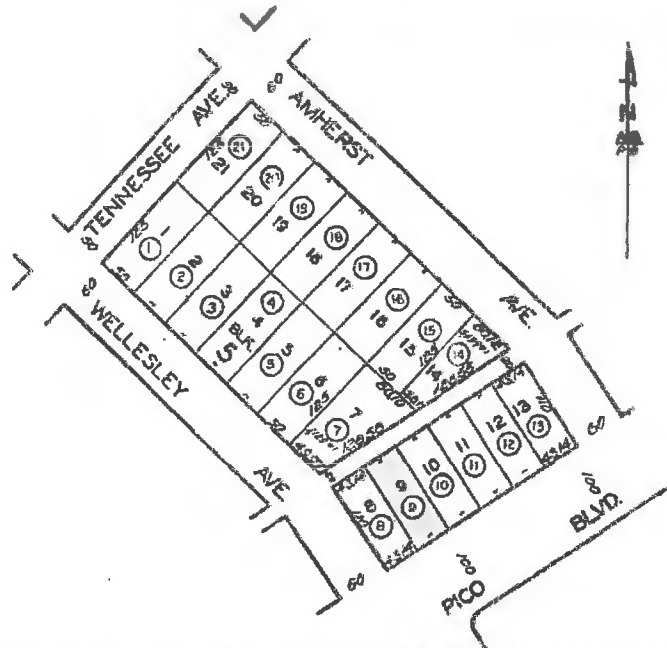
Data No. 1 Photograph. Taken 1-8-17 by D. Michael Mason, MAI



Data No. 1 Plat Map



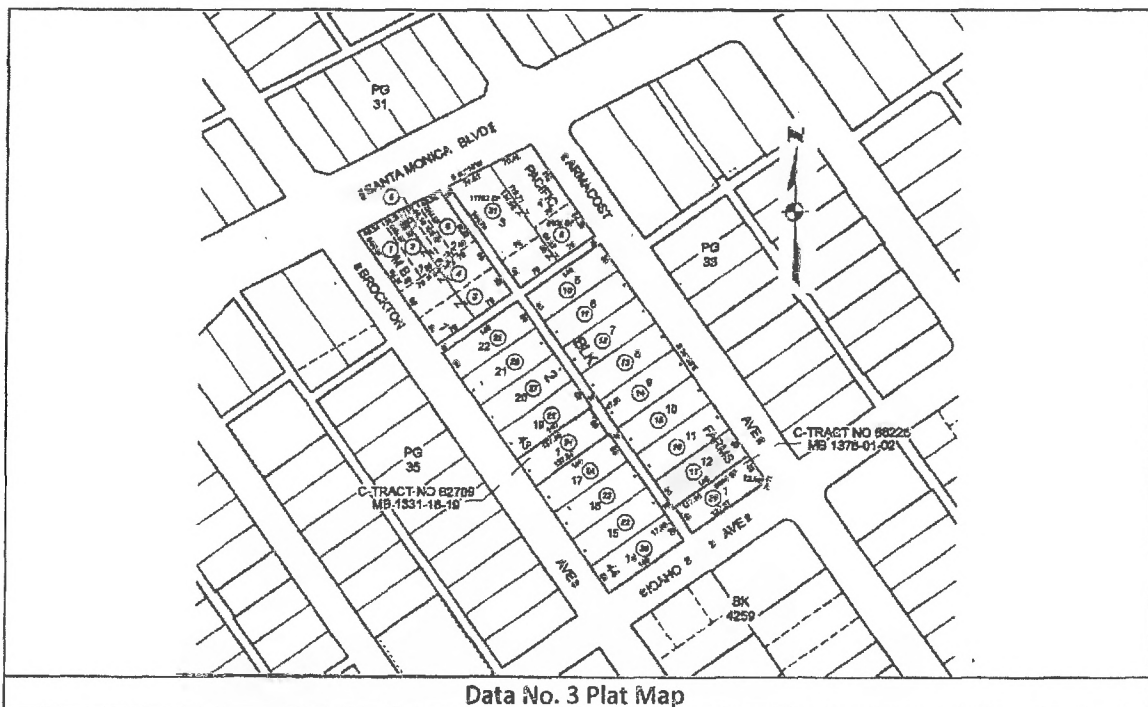
Data No. 2 Photograph. Taken 1-8-17 by D. Michael Mason, MAI



Data No. 2 Plat Map



Data No. 3 Photograph. Taken 1-8-17 by D. Michael Mason, MAI



Data No. 3 Plat Map

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Data No. 4 Photograph. Taken 1-8-17 by D. Michael Mason, MAI

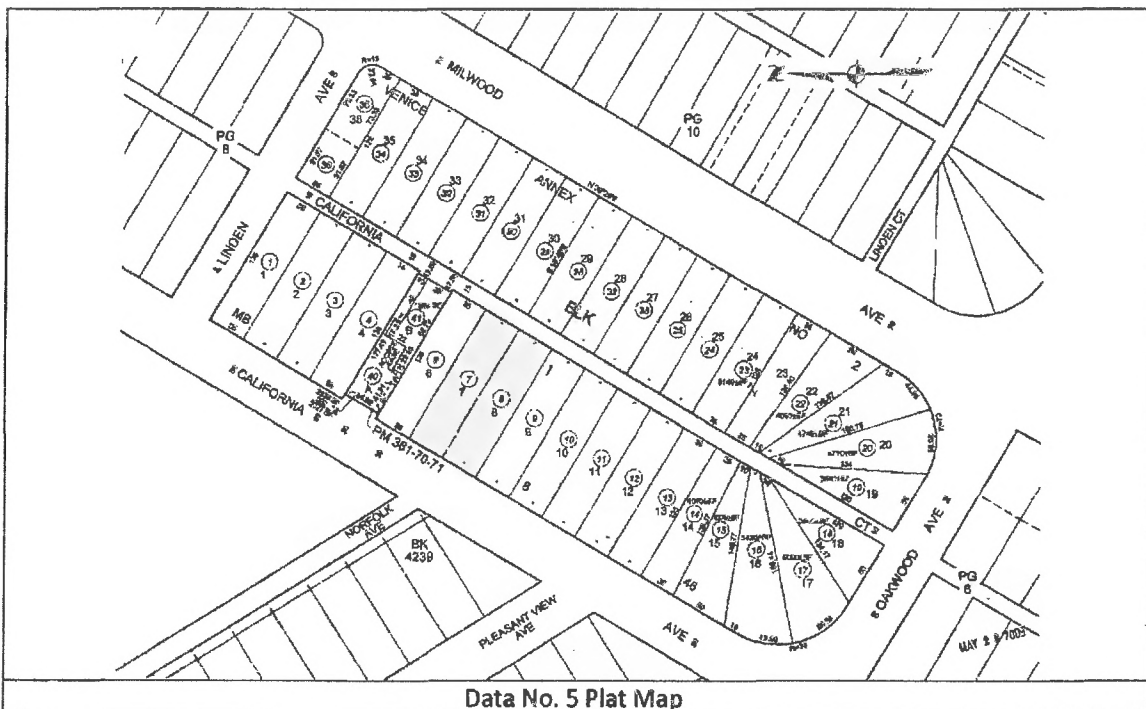


Data No. 4 Plat Map

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Data No. 5 Photograph. Taken 1-8-17 by D. Michael Mason, MAI





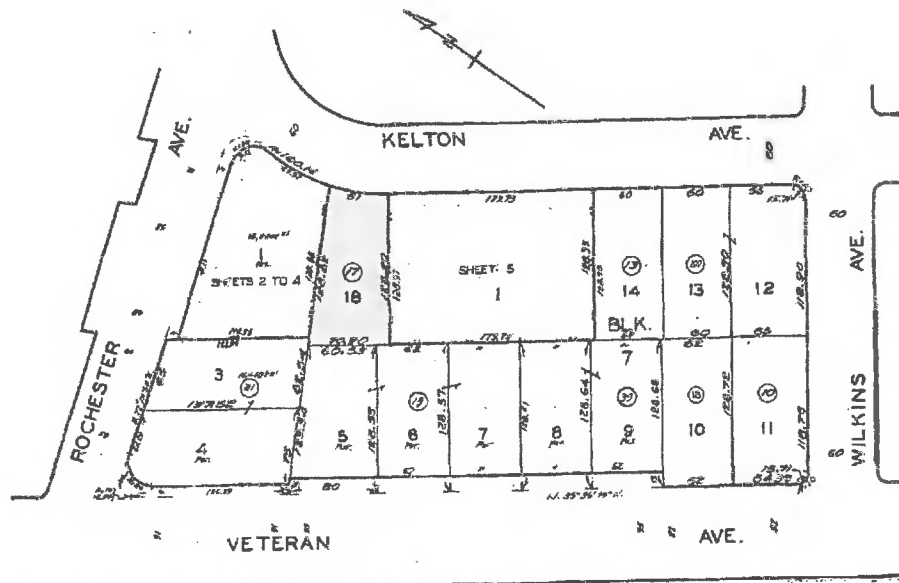
Data No. 6 Photograph. Taken 1-8-17 by D. Michael Mason, MAI



Data No. 6 Plat Map



Data No. 7 Photograph. Taken 1-8-17 by D. Michael Mason, MAI



Data No. 7 Plat Map

Addenda

Assumptions and Limiting Conditions

This report is made expressly subject to the standard assumptions and conditions which are a normal part of any real estate appraisal.

- 1) The term "Market Value", as used in this report is defined previously.
- 2) The date of value to which the conclusions and opinions expressed in this report apply, is as set forth previously in this letter. Further, the dollar amount of any value opinion rendered in this report is based upon the purchasing power of the American dollar existing on that date.
- 3) The appraiser assumes no responsibility for economic or physical factors which may affect the opinions in this report which occur after the date of this letter transmitting the report.
- 4) The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
- 5) The appraiser reserves the right to make such adjustments to the analyses, opinions and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.
- 6) No opinion as to title is rendered. Title is assumed to be marketable and free and clear of all liens, encumbrances, easements and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management, and available for its highest and best use.
- 7) The appraiser assumes no responsibility for hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for arranging for engineering studies that may be required to discover them.
- 8) The property is appraised assuming it to be in full compliance with all applicable federal, state, and local environmental regulations and laws, unless otherwise stated.
- 9) The property is appraised assuming that all applicable zoning and use regulations and restrictions have been complied with, unless otherwise stated.
- 10) The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.

- 11) No engineering survey has been made by the appraisers. Except as specifically stated, data relative to size and area was taken from sources considered reliable and no encroachment of real property improvements is considered to exist.
- 12) No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials except as expressly stated.
- 13) Maps, plats and exhibits included in this part are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced, or used apart from the report.
- 14) No opinion is intended to be expressed for matters which require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers.
- 15) That possession of this report, or a copy of it, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with proper written qualification and only in its entirety.
- 16) Unless specifically stated, this appraisal does not take into consideration the possibility of the existence of asbestos, PCB transformers or other toxic, hazardous, or contaminated substances and/or underground storage tank (hazardous material), or the cost of encapsulation or removing thereof. Should the client have concern over the existence of such substances on the property, we consider it imperative for you to retain the services of a qualified independent engineer or contractor to determine the existence and extent of any hazardous materials, as well as the cost associated with any required or desirable treatment or removal thereof.

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Kent Carpenter, MAI, Senior Appraiser



**Total Years of
Experience: 33**
Years with Firm: <1

Education: Bachelor of Science,
 Financial Planning & Counseling,
 Brigham Young University

Graduate Courses, San Diego State
 University

Registrations/Certifications:
 Certified General Real Estate
 Appraiser, California, License
 #AG003087

MAI Designated Member,
 Appraisal Institute

Associations/Organizations:
 Officer, San Diego Chapter of the
 Appraisal Institute, 2008

Kent J. Carpenter has over 30 years of experience in the valuation of residential, commercial, industrial, agricultural and special purpose properties in California. Prior to joining Epic, Kent worked as Managing Director for the San Diego offices of Hilco Real Estate Appraisal and Grubb & Ellis Landauer Valuation Services. Additionally, he was a principal at a top San Diego County appraisal firm – Lipman, Stevens & Carpenter, Inc. Carpenter's extensive experience includes expert witness testimony in federal bankruptcy court, San Diego Superior Court and arbitrations/depositions involving real estate values. Clients include government entities, financial institutions, accounting firms, insurance companies, law firms, developers and private property owners.

Please note: The appraisal group works independently within the Epic organization to ensure complete objectivity and impartiality for all appraisal opinions and conclusions.

Relevant Experience

Valuation Specialties:

- | | |
|------------------------------|---------------------|
| • Special purpose properties | • Condemnations |
| • Agricultural Land | • Partial Interests |
| • Industrial/Flex Buildings | • Multi-Family |
| • Shopping Centers | • Hotels |
| • Retail Properties | • Offices |

Government Clients:

- | | |
|---|-------------------------------------|
| • United States Department of the Interior | • County of San Diego |
| • General Services Administration (GSA) | • City of San Diego |
| • Los Angeles County Community Development Commission | • City of La Mesa |
| • Port of San Diego | • City of National City |
| • San Diego Metropolitan Transit System (MTS) | • San Diego Unified School District |
| | • Perris Elementary School District |

Financial Institution Clients:

- | | |
|---|---------------------------|
| • Teachers Insurance & Annuity Association – College Retirement Equities Fund (TIAA-CREF) | • California Bank & Trust |
| • ING (Retirement & Insurance Products & Services) | • Bank of the West |
| • Capital Source Lending | • Metro United Bank |
| • Bank of America | • City National Bank |
| • Wells Fargo Bank | • Embarcadero Bank |
| • Union Bank | • Ironstone Bank |
| | • Rabobank |
| | • Resmark Equity Partners |

Real Estate Clients:

- Quadrant Real Estate Advisors
- BAE Systems
- Moss Adams
- Internal Revenue Service

D. Michael Mason, MAI, SRA

Chief Appraiser



Total Years of Experience: 34

Years with Firm: >1

Education: Bachelor of Science, Business Administration, California State University, Los Angeles

Completed specialized Appraisal Courses sponsored by the American Institute of Real Estate Appraisers as required for the RM and MAI professional designations.

Completed the Litigation Certificate Program of the Appraisal Institute

Registrations/Certifications:

State Certified General Real Estate Appraiser, OR, License #C001166

Certified General Real Estate Appraiser, CA, License #AG001673

Certified General Real Estate Appraiser, NV, License #A.0206950-CG

MAI Designated Member, Appraisal Institute

SRA Designated Member, Appraisal Institute

Associations/Organizations:

Southern California Chapter of the Appraisal Institute, President (1996)

Thomas F. Mason Education Trust Fund of the Southern California Chapter of the Appraisal Institute, Former Trustee

As a third-generation appraiser with more than 30 years of experience, Mike Mason's background spans all areas of real property appraisal, including residential, agriculture, commercial, industrial and special purpose. He has handled particularly complex appraisals for condemnation right of way, easements, mortgage lending, employee relocation, fire loss, establishing sales price, arbitration, estate settlements, air rights and aviation, as well as subterranean easements. Lecturer, faculty member and former president of the Southern California Chapter of the Appraisal Institute, Mason is well known for his ability to tailor messages when explaining the intricacies of the appraisal process, whether in the courtroom, boardroom or community center. He has provided services to corporations, financial institutions, law firms, and local, state and federal agencies and districts. To help ensure the integrity of the appraisal profession, Mason has developed academic and industry coursework for topics ranging from property valuation to profession standards and code of ethics. Mason joined Epic in January 2015 and heads up the appraisal group, which provides services across the company. Please note: The group works independently within the Epic organization to ensure complete objectivity and impartiality for all appraisal opinions and conclusions.

Relevant Project Experience

Residential: Single-family residences, condominium units and entire condominium projects, apartments, motels, residential subdivisions. Examples: Skyline Terrace Apartments, a 198-unit proposed apartment complex; a 72-unit Rodeway Inn; a 205-lot residential subdivision in Burbank.

Commercial: Neighborhood and community shopping centers, general and medical office buildings, specialty shopping centers, retail stores, department stores, historically significant structures. Examples: Moorpark Town Center, a 125,109-square-foot shopping center with 37 tenants; a proposed 21-story office tower in Costa Mesa; Tanner Market Shopping Center in Pasadena; K-Mart Department Store in Los Angeles; Crystal Court Regional Mall in Costa Mesa.

Industrial: Business parks, single-tenant warehouses, loft buildings, multi-tenant warehouses. Examples: Pacifica Industrial Center, Carson; six-story loft building on South Santee Street in the garment district of Los Angeles; 339,830 square foot Eastman Warehouse in Signal Hill; two business parks in Flair Park, El Monte.

Special Purpose: Theaters, restaurants, rights-of-way, easements, airports, special studies measuring the effects on value due to proximity to electrical overhead utility lines and airports. Examples: Six screen United Artist Theater in Pasadena; 3-mile right of way through Garden Grove; Ontario International Airport; utility line study for Los Angeles Department of Water and Power in Kenter Canyon, Los Angeles; Aviation easements surrounding Fullerton Municipal Airport, Sunrise Convalescent Hospital in Pasadena.

Review Appraisal: Shopping centers, office buildings for First Republic Thrift and Loan, Mitsui Manufacturers Bank, City National Bank, Preferred Bank, Trust Bank, First Commercial Bank, the City of Santa Clarita and the FDIC.

California High Speed Rail project, Fresno – Bakersfield, Chief Appraiser: Epic provides acquisition, relocation, appraisals and in-field appraisal reviews involving partial and full acquisitions for residential, commercial, and industrial properties.

Teaching, Lecturing and Authorship Experience

- Faculty for the Appraisal Institute. Courses taught include Principles of Real Property Valuation, Residential Valuation, Basic Valuation Procedures, Residential Case Studies and Report Writing, Advanced Sales Comparison and Cost Approach, Uniform Standards of Professional Practice and the Code of Ethics – 1986 to date
- Developed the seminar, USPAP Update – 1992
- Developed the seminar, OREA State Laws and Federal Regulations – 1992
- Lecturer, Computer Seminar sponsored by Southern California Chapter Number 5 of the American Institute of Real Estate Appraisers – 1982
- Lecturer, Apartment Seminar sponsored by Southern California Chapter Number 5 of the American Institute of Real Estate Appraisers – 1988
- Teacher, Beginning Real Estate Appraisal Course, University of California at Los Angeles Extension Program – 1985 to 1988
- Part-time Faculty at the University of Southern California, Finance, Business and Economics Department teaching the undergraduate course in real estate appraisal (FBE-465) and development (FBE 466). 1997 to 2003
- Developed the course titled Residential Case Studies and Report Writing for the American Institute of Real Estate Appraisers – 1988

*Appraisal of Parking Lot
Department of Transportation
City of Los Angeles*

1611 Beloit Avenue
Los Angeles, California

for

City of Los Angeles
111 East First Street
Suite 213
Los Angeles, California

IEICHEL * INIC *Real Estate Analysis*

06.29.11

City of Los Angeles
General Services Department
Asset Management Division
111 East First Street, Suite 213
Los Angeles, California 90012

Attn: JoAnn Kishi
Senior Real Estate Officer

Ladies and Gentlemen:

The following report presents an appraisal of a City-owned public parking lot located at 1611 Beloh Avenue, Los Angeles.

The purpose of the appraisal is to estimate the as-is market value of the property at its highest and best use on the appraisal date.

Contained within the body of the report are descriptive and analytical data documenting the valuation estimate. Also included are a legal description, definition of market value, statement of limiting conditions and value certification.

The as-is market value of the property at highest and best use, as of June 29, 2011, is:

*1*200,000

The as-is market value of the property assumed assembled with the adjacent Chevron site, as of June 29, 2011, is:

\$1,848,000

City of Los Angeles

Attn: JoAnn Kishi

06.29.11

Page 2

The appraisal report is a summary format which is intended to comply with the reporting requirements set forth by the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation.

This report is intended for use in disposition analysis pertaining to the property. The intended users of this report are the client, City of Los Angeles, its officers, administrators, and employees and appropriate regulatory agencies. This appraisal has been prepared for the exclusive benefit of the above-named client and stated intended users. It may not be used or relied upon by another party. Any party who uses or relies upon any information in this report without the preparer's written consent does so at his own risk.

Respectfully submitted,

v.

Norman Eichel, MAI

California State Certification AG008794

ME/pa

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PRINCIPAL FACTS AND CONCLUSIONS

Location:	1611 Beloit Avenue, Los Angeles
Assessor's Parcel No.:	4261-007-900
Thomas Guide Map:	631-J4
Land Description:	
Area:	7,000 SF
Topography:	Level at curb grade
Utilities and off-sites:	All available
Zoning:	C2-1VL
Drainage:	Surface to Beloit Street; no local subterranean flood control system
Flood plain:	Flood zone X; outside 100- and 500- year plain; Panel 060137 – 1590 F; September 26, 2008
Environmental:	Assumed favorable conditions; no environmental report submitted
Soils and geologic:	Assumed favorable conditions; no soils and geologic report examined
Earthquake/seismic status:	Not in Alquist-Priolo seismic system
Highest and best use assumed vacant:	Commercial development representing market demand

Improvement Description As-Is:

Type:	Parking lot
Current use:	City-owned public parking lot
Improvements:	Asphaltic paving on base material; four yard lights; two money change machines
Capacity:	20 diagonal striped parking spaces, including one handicapped and three compact; single aisle to west
Operation:	Two-hour limit, 7:00 am to 9:00 pm daily; \$1.00 per hour; no overnight parking
Accessibility:	Curb cut on Beloit Avenue; two-way 15-foot alley at west rear
As-Is Market Value:	\$1,200,000
As-Is Market Value as Assembled with Chevron Site	\$1,848,000
Date of Value:	June 29, 2011

1611 BELOIT AVENUE



DOT Parking Lot to East



DOT Parking Lot to West

1611 BELOIT AVENUE



Chevron Station Adjacent to DOT Parking Lot



Chevron Station Adjacent to Subject

1611 BELOIT AVENUE



Alley at Rear of DOT Parking Lot

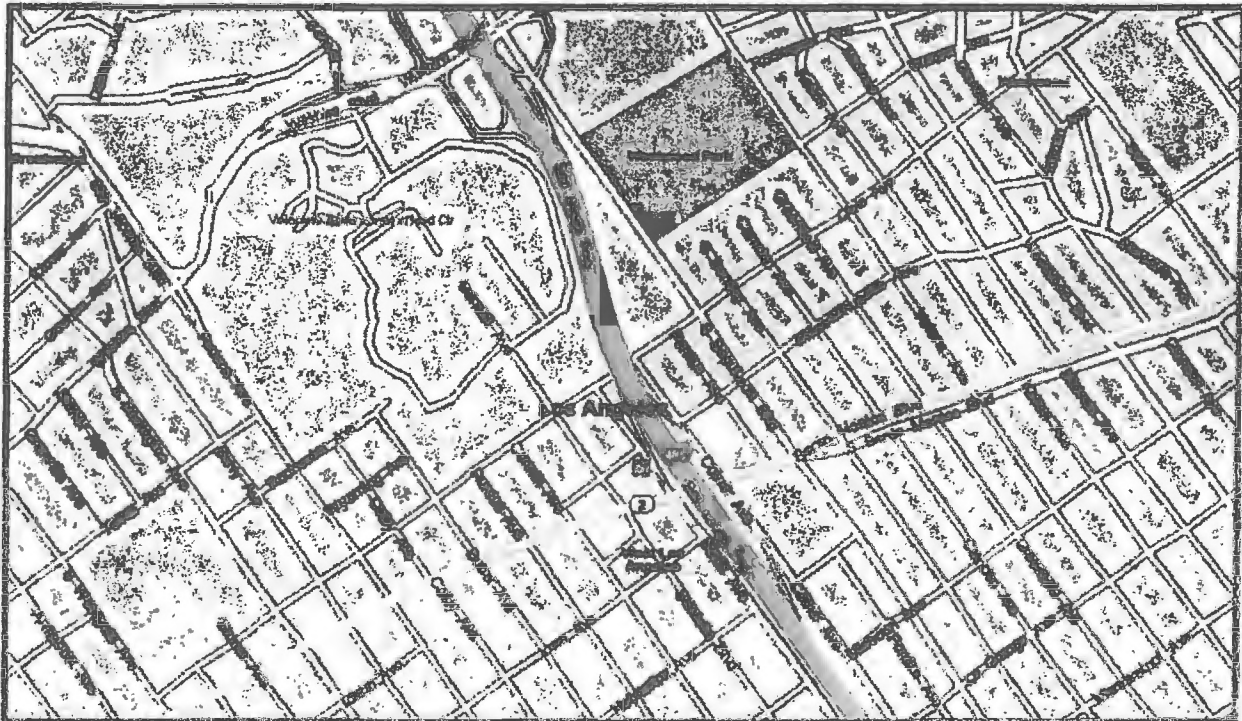


Interstate 405 Construction Adjacent to Beloit Avenue

AERIAL VIEW - 1611 BELOIT AVENUE



SUBJECT AREA MAP



THE VALUATION ASSIGNMENT

Objective

The purpose of the appraisal is to estimate the as-is market value of a City-owned public parking lot located at 1611 Beloit Avenue, Los Angeles.

Interest Appraised

The fee simple interest in the property encumbered by zoning, easements or title restrictions, if any, is the subject of the appraisal report.

Effective Date of the Value Estimate

The effective date of value is June 29, 2011; the value is based on market data and other pertinent information gathered and analyzed during June of 2011.

Function of the Appraisal

The function of the appraisal is to provide valuation information to assist in the possible negotiation of a sale of the property.

Intended User

This report is intended for use in disposition analysis pertaining to the property. The intended users of this report are the client, City of Los Angeles, its officers, administrators, and employees and appropriate regulatory agencies. This appraisal has been prepared for the exclusive benefit of the above-named client and stated intended users. It may not be used or relied upon by another party. Any party who uses or relies upon any information in this report without the preparer's written consent does so at his own risk.

Date of Inspection

Norman Eichel, MAI inspected the property on June 29, 2011 and other occasions.

Market Value Definition

Market value is defined below:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.¹ Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- buyer and seller are typically motivated;
- both parties are well informed and well advised, and acting in what they consider their best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The as-is market value on the appraisal date is an estimate of the market value of a property in the condition observed upon inspection and as it physically and legally exists as of the date the appraisal is prepared.

Extent of the Assignment

The extent of our assignment included data gathering, data analysis and evaluation.

- Data Gathering: The data gathering phase of the assignment included interviews with JoAnn Kishi, Senior Real Estate Officer, General Services Department, City of Los Angeles. Zoning and issues of entitlement were provided by the Los Angeles City Planning Department.

The site was visited to gather data concerning improvements, structural characteristics and condition, as well as factors of access and neighborhood influence.

¹ Source: office of the Controller of the Currency under 12 CFR, Part 34, Subpart C – Appraisals, 34.43 Definitions (f).

Comparable data were gathered by reference to published sources such as RealQuest property records, CoStar Group, title information and direct interviews with real estate brokers and property owners. Data thus obtained were assimilated with information contained in our files from past appraisals and research studies.

Throughout the data gathering process, an attempt was made to obtain information from primary sources only; secondary sources were utilized only as a matter of verification.

- **Data Analysis:** Initially, overall factors relating to interest rates, employment and demographics were explored and encompassed in the valuation process. Market data – comparable land sales – were adjusted for physical and location equivalence to the subject thereby developing indications of direct comparisons of value to the subject. A valuation was developed by employing these data into an indication of value for the as-is existing property. And, in this technique, standards uniformly accepted by the appraisal profession were employed.
- **Evaluation:** The indications of value were then correlated in consideration of all data gathered and analyzed and a final indication of as-is value was concluded.
- **Reporting Process:** The appraisal is presented in a summary format which is intended to comply with the reporting requirements set forth by the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation.

Assumptions Limiting Conditions

- The appraisal report is a self-contained format which is intended to comply with the reporting requirements set forth by the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation.
- The report is intended for use only by the City of Los Angeles for purposes relating to the possible disposition of the ownership of the property'.

This appraisal has been prepared for the exclusive benefit of the above-named client and stated intended users. It may not be used or relied upon by another party. Any party who uses or relies upon any information in this report without the preparer's written consent does so at his own risk.

- The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.
- The appraiser assumes no responsibility' for economic or physical factors that may affect the opinions in this report, which occur after the date of the letter transmitting the report
- The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
- The appraiser reserves the right to make such adjustments to the analyses, opinions and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.
- The property is appraised assuming it to be under responsible ownership and competent management, and available for its highest and best use.
- * The appraiser assumes no responsibility for hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for arranging for engineering studies that may be required to discover them.
- » The property is appraised assuming it to be in full compliance with all applicable federal, state, and local environmental regulations and laws, unless otherwise stated.

- The property is appraised assuming that all applicable zoning and use regulations and restrictions have been complied with, unless otherwise stated.
- The property is appraised assuming that all required licenses, certificates of occupancy, consents or other legislative or administrative authority from any local, state or national government or private entity or organization can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.
- No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area were taken from sources considered reliable and no encroachment or real property improvements are considered to exist.
- No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials except as is expressly stated.
- Maps, plats and exhibits included in this report are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced, or used apart from the report.
- No opinion is intended to be expressed for matters that require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers.
- The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
- That possession of this report, or a copy of it, does not carry with it the right of publication. Any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with proper written qualification and only in its entirety may not use it for any purpose.
- Since earthquakes are not uncommon in the area, no responsibility is assumed due to their possible effect on individual properties, nor for assessing the reliability of the seismic qualifications of structures on the subject properties.
- Testimony or attendance in court by reason of this appraisal is not required unless further authorization to fully appraise the property involved is granted the appraiser at a fee to be determined prior to commencement of such additional work as may be required.

- Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required discovering them. The client is urged to retain an expert in this field, if desired.

THE PROPERTY

Identification

The land referred to as the subject property is situated in the County of Los Angeles, State of California. The legal description of the land is shown below:

BARRETT VILLA TRACT LOT 3, MAP OF RECORDS 70-32-35

The property can also be identified as Assessor's parcel 4261-007-900.

Neighborhood Description

The following paragraphs describe locational characteristics of the subject property.

- **Location:** The subject property fronts Beloit Avenue as it merges to form the end of the southbound off-ramp of the Interstate 405 Freeway to Santa Monica Boulevard. The property then is effectively one half block north of Santa Monica Boulevard.

The encompassing area is known as the Westside which is part of the incorporated limits of the City of Los Angeles. The Westside includes such well-known communities as Beverly Hills, Bel-Air and Brentwood. All of the communities grouped here are areas of high prestige and serve, or are part of, one of the wealthiest residential areas in the country.

The general area includes a major part of the entertainment-oriented activities of the Los Angeles area, company headquarters, regional offices and all of the attendant services of these typical office occupants. Hotels, restaurants and shops further compliment the high order of services available and extend an area of service far beyond the Westside.

The neighborhood which includes the subject property is known as West Los Angeles, a community district part of incorporated Los Angeles City. This community is bounded on the north by Westwood, on the east by Century City, on the south by Rancho Park and Sawtelle and on the west by Brentwood and eastern areas of the City of Santa Monica.

- **Accessibility:** The site is accessible from Beloit Avenue, a 30-foot wide single lane street one way to the south. Beloit Avenue joins the southbound off-ramp of the Interstate 405 Freeway to form a three-lane intersection with Santa Monica Boulevard. Beloit Avenue extends its single lane path to the south of Santa Monica Boulevard.

Access to the site from Santa Monica Boulevard is gained by a route north on Sawtelle Boulevard, east on Massachusetts Avenue and then returning south on the Beloit Avenue single lane one way street which joins the off-ramp traffic just immediately beyond the subject property. There is no parking allowed on Beloit Avenue south of Massachusetts Avenue.

Another access route is available by a two-way, 15-foot alley which extends along the west rear boundary of the subject property between Santa Monica Boulevard and Massachusetts Avenue.

The post 405 construction configuration will not alter the access characteristics of the subject property.

- **Neighborhood Description:** The subject property is located in a decidedly mixed-use neighborhood. Adjacent to the south on Santa Monica Boulevard is a Chevron gas station with 12 pumps and a convenience store on 18,030 square feet of land. To the north on Beloit Avenue are two older multi-family buildings. To the north of Massachusetts Avenue is an array of single family and older multi-family uses.

Sawtelle Boulevard north of Santa Monica Boulevard is improved with a shopping center (Subway, donuts, print shop, cleaners, Japanese take-out and a 7-Eleven). A 76 gas station occupies the northwest corner. Other uses in this secondary quality commercial neighborhood are mid-rise office buildings, a warehouse distribution building, a Mexican restaurant and several small SRO hotels.

The south side of Santa Monica Boulevard at Beloit Avenue has a Holiday Inn Express, a marble/tile shop and the well-known Nuart Theater. Other secondary retail exists on either side of Santa Monica Boulevard to the west. The immediate neighborhood, of course, is dominated by an elevated section of the Interstate 405 Freeway with full north/south on- and off-ramps.

- **Summary:** The subject neighborhood is decidedly of secondary quality because of the highly irregular older mixed uses. Additionally, access to subject and neighboring properties is difficult because of the shared function of the freeway off-ramp. Regardless, the site's location is suitable for single occupant office or high-end sale-to-the-public warehousing. The site is also appropriate for destination retailing of a certain character.

Site Description

The following paragraphs present a description of the physical characteristics of the site.

- **Location:** The site is situated on the west side of Beloit Avenue, one property north of Santa Monica Boulevard. The address is 1611 Beloit Avenue, Los Angeles.

The site can be identified on the accompanying Assessor's parcel map.

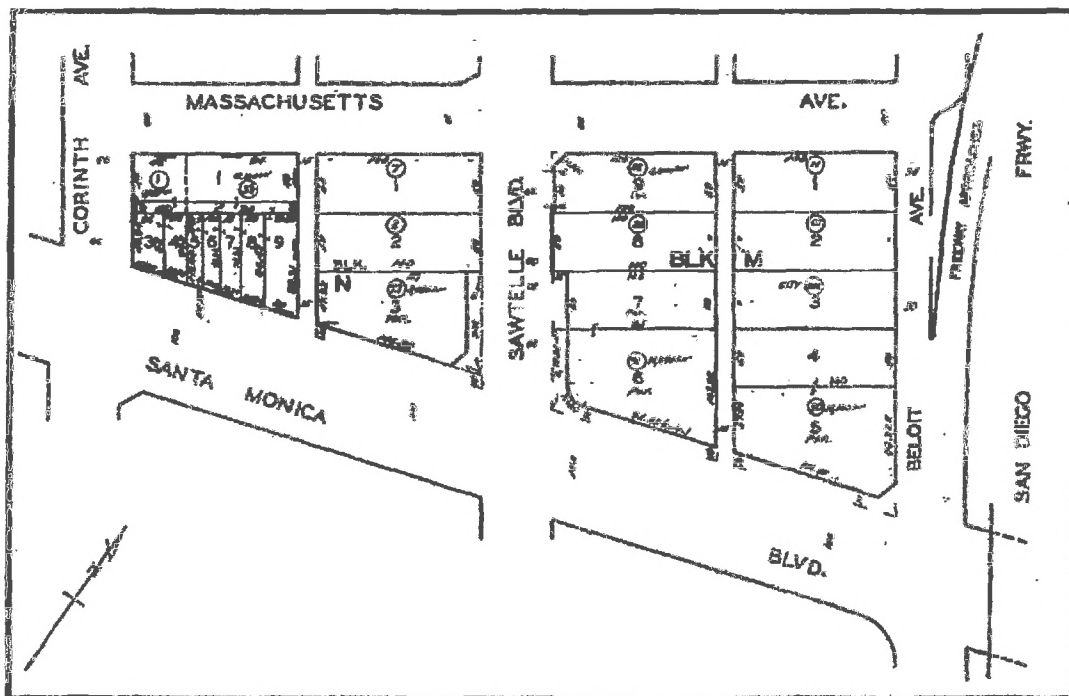
- **Dimensions and Area:** The subject property is rectangular in shape with 50 linear feet of frontage on Beloit Avenue and a uniform depth of 140 linear feet.

An alley 15 feet wide extends along the rear of the property.

The land area is 7,000 square feet.

- **Environmental Assessment:** No environmental study has been performed to our knowledge. No outward signs of environmental concerns were noted at our site inspection.
- **Soils and Geologic:** A soils and geologic report was not available for purposes of the appraisal. It is assumed that no soils or geologic issues exist which would affect the structural integrity of the existing improvements or negatively alter any future development.
- **Topography:** The property is essentially flat and at curb grade. There are no grade elevation changes or retaining walls.
- **Drainage:** Drainage is surface to Beloit Avenue; there are no drainage inlets in the immediate neighborhood.
- **Flood Plain:** The flood zone is X designation; outside 100- and 500- year plain, with Panel 060137-1590 F; September 26, 2008.
- **Earthquake/Seismic Status:** The subject property, as with most areas in California, is subject to periodic earthquake and seismic activity. The State of California Resources Agency, Department of Conservation, Division of Mines and Geology, prepares data on earthquake fault line proximity and liquefaction and landslides. The property does not lie within an Alquist-Priolo fault zone.

ASSESSOR'S PLAT



APN: 4261-007-900

- **Off-Site Improvements:** Off-site improvements include: Beloit Avenue, a 30-foot wide, single lane improved City street with concrete curbs, gutters, sidewalks and street lights.

A 15-foot-wide asphalt-paved alley extends along the rear of the property.

- **Utilities:** All utilities – electricity, gas, water, sewer, cable and telephone – are available to the site.
- **Easements:** No title report was available to indicate the existence of easements. It is likely that utility easements typical of all properties encumber the subject.
- **Covenants and Agreements:** We are not aware of any zoning or other recorded covenants and agreements materially impacting the subject.

Governmental Use Restrictions

The property is zoned C2-1VL. This designation allows C1.5 uses, retail with limited manufacturing, offices, schools and R4 uses. The 1VL is the height and density of development district which is a 45-foot height restriction with three stories and an FAR of 1.5:1.

Property Ownership

The property is owned by the City of Los Angeles and managed by the Department of Transportation

Assessment and Taxes

The property is not assessed because of its public ownership.

Description of the Improvements As-Is

The following presents a description of the physical characteristics of the existing improvements.

Type:	Parking lot
Current use:	City-owned public parking lot
Improvements:	Asphaltic paving on base material; four yard lights; two money change machines

Capacity:	20 diagonal striped parking spaces, including one handicapped and three compact; single aisle to west
Operation:	Two-hour limit, 7:00 am to 9:00 pm daily; \$1.00 per hour; no overnight parking
Accessibility:	Curb cut on Beloit Avenue; two-way 15-foot alley at west rear

The above improvements represent a public use of this property as provided by the Department of Transportation of the City of Los Angeles. It is unlikely that if the subject property is offered in the open market that these improvements would contribute measurably to a value beyond land as vacant. This would be true even if the purchaser would use the property for off-street parking.

Highest and Best Use

- Definition: Highest and best use is defined as follows:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.²

Implicit in this definition is the availability of the land for highest and best use.

- Highest and Best Use Analysis: The highest and best use of the subject site is determined by several limiting factors. The first and most important is the secondary quality of the retailing in the immediate neighborhood. The age and quality of improvements do not lend well to new retail or office development here. Additionally, new R4 residential uses (rental or condominium) which are allowed in C2 zoning would be inappropriate because of freeway proximity coupled with the secondary commercial environment.

The site's location for commercial use is inferior to nearby locations on Santa Monica Boulevard as well as the retailing and office corridor on Sawtelle Boulevard between Santa Monica and Olympic boulevards.

It will be noted that apparently the public use of the site is only nominal based on several of our site visitations and aerial photographs.

² *The Dictionary of Real Estate Appraisal*, Third Edition, 1993. Page 171.

Another factor affecting the profitable use of the site is the difficult access. The site is only available by a circuitous route from Santa Monica Boulevard or by the narrow rear alleyway.

A third issue is the proximity to the Interstate 405 Freeway with attendant noise and a high level of traffic at the Santa Monica Boulevard off-ramp. It will be noted, however, that the disadvantages of the freeway are predominately offset by excellent freeway access. Many office occupants are greatly disturbed by the Westside traffic conditions at high-peak time periods and welcome freeway proximity.

- **Highest and Best Use Conclusion:** Despite the existence some disadvantages, the site is a rare vacant property within the highly desirable Westside. In our opinion, a significant market exists for smaller commercial land by single occupant owner/users for office or specialty retailing with immediate freeway access. The highest and best use of the property would, therefore, rest with a particular user gaining the general advantages of a Westside location.

VALUATION

Valuation Methodology

The property has been valued by the direct sales comparison method. Under the direct sales comparison approach, information is gathered on the sales of properties in the area of the subject property. These sales are then analyzed in an effort to find similarities between the property being appraised and value trends and characteristics as indicated by transactions in the open market. This is a comparative technique.

Additionally, either the buyer or seller was interviewed, when possible, to determine motivational and other factors affecting the sale price and the degree of comparability to the property appraised.

Adjustment Analysis

The comparable sales have been analyzed with respect to several adjustments as explained below – market conditions, location, nominal improvements, property rights, financing and conditions of sale.

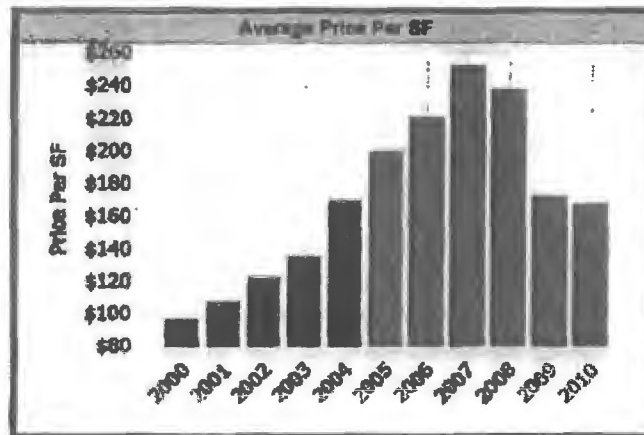
- **Market Conditions:** The most critical element of the appraisal is measuring the degree of adjustment for changes in market conditions over the period of the comparable sales.

The general pattern of real estate values of all land use categories is well-established – that is, a marked inflation since the beginning of the decade and before with a severe deflation since 2007 or 2008 to the present. Trends in residential values have been quantified by data accumulations from DataQuick and Zillow as well as the S&P/Case-Schiller Home Price Indices nationally.

To our knowledge, there are no reliable, regularly published trend indicators for retail, office and multi-family properties, either vacant land or improved to our knowledge. We contracted with CoStar Group to prepare a trend analysis for purposes of appraisals conducted by our office. The trend indicates the change in values of improved retail, office and multi-family properties since the year 2000. The measure was the median sale price per square foot annually from 2000 through 2009 and to June 11 of 2010. Values have not been adjusted since because of irregularities in base data. A survey of land values only by all sales or land use type was skewed because of limited numbers of transactions during the decline and a predominance of special factors such as bankruptcy and foreclosure sales. The trends indicated by improved sales, although in some instances affected by special factors, represent a reasonable method of portraying the pattern of the total market excluding single family residential and industrial.

The results of our special CoStar Group study are shown below along with an accompanying bar chart:

Year	Median \$/SF
2000	\$81.74
2001	85.76
2002	101.76
2003	126.15
2004	155.93
2005	190.75
2006	208.58
2007	220.03
2008	218.53
2009	180.00
2010	169.81



- **Location:** Always an important factor, the comparable sales were adjusted for neighborhood environment and reputation as well as issues of traffic corridor importance.

The sales on Santa Monica Boulevard and the Sawtelle Corridor are all generally superior to the subject. The adjustment for individual neighborhood character varies among the comparables.

- **Nominal Improvements:** Some of the comparable properties were nominally improved at sale. On all of the comparables, we have been informed by either the broker or buyer that land value was the critical determinant of purchase price and that the improvements lacked contributory value. No adjustments have been made.
- **Property Rights:** The subject is a fee simple interest estate. No adjustments were required for property rights as the comparables involved the conveyance of fee simple interest estates.
- **Financing:** This category adjusts the sale price of each comparable into its cash equivalent or modifies the price to current market financing. Favorable financing often leads to a higher selling price and unfavorable financing may reflect a lower selling price.

The financing terms for the comparables are cash or cash equivalent; therefore, no financing adjustments are warranted.

- **Conditions of Sale:** This category adjusts for typical conditions of sale and reflects any differences between the actual sale price of a comparable and its probable sale if it were currently sold in an arm's length transaction. All of the comparables represent arm's length transactions and required no adjustment for conditions of sale.
- **Adjustment Analysis:** The comparable land sales have been analyzed with respect to market conditions, location, property rights, financing and conditions of sale.

COMPARABLE SALES ADJUSTMENTS					
Price	\$225	\$204	\$194	\$186	\$272
Market conditions	180	194	157	171	204
Location	170	175	149	181	173
Property rights	-	-	-	-	-
Financing	-	-	-	-	-
Conditions of sale	-	-	-	-	-
Final adjusted	170	175	149	181	173

Sales Analysis

The above comparable vacant land sales which were primarily adjusted for market conditions and location range from \$149 to \$181 per square foot.

Sale 1 at \$180 per square foot time-adjusted is an unusually small site of 2,554 square feet, nominally improved with an older retail structure in poor condition.

COMMERCIAL LAND SALES

Datum	Location	APN	Zoning	Land SF	Date	Price	\$/SF
1	11322 Santa Monica Blvd, LA	4261-009-005	C2	2,554	07/24/06	575,000	225
Comments: Small site; secondary retail on Santa Monica Boulevard; one block west of Sawtelle Boulevard; no on-site parking; minimal older retail building, no value							

2	1800 Sawtelle Blvd, LA	4261-020-001	C2	5,275	05/18/10	1,075,000	204
Comments: Current remodel of minimal improvements into restaurant for buyer							

3	1834 - 1840 Sawtelle Blvd, LA	4261-020-022 & 023	C2	12,700	09/06/06	2,480,000	194
Comments: Retail and residential improvements, minimal value							

4	1837 Sawtelle Blvd, LA	4261-021-008	C2	8,610	04/02/09	1,800,000	186
Comments: Vacant lot; good location on Sawtelle Corridor							

5	2051 Sawtelle Blvd, LA	4261-033-022 & 023	C2	20,573	03/08/07	\$5,800,000	\$272
Comments: Original retail and residential demolished for new commercial development; excellent location							
S	1511 Beloit Ave, LA	4261-007-900	C2	7,000	06/29/11	1,200,000	171

COMPARABLE LAND SALES MAP



Sale 2 is a former Japanese market which is currently being remodeled into a restaurant by the buyer. This is a corner site on the Sawtelle Corridor. The property was acquired in May of last year for \$194 per square foot time-adjusted.

Sale 3 at \$157 per square foot time-adjusted has an unusual array of improvements – a small retail building, four apartments and a portable office structure – all of which do not represent contributory value to the land. The location is central on the Sawtelle Corridor.

Sale 4 is a property which sold vacant in April of 2009 for a time-adjusted price of \$171. This is a good central Sawtelle Corridor location with adaptable neighborhood environment for either commercial or high-end residential use.

Sale 5 with 20,573 square feet sold in March of 2007 for \$272 per square foot unadjusted. It was improved with older retail on Sawtelle Boulevard with single families on Mississippi Avenue. The improvements have been demolished in favor of a new development with ground floor retail and upper floor residential. This has an excellent location diagonal to Sawtelle Boulevard's best retail properties.

Valuation Conclusion

In our opinion, the market value of the subject property, as of June 29, 2011, is:

7,000 SF @ \$170/SF	\$1,190,000
Rounded	\$1,200,000

VALUE AS ASSEMBLED WITH CHEVRON SITE

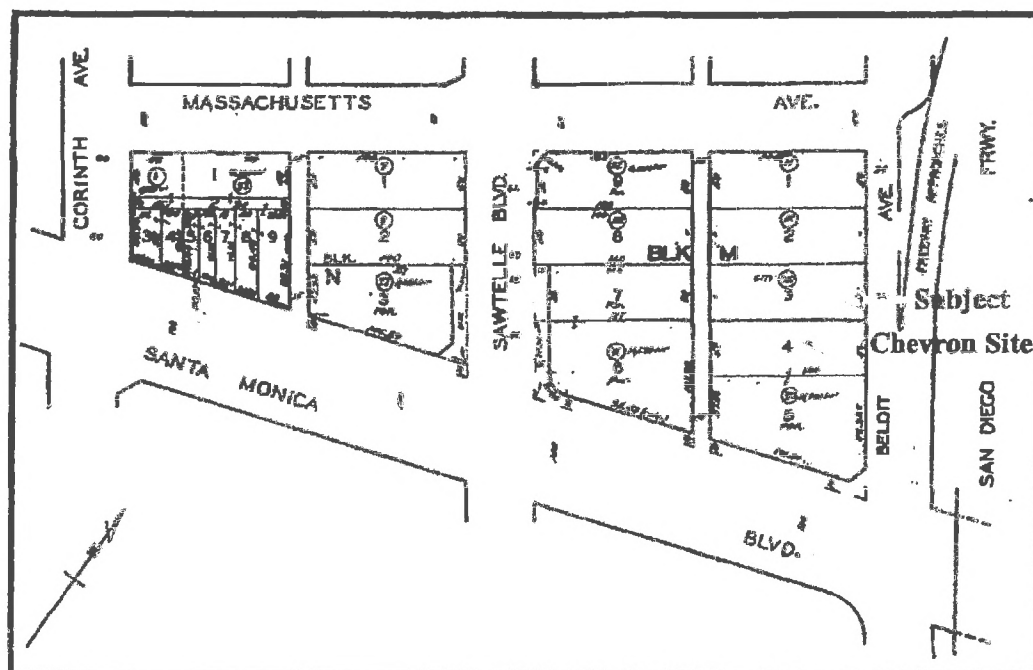
A part of our assignment has been to provide an indication of the value of the subject property as if assembled with the adjacent ownership.

It has been noted earlier that the subject property is adjacent to the Chevron gas station site which occupies the northwest corner of Santa Monica Boulevard and Beloit Avenue. This site is an excellent high visibility corner location on Santa Monica Boulevard, one of the major thoroughfares in the Westside. This site contains 18,030 square feet and is zoned C2-1VL.

This site was purchased on August 13, 2007 for a reported \$6,350,000 or \$352 per square foot. We are unable to verify this acquisition price except to note that the current assessed value of \$6,461,649 approximately confirms this price. Adjusting the \$6,350,000 using the CoStar Group index presented earlier in the report would produce a time-adjusted price today of \$4,762,500 or \$264 per square foot.

Were the subject property assumed to be assembled with the Chevron gas station site at sale, the time-adjusted value for the subject today would be \$264 per square foot or \$1,848,000.

The indicated value of the combined Chevron and DOT properties at \$264 per square foot today is supported by comparable sales shown earlier in the report. Note that a site of 25,000 square feet at this excellent corner location with immediate freeway access represents a highly desirable parcel of investment real estate.



COMPARABLE LAND SALE

No: 1

Identification

Location: 11322 Santa Monica Boulevard, Los Angeles
Assessor's parcel: 4261-009-005
Map: 632-A5

Site Data

Area: 2,554 SF
Topography: Level
Zoning: C2
Utilities: All available
Street improvements: All installed
Improvements: Single story retail, sidewalk line; frame and stucco;
minimal store front; 1,540 SF; built in 1906/1932;
no on-site parking; poor condition
Use: Computer repair shop

Transfer Data

Interest: Fee simple
Grantor: Akira Murakami
Grantee: David Pourbaba/4D Trust
Date: 7/24/06
Document: 1619192
Transfer value: \$575,000
Unit land price: \$225/SF
Financing terms: N/A
Source: RealQuest; public records; deed
Comments: Located in-line of secondary retail on Santa Monica
Boulevard first block west of Sawtelle Boulevard

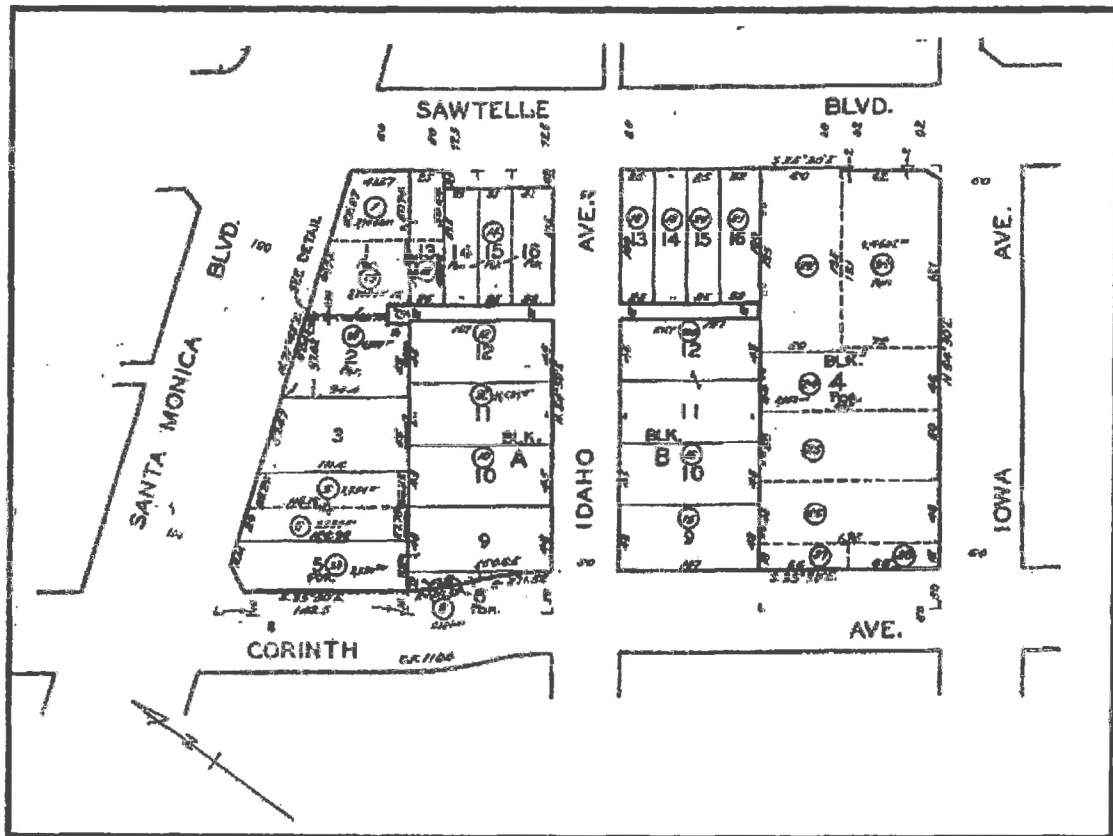
COMPARABLE LAND SALE



Sale 1: 11322 Santa Monica Boulevard, Los Angeles



Sale 1: 11322 Santa Monica Boulevard, Los Angeles



4261-009-005

COMPARABLE LAND SALE

No: 2

Identification

Location: 1800 Sawtelle Boulevard, Los Angeles
 Assessor's parcel: 4261-020-001
 Map: 632-A5

Site Data

Area: 5,275 SF
 Topography: Level
 Zoning: C2
 Utilities: All available
 Street improvements: All installed
 Improvements: Single story retail, sidewalk line; frame and stucco; minimal store front; 2,435 SF; built in 1938; no on-site parking; poor condition
 Use: Currently being remodeled into restaurant for buyer

Transfer Data

Interest: Fee simple
 Grantor: Yoneo Maeda and E Family Trust
 Grantee: Sawtelle Market LLC
 Date: 5/19/10
 Document: 729868
 Transfer value: \$1,075,000
 Unit land price: \$204
 Financing terms: \$800,000 private party
 Source: RealQuest; public records; buyer on site
 Comments: Relatively good location on Sawtelle Boulevard; minimal contributory value of improvements

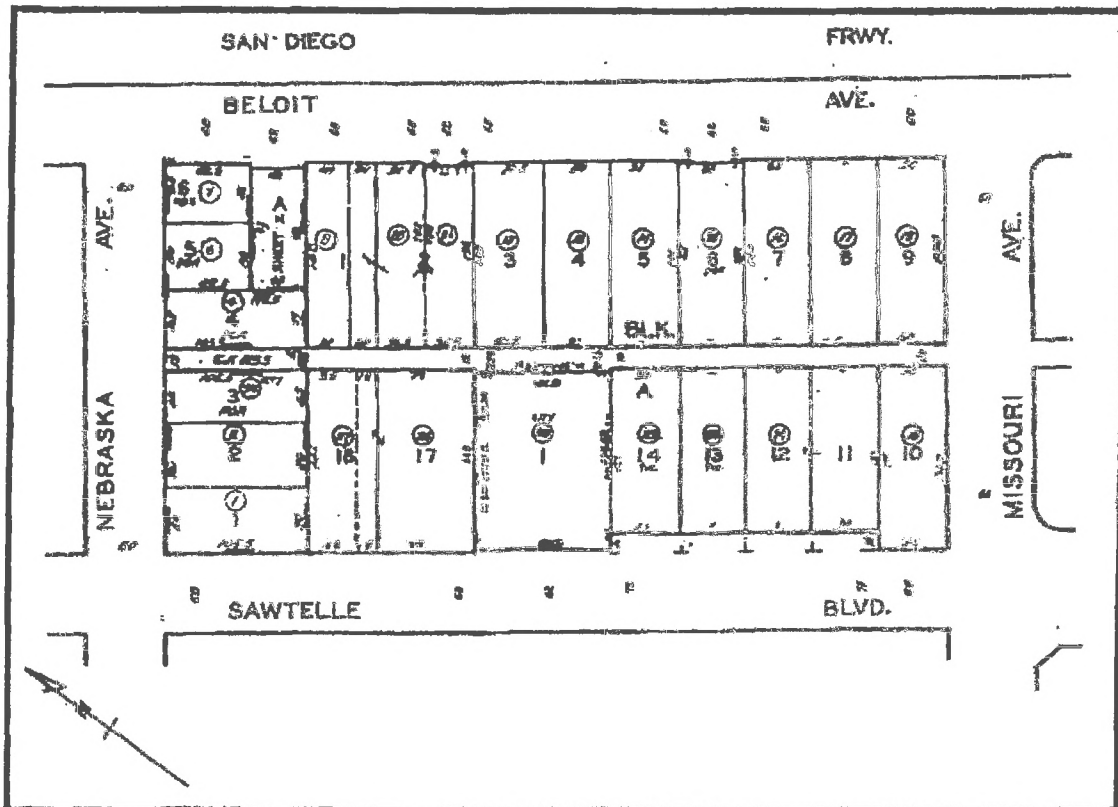
COMPARABLE LAND SALE



Sale 2: 1800 Sawtelle Boulevard, Los Angeles



Sale 2: 1800 Sawtelle Boulevard, Los Angeles



4261-020-001

COMPARABLE LAND SALE

No: 3

Identification

Location: 1834 1840 Sawtelle Boulevard, Los Angeles
Assessor's parcel: 4261-020-022 and 023
Map: 632-A5

Site Data

Area: 12,700 SF
Topography: Level
Zoning: C2
Utilities: All available
Street improvements: All installed
Improvements: Single story retail, sidewalk line; frame and stucco; full-height glass store front; 2,850 SF; no on-site parking; average condition. Four one-bedroom apartments to rear with four-garage parking off alley; adjacent lot has portable office not on site at sale
Use: Interim investment to future higher use

Transfer Data

Interest: Fee simple
Grantor: Massoud Rabbanian
Grantee: EHO One LLC/ETOM EHO TR One LLC
Date: 9/6/06
Document: 2148724
Transfer value: \$2,460,000
Unit land price: \$194/SF
Financing terms: N/A
Source: RealQuest; public records
Comments: Multi-use investment property; minimal contributory value to improvements

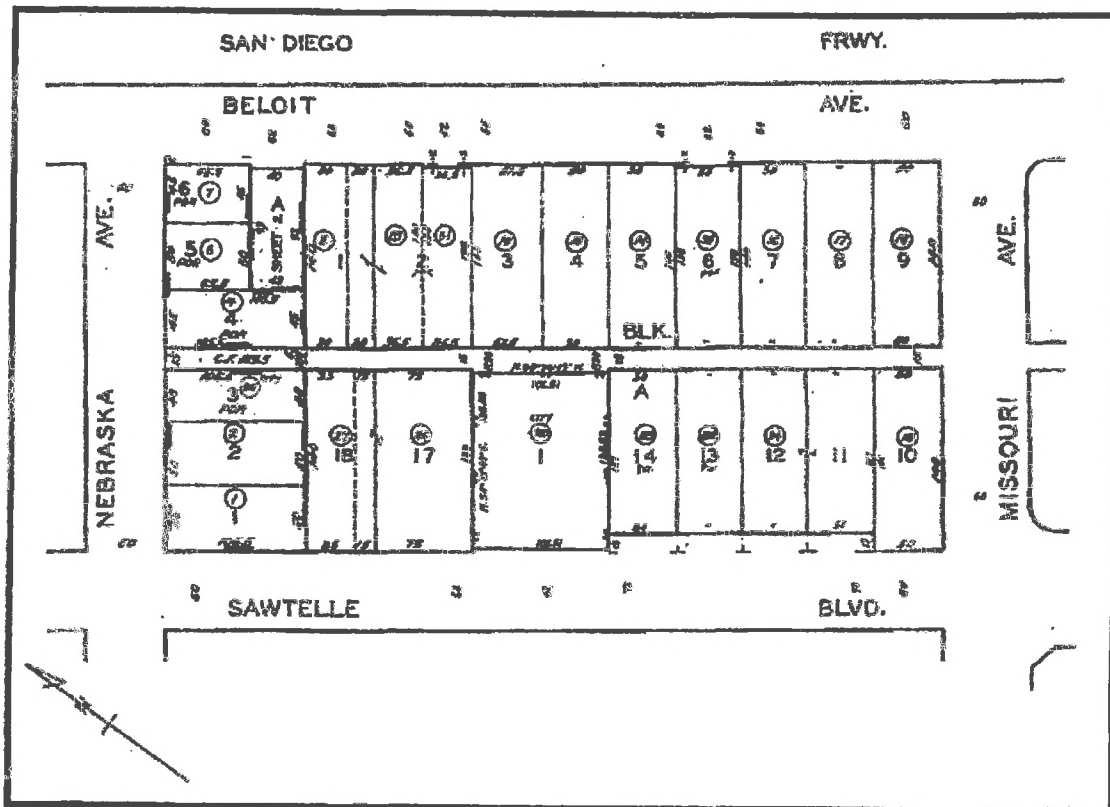
COMPARABLE LAND SALE



Sale 3: 1834 – 1840 Sawtelle Boulevard, Los Angeles



Sale 3: 1834 - 1840 Sawtelle Boulevard, Los Angeles



4261-020-022 and 023

COMPARABLE LAND SALE

No: 4

Identification

Location: 1837 Sawtelle Boulevard, Los Angeles
Assessor's parcel: 4261-021-008
Map: 632-A5

Site Data

Area: 8,610 SF
Topography: Level
Zoning: C2
Utilities: All available
Street improvements: All installed
Improvements: None; vacant site
Use: Hold for future commercial development

Transfer Data

Interest: Fee simple
Grantor: Orchid Lofts LLC
Grantee: 317 Delaware LLC
Date: 4/2/09
Document: 830271
Transfer value: \$1,600,000
Unit land price: \$186/SF
Financing terms: N/A
Source: RealQuest; public records
Comments: Good location on Sawtelle Boulevard commercial district

COMPARABLE LAND SALE



Sale 4: 1837 Sawtelle Boulevard, Los Angeles



Sale 4: 1837 Sawtelle Boulevard, Los Angeles



4261-021-008

COMPARABLE LAND SALE

No: 5

Identification

Location: 2051 Sawtelle Boulevard, Los Angeles
11313 Mississippi Avenue, Los Angeles
Assessor's parcel: 4261-033-022 and 023
Map: 632-B6

Site Data

Area: 20,573 SF
Topography: Level
Zoning: C2
Utilities: All available
Street improvements: All installed
Improvements: Nominal retail and original residential at sale
Use: Construction of new ground floor retail, upper
residential

Transfer Data

Interest: Fee simple
Grantor: Yamaguchi Family Trust
Grantee: Salzman Family 1999 Trust
Date: 3/9/07
Document: 576993
Transfer value: \$5,600,000
Unit land price: \$272/SF
Financing terms: \$4,480,000 conventional loan
Source: RealQuest; public records; deed
Comments: Excellent location in heart of Japanese commercial
district

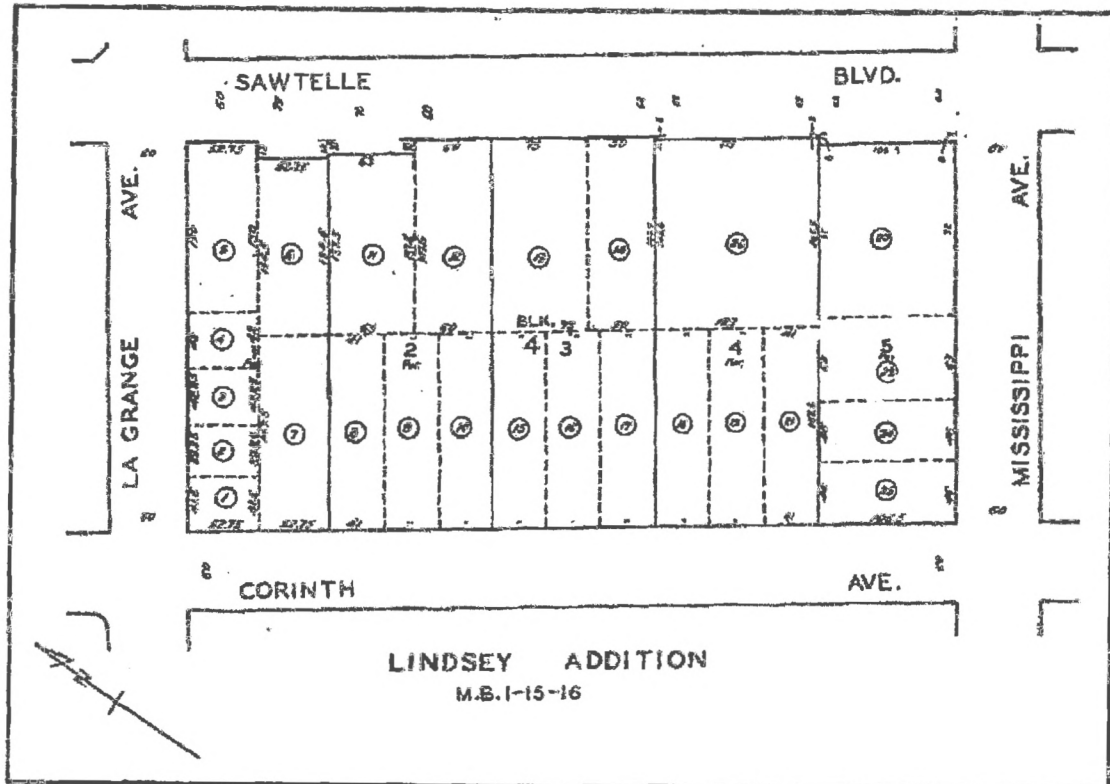
COMPARABLE LAND SALE



Sale 5: 2051 Sawtelle Boulevard, Los Angeles
11313 Mississippi Avenue, Los Angeles



Sale 5: 2051 Sawtelle Boulevard, Los Angeles
11313 Mississippi Avenue, Los Angeles



4261-033-022 and 023

CERTIFICATION

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.
- Neither Norman Eichel, Eichel, Inc. nor any of its officers has any present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- Neither Norman Eichel, Eichel, Inc. nor any of its officers has any bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- As of the date of this report, Norman Eichel has completed the requirements of the continuing education program of the Appraisal Institute and is also certified as a general real estate appraiser in the State of California with identification number AG008794, with an expiration date of May 2, 2012.
- The appraisal assignment was not based upon a requested minimum valuation, a specific valuation or the approval of a loan.
- There was no information pertinent to the completion of the appraisal which was unavailable.

Respectfully submitted,



Norman Eichel, MAI
California State Certification AG008794

NE: pa

EXHIBIT IX

ORDINANCE NO. _____

An Ordinance authorizing and providing for the sale of certain City-owned real property which is no longer required for use by the City, and the public interest or necessity requires the sale thereof without the necessity of calling to bids, to QUATTRO SM/BELOIT PARTNERS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY for the sum of ONE MILLION EIGHT HUNDRED FORTY EIGHT THOUSAND DOLLARS (\$1,848,000).

THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

Section 1. The Council of the City of Los Angeles hereby finds and determines that certain real property owned by the City of Los Angeles, and located at the address and /or location set forth hereinafter, is no longer required for the use of the City and that the public interest, convenience and necessity require the sale. It is hereby ordered that such real property be sold, pursuant to certain conditions hereinafter set forth and without notice of sale or advertisement for bids to QUATTRO SM/BELOIT PARTNERS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY for the sum of ONE MILLION EIGHT HUNDRED FORTY EIGHT THOUSAND DOLLARS (\$1,848,000) in accordance with the provisions of Section 385 of the City Charter and Division 7, Chapter , Article 4 of the Los Angeles Administrative code.

Location:

1611 S. BELOIT AVENUE, LOS ANGELES, CA 90025
APN: 4261-007-900

Legal Description:

Lot 3, Block M, Barrett Villa Tract as shown on map recorded in Book 70, Pages 32 to 35 of Miscellaneous Records, records of the County Recorder of Los Angeles County.

EXCEPTING AND RESERVING unto the City of Los Angeles all oil, gas, water, and mineral rights now vested in the City of Los Angeles without, however, the right to use the surface of said land or any portion thereof to a depth of 500 feet below the surface, for the extraction of such oil, gas, water and minerals.

SUBJECT TO the condition that the property be purchased no later than January 31, 2018.

SUBJECT TO covenants, conditions, restrictions, reservations, easements, encroachments, rights, and rights of way of record or which are apparent from a visual inspection of the real property(ies), and excepting and reserving to the City of Los Angeles any interest in the fee to the adjacent street(s) which would otherwise pass with the conveyance of the above described parcel(s) of land.

ALSO SUBJECT to sale, in "As Is with all faults" condition, the purchasers purchasing the City owned property, by such act, expressly agreeing to purchase the property in an "As Is and with all faults" condition and without any warranty as to fitness for use, fitness for a particular use or development, or condition of the property, and that the City has no obligation to improve or correct any condition of the property, whether known or unknown before or after the date of the sale, including without limitations the condition of the property as its potential use or future development.

Section 2. The Mayor of the City of Los Angeles in the name of and on behalf of said City is hereby authorized and directed to execute a Grant Deed conveying said City parcel described in Section 1 of this Ordinance to QUATRO SM/BELOIT PARTNERS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY; The City Clerk of said City is hereby authorized and directed to attest thereto and to affix the City Seal.

Section 8. The Department of General Services, Real Estate Services Division, is authorized to accept a ten percent (10%) non-refundable deposit of the purchase price, open title and escrows, issue title transfer instructions/escrow, and/or deliver the grant deed, process and execute all necessary documents to effectuate this sale, and otherwise complete the transactions, and the Chief Accounting Employee of the Department of General Services is authorized to deposit the proceeds, over and above the expenses of sale, into the proper accounts as provided by law. The purchaser, QUATRO SM/BELOIT PARTNERS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, shall pay 1/2 (one half) escrow fees and pay all incidental costs associated with this property purchase transaction including, but not limited to recording fees, documentary transfer fees, title insurance fees, escrow fees, personal property taxes where applicable, and any other real estate transaction taxes. Purchaser at his own expense may obtain any desired survey of the property.

Section 4. The City Clerk shall certify to the passage of this Ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that the foregoing Ordinance was introduced at the meeting of the Council of the City of Los Angeles _____ and passed at its meeting of _____.

Approved as to Form and Legality:
Michael N. Feuer, City Attorney

Holly L. Wolcott, City Clerk

By: _____

By: _____

Date: _____

Date: _____

Council File No. _____

ERIC GARCETTI
MAYOR

EXHIBIT X, XI

Exhibit X and XI

Source of Funds for Purchase of 1611 S. Beloit Avenue:

1. LADOT Special Parking Revenue Fund (SPRF)

Instructions for the Allocation of the Proceeds of the Sale of 1611 S. Beloit Ave.:

1. Appropriate from the Reserve Fund \$1,848,000 to the following departments, funds and accounts:
 - i. A total of \$67,250 to the Department of Transportation, Department 94, Fund 100, Account 003040, Contractual Services for implementation of the Street Sweeping Notification Pilot Project (C.F. 15-1449);
 - ii. A total of \$118,000 to the Department of General Services, Department 40, Fund 100, Account 003040, Contractual Services for escrow fees and implementation of the Street Sweeping Notification Pilot Project (C.F. 15-1449);
 - iii. A total of \$219,840 to the Information Technology Agency, Department 32, Fund 100, Account 003040, Contractual Services for implementation of the Street Sweeping Notification Pilot Project (C.F. 15-1449);
 - iv. A total of \$177,758 to the Bureau of Street Services, Department 86, Fund 100, Account 001010, Salaries, General for implementation of the Street Sweeping Notification Pilot Project (C.F. 15-1449);
 - v. A total of \$375,152 to the Department of Transportation, Department 94, Fund 100, Account 003040, Contractual Services for implementation of a parking citation rate and policy study (C.F. 15-1450-S1);
 - vi. A total of \$890,000 to the Affordable Housing Trust Fund, Fund 44G;

TRANSPORTATION
INFORMATION TECH. & GENERAL SVCS.
BUDGET & FINANCE

APR 22 2009

09-0914
CD 11

MOTION

The West Los Angeles neighborhood in the City of Los Angeles has been a community of continued economic revitalization during the past decade. With significant public investment in transit, ridership in public transportation has increased dramatically. Unfortunately, parking for light rail stations has not grown at the same pace. This has led to transit users taking up needed parking in adjacent commercial districts and residential neighborhoods. In order to minimize these parking impacts, additional off-street municipal parking lots are needed near the Exposition Light Rail Line stations in CD-11, particularly in the Sawtelle/Pico area.

Just north of Santa Monica Boulevard, on Beloit Avenue, the City of Los Angeles owns and operates Municipal Off-Street Parking Lot No. 654. Given it's out of the way location and small size, this property is underutilized as a stand-alone surface parking lot. Given its proximity to Santa Monica Boulevard, a commercial corridor, Parking Lot 654 should be sold, and the future developer of the site should be required to provide an equal number of parking spaces for the general public

I THEREFORE MOVE that the City Council authorize the General Manager of the Department of Transportation to declare Municipal Off-Street Parking Lot No. 654 at 1611 S. Beloit Avenue (APN 4261007900) as surplus property and approve the transfer of said property to the Department of General Services, Asset Management Division.

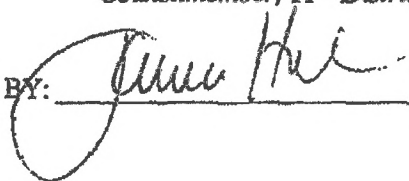
I FURTHER MOVE that the City Council instruct the General Manager, Department of General Services to sell said property at fair market value, for use as a commercial development within the approved zoning for the property.

I FURTHER MOVE that the City Council instruct the General Manager, Department of General Services, to deposit the proceeds from the sale of Parking Lot 654 in the Special Parking Revenue Fund. These proceeds shall be designated for land acquisition and construction of an off-street municipal parking lot within the 11th Council District, in the Sawtelle Boulevard corridor, between Tennessee Avenue and Exposition Boulevard near the Exposition Light Rail Line.

PRESENTED BY:


BILL ROSENDAHL
Councilmember, 11th District

SECONDED BY:



APR 22 2009

JP

ORIGINAL