

## QUALIFICATIONS

**PAUL TALMAGE, MAI**

**California Certified General Real Estate Appraiser No. AG004846**

**EMPHASIS: LITIGATION APPRAISAL CONSULTATION FOR REAL ESTATE  
THROUGHOUT CALIFORNIA**

**President of DANA Real Property, LLC**, a commercial appraisal and consulting firm organized in 1974 to provide professional analysis and reporting on California real estate assets of the individual, corporate, governmental, and institutional client. Mr. Talmage started the company and has been a full-time appraiser for more than 35 years, extensively experienced in valuing commercial, industrial, multi-residential properties and undeveloped land.

**Expert Witness** experience includes over 125 depositions and over 30 trial appearances. Mr. Talmage has qualified as an expert witness in Superior Courts in San Mateo, Alameda, Santa Clara, San Francisco, Contra Costa, Orange, and Fresno Counties in California. He has also testified in Federal District, Bankruptcy, and Tax Courts.

**Currently**, Mr. Talmage resides in Mesa, Arizona and limits most of his activities to litigation appraisal consultation with property owners, attorneys, and government agencies throughout the State of California, and is available for travel state-wide. He has written extensively and addresses various organizations on appraising for litigation purposes.

**Prior Experience** includes:

Owner of DANA Property Analysis, Palo Alto or San Mateo offices 1981-2006

Independent Real Estate Appraiser, Palo Alto office, 1974-81

Real Estate Analyst with Coldwell Banker, San Francisco, 1973-74

Real Estate Appraiser with Richard M. Robbins, MAI, San Francisco, 1972-73

Commercial Loan Appraiser, Sequoia Mortgage Company, San Jose, 1971-72

**Professionally**, Mr. Talmage has been a member of the Appraisal Institute since 1977. He has served both the San Francisco Greater Bay Area and Greater Phoenix Chapters. He has chaired seven education-related committees over 19 years and spoken at and moderated numerous appraisal conferences, seminars, and workshops on varied topics including court testimony. He has authored numerous articles, particularly relating to institutional investor yield requirements and court testimony.

**Credentials include** a Master of Science degree in Cybernetic Systems (concentration in real estate investment analysis) from San Jose State University (1972) as well as a Bachelor of Science degree in Industrial Technology from San Jose State University (1969) and an Associate of Arts degree in Engineering

from City College of San Francisco (1966). He is a certified MAI designated member of the Appraisal Institute (No. 5651). He is also a state certified general real estate appraiser in California (No. AG004846).

### **Examples of California Appraisal Assignments:**

#### **For Litigation:**

1. Six San Mateo County partial and full acquisitions by the Bay Area Rapid Transit (BART) District ranging from two to 26 acres plus fee and easement acquisitions in a 49-acre regional shopping center and in three-mile and seven-mile transportation/communication corridors. Selected by BART for potential testimony in these major cases. Involved court testimony for two properties.
2. 26 municipal street light systems condemned by various cities and counties throughout the State of California. Employed by two utility company condemnees. Involved court testimony in Superior Courts of San Mateo, Fresno, and Orange Counties.
3. The possessory interest rights to a cable television company in 10 counties throughout Northern California, including San Francisco, for tax appeal. Employed by the property rights owner, Viacom Corporation. Involved three weeks of testimony in San Francisco.
4. A 5,500-acre ranch of which 1,250 acres were condemned by the federal government for the construction of a flood control dam in Merced County, California. Employed by the land owner. Involved court testimony in Federal District Court.
5. A 17,000-acre property used for farming, hunting, and wildlife preservation, with the potential for wetlands/habitat mitigation, the sale of water rights, and low density residential development; located in the Yolo Bypass of the Sacramento Valley and condemned for preservation and other purposes. Employed by the condemnor, Yolo County. The case settled after depositions.

#### **For Estates:**

1. Various fractional interests in a number of San Francisco Marina District apartment complexes; successfully testified in U.S. Tax Court regarding the merits of using a market-based discount rate comparison methodology versus a partitioning cost methodology; for the property owner. **See BROCATO v. COMMISSIONER OF INTERNAL REVENUE**, Docket No. 18887-97, filed December 29, 1999.
2. The 100 percent interest in 350 commercial and industrial properties in Northern California and Arizona, for a single owner.

3. A 6.8 percent fractional interest in two hotels, vacant land, and two restaurants clustered along the Bay shoreline in Burlingame, each subject to differing ground lease terms.

4. Various fractional interests in 20 commercial or agricultural properties in Monterey and Santa Cruz Counties.

5. A 2.3 percent interest in an office building in Long Beach; I did not inspect the property nor appraise its 100 percent interest, but I clearly stated in the report my reliance on such an appraisal by an appraiser of another firm, who himself would be solely responsible for that report.

### **Other Notable Appraisal Assignments:**

1. A 1,400-acre parcel in Redwood City having potential for master-plan development and another 1,400-acre parcel in Napa having potential for a dredge disposal site, both having wetlands issues, and as part of a Bay Area appraisal of 19,000 acres of wetlands properties.

2. A 17,000-acre agricultural property near Sacramento, California that was condemned by Yolo County and other entities.

3. The 60-acre Paramount Pictures Studios, the 415-acre Universal Studios movie and television production facilities, and the 150-acre Great America theme park in Hollywood, Universal City, and Santa Clara, California, respectively.

4. Just compensation to 200 owners of properties adjacent to an overhead power line extending through Vallejo, California, judged by superior court to have over-burdened its legal easement rights.

### **Speaker/Moderator for Following Topics**

Continuing Legal Education Eminent Domain Conference - San Francisco  
"Role of Appraiser and Defending Conclusions in Court," December, 2006  
(speaker)

International Right-of-Way Association - Oakland  
"Condemnation Appraising and Mock Trial" (speaker and trial appraiser)  
"Valuation of Telecommunications Corridors in 2001" (panelist)

Appraisal Institute Northern California Annual Conference - San Francisco  
"Litigation Procedures-Exchanges and Depositions" November, 2003  
(moderator)

"Cross Examination in Court" November, 2002 (moderator)

"Structuring Ground Leases" (speaker)

"Institutional Investor Requirements" (moderator)

Edison Electric Institute - San Francisco

"Impact of Electro-Magnetic Fields on Property Values" (panelist)

Appraisal Institute Northern California Workshops/Seminars - Various locations

"Impact of Loma Prieta Earthquake on Property Values" (moderator)

"Appraising Office Buildings in Over-built Markets" (moderator)

"Questioning Our Appraisal Habits - Parts I and II" (moderator)

"Appraising Condominium Conversion Projects" (speaker)

### **Appraisal Institute Committees**

#### Northern California/San Francisco Chapters

1977 – 1998 continuously

Committee Chair - Program, Workshop, Professional Advancement, Public Relations or Research Committees

Committee Vice-Chair - Conference Committee

2002-2003

Committee Member - Northern California Conference Committee

#### Arizona/Greater Phoenix Chapters

1986-1989

Member - Admissions Committee

1990 to 1994

Chair - Admissions Review Committee

#### National

1997-2000

Member - National Ethics and Counseling Committee

### **Real Estate Articles\***

"Cross-Examination in a Jury Trial"

*Appraisal Journal*, April, 2003

"What's the IRR for an REO?"

*Appraisal Journal*, April, 1995

"Benchmark Capitalization Rates"

Annually, 1982-1990

"Institutional Yield Requirements"

Annually, 1982-1998

"Cap. Rates for Distressed Properties"

1982

"R41c Requirement Changes"

1986

"Real Estate Exchange - The Perfect Market"	1987
"Yield Rates from the Local Market"	1994
"Those Crazy Eighties and Whiny Nineties" (compilation of yield and cap. rates over 15 years)	1995

\*Published in newsletters for Appraisal Institute Northern California Chapter, Greater Phoenix Chapter, and/or San Francisco Business Journal, except where noted.

## **Clients**

### **Institutions/Corporations**

Aetna Insurance Company  
 Bank of America  
 Chevron, USA, Incorporated  
 Pacific Bell  
 Pacific Gas & Electric  
 Paramount Pictures  
 Peninsula Open Space Trust (POST)  
 San Diego Gas & Electric  
 Sierra Club Foundation  
 Southern Pacific Railroad  
 Transamerica Corporation  
 Union Pacific Railroad  
 Universal Studios  
 Viacom Cable, Inc.

### **Government**

Bay Area Rapid Transit (BART) District  
 California Coastal Conservancy  
 California Dept. of Transportation  
 Cities and Redevelopment Agencies: 25 + in Bay Area  
 Fresno County Counsels Office  
 Napa County Flood Control  
 Mid-peninsula Open Space District  
 Resolution Trust Corporation (RTC)  
 SamTrans  
 San Benito County  
 U.S. Bureau of Land Management  
 U.S. Fish & Wildlife Service  
 Santa Clara Valley Transportation Authority  
 Yolo County

## **Real Estate/Attorneys**

Bingham McCutchen  
CB Richard Ellis  
Erickson Beasley  
First American Title Company  
Gray Cary  
Hanson Bridgett  
Jay Paul Company  
Meyers Nave  
Miller, Owen & Trost  
Perry/Arrillaga Company  
Somach, Simmons & Dunn  
Stanford University  
Wendel, Rosen, Black & Dean