

Our Approach

Regardless of property type and asset class -- **Single or Multi-Tenant, Class A, B or C, Low, Mid or High-Rise** -- MetroWest has the experience and insight to bring our Clients the industry's most accurate, concise and unimpeachable analysis and valuation.

Whether the assignment calls for a valuation for financing purposes, sell/purchase, settlement litigation, partnership dispute/dissolution, litigation support, property tax appeal or fractional interest valuation, MetroWest fully understands our Clients expectations.

As head of MetroWest's litigation support practice, Carlos Cardenas, MAI has not only supported dispute resolution cases since 1985 in superior court and bankruptcy court, but also in arbitration. Addressing a wide range of issues, cases have included fractional interest damage, construction defects, malpractice, title defects, leases, etc. In addition to litigation support as an expert witness, Mr. Cardenas he has also acted as a consultant to legal counsel, providing support on a wide range of valuation-related issues.

During the initial free consultation, we will discuss the type of appraisal reporting format that will best suit your specific needs and the scope of work required. To start the process, we will ask for all necessary supporting documentation and historical operation, including copies of leases, rent roll detailing each unit, and their rent, square footage area and unit type, income and expense reports and a statement of expense reimbursements.

For the more complex assignments, MetroWest's Discounted Cash Flow analysis (DCF) modeling will result in the most accurate valuations because it best reflecting how market participants -- buyers, sellers and brokers -- view the specific asset class. The DCF facilitates the consideration of tenant rollover and associated costs, including tenant improvement expenses, rent loss, leasing commissions, etc.

For the less complex properties or less demanding assignments, direct capitalization is more often the best method, taking into consideration current rents and operating expenses. The sales comparison approach is likely to be the best method for testing and supporting the income capitalization approach in the case of investment properties.

Regardless of the property type and complexity, we will insure that the appraisal format will best suit the specific needs and budgetary limitations of the assignment, while conforming to the Uniform Standards of Professional Appraisal Practice (USPAP) and the Appraisal Institute's Ethics and Standards, together with compliance with all the applicable local, state and federal appraisal guidelines and regulations.

Land Development



MetroWest's proven expertise in a wide range of asset classes -- Multifamily, Industrial, Mixed-Use, Office and Shopping Center/Retail -- is also what makes us uniquely qualified to value vacant land and its potential development.

MetroWest has a clear and deep understanding of such essential concepts as **As Is** versus **As Stabilized** market value, **Prospective** versus **Hypothetical** market value and the date of value considerations that they all require. These concepts take an even more important role in the valuation of proposed developments.

Proforma Operation

Obviously, in analyzing proposed developments there is no historical operation to analyze. Consequently, estimating and supporting proforma income and expenses takes an even more important role. Our painstaking research and the extensive supporting market data we harvest allows to forecast income and expenses with pinpoint accuracy. During the initial phase of the assignment, we will focus on the property and its potential operation, together with the projected use of the report and its scope of work. These components will determine the proper type of report format. Naturally, we always consider the developer's own proforma figures and compare them to our forecasted figures.

Methodology

The Income Capitalization Approach is the most-widely used valuation method in the case of income-producing assets, with the DCF most often used in the case of institutional-grade assets and direct capitalization most often used in the case of non-institutional assets.

In each case, the Income Capitalization Approach is the one that best addresses the income capabilities and expected operating expenses of the property. With its unique ability to look into the future, this method will provide the most accurate market value estimate.

The Sales Comparison Approach is typically a less reliable method in the case of income-producing assets and is typically used as support for the Income Capitalization Approach. Of course, in the case of vacant land sites the Sales Comparison Approach is often the most reliable indicator.

For proposed projects, the Cost Approach is not only a reliable, albeit secondary, indicator, but also serves to test project feasibility.