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PRELIMINARY ESTIMATE OF MONETARY BENEFITS PHASE II METRO RAIL STATIONS 1989 - 2020

(REVISED)

Prepared for:

Southern California Rapid Transit District

Prepared by:

Schimpeler · Corradino Associates

in conjunction with

Cordoba Corporation
The Planning Group

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PRELIMINARY ESTIMATE OF MONETARY BENEFITS
PHASE II METRO RAIL STATIONS
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1. INTRODUCTION

Implementation of the Phase II Metro Rail system is expected to generate significant economic activity in the eleven Phase II station areas. As a result of this activity, measurable monetary benefits to privately owned commercial property located in the station areas are expected to occur. The proposed Phase II benefit assessment program is designed to use a portion of these benefits to assist in financing the system responsible for them.

The purpose of this document is to provide a preliminary analysis of the present value of future benefits attributable to the Metro Rail system. Only benefits which reasonably can be attributed to Metro Rail are included in the analysis. Estimated benefits have been calculated for each of the eleven Phase II stations. The total aggregate present value of the expected benefits ranges from $192 million to $494 million for the Phase II Metro Rail alignment.

The remainder of this document discusses these results in further detail. Chapter 2 discusses the general nature of transit-related benefits. Chapter 3 provides the detailed methodology used to estimate the benefits of the Metro Rail system to properties located in station areas. Chapter 4 contains the results obtained and the assumptions used in the calculation of estimated benefits in the eleven Phase II station areas. Chapter 5 provides a summary of estimated benefits in sub-areas of the Phase II alignment.

2. TRANSIT-RELATED BENEFITS

The underlying basis for a benefit assessment program is the incidence of monetary benefits resulting from the construction of a public improvement. Analysis of the experience of other North American cities has identified transit-related impacts and benefit to private property which result from the construction of a modern rail transit system.

The Phase II Task Force members have been provided with a summary of the past research conducted on the economic impacts of other North American transit systems (Summary of Issues and Analysis of Benefits Attributable to Rail Transit; SCRTD General Planning Consultant). This paper identified several specific monetary benefits which can be expected to accrue to properties located in transit station areas. Among others, these included:

- o appreciation in land value;
- o ability to command premium lease rates;
- o increased retail sales activity;
- o higher occupancy levels (i.e., increased demand for commercial space in station areas).

The analysis described in the following sections was designed to estimate the present value of these benefits in the Phase II station areas, using assumptions developed from analysis of market conditions in the station areas and applying the findings of the research conducted in other North American cities.

3. METHODOLOGY

This section described the methodology and data sources used to perform the calculations of estimated monetary benefit attributable to Metro Rail. Separate calculations were performed for each of the eleven Phase II Metro Rail stations. The study was designed to provide an indication of the magnitude of benefits associated with Metro Rail and study generalized categories of benefits and aggregate estimates of benefits in station areas. The results of these calculations are contained in the following chapter. This study examined four primary categories of benefits to property which can be expected to result from the Metro Rail system:

- o Projected Office Growth
- o Office Lease Rate Premium
- o Profits from Increased Retail Sales
- o Increased Value of Unimproved Land

These four impacts provide an identifiable and understandable set of monetary benefits which can be expected to occur with the implementation of Metro Rail. At the same time, they cannot be considered an exclusive list of the potential benefits from Metro Rail. For example, other benefits which could be considered include: economic value of other real estate development, including retail and service; premium lease rates for other land uses, primarily retail; increased value of other (i.e., improved) land in the station area and additional economic activity generated by the multiplier effect of public investments in the station areas. As a result, the methodology used in this study is considered to provide a low-end estimate of the true economic value of the Metro Rail system to private sector activity in the station areas.

3.1 Methodology Overview

The methodology for this study was designed to estimate the benefits occurring over time in each station area and to determine the value of those benefits, accounting for the time value of money in the process. The analysis focused on benefits for which no appreciable associated cost would be incurred. As such, it was not necessary to offset the total benefits calculated in the study by associated costs in order to reflect the net benefits of Metro Rail. The analysis also focused on the incremental benefits which can be directly attributed to Metro Rail. Using the methodology described in the following sections, the four benefit categories listed above were calculated on an annually recurring basis. A time frame was defined for each station during which each benefit was expected to occur. Using these defined time frames, four benefit streams were calculated for each station area. These were added for each year and discounted to present value to provide the current estimated value of these future benefits.

Nature of Assumptions

Before proceeding, the critical role of the assumptions used in the analysis and the procedures for developing those assumptions must be considered. In an analysis such as this, the results are determined by the assumptions. Two methods were used to develop

the assumptions used in this study. First, most of the assumptions were developed based on the analysis of current market conditions in the station areas. Data collected on the following factors were used to develop these assumptions:

- Current office lease rates
- Current office space availability
- Current land use inventory and development density
- Property sales prices
- Projected transit patronage
- Transit usage in station areas
- Distribution of retail sales by business
- Station area population and growth projections

The reasonableness of these assumptions can basically be determined from the data. However, supporting data was not available to develop all assumptions needed to conduct this study. The second method of developing all assumptions involved the application of subjective judgment in addition to analysis of market data. These assumptions were developed in the context of the market data. However, subjective judgment was also required to develop these assumptions. These assumptions basically fall into three categories. First are assumptions for which there were no known technical studies or other hard data to support a precise estimation of the value of the assumption, even though the effect has been qualitatively observed elsewhere. An example of this assumption is the premium to office lease rates caused by Metro Rail. Second are assumptions for which Metro Rail operating experience would be required to accurately develop the assumption. An example of this assumption would be estimated Metro Rail patronage growth (no data will be available to support this assumption until Metro Rail has been operating for several years. Finally the assumption was subject to wide variation due to uncontrollable market factors and as such, a generalized, or nominal, value for the assumption was necessary. An example of this assumption would be retail profit margin. Retail profit margins vary widely according to the type of store. Since it was impracticable to separate retail stores in station area according to type, it was necessary to make a generalized assumption which represents profit margin for typical retail sales.

Use of these assumptions in the analysis should not be precluded since it does not necessarily follow that the benefit does not occur simply because no study of a particular impact has been conducted or because it will be impossible to predict the precise value until Metro Rail has been operating for several years. Rather, using all available data to temper the subjective conclusions which must be drawn in order to accomplish the analysis, subjective judgment can effectively substitute. For both types of assumptions used in this analysis, the study attempted to err on the side of caution, and to use conservative values, particularly for the subjective assumptions. Assumptions developed in this manner included:

- Percentage of projected growth to be accommodated in existing buildings
- Stabilized office vacancy rate
- Premium office lease differential attributable to Metro Rail
- Retail profit margin

- o Transit patronage growth
- o Land value premium attributable to Metro Rail

The values used for these assumptions are discussed in the following sections. The reasonableness of these assumptions is more difficult to establish, but not impossible. The best method is review of the assumptions by persons familiar with the market conditions in each station area. For this reason, the subjective assumptions used in this study need not be considered fixed, but rather as a starting point for consideration of the magnitude of this benefit and subject to adjustment.

As an example of how this process might work, consider the assumption of a 5 to 10 percent office lease rate premium attributable to Metro Rail. This is an effect which has been qualitatively observed in other North American cities with rail transit systems and should be included in any analysis of rail benefits (see Appendix A). The 5 to 10% premium assumption was used principally as a starting point for estimating the value of office lease premiums. For the Wilshire/Vermont station, for example, this represents an increase of between 6 and 18 cents in the monthly lease rate.

Range of Assumptions

For both types of assumptions, the actual benefits to be received are subject to a wide variety of changes which may affect these assumptions. Since the time frame covered by this analysis ranges up to thirty years from today, many of these potential changes are impossible to predict at this time, particularly those related to public policy and environmental considerations. This is inherent, however, in any analysis of future conditions. The best analysis of future conditions can only use the best information available today. This limitation does not detract from the validity of the analysis or the expectation of positive economic impacts from the Metro Rail system.

Because of the inherent uncertainties involved in predicting future conditions which may impact Metro Rail-related benefits, the assumptions have been developed and expressed as a range. Estimated benefits are calculated for both the high and low end of the range. This is designed to provide an idea of the potential magnitude of station area benefits under varying circumstances.

Study-wide Assumptions

A set of assumptions based on market information and subjective analysis was developed for each of the station areas. These assumptions were discussed above and are detailed in the following sections and presented in Tables 4-1 to 4-22 for each station area. Other specific assumptions include the following:

- o An impact area of one-half mile radius for each station.
- o A station opening date of 1997 is assumed for Wilshire/Vermont, Wilshire/Normandie, Wilshire/Western, Vermont/Beverly, Vermont/Santa Monica, Vermont/Sunset, Hollywood/Western, and Hollywood/Vine.

- o A station opening date of 2000 is assumed for Hollywood/Highland, Universal City and North Hollywood.

- o A time frame of 20 years beginning with station opening is assumed for benefits related to office growth, premium lease rates and increased retail profits.

- o A time frame extending from 1989 to 20 years after station opening is assumed for benefits to unimproved land.

A computer model was developed to perform the calculations of estimated benefits for each station. This model has been structured to allow for modifications to the assumptions and recalculation of the estimated benefits. All calculations were performed in constant 1989 dollars. That is, no inflation is reflected in the estimated benefit, only changes in market conditions and/or differences in the Metro Rail impact. Because of this, the discount rate used to calculate the present value of the future benefits does not reflect the effects of inflation. This is explained in further detail below.

In the following sections, the detailed methodology used to calculate the estimated benefits in each of the four categories is described. The results of the calculations and the assumptions used for each station area are contained in the following chapter.

3.2 Value of Projected Office Growth

Context for Expected Benefits

This benefit occurs as a result of increased demand for office space in station areas. Observation of transit station impacts in other North American cities (see Appendix A) strongly indicates that demand for office space tends to focus in station areas. While the transit system does not in and of itself generate this demand, it can influence its location. Projections developed to assess the environmental impact of the Metro Rail system also reflect this phenomenon.

These projections can be used to develop the estimated monetary benefit to properties located in Phase II Metro Rail station areas. The economic value of the demand expected in a station area can be calculated. The result represents the value of increased demand for office space as a result of Metro Rail.

The methodology for calculating this benefit considers only the amount of projected demand which could be accommodated in existing buildings. This is an important distinction because this growth is a benefit without added cost. The remainder of the demand is expected to be accommodated in new buildings. In order to accurately assess the net benefit of this growth, the estimated benefit would have to be offset by an estimated construction cost. Since this could not be done accurately at this time, this growth was excluded from the calculation of estimated benefit.

Calculation of Expected Benefit

The estimated benefit from projected office demand was calculated in four steps: 1) determine the amount of projected office demand in the station area attributable to Metro Rail; 2) determine the availability of office space in the station area; 3) evaluate the potential absorption of projected growth in existing buildings; and 4) calculate the monetary benefit using an assumption of the percentage of projected growth to be accommodated in existing buildings and prevailing lease rates in the station area.

A. Projected Office Growth Attributable to Metro Rail

1. Projections of office demand in each station area as reported in the Draft Supplemental Environmental Impact Statement for Metro Rail, November, 1987 (Draft SEIS) were examined. These were based on the analysis conducted in 1983 for the original Environmental Impact Statement for Metro Rail (EIS) and were updated in 1985-86 to reflect changes occurring since the original analysis. For both the EIS and Draft SEIS, separate projections were developed for office, retail, hotel and residential uses based on the most recent absorption data. These projections were developed for a one-quarter mile radius area and covered the 1980 to 2000 time frame. Even though this study used a one-half mile impact area, it was considered reasonable to use these projections of demand to reflect a conservative assumption of projected growth in the one-half mile station area. The projections are also considered a valid reflection of potential demand in station areas based on the most recent economic trends.

   The Draft SEIS projected demand in station areas for two conditions: Null Alternative (without Metro Rail) and Maximum Impact (with Metro Rail). The Maximum Impact condition was expressed as a range to reflect varying emphasis on concentration of demand in station areas by SCRTD (in the form of joint development of stations) and other governmental agencies (through use of station area development plans etc.). This range formed the High and Low limits of projected office demand with Metro Rail for each station area. This benefits study used the total projection of demand during this 20-year period, assumed that it would occur evenly over that time frame, and used one-twentieth of the total projection as the annual demand for office space with and without Metro Rail.

2. The With Metro Rail projections were compared to the Without Metro Rail projections to determine the annual office demand differential expected as a result of Metro Rail.

B. Availability of Office Space in the Station Area

1. Current availability of office space in each station area was determined using data from the 1989 Office Market Journal of Greater Los Angeles published by the Building Owners and Managers Association (BOMA). The total

square footage and reported available square footage of office buildings in each station area was obtained from this directory. This data provided an estimate of the vacancy rate for office buildings in each station area.

2. The amount of office space currently located in each station area was obtained from the SCRTD Phase II benefit assessment data base. This data base provides parcel-by-parcel information on all properties located in each station area, based on field survey and review of public records. The data base is sufficiently complete to provide a good estimate of the amount of office space located in each station area.

3. The vacancy rate obtained above was applied to the total square footage of office space in the station area to obtain an estimate of the available square footage in the station area.

C. Potential Absorption of Projected Growth in Existing Buildings

1. The available square footage in the station area was compared to the projected demand in the station area and a subjective assumption was developed for each station as to the percentage of the projected demand which could be expected to be accommodated in existing buildings. It was assumed that, depending upon how much space is currently available, some of the projected demand would be accommodated in existing buildings and the remainder in new buildings.

   It was assumed that if space were available in existing buildings, some of the projected demand would be satisfied by those buildings. At the same time, even if space were available, it was assumed new office buildings would continue to be built and some of the projected demand would be accommodated in these new buildings. The assumption is a subjective estimate of the distribution of demand between existing and new buildings. For instance, if the station was projected to experience high demand, yet the vacancy rate is currently low (i.e., little space available in existing buildings), the estimated percentage of projected growth accommodated in existing buildings was assumed to be low. Alternatively, if projected demand was low and available space high, the estimated percentage was assumed to be high.

2. As an example of how these assumptions were developed, consider the Wilshire/Vermont Station. This station is currently experiencing an approximate 14% vacancy rate, with approximately 350,000 square feet of space available. The projected office demand in this station area with Metro Rail ranges from 80,000 to 122,500 square feet annually. With a comparatively large amount of space available, it would appear that a relatively large amount of this demand (i.e., at least half of it) could be accommodated in existing buildings. At the same time, even with space available, new construction is occurring, and will likely continue to occur, in

this station area. Some of the Metro Rail-related demand will most likely be accommodated in these buildings.

Using this reasoning, the percentage of projected demand expected to be accommodated in existing buildings can be seen to be relatively high, but less than 100%. As such, in order to remain on the conservative side, 50% to 75% of the projected demand was assumed to be accommodated in existing buildings in the Wilshire/Vermont station area. This represents an estimate of the amount of additional existing office space in the station area expected to be occupied as a result of Metro Rail.

3. As another example, consider Universal City. This station area is currently experiencing an approximate 13% vacancy rate. However, the existing base supply is smaller than Wilshire/Vermont and, as such, this vacancy rate indicates that only approximately 105,000 square feet are available. Since this area is projected to be an active market (125,000 to 135,000 total square feet per year), most of this demand must be accommodated in new buildings. Therefore, in this station area, the amount of demand expected to be accommodated in existing buildings was assumed to be 0% to 20%. A similar analysis of projected demand vs. currently available space was conducted for each of the eleven Phase II station areas. The input values used in this analysis are contained in individual tables of Benefit Calculation Assumptions (one for each station area) which are located in Chapter 4.

D. Estimated Benefit Calculation

1. Prevailing office lease rates were obtained for each station area from the BOMA Office Market Journal.

2. The estimated benefit was calculated by multiplying the estimated office growth differential attributable to Metro Rail by the percentage of growth expected to be accommodated in existing buildings. The result was then multiplied by the prevailing office lease rate to provide the estimate annual benefit from additional demand for office space in station areas resulting from Metro Rail and accommodated in existing buildings. This calculation was performed for both the low and high range of assumptions to provide the range of expected benefits for each station area. Since Metro Rail would not be expected to increase operating costs substantially, this analysis assumed that the marginal operating expenses associated with these revenues were negligible. The calculation format for this expected benefit is shown in Table 3-1.

3.3 Value of Office Lease Rate Premium

Context for Expected Benefits

Another observed effect of transit systems is that office lease rates tend to be higher than in non-transit station areas. This occurs because of the increased accessibility to office buildings in station areas provided by the transit system. As a result, office building tenants are willing to pay higher lease rates to take advantage of the travel time savings and reduced parking costs associated with location near a transit station. Owner-occupied buildings are also affected by this increased accessibility as well, even though they do not receive the benefit directly. There are two reasons for this: 1) employees located in owner-occupied buildings benefit from the travel time savings and reduced parking costs, yet the building owner is not required to pay a higher lease rate as would be the case if the owner were a tenant in another station area; and 2) the enhanced market in the station area does increase the residual value of the property (a benefit which, although not measured in this study due to the conservative methodology used, still exists).

Calculation of Expected Benefit

The estimated benefit from office lease rate premiums was calculated in two steps: 1) develop annual inventory office space in each station area; and 2) calculate the benefit using prevailing office lease rates and an assumed lease rate premium.

A. Annual Inventory of Office Space

1. A year-by-year inventory of office space in each station area was developed. The 1989 inventory of office space in each station area from the SCRTD Phase II benefit assessment data base was used as a baseline. From this baseline, the estimated inventory for each following year was determined by adding the projections of office demand from the Draft SEIS. For years from 1989 to station opening, the office inventory was incremented each year by the total projected office demand without Metro Rail. From station opening to the end of the time frame for this estimated benefit, the inventory was incremented annually by the total projected office growth with Metro Rail (both Low and High range growth estimates).

B. Estimated Benefit Calculation

1. The benefit was calculated by first multiplying the inventory for each year by an assumed vacancy rate to obtain the estimated leased office space in the station area in that year. This vacancy rate represents a subjective assessment of the stabilized vacancy rate for a typical building in the station area at the time the Metro Rail station opens. Since a stabilized vacancy rate of 5% to 10% is typically used in development market pro formas for office projects, a stabilized vacancy rate of 10% was assumed as an average of expectations throughout the Phase II area.

2. The lease rate premium was estimated as a percentage of the current prevailing lease rate. Although no known studies have been conducted regarding the amount of this premium, there is evidence that it exists. (See Appendix A.)

   To be conservative, an office lease premium of 5% to 10% over prevailing rates was considered reasonable from these other experiences for estimating the benefit. This is a subjective assessment of the potential Metro Rail premium and represents an addition to approximately 5 to 30 cents per month to prevailing lease rates, depending on station area. No studies have been performed which would provide a basis for discriminating between different station areas with regard to lease rate premiums. As such, the 5% to 10% premium was used as an average of expectations for all station areas.

   These percentages were applied to the prevailing lease rate to determine the premium rate per square foot. This result was then applied to the estimated leased office space in that year to provide the estimated annual benefit value of increase lease revenues resulting from the increased attractiveness of office buildings located in Metro Rail station areas. Because the transit system would not typically be expected to increase operating cost, no additional cost offset need be included in this calculation. This calculation was performed for both the low and high range of expected benefits for each station area. The calculation format for this expected benefit is shown in Table 3-1.

3.4 Value of Increased Retail Sales Profit

Context for Expected Benefits

Transit stations tend to attract and focus economic activity by drawing people to the station area. Since these people can be expected to spend money in retail stores in the station area, the profits from these retail sales can be considered a benefit induced by the presence of the transit station.

There are three primary sources for increased retail sales activity related to the Metro Rail system: 1) transit patrons; 2) increased number of employees in the station area as a result of the growth attracted to the station area by Metro Rail; and 3) increased numbers of residents attracted to the area by the presence of the Metro Rail station. The calculation of this benefit examined the difference in the population and employment projections with and without Metro Rail and calculated the expected Metro Rail benefits from these differentials.

Calculation of Expected Benefit

Separate calculations were performed to estimate the value of increased retail sales profits from the three sources of increased retail activity: transit patrons, employees, and residents.

Retail Sales to Transit Patrons

The estimated benefit from retail sales to transit patrons was calculated in one step. The estimated daily boardings for each station were obtained from the SCRTD Predicted Daily Rail Transit Boardings contained in the Final SEIS for Metro Rail (January, 1989). This value represents the number of persons expected to use each station daily. This estimated benefit was assumed to begin at station opening and boardings were subjectively assumed to grow 2% annually for each station. With the population of the Regional Core area projected to grow by 22% and residential development expected to increase 34% by the year 2000, according to SCAG, this patronage growth was considered reasonable for this study.

In order to determine the estimated annual retail spending at each station, the estimated boardings were multiplied by an estimate of annual per capita retail spending. This estimate of retail spending was developed from an employee shopper profile based on surveys of over 10,000 downtown workers in Boston in 1983. This profile includes average annual sales per worker and the distribution of expenditures across retail sales categories. Since the majority of Metro Rail riders are expected to be employees commuting to work, this profile is useful in estimating retail demand by Metro Rail patrons (e.g., a report developed by the Metropolitan Washington Council of Governments found that: "Higher-income people who previously did not use buses were more likely to be drawn to transit after Metrorail opened than lower-income people. Rail users were much more likely to be choice riders, who had a car available for their travel, and more likely to be college graduates than were bus riders.")

The Boston study represents the only known study of per capita spending in transit station areas. By comparing the Average Annual Consumer Price Index for all urban consumers in Boston and Los Angeles for 1983 and for 1988 the ratio was found to be 0.99+, virtually identical. Thus, it was concluded that the data profile could be transferred with little adjustment. This same rationale was used in a 1986 market study of the light rail station area of Seventh and Flower Streets (Agajanian, Analysis of Joint Development Potential: Seventh and Flower Site; 1986). The localized estimate of annual retail expenditures resulted in a figure of $2,400 per Los Angeles commuter. If one assumes that transit riders normally make a number of purchases during the course of the day, e.g., coffee/doughnuts, newspapers, lunch, etc. it can be readily seen that $9-10 per day on average ($2,400 per year) is reasonable.

The estimated daily boardings were multiplied by the estimated annual per capita spending to provide an estimate of increased retail sales from transit patrons. The increased sales were then multiplied by an assumed profit margin of 4% for each station to provide the estimated annual benefit value of increased retail sales in the station area from Metro Rail patrons. The 4% profit margin is a subjective assumption of typical retail profit margin over a wide variety of store types. Retail profit margin may vary from 1% for a supermarket to 10% for a boutique. The 4% assumption was considered a conservative nominal value to represent this range. The calculation format for this expected benefit is shown in Table 3-1.

Retail Sales to New Employees

The estimated benefit from retail sales to new employees in each station area was calculated in two steps: 1) estimate the number of new employees in each station area attributable to Metro Rail and 2) calculate the benefit using an estimate of per capita spending and assumed retail profit margin.

A. Estimated number of new employees

1. Only new office employees were considered in this analysis. The estimated office growth attributable to Metro Rail calculated above was used to estimate the increased employment resulting from that growth. This is a conservative estimate of Metro Rail-related employment growth in that employment associated with other categories of development (retail, service, etc.) was not used in the analysis. The projected office demand attributable to Metro Rail was divided by an estimate of 250 square feet per employee to estimate the employment generated by the Metro Rail growth increment. This is a standard factor used to estimate office employment and was similar to the methodology used to estimate office employment in the Draft SEIS.

2. It was necessary to adjust the total employment estimated by this method to avoid double counting with the estimated benefits from retail sales to Metro Rail patrons. This is because some of the new employees would also be expected to be Metro Rail riders. These employees must be excluded from this calculation since they were included in the calculation of retail sales to transit patrons.

   This adjustment was accomplished using information from the computer models used to estimate rail ridership. In these models, estimates of the number of persons traveling to a station area are developed and the purpose of these trips (i.e., work or non-work) is determined. For purposes of this analysis, the number of persons traveling to a station area to work was used.

   The models further split the trips to a station area into auto trips and transit trips. The percentage of work-related transit trips (vs. work-related auto trips) was then calculated. This result was used to adjust the estimated employment growth in the station area to remove transit-riding new employees from the total number of new employees. For instance, if the models indicated that 25% of the persons traveling to a station area for work purposes arrive by transit, then the total number of employees estimated to result from Metro Rail growth in that station area was reduced by 25%. this is a conservative methodology since not all these transit-riding employees would arrive by Metro Rail (some would arrive by bus). However, since the models examined do not distinguish between rail and bus transit trips, the methodology assumes that all transit trips are rail-related. In this way, the total number of new employees attributable to Metro Rail used to calculate the retail sales profit benefit reflects only new employees who travel to the station area by auto.

As a result, there is no double counting with the calculation of retail sales to patrons of Metro Rail.

B. Estimated Benefit Calculation

1. The adjusted estimate of new employees attributable to Metro Rail was multiplied by an assumption of annual per capita spending for employees. The same assumption used to develop the value of retail sales to transit patrons was used (annual per capita spending of $2,400 per employee). This provided an estimate of increased retail sales in the station area resulting from employment attributable to Metro Rail.

2. The estimated increased retail sales were multiplied by an assumed retail profit margin of 4% to provide the estimated annual benefit value of increased retail sales from new employees resulting from Metro Rail-related office growth. This calculation was performed for both the low and high range of office growth assumptions to provide the range of expected benefits for each station area. The calculation format for this expected benefit is shown in Table 3-1.

Retail Sales to Neighborhood Residents

The estimated benefit from retail sales to new residents in each station area was calculated in two steps: 1) estimate the difference in population growth in each station area attributable to Metro Rail and 2) calculate the benefit using estimates of per capita spending, community retail sales as a proportion of total retail sales and assumed retail profit margin.

A. Estimated number of new residents

1. Population projections developed by the Southern California Association of Governments (SCAG) were used to estimate population in station areas in the year 2000 with and without Metro Rail. These population projections were also used to develop the projections of retail growth in the Draft SEIS. The difference between the with and without Metro Rail forecasts was used as the population differential attributable to Metro Rail in the year 2000.

2. Annual population growth rates for the station areas from 1980 to 2000 were also developed using the SCAG projections. For years prior to 2000, the population differential was decremented by the annual growth rate to determine the estimated population differential was increased by the annual growth rate to estimate the population differential for that year.

B. Estimated Benefit Calculation

1. For each year, the estimated number of new residents attributable to Metro Rail was multiplied by estimated annual per capita retail spending. This

assumption was taken from the methodology used to estimate retail growth for the Draft SEIS. The Draft SEIS study used estimates of annual per capita retail spending by planning area obtained from the City of Los Angeles. These estimates represent typical retail spending for day-to-day needs by residents in each planning area. These estimates were adjusted to 1989 dollars using the Consumer Price Index. This calculation provided an estimate of the total retail sales to the new residents attributable to Metro Rail. It should be noted that the type of spending represented by these estimates is not the same as retail spending by employees measured above as it represents only typical needs of residents. Expenditures to meet typical needs of employees if over and above this amount. As such, it was not necessary to adjust the estimate of spending by residents in each station area to exclude new residents who are also transit riders in order to avoid double-counting.

2. Of the total retail purchases by these new residents, the amount of sales which would be expected to occur in the station area was estimated using the proportion of neighborhood retail sales to total retail sales. The analysis of retail sales conducted for the Draft SEIS indicated that 55.6% of all retail sales are made in the neighborhood area. This estimate was applied to the total estimated retail sales to estimate the amount of retail sales occurring in the station area as a result of Metro Rail-related population growth.

3. The estimated increased retail sales in the station area were multiplied by the subjectively assumed retail profit margin of 4% to provide the estimated annual benefit value of increased retail sales from new neighborhood residents attributable to Metro Rail. This calculation was performed for both the low and high range of population growth assumptions to provide the range of expected benefits for each station area. The format for this expected benefit is shown in Table 3-1.

3.5 Increased Value of Unimproved Land

Context for Expected Benefits

This study has documented a number of expected increases in economic activity attributable to the Metro Rail system. This activity can also be expected to lead to an increase in the demand for unimproved land in the station area and therefore increase its value beyond what would be expected without Metro Rail. Transit-related land value increases have been observed in other North American cities with rail transit systems. (See Appendix A).

In order to avoid confusion with other benefits included in this analysis, only unimproved land is included in this calculation. Improved land could have been included in this analysis by accounting for the impact of the benefits calculated earlier in a slightly revised methodology, since they also contribute to increased land value. It can be shown mathematically that it would be correct to include the increased value of improved land in this benefits study, however, this would be an elaborate process. For this reason, the study

does not address this potential benefit in order to simplify the presentation and avoid confusion.

Calculation of Expected Benefit

The estimated benefit from increased value of unimproved land was calculated in two steps: 1) develop an annual inventory of unimproved land in the station area and 2) calculate the benefit using prevailing land values in the station area and an estimated premium increase in value attributable to Metro Rail.

A. Annual Inventory of Unimproved Land

1. The baseline inventory of unimproved land in each station area was taken from the SCRTD Phase II benefit assessment data base, and is the total square footage of parcels which have commercial zoning and are categorized as either vacant or used for parking. An annual inventory was then developed from this baseline to reflect the absorption of land as a result of estimated growth in the station area.

2. Estimated commercial growth projections for each station area were obtained from the Draft SEIS. To estimate the consumption of land by the projected growth, an assumption of the Floor Area Ratio (FAR) of future growth was developed for each station area. The FAR is a measure of the density of development and, in its simplest form, is the ratio between the square footage of the improvement and the square footage of the parcel. Therefore, dividing the improvement square footage by the FAR yields the parcel square footage.

   The FAR for each station area was subjectively assumed to be the existing density of development in the station area. Thus, for the currently densely developed Wilshire station areas, an assumed FAR of 6 was used while for the less densely developed Vermont/Beverly station, an assumed FAR of 1.5 was used. Projected annual growth in each station area with and without Metro Rail was divided by the assumed FAR to provide an estimate of the annual consumption of unimproved land in the station area with and without Metro Rail.

3. For years 1989 to station opening, the annual inventory of unimproved land was decremented each year by the estimated annual consumption of land without Metro Rail. From station opening to the ending time frame of the benefit, the inventory is decremented by the estimated annual consumption of land with Metro Rail, until the baseline supply is exhausted. At that point, the supply is assumed to be zero and the estimated benefit is no longer calculated. This is a conservative methodology since it is more likely that some of the projected growth will be accommodated by redevelopment of properties in the station area, rather than completely exhausting the supply of land. However, since it is not possible to accurately estimate the amount of growth which will occur on unimproved land and the amount which will

reflect the redevelopment of currently improved properties, the conservative assumption that all growth will occur on currently undeveloped land was used.

B. Estimated Benefit Calculation

1. Prevailing land values in station areas were estimated from information obtained from the Los Angeles County Assessor. Sample sales of properties in the station areas from 1986 to 1988 were collected along with the Assessor's listed square footage of the property. From this information, sales price per square foot could be calculated. Since the Assessor's data does not specifically identify vacant properties, both improved and unimproved properties were included in these samples. For this analysis, properties with square footage costs at the low end of the scale were considered reflective of the value of unimproved properties.

   Assumptions of prevailing unimproved land value were developed for each station area from this data. It is important to note that this methodology is only a cursory survey of a wide variety of property conditions in the station area. It is not, nor was it intended to be, a substitute for the use of real estate appraisal techniques which more accurately reflect the property values in any given station area. However, use of these techniques in this analysis was precluded by the size of the area to be covered. The methodology described in this section was used as an alternative to develop the assumptions necessary for the analysis of estimated Metro Rail benefits and was considered adequate to accurately develop these assumptions.

2. An assumption was also made of the premium addition to land value resulting from the Metro Rail system. Although no known studies have been conducted regarding the amount of this premium, substantial evidence exists that larger than average land value increases occur in transit station areas. In Washington, D.C., property values reportedly rose from $100 to $150 per square foot in the early 1970's to an excess of $500 per square foot in the 1980's. This represents an annual increase of over 12% during this time frame (U.S. House of Representatives; Banking, Finance and Urban Affairs Committee, 1981). In Miami, at the Government Center station, land prices increased from $35 per square foot when construction began to $112 per square foot by the time the system opened, an increase of approximately 15% per year. At the Dadeland South Station, during the same time frame, land prices rose from $10 per square foot to $50 per square foot, representing an annual increase of over 20% (South Florida Business Journal, May 7, 1984). In Toronto, between 1952 and 1962, tax assessments in districts paralleling the Yonge subway line increased by 45 percent in the downtown core and 107 percent in the Eglington Avenue section of the city. The city averaged an increase of 25 percent during this same time period (U.s. Department of Transportation, University Research Program, January, 1985).

The precise portion of these increases which was directly attributable to the transit system was not isolated, however, the evidence strongly indicates that properties located near the system experienced increases in value which were higher than in non-transit areas. In keeping with the conservative methodology used in this study, levels of 1% to 2% over prevailing rates were subjectively assumed for estimating the benefit. In other words, Metro Rail is assumed to add 1% to 2% of value to unimproved land located in station areas over and above the value appreciation they would have otherwise experienced. For instance, if property located in a station area would be expected to appreciate 5% per year without Metro Rail, then this analysis would assume that the property would appreciate 6% to 7% per year as a result of the influence of Metro Rail. (For purposes of the analysis, the rate of the underlying value increase is not relevant to the calculation of estimated benefits.)

3. The estimated benefit was calculated for each year by multiplying the inventory of unimproved land by the prevailing land value and the estimated premium increase in land value resulting from Metro Rail. the increased land value is assumed to accumulate each year (i.e., compound). For each year, the amount of value increase from previous years is factored out so that the result reflects the amount of additional land value added that year as a result of Metro Rail. This calculation was performed for both the low and high range of commercial growth assumptions to provide the range of expected benefits for each station area. The calculation format for this expected benefit is shown in Table 3-1.

3.6 Present Value of Benefits

The calculations described in the preceding sections were performed for each year in the time frame specified for each of the four benefit categories. As a result, four benefit streams corresponding to the specified time frames were calculated for each station area reflecting the assumptions pertinent to each station area. These were added for each station area to produce a consolidated stream of benefits expected over time in that station area as a result of Metro Rail.

In order to determine the value of these benefits for proper comparison to the level of revenues proposed to be raised in each station area, it was necessary to discount the benefit streams to their present value. This is required because $1 received in the future is worth less than $1 today. Discounting future benefits to present value provides the value of the future benefit streams today.

Selection of the discount rate is a critical step in this analysis. The discount rate should be equivalent to the rate of return of a comparable investment. For this analysis of real estate benefits, the discount rate used should be equivalent to the market's expectation of return on a real estate benefit. This expected rate of return can be seen in the capitalization rate used by real estate professionals to evaluate market feasibility of projects. In 1988, this capitalization rate ranged from 7% to 9% in Los Angeles (Building Owners and Managers

Association, 1989). For purposes of this analysis and in keeping with the study's conservative approach, a discount rate of 10% was used. Of note, the discount rate does not include any reflection of inflation since inflation was not factored into the calculation of the estimated benefits (i.e., the calculations were in constant 1989 dollars). If the estimated benefits had been adjusted for inflation, the discount rate would have similarly been adjusted for inflation.

In sum, this methodology was designed to calculate the real value of the benefits expected in each station area as a result of the Metro Rail system. The results of these calculations for each station area and the assumptions used for each station area are discussed in the following chapter. The summary of benefits for the entire Phase II alignment and subareas are contained in Chapter 5.

4. ESTIMATED MONETARY BENEFITS IN STATION AREAS

The results of the calculation of estimated benefits for each of the eleven Phase II Metro Rail stations and the assumptions used in the development of the calculations are contained in Tables 4-1 through 4-22. Two tables are presented sequentially for each station area. The first (odd numbered tables) contains the assumptions used to develop the calculations for each station area. This table includes both market data-based assumptions and subjectively developed assumptions, as explained in detail in the previous chapter. These figures represent the assumptions used to perform all calculations for that station area for all years of the analysis.

The second table (even numbered tables) contains the calculation of estimated benefit for a typical year (year 2000). This is provided to show how the calculations were performed and the values for each variable used to estimate benefits for that particular year. As such, this table shows a "slice" of the benefit stream for that station. This same calculation was performed for each year from 1989 to twenty years after station opening to determine the total estimated benefit streams for each station. The values for the benefits calculated for other years were developed in the same manner, with the values of the assumptions and input variables also developed in accordance with the methodology described previously. The actual value of benefits calculated for each year is shown by station in the tables which follow Chapter 5.

A summary of the present value of the estimated range of benefits in each station area is presented below.

Station Area	High	Low
Wilshire/Vermont	$76 million	$33 million
Wilshire/Normandie	$102 million	$34 million
Wilshire/Western	$57 million	$25 million
Vermont/Beverly	$31 million	$11 million
Vermont/Santa Monica	$15 million	$6 million
Vermont/Sunset	$18 million	$7 million
Hollywood/Western	$16 million	$8 million
Hollywood/Vine	$61 million	$22 million
Hollywood/Highland	$45 million	$17 million
Universal City	$42 million	$16 million
North Hollywood	$31 million	$13 million
Total	$494 million	$192 million

5. ESTIMATED MONETARY BENEFITS IN SUB-AREAS

The results of the calculation of estimated benefits for each of the eleven Phase II Metro Rail stations and totals by subareas of the Phase II Metro Rail alignment are contained in the following tables.

A summary of the present value of the estimated range of benefits in each sub-area is presented below.

Station Area	High	Low
Wilshire Station Areas	$235 million	$92 million
Vermont Station Areas	$64 million	$24 million
Hollywood Station Areas	$122 million	$47 million
Universal City	$42 million	$16 million
North Hollywood	$31 million	$13 million
Total	$494 million	$192 million

TABLE 3 - 1
ESTIMATED BENEFITS -
YEAR

I. VALUE OF PROJECTED OFFICE GROWTH

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	SQ.FT.	SQ.FT.
% ACCOMODATED IN EXISTING BUILDINGS		
ADDL OFFICE DEMAND DUE TO METRO	SQ.FT.	SQ.FT.
ESTIMATED LEASE RATE	PER SQ.FT.	PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT		

II. VALUE OF OFFICE LEASE RATE PREMIUM

	HIGH	LOW
ESTIMATED OFFICE SPACE INVENTORY	SQ.FT	SQ.FT
ASSUMED OFFICE VACANCY RATE		
ESTIMATED LEASED OFFICE SPACE	SQ.FT.	SQ.FT.
ANNUAL LEASE RATE PREMIUM	PER SQ.FT.	PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT		

III. VALUE OF INCREASED RETAIL SALES PROFIT

A. RETAIL SALES TO TRANSIT PATRONS

ESTIMATED DAILY PATRONAGE
ANNUAL PER CAPITA RETAIL SPENDING
INCREASED RETAIL SALES - RAIL PATRONS
ESTIMATED RETAIL PROFIT MARGIN
ESTIMATED METRO RAIL BENEFIT

B. RETAIL SALES TO NEW EMPLOYEES

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	SQ.FT.	SQ.FT.
ESTIMATED SQ.FT. PER EMPLOYEE		
EMPLOYMENT DIFF ATTRIBUTABLE TO METRO	EMPLOYEES	EMPLOYEES
ADJUSTMENT FOR EMPLOYEE TRANSIT USERS		
ADJUSTED EMPLOYMENT DIFF DUE TO METRO	EMPLOYEES	EMPLOYEES
ANNUAL PER CAPITA RETAIL SPENDING		
INCREASED RETAIL SALES - NEW EMPLOYEES		
ESTIMATED RETAIL PROFIT MARGIN		
ESTIMATED METRO RAIL BENEFIT		

C. RETAIL SALES TO NEIGHBORHOOD POPULATION

	HIGH	LOW
POPULATION DIFFERENTIAL WITH METRO	PERSONS	PERSONS
ANNUAL PER CAPITA SPENDING		
COMMUNITY RETAIL SALES AS % OF TOTAL SALES		
INCREASED RETAIL SALES - NEIGHBORHOOD POP		
ESTIMATED RETAIL PROFIT MARGIN		
ESTIMATED METRO RAIL BENEFIT		

TABLE 3 - 1
ESTIMATED BENEFITS -
YEAR
(CONTINUED)

IV. INCREASED VALUE OF UNIMPROVED LAND

	HIGH	LOW
INVENTORY OF UNIMPROVED LAND	SQ.FT.	SQ.FT.
PREVAILING STATION AREA LAND VALUE	PER SQ.FT.	PER SQ.FT.
INCREASED LAND VALUE PREMIUM		
ESTIMATED METRO RAIL BENEFIT		

	HIGH	LOW
PRESENT VALUE OF TOTAL ESTIMATED BENEFITS		

TABLE 4 - 1

BENEFIT CALCULATION ASSUMPTIONS
WILSHIRE-VERMONT STATION

STATION OPENING DATE	1997		
TIME FRAME FOR BENEFITS	BEGIN YEAR	END YEAR	
I. VALUE OF PROJECTED OFFICE GROWTH	1997	2017	
II. VALUE OF PREMIUM OFFICE LEASE RATE	1997	2017	
III. INCREASED RETAIL SALES PROFIT	1997	2017	
IV. INCREASED VALUE OF UNIMPROVED LAND	1989	2017	
DISCOUNT RATE FOR NET PRESENT VALUE	10%		
I. VALUE OF PROJECTED OFFICE GROWTH			
ANNUAL OFFICE GROWTH - WITHOUT METRO	37,500 SQ.FT.		
ANNUAL OFFICE GROWTH - WITH METRO	80,000 SQ.FT.	TO	122,500 SQ.FT.
CURRENT STATION AREA OFFICE INVENTORY	2,500,000 SQ.FT.		
CURRENT STATION AREA OFFICE VACANCY %	14%		
CURRENT STATION AREA OFFICE LEASE RATE	$14.40	TO	$21.00 PER SQ.FT.
% OF PROJ GROWTH ACCOM IN EXISTING BLDG	50%	TO	75%
II. VALUE OF PREMIUM OFFICE LEASE RATE			
CURRENT STATION AREA OFFICE INVENTORY	2,500,000 SQ.FT.		
ASSUMED OFFICE VACANCY RATE	10%		
OFFICE LEASE RATE PREMIUM	5%	TO	10%
MONTHLY OFFICE LEASE RATE PREMIUM	$0.06	TO	$0.18
III. VALUE OF INCREASED RETAIL SALES PROFIT			
RETAIL PROFIT MARGIN (ALL CATEGORIES)	4%		
A. SALES TO TRANSIT PATRONS			
DAILY PATRONAGE	35000		
ANNUAL PATRONAGE GROWTH	2%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
B. SALES TO NEW EMPLOYEES			
SQUARE FEET PER EMPLOYEE	250 SQ.FT.		
PERCENTAGE OF EMPLOYEE TRANSIT-USERS	25%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
C. SALES TO NEIGHBORHOOD POPULATION			
STATION AREA POPULATION - WITHOUT METRO	13,750 PERSONS		
STATION AREA POPULATION - WITH METRO	14,293	TO	14,565 PERSONS
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%		
ANNUAL PER CAPITA RETAIL SPENDING	$6,611		
IV. INCREASED VALUE OF UNIMPROVED LAND			
ANNUAL COMMERCIAL GROWTH - WITHOUT METRO	45,000 SQ.FT.		
ANNUAL COMMERCIAL GROWTH - WITH METRO	90,000 SQ.FT.	TO	135,000 SQ.FT.
F.A.R. OF PROJECTED GROWTH	6		
CURRENT INVENTORY OF UNIMPROVED LAND	1,800,000 SQ.FT.		
PREVAILING STATION AREA LAND VALUE	$40	TO	$70 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	1%	TO	2%

TABLE 4 - 2
ESTIMATED BENEFITS - WILSHIRE-VERMONT STATION
YEAR 2000

I. VALUE OF PROJECTED OFFICE GROWTH

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	85,000 SQ.FT.	42,500 SQ.FT.
% ACCOMODATED IN EXISTING BUILDINGS	75%	50%
ADDL OFFICE DEMAND DUE TO METRO	63,750 SQ.FT.	21,250 SQ.FT.
ESTIMATED LEASE RATE	$21.00 PER SQ.FT.	$14.40 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$1,338,750	$306,000

II. VALUE OF OFFICE LEASE RATE PREMIUM

	HIGH	LOW
ESTIMATED OFFICE SPACE INVENTORY	3,252,500 SQ.FT	3,082,500 SQ.FT
ASSUMED OFFICE VACANCY RATE	10%	10%
ESTIMATED LEASED OFFICE SPACE	2,927,250 SQ.FT.	2,774,250 SQ.FT.
ANNUAL LEASE RATE PREMIUM	$2.10 PER SQ.FT.	$0.72 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$6,147,225	$1,997,460

III. VALUE OF INCREASED RETAIL SALES PROFIT

A. RETAIL SALES TO TRANSIT PATRONS

ESTIMATED DAILY PATRONAGE	37,142
ANNUAL PER CAPITA RETAIL SPENDING	$2,400
INCREASED RETAIL SALES - RAIL PATRONS	$89,141,472
ESTIMATED RETAIL PROFIT MARGIN	4%
ESTIMATED METRO RAIL BENEFIT	$3,565,659

B. RETAIL SALES TO NEW EMPLOYEES

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	85,000 SQ.FT.	42,500 SQ.FT.
ESTIMATED SQ.FT. PER EMPLOYEE	250	250
EMPLOYMENT DIFF ATTRIBUTABLE TO METRO	340 EMPLOYEES	170 EMPLOYEES
ADJUSTMENT FOR EMPLOYEE TRANSIT USERS	75%	75%
ADJUSTED EMPLOYMENT DIFF DUE TO METRO	255 EMPLOYEES	128 EMPLOYEES
ANNUAL PER CAPITA RETAIL SPENDING	$2,400	$2,400
INCREASED RETAIL SALES - NEW EMPLOYEES	$2,448,000	$1,224,000
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$97,920	$48,960

C. RETAIL SALES TO NEIGHBORHOOD POPULATION

	HIGH	LOW
POPULATION DIFFERENTIAL WITH METRO	815 PERSONS	543 PERSONS
ANNUAL PER CAPITA SPENDING	$6,611	$6,611
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%	55.67%
INCREASED RETAIL SALES - NEIGHBORHOOD POP	$2,997,640	$1,998,427
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$119,906	$79,937

TABLE 4 - 2
ESTIMATED BENEFITS - WILSHIRE-VERMONT STATION
YEAR 2000
(CONTINUED)

IV. INCREASED VALUE OF UNIMPROVED LAND

	HIGH	LOW
INVENTORY OF UNIMPROVED LAND	1,657,500 SQ.FT.	1,687,500 SQ.FT.
PREVAILING STATION AREA LAND VALUE	$70 PER SQ.FT.	$40 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	2.49%	1.12%
ESTIMATED METRO RAIL BENEFIT	$2,885,250	$753,076

	HIGH	LOW
PRESENT VALUE OF TOTAL ESTIMATED BENEFITS	$76,486,001	$33,320,802

TABLE 4 - 3

BENEFIT CALCULATION ASSUMPTIONS
WILSHIRE-NORMANDIE STATION

STATION OPENING DATE	1997		
TIME FRAME FOR BENEFITS	BEGIN YEAR	END YEAR	
I. VALUE OF PROJECTED OFFICE GROWTH	1997	2017	
II. VALUE OF PREMIUM OFFICE LEASE RATE	1997	2017	
III. INCREASED RETAIL SALES PROFIT	1997	2017	
IV. INCREASED VALUE OF UNIMPROVED LAND	1989	2017	
DISCOUNT RATE FOR NET PRESENT VALUE	10%		
I. VALUE OF PROJECTED OFFICE GROWTH			
ANNUAL OFFICE GROWTH - WITHOUT METRO	81,000 SQ.FT.		
ANNUAL OFFICE GROWTH - WITH METRO	126,000 SQ.FT.	TO	132,500 SQ.FT.
CURRENT STATION AREA OFFICE INVENTORY	6,700,000 SQ.FT.		
CURRENT STATION AREA OFFICE VACANCY %	14%		
CURRENT STATION AREA OFFICE LEASE RATE	$15.00	TO	$22.20 PER SQ.FT.
% OF PROJ GROWTH ACCOM IN EXISTING BLDG	60%	TO	80%
II. VALUE OF PREMIUM OFFICE LEASE RATE			
CURRENT STATION AREA OFFICE INVENTORY	6,700,000 SQ.FT.		
ASSUMED OFFICE VACANCY RATE	10%		
OFFICE LEASE RATE PREMIUM	5%	TO	10%
MONTHLY OFFICE LEASE RATE PREMIUM	$0.06	TO	$0.19
III. VALUE OF INCREASED RETAIL SALES PROFIT			
RETAIL PROFIT MARGIN (ALL CATEGORIES)	4%		
A. SALES TO TRANSIT PATRONS			
DAILY PATRONAGE	5000		
ANNUAL PATRONAGE GROWTH	2%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
B. SALES TO NEW EMPLOYEES			
SQUARE FEET PER EMPLOYEE	250 SQ.FT.		
PERCENTAGE OF EMPLOYEE TRANSIT-USERS	25%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
C. SALES TO NEIGHBORHOOD POPULATION			
STATION AREA POPULATION - WITHOUT METRO	8,690 PERSONS		
STATION AREA POPULATION - WITH METRO	9,371	TO	9,712 PERSONS
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%		
ANNUAL PER CAPITA RETAIL SPENDING	$6,611		
IV. INCREASED VALUE OF UNIMPROVED LAND			
ANNUAL COMMERCIAL GROWTH - WITHOUT METRO	90,000 SQ.FT.		
ANNUAL COMMERCIAL GROWTH - WITH METRO	160,000 SQ.FT.	TO	175,000 SQ.FT.
F.A.R. OF PROJECTED GROWTH	6		
CURRENT INVENTORY OF UNIMPROVED LAND	2,300,000 SQ.FT.		
PREVAILING STATION AREA LAND VALUE	$30	TO	$60 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	1%	TO	2%

TABLE 4 - 4
ESTIMATED BENEFITS - WILSHIRE-NORMANDIE STATION
YEAR 2000

I. VALUE OF PROJECTED OFFICE GROWTH

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	51,500 SQ.FT.	45,000 SQ.FT.
% ACCOMODATED IN EXISTING BUILDINGS	80%	60%
ADDL OFFICE DEMAND DUE TO METRO	41,200 SQ.FT.	27,000 SQ.FT.
ESTIMATED LEASE RATE	$22.20 PER SQ.FT.	$15.00 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$914,640	$405,000

II. VALUE OF OFFICE LEASE RATE PREMIUM

	HIGH	LOW
ESTIMATED OFFICE SPACE INVENTORY	7,797,000 SQ.FT	7,771,000 SQ.FT
ASSUMED OFFICE VACANCY RATE	10%	10%
ESTIMATED LEASED OFFICE SPACE	7,017,300 SQ.FT.	6,993,900 SQ.FT.
ANNUAL LEASE RATE PREMIUM	$2.22 PER SQ.FT.	$0.75 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$15,578,406	$5,245,425

III. VALUE OF INCREASED RETAIL SALES PROFIT

A. RETAIL SALES TO TRANSIT PATRONS

ESTIMATED DAILY PATRONAGE	5,306
ANNUAL PER CAPITA RETAIL SPENDING	$2,400
INCREASED RETAIL SALES - RAIL PATRONS	$12,734,496
ESTIMATED RETAIL PROFIT MARGIN	4%
ESTIMATED METRO RAIL BENEFIT	$509,380

B. RETAIL SALES TO NEW EMPLOYEES

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	51,500 SQ.FT.	45,000 SQ.FT.
ESTIMATED SQ.FT. PER EMPLOYEE	250	250
EMPLOYMENT DIFF ATTRIBUTABLE TO METRO	206 EMPLOYEES	180 EMPLOYEES
ADJUSTMENT FOR EMPLOYEE TRANSIT USERS	75%	75%
ADJUSTED EMPLOYMENT DIFF DUE TO METRO	155 EMPLOYEES	135 EMPLOYEES
ANNUAL PER CAPITA RETAIL SPENDING	$2,400	$2,400
INCREASED RETAIL SALES - NEW EMPLOYEES	$1,483,200	$1,296,000
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$59,328	$51,840

C. RETAIL SALES TO NEIGHBORHOOD POPULATION

	HIGH	LOW
POPULATION DIFFERENTIAL WITH METRO	1022 PERSONS	681 PERSONS
ANNUAL PER CAPITA SPENDING	$6,611	$6,611
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%	55.67%
INCREASED RETAIL SALES - NEIGHBORHOOD POP	$3,759,471	$2,506,314
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$150,379	$100,253

TABLE 4 - 4
ESTIMATED BENEFITS - WILSHIRE-NORMANDIE STATION
YEAR 2000
(CONTINUED)

IV. INCREASED VALUE OF UNIMPROVED LAND

	HIGH	LOW
INVENTORY OF UNIMPROVED LAND	2,078,333 SQ.FT.	2,088,333 SQ.FT.
PREVAILING STATION AREA LAND VALUE	$60 PER SQ.FT.	$30 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	2.49%	1.12%
ESTIMATED METRO RAIL BENEFIT	$3,100,976	$698,966

	HIGH	LOW
PRESENT VALUE OF TOTAL ESTIMATED BENEFITS	$101,890,893	$33,622,840

TABLE 4 - 5

BENEFIT CALCULATION ASSUMPTIONS
WILSHIRE-WESTERN STATION

STATION OPENING DATE	1997		
TIME FRAME FOR BENEFITS	BEGIN YEAR	END YEAR	
I. VALUE OF PROJECTED OFFICE GROWTH	1997	2017	
II. VALUE OF PREMIUM OFFICE LEASE RATE	1997	2017	
III. INCREASED RETAIL SALES PROFIT	1997	2017	
IV. INCREASED VALUE OF UNIMPROVED LAND	1989	2017	
DISCOUNT RATE FOR NET PRESENT VALUE	10%		
I. VALUE OF PROJECTED OFFICE GROWTH			
ANNUAL OFFICE GROWTH - WITHOUT METRO	92,500 SQ.FT.		
ANNUAL OFFICE GROWTH - WITH METRO	110,000 SQ.FT.	TO	116,500 SQ.FT.
CURRENT STATION AREA OFFICE INVENTORY	1,800,000 SQ.FT.		
CURRENT STATION AREA OFFICE VACANCY %	20%		
CURRENT STATION AREA OFFICE LEASE RATE	$18.00	TO	$23.40 PER SQ.FT.
% OF PROJ GROWTH ACCOM IN EXISTING BLDG	40%	TO	60%
II. VALUE OF PREMIUM OFFICE LEASE RATE			
CURRENT STATION AREA OFFICE INVENTORY	1,800,000 SQ.FT.		
ASSUMED OFFICE VACANCY RATE	10%		
OFFICE LEASE RATE PREMIUM	5%	TO	10%
MONTHLY OFFICE LEASE RATE PREMIUM	$0.08	TO	$0.20
III. VALUE OF INCREASED RETAIL SALES PROFIT			
RETAIL PROFIT MARGIN (ALL CATEGORIES)	4%		
A. SALES TO TRANSIT PATRONS			
DAILY PATRONAGE	17000		
ANNUAL PATRONAGE GROWTH	2%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
B. SALES TO NEW EMPLOYEES			
SQUARE FEET PER EMPLOYEE	250 SQ.FT.		
PERCENTAGE OF EMPLOYEE TRANSIT-USERS	25%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
C. SALES TO NEIGHBORHOOD POPULATION			
STATION AREA POPULATION - WITHOUT METRO	8,378 PERSONS		
STATION AREA POPULATION - WITH METRO	11,308	TO	12,773 PERSONS
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%		
ANNUAL PER CAPITA RETAIL SPENDING	$6,611		
IV. INCREASED VALUE OF UNIMPROVED LAND			
ANNUAL COMMERCIAL GROWTH - WITHOUT METRO	100,000 SQ.FT.		
ANNUAL COMMERCIAL GROWTH - WITH METRO	125,000 SQ.FT.	TO	135,000 SQ.FT.
F.A.R. OF PROJECTED GROWTH	6		
CURRENT INVENTORY OF UNIMPROVED LAND	1,400,000 SQ.FT.		
PREVAILING STATION AREA LAND VALUE	$30	TO	$60 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	1%	TO	2%

TABLE 4 - 6
ESTIMATED BENEFITS - WILSHIRE-WESTERN STATION
YEAR 2000

I. VALUE OF PROJECTED OFFICE GROWTH

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	24,000 SQ.FT.	17,500 SQ.FT.
% ACCOMODATED IN EXISTING BUILDINGS	60%	40%
ADDL OFFICE DEMAND DUE TO METRO	14,400 SQ.FT.	7,000 SQ.FT.
ESTIMATED LEASE RATE	$23.40 PER SQ.FT.	$18.00 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$336,960	$126,000

II. VALUE OF OFFICE LEASE RATE PREMIUM

	HIGH	LOW
ESTIMATED OFFICE SPACE INVENTORY	2,913,500 SQ.FT	2,887,500 SQ.FT
ASSUMED OFFICE VACANCY RATE	10%	10%
ESTIMATED LEASED OFFICE SPACE	2,622,150 SQ.FT.	2,598,750 SQ.FT.
ANNUAL LEASE RATE PREMIUM	$2.34 PER SQ.FT.	$0.90 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$6,135,831	$2,338,875

III. VALUE OF INCREASED RETAIL SALES PROFIT

A. RETAIL SALES TO TRANSIT PATRONS

ESTIMATED DAILY PATRONAGE	18,041
ANNUAL PER CAPITA RETAIL SPENDING	$2,400
INCREASED RETAIL SALES - RAIL PATRONS	$43,297,286
ESTIMATED RETAIL PROFIT MARGIN	4%
ESTIMATED METRO RAIL BENEFIT	$1,731,891

B. RETAIL SALES TO NEW EMPLOYEES

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	24,000 SQ.FT.	17,500 SQ.FT.
ESTIMATED SQ.FT. PER EMPLOYEE	250	250
EMPLOYMENT DIFF ATTRIBUTABLE TO METRO	96 EMPLOYEES	70 EMPLOYEES
ADJUSTMENT FOR EMPLOYEE TRANSIT USERS	75%	75%
ADJUSTED EMPLOYMENT DIFF DUE TO METRO	72 EMPLOYEES	53 EMPLOYEES
ANNUAL PER CAPITA RETAIL SPENDING	$2,400	$2,400
INCREASED RETAIL SALES - NEW EMPLOYEES	$691,200	$504,000
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$27,648	$20,160

C. RETAIL SALES TO NEIGHBORHOOD POPULATION

	HIGH	LOW
POPULATION DIFFERENTIAL WITH METRO	4395 PERSONS	2930 PERSONS
ANNUAL PER CAPITA SPENDING	$6,611	$6,611
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%	55.67%
INCREASED RETAIL SALES - NEIGHBORHOOD POP	$16,175,111	$10,783,407
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$647,004	$431,336

TABLE 4 - 6
ESTIMATED BENEFITS - WILSHIRE-WESTERN STATION
YEAR 2000
(CONTINUED)

IV. INCREASED VALUE OF UNIMPROVED LAND

	HIGH	LOW
INVENTORY OF UNIMPROVED LAND	1,193,333 SQ.FT.	1,200,000 SQ.FT.
PREVAILING STATION AREA LAND VALUE	$60 PER SQ.FT.	$30 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	2.49%	1.12%
ESTIMATED METRO RAIL BENEFIT	$1,780,512	$401,641

	HIGH	LOW
PRESENT VALUE OF TOTAL ESTIMATED BENEFITS	$56,698,055	$24,621,297

TABLE 4 - 7

BENEFIT CALCULATION ASSUMPTIONS
VERMONT-BEVERLY STATION

STATION OPENING DATE	1997		
TIME FRAME FOR BENEFITS	BEGIN YEAR	END YEAR	
I. VALUE OF PROJECTED OFFICE GROWTH	1997	2017	
II. VALUE OF PREMIUM OFFICE LEASE RATE	1997	2017	
III. INCREASED RETAIL SALES PROFIT	1997	2017	
IV. INCREASED VALUE OF UNIMPROVED LAND	1989	2017	
DISCOUNT RATE FOR NET PRESENT VALUE	10%		
I. VALUE OF PROJECTED OFFICE GROWTH			
ANNUAL OFFICE GROWTH - WITHOUT METRO	0 SQ.FT.		
ANNUAL OFFICE GROWTH - WITH METRO	0 SQ.FT.	TO	30,000 SQ.FT.
CURRENT STATION AREA OFFICE INVENTORY	120,000 SQ.FT.		
CURRENT STATION AREA OFFICE VACANCY %	38%		
CURRENT STATION AREA OFFICE LEASE RATE	$15.00	TO	$16.20 PER SQ.FT.
% OF PROJ GROWTH ACCOM IN EXISTING BLDG	0%	TO	20%
II. VALUE OF PREMIUM OFFICE LEASE RATE			
CURRENT STATION AREA OFFICE INVENTORY	120,000 SQ.FT.		
ASSUMED OFFICE VACANCY RATE	10%		
OFFICE LEASE RATE PREMIUM	5%	TO	10%
MONTHLY OFFICE LEASE RATE PREMIUM	$0.06	TO	$0.14
III. VALUE OF INCREASED RETAIL SALES PROFIT			
RETAIL PROFIT MARGIN (ALL CATEGORIES)	4%		
A. SALES TO TRANSIT PATRONS			
DAILY PATRONAGE	7000		
ANNUAL PATRONAGE GROWTH	2%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
B. SALES TO NEW EMPLOYEES			
SQUARE FEET PER EMPLOYEE	250 SQ.FT.		
PERCENTAGE OF EMPLOYEE TRANSIT-USERS	20%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
C. SALES TO NEIGHBORHOOD POPULATION			
STATION AREA POPULATION - WITHOUT METRO	11,959 PERSONS		
STATION AREA POPULATION - WITH METRO	15,071	TO	16,627 PERSONS
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%		
ANNUAL PER CAPITA RETAIL SPENDING	$6,611		
IV. INCREASED VALUE OF UNIMPROVED LAND			
ANNUAL COMMERCIAL GROWTH - WITHOUT METRO	1,050 SQ.FT.		
ANNUAL COMMERCIAL GROWTH - WITH METRO	4,100 SQ.FT.	TO	37,650 SQ.FT.
F.A.R. OF PROJECTED GROWTH	1.5		
CURRENT INVENTORY OF UNIMPROVED LAND	2,100,000 SQ.FT.		
PREVAILING STATION AREA LAND VALUE	$25	TO	$50 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	1%	TO	2%

TABLE 4 - 8
ESTIMATED BENEFITS - VERMONT-BEVERLY STATION
YEAR 2000

I. VALUE OF PROJECTED OFFICE GROWTH

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	30,000 SQ.FT.	0 SQ.FT.
% ACCOMODATED IN EXISTING BUILDINGS	20%	0%
ADDL OFFICE DEMAND DUE TO METRO	6,000 SQ.FT.	0 SQ.FT.
ESTIMATED LEASE RATE	$16.20 PER SQ.FT.	$15.00 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$97,200	$0

II. VALUE OF OFFICE LEASE RATE PREMIUM

	HIGH	LOW
ESTIMATED OFFICE SPACE INVENTORY	240,000 SQ.FT	120,000 SQ.FT
ASSUMED OFFICE VACANCY RATE	10%	10%
ESTIMATED LEASED OFFICE SPACE	216,000 SQ.FT.	108,000 SQ.FT.
ANNUAL LEASE RATE PREMIUM	$1.62 PER SQ.FT.	$0.75 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$349,920	$81,000

III. VALUE OF INCREASED RETAIL SALES PROFIT

A. RETAIL SALES TO TRANSIT PATRONS

ESTIMATED DAILY PATRONAGE	7,428
ANNUAL PER CAPITA RETAIL SPENDING	$2,400
INCREASED RETAIL SALES - RAIL PATRONS	$17,828,294
ESTIMATED RETAIL PROFIT MARGIN	4%
ESTIMATED METRO RAIL BENEFIT	$713,132

B. RETAIL SALES TO NEW EMPLOYEES

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	30,000 SQ.FT.	0 SQ.FT.
ESTIMATED SQ.FT. PER EMPLOYEE	250	250
EMPLOYMENT DIFF ATTRIBUTABLE TO METRO	120 EMPLOYEES	0 EMPLOYEES
ADJUSTMENT FOR EMPLOYEE TRANSIT USERS	80%	80%
ADJUSTED EMPLOYMENT DIFF DUE TO METRO	96 EMPLOYEES	0 EMPLOYEES
ANNUAL PER CAPITA RETAIL SPENDING	$2,400	$2,400
INCREASED RETAIL SALES - NEW EMPLOYEES	$921,600	$0
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$36,864	$0

C. RETAIL SALES TO NEIGHBORHOOD POPULATION

	HIGH	LOW
POPULATION DIFFERENTIAL WITH METRO	4668 PERSONS	3112 PERSONS
ANNUAL PER CAPITA SPENDING	$6,611	$6,611
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%	55.67%
INCREASED RETAIL SALES - NEIGHBORHOOD POP	$17,179,844	$11,453,230
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$687,194	$458,129

TABLE 4 - 8
ESTIMATED BENEFITS - VERMONT-BEVERLY STATION
YEAR 2000
(CONTINUED)

IV. INCREASED VALUE OF UNIMPROVED LAND

	HIGH	LOW
INVENTORY OF UNIMPROVED LAND	1,994,700 SQ.FT.	2,084,167 SQ.FT.
PREVAILING STATION AREA LAND VALUE	$50 PER SQ.FT.	$25 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	2.49%	1.12%
ESTIMATED METRO RAIL BENEFIT	$2,480,159	$581,310

	HIGH	LOW
PRESENT VALUE OF TOTAL ESTIMATED BENEFITS	$31,033,104	$10,731,654

TABLE 4 - 9

BENEFIT CALCULATION ASSUMPTIONS
VERMONT-SANTA MONICA STATION

STATION OPENING DATE	1997		
TIME FRAME FOR BENEFITS	BEGIN YEAR	END YEAR	
I. VALUE OF PROJECTED OFFICE GROWTH	1997	2017	
II. VALUE OF PREMIUM OFFICE LEASE RATE	1997	2017	
III. INCREASED RETAIL SALES PROFIT	1997	2017	
IV. INCREASED VALUE OF UNIMPROVED LAND	1989	2017	
DISCOUNT RATE FOR NET PRESENT VALUE	10%		
I. VALUE OF PROJECTED OFFICE GROWTH			
ANNUAL OFFICE GROWTH - WITHOUT METRO	0 SQ.FT.		
ANNUAL OFFICE GROWTH - WITH METRO	10,000 SQ.FT.	TO	12,500 SQ.FT.
CURRENT STATION AREA OFFICE INVENTORY	86,000 SQ.FT.		
CURRENT STATION AREA OFFICE VACANCY %	38%		
CURRENT STATION AREA OFFICE LEASE RATE	$15.00	TO	$16.20 PER SQ.FT.
% OF PROJ GROWTH ACCOM IN EXISTING BLDG	0%	TO	20%
II. VALUE OF PREMIUM OFFICE LEASE RATE			
CURRENT STATION AREA OFFICE INVENTORY	86,000 SQ.FT.		
ASSUMED OFFICE VACANCY RATE	10%		
OFFICE LEASE RATE PREMIUM	5%	TO	10%
MONTHLY OFFICE LEASE RATE PREMIUM	$0.06	TO	$0.14
III. VALUE OF INCREASED RETAIL SALES PROFIT			
RETAIL PROFIT MARGIN (ALL CATEGORIES)	4%		
A. SALES TO TRANSIT PATRONS			
DAILY PATRONAGE	7000		
ANNUAL PATRONAGE GROWTH	2%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
B. SALES TO NEW EMPLOYEES			
SQUARE FEET PER EMPLOYEE	250 SQ.FT.		
PERCENTAGE OF EMPLOYEE TRANSIT-USERS	20%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
C. SALES TO NEIGHBORHOOD POPULATION			
STATION AREA POPULATION - WITHOUT METRO	8,604 PERSONS		
STATION AREA POPULATION - WITH METRO	8,787	TO	8,879 PERSONS
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%		
ANNUAL PER CAPITA RETAIL SPENDING	$6,517		
IV. INCREASED VALUE OF UNIMPROVED LAND			
ANNUAL COMMERCIAL GROWTH - WITHOUT METRO	1,500 SQ.FT.		
ANNUAL COMMERCIAL GROWTH - WITH METRO	12,250 SQ.FT.	TO	15,150 SQ.FT.
F.A.R. OF PROJECTED GROWTH	1.5		
CURRENT INVENTORY OF UNIMPROVED LAND	900,000 SQ.FT.		
PREVAILING STATION AREA LAND VALUE	$25	TO	$55 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	1%	TO	2%

TABLE 4 - 10
ESTIMATED BENEFITS - VERMONT-SANTA MONICA STATION
YEAR 2000

I. VALUE OF PROJECTED OFFICE GROWTH

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	12,500 SQ.FT.	10,000 SQ.FT.
% ACCOMODATED IN EXISTING BUILDINGS	20%	0%
ADDL OFFICE DEMAND DUE TO METRO	2,500 SQ.FT.	0 SQ.FT.
ESTIMATED LEASE RATE	$16.20 PER SQ.FT.	$15.00 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$40,500	$0

II. VALUE OF OFFICE LEASE RATE PREMIUM

	HIGH	LOW
ESTIMATED OFFICE SPACE INVENTORY	136,000 SQ.FT	126,000 SQ.FT
ASSUMED OFFICE VACANCY RATE	10%	10%
ESTIMATED LEASED OFFICE SPACE	122,400 SQ.FT.	113,400 SQ.FT.
ANNUAL LEASE RATE PREMIUM	$1.62 PER SQ.FT.	$0.75 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$198,288	$85,050

III. VALUE OF INCREASED RETAIL SALES PROFIT

A. RETAIL SALES TO TRANSIT PATRONS

ESTIMATED DAILY PATRONAGE	7,428
ANNUAL PER CAPITA RETAIL SPENDING	$2,400
INCREASED RETAIL SALES - RAIL PATRONS	$17,828,294
ESTIMATED RETAIL PROFIT MARGIN	4%
ESTIMATED METRO RAIL BENEFIT	$713,132

B. RETAIL SALES TO NEW EMPLOYEES

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	12,500 SQ.FT.	10,000 SQ.FT.
ESTIMATED SQ.FT. PER EMPLOYEE	250	250
EMPLOYMENT DIFF ATTRIBUTABLE TO METRO	50 EMPLOYEES	40 EMPLOYEES
ADJUSTMENT FOR EMPLOYEE TRANSIT USERS	80%	80%
ADJUSTED EMPLOYMENT DIFF DUE TO METRO	40 EMPLOYEES	32 EMPLOYEES
ANNUAL PER CAPITA RETAIL SPENDING	$2,400	$2,400
INCREASED RETAIL SALES - NEW EMPLOYEES	$384,000	$307,200
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$15,360	$12,288

C. RETAIL SALES TO NEIGHBORHOOD POPULATION

	HIGH	LOW
POPULATION DIFFERENTIAL WITH METRO	275 PERSONS	183 PERSONS
ANNUAL PER CAPITA SPENDING	$6,517	$6,517
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%	55.67%
INCREASED RETAIL SALES - NEIGHBORHOOD POP	$995,890	$663,927
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$39,836	$26,557

TABLE 4 - 10
ESTIMATED BENEFITS - VERMONT-SANTA MONICA STATION
YEAR 2000
(CONTINUED)

IV. INCREASED VALUE OF UNIMPROVED LAND

	HIGH	LOW
INVENTORY OF UNIMPROVED LAND	852,600 SQ.FT.	860,333 SQ.FT.
PREVAILING STATION AREA LAND VALUE	$55 PER SQ.FT.	$25 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	2.49%	1.12%
ESTIMATED METRO RAIL BENEFIT	$1,166,111	$239,962

	HIGH	LOW
PRESENT VALUE OF TOTAL ESTIMATED BENEFITS	$15,061,645	$5,966,007

TABLE 4 - 11

BENEFIT CALCULATION ASSUMPTIONS
VERMONT-SUNSET STATION

STATION OPENING DATE	1997		
TIME FRAME FOR BENEFITS	BEGIN YEAR	END YEAR	
I. VALUE OF PROJECTED OFFICE GROWTH	1997	2017	
II. VALUE OF PREMIUM OFFICE LEASE RATE	1997	2017	
III. INCREASED RETAIL SALES PROFIT	1997	2017	
IV. INCREASED VALUE OF UNIMPROVED LAND	1989	2017	
DISCOUNT RATE FOR NET PRESENT VALUE	10%		
I. VALUE OF PROJECTED OFFICE GROWTH			
ANNUAL OFFICE GROWTH - WITHOUT METRO	6,000 SQ.FT.		
ANNUAL OFFICE GROWTH - WITH METRO	10,000 SQ.FT.	TO	20,000 SQ.FT.
CURRENT STATION AREA OFFICE INVENTORY	220,000 SQ.FT.		
CURRENT STATION AREA OFFICE VACANCY %	38%		
CURRENT STATION AREA OFFICE LEASE RATE	$15.00	TO	$16.20 PER SQ.FT.
% OF PROJ GROWTH ACCOM IN EXISTING BLDG	20%	TO	40%
II. VALUE OF PREMIUM OFFICE LEASE RATE			
CURRENT STATION AREA OFFICE INVENTORY	220,000 SQ.FT.		
ASSUMED OFFICE VACANCY RATE	10%		
OFFICE LEASE RATE PREMIUM	5%	TO	10%
MONTHLY OFFICE LEASE RATE PREMIUM	$0.06	TO	$0.14
III. VALUE OF INCREASED RETAIL SALES PROFIT			
RETAIL PROFIT MARGIN (ALL CATEGORIES)	4%		
A. SALES TO TRANSIT PATRONS			
DAILY PATRONAGE	7000		
ANNUAL PATRONAGE GROWTH	2%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
B. SALES TO NEW EMPLOYEES			
SQUARE FEET PER EMPLOYEE	250 SQ.FT.		
PERCENTAGE OF EMPLOYEE TRANSIT-USERS	15%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
C. SALES TO NEIGHBORHOOD POPULATION			
STATION AREA POPULATION - WITHOUT METRO	5,579 PERSONS		
STATION AREA POPULATION - WITH METRO	5,872	TO	6,019 PERSONS
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%		
ANNUAL PER CAPITA RETAIL SPENDING	$6,517		
IV. INCREASED VALUE OF UNIMPROVED LAND			
ANNUAL COMMERCIAL GROWTH - WITHOUT METRO	10,000 SQ.FT.		
ANNUAL COMMERCIAL GROWTH - WITH METRO	15,000 SQ.FT.	TO	30,000 SQ.FT.
F.A.R. OF PROJECTED GROWTH	3		
CURRENT INVENTORY OF UNIMPROVED LAND	800,000 SQ.FT.		
PREVAILING STATION AREA LAND VALUE	$30	TO	$70 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	1%	TO	2%

TABLE 4 - 12
ESTIMATED BENEFITS - VERMONT-SUNSET STATION
YEAR 2000

I. VALUE OF PROJECTED OFFICE GROWTH

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	14,000 SQ.FT.	4,000 SQ.FT.
% ACCOMODATED IN EXISTING BUILDINGS	40%	20%
ADDL OFFICE DEMAND DUE TO METRO	5,600 SQ.FT.	800 SQ.FT.
ESTIMATED LEASE RATE	$16.20 PER SQ.FT.	$15.00 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$90,720	$12,000

II. VALUE OF OFFICE LEASE RATE PREMIUM

	HIGH	LOW
ESTIMATED OFFICE SPACE INVENTORY	342,000 SQ.FT	302,000 SQ.FT
ASSUMED OFFICE VACANCY RATE	10%	10%
ESTIMATED LEASED OFFICE SPACE	307,800 SQ.FT.	271,800 SQ.FT.
ANNUAL LEASE RATE PREMIUM	$1.62 PER SQ.FT.	$0.75 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$498,636	$203,850

III. VALUE OF INCREASED RETAIL SALES PROFIT

A. RETAIL SALES TO TRANSIT PATRONS

ESTIMATED DAILY PATRONAGE	7,428
ANNUAL PER CAPITA RETAIL SPENDING	$2,400
INCREASED RETAIL SALES - RAIL PATRONS	$17,828,294
ESTIMATED RETAIL PROFIT MARGIN	4%
ESTIMATED METRO RAIL BENEFIT	$713,132

B. RETAIL SALES TO NEW EMPLOYEES

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	14,000 SQ.FT.	4,000 SQ.FT.
ESTIMATED SQ.FT. PER EMPLOYEE	250	250
EMPLOYMENT DIFF ATTRIBUTABLE TO METRO	56 EMPLOYEES	16 EMPLOYEES
ADJUSTMENT FOR EMPLOYEE TRANSIT USERS	85%	85%
ADJUSTED EMPLOYMENT DIFF DUE TO METRO	48 EMPLOYEES	14 EMPLOYEES
ANNUAL PER CAPITA RETAIL SPENDING	$2,400	$2,400
INCREASED RETAIL SALES - NEW EMPLOYEES	$456,960	$130,560
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$18,278	$5,222

C. RETAIL SALES TO NEIGHBORHOOD POPULATION

	HIGH	LOW
POPULATION DIFFERENTIAL WITH METRO	440 PERSONS	293 PERSONS
ANNUAL PER CAPITA SPENDING	$6,517	$6,517
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%	55.67%
INCREASED RETAIL SALES - NEIGHBORHOOD POP	$1,594,512	$1,063,008
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$63,780	$42,520

TABLE 4 - 12
ESTIMATED BENEFITS - VERMONT-SUNSET STATION
YEAR 2000
(CONTINUED)

IV. INCREASED VALUE OF UNIMPROVED LAND

	HIGH	LOW
INVENTORY OF UNIMPROVED LAND	736,667 SQ.FT.	756,667 SQ.FT.
PREVAILING STATION AREA LAND VALUE	$70 PER SQ.FT.	$30 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	2.49%	1.12%
ESTIMATED METRO RAIL BENEFIT	$1,282,333	$253,257

	HIGH	LOW
PRESENT VALUE OF TOTAL ESTIMATED BENEFITS	$17,876,582	$6,640,613

TABLE 4 - 13

BENEFIT CALCULATION ASSUMPTIONS
HOLLYWOOD-WESTERN STATION

STATION OPENING DATE	1997		
TIME FRAME FOR BENEFITS	BEGIN YEAR	END YEAR	
I. VALUE OF PROJECTED OFFICE GROWTH	1997	2017	
II. VALUE OF PREMIUM OFFICE LEASE RATE	1997	2017	
III. INCREASED RETAIL SALES PROFIT	1997	2017	
IV. INCREASED VALUE OF UNIMPROVED LAND	1989	2017	
DISCOUNT RATE FOR NET PRESENT VALUE	10%		
I. VALUE OF PROJECTED OFFICE GROWTH			
ANNUAL OFFICE GROWTH - WITHOUT METRO	0 SQ.FT.		
ANNUAL OFFICE GROWTH - WITH METRO	0 SQ.FT.	TO	2,500 SQ.FT.
CURRENT STATION AREA OFFICE INVENTORY	220,000 SQ.FT.		
CURRENT STATION AREA OFFICE VACANCY %	38%		
CURRENT STATION AREA OFFICE LEASE RATE	$15.00	TO	$16.20 PER SQ.FT.
% OF PROJ GROWTH ACCOM IN EXISTING BLDG	0%	TO	80%
II. VALUE OF PREMIUM OFFICE LEASE RATE			
CURRENT STATION AREA OFFICE INVENTORY	220,000 SQ.FT.		
ASSUMED OFFICE VACANCY RATE	10%		
OFFICE LEASE RATE PREMIUM	5%	TO	10%
MONTHLY OFFICE LEASE RATE PREMIUM	$0.06	TO	$0.14
III. VALUE OF INCREASED RETAIL SALES PROFIT			
RETAIL PROFIT MARGIN (ALL CATEGORIES)	4%		
A. SALES TO TRANSIT PATRONS			
DAILY PATRONAGE	10000		
ANNUAL PATRONAGE GROWTH	2%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
B. SALES TO NEW EMPLOYEES			
SQUARE FEET PER EMPLOYEE	250 SQ.FT.		
PERCENTAGE OF EMPLOYEE TRANSIT-USERS	10%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
C. SALES TO NEIGHBORHOOD POPULATION			
STATION AREA POPULATION - WITHOUT METRO	5,092 PERSONS		
STATION AREA POPULATION - WITH METRO	6,127	TO	6,645 PERSONS
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%		
ANNUAL PER CAPITA RETAIL SPENDING	$6,517		
IV. INCREASED VALUE OF UNIMPROVED LAND			
ANNUAL COMMERCIAL GROWTH - WITHOUT METRO	1,350 SQ.FT.		
ANNUAL COMMERCIAL GROWTH - WITH METRO	0 SQ.FT.	TO	4,000 SQ.FT.
F.A.R. OF PROJECTED GROWTH	1.5		
CURRENT INVENTORY OF UNIMPROVED LAND	710,000 SQ.FT.		
PREVAILING STATION AREA LAND VALUE	$30	TO	$60 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	1%	TO	2%

TABLE 4 - 14
ESTIMATED BENEFITS - HOLLYWOOD-WESTERN STATION
YEAR 2000

I. VALUE OF PROJECTED OFFICE GROWTH

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	2,500 SQ.FT.	0 SQ.FT.
% ACCOMODATED IN EXISTING BUILDINGS	80%	0%
ADDL OFFICE DEMAND DUE TO METRO	2,000 SQ.FT.	0 SQ.FT.
ESTIMATED LEASE RATE	$16.20 PER SQ.FT.	$15.00 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$32,400	$0

II. VALUE OF OFFICE LEASE RATE PREMIUM

	HIGH	LOW
ESTIMATED OFFICE SPACE INVENTORY	230,000 SQ.FT	220,000 SQ.FT
ASSUMED OFFICE VACANCY RATE	10%	10%
ESTIMATED LEASED OFFICE SPACE	207,000 SQ.FT.	198,000 SQ.FT.
ANNUAL LEASE RATE PREMIUM	$1.62 PER SQ.FT.	$0.75 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$335,340	$148,500

III. VALUE OF INCREASED RETAIL SALES PROFIT

A. RETAIL SALES TO TRANSIT PATRONS

ESTIMATED DAILY PATRONAGE	10,612
ANNUAL PER CAPITA RETAIL SPENDING	$2,400
INCREASED RETAIL SALES - RAIL PATRONS	$25,468,992
ESTIMATED RETAIL PROFIT MARGIN	4%
ESTIMATED METRO RAIL BENEFIT	$1,018,760

B. RETAIL SALES TO NEW EMPLOYEES

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	2,500 SQ.FT.	0 SQ.FT.
ESTIMATED SQ.FT. PER EMPLOYEE	250	250
EMPLOYMENT DIFF ATTRIBUTABLE TO METRO	10 EMPLOYEES	0 EMPLOYEES
ADJUSTMENT FOR EMPLOYEE TRANSIT USERS	90%	90%
ADJUSTED EMPLOYMENT DIFF DUE TO METRO	9 EMPLOYEES	0 EMPLOYEES
ANNUAL PER CAPITA RETAIL SPENDING	$2,400	$2,400
INCREASED RETAIL SALES - NEW EMPLOYEES	$86,400	$0
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$3,456	$0

C. RETAIL SALES TO NEIGHBORHOOD POPULATION

	HIGH	LOW
POPULATION DIFFERENTIAL WITH METRO	1553 PERSONS	1035 PERSONS
ANNUAL PER CAPITA SPENDING	$6,517	$6,517
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%	55.67%
INCREASED RETAIL SALES - NEIGHBORHOOD POP	$5,632,492	$3,754,994
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$225,300	$150,200

TABLE 4 - 14
ESTIMATED BENEFITS - HOLLYWOOD-WESTERN STATION
YEAR 2000
(CONTINUED)

IV. INCREASED VALUE OF UNIMPROVED LAND

	HIGH	LOW
INVENTORY OF UNIMPROVED LAND	693,033 SQ.FT.	703,700 SQ.FT.
PREVAILING STATION AREA LAND VALUE	$60 PER SQ.FT.	$30 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	2.49%	1.12%
ESTIMATED METRO RAIL BENEFIT	$1,034,040	$235,529

	HIGH	LOW
PRESENT VALUE OF TOTAL ESTIMATED BENEFITS	$16,208,361	$7,820,926

TABLE 4 - 15

BENEFIT CALCULATION ASSUMPTIONS
HOLLYWOOD-VINE STATION

STATION OPENING DATE	1997		
TIME FRAME FOR BENEFITS	BEGIN YEAR	END YEAR	
I. VALUE OF PROJECTED OFFICE GROWTH	1997	2017	
II. VALUE OF PREMIUM OFFICE LEASE RATE	1997	2017	
III. INCREASED RETAIL SALES PROFIT	1997	2017	
IV. INCREASED VALUE OF UNIMPROVED LAND	1989	2017	
DISCOUNT RATE FOR NET PRESENT VALUE	10%		
I. VALUE OF PROJECTED OFFICE GROWTH			
ANNUAL OFFICE GROWTH - WITHOUT METRO	19,000 SQ.FT.		
ANNUAL OFFICE GROWTH - WITH METRO	26,500 SQ.FT.	TO	51,500 SQ.FT.
CURRENT STATION AREA OFFICE INVENTORY	2,500,000 SQ.FT.		
CURRENT STATION AREA OFFICE VACANCY %	8%		
CURRENT STATION AREA OFFICE LEASE RATE	$12.00	TO	$16.20 PER SQ.FT.
% OF PROJ GROWTH ACCOM IN EXISTING BLDG	50%	TO	75%
II. VALUE OF PREMIUM OFFICE LEASE RATE			
CURRENT STATION AREA OFFICE INVENTORY	2,500,000 SQ.FT.		
ASSUMED OFFICE VACANCY RATE	10%		
OFFICE LEASE RATE PREMIUM	5%	TO	10%
MONTHLY OFFICE LEASE RATE PREMIUM	$0.05	TO	$0.14
III. VALUE OF INCREASED RETAIL SALES PROFIT			
RETAIL PROFIT MARGIN (ALL CATEGORIES)	4%		
A. SALES TO TRANSIT PATRONS			
DAILY PATRONAGE	10000		
ANNUAL PATRONAGE GROWTH	2%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
B. SALES TO NEW EMPLOYEES			
SQUARE FEET PER EMPLOYEE	250 SQ.FT.		
PERCENTAGE OF EMPLOYEE TRANSIT-USERS	15%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
C. SALES TO NEIGHBORHOOD POPULATION			
STATION AREA POPULATION - WITHOUT METRO	6,413 PERSONS		
STATION AREA POPULATION - WITH METRO	10,223	TO	12,128 PERSONS
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%		
ANNUAL PER CAPITA RETAIL SPENDING	$6,517		
IV. INCREASED VALUE OF UNIMPROVED LAND			
ANNUAL COMMERCIAL GROWTH - WITHOUT METRO	30,000 SQ.FT.		
ANNUAL COMMERCIAL GROWTH - WITH METRO	40,000 SQ.FT.	TO	70,000 SQ.FT.
F.A.R. OF PROJECTED GROWTH	4.5		
CURRENT INVENTORY OF UNIMPROVED LAND	2,200,000 SQ.FT.		
PREVAILING STATION AREA LAND VALUE	$40	TO	$70 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	1%	TO	2%

TABLE 4 - 16
ESTIMATED BENEFITS - HOLLYWOOD-VINE STATION
YEAR 2000

I. VALUE OF PROJECTED OFFICE GROWTH

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	32,500 SQ.FT.	7,500 SQ.FT.
% ACCOMODATED IN EXISTING BUILDINGS	75%	50%
ADDL OFFICE DEMAND DUE TO METRO	24,375 SQ.FT.	3,750 SQ.FT.
ESTIMATED LEASE RATE	$16.20 PER SQ.FT.	$12.00 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$394,875	$45,000

II. VALUE OF OFFICE LEASE RATE PREMIUM

	HIGH	LOW
ESTIMATED OFFICE SPACE INVENTORY	2,839,000 SQ.FT	2,739,000 SQ.FT
ASSUMED OFFICE VACANCY RATE	10%	10%
ESTIMATED LEASED OFFICE SPACE	2,555,100 SQ.FT.	2,465,100 SQ.FT.
ANNUAL LEASE RATE PREMIUM	$1.62 PER SQ.FT.	$0.60 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$4,139,262	$1,479,060

III. VALUE OF INCREASED RETAIL SALES PROFIT

A. RETAIL SALES TO TRANSIT PATRONS

ESTIMATED DAILY PATRONAGE	10,612
ANNUAL PER CAPITA RETAIL SPENDING	$2,400
INCREASED RETAIL SALES - RAIL PATRONS	$25,468,992
ESTIMATED RETAIL PROFIT MARGIN	4%
ESTIMATED METRO RAIL BENEFIT	$1,018,760

B. RETAIL SALES TO NEW EMPLOYEES

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	32,500 SQ.FT.	7,500 SQ.FT.
ESTIMATED SQ.FT. PER EMPLOYEE	250	250
EMPLOYMENT DIFF ATTRIBUTABLE TO METRO	130 EMPLOYEES	30 EMPLOYEES
ADJUSTMENT FOR EMPLOYEE TRANSIT USERS	85%	85%
ADJUSTED EMPLOYMENT DIFF DUE TO METRO	111 EMPLOYEES	26 EMPLOYEES
ANNUAL PER CAPITA RETAIL SPENDING	$2,400	$2,400
INCREASED RETAIL SALES - NEW EMPLOYEES	$1,060,800	$244,800
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$42,432	$9,792

C. RETAIL SALES TO NEIGHBORHOOD POPULATION

	HIGH	LOW
POPULATION DIFFERENTIAL WITH METRO	5715 PERSONS	3810 PERSONS
ANNUAL PER CAPITA SPENDING	$6,517	$6,517
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%	55.67%
INCREASED RETAIL SALES - NEIGHBORHOOD POP	$20,734,099	$13,822,733
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$829,364	$552,909

TABLE 4 - 16
ESTIMATED BENEFITS - HOLLYWOOD-VINE STATION
YEAR 2000
(CONTINUED)

IV. INCREASED VALUE OF UNIMPROVED LAND

	HIGH	LOW
INVENTORY OF UNIMPROVED LAND	2,091,111 SQ.FT.	2,117,778 SQ.FT.
PREVAILING STATION AREA LAND VALUE	$70 PER SQ.FT.	$40 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	2.49%	1.12%
ESTIMATED METRO RAIL BENEFIT	$3,640,047	$945,095

	HIGH	LOW
PRESENT VALUE OF TOTAL ESTIMATED BENEFITS	$60,906,872	$22,150,977

TABLE 4 - 17

BENEFIT CALCULATION ASSUMPTIONS
HOLLYWOOD-HIGHLAND STATION

STATION OPENING DATE	2000		
TIME FRAME FOR BENEFITS	BEGIN YEAR		END YEAR
I. VALUE OF PROJECTED OFFICE GROWTH	2000		2020
II. VALUE OF PREMIUM OFFICE LEASE RATE	2000		2020
III. INCREASED RETAIL SALES PROFIT	2000		2020
IV. INCREASED VALUE OF UNIMPROVED LAND	1989		2020
DISCOUNT RATE FOR NET PRESENT VALUE	10%		
I. VALUE OF PROJECTED OFFICE GROWTH			
ANNUAL OFFICE GROWTH - WITHOUT METRO	25,000 SQ.FT.		
ANNUAL OFFICE GROWTH - WITH METRO	32,500 SQ.FT.	TO	40,000 SQ.FT.
CURRENT STATION AREA OFFICE INVENTORY	1,500,000 SQ.FT.		
CURRENT STATION AREA OFFICE VACANCY %	10%		
CURRENT STATION AREA OFFICE LEASE RATE	$15.00	TO	$17.40 PER SQ.FT.
% OF PROJ GROWTH ACCOM IN EXISTING BLDG	40%	TO	60%
II. VALUE OF PREMIUM OFFICE LEASE RATE			
CURRENT STATION AREA OFFICE INVENTORY	1,500,000 SQ.FT.		
ASSUMED OFFICE VACANCY RATE	10%		
OFFICE LEASE RATE PREMIUM	5%	TO	10%
MONTHLY OFFICE LEASE RATE PREMIUM	$0.06	TO	$0.15
III. VALUE OF INCREASED RETAIL SALES PROFIT			
RETAIL PROFIT MARGIN (ALL CATEGORIES)	4%		
A. SALES TO TRANSIT PATRONS			
DAILY PATRONAGE	13000		
ANNUAL PATRONAGE GROWTH	2%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
B. SALES TO NEW EMPLOYEES			
SQUARE FEET PER EMPLOYEE	250 SQ.FT.		
PERCENTAGE OF EMPLOYEE TRANSIT-USERS	20%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
C. SALES TO NEIGHBORHOOD POPULATION			
STATION AREA POPULATION - WITHOUT METRO	6,721 PERSONS		
STATION AREA POPULATION - WITH METRO	8,875	TO	9,952 PERSONS
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%		
ANNUAL PER CAPITA RETAIL SPENDING	$6,517		
IV. INCREASED VALUE OF UNIMPROVED LAND			
ANNUAL COMMERCIAL GROWTH - WITHOUT METRO	50,000 SQ.FT.		
ANNUAL COMMERCIAL GROWTH - WITH METRO	70,000 SQ.FT.	TO	95,000 SQ.FT.
F.A.R. OF PROJECTED GROWTH	6		
CURRENT INVENTORY OF UNIMPROVED LAND	1,750,000 SQ.FT.		
PREVAILING STATION AREA LAND VALUE	$40	TO	$75 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	1%	TO	2%

TABLE 4 - 18
ESTIMATED BENEFITS - HOLLYWOOD-HIGHLAND STATION
YEAR 2000

I. VALUE OF PROJECTED OFFICE GROWTH

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	15,000 SQ.FT.	7,500 SQ.FT.
% ACCOMODATED IN EXISTING BUILDINGS	60%	40%
ADDL OFFICE DEMAND DUE TO METRO	9,000 SQ.FT.	3,000 SQ.FT.
ESTIMATED LEASE RATE	$17.40 PER SQ.FT.	$15.00 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$156,600	$45,000

II. VALUE OF OFFICE LEASE RATE PREMIUM

	HIGH	LOW
ESTIMATED OFFICE SPACE INVENTORY	1,790,000 SQ.FT	1,782,500 SQ.FT
ASSUMED OFFICE VACANCY RATE	10%	10%
ESTIMATED LEASED OFFICE SPACE	1,611,000 SQ.FT.	1,604,250 SQ.FT.
ANNUAL LEASE RATE PREMIUM	$1.74 PER SQ.FT.	$0.75 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$2,803,140	$1,203,188

III. VALUE OF INCREASED RETAIL SALES PROFIT

A. RETAIL SALES TO TRANSIT PATRONS

ESTIMATED DAILY PATRONAGE	13,000
ANNUAL PER CAPITA RETAIL SPENDING	$2,400
INCREASED RETAIL SALES - RAIL PATRONS	$31,200,000
ESTIMATED RETAIL PROFIT MARGIN	4%
ESTIMATED METRO RAIL BENEFIT	$1,248,000

B. RETAIL SALES TO NEW EMPLOYEES

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	15,000 SQ.FT.	7,500 SQ.FT.
ESTIMATED SQ.FT. PER EMPLOYEE	250	250
EMPLOYMENT DIFF ATTRIBUTABLE TO METRO	60 EMPLOYEES	30 EMPLOYEES
ADJUSTMENT FOR EMPLOYEE TRANSIT USERS	80%	80%
ADJUSTED EMPLOYMENT DIFF DUE TO METRO	48 EMPLOYEES	24 EMPLOYEES
ANNUAL PER CAPITA RETAIL SPENDING	$2,400	$2,400
INCREASED RETAIL SALES - NEW EMPLOYEES	$115,200	$57,600
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$4,608	$2,304

C. RETAIL SALES TO NEIGHBORHOOD POPULATION

	HIGH	LOW
POPULATION DIFFERENTIAL WITH METRO	3231 PERSONS	2154 PERSONS
ANNUAL PER CAPITA SPENDING	$6,517	$6,517
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%	55.67%
INCREASED RETAIL SALES - NEIGHBORHOOD POP	$11,722,113	$7,814,742
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$468,885	$312,590

TABLE 4 - 18
ESTIMATED BENEFITS - HOLLYWOOD-HIGHLAND STATION
YEAR 2000
(CONTINUED)

IV. INCREASED VALUE OF UNIMPROVED LAND

	HIGH	LOW
INVENTORY OF UNIMPROVED LAND	1,650,833 SQ.FT.	1,655,000 SQ.FT.
PREVAILING STATION AREA LAND VALUE	$75 PER SQ.FT.	$40 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	2.49%	1.12%
ESTIMATED METRO RAIL BENEFIT	$3,078,906	$738,572

	HIGH	LOW
PRESENT VALUE OF TOTAL ESTIMATED BENEFITS	$44,557,382	$16,667,427

TABLE 4 - 19

BENEFIT CALCULATION ASSUMPTIONS
UNIVERSAL CITY

STATION OPENING DATE	2000		
TIME FRAME FOR BENEFITS	BEGIN YEAR	END YEAR	
I. VALUE OF PROJECTED OFFICE GROWTH	2000	2020	
II. VALUE OF PREMIUM OFFICE LEASE RATE	2000	2020	
III. INCREASED RETAIL SALES PROFIT	2000	2020	
IV. INCREASED VALUE OF UNIMPROVED LAND	1989	2020	
DISCOUNT RATE FOR NET PRESENT VALUE	10%		
I. VALUE OF PROJECTED OFFICE GROWTH			
ANNUAL OFFICE GROWTH - WITHOUT METRO	125,000 SQ.FT.		
ANNUAL OFFICE GROWTH - WITH METRO	125,000 SQ.FT.	TO	135,000 SQ.FT.
CURRENT STATION AREA OFFICE INVENTORY	810,000 SQ.FT.		
CURRENT STATION AREA OFFICE VACANCY %	13%		
CURRENT STATION AREA OFFICE LEASE RATE	$21.00	TO	$33.00 PER SQ.FT.
% OF PROJ GROWTH ACCOM IN EXISTING BLDG	0%	TO	20%
II. VALUE OF PREMIUM OFFICE LEASE RATE			
CURRENT STATION AREA OFFICE INVENTORY	810,000 SQ.FT.		
ASSUMED OFFICE VACANCY RATE	10%		
OFFICE LEASE RATE PREMIUM	5%	TO	10%
MONTHLY OFFICE LEASE RATE PREMIUM	$0.09	TO	$0.28
III. VALUE OF INCREASED RETAIL SALES PROFIT			
RETAIL PROFIT MARGIN (ALL CATEGORIES)	4%		
A. SALES TO TRANSIT PATRONS			
DAILY PATRONAGE	16000		
ANNUAL PATRONAGE GROWTH	2%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
B. SALES TO NEW EMPLOYEES			
SQUARE FEET PER EMPLOYEE	250 SQ.FT.		
PERCENTAGE OF EMPLOYEE TRANSIT-USERS	10%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
C. SALES TO NEIGHBORHOOD POPULATION			
STATION AREA POPULATION - WITHOUT METRO	1,971 PERSONS		
STATION AREA POPULATION - WITH METRO	2,262	TO	2,408 PERSONS
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%		
ANNUAL PER CAPITA RETAIL SPENDING	$12,274		
IV. INCREASED VALUE OF UNIMPROVED LAND			
ANNUAL COMMERCIAL GROWTH - WITHOUT METRO	155,000 SQ.FT.		
ANNUAL COMMERCIAL GROWTH - WITH METRO	156,250 SQ.FT.	TO	168,250 SQ.FT.
F.A.R. OF PROJECTED GROWTH	6		
CURRENT INVENTORY OF UNIMPROVED LAND	710,000 SQ.FT.		
PREVAILING STATION AREA LAND VALUE	$40	TO	$75 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	1%	TO	2%

TABLE 4 - 20
ESTIMATED BENEFITS - UNIVERSAL CITY
YEAR 2000

I. VALUE OF PROJECTED OFFICE GROWTH

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	10,000 SQ.FT.	0 SQ.FT.
% ACCOMODATED IN EXISTING BUILDINGS	20%	0%
ADDL OFFICE DEMAND DUE TO METRO	2,000 SQ.FT.	0 SQ.FT.
ESTIMATED LEASE RATE	$33.00 PER SQ.FT.	$21.00 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$66,000	$0

II. VALUE OF OFFICE LEASE RATE PREMIUM

	HIGH	LOW
ESTIMATED OFFICE SPACE INVENTORY	2,195,000 SQ.FT	2,185,000 SQ.FT
ASSUMED OFFICE VACANCY RATE	10%	10%
ESTIMATED LEASED OFFICE SPACE	1,975,500 SQ.FT.	1,966,500 SQ.FT.
ANNUAL LEASE RATE PREMIUM	$3.30 PER SQ.FT.	$1.05 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$6,519,150	$2,064,825

III. VALUE OF INCREASED RETAIL SALES PROFIT

A. RETAIL SALES TO TRANSIT PATRONS

ESTIMATED DAILY PATRONAGE	16,000
ANNUAL PER CAPITA RETAIL SPENDING	$2,400
INCREASED RETAIL SALES - RAIL PATRONS	$38,400,000
ESTIMATED RETAIL PROFIT MARGIN	4%
ESTIMATED METRO RAIL BENEFIT	$1,536,000

B. RETAIL SALES TO NEW EMPLOYEES

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	10,000 SQ.FT.	0 SQ.FT.
ESTIMATED SQ.FT. PER EMPLOYEE	250	250
EMPLOYMENT DIFF ATTRIBUTABLE TO METRO	40 EMPLOYEES	0 EMPLOYEES
ADJUSTMENT FOR EMPLOYEE TRANSIT USERS	90%	90%
ADJUSTED EMPLOYMENT DIFF DUE TO METRO	36 EMPLOYEES	0 EMPLOYEES
ANNUAL PER CAPITA RETAIL SPENDING	$2,400	$2,400
INCREASED RETAIL SALES - NEW EMPLOYEES	$86,400	$0
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$3,456	$0

C. RETAIL SALES TO NEIGHBORHOOD POPULATION

	HIGH	LOW
POPULATION DIFFERENTIAL WITH METRO	437 PERSONS	291 PERSONS
ANNUAL PER CAPITA SPENDING	$12,274	$12,274
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%	55.67%
INCREASED RETAIL SALES - NEIGHBORHOOD POP	$2,982,576	$1,988,384
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$119,303	$79,535

TABLE 4 - 20
ESTIMATED BENEFITS - UNIVERSAL CITY
YEAR 2000
(CONTINUED)

IV. INCREASED VALUE OF UNIMPROVED LAND

	HIGH	LOW
INVENTORY OF UNIMPROVED LAND	423,625 SQ.FT.	425,625 SQ.FT.
PREVAILING STATION AREA LAND VALUE	$75 PER SQ.FT.	$40 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	2.49%	1.12%
ESTIMATED METRO RAIL BENEFIT	$790,087	$189,943

	HIGH	LOW
PRESENT VALUE OF TOTAL ESTIMATED BENEFITS	$41,767,625	$16,256,095

TABLE 4 - 21

BENEFIT CALCULATION ASSUMPTIONS
NORTH HOLLYWOOD STATION

STATION OPENING DATE	2000		
TIME FRAME FOR BENEFITS	BEGIN YEAR	END YEAR	
I. VALUE OF PROJECTED OFFICE GROWTH	2000	2020	
II. VALUE OF PREMIUM OFFICE LEASE RATE	2000	2020	
III. INCREASED RETAIL SALES PROFIT	2000	2020	
IV. INCREASED VALUE OF UNIMPROVED LAND	1989	2020	
DISCOUNT RATE FOR NET PRESENT VALUE	10%		
I. VALUE OF PROJECTED OFFICE GROWTH			
ANNUAL OFFICE GROWTH - WITHOUT METRO	46,000 SQ.FT.		
ANNUAL OFFICE GROWTH - WITH METRO	66,000 SQ.FT.	TO	86,000 SQ.FT.
CURRENT STATION AREA OFFICE INVENTORY	950,000 SQ.FT.		
CURRENT STATION AREA OFFICE VACANCY %	22%		
CURRENT STATION AREA OFFICE LEASE RATE	$15.00	TO	$18.60
% OF PROJ GROWTH ACCOM IN EXISTING BLDG	50%	TO	75%
II. VALUE OF PREMIUM OFFICE LEASE RATE			
CURRENT STATION AREA OFFICE INVENTORY	950,000 SQ.FT.		
ASSUMED OFFICE VACANCY RATE	10%		
OFFICE LEASE RATE PREMIUM	5%	TO	10%
MONTHLY OFFICE LEASE RATE PREMIUM	$0.06	TO	$0.16
III. VALUE OF INCREASED RETAIL SALES PROFIT			
RETAIL PROFIT MARGIN (ALL CATEGORIES)	4%		
A. SALES TO TRANSIT PATRONS			
DAILY PATRONAGE	10000		
ANNUAL PATRONAGE GROWTH	2%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
B. SALES TO NEW EMPLOYEES			
SQUARE FEET PER EMPLOYEE	250 SQ.FT.		
PERCENTAGE OF EMPLOYEE TRANSIT-USERS	10%		
ANNUAL PER CAPITA RETAIL SPENDING	$2,400		
C. SALES TO NEIGHBORHOOD POPULATION			
STATION AREA POPULATION - WITHOUT METRO	3,302 PERSONS		
STATION AREA POPULATION - WITH METRO	3,357	TO	3,385 PERSONS
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%		
ANNUAL PER CAPITA RETAIL SPENDING	$6,783		
IV. INCREASED VALUE OF UNIMPROVED LAND			
ANNUAL COMMERCIAL GROWTH - WITHOUT METRO	50,000 SQ.FT.		
ANNUAL COMMERCIAL GROWTH - WITH METRO	75,000 SQ.FT.	TO	100,000 SQ.FT.
F.A.R. OF PROJECTED GROWTH	6		
CURRENT INVENTORY OF UNIMPROVED LAND	1,200,000 SQ.FT.		
PREVAILING STATION AREA LAND VALUE	$40	TO	$60
INCREASED LAND VALUE PREMIUM	1%	TO	2%

TABLE 4 - 22
ESTIMATED BENEFITS - NORTH HOLLYWOOD STATION
YEAR 2000

I. VALUE OF PROJECTED OFFICE GROWTH

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	40,000 SQ.FT.	20,000 SQ.FT.
% ACCOMODATED IN EXISTING BUILDINGS	75%	50%
ADDL OFFICE DEMAND DUE TO METRO	30,000 SQ.FT.	10,000 SQ.FT.
ESTIMATED LEASE RATE	$18.60 PER SQ.FT.	$15.00 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$558,000	$150,000

II. VALUE OF OFFICE LEASE RATE PREMIUM

	HIGH	LOW
ESTIMATED OFFICE SPACE INVENTORY	1,496,000 SQ.FT	1,476,000 SQ.FT
ASSUMED OFFICE VACANCY RATE	10%	10%
ESTIMATED LEASED OFFICE SPACE	1,346,400 SQ.FT.	1,328,400 SQ.FT.
ANNUAL LEASE RATE PREMIUM	$1.86 PER SQ.FT.	$0.75 PER SQ.FT.
ESTIMATED METRO RAIL BENEFIT	$2,504,304	$996,300

III. VALUE OF INCREASED RETAIL SALES PROFIT

A. RETAIL SALES TO TRANSIT PATRONS

ESTIMATED DAILY PATRONAGE	10,000
ANNUAL PER CAPITA RETAIL SPENDING	$2,400
INCREASED RETAIL SALES - RAIL PATRONS	$24,000,000
ESTIMATED RETAIL PROFIT MARGIN	4%
ESTIMATED METRO RAIL BENEFIT	$960,000

B. RETAIL SALES TO NEW EMPLOYEES

	HIGH	LOW
EST OFFICE GROWTH DIFFERENTIAL WITH METRO	40,000 SQ.FT.	20,000 SQ.FT.
ESTIMATED SQ.FT. PER EMPLOYEE	250	250
EMPLOYMENT DIFF ATTRIBUTABLE TO METRO	160 EMPLOYEES	80 EMPLOYEES
ADJUSTMENT FOR EMPLOYEE TRANSIT USERS	90%	90%
ADJUSTED EMPLOYMENT DIFF DUE TO METRO	144 EMPLOYEES	72 EMPLOYEES
ANNUAL PER CAPITA RETAIL SPENDING	$2,400	$2,400
INCREASED RETAIL SALES - NEW EMPLOYEES	$345,600	$172,800
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$13,824	$6,912

C. RETAIL SALES TO NEIGHBORHOOD POPULATION

	HIGH	LOW
POPULATION DIFFERENTIAL WITH METRO	83 PERSONS	55 PERSONS
ANNUAL PER CAPITA SPENDING	$6,783	$6,783
COMMUNITY RETAIL SALES AS % OF TOTAL SALES	55.67%	55.67%
INCREASED RETAIL SALES - NEIGHBORHOOD POP	$311,528	$207,685
ESTIMATED RETAIL PROFIT MARGIN	4%	4%
ESTIMATED METRO RAIL BENEFIT	$12,461	$8,307

TABLE 4 - 22
ESTIMATED BENEFITS - NORTH HOLLYWOOD STATION
YEAR 2000
(CONTINUED)

IV. INCREASED VALUE OF UNIMPROVED LAND

	HIGH	LOW
INVENTORY OF UNIMPROVED LAND	1,100,000 SQ.FT.	1,104,167 SQ.FT.
PREVAILING STATION AREA LAND VALUE	$60 PER SQ.FT.	$40 PER SQ.FT.
INCREASED LAND VALUE PREMIUM	2.49%	1.12%
ESTIMATED METRO RAIL BENEFIT	$1,641,254	$492,754

	HIGH	LOW
PRESENT VALUE OF TOTAL ESTIMATED BENEFITS	$30,858,731	$12,539,996

SUMMARY OF ESTIMATED BENEFITS - HOLLYWOOD STATIONS

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004-2020
HOLLYWOOD/WESTERN																
LO									$0	$0	$0	$0	$0	$0	$0	$0
PROJECTED OFFICE GROWTH									$146,500	$148,500	$148,500	$148,500	$148,500	$148,500	$148,500	$2,079,000
PREMIUM OFFICE LEASE RATE									$1,108,254	$1,123,100	$1,148,333	$1,163,959	$1,189,989	$1,211,428	$1,233,287	$19,916,373
INCR RETAIL SALES PROFIT									$228,692	$230,688	$233,197	$235,529	$237,884	$240,263	$242,666	$3,663,436
INCR VALUE OF UNIMPROVED LAND	$213,000	$214,857	$216,730	$218,620	$220,526	$222,448	$224,384	$226,338	$1,485,356	$1,507,488	$1,530,029	$1,552,968	$1,576,373	$1,600,191	$1,624,452	$25,558,868
TOTAL	$213,000	$214,857	$216,730	$218,620	$220,526	$222,448	$224,384	$226,338								
HI									$32,400	$32,400	$32,400	$32,400	$32,400	$32,400	$32,400	$453,600
PROJECTED OFFICE GROWTH									$324,405	$328,050	$331,695	$335,340	$338,985	$342,630	$346,275	$5,230,575
PREMIUM OFFICE LEASE RATE									$1,180,557	$1,202,474	$1,224,791	$1,247,515	$1,270,655	$1,294,218	$1,318,213	$21,237,457
INCR RETAIL SALES PROFIT									$935,847	$1,001,535	$1,017,565	$1,034,040	$1,050,662	$1,067,536	$1,084,664	$17,134,307
INCR VALUE OF UNIMPROVED LAND	$852,000	$867,938	$884,174	$900,711	$917,556	$934,715	$952,193	$969,996	$2,523,009	$2,564,460	$2,606,551	$2,649,295	$2,692,702	$2,736,784	$2,781,552	$44,656,439
TOTAL	$852,000	$867,938	$884,174	$900,711	$917,556	$934,715	$952,193	$969,996								
HOLLYWOOD/VINE																
LO									$45,000	$45,000	$45,000	$45,000	$45,000	$45,000	$45,000	$630,000
PROJECTED OFFICE GROWTH									$1,436,130	$1,458,440	$1,484,750	$1,479,060	$1,493,370	$1,507,680	$1,521,990	$22,810,410
PREMIUM OFFICE LEASE RATE									$1,462,746	$1,501,250	$1,540,913	$1,581,461	$1,623,023	$1,665,628	$1,709,305	$29,195,677
INCR RETAIL SALES PROFIT									$928,850	$934,250	$939,665	$945,095	$950,540	$955,998	$961,471	$14,042,499
INCR VALUE OF UNIMPROVED LAND	$880,000	$886,107	$892,247	$898,422	$904,632	$910,875	$917,153	$923,466	$3,872,726	$3,931,040	$3,990,328	$4,050,616	$4,111,933	$4,174,307	$4,237,767	$66,678,586
TOTAL	$880,000	$886,107	$892,247	$898,422	$904,632	$910,875	$917,153	$923,466								
HI									$394,875	$394,875	$394,875	$394,875	$394,875	$394,875	$394,875	$5,528,250
PROJECTED OFFICE GROWTH									$3,914,001	$3,989,088	$4,064,175	$4,139,262	$4,214,349	$4,289,436	$4,364,523	$68,987,457
PREMIUM OFFICE LEASE RATE									$1,702,064	$1,763,151	$1,825,960	$1,890,556	$1,957,005	$2,025,378	$2,095,749	$38,049,155
INCR RETAIL SALES PROFIT									$3,506,646	$3,559,753	$3,595,221	$3,640,047	$3,685,229	$3,730,762	$3,776,641	$57,872,451
INCR VALUE OF UNIMPROVED LAND	$3,080,000	$3,132,080	$3,185,011	$3,238,807	$3,293,480	$3,349,045	$3,405,515	$3,462,904	$9,517,586	$9,697,857	$9,880,231	$10,064,740	$10,251,458	$10,440,451	$10,631,788	$170,437,313
TOTAL	$3,080,000	$3,132,080	$3,185,011	$3,238,807	$3,293,480	$3,349,045	$3,405,515	$3,462,904								
HOLLYWOOD/HIGHLAND																
LO									$45,000	$45,000	$45,000	$45,000	$45,000	$45,000	$45,000	$765,000
PROJECTED OFFICE GROWTH									$1,203,189	$1,225,125	$1,247,063	$1,269,000	$1,290,938	$1,312,875	$1,334,813	$24,929,438
PREMIUM OFFICE LEASE RATE									$1,562,894	$1,597,392	$1,632,558	$1,668,404	$1,704,941	$1,742,179	$1,780,130	$34,580,090
INCR RETAIL SALES PROFIT									$738,572	$740,700	$742,796	$744,859	$746,890	$748,889	$750,856	$12,942,852
INCR VALUE OF UNIMPROVED LAND	$700,000	$703,633	$707,269	$710,908	$714,548	$718,190	$721,834	$725,478	$3,549,654	$3,608,217	$3,667,416	$3,727,263	$3,787,770	$3,848,948	$3,910,810	$73,217,380
TOTAL	$700,000	$703,633	$707,269	$710,908	$714,548	$718,190	$721,834	$725,478								
HI									$156,600	$156,600	$156,600	$156,600	$156,600	$156,600	$156,600	$2,662,200
PROJECTED OFFICE GROWTH									$2,803,140	$2,845,780	$2,928,420	$2,991,060	$3,053,700	$3,116,340	$3,178,980	$60,431,940
PREMIUM OFFICE LEASE RATE									$1,721,493	$1,764,668	$1,808,737	$1,853,723	$1,899,646	$1,946,529	$1,994,394	$39,398,670
INCR RETAIL SALES PROFIT									$3,078,906	$3,110,363	$3,141,847	$3,173,346	$3,204,860	$3,236,389	$3,267,933	$58,714,840
INCR VALUE OF UNIMPROVED LAND	$2,625,000	$2,664,750	$2,705,040	$2,745,876	$2,787,263	$2,829,207	$2,871,714	$2,914,790	$7,760,138	$7,897,411	$8,035,605	$8,174,729	$8,314,792	$8,455,802	$8,597,768	$161,207,650
TOTAL	$2,625,000	$2,664,750	$2,705,040	$2,745,876	$2,787,263	$2,829,207	$2,871,714	$2,914,790								
HOLLYWOOD STATIONS TOTAL																
LO									$45,000	$45,000	$45,000	$90,000	$90,000	$90,000	$90,000	$1,395,000
PROJECTED OFFICE GROWTH									$1,584,630	$1,598,940	$1,613,250	$2,830,748	$2,866,995	$2,903,243	$2,939,490	$49,818,848
PREMIUM OFFICE LEASE RATE									$2,571,000	$2,629,650	$2,689,245	$4,313,314	$4,410,405	$4,509,614	$4,610,996	$83,592,140
INCR RETAIL SALES PROFIT									$1,886,576	$1,897,907	$1,909,277	$1,919,196	$1,929,123	$1,939,057	$1,948,996	$30,648,847
INCR VALUE OF UNIMPROVED LAND	$1,793,000	$1,804,597	$1,816,247	$1,827,950	$1,839,705	$1,851,512	$1,863,371	$1,875,283	$6,087,206	$6,171,297	$6,256,772	$9,153,258	$9,296,523	$9,441,914	$9,589,482	$165,454,834
TOTAL	$1,793,000	$1,804,597	$1,816,247	$1,827,950	$1,839,705	$1,851,512	$1,863,371	$1,875,283								
HI									$427,275	$427,275	$427,275	$583,875	$583,875	$583,875	$583,875	$8,644,050
PROJECTED OFFICE GROWTH									$4,238,406	$4,317,138	$4,395,870	$7,277,742	$7,419,114	$7,560,486	$7,701,858	$134,649,972
PREMIUM OFFICE LEASE RATE									$2,882,621	$2,965,626	$3,050,751	$4,859,564	$4,992,328	$5,128,334	$5,267,685	$98,685,282
INCR RETAIL SALES PROFIT									$7,450,733	$7,554,958	$7,660,372	$7,752,993	$7,846,254	$7,940,145	$8,034,652	$133,722,098
INCR VALUE OF UNIMPROVED LAND	$6,557,000	$6,664,768	$6,774,225	$6,885,393	$6,998,299	$7,112,967	$7,229,422	$7,347,690	$14,999,035	$15,264,997	$15,534,269	$20,474,173	$20,841,571	$21,212,840	$21,588,070	$375,701,403
TOTAL	$6,557,000	$6,664,768	$6,774,225	$6,885,393	$6,998,299	$7,112,967	$7,229,422	$7,347,690								
NET PRESENT VALUE - LO	$46,639,331															
NET PRESENT VALUE - HI	$121,672,614															

SUMMARY OF ESTIMATED BENEFITS - VALLEY STATIONS

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004-2020
UNIVERSAL CITY																
LO												$0	$0	$0	$0	$0
PROJECTED OFFICE GROWTH												$2,044,825	$2,182,950	$2,301,075	$2,419,200	$59,199,525
PREMIUM OFFICE LEASE RATE												$1,515,535	$1,648,740	$1,675,563	$1,711,015	$34,727,472
INCR RETAIL SALES PROFIT												$189,945	$180,104	$170,050	$159,777	$1,026,264
INCR VALUE OF UNIMPROVED LAND	$284,000	$275,803	$268,625	$260,656	$252,520	$244,185	$235,657	$226,935	$218,015	$208,894	$199,568	$3,870,303	$4,039,795	$4,149,638	$4,259,962	$84,963,264
TOTAL	$284,000	$275,803	$268,625	$260,656	$252,520	$244,185	$235,657	$226,935	$218,015	$208,894	$199,568	$3,870,303	$4,039,795	$4,149,638	$4,259,962	$84,963,264
HI												$66,000	$66,000	$66,000	$66,000	$1,122,000
PROJECTED OFFICE GROWTH												$6,519,150	$6,920,100	$7,321,050	$7,722,000	$152,519,350
PREMIUM OFFICE LEASE RATE												$1,658,759	$1,694,037	$1,729,940	$1,766,480	$36,303,271
INCR RETAIL SALES PROFIT												$790,087	$752,543	$713,182	$671,945	$4,073,191
INCR VALUE OF UNIMPROVED LAND	$1,065,000	$1,046,775	$1,027,395	$1,006,821	$985,013	$961,930	$937,530	$911,769	$884,603	$856,985	$825,869	$9,033,996	$9,432,680	$9,830,172	$10,226,425	$204,122,811
TOTAL	$1,065,000	$1,046,775	$1,027,395	$1,006,821	$985,013	$961,930	$937,530	$911,769	$884,603	$856,985	$825,869	$9,033,996	$9,432,680	$9,830,172	$10,226,425	$204,122,811
NORTH HOLLYWOOD																
LO												$150,000	$150,000	$150,000	$150,000	$2,550,000
PROJECTED OFFICE GROWTH												$996,300	$1,049,850	$1,065,400	$1,129,950	$26,025,300
PREMIUM OFFICE LEASE RATE												$975,219	$1,001,343	$1,027,852	$1,054,751	$22,466,502
INCR RETAIL SALES PROFIT												$492,754	$492,047	$491,277	$490,442	$8,141,051
INCR VALUE OF UNIMPROVED LAND	$480,000	$481,433	$482,847	$484,241	$485,615	$486,968	$488,299	$489,608	$490,895	$492,158	$493,398	$2,614,273	$2,684,240	$2,754,528	$2,825,144	$59,182,853
TOTAL	$480,000	$481,433	$482,847	$484,241	$485,615	$486,968	$488,299	$489,608	$490,895	$492,158	$493,398	$2,614,273	$2,684,240	$2,754,528	$2,825,144	$59,182,853
HI												$558,000	$558,000	$558,000	$558,000	$9,486,000
PROJECTED OFFICE GROWTH												$2,504,304	$2,648,268	$2,792,232	$2,936,196	$71,941,824
PREMIUM OFFICE LEASE RATE												$996,285	$1,019,332	$1,052,764	$1,086,586	$24,066,971
INCR RETAIL SALES PROFIT												$1,641,254	$1,648,714	$1,655,816	$1,662,543	$28,832,775
INCR VALUE OF UNIMPROVED LAND	$1,440,000	$1,458,600	$1,477,368	$1,496,303	$1,515,405	$1,534,672	$1,554,104	$1,573,699	$1,593,457	$1,613,375	$1,633,453	$5,689,843	$5,874,315	$6,058,812	$6,243,326	$134,327,569
TOTAL	$1,440,000	$1,458,600	$1,477,368	$1,496,303	$1,515,405	$1,534,672	$1,554,104	$1,573,699	$1,593,457	$1,613,375	$1,633,453	$5,689,843	$5,874,315	$6,058,812	$6,243,326	$134,327,569
VALLEY STATIONS TOTAL																
LO												$150,000	$150,000	$150,000	$150,000	$2,550,000
PROJECTED OFFICE GROWTH												$3,061,125	$3,223,800	$3,366,475	$3,549,150	$85,224,825
PREMIUM OFFICE LEASE RATE												$2,590,755	$2,648,084	$2,706,414	$2,765,766	$57,193,975
INCR RETAIL SALES PROFIT												$682,696	$672,151	$661,327	$650,219	$9,177,254
INCR VALUE OF UNIMPROVED LAND	$764,000	$757,837	$751,474	$744,908	$738,135	$731,153	$723,957	$716,544	$708,910	$701,052	$692,966	$6,484,576	$6,694,035	$6,904,216	$7,115,106	$154,146,064
TOTAL	$764,000	$757,837	$751,474	$744,908	$738,135	$731,153	$723,957	$716,544	$708,910	$701,052	$692,966	$6,484,576	$6,694,035	$6,904,216	$7,115,106	$154,146,064
HI												$624,000	$624,000	$624,000	$624,000	$10,608,000
PROJECTED OFFICE GROWTH												$9,023,454	$9,568,368	$10,113,282	$10,658,196	$264,561,174
PREMIUM OFFICE LEASE RATE												$2,645,064	$2,713,370	$2,782,704	$2,853,067	$60,370,241
INCR RETAIL SALES PROFIT												$2,431,341	$2,401,257	$2,369,598	$2,334,638	$52,910,955
INCR VALUE OF UNIMPROVED LAND	$2,505,000	$2,505,375	$2,504,763	$2,503,124	$2,500,418	$2,496,603	$2,491,634	$2,485,469	$2,478,060	$2,469,360	$2,459,321	$14,723,839	$15,306,995	$15,888,984	$16,469,750	$368,450,380
TOTAL	$2,505,000	$2,505,375	$2,504,763	$2,503,124	$2,500,418	$2,496,603	$2,491,634	$2,485,469	$2,478,060	$2,469,360	$2,459,321	$14,723,839	$15,306,995	$15,888,984	$16,469,750	$368,450,380
NET PRESENT VALUE - LO	$28,756,091															
NET PRESENT VALUE - HI	$72,626,357															

SUMMARY OF ESTIMATED BENEFITS - VERMONT STATIONS

VERMONT/BEVERLY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004-2020
LO																
PROJECTED OFFICE GROWTH									$0	$0	$0	$0	$0	$0	$0	$0
PREMIUM OFFICE LEASE RATE									$81,000	$81,000	$81,000	$81,000	$81,000	$81,000	$81,000	$1,134,000
INCR RETAIL SALES PROFIT									$1,106,941	$1,127,977	$1,149,414	$1,171,261	$1,193,525	$1,216,213	$1,239,335	$20,641,810
INCR VALUE OF UNIMPROVED LAND	$525,000	$530,073	$535,195	$540,367	$545,589	$550,861	$556,183	$561,558	$566,433	$571,350	$576,309	$581,310	$586,353	$591,439	$596,569	$8,915,464
TOTAL	$525,000	$530,073	$535,195	$540,367	$545,589	$550,861	$556,183	$561,558	$1,754,374	$1,780,327	$1,806,723	$1,833,571	$1,860,877	$1,889,652	$1,916,902	$30,691,274
HI																
PROJECTED OFFICE GROWTH									$97,200	$97,200	$97,200	$97,200	$97,200	$97,200	$97,200	$1,360,800
PREMIUM OFFICE LEASE RATE									$218,700	$262,440	$306,180	$349,920	$393,660	$437,400	$481,140	$11,328,660
INCR RETAIL SALES PROFIT									$1,324,082	$1,361,187	$1,398,885	$1,437,190	$1,476,113	$1,515,669	$1,555,871	$26,399,825
INCR VALUE OF UNIMPROVED LAND	$2,100,000	$2,141,286	$2,183,383	$2,226,308	$2,270,077	$2,314,705	$2,360,211	$2,406,611	$2,425,335	$2,443,845	$2,462,125	$2,480,159	$2,497,929	$2,515,418	$2,532,608	$37,644,255
TOTAL	$2,100,000	$2,141,286	$2,183,383	$2,226,308	$2,270,077	$2,314,705	$2,360,211	$2,406,611	$4,065,317	$4,164,672	$4,264,390	$4,364,568	$4,464,902	$4,565,687	$4,666,819	$76,133,541
VERMONT/SANTA MONICA																
LO																
PROJECTED OFFICE GROWTH									$0	$0	$0	$0	$0	$0	$0	$0
PREMIUM OFFICE LEASE RATE									$64,800	$71,550	$78,300	$85,050	$91,800	$98,550	$105,300	$2,182,950
INCR RETAIL SALES PROFIT									$701,234	$717,877	$734,790	$751,977	$769,444	$787,198	$805,243	$13,346,055
INCR VALUE OF UNIMPROVED LAND	$225,000	$226,997	$229,012	$231,045	$233,095	$235,163	$237,250	$239,354	$239,537	$239,699	$239,841	$239,962	$240,061	$240,138	$240,192	$3,354,705
TOTAL	$225,000	$226,997	$229,012	$231,045	$233,095	$235,163	$237,250	$239,354	$1,005,571	$1,029,127	$1,052,931	$1,076,989	$1,101,305	$1,125,886	$1,150,735	$18,883,709
HI																
PROJECTED OFFICE GROWTH									$40,500	$40,500	$40,500	$40,500	$40,500	$40,500	$40,500	$567,000
PREMIUM OFFICE LEASE RATE									$143,613	$161,838	$180,063	$198,288	$216,513	$234,738	$252,963	$5,455,107
INCR RETAIL SALES PROFIT									$715,022	$732,519	$750,285	$768,327	$786,650	$805,259	$824,161	$13,701,135
INCR VALUE OF UNIMPROVED LAND	$990,000	$1,008,678	$1,027,707	$1,047,094	$1,066,845	$1,086,968	$1,107,468	$1,128,354	$1,137,904	$1,147,384	$1,156,789	$1,166,111	$1,175,343	$1,184,478	$1,193,508	$17,578,175
TOTAL	$990,000	$1,008,678	$1,027,707	$1,047,094	$1,066,845	$1,086,968	$1,107,468	$1,128,354	$2,037,039	$2,082,241	$2,127,638	$2,173,226	$2,219,006	$2,264,975	$2,311,132	$37,301,416
VERMONT/SUNSET																
LO																
PROJECTED OFFICE GROWTH									$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	$168,000
PREMIUM OFFICE LEASE RATE									$183,600	$190,350	$197,100	$203,850	$210,600	$217,350	$224,100	$3,846,150
INCR RETAIL SALES PROFIT									$715,117	$730,097	$745,348	$760,874	$776,682	$792,776	$809,162	$13,227,138
INCR VALUE OF UNIMPROVED LAND	$240,000	$241,390	$242,784	$244,181	$245,583	$246,987	$248,396	$249,808	$250,681	$251,543	$252,406	$253,257	$254,099	$254,933	$255,758	$3,661,718
TOTAL	$240,000	$241,390	$242,784	$244,181	$245,583	$246,987	$248,396	$249,808	$1,161,398	$1,183,995	$1,206,854	$1,229,981	$1,253,381	$1,277,059	$1,301,020	$20,903,006
HI																
PROJECTED OFFICE GROWTH									$90,720	$90,720	$90,720	$90,720	$90,720	$90,720	$90,720	$1,270,080
PREMIUM OFFICE LEASE RATE									$411,156	$440,316	$469,476	$498,636	$527,796	$556,956	$586,116	$11,267,424
INCR RETAIL SALES PROFIT									$739,055	$757,493	$776,203	$795,191	$814,461	$834,019	$853,871	$14,217,960
INCR VALUE OF UNIMPROVED LAND	$1,120,000	$1,137,640	$1,155,538	$1,173,696	$1,192,119	$1,210,809	$1,229,769	$1,249,004	$1,257,581	$1,266,001	$1,274,256	$1,282,333	$1,290,225	$1,297,919	$1,305,404	$18,915,391
TOTAL	$1,120,000	$1,137,640	$1,155,538	$1,173,696	$1,192,119	$1,210,809	$1,229,769	$1,249,004	$2,498,512	$2,554,530	$2,610,655	$2,666,880	$2,723,201	$2,779,614	$2,836,111	$45,670,855
VERMONT STATIONS TOTAL																
LO																
PROJECTED OFFICE GROWTH									$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	$12,000	$168,000
PREMIUM OFFICE LEASE RATE									$329,400	$342,900	$356,400	$369,900	$383,400	$396,900	$410,400	$7,163,100
INCR RETAIL SALES PROFIT									$2,523,292	$2,576,951	$2,629,552	$2,684,112	$2,739,651	$2,796,187	$2,853,740	$46,815,003
INCR VALUE OF UNIMPROVED LAND	$990,000	$998,461	$1,006,992	$1,015,593	$1,024,267	$1,033,012	$1,041,829	$1,050,719	$1,056,652	$1,062,597	$1,068,556	$1,074,528	$1,080,513	$1,086,509	$1,092,518	$15,931,887
TOTAL	$990,000	$998,461	$1,006,992	$1,015,593	$1,024,267	$1,033,012	$1,041,829	$1,050,719	$3,921,343	$3,993,449	$4,066,508	$4,140,540	$4,215,563	$4,291,595	$4,368,658	$69,877,959
HI																
PROJECTED OFFICE GROWTH									$228,420	$228,420	$228,420	$228,420	$228,420	$228,420	$228,420	$3,197,880
PREMIUM OFFICE LEASE RATE									$773,469	$854,534	$955,719	$1,046,844	$1,137,969	$1,229,094	$1,320,219	$28,051,191
INCR RETAIL SALES PROFIT									$2,778,159	$2,851,199	$2,925,374	$3,000,708	$3,077,224	$3,154,947	$3,233,903	$54,319,920
INCR VALUE OF UNIMPROVED LAND	$4,210,000	$4,287,604	$4,366,628	$4,447,098	$4,529,040	$4,612,482	$4,697,449	$4,783,969	$4,820,820	$4,857,231	$4,893,170	$4,928,603	$4,963,597	$4,997,815	$5,031,520	$73,537,821
TOTAL	$4,210,000	$4,287,604	$4,366,628	$4,447,098	$4,529,040	$4,612,482	$4,697,449	$4,783,969	$8,600,869	$8,801,444	$9,002,663	$9,204,575	$9,407,110	$9,610,276	$9,814,062	$159,105,813
NET PRESENT VALUE - LO	$23,338,274															
NET PRESENT VALUE - HI	$63,971,331															

SUMMARY OF ESTIMATED BENEFITS - WILSHIRE STATIONS

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004-2010
WILSHIRE/VERMONT																
LO																
PROJECTED OFFICE GROWTH									$306,000	$306,000	$306,000	$306,000	$306,000	$306,000	$306,000	$4,284,000
PREMIUM OFFICE LEASE RATE									$1,841,940	$1,893,780	$1,945,620	$1,997,460	$2,049,300	$2,101,140	$2,152,980	$35,584,920
INCR RETAIL SALES PROFIT									$3,449,920	$3,530,105	$3,611,242	$3,694,556	$3,778,876	$3,864,629	$3,951,845	$65,275,488
INCR VALUE OF UNIMPROVED LAND	$720,000	$724,170	$728,351	$732,544	$736,748	$740,962	$745,187	$749,423	$750,420	$751,262	$752,248	$753,076	$753,846	$754,556	$755,205	$10,603,567
TOTAL	$720,000	$724,170	$728,351	$732,544	$736,748	$740,962	$745,187	$749,423	$6,348,280	$6,481,247	$6,615,509	$6,751,962	$6,882,022	$7,026,325	$7,164,030	$115,347,915
HI																
PROJECTED OFFICE GROWTH									$1,338,750	$1,338,750	$1,338,750	$1,338,750	$1,338,750	$1,338,750	$1,338,750	$18,742,500
PREMIUM OFFICE LEASE RATE									$5,452,650	$5,634,175	$5,815,700	$6,147,225	$5,378,750	$6,610,275	$6,841,800	$120,095,325
INCR RETAIL SALES PROFIT									$3,500,672	$3,593,577	$3,687,839	$3,783,484	$3,880,542	$3,979,038	$4,079,003	$68,497,938
INCR VALUE OF UNIMPROVED LAND	$2,520,000	$2,559,690	$2,599,960	$2,640,816	$2,682,267	$2,724,319	$2,766,981	$2,810,259	$2,829,557	$2,848,505	$2,867,075	$2,885,250	$2,903,005	$2,920,317	$2,937,160	$42,559,630
TOTAL	$2,520,000	$2,559,690	$2,599,960	$2,640,816	$2,682,267	$2,724,319	$2,766,981	$2,810,259	$13,121,630	$13,465,005	$13,809,364	$14,154,710	$14,501,047	$14,848,380	$15,196,713	$249,895,394
WILSHIRE/NORMANDIE																
LO																
PROJECTED OFFICE GROWTH									$405,000	$405,000	$405,000	$405,000	$405,000	$405,000	$405,000	$5,670,000
PREMIUM OFFICE LEASE RATE									$4,990,275	$5,075,325	$5,160,375	$5,245,425	$5,330,475	$5,415,525	$5,500,575	$85,938,300
INCR RETAIL SALES PROFIT									$590,102	$613,688	$637,477	$661,472	$685,679	$710,100	$734,741	$13,007,057
INCR VALUE OF UNIMPROVED LAND	$690,000	$692,355	$694,688	$696,999	$699,286	$701,549	$703,788	$706,001	$704,398	$702,693	$700,883	$698,965	$696,941	$694,806	$692,558	$9,391,829
TOTAL	$690,000	$692,355	$694,688	$696,999	$699,286	$701,549	$703,788	$706,001	$6,689,775	$6,796,706	$6,903,735	$7,010,864	$7,118,095	$7,225,431	$7,332,874	$114,007,186
HI																
PROJECTED OFFICE GROWTH									$914,640	$914,640	$914,640	$914,640	$914,640	$914,640	$914,640	$12,804,960
PREMIUM OFFICE LEASE RATE									$14,784,201	$15,048,936	$15,313,671	$15,578,406	$15,843,141	$16,107,876	$16,372,611	$257,013,729
INCR RETAIL SALES PROFIT									$639,767	$665,991	$692,430	$719,087	$745,966	$773,072	$800,409	$14,216,690
INCR VALUE OF UNIMPROVED LAND	$2,760,000	$2,796,840	$2,834,050	$2,871,629	$2,909,578	$2,947,896	$2,986,583	$3,025,638	$3,045,143	$3,064,217	$3,082,837	$3,100,976	$3,118,607	$3,135,702	$3,152,235	$45,475,411
TOTAL	$2,760,000	$2,796,840	$2,834,050	$2,871,629	$2,909,578	$2,947,896	$2,986,583	$3,025,638	$19,383,751	$19,693,785	$20,003,578	$20,313,108	$20,622,354	$20,931,291	$21,239,895	$329,510,791
WILSHIRE/WESTERN																
LO																
PROJECTED OFFICE GROWTH									$126,000	$126,000	$126,000	$126,000	$126,000	$126,000	$126,000	$1,764,000
PREMIUM OFFICE LEASE RATE									$2,071,575	$2,160,675	$2,249,775	$2,338,875	$2,427,975	$2,517,075	$2,606,175	$45,841,950
INCR RETAIL SALES PROFIT									$2,053,221	$2,095,893	$2,139,277	$2,183,388	$2,228,239	$2,273,845	$2,320,220	$37,820,672
INCR VALUE OF UNIMPROVED LAND	$420,000	$419,150	$418,241	$417,272	$416,242	$415,149	$413,993	$412,772	$410,132	$407,398	$404,569	$401,641	$398,614	$395,487	$392,258	$5,090,903
TOTAL	$420,000	$419,150	$418,241	$417,272	$416,242	$415,149	$413,993	$412,772	$4,660,928	$4,789,966	$4,919,620	$5,049,903	$5,180,828	$5,312,407	$5,444,653	$90,517,525
HI																
PROJECTED OFFICE GROWTH									$336,960	$336,960	$336,960	$336,960	$336,960	$336,960	$336,960	$4,717,440
PREMIUM OFFICE LEASE RATE									$5,399,784	$5,645,133	$5,890,482	$6,135,831	$6,381,180	$6,626,529	$6,871,878	$121,967,937
INCR RETAIL SALES PROFIT									$2,251,889	$2,302,574	$2,354,123	$2,406,544	$2,459,854	$2,514,071	$2,569,212	$42,321,706
INCR VALUE OF UNIMPROVED LAND	$1,680,000	$1,693,200	$1,706,256	$1,719,157	$1,731,891	$1,744,448	$1,756,813	$1,768,976	$1,772,721	$1,775,908	$1,778,513	$1,780,512	$1,781,880	$1,782,590	$1,782,616	$24,504,842
TOTAL	$1,680,000	$1,693,200	$1,706,256	$1,719,157	$1,731,891	$1,744,448	$1,756,813	$1,768,976	$9,761,344	$10,060,574	$10,360,078	$10,659,847	$10,959,874	$11,260,150	$11,560,666	$193,511,924
WILSHIRE STATIONS TOTAL																
LO																
PROJECTED OFFICE GROWTH									$837,000	$837,000	$837,000	$837,000	$837,000	$837,000	$837,000	$11,718,000
PREMIUM OFFICE LEASE RATE									$8,903,790	$9,129,780	$9,355,770	$9,581,760	$9,807,750	$10,033,740	$10,259,730	$167,365,176
INCR RETAIL SALES PROFIT									$6,093,244	$6,239,686	$6,388,395	$6,539,416	$6,692,794	$6,848,574	$7,006,806	$116,203,216
INCR VALUE OF UNIMPROVED LAND	$1,630,000	$1,835,675	$1,841,280	$1,846,815	$1,852,275	$1,857,660	$1,862,968	$1,868,196	$1,864,950	$1,861,452	$1,857,698	$1,853,683	$1,849,402	$1,844,849	$1,840,021	$25,086,239
TOTAL	$1,833,000	$1,835,675	$1,841,280	$1,846,815	$1,852,275	$1,857,660	$1,862,968	$1,868,196	$17,698,984	$18,067,919	$18,438,864	$18,811,859	$19,186,945	$19,564,164	$19,943,557	$320,372,626
HI																
PROJECTED OFFICE GROWTH									$2,590,350	$2,590,350	$2,590,350	$2,590,350	$2,590,350	$2,590,350	$2,590,350	$36,264,900
PREMIUM OFFICE LEASE RATE									$25,636,635	$26,378,244	$27,119,853	$27,861,462	$28,603,071	$29,344,680	$30,086,289	$499,076,591
INCR RETAIL SALES PROFIT									$6,392,319	$6,562,142	$6,734,391	$6,909,115	$7,086,362	$7,266,181	$7,448,625	$125,436,334
INCR VALUE OF UNIMPROVED LAND	$6,960,000	$7,049,730	$7,140,265	$7,231,602	$7,323,736	$7,416,663	$7,510,377	$7,604,873	$7,647,421	$7,688,628	$7,728,425	$7,765,738	$7,803,492	$7,838,609	$7,872,010	$112,539,883
TOTAL	$6,960,000	$7,049,730	$7,140,265	$7,231,602	$7,323,736	$7,416,663	$7,510,377	$7,604,873	$42,266,725	$43,219,364	$44,173,019	$45,127,665	$46,083,275	$47,039,821	$47,997,274	$772,918,108
NET PRESENT VALUE - LO	$91,564,939															
NET PRESENT VALUE - HI	$235,074,948															