

APPRAISAL EXPERIENCE

I have been continually engaged in the appraisal of commercial real estate since 1985, and I have been a Member of the Appraisal Institute (MAI) since 1991. I work primarily in the greater Houston area, but I regularly perform appraisals throughout Texas. On occasion, I have also worked in other states, including New Mexico, Oklahoma, Louisiana, Pennsylvania, Michigan, Alabama, Kentucky, South Carolina, and Illinois. Apartments account for a majority of my assignments, but I also have extensive experience in office, retail, and industrial properties.

I have testified in Federal Bankruptcy Court, District Court, and Commissioners Court as an expert witness in the valuation of real estate. I have also testified before the Bond Review Board in Austin, Texas regarding a proposed bond-financed, LIHTC community. On several occasions, I have served as a special commissioner for condemnation proceedings.

Since 1992, I have operated my own firm, *David L. Pallante & Associates, LLC (DLP)*. In 2005, I added *Evergreen Valuation Services (EVS)* as a dba under *DLP*. With offices in Denver and Detroit, *EVS* performs appraisals nationwide.

Multifamily

- *Market Rate*: I have appraised hundreds of market rate apartment projects, ranging from small Class C properties in remote locations to trophy assets in major urban centers. These assignments have included proposed properties, existing properties, and those intended for major renovations. My reports have been tailored to satisfy the various requirements of Fannie Mae, Freddie Mac, HUD, banks, conduits, and life insurance companies.
- *Affordable*: Many of my multifamily assignments have involved one or more types of government incentives. My particular specialty is Section 42 (LIHTC) projects, for which I have prepared numerous market studies and appraisals. I am approved by the Texas Department of Housing and Community Affairs to prepare Section 42 market studies. Many projects I have appraised also involve historic preservation credits, enterprise zones, abatement programs, bond financing, and various HUD programs. I have written appraisals for properties with FHA-insured financing, and I am familiar with the HUD MAP Guide.
- *Student Housing*: I have appraised several purpose-built student housing projects throughout Texas, including Houston, Austin, San Marcos, and Lubbock. Serving as a review appraiser, I have also worked on student apartments in Colorado, Utah, and Michigan.
- *Condos & Condo Conversions*: Utilizing a discounted sell-off methodology, I have appraised several condominium projects. These have included purpose-built condo projects, as well as conversions of existing rental properties.

Office

- *CBD and Suburban Office Buildings*: I have appraised several major office buildings throughout Texas. Recent assignments have included the historic Davis Buildings in Austin, Texas Commerce Bank Building in River Oaks, a Class A high-rise in The Woodlands, two high-rises in Houston's Westchase submarket, and several high-rises in the Energy Corridor.
- *Medical Office Buildings*: These are typically specialized buildings, often adjacent to hospitals, and sometimes including surgical centers. Recent MOB assignments have been in Houston, Austin, and Round Rock.

Retail

- My retail experience covers all property sub-types, including single-tenant buildings, small strip centers, grocery anchored neighborhood centers, power centers, and major community centers. I am fully equipped to analyze multi-tenant assets and evaluate tenant credit strength.

Qualifications Of David L. Pallante, MAI

Industrial

- A wide range of industrial appraisals have included warehouse, distribution, manufacturing, and flex buildings.

Hotels

- I have appraised several existing and proposed hotels, ranging from limited service hotels to large luxury hotels. Examples include Staybridge Suites in Houston, Ritz Carlton in New Orleans, a proposed Ritz Carlton in Philadelphia, the historic Blackstone Hotel (proposed JW Marriott) in Chicago, and The Wyndham Hotel in Austin.

Special-Use

- My experience has included several special use properties, such as automobile dealerships, restaurants, convenience stores, The Balinese Ballroom in Galveston, Lakeside Airport in Houston, and 10,000 acres of timberland in east Texas. In a very challenging “bundle of rights” analysis, I also appraised 2 million gallons of wastewater capacity for an agricultural property that had legal rights to the wastewater capacity, but wanted to transfer those rights to another property.

Mixed-Use

- Mixed-use assignments have included the Norwood Park mixed-use subdivision in Austin, the Point Northwest mixed-use subdivision in Houston, and a transit-oriented development in Austin that included multifamily, office, retail, and restaurant components.

EDUCATION

- Western Michigan University, 1984, Bachelor of Business Administration with concentration in Finance and Real Estate
- Numerous continuing education classes in a variety of appraisal and real estate related topics. I am current with all educational requirements of the Appraisal Institute and all individual states where I am certified.

PROFESSIONAL MEMBERSHIPS & LICENSING

- State Certified General Real Estate Appraiser - Texas (No. 1320347)
- Member of the Appraisal Institute (MAI No. 8964)

PROFESSIONAL EXPERIENCE

- Commercial Real Estate Appraiser, REVAC, Inc., Houston, TX, 5/85 - 5/88
- Commercial Appraisal Manager for Houston Property Consultants, Houston, TX, 8/88 - 12/91
- Owner and President of David L. Pallante & Associates, LLC, Houston, TX, 1/92 - present