

Erik Lundquist

From: Albert Schlarman [cityparksj@sbcglobal.net]
Sent: Tuesday, September 07, 2010 12:13 PM
To: Erik Lundquist
Subject: Copy of Guggenheim v City of Goleta
Attachments: 06-56306pfr.pdf
Erik

Attached is a PDF file containing the 9th Circuit Court of Appeal decision regarding the above opinion. I suggest that you start at page 60 unless you want to read the whole thing.

As a Certified General Real Estate Appraiser, I think that one of the easiest things to prove is that Calistoga's RSO does not provide a fair return on investment. As a starting point, I would check capitalization rates of other non rent controlled mobile home park sales and compare them to rates of return on Calistoga's Mobile Home Parks.

There are also other measures of comparison which would be included in a full appraisal prepared in accordance with the uniform standards of appraisal practice.

Calistoga's statement in its rent control ordinance that it assures a fair return to the park owner is not sufficient by itself.

Thanks for the notice of tonight's meeting! I read all of the attachments.

Al Schlarman