

# The Russell Company

## Professional Experience and Qualifications

Michael P. Russell  
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Michael P. Russell has been a “real world” expert witness for 40 years. He obtained a California real estate broker license in 1978. Since that time, he has served as a broker on over 30 properties, representing over 300 acres and with a value in excess of \$1bn. For his own account or on behalf of others, Mr. Russell has developed and managed 2MSF of commercial space and 500 residential units.

As an expert witness, within the last several years, Mr. Russell has served his clients and law firms in securing \$80M in judgments, been involved in over 80 cases, provided over 20 depositions and testified in 15 trials.

As an expert witness, mediator and arbitrator, Mr. Russell serves law firms, financial institutions, joint venture partners, landowners, buyers, sellers, developers, landlords, tenants, property managers, architects, contractors and other participants in the real estate industry or individuals going through divorce involved in the transaction, financing, development, redevelopment, management and brokerage aspects of real estate or for the purposes of determining damages caused by others.

Mr. Russell’s real estate areas of specialty include:

## AREAS OF EXPERTISE

- Valuation
- Foreclosure
- Default
- Short Sale
- Lender-Borrower
- Partnership Issues
- Landlord/Tenant
- Public/Private Agreements
- Land Use, Entitlements, Zoning
- Title and Easements
- Land and Vertical Development
- Assessment Districts
- Standard of Care for the Industry
- Broker Standard of Care
- Real Estate Contracts and Instruments
- Property and Homeowner Association Disputes
- Office, shopping malls, apartments, condos, single-family, resort, industrial
- Divorce valuation and forensics
- Damage Calculations

## SIGNIFICANT ACHIEVEMENTS

- In 2011, Mr. Russell served as an expert witness regarding partnership issues on cases that resulted in a judgment of greater than \$50M in favor of clients. (<http://lansner.ocregister.com/2011/10/17/newport-developer-wins-50-million-lawsuit/134693/>)
- Mr. Russell served as an expert witness and provided the portfolio strategy that resulted in a \$23M judgment.
- Mr. Russell served as an expert witness for the first successfully prosecuted case of elder abuse, which resulted in a judgment of \$3M and no appeal. ([http://goliath.ecnext.com/coms2/gi\\_0199-11710737/The-Gomez-Law-Firm-Attorneys.html](http://goliath.ecnext.com/coms2/gi_0199-11710737/The-Gomez-Law-Firm-Attorneys.html))
- Mr. Russell testified at a jury trial regarding the commercial “standard” and interpretation of Pacific Hospitality Group’s agreement with the City of Palm Springs Redevelopment Agency. The unanimous verdict resulted in an award of \$3M.
- As an expert, Mr. Russell served a tenant regarding a breach of contract, violation of quiet enjoyment, exposure of tenant and patients to hazardous materials and constructive eviction. Prior to trial, the client received a significant settlement. On the other hand, Mr. Russell served as an expert on behalf of the landlord that had just negotiated a Lease extension of five years to an existing five-year Lease. The landlord had to give up a letter of credit of \$200,000 for additional tenant improvements. Three months into the Lease, the tenant, a 40,000 SF user and only tenant in the building, moved out of the building and defaulted on the Lease. The judgment award was \$3M.

- As Vice President for Arden Realty, Mr. Russell managed a ten-person development and asset management team for Howard Hughes Center, which resulted in one million square feet of speculative, and build-to-suit office projects, entertainment retail center and infrastructure. The project exceeded an 11% return on invested costs. [http://www.aecom.com/What+We+Do/Architecture/Market+Sectors/Real+Estate+and+L+and+Development/\\_carousel/Howard+Hughes+Center](http://www.aecom.com/What+We+Do/Architecture/Market+Sectors/Real+Estate+and+L+and+Development/_carousel/Howard+Hughes+Center)
- Mr. Russell was part of the team that restructured the debt for Playa Vista and sold the project to Goldman Sachs and Morgan Stanley. Mr. Russell successfully negotiated to remove Howard Hughes' heirs from any further capital calls and, in addition, eliminated all environmental liability. <http://www.playavista.com>

### **CORPORATE CLIENTS**

- Amoco (BP)
- Bank of New York
- Boeing
- Chevron
- Hughes Aircraft Company
- Irvine Company
- Maguire Thomas Partners
- McDonnell Douglas
- Mobil
- Phillips Petroleum
- Prudential
- Rockwell International
- Rocketdyne
- Transamerica
- United Technology

### **LAW FIRM CLIENTS**

- Alston + Bird
- Appell Shapiro
- Backus Bland & Navarro
- Baker Manock
- Buchalter Nemer
- Carr, McClellan, Ingersoll, Thompson, Horn
- Chapman Law Firm
- Charlston, Revich & Wollitz
- DLA Piper
- Frassetto & Frassetto
- Gilchrist & Rutter
- Greenberg & Gross
- Greenberg Taurig
- Henderson Law Firm
- Hughes Hubbard & Reed
- Jeffer Manges Butler & Manmaro
- Julander, Brown and Bollard
- Kasdan, Lippsmith, Weber, Turner
- Latham & Watkins
- Hays, McConn, Rice & Pickering
- Miller Canfield
- O'Melveny & Myers
- Palmieri, Tyler, Wiener & Waldron
- Parcels Law Firm
- Perez & Miller
- Perkins Mann & Everett
- Powers & Hovore
- Prenovost Normandin Bergh & Dawe
- Rummonds Barron Thorton
- Rutan & Tucker
- Schwartz & Janzen
- SodenSteinberger
- Smith Katzenstein & Jenkins
- Steckbauer Weinhart
- The Boss Law Firm
- The Gomez Law Firm
- The Hellenkamp Law Firm
- Twitchell and Rice
- Winston & Strawn
- Wesierski & Zurek

## **SIGNIFICANT PROJECTS**

- Arden/Hughes Center
- Howard Hughes Corporation/Playa Vista
- Mobil/Reston Town Center
- U.S. Bank World Center
- Irvine Company/Irvine Ranch
- MEPC/Boulevard Mall
- Rodeo Collection
- Prudential/Colony Square
- Chevron/The Ontario Center
- United Technologies/Warner Center
- Hughes/Amerige Heights
- Kaiser/Rancho California
- Wells Fargo Center
- Solana Center/IBM
- El Pueblo de Los Angeles
- Mercado River Walk
- Plaza Mexico
- One West Bluff

## **EXPERIENCE**

### **THE RUSSELL DEVELOPMENT COMPANY**

2005 to Present

- Served as development manager for corporate and investment clients. For example, lead a team in the predevelopment of United Technologies' 47-acre Rocketdyne property in Warner Center for a mixed-use development. Create over \$150M in value.
- Prepared a development and financial plan for Landmark Golf and Resort Company's 29-acre Paradise Ridge project in Phoenix, including over 450,000 square feet of office, retail and hotel development.
- Assisted owners of Plaza Mexico, a 450,000 square foot shopping center in Lynwood, to expand, including 350,000 square feet of retail/restaurant space, a multiplex theater and 150 residential units
- For the Glendale Marketplace, adjacent to Caruso Affiliated's Americana on Brand project, developed a creative way to add 50 units of housing to multi-level project that included Good Guys, Old Navy, Mann Theaters and numerous restaurants

### **SAINT JOHN'S HEALTH CENTER**

Senior Development Advisor

2002 to 2005

Responsible for preparing the master development plan; obtaining entitlements, and implementing the development plan for Saint John's Health Center in Santa Monica.

- This development plan provided the potential for adding \$50M in value.
- Repositioned a 150,000 SF general-purpose office building into a medical building, which added \$10M in cash flow over the first five years of operation.

**BOEING**

Vice President  
2000 to 2002

Prepared all the entitlements for the 260-acre Douglas Park, which is under development and planned for 4 million square feet of office, research/development, light industrial; 400 hotel rooms; and 250,000 square feet of retail and restaurants.

<http://marketing.cbre.com/newportbeach/douglaspark/index.html>

**ARDEN REALTY**

Vice President  
1998 to 2000

Managed a team for the development of the 70-acre Howard Hughes Center, a mixed-use commercial project, immediately adjacent to the I-405 and north of the Los Angeles International Airport. Accomplishments:

- Completed development of one million square feet of office buildings, which were 100%, Leased upon completion, at an 11% return on invested capital.
- Oversaw the development of 300,000 sf entertainment retail complex
- Added major infrastructure components and on-site telecommunications network.

**HOWARD HUGHES CORPORATION**

**ROUSE COMPANY SUBSIDIARY**

Vice President  
1996 to 1998

Responsible for managing a staff of ten professionals and undertook the management, development and disposition of assets in southern California, including:

- Sold remaining development rights at Howard Hughes Center to Arden Realty, Inc. at 25% above the business plan
- Sold the 45-acre West Bluff property at 33% above management' target
- Member of the team that restructured the debt for Playa Vista and sold project to Goldman Sachs and Morgan Stanley

### **The RUSSELL DEVELOPMENT COMPANY**

President

1990 to 1996

Provided development work for major corporate clients. Accomplishments:

- Served as development manager for the 260 acre Hughes Electronics facility in Orange County, which lead to a sale at 50% increase over the business plan
- Obtained entitlements and sold the site next to NBC in Burbank for Bank of New York, which resulted in 30% increase above the bank's book value
- Advised ING Clarion on the acquisition of a number of assets, including the 500,000 square foot Desert Crossing Shopping Center in Palm Desert and ten million square foot Trammel Crow industrial portfolio.

### **LCOR**

<http://www.lcor.com/>

Partner, California Operations

1983 to 1990

California Partner responsible for initiating the business unit and growing the organization to 30 people responsible for the acquisition, predevelopment, entitlement, financing, construction, marketing, management and disposition of office, industrial and apartment properties.

Accomplishments:

- Developed 150,000 square foot office complex in Los Angeles
- Entitled and sold 300,000 square foot industrial complex for a 20% profit
- Developed a 136-unit apartment complex and sold, at a 15% profit
- Entitled a 320-unit apartment complex and sold, at a 20% profit.

### **THE RUSSELL COMPANY**

President

1974 to 1982

Accomplishments:

- Development management advisor for five years to Mobil Corporation on the marketing and development of Reston Town Center, which received an Urban Land Institute Award of Excellence ([www.restontowncenter.com](http://www.restontowncenter.com)).
- Market consultant for the Irvine Company on the development of four hotel sites and ten existing shopping centers.

- Development and market consultant for Maguire Thomas Partners on the one million square foot IBM Solana Campus in Dallas, the 72 story Library Square and Wells Fargo Center in downtown Los Angeles and Peter's Landing, an office, retail and residential complex in Orange County.

### **DEVELOPMENT RESEARCH ASSOCIATES**

Subsidiary of Booz Allen & Hamilton

Managing Associate

1972 to 1974

Managed the Chicago office, with ten people. Accomplishments:

- For the Washington D. C. Redevelopment Land Agency, prepared the development plan for the Metro Square station TOD, which included—Marriott Hotel, Hecht's department store and an office building.
- Worked on the development plan for Detroit Renaissance, a 77-acre waterfront redevelopment project

### **LOS ANGELES COMMUNITY REDEVELOPMENT AGENCY**

Project Management

1968 to 1971

Accomplishments:

- Installed the infrastructure and various land sales for the Bunker Hill Project, in downtown Los Angeles, including the Hotel Bonaventure, Citicorp office building, Union and Security Pacific headquarters, Bunker Hill Towers and the World Trade Center
- Served as assistant project manager for the redevelopment project which provided for the 46-acre expansion of the University of Southern California and the development of University Village Shopping Center  
<http://www.crala.org/internet-site/Projects/Hoover/about.cfm>

### **EDUCATION**

As a graduate of the University of Southern California, Mr. Russell earned his Bachelor's Degree in Political Science. With a Ford Foundation, U. S. Department of Public Health, U. S. Department of Housing and Urban Development Fellowships, Mr. Russell received his Masters Degree in Urban and Regional Planning.

### **COMMUNITY INVOLVEMENT**

Member, Board of Directors, Community Corporation of Santa Monica (Non-profit developer of 1,400 affordable housing units)

### **LICENSE**

California real estate broker's license

## 2011-2015 DEPOSITION AND TRIAL EXPERIENCE

<b>Parties</b>	<b>Law Firm</b>	<b>Issue</b>	<b>Role</b>
<b>Laframboise v. Victor Krebs, Colliers Int'l</b>	The Gomez Law Firm	Elder Abuse Fiduciary responsibility Fraud Misrepresentation	Expert Witness Deposition Trial Testimony
<b>BHV Ventures v. PAQ (Food for Less)</b>	Carr, McClellan, Ingersoll, Thompson & Horn	Developer's commercially approach to development Financially feasibility Lease obligation	Expert Witness Deposition
<b>Pacific Hospitality v. Palm Springs Red. Agency</b>	WIRTZ & HELLENKAMP	Failure of Red. Agency to disburse over \$1M in funds due to hotel operator	Expert Witness Deposition Trial Testimony
<b>Jackman v. Jackman</b>	Miller Canfield, Ann Arbor, MI	Valuation, fraud, disclosure and misrepresentation regarding two major ranches in the Telluride area of Colorado and six industrial properties in Detroit area	Expert Witness Deposition
<b>Bob Dutton v. Mendo Realty</b>	Frassetto & Frassetto	Fraud Misrepresentation Coastal Commission permit restrictions on marina and RV park	Expert Witness Trial Testimony
<b>NCA v. Common Fund</b>	Greenburg Taurig	Validation of four joint ventures	Expert Report Deposition
<b>Interquest v. Jansco</b>	Steckbauer & Weinhart LLP	Development contract	Expert Report Trial Testimony



<b>Parties</b>	<b>Law Firm</b>	<b>Issue</b>	<b>Role</b>
<b>John Yu v. World Premier/John Young</b>	Rutan & Tucker	Partnership issues and forensic accounting	Expert report Arbitration Hearing
<b>State of California v. Southern Pacific, Santa Fe and Union Pacific Railroads</b>	General Counsel State Department of Transportation	Development potential and valuation	Expert Witness Trial Testimony
<b>Groniks v. Balthasar v. Shorewest Realtors</b>	Gass Weber Mullins Smith Gunderson Bascom, Budish	Broker standard of care Seller responsibilities	Expert Witness Deposition
<b>Sava v. Murphy</b>	Quinlivan, Wexler LLP	Partnership interests Profit split	Expert Witness Trial Testimony
<b>Martin Lawrence Gallery v. Irvine Company</b>	Parcells Law Firm	Tenant's right to quiet enjoyment and an anchored regional mall	Expert Witness Deposition
<b>NNN BRITANNIA BUSINESS CENTER II -17, LLC v. Daymark Properties Realty</b>	Rummonds I Barron I Thorton	Tenants-In-Common suit regarding fraud, misrepresentation, mismanagement	Exposition Expert Witness
<b>Red Rock Ventures v. Agrium</b>	Baker Mannock	Developer failed to perform on build-to-suit	Deposition
<b>4580 Thousand Oaks Blvd. v. In Three</b>	Backus, Brand & Navaro	Failure of tenant to meet financial obligations of Lease	Deposition Trial Testimony
<b>Adams v. Iceberg Holdings</b>	Twitchell and Rice	Partnership agreement	Deposition Trial Testimony
<b>Akiko Maeda v. Gary Poltash</b>	Loo & Associates	Valuation of partnership interests	Trial Testimony

## REPRESENTATIVE CASES FOR LITIGATION SUPPORT

<b>Parties</b>	<b>Law Firm</b>	<b>Issue</b>	<b>Role</b>
<b>General Growth v. Catellus</b>	Strouck & Strouck	Profit Participation	Litigation support
<b>Wm. Leavitt &amp; Son Victor Palmieri &amp; Co.</b>	Various	Bankruptcy, valuation	Litigation support
<b>Ten Title X New Towns Victor Palmieri &amp; Co.</b>	Various	Development program, valuation and financial feasibility	Litigation support
<b>State of California v. Southern Pacific, Santa Fe and Union Pacific Railroads</b>	General Counsel State Department of Transportation	Development potential and valuation	Expert Witness
<b>Los Angeles Unified School District v. Meruelo Maddux</b>	Palmieri, Tyler, Wiener, & Waldron	Potential for joint use and high school and valuation	Expert Witness
<b>Met Life v. Confidential</b>	O'Melveny & Myers	Loan covenants, valuation	Expert Witness
<b>Chevron v. MacTech</b>	Morris Polich & Purdy	Standard of care, commercially reasonable for an environmentally contaminated, Coastal Commission jurisdiction with Indian burial	Litigation support

**REPRESENTATIVE CASES FOR LITIGATION SUPPORT**

<b>Parties</b>	<b>Law Firm</b>	<b>Issue</b>	<b>Role</b>
<b>Jay Leonard v. UNOCAL</b>	Groveman et al	Hazardous waste Non-disclosure	Litigation support
<b>Laframboise v. Victor Krebs, Colliers Int'l</b>	The Gomez Law Firm	Elder Abuse Fiduciary responsibility Fraud Misrepresentation	Expert Witness
Yucaipa v. <b>Tarbell Financial</b>	Winston & Strawn	Lease obligations Landlord commercially reasonable handling of notice of termination	Litigation support/declaration
BHV Ventures v. <b>PAQ</b> (Food for Less)	Carr, McClellan, Ingersoll, Thompson & Horn	Developer's commercially approach to development Financially feasibility Lease obligation	Expert Witness
Target v. <b>Palmer</b>	Julander & Julander	Entitlements Contract obligations and performance	Expert Witness
<b>Arden Realty v. Eller Media</b>	Latham & Watkins	Lease interpretation Outdoor billboard infringement of office building view	Expert Witness
<b>Gidcumb v. California Association of Realtors</b>	Soden Steinberger	Contract language that is in violation of the Civil Code and DRE law	Expert Witness

**REPRESENTATIVE CASES FOR LITIGATION SUPPORT**

<b>Parties</b>	<b>Law Firm</b>	<b>Issue</b>	<b>Role</b>
<b>Liberty Dolls v. Ralphs Grocery Co.</b>	Wesierski & Zurek LLP	Tenant responsibility to subtenant when Landlord caused tenant space to be uninhabitable	Expert Witness
<b>Dr. Chan v. Yale-Wilshire Management</b>	Schwartz & Janzen, LLP	Unlawful Lease termination Landlord up keep and care for hazardous contamination of tenant space	Litigation support
<b>Van Dan Ltd. v Baer</b>	Pasternak & Pasternak	Entitlements; Highest and best use Valuation	Expert Witness for Receivership
<b>Bob Dutton v. Mendo Realty</b>	Frassetto & Frassetto	Fraud Misrepresentation Coastal Commission permit restrictions on marina and RV park	Expert Witness
<b>Cina v. Prudential Realty</b>	Soden Steinberger	Broker fiduciary responsibility Misrepresentation Fraud CC &Rs	Expert Witness
<b>Dan ZHU v. YAN</b>	The Cobey Law Firm	Partnership fraud	Expert Witness
<b>Condo owners' v. Wareham Properties</b>	Perez & Miller	Construction defects Mold	Litigation Support
<b>Miller Brothers v. U. S. Bank</b>	Austin + Bird	Lender borrower loan dispute	Expert Witness

**REPRESENTATIVE CASES FOR LITIGATION SUPPORT**

<b>Parties</b>	<b>Law Firm</b>	<b>Issue</b>	<b>Role</b>
<b>Pacific Hospitality</b> v. Palm Springs Red. Agency	WIRTZ & HELLENKAMP	Failure of Red. Agency to disburse over \$1M in funds due to hotel operator	Expert Witness
<b>Pizzutos v.</b> <b>Stonegate</b>	The Boss Law Firm	Dispute over easement and processing of tract map for a 2,300 acre master planned community	Expert Witness
<b>Jackman v.</b> Jackman	Miller Canfield, Ann Arbor, MI	Valuation, fraud, disclosure and misrepresentation regarding two major ranches in the Telluride area of Colorado and six industrial properties in Detroit area	Expert Witness
<b>Kasem v. Kroger</b>	Wesierski & Zurek	Tenant versus subtenant dispute regarding maintenance of space and responsibility for plumbing accident and damage	Expert Witness