



SFAS 141 for Real Estate

Does your recent acquisition of real estate comply with SFAS 141?

Many lenders, investors and, therefore, auditors are requiring public and many private companies to have a purchase price allocation of acquired real estate compliant with the Statement of Financial Accounting Standards 141: Business Combinations (“SFAS 141”). To comply, the value of each real property component must be allocated, as follows:

- + Land
- + Site Improvements
- + Building
- + Tenant Improvements
- + Intangibles assets:
 - Existing leases (*above or below market value*)
 - Tenants in place (*vacancies*)
 - Remaining value of tenant improvements
 - Customer relationships

If real estate leases, not real property, were acquired, these leases must be subjected to an analysis to determine if they are above or below market and booked accordingly.

The SFAS 141 analysis can be applied to property tax reporting and an accelerated depreciation analysis.

For over 75 years, Marshall & Stevens has been playing an integral role in business transactions, providing analyses and peace-of-mind to corporate executives, directors, and shareholders. We do not waver on our promise to be timely with our work, communicate openly with our clients, and present well-written reports — all for reasonable fees.

Our real estate valuation staff works in coordination with our other valuation practices to provide our clients with the best analyses of their assets, both tangible and intangible, tailored to the client’s specific situation and circumstances, including:

- + Mergers, Acquisitions and Divestitures
- + Financial Compliance
- + FIRPTA
- + Wealth and Tax Transfer Transactions
- + Financings

“It has been my experience that Marshall & Stevens has a thorough understanding of SFAS 141, for real estate as well as corporate acquisitions. I have great confidence in their skills and know that my clients will be treated well by the Marshall and Stevens professionals.”

Gale B. Moore, CPA

*Partner, Singer Lewak
Greenbaum & Goldstein, LLP*

*Auditor, American Commercial
Equities*

SFAS 141 Compliant

Purchase Price Allocation
of 38 Properties
acquired by



American Commercial Equities



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Real Estate Purchase Price Allocation Case Studies

SFAS 141 Compliant
Purchase Price Allocation
of 65 Properties acquired by

CBRE
CB RICHARD ELLIS

CB Richard Ellis Group, Inc.
(NYSE: CBG)

as part of its acquisition of

Trammell Crow Company

Trammell Crow Company
(NYSE: TCC)

CB Richard Ellis Group, Inc. (NYSE: CBG) engaged Marshall & Stevens' National Real Estate Services practice to provide SFAS 141 compliant purchase price allocations of 65 properties (10.6 million leaseable

square feet) as part of its \$2.2 Billion acquisition of Trammell Crow Company (NYSE: TCC). The property types, located across the United States, included: healthcare, industrial, office, residential and retail.

SFAS 141 Compliant
Purchase Price Allocation
of 38 Properties
acquired by

 **AMERICAN**
COMMERCIAL EQUITIES

American Commercial Equities

American Commercial Equities, a privately held real estate investment company, engaged Marshall & Stevens' National Real Estate Services practice to provide SFAS 141 compliant purchase price

allocations of 36 storefront retail properties located in Beverly Hills, Dana Point, La Jolla, Los Angeles, Newport Beach, Paso Robles, San Diego, Santa Monica, West Hollywood and Ventura, as well as two self-storage facilities in Canada.

Multidisciplinary Purchase Price Allocation Case Studies

Complete SFAS 141 Compliant
Purchase Price Allocation
of Three Casinos and
a Golf Course
acquired by

logo

CasaBlanca Resorts, LLC

Marshall & Stevens was engaged by CasaBlanca Resorts, LLC to perform a complete, multidisciplinary purchase price allocation (intangible assets, machinery and equipment, and real estate), compliant with

SFAS 141, for its acquisition of three Casinos and a golf course in Nevada.

Complete SFAS 141 Compliant
Purchase Price Allocation
of Paramount Petroleum Corp.
acquired by

logo

ALON USA Energy, Inc.
(NYSE: ALJ)

Marshall & Stevens was engaged by ALON USA Energy, Inc. (NYSE: ALJ) to perform a complete, multidisciplinary purchase price allocation (intangible assets, machinery and equipment, and real estate), compliant

with SFAS 141, for its acquisition of Paramount Petroleum Corp.