

VIRGINIA LAWYERS WEEKLY

Vol. 26, No. 2

June 13, 2011

www.valawyersweekly.com

U.S. condemns high-rise site for Norfolk courthouse addition

\$13,401,741 Condemnation Verdict

The United States condemned 1.604 acres of land at the southwest corner of Granby Street and Brambleton Avenue in downtown Norfolk, and deposited \$6,175,000 with the court as its estimate of just compensation.

The land was partially improved with foundation, utility and other work to support the development of a high-rise mixed-use building on the site. The matter was tried by a jury over three days. The landowner, 515 Granby LLC, presented the expert testimony of two engineers, John W. Fowler PE and Christopher D. Sterne PE, who opined that the improvements that had been constructed contributed to the use and utility of the site and were in good condition, and that the costs of constructing those improvements were reasonable.

The landowner also presented the expert testimony of a real estate appraiser, Heyward M. Cantrell MAI, who testified that the property's highest and best use was for continued mixed-use, high-rise development, using the existing improvements, and that the market value of the land and improvements in place was \$16,320,000, which was his opinion of the just compensation owed.

The United States presented the expert testimony of



WALDO



KUNZE



CLARKE

Richard L. Parli MAI, who testified that Cantrell had not applied appropriate appraisal methodology in valuing the property and therefore that his opinion was unreliable. The government also presented the expert testimony of Michael D. Rountrey MAI, SRA, who gave his opinion that much of the improvements built on the property would not have value to a purchaser, and therefore that the fair market value of the property was \$9,000,000, which was his opinion of the just compensation owed.

After the three-day trial, the jury deliberated for fewer than two hours and returned an award of just compensation to the landowner of \$13,401,741. [11-T-074]

Type of action: Eminent domain - condemnation of 1.604 acres of land and improvements by United States for construction of annex to Walter E. Hoffman United States Courthouse in Norfolk

Injuries alleged: Just compensation for taking of property

Name of case: U.S. v. 515 Granby LLC, Marathon Development Group Inc., Bank of the Commonwealth

Court: U.S. District Court, Eastern District of Virginia, Norfolk Division

Case no.: 2:10cv320

Tried before: Jury

Judge: Norman K. Moon

Date: May 20, 2011

Special damages: United States first appraised just compensation at \$6,175,000, and then reappraised for trial at \$9,000,000; the landowner appraised just compensation at \$16,320,000

Verdict or settlement: Verdict

Amount: \$13,401,741 (total just compensation)

Attorney for defendants: Joseph T. Waldo, Brian G. Kunze and Stephen J. Clarke, Norfolk

Attorneys for plaintiff: Kristin R. Muenzen and Georgia Garthwaite, Washington; George M. Kelley III, Norfolk

Defendants' experts: John W. Fowler PE, engineering, Virginia Beach; Christopher D. Sterne PE, engineering, Virginia Beach; Heyward M. Cantrell MAI, real estate appraising, Jacksonville, Fla.

Plaintiff's experts: Michael D. Rountrey MAI, SRA, real estate appraising, Richmond; Richard L. Parli MAI, real estate appraising, Fairfax