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An appraisal of Rudy Farm, town of Pleasant Prairie, Kenosha County, Wisconsin. March 13, 1978

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AN APPRAISAL OF THE
RUDY FARM
KENOSHA COUNTY, WISCONSIN

Landmark
Research
Inc.

AN APPRAISAL OF
RUDY FARM
TOWN OF PLEASANT PRAIRIE
KENOSHA COUNTY, WISCONSIN

AS OF

MARCH 13, 1978

PREPARED FOR:

THOMAS G. RAGATZ
1 SOUTH PINCKNEY STREET
MADISON, WISCONSIN 53701

PREPARED BY:

LANDMARK RESEARCH, INC.
James A. Graaskamp, Ph.D., SREA, CRE
and
Fraser B. Gurd, MS

Landmark
Research
Inc.

October 7, 1983

James A. Graaskamp, Ph.D., S.R.E.A., C.R.E.

Jean B. Davis, M.S.

Mr. Thomas G. Ragatz
Foley & Lardner
1 South Pinckney Street
P.O. Box 1497
Madison, WI 53701

Dear Mr. Ragatz:

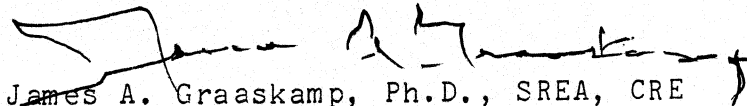
We are transmitting the analysis and report on the property known as the Rudy Farm, located at Highways 50 and 31, Town of Pleasant Prairie, Kenosha County, Wisconsin.

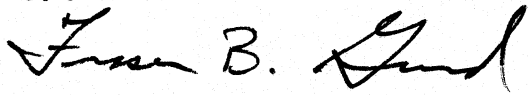
Based on the assumptions and limiting conditions presented in the attached report, it is the opinion of the appraisers that the market value of the subject real estate as of March 13, 1978, is:

EIGHT HUNDRED THOUSAND DOLLARS
(\$800,000)

We are pleased to have been of service and we will be available to answer questions you may have and provide testimony with regard to this appraisal and report.

FOR LANDMARK RESEARCH, INC.


James A. Graaskamp, Ph.D., SREA, CRE
Urban Land Economist


Fraser B. Gurd, MS

Enclosures

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I. APPRAISAL ASSIGNMENT

A. Statement of Issue

This appraisal is a defensible estimate of the market value of the Rudy Farm, Town of Pleasant Prairie, Kenosha County, Wisconsin. The value estimate is derived from a systematic process in which the problem is defined and the necessary data is gathered, analyzed, and interpreted. The organization of this report follows this appraisal process and attempts to convey its essential elements and conclusions.

This appraisal was authorized by Attorney Thomas A. Ragatz, One South Pinckney Street, Madison, Wisconsin, for the purpose of estimating the market value of the subject property as of the date of death of Ethel M. Rudy on March 13, 1978. The appraisers were requested to submit a full narrative appraisal and be available for subsequent testimony with regard to their valuation.

B. Definition of Value

In the opinion of the appraisers, the most appropriate definition of value for the issue identified above is that of fair market value defined as follows:

Fair Market Value - Market Value

The most probable price in terms of money which a property should bring in competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably

and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated.
2. both parties are well informed or well advised, and each acting in what they consider their own best interest.
3. a reasonable time is allowed for exposure in the open market.
4. payment is made in cash or its equivalent.
5. financing, if any, is on terms generally available in the community at the specified date and typical for the property type in its locale.
6. the price represents a normal consideration for the property sold unaffected by special financing amounts and/or terms, services, fees, costs, or credits incurred in the transaction. [1]

C. Definition of Legal Interest to be Appraised

1. Legal Description (See Survey, Exhibit 4).
2. The rights to be appraised are all rights included with fee simple title.

D. Special Problems Implicit in Property Type

The subject property is a large acreage, irregularly shaped property just outside the City of Kenosha and its urban service area. The subject is well located at the intersection of two state highways.

[1] The American Institute of Real Estate Appraisers and The Society of Real Estate Appraisers, Byrl N. Boyce, Editor, Real Estate Appraisal Terminology, rev. ed., Ballinger Publishing Co., Cambridge, Mass.: 1981, pages 160-161.

Land development on Kenosha's periphery was demonstrated to be exceedingly limited during the period 1975 to 1980. Additionally, an annexation dispute between the City of Kenosha and the Town of Pleasant Prairie kept jurisdiction for matters of zoning and provision of sewer and water unsettled until 1983.

Control of access to the site by the Wisconsin Department of Transportation means that the site would have to be developed with its own interior circulation roads.

Consequently, the subject must be valued in comparison with other sales of bulk land intended for eventual development. Small parcel retail sales are not appropriate for use in a sales comparison valuation; sales of agricultural land with little development potential are, likewise, not appropriate.

E. Date of Appraisal

This appraisal is made as of March 13, 1978.

II. PROPERTY ANALYSIS

An examination of the significant attributes of the property is essential in determining its most probable use and its most probable price. This section will identify these elements in the following sequence:

1. Physical attributes of the site.
2. Existing improvements on the site.
3. Legal constraints on the nature and timing of its use.
4. Linkage attributes of the site, various relationships to environmental aspects that might attract or repel a potential user.

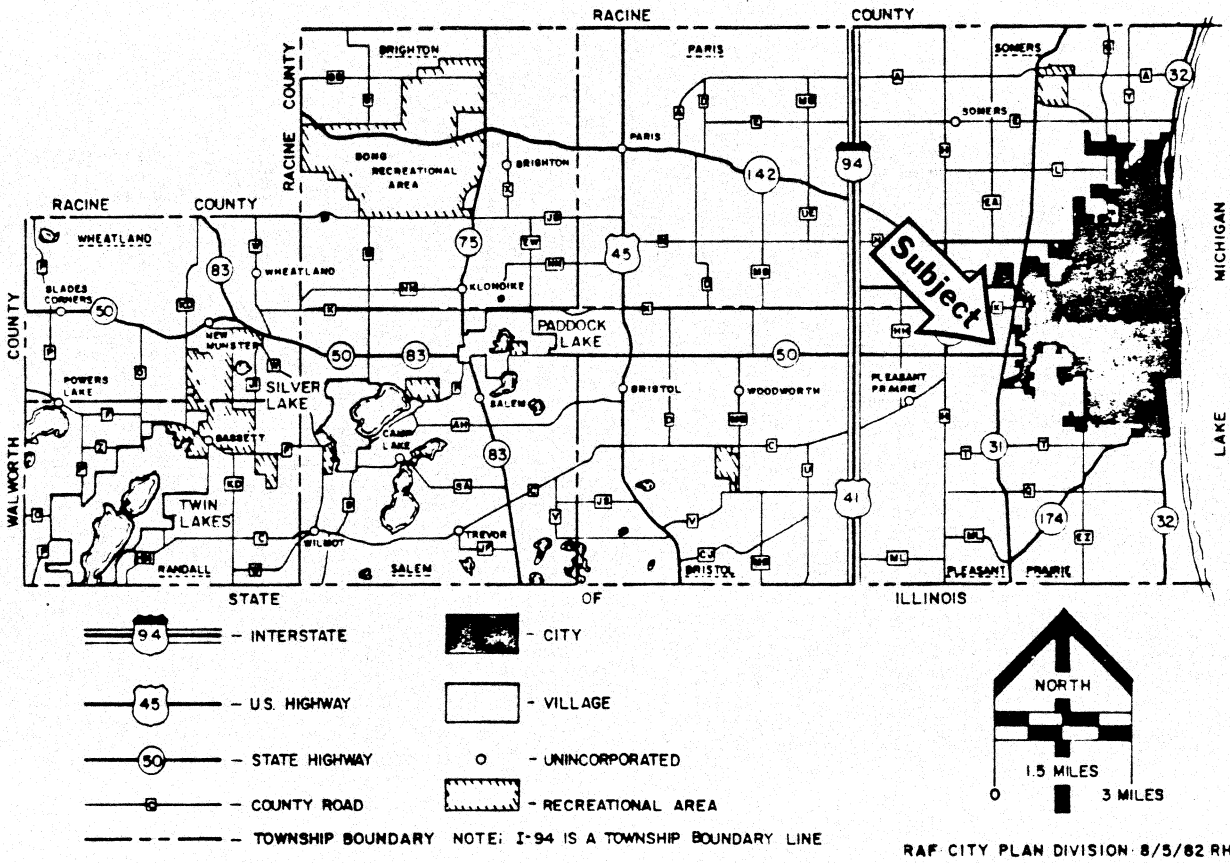
A. General

The subject property is located in Sections 3 and 4, Town of Pleasant Prairie (T1NR22E), Kenosha County, Wisconsin. The property is bounded by State Trunk Highway 50 on the south and State Trunk Highway 31 on the east. A portion of the site is bounded by County Highway K (60th Street) on the north and the Chicago and Northwestern Railroad tracks on the west. Exhibit 1 shows the general location of the property within Kenosha County; Exhibit 2 shows the property and its relationship with the City of Kenosha; Exhibit 3 is a composite air photograph of the area; and Exhibit 4 is the survey of the subject property (which is highlighted in Exhibit 5).

EXHIBIT 1

GENERAL LOCATION OF SUBJECT
WITHIN KENOSHA COUNTY

KENOSHA COUNTY
WISCONSIN



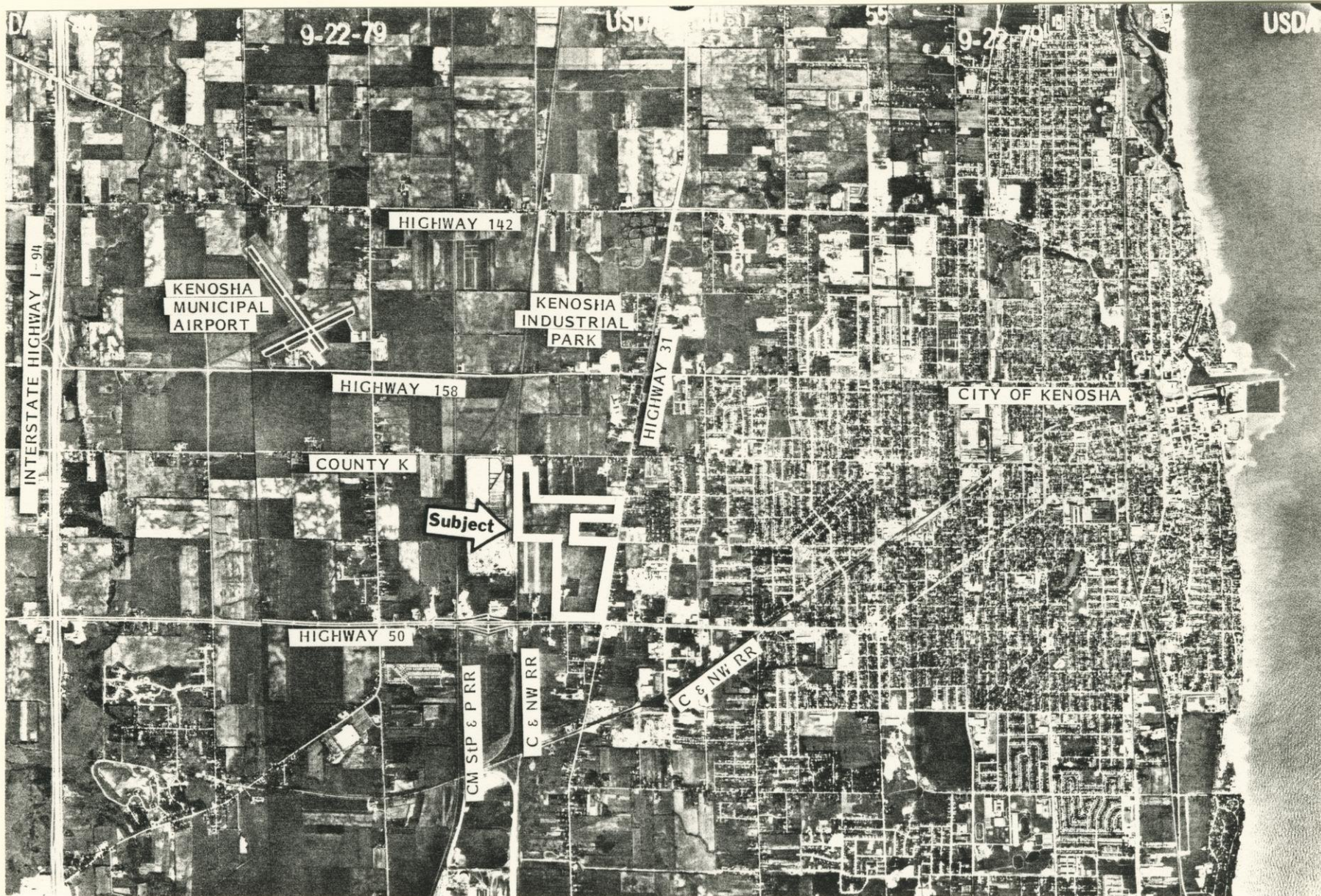


EXHIBIT 3

AIR PHOTO OF SUBJECT AND CITY OF KENOSHA

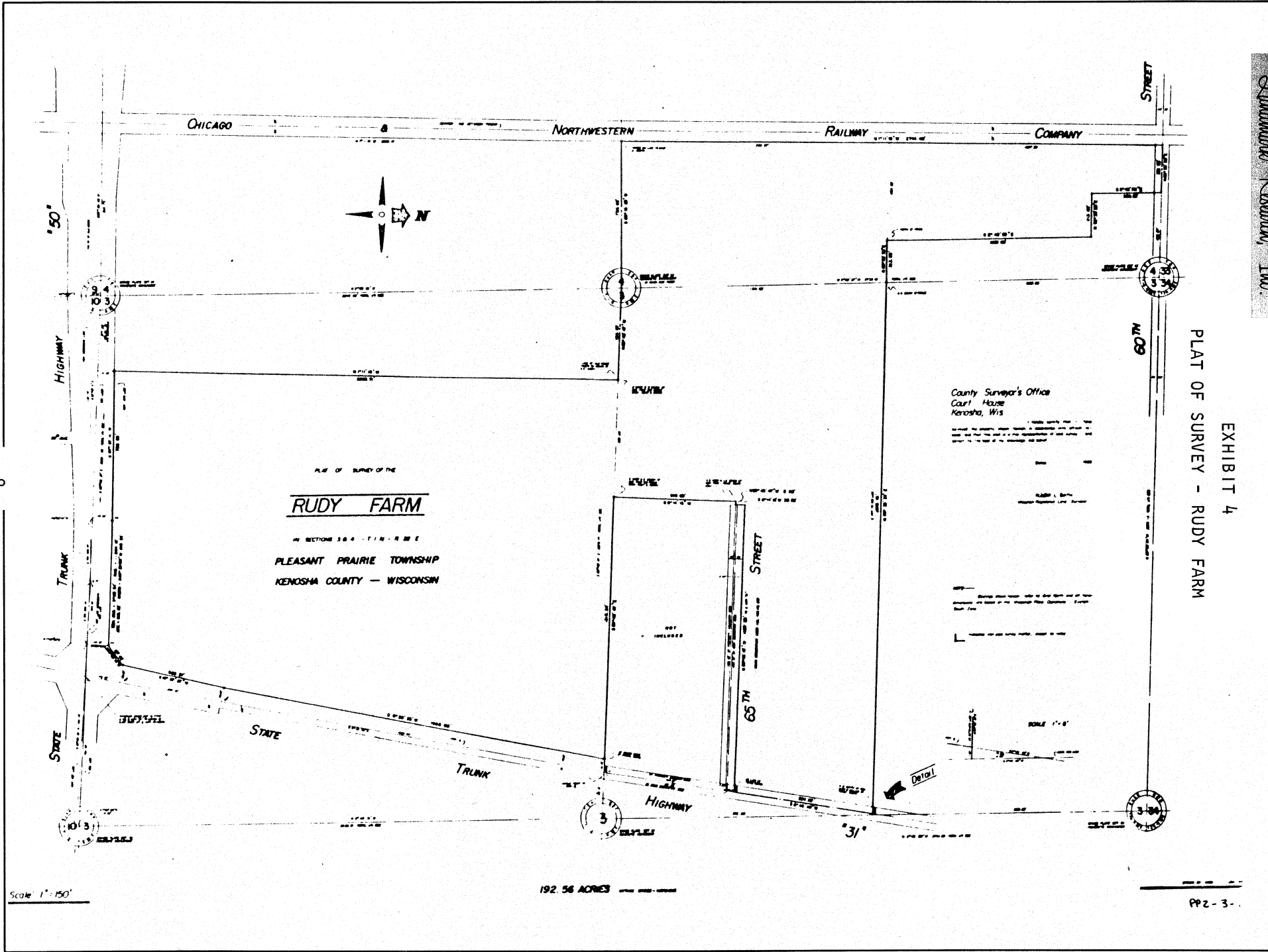
EXHIBIT 4
PLAT OF SURVEY - RUDY FARM

County Surveyor's Office
Carl House
Kenosha, Wis

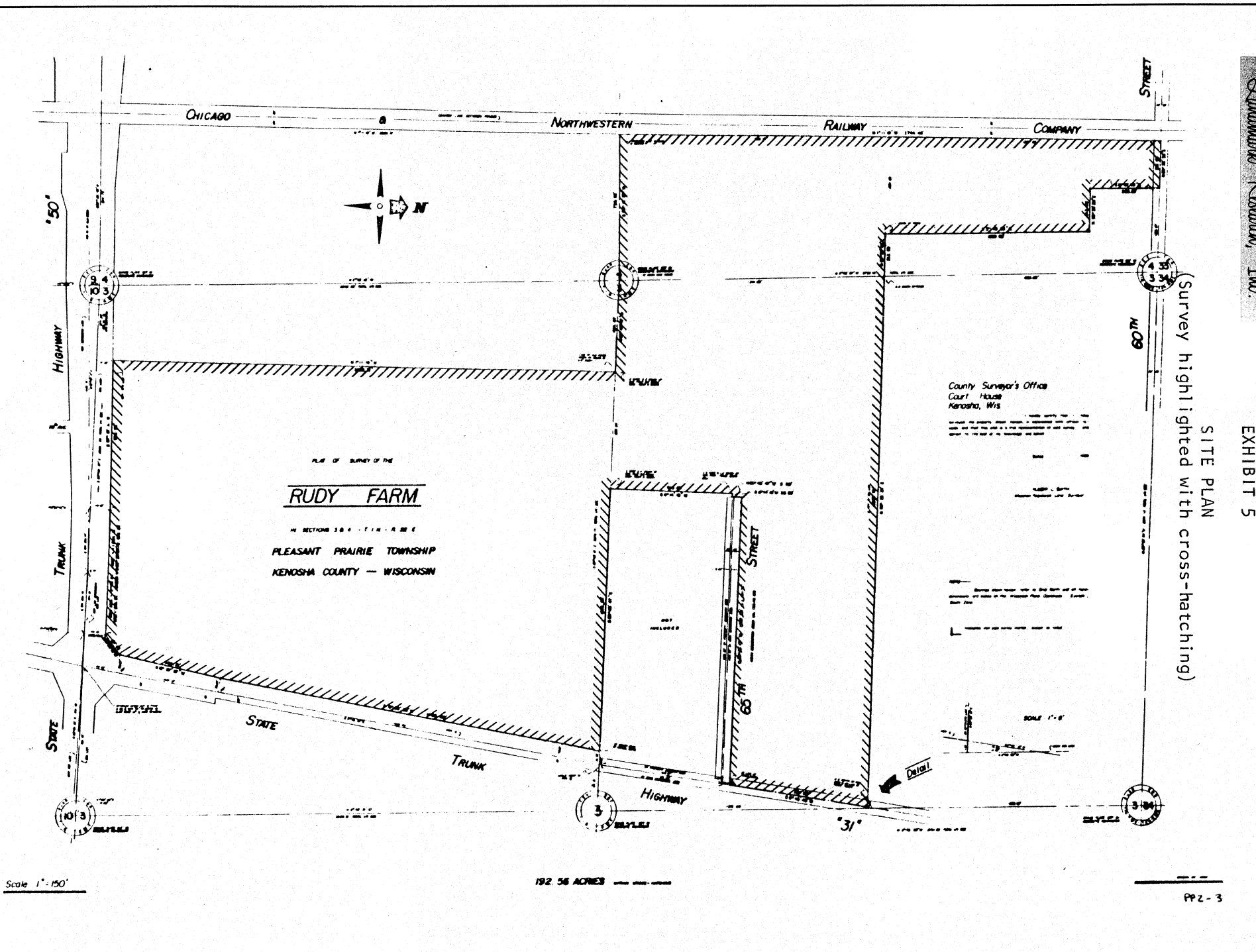
Scale 1" = 150'

192.56 ACRES

Scale 1" = 150'



SITE PLAN
(Survey highlighted with cross-hatching)



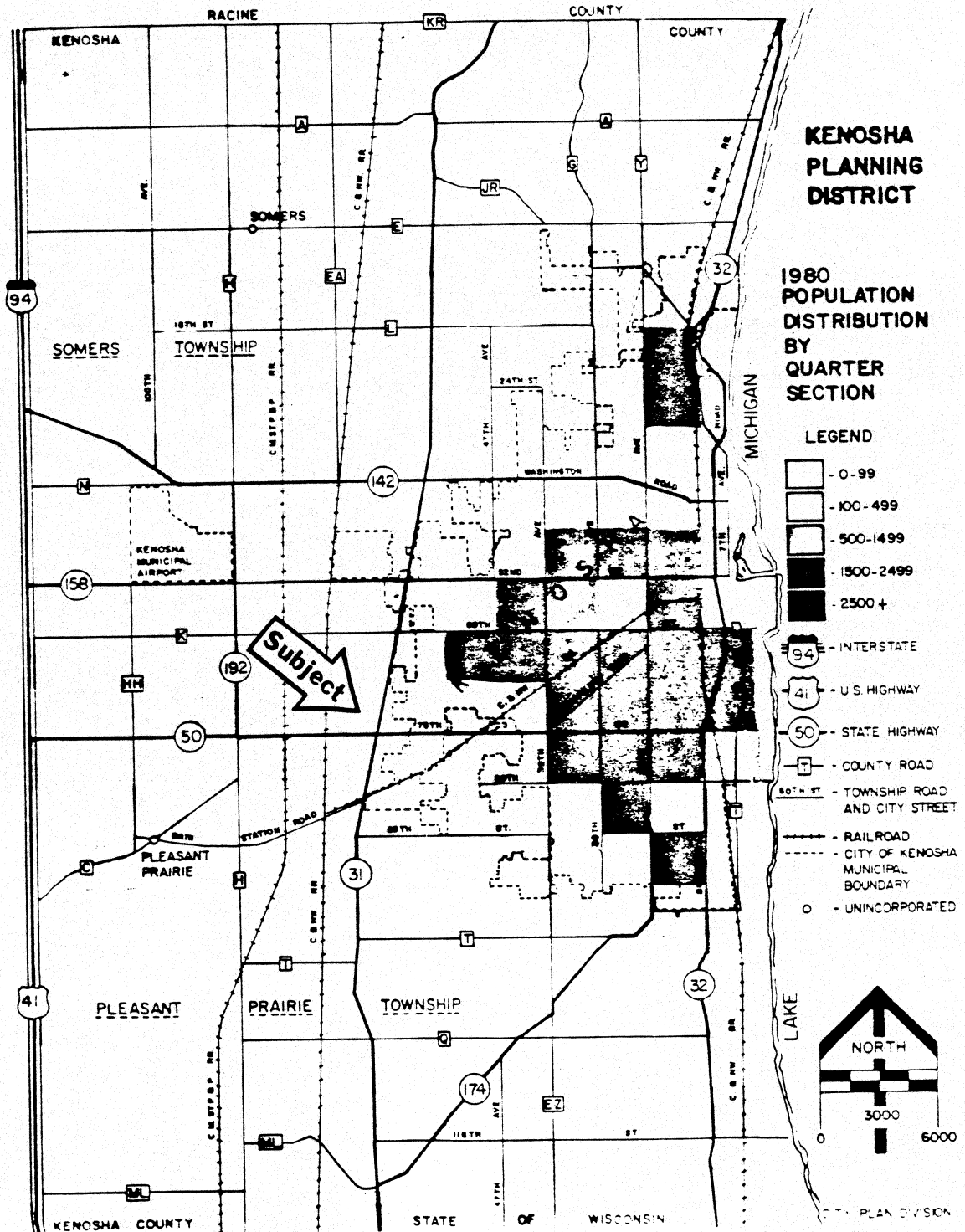
Highway 50 is one of three major east-west thoroughfares which serve the City of Kenosha. Two of these, Highway 142 and Highway 50 connect Kenosha with Burlington and Lake Geneva, respectively, and are the major Kenosha exits from Interstate 94 (I-94). Highway 31 parallels I-94 and provides local north-south circulation between Waukegan, Illinois, and Racine, Wisconsin. Highway 158, which runs east-west, is one-half mile north of the subject, and connects I-94, the Kenosha Municipal Airport, and the Kenosha Industrial Park with downtown Kenosha.

As of the date of appraisal, the subject site was approximately three blocks from the closest portion of the City of Kenosha. The major centers of growth in Kenosha between 1975 and 1980 have been within the Highway 31 periphery with the exception of the Kenosha Industrial Park. Exhibit 6 shows the population concentrations as of 1980. Two of the newer residential developments and one industrial area are within one mile of the site. The majority of the remainder are located between Highway 142 and Highway 158 to the north.

The general area of the subject property is a loose mixture of agricultural, commercial, industrial, and residential development in the predevelopment stage. There has been little land use change west of Highway 31 since 1975.

EXHIBIT 6

1980 POPULATION DISTRIBUTION BY
QUARTER SECTION



B. Site Description

The subject parcel is a result of a series of acquisitions by Frederick Rudy over a period of years. The bulk of the property lies in Section 3 of the Town of Pleasant Prairie with the remainder in Section 4.

1. Shape and Area

The property has an irregular shape, with major frontage on Highway 50 and Highway 31. It has minor frontage on County Highway K, (60th Street) and is adjacent to the Chicago and Northwestern railway right-of-way for a portion of its western boundary. The site is quite large, 192.56 acres, though irregularly shaped.

2. Soils, Site Drainage, and Topography

With the exception of one small two-acre wet area at the western edge of the property adjacent to Highway 50, the site consists of moderate, well drained soils, according to the United States Department of Agriculture Soil Conservation Service, Soil Survey dated December 1970.

3. Sewer and Water

Sewer and water are not available to the site. As of March 1978 there was considerable question as to whether, if developed, the subject site would stay within the township or be annexed into the City of Kenosha, and largely following the

disposition of the first issue, how sewer and water would be provided to the site and by which municipality.

4. Electric and Telephone Service

Above-ground electric and telephone lines run adjacent to the property along Highway 50 and Highway 31. The farm buildings on the property are served by electrical service. Telephone service is by the Wisconsin Telephone Company and the electrical service is by the Wisconsin Electric Power Company. Natural gas is not available to the site.

5. Street Improvements

The site fronts on Highways 50 and 31 and County Highway K. These highways are of four, two, and two lanes, respectively, with gravel shoulders. Highways 50 and 31 are controlled access roads. Highway 50 is controlled for the entire distance that it is adjacent to the site; Highway 31 is controlled for several hundred feet from the Highway 50 intersection. The intersection of Highway 50 and 31 is signalled.

6. Site Access

The site has an unpaved drive from Highway 50 to the old farmstead, one access point on County Highway K, and several agricultural access points on Highways 50, 31, and 65th Street.

7. Fire and Police

The subject site is within the Town of Pleasant Prairie and is served by the town's fire and police departments.

C. Existing Improvements

The existing improvements are the agricultural buildings associated with the old farmstead. The buildings consist of two large machine sheds, four silos, and a smaller shed. These buildings do not contribute to the value of the property except to the extent that their current rental contributes to the total rental income of the property. The total 1978 rental income covered the holding cost of property taxes plus \$3,000.

D. Legal Site Attributes

1. Zoning

The subject site is zoned agricultural with the exception of the portion in Section 4 which is zoned industrial.

2. Municipal Jurisdiction

Development of the subject is contingent on the provision of sewer and water to the site. The subject is located in the Town of Pleasant Prairie, and as of March 1978, the town was willing to provide sewer and water to the site as well as to make the necessary zoning changes.

The City of Kenosha has extraterritorial planning powers as well as an interest to have any development on the site brought within the city limits. Although annexation of lands east of Highway 31 have since made the site adjacent to the City of Kenosha, the site was several blocks away from the city as of the date of valuation. To annex the subject, the intervening property would have had to have been annexed prior to or simultaneously with the subject. To gain cooperation of those property owners, the cost of providing sewer and water would likely have had to have been picked up by the developer of the subject or the city. Negotiations would have solved this problem.

At the date of valuation, the Town of Pleasant Prairie was making efforts to incorporate which, had they been successful, would have prevented the city from annexing the subject. Although the owners of the subject would have had the choice to be in the city or in the town, the political tug-of-war would have extended the time required to get any major development of the site underway. This delay of development would mean increased costs to any developer which would be reflected in a lower purchase price of the subject.

3. Assessed Valuation

Kenosha County is the only county in Wisconsin to have a county-wide property assessment office. The centralization of

responsibility and increased expertise are reflected in better, more uniform assessment.

The assessed valuation of the subject as of May 1, 1977, was:

Land	\$483,000
Improvements	<u>14,300</u>
Total	\$497,300

The 1977 equalization rate for agricultural land in the Town of Pleasant Prairie is calculated as follows from data in Exhibit 7, the 1977 Statement of Equalized Value as set by The Wisconsin Department of Revenue from the Statistical Report of Property Values, Kenosha County, Bureau of Property Tax, Wisconsin Department of Revenue.

Equalization Rates of unimproved agricultural land for the Town of Pleasant Prairie:

Improved	<u>Assessment</u>	=	<u>\$23,721,800</u>	=	1.19
Agricultural	Equalized Value		19,875,500		
Land					

Therefore, the Department of Revenue's 1977 equalized valuation (100% fair market value) of the site is:

$$\frac{\$497,300}{1.19} = \$417,899$$

The overall equalization rate was 1.13, but the agricultural land equalization rate was 1.19; therefore, the

EXHIBIT 7

1977 STATEMENT OF EQUALIZED VALUE AS
SET BY THE WISCONSIN DEPARTMENT OF REVENUE
TOWN OF PLEASANT PRAIRIE

1977 STATEMENT OF ASSESSMENTS
AS REPORTED ON OR BEFORE 12/1/77

77-30-008	TOWN OF PLEASANT PRAIRIE	COUNTY OF KENOSHA				
REAL ESTATE CLASSES	PARCEL LAND	COUNTY IMPS. ACRES	VALUE OF LAND	VALUE OF IMPROVEMENTS	TOTAL LAND & IMPROVE.	
1. A RESIDENTIAL	6 787	3 386	54 246 900	110 287 500	164 534 400	
2. B MERCANTILE	171	130	5 926 800	9 335 100	15 261 900	
3. C MANUFACTURING	13	9	1 204 400	6 033 200	7 237 600	
4. D AGRICULTURAL	259	117 11 863	19 634 700	4 087 100	23 721 800	
5. E SWAMP & WASTE	136	1 329	337 800		337 800	
6. F1 FOREST						
7. F2 FOREST						
8. REAL ESTATE TOTALS	7 366	3 642 13 192	81 350 600	129 742 900	211 093 500	
9. PERSONAL PROPERTY ITEMS		NUMBER	VALUE			
10. CATTLE						
11. SHEEP						
12. SWINE						
13. ALL OTHER LIVESTOCK			256 185			
14. MERCHANTS STOCK			1 968 750			
15. MANUFACTURERS STOCK			16 600 689			
16. SUB-TOTAL LINE A STOCKS					18 825 624	
17. LEAF TOBACCO						
18. LOGS, TIMBER & LUMBER						
19. WATERCRAFT						
20. PUBLIC UTILITIES						
21. MACHINERY TOOLS & PATTERNS			798 810			
22. FURNITURE, FIXTURES & EQUIP.			2 021 510			
23. ALL OTHER PERSONAL PROPERTY			185 630			
24. SUB-TOTAL LINE B PERSONAL					3 005 950	
25. TOTAL PERSONAL PROPERTY					21 831 574	
26. AGGREGATE ASSESSED VALUE					232 925 074	

1977 STATEMENT OF EQUALIZED VALUE
AS SET BY
THE WISCONSIN DEPARTMENT OF REVENUE
10/13/77

77-30-008 TOWN OF PLEASANT PRAIRIE COUNTY OF KENOSHA				
REAL ESTATE CLASSES	LAND	IMPROVEMENTS	TOTAL	RATIO
1 A-RESIDENTIAL	35,642,100	112,990,100	148,632,200	
2 B-MERCANTILE	4,120,100	6,940,500	11,060,600	
3 C-MANUFACTURING	1,016,000	5,260,100	6,276,100	
4 D-AGRICULTURAL	15,363,200	4,512,300	19,875,500	
5 E-SWAMP & WASTE	229,900		229,900	
6 F1-FOREST				
6 F2-FOREST				
6 REAL ESTATE TOTALS	56,371,300	129,723,000	186,094,300	113.43
9 PERSONAL PROPERTY ITEMS	NUMBER	VALUE		
10 CATTLE	607	263,310		
11 SHEEP	6	180		
12 SWINE	34	4,140		
13 ALL OTHER LIVESTOCK		52,650		
14 MERCHANTS STOCK		1,963,710		
15 MANUFACTURERS STOCK		14,526,520		
16 SUBTOTAL LINE A PERSONAL			16,752,510	
17 LEAF TOBACCO				
18 LOGS TIMBER & LUMBER				
19 WATERCRAFT				
20 PUBLIC UTILITIES				
21 MACHINERY, TOOLS & PATTERNS		516,100		
22 FURNITURE, FIXTURES & EQUIP		1,971,450		
23 ALL OTHER PERSONAL PROPERTY		174,640		
24 SUBTOTAL LINE B PERSONAL			2,662,190	
25 TOTAL PERSONAL PROPERTY			19,414,700	122.45
26 AGGREGATE FULL VALUE			205,509,000	113.34

1977 assessed values of farmlands in the Township of Pleasant Prairie are misleading.

E. Linkage Attributes of the Site

1. Access

The subject has good regional linkages being located west of the City of Kenosha, three and one-half miles from the Central Business District, at the intersection of two state highways, and two and one-half miles from the interstate highway.

The metropolitan linkages are good with respect to areas on the periphery of the city and fair with respect to downtown.

Presently there are two points of access to the subject from Highway 50--one is the driveway to the farmstead and the other is an agricultural use access point closer to Highway 31.

There are several points of access for agricultural use on Highway 31. There would be access along 65th Street and there is one point of access at 60th Street (Highway K).

Specific local access, however, is restricted by virtue of controlled access on portions of both highways. Additionally, development of the site would have to meet with the approval of the Wisconsin Department of Transportation with respect to number and location of access. For any large scale development, the developer would have to work in coordination with the

Department of Transportation in planning the access to the site. The rule of thumb is 1,000 feet between openings on major highways such as 50 and 31. This restriction, together with the extent of controlled access on Highways 50 and 31, results in one point of access allowed on Highway 50 and two on Highway 31. Although the state is required to allow access to parcels which are created by subdivision, it has significant clout to force compliance with its preferred or mandated requirements. This, together with the reality of any purchaser of the subject having to market the whole site, not just the prime highway frontage areas, would require the developer to install his own system of interior roadways on the site. This would have to be coordinated with the Department of Transportation so that, one way or another, the state would have prescribed the general number and location of access points to the site as a whole.

[2]

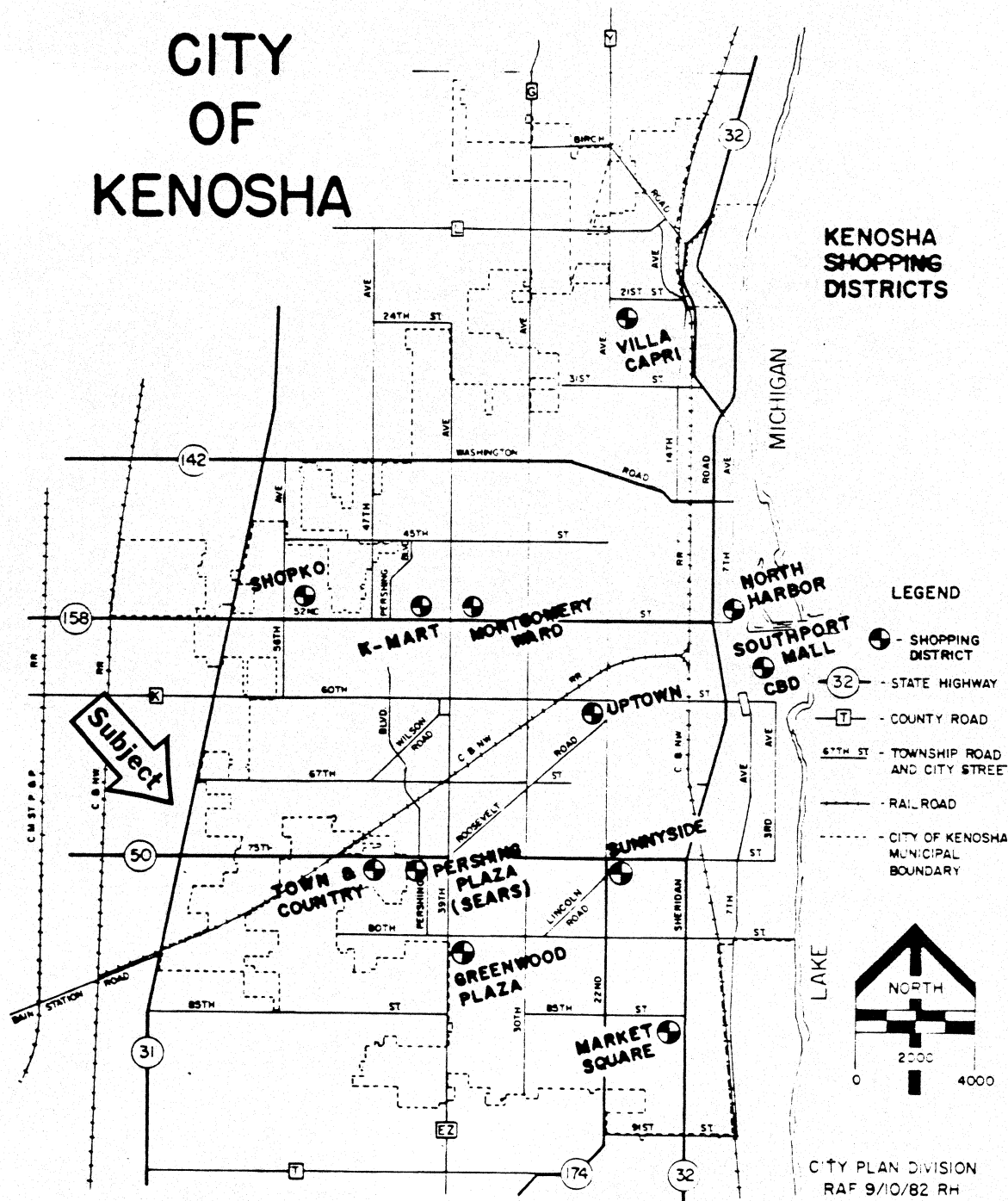
2. Retail Shopping Facilities

Most of Kenosha's retail districts are on Highway 158 (52nd Street), Highway 50 (75th Street), and in the downtown area. (See Exhibit 8.)

[2] Based on telephone interviews with Thomas Cole, Wisconsin Department of Transportation, District 2, Waukesha, Wisconsin.

EXHIBIT 8

KENOSHA RETAIL SHOPPING DISTRICTS



The Highway 158 retail area has expanded in recent years with the addition of Shopko and K-Mart. The Highway 50 retail areas beginning within one mile of the subject are generally older and less competitive.

The subject is within two miles of Highway 158 shopping, but does not benefit as it would were it adjacent to that shopping area.

3. Commercial Centers

Commercial areas are more spread out than the principal retail areas, but tend to have located adjacent to and between the retail centers.

4. Industrial Centers

The principal Kenosha industries are shown on the map in Exhibit 9. The newer areas are the Kenosha Industrial Park (Sale 5), Christ Iron Works, Inc. (Sale 5a), WEPCO (Sale 12), MENG0, Kemen, and Amerigas, all of which are near Highway 31 and are within the city limits.

5. Residential Centers

Centers of recent residential activity were identified by Ray Forgianni, Director of Kenosha Department of Development, and are indicated on the map in Exhibit 10. Residential development has generally been at the periphery of the city but within the city limits in order to gain sewer and water. There

EXHIBIT 9

KENOSHA INDUSTRIES

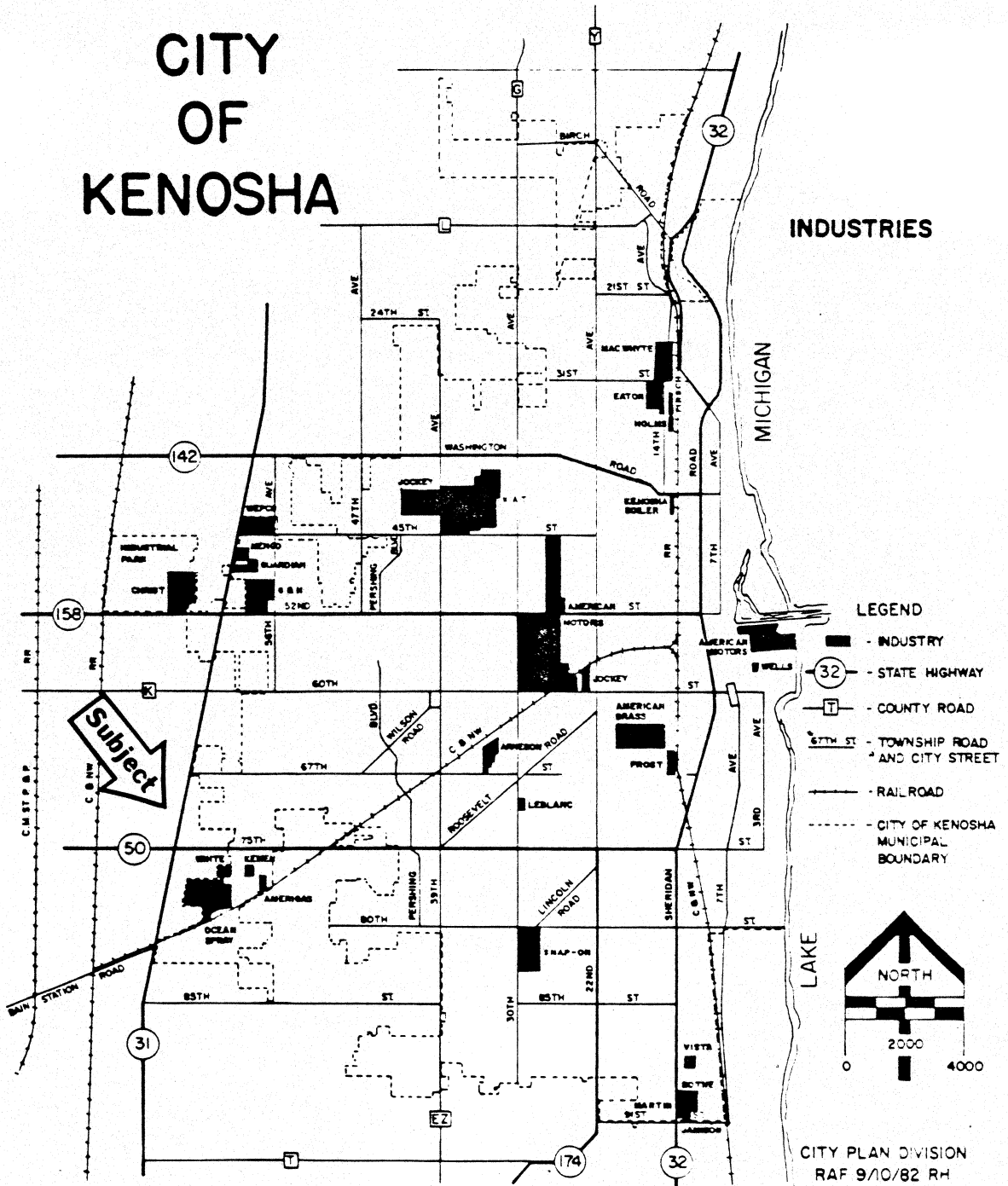
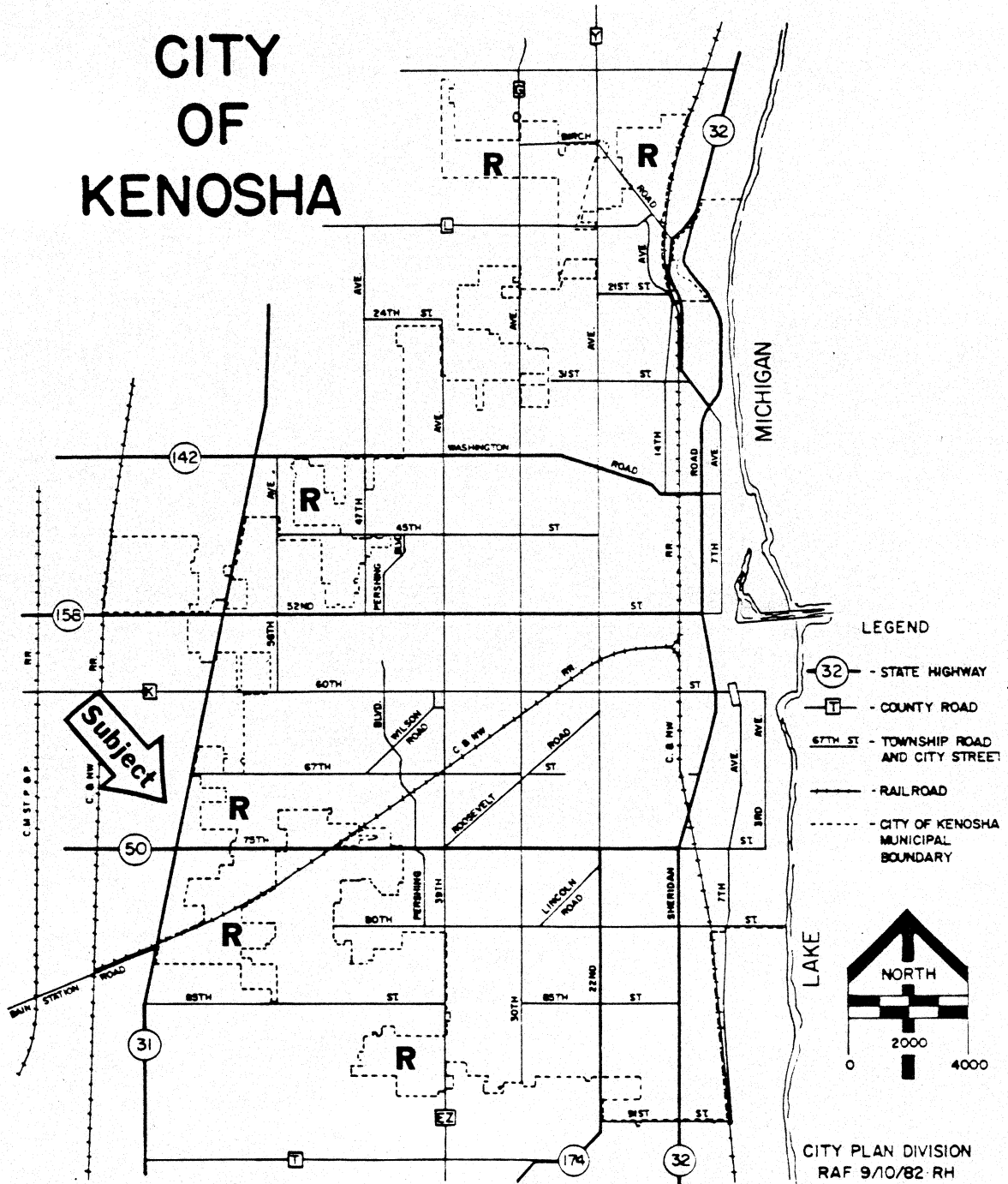


EXHIBIT 10

KENOSHA CENTERS OF RESIDENTIAL
DEVELOPMENT ACTIVITY 1978-1983



are additional residential developments in the townships, but their locations are controlled by suitability of soils for on-site septic systems. Kenosha County soils are quite problematic in this regard.

F. Dynamic Attributes

The subject is perceived as being just beyond the clutter of the urbanized area. Its location at the intersection of Highways 50 and 31 is well-defined in the mind of the public.

III. GENERAL MARKET ANALYSIS

The economy of Kenosha is heavily dependent on its manufacturing base. Thirty-nine percent of 1978 employment is in manufacturing as compared with 22 percent nationally. Major manufacturers are American Motors Corporation, Anaconda Company - Brass Division, Snap-On Tools Corporation, Eaton Corporation - Dynamatic, Jockey International, Ladish Company - Tri-Clover Division, MacWhyte Wire Rope Company, Frost Company, Ocean Spray Cranberries, Inc., and Kenosha Beef International, Ltd.

As a result of the concentration of industrial employment, the county is highly influenced by not only the ups and downs of particular industries, but by the national economy in general. The general recessions of recent years and the long slump of American Motors have resulted in high levels of unemployment and diminished real estate activity. Development has proceeded quite slowly as evidenced by the rate at which land use has changed.

A. Land Absorption Rates

Detailed land use data is available from the Southeastern Wisconsin Regional Planning Commission (SEWRPC). The SEWRPC data is derived from land use inventories conducted in 1975 and 1980; years which bracket the date of appraisal. These inventories detail with great precision the number of acres in nine major categories of land use. These major land use

categories are further broken down so that there are in excess of 100 detailed land use categories inventoried during these two years. The data was collected by quarter section. Exhibit 11 shows land use by major land use category for the Kenosha Study Area which is all of Kenosha County east of Interstate 94 (see Exhibit 12).

During the period 1975 to 1980, there were increases in the number of acres of residential land use, transportation land use, communication and utilities land use; there were decreases in the number of acres of agricultural land use and open lands land use. During the period 1975 to 1980, there was only a 38 acre increase in the number of acres of commercial land use and a 22.5 acre increase in the number of acres involved in industrial land uses. This indicates an exceedingly small expansion of commercial and industrial land uses, particularly given that this data encompasses a major portion of urban and adjacent lands in Kenosha County. The increase in number of acres in residential land use from 1975 to 1980 reflects a change from approximately 14.5 percent to 15.5 percent of the total number of acres in the study area.

The shaded area in Exhibit 12 shows the area for which absorption rates will be developed for residential, commercial, and industrial lands and for which the change in the acres in agricultural use will be measured. This area is more

INCREASED LAND USE BY CATEGORY

KENOSHA STUDY AREA
1975 - 1980

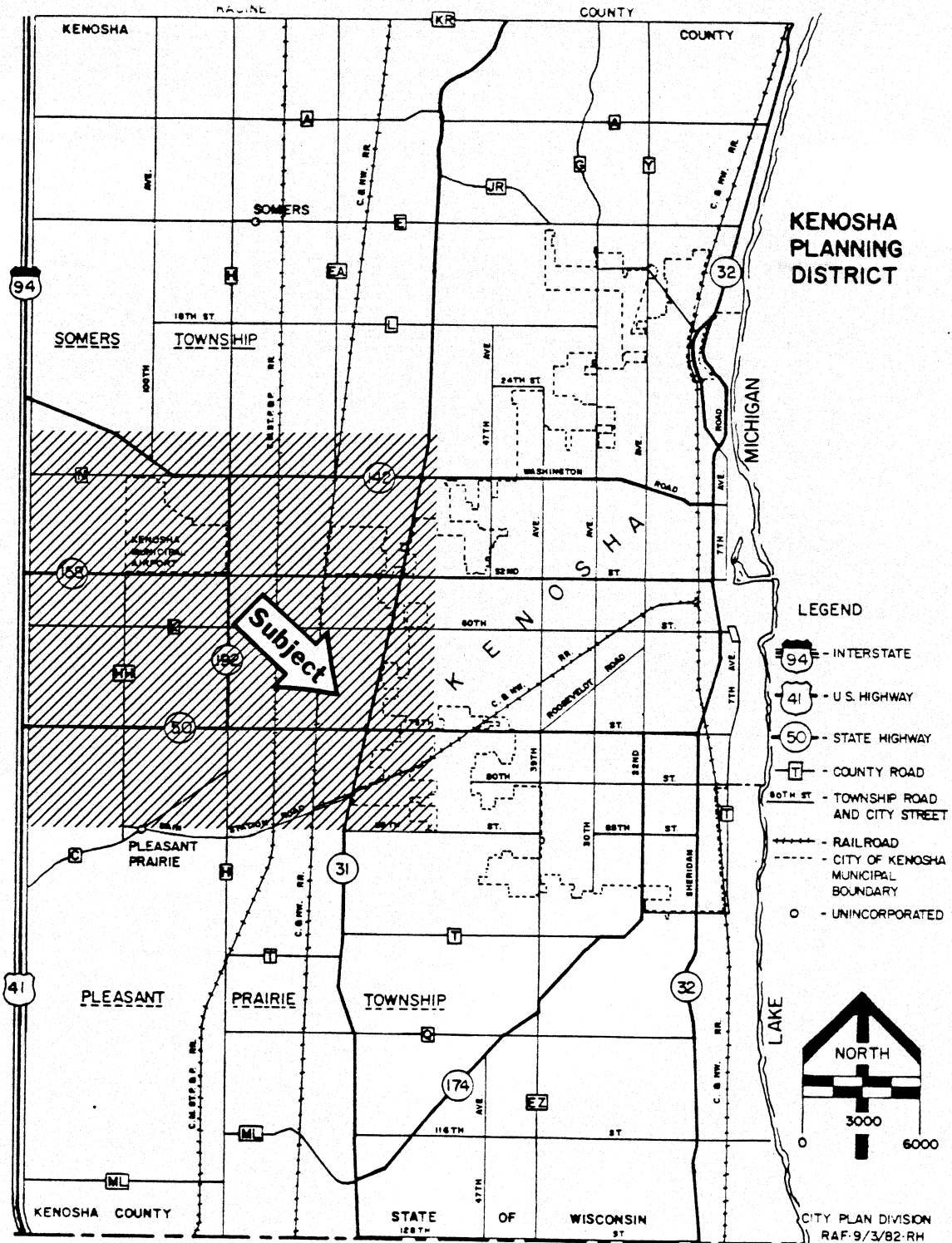
LAND USE DESCRIPTION	1975 ACRES	1980 ACRES	ACRE CHANGE 1975- 1980	PERCENT CHANGE 1975- 1980	AVERAGE CHANGE PER YEAR (ACRES)
Residential	8,042.97 (14.6%)	8,531.35 (15.5%)	+ 488.38	+ 6.1%	+ 97.68
Commercial	419.71 (0.8%)	457.70 (0.8%)	+ 37.99	+ 9.1%	+ 7.60
Industrial	773.72 (1.4%)	796.18 (1.4%)	+ 22.46	+ 2.9%	+ 4.49
Transportation	4,930.59 (9.0%)	5,167.01 (9.4%)	+ 236.42	+ 4.8%	+ 47.28
Communication and Utilities	74.70 (0.1%)	345.57 (0.6%)	+ 270.87	+ 362.6%	+ 54.17
Governmental and Institutional	976.26 (1.8%)	995.46 (1.8%)	+ 20.80	+ 2.1%	+ 4.16
Recreational	956.24 (1.7%)	986.32 (1.8%)	+ 30.08	+ 3.1%	+ 6.02
Agricultural	29,545.37 (53.8%)	28,611.68 (52.1%)	- 933.69	- 3.2%	- 186.74
Open Lands	9,205.71 (16.8%)	9,034.00 (16.4%)	- 171.71	- 1.9%	- 34.34
	54,925.27 (100%)	54,925.27 (100%)			

Source: SEWRPC

EXHIBIT 11

EXHIBIT 12

KENOSHA PLANNING (Study) DISTRICT AND
LAND USE CHANGE SUBAREA
SECTIONS 27-34, TOWN OF SOMERS
SECTIONS 3-10, TOWN OF PLEASANT PRAIRIE



specifically identified by government Sections 27, 28, 29, 30, 31, 32, 33, 34, Town of Somers, (T2NR22E) Kenosha County, and Sections 3, 4, 5, 6, 7, 8, 9, and 10, Town of Pleasant Prairie, (T1NR22E) Kenosha County, Wisconsin.

In the portion of the area which is in the Town of Somers, there is a very slight increase in the number of acres in residential use, a slightly larger decrease in the number of acres in agricultural use, and virtually no change in the number of acres involved in either commercial or industrial land uses. In the portion of the area in the Town of Pleasant Prairie, the pattern is the same with larger increases in acres in residential land use and a corresponding decrease in land and agricultural use and virtually no change in the number of acres in use for commercial or industrial purposes.

Were we at this point to develop absorption rates for either commercial or industrial land uses beginning in 1978, we would have to use a zero rate of growth for the first several years, and it would be unlikely that our predictions of absorption of land for commercial or industrial use in the several years after 1980 would be much greater.

Exhibits 13 and 14 show in tabular form these absorption rates.

This data has been recast to correspond with air photos which cover four government sections at a time, which were also

EXHIBIT 13

LAND USE CHANGE
1975 - 1980
BY SECTIONTOWN OF SOMERS
KENOSHA COUNTY, WISCONSIN

=====				
AVERAGE ANNUAL CHANGE IN ACRES				
-----1975 - 1980-----				
SECTION	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	AGRICULTURAL

27	+ 1.25	0	0	- 0.53
28	+ 0.39	0	0	- 0.26
29	0	0	0	- 0.72
30	+ .37	0	0	- 3.54
31	0	0	0	0
32	0	0	0	+ 1.52
33	+ 0.49	0	0	- 2.57
34	+ 2.08	0	+ 0.15	- 0.03
	+ 4.58	0	+ 0.15	- 6.13

Source: Landmark Research, Inc., from SEWRPC data

EXHIBIT 14

LAND USE CHANGE
1975 - 1980
BY SECTION

TOWN OF PLEASANT PRAIRIE
KENOSHA COUNTY, WISCONSIN

=====				
AVERAGE ANNUAL CHANGE IN ACRES				
-----1975 - 1980-----				
SECTION	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	AGRICULTURAL

3	+ 0.42	0	0	- 0.12
4	0	0	0	0
5	0	0	0	0
6	+ 2.40	0	0	0
7	+ 13.06	+ 0.24	0	- 16.15
8	+ 0.11	0	0	- 3.38
9	0	0	0	0
10	+ 1.10	0	0	- 0.54
	+ 16.98	+ 0.24	0	- 34.25

Source: Landmark Research, Inc., from SEWRPC data

obtained from SEWRPC. Exhibits 15 and 16 recast this data to correspond with the areas covered by the air photos. The conclusions reached in terms of an absorption rate of residential, commercial, or industrial lands can be seen in actuality by comparing the virtual lack of change between the air photos taken in 1975 and those in 1980. These air photos, owing to their large size, are attached to this report by reference.

B. Market

The markets for industrial and commercial/retail uses are limited. Furthermore, the center of recent activity for these land uses is not in the neighborhood of the site.

In order to attract industry to Kenosha, the City of Kenosha purchased property (Sale 5) for use as the City Industrial Park. Clearly subsidizing the cost of industrial sites, the city offers fully developed industrial sites of two to twenty acres for a list price of \$15,200 per acre (1983). Notice that the city was able to pay an inflated price for purchase of the property since they have substantially lower costs of capital and low holding costs as compared with a private market developer. As may be seen in the industrial land absorption study in this report and in the large unsold land inventory in the city industrial park as of 1983, it can be seen that development of the subject site, or a portion

EXHIBIT 15

LAND USE CHANGE
1975 - 1980
CORRESPONDING TO SECTIONAL AIR PHOTOS

TOWN OF SOMERS
KENOSHA COUNTY, WISCONSIN

=====				
AVERAGE ANNUAL CHANGE IN ACRES				
-----1975 - 1980-----				
SECTION	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	AGRICULTURAL

CORRESPONDS TO				
AIR PHOTO # T2NR22E/27, 28, 33, 34				
27	+ 1.25	0	0	- 0.53
28	+ 0.39	0	0	- 0.26
33	+ 0.49	0	0	- 2.57
34	<u>+ 2.08</u>	<u>- 0</u>	<u>+ 0.15</u>	<u>- 0.03</u>
Sub Total	+ 4.21	0	+ 0.15	- 3.39
CORRESPONDS TO				
AIR PHOTO # T2NR22E/29, 30, 31, 32				
29	0	0	0	- 0.72
30	+ .37	0	0	- 3.54
31	0	0	0	0
32	<u>- 0</u>	<u>- 0</u>	<u>- 0</u>	<u>+ 1.52</u>
Sub Total	<u>+ .37</u>	<u>- 0</u>	<u>- 0</u>	<u>- 2.74</u>
TOTAL	+ 4.58	0	+ 0.15	- 6.13

Source: Landmark Research, Inc., from SEWRPC data

EXHIBIT 16

LAND USE CHANGE
1975 - 1980
CORRESPONDING TO SECTIONAL AIR PHOTOS

TOWN OF PLEASANT PRAIRIE
KENOSHA COUNTY, WISCONSIN

=====				
AVERAGE ANNUAL CHANGE IN ACRES				
-----1975 - 1980-----				
SECTION	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	AGRICULTURAL

CORRESPONDS TO				
AIR PHOTO # T1NR22E/3, 4, 9, 10				
3	+ 0.42	0	0	- 0.12
4	0	0	0	0
9	0	0	0	0
10	+ 1.10	0	0	= 0.54
Sub Total	+ 1.52	0	0	- 0.66
CORRESPONDS TO				
AIR PHOTO # T1NR22E/5, 6, 7, 8				
5	0	0	0	0
6	+ 2.40	0	0	0
7	+ 13.06	+ 0.24	0	- 16.15
8	+ 0.11	0	0	= 3.38
Sub Total	+ 15.57	+ 0.24	0	= 19.53
TOTAL	+ 17.20	+ 0.24	0	- 20.19

Source: Landmark Research, inc., from SEWRPC data

thereof for industrial use, would logically occur subsequent to the City Industrial Park site selling a substantial portion of its land.

In recent years, the commercial and retail center has shifted from Highway 50, east of the subject in the City of Kenosha, to Highway 158. As can be seen in Exhibit 8, the new Shopko and K-Mart stores have provided a core around which other commercial and retail uses have grouped. While the subject is in the path of some undefined future growth of the City of Kenosha, it is not in the path of specific near-term commercial and retail growth.

Indeed, commercial and retail activity on Highway 50 has suffered substantially in recent years. Highway 50 in town from the subject site has older, more obsolete retail and commercial growth. In recent years the market has not been strong in this area and several stores, including the Wells Department Store, one-half mile to the east of the subject, have gone out of business.

C. Obstacles to Development
of the Subject Site

There are several factors which pose problems to the timely development of the subject site. These obstacles may be categorized as political, market, and access constraints.

The political problems relate to jurisdiction, zoning, and provision of urban services. These problems must be resolved in sequence since jurisdiction must precede zoning and provision of urban services, particularly sewer and water.

The subject site is in the Township of Pleasant Prairie. The City of Kenosha has extraterritorial powers over the site with regard to planning and zoning. As of the date of valuation, the town had begun efforts to incorporate so as to forestall tax base erosion by the City of Kenosha annexations. These efforts ended in failure on July 1, 1983, with denial by the Wisconsin Supreme Court of an appeal of an Appeals Court ruling which upheld the Wisconsin Department of Development's denial of the Town of Pleasant Prairie's application to incorporate as a city. Since jurisdiction was up in the air until 1983, it is fair to say that the development of the site could not have proceeded until then.

Additionally, the subject site was not contiguous to the City of Kenosha as of the date of the appraisal, and intervening property owners would have had to be brought in to the city along with the subject property. This would likely have been accomplished at the expense of a developer of the subject paying for sewer and water to be brought to those intervening properties as well as to the subject site.

Subsequent to resolution of the jurisdictional issue, zoning would have to be changed to be consistent with any development proposals. This may not have been difficult since both the city and the town were eager to work with a developer of this site.

The provision of sewer and water to this site, sufficient for any appropriate large scale development of the subject, is and would have been costly. Sanitary sewer service would have had to have been installed for a distance of at least six blocks to reach the site with upgrading for another six to eight blocks for linkage to sewer mains of sufficient capacity to handle the additional load. If the Town of Pleasant Prairie was to have provided sewer and water to the site, the costs would have been greater due to the longer runs necessary.

Although the subject site will not likely feel developmental pressure for industrial purposes in the near future, as those users will locate in the city industrial park, the site would be most appropriate for a large industrial user seeking a large site with good access adjacent to the City of Kenosha. In any event, the large holding costs associated with the delay in being able to develop the site would reduce the amount a purchaser would be able to pay for the subject.

EXHIBIT 17

PHOTOGRAPHS



Subject
View from Highway 50



Subject
View from Highway 31



Subject
Buildings



Subject
View from Highway K



Comparable Sale 4
View from Highway 50
WEPCO Power Plant - right rear



Comparable Sale 5a
View from Highway 158



Comparable Sale 5
View from Highway 158



Comparable Sale 12
View from Highway 31



Comparable Sale 13
View from Highway 31



Comparable Sale 19
View from Highway



Comparable Sale 32

EXHIBIT 18
AREA LAND SALES

SALE NUMBER	LOCATION	AVAILABILITY OF SEWER AND WATER	ZONING	SALE DATE	GRANTOR	GRANTEE	PRICE	ACRES	PRICE PER ACRE
1	Co. Highway HH	No	Ag	8/76	Bernhoft and Osborne	Quirini	\$100,457	83	\$ 1,253
2	Co. Highway Q	No	Ag	8/76	Schneider	Buicar	\$248,924	191	\$ 1,303
3	128th Street	No	Ag	8/78	Reilly Estate	Heilgeist	\$144,600	80	\$ 1,807
4	Highway 50	No	Ag	12/76	Rudy Industrial Park, Inc.	Wis. Electric Power Company	\$700,475	155.66	\$ 4,500
5a	Highway 158	No	Ag	6/78	Pitts	Christ Iron Works	\$ 79,400	26	\$ 3,054
5	Highway 158	No	Ag	6/79	Pitts	City of Kenosha	\$696,920	133	\$ 5,240
6	Highway 50	Yes	Ag	4/78	Campbell	Palmen	\$140,000	5	\$28,000
7	Highway 50 (part of Sale 6)	Yes	Ag		Palmen	Schuck	\$ 70,000	2.3	\$30,069
8	Highway 50		Comm	6/78	Oquist	Grossman Store	\$125,000	5	\$25,000
9	Highway 50	Yes	Comm	8/78		Mr. Steak	\$ 75,000	.75	\$100,000
10	Highway 50	Yes	Comm	6/78	Oquist	Robert Hall	\$ 30,000	1	\$30,000
11	Rear land with Highway 50 access	Yes	Comm	10/74	Oquist	City of Kenosha	\$ 22,000	2.255	\$ 9,750
12	Highway 31	Yes	Heavy Ind.	8/72	Wiersum	Wisconsin Electric Power Co.	\$ 78,000	12	\$ 6,500
13	Highway 31	Yes	Heavy Ind.	6/76		State Construction Corp.	\$107,120	26.78	\$ 4,000
14	Highway 158	Yes	Multi- family	9/78	Gilbert and Ruby Shubert	Metropolitan Holding Co.	\$178,000	4.84	\$36,800
15	Section 10 Pleasant Prairie	No	Res	12/77	Gengler	Alesci Land Co.	\$133,800	16	\$ 8,363

EXHIBIT 18 (Continued)

SALE NUMBER	LOCATION	AVAILABILITY OF SEWER AND WATER	ZONING	SALE DATE	GRANTOR	GRANTEE	PRICE	ACRES	PRICE PER ACRE
16	Section 10 Pleasant Prairie	No	Res	4/78	Gengler	Alesci Land Co.	\$128,560	19.88	\$ 6,500
17	Highway 31	No	Ag	1/79	Smith	Gritzlaff	\$150,000	78.59	\$ 1,908
18	Backland	Yes	Ag	1/79		Watring Brothers, Inc.	\$150,000	16.27	\$ 9,220
19	Highway G	No	Ag	11/77		Thomas Campbell	\$188,373	53.87	\$ 3,500
20	Co. Highways L & G	Yes		8/77		Frieden's Evangelical Church	\$ 88,000	18.768	\$ 4,689
21	Highway 31		Comm	7/74		Gutormsen	\$ 36,000	3	\$12,000
22	Highway 50 & HH	No	Ag	7/80		Mills & Rossi	\$675,000	297.56	\$ 2,268
23	S.E. corner, Highway 50/I-94	Yes	Comm	1/77			\$213,000	5.13	\$41,520
24	N.W. corner, Highway 50/I-94	No	Comm	4/77		McDonald's	\$145,000	1.45	\$100,000
25	Highway 50	No	Ag	1/77	Baker	Lueck	\$ 18,500	8.5	\$ 2,176
26	Highway T	No	Ag	7/77	Berens Estate	Darrin	\$ 44,000	35	\$ 1,257
27	Highway 50	No	Ind & Res "B"	11/76	Rock Road Construction	Gary Heiberg & Gerald Royce	\$110,000	61.52	\$ 1,788
28	Backland (adj. to #4)	No	Ag	1/75	Fennema	Mazzei	\$ 40,000	40.633	\$ 984
29	Sec. 20, TN 2N, R 22E, Somers	No	Ag	2/77	Delmenetal	Gritzlaff	\$ 66,000	55	\$ 1,200
30	Interstate 94 and Highway A	No	Ag	2/77	Smith	Tiesenga	\$152,500	118	\$ 1,292
31	Highway 31	?	MF	1/77	Ciotti	Roffalo & Pappas	\$100,000	10	\$10,000
32	Highway 158	Yes	Comm			Shopko	\$415,800	75.6	\$ 5,500

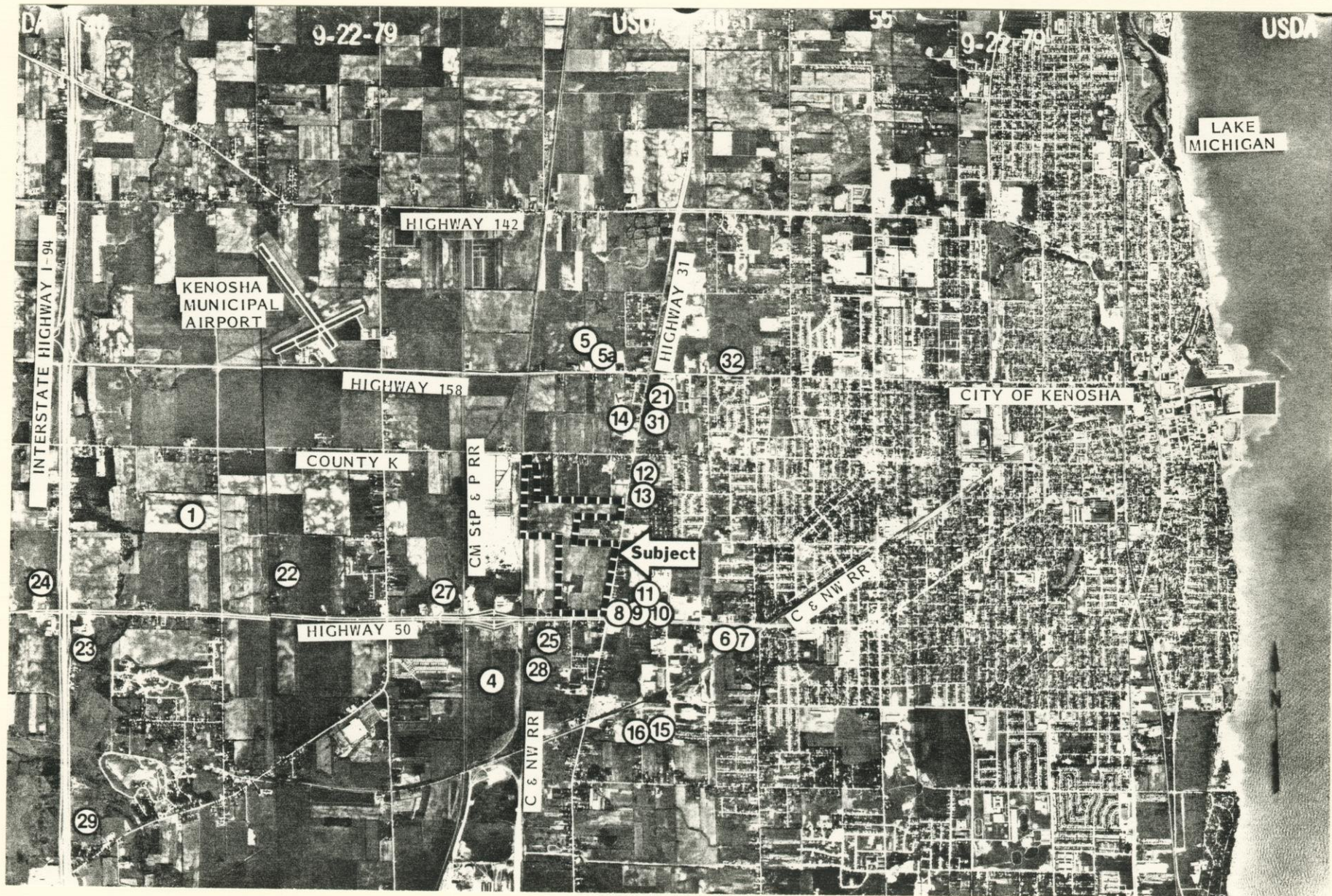


EXHIBIT 19
AIR PHOTO WITH COMPARABLE SALES

IV. MARKET VALUE OF THE SUBJECT PROPERTY

A. Valuation Methodology

The appropriate methodology for valuation of the subject is the sales comparison market value approach. There are a sufficient number of market transactions involving large, developable or predevelopment parcels to infer from the market the value of the subject by the sales comparison approach to market value.

B. Most Probable Buyer

The most probable buyer of the subject is a developer/investor who is willing to purchase the property for future development or hold it and resell it to the ultimate developer at a time when the development potential of the subject has matured.

C. Valuation of Industrial Section

1. Selection of Comparable Vacant Land Sales

Two industrial sales were not appropriate for use as comparables. Sale 27 was not used due to its mix of industrial and residential zoning and because a pond occupies a significant portion of the site. Sale 28 was not used because, although it is 40 acres of land with rail frontage, it is landlocked and without road or highway frontage.

Comparable industrial sales are shown in Exhibit 21 which are located on the map in Exhibit 20 and on the air photo in Exhibit 19.

Comparable Sale 4

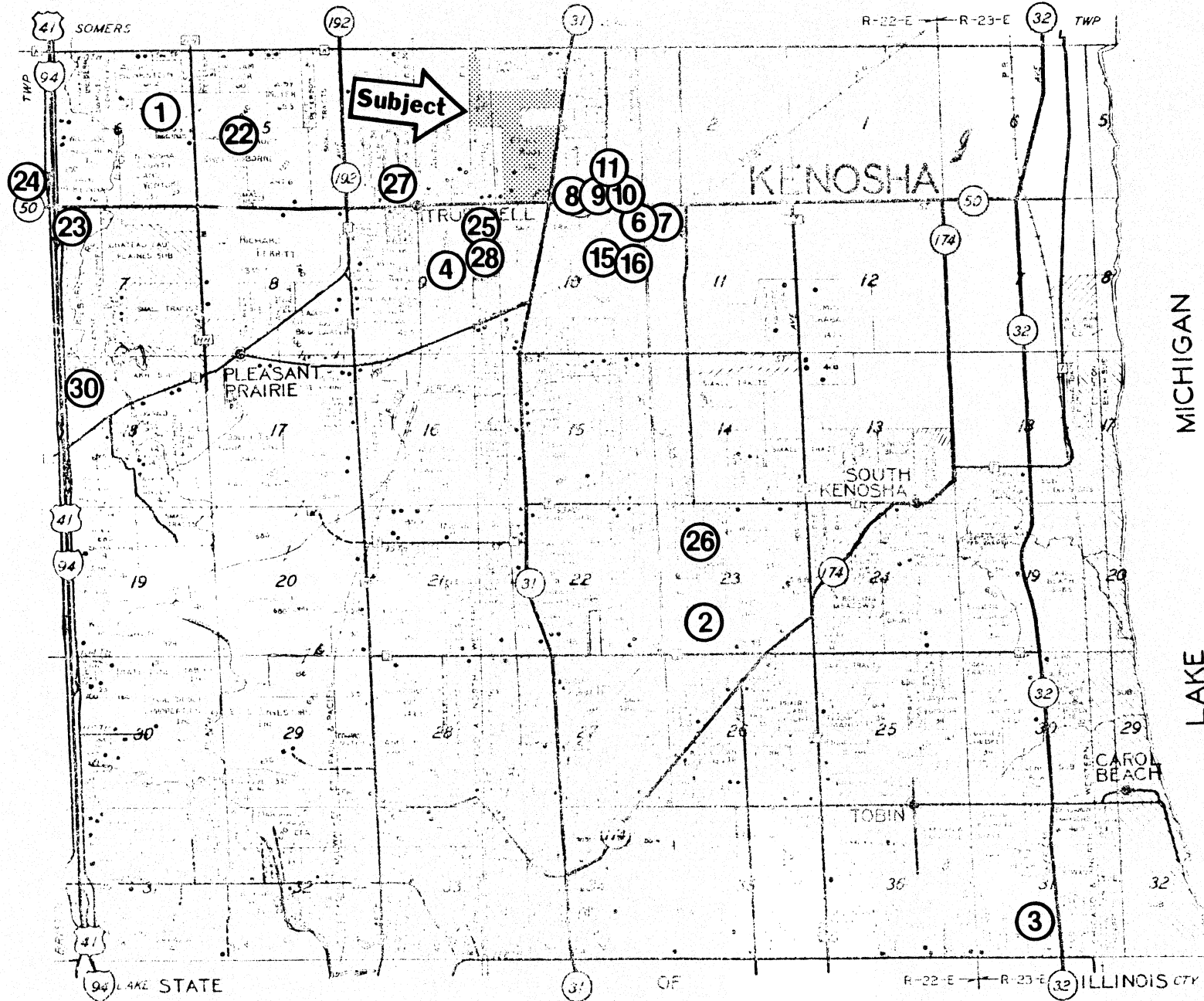
This is the December 1976 sale by Rudy Industrial Park, Inc., to Wisconsin Electric Power Company of 155 acres at approximately \$4,500 per acre. Wisconsin Electric Power Company (WEPCO) had to acquire an appropriate location to dump the waste products from their coal-fired power plant immediately to the south. Due to the large amount of waste products from the power plant, the search for appropriate sites was essentially limited to adjacent properties. Additional attractions of Comparable Sale 4 are a deep well, industrial zoning, and railway track siding. Only a portion of the subject is zoned industrial and the subject has no high volume well. Much of the Comparable Sale 4 site is low and therefore might present engineering problems with regard to standard industrial usage.

Comparable Sale 5a

This is the sale of 26 acres to the Christ Iron Works for \$3,000 per acre. The location on Highway 158 provides the site with good linkages to the interstate, the municipal airport, and the port of Kenosha. At the time of sale, sewer and water were not available to the site, but the purchasers did have

T.1N.-R.22&23E.

PLEASANT PRAIRIE



COMPARABLE VACANT LAND SALES MAP

EXHIBIT 20

T.2N.-R.22&23E.

SOMERS

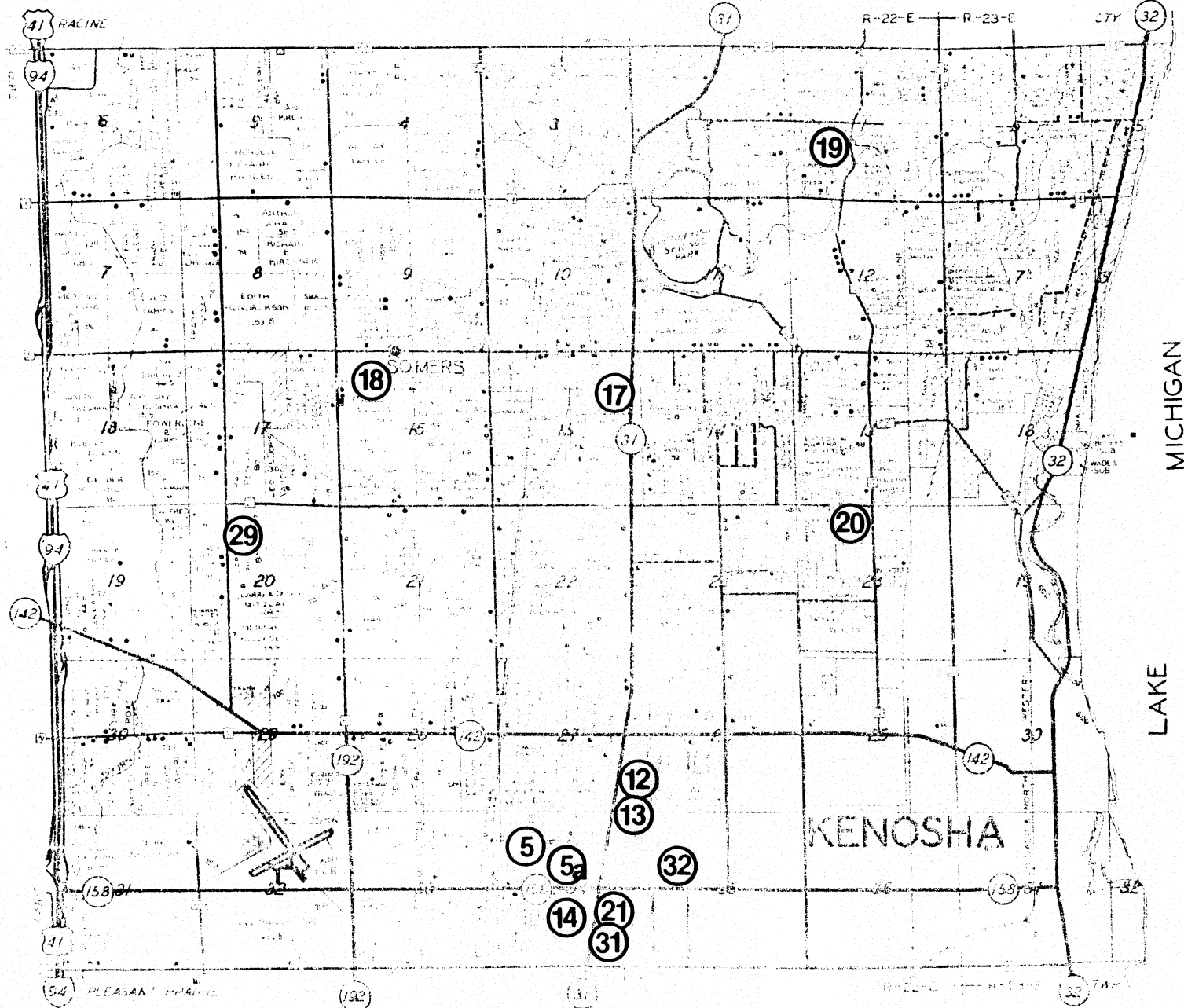


EXHIBIT 20 (Continued)

COMPARABLE VACANT INDUSTRIAL LAND SALES

SALE NUMBER	LOCATION	AVAILABILITY OF SEWER AND WATER	ZONING	SALE DATE	GRANTOR	GRANTEE	PRICE	ACRES	PRICE PER ACRE
4	Highway 50	No	Ag	12/76	Rudy Industrial Park, Inc.	Wis. Electric Power Company	\$700,475	155.66	\$ 4,500
5a	Highway 158	No	Ag	6/78	Pitts	Christ	\$ 79,400	26	\$ 3,054
5	Highway 158	No	Ag	6/79	Pitts	City of Kenosha	\$696,920	133	\$ 5,240
12	Highway 31	Yes	Heavy Ind.	8/72	Wiersum	Wisconsin Electric Power Co.	\$ 78,000	12	\$ 6,500
13	Highway 31	Yes	Heavy Ind.	6/76		State Construction Corp.	\$107,120	26.78	\$ 4,000

EXHIBIT 21

city assurance that a necessary zoning change would be made and that sewer and water would be brought to the site at city expense. The then existing Christ Iron Works facility in the Town of Somers was obsolete and the firm was considering moving out of the area, which explains the high degree of city cooperation involved. Subsequent sales were at prices above the \$3,000 per acre. It is often true that the first sale in an area is lower than subsequent ones and serves to establish the attractiveness and viability of the area.

Comparable Sale 5

This is the June 1979 sale of 133 acres to the City of Kenosha for the Kenosha Industrial Park. Kenosha had considered several sites, among them the subject, and had decided that the Comparable Sale 5 site represented the best location for their industrial park venture. The \$5,240 per acre price must recognize that although sewer and water were not available as of 1978, the city was preparing to provide these utilities to the site, and that their costs and the price paid for the site are generally ones which the city anticipates recapturing over a substantial period of time due to an increase in the tax base.

Comparable Sale 12

This is a sale to Wisconsin Electric Power Company, (WEPCO) of 12 acres at \$6,500 per acre on Highway 31, north of the subject site. This property was contiguous with the city at the date of the appraisal and subsequently annexed into the city and now has sewer and water.

Comparable Sale 13

This is the June 1976 sale of 26.78 acres at \$4,000 per acre to State Construction Company, adjacent to the WEPCO site, Sale Number 12. This site less expensive per acre since sewer and water were not available but were anticipated at the time of sale. The sale appears to be an arm's length transaction.

Consequently, Sales 5a, 5, 12, and 13 remain for use as comparables for industrial property in the area. Sale Number 5a to the Christ Iron Works for \$3,000 per acre came with the city assurance that annexation, rezoning, and provision of sewer and water would all take place. Sale Number 5, of 133 acres to the City of Kenosha for the Kenosha Industrial Park at \$5,240 per acre, is a purchase by a unique buyer. The subject site had been considered by the city for its industrial park but Sale Number 5 was selected by the city as being superior to the subject. Additionally, aside from Sale 5 representing an exercise of policy as much as a real estate transaction, the city is not subject to market holding costs nor to real estate

taxation. Comparable Sale 13 at \$4,000 per acre for a medium-sized site located on Highway 31, which anticipated eventual annexation and provision of city services to the site, demonstrates the effective price ceiling for industrial property as of the date of valuation.

The subject's industrial section is inferior to Sale 5a because the subject's frontage is only 231 feet which would require a significant portion of the site to be dedicated for access and circulation roads. Comparable Sale 13 is certainly superior both in terms of frontage and provision of city services.

2. Adjustment Process for Comparable Sales - Industrial Section

Each comparable is scored in a similar manner (see Exhibit 22). The weighted point score matrix which details the calculation of a total point score for both the comparable and the subject is found in Exhibit 23.

To estimate the fair market value of the subject property, based upon the sale prices of the comparables, adjustments are made to account for the differences in the price sensitive attributes of the comparables and the subject property. The comparable properties and the subject property are scored according to the scale detailed in Exhibit 23.

EXHIBIT 22

POINT ALLOCATION FORMULA BY CATEGORY
FOR VACANT LAND SALE COMPARISON:
INDUSTRIAL LAND

UTILITIES
10%

5 = Available
3 = Near and sufficient
size/capacity

HIGHWAY FRONTAGE
20%

5 = Major highway
3 = County Trunk Highway
1 = Local Road

SIZE
30%

5 = Less than 20 acres
3 = Twenty to 100 acres
1 = More than 100 acres

RAIL ACCESS
30%

5 = Available
3 = Near - could be readily
extended to site
1 = Not available

TOPOGRAPHY
10%

5 = Level - little site
work required
3 = Some grading required
1 = Low or significant
filling or cut and fill
required

Kenosha, Wis.

WEIGHTED SCORE MATRIX FOR COMPARABLE
INDUSTRIAL LAND SALES BASED UPON
PRICE SENSITIVE ATTRIBUTES

EXHIBIT 23

ATTRIBUTE	WEIGHT	#4 WEPCO (HWY 50)	#5a CHRIST IRON	#5 KENOSHA INDUSTRIAL PARK	#12 WEPCO (HWY 31)	#13 STATE CONSTRUC- TION CORP.	SUBJECT (INDUSTRIAL SECTION)
<u>Physical Attributes</u>		[1]					
Size of Site	30%	1/ .30	3/ .90	1/ .30	5/1.50	3/ .90	3/ .90
Site Topography	10%	3/ .30	3/ .30	3/ .30	5/ .50	5/ .50	5/ .50
<u>Linkages</u>							
Highway Frontage	20%	5/1.00	5/1.00	5/1.00	5/1.00	5/1.00	3/ .60
Availability of Rail	30%	5/1.50	1/ .30	5/1.50	1/ .30	1/ .30	5/1.50
Availability of Utilities	10%	1/ .10	5/ .50	5/ .50	5/ .50	5/ .50	1/ .10
TOTAL POINT SCORE	100%	3.20	3.00	3.60	3.80	3.20	3.60

Sale Price		\$700,475	\$106,000	\$696,920	\$ 78,000	\$107,120	---
Date of Sale		12/76	6/78	6/79	8/72	6/76	---
Time Adjustment [2]		+ 2%	0%	- 2%	+ 11%	+ 4%	---
Adjusted Sale Price		\$609,413 [3]	\$ 79,400	\$648,136 [5]	\$ 86,580	\$111,405	---
Acres		155.66	26 [4]	133	12	26.78	38
Adjusted Price per Acre		\$3,915	\$3,054	\$4,873	\$7,215	\$4,160	---
Total Point Score		3.20	3.00	3.60	3.80	3.20	3.60
Price per Acre Point Score		\$1,223	\$1,018	\$1,477	\$1,899	\$1,300	---

- [1] Explanation of weighted score: point score/score x weight
 [2] Time adjustment is 2 percent per year.
 [3] 15% reduction due to WEPCO being a captive buyer of the neighboring parcel.
 [4] Adjusted by \$26,600 site improvements paid by seller.
 [5] 5% reduction due to city's lack of bargaining power.

The industrial portion of the subject site, which contains 38 acres, receives a score of 3 because it is a medium-sized lot. Since it does not have substantial topographic relief which would require a significant amount of grading and site preparation, a score of 5 is given.

Linkages are extremely sensitive to price. Industrial sites with rail access, utilities, and frontage on major thoroughfares command higher prices. The industrial section of the subject is bordered on one side by the Chicago and Northwestern Railroad so a score of 5 is given. The subject does not have access to sewer and water so a score of 1 is given. The industrial portion enjoys a small amount of frontage on County Highway K as opposed to a state highway so a score of 3 is given.

The price per square foot for each comparable is divided by its point score and the results are also found in Exhibit 23.

The mean point score per acre is applied to the point score of the subject to indicate a central tendency value of \$187,000, or \$4,912 per acre. These calculations are detailed in Exhibit 24.

The range of estimates yields a high of \$231,000, or \$6,082 per acre, and a low of \$142,000, or \$3,742 per acre.

As a check on the appropriateness of the appraiser's selection and weighing of price sensitive factors, the point

EXHIBIT 24
POINT SCORE ADJUSTMENT PROCESS -
INDUSTRIAL LAND SALES

MOST PROBABLE PRICE COMPUTATION USING MEAN PRICE PER POINT EQUATION METHOD

Number of sales = 5
Subject Size = 38

		SUBJECT	COMPARABLE SALES -- POINT SCORES				
		=====	=====	=====	=====	=====	=====
			4	5a	5	12	13
\$ PRICE/ACRE ---->			3915.00	3054.00	4873.00	7215.00	4160.00
FACTORS	WEIGHTS						
=====	=====						
1 UTILITIES	.1	1	1	5	5	5	5
2 FRONTAGE	.2	3	5	5	5	5	5
3 SIZE	.3	3	1	3	1	5	3
4 RAIL	.3	5	5	1	5	1	1
5 TOPOG	.1	5	3	3	3	5	5
6							
7							
8							
9							
10							

		1					

FACTORS x WEIGHTS	SUBJECT	COMPARABLE SALES				
=====	=====	=====	=====	=====	=====	=====
		4	5a	5	12	13
1 UTILITIES	.1	.1	.5	.5	.5	.5
2 FRONTAGE	.6	1	1	1	1	1
3 SIZE	.9	.3	.9	.3	1.5	.9
4 RAIL	1.5	1.5	.3	1.5	.3	.3
5 TOPOG	.5	.3	.3	.3	.5	.5
6	0	0	0	0	0	0
7	0	0	0	0	0	0
8	0	0	0	0	0	0
9	0	0	0	0	0	0
10	0	0	0	0	0	0
	-----	-----	-----	-----	-----	-----
TOTAL SCORE	3.6	3.2	3	3.6	3.8	3.2

EXHIBIT 24 (Continued)

CALCULATION OF MOST PROBABLE PRICE
USING MEAN PRICE PER POINT EQUATION METHOD

COMPARABLE SALE NUMBER	ADJUSTED SELLING PRICE PER ACRE	WEIGHTED POINT SCORE	PRICE PER ACRE PER WEIGHTED POINT SCORE
4	3915	3.2	1223.44
5a	3054	3	1018.00
5	4873	3.6	1353.61
12	7215	3.8	1898.68
13	4160	3.2	1300.00
6	0	.00001	.00
7	0	.00001	.00
8	0	.00001	.00
9	0	.00001	.00
10	0	.00001	.00
			6793.73

Central Tendency (Mean):

$$\text{The mean price per acre per point (x)} = \frac{6793.733}{5} = 1358.747$$

Where:

x	$\bar{x}$	$(x - \bar{x})$	$(x - \bar{x})^2$	n	n-1
1223.438	1358.747	-135.309	18308.54	5	4
1018	1358.747	-340.747	116108.2		
1353.611	1358.747	-5.13545	26.37288		
1898.684	1358.747	539.9376	291532.7		
1300	1358.747	-58.7466	3451.159		
0	1358.747	0	0		
0	1358.747	0	0		
0	1358.747	0	0		
0	1358.747	0	0		
0	1358.747	0	0		
			429427.0		

Dispersion about the mean = the square root of $\frac{(\sum x - \bar{x})^2}{n - 1} = 327.6534$

Therefore,

The Value Range is : 1358.747 +/- 327.6534
or 1031.093 to 1686.400

Since the subject's point score is: 3.6

Score	x	Value	=	\$/ACRE
3.6		1031.093		3711.94
3.6		1358.747		4891.49
3.6		1686.400		6071.04

Since the acreage of the subject is: 38

It follows that:

	\$/ACRE	x	ACRES	=	Estimated Value		
Low Estimate	3711.94	x	38	=	141053.7	or	141000
Central Tendency	4891.49	x	38	=	185876.6	or	186000
High Estimate	6071.04	x	38	=	230699.5	or	231000

EXHIBIT 24 (Continued)

scores calculated for each comparable is multiplied by the mean price per acre per point score to predict or estimate the actual selling price of each comparable. The results are as follows:

COMPARABLE NUMBER	WEIGHTED POINT SCORE	ESTIMATED PRICE PER ACRE	ACTUAL PRICE PER ACRE	RESIDUAL ERROR
4	3.2	\$3,920.19	\$3,915	+ 5.19
5a	3.0	\$3,016.17	\$3,054	- 37.83
5	3.6	\$5,728.22	\$4,873	+855.22
12	3.8	\$6,632.24	\$7,215	-582.76
13	3.2	\$3,920.19	\$4,160	-239.81
NET ERROR				.01

There appears to be a tight fit between the estimated and the actual price; so it can be concluded that the selection and weighing of the price sensitive factors successfully reflected buyer behavior. The R-Squared regression factor (see Appendix 6) is a high 88.6% which confirms this successful estimation.

D. Valuation of Commercial/Retail Section

Large tracts of pre-development or developable land are purchased for current or future development. Comparable sales of large site vacant land sales are listed in Exhibit 25 and

COMPARABLE VACANT LARGE LOT LAND SALES

EXHIBIT 25

SALE NUMBER	LOCATION	AVAILABILITY OF SEWER AND WATER	ZONING	SALE DATE	GRANTOR	GRANTEE	PRICE	ACRES	PRICE PER ACRE
4	Highway 50	No	Ag	12/76	Rudy Industrial Park, Inc.	Wis. Electric Power Company	\$700,475	155.66	\$ 4,500
5	Highway 158	No	Ag	6/79	Pitts	City of Kenosha	\$696,920	133.00	\$ 5,240
19	Highway G	No	Ag	11/77		Thomas Campbell	\$188,373	53.87	\$ 3,500
32	Highway 158	Yes	Comm	1980		Shopko	\$415,800	75.60	\$ 5,500

are located on the map in Exhibit 20 and on the air photo in Exhibit 19.

1. Selection of Comparable Vacant Land Sales

In order to be appropriate for selection as a comparable to the subject's 154.5 acre non-industrial section, several criteria must be met:

- . The property must be developable or in a predevelopment area. Properties with purely agricultural potential are not appropriate.
- . Large bulk land sales are required; sales of less than 50 acres are not appropriate.

Sales numbered 1, 2, 3, 17, 22, 25, 26, 29, and 30 are clearly agricultural sales with little or no development potential. While they average 104 acres in size, they only average \$1,747 per acre which confirms the perception that they are agricultural.

Sales numbered 6, 7, 8, 9, 10, 11, 21, 23, and 24 are retail sales of small commercial sites and are not suitable for use as comparables for large parcel valuations without use of a full subdivision valuation methodology. These eight sales average 2.88 acres in size. Sale 11 is the sale to the city of a site on which a water tower was constructed. The physical requirements of the water distribution system highly constrain the choices for a potential water tower site so that there is a

captive buyer element to this sale as well as the matter of the sale being a small parcel sale rather than a comparable large parcel sale.

Comparable Sale 4

This is the December 1976 sale by Rudy Industrial Park, Inc., to Wisconsin Electric Power Company of 155 acres at approximately \$4,500 per acre. Wisconsin Electric Power Company (WEPCO) had to acquire an appropriate location to dump the waste products from their coal fired power plant immediately to the south. Due to the large amount of waste products from the power plant, the search for appropriate sites was essentially limited to adjacent properties. Additional attractions of the comparable site are a deep well, industrial zoning, and railway track siding. Only a portion of the subject is zoned industrial and there is no high volume well serving the subject. Much of the site is low and therefore might present engineering problems with regard to standard industrial usage.

Comparable Sale 5

This is the June 1979 sale of 133 acres to the City of Kenosha for the Kenosha Industrial Park. Kenosha had considered several sites, among them the subject, and had decided that this site represented the best location for their industrial park venture. The \$5,240 per acre price must recognize that

although sewer and water were not available as of 1978, the city was preparing to provide these utilities to the site, and that their costs and the price paid for the site are generally ones which the city anticipates recapturing over a substantial period of time due to an increase in the tax base.

Comparable Sale 19

Sale Number 19 is the November 1977 sale to Thomas Campbell of 53.87 acres at \$3,500 per acre. This property is adjacent to other residential developments that Campbell has been undertaking in the Petrifying Springs area. It is next to the golf course and Petrifying Springs subdivision which make it a preferred area.

Comparable Sale 32

This is the May 1980 sale to Shopko of 75.6 acres of land on Highway 158 at \$5,500 per acre. The zoning had to be changed to commercial, but the city was most eager to accommodate this new development and this was easily accomplished. This sale of property two years after the date of valuation with available sewer and water in the center of recent retail growth is, logically, above the ceiling price per acre for the subject.

2. Adjustment Process for Comparable Sales - Commercial/Retail Section

Each comparable is scored in a similar manner (see Exhibit 26). The weighted point score matrix which details the calculation of a total point score for both the comparable and the subject is found in Exhibit 27.

To estimate the fair market value of the subject property, based upon the sale prices of the comparables, adjustments are made to account for the differences in the price sensitive attributes of the comparables and the subject property. The comparable properties and the subject property are scored according to the scale detailed in Exhibit 26.

The commercial/retail portion of the subject site, which contains 154.5 acres, receives a score of 1 because it is a large site. Since it does not have substantial topographic relief which would require a significant amount of grading and site preparation, a score of 5 is given.

Linkages are extremely sensitive to price. Sites with utilities and frontage on major thoroughfares command higher prices. The subject does not have access to sewer and water so a score of 1 is given. The commercial/retail section of the site enjoys corner frontage (with controlled access) on Highways 50 and 31, so a score of 5 is given. Since this portion of the site has no rail access, the score given is a 1.

EXHIBIT 26

POINT ALLOCATION FORMULA BY CATEGORY
FOR VACANT LAND SALE COMPARISON:
LARGE SIZE NON-AGRICULTURAL POTENTIAL LAND SALES

UTILITIES
20%

- 5 = Available
- 3 = Near and sufficient
size/capacity
- 1 = Distant or insufficient
size/capacity

FRONTAGE
30%

- 5 = Major highway
- 3 = County Trunk highway
- 1 = Local road

SIZE
20%

- 5 = Less than 70 acres
- 3 = 70 to 100 acres
- 1 = More than 100 acres

RAIL ACCESS
10%

- 5 = Available
- 3 = Near - could be readily
extended to the site
- 1 = Not available

TOPOGRAPHY
10%

- 5 = Level - little site
work required
- 3 = Some grading required
- 1 = Low or significant
filling or cut and
fill required

The price per acre for each comparable is divided by its point score and the results are also found in Exhibit 27.

The mean point score per acre is applied to the point score of the subject to indicate a central tendency value of \$627,000, or \$4,059 per acre. These calculations are detailed in Exhibit 28. The range of estimates yields a high of \$671,000, or \$4,345 per acre and a low of \$583,000, or \$3,773 per acre.

As a check on the appropriateness of the appraiser's selection and weighing of price sensitive factors, the point scores calculated for each comparable is multiplied by the mean price per acre per point score to predict or estimate the actual selling price of each comparable. The results are as follows:

COMPARABLE NUMBER	WEIGHTED POINT SCORE	ESTIMATED PRICE PER ACRE	ACTUAL PRICE PER ACRE	RESIDUAL ERROR
4	2.8	\$4,037.56	\$3,915	+122.56
5	3.6	\$5,276.07	\$4,873	+403.07
19	2.4	\$3,418.30	\$3,500	- 81.70
32	3.6	\$5,276.07	\$5,720	-443.93
NET ERROR				.00

There appears to be a tight fit between the estimated and the actual price; therefore, it can be concluded that the

EXHIBIT 27

WEIGHTED SCORE MATRIX FOR COMPARABLE
LARGE SITE LAND SALES BASED
UPON PRICE SENSITIVE ATTRIBUTES

ATTRIBUTE	WEIGHT	#4 WEPCO (HWY 50)	#5 KENOSHA INDUSTRIAL PARK	#19 CAMPELL (HWY G)	#32 SHOPKO	SUBJECT (COMMERCIAL/ RETAIL)
<u>Physical Attributes</u>		[1]				
Size of Site	20%	1/ .20	1/ .20	5/1.00	3/ .60	1/ .20
Site Topography	10%	3/ .30	3/ .30	3/ .30	1/ .10	5/ .50
<u>Linkages</u>						
Highway Frontage	30%	5/1.50	5/1.50	1/ .30	5/1.50	5/1.50
Availability of Rail	10%	5/ .50	5/ .50	1/ .10	1/ .10	1/ .10
Availability of Utilities	20%	1/ .20	5/1.00	1/ .20	5/1.00	1/ .20
<u>Use</u>	<u>10%</u>	<u>1/ .10</u>	<u>1/ .10</u>	<u>5/ .50</u>	<u>3/ .30</u>	<u>3/ .30</u>
TOTAL POINT SCORE	100%	2.80	3.60	2.40	3.60	2.80

Sale Price		\$700,475	\$696,920	\$188,375	\$415,800	---
Date of Sale		12/76	6/79	11/77	6/76	---
Time Adjustment [2]		+ 2%	- 2%	0%	+ 4%	---
Adjusted Sale Price		\$609,413 [3]	\$648,136 [4]	\$188,373	\$432,432	1,655,280
Acres		155.66	133	53.87	75.6	127
Adjusted Price per Acre		\$3,915	\$4,873	\$3,500	\$5,720	---
Total Point Score		2.80	3.60	2.40	3.60	2.80
Price per Acre Point Score		\$1,398	\$1,354	\$1,458	\$1,589	---

selection and weighing of the price sensitive factors reflected buyer behavior. The R-squared regression factor (see Appendix 7) is a high 87.2 percent which indicates a very successful estimation.

EXHIBIT 28

POINT SCORE ADJUSTMENT PROCESS -
LARGE SITE LAND SALES

MOST PROBABLE PRICE COMPUTATION USING MEAN PRICE PER POINT EQUATION METHOD

Number of sales = 4
Subject Size = 154.5

		SUBJECT	COMPARABLE SALES -- POINT SCORES			
		=====	=====	=====	=====	=====
			4	5	19	32
\$ PRICE/ACRE --->			3915.00	4873.00	3500.00	5720.00
FACTORS	WEIGHTS					
=====	=====					
1 UTILITIES	.2	1	1	5	1	5
2 FRONTAGE	.3	5	5	5	1	5
3 SIZE	.2	1	1	1	5	3
4 RAIL	.1	1	5	5	1	1
5 TOPOG	.1	5	3	3	3	1
6 USE	.1	3	1	1	5	3
7						
8						
9						
10						

	1					

FACTORS x WEIGHTS	SUBJECT	COMPARABLE SALES			
=====	=====	=====	=====	=====	=====
		4	5	19	32
1 UTILITIES	.2	.2	1	.2	1
2 FRONTAGE	1.5	1.5	1.5	.3	1.5
3 SIZE	.2	.2	.2	1	.6
4 RAIL	.1	.5	.5	.1	.1
5 TOPOG	.5	.3	.3	.3	.1
6 USE	.3	.1	.1	.5	.3
7	0	0	0	0	0
8	0	0	0	0	0
9	0	0	0	0	0
10	0	0	0	0	0
TOTAL SCORE	2.8	2.8	3.6	2.4	3.6

EXHIBIT 28 (Continued)

CALCULATION OF MOST PROBABLE PRICE
USING MEAN PRICE PER POINT EQUATION METHOD

COMPARABLE SALE NUMBER	ADJUSTED SELLING PRICE PER ACRE	WEIGHTED POINT SCORE	PRICE PER ACRE PER WEIGHTED POINT SCORE
1	3915	2.8	1398.21
2	4873	3.6	1353.61
3	3500	2.4	1458.33
4	5720	3.6	1588.89
5	0	.00001	.00
6	0	.00001	.00
7	0	.00001	.00
8	0	.00001	.00
9	0	.00001	.00
10	0	.00001	.00
			5799.05

Central Tendency (Mean):

$$\text{The mean price per acre per point (x)} = \frac{5799.048}{4} = 1449.762$$

Where:

x	$\bar{x}$	$(x - \bar{x})$	$(x - \bar{x})^2$	n	n-1
1398.214	1449.762	-51.5476	2657.157	4	3
1353.611	1449.762	-96.1508	9244.975		
1458.333	1449.762	8.571429	73.46939		
1588.889	1449.762	139.1270	19356.32		
0	1449.762	0	0		
0	1449.762	0	0		
0	1449.762	0	0		
0	1449.762	0	0		
0	1449.762	0	0		
0	1449.762	0	0		
			31331.92		

Dispersion about the mean = the square root of

The Value Range is : 1449.762 +/- 102.1958
or 1347.566 to 1551.958

Since the subject's point score is:

Score	x	Value	=	\$/ACRE
2.8		1347.566		3773.19
2.8		1449.762		4059.33
2.8		1551.958		4345.48

Since the acreage of the subject is:

It follows that:

	\$/ACRE	x	ACRES	=	Estimated Value	
Low Estimate	3773.19	x	154.5	=	582957.9	or 583000
Central Tendency	4059.33	x	154.5	=	627166.5	or 627000
High Estimate	4345.48	x	154.5	=	671376.7	or 671000

V. INCOME APPROACH

As of March 13, 1978, the subject was rented under terms of two leases. One hundred eighty acres were leased by Kammerzelt Produce Farms for \$9,000 from January 1 to December 31, 1978.

The remainder of the property, the buildings, and the immediate lands were leased by H & H Supply Company for storage under terms of a five-year lease for \$1,020 per year which began on March 1, 1976.

The buildings have, essentially, reached the end of their useful lives and, while suitable for rough storage, this use is an interim use which represents a contribution to value of no more than \$10,000 and would be ignored by those purchasing the land for conversion to urban development.

Consequently, the income approach to value is an inappropriate approach to market value in this instance.

VI. STATEMENTS OF LIMITING CONDITIONS

1. Contributions of Other Professionals

Information furnished by others in the report, while believed to be reliable, is in no sense guaranteed by the appraisers.

Because no legal advice was available, the appraiser assumes no responsibility for legal matters.

All information furnished regarding property for sale or rent, financing, or projections of income and expenses is from sources deemed reliable. No warranty or representation is made regarding the accuracy thereof, and it is submitted subject to errors, omissions, change of price, rental or other conditions, prior sale, lease, financing, or withdrawal without notice.

2. Facts and Forecasts Under Conditions of Uncertainty

The comparable sales data relied upon in the appraisal is believed to be from reliable sources. Though all the comparables were examined, it was not possible to inspect them all in detail. The value conclusions are subject to the accuracy of said data.

Forecasts of the effective demand for space are based upon the best available data concerning the market, but are projected under conditions of uncertainty.

Engineering analyses of the subject property were neither provided for use nor made as a part of this appraisal contract. Any representation as to the suitability of the property for uses suggested in this analysis is therefore based only on a rudimentary investigation by the appraiser and the value conclusions are subject to said limitations.

Although the arithmetic of the computer output has been hand checked for accuracy, no guarantee is made of the program's infallibility.

Since - the projected mathematical models are based on estimates and assumptions, which are inherently subject to uncertainty and variation depending upon evolving events, we do not represent them as results that will actually be achieved.

Sketches in the report are included to assist the reader in visualizing the property. These drawings are for illustrative purposes only and do not represent an actual survey of the property.

3. Controls on Use of Appraisal

Values for various components of the subject parcel as contained within the report are valid only when making a summation and are not to be used independently for any purpose and must be considered invalid if so used.

Possession of the report or any copy thereof does not carry with it the right of publication nor may the same be used for any other purpose by anyone without the previous written consent of the appraiser or the applicant and, in any event, only in its entirety.

Neither all nor any part of the contents of the report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the author, particularly regarding the valuation conclusions and the identity of the appraiser, of the firm with which he is connected, or any of his associates.

The report shall not be used in the client's reports or financial statements or in any documents filed with any governmental agency, unless: (1) prior to making any such reference in any report or statement or any document filed with the Securities and Exchange Commission or other governmental agency, the appraiser is allowed to review the text of such reference to determine the accuracy and adequacy of such reference to the appraisal report prepared by the appraiser; (2) in the appraiser's opinion the proposed reference is not untrue or misleading in light of the circumstances under which it is made; and (3) written permission has been obtained by the client from the appraiser for these uses.

VII. VALUE CONCLUSION

The market comparison approach suggests a central value estimate of \$4,891, \$4,900 if rounded, per acre for the subject's industrial land and \$4,059, \$4,060 if rounded, per acre for the remainder of the subject. The transaction zone, as determined by the market comparison approach to value, is from \$3,712 per acre to \$6,071 per acre for the industrial land and from \$3,773 per acre to \$4,345 per acre for the non-industrial portion of the subject.

The subject enjoys a highly visible location with good linkages within the community. It is one of the few large parcels close to the city limits with future development potential.

Nonetheless, the subject is not, and would not have been, developable for at least several years owing to the jurisdictional dispute between Kenosha and Pleasant Prairie which forestalled the necessary zoning change and provision of sewer and water to the site.

Given the central tendencies of \$4,891 and \$4,059 per acre for the industrial land and commercial/retail land respectively, the appraiser concludes that the fair market value or most probable price to be:

Industrial Section

38 acres x \$4,891 = \$185,858

Commercial/Retail Section

154.5 acres x \$4,059 = \$627,167

TOTAL SUBJECT VALUE \$813,025 or \$800,000 rounded

THEREFORE, BASED UPON THE ASSUMPTIONS AND LIMITING CONDITIONS, IT IS THE OPINION OF THE APPRAISER THAT THE HIGHEST PRICE IN DOLLARS AND FAIR MARKET VALUE AS A CASH SALE OF THE SUBJECT PROPERTY, AS OF MARCH 13, 1978, IS:

EIGHT HUNDRED THOUSAND DOLLARS

(\$800,000)

VIII. CERTIFICATE OF APPRAISAL

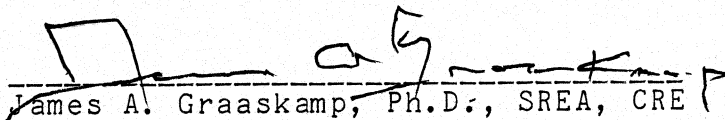
We hereby certify that we have no interest, present or contemplated, in the property and that neither the employment to make the appraisal nor the compensation is contingent on the value of the property. We certify that we have personally inspected the property and that according to our knowledge and belief, all statements and information in the report are true and correct, subject to the underlying assumptions and limiting conditions.

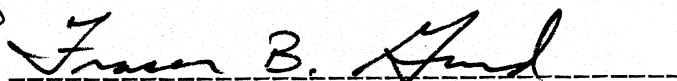
Based on the information and subject to the limiting conditions contained in this report, it is our opinion that the market value, as defined herein, of this property as of March 13, 1978, is:

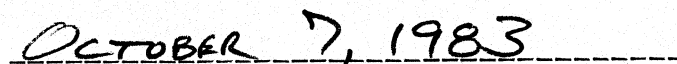
EIGHT HUNDRED THOUSAND DOLLARS

(\$800,000)

assuming cash to the seller.


James A. Graaskamp, Ph.D., SREA, CRE


Fraser B. Gurd, MS


Date

J A M E S A . G R A A S K A M P

PROFESSIONAL DESIGNATIONS

SREA, Senior Real Estate Analyst, Society of Real Estate Appraisers

CRE, Counselor of Real Estate, American Society of Real Estate
Counselors

CPCU, Certified Property Casualty Underwriter, College of Property
Underwriters

EDUCATION

Ph.D., Urban Land Economics and Risk Management - University of Wisconsin
Master of Business Administration Security Analysis - Marquette University
Bachelor of Arts - Rollins College

ACADEMIC AND PROFESSIONAL HONORS

Chairman, Department of Real Estate and Urban Land Economics,
School of Business, University of Wisconsin
Urban Land Institute Research Fellow
University of Wisconsin Fellow
Omicron Delta Kappa
Lambda Alpha - Ely Chapter
Beta Gamma Sigma
William Kiekhofer Teaching Award (1966)
Urban Land Institute Trustee

PROFESSIONAL EXPERIENCE

Dr. Graaskamp is the President and founder of Landmark Research, Inc., which was established in 1968. He is also co-founder of a general contracting firm, a land development company, and a farm investment corporation. He is formerly a member of the Board of Directors and treasurer of the Wisconsin Housing Finance Agency. He is currently a member of the Board and Executive Committee of First Asset Realty Advisors, a subsidiary of First Bank Minneapolis. He is the co-designer and instructor of the EDUCARE teaching program for computer applications in the real estate industry. His work includes substantial and varied consulting and valuation assignments to include investment counseling to insurance companies and banks, court testimony as expert witness and the market/financial analysis of various projects, both nationally and locally, and for private and corporate investors and municipalities.

F R A S E R B . G U R D

EDUCATION

Master of Science - Real Estate Appraisal and Investment Analysis,
University of Wisconsin - Madison

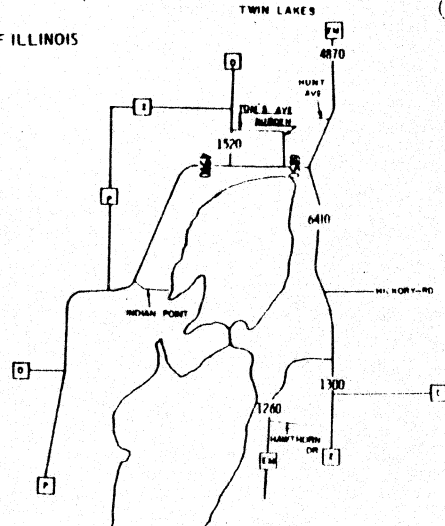
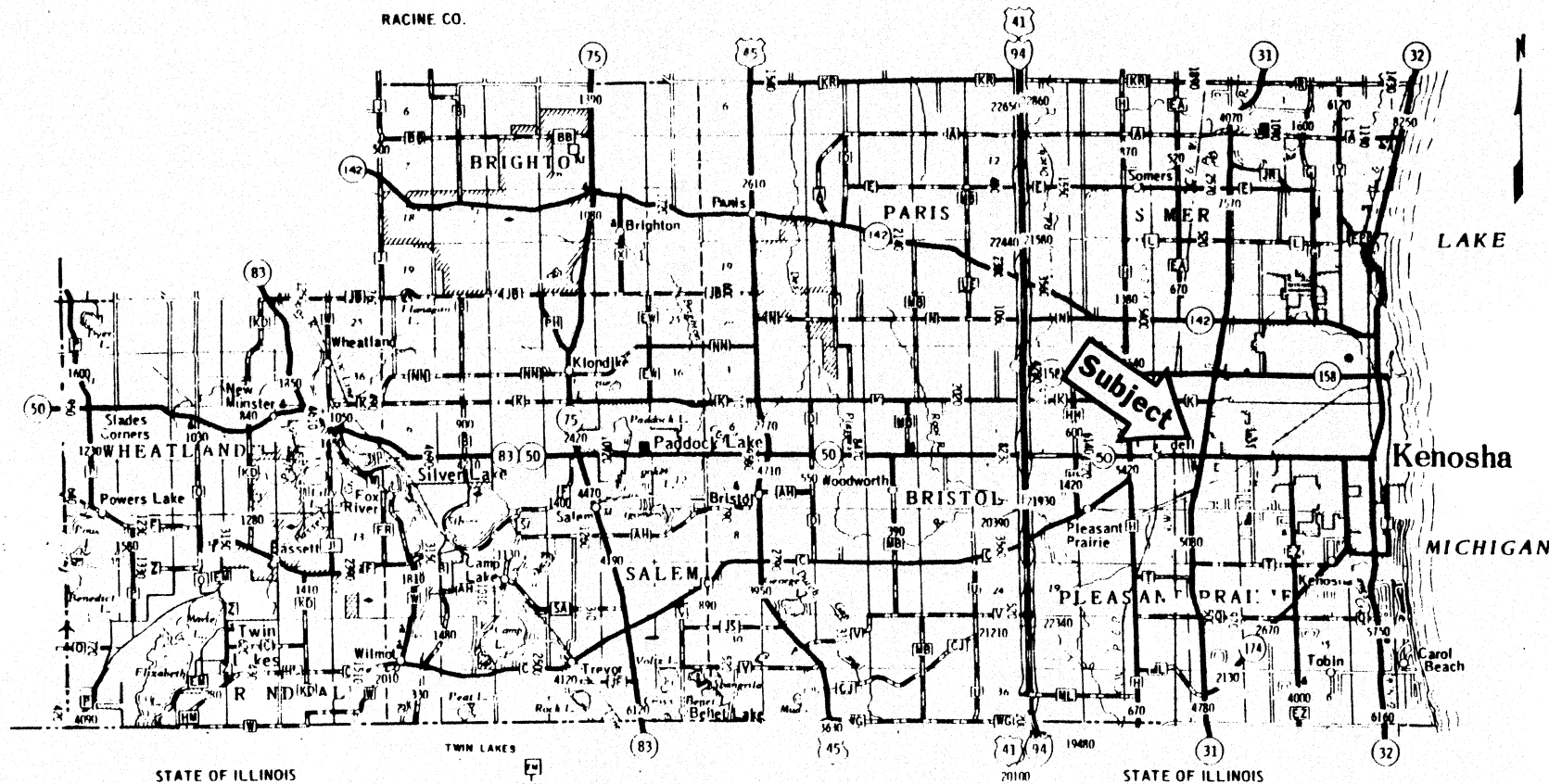
Bachelor of Science - Architecture, University of Wisconsin -
Milwaukee

ACADEMIC HONORS

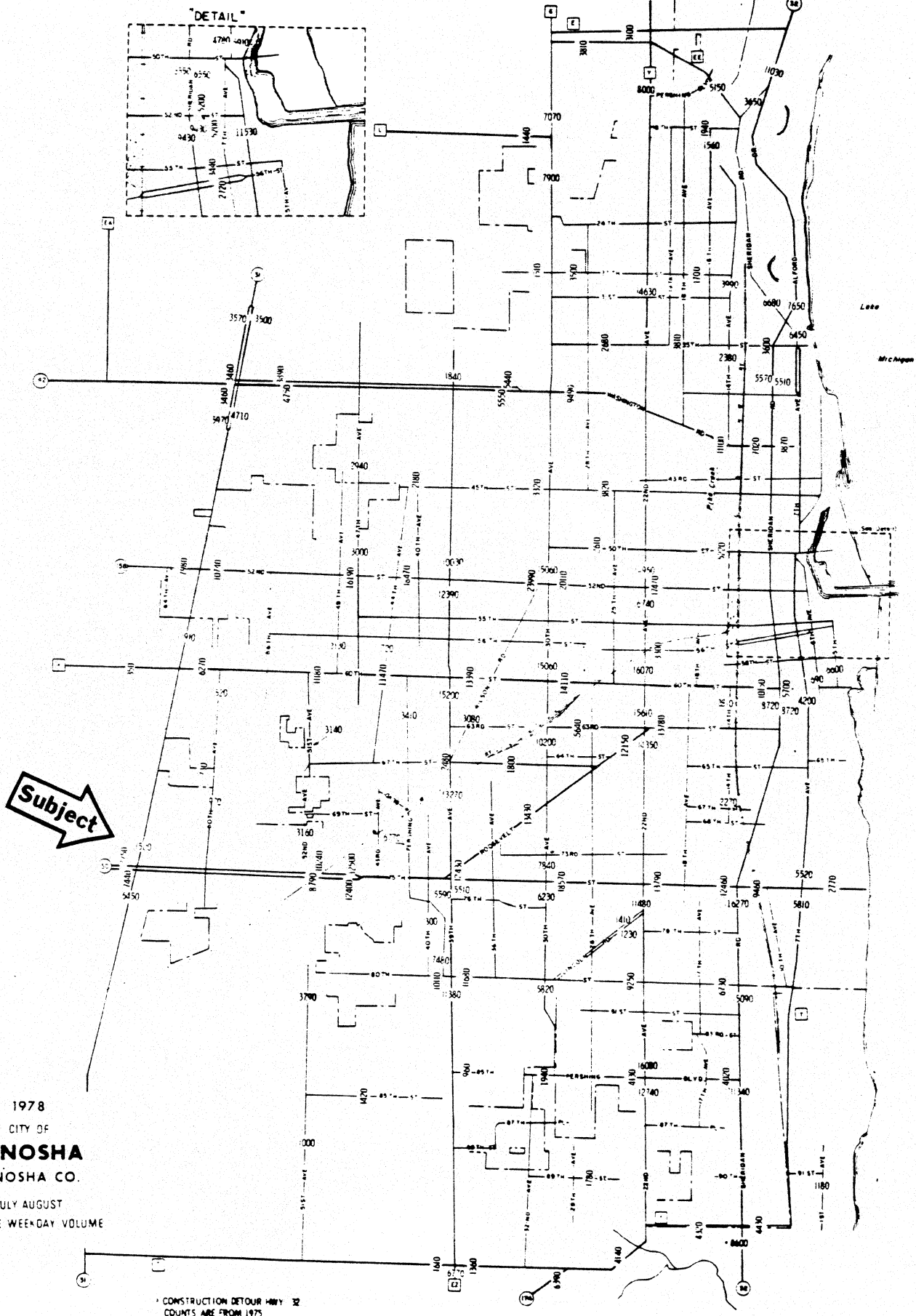
Graduate National Scholarship, American Institute of Real Estate
Appraisers, 1977-1978

PROFESSIONAL EXPERIENCE

Mr. Gurd is a practicing real estate analyst and consultant. Previously he was a Lecturer in the Department of Real Estate and Urban Land Economics, School of Business, University of Wisconsin. His experience includes the valuation and analysis of commercial and residential properties, project feasibility studies, financial analysis, and computer applications in real estate valuation and financial analysis. He has been a Project Underwriter with a national residential mortgage guarantor.



APPENDIX 1 (Continued)



APPENDIX 2

KENOSHA AREA POPULATION

=====				
YEAR	CITY OF KENOSHA	COUNTY OF KENOSHA	TOWNSHIP OF PLEASANT VIEW	TOWNSHIP OF SOMERS
1960	67,899	100,615	10,287	7,139
1970	78,805	117,917	12,019	7,270
1980	77,685	123,137	12,703	7,724

Source: Bob Naylor, State of Wisconsin - Demographics,
6-13-83.

BUILDING PERMITS FOR CITY OF KENOSHA

=====			
YEAR	RESIDENTIAL	COMMERCIAL	INDUSTRIAL
1960	659	17	3
1970	169	3	10
1980	72	19	4

Source: City of Kenosha, Building Inspection, 6-13-83.

APPENDIX 3



the Center
Companies

330 Second Avenue South - Suite 850
Minneapolis, Minnesota 55401-2267

July 25, 1983

Mr. Jim Graaskamp
University of Wisconsin
School of Business
1155 Observatory Drive
Room 118
Madison, Wisconsin 53706

RE: Kenosha, Wisconsin

Dear Jim:

Mike Kelly has asked that I write you regarding our former optioned site. Essentially we dropped our options for the following reasons:

- 1) Both Target and Penneys chose to delay their decision on the market-place until their performance could be measured in the new Racine Mall.
- 2) The economy of Kenosha.

It is my opinion that due to the present performance of the Racine project that a regional mall in Kenosha will not take place in the 1980's. Conversely the property may develop as a Community Mall that could expand into a sub-regional over a period of time.

Sincerely,



Jerry Amundson
Executive Vice President

JEA/CJW

APPENDIX 4
PHOTOS OF VACANT LAND SALES



Sale 1



Sale 2



Sale 3



Sale 4



Sale 5a



Sale 5



Sale 6



Sale 7



Sale 8



Sale 9



Sale 10 & 11



Sale 12



Sale 13



Sale 14



Sale 15 & 16



Sale 17



Sale 21



Sale 22



Sale 23



Sale 24



Sale 25



Sale 26



Sale 27



Sale 28



Sale 29



Sale 30



Sale 31



Sale 32

APPENDIX 5

DISCUSSION OF AREA LAND SALES

SALE NUMBER	SALE DATE	PRICE	ACRES	PRICE PER ACRE	DISCUSSION
1	8/76	\$100,457	83	\$ 1,253	Agricultural - not an appropriate comparable sale
2	8/76	\$248,924	191	\$ 1,303	Agricultural - not an appropriate comparable sale
3	8/78	\$144,600	80	\$ 1,807	Agricultural - not an appropriate comparable sale
4	12/76	\$700,475	155.66	\$ 4,500	Appropriate as comparable for industrial land and large acreage land
5a	6/78	\$ 79,400	26	\$ 3,054	Appropriate as comparable for industrial land
5	6/79	\$696,920	133	\$ 5,240	Appropriate as comparable for industrial land and large acreage land
6	4/78	\$140,000	5	\$28,000	Small parcel sale - inappropriate for large parcel valuation
7		\$ 70,000	2.3	\$30,069	Small parcel sale - inappropriate for large parcel valuation
8	6/78	\$125,000	5	\$25,000	Small parcel sale - inappropriate for large parcel valuation
9	8/78	\$ 75,000	.75	\$100,000	Small parcel sale - inappropriate for large parcel valuation
10	6/78	\$ 30,000	1	\$30,000	Small parcel sale - inappropriate for large parcel valuation
11	10/74	\$ 22,000	2.255	\$ 9,750	Small parcel sale and buyer lacked bargaining power
12	8/72	\$ 78,000	12	\$ 6,500	Appropriate as industrial land comparable - small site
13	6/76	\$107,120	26.78	\$ 4,000	Appropriate as industrial land comparable
14	9/78	\$178,000	4.84	\$36,800	Subsidized housing site - artificial sale price
15	12/77	\$133,800	16	\$ 8,363	Residential land sale - should be considered with #16

DISCUSSION OF AREA LAND SALES

SALE NUMBER	SALE DATE	PRICE	ACRES	PRICE PER ACRE	DISCUSSION
16	4/78	\$128,560	19.88	\$ 6,500	Residential land sale - should be considered with #15
17	1/79	\$150,000	78.59	\$ 1,908	Agricultural - not an appropriate comparable sale
18	1/79	\$150,000	16.27	\$ 9,220	Residential land comparable
19	11/77	\$188,373	53.87	\$ 3,500	Appropriate as residential and large acreage comparable
20	8/77	\$ 88,000	18.768	\$ 4,689	In already developed area - inappropriate as a comparable
21	7/74	\$ 36,000	3	\$12,000	Small parcel sale - inappropriate for large parcel valuation
22	7/80	\$675,000	297.56	\$ 2,268	Agricultural - not an appropriate comparable sale
23	1/77	\$213,000	5.13	\$41,520	Small parcel sale at I-94 - inappropriate for large parcel valuation
24	4/77	\$145,000	1.45	\$100,000	Small parcel sale at I-94 - inappropriate for large parcel valuation
25	1/77	\$ 18,500	8.5	\$ 2,176	Small over-the-fence agricultural sale - inappropriate comparable sale
26	7/77	\$ 44,000	35	\$ 1,257	Small agricultural sale - inappropriate comparable sale
27	11/76	\$110,000	61.52	\$ 1,788	Large portion is a lake - inappropriate comparable sale
28	1/75	\$ 40,000	40.633	\$ 984	Landlocked parcel - inappropriate comparable sale
29	2/77	\$ 66,000	55	\$ 1,200	Agricultural - not an appropriate comparable sale
30	2/77	\$152,500	118	\$ 1,292	Agricultural - not an appropriate comparable sale
31	1/77	\$100,000	10	\$10,000	Subsidized housing site - artificial sale price
32	5/80	\$415,800	75.6	\$ 5,500	Appropriate as a large acreage comparable sale

APPENDIX 6

TEST OF POINT SCORE WEIGHTING
AND PROPERTY SCORE - INDUSTRIAL LANDComputation of Least Squares Fit of Sales Price and Property Score
=====

[STEP 1]

Sale	Y	X	Y ²	X ²	XY
4	3915	3.2	15327225	10.24000	12528
5a	3054	3	9326916	9.000000	9162
5	4873	3.6	23746129	12.96000	17542.8
12	7215	3.8	52056225	14.44000	27417
13	4160	3.2	17305600	10.24000	13312
6	0	0	0	0	0
7	0	0	0	0	0
8	0	0	0	0	0
9	0	0	0	0	0
10	0	0	0	0	0
	-----	-----	-----	-----	-----
	23217	16.8	1.1776e8	56.88000	79961.8

[STEP 2]

$$\bar{Y} = \frac{\text{The sum of Y's}}{n} = 4643.4$$

$$\bar{X} = \frac{\text{The sum of X's}}{n} = 3.36$$

[STEP 3]

$$\begin{aligned} \text{The sum of } y^2 \text{'s} &= (\text{The sum of } Y^2 \text{'s}) - n(\bar{Y})^2 \\ &= 9956277. \end{aligned}$$

$$\begin{aligned} \text{The sum of } x^2 \text{'s} &= (\text{The sum of } X^2 \text{'s}) - n(\bar{X})^2 \\ &= .4320000 \end{aligned}$$

$$\begin{aligned} \text{The sum of } xy &= (\text{The sum of } XY) - n(\bar{X}\bar{Y}) \\ &= 1952.68 \end{aligned}$$

[STEP 4]

b = slope of price point relationship

$$b = \frac{\text{The sum of } xy}{\frac{\text{The sum of } x^2}{2}} = 4520.093$$

[STEP 5]

a = intercept

$$a = \bar{Y} - b\bar{X} = -10544.1$$

[STEP 6]

$$\begin{aligned} \text{Syx} &= \text{The square root of } \frac{(\text{The sum of } y^2 \text{'s}) - b(\text{The sum of } xy)}{n - 2} \\ &= 2861.995 \end{aligned}$$

[STEP 7]

$$\begin{aligned} r &= \frac{\text{The sum of } xy}{\text{The square root of } (\text{The sum of } x^2 \text{'s}) \times (\text{The sum of } y^2 \text{'s})} \\ &= .9415442 \\ r^2 &= .8865055 \end{aligned}$$

[STEP 8]

COMPARABLE NUMBER	WEIGHTED POINT SCORE	ESTIMATED PRICE PER ACRE	ACTUAL PRICE PER ACRE	RESIDUAL ERROR
4	3.2	3920.19	3915	5.19
5a	3	3016.17	3054	-37.83
5	3.6	5728.22	4873	855.22
12	3.8	6632.24	7215	-582.76
13	3.2	3920.19	4160	-239.81
	0	.00	0	.00
	0	.00	0	.00
	0	.00	0	.00
	0	.00	0	.00
	0	.00	0	.00

		NET ERROR		.00

APPENDIX 7

TEST OF POINT SCORE WEIGHTING AND
PROPERTY SCORE - COMMERCIAL/RETAIL LAND

Computation of Least Squares Fit of Sales Price and Property Score

[STEP 1]

Sale	Y	X	Y ²	X ²	XY
1	3915	2.8	15327225	7.840000	10962
2	4873	3.6	23746129	12.96000	17542.8
3	3500	2.4	12250000	5.760000	8400
4	5720	3.6	32718400	12.96000	20592
5	0	0	0	0	0
6	0	0	0	0	0
7	0	0	0	0	0
8	0	0	0	0	0
9	0	0	0	0	0
10	0	0	0	0	0
	18008	12.4	84041754	39.52000	57496.8

[STEP 2]

$$\bar{Y} = \frac{\text{The sum of Y's}}{n} = 4502$$

$$\bar{X} = \frac{\text{The sum of X's}}{n} = 3.1$$

[STEP 3]

$$\begin{aligned} \text{The sum of } y^2 \text{'s} &= (\text{The sum of } Y^2 \text{'s}) - n(\bar{Y})^2 \\ &= 2969738. \end{aligned}$$

$$\begin{aligned} \text{The sum of } x^2 \text{'s} &= (\text{The sum of } X^2 \text{'s}) - n(\bar{X})^2 \\ &= 1.080000 \end{aligned}$$

$$\begin{aligned} \text{The sum of } xy &= (\text{The sum of } XY) - n(\bar{X}\bar{Y}) \\ &= 1672 \end{aligned}$$

[STEP 4]

b = slope of price point relationship

$$b = \frac{\text{The sum of } xy}{\text{The sum of } x^2} = 1548.148$$

[STEP 5]

a = intercept

$$a = \bar{Y} - b\bar{X} = -297.259$$

[STEP 6]

$$S_{yx} = \text{The square root of } \frac{(\text{The sum of } y^2 \text{'s}) - b(\text{The sum of } xy)}{n - 2}$$

$$= 1524.011$$

[STEP 7]

$$r = \frac{\text{The sum of } xy}{\text{The square root of } (\text{The sum of } x^2 \text{'s}) \times (\text{The sum of } y^2 \text{'s})}$$

$$= .9336096$$

$$r^2 = .8716270$$

[STEP 8]

COMPARABLE NUMBER	WEIGHTED POINT SCORE	ESTIMATED PRICE PER ACRE	ACTUAL PRICE PER ACRE	RESIDUAL ERROR
1	2.8	4037.56	3915	122.56
2	3.6	5276.07	4873	403.07
3	2.4	3418.30	3500	-81.70
4	3.6	5276.07	5720	-443.93
5	0	.00	0	.00
6	0	.00	0	.00
7	0	.00	0	.00
8	0	.00	0	.00
9	0	.00	0	.00
10	0	.00	0	.00
NET ERROR				.00

