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An appraisal of 960 and 1000 East Broadway, Madison, Wisconsin. January 1, 1985

Landmark Research, Inc.

[s.l.]: [s.n.], January 1, 1985

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AN APPRAISAL OF
960 AND 1000 EAST BROADWAY
MADISON, WISCONSIN

Landmark
Research
Inc.

AN APPRAISAL OF
960 AND 1000 EAST BROADWAY
MADISON, WISCONSIN

AS OF
JANUARY 1, 1985

PREPARED FOR
MADISON REAL ESTATE INVESTMENT FUND

PREPARED BY
LANDMARK RESEARCH, INC.

Landmark
Research
Inc.

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

Jean B. Davis, M.S.

July 12, 1985

Messrs. Gordon and Greg Rice
Executive Management, Inc.
6000 Gisholt Drive
P.O. Box 8685
Madison, WI 53708

Gentlemen:

This letter transmits our appraisal of the subject property known as DiMaggio Sales and Service, Inc., located at 960 and 1000 East Broadway, Madison, Wisconsin.

We have established fair market value as of January 1, 1985, assuming cash to the seller, and subject to the assumptions and limiting conditions noted throughout the report.

The appraisers have inspected the property and have no vested interest, present or future, in the properties owned by the Madison Real Estate Investment Fund (MREIF) except, of the 374,204 total MREIF shares outstanding as of January 10, 1985, James A. Graaskamp owns 60 shares and Jean B. Davis owns 100 shares. This ownership position pre-dates any appraisal assignment by six or more years.

Market value as of January 1, 1985, of the property, subject to existing leases, but sold for cash is:

ONE HUNDRED SIXTY THOUSAND DOLLARS

(\$160,000)

Messrs. Gordon and Greg Rice

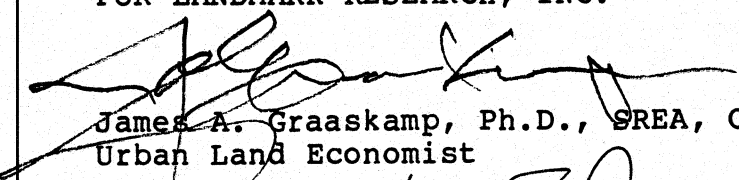
Page Two

July 12, 1985

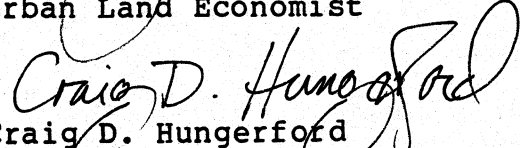
The appraisers note that the market value for the subject property is \$130,900 below the assessor's 1984 assessed value of \$290,900, suggesting the opportunity for appeal by MREIF. This differential is partly explained by the uncertain future of the subject property when it is cut off from the Beltline by the plans for reconstruction to be completed by 1989. East Broadway will be reclassified from a major highway to a major arterial.

We are pleased to have been of service, and we remain available to answer any specific questions you may have regarding this report.

FOR LANDMARK RESEARCH, INC.



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



Craig D. Hungerford
Real Estate Appraiser/Analyst

Enclosures

elm

TABLE OF CONTENTS

	<u>PAGE</u>
LIST OF EXHIBITS	vi
LIST OF APPENDICES	vii
I. PURPOSE OF THE APPRAISAL	1
A. Appraisal Issue and Appropriate Methodology	1
B. Identification of the Subject Property and the Legal Interests Appraised	2
C. Definition of Value	4
D. Statement of General Assumptions and Limiting Conditions	4
1. Contributions of Other Professionals	4
2. Facts and Forecasts Under Conditions of Uncertainty	5
3. Controls on Use of Appraisal	5
II. DESCRIPTION AND ANALYSIS OF THE SUBJECT PROPERTY	7
A. Subsurface Conditions	7
B. Linkages	9
C. Zoning	9
D. Description of Improvements	9
E. Lease Description and Analysis	13
F. Operating Expenses, Reimbursements and Financing Description	13
III. MOST PROBABLE USE AND MOST PROBABLE BUYER	19
A. Alternative Uses for the Subject	19
B. Most Probable Buyer	20

TABLE OF CONTENTS (Continued)

	<u>PAGE</u>
IV. VALUATION OF THE SUBJECT PROPERTY	23
A. Market Comparison Approach to Price	23
B. Income Approach to Value	43
1. Net Operating Income	45
2. Capital Budget Assumptions for Discounted Cash Flow Approach to Value . . .	45
C. Discounted Cash Flow Value Conclusion	47
D. Reconciliation of Value	52
CERTIFICATE OF APPRAISAL	53
QUALIFICATIONS OF THE APPRAISERS	54
APPENDICES	56

LIST OF EXHIBITS

<u>EXHIBIT</u>		<u>PAGE</u>
I-1	Plot Plan.	3
II-1	Locational Map	8
II-2	Photographs of the Subject Site	10
II-3	Plans Showing New Route of Beltline Highway. . .	12
II-4	Photographs of Improvements	14
II-5	Tenant Data - Current Lease	17
III-1	Summary of Commercial Land Sales Data	21
IV-1	Scale for Scoring Comparable Sales Based on Price Sensitive Attributes	25
IV-2	Comparable Sales	26
IV-3	Appraisal Weighted Attribute Matrix For Comparable Properties	40
IV-4	Schedule of Revenues and Expenses from January 1, 1985, through December 31, 1987 . . .	48
IV-5	Assumptions of Discounted Cash Flow	50

LIST OF APPENDICES

<u>APPENDIX</u>	<u>PAGE</u>
A Legal Description	56
B Zoning Code	57

I. PURPOSE OF THE APPRAISAL

An appraisal report serves to communicate a defensible benchmark of value where value is determined by the context and assumptions inherent in the property, data base, or factors affecting buyers and sellers in the marketplace. Defining the value situation provides the basis for determination of the appropriate valuation methodology.

A. Appraisal Issue and Appropriate Methodology

The issue for which this appraisal is required as a benchmark is the possible liquidation and sale of the subject property located at 960 and 1000 East Broadway, in the City of Monona, Dane County, Wisconsin. The appraisal will serve as a benchmark for the Board of Directors representing the best interests of the shareholders in the Madison Real Estate Investment Fund (MREIF) and as a guide to prospective purchasers to the investment characteristics of the property.

A comparable sales or market comparison approach relies on an evaluation of physical attributes between the subject and similar properties. Income properties, however, distinguish themselves by intangible characteristics such as lease conditions or provisions (where, for example, one may have the opportunity to pass through future expense increases), and other related factors important to a property's investment character

and ultimately the investor. An appropriate model would include these intangible factors in its decision process. Such a model is referred to in traditional appraisal as the Income Approach to Value. When applied to this valuation problem, the income approach model yields the most reliable value estimate, assuming a probable buyer/investor will price the subject based on expected cash flows provided by the leasing agreements and debt capital requirements necessary for a competitive return on equity.

B. Identification of the Subject Property and
the Legal Interests Appraised

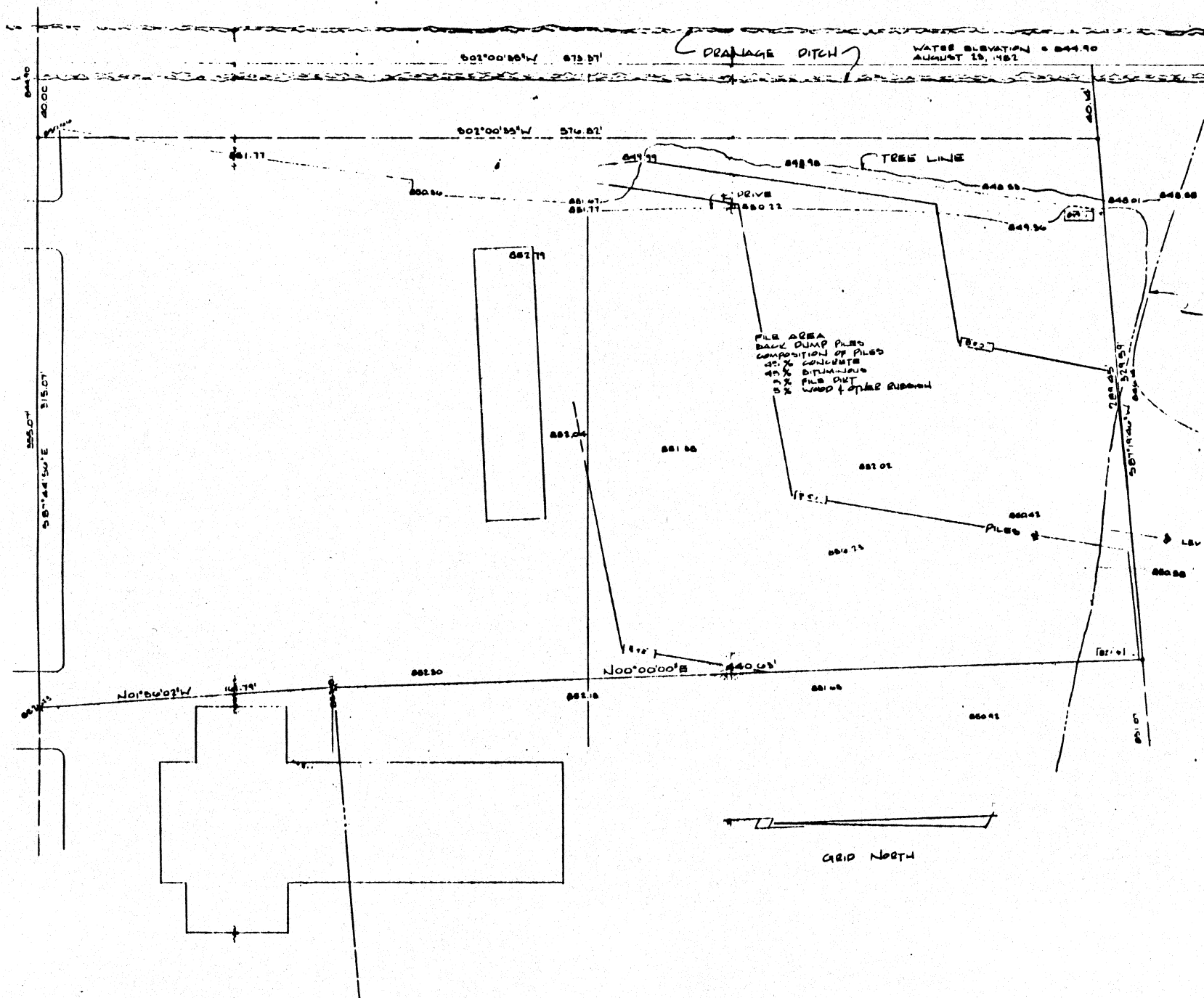
The title of the subject property is encumbered with certain existing lease and financing agreements, and it is an assumption of the appraisers that these contracts and encumbrances would be sold with the property as of the appraisal date, January 1, 1985, to the degree assignable. Comprised of two tax parcels, the subject site is identified as follows:

=====		
PARCEL NUMBER	1984 and 1985 ASSESSMENT	ESTIMATED FAIR MARKET VALUE
59-01-101-.41.2	\$ 31,900	\$ 32,300
54-01-101-.42	\$265,000	<u>268,000</u>
Total		\$300,300

Exhibit I-1 is a plot map of the subject property. A complete legal description is in Appendix A.

PLOT PLAN

U.S.H. 12 ; 15



C. Definition of Value

The most probable price in cash, terms equivalent to cash, or in other precisely revealed terms, for which the appraised property will sell in a competitive market under all conditions requisite to fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.

Fundamental assumptions and conditions presumed in this definition are

1. Buyer and seller are motivated by self-interest.
2. Buyer and seller are well informed and are acting prudently.
3. The property is exposed for a reasonable time on the open market.
4. Payment is made in cash, its equivalent, or in specified financing terms generally available for the property type in its locale on the effective appraisal date.
5. The effect, if any, on the amount of market value of atypical financing, services, or fees shall be clearly and precisely revealed in the appraisal report. [1]

D. Statement of General Assumptions and 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.

[1] American Institute of Real Estate Appraisers,
The Appraisal of Real Estate, Eighth Edition,
Chicago, IL, 1983, p. 33.

- . 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, 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.
- . 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 documents 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.
- . The appraiser shall not be required to give testimony or to attend any governmental hearing regarding the subject matter of this appraisal without agreement as to additional compensation and without sufficient notice to allow adequate preparation.

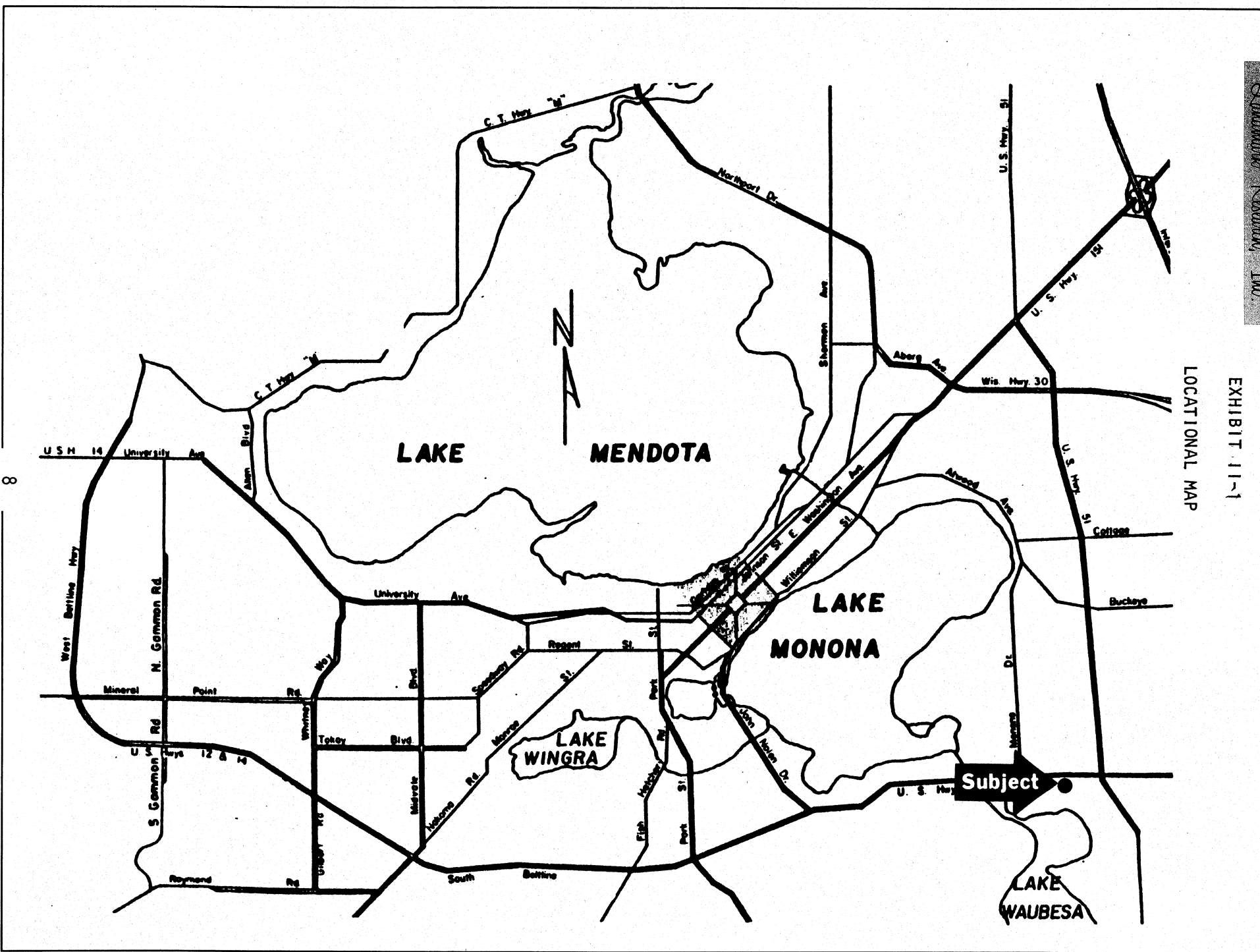
II. DESCRIPTION AND ANALYSIS OF THE SUBJECT PROPERTY

Located at 960 and 1000 East Broadway, the subject property consists of 4.31 acres, or 187,744 square feet, of land known as Outlot 80 and part of Outlot 79, Assessor's Plot No. 2, originally in the Township of Blooming Grove, now City of Monona, Dane County, Wisconsin. Exhibit II-1 provides an area locational map. The site which is situated on East Broadway has good grade level access and visibility to vehicular traffic. However, the present location of the garage facility places it 300 feet from the street, a less than ideal location in terms of visibility.

A. Subsurface Conditions

Soil conditions on the site limit the types and configuration of uses. The northern one-third of the site according to the Soil Survey of Dane Co., Wisconsin, consists of Dodge silt loam, a soil suitable for a variety of construction uses. However, the remainder of the site is Adrian muck, up to 5 feet deep overlain with fill material consisting of 45 percent concrete, 45 percent bituminous material, 5 percent fill soil, and 5 percent discarded wood and other rubbish. This land composition will not provide a suitable building foundation without incurring significant costs to overcome potential bearing and shifting problems. In addition, the site is only

LOCATIONAL MAP



five feet above water level and adjacent to a wetland area and 100-year flood plain area. Site pictures are shown in Exhibit II-2.

B. Linkages

Plans for upgrading the West Beltline Highway (U.S. 12 and 18) to a six-lane limited access highway will significantly affect access and traffic flow to the subject property (Exhibit II-3). In effect, the new highway will bypass the subject and East Broadway will be reclassified from a major highway to a major arterial. The relocation of the highway will reduce traffic flow by the subject and the subject will not be visible from the new roadway. Future access to the site will be limited to interchanges located at Monona Drive and the congested U.S. Highway 51 intersection. Instead of being a property along a major east-west access route, the subject and surrounding properties will be a destination location and less desirable for certain land uses.

C. Zoning

Being located within the City of Monona places the subject within a Commercial-Industrial District (C/I) subject to the use limitations of the district in compliance with district and general performance standards. Zoning codes are presented in Appendix B.

D. Description of Improvements

The structure is 150.75 feet long and 32 feet wide with a concrete slab supporting an Armco pre-engineered steel building

PHOTOGRAPHS OF THE SUBJECT SITE



View from parking lot looking southeast.

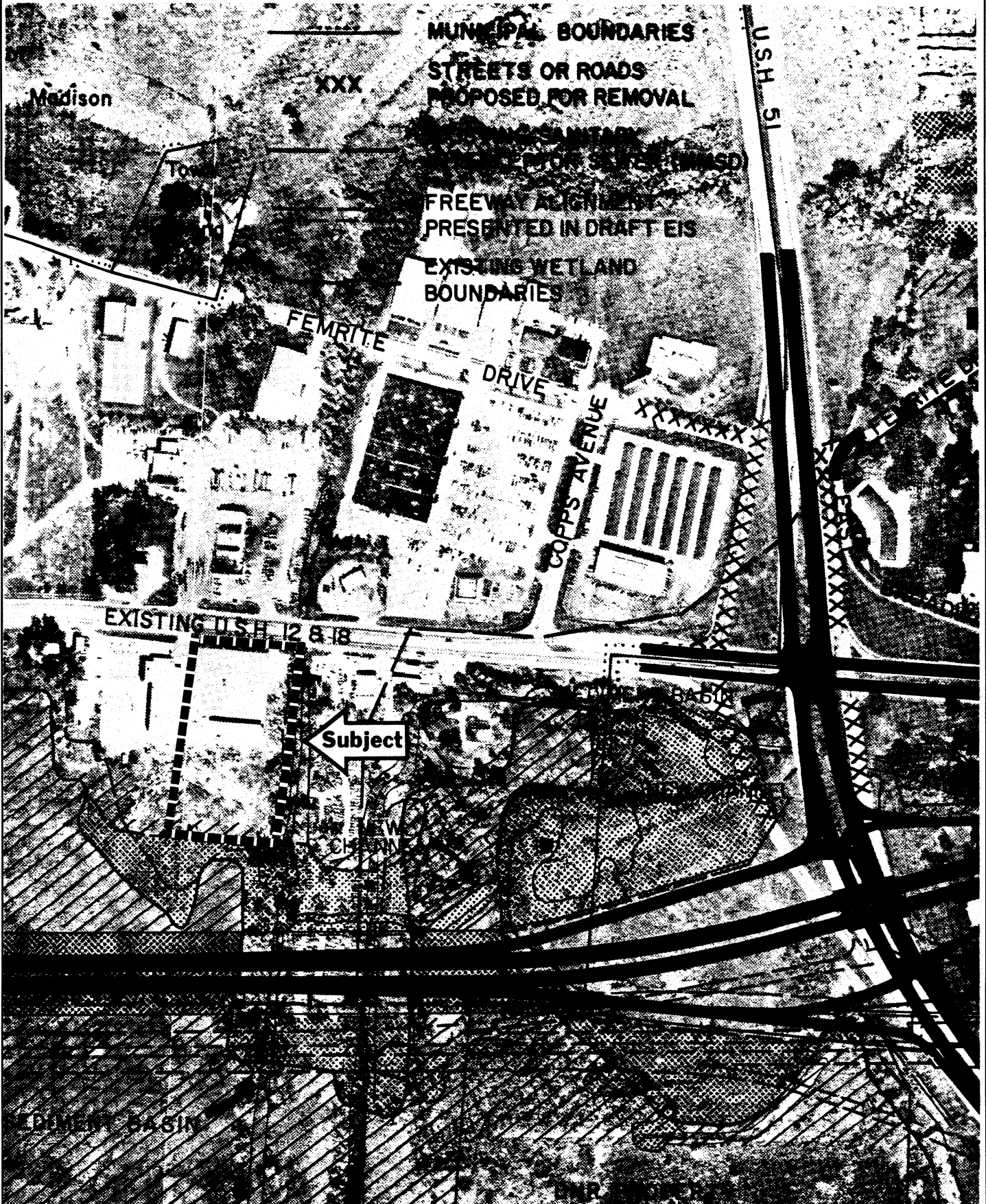


View from back area looking north
toward the building.



Looking south at the
back area bordered by wetlands

PLANS SHOWING NEW ROUTE OF BELTLINE HIGHWAY



including a steel post and beam metal roof. (Exhibit II-4). Originally constructed in 1972, the one-story space with 14 foot eaves contains an automobile service garage with five bays and hoists, storage area, and 1,045 square feet of finished unheated office space. By exterior measure, the building contains 4,824 gross square feet.

E. Lease Description and Analysis

One tenant currently leases and occupies the subject property known as DiMaggio Sales and Service, Inc., a Wisconsin Corporation. The lease is summarized in Exhibit II-5. For purposes of valuation, the appraisers have taken contract rents to the end of the existing lease term to be the basis for appraisal.

F. Operating Expenses, Reimbursements
and Financing Description

For the landlord, basic expenses are real estate taxes, insurance, leasing expenses, and management fees. Reimbursable expenses are limited to annual real estate taxes. The tenant is responsible for all other expenses.

Existing financing on the subject is according to the mortgage and note held by First Federal Savings and Loan Association of Madison. Annual debt service payment amounts to \$14,847.84 which can be paid from existing net operating income for 1985 and 1986. Mortgage assumption by a third party is not without written consent of the mortgagee. However, assumption would be unlikely given the mortgage terms (8.75 annual interest rate) -- a very favorable rate in today's market.

EXHIBIT II-4
PHOTOGRAPHS OF IMPROVEMENTS



View from the parking lot of the garage structure.



View of the five service bays.



Interior view of the five service bays.



View looking southeast from the parking lot.



Rear view of the building looking east.



Office and storage area in northeast building corner.

Exhibit II-5

TENANT DATA - CURRENT LEASE

Lessee: DiMaggio Sales and Service, Inc.

Gross Leasable Area: 4,824 square feet

Lease Term: Original effective date of lease was October 1, 1982, for a five-year term ending September 30, 1987.

Annual Rent: A fixed annual minimum rental of \$18,000 per year to be paid in equal monthly installments except that the fixed rent for the first lease year shall be \$10,800, and except that the fixed rent for the third lease year shall be 105 percent of the fixed rent for the second lease year, the fixed rent for the fourth lease year shall be 105 percent of the fixed rent for the third lease year, and the fixed rent for the fifth lease year shall be 105 percent of the fixed rent for the fourth lease year.

1984 Annual Rent: \$18,225

1984 Annual Rent/SF: \$3.78

Expenses

Utilities: Tenant pays all water, heat, gas, electricity, air conditioning, power and any other utility services including any sewer charge.

Insurance: Lessor procures and maintains all-risk coverage on the demised premises for not less than 80 percent of insurable value.

Repairs and Maintenance: Tenant shall maintain, replace and keep in good repair the demised premises at its own expense.

Real Estate Taxes: Tenant shall pay to the lessor all real estate taxes and special assessments levied against the demised premises.

EXHIBIT 11-5 (Continued)

1984 Revenues and Expenses as Reported by MREIF

1984 Revenue:	\$23,580.00
---------------	-------------

1984 Expenses:

Real Estate Taxes	\$ 6,036.50
Management Fees	943.20
Leasing Fees	820.38
Insurance	<u>192.75</u>

	<u>7,992.83</u>
--	-----------------

1984 Net Operating Income	<u>\$15,587.17</u> =====
---------------------------	-----------------------------

III. MOST PROBABLE USE AND MOST PROBABLE BUYER

Having completed an inventory of the positive and negative attributes of the property, the significant limitation on future use, and the immediate linkages of the location, the appraisers must identify possible uses.

A. Alternative Uses for the Subject

A search for use of the subject property should begin with the possibility of extending the present use as an automobile service garage. Examining the potential lease income generated as an average annual amount over the next three years and then capitalizing the net operating income provides one with a measure of value an investor may be willing to pay for that future income stream. Assuming an average annual net operating income of \$16,200 and a capitalization rate of 12.5, a value based on the income is \$129,592, or \$130,000 rounded.

A second possible use would be to consider the investment value of the land itself. Sales of land for use in office/warehouse or industrial markets in the Madison area vary from a low \$0.50 per square foot to over \$2 per square foot

suggesting a possible range of value for the land from \$95,000 to at least \$375,000 (Exhibit III-1). Given the potential value in the land alone suggests that the subject property is highly underutilized in terms of its potential economic value, with a service garage being an interim land use and encumbered with an existing mortgage and a lease with approximately three remaining years.

The subject's present location, surrounding land uses, existing zoning, and reduced market exposure caused by the rerouting of the Beltline Highway suggests an office/warehouse use type. Reduced market exposure greatly reduces the range for potential retail uses as does the destination character of the area. Any new use, due to subsurface conditions, would require locating a structure on the northern one-third of the site leaving the remainder land as parking, storage yard, or open space. Therefore, the most probable use of the subject property would be as office/warehouse or warehouse land.

B. Most Probable Buyer

Not only must the demand/supply pressures from the standpoint of the tenant be considered, but the appraiser must also consider demand/supply available to the most probable buyers of office/warehouse or industrial levels. The high risk nature of land investment necessitates using a higher discount rate to value the subject. However, over the remaining term of the lease, an investor/buyer can expect a minimum depreciation plus cash flow to cover holding costs. Therefore, a discount rate of 16 percent, typical of managed funds, would be

EXHIBIT III-1

SUMMARY OF COMMERCIAL LAND SALES DATA

LOCATION	SALE DATE	TYPE	SIZE		ZONING	SALE PRICE	
			SQ. FT.	ACRES		\$	\$/SF
Plaenert Drive	7/84	L.C.	63,000	1.45	MI	110,000	1.50
Syene Road	12/81	WD	179,573	4.009	C3-L	300,000	1.68
Robertson Road	1/82	WD	98,600	2.264	M	98,600	1.00
West Beltline	2/81	WD	63,162	1.45	C2	95,666	1.51
West Beltline	11/79	WD	63,350	1.5	C2	98,100	1.50
Mendota	8/84	WD	350,613	8.4	C3-L	200,000	0.57
Stewart Avenue	9/83	WD	41,899	0.96	MI	61,000	1.46
Watson Road	6/82	WD	50,485	1.16	MI	69,700	1.38
Pflaum Road	9/82	WD	45,472	1.04	MI	60,000	1.32
Tasman Street	10/81	WD	24,975	0.573	MI	32,000	1.28
Watson Avenue	11/81	WD	45,000	1.033	MI	64,200	1.43
Progress	4/84	WD	46,474	1.066	M2	40,500	0.53
West Broadway	3/81	WD	446,577	10.25	CDD	871,500	1.95
Hayes Road	1/80	WD	118,395	2.718	C2	250,000	2.11

appropriate. The market in office/warehouse and industrial lands in the Madison area is soft to moderate due to the number of appropriate sites available for these types of uses. It is assumed that the most probable purchaser of the subject property will be an individual or partnership interest with the intention of converting the subject property to a more intensive office/warehouse of industrial use.

IV. VALUATION OF THE SUBJECT PROPERTY

A. Market Comparison Approach to Price

It is possible to infer from market price behavior of past transactions the probable price and range of a transaction involving the subject property and a probable buyer of the type defined, assuming that a buyer will pay no more for a property than the amount another property offering similar utility would cost. Of course, properties sell with respect to their location, size, marketability, and other factors. It is therefore necessary to reduce these differences to a common denominator or unit within which price comparison and patterns can be identified. Each comparable property is scored on a point system that is weighted for priorities of the investor in the current market. The price per square foot of each property is divided by its score to determine a price per square foot per point. The weighted points per square foot price is first tested as a pricing formula on comparable sales. If the predicted prices are similar to the actual prices paid, then the pricing formula, which has the minimum dispersion in predicting prices, is applied to the subject property to determine the market comparison value of the subject parcel.

Changes in the purchasing power of the dollar, inflation, and an allowance for change in market conditions and real growth must be considered. A Gross National Product (GNP) Implicit

Price Deflator was used to adjust comparables in compensating for inflation effects. Real growth or decline was negligible during this period.

Next, a comparison of the site with similar sales is made to infer a sales price. A list of variables shown in Exhibit IV-1 was developed to score each property, the intent being to simulate the buyer's logic in paying a sales price. Difference in attributes such as size, location, and the ratio of frontage to depth were used. The differences are reduced to a common measure that reflects the significance each factor has on buyer perception.

A weighted matrix reports the calculations of total point score for comparable properties and for the subject. Then the adjusted price per square foot for each comparable is divided by its point score to determine the price per point per square foot which will be the basis for determining the mean price per point and unexplained dispersion of the comparable transactions. Finally, the pricing formula of price per point per square foot is tested for ability to predict the price of each comparable and observe an acceptable variance from actual price.

Office/warehouse land sale comparables are detailed in Exhibit IV-2 which follows. Sales from south central, east, and west areas of Madison were used to determine square foot price. The market for office/warehouse land is relatively homogeneous and is reflected in the small variance and predictability of the model. Exhibit IV-3 contains an attribute weighting, comparable

EXHIBIT IV-1

SCALE FOR SCORING COMPARABLE SALES
BASED ON PRICE SENSITIVE ATTRIBUTES

ATTRIBUTE	WEIGHT	SCORE
SIZE	.50	5 = Less than 1.5 acres 3 = 1.5 to 5.0 acres 1 = Greater than 5.0 acres
FRONTAGE/DEPTH RATIO	.20	5 = greater than 1.0 3 = .5 to 1.0 1 = Less than .5
LOCATION	.30	5 = West 3 = South Central 1 = East

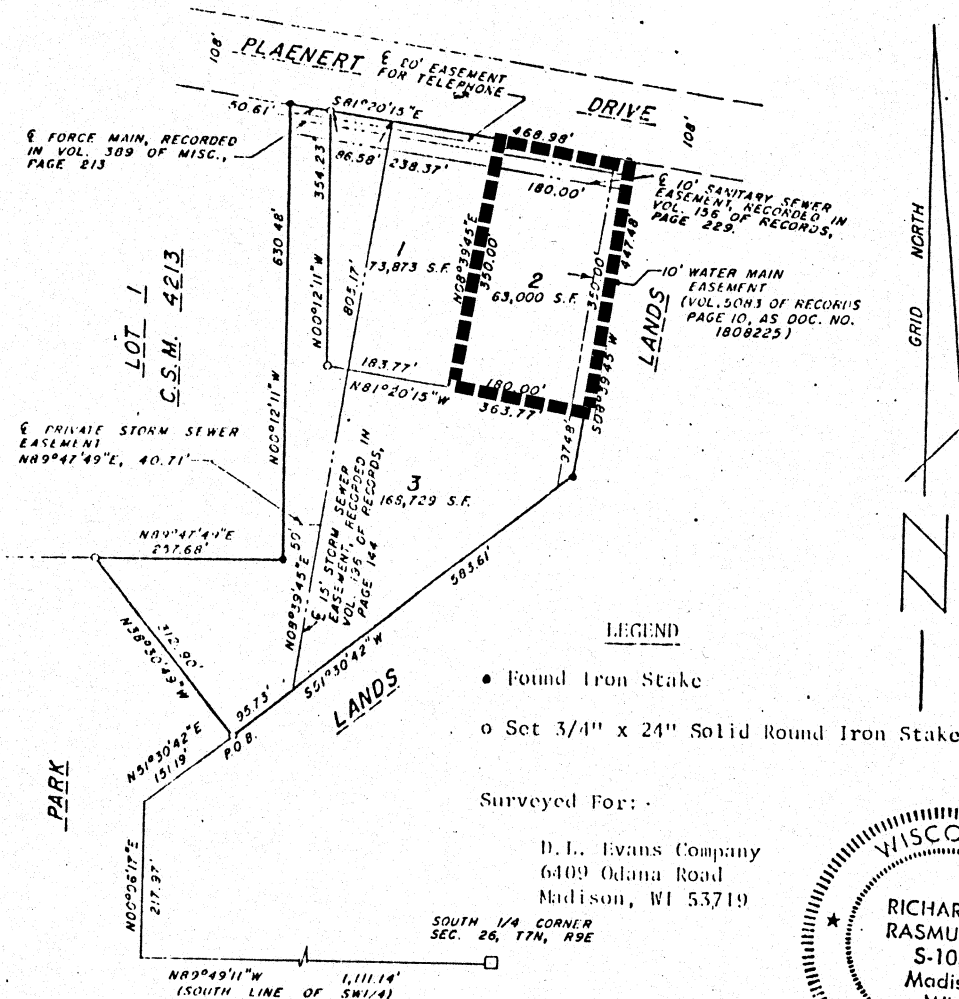
EXHIBIT IV-2
COMPARABLE SALE NO. 1



LOCATION:	805 Plaenert
SALE PRICE:	\$110,000
SALE PRICE/SF:	\$1.75
LEGAL DESCRIPTION:	Lot 2, CSM 4420
SELLER:	Wingra Joint Venture, Don Evans, J.C. Ferrill, John DeBeck, Thomas DeBeck
BUYER:	B.J. Electric Supply Company
RECORDING DATA:	Recorded 7/25/84 in Volume 6226, Page 93, Dane County Register of Deeds
INSTRUMENT TYPE:	Warranty Deed
TRANSFER FEE:	\$330
SIZE:	63,000 square feet
ZONING:	M1
PARCEL NUMBER:	709-263-0093-3

COMPARABLE SALE NO. 1 (Continued)

CERTIFIED SURVEY MAP NO. 4420
 LOCATED IN THE SE1/4 OF THE SW1/4 OF SECTION 26,
 T7N, R9E, CITY OF MADISON, DANE COUNTY, WISCONSIN

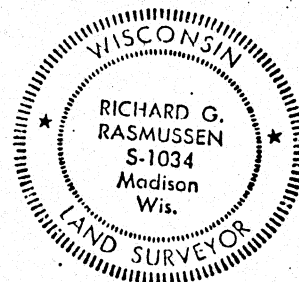


- Found Iron Stake
 o Set 3/4" x 24" Solid Round Iron Stake

Surveyed For:

D.L. Evans Company
 6409 Odana Road
 Madison, WI 53719

SOUTH 1/4 CORNER
 SEC. 26, T7N, R9E



I Richard G. Rasmussen, Registered Land Surveyor, S-1034, do hereby certify that this is in full compliance with Chapter 236.34 of the Wisconsin Statutes and the Subdivision Regulations of the City of Madison, Dane County, Wisconsin. I also certify that I have surveyed and mapped the lands described herein and that the map is a correctly dimensioned representation in accordance with the information furnished.

Dated this 20 day of JANUARY, 1984

Richard G. Rasmussen
 Richard G. Rasmussen, S-1034



D'ONOFRIO KOTTKE
 AND ASSOCIATES, INC.

7830 WESTWARD WAY
 MADISON, WISCONSIN 53717
 AREA CODE: 608-833-7830

F.N.: 84-100-07

DATE: January 18, 1984

CERTIFIED SURVEY MAP NO.: 4420

DOCUMENT NO.: 1812135

PAGE 1 OF 2 PAGES

V. 19-88

EXHIBIT IV-2 (Continued)

COMPARABLE SALE NO. 2



LOCATION: 3121 Syene Road (at Watson Avenue)

SALE PRICE: \$80,400

SALE PRICE/SF: \$1.50

ADJUSTED SALE PRICE/SF: \$1.66

LEGAL DESCRIPTION: Lot 2, Southgate Commercial Plat, City of Madison

SELLER: Lia Bittar, Irmgard Bittar, Phyllis Eichman, Robert L. Borcharding, and Francis J. McGettigan

BUYER: Kramer Business Service, Inc., a Wisconsin Corporation.

DATE OF CLOSING: 12/17/81

RECORDING DATA: Recorded 12/31/81 in Volume 3314, Page 30, Dane County Register of Deeds

INSTRUMENT TYPE: Warranty Deed

TRANSFER FEE: \$241.20

SIZE: 53,571 square feet, 1.23 acres

ZONING: C3L, Commercial, C-3L Vacant

PARCEL NUMBER: 0609-021-0102-5

EXHIBIT IV-2 (Continued)

COMPARABLE SALE NO. 2 (Continued)

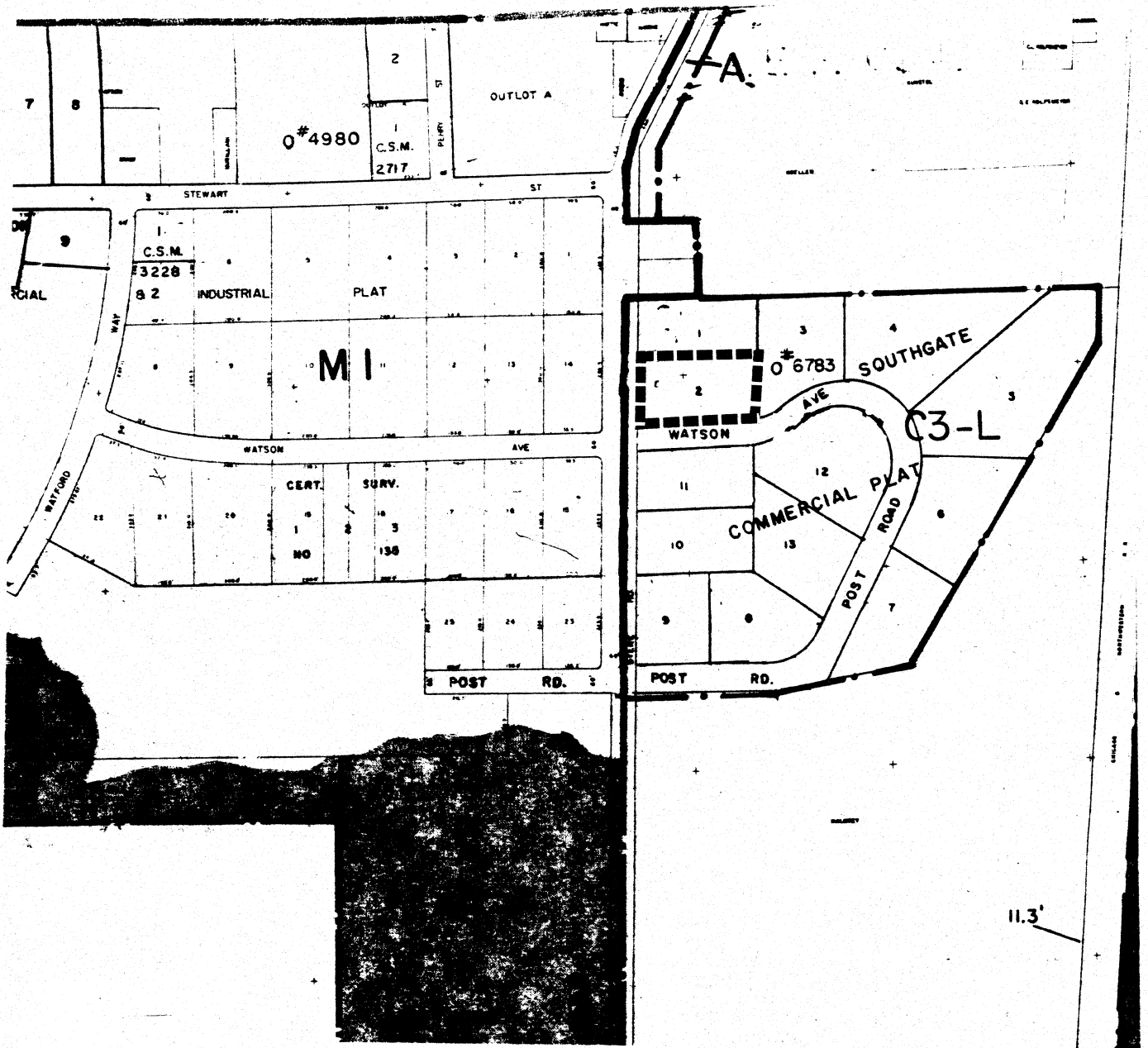


EXHIBIT IV-2 (Continued)

COMPARABLE SALE NO. 3



LOCATION: 4492 Robertson Road

SALE PRICE: \$98,600

SALE PRICE/SF: \$1.00

ADJUSTED SALE PRICE/SF \$1.10

LEGAL DESCRIPTION: Lots 22 and 23, block 2, 1st Addition to
Madison Industrial Subd. No. 1, City of
Madison

SELLER: Watson Property Enterprises, a
partnership

BUYER: Frito-Lay, Inc.

DATE OF CLOSING: 1/21/82

RECORDING DATA: Recorded 1/22/82 in Volume 3357, Page
50, Dane County Register of Deeds

INSTRUMENT TYPE: Warranty Deed

TRANSFER FEE: \$295.80

SIZE: 98,600 square feet, 2.264 acres

ZONING: M1

PARCEL NUMBER: 0710-091-0622-2

EXHIBIT IV-2 (Continued)

COMPARABLE SALE NO. 3 (Continued)

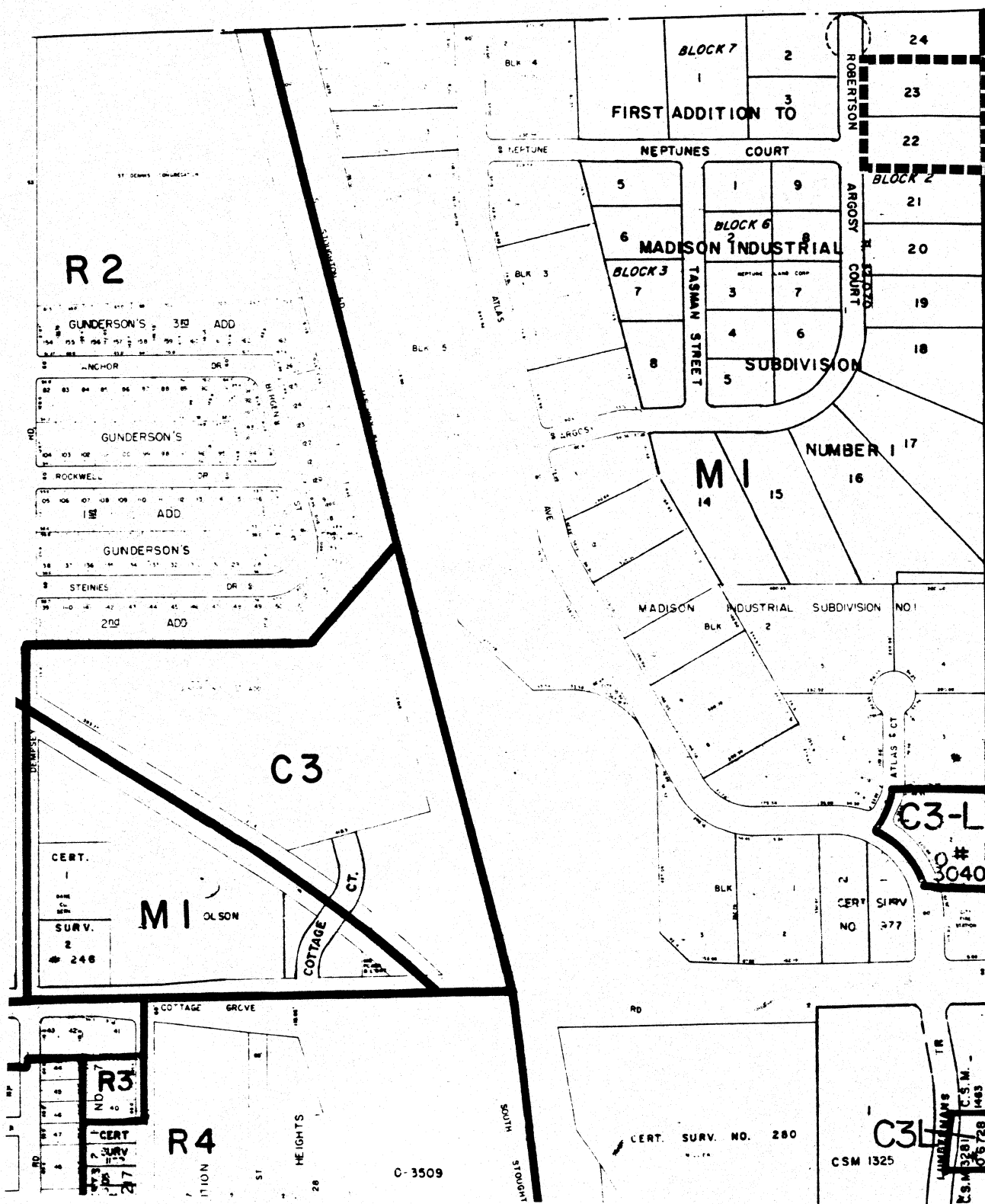


EXHIBIT IV-2 (Continued)

COMPARABLE SALE NO. 4



LOCATION: American TV - Western parking area on
Beltline frontage, Town of Madison

SALE PRICE: \$95,666.66

SALE PRICE/SF: \$1.51

ADJUSTED SALE PRICE/SF \$1.72

LEGAL DESCRIPTION: CSM 2084, Lot 2 recorded in Volume 8 of
Certified Survey Maps, Page 278.

SELLER: Schappe Enterprises, Inc.

BUYER: American TV and Appliance of Madison,
Inc.

DATE OF CLOSING: 2/26/81

RECORDING DATA: Recorded 2/26/81 in Volume 2606, Page
13, Dane County Register of Deeds

INSTRUMENT TYPE: Warranty Deed

TRANSFER FEE: \$287

SIZE: 63,162 square feet, 1.45 acres

ZONING: B-1

EXHIBIT IV-2 (Continued)

COMPARABLE SALE NO. 4 (Continued)

CERTIFIED SURVEY MAP NO. 2084

TOWN OF
SCALE 1"=100



WISC.
COORDINATE
SYSTEM

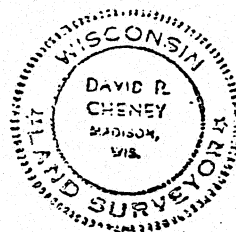
DANE COUNTY, WISCONSIN
DOCUMENT NO. 1477586

SURVEYOR'S CERTIFICATE

I, David R. Cheney, S-45, Registered Wisconsin Land Surveyor, do hereby certify that by order of LUCILLE MARSH, BROKER, SHARPE PONTIAC, INC. 2818 GRANDVIEW BLVD., MADISON, WI. I have surveyed, divided and mapped the lands herein described according to the information furnished, that said map is a correct representation of the lands surveyed and that I have fully complied with the provisions of Chapter Z36.34 of the Wisconsin Statutes.

David R. Cheney
David R. Cheney 6-15-76

ACCESS RESTRICTIONS: LOT 1 & 2
SHALL USE A COMMON DRIVEWAY
IN THE SE CORNER OF LOT 1,
THE SW CORNER OF LOT 2.



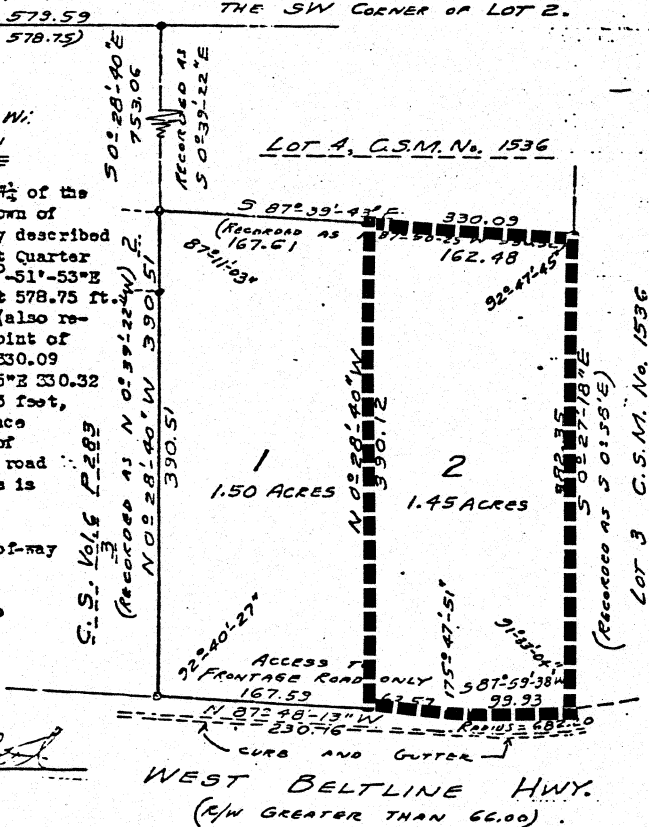
W/4 CORNER
OF SEC. 34, T7N, R9E,
TOWN OF MADISON, DANE CO., WI.
COORDINATES: 379, 141.51 N
2, 154, 078.83 E

LEGAL DESCRIPTION A part of the NW 1/4 of the SW 1/4 of Section 34, T 7 N, R 9 E, Town of Madison, Dane Co., Wis., more fully described as follows: Commencing at the West Quarter Corner of Section 34: Thence S 89°-51'-53"E 579.59 feet, (also recorded as East 578.75 ft. Thence S 0°-28'-40"E 753.06 feet, (also recorded as S 0°-39'-22"E), to the Point of Beginning: Thence S 87°-39'-43"E 330.09 feet, (also recorded as S 87°-50'-25"E 330.32 feet), Thence S 0°-27'-18"E 382.35 feet, (also recorded as S 0°-38"E), Thence along the North Right-of-Way Line of the West Beltline Highway frontage road on a curve to the right, the radius is 682.20 feet, the long chord is S 87°-59'-38"W 99.93 feet, Thence continue along said highway right-of-way line N 87°-48'-13"W 230.16 feet, Thence N 0°-28'-40"W 390.51 feet (also recorded as N 0°-39'-22"W) to the Point of Beginning.
Containing 2.95 Acres.

Approved per City of Madison Plan Commission for recording.

7-12-76
date

Agent
Agent



WEST BELTLINE HWY.
(R/W GREATER THAN 66.00)

EXHIBIT IV-2 (Continued)

COMPARABLE SALE NO. 5

LOCATION:	925 Watson Avenue
SALE PRICE:	\$69,700
SALE PRICE/SF:	\$1.38
LEGAL DESCRIPTION:	Watson Commercial and Industrial Plat Lot 21, Part of the NW 1/4 of Section 2, T6N, R9E, City of Madison, Dane County, Wisconsin
SELLER:	Chem-Lawn Corporation
BUYER:	JHS Investments
DATE OF CLOSING:	6/1/82
RECORDING DATA:	Recorded 5/27/82 in Volume 3612, Page 68, Dane County Register of Deeds
INSTRUMENT TYPE:	Warranty Deed
TRANSFER FEE:	\$209.10
SIZE:	50,485 square feet, 1.16 acres
ZONING:	M1
PARCEL NUMBER:	0609-022-0308-7

EXHIBIT IV-2 (Continued)

COMPARABLE SALE NO. 5 (Continued)

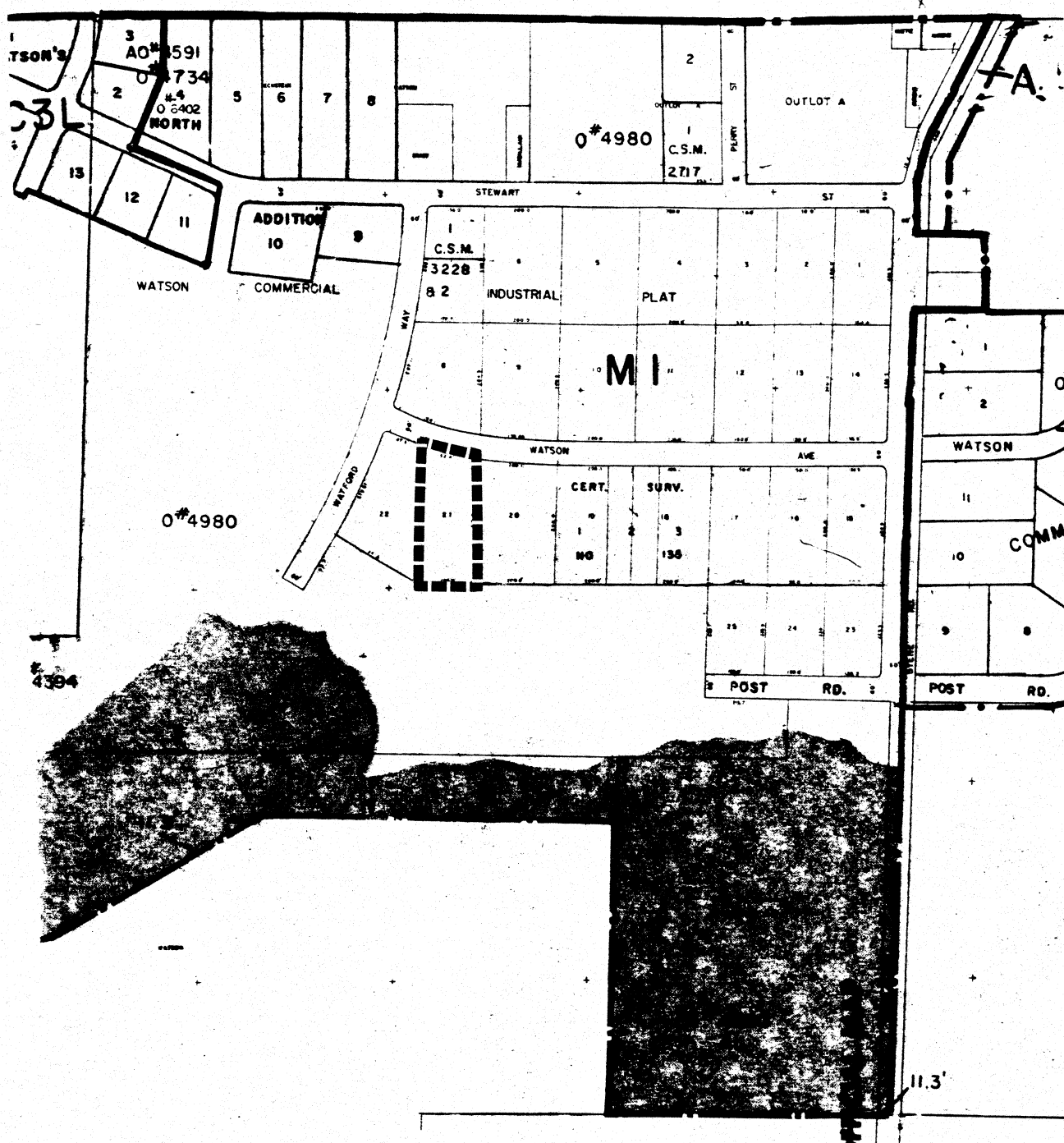


EXHIBIT IV-2 (Continued)

COMPARABLE SALE NO. 6

LOCATION:	4701 Pflaum Road
SALE PRICE:	\$60,000
SALE PRICE/SF:	\$1.32
LEGAL DESCRIPTION:	Lots 1 and 2, East Addition to Glendale Industrial Park, City of Madison
SELLER:	Glendale Development, Inc., a Wisconsin Corporation
BUYER:	Fred O. Miller
DATE OF CLOSING:	9/14/82
RECORDING DATA:	Recorded 9/24/82 in Volume 3873, Page 41, Dane County Register of Deeds
INSTRUMENT TYPE:	Warranty Deed
TRANSFER FEE:	\$180
SIZE:	45,472 square feet, 1.044 acres
ZONING:	M1, Commercial
PARCEL NUMBER:	0710-222-0101-7

EXHIBIT IV-2 (Continued)

COMPARABLE SALE NO. 6 (Continued)

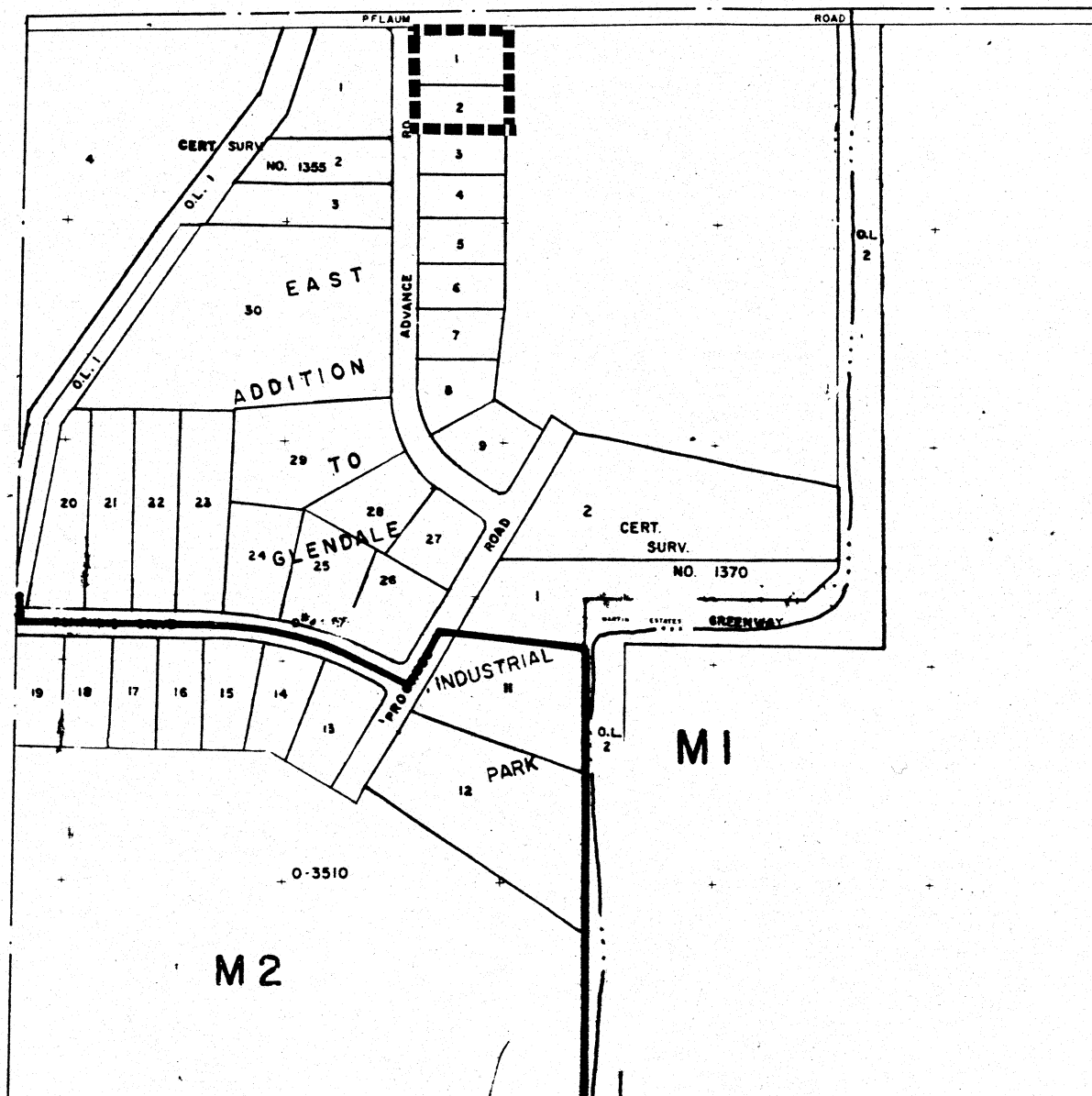


EXHIBIT IV-2 (Continued)

COMPARABLE SALE NO. 7



LOCATION: 1302 Mendota

SALE PRICE: \$200,000

SALE PRICE/SF: \$0.57

LEGAL DESCRIPTION: Lot #2, CSM 4475

SELLER: Frontier Development, Corporation, James H. Gordon, President, Dennis Cathew, Secretary

BUYER: Goodwill Industries, South Central Wisconsin

RECORDING DATA: Recorded 8/30/84 in Volume 6074, Page 93, Dane County Register of Deeds

INSTRUMENT TYPE: Warranty Deed

SIZE: 30,613 square feet

ZONING: C3L

PARCEL NUMBER: 810-332-0094-0

COMPARABLE SALE NO. 7 (Continued)
CERTIFIED SURVEY MAP

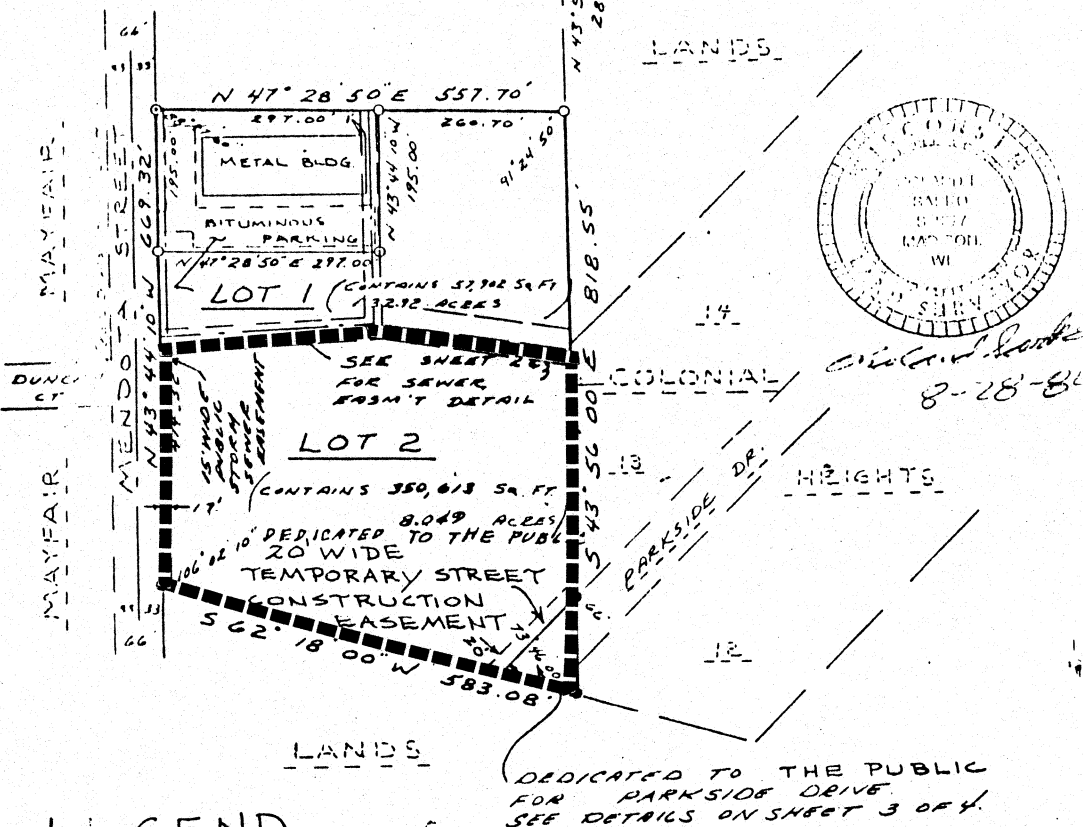
Part of the Southeast One-Quarter of the Northwest One-Quarter, part of the Southwest One-Quarter of the Northeast One-Quarter and part of the Northeast One-Quarter of the Northwest One-Quarter of Section 33, Township 8 North, Range 10 East, City of Madison, Dane County, Wisconsin.

SCALE: 1"=200'

E: All bearings are referenced to the Wisconsin State Plane Coordinate System, South Zone.

K MART

LOT 2
C.S.M. # 272



LEGEND

- - SOLID ROD FOUND
- - IRON PIPE FOUND
- - 3" X 24" SOLID ROUND IRON PIPE SET, WEIGHING 1.50 LBS/FT.
- MILITARY SEWER EASEMENT TO THE CITY OF MADISON AS RECORDED IN VOL. 347, PG. 190 DANE CO. REGISTRY.
- PIPELINE EASEMENT TO MADISON GAS ELECTRIC AS RECORDED IN VOL. 400 PG. 83 DANE CO. REGISTRY.

This Instrument Drafted By:

Roland F. Sarko
Wisconsin Registered Land
Surveyor
Number S-1377

R. F. Sarko and Associates, Inc.
Land Surveyors
101 King Street
Madison, Wisconsin 53703

Map Number: 4-13041
Job Number: 5960
Page One of Seven

Document Number 1850893

Map Number 4475

Volume 19

Page 185

APPRAISAL WEIGHTED ATTRIBUTE MATRIX FOR COMPARABLE PROPERTIES

FEATURE OR ATTRIBUTE	WEIGHT	Subject Property	Comp. No. 1	Comp. No. 2	Comp. No. 3	Comp. No. 4	Comp. No. 5	Comp. No. 6	Comp. No. 7	Comp. No. 8
SIZE	0.50	3 /1.50	5 /2.50	5 /2.50	3 /1.50	5 /2.50	5 /2.50	5 /2.50	1 /0.50	0 /0.00
FRONTAGE/DEPTH RATIO	0.20	3 /0.60	3 /0.60	3 /0.60	3 /0.60	1 /0.20	1 /0.20	3 /0.60	3 /0.60	0 /0.00
LOCATION	0.30	3 /0.90	3 /0.90	3 /0.90	1 /0.30	5 /1.50	3 /0.90	1 /0.30	1 /0.30	0 /0.00
Additional feature or attribute	0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00
Additional feature or attribute	0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00
Additional feature or attribute	0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00
Additional feature or attribute	0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00
Additional feature or attribute	0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00	0 /0.00
TOTAL WEIGHTED SCORE	1.00	3.00	4.00	4.00	2.40	4.20	3.60	3.40	1.40	0.00

EXHIBIT IV-3

COMPARABLE SALE PRICE ADJUSTMENTS

	Comparable Number 1	Comparable Number 2	Comparable Number 3	Comparable Number 4	Comparable Number 5	Comparable Number 6	Comparable Number 7	Comparable Number 8
Nominal sale price	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales price adjusted for terms	\$110,000	\$88,961	\$108,460	\$108,764	\$69,700	\$60,000	\$200,000	\$0
Site/structure size	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjusted sale price	\$110,000	\$88,961	\$108,460	\$108,764	\$69,700	\$60,000	\$200,000	\$0
Area - sq. ft.	63,000	53,571	98,600	63,162	50,485	45,472	350,613	0
Price per sq. ft.	\$1.75	\$1.66	\$1.10	\$1.72	\$1.38	\$1.32	\$0.57	\$0.00

EXHIBIT IV-3 (Continued)

EXHIBIT IV-3 (Continued)

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

Comparable Property	Adjusted Selling Price per SF of GBA	Weighted Point Score	Price per SF ----- Weighted Point Score	Estimated Price Per Square Foot
1	\$1.75	4.00	\$0.44	--
2	\$1.66	4.00	\$0.42	1.64
3	\$1.10	2.40	\$0.46	1.64
4	\$1.72	4.20	\$0.41	.98
5	\$1.38	3.60	\$0.38	1.72
6	\$1.32	3.40	\$0.39	1.48
7	\$0.57	1.40	\$0.41	1.39
8	\$0.00	0.00	\$0.00	.57
TOTAL			\$2.90	

$$\text{Central Tendency or Mean} = \bar{X} = x/n = \frac{\$2.90}{7} = \$0.41$$

$$\text{Dispersion or Standard Deviation} = \frac{*}{0.026}$$

$$\text{Value range: } x - \text{dispersion} = 0.41 \pm 0.03$$

Gross
Land
Area
Of Subject

Weighted
Score

$$\begin{array}{rcl} x & 3.00 & \\ x & 0.41 & + \\ \hline & & 0.03 = \end{array}$$

High Estimate of 1.32
Central Tendency of 1.24
Low Estimate of 1.16

price and size, weighted matrix, and a calculation of the mean price per point and price per square foot. The market comparison model indicates a range in property values from \$1.16 per square foot to \$1.32 per square foot adjusted for specific differences listed in Exhibit IV-1. When applied to the 187,744 square feet of land area of the subject property, these convert to a range of values from \$217,783 to \$247,822, with a central tendency of \$232,803, or \$235,000 rounded. The value conclusion from the market comparison approach is \$235,000, or \$1.25 per square foot.

The shortcoming of the market approach is not accounting for the existing lease encumbrance. As previously discussed in Section III, the service garage is only an interim use which adds little if any value to the subject property. However, the lease does provide some income to cover holding costs while a probable buyer is waiting to convert the subject to a more intensive use. With this scenario in mind, an income approach combined with the market determined land value will determine the most probable selling price with cash to the seller.

B. Income Approach to Value

The Income Approach combines a basic mortgage financing model to determine an acceptable mortgage amount justified by the property income with the present value of cash dividends and capital gains to the equity investor. The premise is that investment value is the sum of the present value of benefits to the owner plus the original balance of the loan since a loan is the present value of all of the interest and principal payments

due the lender under the contract. However, with respect to land investment, the high risk nature of land development reduces or eliminates the use of debt financing. For purposes of this appraisal, the buyer will purchase the property for cash.

The revenue and expense model requires a simple spreadsheet forecast reflecting contract rents. These forecasts are intensively documented by footnotes. (See Exhibit IV-4.) Net revenues and expenses are then input to an investment valuation model known as After Tax Value (ATV), developed by ValuSoft and Micromatrix, Inc. The model has a detailed revenue, expense, financing, and income tax format which permits it to solve for a value justified by specified constraints of interest rates, amortization term, debt cover, or loan-to-value ratio, given an acceptable investor after-tax discount rate.

The financial results of the value computed are then analyzed in terms of key ratios, such as cash breakeven point, equity payback, or equity dividend rates. The valuation model presumes resale value at the market determined price assuming no inflation at the end of the holding period based upon revenue and expense projections for the forecast period.

For purposes of the appraisal, it is assumed that equity investors in 1985-86 will seek equity cash dividend rate of a minimum of 9 to 11 percent and a 16 percent internal rate of return (IRR) over a three-year holding period.

1. Net Operating Income

Future cash flows from the subject are fixed over some period of time by the current lease contracts. Since any buyer would be subject to these lease contracts, they must be explicitly recognized in the net operating income forecast. Current lease rates and future rate assumptions are detailed in the footnotes which follow the three-year net operating income statement. This methodology necessitates specific assumptions regarding a variety of factors such as changes in the market rentals for re-lease, timing and duration of vacancies, and reimbursements paid to the lessor for a variety of operating expenses. The resulting schedule of revenues and expenses, including reimbursables, vacancies, and real estate taxes are summarized in Exhibit IV-4.

2. Capital Budget Assumptions for Discounted Cash Flow Approach to Value

Essential parameters for discounted cash flow valuation beyond revenues, expenses, and financing, are the value assigned to vacant land, equity dividend required by investors, tax depreciation limits, and a formula for anticipated resale price at the end of an assumed projection period. The appraiser has chosen to utilize a three-year projection period. The following values have been assigned to these capital budget assumptions:

- a. Land value cannot be considered separate from total value, for purposes of income tax treatment. The subject parcel has a market supported value of \$1.25

per square foot which, multiplied times its area of 187,744 square feet, suggests a land value of approximately \$235,000.

- b. The equity dividend rate desired in the first year of the investment by the most probable buyers is 9 to 11 percent, equivalent to a tax exempt rate because of available depreciation shelter. Typically, equity dividends are about 200 basis points below interest rates because the equity investor enjoys the benefit of loan amortization, tax shelter, and property appreciation in addition to dividends.
- c. Tax shelter for property income is based on straight-line depreciation of 100 percent of the value of the building improvements over a term of 18 years, assuming the most probable buyer is in a 40 percent marginal income tax bracket, either as a small corporation or as a sophisticated individual investor already enjoying some degree of tax shelter investment income.
- d. The final source of return to the most probable buyer is the increased net worth realized upon sale of the property at the end of a proposed three-year investment period. However, given the changing market area of the subject, due mainly to construction of the highway, no change in value of the subject is foreseen over the holding period. Investor will view the area as one in transition until the highway is complete, suggesting no immediate movement of value either higher or lower.

- e. Each of the above items define the ultimate cash throw-off to the investor from all sources. These must be discounted at a minimum threshold rate of return from all sources of 16 percent after taxes to justify the business and financial risks incurred. This is the minimum equity rate currently reported as typical of managed real estate funds and used as a purchasing benchmark by Madison investors. The present value of all benefits to the equity position discounted at 16 percent, if held for three years and sold at the assumed price, equals the market value of the subject property using the income approach.

C. Discounted Cash Flow Value Conclusion

The assumptions used in the discounted cash flow model are found in Exhibit IV-5. The discounted after tax value of the subject property if held for three years is \$158,945 or \$160,000 rounded, using a minimum 16 percent discount factor for all the benefits to the equity position. If the property were purchased at this price for cash, the investor would enjoy a risk position reflected by; (1) a payback of \$48,597 of the initial equity investment of \$158,945 by the end of the third year prior to resale; and (2) cash dividends of 10.7, 11.3, and 8.5 percent for years 1985, 1986 and 1987 respectively. (Exhibit IV-5.) A slightly higher value could be obtained with some degree of debt financing, however, obtaining a mortgage on property which is essentially a land purchase is difficult without a specific use and user for the property.

EXHIBIT IV-4

OFFICE/WAREHOUSE AT 960 and 1000 EAST BROADWAY

SCHEDULE OF REVENUES AND EXPENSES FROM JANUARY 1, 1985
THROUGH DECEMBER 31, 1987

	GBA LEASED (SQ. FT.)	ANNUAL 1984 ADJUSTMENT BASE FACTOR	1985	1986	1987
REVENUES					
Potential Gross Rent					
DIMAGGIO SALES AND SERVICE INC. [1]			19,136	20,093	15,628
Subtotal	4,824		19,136	20,093	15,628
Reimbursables					
Real Estate Taxes [2]		7,488	1.04	7,488	5,860
Utilities			1.04	0	0
Insurance			1.04	0	0
Total Potential Gross Revenue			26,624	25,953	21,722
Less: Vacancy @ 0.0%		0.00	0	0	0
EFFECTIVE GROSS REVENUE			26,624	25,953	21,722
EXPENSES					
Utilities		0	1.04	0	0
Repairs and Maintenance		0	1.04	0	0
Management [3]		0.04	1.04	1,065	1,038
Leasing Fee [4]		820.00	1.04	853	887
Insurance [5]		0.04	1.04	201	209
Subtotal:			2,118	2,134	2,008
Expenses Before Real Estate Taxes			24,506	23,819	19,714
Income before Real Estate taxes					
Real Estate Taxes	7,488	1.040	7,488	5,860	6,094
Total Expenses			9,606	7,994	8,103
NET OPERATING INCOME			17,018	17,959	13,620

EXHIBIT IV-4 (Continued)

FOOTNOTES TO SCHEDULE OF REVENUES AND EXPENSES
FROM JANUARY 1, 1985, THROUGH DECEMBER 31, 1987

- [1] DiMaggio Sales and Service, Inc., received a five-year lease beginning October 1, 1982, with a base rent of \$10,800 moving to a fixed rent of \$18,000 by the second year with annual increases of 5 percent through the term of the lease.
- [2] Real estate taxes for 1984 and 1985 are based on assessed value of \$296,900. The lessor pays all real estate taxes, but is reimbursed monthly by the tenant for the entire tax payment. The appraisers assume that 1984 and 1985 tax assessments will be appealed and reduced from a 1984 assessed value of \$296,700 to at least a tax based on a market value of \$235,000. Taxes in 1986 and 1987 reflect a property value of \$235,000.

1985 Market Determined Land Value	=	\$235,000
Equalization Rate	=	0.9889
Equalized Value	=	\$232,392
1984 and 1985 Mill Rate	=	25.22
Estimated 1986 Taxes	=	\$ 5,860

- [3] Management fees are 4 percent of effective gross revenue.
- [4] Leasing fees as estimated by Madison Real Estate Investment Fund (MREIF).
- [5] Insurance is \$0.04 per square foot of gross leasable area.

EXHIBIT IV-5

ASSUMPTIONS OF DISCOUNTED CASH FLOW

DIMAGGIO SALES AND SERVICE INC.
960 AND 1000 EAST BROADWAY
MADISON , WI
By LANDMARK RESEARCH

VALUE	\$158,945.
AFTER TAX YIELD	16.00000
OVERALL RATE	0.10707
MORTGAGE VALUE	
BUILDING VALUE	\$31,789.
EQUITY VALUE	\$158,945.
EQUITY DIVIDEND	0.10707

CASH FLOW SUMMARY

	YEAR 1	YEAR 2	YEAR 3
NOI	\$17,018.	\$17,959.	\$13,620.
BTCF	\$17,018.	\$17,959.	\$13,620.
NOI	\$17,018.	\$17,959.	\$13,620.
DEPREC	-\$1,766.	-\$1,766.	-\$1,766.
TAXABLE	\$15,252.	\$16,193.	\$11,854.
TAXES	\$6,101.	\$6,477.	\$4,742.
ATCF	\$10,917.	\$11,482.	\$8,878.

RESALE PRICE	\$235,000.
SELLING COST	-\$9,400.
LOAN BALANCE # 1	\$0.
BEFORE TAX PROCEEDS	\$225,600.
TAXES	-\$14,391.
AFTER TAX PROCEEDS	\$211,209.

RESALE PRICE	\$235,000.
SELLING COST	-\$9,400.
ADJUSTED BASIS	-\$153,647.
TAXABLE GAIN	\$71,953.
LONG TERM GAIN	\$71,953.
ORDINARY TAXES	\$0.
CAPITAL GAINS TAX	\$14,391.

EQUITY CASH FLOW SUMMARY

YEAR	CASH FLOW
0	-\$158,945.
1	\$10,917.
2	\$11,482.
3	\$220,088.

EXHIBIT IV-5 (Continued)

<u>1985</u>	<u>1986</u>	<u>1987</u>
<u>EQUITY DIVIDEND RATE</u>		
10.7	11.3	8.5
<u>PERCENT EQUITY PAYBACK</u>		
10.7	22.0	30.6

D. Reconciliation of Value

The income approach, which is the primary indicator of value for this type of property, suggested a value of \$160,000. The market approach indicated a basic price closer to \$235,000 unencumbered by the existing lease. Given the high risk of land investments, the spotty office/warehouse and industrial land market, and the uncertainty created by the construction of the highway bypass, primary reliance remains with the investment approach, thus leaving the market approach as a secondary check on value. The appraisers conclude that market value as of January 1, 1985, with cash to the seller, is:

ONE HUNDERED SIXTY THOUSAND DOLLARS

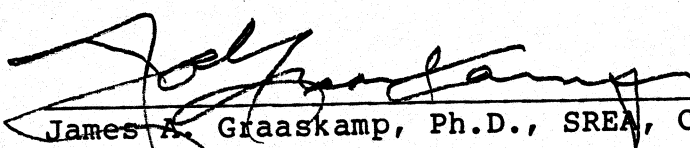
\$160,000

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 January 1, 1985, is:

ONE HUNDRED SIXTY THOUSAND DOLLARS
(\$160,000)


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


Craig D. Hungerford

7/15/85
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.

C R A I G D. H U N G E R F O R D

EDUCATION

Master of Science in Business; major in Real Estate Appraisal
and Investment Analysis - University of Wisconsin - Madison

Master of Arts in Landscape Architecture - University of
Wisconsin - Madison

Bachelor of Science in Landscape Architecture - University of
Wisconsin - Madison

PROFESSIONAL EXPERIENCE

Mr. Hungerford is currently associated with Landmark Research, Inc., as an appraiser and research consultant. He has a variety of experience in valuation, feasibility, and land use studies for private, corporate, and municipal clients. His specialties include computer applications and simulation for development and wilderness and valuation purposes.

APPENDIX A

LEGAL DESCRIPTION

Part of Outlots Seventy-nine (79) and Eighty (80), Assessor's Plat No. 2 of Township of Blooming Grove, formerly in the Village of Monona, now in the City of Monona, described as follows: Commencing at the Northwest corner of said Outlot 79 on the Southerly line of U.S. Highways 12 and 18; thence Easterly, along the Southerly line of said U.S. Highways 12 and 18 and the Northerly line of said Outlot 79, a distance of 204.5 feet to the point of beginning of this description; thence continue along the Southerly line of U.S. Highways 12 and 18 and the Northerly lines of Outlots 79 and 80 a distance of 300 feet to the Northeastly corner of said Outlot 80; thence Southerly in a direct line along the Easterly line of said Outlot 80 a distance of 300 feet; thence Westerly parallel to the Southerly line of U.S. Highways 12 and 18 and at a distance of 300 feet therefrom, 250 feet to the Westerly line of said Outlot 80; thence continue Westerly, parallel to the Southerly line of U.S. Highways 12 and 18 and at a distance of 300 feet therefrom, 50 feet; thence Northerly, parallel to the Westerly line of said Outlot 80, a distance of 300 feet to point of beginning,

and

A parcel of land being part of Outlots Seventy-nine (79) and Eighty (80), Assessor's Plat No. 2 Township of Blooming Grove and located in part of Government Lot 3, Section 28, Township 7 North, Range 10 East, and part of the Southeast 1/4 of Section 21, Township 7 North, Range 10 East, in the City of Monona, Dane County, Wisconsin, described as follows: Commencing at the South quarter corner of said Section 21; thence North 87°47'45" East, 252.83 feet to the point of beginning; thence North 01°56'02" West, 161.79 feet to the South line of U.S. Highway 12 and 18; thence along said South line South 87°44'56" East, 55.07 feet; thence South 02°00'35" West, 300.00 feet; thence South 87°44'56" East, 260.00 feet to a meander corner; thence continuing South 87°44'56" East, 40.00 feet to the centerline of a drainage ditch; thence along said centerline South 02°00'35" West, 273.37 feet; thence parallel to the centerline of the Southeast interceptor sewer described in Volume 361 of Misc. page 335, Document No. 1038126, South 87°19'46" West, 40.14 feet to a meander corner; thence continuing parallel to said centerline South 87°19'46" West, 289.45 feet; thence North 00°00'00" East 440.63 feet to the point of beginning.

Together with a 40-foot non-exclusive ingress egress easement, the centerline of which is described as follows: A parcel of land located in the Southeast 1/4 of said Section 21, Township 7 North, Range 10 East, and being a part of said Outlot 79: Commencing at the South quarter corner of said Section 21; thence North 87°47'45" East, 252.83 feet; thence North 01°56'02" West, 111.79 feet to the point of beginning of said centerline; thence continuing North 01°56'02" West, 50.00 feet to the South line of U.S. Highway 12 and 18, said point being the end of said centerline.

Subject to a 30.00 foot ingress egress easement reserved for the Grantor, its successors and assigns, which is described as follows: A parcel of land located in the SE 1/4 of Section 21, T7N, R10E, (Town of Blooming Grove) City of Monona, Dane County, Wisconsin, to-wit: Commencing at the S 1/4 corner of said Section 21; thence N87°47'45"E, 252.83 feet to the point of beginning; thence N01°56'02"W, 161.79 feet to the south line of U.S.H. 12 and 18; thence along said south line S87°44'56"E, 30.08 feet; thence S01°56'02"E, 160.10 feet; thence S00°00'00"W, 148.72 feet; thence N90°00'00"W, 30.00 feet; thence N00°00'00"E, 148.21 feet to the point of beginning.

APPENDIX B

ZONING CODE

COMMERCIAL-INDUSTRIAL DISTRICT

12.100 CHARACTERISTICS OF DISTRICT. The Commercial-Industrial District is characterized by retail, service, commercial, office recreational, warehouse and light industrial uses which are highway-oriented. Typical light industrial uses include manufacturing, fabrication, packing, packaging, assembly, repair, terminals, depots and storage. It is contemplated that multifamily residential development shall be permitted in this district only as part of an approved Planned Community Development.

12.101 DISTRICT PERFORMANCE STANDARDS. In addition to the general performance standards, proposed uses in this district shall meet the following additional standards:

(1) The proposed use shall be related to the general development pattern and the objectives of the Master Plan to provide a balanced local economy and to provide stable employment suitable for residents of Monona and the surrounding area.

(2) The proposed use shall be compatible with nearby development as built or contemplated for construction in the near future.

(3) Because of the limited supply of vacant land, any proposed retail or service uses shall not unnecessarily duplicate retail or service uses already existing in the immediate vicinity.

