



# LIBRARIES

UNIVERSITY OF WISCONSIN-MADISON

## **An appraisal of four acre vacant parcel, Wausau, Wisconsin. January 1, 1983**

Landmark Research, Inc.

[s.l.]: [s.n.], January 1, 1983

<https://digital.library.wisc.edu/1711.dl/Z2X3CDV7ACBRO8V>

<http://rightsstatements.org/vocab/InC/1.0/>

The libraries provide public access to a wide range of material, including online exhibits, digitized collections, archival finding aids, our catalog, online articles, and a growing range of materials in many media.

When possible, we provide rights information in catalog records, finding aids, and other metadata that accompanies collections or items. However, it is always the user's obligation to evaluate copyright and rights issues in light of their own use.

FOUR ACRE VACANT PARCEL  
WAUSAU, WISCONSIN

Landmark  
Research  
Inc.

AN APPRAISAL OF  
FOUR ACRE VACANT PARCEL  
WAUSAU, WISCONSIN

AS OF  
JANUARY 1, 1983

PREPARED FOR  
MR. RAY TOMLINSON

PREPARED BY  
LANDMARK RESEARCH, INC.

Landmark  
Research  
Inc.

December 17, 1984

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

Jean B. Davis, M.S.

Mr. Ray Tomlinson  
Tomlinson, Gillman & Travers, S.C.  
330 E. Wilson Street  
Madison, WI 53701

Dear Mr. Tomlinson:

RE: Four Acre Vacant Parcel Adjacent to Wausau Holiday Inn,  
Wausau, Wisconsin

This letter transmits the fair market value appraisal you requested on a parcel of surplus land contiguous to the northern border of the Holiday Inn on 17th Avenue north of Stewart Avenue in Wausau, Wisconsin. Members of the Landmark staff and I have visited Wausau, inspected the subject property, a variety of comparable sales, and conferred with various City Planning offices preparatory to our appraisal.

On that basis we have concluded that fair market value for the subject four-acre property of vacant, surplus land as of January 1, 1983, is:

ONE HUNDRED SEVENTY THOUSAND DOLLARS  
(\$170,000)

This value conclusion assumes cash to the seller, and is qualified by the limiting conditions and assumptions contained elsewhere in the report.

The differential in fair market value between the assessed value of \$300,000 and our conclusion as to fair market value of \$170,000 is explained by somewhat different assumptions as to highest and best use of the site. As explained elsewhere in this report, the assessor's contention that the entire parcel can be classified for a commercial highest and best use is contrary to the criteria for highest and best use which includes not only proper zoning, but physical suitability, effective demand, and financial viability. None of those requirements can be realistically met by a convention facility or a competitive motel development on all four acres since the terrain and shallow granite bedrock make extensive development extremely expensive. Therefore, we believe highest and best use

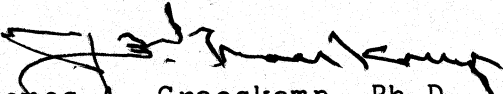


Mr. Ray Tomlinson  
Page Two  
December 17, 1984

of the subject parcel would require division into a 16-unit condominium site on the eastern half and a two-acre commercial site for a truck stop, budget motel, or restaurant on the western half, which is nearly 50 feet below the residential neighborhood to the east of 14th Avenue.

Should you have any questions on the report or need further information as to the date of appeal before the Wausau Tax Appeal Board, please call.

Sincerely,

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

Enclosures

jc

TABLE OF CONTENTS

	<u>PAGE</u>
I. INTRODUCTION . . . . .	1
A. Issue for Which the Appraisal is Required . .	1
B. Property Interest to be Appraised . . . . .	4
II. ANALYSIS OF THE SUBJECT PROPERTY AND CONCLUSIONS AS TO HIGHEST AND BEST USE . . . . .	10
A. Physical Attributes . . . . .	10
B. Legal Attributes . . . . .	15
C. Linkage Attributes . . . . .	18
D. Dynamic Attributes . . . . .	20
E. Environmental Attributes . . . . .	21
F. Conclusions as to Highest and Best Use . . . .	21
III. PROPERTY VALUATION . . . . .	24
IV. CONCLUSION TO VALUE . . . . .	40
V. CERTIFICATE OF APPRAISAL . . . . .	41
APPENDICES . . . . .	42

## LIST OF EXHIBITS

<u>EXHIBIT</u>		<u>PAGE</u>
1	Definition of Value Required from State of Wisconsin Statute for Tax Assessment Purposes .	2
2	Definition of Fair Market Value . . . . .	3
3	Legal Description of Subject Site . . . . .	5
4	Plot Plan of Subject Site . . . . .	6
5	City of Wausau Map Showing Subject Site Location . . . . .	7
6	Photographs of Subject Site . . . . .	8
7	Definition of Highest and Best Use . . . . .	11
8	Topographical Map of Subject Site . . . . .	12
9	Soil Map of Subject Site . . . . .	14
10	Zoning Map . . . . .	16
11	Map of Comparable Commercial and Residential Vacant Land Sales . . . . .	25
12	Summary of Residential Vacant Land Sales . . . . .	26
13	Weighted Point System for Residential Land Sales . . . . .	27
14	Summary of Commercial Vacant Land Sales . . . . .	32
15	Cost Index of Building Class - Central District: Masonry Bearing Walls . . . . .	33
16	Weighted Point System for Commercial Land Sales . . . . .	35

## I. INTRODUCTION

### A. Issue For Which The Appraisal Is Required

This appraisal is required for an appeal of the City of Wausau's real estate tax valuation for January 1, 1983, relative to a vacant parcel of land forming a portion of tax parcel number 2907-274-999. More specifically, the property is a vacant parcel of surplus land comprising four acres situated north of a supplementary parking lot developed for the adjacent Holiday Inn at 17th Avenue and Elm Street. The value required for tax assessment purposes in the State of Wisconsin is defined by State Statute as indicated in Exhibit 1, and is interpreted to be consistent with Market Value as currently defined by the American Institute of Real Estate Appraisers, as in Exhibit 2. The date of valuation is January 1, 1983, the official date of the tax roll for the State of Wisconsin.

The property is currently zoned for Interchange Business (IB), but the difference of opinion between the taxpayer and the City Assessor can be found in their respective assumptions as to the highest and best use of the property.

EXHIBIT 1

The definition of fair market value is taken from the 1980 Wisconsin Property Assessment Manual, Volume I, page 7-2:

Full and Market Value

The basis for the assessor's valuation of real property is found in s.70.32, (1) Stats., "Real property shall be valued by the assessor in the manner specified in the Wisconsin property assessment manual under s. 73.03 (2a), Stats., from actual view or from the best information that the assessor can practicably obtain at the full value which could ordinarily be obtained therefor at private sale." Numerous Wisconsin court cases have held that full value is equivalent to market value.

EXHIBIT 2

FAIR MARKET VALUE DEFINITION

A current definition of market value is

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.
5. Specified financing, if any, may be the financing actually in place or on terms generally available for the property type in its locale on the effective appraisal date.
6. 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.

---

Source: American Institute of Real Estate Appraisers,  
The Appraisal of Real Estate, Eighth Edition,  
Chicago, IL, 1983, p. 33.

B. Property Interest to be Appraised

The property appraised is the as yet unimproved northernmost four acres of a larger parcel that is identified as tax parcel 2907-274-999, which also encompasses the Holiday Inn and related improved parking lots. At issue is the assessment value allocated to the four acre vacant land which has no separate tax parcel number or street address, nor any identifier other than the legal description provided in Exhibit 3 or as in the plot plan shown in Exhibit 4. Since the distance from 17th Avenue to 14th Avenue is 600 feet, and the assessor and the owner have apparently agreed that four acres (174,240 square feet) is the parcel size to be valued, it follows that the rectangular nature of the site implies 290 feet of frontage, more or less, on 17th Avenue, 600 feet, more or less, across the northern and southern boundaries, and 285 feet, more or less, running south from Spruce Street along 14th Avenue. (See city map in Exhibit 5 for general orientation and photographs in Exhibit 6.)

The real estate interest to be appraised is the unencumbered fee simple title, subject to easements of record and zoning consistent with highest and best use.

EXHIBIT 3

LEGAL DESCRIPTION - PARCEL A

That part of the NE1/4 of the SE1/4 of Section 27, Township 29 North, Range 7 East, City of Wausau, Marathon County, Wisconsin described as follows: Commencing at the SW corner of the NE1/4 of the SE1/4 of said Section 27; thence N 90 degrees 00' E, 50.00 feet to the easterly line of 17th Avenue; thence N 0 degrees 29' E, along the easterly line of said Avenue, 1024.45 feet, to the point of beginning of the following described parcel;

Thence, N 89 degrees 02' 44" E, 600.68 feet to a point on the westerly line of 14th Avenue; thence N 0 degrees 33' E, along the westerly line of said Avenue, 285.00 feet; thence S 90 degrees 00' W, 601.45 feet to the easterly line of 17th Avenue; thence S 0 degrees 22' W, along the easterly line at said Avenue 295.00 feet to the point of beginning. The aforementioned parcel contains 4.001 acres.



PLOT PLAN OF SUBJECT SITE

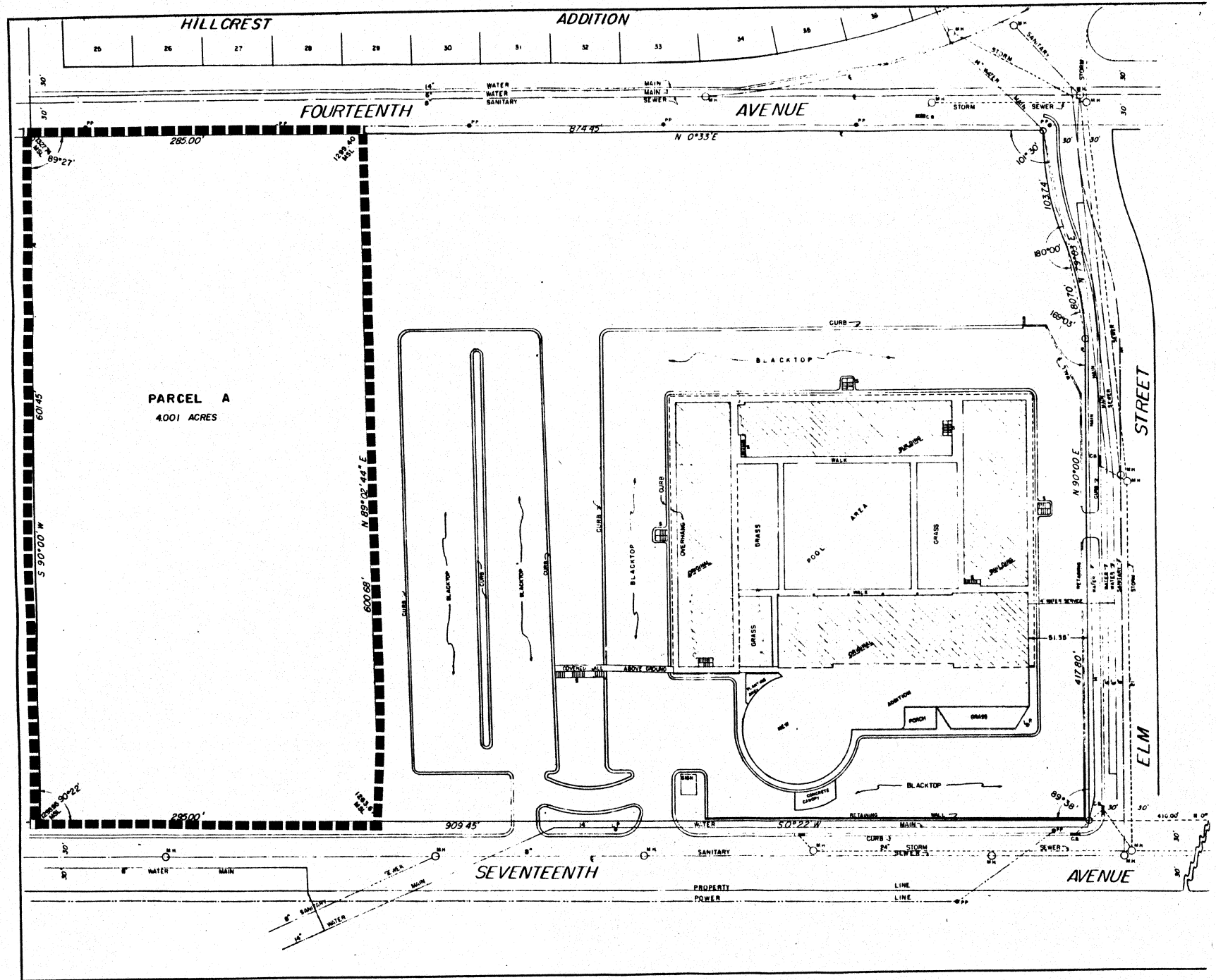


EXHIBIT 5  
CITY OF WAUSAU MAP  
SHOWING SUBJECT SITE LOCATION

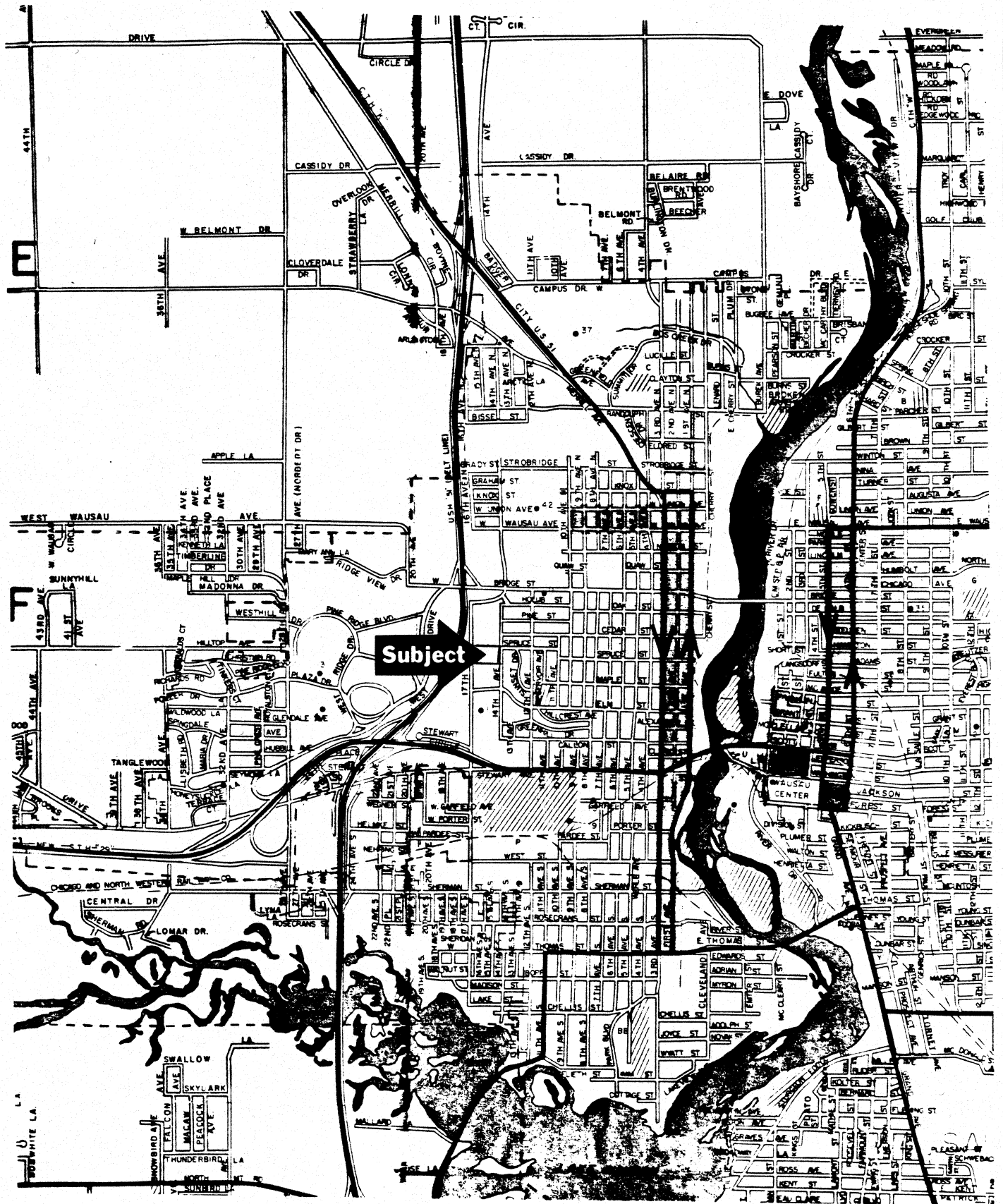


EXHIBIT 6  
PHOTOGRAPHS OF SUBJECT



Subject vacant land to the left  
17th Street looking south



17th Street looking south  
Bypass Hwy. 51 to the right





Subject vacant land to the left  
Single family residential to the right  
14th Street looking north



Looking south from 14th Street  
Note downward slope

## II. ANALYSIS OF THE SUBJECT PROPERTY AND CONCLUSIONS AS TO HIGHEST AND BEST USE

Determination of Fair Market Value for vacant land should reflect prices paid for similar sites, consistent with respect to highest and best use as determined by the appraiser. The definition of highest and best use as provided by the American Institute of Real Estate Appraisers is quoted in full in Exhibit 7. Determination of highest and best use then places parameters on those sales which are suitable comparables and the effective usable space to which unit sales prices should be applied. To determine its highest and best use, a vacant piece of land must be analyzed for its suitability for possible uses. This involves inventorying its significant characteristics generally classified as physical attributes, legal attributes, linkage attributes, dynamic attributes, and off-site environmental attributes.

### A. Physical Attributes

The subject property is a rectangular site, 600 feet on a side along its north and south boundaries and 290 feet in width. It spans the unplatted slopes from 14th Avenue on the east to 17th Avenue on the west and from a point beginning at Spruce Street on the north which extends 285 feet south. Referring to the topographical map in Exhibit 8, it is shown

EXHIBIT 7

DEFINITION OF HIGHEST AND BEST USE

That reasonable and probable use that will support the highest present value, as defined, as of the effective date of the appraisal.

Alternatively, that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value.

The definition immediately above applies specifically to the highest and best use of land. It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use. See Interim Use.

Implied within these definitions is recognition of the contribution of that specific use to community environment or to community development goals in addition to wealth maximization of individual property owners. Also implied is that the determination of highest and best use results from the appraiser's judgment and analytical skill, i.e., that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price (market value) another appropriate term to reflect highest and best use would be most probable use. In the context of investment value an alternative term would be most profitable use.

Source: Byrl N. Boyce, Real Estate Appraisal Terminology, Revised Edition, AIREA, SREA, Ballinger, Cambridge, Mass., 1981, p. 107-108.



E 2,088,000

E 2,088,500

E 2,089,000

E 2,089,500

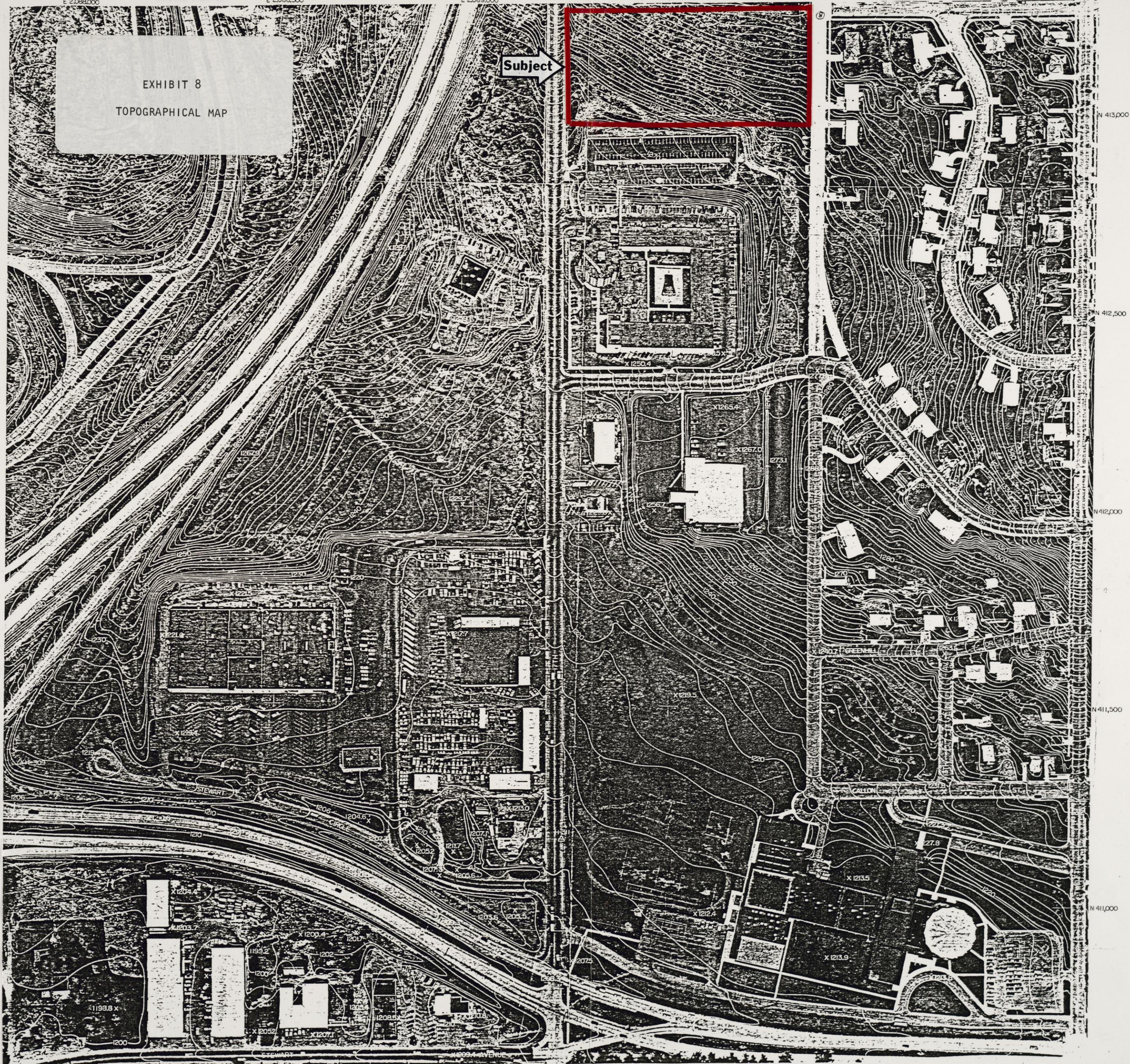
E 2,090,000

E 2,090,500

EXHIBIT 8

TOPOGRAPHICAL MAP

Subject





that the parcel drops 58 feet from its northeast corner to its southwest corner, with a slope averaging more than 20 percent. The sharp slopes, which would impede cost-effective development, are further hampered by soil and rock conditions that would necessitate blasting for sewer and water laterals, footings, and any foundation systems required for retaining walls and embankments that would certainly be required for terracing to create some sort of building pad. The southern subject lot line has been tapered down to a supplementary parking lot for the Holiday Inn.

General soil conditions are reported on the advance field sheet of the Marathon County, Wisconsin Soil and Conservation District Map provided in Exhibit 9. The subject four acres includes soil types:

Land Capability

20C	- Fernwood Silt Loam	Class IIIe [1]
14D	- Mosinee Sandy Loam	Class IVe
202B	- Rietbrock Silt Loam	Class IIe

- 
- [1] Class II land capability refers to soils having moderate limitations that reduce the choice of plants or require moderate conservation practices; Class III soils have severe limitations that reduce plant choice or require special conservation practices, or both; Class IV soils have very severe limitations that reduce plant choice, require careful management, or both. The "e" shows that the main limitation is risk of erosion unless close-growing plant cover is maintained.

Source: Marathon County Soil Survey





While these soils are moderately well drained, they are found on sloping to moderately steep bedrock, which in this case is Marathon County granite.

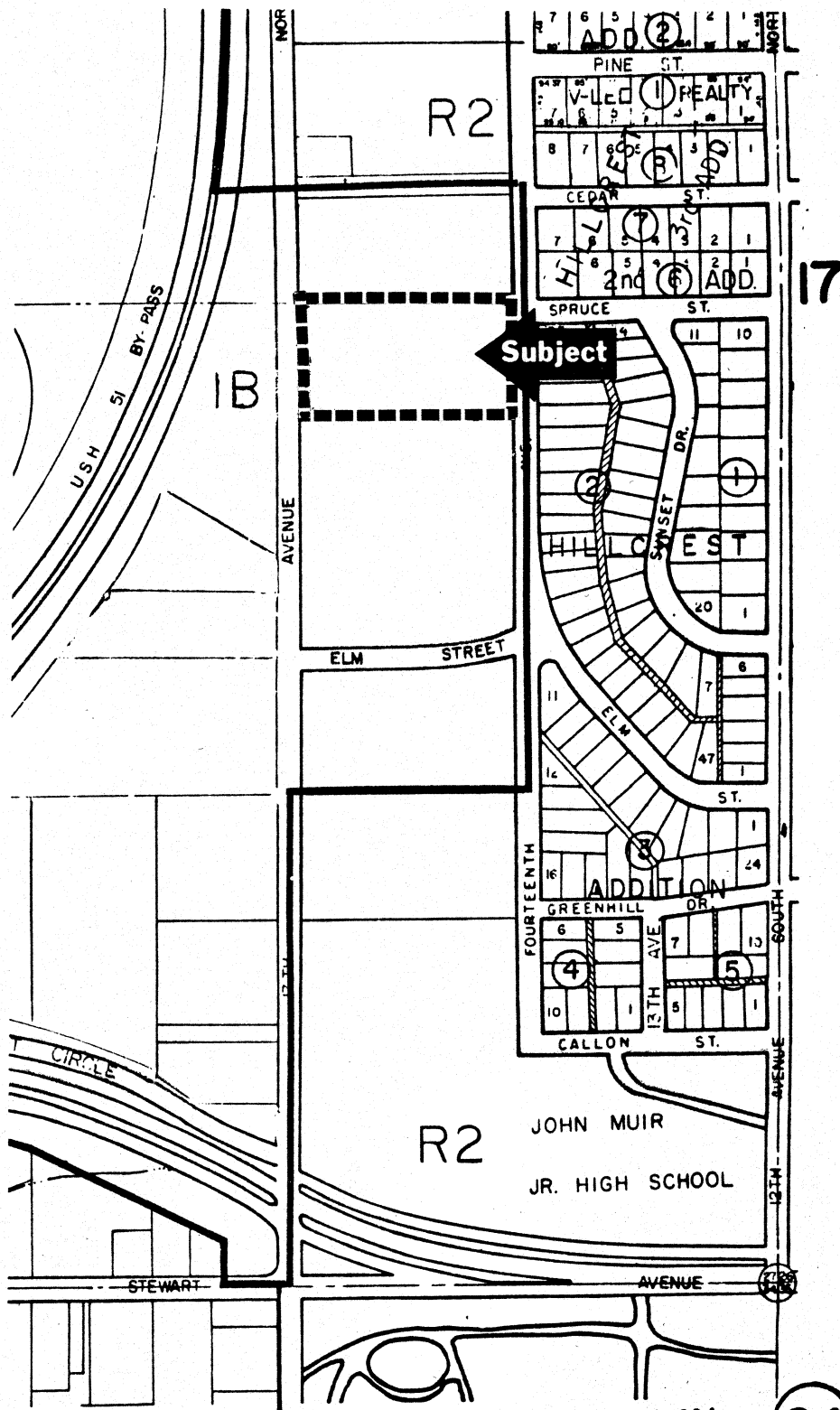
Sewer and water are available to the site from both the 14th Avenue and 17th Avenue right-of-ways, but connecting laterals would require blasting a trench onto the subject site.

#### B. Legal Attributes

The subject parcel is presently zoned Interchange Business (IB), which is primarily highway service facilities (see zoning map in Exhibit 10.) Motels are one of the uses to which it might nominally be put, and as a result, the assessor has selected land sales for motel development as comparables. The expectation that the subject parcel could be successfully utilized as a convention facility to expand the Holiday Inn was apparently created by an offer by the owners of the Holiday Inn to give the site to the City for such a purpose at a time when the City was considering this type of venture. The owners were cognizant of the fact that the site's physical conditions made it impossible for private enterprise to build such a facility for its exclusive benefit. It was thought that the cost-benefit ratio to the City, considering tax exempt interest costs and exemption from real estate taxes might make a free site marginally acceptable to the City at a location that would be very beneficial to the Holiday Inn. The City would not do what

EXHIBIT 10

ZONING MAP



APR 1 1984

24

private ownership knew it could not do, but the site continues to be recalled by many as a potential convention center location.

For reasons developed below, this appraiser believes best use of the eastern one-half of the subject property would be multifamily condominium, zoned R-4-1 or Unified Development District (UDD). Only the western two acres would remain as IB, and as will be shown, significant portions of that gross parcel would not be useful to commercial development. No other deed restrictions are presently in force, but adjacent land to the north, east, and south of the subject property are all zoned single-family R-2. Conversations with Mr. Gordon Popko, City Zoning Administrator, suggest that residential neighborhoods along 14th Avenue and Spruce Street would not desire any commercial intrusions on 14th Avenue, and would be less resistive to a change from IB to R-4-1 or UDD zoning. Ms. Becky Frisch of the Marathon County Planning Commission thought this type of down-zoning with lower density of units per acre would be more compatible and would better buffer the single family residences on 14th Avenue from any future commercial development on 17th Avenue. Present conflicts between the Holiday Inn and the neighborhood are minimal because all traffic to the hotel arrives via 17th Avenue and the hotel itself is lower than the prime view elevations on Spruce Street above it, to the northeast.

### C. Linkage Attributes

The principal route of access to the subject property is 17th Avenue, which proceeds downhill to connect with Stewart Street, a major east-west cross-town boulevard for Wausau. Stewart also connects to the U.S. Highway 51 bypass, a limited access freeway with a diamond interchange within view of the Holiday Inn. The intersection of 17th Avenue and Stewart Avenue is a poorly designed, multiple intersection with frontage roads serving a variety of highway traveler's services, including gas, food, and auto parts. The Holiday Inn is prominently visible to traffic on Highway 51 and on Stewart Street, although it requires a left-turn across the westbound lane of Stewart Street to reach the Inn from Highway 51. The north end of 17th Avenue, two blocks past the subject parcel, turns and intersects with a secondary cross-town artery called Bridge Street. Reference to the City map in Exhibit 5 shows that Bridge Street not only crosses the Wisconsin River on the east into the established areas of Wausau, but also spans Highway 51 to serve a residential area high on a hill overlooking the valley to the south. Also on the west end of Bridge Street is a connecting route to a hospital center serving the Central Wisconsin region and the 600,000 square foot corporate headquarters of Employer's Mutual Insurance of Wausau. This is less than a mile from the Holiday Inn. Highway 51 has an off-ramp from the north to Bridge Street giving the

knowledgeable traveler from the north access to 17th Avenue and the Holiday Inn without using the highly congested Stewart Street interchange. The Highway 51 bypass is the mainstream of Central Wisconsin auto and tourist traffic north from Interstate 94 to the vacation centers of Vilas and Oneida Counties. At the same time, Stewart Street is the city route for State Highway 29 which traverses the State of Wisconsin from Green Bay on the east to LaCrosse on the west. In short, the Holiday Inn site is well located relative to the major highway access routes to Wausau, the major centers that draw travel to Wausau, and the large winter ski facility at Rib Mountain, which is directly in view, three miles to the southwest.

The sub-parcel, which is the subject of this appraisal, is, however, less visible, lying behind the six-story high Holiday Inn tower. Moreover, it is without benefit of a completed Cedar Street to form a corner access and traffic tie between 14th Avenue on its eastern border and 17th Avenue on its western border. It is probable that Cedar Street will never be completed as the resulting slope would be unacceptable for City street standards.

The subject site adjoins a well established middle-class residential area on its eastern flank and relatively undeveloped R-2 land on its northern flank. Topography limits its only access to a public street, 17th Avenue. The sharp rise

in 17th Avenue combined with a shelf-edge on the subject parcel will require some special design for auto access, including a left-hand turn lane from 17th Avenue for safety and some type of Z-ramp onto the property.

In short, the subject parcel lacks the same immediate accessibility and visual linkages from Highway 51 and Stewart Avenue as the Holiday Inn proper.

#### D. Dynamic Attributes

Dynamic attributes of a real estate parcel are those which exist in the mind of the beholder or aesthetic impressions to be gained by the individual on the site. The dominant, dynamic attribute of the elevated eastern portion of the subject parcel is its dramatic viewshed. It looks over the highway corridor below to the ski slope on Rib Mountain, three miles to the southwest, and also affords some views of the Rib River valley and its tributaries. Moreover, the southwest sun is to be valued during the winter months in Northcentral Wisconsin. Negative aspects of the view are the exterior lighting and activity levels of the Holiday Inn. However, the intense lighting of the Holiday Inn sign, an arrival portecachere, and dining and meeting facilities all face the corner of Elm Street and 17th Avenue so that the subject parcel is partially shielded from the intense night lighting.

These dynamic attributes suggest the high eastern portion of the subject parcel could be marketed for development of low

density condominiums with underground basement parking and diagonal siting to exploit the southwest orientation. Basement parking would conceal cars from adjacent residential areas while exploiting the need for a flat platform on which to build the housing structures in an arch across the northeast corner of the property.

#### E. Environmental Attributes

The rock and soil of the site have not permitted much timber growth, and without adequate ground cover rain and snow runoff would quickly erode the subject parcel and complicate siltation of 17th Avenue and small commercial lands to the west. Therefore, any development of the site must permit maintenance of reasonable slopes on the east and north which will slow runoff, permit stabilization of embankments with major bearing walls, and contour lands adjacent to the residential development to avoid physical threat of children falling and acrophobia for adults. Thus, the two acre remainder of the west half of the subject site will suffer significant reduction in usable space in the process of supplying not only adequate retaining slopes but also a comfortable approach ramp onto the pad from 17th Avenue.

#### F. Conclusions as to Highest and Best Use

The present owner of the subject parcel has clouded reasonable expectations of appropriate uses for the subject



parcel by creating a proposal to locate a convention facility on the site by blasting into the rock and otherwise physically relating it to the existing Holiday Inn. Such a concept does not meet the criteria of highest and best use in terms of being physically feasible, justified by effective market demand, or financially viable given the excessive cost inherent in the rock underlayment of the site. Moreover, such a use would be inconsistent with community plans and goals, and that use has already been rejected, even when the site was offered free of charge. An alternative course of action would be to expand the room count at the Holiday Inn by building another tower, but that use also would be inconsistent with effective market demand, the capacity of public meeting spaces in place at the Inn, and financial viability, and therefore violate requirements of highest and best use as previously defined.

The third course of action might anticipate a parasite or satellite budget motel, which often locates near a full-service facility. Such a budget motel can work on a two-acre site and would need to be buffered from residential single family land uses on 14th Avenue to the east.

THEREFORE, WE CONCLUDE THAT HIGHEST AND BEST USE FOR THE FOUR ACRE PARCEL IS TO SUBDIVIDE IT ALONG A LINE MID-WAY BETWEEN 14TH AND 17TH AVENUES INTO TWO PARCELS, OF APPROXIMATELY TWO ACRES EACH. THE EASTERN PORTION WITH FRONTAGE ON 14TH STREET WOULD BE RE-ZONED FOR SIXTEEN CONDOMINIUM UNITS

WITH A DIAGONAL SITING TO EXPLOIT THE VIEWS AND THE SUN TO THE SOUTHWEST. THE WESTERN PORTION OF THE SITE, CONTAINING TWO ACRES FRONTING ON 17TH AVENUE, WOULD REMAIN AS IB ZONING. THE MOST INTENSE COMMERCIAL USE OF THIS SITE WOULD BE A BUDGET HOTEL UNIT OF 50 OR 60 UNITS THAT WOULD ONLY BE ABLE TO UTILIZE 60 PERCENT OF THE GROSS LOT AREA OF 87,120 SQUARE FEET AS A LEVEL BUILDING AND PARKING PAD, ONCE SLOPE STABILIZATION ON ITS NORTH AND EAST BOUNDARIES HAD BEEN ACHIEVED.

### III. PROPERTY VALUATION

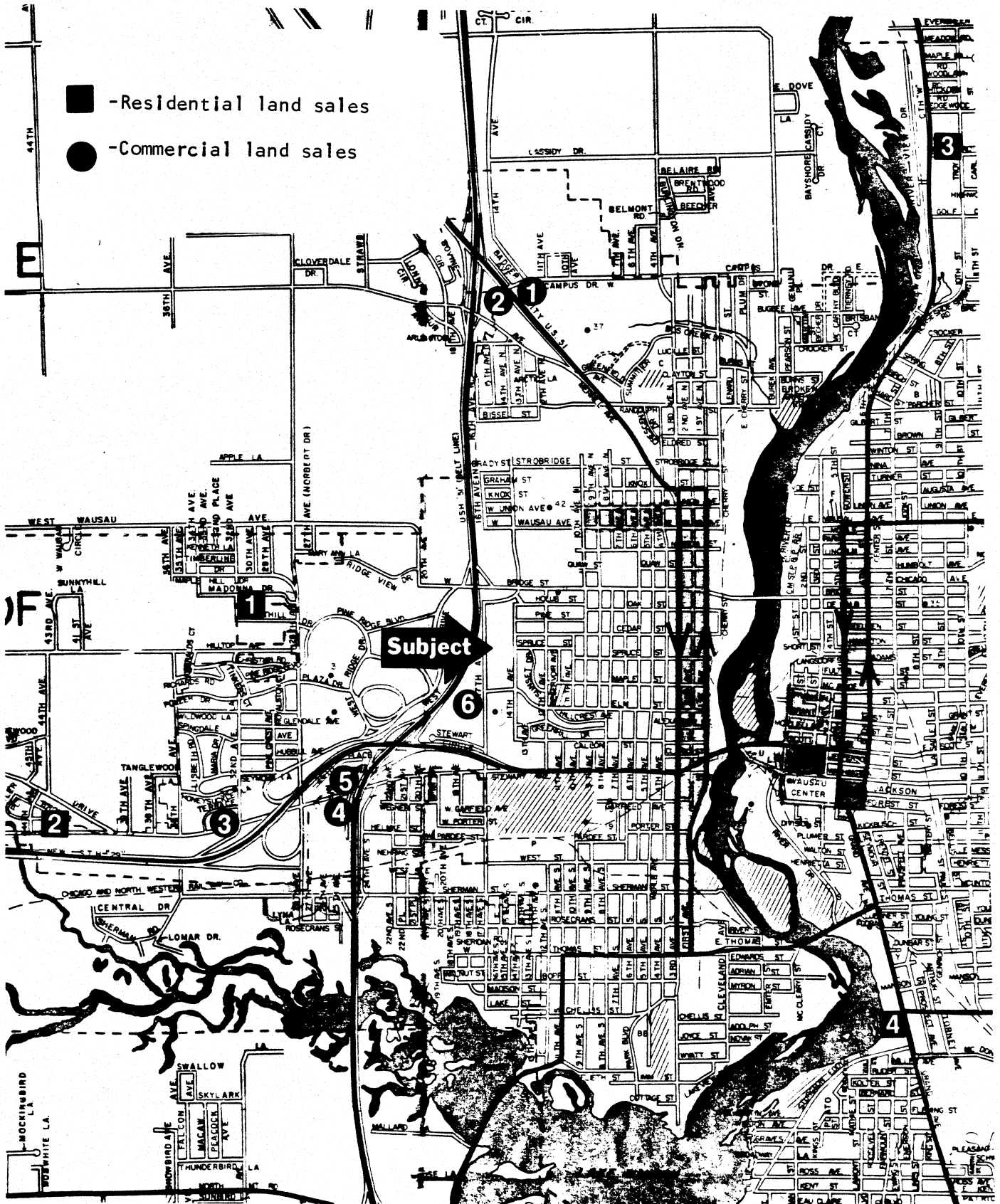
The appraisal of vacant land which is unsuitable for agriculture or storage rental must be based on the market comparison approach, and the income and cost approaches to value are therefore not used in this appraisal. In this case, two separate markets are identified for the subject land; one for parcels suitable for multi-residential development, and the other for parcels suitable for travel related commercial development, such as a budget motel or restaurant. Comparable land sales are located on the Wausau City map in Exhibit 11 and detailed in Appendix A.

Three comparable sales of residential property adjusted for terms, location, views, and ease of construction relative to the subject property are provided in Exhibit 12. Analysis of these sales is based upon a weighted point system applied to the price per potential dwelling unit and is provided in Exhibit 13. This analysis leads to the conclusion that the highest price in dollars likely to be paid for a site with capacity for 16 condominium units is \$2,500 per unit which yields a fair market value of \$40,000 for the two acres of the subject parcel fronting on 14th Avenue, as of January 1, 1983.

For the highway commercial portion of the subject property, the two acres fronting 17th Avenue, six comparable sales have been identified and presented in Exhibit 14, where they are

## EXHIBIT 11

MAP SHOWING COMPARABLE COMMERCIAL,  
RESIDENTIAL AND VACANT LAND SALES



# RESIDENTIAL VACANT LAND SALES

ADDRESS	ZONING	AREA - SQUARE FEET	NUMBER OF UNITS	NUMBER OF UNITS/ ACRE	SALE DATE	SALE PRICE	CASH EQUIVALENT PRICE	CASH EQUIVALENT PRICE/UNIT
<b>1</b> Westhill Drive 32nd Avenue	UDD	168,142 3.86 Acres	36	9.32	11/10/82	\$147,000 [1]	\$114,653	\$3,185
<b>2</b> 4307 Stewart	R4-1	113,740 2.61 Acres	40 [2]	15.33	06/15/84	\$ 45,000 [3]	\$ 40,713	\$1,018
<b>3</b> 3853 6th Street	R4-1	83,200 1.91 Acres	32 [4]	16.75	10/15/81	\$105,000	\$105,000	\$3,281
<b>4</b> 1210-1212 Grand Avenue	R4	56,470 1.30 Acres	32	24.62	06/01/81	\$125,000 [5]	\$120,073	\$3,752

- [1] Land contract: Phase 1 - \$5,000 plus \$16,333.33 down payment on 11/10/82, Phase 2 - \$3,000 plus \$16,333.33 payment on 12/20/82; Phase 3 to 8 - \$16,333.33 payment for each condominium building as it is constructed; Phase 9 - \$8,333.36 for last condominium building (the \$5,000 and \$3,000 payment in 1982 also applies to last payment); 9% interest; total balance due 11/10/85. There are a total of nine buildings in project with four units per building. Recorded in Volume 354, Page 422, at Marathon County Register of Deeds.
- [2] R4-1 Zoning requires 60 feet of frontage for each building, therefore, a maximum of five buildings (8 units per building) would be possible, from conversations on December 6, 1984, with Mr. Gordon Popko, City of Wausau Zoning Administrator.
- [3] Land contract: \$45,000 with \$23,500 as down payment, 11% interest, three annual payments of \$7,166.67, balance due 6/1/87, Recorded in Volume 386, Page 182-183 at Marathon County Register of Deeds.
- [4] From conversations on December 4, 1984, with Mr. Popko, there are approximately 4 or 5 taps for sewers and water to this property. Based on 4 taps, 4 buildings with 8 units per building are possible.
- [5] Land contract: \$20,000 down payment; \$55,000 principal due on 9/1/81; \$50,000 with interest of 10 percent from 9/1/81 and due on 6/1/82. Recorded in Volume 332, Page 1021, Marathon County Register of Deeds.

EXHIBIT 12

Landmark Research, Inc.

# EXHIBIT 13

## MOST PROBABLE PRICE COMPUTATION USING MEAN PRICE PER POINT EQUATION METHOD

Number of sales = 4  
Subject Size = 16

Subject: RESIDENTIAL TRACT

		SUBJECT	COMPARABLE SALES -- POINT SCORES				
		=====	=====	=====	=====	=====	=====
			1	2	3	4	5
\$ PRICE/UNIT ---> N.A.			3185	1018	3281	3752	
FACTORS	WEIGHTS						
=====	=====						
1 LOT SIZE	.1	3	1	2	3	3	
2 EASE OF CONSTRUCTION	.2	1	1	3	3	3	
3 LOCATION	.45	2	3	1	3	3	
DESIRABILITY							
4 VIEW	.25	3	3	2	1	2	
	-----						
	1						

FACTORS x WEIGHTS	SUBJECT	COMPARABLE SALES			
=====	=====	=====	=====	=====	=====
		1	2	3	4
1	.3	.1	.2	.3	.3
2	.2	.2	.6	.6	.6
3	.9	1.35	.45	1.35	1.35
4	.75	.75	.5	.25	.5
	-----	-----	-----	-----	-----
TOTAL SCORE	2.15	2.4	1.75	2.5	2.75

EXHIBIT 13 (Continued)

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

COMPARABLE SALE NUMBER	ADJUSTED SELLING PRICE PER UNIT	WEIGHTED POINT SCORE	PRICE PER UNIT PER WEIGHTED POINT SCORE
1	3185	2.4	1327.08
2	1018	1.75	581.71
3	3281	2.5	1312.40
4	3752	2.75	1364.36
5	0	.00001	.00
6	0	.00001	.00
7	0	.00001	.00
8	0	.00001	.00
9	0	.00001	.00
10	0	.00001	.00
			4585.56

Central Tendency (Mean):

$$\text{The mean price per unit per point } (\bar{x}) = \frac{4585.561}{4} = 1146.390$$

Where:

$x$	$\bar{x}$	$(x-\bar{x})$	$(x-\bar{x})^2$	$n$	$n-1$
1327.083	1146.390	180.6930	32649.97	4	3
581.7143	1146.390	-564.676	318859.0		
1312.4	1146.390	166.0097	27559.22		
1364.364	1146.390	217.9733	47512.37		
0	1146.390	0	0		
0	1146.390	0	0		
0	1146.390	0	0		
0	1146.390	0	0		
0	1146.390	0	0		
0	1146.390	0	0		
0	1146.390	0	0		
			426580.6		

EXHIBIT 13 (Continued)

Dispersion about the mean = the square root of  $\frac{\sum (x - \bar{x})^2}{n - 1} = 377.0856$

Therefore,

The Value Range is : 1146.390 +/- 377.0856  
or 769.3047 to 1523.476

Since the subject's point score is: 2.15

Score	x	Value	=	\$/UNIT
2.15		769.3047		1654.01
2.15		1146.390		2464.74
2.15		1523.476		3275.47

Since the acreage of the subject is: 16

It follows that:

	\$/UNIT	x	UNITS	=	Estimated Value
Low Estimate	1654.01	x	16	=	26464.16 or 26000
Central Tendency	2464.74	x	16	=	39435.84 or 39000
High Estimate	3275.47	x	16	=	52407.52 or 52000



EXHIBIT 13 (Continued)

RESIDENTIAL VACANT LAND FACTORS

LOT SIZE

- 3 = Small: < 100,000 sq.ft.
- 2 = Medium: 100,000 - 150,000 sq.ft.
- 1 = Large: > 150,000 sq.ft.

EASE OF CONSTRUCTION

- 3 = No Site Problems
- 2 = Moderate Site Problems; i.e. slope or rock
- 1 = Severe Site Problems; i.e. slope and rock

LOCATION DESIRABILITY

- 3 = Above Average
- 2 = Average
- 1 = Below Average

VIEW

- 3 = High Ground Open Vista
- 2 = Low Ground Open Vista
- 1 = No Viewshed

# COMMERCIAL VACANT LAND SALES

ADDRESS	USE	ZONING	AREA - SQUARE FEET	SALE DATE	SALE PRICE	PRICE/ SQUARE FOOT	TOPOGRAPHY
1 1205 Campus Drive Wausau	McDonald's Restaurant	IB	111,514	05/23/80	\$145,500	\$1.30	Level
2 1805 Merrill Wausau	Adjacent to Nighur Furniture Store. Poss- ible future expansion	IB	86,550	06/16/81	\$ 75,000	\$0.87	Level
3 3215 Terrace Ct. Wausau	Future veterinary clinic	B2	24,975	12/26/79 11/19/84	\$ 67,500 \$ 55,000	\$2.70 \$2.20	Level
4 2609 Stewart Ave. Town of Stettin	Hardee's Restaurant	B2	56,541	04/17/81	\$142,000 [1]	\$2.51	Slight slope down- ward from street side to back of lot
5 2602 Stewart Ave. Town of Stettin	Office building	IB	39,204	12/02/81	\$ 90,000	\$2.30	Level
6 116 S. 17th Ave. Wausau	Exel Inn	IB	82,500	05/10/74	\$150,000	\$1.82	Sloped

[1] Includes demolition costs of \$2,000

summarized as to price adjusted to cash equivalency, size in square feet for each parcel, intended use, and degree of construction difficulty in comparison to the subject parcel.

There are a few older sales in the immediate area of the subject property which sold in the mid 1970s for prices that averaged approximately \$2 per square foot and required substantial site work prior to development. These transactions are of little relevancy to the current value of the subject. This phenomenon occurs because of the impact of rapidly increasing site preparation costs in the face of a relatively stable market for finished sites. This stability is shown by more recent sales.

Increase in site preparation costs over time, presented in Exhibit 15, demonstrates that costs in 1983 are 1.8 times greater than costs in 1974. Any potential developer of vacant land would look at the cost of site preparation in addition to land costs, particularly if it is at a site such as the subject. Thus, if the total cost of both land and site preparation greatly exceeds the cost of land with little or no extraordinary preparation costs elsewhere, the purchase would be for the latter site. In 1974, site preparation costs were not as critical in the decision for purchase because of their lower cost. Land with more site preparation costs was able to compete with sites with little or no preparation costs. But in

## EXHIBIT 15

COST INDEX OF BUILDING CLASS -  
CENTRAL DISTRICT:  
MASONRY BEARING WALLS

YEAR	INDEX	% RELATIVE TO 1983
1970	458.6	2.513
1971	496.3	2.322
1972	533.9	2.159
1973	581.2	1.983
1974	636.2	1.812
1975	699.7	1.647
1976	733.8	1.571
1977	776.5	1.484
1978	849.9	1.358
1979	945.0	1.120
1980	1019.0	1.131
1981	1086.5	1.061
1982	1117.8	1.031
1983	1152.5	1.000

[1] 1926 = 100

Source: Marshall Valuation Service,  
Oct 1984, Section 98, Page 7.

1983, with almost a doubling of site preparation costs, both this and the cost of the land, which has been relatively stable for finished sites, must be viewed as a total package. Thus, to be competitive, the land value has become the residual of this total cost less the site preparation cost.

Further analysis by a weighted point score system is applied to the six comparable sales and to the subject to find a price per square foot. (See Exhibit 16.) The point rating system suggests that the commercial portion of the subject property is currently valued at approximately \$1.69 per square foot. However, as applied above, this point rating system does not give consideration to changes in market conditions which have occurred between the date of the appraisal and the date of the respective sales. As can be seen from a review of these transactions, little, if any, appreciation appears to be present in the market place. This is exemplified by Comparable Sale No. 3 which recently resold for a price that was 20 percent below a price for which it was purchased in 1979. This general market decline may, to some degree, be localized by Wausau's changing business environment. The highly successful renovation of Wausau's downtown and the development of commercial activity near Employer's Insurance and the new hospital complex has to some degree polarized development activity within the community. This is evidenced by the decline

## EXHIBIT 16

## MOST PROBABLE PRICE COMPUTATION USING MEAN PRICE PER POINT EQUATION METHOD

Number of sales = 6  
 Subject Size = 87120

Subject: COMMERCIAL TRACT

		SUBJECT	COMPARABLE SALES -- POINT SCORES					
		=====	=====	=====	=====	=====	=====	=====
			1	2	3	4	5	6
\$ PRICE/UNIT ---> N/A			1.30	.87	2.20	2.51	2.30	1.82
FACTORS	WEIGHTS							
=====	=====							
1 LOT SIZE	.35	2	1	1	3	2	2	2
2 EASE OF	.1	1	3	3	3	2	3	1
CONSTRUCTION								
3 LOCATION	.3	3	2	2	2	3	3	3
DESIRABILITY								
4 ACCESS-	.2	2	3	2	2	3	3	2
ABILITY								
5 SITE	.05	1	3	3	3	3	2	1
EFFICIENCY								
		-----						
		1						
FACTORS x WEIGHTS		SUBJECT	COMPARABLE SALES					
=====		=====	=====	=====	=====	=====	=====	=====
			1	2	3	4	5	6
1	.7		.35	.35	1.05	.7	.7	.7
2	.1		.3	.3	.3	.2	.3	.1
3	.9		.6	.6	.6	.9	.9	.9
4	.4		.6	.4	.4	.6	.6	.4
5	.05		.15	.15	.15	.15	.1	.05
		-----	-----	-----	-----	-----	-----	-----
TOTAL SCORE		2.15	2	1.8	2.5	2.55	2.6	2.15

## EXHIBIT 16 (Continued)

-----

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

-----

COMPARABLE SALE NUMBER	ADJUSTED SELLING PRICE PER UNIT	WEIGHTED POINT SCORE	PRICE PER UNIT PER WEIGHTED POINT SCORE
1	1.3	2	.65
2	.87	1.8	.48
3	2.2	2.5	.88
4	2.51	2.55	.98
5	2.3	2.6	.88
6	1.82	2.15	.85
7	0	.00001	.00
8	0	.00001	.00
9	0	.00001	.00
10	0	.00001	.00
			-----
			4.73

-----

Central Tendency (Mean):

$$\text{The mean price per unit per point } (x) = \frac{4.728774}{6} = .7881290$$

Where:

$x$	$\bar{x}$	$(x-\bar{x})$	$(x-\bar{x})^2$	$n$	$n-1$
.65	.7881290	-.138129	.0190796	6	5
.4833333	.7881290	-.304796	.0929004		
.88	.7881290	.0918710	.0084403		
.9843137	.7881290	.1961847	.0384884		
.8846154	.7881290	.0964864	.0093096		
.8465116	.7881290	.0583826	.0034085		
0	.7881290	0	0		
0	.7881290	0	0		
0	.7881290	0	0		
0	.7881290	0	0		
-----					
.1716269					

EXHIBIT 16 (Continued)

Dispersion about the mean = the square root of  $\frac{\sum (x - \bar{x})^2}{n - 1} = .1852711$

Therefore,

The Value Range is : .7881290 +/- .1852711  
or .6028579 to .9734001

Since the subject's point score is: 2.15

Score	x	Value	=	\$/UNIT
2.15		.6028579		1.30
2.15		.7881290		1.69
2.15		.9734001		2.09

Since the square footage of the subject is: 87120

It follows that:

	\$/UNIT	x	UNITS	=	Estimated Value
Low Estimate	1.3	x	87120	=	113256 or 113000
Central Tendency	1.69	x	87120	=	147232.8 or 147000
High Estimate	2.09	x	87120	=	182080.8 or 182000



EXHIBIT 16 (Continued)

COMMERCIAL VACANT LAND FACTORS

LOT SIZE

- 3 = Small: < 50,000 sq.ft.
- 2 = Medium: 50,000 - 100,000 sq.ft.
- 1 = Large: > 100,000 sq.ft.

EASE OF CONSTRUCTION

- 3 = No Site Problems
- 2 = Moderate Site Problems
- 1 = Severe Site Problems

LOCATION DESIRABILITY

- 3 = Above Average
- 2 = Average
- 1 = Below Average

ACCESSABILITY

- 3 = Direct Access From Major Traffic Route
- 2 = Indirect Access from Major Traffic Route or  
Direct Access from Secondary Thoroughfare
- 1 = Circuitous Access from Major Traffic Route or  
Direct Access by Local Traffic

SITE EFFICIENCY

- 3 = Good
- 2 = Fair
- 1 = Poor

of the Crossroads Shopping Center which is located just south of the subject property and is at this time suffering from extensive retail vacancies.

In addition, some retail uses have begun to congregate near the intersection of Merrill Avenue and U.S. Highway 51. Together these factors have created a market for commercial and retail land which appears at this time to be characterized by oversupply. As a result, we believe that it would be very difficult to market the subject property, which because of its subsoil conditions that result in high site preparation costs, represents a highly risky development opportunity. Because of these factors, it is necessary to apply what is traditionally known as a time adjustment to the above comparable sales. This adjustment is estimated to be equal to 10 percent of the indicated value for the subject property prior to consideration of these market factors. Based upon this analysis, the estimated market value of the commercial portion of the subject property as of the date of this appraisal is then (\$1.69 per square foot - \$0.17 per square foot) \$1.52 per square foot for the site area dedicated to commercial use. This is appropriately rounded to \$1.50 per square foot, or (\$1.50 per square foot x 87,120 square feet) \$130,680 overall.

#### IV. CONCLUSION TO VALUE

Highest and best use indicates that the four acre parcel be subdivided mid-way into two parcels. The eastern two acre portion would be rezoned to R-4-1. A fair market value for placement of 16 condominium units is \$2,500 per acre per unit, or \$40,000 for the two acres. The western two acre portion would remain zoned IB. A fair market value for this is \$1.50 per square foot, or \$130,680 overall.

The total four acre parcel would therefore have a market value for the specified highest and best use of \$40,000 plus \$130,680, or a total fair market value of \$170,680, or \$170,000 rounded, as of January 1, 1983. THEREFORE, WE CONCLUDE THAT FAIR MARKET VALUE FOR THE SUBJECT PARCEL AS PREVIOUSLY DESCRIBED, ASSUMING CASH TO THE SELLER AS OF JANUARY 1, 1983, IS:

ONE HUNDRED SEVENTY THOUSAND DOLLARS

(\$170,000)

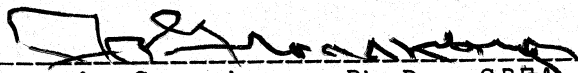
V. CERTIFICATE OF APPRAISAL

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 fair market value for the subject four-acre property of vacant, surplus land as of January 1, 1983, assuming cash to the seller is:

ONE HUNDRED SEVENTY THOUSAND DOLLARS

(\$170,000)

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

December 17, 1984  
Date

APPENDIX A

RESIDENTIAL AND COMMERCIAL  
VACANT LAND COMPARABLES

RESIDENTIAL VACANT LAND COMPARABLES

COMPARABLE SALE NO. 1



WESTHILL DRIVE AND 32ND AVENUE  
CITY OF WAUSAU

DATE OF SALE: 11/10/82

SALE PRICE: \$147,000

RECORDED: Volume 354, page 422, Land Contract, Marathon County Register of Deeds

TERMS OF SALE: Phase 1 - \$5,000 plus \$16,333.33 down payment on 11/10/82, Phase 2 - \$3,000 plus \$16,333.33 payment on 12/20/82; Phase 3 to 8 - \$16,333.33 payment for each condominium building as it is constructed; Phase 9 - \$8,333.36 for last condominium building (the \$5,000 and \$3,000 payment in 1982 also applies to last payment); 9 percent interest; total balance due on 11/10/85. There are a total of nine buildings in project with four units per building.

USE: Construction of 36 condominium units; 9 buildings with 4 units each

SELLER: Juanita Kramer

BUYER: Henning Construction

COMPARABLE SALE NO. 1 (Continued)

LOT SIZE: 3.86 acres, or 168,142 square feet  
ZONING: Unified Development District (UDD)  
TOPOGRAPHY: Sloped downward from 32nd Avenue to 28th Avenue  
SHAPE: Rectangular



RESIDENTIAL VACANT LAND COMPARABLES

COMPARABLE SALE NO. 2



4307 STEWART AVENUE  
CITY OF WAUSAU

DATE OF SALE: 06/15/84

SALE PRICE: \$45,000

RECORDED: Volume 386, pages 182-183, Land Contract, Marathon County Register of Deeds

TERMS OF SALE: \$45,000 with \$23,500 as down payment, 11 percent interest, three annual payments of \$7,166.67, balance due 06/01/87.

USE: Possible multiple residential; buyer is holding land for investment purposes

SELLER: Virginia Kazmier

BUYER: Marlys Arnoldi-Cyrs

LOT SIZE: 2.61 acres, or 113,730 square feet

ZONING: R4-1

TOPOGRAPHY: Level

SHAPE: Rectangular, 340 feet on Stewart Avenue by approximately 335 feet deep.



RESIDENTIAL VACANT LAND COMPARABLES

COMPARABLE SALE NO. 3



3853 - 6TH STREET  
CITY OF WAUSAU

DATE OF SALE: 10/16/81

SALE PRICE: \$105,000

RECORDED: Volume 338, page 368, Warranty Deed, Marathon County Register of Deeds

USE: Buyer plans to build apartments in the near future.

SELLER: John Joseph

BUYER: Marvin Schuette

LOT SIZE: 1.91 acres, or 83,200 square feet

ZONING: R4-1

TOPOGRAPHY: Level

SHAPE: Rectangular; 135 feet on 6th Street and 130 feet on Troy by 585 feet on Marquardt Road

RESIDENTIAL VACANT LAND COMPARABLES

COMPARABLE SALE NO. 4



1210 - 1212 GRAND AVENUE  
CITY OF WAUSAU

DATE OF SALE: 06/18/81

SALE PRICE: \$125,000

RECORDED: Volume 332, page 1021, Land Contract, Marathon County Register of Deeds

TERMS OF SALE: \$20,000 down payment; \$55,000 principal due on 09/01/81; \$50,000 with interest of 10 percent from 09/01/81 and total due on 06/01/82.

USE: 32 condominium units were constructed; two older homes were moved from the site prior to construction at no cost to Buyer.

SELLER: John Lenz and Walter S. Lenz

BUYER: Dan Johnson

LOT SIZE: 1.3 acres, or 56,470 square feet

ZONING: R-4

TOPOGRAPHY: Level, with bank to river at back of lot

SHAPE: Rectangular, 94 feet on Grand Avenue, 151 feet at back by 375 feet deep.



COMMERCIAL VACANT LAND SALES

COMPARABLE SALE NO. 1



1205 CAMPUS DRIVE  
CITY OF WAUSAU

DATE OF SALE: 05/23/80

SALE PRICE: \$145,000

RECORDED: Volume 313, page 943, Warranty Deed, Marathon County Register of Deeds

TERMS OF SALE: Cash

SELLER: Carazella Excavating and Trucking Corp.

BUYER: McDonald's Corporation

USE: McDonald's restaurant

LOT SIZE: 2.56 acres, or 111,514 square feet

ZONING: IB

TOPOGRAPHY: Level

SHAPE: Triangular, 527 feet on frontage road, 422 feet on Campus Drive.

COMMERCIAL VACANT LAND COMPARABLES

COMPARABLE SALE NO. 2

1805 MERRILL  
CITY OF WAUSAU

DATE OF SALE:	06/16/81
SALE PRICE:	\$75,000
RECORDED:	Volume 334, page 608, Warranty Deed, Marathon County Register of Deeds
SELLER:	Elizabeth S. Koosmann
BUYER:	Larry Nigbur
USE:	Future expansion of furniture store
LOT SIZE:	1.99 acres, or 86,550 square feet
ZONING:	IB
TOPOGRAPHY:	Level, some fill may be required
SHAPE:	Irregular

COMMERCIAL VACANT LAND COMPARABLES

COMPARABLE SALE NO. 3(A)



3215 TERRACE COURT  
CITY OF WAUSAU

DATE OF SALE: 12/26/79

SALE PRICE: \$67,500

RECORDED: Volume 308, page 993, 12/26/79, Marathon County Register of Deeds

TERMS OF SALE: Cash

SELLER: Stettin Mutual Insurance Co.

BUYER: Deljey Corporation

LOT SIZE: 249,755 square feet, or 0.57 acres

ZONING: B2

TOPOGRAPHY: Level

SIZE: Rectangular, 78 feet on Terrace Court, 100 feet on Stewart Avenue, by approximately 213 feet deep.

COMMERCIAL VACANT LAND COMPARABLES

COMPARABLE SALE NO. 3(B)

3215 TERRACE COURT  
CITY OF WAUSAU

DATE OF SALE: 11/19/84

SALE PRICE: \$55,000, verified by Bob Friar, Manager of  
Stettin Insurance Co.

SELLER: Stettin Mutual Insurance Co.

BUYER: Veterinarian from Florida

TERMS OF SALE: Cash

USE: Future veterinary clinic

LOT SIZE: 249,755 square feet, or 0.57 acres

ZONING: B2

TOPOGRAPHY: Level

SIZE: Rectangular, 78 feet on Terrace Court, 100 feet on  
Stewart Avenue, by approximately 213 feet deep.



COMMERCIAL VACANT LAND COMPARABLES

COMPARABLE SALE NO. 4



2609 STEWART AVENUE  
TOWN OF STETTIN

SALE DATE: 04/17/81

SALE PRICE: \$140,000

RECORDED: Volume 330, page 716, Warranty Deed, Marathon  
County Register of Deeds

TERMS OF SALE: Cash

SELLER: Menard, Inc.

BUYER: 20th Century Foods, Inc.

USE: Hardee's Restaurant (house had to be demolished)

LOT SIZE: 56,541 square feet, or 1.298 acres

ZONING: B2

TOPOGRAPHY: Slight slope from street to back of lot requiring a  
retaining wall.

SHAPE: Rectangular, 255 feet on Stewart Avenue by  
approximately 226 feet deep.

COMMERCIAL VACANT LAND COMPARABLES

COMPARABLE SALE NO. 5



2602 STEWART AVENUE  
TOWN OF STETTIN

SALE DATE:	12/02/81
SALE PRICE:	\$90,000
RECORDED:	Volume 340, page 704, Warranty Deed, Marathon County Register of Deeds
TERMS OF SALE:	Cash
SELLER:	Nell Zanzow
BUYER:	Charles A. Ghidorzi and Claude Witzeling
USE:	Office for Ghidorzi Construction and Development
LOT SIZE:	39,204 square feet, or 0.90 acres
ZONING:	IB
TOPOGRAPHY:	Level
SHAPE:	Rectangular; 90 feet on Stewart Avenue by approximately 504 feet deep.



COMMERCIAL VACANT LAND COMPARABLES

COMPARABLE SALE NO. 6



116 S. 17TH AVENUE  
CITY OF WAUSAU

SALE DATE: 05/10/74

SALE PRICE: \$150,000

RECORDED: Volume 187, page 170, Warranty Deed, Marathon  
County Register of Deeds

TERMS OF SALE: Cash

SELLER: David John Bautsch

BUYER: Interstate INNS

USE: Exel Inn of Wausau, a 124-room motel

LOT SIZE: 82,500 square feet, or 1.89 acres

ZONING: IB

TOPOGRAPHY: Sloped

SHAPE: Rectangular, 150 feet on 17th Avenue by 550 feet

APPENDIX B

STATEMENTS OF GENERAL ASSUMPTIONS  
AND LIMITING CONDITIONS

Statements 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.
- . 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.
- . 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 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.
- 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.



APPENDIX C

QUALIFICATIONS OF THE APPRAISERS

JAMES A. GRAASKAMP

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.

