

An appraisal of the property known as Parkwood Plaza, 6825-2925 University Avenue. November 1, 1989

Landmark Research, Inc.

[s.l.]: [s.n.], November 1, 1989

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AN APPRAISAL OF THE PROPERTY

KNOWN AS

PARKWOOD PLAZA

6825-6925 UNIVERSITY AVENUE

MIDDLETON, WISCONSIN

*Landmark
Research
Inc.*

**AN APPRAISAL OF THE PROPERTY
KNOWN AS
PARKWOOD PLAZA
6825-6925 UNIVERSITY AVENUE**

**AS OF
NOVEMBER 1, 1989**

PREPARED FOR ANDING ENTERPRISES

**PREPARED BY
LANDMARK RESEARCH, INC.**

P.O. Box 5633, Madison, Wisconsin 53705, 608-233-6400
FAX: 608-233-8477

Landmark
Research
Inc.

Jean B. Davis, President
James A. Graaskamp, 1933-1988

November 15, 1989

Alfred E. Anding
Anding Investment Company
5900 Monona Drive, Suite 401
P.O. Box 6124
Monona, WI 53716

Dear Mr. Anding:

This letter transmits our appraisal of the retail strip center known as Parkwood Plaza located at 6825-6925 University Avenue, City of Middleton, County of Dane, Wisconsin, and owned by Anding Enterprises, a Wisconsin partnership. The date of the appraisal is as of November 1, 1989.

The partnership interest is less than fee simple market value because the majority of the site is subject to a land contract to the benefit of Ruth E. Zevnik with a balance outstanding including accrued interest, as of November 1, 1989, of approximately \$95,000. The fee is further encumbered by the Kroger-IGA lease which still has some years to run at contract rents significantly below market rents. Therefore, the most probable buyer would discount the fee to account for this lease.

Subject to these constraints, the limiting conditions, and working assumptions noted throughout the report, the appraisers have concluded that the Market Value of the shopping center, subject only to contract rents, as of November 1, 1989, is:

ONE MILLION FOUR HUNDRED FIFTEEN THOUSAND DOLLARS

(\$1,415,000)

assuming cash to the seller. However, the Market Value of the shopping center must be reduced by the legal interests of the land contract vendor,

Alfred E. Anding
Page Two
November 1, 1989

Ruth E. Zevnik, to determine net Market Value of the Anding Enterprises interest as of November 1, 1989. That value is determined to be:

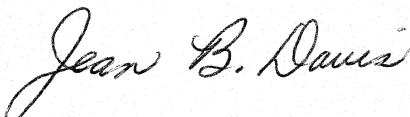
ONE MILLION THREE HUNDRED TWENTY THOUSAND DOLLARS

(\$1,320,000)

assuming cash to the seller and no benefit to the buyer from the eight percent land contract which would be escrowed in a substitute collateral arrangement by the seller, but not prepaid.

We are pleased to have been of service to you and remain available to answer questions you may have regarding this appraisal.

FOR LANDMARK RESEARCH, INC.,



Jean B. Davis, President
Real Estate Analyst/Appraiser

Enclosures

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I. PURPOSE AND DATE OF THE APPRAISAL

The purpose of the appraisal is to determine the Market Value of the defined property interests in the property described herein, as of November 1, 1989 for refinancing. The property interests, as leased and otherwise encumbered on that date, are owned by Anding Enterprises, a Wisconsin partnership.

II. DEFINITION OF MARKET VALUE

The definition of Market Value applicable to the appraisal is as follows: [1]

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.

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

III. DEFINITION OF INTERESTS TO BE APPRAISED

A. Location of Subject Property

The subject property is a neighborhood strip shopping center located at 6825-6925 University Avenue in Middleton, Wisconsin, as further detailed in **Exhibits 1 and 2**.

B. Legal Description

The legal description of the property known as the Parkwood Plaza, as provided by Attorney Donald R. Huggett in 1987, and shown in **Exhibit 3** is as follows:

1. Rear Portion Owned in Fee Simple Title

All that part of Outlot 83, Assessor's Plat, Village of Middleton, in the City of Middleton, lying North of the North line of Elmwood Avenue being the North line of parcel described in Volume 911 of Records, page 493 as Document No. 1558460.

2. Front and Larger Portion Subject to a Land Contract

Outlot Eighty-Two (82), Assessor's Plat, Village of Middleton, in the City of Middleton, lying north of the North right of way line of Elmwood Avenue, being the North line of parcel described in Vol. 825 of Deeds, page 283, as Document No. 1171300, EXCEPT part set forth in Warranty Deed to City of Middleton recorded in Vol. 6184 of Records, page 42, #1855069.

According to the property owner, there have been no changes in the legal description since 1987.

C. Tax Assessment as of January 1, 1989

Tax Parcel Number:	50-01-386
Assessed Valuation - Land	\$259,600
Improvements	<u>716,300</u>
TOTAL	\$975,900
Property Taxes Payable in 1990 as of November 1, 1989	Not known
Special Assessments	\$526.09

Tax Assessment as of January 1, 1988

Tax Parcel Number:	50-01-386
Assessed Valuation - Land	\$253,600
Improvements	<u>529,200</u>
TOTAL	\$782,800

1988 Market Value Equivalent as determined by the Wisconsin Department of Revenue	\$840,600
Property Taxes Payable in 1989	\$21,263.10
Special Assessments for street and sidewalk	\$532.49
TOTAL TAXES DUE - 1989	\$21,795.59

D. Owner of Record

The owner of record is Anding Enterprises, a Wisconsin partnership. Anding Enterprises is the purchaser on a land contract of Outlot 82, as previously described, where legal title remains with the vendor, Ruth E. Zevnik of Mount Horeb, Wisconsin. Anding Enterprises acquired the ground lease for the majority of the parcel in 1965 from Kroger's grocery chain and thereafter built the original shopping center to suit Kroger's. As of September 30, 1978, Anding Enterprises converted the ground lease to a land contract with annual payments of \$18,139 to amortize the original balance due of \$170,000 at 8 percent per annum in 18 years, specifically on September 30, 1996. Since this arrangement was structured for the tax benefit of the vendor and to provide for her senior years, there are controls on prepayment, assignment, as well as monthly escrows for taxes and insurance. The full land contract is contained in the **Appendix**.

E. Lease Encumbrances

The vested interests of Anding Enterprises are further defined by contract rents under leases enforced as of November 1, 1989, to IGA-Foodliner grocery store, Champion Auto Parts, Walgreens Drug Store, Doorstep Video, Greenmiles Gallery II, Klinke Cleaners, Little Caesar's Pizza Parlor, and Sue's Hallmark Shop. There are no vacancies in the shopping center. Further details on these leases will be itemized in the report which follows.

F. Mortgage Liens

The appraiser has assumed that if the property had been sold on November 1, 1989, the land contract balance would have been prepaid with an alternative annuity provided the land contract vendor. The buyer would have acquired fee simple title by obtaining third party financing so there would be net cash to the seller, adjusted for repayment of land contract balance.

G. Other Licenses, Easements and Encumbrances

There are a series of utility easements to the benefit of the City of Middleton, Farmer's Union Telephone Co. (Mid-Plains), and Madison Gas and Electric Company further described in a 1987 letter from attorney Donald R. Huggett and included in the **Appendix**. According to the owner of the subject property, there have been no changes since the Huggett letter of 1987.

IV. APPRAISAL METHODOLOGY

The appraisers will first determine the Market Value of the shopping center with fee simple title and then will subtract the balance due on the land contract, as if prepaid on November 1, 1989.

V. SITE DESCRIPTION

The subject site, which is a combination of Outlot 82, subject to the land contract, and Outlot 83, owned by Anding Enterprises, is located at the southeast corner of University Avenue and Park Street, a traffic light controlled intersection in Middleton, Wisconsin, and is further bordered on the south by Elmwood Avenue as shown in Exhibit 4. It is nearly rectangular in shape and contains approximately 120,443 square feet, more or less, after small takings by the City of Middleton from the northwest corner of the site and the University Avenue frontage for street improvements.

The University Avenue frontage is approximately 440 feet with only one permitted access apron. Initially there were two permitted access aprons from University Avenue, but with the 1985 reconstruction of the University Avenue-Park Street intersection, the west access point near the intersection was eliminated and the east access apron on University Avenue was enlarged. Because of this enlargement, several parking stalls at the eastern edge of the site were eliminated. There are approximately 270 feet of frontage on Park Street with two additional access aprons and the 440 feet of frontage on Elmwood Avenue provides an additional access point adjacent to the loading dock for the grocery store at the east end of the shopping center. The eastern lot line is approximately 275 feet of depth between University Avenue and Elmwood Avenue. The total site area is allocated as follows:

	<u>SQUARE FEET</u>
Total Land Area	120,443
Building Ground Cover Area	<u>(41,772)</u>
	78,671
Sidewalk Area	<u>(3,360)</u>
	75,311
Dock and Storage	<u>(372)</u>
Asphalt Area	74,939
Side and Back Asphalt Area	<u>(23,200)</u>
Served by Parking Lights	51,739

The site provides approximately 160 stalls for a parking ratio of 3.84 stalls per 1,000 square feet of gross leasable area (GLA). All of the available site area is blacktopped and is in average condition. There are three lighting towers and a glow plastic pylon identifying Parkwood Plaza. There is an adequate delivery alley available to each store that runs parallel to Elmwood Avenue.

The site is zoned as a B-2 retail business district in Middleton, which specifies a variety of uses including groceries, hardware, dry cleaning, drug store items, and wearing apparel appropriate to a neighborhood center. The existing center does not encroach on any building height limitations, minimum lot dimensions, or other specifications of the zoning ordinances. All utilities are available to the site. For the zoning map see **Exhibit 5**.

VI. BUILDING DESCRIPTION

The Parkwood Plaza improvements created a strip center structure about 336 feet long and a width of 121 feet, except for the food store which is 133 feet deep. There is a covered truck dock and loading area at the southeastern corner of the food market for a total ground floor area 41,772 square feet. The shopping center is constructed on a poured concrete foundation and slab, except for a small excavated lower level utility area of 570 square feet for use by the supermarket. The wall systems are painted concrete block on the south and the east walls with red face brick to the west. The northern store front facade is a tan brick accent with a variety of store window modifications for energy efficiency which are noted in the photographs shown in **Exhibit 6**. The Walgreens storefront was remodeled about three years ago and a corrugated metal fascia with insulating glass has been used to establish a more contemporary facade. The only common element in the front facade is a ten-foot wide covered walkway with steel decking supported by a light channel frame and square Lally columns set back from the sidewalk curb.

The main roof system is rib steel decking on web steel joists which rest on either light steel framing or concrete block fire walls between the stores. The roof, in serviceable condition, is a hot-mopped four ply flat surface. Electrical power entries range from 600 amperes to 200 amperes depending upon the needs of the tenants. The Walgreens store has its own furnace room and a Trane climate changer for zoned air conditioning. The balance of the shops utilize gas-fired roof mounted units for heat and air conditioning. New HVAC units were installed for Klinke Cleaners, Greenmiles Gallery II, and Doorstep Video between 1987 and 1989. Each shop has its own hot water heater and some supplementary space heaters for various work areas. Each shop has one operating washroom, except Walgreens, the supermarket, and Doorstep Video which each have two washrooms. The shopping center is not sprinklered.

General interior finishes include drop acoustic ceilings with exposed strip fluorescent fixtures. The majority of the interior walls are constructed of painted concrete block, although there are few areas which have been panelled. As tenants have moved in during the last two years, the spaces have been refurbished with some improvements made to ceiling finishes and lighting fixtures. Floors are generally vinyl tile. Store equipment, shelving, and other items are furnished by the tenant.

Photographs of the shopping center are found in **Exhibit 6** and a sketch of the allocation of tenant spaces is provided in **Exhibit 7**.

VII. MOST PROBABLE USE AND MOST PROBABLE BUYER

The intersection of Park Street and University Avenue in Middleton is an important connector to significant, high income subdivisions showing strong growth during the 1980s as well as to a revitalized downtown Middleton and established residential areas to the north of University Avenue. However, traveling south, Park Street becomes Gammon Road which leads to intensive new retail service in the West Town and Odana Road areas so that consumers can now bypass Parkwood Plaza retail. Although the Foodliner is a marginal grocery store outlet, current management has been very successful in releasing vacated space and creating a tenant mix that has created new synergism for this neighborhood shopping center. The renovated Walgreens fits Middleton/Madison tastes for a drug store. Both the building and the leasing program have been updated to reposition the center as an upscale, convenient retail/specialty center in order to exploit an excellent site shape and location. Therefore the most probable use is for specialty and retail sales.

The most probable buyer will be a local investment firm seeking to add another neighborhood shopping center to its existing portfolio and thereby maximize its in-house management capabilities. The project is too small for institutional investment or out of town developers.

VIII. VALUATION OF THE SUBJECT PROPERTY

A. Income Approach

The Income Approach combines the present value of cash flows to the equity investor during the project holding period with the justified mortgage amount based on property income. The premise is that investment value is the sum of the present value of benefits to the owner plus the original balance to the loan since a loan is the present value of all the interest and principal payments due the lender under the financing contract.

The Income Approach, using discounted cash flow, begins with a determination of revenues and expenses which determine net operating income during the projection period. Revenues consist of base rents, the reimbursement of common area maintenance charges, and pass-throughs of certain costs such as real estate taxes, and percentage rents earned on gross sales over contract minimums. A detailed analysis of leases in place or likely to be in place during 1987 is provided in rent roll summarized in **Exhibit 8**. All tenants are required to reimburse common area maintenance charges (CAM) and real estate taxes subject to certain maximums. The estimated CAM charges and the tenants' pro rata share are identified in **Exhibit 9**. The calculation of real estate tax reimbursements due from each tenant over the five year projection period is provided in **Exhibit 10** with allowances for lease restrictions. A history of sales for the four tenants responsible for percentage rents is provided in **Exhibit 11** together with the calculation of percentage rents due for each time

period. It should be noted that the IGA Foodliner sales have fallen consistently and no percentage rents have been paid since 1983. Klinke Cleaners has shown steady increases each year; and the Walgreens store has shown strong increases in gross sales, but percentage rents fell in 1986-1987 because the base rent jumped from \$22,000 per year to \$48,000 per year. This rent increase was purchased in part by the owner making capital improvements to the retail space during 1986.

Each element in the revenues received from each tenant is combined into anticipated 1989 revenues as shown in **Exhibit 12**. These 1989 revenues are then projected over the next five years (through 1994) by assuming the base rents will increase according to the terms of each lease, common area maintenance charges will gradually inflate at five percent per year, and real estate taxes will increase at seven percent per year, given the increasing municipal fiscal problems which will be due to changing federal and state assistance programs and increasing school budgets. Percentage rents are assumed to increase according to the terms of each lease and the historical pattern of increase of gross sales. Walgreens's gross sales are forecast to increase at seven percent per year and Klinke's gross sales at five percent annually. Due to \$50,000 annual increases in the stops for percentage rent for Greenmiles Gallery, it is estimated that this tenant will not pay any percentage rent after 1990. The assumptions used to estimate percentage rents and base rents beyond the terms of the lease are found in **Exhibit 13**.

Forecasted expenses not included in common area maintenance include property management and leasing commissions at four percent of effective gross revenue, insurance at \$3,494 per year, 1989 real estate taxes at \$21,795.49, a reserve for structural maintenance and replacements totalling \$9,700, and amortization of tenant improvements are detailed in **Exhibit 14**. The calculations for the reserve for structural repairs and replacements are found in **Exhibit 15**. In addition, amortization of tenant improvements required to release and reposition the center were estimated to be \$3.25 per square foot on 26,172 square feet, or \$85,065, where leases will expire during the six year projection period. Whether tenants renew, extend options or new tenants must be found, costs and concessions will be incurred. These costs have been amortized over 10 years assuming five year leases with a five year renewal option.

To convert the net operating income (NOI) calculated from the factors above and displayed in **Exhibit 16** to a value estimate, the appraisers have used an after tax discounted cash flow model called ATV (After Tax Valuation). ATV was developed by an appraiser, Robert Martin, for appraisers and is marketed by Valusoft and Micromatix, Inc. The assumptions used to establish the impact of third party, first mortgage financing, the depreciable base for income tax advantage, and the requirements for investment performance are provided in **Exhibit 17**. The comparable land sales used to estimate the market value of the site, as if vacant, are provided in **Exhibit 18**.

The ATV output provided in **Exhibit 19** indicates a value of \$1,444,000, rounded to \$1,440,000; at this value, the subject property would provide a minimum after tax yield to equity of 11.5 percent and a first year before tax equity dividend of 6.2 percent. The second year equity dividend moves to a more acceptable 8.2 percent as base rents escalate and gross sales for Walgreens and Klinke Cleaners continue to increase. The resale price was set by capitalizing the sixth year NOI at a 12 percent rate. This value estimate has not been adjusted for the balance due on the land contract.

B. Market Comparison Approach

It is possible to infer from buyers' pricing behavior for previous market transactions the probable price and range of a transaction involving the subject property and a probable buyer of the type defined. It is assumed 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 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 are 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.

Three roughly comparable, but older sales of Madison area neighborhood shopping centers were found. A relatively new shopping center on Fish Hatchery Road was sold to an investment banking fund; an established and stable shopping center on Midvale Boulevard was sold to a local investment group; and a third sale was a defunct center without its original supermarket or ancillary tenants when it was purchased for total renovation by a local developer. The details on each of these three sales and a map locating them can be found in **Exhibits 20, 21, 22, and 23.**

Although a search was made for recent sales of similar neighborhood shopping centers, none could be found that included a grocery store. The Shorewood Shopping Center was sold recently for \$1,565,000 upon the death of its owner, L.J. Fitzpatrick. This mixed retail-office center has approximately 24,850 square feet (GBA) of retail space and 13,262 square feet (GBA) of office space, but no grocery store. The sales price translates to \$41.06 per square foot of GBA. Based upon 23,478 square feet of gross leasable retail area (GLA) and 9,309 square feet of net rentable office area (NRA), the per square foot sales price would be \$47.73.

The Sentry Store located at 2502 Allen Blvd. in Middleton sold in 1987 for \$535,000; although the grocery store appears to be a part of the adjacent shopping center to the north, it is in separate ownership located on a separate parcel. This store, built in 1971, has an estimated 20,160 square feet of gross leasable area (GLA); the sales price translates to approximately \$27 per square foot of GLA.

To adjust the sale prices of the comparable sales for time, the Implicit Price Deflator for the Gross National Product is used. The first two sales were completed late in 1986 when the Implicit Price Deflator was 115.1. The Mid Town Square property was sold in the last quarter of 1984, but the property was

not renovated until 1986 so it is assumed the price already contained a time carry factor. The deflator, as of June 1989 was reported to be 125.9; the per square foot price adjustments are as follows:

<u>SHOPPING CENTER</u>	<u>1986</u>	<u>1989</u>
Fitchburg Ridge	\$40.44	\$44.23
Midvale Plaza	\$39.17	\$41.36
Mid Town Square	\$11.14	\$12.19

Financing terms are those of third party institutional lenders so no cash equivalency adjustments were necessary.

With a limited degree of comparability, it is necessary to adjust for differences between the comparable sales and the subject property for factors greatly influencing investor buyer calculus. These selected attributes and a point scoring system for distinguishing among the comparable sales and the subject property are provided in **Exhibit 24**. These scores must be converted from an ordinal ranking for each attribute to a cardinal ranking reflecting the combined impact of the score for each property and relative to each other. For this purpose weights are computed using a computer program called QP4 developed by Gene Dilmore, a nationally known appraiser, based upon research at the University of Wisconsin. The price per square foot for each comparable is divided by its weighted point score to determine the price per point per square foot of gross leasable area (GLA) which is then converted to the mean price per point per square foot of GLA.

The resulting price algorithm is then tested for its ability to predict the price of each comparable with some acceptable variance from the actual sales price. If the algorithm replicates the prices actually paid for the comparable properties, the appraiser then assumes it would also anticipate the probable price of the subject property when the subject property is scored with the same weighted point system. The results of this process are provided in **Exhibit 25**. In this case a very tight distribution is achieved, indicating a value range of \$33.99 per square foot on the low side to \$34.41 per square foot of GLA.

The Market Comparison Approach indicates that the subject property with 41,564 square feet of GLA and a weighted point score of 3.10 has an estimated Market Value of \$1,421,000, plus or minus \$8,500, as of November 1, 1989. In this case, the low estimate of value is applied to the subject property to recognize the below market lease currently enjoyed by IGA-Foodliner. Therefore, the estimated value of the subject property, based upon the Market Comparison Approach is \$1,413,00.

C. Cost Approach

The Cost Approach is based on the premise that the value of property can be indicated by the current cost to construct a reproduction or replacement for the improvements minus the amount of depreciation evident in the structure from all causes plus the value of the land and entrepreneurial profit. Current costs for constructing improvements are derived from cost estimators, cost estimating publications, builders and contractors.

The Calculator Method, a computerized cost service of the Marshall and Swift Valuation Service, provides a check on the values estimated by both the Market Comparison Approach and Income Approach. The Calculator Method was applied to the subject property based upon the cost assumptions provided in the input form shown in **Exhibit 26**. The land value for the 120,443 square foot site was estimated at \$2.75 per square foot or \$331,220, rounded to \$331,000, based upon the comparable land sales provided in **Exhibit 18**.

Using the Cost Approach, the land and building value depreciated for physical wear and tear and functional obsolescence should approximate market value if rented at market rents. In this case, the shopping center is subject to one below market rent lease. Therefore, the difference between market rent and contract rent is a form of economic obsolescence which must be added to the physical depreciation adjustment. The present value of the rent loss due to contract rent that is below market is calculated in **Exhibit 27** and totals approximately \$60,500. These various factors are integrated into the Marshall and Swift summary output shown in **Exhibit 28**, which concludes that the depreciated value of the improvements plus land as vacant is \$1,340,000 as of November 1, 1989.

IX. RECONCILIATION OF VALUATION METHODOLOGIES FOR VALUE CONCLUSION

The Income Approach, which is the primary indicator of value for this type of property when using contract rents, suggests an investment value of \$1,434,000. As a result, this value is weighted 70 percent in setting the value of the subject property encumbered only by the leases.

The Market Approach also provides a reasonable approach to value at \$1,413,000, but it is impossible for the appraiser to evaluate the possible impact of the below market lease for 30 percent of tenant space on this suggested value for the subject property. Also, these sales have aged and there are no current sales of comparable neighborhood shopping center properties in this area. Therefore, the Market Approach is weighted 15 percent.

The Cost Approach is less reliable for a property of this age which is subject to significant elements of physical and economic obsolescence. But the recent acquisition of some new HVAC equipment and the refurbishment of many of the tenant spaces have increased the effective life of this property. A weight of 15 percent is placed on the depreciated cost to replace.

A synthesized weighted average is calculated as follows:

COST APPROACH (Marshall & Swift)	\$1,340,000 * 15%	=	\$ 201,000
MARKET APPROACH (Based upon three comparable sales)	\$1,413,000 * 15%	=	\$ 211,950
INCOME APPROACH (Five year discounted cash flow)	\$1,434,000 * 70%	=	<u>\$1,003,800</u> \$1,416,750
ROUNDED			\$1,415,000 =====

THEREFORE, THE APPRAISERS CONCLUDE THAT THE MARKET VALUE OF THE PARKWOOD PLAZA, ENCUMBERED BY CONTRACT RENTS, AS OF NOVEMBER 1, 1989, IS:

ONE MILLION FOUR HUNDRED FIFTEEN THOUSAND DOLLARS

(\$1,415,000)

assuming cash to the seller.

The total value as of November 1, 1989, is allocated between land and improvements as follows:

LAND	\$ 331,000
IMPROVEMENTS	<u>1,084,000</u>
TOTAL	<u>\$1,415,000</u> =====

The Market Value of the fee encumbered by contract rents as of November 1, 1989, is \$1,415,000, but Anding Enterprises has only a partial fee interest in the property due to the remaining balance on the land contract to Ruth E. Zevnik. The balance due on the land contract as October 1, 1989, was reported by the Anding Enterprises to be \$94,446.10 plus interest earned at eight percent, from October through October 31, 1989. With interest at eight percent per year, the balance due on November 1, 1989, was approximately \$95,000. Therefore, the Market Value of the Anding Enterprise interest, with the land contract encumbrance must be reduced by the balance due on the land contract, leaving an adjusted Market Value of \$1,320,000.

THEREFORE, THE APPRAISERS CONCLUDE THAT MARKET VALUE OF THE PARKWOOD PLAZA, ENCUMBERED BY CERTAIN CONTRACT RENTS AND A LAND CONTRACT WITH LIMITED PREPAYMENT PRIVILEGES, WITH CASH TO THE SELLER, AS OF NOVEMBER 1, 1989, IS:

ONE MILLION THREE HUNDRED TWENTY THOUSAND DOLLARS
(\$1,320,000)

EXHIBITS

FOR

PARKWOOD PLAZA

EXHIBIT 1

MADISON AREA MAP FOR PARKWOOD PLAZA

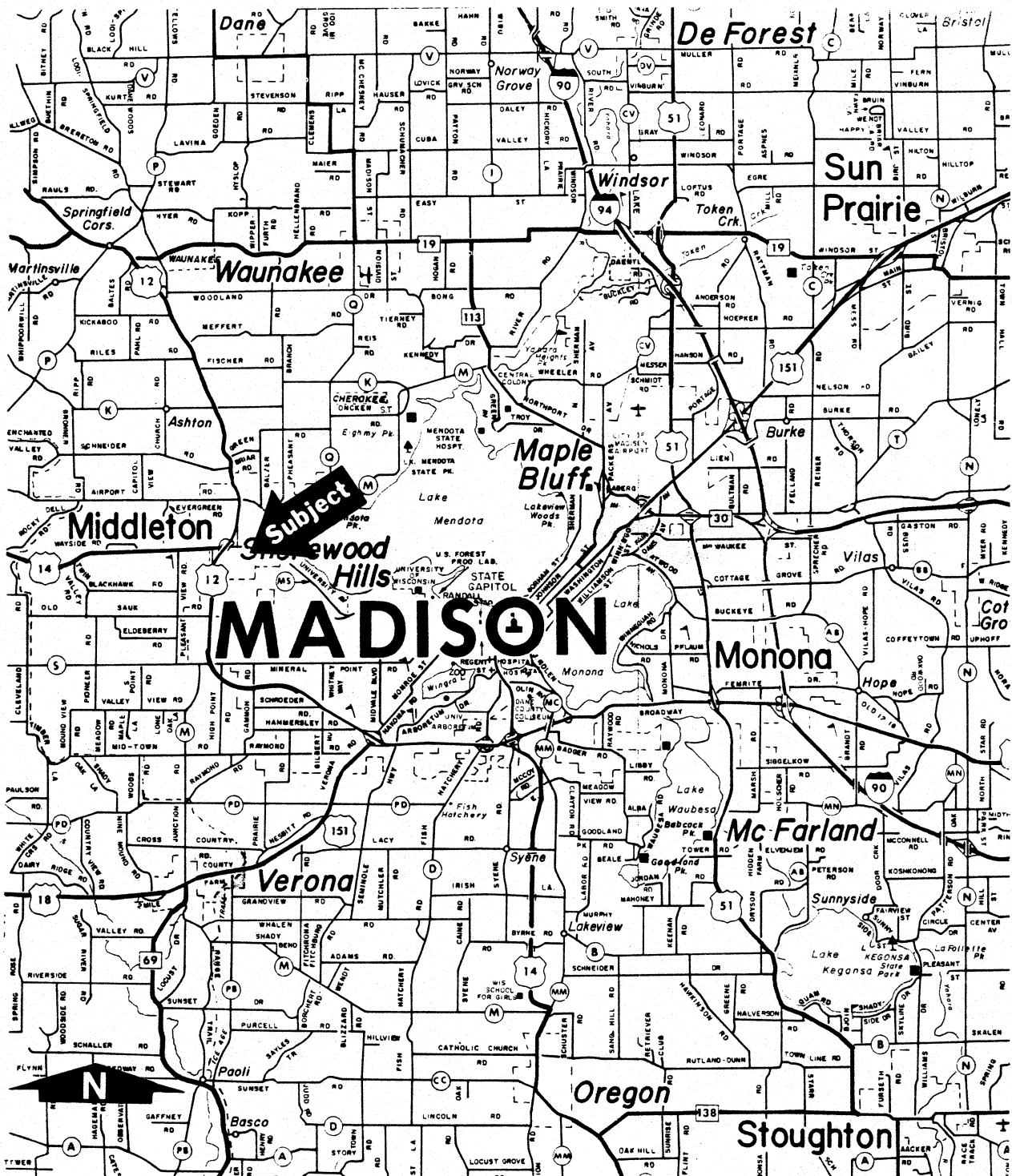
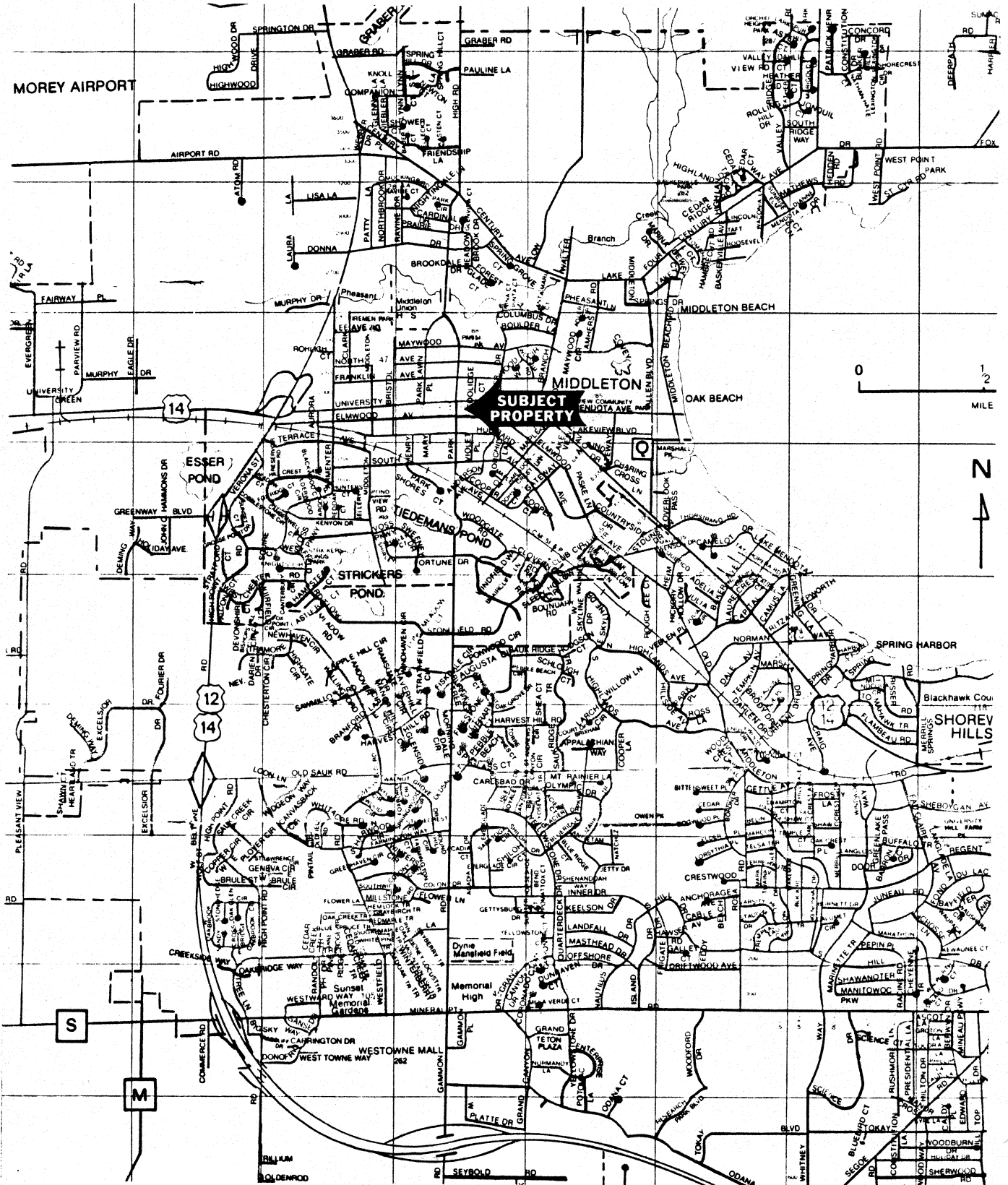


EXHIBIT 2

MIDDLETON-MADISON NEIGHBORHOOD MAP OF SUBJECT PROPERTY



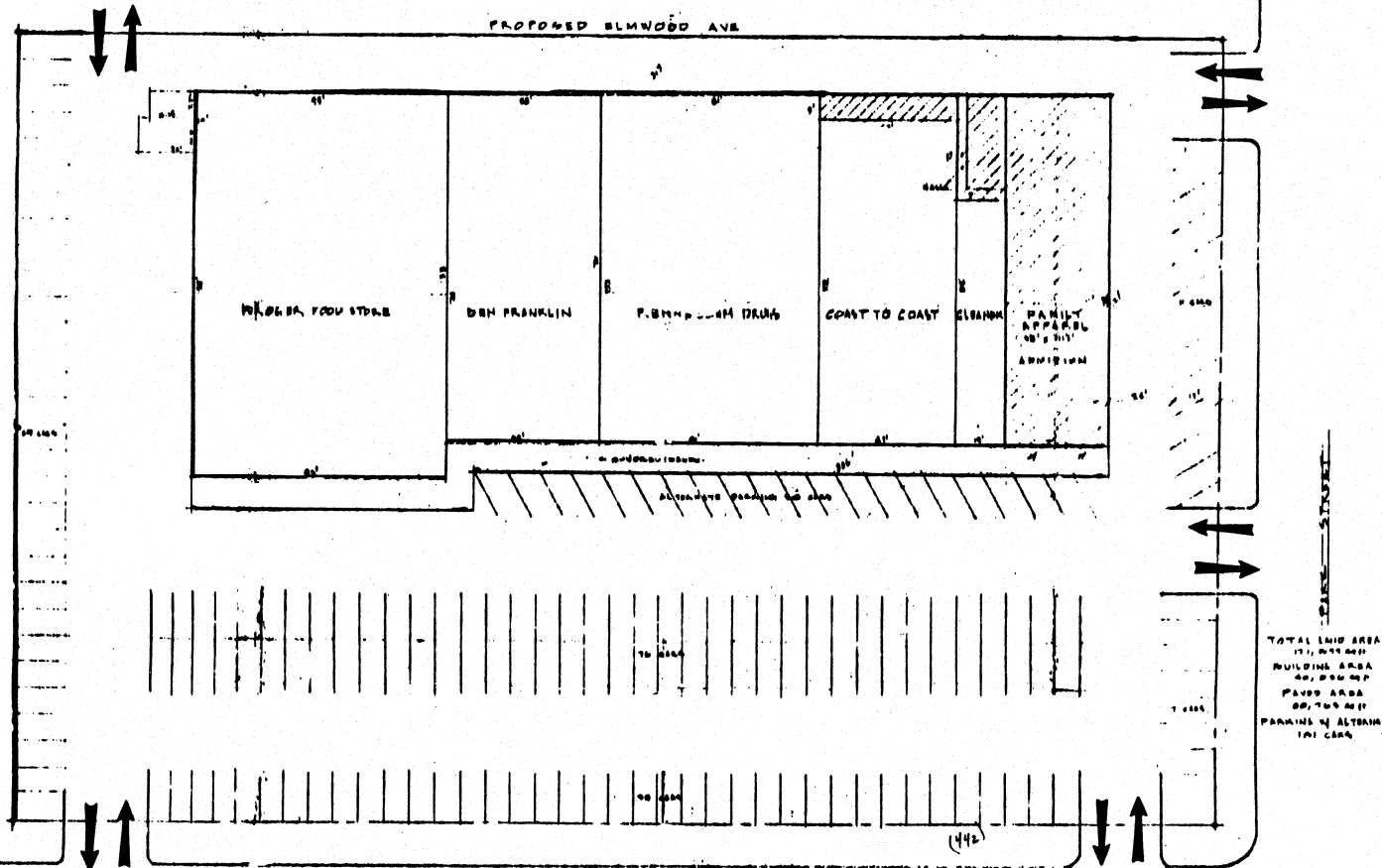
SKETCH OF SURVEY MAP OF PARKWOOD PLAZA SITE



PARKWOOD PLAZA

MIDDLETON WISCONSIN

PROPOSED ELMWOOD AVE



Enlarged in 1985 when
west apron eliminated

Eliminated in 1985 with
reconstruction of intersection

EXHIBIT 4
1968 SITE PLAN
BEFORE ELMWOOD AVENUE WAS DEVELOPED

REVISED PLOT PLAN

ANDING CONSTRUCTION CO.
JAMES DEWEY NICKEL ARCHITECT & ASSOCIATES

9/7/85

EXHIBIT 5
ZONING MAP FOR SUBJECT SITE

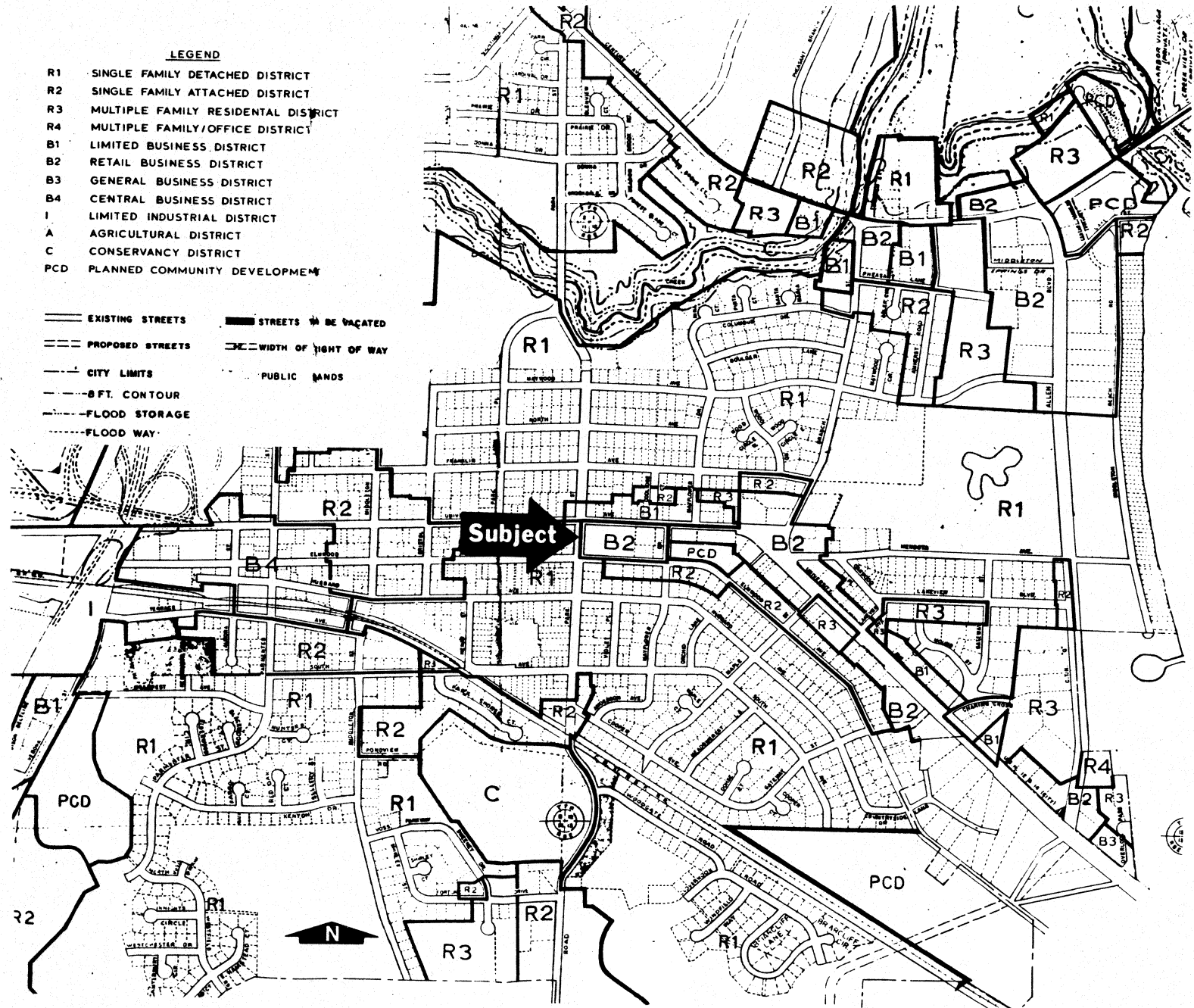


EXHIBIT 6

PHOTOGRAPHS OF PARKWOOD PLAZA



The IGA-Foodliner is at the eastern end of the shopping center. Notice the loading dock for the grocery store.



Looking at the rear of Parkwood Plaza from the southwest corner of the site at the intersection of Park Street and Elmwood Avenue

EXHIBIT 6 (Continued)



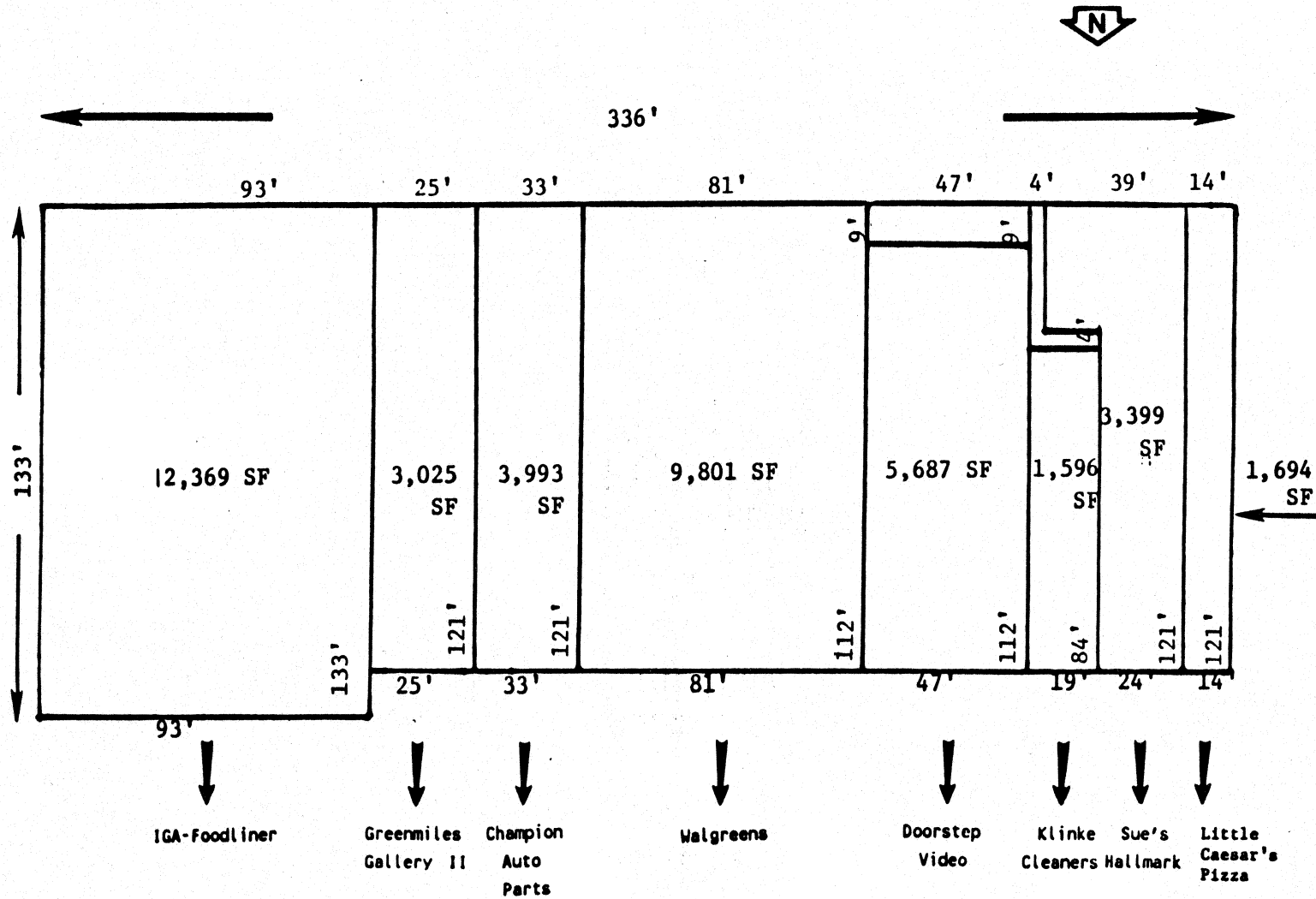
Walgreens was remodeled a few years ago and has been the anchor for Parkwood Plaza.



Doorstep Video now occupies the space that had been vacated by the Coast to Coast Stores.

EXHIBIT 7

SKETCH OF RETAIL SPACES
FOR PARKWOOD PLAZA



-NOT TO SCALE-

Landmark Research, Inc.

EXHIBIT 8

RENT ROLL FOR PARKWOOD PLAZA
1989 - 1990

RENT ROLL - PARKWOOD PLAZA 1989 - 1990

TENANT	GROSS LEASABLE AREA (GLA) (SF)	PROPORTIONATE SHARE OF GLA	ANNUAL BASE RENTS	YEAR	BASE RENT/SF	BASE RENT ESCALATOR	PERCENTAGE RENT	SALES/SF/ YEAR TO PRODUCE MINIMUM
IGA - Foodliner [1]	12,369	30.00%	\$20,408		\$1.65	None	1% of gross sales over \$2,040,800	\$164.99
Greenmiles Gallery II	3,025 (3,000) on lease	6.96%	\$10,200 1989 \$12,000 1990 \$13,800 1991 \$15,600 1992		\$3.37 \$3.97 \$4.56 \$5.16	None	2% of all sales over \$100,000 over \$150,000 over \$200,000 over \$250,000	\$33.33 \$50.00 \$66.67 \$83.33
Champion Auto Parts	3,993 (4,000) on lease	10.39%	\$16,983		\$4.25	Annual CPI with limit of 30% increase over lease term	None	N/A
Walgreens	9,801	23.82%	\$48,000		\$4.90		3% of gross sales less base rent	\$163.25
Doorstep Video	5,687	12.57%	\$24,600 \$27,600 \$30,600 \$33,600	9/1/89-8/31/90 9/1/90-8/31/91 9/1/91-8/31/92 9/1/92-8/31/93	\$4.33 \$4.85 \$5.38 \$5.91	None	None	N/A
Klinke Cleaners	1,596 (1,600)	3.88%	\$12,000 \$13,200 \$14,400	7/1/89-6/30/92 7/1/92-6/30/94 7/1/94-6/30/97	\$7.52 \$8.27 \$9.02	None	8% of gross sales over \$150,000 over \$165,000 over \$180,000	\$93.75 \$103.13 \$112.50
Sue's Hallmark	3,399	9.38%	\$15,000	5/1/89-4/30/90	\$4.41	None	None	N/A
Little Caesar's	1,694	3.00%	\$9,900 \$10,260 \$10,620 \$10,980 \$11,340	1989 1990 1991 1992 1993	\$5.84 \$6.06 \$6.27 \$6.48 \$6.69	None	None	N/A
	41,564	100.00%						

- [1] IGA store also has 570 SF of basement space and 155 SF of covered storage.
 [2] Lease with Doorstep Video states that "tenant share of common area charges shall not include costs of capital improvements made by the lessor, except blacktop and driveway and all other expenditures less than \$5,000".

EXHIBIT 8 (Continued)

TENANT	TERM OF LEASE	RENEWAL OPTIONS	EXPENSES					
			UTILITIES	REAL ESTATE TAXES	COMMON AREA MAINTENANCE	REPAIRS AND MAINTENANCE	STRUCTURAL REPAIRS AND REPLACEMENTS	INSURANCE
IGA - Foodliner [1]	2/28/87 - 2/28/92	1-5 Year	T	75% of increase over 1967 base as credit against % rent. Excludes special assessments	T with \$0.12/SF ceiling or \$1,484	T	L	L
Greenmiles Gallery II	1/1/89 - 12/31/91		T	Prorata share of full tax bill	T	T	L	L
Champion Auto Parts	2/1/88 - 1/31/95	1-5 Year	T	Prorata share of full tax bill	T	T \$400 annual limit to HVAC repairs	L	L
Walgreens	3/1/86 - 2/28/2007	Tenant has options to terminate 2/28/92, 2/28/97, 2/28/2002	T	Prorata share of 50% of increase over 1985 base of \$17,527-Excludes special assessments	T with \$0.40/SF ceiling or \$3,920.40	T	T = HVAC units L = plumbing, etc.	L
Doorstep Video	9/15/88 - 8/31/93	None	T	Prorata share of full tax bill	T [2]	T \$2,000 annual limit to HVAC repairs	L	L
Klinke Cleaners	7/1/87 - 6/30/97	1-5 Year	T	Prorata of all increases over 1986 base	T	T	L	L
Sue's Hallmark	5/1/87 - 4/30/90	None remaining	T	Prorata share of full tax bill	T	T	L	L
Little Caesar's	1/1/89 - 12/31/93	None remaining	T	Prorata share of full tax bill	T	T	L	L

EXHIBIT 9

ESTIMATION AND PRORATION OF COMMON AREA MAINTENANCE CHARGES
FOR PARKWOOD PLAZA

PART 1

Estimation of Common Area Maintenance (CAM) Charges
Based on Three Year History of Expenses

<u>EXPENSE CATEGORY</u>			<u>ANNUAL ESTIMATE FOR 1989</u>
ELECTRICITY			
Parking lot lights			
9/86 - 4/88	= 20 mos. =	\$1,905.61	
5/88 -12/89	= 20 mos. =	<u>1,650.32</u>	
	40 mos.	\$3,555.93	
Weighted average/mo.	= \$ 88.89		
Weighted average/yr.	= \$1,066.78		
		USE	\$1,100
SNOW REMOVAL			
Snow - sand - salt			
11/86 - 2/88	=2 Seasons =	\$2,609.40	
12/88 - 3/89	=1 Season =	<u>1,364.38</u>	
	3 Seasons =	\$3,973.78	
Weighted average/season	=\$1,324.59		
		USE	\$1,500
PARKING LOT			
Supplies, pot hole repair, line marking			
4/87 - 4/88	= 12 mos. =	\$ 542.02	
5/88 - 4/89	= 12 mos. =	<u>508.45</u>	
	24 mos.	\$1,050.47	
Weighted average/mo.	= \$ 43.77		
Weighted average/yr.	= \$ 525.24		
		USE	\$ 530
GROUNDS MAINTENANCE			
6/86 - 5/88	= 24 mos. =	\$3,481.35	
6/88 - 5/89	= 12 mos. =	<u>3,826.15</u>	
	= 36 mos. =	\$7,307.50	
Weighted average/mo.	= \$ 202.99		
Weighted average/yr.	= \$2,435.83		
Given pattern of expenses over time,		USE	\$3,500
PARKING LOT SIGN REPAIR			
1985-1986	= 12 mos. =	\$ 133.77	
1986-1987	= 12 mos. =	<u>133.88</u>	
	24 mos. =	\$ 267.65	
Weighted average/mo.	= \$ 11.15		
Weighted average/yr.	= \$ 133.83		
		USE	\$ 150
ESTIMATE OF TOTAL COMMON AREA MAINTENANCE CHARGES			\$6,780
			=====

EXHIBIT 9 (Continued)

PART 2
Proration of CAM Reimbursements
1989 - 1990

TENANT	PRORATA SHARE OF CAM REIMBURSEMENTS	POTENTIAL SHARE BEFORE LEASE LIMITS	POTENTIAL SHARE ASSUMED YEAR 1
IGA - Foodliner	30.00%	\$2,034	\$1,484 [1]
Greenmiles Gallery II	6.96%	\$472	\$472
Champion Auto Parts	10.39%	\$704	\$704
Walgreens	23.82%	\$1,615	\$1,615 [2]
Doorstep Video	12.57%	\$852	\$852 [3]
Klinke Cleaners	3.88%	\$263	\$263
Sue's Hallmark	9.38%	\$636	\$636
Little Caesar's	3.00%	\$203	\$203
TOTALS	100.00%	\$6,780	\$6,229

[1] IGS-Foodliner (Kroger) lease has \$0.12/SF ceiling on CAM charges.

[2] Walgreen ceiling on CAM charges is \$0.40/SF or \$3,920.40.

[3] For Doorstep Video, CAM costs shall not include capital improvements made by lessor except blacktop, driveway, and other expenditures less than \$5,000.

Southwest Research, Inc.

EXHIBIT 10
 ESTIMATION OF REAL ESTATE TAX REIMBURSABLES
 OVER SIX YEAR PROJECTION PERIOD
 FOR PARKWOOD PLAZA
 1989 - 1994

REAL ESTATE TAX ESTIMATES - PARKWOOD PLAZA - SIX YEAR PROJECTION - 1989-1994

	R.E. TAX	% INCREASE [1]	SPECIALS [2]	TOTAL TAXES
1988 Taxes payable in 1989 =	\$21,263.10	5.67%	\$532.49	\$21,795.59
1989 Taxes payable in 1990 =	\$24,641.48	15.89%	\$312.09	\$24,953.57
1990 Taxes payable in 1991 =	\$26,366.38	7.00%	\$292.09	\$26,658.47
1991 Taxes payable in 1992 =	\$28,212.02	7.00%	\$298.19	\$28,510.21
1992 Taxes payable in 1993 =	\$30,186.87	7.00%	\$0.00	\$30,186.87
1993 Taxes payable in 1994 =	\$32,299.95	7.00%	\$0.00	\$32,299.95

ESTIMATE OF REIMBURSABLE REAL ESTATE TAXES BY TENANTS

TENANT	PROPORTIONATE SHARE OF GLA	LEASE TERMS FOR TENANT SHARE OF REAL ESTATE TAXES	1989	1990	1991	1992	1993	1994
IGA - Foodliner [3]	30.00%	Prorata share of 75% of increase over 1987 base of \$15,335 applied as credit against % rent	\$1,334	\$2,094	\$2,482	\$2,897	\$3,342	\$3,817
Greenmiles Gallery II	6.96%	Prorata share of full tax bill	\$1,517	\$1,737	\$1,855	\$1,984	\$2,101	\$2,248
Champion Auto Parts	10.39%	Prorata share of full tax bill	\$2,265	\$2,593	\$2,770	\$2,962	\$3,136	\$3,356
Walgreen Drug Store [4]	23.82%	Prorata share of 50% of increase over 1985 base of \$17,527	\$445	\$847	\$1,053	\$1,273	\$1,508	\$1,759
Doorstep Video	12.57%	Prorata share of full tax bill	\$2,740	\$3,137	\$3,351	\$3,584	\$3,794	\$4,060
Klinke Cleaners	3.88%	Prorata of all increases over 1986 base of \$18,878	\$114	\$236	\$302	\$374	\$439	\$521
Sue's Hallmark	9.38%	Prorata share of full tax bill	\$2,044	\$2,341	\$2,501	\$2,674	\$2,832	\$3,030
Little Caesar's	3.00%	Prorata share of full tax bill	\$654	\$749	\$800	\$855	\$906	\$969
	100.00%	TOTAL REAL ESTATE TAX REIMBURSABLE	\$11,112	\$13,733	\$15,114	\$16,604	\$18,058	\$19,761

- [1] The 1989 assessment of the subject property is \$975,900 as compared to the previous assessment of \$782,800. The 1989 mill rate is assumed to decrease to \$0.02525 and then increase 7% per year due, in part, to increased school budgets.
- [2] The street assessment is paid off in 1989 and the sidewalk assessment of \$1,164.14 will be paid off in 1992.
- [3] IGA has paid no % rent since 1983. Lease terms exclude tenant from responsibility of proportionate share of special assessments. Real estate taxes based upon 75% of increase over in real estate tax over 1987 base ONLY.
- [4] Walgreen lease excludes tenant from responsibility for proportionate share of special assessments. Real estate taxes based upon 50% increase in real estate tax over 1985 base ONLY.

EXHIBIT 11

HISTORICAL AND ESTIMATED PERCENTAGE RENTS
FOR PARKWOOD PLAZAPARKWOOD PLAZA
HISTORICAL AND ESTIMATED PERCENTAGE RENTS

YEAR	GROSS SALES	PERCENT RENT	TERMS
IGA - FOODLINER			
IGA - FOODLINER has not paid any percentage rent since 1983.			At 1% of gross sales over \$2,040,800
GREENMILES GALLERY II			
1988	\$89,018.73	\$1,780.37	At 2% of all sales over stops of:
1989	\$164,020 estimated (based upon 9 mos. sales of \$123,015)	\$1,280.00	1988 (2% of all sales)
			1989 \$100,000
			1990 \$150,000
			1991 \$200,000
			1992 \$250,000
RENNEBOHM/WALGREENS			
1983-84	\$1,580,833.31	\$ 30,625.00	At 3% of gross sales less base rent for these years:
1984-85	\$1,808,563.82	\$ 37,456.91	1983-84 \$16,800
1985-86	\$1,614,470.44	\$ 26,434.11	1984-85 \$16,800
1986-87	\$1,906,046.23	\$ 9,181.39	1985-86 \$22,000
1987-88	\$2,217,398.87	\$18,521.97	1986-87 \$48,000
1988-89	\$2,476,531.63	\$26,295.95	1987-88 \$48,000
			1988-89 \$48,000
KLINKES CLEANERS			
1987			At 8% of gross sales less base of:
4th Quarter			
3 Months	\$43,926.32	\$1,114.11	1987-4th Q \$30,000
1988			
1st - 4th Quarters			1988-1,2nd Q \$60,000
12 Months	\$158,700.68	\$2,496.08	1988-3,4th Q \$67,500
1989			
	\$180,312 estimated	\$3,625.00	1989 \$135,000
	(based upon 9 mos. sales of \$135,234)		
	(or \$15,026 per month)		

EXHIBIT 12

FORECAST OF 1989 REVENUES FOR PARKWOOD PLAZA

ANDING ENTERPRISES
GROSS REVENUES ESTIMATED FOR PARKWOOD PLAZA
MIDDLETON, WISCONSIN - 1989

	GROSS LEASABLE AREA (SF)	1989 ANNUAL REVENUE SOURCES	TOTAL REVENUE PER YEAR	GROSS REVENUE/SF
REVENUES				
=====				
IGA - Foodliner:	12,369			

Base Rent		\$20,408		
Percentage Rent		\$0		
Common Area Maintenance (CAM) Reimbursement		\$1,484		
Real Estate Tax Reimbursement		\$1,334		

			\$23,226	\$1.88
Greenmiles Gallery II:	3,025			

Base Rent		\$10,200		
Percentage Rent		\$1,280		
Common Area Maintenance (CAM) Reimbursement		\$472		
Real Estate Tax Reimbursement		\$1,517		

			\$13,469	\$4.45
Champion Auto Parts:	3,993			

Base Rent		\$16,983		
Percentage Rent		\$0		
Common Area Maintenance (CAM) Reimbursement		\$704		
Real Estate Tax Reimbursement		\$2,265		

			\$19,952	\$5.00
Walgreens:	9,801			

Base Rent		\$48,000		
Percentage Rent		\$26,296		
Common Area Maintenance (CAM) Reimbursement		\$1,615		
Real Estate Tax Reimbursement		\$445		

			\$76,356	\$7.79
Doorstep Video:	5,687			

Base Rent		\$24,600		
Percentage Rent		\$0		
Common Area Maintenance (CAM) Reimbursement		\$852		
Real Estate Tax Reimbursement		\$2,740		

			\$28,192	\$4.96

EXHIBIT 12 (Continued)

ANDING ENTERPRISES
GROSS REVENUES ESTIMATED FOR PARKWOOD PLAZA
MIDDLETON, WISCONSIN - 1989

	GROSS LEASABLE AREA (SF)	1989 ANNUAL REVENUE SOURCES	TOTAL REVENUE PER YEAR	GROSS REVENUE/SF
Klinke Cleaners:	1,596			
Base Rent		\$12,000		
Percentage Rent		\$3,625		
Common Area Maintenance (CAM) Reimbursement		\$263		
Real Estate Tax Reimbursement		\$114		
			\$16,002	\$10.03
Sue's Hallmark:	3,399			
Base Rent		\$15,000		
Percentage Rent		\$0		
Common Area Maintenance (CAM) Reimbursement		\$636		
Real Estate Tax Reimbursement		\$2,044		
			\$17,680	\$5.20
Little Caesar's:	1,694			
Base Rent		\$9,900		
Percentage Rent		\$0		
Common Area Maintenance (CAM) Reimbursement		\$203		
Real Estate Tax Reimbursement		\$654		
			\$10,757	\$6.35
TOTAL GROSS LEASABLE AREA	41,564			
		TOTAL REVENUE	\$205,634	\$4.95
		VACANCY 5% OF TOTAL	\$10,282	\$0.25
		EFFECTIVE GROSS REVENUE	\$195,352	\$4.70

EXHIBIT 13

ASSUMPTIONS USED TO ESTIMATE PERCENTAGE RENTS
AND
BASE RENTS BEYOND LEASE TERMS

IGA - Foodliner

IGA has not paid any percentage rent since 1983 and is not expected to do so during the six year holding period. Base rent remains constant at renewal according to the terms of the lease.

Greenmiles II

Base rent will increase at \$150 per month or \$1,800 per year through 1994.

Greenmiles II gross sales are estimated to increase at eight percent per year, but the percentage rent stops, which increase at \$50,000 per year, will exceed sales by 1991 and beyond. Therefore, there will be no percentage rent payments after 1990.

Champion Auto Parts

Base rents, which are tied to increases in the Consumer Price Index, are estimated to increase an average of 4.75 percent per year through 1994; at this rate, the total increases will be 28.58 percent over the lease term from 1988 through 1995. This is just less than the maximum of 30 percent allowed under the lease terms.

Walgreens

Gross sales will increase at seven percent per year through 1994. (Increases over the past 3 years have been double digit.)

Based upon this assumption, percentage rents will increase as follows:

1989	\$26,296
1990	\$31,497
1991	\$37,061
1992	\$43,016
1993	\$49,387
1994	\$56,204

Doorstep Video

Base rent increases at \$250 per month or \$3,000 per year.

Klinke Cleaners

Gross sales will increase at five percent per year, given the increased consumer traffic at Parkwood Plaza. The limited sales history support this trend. Percentage rent is estimated to be \$3,625 for 1989 and would increase to \$4,610 in 1994.

Sue's Hallmark

Annual base rent will increase to \$17,400 when the lease is renewed in 1990 and will increase at \$200 per month or \$2,400 per year through 1994 when the base rent will reach \$27,000 per year.

Little Caesar's

Base rent will increase \$360 per year through 1994.

EXHIBIT 14

FORECAST OF 1989 EXPENSES FOR PARKWOOD PLAZA

=====	
1989	
ESTIMATED ANNUAL EXPENSES	
=====	
Management - 4% EGR [1]	\$7,814
Common Area Maintenance (CAM)	
Electricity for Parking Lot Lights	\$1,100
Snow Removal - Sand & Salt	\$1,500
Parking Lot Sign Repair	\$530
Grounds Maintenance	\$3,500
Pest Spraying	\$150

	\$6,780
Insurance	\$3,494
Real Estate Taxes	\$21,795
Reserve for Structural Maintenance and Replacements (@ \$.233/SF)	\$9,700
Amortization of Tenant Improvements [2] (@ \$3.25/SF every 10 years)	\$8,507

TOTAL EXPENSES	\$58,090

-
- [1] The 1989 estimated effective gross revenue was \$195,352.
Therefore, the management fee at 4% of EGR is \$7,814.
- [2] Spaces which could turn over during the projection period and could
require refurbishing by a new or existing tenants are:
- | | |
|--------|--------------------------------|
| 12,369 | IGA in 1992 |
| 3,025 | Greenmiles in 1991 |
| 5,687 | Doorstep Video in 1993 |
| 3,399 | Sue's Hallmark in 1990 |
| 1,694 | Little Caesar's at end of 1993 |
-
- 26,174 SF subject to expired leases during projection period
\$3.25/SF estimated cost of tenant improvements
-
- \$85,066 for 10 yrs. or \$8,507/yr.
assumes 1 5-year period and 1 5-year renewal option
- =====

EXHIBIT 15

PARKWOOD PLAZA
ESTIMATE OF RESERVES FOR STRUCTURAL REPAIRS AND REPLACEMENTSANNUAL RESERVE AMOUNTPARKING LOT

Repaving over existing base @ \$3.45/SY
with improvement life of 20 years

75,000 SF of parking lot/9 = 8,333 SY
8,333 SY * \$3.45 = \$28,750/20 years \$1,438

HVAC REPLACEMENTS

Replace units as required @ \$2.15/SF of GLA
with improvement life of 20 years

41,772 SF * \$2.15 = \$89,810/20 years 4,491

ROOF REPLACEMENT

Replace with equivalent of four ply built-up
roof or rubber roof @ \$1.80/SF of GLA with
improvement life of 20 years

41,772 SF * \$1.80 = \$75,190/20 years 3,759

TOTAL ANNUAL RESERVE \$9,688

ROUNDED \$9,700
=====

AVERAGE ANNUAL RESERVE CONTRIBUTION PER SF OF GLA = \$0.233

EXHIBIT 16

SIX YEAR REVENUE AND EXPENSE FORECAST
FOR PARKWOOD PLAZA

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
IGA-BASE RENT	\$20,408	\$20,408	\$20,408	\$20,408	\$20,408	\$20,408
IGA % RENT	\$0	\$0	\$0	\$0	\$0	\$0
GREENMILES BASE RE	\$10,200	\$12,000	\$13,800	\$15,600	\$17,400	\$19,200
GREENMILES % RENT	\$1,280	\$543	\$0	\$0	\$0	\$0
CHAMPION BASE RENT	\$16,983	\$17,790	\$18,635	\$19,520	\$20,447	\$21,418
WALGREEN BASE RENT	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000	\$48,000
WALGREEN % RENT	\$26,296	\$31,497	\$37,061	\$43,016	\$49,387	\$56,204
DOORSTEP BASE RENT	\$24,600	\$27,600	\$30,600	\$33,600	\$36,600	\$39,600
KLINKES BASE RENT	\$12,000	\$12,000	\$12,000	\$12,000	\$13,200	\$13,800
KLINKES % RENT	\$3,625	\$3,748	\$3,904	\$4,099	\$4,334	\$4,610
HALLMARK BASE RENT	\$15,000	\$17,400	\$19,800	\$22,200	\$24,600	\$27,000
LITTLE CAESAR BASE	\$9,900	\$10,260	\$10,620	\$10,980	\$11,340	\$11,700
CAM REIMBURSABLES	\$6,229	\$6,540	\$6,867	\$7,211	\$7,571	\$7,950
RE TAX REIMBURSABL	\$11,113	\$13,733	\$15,114	\$16,604	\$18,058	\$19,761
GROSS INCOME	\$205,634	\$221,517	\$236,809	\$253,238	\$271,345	\$289,651
VACANCY	-\$10,282	-\$11,076	-\$11,840	-\$12,662	-\$13,567	-\$14,483
EFF. GROSS INCOME	\$195,352	\$210,441	\$224,969	\$240,576	\$257,778	\$275,169
MANAGEMENT FEE	\$7,814	\$8,418	\$8,999	\$9,623	\$10,311	\$11,007
ELECTRICITY	\$1,100	\$1,155	\$1,213	\$1,273	\$1,337	\$1,404
SNOW REMOVAL	\$1,500	\$1,575	\$1,654	\$1,736	\$1,823	\$1,914
PARKING LOT MAINTN	\$530	\$557	\$584	\$614	\$644	\$676
GROUND MAINTENANCE	\$3,500	\$3,675	\$3,859	\$4,052	\$4,254	\$4,467
SIGN REPAIR	\$150	\$158	\$165	\$174	\$182	\$191
INSURANCE	\$3,494	\$3,669	\$3,852	\$4,045	\$4,247	\$4,459
PROPERTY TAXES	\$21,796	\$24,954	\$26,658	\$28,510	\$30,187	\$32,300
RESERVES	\$9,700	\$9,700	\$9,700	\$9,700	\$9,700	\$9,700
AMORT TENANT IMPRO	\$8,507	\$8,507	\$8,507	\$8,507	\$8,507	\$8,507
TOTAL EXPENSES	-\$58,091	-\$62,366	-\$65,191	-\$68,233	-\$71,193	-\$74,626
NET OPERATING INC.	\$137,261	\$148,075	\$159,778	\$172,342	\$186,585	\$200,542

[1] See Exhibits 8 through 15 for the detail of each line item for revenue and expenses.

EXHIBIT 17

PARKWOOD PLAZA
ASSUMPTIONS USED FOR SIX YEAR DISCOUNTED CASH FLOW

PARKWOOD PLAZA
MIDDLETON, WISCONSIN
ASSUMPTIONS USED IN ATV
DISCOUNTED CASH FLOW

HOLDING PERIOD	=	SIX YEARS
EQUITY YIELD RATE	=	12%
DEBT COVER RATIO	=	1.3
INTEREST RATE	=	10.5%
AMORTIZATION PERIOD	=	25 YEARS
INVESTOR'S INCOME TAX RATE	=	ORDINARY = 33% CAPITAL GAIN = 33%
DEPRECIATION METHOD	=	STRAIGHT LINE - 31.5 YEAR LIFE
LAND VALUE	=	\$331,220 (\$2.75/SF * 120,443 SF) ROUNDED \$331,000
RESALE PRICE	=	12% CAP OF SIXTH YEAR NOI
VACANCY AND COLLECTION LOSS	=	5% OF GROSS REVENUE
MANAGEMENT FEE	=	4% OF EFFECTIVE GROSS REVENUE
COMMON AREA MAINTENANCE EXPENSES	=	INCREASE ANNUALLY AT 5%
INSURANCE EXPENSE	=	INCREASE ANNUALLY AT 4%
REAL ESTATE TAXES	=	INCREASE ANNUALLY AT 7%
REAL ESTATE TAX REIMBURSEMENTS	=	SEE EXHIBIT 10
PERCENTAGE RENT PAYMENTS	=	SEE EXHIBIT 11
BASE RENTS AND PERCENTAGE RENTS BEYOND LEASE TERMS	=	SEE EXHIBIT 13

EXHIBIT 18

COMPARABLE COMMERCIAL VACANT LAND SALES
FOR PARKWOOD PLAZA

Address	Main Points of Reference	Zoning	Site Size (SF)	Acres	Sale Date	Sale Price	Price/SF
11 N. Walldridge Ave.	S. Stoughton Rd./ Milwaukee Ave.	C1	121,974	2.80	1/21/86	\$152,468	\$1.25
7944 Tree Lane	Mineral Point Rd./ W. Beltline	C1	188,519	4.33	12/20/85	\$555,000	\$2.94
7406 Mineral Point Rd.	Cambridge Ct. Shopping Center	C2	165,436	3.80	10/1/82	\$445,000	\$2.69
4435 Hammersley Rd.	Midvale Blvd./ W. Beltline	C2	97,579	2.24	4/1/86	\$370,000	\$3.79
4522 Cottage Grove Rd.	S. Stoughton Rd./ Atlas Ave.	C2	74,902	1.72	4/19/83	\$179,800	\$2.40
414 High Point Rd.	Mineral Point Rd./ W. Beltline	C3	89,792	2.06	12/31/85	\$202,037	\$2.25
4701 East Towne Blvd.	East of East Towne Shopping Center	C3	653,400	15.00	6/18/85	\$1,540,000	\$2.36
5702 Odana Rd.	Odana Rd./ Whitney Way	C3-L	73,905	1.70	4/26/85	\$200,000	\$2.71
2020 Aberg	North of Oscar Mayer	C3	60,113	1.38	1/2/85	\$75,000	\$1.25
7865 Big Sky Drive	E. of West Towne Mall S. of Mineral Pt. Rd.	C3	60,882	1.40	6/5/86	\$182,700	\$3.00
7818 Big Sky Drive	E. of West Towne Mall S. of Mineral Pt. Rd.	C3	67,550	1.55	8/5/86	\$152,000	\$2.25
401 S. Yellowstone Dr.	W. of West Towne Mall	C3-L	72,417	1.66	5/17/84	\$218,400	\$3.02
6400 Enterprise Lane	W. of West Towne Mall	C3-L	104,537	2.40	10/30/86	\$340,260	\$3.25

EXHIBIT 19

PARKWOOD PLAZA
INCOME APPROACH VALUATION - ATV DISCOUNTED CASH FLOW

PARKWOOD PLAZA
6825-6925 UNIVERSITY AVENUE
MADISON, WISCONSIN 53562
By LANDMARK RESEARCH INC

VALUE	<u>\$1,433,930.</u>
AFTER TAX YIELD	12.00000
OVERALL RATE	0.09572
MORTGAGE CONSTANT	0.11330
MORTGAGE VALUE	\$931,895.
BUILDING VALUE	\$1,102,930.
EQUITY VALUE	\$502,035.
EQUITY DIVIDEND	0.06309

EQUITY YIELD RATE	12.00000
HOLDING PERIOD	6
LOAN NUMBER	1
INTEREST RATE	0.10500
LOAN TERM	25.00000
PAYMENTS PER YEAR	12
DSCR & LOAN/VALUE RATIOS	1.30000
TAX RATE	0.33000
CAPITAL GAINS TAX RATE	0.33000
RESALE PRICE	\$1,671,187.
LAND VALUE	\$331,000.
DEPRECIATION METHOD	SL
COST RECOVERY PERIOD	32
NET OPERATING INCOME	\$137,261.
CHANGE IN NOI	0.46103
INCOME ADJUSTMENT FACTOR	YR
SELLING COST	0.04000

CASH FLOW SUMMARY

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
NOI	\$137,261.	\$148,075.	\$159,778.	\$172,342.	\$186,585.	\$200,542.
DEBT SER#1	-\$105,586.	-\$105,586.	-\$105,586.	-\$105,586.	-\$105,586.	-\$105,586.
BTCF	\$31,676.	\$42,489.	\$54,192.	\$66,757.	\$80,999.	\$94,957.
NOI	\$137,261.	\$148,075.	\$159,778.	\$172,342.	\$186,585.	\$200,542.
INTEREST 1	-\$97,466.	-\$96,571.	-\$95,577.	-\$94,474.	-\$93,250.	-\$91,891.
DEPREC	-\$35,014.	-\$35,014.	-\$35,014.	-\$35,014.	-\$35,014.	-\$35,014.
TAXABLE	\$4,782.	\$16,490.	\$29,187.	\$42,854.	\$58,321.	\$73,638.
TAXES	\$1,578.	\$5,442.	\$9,632.	\$14,142.	\$19,246.	\$24,301.
ATCF	\$30,098.	\$37,048.	\$44,561.	\$52,615.	\$61,753.	\$70,656.

RESALE PRICE	\$1,671,187.
SELLING COST	-\$66,847.
LOAN BALANCE # 1	-\$867,611.

BEFORE TAX PROCEEDS	\$736,728.
TAXES	-\$125,562.
AFTER TAX PROCEEDS	\$611,166.

RESALE PRICE	\$1,671,187.
SELLING COST	-\$66,847.
ADJUSTED BASIS	-\$1,223,848.
TAXABLE GAIN	\$380,491.
LONG TERM GAIN	\$380,491.
ORDINARY TAXES	\$0.
CAPITAL GAINS TAX	\$125,562.

EXHIBIT 20

PARKWOOD PLAZA
LOCATION MAP FOR COMPARABLE SALES

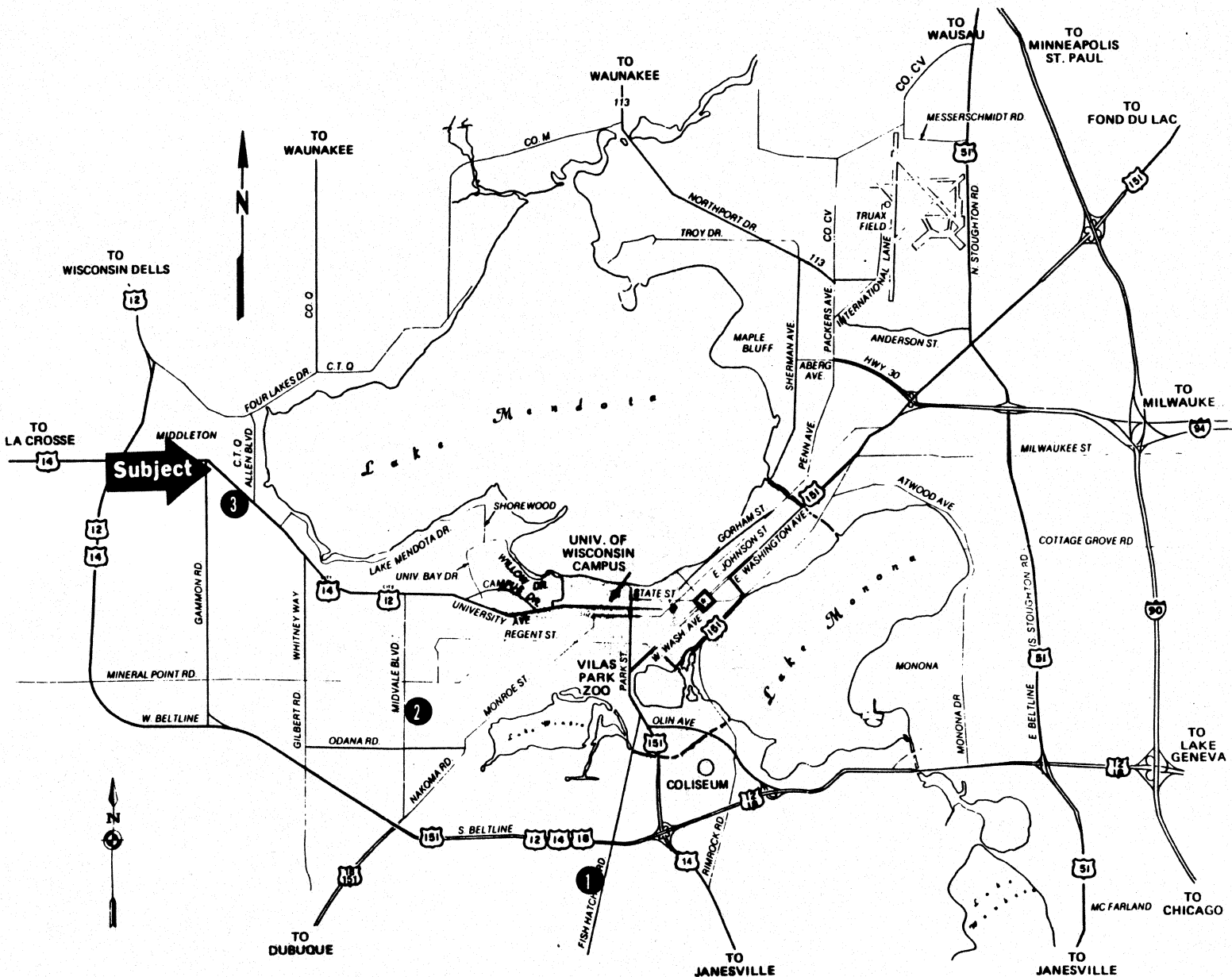


EXHIBIT 21

PARKWOOD PLAZA
COMPARABLE SALE NO. 1



ADDRESS:	Fitchburg Ridge Shopping Center 3034-3060 Fish Hatchery Road
SALE DATE:	October 22, 1986
SALE PRICE:	\$2,034,000
SALE PRICE PER SF OF GROSS LEASABLE AREA (GLA)	\$40.44
TIME ADJUSTED SALE PRICE PER S.F. AS OF 1989	\$44.23, Implicit Price Deflator for GNP
FINANCING:	\$719,000 down (35.4%) and mortgage of \$1,315,000 at 10 5/8% interest, 30 year amortization with a call in 1995.
SELLER:	Fitchburg Ridge Limited Partnership
BUYER:	Center Income Properties 2
RECORDING DATA:	Warranty Deed, Volume 8975, Page 66, Dane County Register of Deeds

EXHIBIT 21 (Continued)

BUILDING SIZE:	50,302 GLA
CONSTRUCTION TYPE:	Concrete block with steel interior columns on concrete floor slab; Steel stud demising walls; Store fronts of plate glass and cedar siding; Built-up roof over rigid insulation on corrugated steel deck;
YEAR BUILT:	1980
LOT SIZE:	240,160 SF or 5.51 acres
RATIO OF LOT SIZE/GLA	4.77
PARKING STALLS:	250
FRONTAGE:	390 feet on Fish Hatchery Road excluding office building and bank site; with these two sites, 785 feet of frontage; 314 feet on Post Road; 92 feet on Traceway Drive
ZONING:	B-G, City of Fitchburg
ACCESS:	From Fish Hatchery Road, may turn into site from either direction, although turning left is difficult because of poor visibility of fast oncoming southbound traffic on Fish Hatchery Road; turning left from Fish Hatchery Road and entering via Post Road, which has an entry point onto the site, has the same problem and also leads onto the bank site first and not directly to the shopping center; access from Fish Hatchery Road via Traceway Drive at the south end of the center is the best for traffic going left onto or off the shopping center. At the time of sale, widening of Fish Hatchery Road to a four-lane road was in process to provide left turn lanes at Post Road and Traceway Drive for northbound traffic.

EXHIBIT 21 (Continued)

1987 DEMOGRAPHICS WITHIN
TWO MILE RADIUS:
(at approximate time of sale)

Population = 21,302
No. of Families = 4,641
No. of Households = 9,661
Per capita Income = \$12,996
Median Family Income = \$31,415
Median Household Income = \$24,108

TENANT MIX:

Grocery
Hardware
Liquor
Laundromat
Veterinary clinic
Video
Beauty shop
Flower shop

REMARKS:

Purchased at an 11.5% capitalization
rate based upon a 1987 pro forma NOI of
\$233,910.

TYME Machine included in sale; office
building, Dairy Queen, and First
Federal S & L not included in sale.

EXHIBIT 22

PARKWOOD PLAZA
COMPARABLE SALE NO. 2



ADDRESS:	Midvale Plaza 525 South Midvale Boulevard
SALE DATE:	December 30, 1986
SALE PRICE:	\$1,700,000 plus participation in overage rents over 5 years of approximately \$20,000 per year.
PRICE PER SF OF GROSS LEASABLE AREA (GLA)	\$39.10, including the participation of overage rents at a 12% discount
TIME ADJUSTED SALE PRICE PER S.F. AS OF 1989	\$41.63, Implicit Price Deflator for GNP
FINANCING:	\$300,000 down (18%) and mortgage of \$1,400,000
SELLER:	Madison Real Estate Properties
BUYER:	Midvale Plaza Joint Venture
RECORDING DATA:	Warranty Deed, Volume 9314, Page 86 Dane County Register of Deeds

EXHIBIT 22 (Continued)

BUILDING SIZE:	Strip center of 39,671 GLA and an office building of 5,680 GLA for a total of 45,191 GLA
CONSTRUCTION TYPE:	Strip center is single-story brick and concrete block with load bearing walls on a poured concrete foundation slab on ground floor; 1973 addition at north end has pre-engineered steel exterior walls; Built-up roof over an open web steel joist and metal deck structure. Office building is single story with load bearing metal stud walls with a face brick veneer on poured concrete slab over concrete footings and foundation walls; a flat roof is covered with a tar and gravel roofing with decorative mansard roof trim of cedar shake shingle
YEAR BUILT:	Strip shopping center in 1958 with addition in 1973; office building in 1973
LOT SIZE:	157,498 SF or 3.62 acres
RATIO OF LOT SIZE/GLA	3.49
PARKING STALLS	200
FRONTAGE:	595 feet on Midvale Boulevard 595 feet on Caromor Drive 265 feet on Tokay Boulevard
ZONING:	C-1, City of Madison
ACCESS:	From Midvale Boulevard, two access points for northbound traffic; southbound traffic must turn left at Tokay Boulevard, which is a signal controlled intersection, and left at Caromor; from Tokay Boulevard, there is no access; access also available on Caromor Drive

EXHIBIT 22 (Continued)

1987 DEMOGRAPHICS WITHIN
TWO MILE RADIUS:
(at approximate time of sale)

Population = 45,225
No. of Families = 11,580
No. of Households = 19,445
Per Capita Income = \$15,280
Median Family Income = \$43,063
Median Household Income = \$31,267

TENANT MIX:

Grocery store
Liquor store
Library
Beauty shop
Ice cream shop
Dry cleaner
Pharmacy

REMARKS:

Net Operating Income (NOI) at sale was
estimated to be \$190,000 with \$40,000
as overage rents; indicated cap rate is
10.7%

EXHIBIT 23

PARKWOOD PLAZA
COMPARABLE SALE NO. 3



ADDRESS:	Mid Town Square Shopping Center 6323-33 University Avenue
SALE DATE:	November 14, 1984
SALE PRICE	\$310,000
SALE PRICE PER GROSS LEASABLE AREA (GLA)	\$11.14
TIME ADJUSTED SALE PRICE PER S.F. AS OF 1989	\$12.19, Implicit Price Deflator for GNP
FINANCING:	Cash to seller
SELLER:	Ben N. Vollen and Rose Vollen and Sol and Ruth Vollen
BUYER:	Ron Grosse, John Dahlk, and Jerry Dregne
RECORDING DATA:	Warranty Deed, Volume 6265, Page 58, Dane County Register of Deeds
BUILDING SIZE:	27,820 SF

EXHIBIT 23 (Continued)

CONSTRUCTION TYPE:	Concrete block with face brick veneer; steel truss bow-strung roof
YEAR BUILT:	1958
LOT SIZE:	109,361 SF or 2.51 acres
RATIO OF LOT SIZE/GLA	3.93
PARKING STALLS:	At sale, 125 spaces; 110 spaces after sale with re-landscaping
FRONTAGE:	299 feet on University Avenue 68 feet on Elmwood Avenue
ZONING:	B-2, City of Middleton
ACCESS:	Access at two points on University Avenue in either direction; one access from Elmwood Avenue in either direction
1987 DEMOGRAPHICS WITHIN TWO MILE RADIUS: (at approximate time of sale)	Population = 19,736 No. of Families = 5,157 No. of Households = 8,075 Per Capita Income = \$14,865 Median Family Income = \$38,653 Median Household Income = \$31,857
TENANT MIX:	Vacant grocery store Interior design store Printing/copy shop Barber shop Bakery shop
REMARKS:	This center was in poor shape; new mechanicals, electric wiring, and plumbing were required; in addition the exterior was given a facelift and parking lot was re-landscaped; the new owner estimated that at least \$500,000 was invested into renovation.

EXHIBIT 24

PARKWOOD PLAZA
SCALE FOR SCORING COMPARABLE SALES
BASED UPON PRICE SENSITIVE ATTRIBUTES

<u>ATTRIBUTE</u>	<u>WEIGHT</u>	<u>SCALE</u>
RELATIONSHIP OF SITE SIZE TO GROSS LEASABLE AREA	30%	<p>5 = Site size/GLA is > 4.5</p> <p>3 = Site size/GLA between 3.0 and 4.5</p> <p>1 = Site size/GLA is < 3.0</p>
CONDITION OF SHOPPING CENTER AT TIME OF SALE	20%	<p>5 = Well maintained - less than 10 years old or the majority of spaces renovated within the last five years</p> <p>3 = More that 10 years old - some spaces renovated within last five years, but the majority are dated</p> <p>1 = More than 10 years old - no renovation of any spaces in last five years</p> <p>0 = In need of complete renovation and the majority of spaces currently vacant</p>
1987 POPULATION DENSITY WITHIN TWO MILE RADIUS	20%	<p>5 = > 40,000 persons</p> <p>3 = > 30,000 persons but less than 40,000 persons</p> <p>1 = > 15,000 persons but less than 30,000 persons</p>

EXHIBIT 24 (Continued)

AVERAGE RENT
LEVEL AT
TIME OF SALE

20%

5 = \geq \$5.00/SF of GLA3 = \geq \$3.50/SF and $<$ \$5.00/SF1 = $<$ \$3.50/SF of GLA

0 = No revenue

DRAWING POWER
TO ATTRACT
CONSUMERS

10%

5 = Has all five attributes:

- Visibility
- Stop light at adjacent intersection
- Adequate landscaping
- Strong, attractive graphics
- Balanced tenant mix

4 = Has four of five attributes listed above

3 = Has three of five attributes listed above

2 = Has two of five attributes listed above

1 = Has one of five attributes listed above

0 = Has none of the five attributes listed above

EXHIBIT 25

**MARKET COMPARISON VALUATION
POINT SCORE ANALYSIS
FOR PARKWOOD PLAZA**

Project title: PARKWOOD PLAZA

Unit prices Search interval = 5

	SITE	CONDI	DEMOG	RENT	DRAWI	Price
Prel. wts.	30	15	20	25	10	-
FITCHBURG R	5	5	1	5	3	\$44.23
MIDVALE PLA	3	5	5	3	4	\$41.63
MID TOWN SQ	3	0	1	0	0	\$12.19
PARKWOOD PL	3	3	1	5	3	-

Weighted Matrix											
Attribute	SITE		SIZ	CONDITIO		DEMOGRAP		RENT	LEV	DRAWING	WtdScr

Initial weights	20			20			20			20	100
Final weights	30			15			20			25	100

FITCHBURG RIDG	5/	1.50	5/	0.75	1/	0.20	5/	1.25	3/	0.30	4.00
MIDVALE PLAZA	3/	0.90	5/	0.75	5/	1.00	3/	0.75	4/	0.40	3.80
MID TOWN SQUAR	3/	0.90	0/	0.00	1/	0.20	0/	0.00	0/	0.00	1.10
PARKWOOD PLAZA	3/	0.90	3/	0.45	1/	0.20	5/	1.25	3/	0.30	3.10

Mean Price Per Point Method: Predicted vs. Actual Price for Comparables

	Predicted Price	Actual price	Error
FITCHBURG RIDGE	\$44.13	\$44.23	-\$0.10
MIDVALE PLAZA	\$41.92	\$41.63	\$0.29
MID TOWN SQUARE	\$12.13	\$12.19	-\$0.06

EXHIBIT 25 (Continued)

Value Range Determination: Mean Price Per Point Method

Mean price per point:	\$11.03
Dispersion About the Mean:	\$0.07
Coefficient of Variation :	0.01

Value Range Per Unit of Dispersion

	Subject Point Score		Mean (+/- One Standard Deviation)		Price Per SQUARE FOOT
Low Estimate	3.10	X	\$10.96	=	\$33.99
Central Tendency	3.10	X	\$11.03	=	\$34.20
High Estimate	3.10	X	\$11.10	=	\$34.41

Transaction Zone: Mean Price Per Point Method

Number of SQUARE FOOT in subject property: 41564

Low Estimate	\$1,412,765	or	\$1,413,000
Central Tendency	\$1,421,395	or	\$1,421,000
High Estimate	\$1,430,025	or	\$1,430,000
	Coefficient of Variation		= 0.01

Iterations

	SITE	CONDI	DEMOG	RENT	DRAWI	S.D.	Mean
Prelim. Wts.	20	20	20	20	20	2.509729	12.42816
Pass # 1	30	15	20	25	10	6.715622E-02	11.03153
Pass # 2	30	15	20	25	10	6.715622E-02	11.03153

EXHIBIT 26

INPUTS USED IN COST APPROACH
FOR PARKWOOD PLAZA

CALCULATOR COST FIELD FORM — CAL

1 COST ESTIMATE FOR Parkwood Plaza
 2 PROPERTY OWNER Anding Enterprises
 3 ADDRESS 6825-6925 University Ave., Middleton, WI
 4 SURVEYED BY Landmark Research, Inc.
 5 DATE OF SURVEY 11/1/89

6 REGION 2 CLIMATE 1 Regions: 1 Western 2 Central 3 Eastern
 Climates: 1 Extreme 2 Moderate 3 Mild

7 OCCUPANCY NUMBER (See Back of Form)

412

8 C CONSTRUCTION CLASS A Fireproof Structural Steel Frame C Masonry Bearing Walls S Metal Frame and Walls
 B Reinforced Concrete Frame D Wood or Steel Framed Exterior Walls DP Pole Frame
 1-6 ISO (Insurance)

9 53562 ZIP CODE OR LOCAL MULTIPLIER

10 1.25 COST RANK 1 Low 2 Average 3 Above Average 4 High

11 41772 TOTAL FLOOR AREA

12 2 PERIMETER OR SHAPE



1 Approximately Square

2 Slightly Irregular

3 Irregular

4 Very Irregular

13 1 NUMBER OF STORIES

14 14 AVERAGE STORY HEIGHT (Feet)

15 15 EFFECTIVE AGE (Years)

16 3 CONDITION 1 Worn Out 3 Average 5 Very Good
 2 Badly Worn 4 Good 6 Excellent

17 EXTERIOR WALL:

61

5.15

Masonry Walls

- 1 Adobe Block
 2 Brick, Block Back-up
 3 Brick, Common
 4 Brick, Cavity
 5 Brick, Cavity, Block Back-up
 6 Concrete Block (Standard)
 7 Concrete, Precast
 8 Concrete, Reinforced
 9 Concrete, Tilt-up
 10 Glass Block Wall
 11 Stone, Ashlar Veneer
 12 Stone, Rubble
 13 Tile, Clay
 14 Bond Beams (ADD)
 15 Face Block (ADD)
 16 Face Brick (ADD)
 17 Facing Tile (ADD)
 18 Insulation (ADD)

Masonry Walls (cont'd)

- 11 Plaster (ADD)
 12 Stone Facing (ADD)
 13 Synthetic Plaster on Rigid Insulation (ADD)
 14 Curtain Walls
 15 Bronze and Glass
 16 Concrete/Glass Panels
 17 Masonry/Glass Panels
 18 Metal/Glass Panels
 19 Stainless Steel/Glass
 20 Steel Studs/Stucco
 21 Steel Studs/Synthetic Plaster
 22 Stone Panels
 23 Wood/Glass Panels
 24 Wood or Steel Stud Walls
 25 Board/Batten Box Frame
 26 Shakes
 27 Shingles

Wood or Steel Stud Walls (Cont'd)

- 23 Siding, Aluminum
 24 Siding, Asbestos
 25 Siding, Asphalt
 26 Siding, Hardboard
 27 Siding, Textured Plywood
 28 Siding, Vinyl Surface
 29 Siding, Wood on Paper
 30 Siding, Wood on Sheathing
 31 Stucco on Sheathing
 32 Stucco on Wire/Paper
 33 Synthetic Plaster on Rigid Insulation
 34 Veneer, Common Brick
 35 Veneer, Face Brick
 36 Veneer, Stone
 37 Veneer, Used Brick
 38 Vitrolite
 39 Insulation (ADD)
 40 Sheathing (ADD)

Pre-Engineered Walls

- 41 Sandwich Panels (SP) Metal, Two Sides
 42 SP, Glass Exterior, Metal Interior
 43 SP, Asbestos Cement, Two Sides
 44 SP, Metal Exterior, Gypsum Board Interior
 45 Single Wall Construction
 46 Log, Rustic
 47 Metal on Steel Frame
 48 Metal on Wood Frame
 49 Siding, Post/Girder Frame
 50 Transite
 51 Insulation (ADD)
 52 Sheathing, Exterior (ADD)
 53 Sheathing, Interior, Finished (ADD)
 54 Store Fronts
 55 Store Front, with Display
 56 Store Front, without Display
 57 Interior Mall Front

18 HEATING, COOLING & VENTILATION:

16

- 1 Electric (Cable, Panel) or Baseboard
 2 Electric Wall Heaters
 3 Forced Air
 4 Floor Furnace
 5 Gas, Steam Radiator
 6 Gravity Furnace
 7 Heaters, Vented
 8 Hot Water
 9 Hot Water, Radiant
 10 Space Heat, Fan or Radiant
 11 Space Heat, Steam

- 12 Steam, with Boiler
 13 Steam, without Boiler
 14 Air Conditioning Hot/Chilled Water
 15 Air Conditioning Warm/Cooled Air

- 16 Package Heating/Cooling
 17 Heat Pump
 18 Evaporative Cooling
 19 Refrigerated Cooling
 20 Ventilation
 21 Wall Furnace

19 0 ELEVATORS — Yes / No or Sq. Ft. of area served

20 0 SPRINKLERS — Yes / No or Sq. Ft. of area served

21 BASEMENT:

570

Total Floor Area

Type

- 1 Unfinished 3 Parking 5 Utility 7 Display
 2 Finished 4 Storage 6 Resident Units 8 Office

MISCELLANEOUS COST

LAN \$331,000 Land
 SIT _____ Site Improvements
 PHY _____ Physical Depreciation
 FUN _____ Functional Depreciation
 LOC 60,500 Locational Depreciation (Economic
 EXC _____ Insurance Exclusions Obsolescence)

EXHIBIT 26 (Continued)

COST REFINEMENTS

SF Mezzanine Area		Mezzanines	SF Total Building Area		Commercial and Institutional Built-ins
MZM		Display	UW		Bank Equipment (counters, vault doors, etc.)
MZB		Office	UY		Hospital Equipment (Groups II and III)
MZC		Storage	UAA		Hospital Pneumatic Conveyor System
MZD		Open	UAB		College Commons Kitchen Equipment
SF Balcony Area		Balconies	UAC		Science Building Laboratory Equipment
BCA		Apartment Exterior	SF Vault Area		Bank Vaults (Included in Occ. 304)
BCD		Stepped Auditorium	UAD		Money
BCC		Stepped Church	UAG		Record Storage
BCT		Stepped Theater	SF Stage Area		Stages and Permanent Fixtures
SF Dock Area		Docks	UAH		Live Performance (Included in Occ. 302 & 379)
DLR	250	Loading with Roof	UAJ		Motion Picture Only (Included in Occ. 380)
DLW		Loading without Roof	UAK		Speaker's Platform (Included in Occ. 302 & 379)
DOS		Shipping	Number of Units		Residential Miscellaneous
DOF		Dock Height Floors (SF of building area raised)	APP		Appliance Allowance (# of kitchens)
Area		Parking Lots	UAM		Window Air Conditioning (# of units)
PAS	74,939	Paving, Asphalt (SF Area)	SF Loft Area		Barns and Sheds
PCO		Paving, Concrete (SF Area)	LOF		Lofts for Barns or Sheds
LIG	51,739	Lighting (SF Area Served)	SF Area or # Cars		Residential Garages
BUM	760	Parking Bumpers (Lin. FL)	GAT		Attached
SF Area		Shopping Centers	GDT		Detached
MLO		Open Mall (SF concourse area)	GBU		Built-in
MLE		Enclosed Mall (SF concourse area)	CPT		Carport or Breezeway (SF Area)
MLC		Covered Mall (SF concourse area)	Units		Residential Pools and Spas
MTA		Elevator (SF area served)	SPB		Swim Pool (LF of perimeter)
Additional Refinements:			SPA		Attached Spa (number)
Code	Units		SPR		Detached Spa (number)

ADDITIONS and REMARKS:

CODES: SUP Superstructure (Depreciated) BAS Basement (Depreciated) EXT Extra (Depreciated) MIS Miscellaneous (Not Depreciated)
 MAC Machinery and Equipment HCA Historical Cost Including Architect's Fees HCW Historical Costs Without Architect's Fees

Code	Description	Amount (+ or -)	% Depr.	% Ins. Excl.	Base Date
		\$			
		\$			
		\$			
		\$			
		\$			
		\$			

REM _____
 REM _____
 REM _____
 REM _____

COMMANDS

SAVE _____

OCCUPANCY NUMBERS

300 Apartment	319 Discount Store	339 Lumber Storage Horizontal	354 Row House (Inside Unit)	School, College
301 Armory	320 Dispensary	390 Lumber Storage Vertical	399 Shed, Cattle	367 Arts & Crafts
302 Auditorium	321 Dormitory	425 Machinery and Equipment only	400 Shed, Hay	368 Classroom
303 Automobile Showroom	393 Dormitory, Labor	340 Market	413 Shopping Center, Community	369 Commons
410 Automotive Center	322 Fire Station	419 Market, Convenience	412 Shopping Center, Neighborhood Strip	370 Gymnasium
304 Bank	323 Fraternal Building	341 Medical Office	414 Shopping Center, Regional	371 Lecture Hall
304 Barber Shop	324 Fraternity House	342 Mortuary	403 Shower Building	372 Library
305 Barn	325 Garage, Service	343 Motel	405 Skating Rink	373 Manual Arts
306 Barn, Fruit Packing	326 Garage, Storage	344 Office Building	378 Stable	374 Multipurpose
306 Barn, Hog	327 Governmental Building	345 Parking Structure	420 Storage, Bulk Fertilizer	375 Physical Education
307 Barn, Sheep	329 Hangar, Maintenance & Office	388 Parking Structure, Underground	389 Storage, Equipment (Shed)	376 Science
303 Barn, Tobacco	328 Hangar, Storage	346 Post Office	421 Storage, Grain	377 Entire College
306 Bowling Alley	409 Hangar, T	347 Poultry House	391 Storage, Material	School, Elementary & Secondary
304 Cabin, Transient Labor	418 Health Club	417 Racquetball-Handball Encl.	395 Storage, Potato	355 Arts & Crafts
309 Church	330 Home For The Elderly	348 Rectory	416 Tennis Court Enclosure	356 Classroom
310 City Club	331 Hospital	411 Residence, Duplex	380 Theater, Motion Picture	357 Commons
311 Clubhouse	332 Hotel	352 Residence, Multiple	379 Theater, Stage Presentation	358 Gymnasium
313 Convalescent Hospital	392 Industrial Engineering	351 Residence, Single Family	404 Utility Building	359 Lecture Hall
314 Country Club	334 Industrial Manufacturing	350 Restaurant	381 Veterinary Hospital	360 Library
315 Creamery	335 Jail	349 Restaurant, Fast Food	407 Warehouse, Distribution	361 Manual Arts
316 Dairy	336 Laundromat	353 Retail Store	386 Warehouse, Mini	362 Multipurpose
317 Dairy Sales Building	337 Library	401 Row House (End Unit)	406 Warehouse, Storage	363 Physical Education
318 Department Store	338 Loft	415 Row House (Entire Bldg)	387 Warehouse, Transit	364 Science
				365 Entire Secondary
				366 Entire Elementary

Parkwood Plaza, Inc.

EXHIBIT 27

PARKWOOD PLAZA
CALCULATION OF ECONOMIC OBSOLESCENCE
DUE TO CONTRACT RENTS BELOW MARKET RENTS

PARKWOOD PLAZA
ECONOMIC OBSOLESCENCE
LOSS OF MARKET RENT AND REIMBURSABLES [1]

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
IGA Leasehold Interest						
\$2.30/SF Market Rent						
Less \$1.65/SF Contract Rent						
is \$0.65/SF						
\$0.65 * 12,369 SF	\$8,040	\$8,040	\$8,040	\$8,040	\$8,040	\$8,040
IGA CAM Reimbursements with Stop						
at \$1,484/yr						
If at Full Prorata Reimbursements						
(Market), 1989 CAM would be \$2,034.						
Difference=\$2,034-\$1,484=\$550. [1]	\$550	\$578	\$606	\$637	\$669	\$702
IGA Real Estate Reimbursements						
at 75% of increase over 1967 base,						
or \$1,334						
If at Full Prorata Share of Tax Bill,						
(Market), 1989 Share would be \$6,539						
Difference=\$6,539-\$1,334=\$5,205	\$5,205	\$5,569	\$5,959	\$6,376	\$6,823	\$7,300
TOTAL LOSSES FOR EACH YEAR	\$13,795	\$14,187	\$14,606	\$15,053	\$15,531	\$16,042
Discounted at 12%	\$12,317	\$11,310	\$10,396	\$9,566	\$8,813	\$8,127
TOTAL PRESENT VALUE OF LOSSES =	\$60,529					
ROUNDED	\$60,500					

[1] If IGA were paying \$2.25/SF base rent plus full prorata share of CAM charges and real estate taxes, the total rent would be \$2.87 per square foot. Market rent for an anchor grocery store in a small neighborhood center in Madison ranges from \$2.00 to \$3.50 per SF of gross leasable area (GLA).

Although Walgreens and Klinke Cleaners pay only a portion of the real estate taxes their total rent is at market because they pay higher base rents and percentage rent payments.

EXHIBIT 28

COST APPROACH VALUATION
MARSHALL AND SWIFT CALCULATOR METHOD

COST ESTIMATE FOR: PARKWOOD PLAZA
 PROPERTY OWNER: ANDING ENTERPRISES
 ADDRESS: 6825-6925 UNIVERSITY AVE., MIDDLETON, WI
 SURVEYED BY: LANDMARK RESEARCH INC
 DATE OF SURVEY: 11/1/89

DESCRIPTION:

OCCUPANCY: NEIGHBORHOOD SHOPPING CENTER

FLOOR AREA: 41,772 Square Feet

AVERAGE STORY HEIGHT: 14.0 Feet

CLASS: C Masonry

EFFECTIVE AGE: 15 Years

COST RANK: 1.3 Low/Average

CONDITION: 3.0 Average

NUMBER OF STORIES: 1.0

COST AS OF: 11/89

EXTERIOR WALL:

Standard Block..... 100%

Face Brick..... 15%

HEATING AND COOLING:

Package Heating & Cooling..... 100%

	UNITS	COST	TOTAL
BASIC STRUCTURE COST:	41,772	31.57	1,318,700
ADDITIONS:			
Docks with Roof.....	250	11.79	2,947
TOTAL SUPERSTRUCTURE COST.....	41,772	31.64	1,321,647
BASEMENT:			
Unfinished.....	570	16.48	9,394
BUILDING COST NEW.....	41,772	31.86	1,331,041
EXTRAS:			
Paving, Asphalt.....	74,939	1.34	100,418
Parking Lot Lighting.....	51,739	0.12	6,209
Parking Lot Bumpers.....	760	2.77	2,105
REPLACEMENT COST NEW.....			1,439,773
LESS DEPRECIATION:			
Physical and Functional.....	<26.0%>		<374,341>
Locational Depreciation.....	<4.2%>		<60,500>
Total Depreciation.....	<30.2%>		<434,841>
DEPRECIATED COST.....			1,004,932
Estimated Land Value.....			331,000
INDICATED VALUE BY COST APPROACH:			1,335,932
ROUNDED TO NEAREST \$10,000			1,340,000

Cost Data by MARSHALL and SWIFT

CERTIFICATION OF VALUE

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 and assuming cash to the seller, it is our opinion that the Market Value as defined herein, of the fee title encumbered of the subject property located at 6825-6925 University Avenue, Middleton, Wisconsin, as of November 1, 1989, is:

ONE MILLION FOUR HUNDRED FIFTEEN THOUSAND DOLLARS

(\$1,415,000)

Based on the information and subject to the limiting conditions contained in this report and assuming cash to the seller after payment of the balance due on the existing land contract, it is our opinion that the Market Value as defined herein, of the fee title encumbered for only the Anding Enterprises' interest in the same subject property located at 6825-6925 University Avenue, Middleton, Wisconsin, as of November 1, 1989, is:

ONE MILLION THREE HUNDRED TWENTY THOUSAND DOLLARS

(\$1,320,000)

Jean B. Davis
Jean B. Davis, President
Appraiser/Analyst

11/28/89
Date

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.
- . All direct and indirect information supplied by the client, agents of the client, or the lawyer of the client concerning the subject property is assumed to be true and accurate but may be modified by the appraiser as appropriate to the definition of value or purpose of the appraisal consistent with other standards specified herein.

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.
- . In this appraisal assignment, the existence of potentially hazardous material introduced on site or in proximity to the site as a result of

STATEMENTS OF ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

nearby existing or former uses in the neighborhood, or the existence of toxic waste or other building materials such as asbestos, formaldehyde insulation, radon, or other materials incorporated in property improvements must be disclosed by the owner to the appraiser. The appraiser is not qualified to detect such substances nor is he obliged to do so. Nevertheless, the existence of potentially hazardous material found on the subject property or in proximity to the site may have an adverse effect on the value and market price of the property. The property owner or those relying on this appraisal are urged to retain, at their discretion, an expert in this field of hazardous materials.

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.

Contents of this appraisal report are governed by the By-Laws and Regulations of the American Institute of Real Estate Appraisers of the National Association of Realtors.

QUALIFICATIONS OF THE APPRAISER

JEAN B. DAVIS

EDUCATION

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

Master of Arts - Elementary Education - Stanford University

Bachelor of Arts - Stanford University (with distinction)

Additional graduate and undergraduate work
Columbia Teachers College and the University of Wisconsin.

PROFESSIONAL EDUCATION

Society of Real Estate Appraisers

Appraising Real Property Course 101

Principles of Income Property Appraising Course 201

American Institute of Real Estate Appraisers

Residential Valuation (Formerly Course VIII)

PROFESSIONAL DESIGNATIONS

MAI (Candidate) - American Institute of Real Estate Appraisers

SRPA (Candidate) - Society of Real Estate Appraisers

PROFESSIONAL AFFILIATIONS

Wisconsin Association of Homes and Services for the Aging, Inc.

National Association of Senior Living Industries

PROFESSIONAL EXPERIENCE

Trained in appraisal and investment analysis under the guidance of the late James A. Graaskamp, Ms. Davis is President of Landmark Research, Inc., and specializes in market and survey research to estimate effective demand for elderly housing, residential development, and for office and retail projects. She also emphasizes the appraisal of major income properties, rehabilitated older commercial properties, and residential properties.

Her experience includes tax assessment as the former assessor in the Village of Maple Bluff, which is adjacent to Madison, Wisconsin, and as a representative of property owners appealing assessed valuations in other jurisdictions.

APPENDIX

PARKWOOD PLAZA SHOPPING CENTER

LAND CONTRACT

LEGAL DESCRIPTION

AND

EASEMENTS

APPENDIX

DOCUMENT NO.

STATE BAR OF WISCONSIN - FORM 11
LAND CONTRACT - Individual and
Corporate
THIS SPACE RESERVED FOR RECORDING DATA

399-05-1594

Contract, by and between RUTH E. ZEVNIKherein called Vendor, whether one or more,
and ANDING ENTERPRISES, a Partnershipherein called Purchaser, whether one or more,
Witnesseth, That the Vendor, in consideration of the payments to be made and
the covenants and agreements by the Purchaser to be performed, as hereinafter set forth,
hereby sells and agrees to convey unto the Purchaser, upon the prompt and full performance
by the Purchaser of the covenants and agreements of this contract to be by the
Purchaser performed, the following described real estate in Dane
County, State of Wisconsin:Part of Outlot 82, Assessor's Plat of the Village of Middleton
(now City of Middleton), being formerly part of the NW-1/4
of SW-1/4 Section 12, T7N, R8E, 4th Principal Meridian, Dane
County, Wisconsin, more fully described as follows:Commencing at the NW corner of said 1/4 1/4; thence S2°07'40"W, 33.00 feet; thence S 88°
17' E, 33.00 feet to the point of beginning of this description; thence continuing S 88°17' E,
441.21 feet along the S right-of-way of University Avenue; thence S 2°21' W, 275.66 feet;
thence N 87° 48' W, 275.25 feet along the N right-of-way line of proposed Elmwood Avenue;
thence N 2° 07' 40" E, 52.83 feet; thence N 89° 45' W, 165.00 feet; thence N 2° 07' 40" E,
224.70 feet along the E right-of-way of Park Street to the point of beginning of this description.The Vendor agrees to execute any mortgage, but not the mortgage note, that the
Purchaser may from time to time desire to place upon the real estate, for the purpose of
subordinating the lien of the Vendor's land contract interest to the lien of the mortgage, and
the Vendor hereby appoints the Purchaser her attorney-in-fact for purposes of executing
any such subordination agreement.together with all buildings, improvements, fixtures and appurtenances, now or hereafter erected thereon, including all screen and
storm doors and windows, attached mirrors, fixtures, shades, attached floor covering, hot water heater, furnace, oil tank and light
fixtures which shall be a part of the real estate.This conveyance shall also constitute a termination of that certain ground lease, a
memorandum of which was recorded as Doc. No. 1120882, amended as Doc. No. 1126166, and
amended as Doc. No. 1128971, Dane County Registry 224 Mt. HopeThe Purchaser, in consideration of the covenants and agreements herein made by the Vendor, agrees to purchase the above
described premises, and to pay therefor to the Vendor at P. O. Box 1933 Madison Wisconsin 53701
the sum of One Hundred Eighty-Five Thousand and no/100 (\$185,000.00) Dollars,
in manner following: \$15,000.00 at the execution hereof, the receipt whereof is hereby acknowledged, and the
balance of \$170,000.00, together with interest on such portions thereof as shall remain from time to time unpaid,
at the rate of Eight (8%) per cent per annum, until paid in full, as follows: Said principal and interest shall be payable in
annual 30 installments of \$18,139.00 per year beginning
on the 30th day of September, 1979, provided the entire purchase money and interest
shall be fully paid within eighteen (18) years from the date hereof.Purchaser further agrees, unless excused by Vendor, to pay monthly payments sufficient reasonably to anticipate the payment
of taxes, special assessments, fire and extended coverage premiums and such other insurance premiums as Vendor may require, and
Purchaser agrees to make such payments to the Vendor and hereby authorizes Vendor to apply the same in payment of such items.Purchaser agrees not to prepay this contract in full or part, without Vendor's prior
written consent.The Purchaser may not assign this land contract without the Vendor's prior written
consent, which consent shall not be unreasonably withheld.Said payments shall be applied first to interest on the unpaid balance at the rate herein specified and then to principal. Any
amount may be prepaid without premium or fee upon principal at any time, and interest shall be calculated at all times on the unpaid
balance on the daily rate basis at 1/360 of the annual rate.In the event of any prepayment, this contract shall not be treated as in default with respect to payment so long as the unpaid
balance of principal, and interest (and in such case accruing interest from month to month shall be treated as unpaid principal) is less
than the amount that said indebtedness would have been had the monthly payments been made as first specified above; provided that
monthly payments shall be continued in the event of credit of any proceeds of insurance or condemnation, the condemned premises
being thereafter excluded herefrom.The Purchaser hereby states that he is satisfied with the title as shown by the abstract-title insurance commitment submitted to
him for examination; the Vendor agrees to deliver the abstract-title insurance policy to the Purchaser when the full purchase price
hereunder shall have been paid. The Purchaser agrees to pay the cost of later continuations of abstract-title insurance.~~(60) The Vendor shall furnish the Purchaser thirty days prior to the date of abstract closing and the Purchaser shall accept
without showing of title, either (1) a title insurance commitment for an amount of principal and interest of not less than the purchase price,
the Purchaser shall be deemed to be satisfied by such title insurance commitment, and the Vendor shall not be liable for any
condition called for by this agreement, or (2) a mortgageable abstract showing the Vendor's title in the condition called for by
the agreement. If an abstract is furnished, the Purchaser shall notify the Vendor, in writing, of any objections to title within (40)
days after receipt of such abstract, and the Vendor shall then have reasonable time to correct the title or furnish a title
policy as above described.~~The Purchaser shall be entitled to take possession of said premises on date hereof. In case
possession is to be obtained by the Vendor, he shall have a reasonable time after such date in which to remove any occupant. The
Purchaser shall be entitled to remain in possession as long as he performs all covenants and agreements herein mentioned on his part
to be performed and no longer.

APPENDIX (Continued)

The Purchaser covenants and agrees as follows:

1. To pay before they become delinquent all taxes and assessments, now or hereafter assessed or levied against and on the real estate described in this contract and to deliver to the Vendor receipts evidencing due payment thereof.
2. To keep said premises insured for fire and extended coverage for at least the sum of \$..... to pay the premiums thereon when due, and to comply with coinsurance provisions, if any, in insurance companies approved by the Vendor with loss payable to the Vendor as interest may appear, and all policies covering said premises shall be deposited with and held by the Vendor.
3. To keep the premises in good condition and repair.
4. To keep the premises free from liens superior to the lien of this contract, or the rights of the Vendor in the premises.
5. Not to commit waste nor suffer waste to be committed.
6. Not to do any act which shall impair the value thereof.

In case any such taxes or assessments remain unpaid after they become delinquent, or in case of failure to keep the premises so insured, the approved policies deposited, or the insurance premiums paid, or to keep the same in good condition and repair, free from liens and waste the Vendor may cure such defaults, and all sums so paid shall immediately be repaid to the Vendor and shall, unless so repaid, be added to and deemed part of the purchase price, and bear interest at the rate aforesaid.

The Vendor hereby agrees that in case the aforesaid purchase price with the interest and other moneys shall be fully paid and all the conditions herein provided shall be fully performed at the times and in the manner above specified, he will on demand, thereafter cause to be executed and delivered to the Purchaser, a good and sufficient Warranty Deed, in fee simple, of the premises above described, free and clear of all legal liens and encumbrances, except any liens or encumbrances created by the act or default of the Purchaser, and except: liens or encumbrances created by the act or omission of The Kroger Co., their successors or assigns as ground lessees from and after December 30, 1964.

The Purchaser hereby covenants and agrees that time shall be deemed to be of the essence of this contract and in case of default in the payment of any principal or interest when the same shall become due, or in the performance of any of the conditions, covenants, or promises by the Purchaser herein to be kept or performed, and such default shall continue for a period of 14 days, then the Vendor may, at his option, declare the contract at an end, all rights of the Purchaser under this agreement cancelled, and the amounts paid by the Purchaser hereunder forfeited, the same to remain the Vendor's property as rental of said premises and as liquidated damages for the failure completely to fulfill this agreement; and the Vendor shall forthwith and without notice have the right of re-entry; or, at the option of the Vendor and without notice to the Purchaser, notice being hereby expressly waived, the whole amount of unpaid principal shall be deemed to have become due and payable, in case such option shall be exercised, the unpaid principal and interest together with all sums which may be or have been paid by the Vendor as herein authorized with interest on such disbursements at the rate aforesaid shall be collectible in a suit at law, or by foreclosure of this contract in the same manner as if the whole of said unpaid principal had been due at the time when any such default occurred, and the indebtedness shall embrace, with said unpaid principal and interest, all the sums so disbursed with interest as aforesaid. after receipt of written notice of default

In case of legal proceedings in enforcement of any remedy hereunder, whether abated or not, all expenses, including reasonable attorney's fees, shall be added to the principal, become due as incurred, and in case of judgment shall be included therein.

Upon the commencement or during the pendency of any action of foreclosure of this contract, the court may appoint a receiver of the premises, including homestead interest, and may empower the receiver to collect the rents, issues, and profits of said premises during the pendency of such action, and may order such rents, issues, and profits when so collected, to be held and applied as the court shall, from time to time, direct.

All terms, conditions, covenants, warranties and promises herein shall be binding upon and inure to the benefit of the heirs, legal representatives, successors and assigns of the vendor and the purchaser. If not an owner of the property the spouse of the vendor for a valuable consideration joins herein to release homestead rights in the subject property and agrees to join in the execution of the deed to be made in fulfillment hereof.

Executed at Madison, Wisconsin this 27th day of September, 1978

SIGNED AND SEALED IN PRESENCE OF

Ruth E. Zevnik (SEAL)
Ruth E. Zevnik
ANDING ENTERPRISES (SEAL)

By: Alfred E. Anding, Jr. (SEAL)
Alfred E. Anding, Jr., partner

And by: Larry J. Anding (SEAL)
Larry J. Anding, partner

AUTHENTICATION

Signatures of Alfred E. Anding, Jr., and Larry J. Anding

authenticated this 30 day of September, 1978

Donald R. Huggett

Title: Member State Bar of Wisconsin or Other Party
Authorized under Sec. 706.06 viz.

STATE OF WISCONSIN,

Dane County, ss.

Personally came before me, this 27th day of September, 1978,
the above named Ruth E. Zevnik

to me known to be the person..... who executed the foregoing instrument and acknowledged the same.

THIS INSTRUMENT WAS DRAFTED BY

Attorney Donald R. Huggett

Maurice B. Pasch
MAURICE B. PASCH

Notary Public, Dane County, Wis.

The use of witnesses is optional.

My commission (expires) (is) Permanent

Names of persons signing in any capacity should be typed or printed below their signatures.

APPENDIX (Continued)

LAW OFFICES

DeWITT, PORTER,
HUGGETT, SCHUMACHER, MORGAN, S.C.

Jack R. DeWitt
Donald R. Huggett
Duane P. Schumacher
James W. Morgan
William F. Nelson
John Duncan Varda
Ronald W. Kuehn
Jon P. Axelrod
John H. Lederer
Jayne K. Kuehn
Stuart C. Herro
Jean G. Setterholm
Michael S. Varda
Frederic J. Brouner

Henry J. Handzel, Jr.
William C. Lewis, Jr.
Anthony R. Varda
Ronald R. Ragatz
Eric A. Farnsworth
David E. Stewart
Peter A. Peshek
Douglas L. Flygt
Richard J. Lewandowski
Fred Gants
Paul G. Kent
Howard Goldberg
Margaret M. Baumgartner
Margaret A. Satterthwaite

Karen K. Gruenisen
Timm P. Speerschneider

Of Counsel
A.J. McAndrews
James G. Derouin
David W. Kruger
J. Thomas McDermott

Philip H. Porter
1891-1976

Madison Center
121 South Pinckney Street
Mailing Address: P.O. Box 2509
Madison, Wisconsin 53701
(608) 255-8891
Madison West
Suite 120 Teton Wood
6515 Grand Teton Plaza
Madison, Wisconsin 53719
(608) 255-8891
Mount Horeb
108 East Main Street
Mt. Horeb, Wisconsin 53572
(608) 437-3622

May 1, 1987

Madison Center

Mr. Alfred E. Anding, Jr.
Personal Representative of the
Estate of A. E. Anding, Deceased
P. O. Box 6124
Madison, WI 53716

Landmark Research, Inc.
✓ ATTN: Ms. Jean B. Davis
4610 University Avenue, Suite 105
Madison, WI 53705

In Re Title to:

Outlot Eighty-Two (82), Assessor's Plat Village of
Middleton, in the City of Middleton, lying north of
the North right of way line of Elmwood Avenue,
being the North line of parcel described in Vol.
825 of Deeds, page 283, as Document No. 1171300,
EXCEPT part set forth in Warranty Deed to City of
Middleton recorded in Vol. 6184 of Records, page
42. #1855069.

Dear Mr. Anding and Ms. Davis:

I have examined the abstract of title, all of which has been
continued from Government Entry to March 19, 1987, at 7:00
a.m. I find title to be in

RUTH E. ZEVRNIK, subject to the land contract
purchaser's interest hereinafter described,

free and clear of liens, encumbrances and material defects
except as follows:

APPENDIX (Continued)

DeWITT, PORTER, HUGGETT, SCHUMACHER & MORGAN, S.C.

Mr. Alfred E. Anding, Jr.
Ms. Jean B. Davis
May 1, 1987
Page 2

MORTGAGES.

1. At Entry 53 of the abstract appears a mortgage in the original principal amount of \$600,000 from Anding Enterprises and others, including Ruth E. Zevnik, to National Guardian Life Insurance Company dated July 1, 1974 and recorded in the Dane County Registry July 11, 1974 as Document No. 1403869. This constitutes a first mortgage on the above-captioned premises and also encumbers other land in Dane and Dodge Counties.
2. At Entry 65 of the abstract appears a mortgage by Anding Enterprises to National Guardian Life Insurance Company in the original principal amount of \$512,500 dated May 11, 1982 and recorded May 13, 1983 in Volume 3577 of Records, page 61, as Document No. 1739893 encumbering the above-captioned and adjoining shopping center property. This mortgage is subordinate to the mortgage above referenced. The mortgage is also executed by Ruth E. Zevnik to subordinate her land contract vendor's interest to the lien of the mortgage.

LAND CONTRACT PURCHASER'S INTEREST. At Entry 63 of the abstract is contained a short-form land contract dated September 27, 1978 and recorded January 3, 1979 in Volume 1028 of Records, page 317, as Document No. 1606343 wherein Ruth E. Zevnik is vendor and Anding Enterprises is purchaser. This is a land contract with respect to the land and terminates a ground lease previously existing between the parties. Vendor also agrees to execute any mortgage purchaser may later place on the property to subordinate vendor's land contract interest to the mortgage lien.

COLLATERAL ASSIGNMENT OF LAND CONTRACT PURCHASER'S INTEREST. At abstract Entry 66 is contained an assignment of the above-referenced land contract by Anding Enterprises to National Guardian Life Insurance Company dated May 11, 1982 and recorded May 13, 1982 in Volume 3577 of Records, page 64, as Document No. 1739894 for the purpose of assigning the above-referenced land contract to the assignee as mortgagee for collateral purposes.

EASEMENTS.

1. At Entry 26 of the abstract there appears an easement and license for utility construction, operation and maintenance to the City of Middleton dated March 26, 1964 and recorded March 27, 1964 in Volume 406 of

APPENDIX (Continued)

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Miscellaneous, page 400, as Document No. 1097408, for the purpose of constructing, operating and maintaining mains, conduits, manholes, installations and equipments for the transmission of water and telephone service, and appears to affect the above-captioned premises.

2. At Entry 27 of the abstract there appears a utility easements to Farmers Union Telephone Company dated April 30, 1964 and recorded July 15, 1964 in Volume 412 of Miscellaneous, page 215 as Document No. 1107071, for the purpose of the installation, replacement, maintenance and repair of telephone cables, markers, terminal posts and other appliances, and appears to affect the above-described premises.
3. At Entry 73 of the abstract appears a right-of-way grant of underground electric easement for Madison Gas & Electric Company over two strips of land 10 feet in width located on outlots 82 and 83 of the above-referenced Assessor's Plat. The first strip commences at the SE corner of Outlot 82, thence N02°21'00"E, 207 feet, more or less, along the E line of said Outlot 82 to the point of beginning, said point located 5 feet N of the Nly right-of-way line of Elmwood Avenue; thence N87°48'00"W, 439 feet, more or less, parallel with and adjacent to the Nly right-of-way line of Elmwood Avenue to the point of termination of the Ely right-of-way line of Park Street.

The second easement description commences at the point of termination of the centerline of the above-referenced easement strip; thence S87°48'00"E, 57 feet, parallel with and adjacent to the Nly right-of-way line of Elmwood Avenue; thence N02°12'00"E, 5 feet to the point of beginning the centerline of the second easement strip; thence continuing N02°12'00"E, 11 feet, more or less, to the point of termination of the second easement strip at the Sly wall of an existing building.

The grantor has the right to use and enjoy the surface but shall not interfere with grantee's use of the easement and shall not build, create or construct any buildings or other structures, etc., thereon without grantee's express written consent.

4. At abstract Entry 75 another similar right-of-way underground electric easement is granted to Madison Gas & Electric Company dated August 8, 1985 and recorded

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September 25, 1985 in Volume 7303 of Records, page 53 as Document No. 1901256 for a 20 foot square land parcel in Outlot 82 above-referenced and more particularly described as the Nly 20 feet of the Wly 20 feet, lying parallel with and adjacent to the Sly line of University Avenue and the Ely line of Park Street, intended for the installation of a manhole vault only, and the owner is restricted as in the above-referenced underground electric easement as to the use of the surface.

STORE LEASES.

1. At Entry 74 is abstracted an agreement between Anding Enterprises, as Lessor, and Rennebohm Drug Stores, Inc., as Lessee, modifying tenant's lease dated August 2, 1966 for a term expiring February 28, 1987, extending the term for 20 years to expire February 28, 2007, but giving Lessee the right and option to terminate the lease effective February 28, 1992, 1997 and 2002. The legal description appended appears erroneous but this is probably more of concern to Lessee than Lessor.
2. At Entry 31 of the abstract appears a lease to The Kroger Co., dated November 23, 1965 and recorded November 26, 1965 in Volume 435 of Miscellaneous, page 357, as Document No. 1148347 for a term ending October 31, 1981 with the privilege of three successive renewals for a term of five years each.

At Entry 40 of the abstract appears an Amended Memorandum of this Lease dated February 24, 1967 and recorded March 24, 1967 in Volume 460 of Miscellaneous, page 427, as Document No. 1180849 for the specific purpose of amending the legal description. The Lessor's interest in this lease was assigned as shown in abstract Entry 52 to Anding Enterprises, a Partnership, by assignment of lease dated December 31, 1974 and recorded July 11, 1974 as Document No. 1403838.

I am advised this lease has since terminated, and a document should be placed of record accordingly.

The foregoing opinion on title does not cover the matters which may affect the described premises, but which are not shown on the abstract such as:

- (1) Possession of the premises or any part thereof by persons other than the owners of record title,

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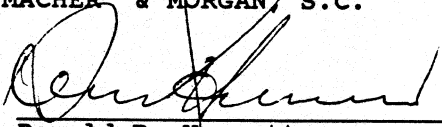
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either under or adverse to such owners; (2) Boundary lines of the premises; location of fences or improvements or deficiencies of ground; if there is any material question on any of these matters, we suggest that a survey be made; (3) Liens based on unpaid work done or materials furnished on the premises within six months prior to the date of the last continuation of the abstract; (4) Zoning ordinances and building restrictions of the municipality in which the premises are located and any orders of the State Department of Industry, Labor and Human Relations which may affect these premises; (5) If the premises are in a recorded plat, any easements or restrictions incorporated in said plat; (6) Financing statements or security agreements, if any, pertaining to personality upon the premises; (7) Any actions in Circuit Court in the County in which the real estate is located, affecting the premises but for which Lis Pendens have not been filed; (8) Possible taxes resulting from transfers of the premises; (9) Compliance with applicable Truth-In-Lending requirements; (10) Special assessments or charges if the above-described real estate is located outside the City of Madison. Special assessments for real estate located within the City of Madison are covered only to the date of the Status Register as stated in the last abstract certificate.

This Opinion is based solely upon matters appearing in the Abstract of Title to these premises. Sections 893.15 and 706.09, Wisconsin Statutes, have been relied upon in the preparation of this Opinion.

Respectfully submitted,

DeWITT, PORTER, HUGGETT,
SCHUMACHER & MORGAN, S.C.

By: 
Donald R. Huggett
DRH/sn

APPENDIX (Continued)

LAW OFFICES

DeWITT, PORTER,
HUGGETT, SCHUMACHER, MORGAN, S.C.

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May 1, 1987

Madison Center

Mr. Alfred E. Anding, Jr.
P. O. Box 6124
Madison, WI 53716

Landmark Research, Inc.
✓ATTN: Ms. Jean B. Davis
4610 University Avenue, Suite 105
Madison, WI 53705

Re: A. E. Anding Estate
Anding Enterprises
Middleton Property

Dear Al and Jean:

Enclosed please find a copy of our title opinion based upon examination of the abstract to the front portion of the Middleton Shopping Center (omitting the small rear portion being part of Outlot 83).

The legal description shown in the abstract opinion is the appropriate description which also makes exception for the street widening deed on the frontage to the City.

The legal description for the rear portion is as follows:

All that part of Outlot 83, Assessor's Plat Village of Middleton, in the City of Middleton, lying North of the North line of Elmwood Avenue being the North line of parcel described in Volume 911 of Records, page 493 as Document No. 1558460.

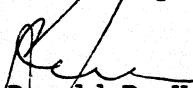
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The deed recorded as Document No. 1558460 is the deed Anding Enterprises gave the City of Middleton with respect to a sliver of Outlot 83 in 1978.

Yours very truly,



Donald R. Huggett
DRH/sn
Enclosure

