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An appraisal of Starvin Marvin's, 2050 Fish Hatchery Road, Madison, Wisconsin before and after the taking. February 10, 1986

Landmark Research, Inc.

[s.l.]: [s.n.], February 10, 1986

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Index

AN APPRAISAL OF
STARVIN MARVIN'S
BEFORE AND AFTER THE TAKING

*Landmark
Research
Inc.*

AN APPRAISAL OF
STARVIN MARVIN'S
2050 FISH HATCHERY ROAD
MADISON, WISCONSIN
BEFORE AND AFTER THE TAKING

AS OF
FEBRUARY 10, 1986

PREPARED FOR
FIORE COAL & OIL COMPANY

PREPARED BY
LANDMARK RESEARCH, INC.

Landmark
Research
Inc.

February 13, 1986

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

Jean B. Davis, M.S.

Mr. David Kruger
Fiore Coal and Oil Company
P.O. Box 4010
Madison, WI 53711

Dear Mr. Kruger:

With this letter we transmit our appraisal of 2050 Fish Hatchery Road, in the Town of Madison, Dane County, Wisconsin. As required by Wisconsin law, our appraisal considers the market value of the property before and after the taking of a portion of the property for the widening of Fish Hatchery Road.

The value conclusions subject to our assumptions and limiting conditions, and as of February 10, 1986, are as follows:

Value Before the Taking:

ONE HUNDRED SIXTY-FIVE THOUSAND DOLLARS

(\$165,000)

Value After the Taking:

ONE HUNDRED SIXTY THOUSAND DOLLARS

(\$160,000)

Damages resulting from the Limited Highway Easement:

FIVE HUNDRED AND SIXTY-FIVE DOLLARS

(\$565)

The loss and damage accruing as a result of this taking is then estimated to be \$5,565. No attempt has been made to allocate these damages between the property owner and the tenant, who may hold title to some of the fixtures.

Mr. David Kruger
Page Two
February 13, 1986

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

FOR LANDMARK RESEARCH, INC.

James A. Graaskamp/Ph.D.

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

Frederick A. Rendahl

Frederick A. Rendahl
Real Estate Appraiser/Analyst

elm

TABLE OF CONTENTS

	<u>PAGE</u>
LETTER OF TRANSMITTAL	i
I. INTRODUCTION	1
A. The Appraisal Problem	1
B. Identification of the Property and the Property Rights Appraised	1
C. Date of Appraisal	3
D. Definition of Market Value	3
E. Statement of General Assumptions and Limiting Conditions	4
1. Contributions of Other Professionals	4
2. Facts and Forecasts Under Conditions of Uncertainty	4
3. Controls on the Use of the Appraisal	5
II. DESCRIPTION AND ANALYSIS OF THE SUBJECT PROPERTY BEFORE THE TAKING	6
A. Location and Linkages of the Subject Property	6
B. Use and Operation of the Subject Property	12
C. The Subject Site	14
D. Description of the Subject Building and Site Improvements Before the Taking	18
1. The Subject Structure	18
2. Site Improvements	19
E. Highest and Best Use of the Subject Property Before the Taking	20

TABLE OF CONTENTS (Continued)

	<u>PAGE</u>
III. VALUATION OF THE SUBJECT PROPERTY BEFORE THE TAKING	21
A. The Cost Approach to Value	21
1. Site Value	21
2. Replacement Costs of the Subject Improvements	30
3. Accrued Depreciation	30
4. Value Indicated by the Cost Approach	32
B. The Sales Comparison Approach	33
C. The Income Approach	33
D. Reconciliation and Final Value Estimate: Before the Taking	33
IV. THE TAKING	35
V. DESCRIPTION AND ANALYSIS OF THE SUBJECT PROPERTY AFTER THE TAKING	37
VI. VALUATION OF THE SUBJECT PROPERTY AFTER THE TAKING	38
A. The Cost Approach to Value	38
1. Valuation of the Subject Site	38
2. Replacement Cost of the Subject Improvements	38
3. Accrued Depreciation	40
4. Value Indicated by the Cost Approach	40
B. Reconciliation and Final Value Estimate: After the Taking	41
VII. LIMITED HIGHWAY EASEMENT	42
VIII. ESTIMATE OF LOSS AND DAMAGES AS A RESULT OF THE TAKING	43

TABLE OF CONTENTS (Continued)

	<u>PAGE</u>
IX. CERTIFICATION OF VALUE	44
QUALIFICATION OF THE APPRAISERS	73
FOOTNOTES	75

LIST OF EXHIBITS

<u>EXHIBIT</u>		<u>PAGE</u>
1	Photographs of the Subject Property	7
2	Plot of the Subject Property Before the Taking . .	10
3	City Location Map	11
4	Summary of Retail Sales: 1984-1985	13
5	Graph Showing Total Sales Differential For Starvin Marvin's: 1984-1985	15
6	Comparable Vacant Land Sales Summary	22
7	Comparable Land Sales Map	23
8	Cost Summary: Before the Taking	31
9	Location Map of the Taking	36
10	Cost Summary: After the Taking	39

LIST OF ADDENDA

<u>ADDENDUM</u>		<u>PAGE</u>
A	Current Lease for the Subject Property	46
B	Summary of Scheduled Base Lease Payments for the Subject Property	63
C	Dane County C-1 Commercial Zoning Ordinance . .	64
D	Comparable Sales	66
E	Replacement Costs: Before the Taking	69
F	Legal Description of the Taking	70
G	Limited Highway Easement Agreement	71
H	Replacement Costs: After the Taking	72

I. INTRODUCTION

An appraisal is a defensible estimate of the value of a property that is derived from a systematic process in which the problem is defined and the necessary data is gathered, analyzed, and interpreted. The organization of this report parallels this appraisal process and summarizes the appraiser's methodology, data, and conclusions.

A. The Appraisal Problem

The Dane County Highway Department proposes to acquire a strip of land located adjacent to the Fish Hatchery Road frontage of the subject property for use in widening the existing roadway. This appraisal has been authorized by David Kruger, a representative of the property owner, to assist in determining if the County's offer of compensation is reasonable given the loss in value that the property will sustain as a result of this taking. As a result, this appraisal will be made in compliance with the requirements for eminent domain appraisals in the State of Wisconsin.

B. Identification of the Property and the Property Rights Appraised

1. Identification of the Subject Property

The subject of this appraisal is a gasoline station/convenience store that is located at 2050 Fish Hatchery Road in

the Town of Madison, Dane County, Wisconsin. The legal description of this property is:

Lot 6, Foust Plat, being a part of the NE 1/4 of the NE 1/4 of Section 34, T7N, R9E, in the Town of Madison, Dane County, Wisconsin.¹

This property is also identified as Town of Madison tax parcel number 16-01-2005. The 1985 assessed value of this property is as follows:

Land	\$ 29,400
Improvements . . .	<u>\$ 38,000</u>
Total	\$ 67,400

This assessment is equalized as 52.94 percent of the property's estimated market value, which is therefore estimated by the assessor to be \$127,300 overall.

2. Identification of the Legal Interest Appraised

This appraisal assumes the sale of a fee simple title to the subject real estate including land, land improvements, and structures. A search of the title to the subject property was neither made nor provided for use in this appraisal. However, the investigations made during the preparation of this appraisal did not result in the identification of any restrictive covenants or easements which encumber the property. The analysis and conclusions that follow, therefore, assume no land used controls beyond municipal zoning, subdivision regulations, and building codes.

The subject property is, however, currently leased to Starvin Marvin's, Inc. for a remaining term of approximately 6

1/2 years (78 months) until August 2, 1992. This lease may, however, be extended for two additional five-year periods (to August 2, 1997 and August 2, 2002) at the lessee's option. A copy of this lease is presented in Addenda A. As a result of this lease the appraisal must reflect the value of both the leased fee interest in the property and the leasehold interest of the tenant.

C. Date of Appraisal

This appraisal is made as of February 10, 1986. The analysis and conclusions presented herein are applicable on that date, which corresponds to the date of the appraisers final inspection of the subject property.

D. Definition of Market Value

The term market value as used in this appraisal is defined as:

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 stress.

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 date of appraisal.
6. The effect, if any, on the amount of market value of atypical financing, services, or fees shall be clearly₂ and precisely revealed in the appraisal report.

E. Statement of General Assumptions and
Limiting Conditions

This appraisal is made subject to and is conditioned upon the following General Assumptions and Limiting Conditions.

1. Contributions of Other Professionals

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

Because no legal advice provided, the appraisers assume 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, changes of price, rental or other conditions, prior sale, lease, financing, or withdrawal without notice.

2. Facts and Forecasts Under
Conditions of Uncertainty

The comparable sales data relied upon in this 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 the property 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 appraisers and the value conclusions are subject to said limitations.

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

3. Controls on the Use of the Appraisal

Values for various components of the subject property as contained in this appraisal are valid only when within the context of their use herein and are not to be used independently for any purpose and must be considered invalid if so used.

Possession of this 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 this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the authors, particularly regarding the valuation conclusions and the identity of the appraisers, of the firm, or of any of his or her associates.

This report shall not be used in the client's reports or financial statements or in any documents filed with any government 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 Landmark Research, Inc.; (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 appraisers for those uses.

II. DESCRIPTION AND ANALYSIS OF
THE SUBJECT PROPERTY
BEFORE THE TAKING

The subject of this appraisal is the gasoline sales and convenience store facility that is pictured in Exhibit 1 and a plan of the property is presented in Exhibit 2. What follows describes the location of the property, its use and operation, and its physical characteristics.

A. Location and Linkages of
the Subject Property

Starvin Marvin's, the subject, is located at 2050 Fish Hatchery Road approximately three-quarters of a mile north of the Beltline Highway/Fish Hatchery interchange and approximately three miles south of the Park Street/Fish Hatchery Road corner. (See Exhibit 3 for location.) Over time, Fish Hatchery Road has become a major route for people traveling into the City of Madison from the southern neighborhoods of the City and also from the growing residential area of Fitchburg. Traffic counts from the City of Madison Engineering Department indicate that this section of the road has steadily increased; in 1976 the count was 16,700 vehicles per day while in 1982-1983 the count had increased to 22,100 vehicles per day, or 32 percent more traffic.

The area surrounding Starvin Marvin's is characterized in use several ways: along Fish Hatchery Road there is a small

EXHIBIT 1

PHOTOGRAPHS OF THE SUBJECT PROPERTY



1-a. Looking north along the taking at the front of the subject property.



1-b. Looking northeast at the rear of the subject property from Martin Street.

EXHIBIT 1 (Continued)



1-c. Looking east at the rear of the subject structure.



1-d. Looking east along the south boundary of the subject property and Martin Street toward Fish Hatchery Road.

EXHIBIT 1 (Continued)

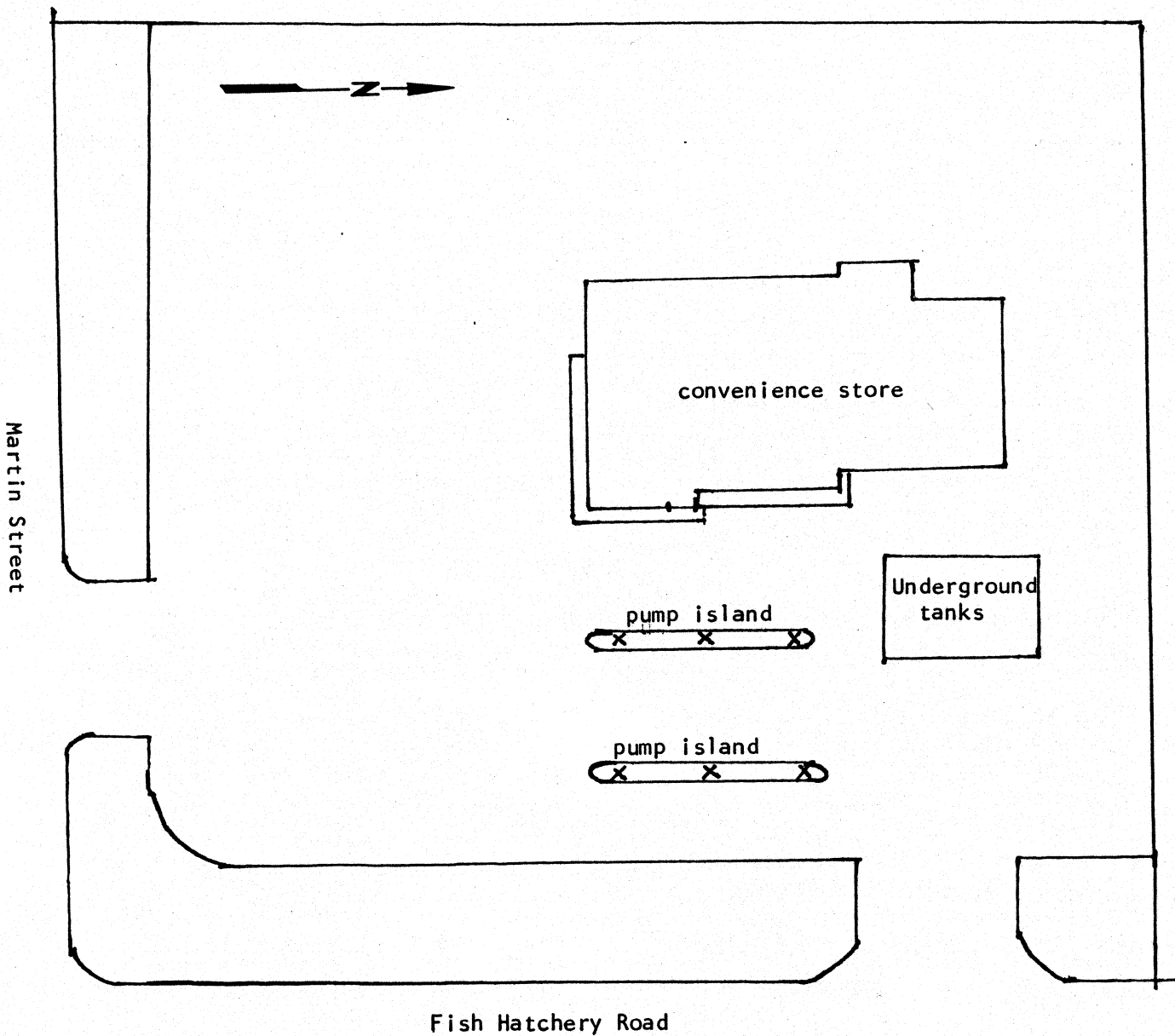


1-e. Looking north along taking. Note width of access lane after taking.



1-f. Looking south along taking. Note sign base in taking area.

EXHIBIT 2
PLOT OF THE SUBJECT PROPERTY
BEFORE THE TAKING



(Not to Scale)

apartment building to the north, at the southwest corner of Carver and Fish Hatchery one block north there are plans to build a video repair shop, the large U.W. Arboreteum, (which extends west and north) begins one block at the northwest corner of Carver and Fish Hatchery Road, the large Madison Newspaper, Inc., complex occupies a large site across and to the north about one block, several blocks of strip shopping are located across the road, and the Town Hall for the Town of Madison is to the south; on Martin Street to the west for one block, there are several small light manufacturing shops and then the street uses feather to primarily single-family homes.

B. Use and Operation of the Subject Property

The subject site was acquired by its current owners, Fiore Coal & Oil Company, Inc., in July 1962³. Shortly thereafter it was improved with a two-bay Texaco gasoline service station, which was operated under that franchise until some time in the mid 1970s. In 1978, the property was leased to its current occupant who converted the service bays to a convenience store while retaining the gasoline sales operation. Since the beginning of this lease the tenant, Starvin Marvin's, Inc., has made two additions to the building. The first in 1982 added the existing live bait sales area, the office, and the storage room. The second, in 1985, added a walk-in cooler and an additional small storage room.

EXHIBIT 3
City Location Map



The existing lease on the property expires on August 2, 1992, but may be extended for two additional five year option periods at the discretion of the lessee. The base rental rate for the property, including option years, was initially set at \$ 9,600 per year (\$800.00 per month) but has been scheduled to increase at the rate of six percent per year, compounded annually. The current rental for the subject property is \$11,433.72 per year (\$952.81 per month). The scheduled minimum lease payments for the remaining term of this lease and the option periods are summarized in Addenda B. The tenant is also responsible for all utility charges, all maintenance and repairs, and all taxes on real and personal property on the premises. The landlord is responsible for the maintaining insurance coverage on the property.

The Starvin Marvin's business operates successfully from this location. The gross sales from this operation during 1984 and 1985 are shown in Exhibit 4. The other sales

EXHIBIT 4

SUMMARY OF RETAIL SALES: 1984-85

Year	Gasoline	Other	Total
1984	\$902,257	\$543,254	\$1,445,551
1985	\$749,087	\$518,936	\$1,268,023

Source: Primary

category includes as items other than gasoline, and are generally those items sold as a part of the convenience store

operations. However, it gasoline sales are shown to be the main component of sales for this 24-hour per day operation. The operator of the business, George Marvin, indicated that the majority of the gasoline patrons enter the property from the southbound lane of Fish Hatchery Road, often on their way home from work.

The decline in 1985 sales is a direct result of construction activity associated with the current project to widen Fish Hatchery Road. This project closed the bridge over Wingra Creek (approximately one mile north of the subject property) from July 1, 1985, to December 1, 1985. This closing necessitated a detour of traffic onto Park Street via Wingra Drive and created congestion that led many motorists who typically use Fish Hatchery Road to seek alternative routes. As a result Starvin Marvin's business was significantly reduced for during this period. Exhibit 5 presents a month by month comparison between 1984 and 1985 which shows how the sales volumes were correlated with this closing. Since the road reopened sale have returned to near 1984 levels, but additional time may be required to recapture patrons who may have acquired new shopping patterns during the construction period.

C. The Subject Site

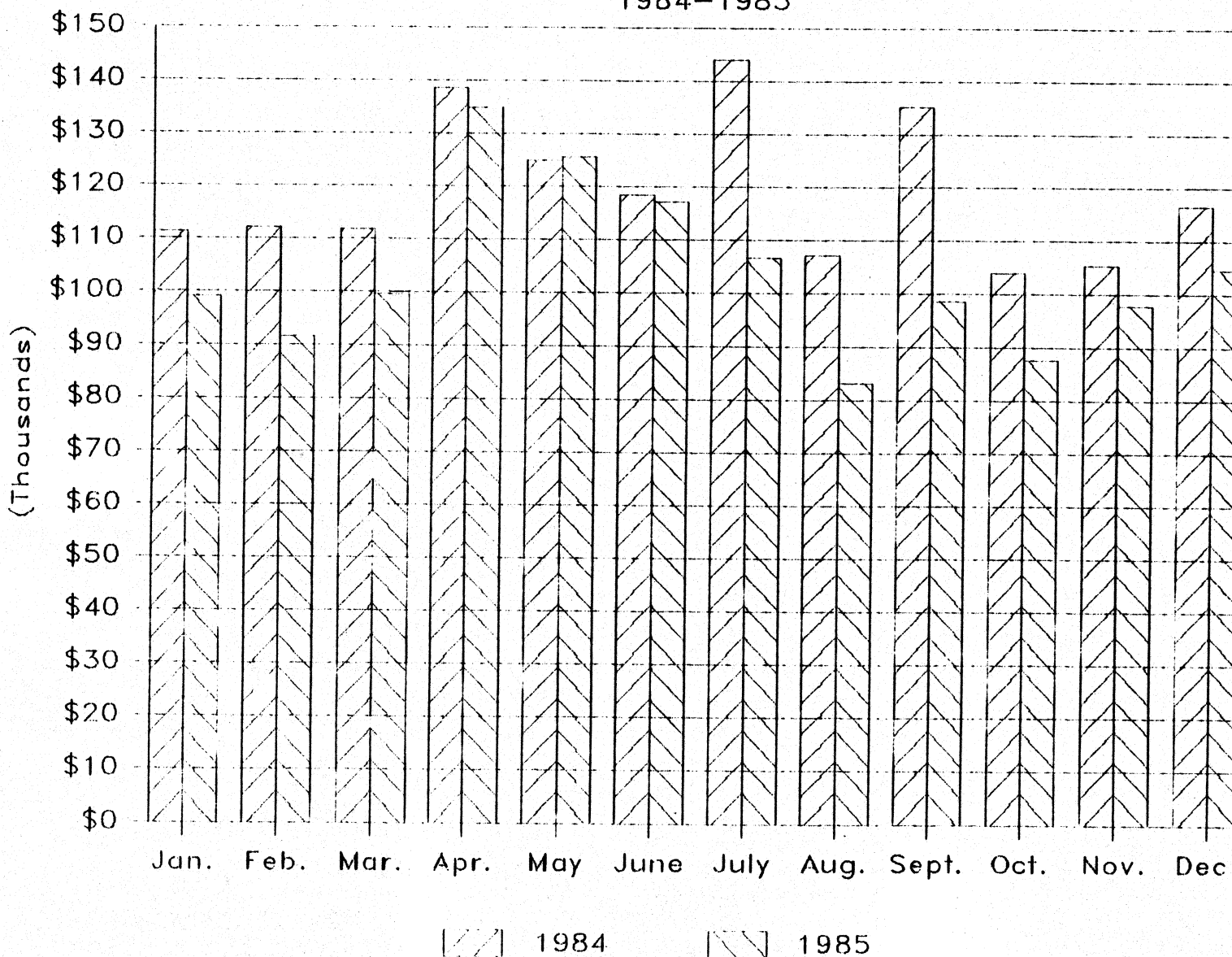
The subject site is a 29,786 square foot rectangularly shaped lot that is located on the northeast corner of Fish Hatchery Road (C.T.H. D) and Martin Street. It has 189.21

EXHIBIT 5

GRAPH SHOWING TOTAL SALES DIFFERENTIAL

RETAIL SALES SUMMARY

1984-1985



frontage on the west side of the Fish Hatchery Road and extends to a depth of approximately 159 feet along the north side of Martin Street. Access to the site is provided from both streets. Two ingress/egress drives are currently provided off of Fish Hatchery Road and a single drive provides access to and from Martin Street. Fish Hatchery Road is a major traffic thoroughfare with an average traffic count of approximately 22,100 vehicles per day. Both Fish Hatchery Road and Martin Street are hard surfaced roadways, but neither has curb, gutter, nor sidewalks.

The subject site does not appear to have any physical characteristics which would impinge upon the uses to which it might reasonably be put. It is generally level and at the grade on both streets upon which it fronts, although a slight slope downward from the north end to the south end of the site provides adequate drainage. Although soil studies were neither made nor provided for use in this appraisal, a physical inspection of the subject property and its surrounding area does not suggest the presence of any adverse soil or subsoil conditions which would limit its use. A full complement of urban services and utilities are provided to the site by the Town of Madison and City of Madison. These include water, sanitary sewer, police and fire protection, and trash collection. The area is within a Madison telephone exchange area, and is served by Madison Gas and Electric Co.

The Town of Madison is zoned under the Dane County Zoning Ordinance, which has classified the subject property as being within a C-1 Commercial District. A portion of the applicable ordinance is presented in Addendum C. This classification permits a variety of commercial business activities that include grocery stores, laundries and dry cleaning establishments, manufacturing and assemble plants, banks, offices, and clinics. Conditional uses in this district include motels, car wash facilities, and limited automobile storage. This classification allows buildings of up to four stories in height. Since Fish Hatchery Road is a Class B highway, all buildings must be placed 75 feet from the centerline of the roadway or 42 feet from the right-of-way line, whichever is greater. The ordinance also requires that a side yard of at least 10 feet be provided along the north boundary of the subject property while a side yard of 30 feet is required along the Martin Street frontage. The rear yard setback must be at least 10 feet for a commercial use. Moreover, no building in this district is permitted to occupy in excess of 40 percent of its site area. This zoning classification is consistent with those uses that could reasonably be expected to be attracted to the subject site.

D. Description of The Subject Building and
Site Improvements Before the Taking

1. The Subject Structure

The subject property is improved with a 2,557 square foot gasoline sales/convenience store facility that was developed through conversion and subsequent additions to what was originally a two-bay gasoline, colonial style, service station facility. The original building is constructed of masonry with face brick and is set on a poured concrete slab. With the exception of a small compressor room, which is concrete block construction, subsequent additions to the building are wood frame construction erected on a poured concrete foundation/slab. The building has a mixture of double-pitched and shed-roof configuration. It is heated with a natural gas-fired force air system and is adequately served with electric power, and fixtures of a quality and style consistent with its use.

The overall quality of this building is rated as being average for its class and use. It has been well maintained and the major renovations that have occurred since 1978 served to reduce its effective age to what is now estimated to be 15 years. This estimate recognizes the functional obsolescence that results from the differences between this facility as it currently exists and the way a modern facility would now be constructed if built to house and equivalent operation.

2. Site Improvements

The subject site is fully improved for use as a gasoline sales facility. Two poured concrete pump islands are situated in front of the structure parallel to the Fish Hatchery Road frontage. Each of these incorporates three gasoline pumps; these are dual pumps on the inner island and single pumps on the outer. The inside island is covered with a free standing enameled steel canopy that is supported by tapered I-beam columns and wired with florescent lighting fixtures. The outer island is not covered but it is illuminated with two single fixture area lights. These pump islands are supplied by one 4,000 gallon and two 10,000 gallon underground gasoline storage tanks that are equipped with vapor recovery systems. Also located on this property are two outdoor identification signs. The largest of these is located near the northeasterly corner of the property adjacent to Fish Hatchery Road. It is a double face plastic panel unit with interior illumination. It measures approximately 5 feet in width and is 7 feet high. It stands on a square steel column that is anchored to a poured concrete foundation. A small painted panel is attached to the bottom of the main sign face. A smaller painted metal sign is situated at the southeasterly corner of the property adjacent to the Fish Hatchery Road - Martin Street intersection. This sign is attached to a steel pole that also supports an area light. Approximately 14,000 square feet of the site is covered with asphalt paving and an additional 2,600 square feet is covered with reinforced concrete. The asphalt shows some signs of

cracking and heaving, but overall it is in fair to good physical condition. The concrete is in good condition overall.

E. Highest and Best Use of the Subject
Property Before the Taking

Highest and Best Use is defined as "that reasonable and probable use that will support the highest present value, as defined, as of the effective date of appraisal."⁴ Implicit in this definition is the assumption that the use will be reasonably probable, legally permissible, physically possible, financially feasible, and appropriate given its contribution to the community's environment and developmental goals. The principle of highest and best use is applicable to the underlying site and also to the entire subject property as currently improved. Based upon an analysis of the subject site considered as if vacant and available for use, its highest and best use is for development of a commercial facility consistent with the requirements of the Dane County C-1 zoning classification. The highest and best use of the subject property as it is currently improved is for continued use as a gasoline sales/convenience store facility. This estimate of highest and best use will serve as the basis for the valuation which follows.

III. VALUATION OF THE SUBJECT PROPERTY BEFORE THE TAKING

The appraisal process traditionally involves three standard approaches to value: the Cost Approach, the Sales Comparison Approach, and the Income Approach. Each of these is considered below.

A. The Cost Approach to Value

The cost approach is an appraisal technique that derives a value estimate that is equal to the subject property's site value, plus the reproduction cost of the subject's improvements, less accrued depreciation.

1. Site Value

In this approach the site value is derived by Sales Comparison techniques. An investigation has been made of sales in the subject property's market and those which are believed to be salient to the current value of the subject property are summarized in Exhibit 6 and the location of each is shown in Exhibit 7. Detailed data on each of these sales is presented on Addenda D. Each of these three sales is analyzed as below.

EXHIBIT 6

COMPARABLE VACANT LAND SALES SUMMARY

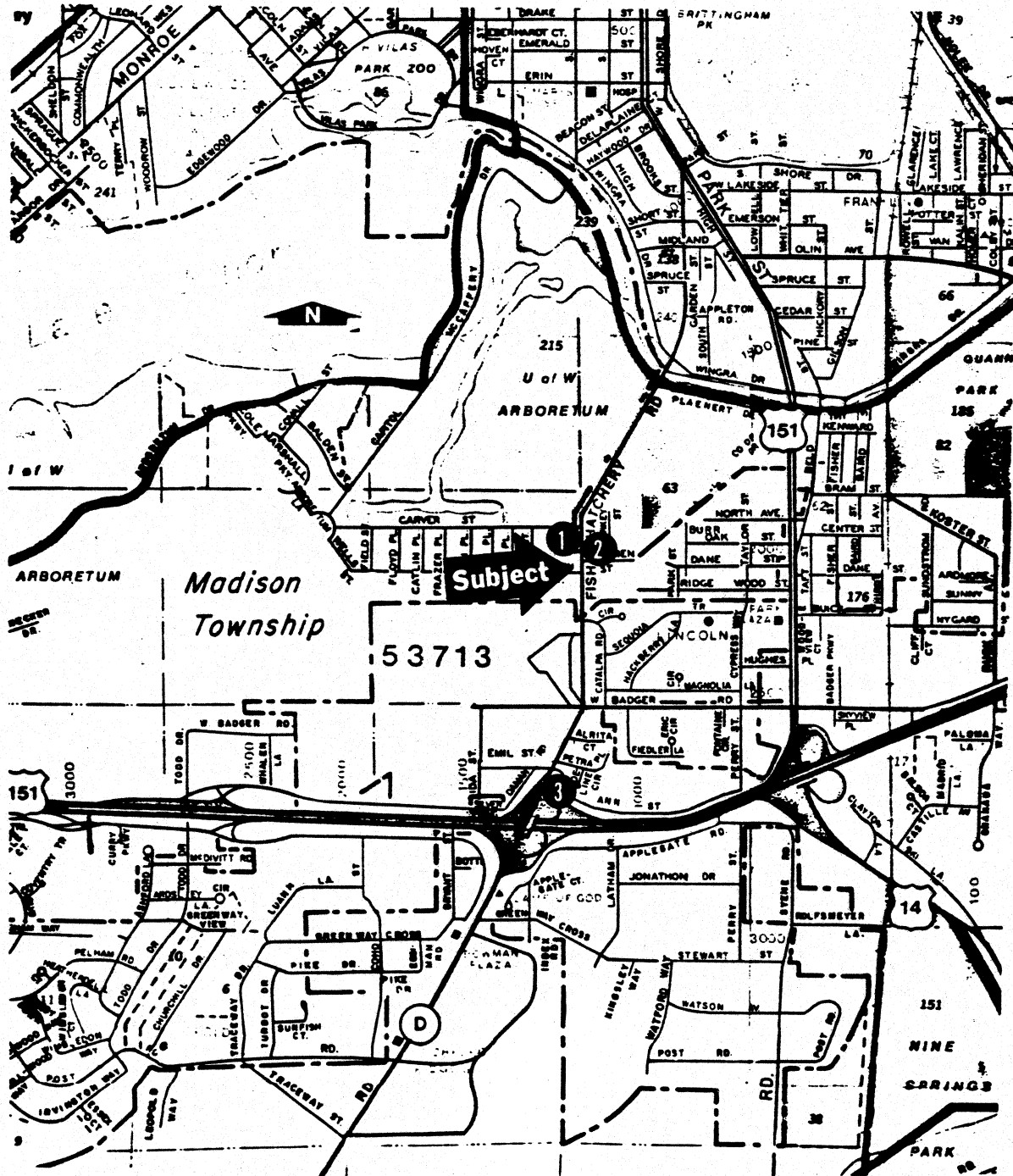
=====					
Sale No.	Address	Sale Date	Size (sf)	Sale Price	
				\$	\$/sf

1	2000 Fish Hatchery Rd.	10/85	24,725	\$60,000	\$2.42
2	2029 Fish Hatchery Rd.	2/85	24,000	\$75,000	\$3.13
3	1221-18 Ann St.	9/85	41,840	\$183,000	\$4.37

Source: Primary

EXHIBIT 7

COMPARABLE LAND SALES MAP



Comparable Land Sale Number 1

This property is located less than one block north of the subject property on Fish Hatchery Road, and like the subject property it is a corner site. The location of this site is, however, believed to be somewhat more desirable than the subject property because it is on higher ground slightly above a curve in Fish Hatchery Road that makes it clearly visible to southbound (outbound) traffic for a long distance. All other things equal, this site could be expected to sell at a slightly higher price than the subject property.

This comparable property is, however, slightly less desirable than the subject property because its B-1 Local Business District zoning classification is more restrictive than is the subject's C-1 Commercial classification. This difference is expected to offset advantage of the comparable property's slightly superior location.

The comparable property contains 24,395 square feet of site area and has 154 feet of frontage on Fish Hatchery Road. Its size is within 20 percent of the subjects and as a result, it would accommodate essentially the same type of uses. As a result the size difference between these two sites could be expected to influence the overall price paid for the properties, but not the average price per square foot. A size adjustment can, therefore, be made on a straight pro-rata basis.

Finally, this comparable transaction occurred in late September 1985, less than five months prior to the date of this

appraisal. During this period land prices appear to have remained virtually stable and as a result, this comparable sale can be considered to be indicative of current market conditions.

This comparable property is effectively equivalent to the subject in all other respects and, therefore, requires no additional adjustments. Based upon the analysis outlined above, this comparable property provides strong evidence that the subject property would sell for a price of approximately \$2.50 per square foot or $(29,786 \text{ sf} \times \$2.50/\text{sf})$ approximately \$74,500 overall.

Comparable Land Sale Number 2

This property is located almost directly across Fish Hatchery Road from the subject property and is also a corner site with access from Culmen Street, which runs along this site's southerly boundary. This location is considered slightly less desirable than the subjects because it is located on the inbound rather than the outbound traffic lane of Fish Hatchery Road. This comparable property is zoned C-2 Commercial by the Town of Madison. While this classification permits slightly more intense uses than does the subject's C-1 classification, many of the additional uses are not well suited to major traffic thoroughfares and as a result the more intense zoning is not believed to add to the relative desirability of the comparable property or influence the price for which it would sell.

This comparable property contains 24,000 square feet of site area and is, like Comparable Sale Number 1, in the same size category as the subject. However, this comparable property is considered to be slightly inferior to the subject property because of its shape. The comparable has only 120 feet of frontage on Fish Hatchery Road and extends to a depth of 200 feet. Since commercial users generally prefer frontage over depth, it is expected that this property would, everything else equal, sell at slightly lower price than the subject. As a result the sale price indicated by this comparable must be adjusted slightly upward.

At the time of sale this comparable was improved with a 400 square foot structure that was originally used as the sales office for a gasoline station. Moreover, the site was completely paved. While the purchaser could not be specific as to the value he placed on these improvements, if any, he did say the building was "junk" and that he basically bought the land. The building has since been slightly renovated at a cost of approximately \$2,300 and is used as the office for the used car lot which now occupies the property. Based upon this information it is very likely that the existing improvements to this property did not add any more than \$5,000 to the sale price at the time of purchase.

The sale of this comparable was financed by the seller and thereby gives rise to some question as to the possible effect on the price paid. However, a down payment of 16 percent of the

total purchase price was made, the term of contract is short (36 months), and the interest rate (11 percent per year) is close to that which could be obtained from a conventional lender. As a result it is assumed here that the financing did not exert a significant influence on the price paid for the property and no adjustment is necessary.

This sale took place in February 1985, approximately one year prior to the date of this appraisal. Because the market for sites of this type has been relatively stable over that period no adjustment to reflect changing market conditions is needed.

After adjustment for these factors, this comparable property is effectively equivalent to the subject property. Based upon this sale and the associated adjustments the market value of the subject property is estimated to be approximately \$3.00 per square foot or (29,786 sf x \$3.00/sf) \$89,500 overall.

Comparable Land Sale Number 3

This sale is located approximately one mile south of the subject property, just north of the Fish Hatchery Road, Beltline Highway interchange. The property was purchased as the site of the newly constructed Rax Restaurant. Because of the high traffic volume at this intersection and the comparable property's highly visible setting, this location is considered to be significantly better than the subject's. All other things equal, this comparable would be expected to sell at a significantly higher price than the subject.

This comparable property is located within the City of Madison and is control by their zoning ordinance, which classifies the property as being within a C2 General Commercial District. This is equivalent to the subject zoning and as a result requires no adjustment.

This comparable property contains 41,840 square feet of land area and is significantly larger than the subject. In general larger sites tend to sell a lower per square foot prices, so an upward adjustment to this comparable price is required to reflect the price the comparable would bring if it contained the same area as the subject. However, fast food restaurants generally pay relatively high prices for sites that are large enough to accommodate their facilities (generally larger than 35,000 square feet) so some portion of the size adjustment should be eliminated. Although this comparable has a somewhat irregular shape, is suffers no loss in utility relative to the subject property because of its larger size and by virtue of access provided by the streets which virtually surround it.

At the time of this sale, the property was improved with an vacated single family dwelling unit that was subsequently removed at a cost of approximately \$5,000. Since the subject site is being valued as though it was vacant and available for use, the cost of this demolition must be added to the comparable property's nominal sale price. This addition can be considered as an adjustment to the comparables sale price.

Since this transaction occurred approximately six months prior to the date of this appraisal it is believed adequately represent current market conditions and requires no adjustment in that regard.

Even after consideration of the above factors, this comparable property retains a somewhat different character than the subject property. Since it is impossible to quantify these differences this sale must be given less weight than the preceding two transactions in estimating the current market value of the subject property. It does, however, suggest a market value of approximately \$3.00 per square foot for the subject.

Estimated Value of the Subject Site

The above three sales suggest that the current market value of the subject property, considered as if vacant and available for use, is in a range from \$2.50 to \$3.00 per square foot of site area. The most comparable property is that which was described as Comparable Number 1. That was a recent sale of a completely vacant tract, in a highly similar location. As a result, the \$2.50 per square foot value estimate that results from an analysis of that transaction must be given the greatest weight in arriving at a final value estimate. Sale Number 2 is also quite similar and results in a value estimate of approximately \$3.00 per square foot. However, it is impossible to precisely quantify the value added by that site's modest improvements, and the transaction is, therefore, less reliable

than its Sale 1. Since it is a somewhat different type of property, although at a nearby location, Sale No. 3, which resulted in an indicated value of \$3.00 per square foot for the subject, is given the least weight in arriving at the final value estimate.

Based upon this data and analysis the estimated market value of the subject site, considered as if vacant and available for use, is concluded to be \$2.75 per square foot of site area, or $(\$2.75/\text{sf} \times 29,786 \text{ sf})$ \$81,911 overall. This overall figure is appropriately rounded to \$82,000 for use in this cost approach.

2. Replacement Costs of the Subject Improvements

The Marshall Valuation Service was used to estimate the reproduction cost of the subject improvements. A summary of these costs for building, yard improvements, landscaping, and trade fixtures is shown in Exhibit 8. More detailed cost calculations are presented in Addenda E. As can be seen, the estimated replacement cost of the subject improvements is \$146,230.

3. Accrued Depreciation

Accrued depreciation is defined as "[t]he difference between reproduction cost new or replacement cost new of the improvements and the present worth of those improvements."⁵

This depreciation is generally categorized as: (1) physical deterioration, (2) functional obsolescence, and/or (3) economic obsolescence. Both physical and functional obsolescence may be

EXHIBIT 8

COST SUMMARY: BEFORE THE TAKING

Item	Rplmt. Cost	<u>Accr. Depr.</u>		Est. Value
		(%)	(\$)	
Structure	\$ 74,104	35%	\$25,936	\$48,167
Site Improvements				
Pump Islands	1,346	65%	875	471
Piping	5,410	65%	3,516	1,893
Vapor Control System	5,839	65%	3,795	2,044
Canopy	12,090	15%	1,814	10,277
Area Lighting	2,645	65%	1,719	926
Gasoline Tanks	19,466	65%	12,652	6,813
Illuminated Sign	2,175	18%	392	1,784
Painted Sign	429	42%	180	249
Asphalt Paving	16,029	65%	10,419	5,610
Concrete Paving	<u>6,698</u>	50%	<u>3,349</u>	<u>3,349</u>
Total	\$146,230		\$64,648	\$81,583

further subcategorized as curable or incurable depending on whether or not it is physically possible and financially viable to do so. Economic obsolescence is by definition incurable since it stems for causes which are outside of the boundaries of the subject property.

This depreciation can be estimated using an age life methodology. In this method the building is assumed to have an economic life of 30 years and it has an effective age of 15 years. Using tables provided by the Marshall Valuation Service, the resulting accrued depreciation is estimated to be 35 percent. In general, the land improvements are estimated to have an economic life of 15 years, and effective ages that vary from 5 to 10 years. Based upon these ages and economic lives, the accrued depreciation for the land improvements range from 15 to 65 percent. The percentage and dollar amount of depreciation for various components of the subject property are shown in Exhibit 8. The total depreciation that has accrued to the subject property is \$64,648.

4. Value Indicated by the Cost Approach

Given the estimates of land value, replacement costs, and accrued depreciation derived above, the value of the subject property by the cost approach to value is as follows:

Land Value	\$82,000
Replacement Cost of the Improvements	<u>\$146,230</u>
Estimated Cost New	\$228,230
Less: Accrued Depreciation	<u>(\$64,648)</u>
Indicated Value of the Subject Property	\$163,582

This value estimate is appropriately rounded to \$165,000.

B. The Sales Comparison Approach

The Comparable Sales Approach is an appraisal technique that derives an estimate of the subject property's value by comparing it to other similar properties that have recently sold in arm's length market transactions. Its applicability is, therefore, dependent upon the availability of adequate sales data. In the case of this appraisal, a search of the Madison market did not disclose any information regarding similar gasoline sales/convenience store facilities. As a result, the comparable sales approach was not applied.

C. The Income Approach

The income approach considers the subject property in terms of its characteristics as an investment vehicle. The applicability of this approach is, like the sales comparison approach, dependent upon the availability of market data regarding rents, operating expenses, and capitalization rates. Since available sales information will not provide this data, the income approach will not be applied.

D. Reconciliation and Final Value Estimate:
Before the Taking

The preceding analysis has considered the three standard approaches to value. Of these, only the Cost Approach was found to be applicable. The value estimate derived from this approach is \$165,000. This approach provides the sole basis for the final value estimate. Based upon this approach, the estimated

market value of a fee simple interest in the subject property as of February 10, 1986 is:

ONE HUNDRED SIXTY FIVE THOUSAND DOLLARS

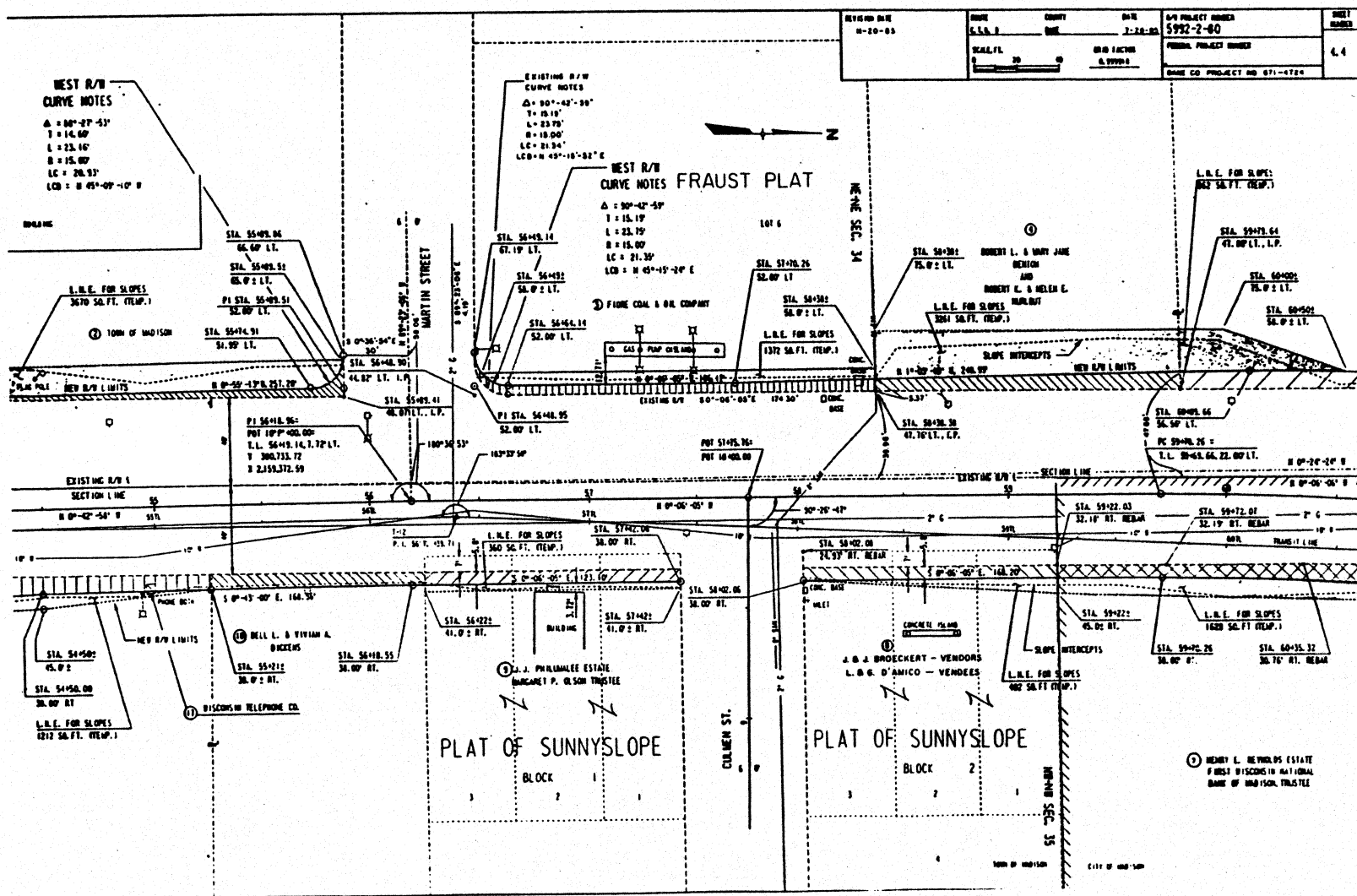
(\$165,000)

IV. THE TAKING

The Dane County Highway Department is taking a strip of land from the easterly edge of the subject property for the purpose of widening the Fish Hatchery Road right-of-way. The taking, which contains 836 square feet of land area, extends along the entire length of the property and is approximately 5.5 feet in width. The location of this taking is shown in Exhibit 9, and a legal description of the area is presented in Addendum F. Included within the area of the taking is approximately 700 square feet of asphalt paving and 100 square feet concrete paving. The taking also encroaches on the base of the sign structure that is located at the north corner of the subject site, and will necessitate its removal. The operator of this property also indicated that wiring for the sign and at least one area light lies within the area taken. This also may have to be moved as a result of the taking.

In addition to the taking, the County is acquiring a Limited Highway easement for a right of entry over 1,372 square feet. The agreement for this easement is presented in Addendum G. This easement is expected to exist for a period of approximately one year.

LOCATION MAP OF THE TAKING



V. DESCRIPTION AND ANALYSIS OF THE SUBJECT
PROPERTY AFTER THE TAKING

After the taking the subject site will be reduced to 28,955 square feet of total area. The area of the asphalt paving will be reduced to 13,300 square feet and the concrete paved area will be reduced to 2,500 square feet. The existing illuminated sign will have to be relocated several feet to the west of its current location and the wiring that is within the taking area will also have to be reinstalled. The balance of the improvements to the site will remain unchanged.

The operation of the property will also be, to a large degree, unaffected. However, the taking will substantially narrow the isle for automobiles attempting to use the outside lane of the pump island nearest Fish Hatchery Road. The taking will reduce the width of this isle from approximately 16 feet to approximately 11 feet at its narrowest point. The width is considered to be the absolute minimum functional distance that would allow the island to function with access from both sides. Since the island is currently served by single service pumps the effects of this narrow passage is further mitigated. As a result, no functional obsolescence is believed to accrue to the subject property as a result of the taking. The highest and best use of the subject property after the taking continues to be for operation of the gasoline sales/convenience store operation.

VI. VALUATION OF THE SUBJECT PROPERTY AFTER THE TAKING

The three standard approaches to value were again considered after the taking. As in the before value, only the Cost Approach was found to be applicable.

A. The Cost Approach to Value

1. Valuation of the Subject Site

The same comparable land sales that were used in the before value are used in the valuation of the site after the taking. Since the only effect of the taking is to slightly reduce the size of the site, the adjustments that resulted in a \$2.75 per square foot site value are also unchanged. The estimated value of the subject site considered as if vacant and available for use is then $(28,955 \text{ sf} \times \$2.75/\text{sf})$ \$79,626. This value is appropriately rounded to \$80,000.

2. Replacement Cost of the Subject Improvements

The replacement cost of the subject improvements were again calculated using the Marshall Valuation Service data. The results of these calculations are summarized in Exhibit 10 and more detailed calculation are presented in Addendum H. As can be seen, the estimated replacement costs of the subject improvements after the taking is \$145,171.

EXHIBIT 10

Cost Summary: After the Taking

Item	Rplmt. Cost	<u>Accr. Depr.</u>		Est. Value
		(%)	(\$)	
Structure	\$ 74,104	35%	\$25,936	\$48,167
Site Improvements				
Pump Islands	1,346	65%	875	471
Piping	5,410	65%	3,516	1,893
Vapor Control System	5,839	65%	3,795	2,044
Canopy	12,090	15%	1,814	10,277
Area Lighting	2,645	65%	1,719	926
Gasoline Tanks	19,466	65%	12,652	6,813
Illuminated Sign	2,175	18%	392	1,784
Painted Sign	429	42%	180	249
Asphalt Paving	15,227	65%	9,898	5,330
Concrete Paving	<u>6,440</u>	50%	<u>3,220</u>	<u>3,220</u>
Total	\$145,171		\$63,998	\$81,173

3. Accrued Depreciation

For all items except the illuminated sign and its associated wiring, the depreciation accruing to the subject property after the taking is unchanged from the before value. Since the sign must be taken down and relocated, it may be considered to suffer from a form of obsolescence. According to Marshall and Swift, installation cost for these signs can amount to 18 percent to 25 percent of total costs. Given that the sign must be taken down and reinstalled, but both operations can be done at the same time, a charge of equal to 36 percent of the signs cost is believed reasonable. Accrued depreciation to this sign must therefore be increased by 36 percent over the before value. Both the percentage and dollar amounts are shown in Exhibit 10. The total dollar value of depreciation after the taking is \$64,780.

4. Value Indicated by the Cost Approach

Given the estimates of land value, replacement costs, and accrued depreciation derived above, the value of the subject property by the cost approach to value is as follows:

Land Value	\$80,000
Replacement Cost of the Improvements	<u>\$145,171</u>
Estimated Cost New	\$225,171
Less: Accrued Depreciation	<u>(\$64,780)</u>
Indicated Value of the Subject Property	\$160,391

This value is appropriately rounded to \$160,000

B. Reconciliation and Final Value Estimate:
After the Taking

The preceding analysis has considered the three standard approaches to value. Of these, only the Cost Approach was found to be applicable. The value estimate derived from this approach is \$160,000. This approach provides the sole basis for the final value estimate. Based upon this approach, the estimated market value of a fee simple interest in the subject property as of February 10, 1986 is:

ONE HUNDRED SIXTY THOUSAND DOLLARS

(\$160,000)

VII. LIMITED HIGHWAY EASEMENT

Dane County is to acquire a limited highway easement for a temporary right of entry for the purpose of constructing roadway embankments including the right to operate necessary equipment for as long as is required to construct this roadway. This easement will encumber 1,372 square feet of the subject site for a period that is not expected to exceed one year of non-continuous use. At the end of this period they are to leave the property in essentially the same condition as they found it.

Compensation for this easement can be viewed as a form of a land lease. The value of a fee simple interest in the encumbered property is estimated to be $(1,372 \text{ sf} \times \$2.75/\text{sf})$ \$3,773. Typical land lease arrangements call for annual rental payments of 10 to 15 percent of the property's market value. The tenant typically pays all expenses and the landowner receives a net amount. Since a net lease arrangement is not practical in this instance, a gross rental at the high end of this range is appropriate. The annual rental rate for the land encumbered by the limited highway easement is then estimated to be $(\$3,773 \times 15\%)$ \$565.

VIII. ESTIMATE OF LOSS AND DAMAGES AS A
RESULT OF THE TAKING

The loss and damage to the subject property as a direct result of this taking is represented by the difference between the estimated value of the property before the taking and its estimated value after. The estimated damages as of February 10, 1986, are computed as follows:

Estimated Value Before the Taking	\$165,000
Estimated Value After the Taking	<u>160,000</u>
Estimated Loss and Damage	\$ 5,000 =====

In addition to these damages, the subject property is to be encumbered with a Limited Highway Easement for a term of approximately one year. The estimated compensation due as a result of this easement is \$565.

The total compensation for the taking and the easement as of February 10, 1986, is estimated to be \$5,565.

IX. 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, it is our opinion that the market value, as defined herein, as of February 10, 1986, before the taking, is:

ONE HUNDRED SIXTY FIVE THOUSAND DOLLARS

(\$165,000)

The estimated market value, as defined herein, as of February 10, 1986, after the taking, is:

ONE HUNDRED SIXTY THOUSAND DOLLARS

(\$160,000)

The compensation due as a result of the Limited Highway Easement is \$565. The total compensation due the owner of this property is then:

FIVE THOUSAND FIVE HUNDRED AND SIXTY-FIVE DOLLARS

(\$5,565)

FOR LANDMARK RESEARCH, INC.

James A. Graaskamp / JAG

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

Frederick A. Rendahl

Frederick A. Rendahl
Real Estate Appraiser/Analyst

ADDENDUM A
CURRENT LEASE FOR THE SUBJECT PROPERTY

L E A S E

THIS INDENTURE, entered into and executed in duplicate this 3rd day of August, 1982, by and between FIORE COAL & OIL CO., INC., a Wisconsin corporation, with its principal offices located at 4716 Verona Road, Madison, Wisconsin 53711, hereinafter referred to as the "Lessor," and STARVIN' MARVIN'S, INC., a Wisconsin corporation, in care of George Marvin, at 2050 Fish Hatchery Road, Madison, Wisconsin 53713, hereinafter referred to as the "Tenant."

In consideration of the covenants and agreements hereinafter set forth to be kept and performed by both parties, the Lessor does hereby lease, let and demise unto the Tenant, and the Tenant does hereby take from the Lessor the demised premises located in the Town of Madison, Dane County, Wisconsin, as follows and to wit:

Lot 6, Froust Plat, being a part of the NE 1/4 of the NE 1/4 of Section 34, T 7 N, R 9 E, in the Town of Madison, Dane County, Wisconsin, commonly known as 2050 Fish Hatchery Road, Madison, Wisconsin 53713, and being situated at the Northwest corner of the intersection of Fish Hatchery Road and Martin Street, Madison, Wisconsin.

TO HAVE AND TO HOLD the demised premises at 2050 Fish Hatchery Road unto the Tenant for a term of ten (10) years commencing on the 3rd day of August, 1982, and ending on the 2nd day of August, 1992, upon the following terms and conditions.

1. LEASE YEAR. The term "Lease Year" as used herein shall mean a period of twelve (12) consecutive months, the first of which lease years shall commence on August 3rd, 1982. Subsequent lease years shall run consecutively, each commencing upon an anniversary of the commencement of the first lease year.

2. PAYMENT OF RENTALS. The Tenant covenants and agrees to pay the Lessor at its office or at such other place as the Lessor may from time to time designate in writing,

ADDENDUM A (Continued)

-2-

rentals for the demised premises as follows:

A. FIXED RENTAL: A fixed annual minimum rental, hereinafter called "Fixed Rental," of Nine Thousand Six Hundred Dollars (\$9,600.00), due and payable on the first day of each and every month in advance, in equal installments of Eight Hundred Dollars (\$800.00) per month during the demised term of this Lease or any extensions thereof.

8-3-82-800.00
8-3-84-848.10
8-4-88-898.88
8-5-92-948.81
8-6-96-999.18
8-7-00-1,070.58
8-8-04-1,134.81
8-9-08-1,202.90
9-0-12-1,275.07
9-1-16-1,351.57

After the first lease year, the Fixed Annual Minimum Rental shall be annually increased on the anniversary date of this lease, and the monthly payment installments adjusted accordingly, by increasing the prior year's Fixed Annual Minimum Rental by six per cent (6%). The Fixed Annual Minimum Rental for each succeeding Lease Year during the term of this Lease and any extensions thereof, shall be that amount determined by multiplying the Fixed Annual Minimum Rental for the prior year by six per cent (6%), and then adding the product thus obtained to the Fixed Annual Minimum Rental for the prior Lease year.

B. ADDITIONAL RENTAL: In addition to the fixed rental hereinbefore required to be paid, the Tenant shall pay, as part of the consideration for this Lease, such additional rental as is hereinafter required. Such additional rental may be estimated and billed by the Lessor, and in such cases the same shall be adjusted annually. Half of the sum of any additional rental shall be paid to the Lessor by the Tenant within ten (10) days after presentation by the Lessor, and the remainder shall be paid in full no later than July 1.

3. INSURANCE. Lessor shall procure and maintain during the term of this Lease and any extensions or renewals thereof, policy or policies of fire and extended coverage insurance on the demised premises insuring the same for not less than eighty per cent (80%) of the insurable value thereof.

4. UTILITIES. The Tenant shall be responsible for all water, heat, gas, electricity, air conditioning and power, and any other utility services used by it. The Tenant shall

ADDENDUM A (Continued)

-3-

pay any sewer charges which any municipality or public or private utility may levy for furnishing sewer services.

5 REPAIRS & MAINTENANCE. The Tenant having purchased and taken title to certain equipment enumerated in a separate agreement attached to this Lease and designated as "Addendum A," the Tenant shall maintain, replace and keep in good repair such equipment, structure and demised premises at its own expense and shall, upon the expiration of the initial term of this Lease or any extensions thereof, deliver up the premises (the equipment enumerated in "Addendum A" alone excepted) in as good condition and repair as received, reasonable wear and tear and damage by fire or other casualty excepted; it being understood that the obligation of the Tenant to perform repairs to the demised premises shall include, but not be limited to, the maintenance, repair and replacement of all heating, cooling, plumbing and mechanical fixtures and facilities, electrical fixtures, water and gas lines, underground storage tanks, vehicle lifts, floodlights and area lighting fixtures, replacement of all glass which may become broken or cracked during the demised term, interior and exterior painting, and the repair of any damage caused to the driveway, parking area, foundation, walls, roof and other structural portions (interior or exterior) of the demised premises. However, the Tenant shall not be liable for damage to the demised premises which shall be necessitated by the negligence of the Lessor, its employees or agents, or which shall be caused by fire or other hazard covered by the Lessor's insurance and on which insurance the Lessor shall have recovered in full, undepreciated loss for such damage, notwithstanding the fact that such damage may have been caused by the negligence of the Tenant, its agents, employees or invitees; and the Lessor does hereby expressly release the Tenant of and from liability for such damage so recovered from the Lessor's insurer.

6. LESSOR NOT LIABLE FOR DAMAGE. The Lessor shall not be liable for any loss or damage to persons or to the property of the Tenant or of its employees or invitees occasioned by or resulting from defects in any fixtures, appurtenances, or

ADDENDUM A (Continued)

-4-

any portion of the premises including but not limited to any vehicle lifts, underground storage tanks, lighting fixtures, electrical wiring; plumbing, gas, water, heating or other pipes; or radiator bursting, leaking, running; or stoppage or overflow of any boiler, tank, washstand, tub, toilet or waste pipe in or upon the said premises; nor for any damage occasioned by water, snow, ice or anything being upon or coming through the roof, walls or windows of the demised premises, or by breakage of glass in the show windows or doors or other lights, nor for damage arising from acts of neglect of adjacent or contiguous property nor resulting from failure of Lessor to make any repairs.

7. USE OF THE PREMISES. The Tenant agrees that it will use the demised premises for the purpose of conducting thereon a business for the sale of gasoline and those products and services having to do with the care and repair of motor vehicles, and in compliance with all applicable laws, ordinances and regulations of federal, state and local governments; and/or for the retail sale of foodstuffs and sundries; and for no other purpose without the consent of the Lessor first had and obtained in writing.

No part of the demised premises shall be occupied or used by any person for any purpose or in a manner so as to increase the insurance risk or prevent the obtaining of insurance, or so that, in accordance with any requirement of law or any public authority, the Lessor shall be obliged to make any addition or alteration to or in the building.

In the event that Tenant discontinues operation of business on the premises for a continuous period in excess of ten (10) months, then at Lessor's option, exercisable on not less than thirty (30) days' notice, Lessor may terminate this Lease, unless Tenant shall have resumed operation of such hereinabove described business on the premises prior to the giving of such notice.

8. CONDUCT OF BUSINESS. The Tenant agrees during term of this Lease or any renewals thereof, to carry and ma

ADDENDUM A (Continued)

-5-

tain and pay for fire and extended coverage insurance on its inventory, fixtures and leasehold improvements, to the reasonable value thereof. Such insurance shall be written in insurance companies approved by the Lessor, and which insurance shall waive any subrogation rights against the Lessor. The Tenant shall furnish the Lessor with certificates of such insurance.

The Tenant shall not carry any stock of goods or do anything in or about the demised premises which will in any way impair or invalidate the obligation of any policy of insurance relating thereto or to the building in which the said premises are situated. The Tenant agrees to pay upon demand, as additional rent, any increase in insurance premiums resulting from the business carried on in the demised premises by the Tenant, whether or not the Lessor has consented to the same. If the Tenant installs any electrical equipment which overloads the electrical facilities, it shall, at its own expense, make whatever changes are necessary to comply with the requirements of the insurance underwriters and governmental authorities having jurisdiction, but no such changes shall be made by the Tenant until it first submits to the Lessor plans and specifications for the proposed work, and obtains the Lessor's written approval to perform the same.

9. COVENANT TO HOLD HARMLESS & PUBLIC LIABILITY INSURANCE. The Tenant agrees to indemnify and save the Lessor harmless against and from any and all claims, damages, costs and expenses, including reasonable attorney's fees, arising from Tenant's use and occupancy of the demised premises. It is further understood and agreed that the Lessor shall not be liable, and the Tenant waives all claims, for damage to person or property sustained by the Tenant, its employees or agents, resulting from the condition of the building in which the demised premises are situated, the demised premises proper, or any equipment or appurtenance; or such as may result from any accident in or about the demised premises. The Tenant agrees to carry and pay the premiums for public liability insurance, insuring itself and the Lessor against injury to

ADDENDUM A (Continued)

-6-

property, person, or loss of life arising out of the use and occupancy of the demised premises, with limits of at least \$100,000 property damage; \$300,000 for any one person, and \$500,000 for any number of persons injured or killed in any one accident, and shall furnish to the Lessor as may be requested from time to time a certificate of said insurance.

Such policies of insurance shall not be cancelled, discontinued or altered without ten (10) days' written notice to the Lessor. Such policies of insurance shall consent to the waiver of subrogation hereinabove set forth.

10. PARTIAL OR TOTAL DESTRUCTION OF PREMISES. In the event the demised premises shall be damaged or partially destroyed by fire or the elements to the extent of less than one-third of the cost of replacement thereof above foundation, the same shall be repaired as quickly as is practicable, by and at the expense of the Lessor. If such damage or partial destruction shall be of such character so as to require the Tenant to discontinue occupancy therein, the rentals provided, for herein shall abate from the date of such closing until the premises are again ready for occupancy.

In the event the said premises are totally destroyed by fire or the elements, which destruction shall be construed to mean damage to an extent of more than one-third of the cost of replacement thereof above foundation, rentals shall be paid up to the time of such destruction and the Lessor may, at its option, cancel this Lease and shall be under no obligation or duty to rebuild.

If the Lessor shall undertake to restore or repair the demised premises, it shall initiate and pursue the necessary work with all reasonable dispatch, in a manner consistent with sound construction methods, but it shall not be liable for any delays or interruptions occasioned by strikes, casualties, critical materials in short supply, governmental regulations, or any other cause or causes beyond its control. Following the restoration of the premises or completion of repairs thereto, possession and occupancy of said premises

ADDENDUM A (Continued)

-7-

shall be tendered to the Tenant, and rental shall commence and accrue as of that date; whereupon this Lease shall continue unabated.

11. SUBORDINATION. At the Lessor's option, this Lease shall be and is subordinated to any existing mortgages covering said premises, any extension or renewal thereof, or to any new mortgages which may be placed thereon from time to time; provided, however, anything to the contrary contained herein notwithstanding, every such mortgage shall recognize the validity of this Lease in the event of a foreclosure of the Lessor's interest, as long as the Tenant shall not be in default under any of the terms of this Lease. The Tenant shall execute whatever instruments may be required to effect such subordination without personal liability to the Tenant.

12. NOTICES. Whenever in this Lease it shall be required or permitted that notice be given by either party hereto to the other, such notice shall be forwarded by U. S. Certified Mail addressed as follows:

TO LESSOR: Fiore Coal & Oil Company, Inc.
4716 Verona Road
P. O. Box 4010
Madison, WI. 53711-0010

TO TENANT: George Marvin
Starvin' Marvin's, Inc.
2050 Fish Hatchery Road
Madison, WI. 53713,

or to such other place or places as the parties may from time to time designate in writing.

It is further agreed that either of the parties hereto will promptly submit to the other a copy of any notice received by such party from any third person affecting the rights of either party under this Lease.

13. LESSOR'S IMPROVEMENTS. In addition to the real estate hereinabove described, it is understood that there are now located upon said premises certain properties heretofore considered Lessor's improvements, but which by separate agreement attached to this Lease as "Addendum A," have been sold to the Tenant, and for the use, maintenance, safety, repair,

ADDENDUM A (Continued)

-8-

replacement or removal of which the Tenant is solely responsible. The aforesaid "Addendum A" shall be and hereby is considered part of this Lease.

14. TRADE FIXTURES. The Tenant may upon occupancy, and at its expense, install, maintain and operate on said premises any fixtures, equipment and appliances necessary for the conduct of its business. The Tenant agrees not to create, or suffer others to create, any lien or obligation against the premises of the Lessor by reason of the authorized installation aforesaid, and further, to hold the Lessor harmless of and from all claims and demands of third persons in any manner relating to such installation or to the Tenant's occupancy of the demised premises for such purpose.

The aforesaid fixtures, equipment and appliances may be affixed to the building, and the Tenant may remove the same at will, and shall remove the same at Lessor's request; provided, however, that all damage thereby incurred to the building or the demised premises shall be repaired by and at the expense of the Tenant; and provided, further, that the Tenant is not then in default under any of the conditions and provisions of this Lease.

Tenant shall also have the right to make, at its expense, such additions to or alterations in the Lessor's buildings, structures and improvements which necessitate connections with water, gas and sewer lines and pipes on or serving the demised premises, and to continue the use and service thereof during the term of this Lease, provided that any such additions or alterations in Lessor's buildings, structures and improvements shall not be removed by Tenant, and upon termination of this Lease shall become the property of the Lessor.

15. WARRANTY OF QUIET POSSESSION. The Lessor hereby warrants and covenants that it has full authority to execute this Lease, and further agrees that the Tenant, upon paying rent and performing the covenants and conditions of this Lease may have and shall quietly have, hold and enjoy the demised

ADDENDUM A (Continued)

-9-

premises during the term hereof.

16. EMINENT DOMAIN. In the event all or a substantial portion of the demised premises shall be taken or condemned for public purposes by public authorities in condemnation proceedings, or conveyed in lieu thereof, either party may cancel this Lease.

17. RENT DEFAULTS. It is mutually agreed that, in the event the Tenant shall default in the payment of rentals when due, the Lessor may forward written notice of such default by U. S. Certified Mail, addressed to the Tenant as hereinbefore set forth, and failure on the part of the Tenant to cure such default within ten (10) days after the date of mailing of said notice, shall, at the option of the Lessor, work a forfeiture of this Lease. In case the Tenant so continues the default of any rental payment due after notice, the Tenant shall not be released of any liability for rent hereunder by reason of the Lessor's repossession of the demised premises, or by the Lessor's taking any other legal proceedings available to it upon default. Nor shall a forfeiture of this Lease release the Tenant from continuing liability for the payment of rent as herein provided.

18. OTHER DEFAULTS. It is mutually agreed that in the event the Tenant shall default in any of the terms and provisions of this Lease other than payment of rent, the Lessor may forward written notice of such default by U. S. Certified Mail, addressed to the Tenant as hereinbefore set forth, and the Tenant agrees that if it be in default as set forth in such notice it will cure such default within twenty (20) days after the date of mailing of such notice (or in the event such default is of such a character as to require more than twenty [20] days to cure, the Tenant will use diligence to cure such default). And in the event the Tenant shall fail to cure such default, the cost and expense thereof shall be deemed to be additional rent to be paid by the Tenant on the next day when fixed monthly rentals shall become due and collectible.

ADDENDUM A (Continued)

-10-

If, however, after due notice to the Tenant of an opportunity to cure the same, the Tenant shall refuse or fail to cure or make good any such default, the Lessor may, at its option, terminate this Lease.

Failure to give notice of any default shall not be deemed to be a waiver thereof, nor consent to the continuation thereof.

19. BANKRUPTCY. Neither this Lease, nor any interest therein, nor any estate thereby created shall pass to any trustee or receiver or assignee for the benefit of creditors or otherwise by operation of law. In the event the estate created hereby shall be taken in execution or by other process of law, or if the Tenant shall be adjudicated insolvent or bankrupt pursuant to the provisions of any state or federal insolvency or bankruptcy act, or if a receiver or trustee of the property of the Tenant shall be appointed by reason of the Tenant's insolvency or inability to pay its debts, or if any assignment shall be made of the Tenant's property for the benefit of creditors, then and in any such events the Lessor may at its option, in addition to the remedies provided herein, terminate this Lease and all rights of the Tenant herein, by giving to the Tenant notice in writing of the election of the Lessor so to terminate. The Tenant shall not cause or give cause for the institution of legal proceedings seeking to have the Tenant adjudicated bankrupt, reorganized or rearranged under bankruptcy laws of the United States, and shall not cause or give cause for the appointment of a trustee or a receiver for the Tenant's assets, and shall not make an assignment for the benefit of creditors or become or be adjudicated insolvent. The allowance of any petition under the bankruptcy laws, or the appointment of a trustee or receiver of the Tenant or its assets, shall be conclusive evidence that the Tenant caused, or gave cause therefor, unless such allowance of the petition, or the appointment of a trustee or receiver, is vacated within thirty (30) days after such allowance or appointment.

ADDENDUM A (Continued)

-11-

20. CONTINUED LIABILITY FOR RENT. If the Tenant shall abandon or vacate the demised premises before the end of the term of this Lease, or shall suffer any installments or rent or other payments to be in arrears, or shall neglect or fail to keep and perform any other provisions or terms of this Lease on the part of the Tenant to be kept and performed, the Lessor after notice as hereinabove provided, may enter said premises and remove any signs of said Tenant therefrom, and relet the same as the Lessor may see fit, without thereby voiding or terminating this Lease. And if a sufficient sum shall not be realized from such reletting after payment of the expenses of such reletting to equal the monthly rentals stipulated to be paid by the Tenant under the provisions of this Lease, plus the Lessor's cost for remodeling such premises for such reletting purposes, plus reasonable fees therefor, then the Tenant agrees to pay said deficiency during each month during the entire term, on demand, it being expressly agreed that no surrender of the demised premises, and no action taken on the part of the Lessor to repossess itself as of its former estate, shall release or relieve the Tenant of its continued liability for the payment of rent, unless such a release be evidenced by written consent to the Tenant from the Lessor.

21. CUMULATIVE REMEDIES. All rights and remedies of the Lessor herein enumerated shall be cumulative and none shall exclude any other right or remedies allowed by law, and such rights and remedies may be exercised and enforced concurrently and whenever and as often as the occasion therefor arises; and failure on the part of the Lessor to enforce any of its remedies in connection with any default shall not be deemed a waiver of such default nor a consent to any continuation thereof.

22. ASSIGNMENT AND SUBLEASING. The Tenant shall not assign, mortgage nor sell this Lease or sublet the premises nor any portion thereof. Tenant shall not permit any licensee or concessionaire to operate in or use the leased premises without the written consent of the Lessor first had and obtained, which consent shall not be unreasonably withheld.

ADDENDUM A (Continued)

-12-

The Lessor may accept rent from any person in possession without releasing the Tenant from this covenant. The Lessor's right to assign this Lease is and shall remain absolute and unqualified.

23. HOLDING OVER. In the event the Tenant shall continue to occupy the premises after the expiration of the demised term of this Lease or any extension thereof, such holding over shall be deemed to constitute a tenancy from month to month, upon the same terms and conditions as herein provided, and in no event shall the tenancy be deemed to be one from year to year.

24. RIGHT TO ENTER AND VIEW. The Lessor or its representatives may enter and view the premises hereby leased for the purpose of examining the same, provided that such entering and viewing shall be done at a time mutually agreeable to the parties and in a manner so as not to unduly interfere with the conduct of the Tenant's business; and the Lessor may, at any time within one year prior to the expiration of the demised term or any extension thereof, place upon the demised premises a sign or signs announcing the fact that said premises are available for rental.

** which consent shall not be unreasonably withheld - C.E.T.*

25. ALTERATIONS. The Tenant shall make no alterations or additions in, upon, or to the demised premises, or any part thereof, without the consent of the Lessor first had and obtained in writing.* In the event such consent be obtained, all such alterations or additions shall be performed at the expense of the Tenant in a first-class, workmanlike manner; and the Tenant covenants and agrees not to create, or suffer other to create, any lien or obligation against the premises or the Lessor by reason of the alterations or additions so authorized, and further, to hold the Lessor harmless of and from any and all claims and demands of third persons in any manner relating to or arising out of such work. All alterations or additions so made by the Tenant shall become part of the realty, as a consequence of which the Tenant, upon the expiration of the demised term of this Lease or cancellation thereof, shall

ADDENDUM A (Continued)

-13-

have neither the right nor the obligation to remove the same.

26. COSTS OF ENFORCEMENT. The Tenant shall pay upon demand all Lessor's costs, charges and expenses, including the fees of counsel, agents and others retained by the Lessor, incurred in enforcing the Tenant's obligations hereunder or incurred by the Lessor in any litigation in which the Lessor, without the Lessor's fault, becomes involved or concerned by reason of the existence of this Lease or the relationship hereunder of the Lessor and the Tenant.

27. TAXES. Tenant shall promptly pay and discharge when the taxes become due and payable, all personal property taxes levied against Tenant's property situated on the demised premises, and all license fees, permits, area charges, occupational taxes and any and all other charges assessed by reason of the Tenant's use and occupancy of the demised premises.

Tenant, as additional rental, shall pay to the Lessor during the term hereof, upon presentation of Lessor's statement, an amount estimated by the Lessor to be sufficient to enable it to pay, at least thirty (30) days before they become due, all real estate and personal property taxes, if any, levied against the demised premises, and any special assessments or installments thereon which may hereafter be levied against the demised premises and which become due during, or apply to the term covered by this Lease and any extension or renewal thereof, and which are hereby declared the obligation of the Tenant under this Lease.

The foregoing taxes are due and payable by Tenant to Lessor as follows: one-half (1/2) the total amount due shall be paid within ten (10) days of Lessor's mailing of notice, but not less than thirty (30) days before said initial installment is due the taxing authority; the remainder (1/2) of the total shall be paid the Lessor by Tenant no later than July 1st or thirty (30) days before said final installment is due to the taxing authority, whichever comes first.

Upon demand of the Lessor, the Tenant agrees to pay to Lessor such additional sums as are necessary to make

ADDENDUM A (Continued)

-14-

up any deficiency in the amount necessary to enable Lessor to pay said foregoing items. Real estate and personal property taxes for the years of commencement and termination of this Lease shall be pro-rated between Lessor and Tenant as of the dates of commencement and termination. Tenant shall have the non-exclusive right to contest the validity or imposition of any real estate or personal property tax or special assessment levied against the demised premises for which Tenant may be liable, and for that purpose shall have the right to institute such proceedings as may be necessary therefor, provided that the expenses incurred by reason thereof shall be paid by the Tenant.

28. SHORT FORM LEASE. At the option of the Lessor, and upon its demand, a Short Form Lease for recording purposes, in form and content acceptable to the Lessor, and which shall in no way vary or alter the terms of this Lease, shall be executed by the parties hereto.

29. HEADINGS, MISCELLANEOUS, NO OFFSETS, EMERGENCIES, NO PARTNERSHIPS AND NO REPRESENTATION.

A. The word "Tenant" when used herein shall be taken to mean either the singular or the plural, and shall refer to male or female, to corporations or partnerships, as the case may be, or as grammatical construction shall require.

B. The headings of the various articles of this Lease are intended for convenience only, and are not intended to limit, define or construe the scope of any article of this Lease, nor offset the provisions thereof.

C. The covenant to pay rent, whether fixed, earned or additional, is hereby declared to be an independent covenant on the part of the Tenant to be kept and performed, and no offset thereto shall be permitted or allowed except as specifically stated in this Lease.

D. In case of an emergency (the existence of which shall be determined solely by the Lessor), if Tenant shall not

ADDENDUM A (Continued)

-15-

be present to permit entry, Lessor or its representatives may enter the same forcibly without rendering Lessor or its representatives liable therefor or affecting Tenant's obligations under this Lease.

E. Neither the method of computation of rent nor any other provision of this Lease shall be deemed to create any relationship between the parties hereto other than that of Lessor and Tenant.

F. Tenant affirms and agrees that Lessor and its agents have made no representations or promises with respect to the demised premises or the entry into of this Lease, except as in this Lease expressly set forth, and that no claim or liability shall be asserted by Tenant against Lessor or its agents for breach of any representations or promises not expressly stated herein.

30. LESSOR'S LIABILITY. Tenant agrees to and shall look solely to the property of FIORE COAL & OIL COMPANY, INC. for payment of any claim or other liability arising under this Lease, and agrees and recognizes that neither the shareholders, directors nor officers of the Lessor shall be personally liable hereunder.

If Lessor should sell or otherwise transfer its ownership of the demised premises, upon an undertaking by the purchaser or transferee to be responsible for all of the covenants and undertakings of the Lessor herein, Tenant agrees that Lessor shall thereafter have no liability to the Tenant under this Lease, except for liabilities that might have occurred prior to the date of such sale or transfer.

31. EXTENSION OPTIONS. For considerations herein named, Lessor gives and grants to Tenant the exclusive option and privilege of extending the term of this Lease for two (2) consecutive periods of five (5) years each, the first of said five (5) year periods to commence at the expiration of the original term hereof, provided that Tenant shall notify the Lessor not less than six (6) months prior to the expiration

ADDENDUM A (Continued)

-16-

of the original term or any extended term, and in writing, of its intention to exercise such option.

It is further agreed that the fixed annual rental and its method of computation shall be and shall continue without change or interruption during any option as in the original term of this Lease, at the rate and by the method hereinabove set forth in Section Two (2), Paragraph A.

THIS LEASE SHALL BE BINDING UPON and inure to the benefit of the parties hereto, their successors and assigns, except as otherwise herein specifically provided.

IN WITNESS WHEREOF, the Lessor and Tenant have both duly executed this Lease, and affixed their respective seals hereto, all being done on the day and year above first written.

FIORE COAL & OIL COMPANY, INC., Lessor:

By: Charles C. Fiore
Charles C. Fiore, Secretary & Gen. Mgr.

Attest: Lorraine Osborn
Lorraine Osborn, Treasurer.

STARVIN' MARVIN'S, INC., Tenant:

By: George Marvin
George Marvin

Attest: [Signature]

ADDENDUM "A" - EQUIPMENT BILL OF SALE:

FIORE COAL & OIL COMPANY, INC., hereinafter called the Grantor, for a valuable consideration, hereby sells and convey to STARVIN' MARVIN'S, INC., a Wisconsin corporation, in care of George Marvin, 2050 Fish Hatchery Road, Madison, WI. 53713, hereinafter called the Grantee, all its rights, titles and interests in the following equipment installed on the premises owned by it and leased to the Grantee at the above address, to wit:

- Two (2) Area Lights
- One (1) 1 1/2 HP. Air Compressor
- One (1) Remote Fuel Monitoring System
- Three (3) Single Pumps
- Three (3) Dual Computer Pumps
- One (1) 4,000 gallon underground Storage Tank with Vapor Recovery System
- Two (2) 10,000 gallon underground Storage Tanks with Vapor Recovery Systems

ADDENDUM A (Continued)

-17-

One (1) Free Standing Canopy,

to have and to hold
all of the above same unto the Grantee forever.

This conveyance is made without warranty of any kind as to the condition or installation of said equipment, and Grantor is hereby informs and recognizes that some or all of the afore mentioned equipment may have been used for the storage and/or dispensing therefrom of refined petroleum products, including leaded gasoline.

Grantee as part of the consideration of this conveyance hereby fully releases and forever discharges Grantor, its employees, agents or contractors from any and all liability for damages and losses of every kind caused in any manner whatsoever by said equipment or the use thereof, and Grantee agrees to indemnify and save the Grantor harmless from all losses, claims, damages or causes of action of every nature whatsoever by whomsoever brought, which may at any time hereafter arise out of or in connection with the installation, location, ownership, possession or use of the aforementioned equipment.

Executed this 3rd day of August, 1982.

PIORE COAL & OIL COMPANY, INC., Grantor:

By: Charles C. Fiore
Charles C. Fiore, Secretary & Gen. Mgr.

Attest: Lorraine Osborn
Lorraine Osborn, Treasurer.

STARVIN' MARVIN'S, INC., Grantee:

By: George Marvin
George Marvin,

Attest: [Signature]

ADDENDUM B

SUMMARY OF SCHEDULED BASE LEASE PAYMENTS
FOR THE SUBJECT PROPERTY

Year Beginning	Base Rental
8/1985	\$ 952.81
8/1986	1,009.98
8/1987	1,070.58
8/1988	1,134.82
8/1989	1,202.90
8/1990	1,275.08
8/1991	1,351.58
8/1992	1,432.67
8/1993	1,518.63
8/1994	1,609.75
8/1995	1,706.34
8/1996	1,808.72
8/1997	1,917.24
8/1998	2,032.27
8/1999	2,154.21
8/2000	2,283.46
8/2001	2,420.47

ADDENDUM C

DANE COUNTY C-1 COMMERCIAL ZONING ORDINANCE

10.13

LANDMARK RESEARCH, INC

- (6) SETBACK REQUIREMENTS. Setback requirements shall be the same as for the A-1 Agriculture District (Exclusive).
- (7) SIDE YARD REQUIREMENTS. Side yard requirements shall be the same as for the A-1 Agriculture District (Exclusive).
- (8) REAR YARD REQUIREMENTS. For residential uses the minimum rear yard shall be the same as for the A-1 Agriculture District (Exclusive).
- (9) GENERAL PROVISIONS APPLICABLE to the A-3 Agriculture District. General provisions shall be the same for the A-3 Agriculture District as 10.123 (10).

SECTION 10.13 C-1 COMMERCIAL DISTRICT

- (1) PERMITTED USES.
 - (a) Retail and service uses including but not limited to grocery stores, drugstores, hardware stores, appliance and furniture stores, barbershops and beauty shops without limitation as to size.
 - (b) Self service laundries and dry cleaning establishments.
 - (c) Warehousing and storage incidental to a permitted use on the premises.
 - (d) Medical, dental and veterinary clinics.
 - (e) Banks, offices, office buildings and condominium office buildings devoting not more than two (2) floors to office space.
 - (f) Utility services.
 - (g) Rooming and boarding houses.
 - (h) Bakeries, printing plants, laundries, dry cleaning plants.
 - (i) Distribution centers and wholesale businesses.
 - (j) Woodworking shops, machine shops, manufacturing and assembly plants.
 - (k) Bicycle sales and service.
 - (l) Rental businesses, except for motor vehicles and construction machinery and equipment.
 - (m) Experimental laboratories not to exceed 5,000 square feet of floor area.
- (2) CONDITIONAL USES permitted in the C-1 Commercial District.
 - (a) Single family residences, duplexes, multi-family residences.
 - (b) Banks, offices, office buildings and condominium office buildings devoting more than two floors to office space.
 - (c) Motels, hotels, taverns, funeral homes and drive-in establishments. In addition to the standards established in 10.25 (4) (g) the additional standards in 10.11 (2) l. shall apply to drive-in establishments.
 - (d) Hospitals, veterinary hospitals, nursing homes, convalescent centers, extended care facilities.
 - (e) Mobile home parks, subject to special conditions as provided for in 10.08 (9).

ADDENDUM C (Continued)

10.14

- (f) Outdoor amusement parks or other entertainment activity that is open to the public on either a permanent or temporary basis.
- (g) Indoor or outdoor movie theater.
- (h) Automobile laundries, car wash facilities.
- (i) Dog and cat boarding kennels, grooming and training facilities.
- (j) Radio, television transmitting towers, microwave towers, community television antenna including the buildings or structures necessary for their operation but not including buildings for offices, studios or the like. The committee may grant the permit if it finds that the tower if it falls will not fall on a public road right-of-way or on adjacent property.
- (k) Storage of motor vehicles awaiting disposition either as abandoned vehicles or for the settlement of an insurance claim.
- (m) Governmental uses.
- (3) BUILDING HEIGHT LIMIT.
 - (a) For business buildings, including offices, the maximum building height shall be four (4) stories, provided, however, that any building that provides more than two (2) stories devoted to office space, a conditional use permit shall be required.
 - (b) Lots or building sites for residential purposes or for combined business and residential uses shall comply with the requirements of the R-4 Residence District.
- (4) AREA, FRONTAGE AND POPULATION DENSITY REGULATIONS. Area, frontage and population density regulations shall be the same as for the B-1 Local Business District.
- (5) SETBACK REQUIREMENTS. Setback from front lot line or highway right-of-way shall comply with the provision of Section 10.17.
- (6) SIDE YARD REQUIREMENTS. Side yard requirements shall be the same as for the B-1 Local Business District.
- (7) REAR YARD REQUIREMENTS.
 - (a) For buildings to be used exclusively for business purposes the minimum depth of any rear yard shall be 10 feet.
 - (b) For residential buildings, or buildings combining residential and business uses, the minimum depth of any rear yard shall be 25 feet.
- (8) OFF-STREET PARKING. Off-street parking space shall be provided in accordance with the provisions of Section 10.18.
- (9) SCREENING PROVISIONS. On lots adjacent to or abutting land in a residence district, the screening provisions of Section 10.16 (8) shall be complied with prior to the issuance of a certificate of compliance.

SECTION 10.14 C-2 COMMERCIAL DISTRICT

- (1) PERMITTED USES.
 - (a) All uses permitted in the C-1 Commercial District without limitations as to size.
 - (b) Major repairs to motor vehicles.
 - (c) Sales of new and used motor vehicles.
 - (d) Sales of new and used mobile homes, recreational equipment rental, sales and service.
 - (e) Sales of new and used contractor's machinery and equipment.
 - (f) Repairs, storage and service of contractor's machinery and equipment.
 - (g) Rental and leasing of motor vehicles, contractor's machinery and equipment.
 - (h) Bulk fuel storage, sales and storage of lumber and building material.
 - (i) Truck and bus terminals.
 - (j) Auxiliary or supplemental electric generating stations.

ADDENDUM D

COMPARABLE LAND SALE NO. 1

Location: 2000 Fish Hatchery Road, (the southwest corner of Fish Hatchery Road and Carver Street) Town of Madison, Dane County, Wisconsin.

Sale Date: September 20, 1985

Sale Price: \$60,000 (\$2.43/square foot)

Seller: Jay Keepman

Buyer: Madison Video Repair, Inc.

Recording Data: Warranty Deed, Recorded in Vol. 7293, Pg. 65, Dane County Register of Deeds.

Lot Size: 24,725 square feet with 154 feet of frontage on Fish Hatchery Road and a depth of approximately 160 feet along the south side of Carver Street.

Zoning: Dane County B-1 Local Business.

Expected Use: Construction of video equipment repair shop.

Financing: Cash at closing.

Improvements: None.

Verified by: David M. Heilman, of the D.L. Evans Company, Inc., the listing agent for the sale of this property.

ADDENDUM D (Continued)

COMPARABLE LAND SALE NO. 2

Location: 2029 Fish Hatchery Road, (the northeast corner of Fish Hatchery Road and Culmen St.) Town of Madison, Dane County, Wisconsin.

Sale Date: February 26, 1985

Sale Price: \$75,000 (including improvements) or \$3.13/sf of site area.

Seller: Josephine and Joseph Broeckert

Buyer: Leonardo and Giacoma D'Amico

Recording Data: Land Contract, Vol. 6543, Pg. 70, Dane County Register of Deeds.

Lot Size: 24,000 square feet (120 sf x 200 ft.)

Zoning: Town of Madison C-2 Commercial.

Expected Use: Used auto sales lot.

Financing: Land Contract with \$12,000 (16%) down payment, and \$63,000 balance at 11% annual interest and monthly payments of \$577.50 until February 22, 1988.

Improvements: At time of sale property was paved and contained a 400 square foot sales/display building that remained from its former service station use. This building was in very poor physical condition and added little to the sales price.

Verified by: Leonardo D'Amico on February 6, 1986.

ADDENDUM D (Continued)

COMPARABLE LAND SALE NO. 3

Location: 1218-21 Ann Street, Madison, Wisconsin.
Adjacent to Fish Hatchery Road, at Ann
Street just north of the West Beltline
interchange.

Sale Date: August 5, 1985

Sale Price: \$178,000 plus \$5,000 demolition costs
(\$4.37 per square foot of site area).

Seller: C. J. Raymond Investments

Buyer: Hammond Investments

Recording Data: Assignment of Land Contract, recorded Vol.
7231, Pg. 80, Dane County Register of
Deeds.

Lot Size: 41,840 square feet.

Zoning: City of Madison C-2 General Commercial.

Expected Use: Rax Restaurant

Financing: Initially assumption of land contract, but
satisfaction occurred within one month.

Improvements: Frame dwelling unit in very poor condition
was subsequently removed at cost of \$5,000.

Verified by: John Allen, Rax Restaurants.

ADDENDUM E

REPLACEMENT COSTS: BEFORE THE TAKING

Item	Units (s.f.- #)	Base Cost (\$/unit)	Current Cost Mult. (1/86)	Local Cost Mult. (Mdsn)	Arch. Fee	Est. Reprod. Cost	Accr. Depr.		Est. Value
							(%)	(\$)	
Market (Low Cost—Class D)	2,557	\$26.08	0.99	1.05	1.069	\$74,104	35%	\$25,936	\$48,167
Site Improvements	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
Pump Islands	240	\$4.90	1.02	1.05	1.069	\$1,346	65%	\$875	\$471
Piping	- - -	\$4,725.00	1.02	1.05	1.069	\$5,410	65%	\$3,516	\$1,893
Vapor control system	- - -	\$5,100.00	1.02	1.05	1.069	\$5,839	65%	\$3,795	\$2,044
Canopy	960	\$11.00	1.02	1.05	1.069	\$12,090	15%	\$1,814	\$10,277
Area Lighting	3	\$770.00	1.02	1.05	1.069	\$2,645	65%	\$1,719	\$926
Gasoline tanks	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
4,000 gal.	1	\$3,075.00	1.04	1.05	1.069	\$3,590	65%	\$2,333	\$1,256
10,000 gal.	2	\$6,800.00	1.04	1.05	1.069	\$15,876	65%	\$10,319	\$5,557
Illuminated Sign (5' x 7')	1	\$1,900.00	1.02	1.05	1.069	\$2,175	18%	\$392	\$1,784
Painted Sign	1	\$375.00	1.02	1.05	1.069	\$429	42%	\$180	\$249
Asphalt paving	14,000	\$1.00	1.02	1.05	1.069	\$16,029	65%	\$10,419	\$5,610
Concrete paving	2,600	\$2.25	1.02	1.05	1.069	\$6,698	50%	\$3,349	\$3,349
TOTAL						\$146,230		\$64,648	\$81,583

ADDENDUM F

LEGAL DESCRIPTION OF THE TAKING

Fee title in and to the following parcel of land located in Lot 6, Fraust Plat, which is a part of the NE 1/4 of the NE 1/4, Section 34, T 7 N, R 9 E, Township of Madison, Dane County, Wisconsin. Said parcel includes all the land of the grantor contained in the following traverse:

Beginning at an iron pipe located at the NE corner of said Lot 6, thence S 0°06'06" E, along the existing Westerly right-of-way line of Fish Hatchery Road, 174.30 feet; thence 23.75 feet along the arc of a 15.00 foot radius curve to the right, which is subtended by a chord bearing S 45°15'52" W, 21.34 feet to the existing Northerly right-of-way line of Martin Street; thence N 89°23'06" W, 4.19 feet; thence departing from said right-of-way line, 23.75 feet along the arc of a 15.00 foot radius curve to the left, which is subtended by a chord bearing N 45°15'24" E, 21.35 feet; thence N 0°06'05" W, 106.12 feet; thence N 1°03'09" W, 68.13 feet to the North line of the grantor; thence East along the North line of the grantor, 5.37 feet to the point of beginning.

Said parcel contains 836 square feet, more or less, which includes 836 square feet of new right-of-way and 0.0 square feet, more or less, of existing right-of-way.

Subject to all other easements and restrictions of record.

This is not homestead property.

Parcel No. 3
Owner: Fiore Coal and Oil Company
State Project No. 5992-2-80
County Project No. 671-4724

ADDENDUM G

LIMITED HIGHWAY EASEMENT AGREEMENT

CONSTRUCTION PERMIT - LIMITED HIGHWAY EASEMENT
RIGHT OF ENTRY

Owner: Fiore Coal and Oil Company

Easement Area: 1,372 sq. ft.

The undersigned owner(s) of lands designated as Parcel No. 3 of highway improvement project No. 5992-2-80, containing approximately 1,372 sq. ft., hereby grants to the County of Dane, Wisconsin for the sum of _____

\$ _____, a temporary RIGHT OF ENTRY for the purpose of constructing roadway embankments including the right to operate necessary equipment thereon, the right of ingress and egress, as long as required for such public purpose, including the right to preserve, protect, remove or plant thereon any vegetation that the highway authorities may deem desirable to prevent erosion of the soil.

Property Description:

A parcel of land in a portion of the NE 1/4 of the NE 1/4 of Section 34, T 7 N, R 9 E, Township of Madison, Dane County, Wisconsin. Said parcel includes all of the land of the grantor which lies between the westerly right-of-way line of Fish Hatchery Road and a line which is parallel to and 58.00 feet West of the reference line of said roadway between stations 56+49± and 58+38±.

This permit shall terminate upon completion of the construction project for which this instrument is given.

Dated this _____ day of _____ 19____.

Owner _____

Owner _____

Approved:

Date _____

Commissioner, Dane County Highway &
Transportation Department

State Project No. 5992-2-8
County Project No. 671-4724
Parcel No. 3

ADDENDUM H

REPLACEMENT COSTS: AFTER THE TAKING

Item	Units (s.f.-- #)	Base Cost (\$/unit)	Current Cost Mult. (1/86)	Local Cost Mult. (Mdsn)	Arch. Fee	Est. Reprod. Cost	Accr. Depr.		Est. Value
							(%)	(\$)	
Market (Low Cost--Class D)	2,557	\$26.08	0.99	1.05	1.069	\$74,104	35%	\$25,936	\$48,167
Site Improvements	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
Pump Islands	240	\$4.90	1.02	1.05	1.069	\$1,346	65%	\$875	\$471
Piping	- - -	\$4,725.00	1.02	1.05	1.069	\$5,410	65%	\$3,516	\$1,893
Vapor control system	- - -	\$5,100.00	1.02	1.05	1.069	\$5,839	65%	\$3,795	\$2,044
Canopy	960	\$11.00	1.02	1.05	1.069	\$12,090	15%	\$1,814	\$10,277
Area Lighting	3	\$770.00	1.02	1.05	1.069	\$2,645	65%	\$1,719	\$926
Gasoline tanks	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
4,000 gal.	1	\$3,075.00	1.04	1.05	1.069	\$3,590	65%	\$2,333	\$1,256
10,000 gal.	2	\$6,800.00	1.04	1.05	1.069	\$15,876	65%	\$10,319	\$5,557
Illuminated Sign (5' x 7')	1	\$1,900.00	1.02	1.05	1.069	\$2,175	54%	\$1,174	\$1,001
Painted Sign	1	\$375.00	1.02	1.05	1.069	\$429	42%	\$180	\$249
Asphalt paving	13,300	\$1.00	1.02	1.05	1.069	\$15,227	65%	\$9,898	\$5,330
Concrete paving	2,500	\$2.25	1.02	1.05	1.069	\$6,440	50%	\$3,220	\$3,220
TOTAL						\$145,171		\$64,780	\$80,390

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

PROFESSIONAL DESIGNATIONS

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

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

CPCU, Certified Property Casualty Underwriter, College of Property
Underwriters

EDUCATION

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

ACADEMIC AND PROFESSIONAL HONORS

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

PROFESSIONAL EXPERIENCE

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

F R E D E R I C K A . R E N D A H L

EDUCATION

Bachelor of Business Administration - Real Estate and Urban
Land Economics, University of Wisconsin

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

PROFESSIONAL EDUCATION

Society of Real Estate Appraisers (SREA)

Course 101: Appraising Real Property
Course 201: Principles of Income Property Appraising
R-2 Examination

American Institute of Real Estate Appraisers (AIREA)

Course 1A: Principles of Appraising
Course 1B: Capitalization Theory and Techniques
Course 2: Urban Properties
Course 6: Introduction to Real Estate Investment Analysis

PROFESSIONAL EXPERIENCE

Mr. Rendahl is currently associated with Landmark Research, Inc. as an appraiser and consultant. He has over ten years experience in a variety of valuation, marketability, land use and project feasibility studies. He has served individual corporate, and governmental clients, concerning commercial, industrial, and residential properties throughout the United States. These services include court testimony as an expert witness. Mr. Rendahl has been a member of the Society of Real Estate Appraisers, Young Advisory Council and an instructor of the SREA's 101 and 201 courses.

FOOTNOTES

1. Lease from Fiore Coal & Oil Co., Inc. to Starvin Marvin's, Inc., dated August 3, 1982.
2. American Institute of Real Estate Appraisers, The Appraisal of Real Estate, 8th ed., (Chicago: American Institute of Real Estate Appraisers, 1983) p. 33.
3. Warranty Deed, Edison Fraust to Fiore Coal & Oil Co., Inc., July 20, 1962, Volume 743 Deeds, Page 328, Dane County Registry.
4. Byrl N. Boyce, Real Estate Appraisal Terminology, Revised Edition, American Institute of Real Estate Appraisers and Society of Real Estate Appraisers (Ballinger, Cambridge, Mass.) 1981; p. 3.

