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An appraisal of the property known as Spring Plaza, 403-405 North Spring Street, Beaver Dam, Wisconsin. December 25, 1986

Landmark Research, Inc.

[s.l.]: [s.n.], December 25, 1986

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AN APPRAISAL OF THE PROPERTY

KNOWN AS

SPRING PLAZA

403-405 NORTH SPRING STREET

BEAVER DAM, WISCONSIN

Landmark
Research
Inc.

AN APPRAISAL OF THE PROPERTY
KNOWN AS
SPRING PLAZA
403-405 NORTH SPRING STREET
BEAVER DAM, WISCONSIN

AS OF
DECEMBER 25, 1986

PREPARED FOR
THE ESTATE OF ALFRED E. ANDING

PREPARED BY
LANDMARK RESEARCH, INC.

THIS APPRAISAL OF SPRING PLAZA

LOCATED IN BEAVER DAM, WISCONSIN

HAS BEEN REVIEWED AND APPROVED BY

(Loan Officer)

FOR FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION

AS OF _____
(Date)

IN COMPLIANCE WITH FEDERAL HOME LOAN BANK R-41c

Landmark
Research
Inc.

September 1, 1987

James A. Graaskamp, Ph.D., S.R.E.A., C.R.E.
Jean B. Davis, M.S.

Mr. Alfred E. Anding, Jr.
A.E. Anding Estate
5900 Monona Drive, Suite 401
P.O. Box 6124
Monona, Wisconsin 53716

Dear Mr. Anding:

With this letter we are transmitting our appraisal of the Market Value of Spring Plaza, a neighborhood retail strip center located in Beaver Dam, Wisconsin, as of December 25, 1986. The property interests as encumbered by certain leases on that date, are owned by Anding Enterprises, a Wisconsin partnership in which the late Mr. Anding has a 25 percent interest.

It should be noted that the free-standing structure known as Embassy TV is a minimal cost conversion of an obsolete tire, battery and auto accessory building into a retail space; the former six-bay service garage serves as a video rental outlet and appliance repair shop. The tenant has occupied the space for a number of years, but operates on a month-to-month lease and can move at any time without penalty. The 10,000 square foot grocery store is significantly undersized relative to current trends in food marketing. Therefore the most probable buyer would discount the fee to anticipate the cost to cure the existing physical depreciation and functional obsolescence. It is speculative to estimate the level of market rent that would be obtained if the Embassy TV structure was upgraded and re-leased.

Subject to the assumption that the existing tenants will remain through a five year projection period, as well as the basic limiting conditions and other working assumptions identified herein as part of the appraisal process, we have determined that the Market Value of Spring Plaza, as defined herein and subject to existing contract rents, as of December 25, 1986, is:

TWO HUNDRED SEVENTY SEVEN THOUSAND DOLLARS

(\$277,000)

This value assumes the buyer will obtain third party institutional financing with cash to the seller.

Thank you for the opportunity to be of service. Please call if you have questions.

FOR LANDMARK RESEARCH, INC.


James A. Graaskamp,
Urban Land Economist

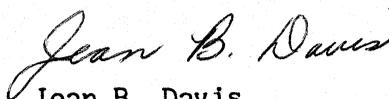

Jean B. Davis
Appraiser/Analyst

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I. PURPOSE AND DATE OF THE APPRAISAL

The purpose of this appraisal is to estimate the Fair Market Value of the defined property interests of the property described herein, as of the date of death of Alfred E. Anding, Sr., on December 25, 1986. The property interests, as encumbered on that date, are owned by Anding Enterprises, a Wisconsin partnership in which the late A. E. Anding, Sr. has a 25 percent interest.

II. DEFINITION OF FAIR MARKET VALUE

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

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

Fundamental assumptions and conditions presumed in this definition are:

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

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

III. DEFINITIONS OF INTEREST TO BE APPRAISED

A. Location of Subject Property

The subject property, known as Spring Plaza, is located at 403-405 North Spring Street in the City of Beaver Dam, County of Dodge, Wisconsin as shown on the map in Exhibit 1. Spring Street is a major north-south artery intersecting with the original Beaver Dam east-west commercial street four blocks to the south of the subject property.

B. Legal Description

The legal description has been updated by Don R. Huggett, attorney for the Estate, to reflect certain transactions and corrections since the original purchase and is provided in Exhibit 2.

C. Tax Assessment Data as of January 1, 1986

The property is identified as Tax Parcel Number 206-0830-02400.

| | |
|---------------------------|----------------|
| Assessed Valuation - Land | \$ 27,700 |
| Improvements | <u>313,000</u> |
| TOTAL | \$340,700 |

| | |
|---|-----------|
| Fair Market Value Equivalent | \$352,000 |
| As Determined by the Wisconsin Department of Revenue | |

The net tax mill rate is 0.02669918 for a total tax in 1987 of \$9,044.39. The landlord had been paying all of the real estate taxes for all tenants and had not consistently pursued reimbursement under the terms of two of the leases.

D. Owner of Record

The owner of record is Anding Enterprises, a Wisconsin partnership.

E. Encumbrances

There is a recorded lease for a 10,000 square feet built-to-suit grocery store for the Kroger company, a corporation, dated January 23, 1967, for a 15-year term commencing June 1, 1967, and ending May 31, 1982, with two renewal privileges of five years each. The store actually opened on January 10, 1968 so the expiration date was

extended to January 1, 1983. There is no record that this lease is terminated, but it was apparently assigned to Lauer's Warehouse Foods, Inc., of Waupun, Wisconsin, which in turn assigned the lease approximately two years ago to Jerry Reчек who operates the IGA store known as Reчек's Jack and Jill. Actual documents assuming or replacing the Kroger lease were not made available to the appraisers, but it is assumed the tenant operates according to the terms of the original Kroger lease.

There is a second lease to Ricky Westermeyer and Marjorie Westermeyer, partners, doing business as Boy Blue of Beaver Dam, beginning September 1, 1983, and terminating August 31, 1988.

There is (or was) a third lease to a tire sales store and garage facility built to the specifications of Goodyear Tire and Rubber Company dated November 20, 1970, occupied in 1971 for a period of ten years with option to extend for two terms of five years each. Donald Huggett advised that the lease had been terminated and the premises are occupied by Embassy TV on a month to month basis with no written lease.

The Embassy TV operation has a large pool of used refrigerators, freezers, laundry machines and similar items stored outside in random fashion at the rear of the former Goodyear garage facility. Refrigerator doors remain on the refrigerators and are generally blocked by other appliances placed against the refrigerators. The appraisers are of the opinion that refrigerators must be dismantled so that they cannot trap a child and that the present storage situation may violate city and state law. Should this condition persist, the landlord may find his interest encumbered by the potential liability.

F. Mortgage Liens

The appraiser has assumed that if the property had been sold on December 25, 1986, the buyer would have obtained third party financing. Therefore for the purpose of this appraisal it is assumed that there was no existing mortgage on the subject property as of the date of the appraisal.

G. Other Licenses, Easements and Encumbrances

The attorney for the Estate, Donald R. Huggett, reports the title of the subject property to be free and clear of all liens, encumbrances and material defects except as described in his letter of opinion dated May 1, 1987, and found in Appendix A.

IV. APPRAISAL METHODOLOGY

The appraisal process seeks as a conclusion a defensible benchmark of value through the application of three approaches: the Cost Approach, the Market Comparison Approach and the Income Approach. The Cost

Approach consists of determining the replacement cost of land to which is added the cost of duplicating the improvements. The result is reduced by the physical, functional, and locational obsolescence to arrive at value by the Cost Approach. This approach is appropriate only for recently improved real estate.

The Market Comparison Approach consists of identifying sales of similar properties and analyzing the market pricing behavior of buyers of these properties. The analysis is an orderly process of comparing the attributes of the comparable properties to the attributes of the subject property. From the results of this analysis, the most probable price of a transaction involving the subject property can be inferred.

The Income Approach involves discounting the future cash flows attributable to the subject real estate at a rate of return appropriate to potential investors. Cash inflows and outflows are estimated from past operating results as well as current market and financing conditions. The discounted amount indicates the value of the income characteristics of the subject property.

In this case, the Income Approach provides the most reliable data and the greatest sensitivity to the encumbrances imposed on the property by an existing lease of long standing as well as sensitivity to expenses incurred by the owner in maintaining these older buildings under the terms of the existing leases. The Cost Approach provides a rough check on the remaining productivity of the improvements, given market value of the land as though vacant. However, it is not considered reliable for buildings with as much functional and locational obsolescence as exists in the subject property. The Market Comparison Approach cannot be applied in this case for lack of sales of this type of property in Beaver Dam or other small communities in the region .

V. SITE DESCRIPTION

The subject site as shown in Exhibit 3 contains 72,200 square feet of land, more or less. The site is covered with two structures which total 18,543 square feet of gross leasable area, with another 4,630 square feet, approximately, used for sidewalks, a dock, aprons in front of the service center bays and an open, unimproved area behind Boy Blue. Approximately 49,000 square feet is paved with asphalt, which is in average condition, and provides approximately 50 striped parking stalls at the front of the site plus unmarked space available along the Spring Street side of the parking lot. Another few parking stalls could be available behind the former Goodyear store if the area was cleared. Customer parking is lighted by a single central standard post with eight floodlights.

Before improvements were made, the site sloped downward on the east side where there is a public park area and railroad track swale. However, the rear lot line is now nearly level with Spring Street, approximately six

feet above the original grade, with the rear foundation wall of the grocery store extended across the back of the lot to form a retaining wall.

The site has 231 feet of frontage on North Spring Street with two 30-foot entrance aprons for vehicle access. The site is 318 feet deep on the south lot line, but a small corner cutout of 25 feet in depth and 50 feet in width on the northeast corner reduces the northern lot line to 293 feet. (See site measurements in Exhibit 3.)

The site is well located for convenient shopping because of its proximity to a U.S. Post Office building for Beaver Dam which was constructed in 1964 and has drive-in mailing facilities. On the south edge of the subject property is the new Beaver Dam Public Library. Across Spring Street on the west is a city high school built in 1922 and two small office buildings at either end of the facing block. The high school, in turn, is linked to a major middle class, aging, but well-maintained residential neighborhood. The demographics and retail sales potential of the area for a two-mile radius of the site are detailed in Appendix B.

Although retail potential for food and related products is better than average and the current food store does pay some percentage rents, a recent opening of a Pick 'n Save store on the north edge of Beaver Dam will encroach on the trade area potential. But Jerry Rechek reports that sales have continued to hold steady at the Jack and Jill market on the subject site.. There is a second grocery store, Sentry Food Store, one block south on Spring Street which appears to be somewhat larger and better maintained than the subject property. The subject site is within the general business center of Beaver Dam, but not in the path of commercial growth which is to the far east of the center of the city at the junction of Highway 51 and Highway 33. The site is zoned Commercial according to Beaver Dam ordinances and there appears to be no nonconforming uses of the site.

The original master plan for the site indicates a proposed commercial pad on the north edge of the site, which is 40 feet by 32 feet and is set back 35 feet from the street and the existing sign pylon for Spring Plaza. However, the appraiser does not believe this potential pad would add any additional site value.

The Beaver Dam market for downtown commercial sites is erratic so that no clear pattern exists. Sales of vacant commercial sites in Beaver Dam range from \$0.42 per square foot to \$1.00 per square foot. The few recent sales are summarized in Exhibit 4. In 1983 the City of Beaver Dam purchased 2,000 square feet from the subject to complete the assemblage of the public library site to the south of Spring Plaza; the sale price was \$1,200 or \$0.60 per square foot. Given the public buildings adjacent to the subject property and its proximity to the downtown, the appraisers have assigned \$0.85 per square foot as the most probable selling price of the subject site. Therefore the appraisers have used a land value of \$61,370 for the 72,200 square foot site, as though vacant.

VI. BUILDING DESCRIPTIONS

A. IGA Store and Boy Blue

The original grocery store was built to typical 1967 Kroger specifications as a basic rectangle of 80 feet wide and 125 feet deep, with a small enclosed loading dock and a truck well on the south lot line. Retaining walls and foundations are of poured concrete floor on a gravel base. Exterior walls are of concrete block, with brick facing on the street side. In addition to outside bearing walls, the roof structure is supported on Lally posts, light steel beams and web steel joist carrying a corrugated steel roof deck. The tenant indicated that the food store roof leaks and needs to be replaced within a year. There was evidence of water stain on acoustic ceiling tiles suspended in a drop ceiling with inexpensive metal framing. (See sketch of tenant spaces in Exhibit 5.)

Interior maintenance and decor are the responsibility of the tenant and all store fixtures are the property of the tenant. Floors are asphalt tile and walls are painted block, or interior partitions are frame with painted dry wall or fire wall. The original front facade of glass has been reduced by half with wood panels in an effort to conserve energy. A horizontal architectural line is maintained with a six-foot covered sidewalk until it steps down over the ice cream shop. Brick facades for the 1973 addition were not matched in color and the concrete sidewalk cover is incomplete. Simple graphics on the food store are undercut by a variety of non-integrated signs on Boy Blue. (See photographs in Exhibit 6.)

Basic heating units were installed on the roof utilizing suspended space heaters for distribution within the building and work areas. However, the grocery store tenant did not require air conditioning when a new roof top unit was installed in 1986 because food refrigeration leakage is sufficient to keep the store comfortable most of the summer. The tenant installed a heat reclamation system to capture heat from food refrigeration equipment compressors in the winter. There are two washrooms for customers and employees in the food market and similar facilities in Boy Blue.

B. Former Goodyear Tire Store

The tire, battery, and accessories store was built in 1973 to the plans and specifications of the Goodyear Tire and Rubber Company. The basic construction is brick facing on concrete block bearing walls. Foundations use poured concrete and concrete floors are carried out for six feet beyond the front walls of the building to create a terrace slab. There are internal Lally columns supporting light steel beams and web steel joists to carry a corrugated steel roof deck. A new roof was applied to the Embassy TV building in 1985. The existing roof-top heating, ventilating, and air conditioning unit for the Embassy store area is in adequate condition. The building design is unified by a strong white fascia

band with outside lighting strip which since has been marred with uncoordinated signage as revealed in photographs in Exhibit 6.

The original Goodyear facility consisted of a finished showroom area with 4,960 square feet (120 feet by 40 feet, plus 16 feet by 10 feet), a service and parts center for customers, which is now a video tape store with a finished ceiling and has approximately 864 square feet (16 feet by 54 feet), and a six bay car garage area for servicing and tire changing. (See sketch of tenant spaces in Exhibit 5.) The garage doors, front and rear, have been sealed off with plywood and the unfinished space with open ceilings and space heaters is now used for appliance storage and repair. This space measures 54 feet deep and approximately 32 feet wide for a total of 1,719 square feet. The appliance store and the video share a customer entrance at the front of the store. There is an additional drive-in garage door entrance remaining at the rear of the Embassy TV showroom as revealed by the photographs in Exhibit 6. There is a 15-foot driveway between this structure and the north wall of the Boy Blue addition to the Kroger structure, and this alley leads to delivery and car storage space at the rear of the Goodyear building. Much of this space is cluttered with used appliances which are unsightly and unsafe. The 1,500 square foot area directly behind Boy Blue has not been covered with asphalt.

There is a pair of basic two fixture washrooms in the Embassy store area serving the entire building which could be nonconforming with state code requirements if the three occupancies are not divisions of the same enterprise.

VII. MOST PROBABLE USE AND MOST PROBABLE BUYER

Given site characteristics and current improvements, the present situation must be regarded as the most probable use for the foreseeable period. However, both structures will suffer a high rate of retail obsolescence, but the site, as a large assemblage in the center of town, should appreciate gradually to a point where it would be economic to replace current improvements with an efficiently sized food market or to change its use, for example, to independent housing for the elderly who could benefit from existing site linkages to public services and nearby retailing.

The most probable buyer would be a local investor for income and for control of the future reuse of the site. The property is of inferior investment quality for regional investors or institutional investors since the national credits on the original leasebacks have terminated.

VIII. VALUATION OF THE SUBJECT PROPERTY

There are three customary approaches to value, specifically the Income Approach, the Market Comparison Approach, and the Cost Approach. In this case, the Income Approach will be relied upon primarily, with the Cost Approach used as a check on the Income Approach. The Market Comparison

Approach can not be relied upon because of the lack of comparable sales in Beaver Dam and other small communities in the area.

A. The Income Approach

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

Using discounted cash flow the Income Approach begins with a determination of revenues and expenses which determine net operating income during a five year projection period. In this case, revenues consist of base rents, some percentage rents earned on gross sales in excess of contract minimums, and some pass-throughs of certain costs such as real estate taxes. A detailed summary analysis of leases in place as of December 25, 1986, is provided in Exhibit 7.

There is no reimbursement of common area maintenance charges (CAM) because the grocery tenant is responsible for maintenance of the parking lot and other common area maintenance; this tenant is then expected to collect the other tenants' share of these costs directly. A history of percentage rent payments is provided in Exhibit 8; a projected estimate of each tenant's net share of real estate taxes and net percentage rents due is shown in Exhibit 9. These estimates are then combined into a revenue and expense statement for year one at Spring Plaza (Exhibit 10).

Tenants are responsible for their own utilities and interior maintenance. The expenses shown in Exhibit 10 provide for a management fee of four percent. The appraisers have taken the optimistic view that current tenants will remain for the five year projection period so that additional expenses for leasing commissions, tenant improvements, and concessions have not been provided. On the other hand, because the roof on Jack and Jill needs almost immediate replacement and the new HVAC and repaving completed in 1985-86 must be amortized over a ten-year span, an annual reserve for the replacement has been created in the amount of \$4,315. The details of the reserve for replacement expense are shown in Exhibit 11. The vacancy rate of four percent is a collection loss risk relative to reimbursement and overage rents. Exhibit 10 shows that the effective rents are low relative to other retail urban markets as a result of the contract rents which survive from the original leaseback arrangement. However, these rents are probably the most that these marginal businesses could pay.

The 1987 revenue and expense forecast is then projected over the next four years by assuming the base rents will now hold constant, real

estate taxes will increase five percent per year given the increasing municipal fiscal problem due to changing federal and state urban assistance programs, while other expenses would gradually increase at three percent per year. The five year revenue and expense forecast is detailed in Exhibit 12.

To convert the projected income estimate to a capitalized value, the appraisers have used an after-tax discounted cash flow model called ATV. The assumptions to define the depreciable dates for income tax determination include a 31.5-year useful life for improvements and straight-line depreciation, land value and other non-depreciable assets of \$61,370 and a minimum threshold rate of return to equity of 13.5 percent. The investor is assumed to have both an ordinary and a capital gains income tax rate of 33 percent throughout the projection period as a scheduled tax reduction of 28 percent will probably be modified by Congress in an attempt to reduce the deficit. These assumptions are summarized in Exhibit 13.

The ATV output provided in Exhibit 14 indicates an after-tax value of \$249,452, rounded to \$250,000. At this value the property would carry a mortgage of 80 percent of value and would reflect an overall rate of return of 0.126 as a cap rate based on the first year NOI to produce an after-tax return to equity of 13.5 percent. The return would represent primarily income as there is a slight decline in overall asset value forecast. Reduction in the first mortgage loan balance would be offset by the decline in the resale price and the transaction costs of sale.

B. Cost Approach

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

The Calculator Method, a computerized cost service of the Marshall and Swift Valuation Service, provides a check on the values estimated by both the Market Comparison Approach (where applicable) and the Income Approach. The Calculator Method was applied to the subject property based upon the cost assumptions provided in the input form shown in Exhibit 15. The indicated cost to replace the grocery structure less depreciation was \$279,000, which includes the value of the land, as if vacant, of \$61,370. In addition, the Embassy TV store was classified as retail subject to significant physical and functional depreciation leading to a depreciated cost to replace of \$105,000. By combining the depreciated cost to replace of the grocery store building, the Embassy TV building, and the value of the land as if vacant as shown in Exhibit 16, the Cost Approach suggests a value of \$384,000 as of December 25, 1986.

VIII. RECONCILIATION OF VALUATION METHODOLOGIES FOR VALUE CONCLUSION

The Income Approach, which is the primary indicator of value for this type of functionally obsolete property subject to contract rents suggests an investment value of \$250,000 and is weighted 80 percent in setting the market value as of December 25, 1986. The Cost Approach is far less reliable for this type of property which is subject to significant elements of functional and economic obsolescence as well as conversion from auto accessory sales to lower quality retail and warehouse space. As a result, the appraisers have attached a weight of 20 percent to replacement cost less depreciation. The synthesized weighted average is calculated as follows:

| | | |
|---|-------------------|-----------|
| INCOME APPROACH (Five year discounted cash flow) | \$250,000 * 80% = | \$200,000 |
| COST APPROACH (Marshall & Swift) | \$384,000 * 20% = | \$ 76,000 |
| | | ----- |
| ESTIMATED VALUE | | \$276,000 |
| ROUNDED | | \$277,000 |

THEREFORE, THE APPRAISERS CONCLUDE THAT THE MARKET VALUE OF THE SUBJECT PROPERTY, AS OF DECEMBER 25, 1986, ENCUMBERED BY CERTAIN CONTRACT RENTS AND SUBJECT TO THE ASSUMPTIONS USED THROUGHOUT THIS REPORT AND THE LIMITING CONDITIONS CONTAINED HEREIN, IS:

TWO HUNDRED SEVENTY SEVEN THOUSAND DOLLARS
(\$277,000)

assuming third party financing and cash to the seller.

The total value as of December 25, 1986, is allocated between land and improvements as follows:

| | |
|--------------|-----------|
| LAND | \$ 61,370 |
| IMPROVEMENTS | 215,630 |
| | ----- |
| TOTAL | \$277,000 |

EXHIBITS

FOR

BEAVER DAM

SPRING PLAZA

EXHIBIT 1

BEAVER DAM AREA MAP
FOR SPRING PLAZA

CITY MAP
BEAVER DAM
POSTAL ZIP CODE 53916



EXHIBIT 2

LEGAL DESCRIPTION OF SUBJECT PROPERTY

SUGGESTED LEGAL DESCRIPTION. The above-captioned description contains only due bearings whereas survey at time of acquisition and deed from previous owner contains bearings other than in due directions, and, after deleting the above-referenced portion deeded to the City of Beaver Dam (for park purposes), the following legal description is recommended:

A parcel of land being a part of Lot 3 of Block 8 of Bicknell's Addition (sometimes called Bicknell's Second Addition); a part of Out Lot 55 (sometimes referred to as Outlots 55 and 65) of the Original Third Ward of the city of Beaver Dam; and of the SE 1/4 of the SW 1/4 of Section 33, T. 12 N., R. 14 E., all in the City of Beaver Dam, Dodge County, Wisconsin, more particularly described as follows:

Commencing at the Northwest corner of Outlot 54 in the Original Third Ward of the city of Beaver Dam; thence N. 89° 48' E. along the North line of Outlots 54 and 55, a distance of 318.00 feet; thence N. 0°03'30" W. a distance of 181.00 feet; thence S. 89°48' W. to the West line of said Lot 3, a distance of 25.66 feet; thence N. 0°03'30" W. to the Southeast corner of Lot 2 of Block 8 of Bicknell's Addition, a distance of 48.46 feet; thence N. 89°52'45" W. along the South lines of Lots 1 and 2 of Block 8 of Bicknell's Addition and of Outlot 53 of the Original Third Ward, to the East line of Spring Street, a distance of 292.34 feet; thence S. 0°03'30" E. along the said East line a distance of 231.00 feet to the point of commencement.

Tax Folio No. 206-0830-02400

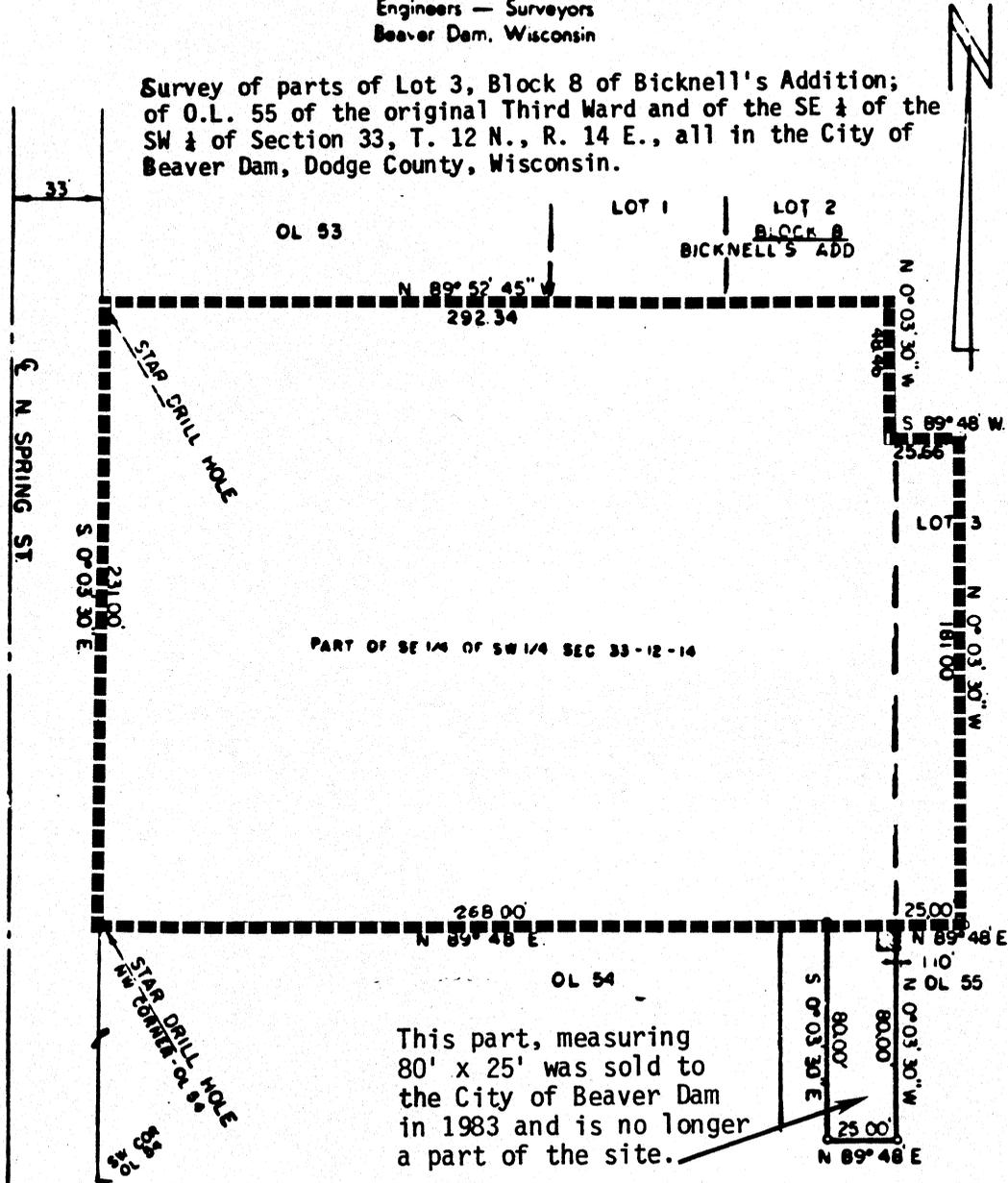
EXHIBIT 3

SITE PLAN FOR SPRING PLAZA

Central Engineers & Surveyors, Inc.

Engineers — Surveyors
Beaver Dam, Wisconsin

Survey of parts of Lot 3, Block 8 of Bicknell's Addition; of O.L. 55 of the original Third Ward and of the SE 1/4 of the SW 1/4 of Section 33, T. 12 N., R. 14 E., all in the City of Beaver Dam, Dodge County, Wisconsin.



This part, measuring 80' x 25' was sold to the City of Beaver Dam in 1983 and is no longer a part of the site.

Scale of Map: 1 inch = 50'

STATE OF WISCONSIN }
COUNTY OF DODGE }

I, V. E. STEINBRECKER Land Surveyor of the State of Wisconsin, do hereby certify that on JAN. 10, 1967 I surveyed the above described property according to official records and that the accompanying map is a true and correct representation of the exterior boundaries of the land surveyed, that all buildings and improvements lie wholly within the boundary lines, and that no encroachments by adjacent property owners appear from said survey except as indicated.

- LEGEND
- Iron Pipes Found
 - Iron Pipes Set
 - Stone Mon. Found
 - △ Iron Pins Set

V. E. Steinbrecker
WIS. S-503 Surveyor

EXHIBIT 4

COMPARABLE COMMERCIAL VACANT LAND SALES
FOR SPRING PLAZA

| LOCATION | SITE SIZE (SF) | SALE DATE | SALE PRICE | PRICE/SF |
|--------------------------------------|-------------------------|--------------|---------------|----------|
| 405 N. Spring St. [1] | 2,000 | 1983 | \$1,200 | \$0.60 |
| Industrial Dr. (next to Hardee's) | 164,657 (3.78 acres) | 01/85 | \$140,000 | \$0.85 |
| S. Lincoln Ave. | 44,500 | 04/86 | \$44,500 | \$1.00 |
| Industrial Dr. | 152,460 (3.5 acres) | N/A | \$65,000 | \$0.43 |
| N. Spring St. (near Hardee's) | 91,476 (2.1 acres) | N/A | \$44,000 | \$0.48 |

EXHIBIT 5

SKETCH OF RETAIL SPACES
FOR SPRING PLAZA

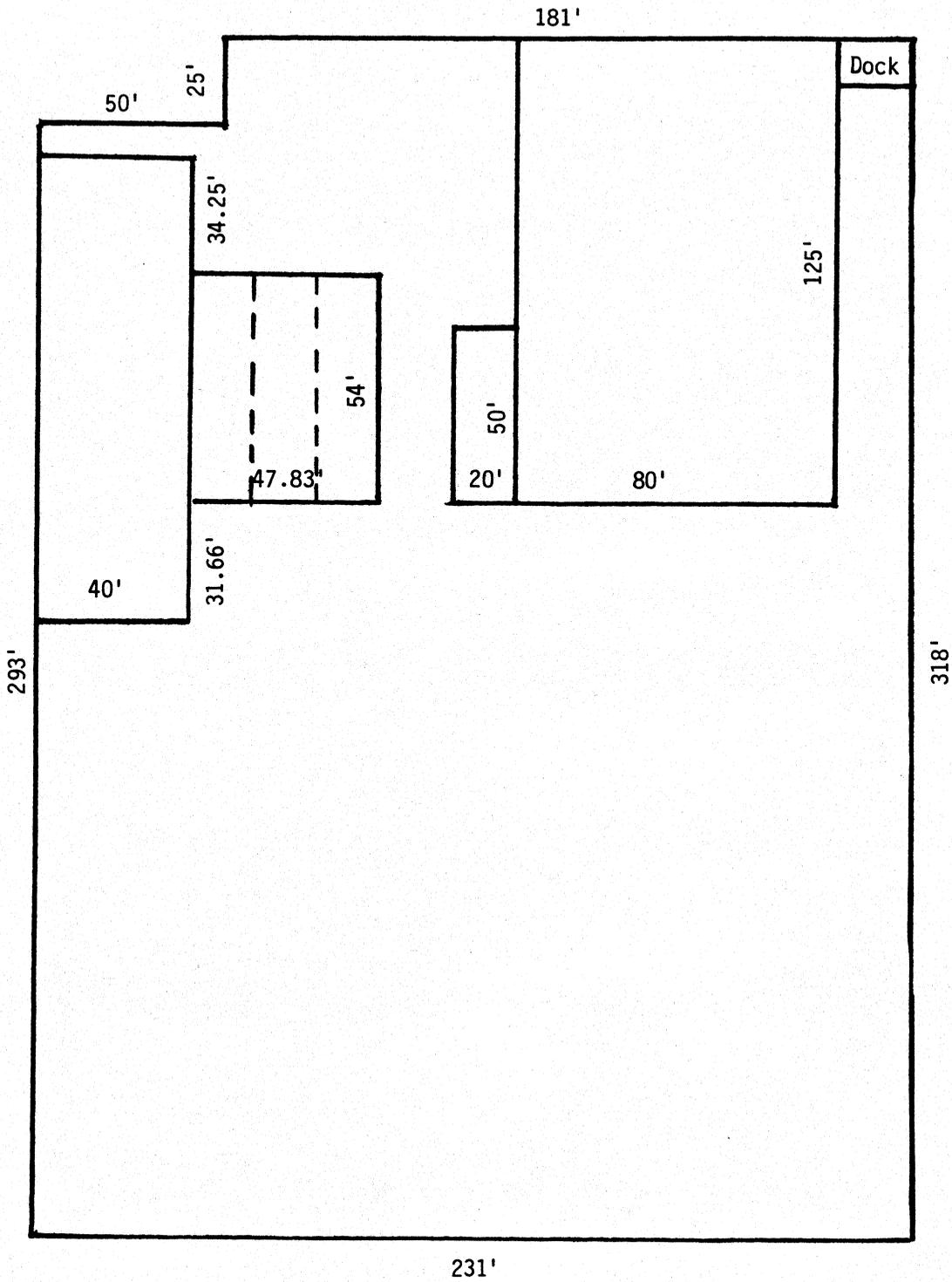


EXHIBIT 6

PHOTOGRAPHS OF SPRING PLAZA



The Jack and Jill grocery store was built in 1967-68 for Krogers and the Boy Blue addition was constructed in 1973.



This building was constructed as a Goodyear Service Store in 1971 and is now an appliance store, a repair shop, and a video rental outlet.

EXHIBIT 6 (Continued)



The Boy Blue retail shop has a lower roof line and covered walkway than does the original supermarket.
Note multiple signs which clutter store front.



Note truck dock for Jack and Jill's
Public library site is to the right.

EXHIBIT 6 (Continued)



Looking to north across Spring Plaza parking lot to the Beaver Dam Post Office. Note additional unmarked parking spaces available along North Spring Street.



Note relationship of Jack and Jill/Boy Blue structure and Embassy TV.

EXHIBIT 6 (Continued)



Rear of Jack and Jill's building with walls of truck dock in the foreground. Note raised foundation to accommodate structure on a sloping site.



Rear of Embassy TV building with discarded/used appliances which could be hazardous traps for children. Doors of refrigerators have not been removed.

EXHIBIT 7

RENT ROLL FOR THE SPRING PLAZA

| TENANT | GROSS LEASABLE AREA (GLA) (SF) | TERM OF LEASE | REMAINING RENEWAL OPTIONS | BASE RENT | BASE RENT/SF | OVERAGE RENT | EXPENSES | | | | | |
|------------------------|--------------------------------|------------------|---------------------------|------------------------------|--------------|------------------------------------|---------------------|-----------|-------------------------|--------------------|-----------|---|
| | | | | | | | COMMON AREA CHARGES | UTILITIES | MAINTENANCE AND REPAIRS | STRUCTURAL REPAIRS | INSURANCE | REAL ESTATE TAXES |
| Rechek's - Jack & Jill | 10,000 | 2/1/83 - 1/31/88 | 2-5 years | \$1,583.33/mo \$19,000/yr | \$1.90 | 1% of gross sales over \$1,900,000 | T | T | T | L | L | T 75% of prorata share of increase over 1969 base year |
| Boy Blue | 1,000 | 9/1/83 - 8/31/88 | None | \$462.50/mo \$5,550/yr | \$5.55 | 6% of gross sales over \$75,000 | T | T | T | L | L | T Prorata share of annual R.E. taxes |
| Embassy TV | 7,543 | Month-to-Month | None | \$1,350/mo \$16,200/yr | \$2.15 | None | T | T | T | L | L | L |
| | <u>18,543</u> | | | | | | | | | | | |

EXHIBIT 8

HISTORY OF PERCENTAGE RENTS
FOR SPRING PLAZA

| TENANT | YEAR | ADJUSTED SALES | BASE SALES | SALES OVER BASE | PERCENTAGE RENT OF SALES OVER BASE |
|---------------------|------|----------------|-------------|-----------------|------------------------------------|
| | | | | | @ 1% |
| Reчек's Jack & Jill | 1981 | \$2,575,233 | \$1,900,000 | \$675,233 | \$6,752 |
| | 1982 | \$2,606,781 | \$1,900,000 | \$706,781 | \$7,068 |
| | 1983 | \$2,486,515 | \$1,900,000 | \$586,515 | \$5,865 |
| | 1984 | \$2,529,326 | \$1,900,000 | \$629,326 | \$6,293 |
| | 1985 | \$2,599,692 | \$1,900,000 | \$699,692 | \$6,997 |
| | 1986 | \$2,781,426 | \$1,900,000 | \$881,426 | \$8,814 |
| | | | | | @ 6% |
| Boy Blue | 1982 | \$48,681 | \$75,000 | \$0 | \$0 |
| | 1983 | \$50,510 | \$75,000 | \$0 | \$0 |
| | 1984 | No report | \$75,000 | \$0 | \$0 |
| | 1985 | \$52,534 | \$75,000 | \$0 | \$0 |
| | 1986 | \$52,460 | \$75,000 | \$0 | \$0 |

ESTIMATE OF REAL ESTATE TAX REIMBURSABLE
AND NET PERCENTAGE RENTS DUE
OVER FIVE YEAR PROJECTION PERIOD

EXHIBIT 9

| TENANT | PRORATA SHARE OF TAX INCREASES | BASE TAX YEAR | TOTAL TAXES LEVIED IN BASE YEAR | INCREASE IN TOTAL TAXES FROM BASE YEAR TO 1987 WHEN TAXES = \$9,096 [1] | TENANT SHARE OF 1987 TAX INCREASE OR 1987 TAXES | PERCENTAGE RENT PAYMENT 1987 | NET PERCENT RENT DUE 1987 | INCREASE IN TOTAL TAXES FROM BASE YEAR TO 1988 WHEN TAXES ESTIMATED TO BE \$9,551 [2] | TENANT SHARE OF 1988 TAX INCREASE OR 1988 TAXES | PERCENTAGE RENT PAYMENT 1988 | NET PERCENT RENT DUE 1988 | INCREASE IN TOTAL TAXES FROM BASE YEAR TO 1989 WHEN TAXES ESTIMATED TO BE \$10,029 [2] | TENANT SHARE OF 1989 TAX INCREASE OR 1989 TAXES | PERCENTAGE RENT PAYMENT 1989 | NET PERCENT RENT DUE 1989 |
|---------------------|-------------------------------------|---------------|---------------------------------|---|---|------------------------------|---------------------------|---|---|------------------------------|---------------------------|--|---|------------------------------|---------------------------|
| Rehek's Jack & Jill | (75%) 53.9% (Less % of Rent Due) | 1969 | \$5,065 | \$4,031 | \$1,630 | \$8,814 | \$7,184 | \$4,486 | \$1,813 | \$8,814 | \$7,001 | \$4,964 | \$2,007 | \$8,814 | \$5,807 |
| Boy Blue [3] | 5.4% | N/A | N/A | N/A | \$491 | N/A | N/A | N/A | \$516 | N/A | N/A | N/A | \$542 | N/A | N/A |
| Bribery TV [4] | 40.7% | N/A | N/A | N/A | \$0 | N/A | N/A | N/A | \$0 | N/A | N/A | N/A | \$0 | N/A | N/A |
| TOTALS | 100.0% | | | | \$2,121 | | | | \$2,329 | | | | \$2,549 | | |

EXHIBIT 9 (Continued)

| TENANT | PRORATA SHARE OF TAX INCREASES | BASE TAX YEAR | TOTAL TAXES LEVIED IN BASE YEAR | INCREASE IN TOTAL TAXES FROM BASE YEAR TO 1990 WHEN TAXES ESTIMATED TO BE \$10,530 [2] | TENANT SHARE OF 1990 TAX INCREASE OR (1990) TAXES | PERCENTAGE RENT PAYMENT 1990 | NET PERCENT RENT DUE (1990) | INCREASE IN TOTAL TAXES FROM BASE YEAR TO 1991 WHEN TAXES ESTIMATED TO BE \$11,057 [2] | TENANT SHARE OF 1991 TAX INCREASE OR (1991) TAXES | PERCENTAGE RENT PAYMENT 1991 | NET PERCENT RENT DUE (1991) |
|---------------------|-------------------------------------|---------------|---------------------------------|--|---|------------------------------|-----------------------------|--|---|------------------------------|-----------------------------|
| Rehek's Jack & Jill | (75%) 53.9% (Less % of Rent Due) | 1969 | \$5,065 | \$5,465 | \$2,209 | \$8,814 | \$6,605 | \$5,992 | \$2,422 | \$8,814 | \$6,392 |
| Boy Blue [3] | 5.4% | N/A | N/A | N/A | \$569 | N/A | N/A | N/A | \$597 | N/A | N/A |
| Embassy TV [4] | 40.7% | N/A | N/A | N/A | \$0 | N/A | N/A | N/A | \$0 | N/A | N/A |
| TOTALS | 100.0% | | | | \$2,778 | | | | \$3,019 | | |

[1] 1986 Taxes payable in 1987 = \$9,096
 Increase = \$9,096 less taxes levied in base year

[2] 1987 Taxes payable in 1988 = \$ 9,096 * 1.05 = \$ 9,551
 1988 Taxes payable in 1989 = \$ 9,551 * 1.05 = \$10,029
 1989 Taxes payable in 1990 = \$10,029 * 1.05 = \$10,530
 1990 Taxes payable in 1991 = \$10,530 * 1.05 = \$11,057

[3] Tenant pays prorata share of full tax bill.

[4] Tenant rents month-to-month and does not pay real estate taxes.

EXHIBIT 10

FORECAST OF 1987 REVENUE AND EXPENSE
FOR SPRING PLAZA

| | 1987 ANNUAL REVENUE SOURCE | TOTAL REVENUE PER YEAR | EFFECTIVE RENT/SF |
|---|-------------------------------------|---------------------------------|----------------------|
| REVENUES: | | | |
| ----- | | | |
| Rechek's - Jack & Jill - 10,000 SF of GLA | | | |
| ----- | | | |
| Annual Base Rent | \$19,000 | | |
| Overage @ 1% of Gross Sales Over \$1,900,000 Base Gross Sales Net of Real Estate Taxes Reimbursed | \$7,184 | | |
| Real Estate Taxes Reimbursed | \$1,630 | | |
| | ----- | | |
| TOTAL RENT PAID | | \$27,814 | \$2.78 |
| | | | |
| Boy Blue - 1,000 SF of GLA | | | |
| ----- | | | |
| Annual Base Rent | \$5,550 | | |
| Overage @ 6% of Gross Sales Over \$75,000 Base Sales | \$0 | | |
| Real Estate Taxes Reimbursed | \$491 | | |
| | ----- | | |
| TOTAL RENT PAID | | \$6,041 | \$6.04 |
| | | | |
| Embassy TV - 7,543 SF of GLA | | | |
| ----- | | | |
| Annual Base Rent | \$16,200 | | |
| | ----- | | |
| TOTAL RENT PAID | | \$16,200 | \$2.15 |
| TOTAL GROSS REVENUE | | \$50,055 | |
| VACANCY AND COLLECTION LOSS AT 4% | | (\$2,002) | |
| EFFECTIVE GROSS REVENUE | | ----- \$48,053 | |
| EXPENSES: | | | |
| ----- | | | |
| Management @ 4% of EGR | \$1,922 | | |
| Insurance | \$1,225 | | |
| Real Estate Taxes | \$9,096 | | |
| Reserve for Replacement - Roof, HVAC, Repaving | \$4,315 | | |
| | ----- | | |
| TOTAL EXPENSES PAID BY LANDLORD | | \$16,558 | |
| | | ----- | |
| NET OPERATING INCOME | | \$31,495 | |
| | | ----- ===== | |
| ----- | | | |

EXHIBIT 11

ESTIMATE OF RESERVE FOR STRUCTURAL REPAIRS AND REPLACEMENTS
FOR SPRING PLAZA

ANNUAL RESERVE AMOUNT

PARKING LOT

Repaving over existing base @ \$3.25/SY
with improvement life of 20 years

49,000 SF of parking lot/9 = 5,444 SY
5,444 SY * \$3.25 = \$17,694/20 years \$ 885

HVAC REPLACEMENTS

Replace units as required @ \$2/SF of GLA
with improvement life of 20 years

18,543 SF * \$2.00 = \$37,086/20 years 1,854

ROOF REPLACEMENT

Replace with equivalent of four ply built-up
roof or rubber roof @ \$1.70/SF of GLA with
improvement life of 20 years

18,543 SF * \$1.70 = \$31,523/20 years 1,576

TOTAL ANNUAL RESERVE \$4,315
=====

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

EXHIBIT 12

FIVE YEAR REVENUE AND EXPENSES PROJECTION
FOR SPRING PLAZA [1]

| | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 |
|--------------------|-----------|-----------|-----------|-----------|-----------|
| JACK AND JILL | \$19,000 | \$19,000 | \$19,000 | \$19,000 | \$19,000 |
| J AND J NET % RENT | \$7,184 | \$7,001 | \$6,807 | \$6,605 | \$6,392 |
| BOY BLUE | \$5,550 | \$5,550 | \$5,550 | \$5,550 | \$5,550 |
| BOY BLUE % RENT | \$0 | \$0 | \$0 | \$0 | \$0 |
| EMBASSY TV | \$16,200 | \$16,200 | \$16,200 | \$16,200 | \$16,200 |
| NET RE TAXES REIMB | \$2,121 | \$2,329 | \$2,549 | \$2,778 | \$3,019 |
| GROSS INCOME | \$50,055 | \$50,080 | \$50,106 | \$50,133 | \$50,161 |
| VACANCY | -\$2,002 | -\$2,003 | -\$2,004 | -\$2,005 | -\$2,006 |
| EFF. GROSS INCOME | \$48,053 | \$48,077 | \$48,102 | \$48,128 | \$48,155 |
| MANAGEMENT FEE | \$1,922 | \$1,923 | \$1,924 | \$1,925 | \$1,926 |
| INSURANCE | \$1,225 | \$1,262 | \$1,300 | \$1,339 | \$1,379 |
| PROPERTY TAXES | \$9,096 | \$9,551 | \$10,028 | \$10,530 | \$11,056 |
| RESERVES | \$4,315 | \$4,315 | \$4,315 | \$4,315 | \$4,315 |
| TOTAL EXPENSES | -\$16,558 | -\$17,051 | -\$17,567 | -\$18,108 | -\$18,676 |
| NET OPERATING INC. | \$31,495 | \$31,026 | \$30,535 | \$30,019 | \$29,478 |

[1] See Exhibits 7 through 11 for the details of each revenue and expense line item.

EXHIBIT 13

SPRING PLAZA
ASSUMPTIONS USED FOR FIVE YEAR DISCOUNTED CASH FLOW

| | | |
|----------------------------|---|---|
| HOLDING PERIOD | = | FIVE YEARS |
| EQUITY YIELD RATE | = | 13.5% |
| DEBT COVER RATIO | = | 1.5 |
| INTEREST RATE | = | 9.5% |
| AMORTIZATION PERIOD | = | 25 YEARS |
| INVESTOR'S INCOME TAX RATE | = | ORDINARY = 33% CAPITAL GAIN = 33% |
| DEPRECIATION METHOD | = | STRAIGHT LINE - 31.5 YEAR LIFE |
| LAND VALUE | = | \$61,370 ($\$0.85/\text{SF} * 72,200 \text{ SF}$) |
| RESALE PRICE | = | 12% CAP OF FIFTH YEAR NOI |

EXHIBIT 14

INCOME APPROACH VALUATION
ATV DISCOUNTED CASH FLOW
FOR SPRING PLAZA

SPRING PLAZA
405-405 NORTH SPRING STREET
BEAVER DAM, WI 53916
By LANDMARK RESEARCH INC.

VALUE \$249,452.
AFTER TAX YIELD 13.50000
OVERALL RATE 0.12626
MORTGAGE CONSTANT 0.10484
MORTGAGE VALUE \$200,265.
BUILDING VALUE \$188,082.
EQUITY VALUE \$49,187.
EQUITY DIVIDEND 0.21344

EQUITY YIELD RATE 13.50000
HOLDING PERIOD 5
LOAN NUMBER 1
INTEREST RATE 0.09500
LOAN TERM 25.00000
PAYMENTS PER YEAR 12
DSCR & LOAN/VALUE RATIOS 1.50000
TAX RATE 0.33000
CAPITAL GAINS TAX RATE 0.33000
RESALE PRICE \$245,650.
LAND VALUE \$61,370.
DEPRECIATION METHOD SL
COST RECOVERY PERIOD 32
NET OPERATING INCOME \$31,495.
CHANGE IN NOI -0.06403
INCOME ADJUSTMENT FACTOR YR
SELLING COST 0.04000

CASH FLOW SUMMARY

| | YEAR 1 | YEAR 2 | YEAR 3 | YEAR 4 | YEAR 5 |
|------------|------------|------------|------------|------------|------------|
| NOI | \$31,495. | \$31,038. | \$30,535. | \$30,019. | \$29,478. |
| DEBT SER#1 | -\$20,996. | -\$20,996. | -\$20,996. | -\$20,996. | -\$20,996. |
| BTCF | \$10,499. | \$10,042. | \$9,539. | \$9,023. | \$8,482. |
| NOI | \$31,495. | \$31,038. | \$30,535. | \$30,019. | \$29,478. |
| INTEREST 1 | -\$18,937. | -\$18,733. | -\$18,508. | -\$18,261. | -\$17,989. |
| DEPREC | -\$5,971. | -\$5,971. | -\$5,971. | -\$5,971. | -\$5,971. |
| TAXABLE | \$6,587. | \$6,335. | \$6,056. | \$5,787. | \$5,518. |
| TAXES | \$2,174. | \$2,090. | \$1,999. | \$1,910. | \$1,821. |
| ATCF | \$8,325. | \$7,951. | \$7,540. | \$7,113. | \$6,661. |

RESALE PRICE \$245,650.
SELLING COST -\$9,826.
LOAN BALANCE # 1 -\$187,711.

BEFORE TAX PROCEEDS \$48,113.
TAXES -\$5,355.
AFTER TAX PROCEEDS \$42,759.

RESALE PRICE \$245,650.
SELLING COST -\$9,826.
ADJUSTED BASIS -\$219,598.
TAXABLE GAIN \$16,227.
LONG TERM GAIN \$16,227.
ORDINARY TAXES \$0.
CAPITAL GAINS TAX \$5,355.

EQUITY CASH FLOW SUMMARY

| YEAR | CASH FLOW |
|------|------------|
| 0 | -\$49,187. |
| 1 | \$8,325. |
| 2 | \$7,951. |
| 3 | \$7,540. |
| 4 | \$7,113. |
| 5 | \$49,419. |

EXHIBIT 15

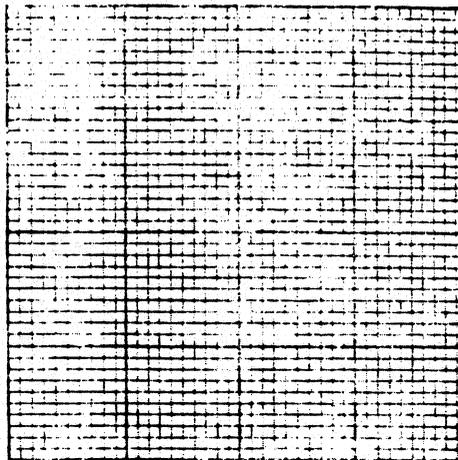
INPUTS USED IN COST APPROACH
FOR SPRING PLAZA

COMMERCIAL/INDUSTRIAL FIELD FORM - CAL

Computerized Service based on

MARSHALL AND SWIFT VALUATION SERVICE

- 1) COST ESTIMATE FOR Spring Plaza
- 2) PROPERTY OWNER A.E. Anding Estate & Anding Enterprises
- 3) ADDRESS Beaver Dam, WI
- 4) SURVEYED BY Landmark Research, Inc.
- 5) DATE OF SURVEY Dec. 25, 1986
- 6) REGION: 1 Western CLIMATE: ① Extreme
② Central 2 Moderate
3 Eastern Mkt. Retail B Mild
- 7) OCCUPANCY CODE 340 / 353 (Refer to back of Form)
- 8) CONSTRUCTION CLASS:
A Fireproof Structural Steel Frame
B Reinforced Concrete Frame
③ C Masonry Bearing Walls
D Wood or Steel Framed Exterior Walls
- 9) LOCAL MULTIPLIER 53916
(Refer to Section 99, Marshall Valuation Service)



- 10) COST RANK:
① Low 3 Above Average
2 Average 4 High
- 11) TOTAL FLOOR AREA 11,000 SF / 4,960 SF
- 12) SHAPE or PERIMETER 2
1 Approximately Square
2 Slightly Irregular
3 Irregular
4 Very Irregular

- 13) NUMBER OF STORIES 1
- 14) AVERAGE STORY HEIGHT 14 / 12
- 15) EFFECTIVE AGE 20 / 25
- 16) CONDITION:
1 Worn Out 4 Good
2 Badly Worn 5 V. Good
③ 3 Average 6 Excellent

- 17) EXTERIOR WALL:
Masonry Walls
1 Adobe Block
2 Brick, Block Back-Up
3 Common
4 Cavity
Mkt-.04 ⑤ 5 Face Brick (Add)
⑥ 6 Concrete Block
7 Concrete, Reinforced
8 Concrete, Tilt-Up
9 Str. Ashlar Veneer, Block
10 Stone, Rubble
11 Pilaster
12 Bond Beams
13 Insulation (Add)
Curtain Walls
14 Concrete, Precast
15 Concrete/Glass Panels
16 Metal/Glass Panels
17 Stainless Steel/Glass
18 Bronze and Glass
19 Stone Panels
20 Steel Studs/Stucco
21 Tile, Clay
22 Facing Tile (Add)

- Wood or Steel Framed Walls
23 Aluminum Siding
24 Asbestos Siding
25 Asbestos Shingles
26 Shingles
27 Shakes
28 Stucco on Wire/Paper
29 on Sheathing
30 Wood Siding on Paper
31 on Sheathing
32 Veneer, Common Brick
33 Face Brick
34 Stone
35 Used Brick
36 Siding, Vinyl Surface
37 Hardboard
38 Textured Plywood
39 Board/Batten Box Frame
40 Log, Rustic
41 Insulation (Add)
Wood or Steel Skeleton Frames
42 Aluminum Cover
43 Sandwich Panels
44 Corr. Steel on Steel Frame
45 on Wood Frame
46 Transite
47 Siding, Post/Girder Frame
48 Sheathing (Add)

- 18) HEATING, COOLING & VENTILATION:
1 Elec. (Cable, Panel/Baseboard) 12 Steam, without Boiler
2 Elec. Wall Heaters 13 Steam, with Boiler
Mkt.-.9 ③ 3 Forced Air 14 Air Cond. Hot/Chilled Water
4 Floor Furnace 15 Air Cond. Warm/Cooled Air
5 Gas Steam Radiator Mkt.-.16 ⑥ 6 Package Heating/Cooling
6 Gravity Furnace 17 Heat Pump
7 Heaters, Vented 18 Evaporative Cooling
8 Hot Water 19 Refrigerated Cooling
9 Hot Water, Radiant 20 Ventilation
10 Space Heat, Gas 21 Wall Furnace
11 Space Heat, Steam

- 19) ELEVATORS 0 Sq. Ft. Served
- 20) SPRINKLERS 0 Sq. Ft.
- 21) TOTAL
BASEMENT 0 Sq. Ft.
1 Unfinished 5 Utility
2 Finished 6 Resident Units
3 Parking 7 Display
4 Storage 8 Office

MISCELLANEOUS COST

- LAN: \$61,370 Land
- SIT: _____ Site Improvements
- PHY: _____ Physical Depreciation
- FUN: _____ Functional Depreciation
- LOC: _____ Locational Depreciation
- EXC: _____ Insurance Exclusions

EXHIBIT 15 (Continued)

COST REFINEMENTS

Mezzanines
(Sq. Ft. of Mezzanines)
MZM: Display
MZB: Office
MZC: Storage
MZD: Open

Balconies
(Sq. Ft. of Balconies)
BCA: Apartment Exterior
BCD: Auditorium
BCC: Church
BCT: Theater

Docks
(Sq. Ft. of Dock Area)
DLR: Loading with Roof
DLW: 500 Loading without Roof
DOS: Shipping
DOF: Dock Height Floors

Parking Lots
(Sq. Ft. of Parking)
PAS: 49,029 Paving, Asphalt
PCO: Paving, Concrete
LIG: 49,029 Parking Lot Lighting (Sq. Ft. of Area Served)
BUM: Parking Bumpers (Lin. Ft.)

Commercial and Institutional Built-ins
(Total Sq. Ft. of Building Area)
UW: Bank Equipment
 (counters, vault doors, etc.)
UX: Jail Equipment
 (cell blocks, locking devices, etc.)
UY: Hospital Equipment (Groups II and III)
UAA: Hospital Pneumatic Conveyor System
UAB: College Commons Kitchen Equipment
UAC: Science Building Laboratory Equipment

Bank Vaults
(Sq. Ft. of Vault Area)
UAD: Money
UAG: Record Storage

Stages & Permanent Fixtures
(Sq. Ft. of Stage Area)
UAH: Live Performance
UAI: Motion Picture Only
UAK: Speaker's Platform

High Rise Apartment Miscellaneous
(Number of Units)
APP: Appliance Allowance (enter # of apart. units)
UAM: Wall Air Conditioning (# of units)

Barns and Sheds
(Sq. Ft. of Loft)
LOF: Lofts for Barns or Sheds

ADDITIONS

ADD TO (SUperstructure, BASement, EXTra (Depreciated), MIScellaneous (Not Depreciated))

| MIS | BRIEF DESCRIPTIONS | (+ or -) COST |
|-----|-------------------------------|---------------|
| MIS | NEW ROOF REQUIRED WITHIN YEAR | (\$20,000) |
| : | : | \$ |
| : | : | \$ |
| : | : | \$ |
| : | : | \$ |

REMARKS

REM: _____
 REM: _____
 REM: _____

OCCUPANCY CODES

- | | | | | |
|------------------------------|-----------------------------|------------------------------|------------------------|-----------------------------------|
| 300 Apartment (High Rise) | 316 Dairy & Milking Barn | 336 Laundromat | 357 Commons | 399 Shed, Cattle |
| 301 Armory | 317 Dairy Sales Building | 337 Library | 358 Gymnasium | 400 Shed, Hay |
| 302 Auditorium | 318 Department Store | 338 Loft | 359 Lecture Hall | 403 Shower Building |
| 303 Automobile Showroom | 319 Discount Store | 339 Lumber Steg., Horizontal | 360 Library | 378 Stable |
| 304 Bank | 320 Dispensary | 340 Lumber Steg., Vertical | 361 Manual Arts | 389 Storage, Equipment |
| 304 Barber Shop | 393 Dormitories (Labor) | 340 Market | 362 Multi-Purpose | 391 Storage, Material |
| 305 Barn | 321 Dormitory | 341 Medical Office | 363 Physical Education | 395 Storage, Potato or Vegetables |
| 306 Barn, Hog | 322 Fire Station | 342 Mortuary | 364 Science | 379 Theater, |
| 307 Barn, Sheep | 323 Fraternal Building | 343 Motel | 365 Entire Elementary | Stage Presentation |
| 308 Barn, Fruit Packing | 324 Fraternity House | 344 Office Building | 366 Entire Secondary | 380 Theater, Motion Picture |
| 306 Bowling Alley | 325 Garage, Service | 345 Parking Structure | | 383 Tobacco Barn |
| 304 Cabins (Transient Labor) | 326 Garage, Storage | 388 Parking Structure, | | 404 Utility Building, Farm |
| 308 Church with | 327 Governmental Building | Underground | School, College | 381 Veterinary Hospital |
| Sunday School | 328 Hangar, Storage | 346 Post Office | 367 Arts & Crafts | 382 Warehouse |
| 309 Church without | 329 Hangar, Maintenance | 347 Poultry House | 368 Classroom | 386 Warehouse, Mini |
| Sunday School | & Office | 348 Rectory | 369 Commons | 387 Warehouse, Transit |
| 310 City Club | 330 Home for the Elderly | 349 Restaurant, Drive-in | 370 Gymnasium | |
| 311 Clubhouse | 331 Hospital | 350 Restaurant, Table Serv. | 371 Lecture Hall | |
| 312 Coldwater Flat | 332 Hotel | 353 Retail Store | 372 Library | |
| 313 Convalescent Hospital | 342 Hotels, Resort | School, Elem. & Sec. | 373 Manual Arts | |
| 314 Country Club | 334 Industrial, Manuf. | 355 Arts & Crafts | 374 Multi-Purpose | |
| 315 Creamery & Milk Process | 392 Industrial, Engineering | 356 Classroom | 375 Physical Education | |
| | 335 Jail | | 376 Science | |
| | | | 377 Entire College | |

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EXHIBIT 16

COST APPROACH VALUATION
MARSHALL AND SWIFT CALCULATOR METHOD

COST ESTIMATE FOR: SPRING PLAZA-GROCERY STORE BUILDING
PROPERTY OWNER: A.E. ANDING ESTATE and Anding Enterprises
ADDRESS: BEAVER DAM, WI
SURVEYED BY: LANDMARK RESEARCH, INC.
DATE OF SURVEY: 12/25/86

DESCRIPTION:

OCCUPANCY: MARKET
FLOOR AREA: 11,000 Square Feet AVERAGE STORY HEIGHT: 14.0 Feet
CLASS: C Masonry EFFECTIVE AGE: 20 Years
COST RANK: 1.0 Low CONDITION: 3.0 Average
NUMBER OF STORIES: 1.0 COST AS OF: 12/86

EXTERIOR WALL:
Face Brick..... 4%
Concrete Block..... 100%
HEATING AND COOLING:
Forced Air..... 90%
Package Heating & Cooling..... 10%

| | UNITS | COST | TOTAL |
|-----------------------------------|---------|-------|-----------|
| <hr/> | | | |
| BASIC STRUCTURE COST: | 11,000 | 29.08 | 319,899 |
| <hr/> | | | |
| ADDITIONS: | | | |
| Docks without Roof..... | 500 | 6.21 | 3,105 |
| TOTAL SUPERSTRUCTURE COST..... | 11,000 | 29.36 | 323,004 |
| <hr/> | | | |
| EXTRAS: | | | |
| Paving, Asphalt..... | 49,029 | 1.24 | 60,796 |
| Parking Lot Lighting..... | 49,029 | 0.11 | 5,393 |
| REPLACEMENT COST NEW..... | | | 389,193 |
| <hr/> | | | |
| LESS DEPRECIATION: | | | |
| Physical and Functional..... | <39.0%> | | <151,785> |
| DEPRECIATED COST..... | | | 237,408 |
| <hr/> | | | |
| ROOF..... | | | <20,000> |
| Estimated Land Value..... | | | 61,370 |
| <hr/> | | | |
| INDICATED VALUE BY COST APPROACH: | | | 278,779 |
| ROUNDED TO NEAREST \$1,000 | | | 279,000 |
| <hr/> | | | |

Cost Data by MARSHALL and SWIFT

EXHIBIT 16 (Continued)

COST ESTIMATE FOR: EMBASSY STORE
 PROPERTY OWNER: A.E. ANDING ESTATE and Anding Enterprises
 ADDRESS: BEAVER DAM, WI
 SURVEYED BY: LANDMARK RESEARCH, INC.
 DATE OF SURVEY: 12/25/86

DESCRIPTION:

OCCUPANCY: RETAIL STORE
 FLOOR AREA: 4,960 Square Feet AVERAGE STORY HEIGHT: 12.0 Feet
 CLASS: C Masonry EFFECTIVE AGE: 25 Years
 COST RANK: 1.0 Low CONDITION: 3.0 Average
 NUMBER OF STORIES: 1.0 COST AS OF: 12/86

EXTERIOR WALL:
 Concrete Block..... 100%
 HEATING AND COOLING:
 Package Heating & Cooling..... 100%

| | UNITS | COST | TOTAL |
|------------------------------|---------|-------|----------|
| BASIC STRUCTURE COST: | 4,960 | 29.22 | 144,954 |
| EXTRAS: | | | |
| WAREHOUSE 2,583 SF | | | 38,745 |
| REPLACEMENT COST NEW..... | | | 183,699 |
| LESS DEPRECIATION: | | | |
| Physical and Functional..... | <43.0%> | | <78,990> |
| DEPRECIATED COST..... | | | 104,709 |
| ROUNDED TO NEAREST \$1,000 | | | 105,000 |

Cost Data by MARSHALL and SWIFT

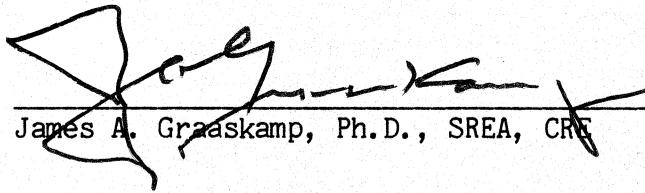
CERTIFICATION OF VALUE

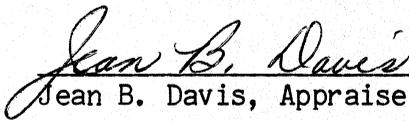
We hereby certify that we have no interest, present or contemplated, in the property and that neither the employment to make the appraisal nor the compensation is contingent on the value of the property. We certify that we have personally inspected the property and that according to our knowledge and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

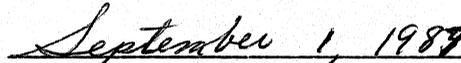
Based on the information and subject to the limiting conditions contained in this report and assuming cash to the seller, it is our opinion that the Market Value as defined herein, of the fee title encumbered of the subject property located at 403-405 North Spring Street, Beaver Dam, Wisconsin as of December 25, 1986 is:

TWO HUNDRED SEVENTY SEVEN THOUSAND DOLLARS

(\$277,000)


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


Jean B. Davis, Appraiser/Analyst


Date

STATEMENTS OF GENERAL ASSUMPTIONS AND
LIMITING CONDITIONS

1. Contributions of Other Professionals

- . Information furnished by others in the report, while believed to be reliable, is in no sense guaranteed by the appraisers.
- . The appraiser assumes no responsibility for legal matters.
- . All information furnished regarding property for sale or rent, financing, or projections of income and expenses is from sources deemed reliable. No warranty or representation is made regarding the accuracy thereof, and it is submitted subject to errors, omissions, change of price, rental or other conditions, prior sale, lease, financing, or withdrawal without notice.
- . All direct and indirect information supplied by the client, agents of the client, or the lawyer of the client concerning the subject property is assumed to be true and accurate but may be modified by the appraiser as appropriate to the definition of value or purpose of the appraisal consistent with other standards specified herein.

2. Facts and Forecasts Under Conditions of Uncertainty

- . The comparable sales data relied upon in the appraisal is believed to be from reliable sources. Though all the comparables were examined, it was not possible to inspect them all in detail. The value conclusions are subject to the accuracy of said data.
- . Forecasts of the effective demand for space are based upon the best available data concerning the market, but are projected under conditions of uncertainty.
- . Engineering analyses of the subject property were neither provided for use nor made as a part of this appraisal contract. Any representation as to the suitability of the property for uses suggested in this analysis is therefore based only on a rudimentary investigation by the appraiser and the value conclusions are subject to said limitations.
- . Since the projected mathematical models are based on estimates and assumptions, which are inherently subject to uncertainty and variation depending upon evolving events, we do not represent them as results that will actually be achieved.
- . Sketches in the report are included to assist the reader in visualizing the property. These drawings are for illustrative purposes only and do not represent an actual survey of the property.

STANDARD OF ASSUMPTIONS AND LIMITING CONDITIONS (Continued)

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

3. Controls on Use of Appraisal

- . Values for various components of the subject parcel as contained within the report are valid only when making a summation and are not to be used independently for any purpose and must be considered invalid if so used.
- . Possession of the report or any copy thereof does not carry with it the right of publication nor may the same be used for any other purpose by anyone without the previous written consent of the appraiser or the applicant and, in any event, only in its entirety.
- . Neither all nor any part of the contents of the report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the author, particularly regarding the valuation conclusions and the identity of the appraiser, of the firm with which he is connected, or any of his associates.
- . The report shall not be used in the client's reports or financial statements or in any documents filed with any governmental agency, unless: (1) prior to making any such reference in any report or statement or any document filed with the Securities and Exchange Commission or other governmental agency, the appraiser is allowed to review the text of such reference to determine the accuracy and adequacy of such reference to the appraisal report prepared by the appraiser; (2) in the appraiser's opinion the proposed reference is not untrue or misleading in light of the circumstances under which it is made; and (3) written permission has been obtained by the client from the appraiser for these uses.
- . The appraiser shall not be required to give testimony or to attend any governmental hearing regarding the subject matter of this appraisal without agreement as to additional compensation and without sufficient notice to allow adequate preparation.

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

QUALIFICATIONS OF THE APPRAISERS

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)
Larson Teaching Award (1985)
Alfred E. Reirman, Jr. Award - Society of Real Estate Appraisers (1986)
Urban Land Institute Trustee
Research Committee - Pension Real Estate Association (PREA)
Richard T. Ely Real Estate Educator Award from Lambda Alpha
Homer Hoyt Foundation Fellow

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, Inc., a subsidiary of First Bank Minneapolis. He is the designer and instructor of the Urban Land Institute (ULI) School of Real Estate Development and the American Bankers Association (ABA) National School of Real Estate Finance. His work includes substantial and varied consulting and valuation assignments such as investment counseling to insurance companies and banks, court testimony as an expert witness and the market/financial analysis of various projects, both nationally and locally, for private and corporate investors and municipalities. Currently is a member of Salomon Brothers Real Estate Advisory Board.

QUALIFICATIONS OF THE APPRAISERS (Continued)

J E A N B. D A V I S

EDUCATION

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

Master of Arts - Elementary Education - Stanford University

Bachelor of Arts - Stanford University (with distinctions)

Additional graduated and undergraduate work at Columbia Teachers College and
the University of Wisconsin

PROFESSIONAL EDUCATION

Society of Real Estate Appraisers

Appraising Real Property Course 101

Principles of Income Property Appraising Course 201

American Institute of Real Estate Appraisers

Residential Valuation (Formerly Course VIII)

Certified as Assessor I, Department of Revenue, State of Wisconsin

PROFESSIONAL EXPERIENCE

Trained in appraisal and investment analysis, Ms. Davis is a partner at Landmark Research, Inc., specializing in tax assessment as assessor in the Village of Maple Bluff and a representative of owners appealing assessed valuations in other jurisdictions. She also emphasizes market and survey research to estimate effective demand for elderly housing, residential development, office and retail projects.

Her experience includes appraisal of major income properties, rehabilitated older commercial properties, and residential properties.

APPENDIX A

TITLE, LICENSES, EASEMENTS, AND ENCUMBRANCES

AS DESCRIBED IN

DONALD R. HUGGETT LETTER

APPENDIX A (Continued)

LAW OFFICES

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

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

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

Karen K. Gruenisen
Timm P. Speerschneider

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

Philip H. Porter
1891-1976

Madison Center
121 South Pinckney Street
Mailing Address: P.O. Box 2509
Madison, Wisconsin 53701
(608) 255-8891

Madison West
Suite 120 Teton Wood
6515 Grand Teton Plaza
Madison, Wisconsin 53719
(608) 255-8891

Mount Horeb
108 East Main Street
Mt. Horeb, Wisconsin 53572
(608) 437-3622

May 1, 1987

Madison Center

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

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

In Re Title to:

Commencing at the North West corner of Outlot Fifty-four (54), in the original Third Ward of the City of Beaver Dam, Dodge County, Wisconsin; thence running East a distance of 268 feet; thence running South a distance of 80 feet; thence East 25 feet; thence North 80 feet; thence running East a distance of 25 feet; thence running North a distance of 181 feet; thence West to the West line of Lot Three (3), Block Eight (8) of Bicknell's Second Addition to the City of Beaver Dam; thence running North 50 feet to the South East corner of Lot Two (2), Block Eight (8), Bicknell's Second Addition to the city of Beaver Dam aforesaid; thence running West along the South line of Lots One (1) and Two (2), in said Bicknell's Second Addition aforesaid, and along the South line of Out Lot Fifty-three (53) to the South West corner of Out Lot Fifty-three (53) in said Third Ward; thence South along the East line of North Spring Street a distance of 231 feet to the place of beginning.

Tax Folio No. 206-0830-02400

APPENDIX A (Continued)

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

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

Dear Mr. Anding and Ms. Davis:

I have examined the abstract of title to the above-described premises from Government Entry to March 13, 1987, at 8:00 a.m. I find title at that time to be in

ANDING ENTERPRISES, a Partnership,

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

MORTGAGES.

1. At Entry 7 of the July 8, 1971 abstract continuation there appears a mortgage from Anding Enterprises, a Partnership, to National Guardian Life Insurance Company in the original principal amount of \$280,000 dated and recorded June 28, 1971 in Volume 393 at page 305 in the Dodge County Registry. I am advised this mortgage has been paid and I will request a satisfaction and record same for record purposes.
2. At Entry 1 of the August 30, 1974 abstract continuation appears a mortgage from Anding Enterprises and others to National Guardian Life Insurance Company in the original principal amount of \$600,000 dated July 1, 1974 and recorded August 12, 1974 in Volume 434 at page 604. This mortgage also covers additional property in other counties. At such time as the mortgage above referenced is satisfied of record, this will constitute a first and paramount lien upon the premises.
3. At Entry 2 of the May 17, 1982 abstract continuation is abstracted a mortgage from Anding Enterprises to National Guardian Life Insurance Company in the original principal amount of \$512,500 dated May 11, 1982 and recorded May 17, 1982 in Volume 552 at page 983. This is a mortgage subject to the above-referenced mortgage(s).

DEFERRED REAL ESTATE TAXES. According to Entry 6 of the most recent abstract continuation, payment of \$4,548.19 real estate taxes has been deferred.

CONVEYANCE FOR PARK PURPOSES TO CITY. At Entry 1 of the most recent abstract continuation appears a warranty deed from

APPENDIX A (Continued)

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

Mr. Alfred E. Anding, Jr.
Ms. Jean B. Davis
May 1, 1987
Page 3

Anding Enterprises to City of Beaver Dam wherein a parcel of land 25 feet in width by 80 feet in length, being an appendage at the southeast corner of the above-described property has been conveyed to the City of Beaver Dam, a municipal corporation, by deed dated August 31, 1983, recorded September 26, 1983, in Volume 573 at page 868, and the above-referenced mortgages have been released as to this parcel.

SUGGESTED LEGAL DESCRIPTION. The above-captioned description contains only due bearings whereas survey at time of acquisition and deed from previous owner contains bearings other than in due directions, and, after deleting the above-referenced portion deeded to the City of Beaver Dam (for park purposes), the following legal description is recommended:

A parcel of land being a part of Lot 3 of Block 8 of Bicknell's Addition (sometimes called Bicknell's Second Addition); a part of Out Lot 55 (sometimes referred to as Outlots 55 and 65) of the Original Third Ward of the city of Beaver Dam; and of the SE 1/4 of the SW 1/4 of Section 33, T. 12 N., R. 14 E., all in the City of Beaver Dam, Dodge County, Wisconsin, more particularly described as follows:

Commencing at the Northwest corner of Outlot 54 in the Original Third Ward of the city of Beaver Dam; thence N. 89° 48' E. along the North line of Outlots 54 and 55, a distance of 318.00 feet; thence N. 0°03'30" W. a distance of 181.00 feet; thence S. 89°48' W. to the West line of said Lot 3, a distance of 25.66 feet; thence N. 0°03'30" W. to the Southeast corner of Lot 2 of Block 8 of Bicknell's Addition, a distance of 48.46 feet; thence N. 89°52'45" W. along the South lines of Lots 1 and 2 of Block 8 of Bicknell's Addition and of Outlot 53 of the Original Third Ward, to the East line of Spring Street, a distance of 292.34 feet; thence S. 0°03'30" E. along the said East line a distance of 231.00 feet to the point of commencement.

Tax Folio No. 206-0830-02400

APPENDIX A (Continued)

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

Mr. Alfred E. Anding, Jr.
Ms. Jean B. Davis
May 1, 1987
Page 4

STORE LEASES.

1. At Entry 3 of the January 10, 1968 continuation there appears an Amended Memorandum of Lease between A. E. Anding and Beryl A. Anding, his wife, as to dower rights only, Lessor, to the Kroger Co., a corporation, Lessee dated January 23, 1967, as to Lessor; dated February 10, 1967, as to Lessee, and recorded February 15, 1967 at 8:48 a.m., in Volume 57, page 43, of the Dodge County Registry. This lease is for a 15-year term commencing June 1, 1967, and ending May 31, 1982, with privilege of three successive renewals of five years each. I am advised this lease has been terminated and I recommend an affidavit be recorded for record clearance purposes.
2. At Entry 6 of the July 8, 1971 continuation there appears a Lease between Anding Enterprises, by A. E. Anding, Alfred E. Anding and Larry J. Anding, to The Goodyear Tire & Rubber Company, dated November 20, 1970, and recorded April 14, 1971, at 3:32 p.m., in Volume 382, page 305, of the Dodge County Registry, to lease the premises described as 403 North Spring Street, Beaver Dam, Wisconsin, for a period of ten years following the completion of certain improvements with the option to extend for two terms of five years each. I am also advised this lease has been terminated and I recommend an affidavit be recorded for record clearance purposes.

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

(1) Possession of the premises or any part thereof by persons other than the owners of record title, either under or adverse to such owners; (2) Boundary lines of the premises; location of fences or improvements or deficiencies of ground; if there is any material question on any of these matters, we suggest that a survey be made; (3) Liens based on unpaid work done or materials furnished on the premises within six months prior to the date of the last continuation of the abstract; (4) Zoning ordinances and building restrictions of the municipality in which the premises are located and any orders of the State Department of Industry,

APPENDIX A (Continued)

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

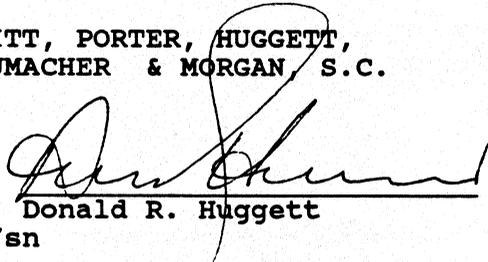
Mr. Alfred E. Anding, Jr.
Ms. Jean B. Davis
May 1, 1987
Page 5

Labor and Human Relations which may affect these premises; (5) If the premises are in a recorded plat, any easements or restrictions incorporated in said plat; (6) Financing statements or security agreements, if any, pertaining to personality upon the premises; (7) Any actions in Circuit Court in the County in which the real estate is located, affecting the premises but for which Lis Pendens have not been filed; (8) Possible taxes resulting from transfers of the premises; (9) Compliance with applicable Truth-In-Lending requirements; (10) Special assessments or charges if the above-described real estate is located outside the City of Madison. Special assessments for real estate located within the City of Madison are covered only to the date of the Status Register as stated in the last abstract certificate.

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

Respectfully submitted,

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

By: 
Donald R. Huggett
DRH/sn

APPENDIX B

DEMOGRAPHICS
FOR
TRADE AREA
AROUND
SPRING PLAZA

CACI

DEMOGRAPHIC & INCOME FORECAST REPORT

BEAVER DAM, WI
N. SPRING & E. MAPLE
0-2 MILES

AREA REFERENCE:
LATITUDE: 43 27 28
LONGITUDE: 88 50 12

RADIUS: OUTER 2.00
DEGREES NORTH 43.46
DEGREES WEST 88.84

| | 1980 CENSUS | 1987 UPDATE | 1992 FORECAST | 1987-1992 CHANGE | ANNUAL GROWTH |
|-----------------|----------------|----------------|------------------|---------------------|------------------|
| POPULATION | 14752 | 14529 | 14619 | 90 | 0.1% |
| HOUSEHOLDS | 5658 | 5806 | 5989 | 183 | 0.6% |
| FAMILIES | 3990 | 3983 | 4057 | 74 | 0.4% |
| AVG HH SIZE | 2.56 | 2.46 | 2.40 | -0.06 | -0.5% |
| AVG FAM SIZE | 3.16 | 3.07 | 3.02 | -0.06 | -0.4% |
| TOT INC (MIL\$) | 106.6 | 149.5 | 168.5 | 19.0 | 2.4% |
| PER CAPITA INC | \$ 7227 | \$ 10292 | \$ 11526 | 1234 | 2.3% |
| AVG FAM INC | \$ 22363 | \$ 30589 | \$ 33430 | 2841 | 1.8% |
| MEDIAN FAM INC | \$ 20451 | \$ 28058 | \$ 30526 | 2468 | 1.7% |
| AVG HH INC | \$ 18841 | \$ 25760 | \$ 28132 | 2372 | 1.8% |
| MEDIAN HH INC | \$ 16619 | \$ 22682 | \$ 24706 | 2024 | 1.7% |

| | 1980 CENSUS | % | 1987 UPDATE | % | 1992 FORECAST | % |
|------------------|----------------|------|----------------|------|------------------|------|
| HOUSEHOLD INCOME | | | | | | |
| \$ 0- 9999 | 1673 | 29.6 | 1206 | 20.8 | 1117 | 18.7 |
| \$ 10000-14999 | 817 | 14.4 | 686 | 11.8 | 671 | 11.2 |
| \$ 15000-24999 | 1686 | 29.8 | 1316 | 22.7 | 1243 | 20.8 |
| \$ 25000-34999 | 913 | 16.1 | 1151 | 19.8 | 1154 | 19.3 |
| \$ 35000-49999 | 421 | 7.4 | 933 | 16.1 | 1075 | 17.9 |
| \$ 50000-74999 | 100 | 1.8 | 381 | 6.6 | 513 | 8.6 |
| \$ 75000 UP | 49 | 0.9 | 133 | 2.3 | 216 | 3.6 |

AGE DISTRIBUTION

| | | | | | | |
|-------|------|------|------|------|------|------|
| 0- 4 | 990 | 6.7 | 1081 | 7.4 | 1042 | 7.1 |
| 5-11 | 1523 | 10.3 | 1374 | 9.5 | 1477 | 10.1 |
| 12-16 | 1198 | 8.1 | 1039 | 7.2 | 985 | 6.7 |
| 17-21 | 1128 | 7.6 | 1045 | 7.2 | 959 | 6.6 |
| 22-29 | 1921 | 13.0 | 1816 | 12.5 | 1781 | 12.2 |
| 30-44 | 2480 | 16.8 | 2956 | 20.3 | 3213 | 22.0 |
| 45-54 | 1417 | 9.6 | 1333 | 9.2 | 1441 | 9.9 |
| 55-64 | 1562 | 10.6 | 1354 | 9.3 | 1226 | 8.4 |
| 65+ | 2533 | 17.2 | 2532 | 17.4 | 2497 | 17.1 |

| | | | |
|-------------|------|------|------|
| AVERAGE AGE | 37.4 | 38.0 | 37.9 |
| MEDIAN AGE | 33.1 | 34.6 | 35.0 |

RACE DISTRIBUTION

| | | | | | | |
|----------|-------|------|-------|------|-------|------|
| WHITE | 14618 | 99.1 | 14386 | 99.0 | 14464 | 98.9 |
| BLACK | 10 | 0.1 | 10 | 0.1 | 10 | 0.1 |
| OTHER | 124 | 0.8 | 133 | 0.9 | 145 | 1.0 |
| HISPANIC | 133 | 0.9 | | | | |

- IMPORTANT:
1. HOUSEHOLD INCOME INCLUDES THE INCOME OF FAMILIES AND UNRELATED INDIVIDUALS. HOUSEHOLD INCOME IS THE TOTAL AVAILABLE INCOME FOR THE AREA.
 2. INCOME FIGURES ARE EXPRESSED IN CURRENT DOLLARS FOR 1980 AND 1987. 1992 FIGURES ARE EXPRESSED IN 1987 DOLLARS.

CACI

BEAVER DAM, WI
 N. SPRING & E. MAPLE
 0-2 MILES

AREA REFERENCE:
 LATITUDE: 43 27 28
 LONGITUDE: 88 50 12

RADIUS: OUTER 2.00
 DEGREES NORTH 43.46
 DEGREES WEST 88.84

| ***** | | | |
|-----------------------|-------------|-------------|---------------|
| | 1980 CENSUS | 1987 UPDATE | ANNUAL CHANGE |
| * POPULATION | 14752 | 14529 | -0.22% |
| * HOUSEHOLDS | 5658 | 5806 | 0.37% |
| * MEDIAN HSHLD INCOME | \$ 16619 | \$ 22682 | 4.54% |
| ***** | | | |

POPULATION:

| | | | AGE BY: | | MALE | | FEMALE | | TOTAL |
|----------|-------|--------|---------|------|--------|------|--------|-------|-------|
| WHITE | 14618 | 99.1% | 0- 4 | 500 | 7.1% | 490 | 6.3% | 6.7% | |
| BLACK | 10 | 0.1% | 5- 9 | 560 | 8.0% | 497 | 6.4% | 7.2% | |
| OTHER | 124 | 0.8% | 10-13 | 471 | 6.7% | 461 | 5.9% | 6.3% | |
| TOTAL | 14752 | 100.0% | 14-17 | 526 | 7.5% | 478 | 6.2% | 6.8% | |
| | | | 18-20 | 304 | 4.3% | 333 | 4.3% | 4.3% | |
| SPANISH | 133 | 0.9% | 21-24 | 424 | 6.1% | 508 | 6.5% | 6.3% | |
| ASIAN | 62 | 0.4% | 25-29 | 597 | 8.5% | 610 | 7.9% | 8.2% | |
| GRP QTRS | 271 | 1.8% | 30-34 | 502 | 7.2% | 508 | 6.5% | 6.8% | |
| FAM POP | 12611 | 85.5% | 35-44 | 724 | 10.4% | 747 | 9.6% | 10.0% | |
| HH POP | 14481 | 98.2% | 45-54 | 693 | 9.9% | 724 | 9.3% | 9.6% | |
| | | | 55-64 | 705 | 10.1% | 856 | 11.0% | 10.6% | |
| | | | 65-74 | 585 | 8.4% | 810 | 10.4% | 9.5% | |
| | | | 75-84 | 320 | 4.6% | 555 | 7.2% | 5.9% | |
| | | | 85+ | 83 | 1.2% | 181 | 2.3% | 1.8% | |
| | | | TOTAL | 6994 | 100.0% | 7758 | 100.0% | | |

HOME VALUE (NON-CONDO'S):

| | | | | | | | | |
|------------|-------|--------|---------|-------|--------|-------|--------|-------|
| \$ 0- 20K | 273 | 8.0% | 75-84 | 320 | 4.6% | 555 | 7.2% | 5.9% |
| \$ 20- 30K | 551 | 16.1% | 85+ | 83 | 1.2% | 181 | 2.3% | 1.8% |
| \$ 30- 40K | 867 | 25.4% | TOTAL | 6994 | 100.0% | 7758 | 100.0% | |
| \$ 40- 50K | 770 | 22.5% | AVERAGE | 35.42 | | 39.18 | | 37.39 |
| \$ 50- 80K | 783 | 22.9% | MEDIAN | 31.15 | | 34.94 | | 33.05 |
| \$ 80-100K | 95 | 2.8% | | | | | | |
| \$100-150K | 55 | 1.6% | | | | | | |
| \$150-200K | 12 | 0.4% | | | | | | |
| \$200+ | 14 | 0.4% | | | | | | |
| TOTAL | 3420 | 100.0% | | | | | | |
| AVERAGE \$ | 44860 | | | | | | | |
| MEDIAN \$ | 40247 | | | | | | | |

MARITAL STATUS (POP > 14 YRS):

| | | |
|--------------------|------|-------|
| SINGLE | 2576 | 22.3% |
| MARRIED | 7096 | 61.4% |
| DIVORCED/SEPARATED | 710 | 6.1% |
| WIDOWED | 1175 | 10.2% |

GROSS RENT (INCL UTIL):

| | | |
|------------|------|--------|
| NO \$ RENT | 75 | 4.2% |
| \$ < 100 | 107 | 6.0% |
| \$100-149 | 197 | 11.0% |
| \$150-199 | 272 | 15.2% |
| \$200-249 | 404 | 22.5% |
| \$250-299 | 488 | 27.2% |
| \$300-399 | 228 | 12.7% |
| \$400-499 | 24 | 1.3% |
| \$500+ | 0 | 0.0% |
| TOTAL | 1795 | 100.0% |
| AVERAGE \$ | 229 | |
| MEDIAN \$ | 235 | |

OCCUPIED HSG UNITS

| | | |
|----------------------|------|--------|
| VACANT HSG UNITS: | 5658 | 97.1% |
| FOR SALE OR RENT | 83 | 1.4% |
| SEASONAL/MIGRATORY | 8 | 0.1% |
| OCCASIONAL USE/OTHER | 80 | 1.4% |
| TOTAL HSG UNITS | 5829 | 100.0% |

SINGLE PERSON HOUSEHOLDS

| | | |
|--------|------|-------|
| MALE | 1502 | 26.5% |
| FEMALE | 460 | 8.1% |
| | 1042 | 18.4% |

FAMILY HOUSEHOLDS

| | | |
|--------------------------|------|-------|
| MARRIED COUPLE | 3990 | 70.5% |
| SINGLE MALE HEAD OF HH | 3487 | 61.6% |
| SINGLE FEMALE HEAD OF HH | 109 | 1.9% |
| | 394 | 7.0% |

CONDOMINIUM HOUSING:

| | | |
|--------|----|--------|
| RENTED | 17 | 89.5% |
| OWNED | 1 | 5.3% |
| VACANT | 1 | 5.3% |
| TOTAL | 19 | 100.0% |

NON-FAMILY HOUSEHOLD

| | | |
|-------------------|-----|------|
| MALE HEAD OF HH | 166 | 2.9% |
| FEMALE HEAD OF HH | 93 | 1.6% |
| | 73 | 1.3% |

AVG VAL OWN/OCC:\$ 47500

OCCUPIED HOUSING UNITS:

| | | | | |
|----------|-------|------------------|------|--------|
| % OWNED | 67.7% | TOTAL HOUSEHOLDS | 5658 | 100.0% |
| % RENTED | 32.3% | AVERAGE SIZE | 2.56 | |
| | | TOTAL FAMILIES | 3990 | |
| | | AVERAGE SIZE | 3.16 | |

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OCCUPATION:

| OCCUPATION | NO. | % | INCOME LEVEL | NO. OF HSHLDS | % | NO. OF FAMILIES | % |
|------------|------|-------|----------------|-----------------|---------------|-----------------|---------------|
| EXEC | 496 | 7.5% | \$ 0- 2.4K | 164 | 2.9% | 59 | 1.5% |
| PROF | 817 | 12.4% | \$ 2.5- 4.9K | 502 | 8.9% | 77 | 1.9% |
| TECH | 147 | 2.2% | \$ 5.0- 7.4K | 568 | 10.0% | 256 | 6.4% |
| SALES | 606 | 9.2% | \$ 7.5- 9.9K | 438 | 7.7% | 227 | 5.7% |
| CLERICAL | 910 | 13.8% | \$10.0-12.4K | 439 | 7.8% | 252 | 6.3% |
| PRIVATE | 42 | 0.6% | \$12.5-14.9K | 378 | 6.7% | 278 | 7.0% |
| SERVICE | 1043 | 15.8% | \$15.0-17.4K | 525 | 9.3% | 442 | 11.1% |
| FARMING | 63 | 1.0% | \$17.5-19.9K | 387 | 6.8% | 333 | 8.3% |
| CRAFT | 782 | 11.9% | \$20.0-22.4K | 450 | 8.0% | 396 | 9.9% |
| OPER | 1374 | 20.8% | \$22.5-24.9K | 324 | 5.7% | 307 | 7.7% |
| LABORER | 318 | 4.8% | \$25.0-27.4K | 375 | 6.6% | 340 | 8.5% |
| | | | \$27.5-29.9K | 198 | 3.5% | 181 | 4.5% |
| | | | \$30.0-34.9K | 340 | 6.0% | 320 | 8.0% |
| | | | \$35.0-39.9K | 233 | 4.1% | 220 | 5.5% |
| | | | \$40.0-49.9K | 188 | 3.3% | 175 | 4.4% |
| | | | \$50.0-74.9K | 100 | 1.8% | 79 | 2.0% |
| | | | \$75K+ | 49 | 0.9% | 49 | 1.2% |
| | | | TOTAL | 5658 | 100.0% | 3991 | 100.0% |
| | | | AVERAGE | \$ 18841 | | \$ 22363 | |
| | | | MEDIAN | \$ 16619 | | \$ 20451 | |

INDUSTRY:

| INDUSTRY | NO. | % | INCOME LEVEL | NO. OF HSHLDS | % | NO. OF FAMILIES | % |
|-----------|------|-------|-------------------------------|-----------------|---------------|---------------------------|-------------------|
| AGRIC | 72 | 1.1% | \$35.0-39.9K | 233 | 4.1% | 220 | 5.5% |
| CONST | 282 | 4.3% | \$40.0-49.9K | 188 | 3.3% | 175 | 4.4% |
| MANUF | 2252 | 34.1% | \$50.0-74.9K | 100 | 1.8% | 79 | 2.0% |
| TRANS | 151 | 2.3% | \$75K+ | 49 | 0.9% | 49 | 1.2% |
| COMMUN | 195 | 3.0% | TOTAL | 5658 | 100.0% | 3991 | 100.0% |
| WHOLESL | 171 | 2.6% | AVERAGE | \$ 18841 | | \$ 22363 | |
| RETAIL | 1174 | 17.8% | MEDIAN | \$ 16619 | | \$ 20451 | |
| FINANCE | 192 | 2.9% | | | | | |
| SERVICE | 78 | 1.2% | | | | | |
| RECRE | 266 | 4.0% | WKS UNEMP (POP>15): | | | POP BELOW POVERTY: | |
| HEALTH | 611 | 9.3% | 1- 4 | 363 | 26.5% | WHITE | 997 100.0% |
| EDUC | 708 | 10.7% | 5-14 | 606 | 44.3% | BLACK | 0 0.0% |
| OTHER SVC | 182 | 2.8% | 15+ | 399 | 29.2% | OTHER | 0 0.0% |
| GOVT | 264 | 4.0% | | | | TOTAL | 997 100.0% |

**EDUCATION COMPLETED:
(POP > 24 YRS)**

| EDUCATION | NO. | % |
|----------------|--------------|-------|
| ELEMENT. | 1916 | 20.8% |
| SOME HS | 1252 | 13.6% |
| HS GRAD | 3804 | 41.4% |
| SOME COL | 1004 | 10.9% |
| COL GRAD | 1221 | 13.3% |
| AVERAGE | 11.38 | |
| MEDIAN | 12.38 | |

SOURCE OF HSHLD INCOME:

| SOURCE | NO. | % | TOT. HH | % |
|------------------------|------|-------|---------|---|
| WAGE OR SALARY | 4265 | 75.4% | | |
| NONFARM SELF-EMPLOYED | 390 | 6.9% | | |
| FARM SELF-EMPLOYED | 77 | 1.4% | | |
| INTEREST/DIVIDEND/RENT | 3183 | 56.3% | | |
| SOCIAL SECURITY | 1833 | 32.4% | | |
| PUBLIC ASSISTANCE | 395 | 7.0% | | |
| OTHER | 1511 | 26.7% | | |

VEHICLES AVAILABLE:

| VEHICLES | NO. | % |
|----------|------|-------|
| NONE | 747 | 13.2% |
| 1 | 2522 | 44.6% |
| 2 | 1823 | 32.2% |
| 3+ | 567 | 10.0% |

GROUP QUARTERS POP BY TYPE:

| TYPE | NO. | % |
|----------------------|------------|---------------|
| COLLEGE | 0 | 0.0% |
| INMATE/MENTAL | 0 | 0.0% |
| INMATE/NURSING | 240 | 88.6% |
| INMATE/OTHER | 0 | 0.0% |
| OTHER (INC MILITARY) | 31 | 11.4% |
| TOTAL | 271 | 100.0% |

**YEAR STRUCTURE BUILT:
(OCCUPIED HSG UNITS)**

| YEAR | NO. | % |
|---------|------|-------|
| 1975-80 | 681 | 12.0% |
| 1970-74 | 351 | 6.2% |
| 1960-69 | 661 | 11.7% |
| 1950-59 | 659 | 11.6% |
| 1940-49 | 556 | 9.8% |
| < 1940 | 2749 | 48.6% |

**UNITS IN STRUCTURE:
(YR-ROUND HSG UNITS)**

| UNIT | NO. | % |
|--------|------|-------|
| 1 DET. | 4101 | 70.5% |
| 1 ATT. | 30 | 0.5% |
| 2 | 812 | 13.9% |
| 3-4 | 189 | 3.2% |
| 5+ | 641 | 11.0% |
| MOBILE | 48 | 0.8% |

**STORIES IN STRUCTURE:
(YR-ROUND HSG UNITS)**

| STORIES | NO. | % |
|---------|------|-------|
| 1- 3 | 5781 | 99.3% |
| 4- 6 | 34 | 0.6% |
| 7-12 | 6 | 0.1% |
| 13+ | 0 | 0.0% |

CACI

ACORN AREA FORECAST REPORT

BEAVER DAM, WI
 N. SPRING & E. MAPLE
 0-2 MILES

AREA REFERENCE:
 LATITUDE: 43 27 28
 LONGITUDE: 88 50 12

RADIUS: OUTER 2.00
 DEGREES NORTH 43.46
 DEGREES WEST 88.84

*****HOUSEHOLDS*****

| ACORN ACORN | | | | ANNUAL | | |
|-------------|----------------------------------|-------|------|--------|------|-----------------|
| TYPE | DESCRIPTION | 1987 | % | 1992 | % | GROWTH 87-92 |
| A | WEALTHY AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| B | UPPER-MID INC HIGH VALUE SUBURBS | 976 | 16.7 | 1004 | 16.6 | 0.6 |
| C | YNG,MOBILE FAMS, MULTI-UNIT HSG. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| D | HIGH DENSITY RENTAL/CONDO..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| E | HISPANIC NEIGHBORHOODS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| F | BLACK NEIGHBORHOODS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| G | MID-INCOME, SUB, BLUE COLLAR.... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| H | LOWER-MID INC RURAL & SM. TOWNS. | 552 | 9.4 | 585 | 9.7 | 1.2 |
| I | OLDER POPULATION LOWER-MID INC.. | 4318 | 73.9 | 4444 | 73.7 | 0.6 |
| J | MOBILE HOMES & SEASONAL..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| K | AGRICULTURAL AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| L | DEPRESSED RURAL TOWNS, BLUE COLL | 0 | 0.0 | 0 | 0.0 | 0.0 |
| M | SPECIAL POPULATIONS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| | | ----- | | ----- | | |
| | | 5846 | | 6033 | | |

***SEE ACORN USERS GUIDE AND/OR SUPERSITE USERS MANUAL FOR DETAILED
 DEMOGRAPHIC LIFESTYLE AND MARKETING IMPLICATIONS

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ACORN AREA FORECAST REPORT

BEAVER DAM, WI
N. SPRING & E. MAPLE
0-2 MILES

AREA REFERENCE:
LATITUDE: 43 27 28
LONGITUDE: 88 50 12

RADIUS: OUTER 2.00
DEGREES NORTH 43.46
DEGREES WEST 88.84

*****HOUSEHOLDS*****

| ACORN ACORN | | ANNUAL GROWTH | | | | |
|------------------|-----------------------------------|---------------|------|-------|------|-------|
| TYPE DESCRIPTION | | 1987 | % | 1992 | % | 87-92 |
| A 1 | ESTABLISHED SUBURBS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| A 2 | NEWER SUBURBS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| A 3 | OLDER FAMILIES, HIGHER DENSITY.. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| B 4 | NEWER SUBURBS, VERY HIGH INCOME. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| B 5 | OLDER FAMILIES POST-WAR SUBURBS. | 162 | 2.8 | 166 | 2.8 | 0.5 |
| B 6 | YOUNG FAMILIES, HIGH MOBILITY... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| B 7 | FAMILIES WITH OLDER CHILDREN.... | 585 | 10.0 | 602 | 10.0 | 0.6 |
| B 8 | MIDDLE INCOME, BLUE COLLAR..... | 229 | 3.9 | 236 | 3.9 | 0.6 |
| C 9 | UPPER-MID INC HIGH RENT/VAL CND0 | 0 | 0.0 | 0 | 0.0 | 0.0 |
| C 10 | YNG ADULTS MID & LOWER/MID INC.. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| C 11 | COLLEGE UNDERGRADUATES..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| C 12 | COLLEGE AREAS, OLDER STUDENTS... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| D 13 | HIGHRISE AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| D 14 | OLDER, MID-RISE AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| E 15 | LOWER-MIDDLE INCOME, BLUE COLLAR | 0 | 0.0 | 0 | 0.0 | 0.0 |
| E 16 | YNG HISPS, SOUTHWESTERN STATES... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| E 17 | OLDER POPULATION, ETHNIC MIX.... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| E 18 | POOR FAMILIES, VERY OLD HOUSING. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| E 19 | HISP & BLKS; MID-RISE, LOW RENT. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| F 20 | LOWER-MID INC LOW VAL HOUSE/APT. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| F 21 | OLDER POPULATION, OLD RENTAL HSG | 0 | 0.0 | 0 | 0.0 | 0.0 |
| F 22 | VERY POOR BLACKS; LOW RENT HSG.. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| G 23 | MIDDLE INCOME, HIGHER VALUE HSG. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| G 24 | YOUNG FAMILIES..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| H 25 | YOUNG MOBILE FAMILIES..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| H 26 | FARMS & OLDER HOUSING..... | 282 | 4.8 | 290 | 4.8 | 0.6 |
| H 27 | SEASONAL HOUSING AND FARMS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| H 28 | RURAL INDUSTRIAL..... | 270 | 4.6 | 295 | 4.9 | 1.8 |
| I 29 | OLDER FAMS & RETIREES, HIGH MBLTY | 0 | 0.0 | 0 | 0.0 | 0.0 |
| I 30 | OLDER HOUSING..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| I 31 | SMALL TOWNS..... | 1501 | 25.7 | 1545 | 25.6 | 0.6 |
| I 32 | EASTERN EUROPEANS, N. E. U.S.... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| I 33 | RURAL RETIREMENT AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| I 34 | LOW VALUE VERY OLD HOUSING..... | 2817 | 48.2 | 2899 | 48.1 | 0.6 |
| J 35 | SEASONAL HOUSING..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| J 36 | MOBILE HOME AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| K 37 | SELF EMPLOYED FARMERS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| K 38 | LRG FARMS, LOW INC., FARM WORKERS | 0 | 0.0 | 0 | 0.0 | 0.0 |
| L 39 | LOW INCOME, POST-WAR HOUSING.... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| L 40 | POOR FAMILIES, HIGH UNEMPLOYMENT | 0 | 0.0 | 0 | 0.0 | 0.0 |
| L 41 | SMALL FARMS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| L 42 | V. LOW INC, BLKS, WHITES, LRG FAM | 0 | 0.0 | 0 | 0.0 | 0.0 |
| M 43 | MILITARY AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| M 44 | INSTITUTIONS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| | | ----- | | ----- | | |
| | | 5846 | | 6033 | | |

***NUMBER OF HOUSEHOLDS ON ACORN REPORT MAY DIFFER FROM THAT ON DEMOGRAPHIC REPORTS DUE TO DIFFERENT ALLOCATION METHODOLOGIES APPLIED TO NEIGHBORHOOD BLOCK GROUPS

CACI

ACORN AREA FORECAST REPORT

BEAVER DAM, WI
 N. SPRING & E. MAPLE
 0-2 MILES

AREA REFERENCE:
 LATITUDE: 43 27 28
 LONGITUDE: 88 50 12

RADIUS: OUTER 2.00
 DEGREES NORTH 43.46
 DEGREES WEST 88.84

*****POPULATION*****

| ACORN ACORN | | ANNUAL GROWTH | | | | |
|------------------|----------------------------------|---------------|------|-------|------|-------|
| TYPE DESCRIPTION | | 1987 | % | 1992 | % | 87-92 |
| A | WEALTHY AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| B | UPPER-MID INC HIGH VALUE SUBURBS | 2636 | 18.1 | 2646 | 18.1 | 0.1 |
| C | YNG,MOBILE FAMS, MULTI-UNIT HSG. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| D | HIGH DENSITY RENTAL/CONDO..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| E | HISPANIC NEIGHBORHOODS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| F | BLACK NEIGHBORHOODS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| G | MID-INCOME, SUB, BLUE COLLAR.... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| H | LOWER-MID INC RURAL & SM. TOWNS. | 1412 | 9.7 | 1456 | 10.0 | 0.6 |
| I | OLDER POPULATION LOWER-MID INC.. | 10481 | 72.1 | 10517 | 71.9 | 0.1 |
| J | MOBILE HOMES & SEASONAL..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| K | AGRICULTURAL AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| L | DEPRESSED RURAL TOWNS, BLUE COLL | 0 | 0.0 | 0 | 0.0 | 0.0 |
| M | SPECIAL POPULATIONS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| | | ----- | | ----- | | |
| | | 14529 | | 14619 | | |

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ACORN AREA FORECAST REPORT

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*****POPULATION*****

| ACORN ACORN TYPE DESCRIPTION | 1987 | | 1992 | | ANNUAL GROWTH |
|--|------|-------|-------|------|------------------|
| | | % | | % | 87-92 |
| A 1 ESTABLISHED SUBURBS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| A 2 NEWER SUBURBS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| A 3 OLDER FAMILIES, HIGHER DENSITY.. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| B 4 NEWER SUBURBS, VERY HIGH INCOME. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| B 5 OLDER FAMILIES POST-WAR SUBURBS. | 478 | 3.3 | 479 | 3.3 | 0.0 |
| B 6 YOUNG FAMILIES, HIGH MOBILITY... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| B 7 FAMILIES WITH OLDER CHILDREN.... | 1571 | 10.8 | 1577 | 10.8 | 0.1 |
| B 8 MIDDLE INCOME, BLUE COLLAR..... | 587 | 4.0 | 590 | 4.0 | 0.1 |
| C 9 UPPER-MID INC HIGH RENT/VAL CND0 | 0 | 0.0 | 0 | 0.0 | 0.0 |
| C 10 YNG ADULTS MID & LOWER/MID INC.. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| C 11 COLLEGE UNDERGRADUATES..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| C 12 COLLEGE AREAS, OLDER STUDENTS... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| D 13 HIGHRISE AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| D 14 OLDER, MID-RISE AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| E 15 LOWER-MIDDLE INCOME, BLUE COLLAR | 0 | 0.0 | 0 | 0.0 | 0.0 |
| E 16 YNG HISPS, SOUTHWESTERN STATES... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| E 17 OLDER POPULATION, ETHNIC MIX.... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| E 18 POOR FAMILIES, VERY OLD HOUSING. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| E 19 HISP & BLKS; MID-RISE, LOW RENT. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| F 20 LOWER-MID INC LOW VAL HOUSE/APT. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| F 21 OLDER POPULATION, OLD RENTAL HSG | 0 | 0.0 | 0 | 0.0 | 0.0 |
| F 22 VERY POOR BLACKS; LOW RENT HSG.. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| G 23 MIDDLE INCOME, HIGHER VALUE HSG. | 0 | 0.0 | 0 | 0.0 | 0.0 |
| G 24 YOUNG FAMILIES..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| H 25 YOUNG MOBILE FAMILIES..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| H 26 FARMS & OLDER HOUSING..... | 760 | 5.2 | 763 | 5.2 | 0.1 |
| H 27 SEASONAL HOUSING AND FARMS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| H 28 RURAL INDUSTRIAL..... | 652 | 4.5 | 693 | 4.7 | 1.2 |
| I 29 OLDER FAMS & RETIREES, HIGH MBLTY | 0 | 0.0 | 0 | 0.0 | 0.0 |
| I 30 OLDER HOUSING..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| I 31 SMALL TOWNS..... | 3786 | 26.1 | 3801 | 26.0 | 0.1 |
| I 32 EASTERN EUROPEANS, N. E. U.S.... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| I 33 RURAL RETIREMENT AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| I 34 LOW VALUE VERY OLD HOUSING..... | 6695 | 46.1 | 6716 | 45.9 | 0.1 |
| J 35 SEASONAL HOUSING..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| J 36 MOBILE HOME AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| K 37 SELF EMPLOYED FARMERS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| K 38 LRG FARMS, LOW INC., FARM WORKERS | 0 | 0.0 | 0 | 0.0 | 0.0 |
| L 39 LOW INCOME, POST-WAR HOUSING.... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| L 40 POOR FAMILIES, HIGH UNEMPLOYMENT | 0 | 0.0 | 0 | 0.0 | 0.0 |
| L 41 SMALL FARMS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| L 42 V. LOW INC, BLKS, WHITES, LRG FAM | 0 | 0.0 | 0 | 0.0 | 0.0 |
| M 43 MILITARY AREAS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| M 44 INSTITUTIONS..... | 0 | 0.0 | 0 | 0.0 | 0.0 |
| | | ----- | ----- | | |
| | | 14529 | 14619 | | |

CACI

SHOPPING CENTER SALES POTENTIAL REPORT 1987 RETAIL MARKET POTENTIAL FOR SHOPPING CENTER MERCHANDISE

BEAVER DAM, WI
N. SPRING & E. MAPLE
0-2 MILES

AREA REFERENCE:
LATITUDE: 43 27 28
LONGITUDE: 88 50 12

RADIUS: OUTER 2.00
DEGREES NORTH 43.46
DEGREES WEST 88.84

| | 1980 CENSUS | 1987 UPDATE | ANNUAL CHANGE | |
|--------------------------|-------------|-------------|---------------|---|
| * POPULATION | 14752 | 14529 | -0.22% | * |
| * HOUSEHOLDS | 5658 | 5806 | 0.37% | * |
| * MEDIAN HSHLD INCOME \$ | 16619 | 22682 | 4.54% | * |

MARKET POTENTIAL INDEX: 112.0
MARKET GROWTH INDEX: 99.4

ECONOMIC REGION:
MIDWEST NON-METRO

| TYPE OF EXPENDITURE | MPI (BASE=100) | ANNUAL TOTAL (THOU \$) | ANNUAL \$ PER HSHLD | ANNUAL \$ PER CAPITA |
|------------------------------|-------------------|------------------------------|---------------------------|----------------------------|
| 1987 DEPT STORE MERCHANDISE | 114.0 | 14073.1 | 2423.89 | 968.62 |
| 1980 DEPT STORE MERCHANDISE | 115.0 | 11838.8 | 2092.40 | 802.52 |
| ANNUAL GROWTH RATE 1980-1987 | | 2.50% | 2.12% | 2.72% |
| 1987 DRUG STORE MERCHANDISE | 108.9 | 7752.9 | 1335.32 | 533.61 |
| 1980 DRUG STORE MERCHANDISE | 109.9 | 5681.1 | 1004.08 | 385.11 |
| ANNUAL GROWTH RATE 1980-1987 | | 4.54% | 4.16% | 4.77% |
| 1987 GROCERY STORE MERCHNDSE | 113.0 | 20527.5 | 3535.56 | 1412.86 |
| 1980 GROCERY STORE MERCHNDSE | 114.0 | 16524.3 | 2920.52 | 1120.14 |
| ANNUAL GROWTH RATE 1980-1987 | | 3.15% | 2.77% | 3.37% |
| 1987 RESTAURANTS (FOOD ONLY) | 117.5 | 4966.9 | 855.48 | 341.86 |
| 1980 RESTAURANTS (FOOD ONLY) | 118.5 | 3882.4 | 686.19 | 263.18 |
| ANNUAL GROWTH RATE 1980-1987 | | 3.58% | 3.20% | 3.81% |
| 1987 APPAREL STORE MERCHNDSE | 115.1 | 5909.6 | 1017.85 | 406.75 |
| 1980 APPAREL STORE MERCHNDSE | 116.1 | 5132.2 | 907.06 | 347.90 |
| ANNUAL GROWTH RATE 1980-1987 | | 2.04% | 1.66% | 2.26% |
| 1987 FOOTWEAR STORE MRCHNDSE | 107.5 | 1865.8 | 321.36 | 128.42 |
| 1980 FOOTWEAR STORE MRCHNDSE | 108.6 | 1687.2 | 298.20 | 114.37 |
| ANNUAL GROWTH RATE 1980-1987 | | 1.45% | 1.07% | 1.67% |
| 1987 HOME IMPROVEMENT STORE | 105.5 | 1741.8 | 300.00 | 119.88 |
| 1980 HOME IMPROVEMENT STORE | 106.3 | 1428.4 | 252.46 | 96.83 |
| ANNUAL GROWTH RATE 1980-1987 | | 2.87% | 2.50% | 3.10% |
| 1987 AUTO AFTERMARKET | 99.5 | 3354.6 | 577.78 | 230.89 |
| 1980 AUTO AFTERMARKET | 100.5 | 2807.0 | 496.12 | 190.28 |
| ANNUAL GROWTH RATE 1980-1987 | | 2.58% | 2.20% | 2.80% |
| 1987 HAIR SALON SERVICES | 110.9 | 879.0 | 151.39 | 60.50 |
| 1980 HAIR SALON SERVICES | 111.9 | 705.7 | 124.72 | 47.84 |
| ANNUAL GROWTH RATE 1980-1987 | | 3.19% | 2.81% | 3.41% |

SEE NOTES ON NEXT PAGE

CONTINUATION

1. THESE EXPENDITURE DATA REPRESENT THE ESTIMATED SPENDING OF CONSUMERS WHO LIVE IN THE DEFINED AREA FOR THE ABOVE MERCHANDISE IN ALL TYPES OF RETAIL OUTLETS AND NOT EXCLUSIVELY IN SHOPPING CENTER STORES.
2. MARKET POTENTIAL INDEX (MPI) MEASURES THE RELATIVE SALES POTENTIAL OF THE DEFINED AREA WITH ECONOMIC REGION IN WHICH IT IS LOCATED. THE MPI OF YOUR AREA IS 112.0, WHICH MEANS THAT THE PER CAPITA SALES POTENTIAL IN YOUR AREA IS 12.0% GREATER THAN THE ECONOMIC REGION.
3. MARKET GROWTH INDEX (MGI) MEASURES THE RELATIVE GROWTH RATE IN SALES POTENTIAL OF THE DEFINED AREA WITH THE ECONOMIC REGION IN WHICH IT IS LOCATED. THE MGI OF YOUR AREA IS 99.4, WHICH MEANS THAT THE TOTAL ANNUAL SALES POTENTIAL GROWTH RATE OF YOUR AREA IS 0.6% LESS THAN THE ECONOMIC REGION.
4. FOR GREATER DETAIL, REQUEST THE INDIVIDUAL STORE REPORTS.

THE SECONDARY SOURCES USED TO BENCHMARK THESE DATA INCLUDE:
FAIRCHILD PUBLICATIONS, CENSUS OF RETAIL TRADE, CURRENT BUSINESS REPORTS, MERCHANDISING MAGAZINE, RECORDING INDUSTRY ASSOC. OF AMERICA, INTL SPORTING GOODS ASSOC., TOY MANUFACTURERS OF AMERICA, STANDARD & POORS INDUSTRY SURVEY, DRUG TOPICS MAGAZINE, CHAIN STORE AGE, AMERICAN FOOTWEAR INDUSTRIES, SUPERMARKET BUSINESS, INDUSTRIAL OUTLOOK FOR U.S., PHARMACEUTICAL MANUFACTURERS ASSOC., AUTOMOTIVE PARTS & ACCESSORIES ASSOC., USDA, NATL RESTAURANT ASSOC., BUILDING SUPPLY NEWS, AUTOMOTIVE MARKET RESEARCH COUNCIL, AMERICAN HAIRDRESSER/SALON OWNER MAGAZINE, DEPT OF COMMERCE REPORTS ON SELECTED SERVICES

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