

**APPRAISAL OF**

**PUBLIC ALLEY PROPOSED FOR VACATION**  
**WEST SIDE OF SCOVILLE AVENUE AND EAST SIDE OF EAST AVENUE**  
**123 FEET NORTH OF MADISON STREET**  
**OAK PARK, ILLINOIS 60302**

**PREPARED FOR**

**FENWICK HIGH SCHOOL**  
**505 WASHINGTON BOULEVARD**  
**OAK PARK, ILLINOIS 60302**

**MURIELLO APPRAISAL AND CONSULTING**  
REAL ESTATE VALUATION

# MURIELLO APPRAISAL AND CONSULTING

REAL ESTATE VALUATION

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February 7, 2019

File No. 0900op18-0252

Ms. Nancy Bufalino  
Chief Operating Officer  
Fenwick High School  
505 Washington Boulevard  
Oak Park, Illinois 60302

Re: Proposed Public Alley Vacation  
West side of Scoville Avenue and East side of East Avenue  
123 feet north of Madison Street  
Oak Park, IL 60302

Dear Ms. Bufalino:

As requested, an inspection and appraisal have been made of the above referenced property. Our objective was to estimate the market value, as defined by the Comptroller of the Currency under 12CFR, part 34, subpart C, of the fee simple estate of the subject, assuming no liens or encumbrances other than normal covenants and restrictions of record.

We have agreed to prepare a narrative Appraisal Report, which sets forth primarily summary discussions of the data, reasoning and analyses we used to arrive at the final value estimate. Some of the supporting data may be contained in our file, however the report is prepared in compliance with the reporting requirements set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) Standards Rule 2-2(a) and is the result of an appraisal development process whereby all Approaches to Value have been carefully analyzed and their applicability, relevance and necessity in developing a credible value opinion for the subject property were determined. We have examined the extent to which each Approach may be truly necessary or relevant to produce a credible value opinion and conducted the appraisal process accordingly. Please see the Scope of Work section of this appraisal for details regarding the appraisal development process.

We understand that this appraisal report is intended to be used for possible acquisition purposes. We have estimated the "as-is" market value of the fee simple estate of the subject property as defined above as of February 5, 2019 the date of our inspection. The appraisal is subject to the Definitions, Assumptions and Limiting Conditions contained in the following report, which is

Ms. Nancy Bufalino  
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dated February 7, 2019. Any extraordinary assumptions or hypothetical conditions are set forth in the body of the report. Please note that the use of any extraordinary assumptions or hypothetical conditions may have affected the results of this appraisal, and their absence will also in turn affect the appraisal results.

**Property:**

The subject of this appraisal is a Village of Oak Park public alley, whose eastern border is Scoville Avenue and whose western border is East Avenue, and the property is approximately 123 feet north of Madison Street in Oak Park, Illinois.

According to a Plat of Survey, which has been reproduced as an exhibit in our report, the subject alley has a width of 15 feet to the west at East Avenue and also 15 feet to the east at Scoville Avenue, and uniform depth of 366.2 feet. The site area therefore is approximately 5,493 square feet. The topography appeared to be reasonably level, and the alley is paved. According to Flood Insurance Rate Map #17031C0395 J, which is dated August 19, 2008, the property is not in a special flood hazard area.

Adjacent to the north are portions of the overall Fenwick High School complex. There are three properties adjacent to the south. One, at the eastern section, is a Fenwick High School parking lot. The others, located at the northwest corner of Madison Street and Scoville, are two adjacent 1920s style walk-up buildings. The one at the corner has a ground floor commercial space with upper floor apartments, while the one to the west is all residential.

**Valuation Procedure**

Assuming its vacation the subject with only 15 feet of width and despite East Avenue and Scoville Avenue frontages is simply not a buildable lot. And this is true despite its notable depth of 366.2 feet. Our assignment is singular: to estimate the market value of the property. Market value will be defined in the body of our report and virtually all such definitions include the condition the property must be allowed a reasonable exposure time on the open market. Because the subject is only 15 feet wide and is not a buildable lot as a separate entity, the market for it is extremely narrow, and in fact the only potential buyers are adjacent property owners. For the subject itself the marketability of the land is restricted even more. As an alley the subject already has inherent functional limitations. The other marketing problem for the property is more than implied in a Reservation of Easement shown on the plat, the most notable restriction of which is that “no permanent building shall be placed on said property . . . .”. This limits the already problematic functional utility of the property in that if assembled with an adjacent site there can simply be no buildings or any portions of buildings on the subject.

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Fenwick High School  
February 7, 2019  
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While we have uncovered various acquisition of limited functional utility land such properties by and large are not open market transactions. This is inevitable for the subject, even though the definition of market value holds sufficient market exposure. Accepted methodology for such alley properties is typically its value as part of an adjacent buildable property, and then a discount to sufficiently and rightly reflect the narrow market, i.e. only to an adjacent property owner and additionally, in the case of the subject, that the land simply cannot be used as part of a building redevelopment (i.e. building construction as part of a larger assembled property). Also it appears that the municipality still reserves the right of ingress and egress, and as such our client would not have full control of the property.

After careful consideration of all factors pertaining to value, subject to the Definitions, Assumptions, Extraordinary Assumptions and Limiting Conditions contained in the report, we are of the opinion that as of February 5, 2019 the subject property had a market value of:

**\$30,000**  
**(THIRTY THOUSAND DOLLARS)**

Disclosure of the contents of the appraisal is governed by the Bylaws and Regulations of the Appraisal Institute. In furtherance of the aims of the Institute to develop higher standards of professional performance by its members, the appraisers may be required to submit to authorized committees of said Institute copies of the report and any subsequent changes or modifications thereof. Our appraisal is prepared in conformance with the Code of Professional Ethics and the Uniform Standards of Professional Appraisal Practice and Supplemental Standards of the Appraisal Institute, and also is consistent with appraisal requirements and guidelines mandated by FIRREA.

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This letter of transmittal sets forth the value conclusions resulting from our inspection, research and analyses. Some of the data and analyses to support these conclusions follows in the form of a narrative Appraisal Report.

Respectfully submitted,



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TGM/ss  
File #: 0900op18-0252

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**INTRODUCTION:**

In accordance with our prior agreement with the client, this is a narrative Appraisal Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. It presents summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation concerning the data, reasoning and analyses may be retained in the appraisers' file. The depth of discussion contained in this report is specific to the needs of the client for the intended use stated below, and the appraisers are not responsible for unauthorized use of this report.

**CLIENT:**

Fenwick High School  
505 Washington Boulevard  
Oak Park, Illinois 60302

**SUBJECT PROPERTY:**

Proposed Public Alley Vacation  
West side of Scoville Avenue and East side of East Avenue  
123 feet north of Madison Street  
Oak Park, IL 60302

**PURPOSE OF THE APPRAISAL:**

The purpose of this appraisal is to estimate the market value(s) of the subject property as of the effective date(s).

**MARKET VALUE DEFINED:**

Market value is defined by the federal financial institutions regulatory agencies as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;



2. both parties are well informed or well advised and acting in what they consider their best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Source: *Electronic Code of Federal Regulations*, Title 12 (Banks and Banking), Part 34 (Real Estate Lending and Appraisals), Subpart C-Appraisals, Section 34.42 (g))

**DISCLOSURE OF COMPETENCY:**

We assure the client that the appraisers have the knowledge and experience necessary to complete this assignment competently, having appraised similar properties in the past.

**INTENDED USER(S) OF REPORT:**

This appraisal report was authorized and ordered by Ms. Nancy Bufalino of Fenwick High School, defined herein as the Client. The intended user of this appraisal is only Fenwick High School. Any other reader is an unintended user of this appraisal.

**INTENDED USE OF REPORT:**

We understand that this appraisal is intended to be used for possible acquisition purposes.

**PROPERTY RIGHTS APPRAISED:**

The property rights appraised are the fee simple estate of the subject property, assuming no liens or encumbrances other than normal covenants and restrictions of record.

**DATE OF INSPECTION:**

The subject property was inspected on February 5, 2019.

**EFFECTIVE DATE OF VALUE:**

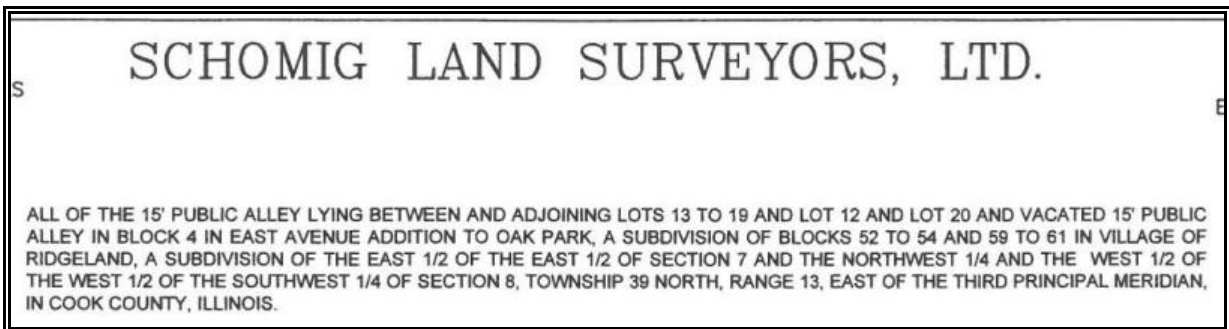
The effective date of the “as-is” value estimate in this appraisal is February 5, 2019, the date of our inspection of the subject property.

**DATE OF REPORT:**

This report is dated February 7, 2019.

**LEGAL DESCRIPTION:**

The following legal description has been scanned from a Plat of Survey prepared by Schomig Land Surveyors, Ltd., as has that section referred to as “Existing Easements or Rights-of-Way and Reservation of Easement.” It is our understanding that both of these are of the subject as officially vacated, which to the best of our knowledge as of the current date has not occurred.



EXISTING EASEMENTS OR RIGHTS-OF-WAY AND RESERVATION OF EASEMENT

THE PROPERTY VACATED PURSUANT TO THIS PLAT OF VACATION IS SUBJECT TO ANY EXISTING EASEMENTS OR RIGHTS-OF-WAY OF PUBLIC RECORD IN THE NAME OF THE VILLAGE OF OAK PARK, COOK COUNTY, ILLINOIS ("VILLAGE"), AND TO UTILITY COMPANIES OPERATING UNDER FRANCHISE FROM THE VILLAGE AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS JOINTLY AND SEVERALLY, GRANTING THE RIGHT TO MAINTAIN, REPAIR, CONSTRUCT, RECONSTRUCT AND RELOCATE ANY RESPECTIVE FACILITIES OR EQUIPMENT IN, UNDER, ACROSS AND ALONG THOSE PARTS OF THE PUBLIC ALLEY AS HEREIN VACATED, WITH THE RIGHT OF ACCESS THERETO AT ALL TIMES FOR ANY AND ALL SUCH PURPOSES AS MAY BE REASONABLY REQUIRED FOR THE MAINTENANCE, REPAIR, CONSTRUCTION, RECONSTRUCTION AND RELOCATION OF SAID FACILITIES OR EQUIPMENT.

AN EASEMENT IS HEREBY RESERVED FOR AND GRANTED TO THE VILLAGE AND TO UTILITY COMPANIES OPERATING UNDER FRANCHISE FROM THE VILLAGE AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS JOINTLY AND SEVERALLY, OVER AND UNDER THE PROPERTY VACATED PURSUANT TO THIS PLAT OF VACATION FOR THE PERPETUAL RIGHT, PRIVILEGE AND AUTHORITY TO CONSTRUCT, RECONSTRUCT, REPAIR, INSPECT, MAINTAIN AND OPERATE VARIOUS UTILITY TRANSMISSION AND DISTRIBUTION SYSTEMS AND COMMUNITY ANTENNA TELEVISIONS SYSTEMS AND ALL NECESSARY CONNECTIONS, APPLIANCES AND OTHER STRUCTURES AND APPURTENANCES AS MAY BE DEEMED NECESSARY BY SAID VILLAGE AND FOR ANY AND ALL MUNICIPAL PURPOSES, OVER, UPON, ALONG, UNDER AND THROUGH SAID PROPERTY, TOGETHER WITH RIGHT OF ACCESS THE PROPERTY TO DO ANY OF THE ABOVE WORK. SAID EASEMENT IS FURTHER RESERVED FOR INGRESS AND EGRESS OVER AND ON THE PROPERTY INCLUDING, BUT NOT LIMITED TO USE BY PEDESTRIANS. THE RIGHT IS ALSO GRANTED TO CUT DOWN, TRIM OR REMOVE ANY TREES, SHRUBS OR OTHER PLANTS THAT INTERFERE WITH THE OPERATION OF THE UTILITIES OR PUBLIC INGRESS AND EGRESS OVER AND ON THE PROPERTY. NO PERMANENT BUILDINGS SHALL BE PLACED ON SAID PROPERTY, NOR SHALL THE SAME BE USED FOR ANY GARDENS, SHRUBS, LANDSCAPING, OR OTHER PURPOSES THAT DO NOT THEN OR LATER INTERFERE WITH THE AFORESAID USES AND RIGHTS. ALL INSTALLATIONS SHALL BE SUBJECT TO THE ORDINANCES OF THE VILLAGE OF OAK PARK. AN EASEMENT IS HEREBY RESERVED FOR AND GRANTED TO THE VILLAGE OF OAK PARK AND OTHER GOVERNMENTAL AUTHORITIES HAVING JURISDICTION OF THE LAND OVER ENTIRE EASEMENT AREA FOR INGRESS, EGRESS AND THE PERFORMANCE OF ANY AND ALL MUNICIPAL AND OTHER GOVERNMENTAL SERVICES.



**STATEMENT OF OWNERSHIP:**

We were not informed as to the exact name in which title to the subject property is held. The entity in which title is held may in fact be different from the individual person(s) in substantial control or ownership of the property.

We have researched the subject property in an attempt to establish ownership, and our efforts may have included one or more of the following sources: an interview with the client, property owner or representative, the County Assessor, Township Assessor, County Treasurer and/ or the County Recorder. To the best of our knowledge, the property owner is vested in the name of the Village of Oak Park.

**THREE YEAR SALES HISTORY OF THE SUBJECT:**

Consistent with the Uniform Standards of Professional Appraisal Practice we have completed our research for any information pertaining to sales, listings or other transfers of the subject property that may have occurred in the three year period preceding the effective date of value. To the best of our knowledge there have been no sales, listings or ownership transfers of the property in the three years prior to the effective value date.

**ESTIMATE OF EXPOSURE AND MARKETING TIME:**

Based on an analysis of comparable sales and discussions with knowledgeable brokerage sources, we estimate that both an exposure and marketing time of approximately 12 to 24 months would be applicable to the subject property at the appraised value herein provided it is priced properly and aggressively marketed through methods considered normal and prudent for the subject property type and by qualified and competent marketing agent(s).

**EXTRAORDINARY ASSUMPTIONS:**

Normal assumptions applicable to this and any appraisal assignment are set forth in the Addenda to this report. An Extraordinary Assumption is something that can reasonably be assumed to be true but is not certain, and if it is not true the value conclusion would be impacted. There are Extraordinary Assumptions to which this appraisal is subject.

- The market value estimate assumes that the alley has been vacated. We further assume that all information pertaining to the reservation of easement and other details are correct.

### **HYPOTHETICAL CONDITIONS:**

Hypothetical Conditions are known to be false but are presumed to be true for the purpose of reasonable analysis. For example, if the property is appraised today as though the improvements (or any proposed renovation, remodeling or changes thereto) were complete but the work has not started or is only partially complete, the valuation would be subject to the hypothetical condition that the work is complete. There are no Hypothetical Conditions to which this appraisal is subject.

### **SCOPE OF WORK:**

In developing a real property appraisal an appraiser must identify the problem to be solved, determine the scope of work necessary to solve the problem and correctly complete the research and analyses necessary to produce a credible appraisal. USPAP defines Scope of Work as the “type and extent of research and analysis” in an assignment. The Scope of Work includes, but is not limited to, the extent to which a property is identified, the extent to which tangible property is inspected, the type and extent of data researched and the type and extent of analyses applied to arrive at the conclusion(s) of value. USPAP states that it is incumbent on the appraiser to determine the scope of work necessary, in a given assignment, to produce credible assignment results within the context of the intended use and users of the report. In preparing this appraisal, the appraiser(s):

- inspected the subject neighborhood, subject site;
- gathered some or all of the following market data, as available/applicable/relevant and/or necessary to produce a credible opinion of value: general market data, comparable land sales;
- confirmed and analyzed the appropriate and necessary data, and, at a minimum, developed the Approaches to Value that are relevant to the appraisal problem and/or necessary to produce a credible value opinion. At our option, or the client’s specific request, we may have developed (for

additional support or as an abundance of caution) an Approach to Value that may not be truly relevant and/or necessary to produce a credible value opinion.

At the beginning of the Appraisal Development process, all Approaches to Value were carefully considered and their technical applicability to the subject property determined. For an Approach to be applicable, it must literally be “able to be applied”. We then examined the extent to which each Approach may be truly necessary or relevant to produce a credible value opinion and developed the appraisal accordingly. The relevance or necessity of a particular Approach is measured primarily by the extent of its use by buyers and sellers of the subject property type, the intended use of the appraisal, and/or the extent of its use by the appraisers’ peers in appraising similar properties for similar intended uses.

The following table sets forth in order whether, in our opinion, a particular Approach to Value is technically applicable to the appraisal problem, meaningful and/or relevant, necessary to produce a credible value opinion, and finally whether it was developed:

| <b>Approach</b>                            | <b>Technically applicable</b> | <b>Meaningful and/or relevant</b> | <b>Necessary</b> | <b>Developed</b> |
|--|-------------------------------|-----------------------------------|------------------|------------------|
| Cost Approach as Improved                  | Yes                           | No                                | No               | No               |
| Sales Comparison Approach As Improved      | Yes                           | Yes                               | Yes              | Yes              |
| Income Capitalization Approach As Improved | Yes                           | No                                | No               | No               |

This narrative Appraisal Report is a summary of the appraisers' data, analyses and conclusions. Supporting documentation may be retained in the appraiser's file. Sources of data include properties that we have appraised, reputable real estate brokers, public records and public records services, management agents and property owners.

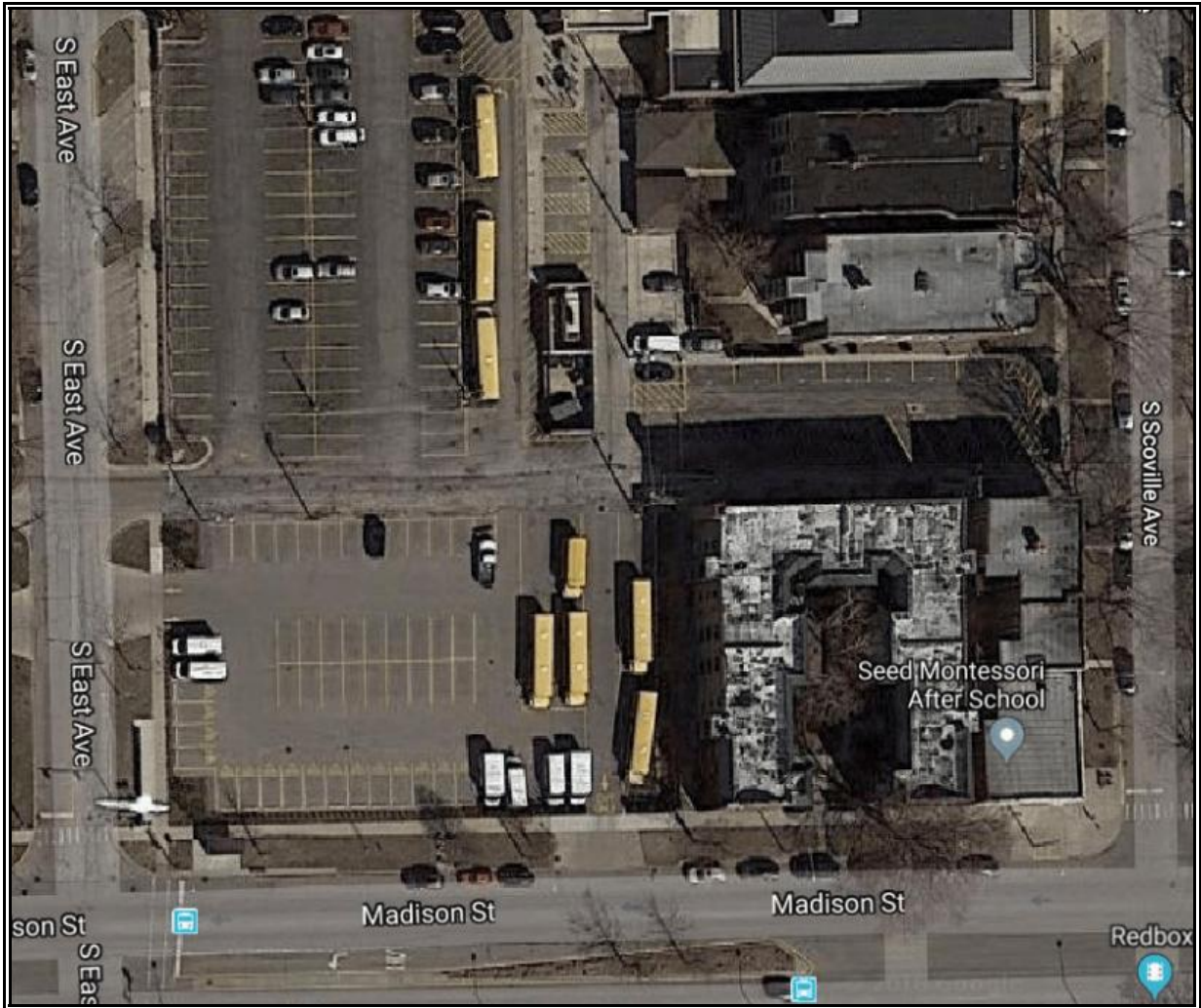


## LOCATION MAP



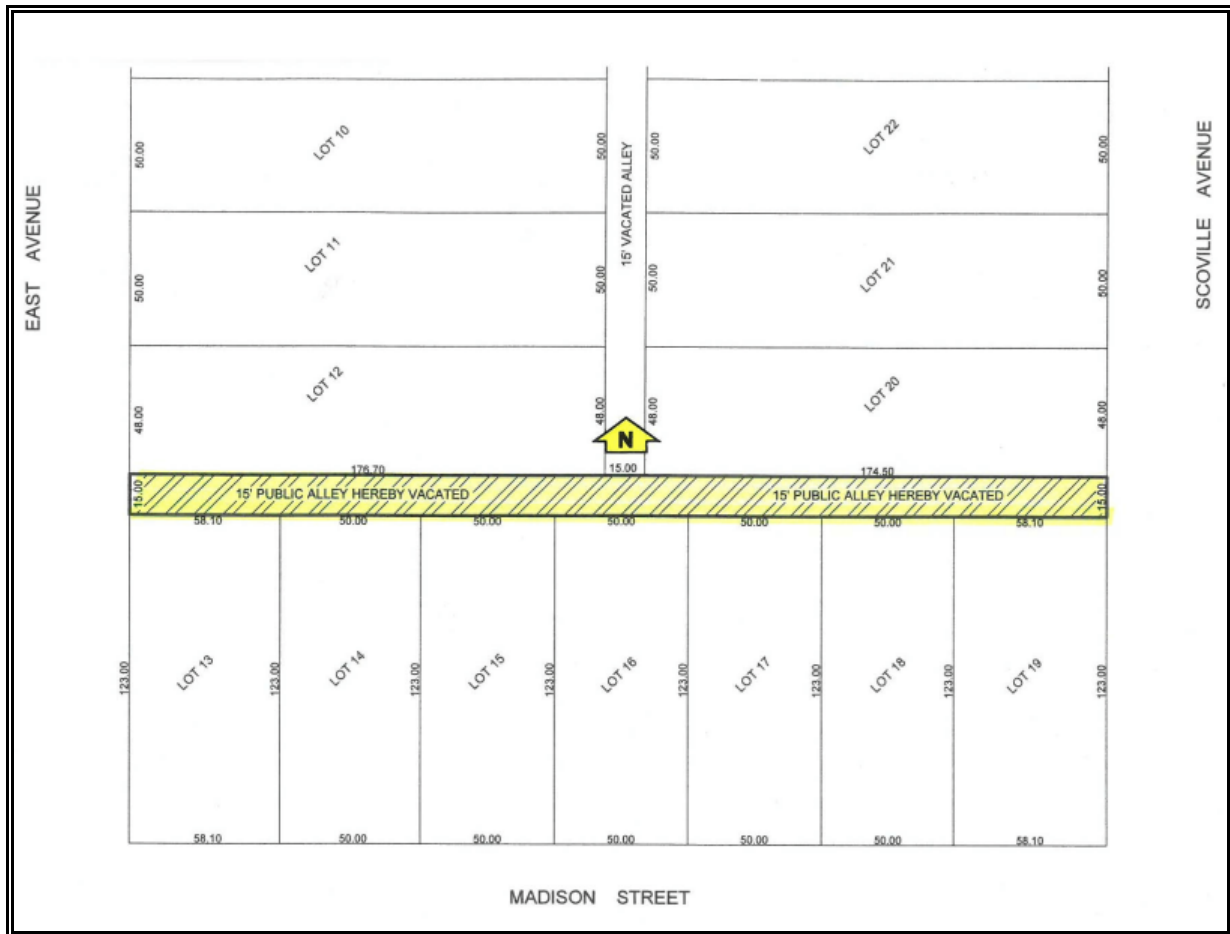


## AERIAL VIEW

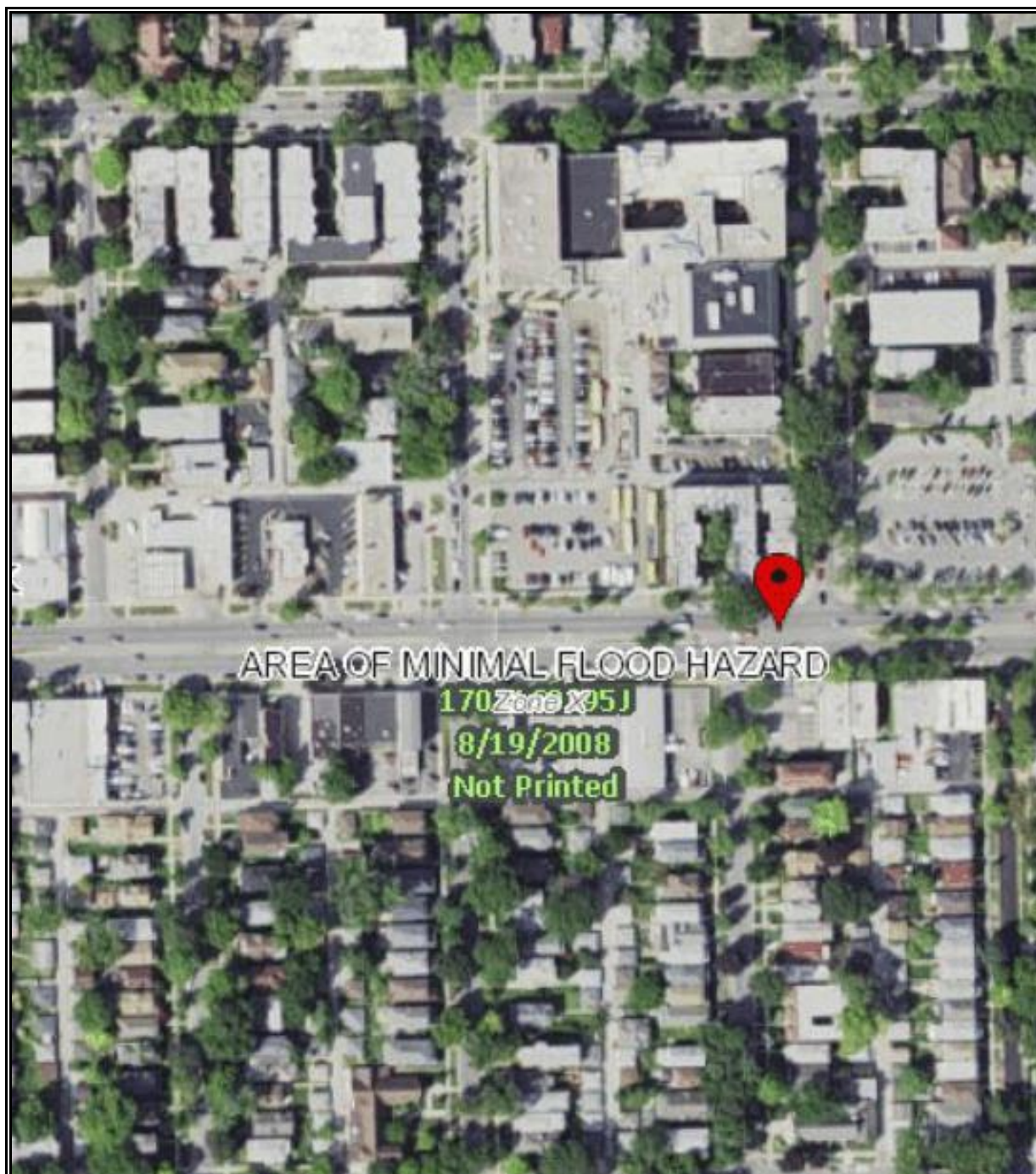




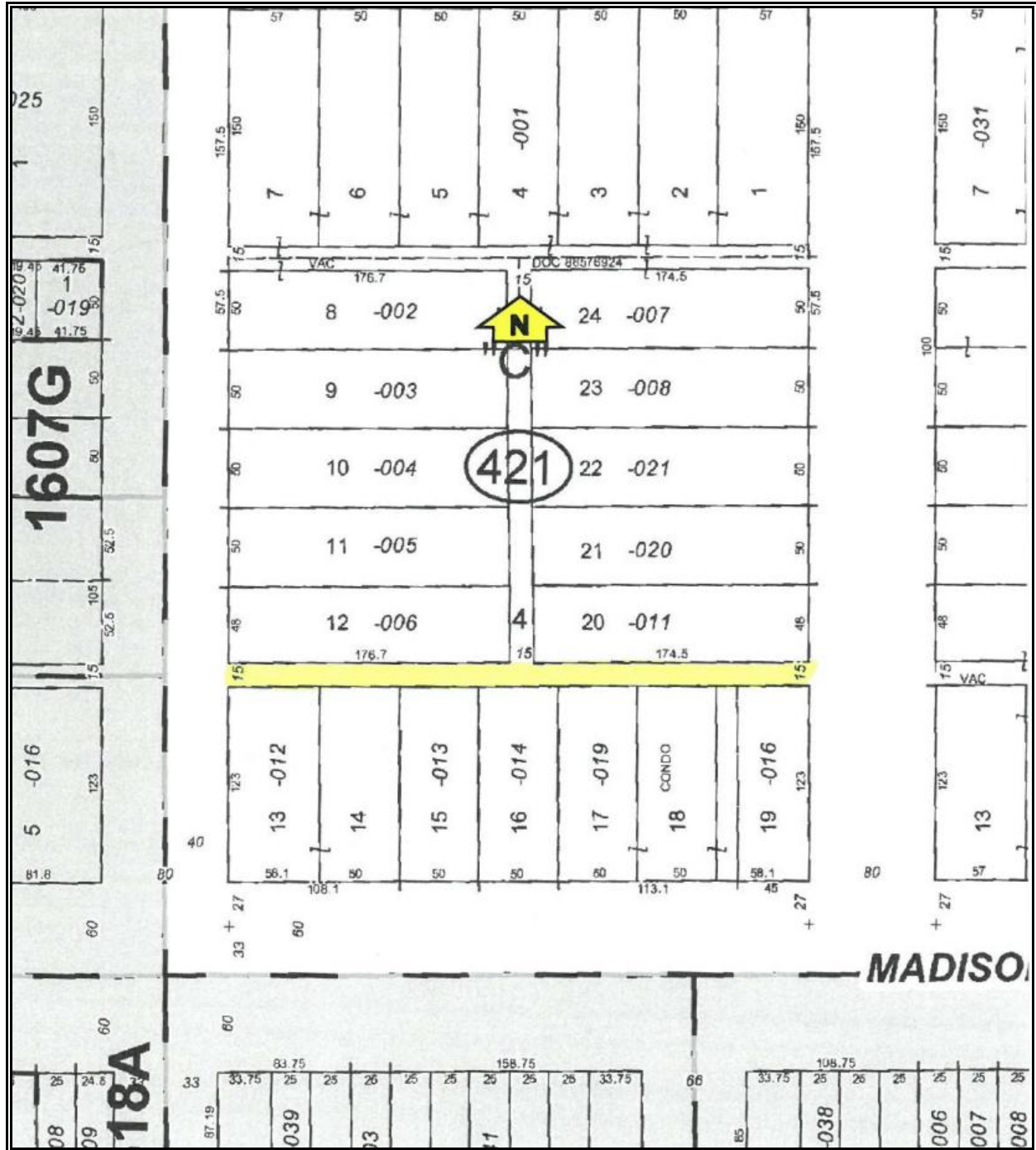
## PLAT OF SURVEY



## FLOOD INSURANCE RATE MAP



# **PLAT MAP**





## SUBJECT PHOTOGRAPHS

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Facing east from East Avenue



South along East Avenue

## SUBJECT PHOTOGRAPHS

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Looking west along alley



Facing south along Scoville Avenue



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## SUBJECT PHOTOGRAPHS

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West along Madison Street



East along Madison Street

## **MARKET AREA SUMMARY**

The subject is virtually part of the Madison Street Business district, which spans about 1.5 miles from Austin Boulevard on the east to Harlem Avenue on the west. These represent the eastern and western boundaries of this near west Cook County suburb, with the others being North Avenue on the north and Roosevelt on the south. Madison is a four lane arterial street through Oak Park, and also connects with the active Forest Park business district west of Harlem Avenue. It is populated with a variety of mostly commercial and some institutional grade properties that include notable anchors such as CVS, a local Jewel Osco (across from the subject) and a Walgreens store at the southwest corner with Oak Park Avenue. Institutional types include the Village Hall complex at Lombard, Fenwick High School at East Avenue and the most recent construction project, the new District 97 facility along the north side of the street east of Ridgeland.

Despite the popularity and marketability of this community Oak Park was not immune to the recession. Pre-credit crisis, year-end 2007, the average home price was posted at \$525,871. The market was thought to have bottomed out in 2012, when the average home price was recorded at \$405,252. The 2018 average was higher, \$488,406, still less than pre-recession but a positive sign toward improvement. As for condominiums (not townhouses) the 2007 average was \$253,528 dropping significantly to \$111,110 by year-end 2012. The average in 2018 was better, \$227,496, still less than pre-recession.

As for retail, CoStar Analytics indicates that Oak Park has a total of about 2,250,000 square feet of space. The current vacancy rate is decent, at only 3.2%, versus the five year average of 7.7%. But this is somewhat misleading, as much of the retail improvement is in and around the higher profile section along Lake Street near Harlem Avenue, and also along Oak Park Avenue near Lake Street. Along Madison Street for all commercial there is indicated to be just less than 530,000 square feet of space and the vacancy rate is 6.4%. This is still an improvement compared to the five year average of 10.4%.

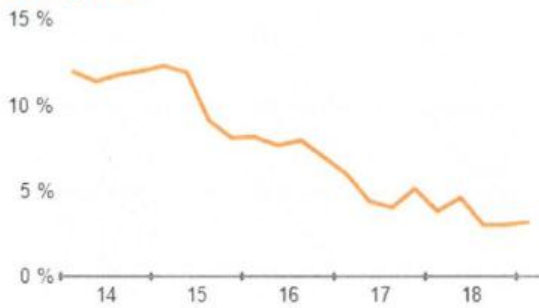
(Cont'd)

## RETAIL VACANCY SURVEY ALL OAK PARK

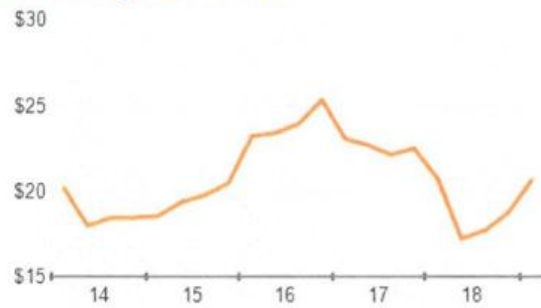
| Availability      | Survey  | 5-Year Avg | Inventory            | Survey    | 5-Year Avg |
|-------------------|---------|------------|----------------------|-----------|------------|
| NNN Rent Per SF   | \$20.73 | \$20.38    | Existing Buildings   | 300       | 298        |
| Vacancy Rate      | 3.2%    | 7.7%       | Existing SF          | 2,249,943 | 2,235,213  |
| Vacant SF         | 72,465  | 171,768    | 12 Mo. Const. Starts | 0         | 13,913     |
| Availability Rate | 4.9%    | 8.5%       | Under Construction   | 0         | 21,238     |
| Available SF      | 109,945 | 191,458    | 12 Mo. Deliveries    | 0         | 27,826     |
| Sublet SF         | 0       | 1,113      |                      |           |            |
| Months on Market  | 10.4    | 11.5       |                      |           |            |

| Demand               | Survey | 5-Year Avg | Sales               | Past Year | 5-Year Avg |
|----------------------|--------|------------|---------------------|-----------|------------|
| 12 Mo. Absorption SF | 13,852 | 41,329     | Sale Price Per SF   | \$200     | \$150      |
| 12 Mo. Leasing SF    | 35,414 | 60,895     | Asking Price Per SF | \$257     | \$212      |
|                      |        |            | Sales Volume (Mil.) | \$20      | \$15       |
|                      |        |            | Cap Rate            | 6.3%      | 7.0%       |

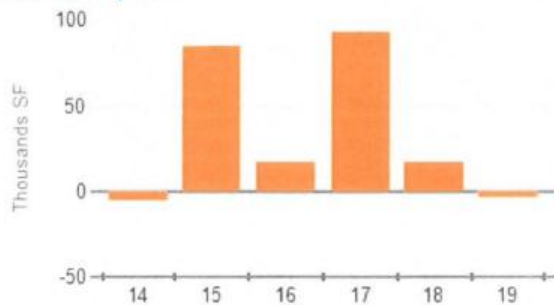
**Vacancy Rate**



**NNN Asking Rent Per SF**



**Net Absorption**



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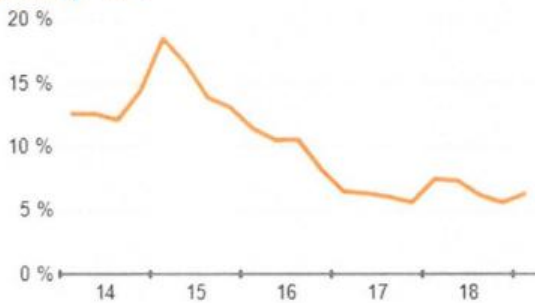


## VACANCY SURVEY MADISON STREET OAK PARK

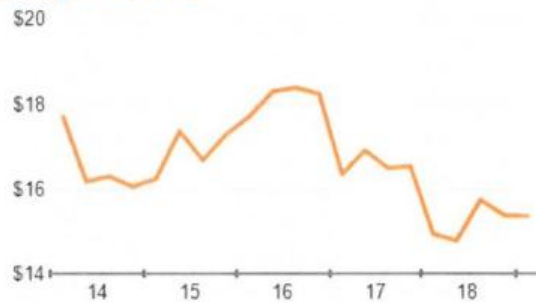
| Availability      | Survey  | 5-Year Avg | Inventory            | Survey  | 5-Year Avg |
|-------------------|---------|------------|----------------------|---------|------------|
| Rent Per SF       | \$15.37 | \$16.76    | Existing Buildings   | 75      | 76         |
| Vacancy Rate      | 6.4%    | 10.4%      | Existing SF          | 529,456 | 534,073    |
| Vacant SF         | 33,713  | 55,412     | 12 Mo. Const. Starts | 0       | 0          |
| Availability Rate | 6.4%    | 12.5%      | Under Construction   | 0       | 0          |
| Available SF      | 33,713  | 66,657     | 12 Mo. Deliveries    | 0       | 0          |
| Sublet SF         | 0       | 402        |                      |         |            |
| Months on Market  | 10.1    | 11.6       |                      |         |            |

| Demand               | Survey | 5-Year Avg | Sales               | Past Year | 5-Year Avg |
|----------------------|--------|------------|---------------------|-----------|------------|
| 12 Mo. Absorption SF | -3,630 | 1,913      | Sale Price Per SF   | \$62      | \$77       |
| 12 Mo. Leasing SF    | 8,021  | 10,802     | Asking Price Per SF | \$80      | \$88       |
|                      |        |            | Sales Volume (Mil.) | \$0.5     | \$1.2      |
|                      |        |            | Cap Rate            | -         | -          |

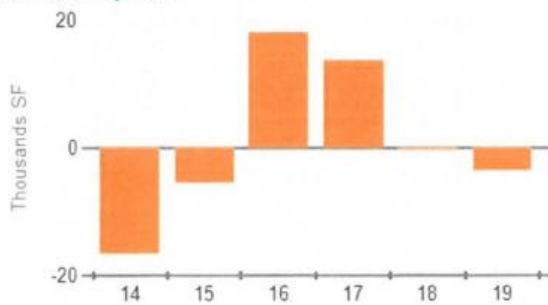
**Vacancy Rate**



**Asking Rent Per SF**



**Net Absorption**



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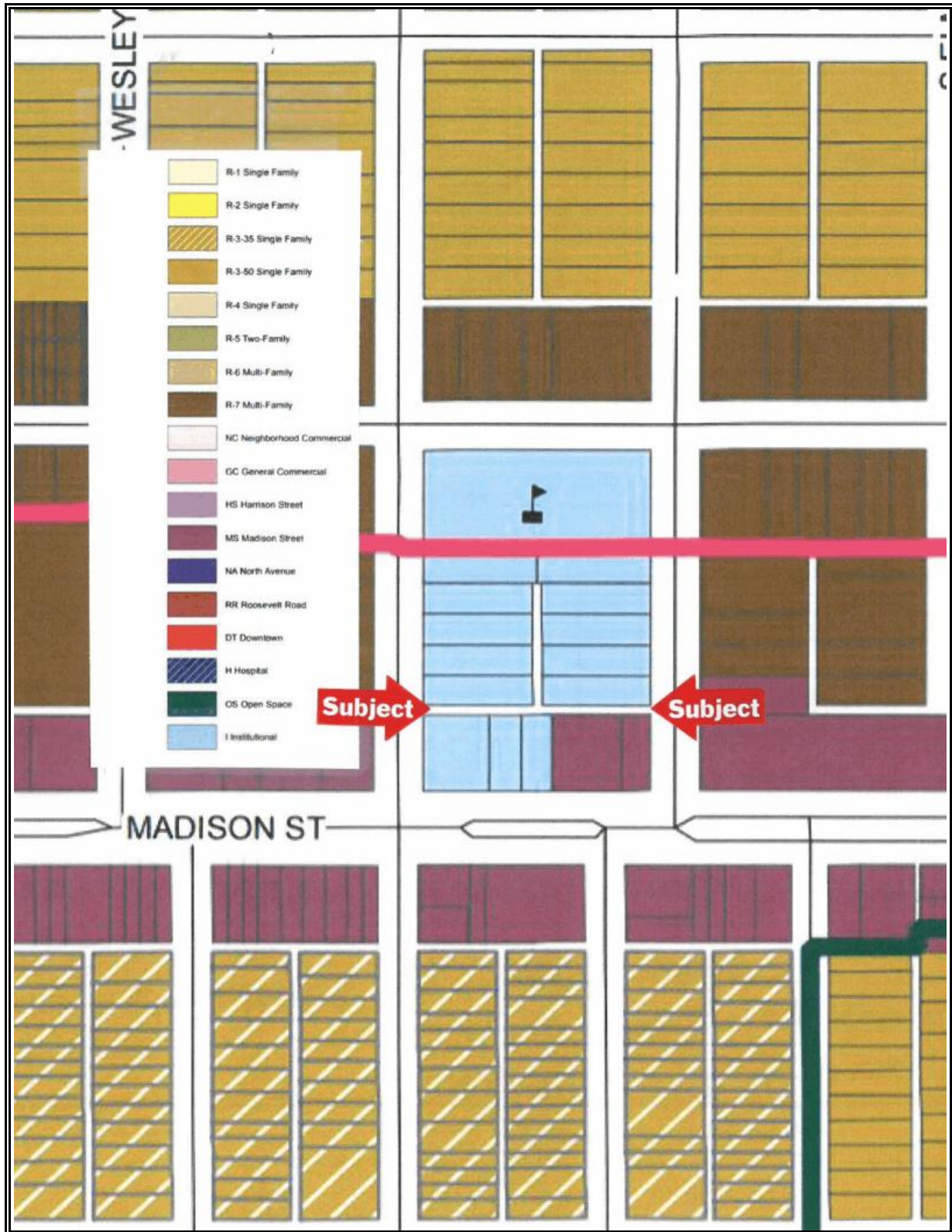
2/4/2019

The redevelopment market in Oak Park virtually disappeared in the years following the credit crisis. It has nonetheless re-emerged, mostly in the west Lake Street area at and around Harlem Avenue, with major mixed use projects complete and under way. In recent years there has been little in the way of new construction along Madison Street. Notable exceptions include the District 97 building, and Rush Oak Park Hospital, who is in the process of constructing a new emergency facility along the south side of the street adjacent to the hospital itself. The other is a proposed townhouse complex by Lexington Homes at the corners of Madison and Home/Clinton. Construction is under way. Both the Rush and Lexington properties are preferred westerly locations but are noted. Burdensome real estate taxes will continue to be a factor for existing and future development in this community, but still the area is expected to remain viable into the foreseeable future.

## **PROPERTY SUMMARY**

|                      |   |
|----------------------|---|
| Type:                | To be vacated public alley  |
| Location:            | Along the west side of Scoville Avenue and along the east side of East Avenue, about 123 feet north of Madison Street, Oak Park, Illinois   |
| Configuration:       | Rectangular   |
| Dimensions:          | 15 feet at east and west (street frontages), uniform depth of 366.2 feet.   |
| Square foot size:    | About 5,493 square feet   |
| Frontage:            | 15 feet   |
| Topography:          | Average observed with no problems apparent  |
| Improvements:        | Mostly asphaltic paved  |
| Flood zone:          | Not in special flood hazard area per Flood Insurance Rate Map #17031C0395J, date August 19, 2008.   |
| Utilities:           | Municipal sanitary sewer and water along the north side of Madison Street.  |
| Adjacent Properties: | The Fenwick High School greater complex is adjacent to the north. Adjacent to the south there are three properties. The west section is a parking lot for Fenwick High School. The east section is developed with two 1920s vintage walk-up buildings, one mixed-use and one all residential. |
| Functional utility:  | Extremely limited, not a buildable site and only has speculative value to an adjacent property owner, with the additional restriction as indicated in the Reservation of Easement.  |

## ZONING MAP



## **ZONING:**

According to the zoning map it does not appear that the subject is with any particular classification. And this generally makes sense considering that it is a public alley. Zoning to the north is I-Institutional, in which the village basically allows public type buildings. This makes sense given that it is the Fenwick High School complex. The land adjacent to the south of the alley is with two zoning classifications. The west portion is in the I-Institutional District, which was done some years ago after Fenwick acquired that in pieces and has since constructed a parking there. The eastern half, on the other hand, is consistent with most properties along Madison Street. Specifically it is in the MS/Madison Street District, in which the municipality allows a variety of commercial uses such as retail, offices and others. They also allow apartment dwellings above ground floor commercial. Some of the bulk requirements appear a front setback from the street of zero to five feet, and a rear setback of 25 feet inclusive of any alley. Please note that it is beyond the scope of our assignment to determine compliance, conformance or legality issues with respect to building codes or zoning. These can only be determined by the proper jurisdictional authorities. We can only assume that the current use of the subject as a public alley is permitted.

Please note that it is beyond the scope of our assignment to determine compliance, conformance or legality issues with respect to building codes or zoning. These can only be determined by the proper jurisdictional authorities. At a minimum we assume that the subject use can continue without any modification to the site or any improvements and that there are no major code violations. Again, all of this is for informational purposes and is strictly subject to a formal zoning compliance study, which was not within the Scope of Work in this assignment.

**REAL ESTATE TAXES:**

The subject is part of a public alley, and is owned by the municipality. It is therefore as we understand it tax exempt.

**HIGHEST AND BEST USE:**

Highest and best use is fundamentally at the heart of real property market value estimates. The Appraisal Institute defines it as the “reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible and that results in the highest value. The four criteria highest and best use must meet are legal permissibility, physical possibility, financial feasibility and maximum productivity.”

Considerations in determining the highest and best use of the subject are much more unique than those of and for traditional land parcels. With only 15 feet of road frontage indeed the subject is not buildable unto itself. The market is extremely narrow, in fact only to adjacent property owners, assuming vacation of the subject. And the existing adjacent property owners are limited, Fenwick High School and the two buildings at the northwest corner of Madison Street and Scoville. While it is speculative to assume that adjacent property owners would want a vacated public alley it is even more conjectural in our opinion to assume that the owners of the two buildings at the corner of Scoville and Madison would have a need for the alley, which already functions as access to the back of their properties. It is evident the more likely buyer would be our client, who owns the two “sites” adjacent, and definitely all of that to the north and then the larger part to the south.

The subject in our opinion is best considered, if assembled, as being part of the property that fronts Madison Street. A portion of that happens to be zoned I-Institutional but this in our opinion is inconsequential as the highest and best use of that land as vacant is in the commercial or mixed-use category anyway, consistent with the almost exclusive MS Madison Street zoning along that arterial.

With all of this having been said we have concluded highest and best use of the subject as a potential acquisition but only to the extremely narrow market that exists, i.e. to an adjacent property owner. And that is inherently speculative. Being non-buildable land, extremely narrow, the subject as an alley already has severe functional limitations. But for the subject there are additional restrictions that limit the marketability even more. The most notable of these is as stated

in the Reservation of Easement as shown on the plat prepared by the surveyor. Not only in this scenario would Fenwick have less than full control of the alley but the subject itself cannot be part of a “building site”. In our valuation analysis we start with the market value of the subject as if it was part of a larger parcel, in this case the greater property to the south, which has 45,043 square feet (366.2' of frontage to a depth of 123 feet). The final step is a discount to reflect the very limited market and pool of buyers for the subject.

## **VALUATION SUMMARY**



## **SALES COMPARISON APPROACH**

The Sales Comparison Approach is a process of comparing the subject to similar properties that have sold, and traditionally is based upon the essential assumption that an informed purchaser would not pay more for a property than the cost of acquiring an existing one in a similar location with reasonably similar physical and functional utility. Relatedly, a prudent seller would not accept less than an amount which can be obtained elsewhere in the marketplace. This Approach is an empirical investigation in which the estimate of the most probable selling price is based upon sale data from comparable properties, obtained from the market.

The sales are typically reduced to some unit of comparison such as price per square foot, price per unit or gross income multiplier (GIM), or multiple units of comparison might be considered. Then the sales are compared to the subject property and differences are evaluated and considered. Ideally, the dissimilarities between the sales and the subject are resolved with appropriate adjustments. These differences might pertain initially to such factors as property rights conveyed, financing, conditions of sale and market conditions (time), in that order, followed by location along with functional, economic and physical characteristics such as, age, construction features, condition, layout, size, quality and quantity of income stream and others. These adjustments might be discussed in a qualitative type narrative discussion (vis-a-vis “plus” or “minus” adjustments), or if sufficient market data is available they might be market-extracted, quantified and applied accordingly; or, a combination approach might be used.

The general reliability of the Sales Comparison Approach depends upon many factors, with emphasis on two in particular: availability of comparable sales data and the extent of adjustments required to reconcile the differences between the subject property and the sales, including the total number of individual adjustments, the magnitude of each individual adjustment and the size of the net adjustment, fewer and smaller being preferred in each case. Confirmation and/or verification of data is also critical in the reliability of the Sales Comparison Approach. To the extent possible and practical an attempt was made to confirm each sale directly with a party to the transaction, but at a minimum each was verified through public records or other reliable sources. The use of unconfirmed sale data may have been necessary due to comparability issues.

We have completed our research for comparisons in the subject and competing areas. The following is a summary of the best of the total number of data uncovered for this analysis:

**LAND SALE 1:**

**SOUTHWEST CORNER MADISON STREET &  
ELMWOOD AVENUE, OAK PARK, ILLINOIS**



|                   |  |
|-------------------|--|
| Configuration:    | Rectangular, 133.2' of Madison Street Frontage to a depth of 52.40'  |
| Square foot size: | About 6,980 square feet  |
| Zoning:           | MS/Madison Street  |
| Utilities:        | All available  |
| Topography:       | Level  |
| Flood zone:       | No   |
| Sale price/date:  | \$45,000 plus \$65,000 in environmental remediation and related costs for total investment acquisition price of \$110,000 February 2016. |
| Price/Sq.Ft.:     | \$15.76  |
| Grantor:          | Judicial Sales Corp. et al.  |
| Grantee:          | Second Century Enterprises Inc.  |
| Document #:       | 1606044060   |
| Property Rights:  | Fee Simple   |

|                     |   |
|---------------------|---|
| Financing:          | Cash  |
| Conditions of sale: | See comment below   |
| Comment:            | This property is located along the south side of Madison Street just west of Ridgeland Avenue in Oak Park. It was previously improved with a small gas station property, which had been vacant for a number of years. It was purchased by an adjacent property owner who bought it on speculation and for future possible assemblage. We verified this sale directly with the buyer, who verified that the actual sale price for the land was \$45,000 but that he spent \$55,000 in tank removal and related remediation, and another \$10,000 in related costs such as legal fees. It is a corner lot and has decent Madison Street frontage but has a depth of only 52.4'. |

**LAND SALE 2:**

**934-36 AND 970 MADISON STREET  
OAK PARK, ILLINOIS**



|                     |   |
|---------------------|---|
| Configuration:      | Rectangular,                                |
| Square foot size:   | A total of approximately 41,650 square feet |
| Zoning:             | MS/Madison Street                           |
| Utilities:          | All available                               |
| Topography:         | Average                                     |
| Flood zone:         | No  |
| Sale price/date:    | \$1,050,000, August 2018                    |
| Price/Sq.Ft.:       | \$25.21                                     |
| Grantor:            | Village of Oak Park                         |
| Grantee:            | Lexington Reserve Oak Park, LLC             |
| Document #:         | 1824116065                                  |
| Property Rights:    | Fee Simple                                  |
| Financing:          | Conventional                                |
| Conditions of sale: | Normal                                      |

Comment:

This property consists of two sites across an alley from one another. The lot at the northeast corner of Madison and Home Avenue is 160' x 160', while the other, at the northwest corner of Madison and Clinton Avenue, 160.5' to a depth of 100'. The larger site was improved with the District 97 facility, while the smaller was improved with an old strip center, and both buildings were demolished. Reportedly Lexington Homes proposes to construct 21 townhouses on the two parcels, with the existing north/south alley to remain in place. The village acquired the District 97 property in 2015 in a trade for the site at 260 Madison Street, which was subsequently developed with a new District 97 building. They also acquired the 923 - 46 Madison Street property in mid 2015. There were various developers interested in this site and there were other plans submitted but the village chose Lexington Homes as the preferred developer. Reportedly the asking price was \$1,249,500.

**LAND SALE 3:**

**1047 GARFIELD STREET  
OAK PARK, ILLINOIS**



|                     |  |
|---------------------|--|
| Configuration:      | Rectangular                                |
| Square foot size:   | About 6,663                                |
| Zoning:             | CG General Commercial                      |
| Utilities:          | All available                              |
| Topography:         | Average                                    |
| Flood zone:         | No   |
| Sale price/date:    | \$200,000, September, 2015                 |
| Price/Sq.Ft.:       | \$30.02                                    |
| Grantor:            | Pauline Sullivan Trust, Marie Gregor Trust |
| Grantee:            | RRV Properties IV LLC                      |
| Document #:         | 152722035                                  |
| Property Rights:    | Fee Simple                                 |
| Financing:          | Cash                                       |
| Conditions of sale: | See comment below                          |

Comment:

This property is located along the south side of Garfield Street just east of Harlem Avenue in Oak Park. It was purchased by the owner of Volvo of Oak Park and was previously an auto related operation. Capacity for onsite storage of the Volvo facility, which is located just down the street at the corner of Garfield and Harlem, was painfully low. So the buyer was thought to have been aggressive as he needed this site for the functional utility of the dealership.



**LAND SALE 4:**

**933 MADISON STREET  
OAK PARK, ILLINOIS**



|                     |                         |
|---------------------|-------------------------|
| Configuration:      | Rectangular             |
| Square foot size:   | 18,536 square feet      |
| Zoning:             | MS/Madison Street       |
| Utilities:          | All available           |
| Topography:         | Average                 |
| Flood zone:         | No                      |
| Sale price/date:    | \$567,500 July, 2017    |
| Price/Sq.Ft.:       | \$30.62                 |
| Grantor:            | DBE Chase LLC           |
| Grantee:            | Cronin Enterprises Inc. |
| Document #:         | 1722645069              |
| Property Rights:    | Fee Simple              |
| Financing:          | Conventional            |
| Conditions of sale: | Normal                  |



Comment:

This property is comprised of two lots separated by an alley, with the main lot containing 14,972 square feet at the southwest corner of Madison and Clinton, and improved with a 1970's built branch bank. The smaller 3,564 square foot lot is at the southeast corner of Madison and Home Avenue. The seller was Chase Bank, who decided to close this facility (drive up would remain open for a period time) in light of their larger property at Oak Park Avenue and Madison Street. According to the broker the property was on the market for less than three months, and sold off of a list price of \$600,000. He said that the buyer did not penalize the property for necessary demolition of the small branch bank and wanted this land on speculation for future unknown development.

**LAND SALE 5:**

**SOUTHEAST CORNER MADISON STREET &  
LYMAN AVENUE, OAK PARK, ILLINOIS**



|                     |  |
|---------------------|--|
| Configuration:      | Rectangular,   |
| Square foot size:   | About 17,846 square feet, with a depth of about 144 feet |
| Zoning:             | MS/Madison Street  |
| Utilities:          | All available  |
| Topography:         | Average  |
| Flood zone:         | No   |
| Sale price/date:    | \$665,000 December 2018                                  |
| Price/Sq.Ft.:       | \$37.26  |
| Grantor:            | 500 Lyman, LLC   |
| Grantee:            | Ann C. Seok Trust  |
| Document #:         | 1836513051   |
| Property Rights:    | Fee Simple   |
| Financing:          | Conventional   |
| Conditions of sale: | Normal   |

Comment:

This is a corner lot located along the south side of Madison Street just west of Austin Boulevard in Oak Park. It was purchased by the seller in February 2014 for \$650,000 with the intention of constructing, reportedly, a fast food Taco Bell restaurant here but that development request was denied by the municipality. The property was subsequently listed since late 2014, as high as \$899,000. The last price reduction was in July 2017, \$699,000.

**LAND SALE 6:**

**7652 MADISON STREET  
FOREST PARK, ILLINOIS**



|                     |                                    |
|---------------------|------------------------------------|
| Configuration:      | Rectangular                        |
| Square foot size:   | 18,761 square feet                 |
| Zoning:             | Commercial                         |
| Utilities:          | All available                      |
| Topography:         | Average                            |
| Flood zone:         | No                                 |
| Sale price/date:    | \$750,000 May 2018                 |
| Price/Sq.Ft.:       | \$39.98                            |
| Grantor:            | GRP Madison, LLC                   |
| Grantee:            | Forest Park-River Forest Land, LLC |
| Document #:         | 1812829405                         |
| Property Rights:    | Fee Simple                         |
| Financing:          | Cash                               |
| Conditions of sale: | Normal                             |

Comment:

This property is located along the south side of Madison Street west of Des Plaines Avenue in Forest Park. The site was improved with a two story restaurant building, but the property was purchased by a developer for demolition redevelopment with a three story mixed-use building, with retail on the first floor and as many as 36 apartment on the upper floors. The property was on the market since November 2016, originally at \$899,900. The broker represented this as an arms length transaction, and cited the location as part of the Forest Park Madison Street business district as a key component.



## COMPARISONS LOCATION MAP



**COMPARISONS SUMMARY:**

| Sale | Prop Rts   | Finc | Conds of Sale   | Date  | Config                         | Approx SF Size | Zoning | Util | Topo | Flood Zone | Loc    | \$/SF          |
|------|------------|------|-----------------|-------|--------------------------------|----------------|--------|------|------|------------|--------|----------------|
| 1    | Fee Simple | Cash | Normal          | 02/16 | Rectangular but shallow        | 6,980          | MS     | All  | Avg  | No         | Avg    | <b>\$15.76</b> |
| 2    | Fee Simple | Conv | Normal          | 08/18 | Rectangular                    | 41,650         | MS     | All  | Avg  | No         | Sl Sup | <b>\$25.21</b> |
| 3    | Fee Simple | Cash | Buyer motivated | 09/15 | Rectangular                    | 6,663          | CG     | All  | Avg  | No         | Sl Inf | <b>\$30.02</b> |
| 4    | Fee Simple | Conv | Normal          | 07/17 | Rectangular                    | 18,536         | MS     | All  | Avg  | No         | Sl Sup | <b>\$30.62</b> |
| 5    | Fee Simple | Conv | Normal          | 03/18 | Rectangular                    | 17,847         | MS     | All  | Avg  | No         | Avg    | <b>\$37.26</b> |
| 6    | Fee Simple | Conv | Normal          | 05/18 | Rectangular but superior depth | 18,761         | Coml   | All  | Avg  | No         | Sup    | <b>\$39.98</b> |
| Subj | Fee Simple | Conv | Normal          | 01/19 | Rectangular                    | Adj<br>45,043  | MS     | All  | Avg  | No         | Avg    |                |

## **ANALYSIS AND CONCLUSIONS:**

Details of six commercial land comparisons have been presented on the preceding pages. Five are from Oak Park, and one is from Forest Park. All except Sale 3 are located along Madison Street. Property rights, financing, and market conditions adjustments do not appear to be warranted. As for conditions of sale we have made one adjustment. And that is of Sale 3, downward, to reflect the unusual motivation of the buyer. Admittedly the data range widely in price, from a low of \$15.76 to a high of \$39.98 per square foot. But adjustment for discernible differences narrows the spread considerably.

We speak first to the low end of the range, shown by Sale 1, included since it is from the subject neighborhood along Madison Street. The total investment, which included acquisition, environmental remediation and related costs amounted to about \$15.76 per square foot. At face value we might expect a similar unit value for the subject (as part of the whole property) but this comparison had a lot depth of only 52.4 feet, thereby reducing its overall functional utility. As a result the net adjustment is upward.

One of the more recent Madison Street comparisons in Oak Park is Sale 2, an August 2018 deal and a similar sized site that generated \$25.21 per square foot. In our opinion the location west of Oak Park Avenue is somewhat preferred. The next comparison is Sale 3, located along Garfield Street near Harlem Avenue and a corner lot that generated \$30.02 per square foot. But for this location the price we believe was aggressive. The buyer was a Volvo dealer down the street whose facility parking was extremely low. Modern dealership properties in functional utility tend to expect land-to-building ratios of at least 5:1; that for the Volvo of Oak Park store was only about 2.25:1, extremely low, and this buyer was considered to have been very motivated to acquire the property. Despite slightly inferior location the net adjustment in our opinion is downward.

Sale 4 is a 2018 acquisition of a Chase Bank branch site, located at Clinton and Madison. The broker said that this was an arms length transaction and was of a property that had normal market exposure. The buyer was a speculator who purchased the land in light of rumored development across the street, which is Sale 2 at \$25.21. For both of these properties, Sale 2 and Sale 4, the locations are preferred as they are west of Oak Park Avenue. As such the net adjustment of Sale 4, which brought \$30.62, is somewhat downward.



Next in our analysis is Sale 5, which for a property east of Oak Park Avenue at \$37.26 is on the aggressive side in our opinion. But what this property had to its advantage is a depth of 144 feet, thereby making it more functional on the open market.

The highest rate is shown by Sale 6, \$39.98 per square foot. This is a 2018 acquisition of a former restaurant property purchased for redevelopment with a mixed-use facility. Compared to the subject this property has the advantage, being a preferred location in the Madison Street business district of Forest Park. Clearly the net adjustment here is downward.

(Cont'd)

### ADJUSTMENTS SUMMARY

| Sale | Prop<br>Rts | Finc | Conds<br>of Sale | Mkt<br>Conds | Config | Size | Zoning | Util | Topo | Flood<br>Zone | Loc  | \$/SF          | Net Adj. |
|------|-------------|------|------------------|--------------|--------|------|--------|------|------|---------------|------|----------------|----------|
| 1    | 0           | 0    | 0                | 0            | +      | 0    | 0      | 0    | 0    | 0             | 0    | <b>\$15.76</b> | +        |
| 2    | 0           | 0    | 0                | 0            | 0      | 0    | 0      | 0    | 0    | 0             | -/0  | <b>\$25.21</b> | -/0      |
| 3    | 0           | 0    | -                | 0            | 0      | 0    | 0      | 0    | 0    | 0             | + /0 | <b>\$30.02</b> | -        |
| 4    | 0           | 0    | 0                | 0            | 0      | 0    | 0      | 0    | 0    | 0             | -/0  | <b>\$30.62</b> | -/0      |
| 5    | 0           | 0    | 0                | 0            | -      | 0    | 0      | 0    | 0    | 0             | 0    | <b>\$37.26</b> | -        |
| 6    | 0           | 0    | 0                | 0            | 0      | 0    | 0      | 0    | 0    | 0             | -    | <b>\$39.98</b> | -        |

In consideration of all factors and after making adjustments for differences between the subject and the comparisons it is our opinion that the data support a unit value of \$27.00 per square foot for the subject as part of a larger parcel, i.e. as if the subject was buildable and of normal configuration.

**Discount for Functional Utility/Limited Market and Buyer Pool**

As we have stated throughout this report the subject by itself is not a buildable lot. Its marketability is only to an adjacent property owner. And typically alleys and other rights-of-way are discounted in order to reflect far inferior functional utility characteristics; in addition the subject will be with a deed restriction in that it cannot be part of building construction, and the seller will have the right to use the alley for ingress and egress. In our opinion a discount to 20% is appropriate to reflect the limited market characteristics. Therefore:

Site Value As Part of the Whole: \$27.00/sq.ft.

Discount:      \$27.00 x 20% =      \$5.40

Therefore:

Subject 5,493 sq.ft. x \$5.40/sq.ft.      \$29,662

**VALUE BY SALES COMPARISON APPROACH, SAY      \$30,000**

## **RECONCILIATION AND MARKET VALUE CONCLUSION**

In the development of our appraisal report we have carefully analyzed and determined the applicability and relevance of all three Approaches to Value including the Cost, Income Capitalization and Sales Comparison. And in doing so we have not limited the extent of our work. The subject is classified as vacant land and the Cost Approach is not applicable. In the appraisal of land the Income Capitalization Approach can be developed but this is only in active ground lease markets. We have concluded that while the Income Capitalization Approach is technically applicable it is neither meaningful nor relevant. By far the Sales Comparison Approach is most relevant and we believe to have uncovered sufficient data in support of our conclusions.

Therefore, after careful consideration of all factors pertaining to value, we are of the opinion that as of February 5, 2019, subject to the Definitions, Extraordinary Assumptions and Limiting Conditions contained in the Addenda to this report, the subject property had a market value of:

**\$30,000**

**(THIRTY THOUSAND DOLLARS)**

## CERTIFICATION

We hereby certify that, to the best of our knowledge and belief:

- ◆ The statements of fact contained in this report are true and correct.
- ◆ The reported analyses, opinions and conclusions are limited only by the reported Assumptions and Limiting Conditions, and are our personal, unbiased professional analyses, opinions and conclusions.
- ◆ We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- ◆ We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- ◆ Neither our engagement to make this appraisal (or any future appraisals for this client), nor any compensation therefor, are contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- ◆ This appraisal assignment was not made nor was the appraisal rendered on the basis of a requested minimum value, specific valuation, or an amount which would result in approval of a loan.
- ◆ The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- ◆ The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. The opinions analyses and conclusions herein were developed, and this report was prepared, in conformance with the Uniform Standards of Professional Appraisal Practice.
- ◆ As of the date of this report, Thomas G. Muriello, Frank J. Muriello and Paul J. Muriello have completed the requirements under the continuing education program of the Appraisal Institute.
- ◆ A personal inspection of the subject property was made by Thomas G. Muriello. No other appraiser inspected the property.
- ◆ The appraisers have neither appraised nor provided any services regarding the subject property within the three year period immediately preceding the effective date of value.
- ◆ No one provided significant real property appraisal assistance to the persons signing this certification.



THOMAS G. MURIELLO, SRA, President  
Illinois State Certified General Real Estate appraiser  
License No. 553-000500



PAUL J. MURIELLO, MAI  
Illinois State Certified  
General Real Estate Appraiser  
License No. 553.000426



FRANK J. MURIELLO, MAI, SRA  
Illinois State Certified  
General Real Estate Appraiser  
License No. 553.000722

Licenses expire September 30, 2019

# ADDENDA

ASSUMPTIONS

LIMITING CONDITIONS

LICENSES OF APPRAISERS

QUALIFICATIONS OF THE APPRAISERS

**ASSUMPTIONS:**

1. This is a narrative Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraisers are not responsible for unauthorized use of this report.
2. The date of value to which opinions are expressed is set forth in this report. The appraisers assume no responsibility for economic or physical factors occurring at some later date which may affect the opinions stated herein.
3. The legal description is as it appears on a Plat of Survey and while assumed correct we further assume no responsibility if it is inaccurate. We further assume the identification of the property to be correct.
4. No responsibility is assumed for the legal description provided (if any) or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
5. The site dimensions and the area calculated therefrom are as they appear on the plat provided and are assumed to be correct.
6. No soil or sub-soil tests were furnished the appraisers. In the absence of same it is assumed no adverse soil conditions exist that would adversely affect the continued use of the site or improvements thereon.
7. The description of the property is as accurate as possible and is assumed correct. This appraisal is subject to review of professional inspection service reports including soil, environmental, structural, roof, plumbing, HVAC and electrical.
8. The appraisers have personally inspected the subject property and find no obvious evidence of structural deficiencies except as stated in this report. However, no responsibility for hidden defects or conformity to specific governmental requirements such as fire, building and safety, earthquake or occupancy codes can be assumed without provision of specific professional or governmental inspections.

9. It is assumed the property is not contaminated with any hazardous materials; the appraisers are not experts in the field of environmental assessment. The presence of substances such as asbestos, radon, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The appraisers' value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions or for any expertise or engineering knowledge required to discover them. The appraisers' descriptions and resulting comments are the results of the routine observations made during the appraisal process. The client is urged to consult an expert in this field if desired.
10. Competent and prudent management of the subject property is assumed.
11. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
12. The information furnished by others is believed to be reliable but no warranty is given for its accuracy.
13. All engineering studies are assumed to be correct. The illustrative material in this report is included only to help the reader visualize the property.
14. It is assumed that the property is in full compliance with all applicable federal, state and local environmental regulations and laws unless the lack of compliance is stated, described and considered in the appraisal report.
15. It is assumed that all required licenses, certificates of occupancy, consents and other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
16. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.



17. The Americans with Disabilities Act (ADA) of 1990, as passed by the United States Congress, establishes a clear and comprehensive prohibition of discrimination on the basis of disability. This public law (Titles I-V) addresses employment (I); public services (II); public accommodations and services operated by private entities (III); telecommunications (IV); and miscellaneous provisions (V). The law covers all "commercial facilities" intended for nonresidential use whose operations affect commerce. Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the ADA. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability or utility.
18. The description is as accurate as possible and we assume that there are no major deficiencies subject to being provided with all professional inspection reports including soil, environmental, structural, roof, plumbing, HVAC and electrical.
19. Information pertaining to the specific restrictions of this property are as shown on the Plat of Survey and assumed to be accurate as well.

#### **LIMITING CONDITIONS:**

The certification appearing in this appraisal report is subject to the following conditions and such other specific and limiting conditions as are set forth in the report.

1. We assume no responsibility for matters of a legal nature affecting the property appraised or the title thereto nor do we render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Any allocation of the total value estimated in this report between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
3. Any sketches in this report are included to assist the reader in visualizing the property; we assume no responsibility for their accuracy. We made no survey of the property.

4. We are not required to give testimony or appear in court because of having made this appraisal of the property unless arrangements have been previously made therefor.
5. We assume that there are no hidden or unapparent conditions of the property, sub-soil or structure which would render it more or less valuable. We assume no responsibility for such conditions or for engineering which might be required to discover such factors.
6. Information, estimates and opinions furnished to us and contained in this report were obtained from sources considered reliable and are believed to be true and correct. However, no responsibility for accuracy of such items furnished us can be assumed by us.
7. Disclosure by the appraisers of the contents of this appraisal report is subject to review in accordance with the bylaws and regulations of the professional appraisal organization with which the appraisers are affiliated.
8. Neither all nor part of the contents of this report or copy thereof (conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organizations or the firm with which they are connected) shall be conveyed by anyone to the public through advertising, public relations, news, sales or other media without the written consent and approval of the appraisers.
9. On all appraisals, subject to satisfactory completion, repairs or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.
10. **ENVIRONMENTAL DISCLAIMER:** The value estimated in this report is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions. The appraisers are not experts in the identification of hazardous substances or detrimental environmental conditions. Unless otherwise noted in our appraisal report, our routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert could reveal the existence of hazardous materials and environmental conditions on or around the property that could possibly have a negative affect on its value.

11. The final value conclusion stated in this report does not include the value of any personal property, furniture and fixtures, machinery or equipment or any intangible items unless otherwise stated herein.
12. Possession of this report or a copy thereof does not carry with it the right of publication.
13. The forecasts, projections or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors and a continued stable economy. These forecasts are therefore subject to changes with future conditions.





## **QUALIFICATION SUMMARY**

### **THOMAS G. MURIELLO, SRA**

Illinois State Certified General Real Estate Appraiser

License No. 553.000500

Expires September 30, 2019

#### **EDUCATION:**

Graduate Loyola University, Chicago, Illinois, B.A.

Required and elective courses now sponsored by the Appraisal Institute

Professional Designation by the Appraisal Institute: SRA

Illinois State Certified General Real Estate Appraiser, License #153.000500]

Member Illinois Association of Certified Real Estate Appraisers

Member Illinois Coalition of Appraisal Professionals

#### **APPRAISAL EDUCATION:**

##### **APPRAISAL INSTITUTE**

##### *Successfully completed:*

Course 1A - Basic Principles, Methods and Techniques

Course 1B - Capitalization Theory and Techniques

Course VIII - Residential

Course II - Urban

Case Studies, Income Valuation

Litigation Valuation

Capitalization Theory and Techniques Cap A

Standards of Professional Practice, A & B

##### *Continuous Education*

##### **APPRAISAL INSTITUTE**

Standards of Professional Practice, Part A and Part B

Conditions of The Chicago Real Estate Market

Appraisers and Fair Lending

Understanding and Testing Discounted Cash Flow Valuation Models

Valuation of Partial Interests

URAR Form

Internal Rates of Return

Nursing Home Valuation  
Shopping Center Analysis  
Special Purpose Properties  
Real Estate Valuation in Litigation  
Highest and Best Applications  
Liability Management  
Scope of Work  
Hotel-Motel Valuation  
Analyzing Operating Expenses  
HP12C Financial  
Illinois Appraisers Update  
Green Buildings and Real Estate  
Data Confirmation and Verification Methods  
Appraisal Consulting  
Business Practices & Ethics  
Standards & Ethics, USPAP  
Appraising the Tough Ones  
Appraisal Challenges: Declining Markets & Sales Concessions  
National Uniform Standards of Professional Appraisal Practice  
ICAP Update  
  
Current Recertification, Appraisal Institute  
Illinois State Certified General #153.0000500

***Professional Committee***

- Appraisal Institute Membership Admissions Experience Review
- Review and Counseling Member, Ethics and Counseling, Appraisal Institute
- Education Committee Chicago Appraisal Institute

**EXPERIENCE:**

Partner, President  
Muriello Appraisal and Consulting  
Elk Grove Village, Illinois



03/99 to Present

Vice President

Meyer-Muriello, Inc.

Elk Grove Village, Illinois

06/76 to 03/99

Single family residential

Mixed-Use

Condominium units

Retail Condominiums

Multi-tenant Offices

Condominium conversions

Apartment buildings:

2 to 500 units; mixed use

Commercial properties

USDA Facilities

Scavenger yards

Stores, offices

Banks and Savings & Loan  
facilities

Permanent and temporary  
easements

Alternate investment analysis

Property for urban renewal

Agricultural; Farms

Nursing Homes

Senior Housing Assisted Living

Lodging Industry Properties

Adaptive Re-Use

Car Wash facilities

Houses of Worship

Vacant Land

Shopping Centers

Industrial Condominiums

Office condominiums

Single User Offices

Automotive Repair

Restaurants, banquet facilities

Industrial facilities

Manufacturing, warehouse facilities

Mini-warehouse,

distribution facilities

Food Processing facilities

Funeral homes

Gas service stations, mini-marts

Financial institutions

Schools, Learning institutions

Railroad rights-of-way

Going concern values

Feasibility studies

Condemnation, whole and partial  
takings

Congregate Care Senior Citizens

Senior Housing Lifecare

Communities

Automobile Dealership facilities

Hotels and Motels

Non-profit Uses

Special Use Properties

**TYPICAL CLIENTS:**

|   |                                   |
|---|-----------------------------------|
| Federal National Mortgage Association                   | Attorneys                         |
| REITS   | Individuals                       |
| Community Banks   | State of Illinois                 |
| Federal Savings Banks                                   | Commercial banks                  |
| Accountants   | National & Regional banks such as |
|   | -JPMorgan Chase Bank              |
|   | -Bank of America                  |
|   | -BMO Harris Bank                  |
| Kane County, Illinois                                   | Lake County, Illinois             |
| Employee transfer services and<br>employer corporations | The Prudential Company            |
| Illinois Department of Transportation                   | Rockwell International            |
|   | Brunswick Corporation             |

**AREAS OF EMPLOYMENT:**

Chicago, Illinois and vicinity  
Cook, Kane, McHenry, Lake, DuPage, Will Counties, Illinois

\* \* \* \* \*

The Appraisal Institute conducts a voluntary program of continuing education for its designated members. Members who meet the minimum standards of this program are awarded periodic educational certification. I am certified under this program.

## **QUALIFICATION SUMMARY**

**FRANK J. MURIELLO, MAI, SRA, CRE**

Illinois Certified General Real Estate Appraiser

License No. 553.000722

License expires September 30, 2019

### **EDUCATION:**

**LOYOLA UNIVERSITY**, Chicago, Illinois,

B.S. degree in Economics

**American Institute of Real Estate Appraisers\***

Courses I, II, VIII pertaining to Principles, Urban Properties, Investment  
Property seminars, and Standards of Professional Practice

**American Savings and Loan Institute**

Savings and Loan Principles, Home Construction, Residential Appraising

**Real Estate Institute\*, Central YMCA Community College**

Real Estate Principles, Construction Cost Estimating, Real Estate  
Appraising Courses, I, II and III

\*Merged in 1991 to form The Appraisal Institute

### **PROFESSIONAL EXPERIENCE:**

State of Illinois, Licensed Real Estate Broker, License #475-046255

State Certified General Real Estate Appraiser, License #553.0000722

Oak Park Federal Savings & Loan - 1949-1962

Chief Appraiser, 1954-57

Vice President Mortgage Division, 1957-62

Life Savings & Loan Association

Executive Vice President & Managing Officer, 1963-1969

Frank J. Muriello, Real Estate Appraiser & Consultant, 1970-present

Muriello/Meyer & Associates, Elk Grove Village, Illinois

General Partner, Co-Founder, 1973

Muriello Appraisal and Consulting, Elk Grove Village, Illinois,

Senior Partner, Chairman Review Counsel

**PROFESSIONAL MEMBERSHIPS AND AFFILIATIONS:**

American Society of Real Estate Counselors, CRE Designation  
The Appraisal Institute, MAI, SRA Designations  
National Association of Real Estate Boards  
Illinois Association of Real Estate Boards  
Oak Park Board of Realtors  
American Institute of Real Estate Appraisers, Examining Committees, Multiple  
Family and Non-Residential Property  
American Savings & Loan Institute, Real Estate Appraisal Instructor  
The Institute of Financial Education, Thesis Reviewer  
National Association of Housing Redevelopment Officials  
National Leased Housing Association

**APPRAISAL EXPERIENCE (PARTIAL LIST):**

|   |  |
|---|--|
| Single family residences  | Condemnation appraisals                  |
| Multiple family properties                                      | Land development and feasibility studies |
| Condominiums  | Agricultural; Farms                      |
| Commercial properties   | Nursing homes & Congregate Care          |
| Industrial plants   | Leasehold interest analysis              |
| Schools, Learning institutions                                  | Special purpose properties               |
| Fractional interests  |  |
| Qualified as Expert Witness in condemnation and related matters |  |

**CLIENTELE: (TYPICAL)**

JP Morgan Chase Bank, N.A.  
Austin Bank of Chicago  
National Bank of Commerce  
Community Bank of Oak Park - River Forest  
Village of Oak Park, Illinois  
Bank One  
Park National Bank  
PlainsBank of Illinois  
Community Investment Corporation  
Northern Trust Company  
Charter One Financial

Harris Bank & Trust Co.

Various schools and park districts

Attorneys, Realtors, and various individuals

The Appraisal Institute conducts a voluntary program of continuing education for its designated members. Members who meet the minimum standards of this program are awarded periodic educational certification. I am currently certified under this program.

**COMMUNITY SERVICE:**

Village of Oak Park, Trustee, 1981-1985

**HOUSING ADMINISTRATION EXPERIENCE:**

Executive Director of the Housing Authority of the Village of Oak Park, 1986-1998

Executive Director and CEO of the Village of Oak Park Residence Corporation,  
1986-1998

Low-Income Housing Tax Credit Program

HUD Section 8 Existing Certificate-Voucher Program

HUD Section 202 Congregate Facility for Elderly/Handicapped

Management & Rehabilitation of Multiple-Family Properties

Community Development Block Grant Program

Condominium Development and Conversion