

**APPRAISAL REPORT**  
**Milwaukee County's City Campus**  
**Southwest Corner of N. 27<sup>th</sup> Street**  
**& W. Wells Street**  
**City of Milwaukee, Wisconsin**

Appraisal Date:  
September 22, 2014

***THE NICHOLSON GROUP LLC***

October 28, 2014

David Cialdini  
Project Manager  
Milwaukee County – Economic Development  
2711 West Wells Street  
3<sup>rd</sup> Floor  
Milwaukee, Wisconsin 53208-3531

Subject: Milwaukee County's City Campus Appraisal  
1) 2-Story Building with Theater  
2) 5-Story Building  
3) 9-Story Building  
4) Parking Lot/Land Parcel  
Southwest Corner of N. 27<sup>th</sup> Street & W. Wells Street  
Milwaukee, Wisconsin

We have made a complete appraisal of the fee simple estate in the property identified above and submit our findings in this appraisal report.

The subject property is known as Milwaukee County's City Campus, a multi-building mixed-use complex located on the City of Milwaukee's near west side. The complex includes: 1) a nine-story, ±122,100-square foot building originally constructed as a hospital in the early 1960's and converted to government offices in 1999 located at the southeast corner of N. 28<sup>th</sup> Street and Wells Street; 2) a five-story, ±25,800 square foot largely vacant building originally constructed in 1909 as a hospital, converted to medical offices in the 1960's, and somewhat updated for general office use in 1991 located immediately east of the nine-story building along Wells Street; 3) a two-story, ±15,400 square foot building having street level retail and vacant, outdated upper office space, and an attached ±45,500 square foot former theater that has been substantially deconstructed located at the southwest corner of N. 27<sup>th</sup> Street and Wells Street; and 4) a 2.424 acre land parcel located immediately west of the nine-story building at the southwest corner of N. 28<sup>th</sup> Street and Wells Street that is zoned for low-density residential use and currently used as a parking lot for City Campus employees.

The building improvements are at the end of their economic lives. It is not economically feasible to renovate or convert the existing improvements to any alternative use. However, given the value of the underlying land, it is also not economically feasible to demolish the existing improvements to create a vacant parcel for future development. That is, the costs of demolition and asbestos abatement exceed the value of the underlying land essentially creating a negative as-is property value. The highest and best use of the subject property is to hold until it becomes economically feasible to either renovate/convert the improvements to an alternative use or to demolish the improvements thereby creating a vacant parcel for development. If economic subsidies were to be made available for demolition and asbestos abatement costs, the underlying land parcel then has a positive value.

This appraisal is conditioned under the extraordinary assumption that the demolition costs as estimated using Marshall Valuation Service ("MVS") are accurate. If it is later found that the demolition and asbestos abatement costs are significantly lower than those estimated using MVS, the value of the subject property as contained herein may increase and we reserve the right to amend our opinions accordingly.

It is our opinion that the as is market value of the fee simple estate in the subject property in its actual physical condition and subject to the zoning in effect as of September 22, 2014 is:

<b>As Is Market Value Summary</b>		
<b>City Campus</b>		
Eastern Land Parcel (1.189 Acres)		\$259,000
Western Land Parcel (2.424 Acres)	+	<u>\$106,000</u>
Indicated Land Value, As Vacant		\$365,000
Less: Demolition Costs	-	\$2,100,000
Less: Asbestos Abatement Costs	-	<u>Unknown</u>
Market Value, As Is		(\$1,735,000) *
	Rounded	\$0

\* The asbestos abatement costs are unavailable at this time; any additional costs would only serve to increase the already exorbitant negative value caused by the demolition of the building improvements.

As requested by the client, this appraisal assumes that a potential buyer of the property will be required to purchase all of the aforementioned City Campus real estate components as one economic unit meaning that, although certain components of the City Campus may have positive values as standalone entities, negative factors (i.e. deferred maintenance, demolition costs, asbestos abatement, etc.) from other components of the City Campus effectively offset any contributory value that may exist.

The opinions expressed in this report can only be completely understood by reading the following report, exhibits, other data, assumptions and limiting conditions, and general service conditions. This appraisal report and all of the appraiser's work in connection with the appraisal assignment are subject to the limiting and general service conditions as well as all other terms stated in the report. Any use of the appraisal by any party, regardless of whether such use is authorized or intended by The Nicholson Group LLC, constitutes acceptance of all such limiting and general service conditions and terms.

Respectfully submitted,  
**THE NICHOLSON GROUP LLC**



Lawrence R. Nicholson, MAI  
Wisconsin Certified General Appraiser (#1116)



Thomas E. Makarewicz  
Wisconsin Certified General Appraiser (#1644)

Attachment  
14-179

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**Scope of Work**

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Property Appraised	Milwaukee County's City Campus Appraisal 1) 2-Story Building with Theater 2) 5-Story Building 3) 9-Story Building 4) Parking Lot/Land Parcel Southwest Corner of N. 27th Street & W. Wells Street Milwaukee, Wisconsin
Appraisal Date	September 22, 2014
Inspection Date	September 22, 2014
Appraisal Purpose & Rights Appraised	Market value of the fee simple estate
Intended Users	The intended user of our opinions and this report is Milwaukee County ("client"); use of this report by others is not intended by the appraiser. A party receiving a report copy from the client does not, as a consequence, become a party to the appraiser-client relationship. No third parties are authorized to rely upon our opinions or this report without the express written permission of The Nicholson Group LLC.
Intended Use	The intended use of our opinions and this report is for internal planning purposes and the possible sale of the property.
Assets Included	Land and improvements
Assets Excluded	Any supplies, materials on hand, inventories, company records and any current or intangible assets that may exist.
Scope of the Investigations	In developing this real property appraisal, the appraisers conducted a complete appraisal process which considered the use of the three traditional approaches to value: the Cost, Income Capitalization and Sales Comparison Approaches.

Thomas E. Makarewicz collected, researched, verified and analyzed the information deemed necessary to develop credible assignment results, that is, being worthy of belief. Furthermore, Thomas E. Makarewicz: contacted the property owner representative, David Cialdini; inspected the appraised property on September 22, 2014; reviewed subject property information provided by the property owner representative; researched public records pertaining to the subject property; investigated market and neighborhood trends affecting the highest and best use; as appropriate, gathered information pertaining to comparable land sales, rents, operating expenses, construction costs, and capitalization rates; analyzed the data; applied the appropriate valuation approaches to arrive at a reasonable and independent opinion of market value; and completed this appraisal report.

Lawrence R. Nicholson, MAI inspected the appraised property, reviewed the valuation analyses and the techniques used and has concluded that the conclusions stated herein are adequately supported, reasonable and credible.

Sources used in obtaining comparable data included: The Nicholson Group's proprietary database of sale and lease transactions; public records; real estate sales data published by CoStar Group, MLS, Redi-net and tax assessor offices; other appraisers; and, real estate brokers. The comparable sales were inspected and the terms of the transactions were verified through public records and/or by interviewing a party to the transaction. Data may have been used without verification by a party to the transaction if attempts to contact these individuals were unsuccessful and/or if the data was obtained from a reliable source and appeared to be correct.

The opinions presented in this report are based upon review and analysis of the market conditions affecting real property value. The value opinion has been supported by relevant evidence and logic to the degree necessary for the intended use.

Information, estimates and opinions furnished to the appraiser and contained in this report and/or in the appraisal workfile were obtained from sources considered reliable and believed to be true and correct. However, we can assume no responsibility for the accuracy of such items furnished to the appraiser.

While reasonable care has been taken to ensure that the facts stated herein are accurate and that any expressed or implied opinions are fair and reasonable, the opinions, estimates and projections in this appraisal constitute judgments as of the date of this appraisal and there can be no assurance that future results or events will be consistent with any such opinions, estimates or projections.

This appraisal report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice ("USPAP") for an Appraisal Report. This report presents summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop our opinion of value. Supporting documentation that is not provided with the report concerning the data, reasoning and analyses is retained in the appraisal workfile. The depth of discussion contained in this report is specific to the needs of the client and for the intended use state in this report. The appraiser is not responsible for unauthorized use of this report.

Standards Conformance

This appraisal has been prepared to conform with: the Uniform Standards of Professional Appraisal Practice ("USPAP"); and, the Standards of Professional Appraisal Practice and Code of Professional Ethics of the Appraisal Institute.

Competency Statement

According to the Competency Rule as set forth by USPAP, competency applies to factors such as, but not limited to, specific types of property, a specific type of property or asset, a market, a geographic area, an intended use, specific laws and regulations, or an analytical method. The appraisers are familiar with the subject property type and market area. Furthermore, the appraisers have the education, experience and competency to appropriately utilize the analytical methods employed in this report. The appraisers certify that they have the ability to properly identify the problem to be addressed, the knowledge and experience to complete the assignment competently and recognition of and compliance with laws and regulations that apply to the appraiser or to the assignment.



**Exposure Time**

Exposure time is defined as “The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.” [Source: USPAP, 2012-2013 Edition]

Exposure time is the amount of time necessary to expose a property to the open market in order to achieve a sale. The opinion of an exposure time is not intended to be a prediction of a date of sale. Furthermore, exposure time is always presumed to occur prior to the effective date of the appraisal. Implicit in this definition are the following characteristics:

- the property is actively exposed and aggressively marketed to potential purchasers through marketing channels commonly used by sellers of similar type property;
- the property is offered at a price reflecting the most probable markup over market value used by sellers of similar type property; and,
- sale is consummated under the terms and conditions of the definition of Market Value.

It is our opinion that the reasonable exposure time, or the length of time necessary for the subject property to be exposed to the market prior to an arm’s length sale occurring at the market value as concluded herein, is one year.

**Extraordinary Assumption**

The Uniform Standards of Professional Appraisal Practice (“USPAP”) defines an Extraordinary Assumption as: “an assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser’s opinions or conclusions.” The following comment is offered directly after this definition: “Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.”

This appraisal is conditioned on the extraordinary assumption that the demolition costs as estimated using Marshall Valuation Service ("MVS") are accurate. If it is later found that the demolition and asbestos abatement costs are significantly lower than those estimated using MVS, the value of the subject property as contained herein may increase and we reserve the right to amend our opinions accordingly.

#### Definitions

Market Value is defined as: "The most probable price that 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 U.S. 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 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994]

Fee Simple Estate is defined as: "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. [Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute, 2010)]

Highest and Best Use is defined as: "The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity." [Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute, 2010)]

**City of Milwaukee–  
Brief Overview**

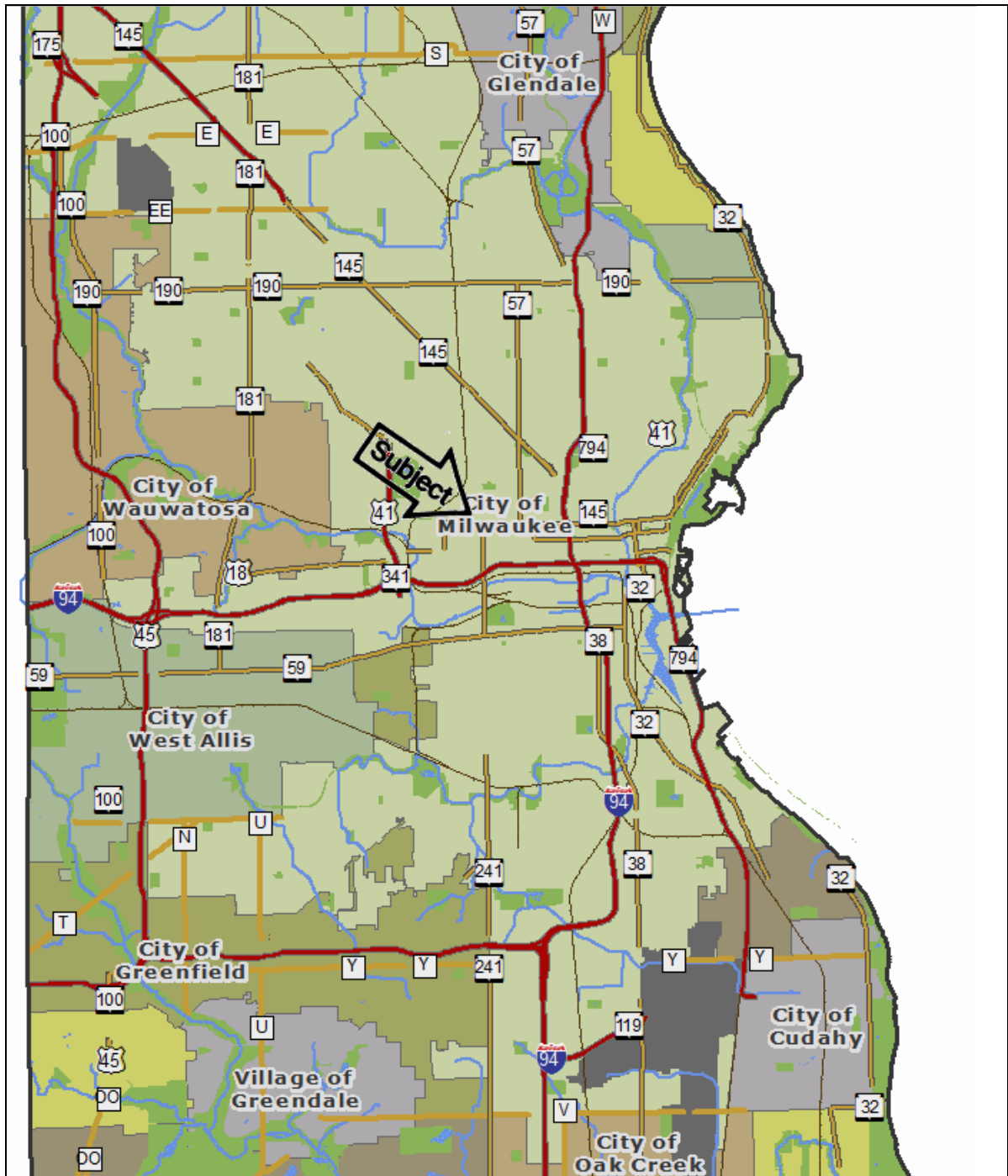
The subject property is centrally located in the City of Milwaukee. The City of Milwaukee is the largest city in Wisconsin and is the major economic center in the State. The City of Milwaukee comprises the majority of Milwaukee County. An area map is presented on the following page; detailed demographic and economic data for the City is presented on subsequent pages.

Milwaukee saw significant population decline over the past 30 years which was caused, in part, by the out-migration of population north and west from Milwaukee into Washington, Ozaukee and Waukesha Counties; however, much of the annual population decline over this period is also the result of smaller household sizes. According to recent data, Milwaukee’s population has remained steady over the last few years and is expected to increase at a very modest annual rate through 2018.

Milwaukee County is the cultural and economic heart of the region with almost as many residents, jobs and businesses as all of the other counties combined. The City of Milwaukee is the 19<sup>th</sup> largest city in the nation and the 39<sup>th</sup> largest metropolitan area. The City has a stable and diverse employment base and has many large employers, with no substantial reliance on any one employer or industry. Largest private-sector employees are summarized below:

<b>Milwaukee's Largest Employers</b>	
AT&T Wisconsin	Medical College of Wisconsin
Aurora Health Care	Northwestern Mutual
BMO Harris	Potawatomi Bingo Casino
Briggs & Stratton Corp.	ProHealth Care, Inc.
Columbia St. Mary's	Quad/Graphics
Cooper Power Systems	Rockwell Automation
Froedtert Health	Roundy's Supermarkets, Inc.
GE Healthcare	SC Johnson
Harley-Davidson Inc.	U.S. Bank
Johnson Controls	We Energies
Kohl's Department Stores	Wheaton Franciscan Healthcare

Area Map





## Demographic and Income Profile - Appraisal Version

City of Milwaukee  
Milwaukee city, WI (5553000)  
Geography: Place

Prepared by Lawrence Nicholson

Summary	Census 2010	2013	2018			
Population	594,833	592,966	599,090			
Households	230,221	230,164	232,955			
Families	130,214	129,142	129,318			
Average Household Size	2.50	2.50	2.49			
Owner Occupied Housing Units	100,296	94,521	96,200			
Renter Occupied Housing Units	129,925	135,643	136,755			
Median Age	30.3	30.8	31.5			
Trends: 2013 - 2018 Annual Rate	Area	State	National			
Population	0.21%	0.34%	0.71%			
Households	0.24%	0.44%	0.74%			
Families	0.03%	0.28%	0.63%			
Owner HHs	0.35%	0.54%	0.94%			
Median Household Income	2.82%	3.28%	3.03%			
Households by Income	2013		2018			
	Number	Percent	Number	Percent		
<\$15,000	46,520	20.2%	46,553	20.0%		
\$15,000 - \$24,999	35,812	15.6%	28,394	12.2%		
\$25,000 - \$34,999	31,117	13.5%	26,581	11.4%		
\$35,000 - \$49,999	37,421	16.3%	32,433	13.9%		
\$50,000 - \$74,999	41,350	18.0%	41,666	17.9%		
\$75,000 - \$99,999	18,208	7.9%	28,170	12.1%		
\$100,000 - \$149,999	14,448	6.3%	21,227	9.1%		
\$150,000 - \$199,999	3,254	1.4%	5,311	2.3%		
\$200,000+	2,033	0.9%	2,620	1.1%		
Median Household Income	\$35,458		\$40,745			
Average Household Income	\$47,378		\$55,471			
Per Capita Income	\$18,906		\$22,080			
Population by Age	Census 2010		2013		2018	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	48,694	8.2%	47,453	8.0%	48,102	8.0%
5 - 9	43,881	7.4%	43,532	7.3%	42,326	7.1%
10 - 14	42,379	7.1%	41,176	6.9%	40,925	6.8%
15 - 19	49,757	8.4%	46,612	7.9%	45,632	7.6%
20 - 24	58,078	9.8%	60,186	10.1%	57,180	9.5%
25 - 34	96,471	16.2%	95,254	16.1%	96,242	16.1%
35 - 44	74,163	12.5%	73,174	12.3%	72,928	12.2%
45 - 54	72,346	12.2%	69,233	11.7%	65,918	11.0%
55 - 64	55,836	9.4%	60,180	10.1%	62,703	10.5%
65 - 74	26,961	4.5%	30,599	5.2%	39,524	6.6%
75 - 84	18,223	3.1%	17,099	2.9%	18,562	3.1%
85+	8,044	1.4%	8,468	1.4%	9,046	1.5%

Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.

October 16, 2014

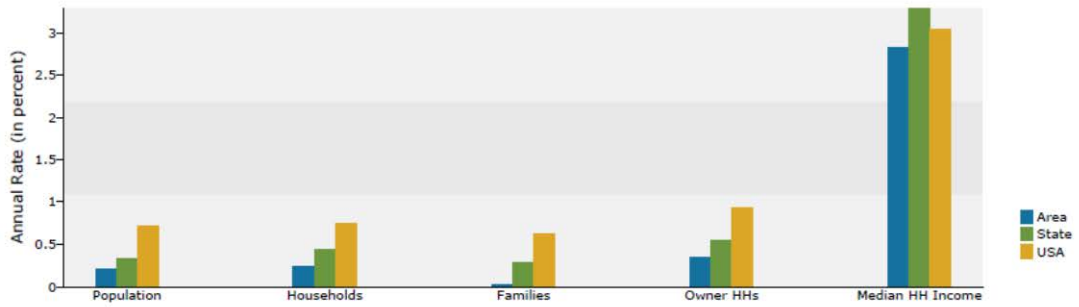


### Demographic and Income Profile - Appraisal Version

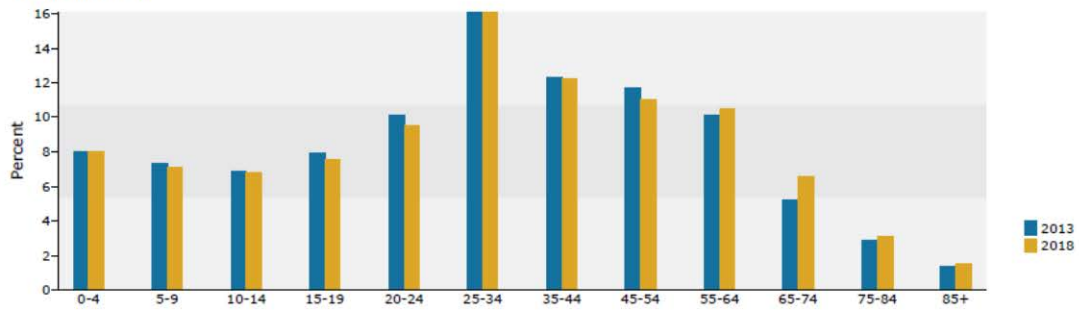
City of Milwaukee  
Milwaukee city, WI (5553000)  
Geography: Place

Prepared by Lawrence Nicholson

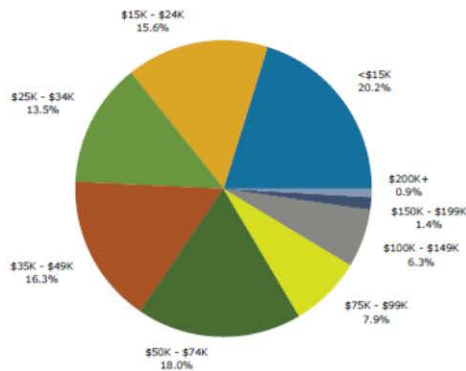
Trends 2013-2018



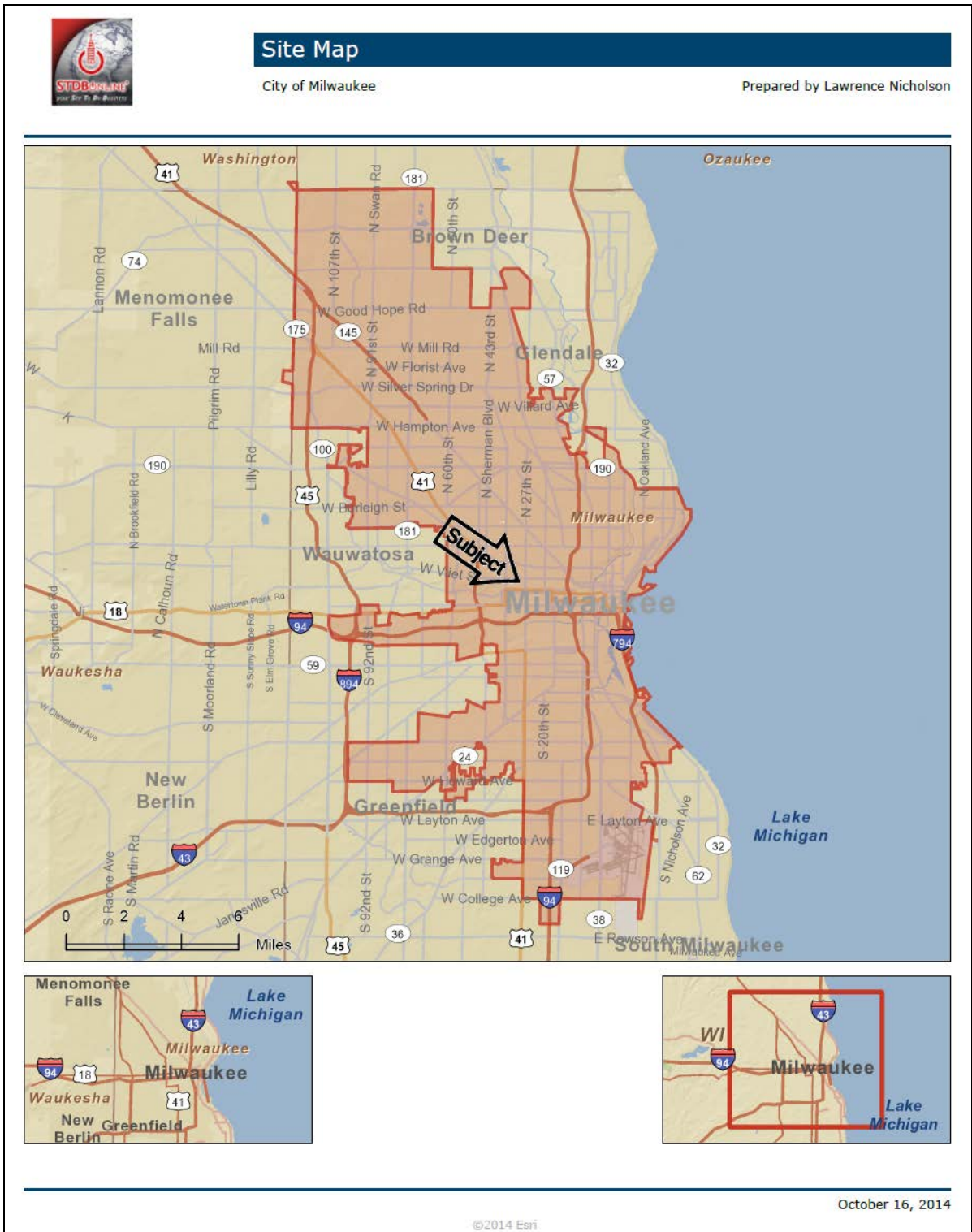
Population by Age



2013 Household Income



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2013 and 2018.



According to the Metropolitan Milwaukee Association of Commerce (“MMAC”), a large portion of the local labor force is employed in the manufacturing sector. Service businesses, however, constitute the largest sector of the local economy, with much of the growth occurring in financial and insurance services, including e-commerce and data processing services. Tourism is also a major contributor to the local economy. The area's many festivals and parades, as well as its nationally recognized museums and zoo, generate \$2.5 billion annually. Milwaukee is home to many nationally and internationally known service companies in all major market segments, including insurance, financial services, utilities, retail and food services.

In the past 10+ years, downtown has been developed with more than 3,000 condominiums offering panoramic views of Lake Michigan, the Milwaukee River and the city's historic Third Ward, Brewer's Hill and Walker's Point areas. During the summer, the city's lakefront festival park offers a variety of musical entertainment venues, which is home to numerous ethnic festivals and Summerfest, an 11-day extravaganza that is the world's largest music festival. Downtown cultural attractions include the Milwaukee Art Museum and its internationally acclaimed Calatrava addition, the downtown theater district and the Marcus Center for the Performing Arts. Sports fans can enjoy professional baseball with the Milwaukee Brewers, professional basketball with the Milwaukee Bucks and professional hockey with the Milwaukee Admirals.

The city is home to major institutions of higher education: Marquette University, with an enrollment of 11,000 undergraduate and graduate students; and, the University of Wisconsin–Milwaukee, the second largest campus in the UW system with more than 27,000 students. Universities and colleges within the city include: Alverno College, Cardinal Stritch University, Keller Graduate School, Marquette University, Medical College of Wisconsin, Milwaukee Area Technical College, Milwaukee Institute of Art & Design, Milwaukee School of Engineering, Mount Mary College, Stratton College, University of Wisconsin – Milwaukee, and Wisconsin Lutheran College.

The City is served by several local bus routes and freeway flyer routes of the Milwaukee County Transit System. Elderly and disabled city residents have access to two specialized transportation programs provided by Milwaukee County.



**Neighborhood Overview**

Land uses within a neighborhood are affected by similar operation of the four forces (social, economic, governmental, and environmental) that affect property value. The subject property is located on the south side of Wells Street and generally comprises the northern portions of the city blocks between N.27<sup>th</sup> and N. 29<sup>th</sup> Streets. A Neighborhood Map is presented on the following page.

N. 27<sup>th</sup> Street is a two-way north-south street that is a fully improved city street with curbs, gutters and sidewalks. N. 27<sup>th</sup> Street is a commercial corridor that provides access to Wisconsin Avenue ½-block to the south of the subject. Wisconsin Avenue is a four-lane, two-way, east-west city street improved with curbs, gutters and sidewalks; it is a primary commercial corridor in the neighborhood. Wells Street is a major two-way thoroughfare that runs parallel to Wisconsin Avenue one-block to the north; it is largely residential in character west of N. 27<sup>th</sup> Street.

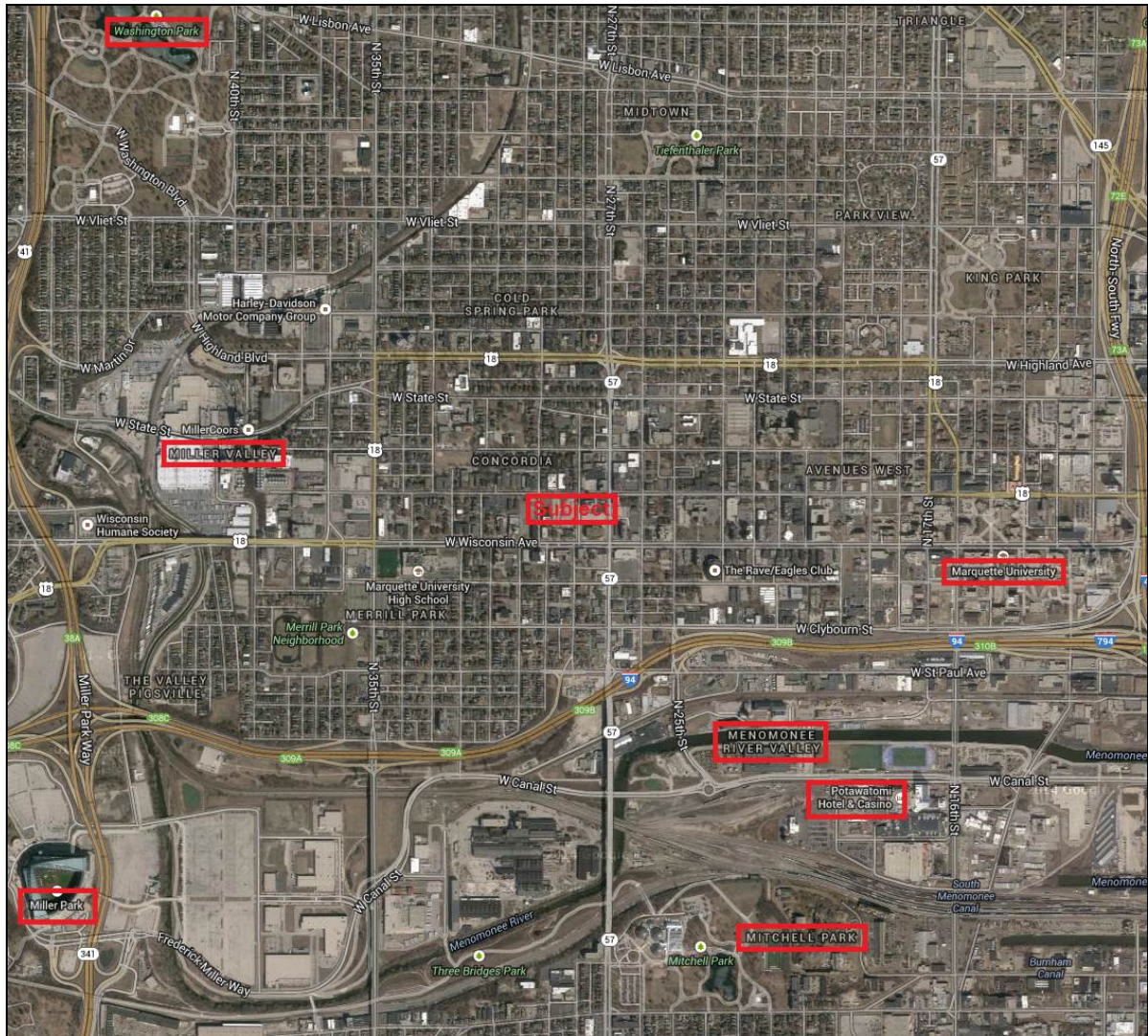
Land uses within the neighborhood are generally residential in nature with commercial uses located along Wisconsin Avenue and N. 27<sup>th</sup> Street. While the subject property is located in rather close proximity to Marquette University, most of the housing in the subject's immediate neighborhood is non-student related.

Land uses adjacent to the subject property are summarized below:

North	An older multi-story mixed-use retail and apartment building, and a mix of single- and multi-tenant residential buildings
South	A vacant elementary school building, a church and multi-family residential buildings
East	A newly renovated three-story mixed-use retail and office building known as the SoHi Building
West	Primarily multi-family residential buildings

In terms of life cycle, the subject neighborhood is in a mature stage with vacant land available for development; however, development and redevelopment are not prevalent. From a development standpoint, the subject area is stagnant with no catalysts driving new development.

### Neighborhood Map



**Summary of Property Appraised Site**

Photographs of the subject property and other property-related information are provided in Exhibit A. An aerial photograph illustrating the subject property is presented below.

**Aerial Map**



Size	<u>Eastern Parcel</u> - 1.189 acres <u>Western Parcel</u> - 2.424 acres
	The acreage is based on assessment records. Although the parcel sizes were provided by what is considered a reliable source, should any detailed measurements indicate a significant difference in size, the value as concluded herein may change and we reserve the right to revisit our valuation analyses and amend our opinions.
Shape	<u>Eastern Parcel</u> - Rectangular <u>Western Parcel</u> - Mostly rectangular
Frontage	<u>Eastern Parcel</u> - The property has $\pm 185$ feet of frontage along the west side of N. 27 <sup>th</sup> Street, $\pm 275$ feet of frontage along the south side of Wells Street and $\pm 185$ feet of frontage along the east side of N. 28 <sup>th</sup> Street.  <u>Western Parcel</u> - The property has $\pm 370$ feet of frontage along the west side of N. 28 <sup>th</sup> Street and $\pm 275$ feet of frontage along the south side of Wells Street. The parcel also has minimal frontage along N. 29 <sup>th</sup> Street and the dead end of N. 28 <sup>th</sup> Place.
Visibility	Both Parcels are readily visible from both directions along all fronting streets.
Access	There are currently multiple curb cuts along the parcels and it is likely that multiple driveways would be permitted upon redevelopment to allow for reasonable access.
Topography	The sites are generally level and at grade with all fronting streets.
Utility Services	Public utilities including gas, electricity, telephone, and municipal sewer and water are available.

**Soils**

No subsurface investigations were conducted. The Nicholson Group LLC is not responsible for and has not undertaken an investigation of unapparent conditions, and cannot render a definitive opinion about buildability. Our market value opinion is based on the assumption that the subject land is buildable. Our conclusion of value is based upon the assumption that there are no hidden or unapparent conditions of the property that might impact upon buildability. We recommend due diligence be conducted through local building department or municipality to investigate buildability and whether property is suitable for intended use. The Nicholson Group LLC makes no representations, guarantees or warranties.

**Easements**

We are not aware of any easements which would adversely affect utility or marketability of the site. Standard utility easements likely exist but we have not investigated these and/or have concluded that their presence do not negatively impact value. The Nicholson Group cannot guarantee that property is free of encroachments or easements and recommends further investigation and survey.

**Improvements**

**Eastern Parcel**

The eastern parcel is improved with a three-building mixed-use complex detailed as follows:

Nine-Story Building - The nine-story office building comprises ±122,100-square feet of gross building area (excluding a full basement) and is located at the southeast corner of N. 28<sup>th</sup> Street and Wells Street. The building was originally constructed as a hospital in the early 1960's and converted to government offices in 1999. The building is of reinforced concrete frame construction and includes a variety of interior office finishes. Much of the building is occupied by several County departments. The building is in fair-to-poor condition with significant items of deferred maintenance including major deficiencies in its fire protection system, issues with mold and mildew, and an unfinished sixth floor that is not useable and possibly unsafe in its current state, among other items. The existing office space is outdated and its layout as a former hospital is not well suited for office use (i.e. wide hallways, large rooms, etc.).

Five-Story Building - The five story building comprises ±25,800-square feet of gross building area (excluding a full basement) and is located immediately east of the nine-story building along Wells Street. The building was originally constructed in 1909 as a hospital, converted to medical offices in the 1960's, and somewhat updated for general office use in 1991. The building is of reinforced concrete frame construction and includes a variety of interior office finishes. With the exception of the fifth floor, which is used by the County for office and storage use, the building is vacant. The building is in fair-to-poor condition with significant items of deferred maintenance including an aging fire alarm system, a leaking roof that needs replacement, an inoperable elevator, lack of windows, and presence of asbestos, among others. We understand that some of the building's mechanical systems are shared with the nine-story building.

Two-Story Building/Theater - This building was constructed in the early- to mid-1900's and includes a ±15,400 square foot, two-story building section with attached ±45,500 square foot former theater located at the southwest corner of N. 27<sup>th</sup> Street and Wells Street. The first floor of the two-story building includes four retail suites comprised of ±5,600 square feet of net rentable area (NRA). Two of the suites totaling ±4,200 square feet of NRA, or ±75% of the total rentable area, are currently leased and occupied by a Chinese restaurant and an apparel business on a month-to-month basis. This space is functional and its interior finish is in good-to-fair overall condition or its age. The second floor is comprised of vacant office space that is old and in disrepair. The two-story building section reportedly has major deficiencies in its fire protection system, is not ADA compliant as it lacks an elevator, and likely contains asbestos, among other issues. The attached former Tower Theater has been inoperable since the mid-1970's when the adjacent hospital purchased and converted a portion of it into a cafeteria. The seats and other furnishings have since been removed, the interior has been deconstructed and partially subdivided, and the space is generally in poor condition with significant items of deferred maintenance, including the presence of asbestos.

Western Parcel

A large portion of the western parcel is currently improved with a secured asphalt-paved parking lot used by City Campus employees.

Current Owner

Milwaukee County

Identifying Land Description	<p>Please refer to Exhibit A for a legal description of the subject property. The subject property can also be identified by its address and tax parcel numbers as presented herein.</p> <p>The identifying land description furnished is assumed to be correct; however, any identifying land description presented in this appraisal report is not and should not be construed as a complete and accurate legal description of the subject property; it should only be used along with the tax parcel number and property address to identify the subject property for appraisal purposes. We do not guarantee or warrant the completeness, correctness or accuracy of the legal description of the subject property as provided and it should not be used for ownership transfer involving the subject property. The appraiser assumes no responsibility for matters legal in character, nor renders any opinions as to the title, which is assumed to be good.</p>
History of Ownership and Property Sales	<p>According to USPAP, an appraiser must analyze all agreements of sale, options, and listings of the subject property current as of the effective date of the appraisal; and, analyze all sales of the subject property that occurred within the three years prior to the effective date of the appraisal.</p> <p>Based on our investigations, the subject property is not currently listed for sale, there are no pending options or agreements of sale associated with the property, and there have been no arm's length sales of the property in the past three years.</p>
Assessments and Taxes	<p>The property is owned by Milwaukee County and is exempt from assessment and taxes.</p>
Zoning	<p>The eastern parcel is zoned LB2, Local Business District, by the City of Milwaukee. The LB2 district is intended to provide a wide range of goods and services to a large consumer population coming from an extensive area. Within these districts, motor-vehicle-related activities are of major significance. Good access by motor vehicle or public transit is important to local business districts, which are often located adjacent to intersections of major thoroughfares and in close proximity to bus transfer locations. Development patterns within the LB2 district tend to be more urban in character with smaller lots and setback requirements.</p>

The LB2 permitted uses include a wide variety of commercial and residential uses including single- and multi-family dwellings, general, medical and government offices, hotels, banks or other financial institutions, theaters, health clubs, and a variety of other retail and service uses, among other uses.

The western parcel is zoned RT3, Two-Family Residential District, by the City of Milwaukee. The RT3 district is intended to promote, preserve and protect neighborhoods intended primarily for two-family dwellings with a traditional urban character. This district allows smaller lot sizes and setback requirements, and higher lot coverage standards.

The RT3 permitted uses include single- and two-family residential uses, some group residential uses such as convents, foster homes, and family shelter facilities, schools and other institutional uses, playgrounds, and parking lots, among other limited uses.

The existing improvements appear to represent legally conforming uses under their respective zoning designations. The buildings appear to meet setback, height and coverage requirements or have been legally grandfathered. We understand that certain building areas that are vacant do not meet current building codes and would need to be corrected prior to occupancy.

The subject is governed by the Near West Side Comprehensive Plan which contains specific guidelines for development/redevelopment in the area. The Near West Side Comprehensive Plan covers a broad area immediately west of Milwaukee's downtown. According to the plan, the boundaries are US 41 on the west, I-43 on the east, and I-94 on the south. On the north the border starts at Vliet Street and US 41, jogs north to Cherry Street at N. 27<sup>th</sup> Street, and follows Cherry Street to I-43.

According to the Near West Side Comprehensive Plan and conversations with City redevelopment and neighborhood leaders, the desired redevelopment plan for the subject property is as follows:



Eastern Parcel - Along N. 27<sup>th</sup> Street, the vision is for a multi-story mixed-use building with continued street level commercial/retail use and upper level office or apartment use. To the west, a higher-density, high-quality, market-rate apartment or condominium development is preferred.

Western Parcel - The prevailing attitude is that there is an oversupply of multi-family apartments and subsidized housing in the neighborhood. The vision for the western parcel is for lower-density, owner-occupied housing (i.e. single-family, duplex and/or row houses) consistent with current zoning.

The preceding descriptions of the applicable subject zoning are summaries only and are not meant to be complete. The reader is strongly encouraged to obtain and read all applicable ordinances for complete zoning information. We make no guarantees or warranties pertaining to the zoning applicable to the subject property or to any of our interpretations of the zoning ordinance. Furthermore, we do not guarantee or warrant any zoning or building code compliance. If a user of this report has questions relating to the zoning or building codes as they pertain to the subject property, it is strongly recommended that any such user obtain professional zoning and/or building code consultation from a qualified person.

#### Floodplain

According to FEMA floodplain maps, the subject property appears to be located within Zone X identified as an area of minimal flooding; that is, not within the designated 100-year floodplain.

#### Hazardous Materials

We understand that in or before 1991 a petroleum spill or leak from an underground storage tank(s) resulted in soil contamination on the subject property. Not much is known of the situation other than the case was closed in 1991.

The contamination risk effects are considered low and do not have a negative impact on the property's value for the following reasons:

- The current owner is not the responsible party.
- The contamination does not limit or change the highest and best use of the property.

We understand that the property owner has conducted a preliminary inspection of the property that identified the presence of asbestos in certain areas of the buildings. Reports and cost estimates for the asbestos abatement were requested but not yet available as of the appraisal date. The presence of asbestos and its impact on value has been considered in this report and is based on conversations with the property owner representative. However, the magnitude of its impact is still yet unknown and we reserve the right to amend our opinions accordingly if the asbestos findings differ significantly from those currently understood by the appraisers.

Upon physical inspection of the subject property, no indication "to the untrained eye" of any other environmental hazards were apparent. We assume that there are no unresolved or unknown environmental problems within the boundaries of the subject property. However, an appraiser is not qualified to assess environmental issues and is not considered an expert in this field.

Substances such as asbestos, mold, lead paint, urea-formaldehyde foam insulation, other chemicals, toxic wastes, or other potentially hazardous materials could, if present, adversely affect the value of the property. Unless otherwise stated in this report, the existence of hazardous substances, which may or may not be present on or in the property, was not considered by the appraiser in the development of the conclusion of value. The stated value estimate is predicated on the assumption that there is no material on or in the property that would cause such a loss in value. No responsibility is assumed for any such conditions, and the client and any reader of this report is hereby advised that the appraiser is not qualified to detect such substances or develop the remediation cost.

Full compliance with applicable federal, state, and local environmental regulations and laws is assumed unless otherwise stated, defined, and considered in the report. It is also assumed that all required licenses, consents, or other legislative or administrative authority from any local, state, or national government or private entity organization either have been or can be obtained or renewed for any use which the report covers.

**Highest and Best Use**Land as if Vacant

## Legally Permissible

Legal restrictions as they apply to the subject property involve the public restrictions of zoning and easements. The eastern 1.189 acre improved parcel is zoned LB2, Local Business District, which permits a wide variety of commercial (i.e. retail, office, hospitality, etc.), residential, institutional and recreational uses. The western 2.424 acre parcel, currently vacant and used as a parking lot for employees of the City Campus, is zoned RT3, Two-Family Residential District, which permits single- and two-family residential uses and limited institutional and recreational uses. The parcels are part of Milwaukee's Near West Side Comprehensive Plan. According to the plan, as well as government and neighborhood officials, the vision for the sites include street level retail with second story office uses along N. 27<sup>th</sup> Street with multi-family residential backup on the eastern 1.189 acre parcel, and low-density residential (i.e. a single- and/or two-family residential development) use on the western 2.424 acre parcel. There appear to be no easements that negatively impact value. Based on the legal attributes of the parcels, a mix of commercial and multi-family residential uses are legally permissible for the eastern 1.189 acre parcel and low-density residential uses are legally permissible for the western 2.424 acre parcel.

## Physically Possible

Physical aspects impose constraints on possible uses of the property. Size, shape, topography and access are key determinants of physically possible uses. Size, shape and topography are adequate and there is reasonable access to support development of both sites. Based on a review of the physical aspects of the parcels, the legally permissible uses are physically possible.

## Financially Feasible

The property is located just north of the Wisconsin Avenue corridor in an area comprised primarily of older residential, commercial and institutional uses. From a development standpoint, the subject area is stagnant with no catalysts driving new development. The most recent development is a ±64,000 square foot office building constructed in 2013 and leased to the Wisconsin Department of Children and Families located at the southeast corner of N. 27<sup>th</sup> Street and Wisconsin Avenue. The city-owned site sat vacant for many years before a developer purchased it from the City for \$1.

Given the subject's location, future development of a mixed use commercial and multi-family residential project on the eastern 1.189 acre parcel and a low-density residential project on the western 2.424 acre parcel may be economically feasible. However, development is likely numerous years into the future given the stagnant development trends in the neighborhood.

Maximally Productive &  
Highest and Best Use

The most productive use of the parcels is to maximize their development potential given their locational and legal attributes. The concluded maximally productive use and highest and best use, as if vacant and available for development, is for future development of a mix of commercial and multi-family residential uses on the eastern 1.189 acre parcel and low-density residential use on the western 2.424 acre parcel in accordance with the land use plan and City of Milwaukee zoning requirements.

Property as Improved  
Legally Permissible

The eastern 1.189 acre parcel is improved with three buildings: 1) a nine-story, ±122,100-square foot building originally constructed as a hospital in the early 1960's and converted to government offices in 1999; 2) a five-story, ±25,800 square foot largely vacant building originally constructed in 1909 as a hospital, converted to medical offices in the 1960's, and somewhat updated for general office use in 1991; and 3) a two-story, ±15,400 square foot building having street level retail and vacant, outdated upper office space, and an attached ±45,500 square foot former theater that has been substantially deconstructed. The buildings appear to represent legally conforming uses under their respective zoning designations. The buildings appear to meet setback, height and coverage requirements or have been legally grandfathered. We understand that certain building areas that are vacant do not meet current building codes and would need to be corrected prior to occupancy. There are no easements that have a negative impact on value. The property as improved appears to represent a legally permissible use apart from the aforementioned building code violations.

Physically Possible

Physical considerations of the property as improved include the size, design, and condition of the improvements.

*Nine-Story Building*

The nine-story former hospital building was constructed in the early 1960's and converted to government offices in 1999. The building is in fair-to-poor condition with significant items of deferred maintenance including major deficiencies in its fire protection system, issues with mold and mildew, and an unfinished sixth floor that is not useable and possibly unsafe in its current state, among other items. The existing office space is outdated and its layout as a former hospital is not well suited for office use (i.e. wide hallways, large rooms, etc.). The building's reinforced concrete construction allows for renovation of its current office use or conversion to some other use. Conversion of concrete-framed buildings in the Milwaukee area is not uncommon and typically consist of the complete gutting of the building interior creating a building shell. Both renovation of the building for continued office use or conversion into an alternative use would be physically possible but would require extensive interior demolition and buildout.

*Five-Story Building*

The five-story building was originally constructed in 1909 as a hospital, converted to medical offices in the 1960's, and somewhat updated for general office use in 1991. With the exception of the fifth floor, which is used by the County for office and storage use, the building is vacant. The building is in fair-to-poor condition with significant items of deferred maintenance including an aging fire alarm system, a leaking roof that needs replacement, an inoperable elevator, lack of windows, and presence of asbestos, among others. Similar to the nine-story building, the five-story building is of reinforced concrete construction that would allow for office renovation or conversion to an alternate use.

*Two-Story Building/Theater*

The two-story building and theater were constructed in the early- to mid-1900's. The first floor of the two-story building includes four retail suites comprised of  $\pm 5,600$  square feet of net rentable area (NRA). Two of the suites totaling  $\pm 4,200$  square feet of NRA, or  $\pm 75\%$  of the total rentable area, are currently leased and occupied by a Chinese restaurant and an apparel business on a month-to-month basis. This space is functional and in good-to-fair overall condition. The second floor is comprised of vacant office space that is old and in disrepair. The building also has major deficiencies in its fire protection system, is not ADA compliant as it lacks an elevator, and likely contains asbestos, among other issues. The two-story building is of reinforced concrete construction that would allow for the renovation of the second floor office space or its conversion to an alternate use such as apartments or condominiums.

Attached to the two-story building is a large former theater that has been inoperable since the mid-1970's when the adjacent hospital purchased and deconstructed the interior to convert a portion of it into a cafeteria. The building reportedly has a sound structure but has significant items of deferred maintenance such as major deficiencies in its fire protection system and the presence of asbestos, among others. Renovation of the space for theater use or conversion of the building into an alternative use would be physically possible but would require extensive interior demolition, including asbestos abatement, and buildout.

## Financially Feasible

Testing financial feasibility of the property as improved involves determining if the improvements or alternative uses generate a positive return to the land as if vacant. That is, a use must create a value in excess of the value of the underlying land. If no uses are found to be feasible, then the most probable buyer will be a user or investor that would acquire the subject property and demolish the existing improvements creating a vacant parcel of land for redevelopment.

*Nine-Story & Five-Story  
Buildings*

The most probable uses of the nine- and five-story buildings include continued office use or conversion to apartments, condominiums, a hotel or an educational facility.

Office Use - Locational factors weigh most heavily upon continued office use; specifically the subject neighborhood is not an existing or emerging office market. Evidence of the weak office market include the SoHi Building located at the southeast corner of N. 27<sup>th</sup> Street and Wells Street which includes  $\pm 5,000$  square feet of retail space on the first floor and a combined  $\pm 4,000$  square feet of office space on the second and third floors. The office space has sat vacant since the building's renovation in 2011. The high vacancy rate which would likely occur if the subject's combined  $\pm 147,900$  square feet of building area were marketed for office use coupled with the extensive renovation costs creates an unfeasible use.

Apartment Use - Apartments are a potential use of the subject property as older buildings in the periphery areas of downtown Milwaukee have and are being converted to this use. However, these buildings are located nearer the CBD than the subject property, with many being located along the Milwaukee River and in the Historic Third Ward and Fifth Ward which command higher rents than the subject property can generate. Although the subject property is about 11 blocks west of Marquette University, most students reside in an area known as Campus Circle which has N. 20<sup>th</sup> Street as its west boundary. The subject property may capture a small portion of the student housing demand; however, the subject would not capture a large enough share in order to consider student housing to be a primary demand generator. The low rents coupled with the significant conversion costs make an apartment use unfeasible.

Condominium Use - Condominium conversion has been considered but with the low demand for condominium units in the area coupled with the high cost of conversion creates an unfeasible alternative use. Evidence of the lack of demand for condominiums in the immediate area include the failed West Pointe development located at the northeast corner of N. 27<sup>th</sup> Street and Wells Street. West End Development Corp., a nonprofit organization, planned to convert an old multi-story apartment building into 14 condominium units. Despite nearly \$1 million in federal funding, the project failed as units did not sell, and the building reverted back to affordable rental apartments.

Hotel - Conversion of the subject property to a hotel has been considered but is concluded to be unfeasible. A lack of demand generators in the immediate subject area is the chief factor for a hotel use being unfeasible. This lack of demand generators coupled with poor locational attributes makes this use unfeasible.

Educational Facility - Use as a school or cultural/arts center has been considered but the large size of the buildings and the extensive costs of conversion make it unfeasible. Furthermore, an existing school building located immediately to the south of the subject has sat vacant for several years indicating a lack of demand for such a use in the immediate area.

Conclusion - Market analysis has indicated that there is no economically feasible use for the five- or nine-story building. That is, the costs of renovation or conversion far exceed the stabilized value of the property after renovation or conversion is completed. There is no use that creates a value for the property as improved that is higher than the value of the underlying land. This analysis suggests that demolition of the five- and 9-story buildings is eminent.

*Two-Story Building/Theater*

Considering the legally permissible and physically possible uses of the two-story building, the most probable uses include street-level retail with office, apartment or condominium uses on the second floor. Potential uses for the former theater include renovation for theater use or conversion for recreational/institutional use such as a gymnasium or community center.



Street Level Retail Use - This is older but functional space that is in good-to-fair condition. Approximately  $\pm 75\%$  of the subject's retail space is leased to two long time tenants at rental rates that range from  $\pm \$8.25$  to  $\pm \$11.50$  per square foot on a modified gross basis meaning the property owner is responsible for property-related expenses such as utilities, CAM charges, real estate taxes and exterior maintenance and repairs. These rental rates are equivalent to  $\pm \$3.00$  to  $\pm \$7.00$  per square foot on a triple net basis (NNN) if the tenant were responsible for the property-related expenses. The subject's vacancy and rental rates are generally consistent with other nearby retail uses and it is clear that there is demand in the area for such a use. The exception, however, includes the first floor retail space within the adjacent SoHi Building in which all of its  $\pm 5,000$  square feet are vacant with an asking rent of \$10 to \$17 per square foot (NNN). The building's high vacancy rate indicates that there is a lack of demand for newer retail space in the immediate area meaning renovation of the subject's retail space to generate higher rental rates is more than likely unfeasible.

Second Floor Office Use - The existing office finish on the second floor is in poor condition and would need to be completely renovated prior to leasing. Using the Marshall Valuation Service (MVS) cost guide, an appraisal industry standard construction cost estimating service, interior office finish for the subject's second floor would cost between  $\pm \$400,000$  and  $\pm \$700,000$ . Considering additional costs for demolition and removal of the existing office finish, asbestos abatement, ADA compliant alterations, and repairs and maintenance to other items of deferred maintenance, the total renovation costs could reach as high as \$1 million or more. Considering the relatively low demand for office space in the subject market, renovation of the subject's second floor for office use is unfeasible as the costs greatly exceed the contributory value of the renovated space.

Second Floor Apartment/Condominium Use - Similar to the office renovation option, conversion of the second floor to residential apartments or condominiums is unfeasible as the revenues generated from unit rents or sales are insufficient to cover the significant conversion costs.

Theater - Operation of the theater ceased in 1975. The seats and other furnishings have since been removed, the interior has been deconstructed and partially subdivided, and the space is generally in poor condition with significant items of deferred maintenance, including the presence of asbestos. Considering the excessive costs involved, it is unfeasible to renovate the space for theater use or convert the space to an alternative use.

Conclusion - On its own, the building's first floor retail space is functional and has contributory value. However, this space is not a separate entity and any value that it may contribute is offset by the substantial costs associated with repairing/renovating the vacant second floor and theater spaces. In other words, a buyer of the functional retail space also inherits the issues and costs associated with the building's nonfunctional space. As a whole, there is no use for the two-story building with attached former theater that creates a value as improved that is higher than the value of the underlying land as if vacant. This analysis suggests that demolition of the two-story building and former theater is eminent.

Maximally Productive &  
Highest and Best Use

The building improvements are at the end of their economic lives. It is not economically feasible to renovate or convert the existing improvements to any alternative use. However, given the value of the underlying land, it is also not economically feasible to demolish the existing improvements to create a vacant parcel for future development. That is, the costs of demolition and asbestos abatement exceed the value of the underlying land essentially creating a negative as-is property value. The combined value of the eastern 1.189 acre land parcel and western 2.424 acre land parcel, as if vacant, is \$365,000 as developed in the following valuation section. Demolition costs have been estimated at \$2,100,000 using the Marshall Valuation Service ("MVS") and are more considering the presence of asbestos and other environmentally-sensitive materials.

The highest and best use of the subject property is to hold until it becomes economically feasible to either renovate/convert the improvements to an alternative use or to demolish the improvements thereby creating a vacant parcel for development. If economic subsidies were to be made available for demolition and asbestos abatement costs, the underlying land parcel then has a positive value. Without substantial governmental subsidies, any redevelopment could be at least 5- to 10-years into the future given the stagnant development trends in the neighborhood.

**Overview of Valuation Procedures**

Cost Approach	In the Cost Approach, an estimate is made of the current replacement cost new of the improvements. This amount is then adjusted to reflect depreciation resulting from physical deterioration, as well as functional and external obsolescence. The adjusted cost indication is then added to the estimated market value of the land resulting in an indication of value.
Sales Comparison Approach	In the Sales Comparison Approach, similar properties that have recently sold in the market area are analyzed and compared with the property being appraised. Adjustments are typically considered for differences in such factors as property rights conveyed; financing; conditions of sale; market conditions (date of sale); location; size; and other physical characteristics. Analysis of comparable sales provides a range of unit prices within which the current real estate market is operating and within which the appraised property might be expected to sell.
Income Capitalization Approach	The Income Capitalization Approach involves forecasting the income and expenses of the subject property based on analysis of comparable rentals and market trends, and obtaining capitalization or discount rates from the market to convert the financial forecasts into value estimates.
Approaches Used	The highest and best use of the subject is for future demolition of the improvements to create vacant parcels for redevelopment. Therefore, this is a land valuation analysis. In the valuation of land, the Sales Comparison Approach is generally considered the most reliable approach provided that there are a sufficient number of sales; therefore, the Sales Comparison Approach was used in this appraisal, while all approaches were duly considered. The following section presents the valuation of the 1.189 acre eastern parcel followed by the valuation of the 2.424 acre western parcel.

**Sales Comparison Approach, Eastern Parcel (1.189 Acres)**

## Introduction

In the Sales Comparison Approach to valuation, similar properties that have recently sold are investigated and a comparative analysis is made of factors influencing value. Adjustments are typically considered for differences in such factors as property rights conveyed; financing; conditions of sale; market conditions; and locational and physical characteristics.

A qualitative analysis technique has been used in which comparables that are considered superior and inferior to the subject property are compared and contrasted for key factors driving sale prices thereby creating an array of values from which the value of the subject property can be meaningfully estimated. This valuation technique results in a sales comparison array which provides a range of probable values. A conclusion is arrived at using more qualitative than quantitative means, that is, an adjustment grid with percentage adjustments is not used. Our experience has shown that qualitative analysis is reflective of the actual pricing practice that market participants use when establishing both asking and sale prices. Qualitative analysis is a highly appropriate valuation technique and is as reliable as quantitative analysis.

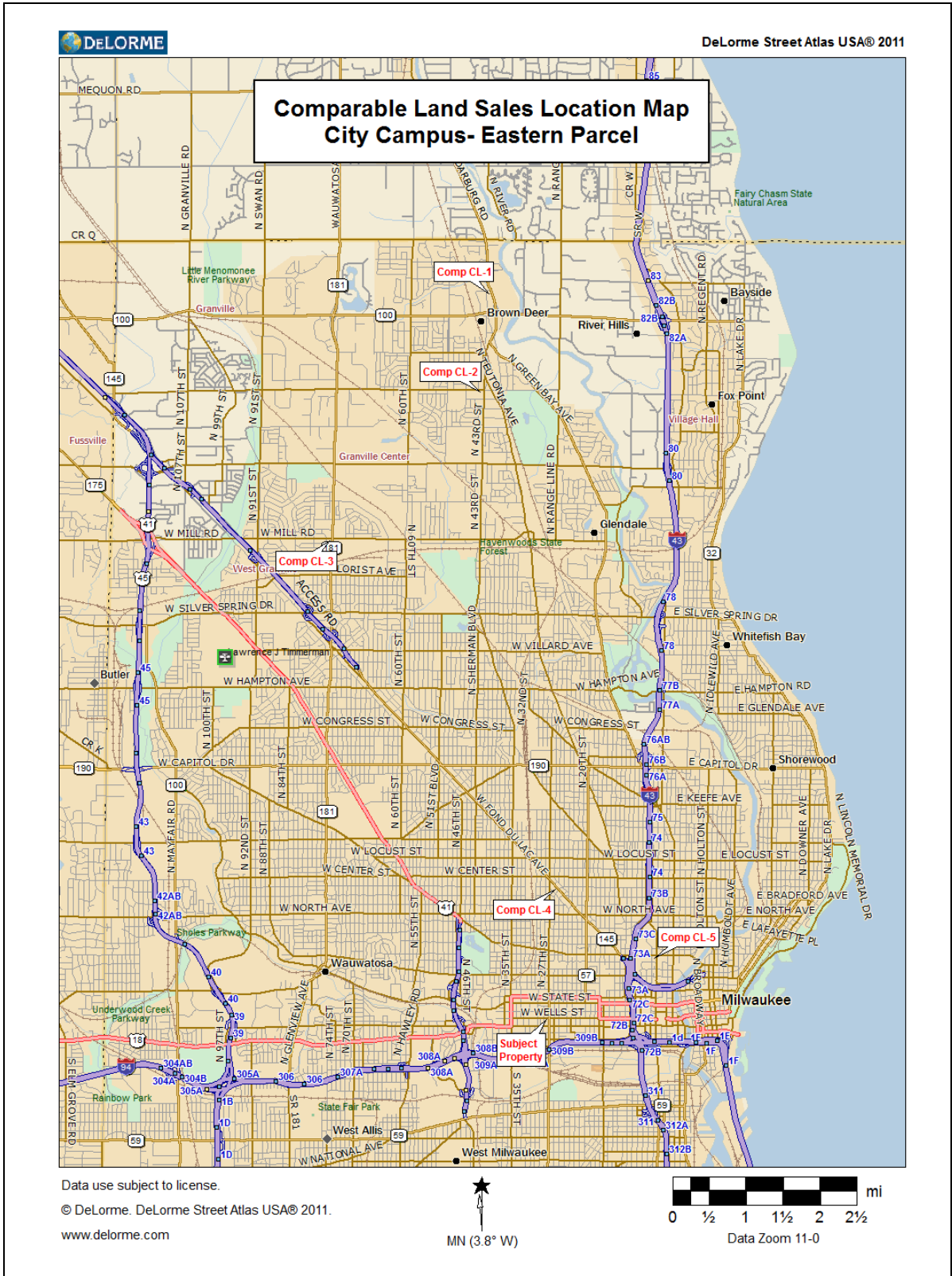
## Comparable Sales

The following key attributes were considered in selecting the most appropriate comparable sales to use in valuing the 1.189 acre eastern parcel:

1. Property Type – Commercial and/or high density multi-family residential use
2. Location – Northwest and central Milwaukee County
3. Size – Less than 3-acres
4. Sale Date – 2011 to present

Market investigations resulted in only two land sales that met the aforementioned parameters. We expanded the search criteria to include those sales occurring in 2010; an additional three sales were found. These sales are the best indicators of land value for the subject property after appropriate adjustment analyses. These comparables are presented in detail in Exhibit B and are summarized on the following page; a map showing their locations is presented on a subsequent page.

<b>Land Sales Summary</b>				
<b>City Campus - Eastern Parcel</b>				
Comp#	Property Name Address	Sale Date Acres Sq. Ft.	Sale Price \$/Sq. Ft.	Zoning Shape/Topo. Utilities
Subject	City Campus - Eastern Parcel 2711 W. Wells Street Milwaukee	22-Sep-14 1.189 acres 51,793 sq.ft.		LB2, Local Business Rectangular / Gen. Level Sewer & Water
Owner: Milwaukee County				
CL-1	Dunkin' Donuts Parcel 9001 N. Green Bay Road Brown Deer	3-Oct-13 1.67 acres 72,744 sq.ft.	\$750,000 \$10.31 /sq.ft.	B-3, Commercial Irregular Rect. / Gen. Level Sewer & Water
Seller: Community Television of Wisconsin, LLC Buyer: RK Green Bay Road LLC				
CL-2	Bradley Crossing Parcel 4375 W. Bradley Road Brown Deer	19-Dec-11 2.75 acres 119,790 sq.ft.	\$900,000 \$7.51 /sq.ft.	PD, Planned Development Rectangular; Noncontiguous / Gen. Level Sewer & Water
Seller: GenCap Bradley, LLC Buyer: Bradley Crossing 60, LLC				
CL-3	O'Reilly Automotive Parcel 6375 N. 76th Street Milwaukee	27-Aug-10 1.434 acres 62,476 sq.ft.	\$475,000 <del>\$8,500</del> +demo \$483,500 \$7.74 /sq.ft.	LB1, Local Business Rectangular / Gen. Level Sewer & Water
Seller: Milwaukee County Buyer: O'Reilly Automotive, Inc.				
CL-4	Capuchin Apartments Parcel 2509 W. Fond du Lac Avenue Milwaukee	5-Aug-10 0.103 acres 4,500 sq.ft.	\$21,000 \$4.67 /sq.ft.	LB2, Local Business Rectangular / Gen. Level Sewer & Water
Seller: James Melvin Chapman, Sr. #1 Buyer: Fond du Lac Apartments, LLC				
CL-5	Sojourner Family Peace Center Parcel 619 W. Walnut Street Milwaukee	7-Jan-10 2.595 acres 113,049 sq.ft.	\$300,000 <del>\$170,000</del> +demo \$470,000 \$4.16 /sq.ft.	PD, Planned Development Mostly Rect. / Gen. Level Sewer & Water
Seller: Prince Hall Masonic Foundation, Inc. Buyer: Sojourner Family Peace Center, Inc.				



We understand that the Redevelopment Authority for the City of Milwaukee (RACM) recently approved the acquisition of the property located immediately southeast of the subject property at the northeast corner of N. 27<sup>th</sup> Street and Wisconsin Avenue for the purchase option price of \$680,000 which is equivalent to \$29.60 per square foot of land area. The property is improved with an operating convenience store/gas station and, although RACM intends to demolish the improvements, the purchase price reflects that of an improved property and not solely on the value of the underlying land. As such, this sale has not been used in the valuation of the subject land parcel. Additionally, the 2012 sale of a ±2 acre city-owned parcel located at the southeast corner of N. 27<sup>th</sup> Street and Wisconsin Avenue, the site of a newly constructed office building occupied by the Wisconsin Department of Children and Families, has not been considered as it was a subsidized sale that sold for \$1.

Comparable CL-1 - This is the October, 2013 sale of 1.67 acres of land located along the west side of N. Green Bay Road in the Village of Brown Deer. The sale price in this transaction was \$750,000 or \$10.31 per square foot. The buyer in this transaction (Endeavor Corporation) is a local developer that has built a freestanding Dunkin' Donuts restaurant on the property and also a ±11,000 square foot strip retail building. This property is located across the street from a larger shopping center that is anchored by Pick 'n Save, Marshall's and Kohl's. This parcel was listed for sale at \$1,250,000 for ±1.5-years with MidAmerica Real Estate prior to the sale.

Comparable CL-2 - This is the December, 2011 sale of a 2.75 acre parcel for \$900,000 to Bradley Crossing 60, LLC (Jewish Family Services) from GenCap Bradley, LLC (General Capital). The parcel is located at 4375 W. Bradley Road which is in the southwest quadrant of W. Bradley Road and N. Sherman Boulevard in Brown Deer. The parcel was zoned planned development and the buyer has constructed a 3-story, 68,000 square foot, 60-unit multi-family building. Approvals were reportedly in place at the date of sale for 60 units. The seller's company is the developer for the project and there were several Section 42 tax credits on this deal but no sale conditions. The sale price is equal to \$7.51 per square foot and \$15,000 per unit.



Comparable CL-3 - This is the August, 2010 sale of a 1.434 acre land parcel located at the intersection of N. 76th Street and W. Mill Road on Milwaukee's northwest side. The sale price in this transaction was \$475,000. The parcel was improved with a former Milwaukee County transit station that was subsequently demolished at an estimated cost of \$8,500. The adjusted sale price is \$483,500 or \$7.74 per square foot. The buyer has constructed an O'Reilly Auto Parts store on this parcel.

Comparable CL-4 - This is the August, 2010 sale of a 0.103 acre land parcel located on the west side of Fond du Lac Avenue, south of Center Street in the City of Milwaukee. Fond du Lac Apartments, LLC (Heartland Alliance Housing) purchased this parcel from James Melvin Chapman, Sr. #1 for \$21,000 or \$4.67 per square foot and assembled it with adjacent parcels to construct a 38-unit apartment building known as Capuchin Apartments. The property was rezoned from LB2, Local Business District, to PD, Planned Development District, to accommodate the project. Municipal sewer and water are available and immediately adjacent to the site.

Comparable CL-5 - This is the January, 2010 sale of a 2.595 acre parcel in the City of Milwaukee comprising an entire city block bounded by Walnut Street to the north, Galena Avenue to the south, N. 6<sup>th</sup> Street to the east and N. 7<sup>th</sup> Street to the west. Sojourner Family Peace Center, Inc. purchased the property from Prince Hall Masonic Foundation, Inc. for \$300,000 for construction of a ±75,000 square foot facility that will house a variety of resources for victims of domestic abuse. At the time of sale, the property was improved with a ±33,065 square-foot, 81-bed skilled nursing facility known as Plymouth Manor, which the buyer demolished at an estimated cost of \$170,000. Subtracting the demolition costs results in an adjusted sale price of \$470,000 or \$4.16 per square foot.

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Adjustment Considerations

Capital Expenditures

Upon Sale

Comparables CL-1, CL-2 and CL-4 did not require capital expenditure adjustments.

Comparables CL-3 and CL-5 required demolition of existing building improvements; demolition costs were estimated at \$8,500 and \$170,000, respectively, and have been added to the purchase prices of comparables to reflect the price paid for vacant, unimpaired land parcels ready for development.

Property Rights Conveyed

No adjustments were made for property rights conveyed.

Financing Terms

No adjustments were made for financing.

Conditions of Sale

No adjustments were made for conditions of sale.

Market Conditions (Time)

The comparables were adjusted at an annual rate of +2.5% to reflect improving real estate market conditions over the past couple years.

Locational & Physical

Characteristics

After making quantitative adjustments to each comparable, as appropriate, for demolition costs, property rights conveyed, financing terms, conditions of sale and market conditions, the comparable sales were compared and contrasted to the subject property for those factors having the highest level of impact on sale price determination. The result of this comparison analysis is an array of values from which the value of the subject property can be meaningfully estimated.

The locational and physical characteristics categories include adjustment considerations for overall locational characteristics; site specific locational characteristics such as corner/non-corner location, exposure and access; parcel size; shape/topography; zoning/highest & best use; and utilities. Each of the comparable sales was compared to the subject property relative to these factors of comparison. The following are discussions of the comparables characteristics that differ from the subject.

Overall Location - Although the comparables are located within the same broad market area, the value of land can change from block-to-block as well as within the same block. As discussed in the highest and best use section of this report, the subject area is stagnant with no catalysts driving new development. Comparables CL-1 and CL-2 are located in Brown Deer where there is active commercial development and where land values are generally higher than the subject area. The overall locations of Comparables CL-1 and CL-2 are highly superior to the subject. Comparable CL-3 is located along a heavily developed commercial corridor, but the corridor has experienced economic weakening over the last several years making it superior to the subject area but inferior to the overall locations of Comparables CL-1 and CL-2. The overall locations of Comparables CL-4 and CL-5 are considered similar to the subject area.

Site Specific Location - Comparables CL-1 and CL-5 are similar to the subject with respect to their corner locations, exposure, traffic counts and access. Comparables CL-2 and CL-4 have non-corner locations making them inferior to the subject for this factor. Comparable CL-3 experiences substantially higher traffic counts as compared to the subject making it superior to the subject for this factor.

Parcel Size - Smaller parcels of land typically sell for more on a per unit basis than their larger counterparts, all else being equal. Comparables CL-1, CL-2, CL-3 and CL-5 are similar to the subject's parcel size. At 0.103 acres, Comparable CL-4 is significantly smaller than the subject's 1.189 acre size making it superior to the subject for this factor.

Shape/Topography - Similar to the subject, Comparables CL-1, CL-3, CL-4 and CL-5 have shapes and topographies that do not negatively impact their development potential. Comparable CL-2 comprised two noncontiguous parcels which creates development challenges that a more regularly shaped parcel does not have making it inferior to the subject for this factor.

Summary - A summary of the comparison analysis in an adjustment grid format is presented on the following two pages.

<b>Land Sales Adjustment Grid City Campus - Eastern Parcel</b>				
<b>Comparable</b>	<b>Subject</b>	<b>CL-1</b>	<b>CL-2</b>	<b>CL-3</b>
<b>Property Name</b>	City Campus - Eastern Parcel	Dunkin' Donuts Parcel	Bradley Crossing Parcel	O'Reilly Automotive Parcel
<b>Address</b>	2711 W. Wells Street	9001 N. Green Bay Road	4375 W. Bradley Road	6375 N. 76th Street
<b>Location</b>	Southwest Corner of Wells St. & N. 27th St.	Southwest Corner of Green Bay Rd. & Deerwood Dr.	Southwest Quadrant of Bradley Rd. & Sherman Blvd.	Southwest Corner of N. 76th St. & Mill Rd.
<b>Municipality</b>	Milwaukee	Brown Deer	Brown Deer	Milwaukee
<b>Sale Date</b>	22-Sep-14 (Appraisal Date)	03-Oct-13	19-Dec-11	27-Aug-10
<b>Size</b>				
Acres	1.189	1.67	2.75	1.434
Sq. Ft.	51,793	72,744	119,790	62,476
<b>Sale Price</b>		\$750,000	\$900,000	\$475,000
<b>Add: Demolition, Etc.</b>		\$0	\$0	\$8,500
<b>Total Price</b>		\$750,000	\$900,000	\$483,500
	\$/Sq. Ft.	\$10.31	\$7.51	\$7.74
<b>Property Rights Conveyed</b>		Similar	Similar	Similar
<b>Financing Terms</b>		Similar	Similar	Similar
<b>Conditions of Sale</b>		Similar	Similar	Similar
	Adjusted Price	\$750,000	\$900,000	\$483,500
	\$/Sq. Ft.	\$10.31	\$7.51	\$7.74
<b>Market Conditions</b>				
Appraisal Date		Sep-14	Sep-14	Sep-14
Comparable Sale Date		Oct-13	Dec-11	Aug-10
# Years Since Sale		0.97	2.76	4.07
Annual Adjustment Factor @	2.5%	1.024	1.071	1.106
Total Adjusted Sales Price		\$768,000	\$963,900	\$534,751
<b>Unit of Comparison (Sq. Ft.)</b>		72,744	119,790	62,476
<b>Adjusted Price/Sq. Ft.</b>		\$10.56	\$8.05	\$8.56
<b>Locational &amp; Physical Attributes</b>				
<b>Overall Location</b>		<b>Highly Superior</b>	<b>Highly Superior</b>	<b>Superior</b>
Location	N. 27th Street Commercial Corridor	Marketplace of Brown Deer Shopping Center Area	Mixed-Use Commercial/Residential Corridor	N. 76th Street Commercial Corridor
Municipality	Milwaukee	Brown Deer	Brown Deer	Milwaukee
<b>Site Specific Location</b>		Similar	<b>Inferior</b>	<b>Superior</b>
Corner/Non-Corner	Corner	Corner	Non-Corner	Corner
Exposure	Good (Wells & N. 27th)	Good (Green Bay Rd)	Good (Bradley & Sherman)	Good (N. 76th St & Mill Rd)
Traffic Counts	15,000 AADT (N. 27th;2009) 5,300 AADT (Wells;2009)	21,200 AADT (Green Bay;2013)	11,800 AADT (Sherman;2010) 9,000 AADT (Bradley;2013)	26,100 AADT (N. 76th;2010) 11,600 AADT (Mill;2010)
Site Access	Adequate	Adequate	Adequate	Adequate
<b>Size - Acres</b>		Similar	Similar	Similar
	1.189	1.67	2.75	1.434
<b>Shape/Topography</b>		Similar	<b>Inferior</b>	Similar
Shape	Rectangular	Irregular Rect.	Rectangular; Noncontiguous	Rectangular
Contour	Gen. Level	Gen. Level	Gen. Level	Gen. Level
<b>Zoning/Highest &amp; Best Use</b>		Similar	Similar	Similar
Zoning	LB2, Local Business	B-3, Commercial	PD, Planned Development	LB1, Local Business
Highest & Best Use	Mixed Commercial & Multi-Family Residential	Commercial	Multi-Family Residential	Commercial
<b>Utilities</b>		Similar	Similar	Similar
	Sewer & Water	Sewer & Water	Sewer & Water	Sewer & Water
<b>Overall Comparison</b>		<b>Highly Superior</b>	<b>Superior</b>	<b>Highly Superior</b>

<b>Land Sales Adjustment Grid City Campus - Eastern Parcel</b>			
<b>Comparable Property Name</b>	<b>Subject</b>	<b>CL-4</b>	<b>CL-5</b>
	City Campus - Eastern Parcel	Capuchin Apartments Parcel	Sojourner Family Peace Center Parcel
<b>Address</b>	2711 W. Wells Street	2509 W. Fond du Lac Avenue	619 W. Walnut Street
<b>Location</b>	Southwest Corner of Wells St. & N. 27th St.	Southwest Side of Fond du Lac Ave., Northwest of Tamarack St.	Southwest Corner of N. 6th St. & Walnut St.
<b>Municipality</b>	Milwaukee	Milwaukee	Milwaukee
<b>Sale Date</b>	22-Sep-14 (Appraisal Date)	05-Aug-10	07-Jan-10
<b>Size</b>			
Acres	1.189	0.103	2.595
Sq. Ft.	51,793	4,500	113,049
<b>Sale Price</b>		\$21,000	\$300,000
<b>Add: Demolition, Etc.</b>		<u>\$0</u>	<u>\$170,000</u>
<b>Total Price</b>		\$21,000	\$470,000
	\$/Sq. Ft.	\$4.67	\$4.16
<b>Property Rights Conveyed</b>		<i>Similar</i>	<i>Similar</i>
<b>Financing Terms</b>		<i>Similar</i>	<i>Similar</i>
<b>Conditions of Sale</b>		<u><i>Similar</i></u>	<u><i>Similar</i></u>
	Adjusted Price	\$21,000	\$470,000
	\$/Sq. Ft.	\$4.67	\$4.16
<b>Market Conditions</b>			
Appraisal Date		Sep-14	Sep-14
Comparable Sale Date		<u>Aug-10</u>	<u>Jan-10</u>
# Years Since Sale		4.13	4.71
Annual Adjustment Factor @	2.5%	<u>1.107</u>	<u>1.123</u>
Total Adjusted Sales Price		\$23,247	\$527,810
<b>Unit of Comparison (Sq. Ft.)</b>		<u>4,500</u>	<u>113,049</u>
<b>Adjusted Price/Sq. Ft.</b>		<u>\$5.17</u>	<u>\$4.67</u>
<b>Locational &amp; Physical Attributes</b>			
<b>Overall Location</b>	-	Similar	Similar
Location	N. 27th Street Commercial Corridor	Mixed-Use Commercial/Residential Corridor	Haymarket Neighborhood
Municipality	Milwaukee	Milwaukee	Milwaukee
<b>Site Specific Location</b>	-	<b>Inferior</b>	Similar
Corner/Non-Corner	Corner	Non-Corner	Corner
Exposure	Good (Wells & N. 27th)	Good (Fond du Lac Ave)	Good (N. 6th St & Walnut St)
Traffic Counts	15,000 AADT (N. 27th;2009) 5,300 AADT (Wells;2009)	21,000 AADT (Fond du Lac;2010)	10,400 AADT (Walnut;2009) 7,500 AADT (N. 6th;2009)
Site Access	Adequate	Adequate	Adequate
<b>Size - Acres</b>	-	<b>Superior</b>	Similar
	1.189	0.103	2.595
<b>Shape/Topography</b>	-	Similar	Similar
Shape	Rectangular	Rectangular	Mostly Rect.
Contour	Gen. Level	Gen. Level	Gen. Level
<b>Zoning/Highest &amp; Best Use</b>	-	Similar	Similar
Zoning	LB2, Local Business	LB2, Local Business	PD, Planned Development
Highest & Best Use	Mixed Commercial & Multi-Family Residential	Commercial &/or Multi-Family Residential	Multi-Family Residential &/or Institutional
<b>Utilities</b>	-	Similar	Similar
	Sewer & Water	Sewer & Water	Sewer & Water
<b>Overall Comparison</b>		<b>Similar</b>	<b>Similar</b>

Comparability Array

The overall similarity comparison of the comparable sales versus the subject property is summarized below in a Sales Comparability Array as well as on the bottom of the preceding pages in the Sales Adjustment Grid. The Sales Comparability Array indicates the Overall Comparison and prices per square foot (adjusted through Market Conditions) of the comparable sales versus the subject property.

<b>Sales Comparability Array City Campus - Eastern Parcel</b>			
Comp	Address	Adjusted \$/Sq. Ft.	Overall Comparison
CL-1	9001 N. Green Bay Road	\$10.56	Highly Superior
CL-3	6375 N. 76th Street	\$8.56	Highly Superior
CL-2	4375 W. Bradley Road	\$8.05	Superior
CL-4	2509 W. Fond du Lac Avenue	\$5.17	Similar
Subject	City Campus - Eastern Parcel		-
CL-5	619 W. Walnut Street	\$4.67	Similar
Concluded \$/Sq. Ft.		\$5.00	

Indicated Value, As Vacant –  
Eastern Parcel (1.189 Acres)

Because of the nature of the adjustments, the adjusted unit price for each sale is not to be interpreted as the value of the subject, but part of a range within which the subject's value is expected to fall. From an overall comparability standpoint, Comparables CL-4 and CL-5 are considered most similar to the subject property. These comparables provide value indications of \$5.17 and \$4.67 per square foot, respectively. The subject land parcel's indicated value is reasonably and appropriately estimated at \$5.00 per square foot for a total indicated value calculated as presented below:

<b>Indicated Land Value, As Vacant City Campus - Eastern Parcel</b>	
Land Area	1.189 acres
	51,793 sq.ft.
Value per Sq. Ft.	x <u>\$5.00</u> /sq.ft.
Indicated Value, Land As Vacant	\$258,965
Rounded	\$259,000

**Sales Comparison Approach, Western Parcel (2.424 Acres)**

**Introduction** Similar to the valuation of the 1.189 acre eastern parcel, a qualitative analysis technique has been used for the valuation of the 2.424 acre western land parcel.

**Comparable Sales** The following key attributes were considered in selecting the most appropriate comparable sales to use in valuing the 2.424 acre western parcel:

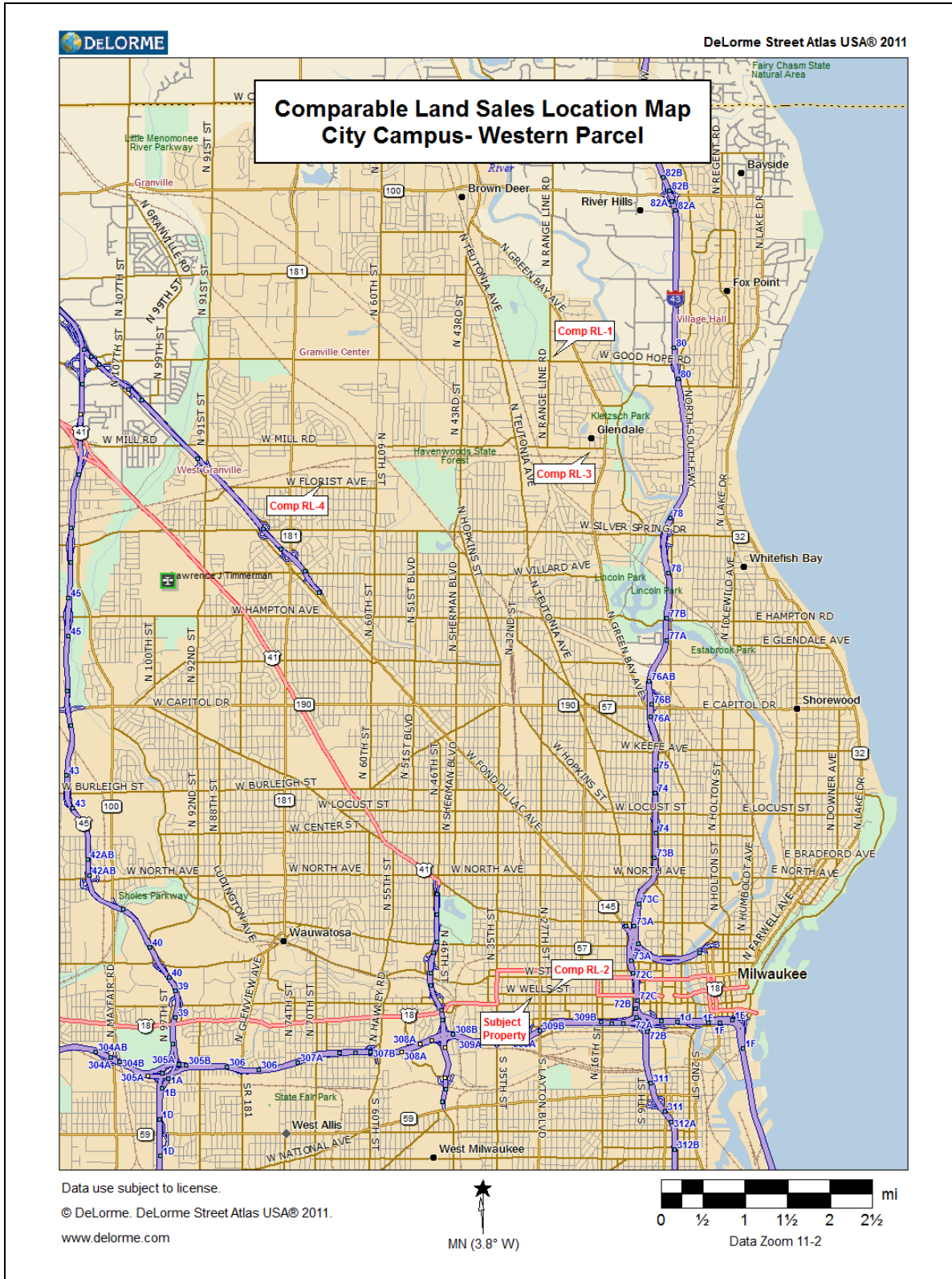
1. Property Type – Low density residential and/or institutional use
2. Location – Northwest and central Milwaukee County
3. Size – Less than 10-acres
4. Sale Date – 2011 to present

Market investigations resulted in four land sales that met the aforementioned parameters. These sales are the best indicators of land value for the subject property after appropriate adjustment analyses. These comparables are presented in detail in Exhibit B and are summarized on the following page; a map showing their locations is presented on a subsequent page.

Comparable RL-1 - This is the May, 2014 sale of 6.026 acres of land located just east of Brown Deer Park within the northeast quadrant of Good Hope Road and Range Line Road in the City of Glendale. GD Rental Properties LLC purchased the property for \$225,000 for construction of two, 20-unit assisted living community based residential facilities (CBRF) known as Glendale Manor and a small, ten lot single family residential subdivision known as Braeburn Meadows. The site was improved with the former Prange Greenhouse which the buyer will demolish at an estimated cost of \$75,000. Including the demolition costs, the total adjusted sale price for the property was \$300,000 or \$1.14 per square foot. The property had been zoned R-3, Residence District, which allows for single family residential use, parks and municipal-owned buildings, among other uses. The southern portion of the property was rezoned to PD, Planned Unit Development District, to allow for construction of the assisted living facility. The property has a noncontiguous shape and will likely require the purchase of an additional land parcel to the north to allow access to the planned 10 lot single family subdivision.

<b>Land Sales Summary</b>				
<b>City Campus - Western Parcel</b>				
Comp#	Property Name Address	Sale Date Acres Sq. Ft.	Sale Price \$/Sq. Ft.	Zoning Shape/Topo. Utilities
Subject	City Campus - Western Parcel 2805-2815 W. Wells Street & 763 N. 28th Street Milwaukee	22-Sep-14 2.424 acres 105,589 sq.ft.		RT3, Two-Family Residential Mostly Rect. / Gen. Level Sewer & Water
Owner: Milwaukee County				
RL-1	Former Prange Greenhouse Parcel Approx. 2510 W. Good Hope Road Glendale	29-May-14 6.026 acres 262,493 sq.ft.	\$225,000 <u>\$75,000</u> +demo \$300,000 \$1.14 /sq.ft.	R-3, Residence & PD, Planned Unit Development Mostly Rect.; Noncontiguous / Gen. Level Sewer & Water
Seller: GSD Company LLC / The Audrey B. Prange Survivor's Trust Buyer: GD Rental Properties LLC				
RL-2	Former Milwaukee Community Service Corps Parcel 2516-2518 W. Wells Street Milwaukee	31-May-13 0.172 acres 7,500 sq.ft.	\$4,000 \$0.53 /sq.ft.	RT3, Two-Family Residential Elongated Rectangle / Gently Sloped Sewer & Water
Seller: Milwaukee Community Service Corps, Inc. Buyer: 21 Century Asset Holding Company, Inc.				
RL-3	Ampco Pumps Expansion Parcel 1965-1991 W. Mill Road Glendale	7-Feb-13 1.755 acres 76,434 sq.ft.	\$200,000 <u>\$8,500</u> +demo \$208,500 \$2.73 /sq.ft.	R-7, Residence Rectangular / Gen. Level Sewer & Water
Seller: Shafton Family Partnership Buyer: Ampco Pumps Real Estate, LLC				
RL-4	Milwaukee Scholars Charter School Parcel 7000 W. Florist Avenue Milwaukee	16-Feb-11 7.903 acres 344,261 sq.ft.	\$316,200 \$0.92 /sq.ft.	DPD, Detailed Plan Development Rectangular / Gently Rolling Sewer & Water
Seller: Holy Cathedral Church of God In Christ, Inc. Buyer: Charter Development 6, LLC				





Comparable RL-2 - This is the May, 2013 sale of a 0.172 acre vacant land parcel located on the north side of Wells Street between N. 25<sup>th</sup> and N. 26<sup>th</sup> Streets in the City of Milwaukee. 21 Century Asset Holding Company, Inc. purchased the property from Milwaukee Community Services Corps, Inc. for \$4,000 or \$0.53 per square foot. Plans for the site are unknown but its RT3 zoning designation allows for single- and two-family residential use. Access to the site is from an alley to the north. The site has a gently sloped topography and an elongated rectangular shape.

Comparable RL-3 - This is the February, 2013 sale of a 1.755 acre land parcel located on the south side of Mill Road, west of Green Bay Avenue in a mixed residential/industrial area in the City of Glendale. An adjacent industrial property owner, Ampco Pumps Real Estate, LLC, purchased the property for \$200,000 from Shafton Family Partnership for expansion of their facility's parking lot. The residentially-zoned parcel was improved with a single-family house which was demolished at an estimated cost of \$8,500. Including the demolition costs, the total adjusted sale price for the property was \$208,500 or \$2.73 per square foot.

Comparable RL-4 - This is the February, 2011 sale of a 7.903 acre vacant land parcel located on the north side of Florist Avenue, east of N. 76<sup>th</sup> Street in a mixed residential/industrial area in the City of Milwaukee. Charter Development 6, LLC purchased the parcel from Holy Cathedral Church of God In Christ, Inc. for \$316,200 or \$0.92 per square foot for construction of the Milwaukee Scholars Charter School. The property was rezoned from IL1, Industrial-Light District, to DPD, Detailed Planned Development District, to accommodate the institutional project. The site has a gently rolling topography and a rectangular shape. Municipal sewer and water are available and immediately adjacent to the site.

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Adjustment Considerations

Capital Expenditures

Upon Sale

Comparables RL-1 and RL-3 required demolition of existing building improvements; demolition costs were estimated at \$75,000 and \$8,500, respectively, and have been added to the purchase prices of comparables to reflect the price paid for vacant, unimpaired land parcels ready for development.

Comparables RL-2 and RL-4 did not require capital expenditure adjustments.

Property Rights Conveyed

No adjustments were made for property rights conveyed.

Financing Terms

No adjustments were made for financing.

Conditions of Sale

No adjustments were made for conditions of sale.

Market Conditions (Time)

The comparables were adjusted at an annual rate of +2.5% to reflect improving real estate market conditions over the past couple years.

Locational & Physical

Characteristics

After making quantitative adjustments to each comparable, as appropriate, for demolition costs, property rights conveyed, financing terms, conditions of sale and market conditions, the comparable sales were compared and contrasted to the subject property for those factors having the highest level of impact on sale price determination. The result of this comparison analysis is an array of values from which the value of the subject property can be meaningfully estimated.

The locational and physical characteristics categories include adjustment considerations for overall locational characteristics; site specific locational characteristics such as corner/non-corner location, exposure and access; parcel size; shape/topography; zoning/highest & best use; and utilities. Each of the comparable sales was compared to the subject property relative to these factors of comparison. The following are discussions of the comparables characteristics that differ from the subject.

Overall Location - As discussed in the highest and best use section of this report, the subject area is stagnant with no catalysts driving new development. Comparables RL-1, RL-3 and RL-4 are located in active, more desirable neighborhoods than the subject area making them superior to the subject in terms of overall location. Comparable RL-2 is located two blocks east of the subject making its overall location similar to the subject's.

Site Specific Location - The site specific locational characteristics for Comparables RL-1, RL-3 and RL-4 are considered generally similar to the subject's. Comparable RL-2's access is limited from the rear via an alley making its site access inferior to the subject's which has multiple driveways along its fronting streets.

Parcel Size - Larger parcels of land typically sell for less on a per unit basis than their smaller counterparts, all else being equal. At 6.026 acres and 7.903 acres, Comparables RL-1 and RL-4, respectively, are larger than the subject's 2.424 acre size making them inferior to the subject for this factor. At 0.172 acres, Comparable RL-2 is smaller than the subject making it superior to the subject in terms of parcel size. At 1.755 acres, Comparable RL-3 is generally similar to the subject's 2.424 acre parcel size.

Shape/Topography - Similar to the subject, Comparables RL-3 and RL-4 have shapes and topographies that do not negatively impact their development potential. Comparable RL-1 is has a noncontiguous parcel and Comparable RL-2 has a narrow rectangular shape. The shapes of Comparables RL-1 and RL-2 create development challenges that a more regularly shaped parcel such as the subject does not have making them inferior to the subject in terms of shape.

Zoning/Highest and Best Use - Similar to the subject, the highest and best use of Comparables RL-2, RL-3 and RL-4 is for low-intense use. Comparable RL-1 is located along a heavily trafficked thoroughfare and was able to secure a zoning change on a portion of the property to allow for a more intense residential use making it superior to the subject for this factor.

Summary - A summary of the comparison analysis in an adjustment grid format is presented on the following page.

<b>Land Sales Adjustment Grid City Campus - Western Parcel</b>					
<b>Comparable Property Name</b>	<b>Subject</b>	<b>RL-1</b>	<b>RL-2</b>	<b>RL-3</b>	<b>RL-4</b>
	City Campus - Western Parcel	Former Prange Greenhouse Parcel	Former Milwaukee Community Service Corps Parcel	Ampco Pumps Expansion Parcel	Milwaukee Scholars Charter School Parcel
<b>Address</b>	2805-2815 W. Wells Street & 763 N. 28th Street	Approx. 2510 W. Good Hope Road	2516-2518 W. Wells Street	1965-1991 W. Mill Road	7000 W. Florist Avenue
<b>Location</b>	Southwest Corner of Wells St. & N. 28th St.	North Side of Good Hope Rd., East of Range Line Rd.	North Side of Wells St. Btwn N. 25th St. & N. 26th St.	South Side of Mill Rd., West of Green Bay Ave.	North Side of Florist Ave., East of N. 76th St.
<b>Municipality</b>	Milwaukee	Glendale	Milwaukee	Glendale	Milwaukee
<b>Sale Date</b>	22-Sep-14 (Appraisal Date)	29-May-14	31-May-13	07-Feb-13	16-Feb-11
<b>Size</b>					
Acres	2.424	6.026	0.172	1.755	7.903
Sq. Ft.	105,589	262,493	7,500	76,434	344,261
<b>Sale Price</b>		\$225,000	\$4,000	\$200,000	\$316,200
<b>Add: Demolition, Etc.</b>		<u>\$75,000</u>	<u>\$0</u>	<u>\$8,500</u>	<u>\$0</u>
<b>Total Price</b>		\$300,000	\$4,000	\$208,500	\$316,200
	\$/Sq. Ft.	\$1.14	\$0.53	\$2.73	\$0.92
<b>Property Rights Conveyed</b>		<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
<b>Financing Terms</b>		<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
<b>Conditions of Sale</b>		<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
	Adjusted Price	\$300,000	\$4,000	\$208,500	\$316,200
	\$/Sq. Ft.	\$1.14	\$0.53	\$2.73	\$0.92
<b>Market Conditions</b>					
Appraisal Date		Sep-14	Sep-14	Sep-14	Sep-14
Comparable Sale Date		<u>May-14</u>	<u>May-13</u>	<u>Feb-13</u>	<u>Feb-11</u>
# Years Since Sale		0.32	1.31	1.62	3.60
Annual Adjustment Factor @	2.5%	<u>1.008</u>	<u>1.033</u>	<u>1.041</u>	<u>1.093</u>
Total Adjusted Sales Price		\$302,400	\$4,132	\$217,049	\$345,607
<b>Unit of Comparison (Sq. Ft.)</b>		<u>262,493</u>	<u>7,500</u>	<u>76,434</u>	<u>344,261</u>
<b>Adjusted Price/Sq. Ft.</b>		<b>\$1.15</b>	<b>\$0.55</b>	<b>\$2.84</b>	<b>\$1.00</b>
<b>Locational &amp; Physical Attributes</b>					
<b>Overall Location</b>	-	<b>Superior</b>	Similar	<b>Superior</b>	<b>Superior</b>
Location	Concordia Neighborhood	Mixed-Use Corridor Near Brown Deer Park	Avenues West Neighborhood	Mixed-Use Industrial/Residential Corridor	Mixed-Use Industrial/Residential Corridor
Municipality	Milwaukee	Glendale	Milwaukee	Glendale	Milwaukee
<b>Site Specific Location</b>	-	Similar	<b>Inferior</b>	Similar	Similar
Corner/Non-Corner	Weak Corner	Non-Corner	Non-Corner	Non-Corner	Non-Corner
Exposure	Good (Wells & N. 28th)	Good (Good Hope Rd)	Good (Wells St)	Good (Mill Rd)	Good (Florist Ave)
Site Access	Adequate	Adequate	Rear from Alley	Adequate	Adequate
<b>Size - Acres</b>	-	<b>Inferior</b>	<b>Superior</b>	Similar	<b>Inferior</b>
	2.424	6.026	0.172	1.755	7.903
<b>Shape/Topography</b>	-	<b>Inferior</b>	<b>Inferior</b>	Similar	Similar
Shape	Mostly Rect.	Mostly Rect.; Noncontiguous	Elongated Rectangle	Rectangular	Rectangular
Contour	Gen. Level	Gen. Level	Gently Sloped	Gen. Level	Gently Rolling
<b>Zoning/Highest &amp; Best Use</b>	-	<b>Superior</b>	Similar	Similar	Similar
Zoning	RT3, Two-Family Residential	R-3, Residence & PD, Planned Unit Development	RT3, Two-Family Residential	R-7, Residence	DPD, Detailed Plan Development
Highest & Best Use	Single- or Two-Family Residential	CBRF & SF Residential	Single- or Two-Family Residential	Low Density Residential / Parking	Institutional
<b>Utilities</b>	-	Similar	Similar	Similar	Similar
	Sewer & Water	Sewer & Water	Sewer & Water	Sewer & Water	Sewer & Water
<b>Overall Comparison</b>		<b>Similar</b>	<b>Inferior</b>	<b>Superior</b>	<b>Similar</b>

Comparability Array

The overall similarity comparison of the comparable sales versus the subject property is summarized below in a Sales Comparability Array as well as on the bottom of the preceding pages in the Sales Adjustment Grid. The Sales Comparability Array indicates the Overall Comparison and prices per square foot (adjusted through Market Conditions) of the comparable sales versus the subject property.

<b>Sales Comparability Array City Campus - Western Parcel</b>			
<u>Comp</u>	<u>Address</u>	<u>Adjusted \$/Sq. Ft.</u>	<u>Overall Comparison</u>
RL-3	1965-1991 W. Mill Road	\$2.84	Superior
RL-1	Approx. 2510 W. Good Hope Road	\$1.15	Similar
Subject	City Campus - Western Parcel		-
RL-4	7000 W. Florist Avenue	\$1.00	Similar
RL-2	2516-2518 W. Wells Street	\$0.55	Inferior
Concluded \$/Sq. Ft.		\$1.00	

Indicated Value, As Vacant –  
Western Parcel (2.424 Acres)

Because of the nature of the adjustments, the adjusted unit price for each sale is not to be interpreted as the value of the subject, but part of a range within which the subject's value is expected to fall. From an overall comparability standpoint, Comparables RL-1 and RL-4 are considered most similar to the subject property. These comparables provide value indications of \$1.15 and \$1.00 per square foot, respectively. The subject land parcel's indicated value is reasonably and appropriately estimated at \$1.00 per square foot for a total indicated value calculated as presented below:

<b>Indicated Land Value, As Vacant City Campus - Western Parcel</b>	
Land Area	2.424 acres
	105,589 sq.ft.
Value per Sq. Ft.	x <u>\$1.00</u> /sq.ft.
Indicated Value, Land As Vacant	\$105,589
Rounded	\$106,000

**Concluded As Is Market Value** The total indicated value of the eastern and western land parcels, as if vacant, is summarized as presented below:

<b>Total Indicated Land Value, As Vacant City Campus</b>	
Eastern Parcel (1.189 Acres)	\$259,000
Western Parcel (2.424 Acres)	+ <u>\$106,000</u>
Total Indicated Value, Land As Vacant	\$365,000

However, the eastern land parcel is not vacant meaning the costs of demolition and asbestos abatement for the existing improvements must be subtracted from the underlying land value to arrive at the as is market value of the property. Demolition costs have been estimated at \$2,100,000 using the Marshall Valuation Service (“MVS”), an appraisal industry standard cost estimating guide. This does not include additional costs for asbestos abatement as these cost estimates were not yet available as of the appraisal date.

The as is market value of the subject property, prior to consideration for asbestos abatement costs, is calculated as shown below. Since the calculated as is market value is a negative amount, it is rounded to \$0 to reflect the fact that a buyer would not pay a negative amount for the property. Any additional costs for asbestos abatement would only further compound the negative value of the property meaning the concluded as is market value of the property is \$0 with or without any asbestos abatement costs.

<b>As Is Market Value Summary City Campus</b>	
Eastern Land Parcel (1.189 Acres)	\$259,000
Western Land Parcel (2.424 Acres)	+ <u>\$106,000</u>
Indicated Land Value, As Vacant	\$365,000
Less: Demolition Costs	- \$2,100,000
Less: Asbestos Abatement Costs	- <u>Unknown</u>
Market Value, As Is	(\$1,735,000) *
Rounded	\$0

\* The asbestos abatement costs are unavailable at this time; any additional costs would only serve to increase the already exorbitant negative value caused by the demolition of the building improvements.

If economic subsidies were to be made available for demolition and asbestos abatement costs, the underlying land parcel then may have a positive value.

This appraisal is conditioned under the extraordinary assumption that the demolition costs as estimated using Marshall Valuation Service ("MVS") are accurate. If it is later found that the demolition and asbestos abatement costs are significantly lower than those estimated using MVS, the value of the subject property as contained herein may increase and we reserve the right to amend our opinions accordingly.

As requested by the client, this appraisal assumes that a potential buyer of the property will be required to purchase all of the aforementioned City Campus real estate components as one economic unit meaning that, although certain components of the City Campus may have positive values as standalone entities, negative factors (i.e. deferred maintenance, demolition costs, asbestos abatement, etc.) from other components of the City Campus effectively offset any contributory value that may exist.



**Correlation & Conclusion**

In the reconciliation of the three approaches to value, the quantity and quality of the data under each approach was considered as was the advantages and disadvantages of each approach and the relevance of each to the subject property and appraisal problem. Three approaches have been considered in arriving at an opinion of the value of the fee simple estate in the subject property. In the valuation of land, the Sales Comparison Approach is generally considered the most reliable approach provided that there are a sufficient number of sales. The Sales Comparison Approach was utilized in this appraisal.

The Sales Comparison Approach is often referred to as the most direct approach to value. Because the comparable sales represent theoretical acquisition alternatives, an analysis of recent comparable property sales provide a reliable indication of value. The comparable sales provided market support for an indicated value range for the subject property. The adjustments to these sales and qualitative comparisons were reasonable and were substantiated with market evidence and logical rationale. As a result, the concluded value by the Sales Comparison Approach was considered a reliable indication of value.

Based on the valuation analysis as presented in this report, the as is market value of the subject property in its actual physical condition and subject to the zoning in effect as of September 22, 2014 is:

<b>As Is Market Value Summary</b>	
<b>City Campus</b>	
Eastern Land Parcel (1.189 Acres)	\$259,000
Western Land Parcel (2.424 Acres)	+ <u>\$106,000</u>
Indicated Land Value, As Vacant	\$365,000
Less: Demolition Costs	- \$2,100,000
Less: Asbestos Abatement Costs	- <u>Unknown</u>
Market Value, As Is	(\$1,735,000) *
Rounded	\$0

\* The asbestos abatement costs are unavailable at this time; any additional costs would only serve to increase the already exorbitant negative value caused by the demolition of the building improvements.

**EXHIBIT A**

**Subject Photographs and Property Information**

**Subject Photographs (9/22/2014)**



9-Story Building Exterior



5-Story Building Exterior



Theater/2-Story Building Exterior



Western Parking Lot

Subject Photographs (9/22/2014)



8<sup>th</sup> Floor- 9-Story Building



6<sup>th</sup> Floor- 9-Story Building



5<sup>th</sup> Floor- 5-Story Building



2<sup>nd</sup> Floor- 2-Story Building

Subject Photographs (9/22/2014)



1<sup>st</sup> Floor Tenant Space- 2-Story Building



1<sup>st</sup> Floor Tenant Space- 2-Story Building

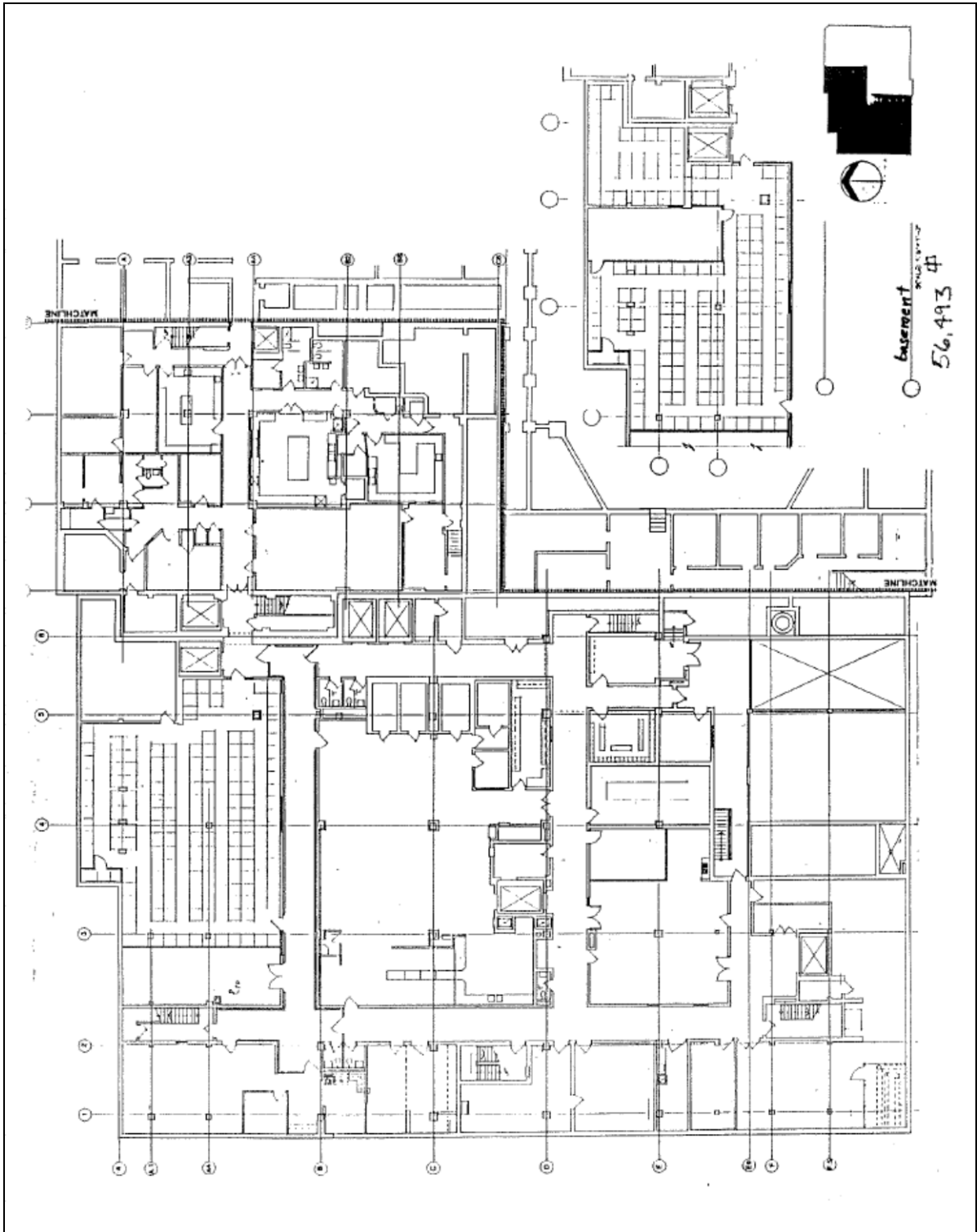


Theater

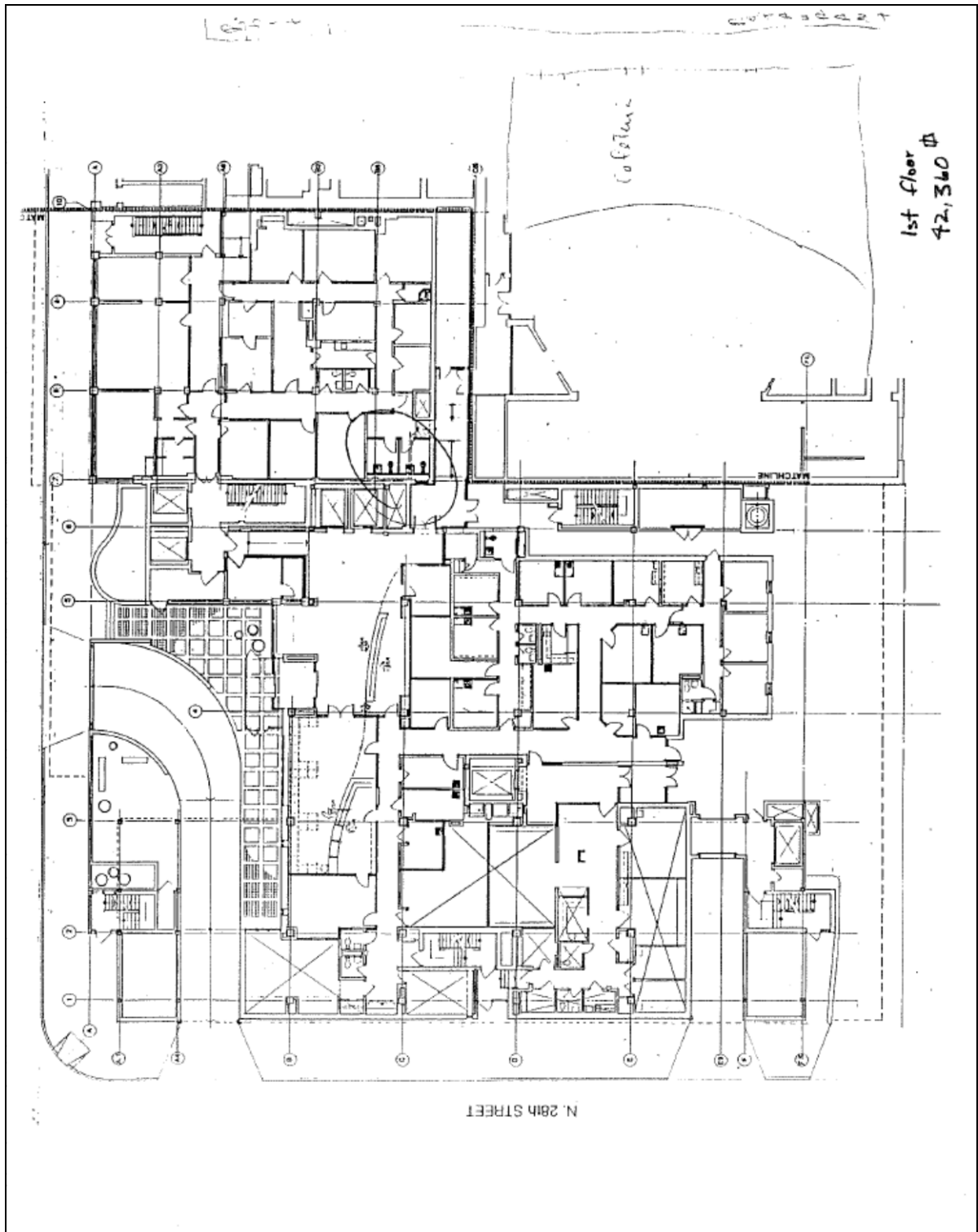


Theater

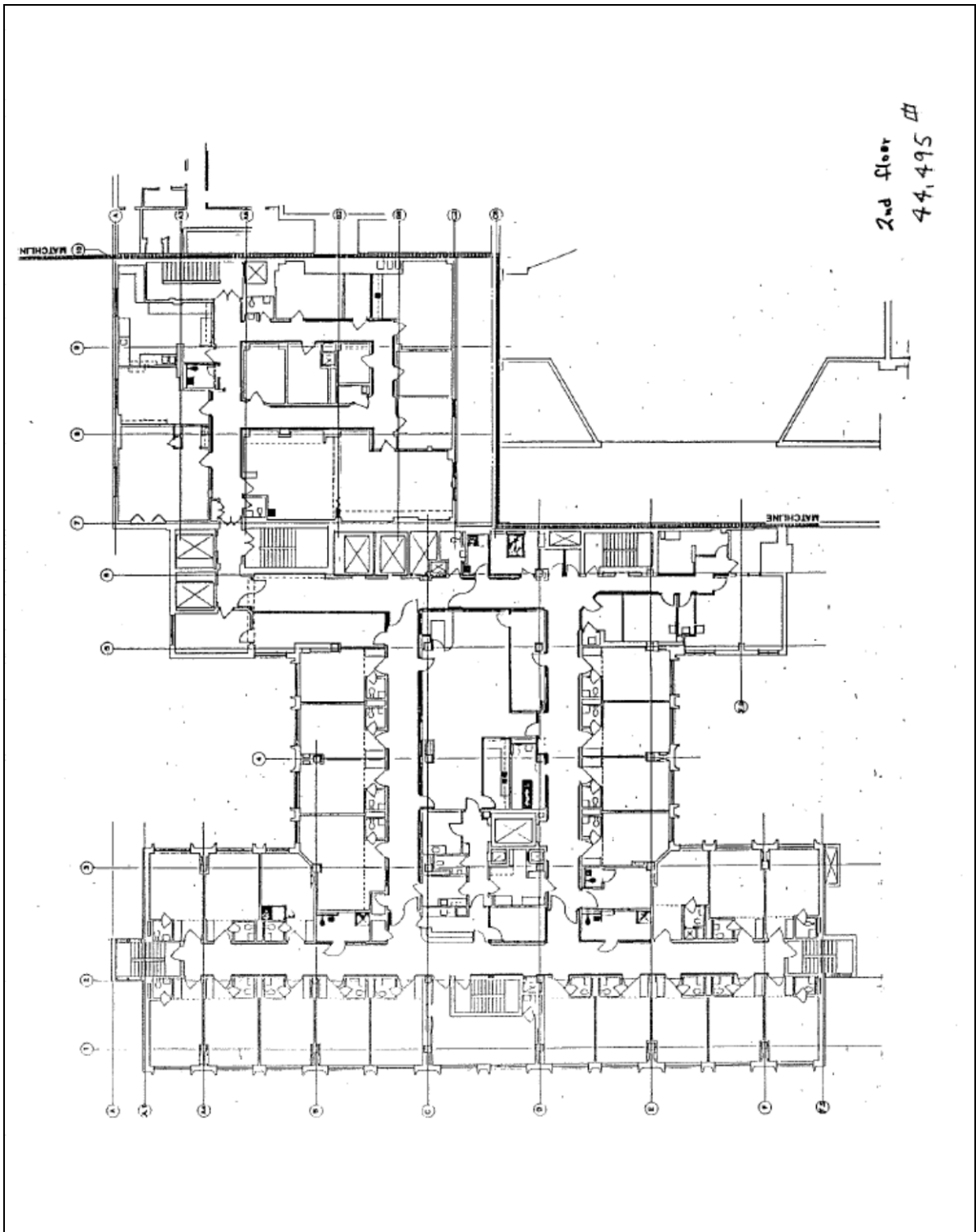
**Building Floor Plans**  
**9- & 5-Story Buildings**



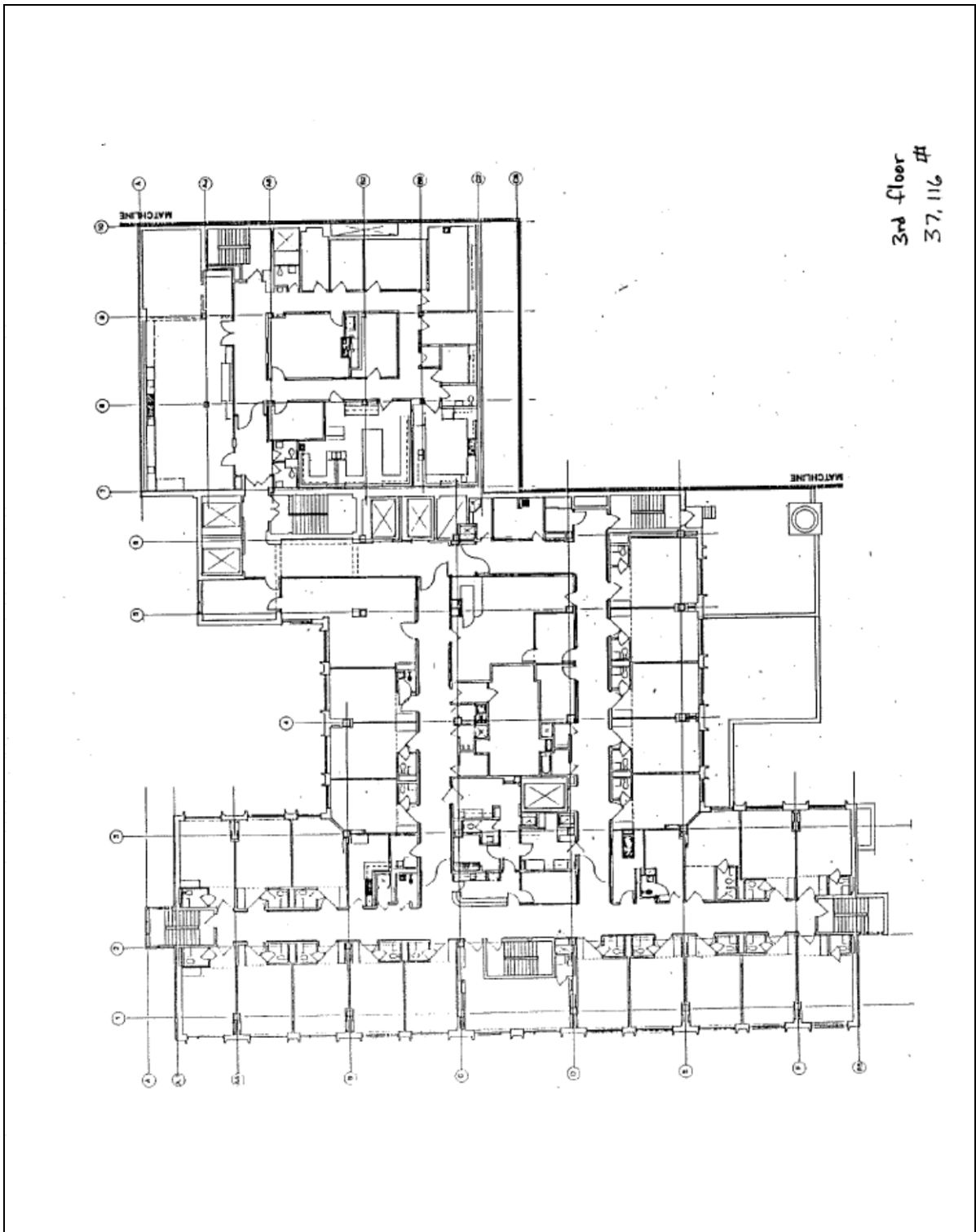
9- & 5-Story Buildings



9- & 5-Story Buildings

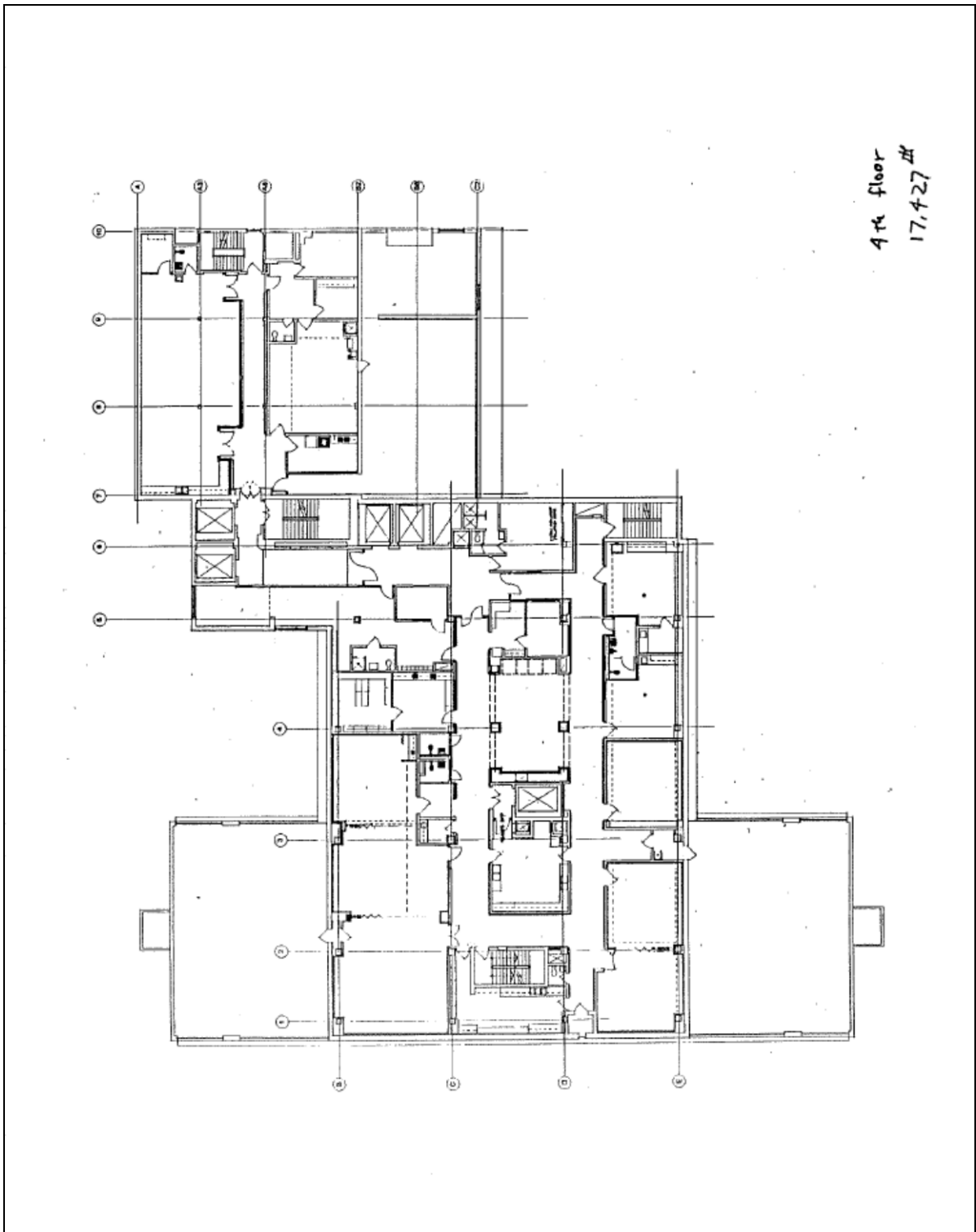


9- & 5-Story Buildings

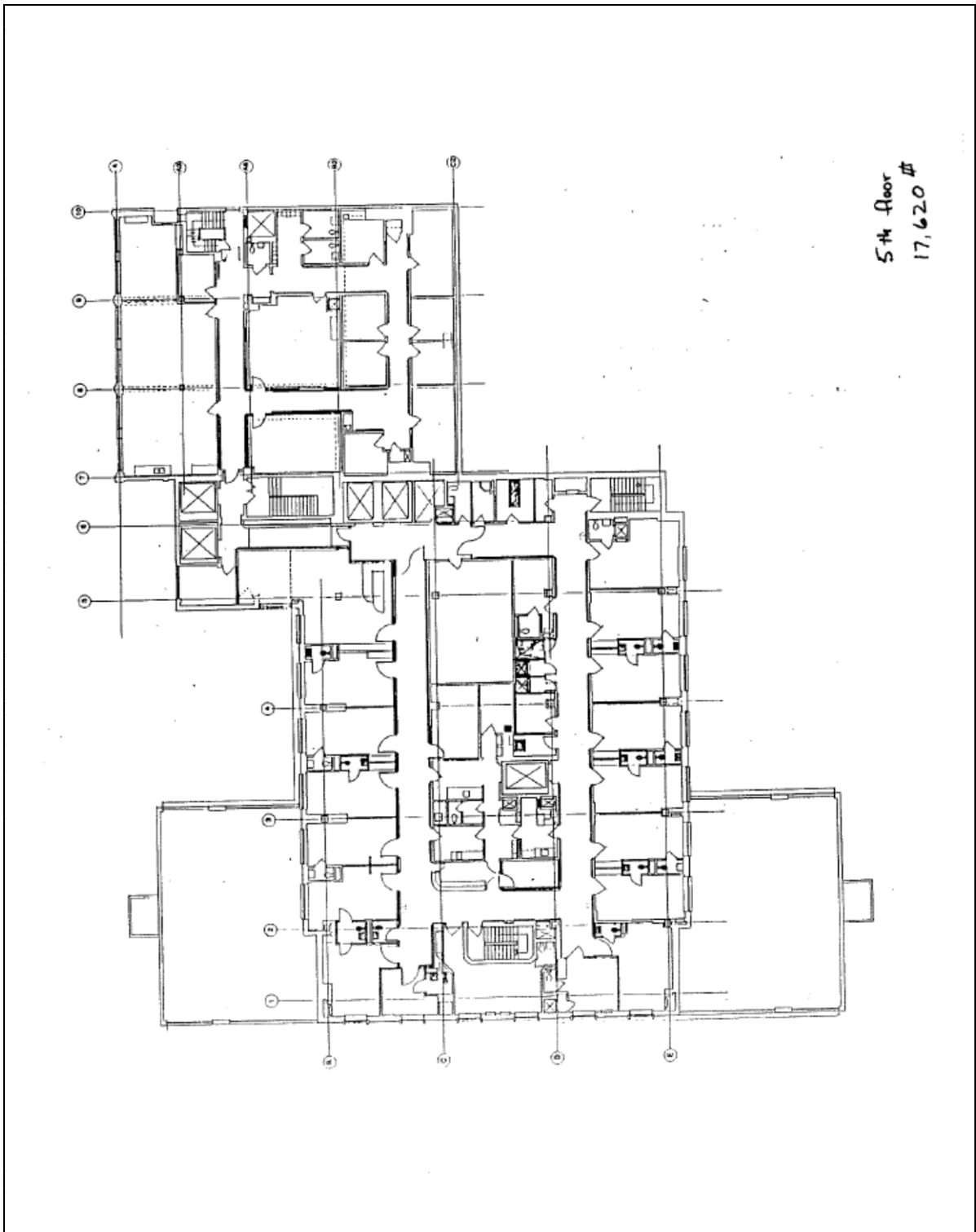




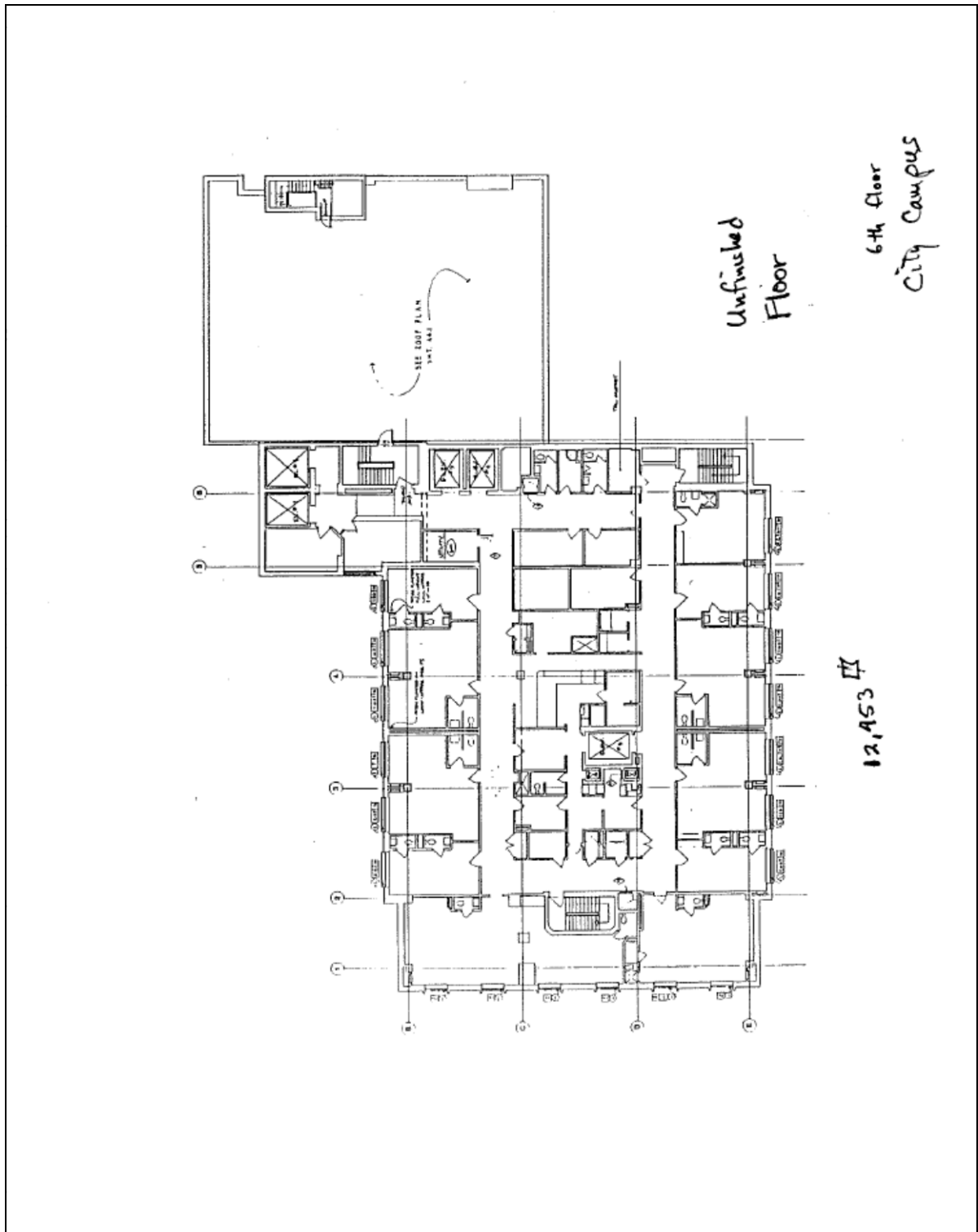
9- & 5-Story Buildings



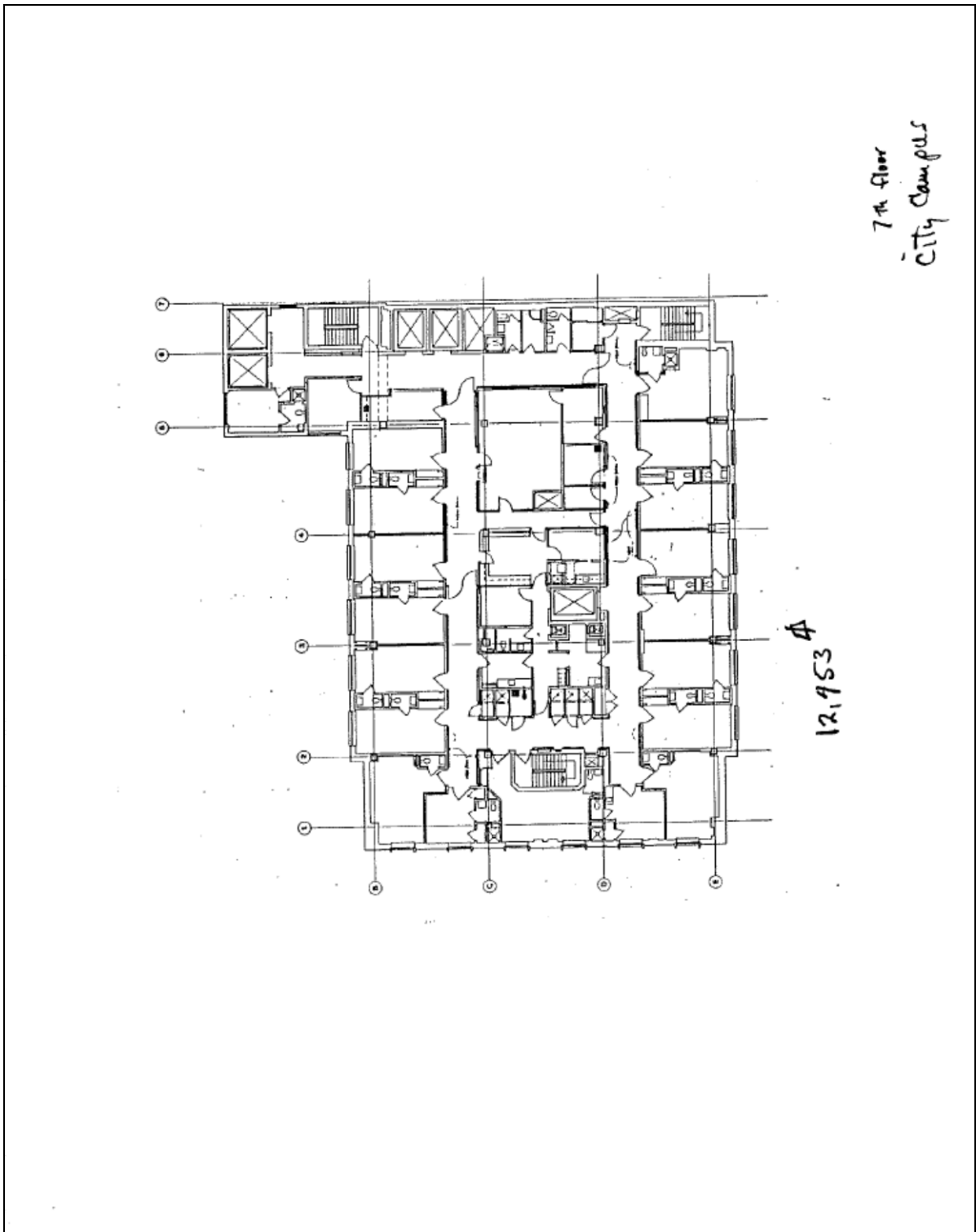
9- & 5-Story Buildings



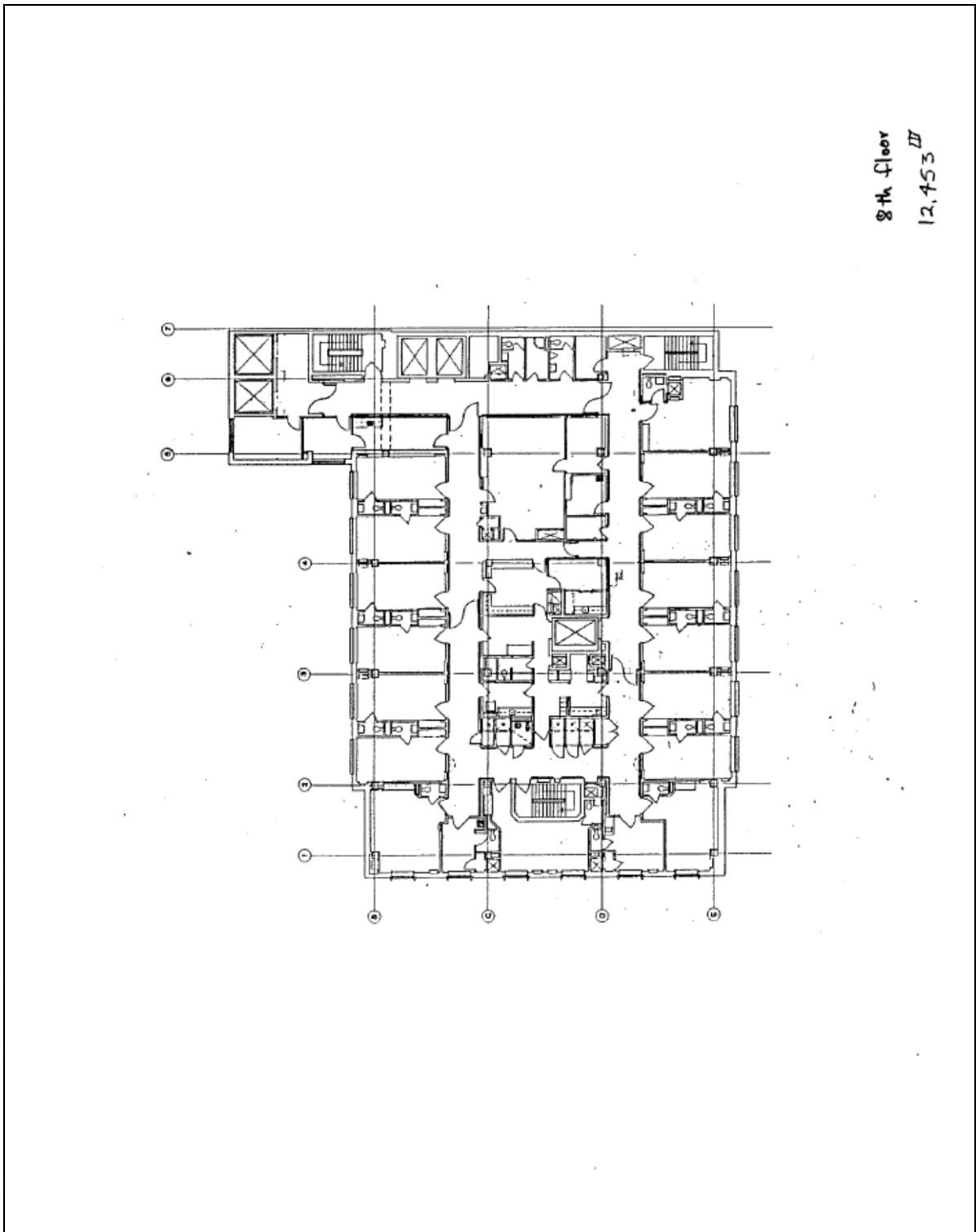
9- & 5-Story Buildings



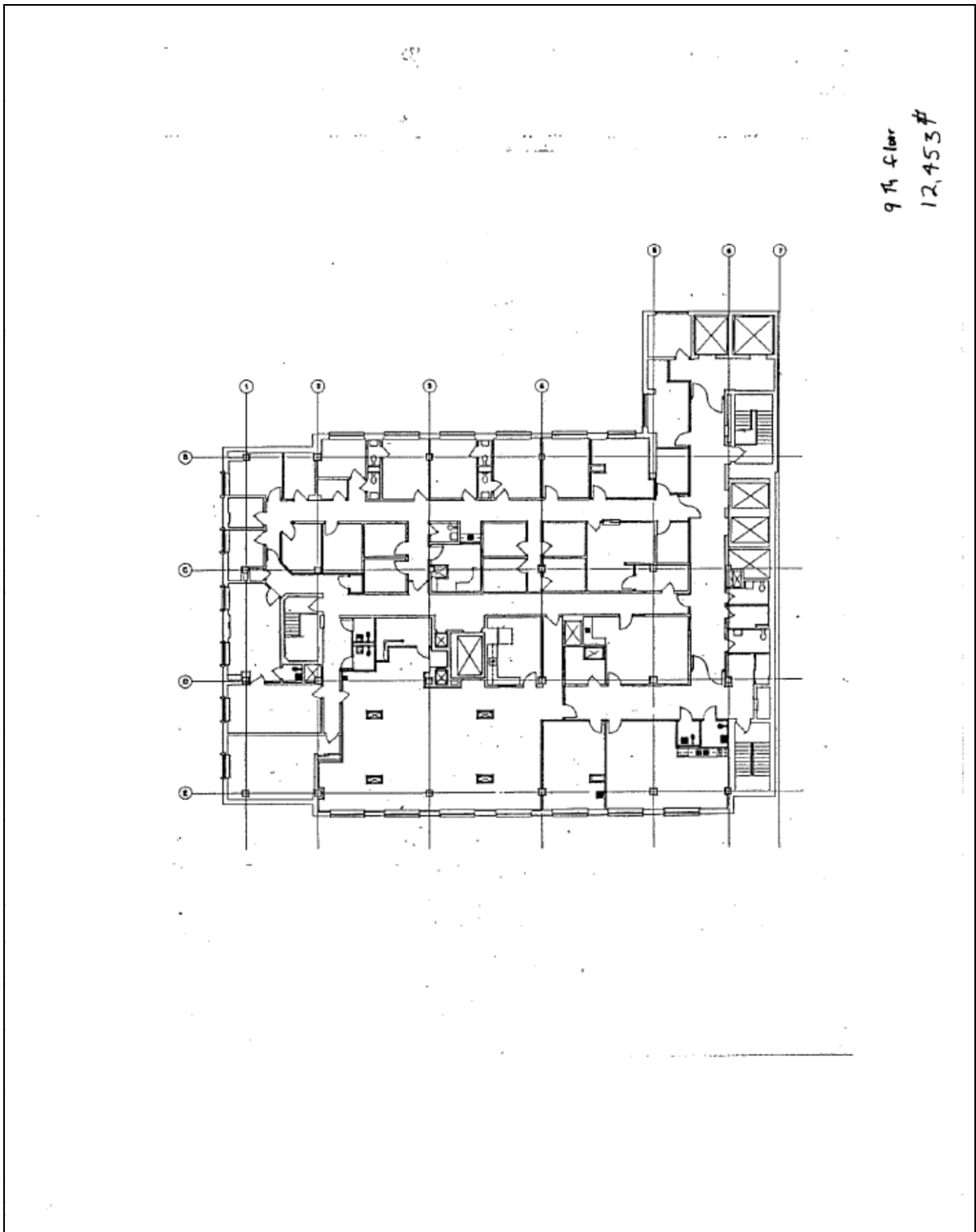
9- & 5-Story Buildings



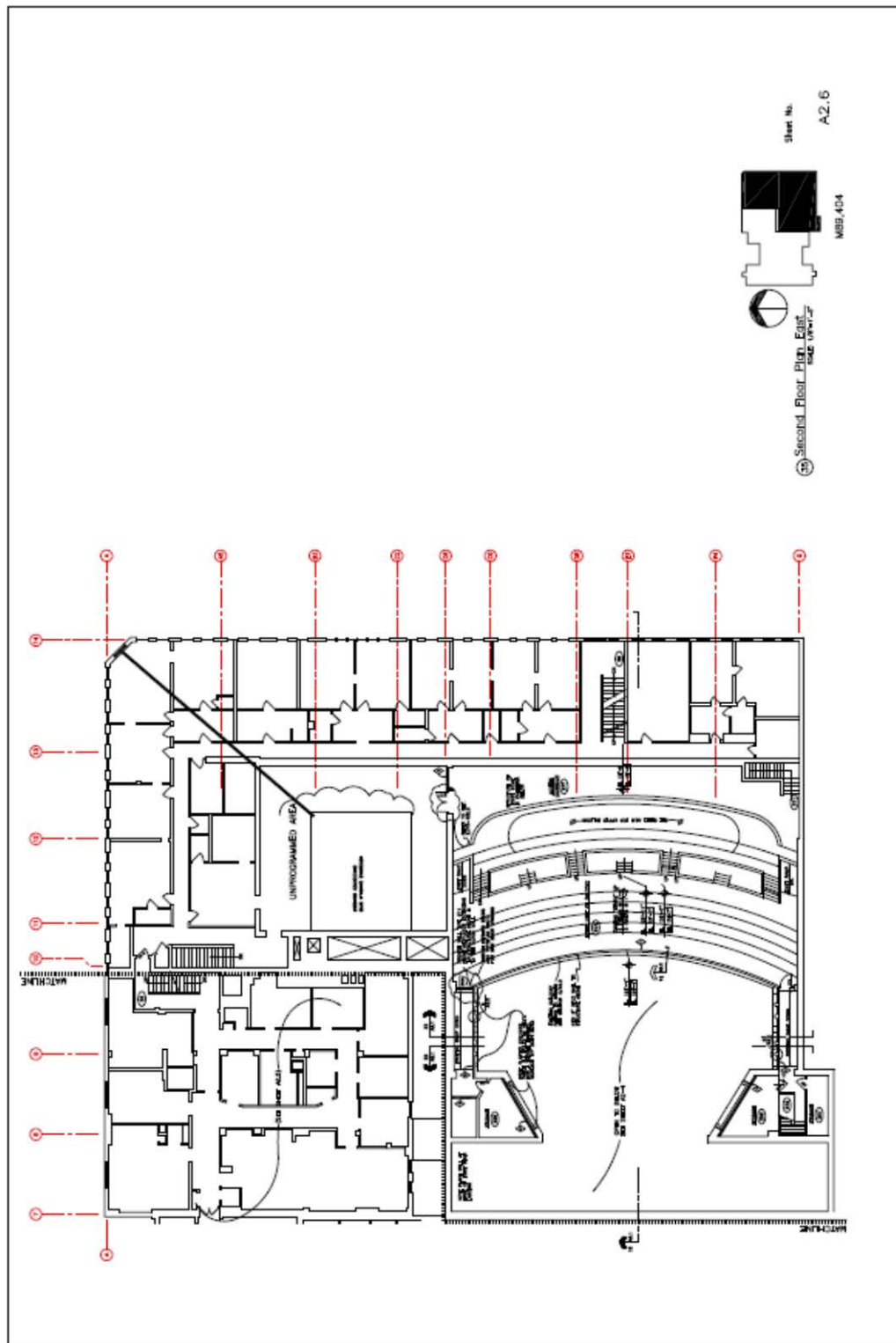
9- & 5-Story Buildings



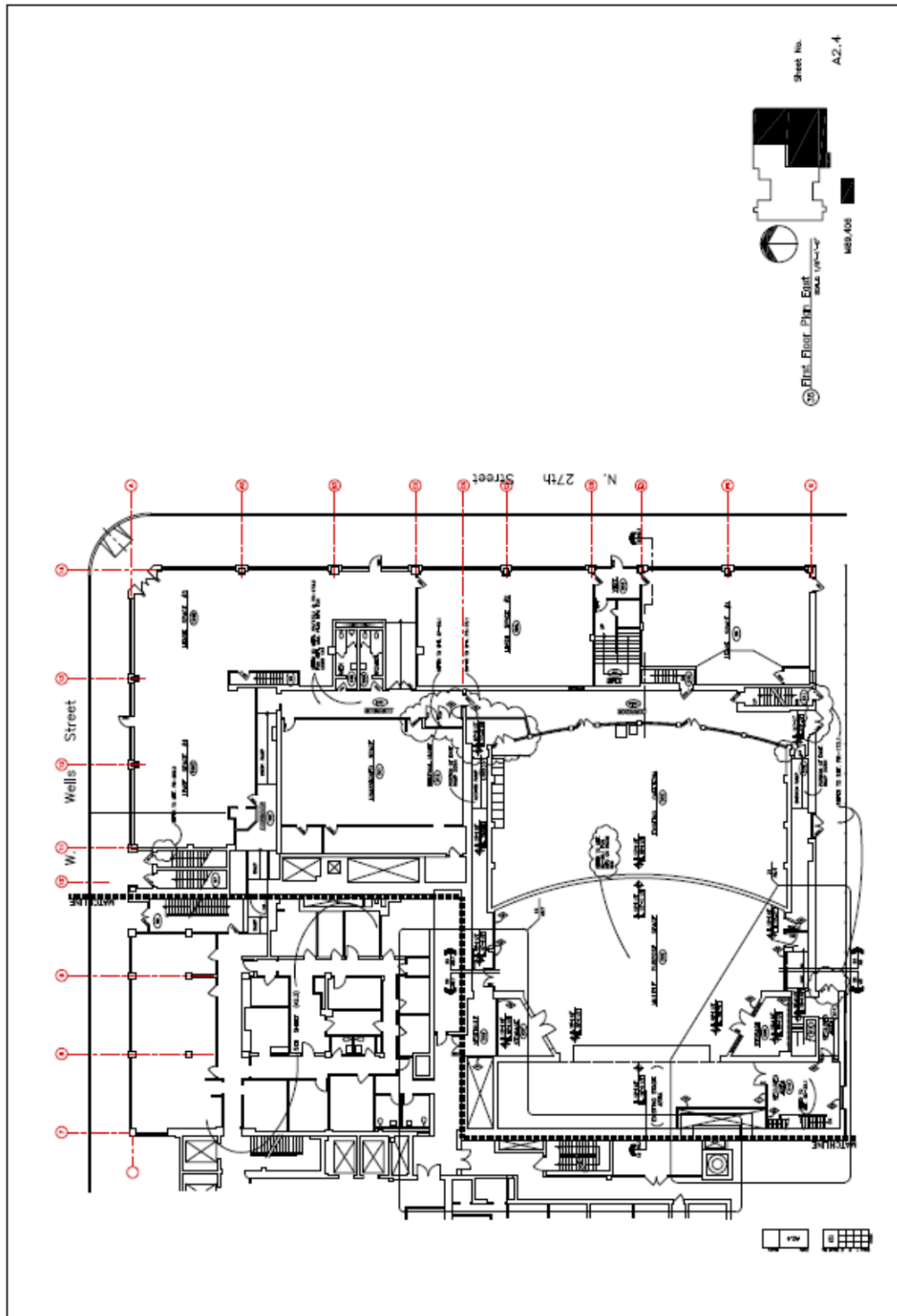
9- & 5-Story Buildings



2-Story Building

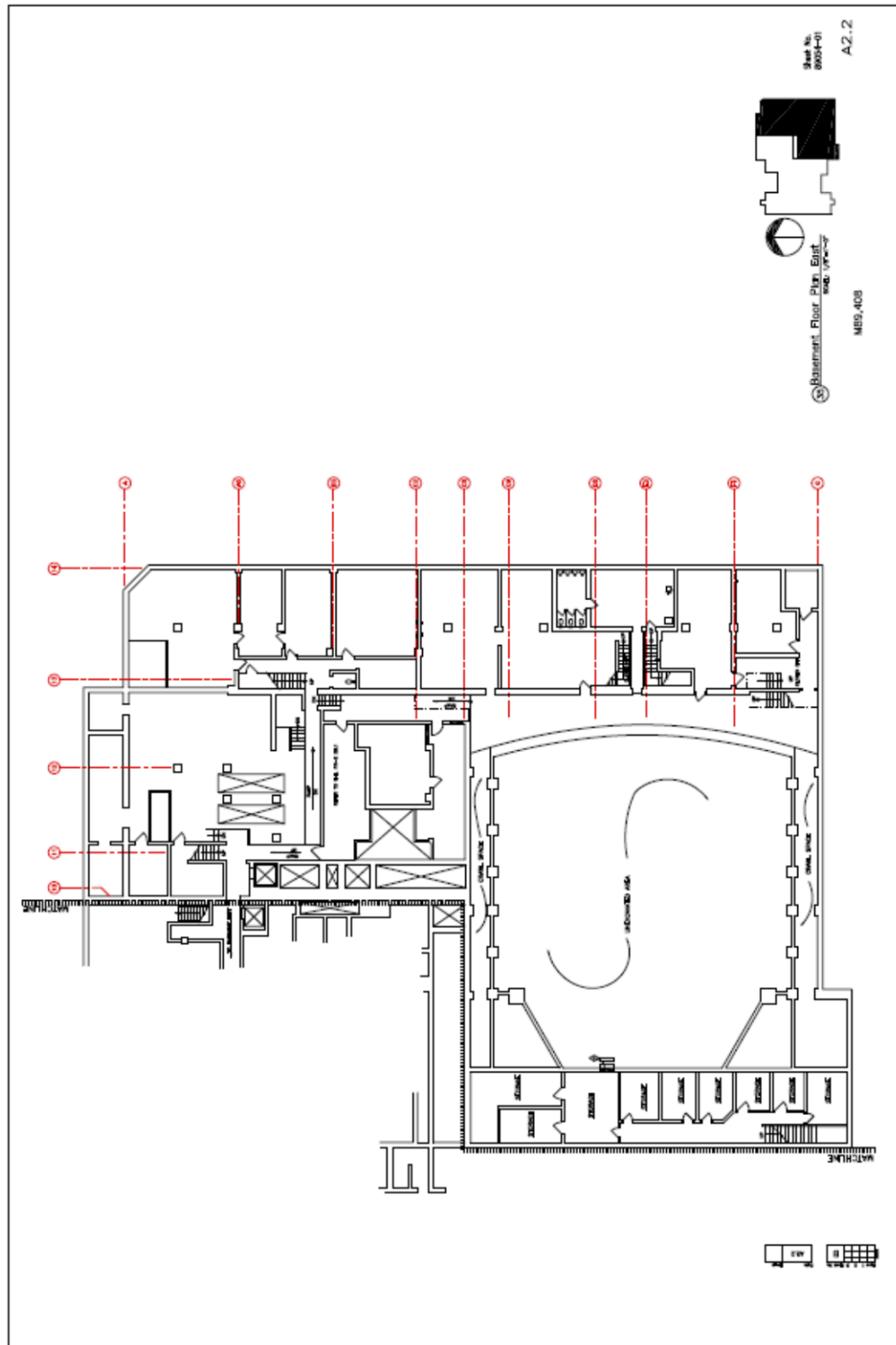


2-Story Building





2-Story Building



### Identifying Land Description

## Milwaukee County Land Information Parcel Report

TAXKEY: 3880105111

Report generated 10/28/2014 3:41:21 PM



Selected parcel highlighted

### Parcel Information

TAXKEY: 3880105111

Record Date: 02/25/1992

Owner(s): MILWAUKEE COUNTY

Address: 2711 W WELLS ST

Municipality: Milwaukee

Acres: 1.19

Assessed Value: \$644,000

Parcel Description: COUNTY

Zoning Description:

Legal Description: ASSESSMENT SUBD NO 2 IN NE 1/4 SEC 25-7-21 BLOCK 1 LOTS 14 THRU 18 & LOT 1 BLK 1 IN LAFAYETTE SQUARE BID #10



Parcel photo

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

**Identifying Land Description (Cont.)**

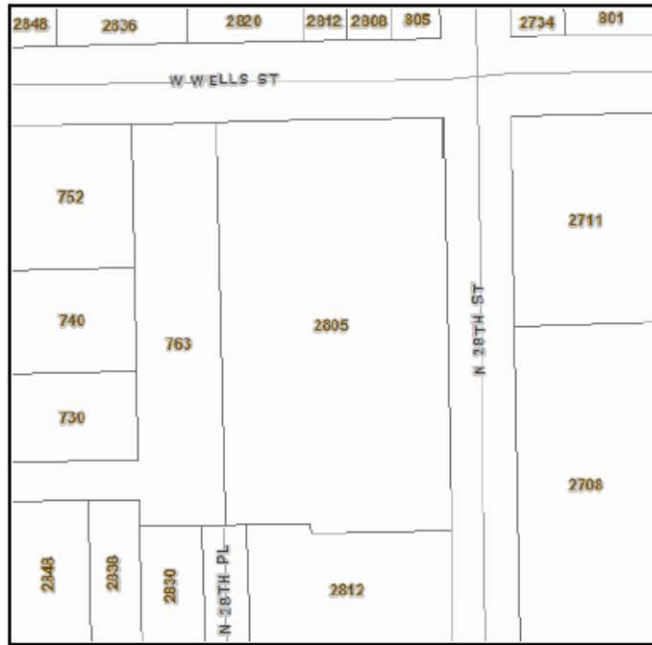
**Milwaukee County Land Information Parcel Report**

TAXKEY: 3880107113

Report generated 10/28/2014 3:43:47 PM



Parcel location within Milwaukee County



Selected parcel highlighted

**Parcel Information**

TAXKEY: 3880107113

Record Date: 01/11/1993

Owner(s): MILWAUKEE COUNTY

Address: 2805 W WELLS ST

Municipality: Milwaukee

Acres: 1.69

Assessed Value: \$73,400

Parcel Description: COUNTY

Zoning Description:

Legal Description: ASSESSMENT SUBD NO 2 IN NE 1/4 SEC 25-7-21 BLOCK 2 LOTS 8 & 9 & LOTS 1 THRU 5 BLK 2 IN LAFAYETTE SQUARE & LOTS 1 THRU 6 IN BELAIR PLACE & E 1/2 VAC N 28TH ST ADJ



Parcel photo

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

**Identifying Land Description (Cont.)**

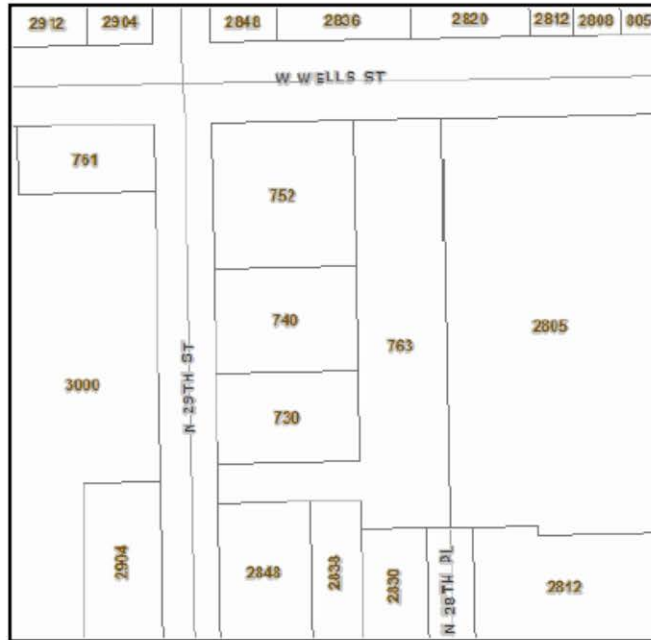
Milwaukee County Land Information Parcel Report

TAXKEY: 3880311112

Report generated 10/28/2014 3:44:33 PM



Parcel location within Milwaukee County



Selected parcel highlighted

**Parcel Information**

TAXKEY: 3880311112

Record Date: 01/11/1993

Owner(s): MILWAUKEE COUNTY

Address: 763 N 28TH ST

Municipality: Milwaukee

Acres: 0.74

Assessed Value: \$32,500

Parcel Description: COUNTY

Zoning Description:

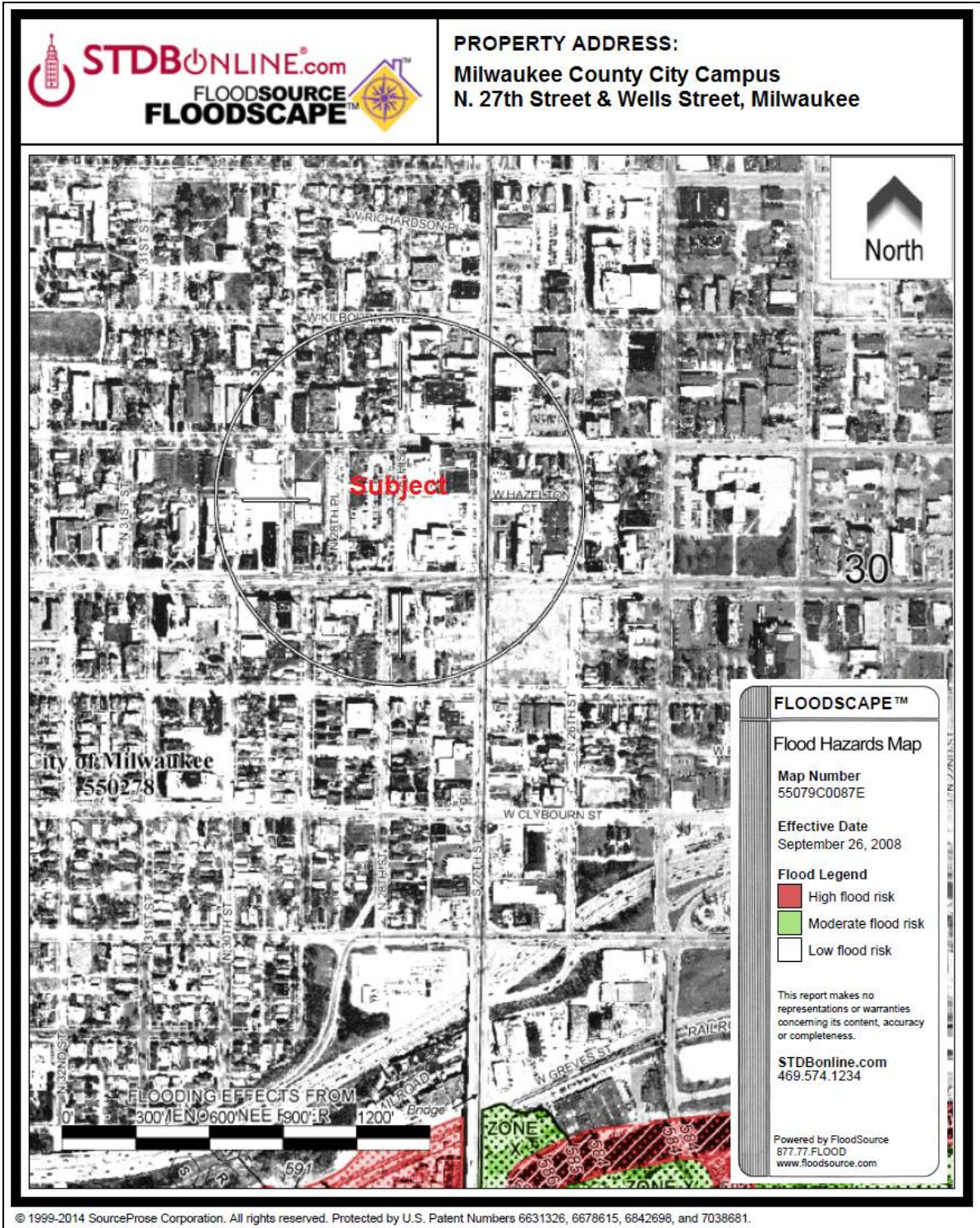
Legal Description: BELAIR PLACE IN NE 1/4 SEC 25-7-21 LOTS 9 THRU 14 SD SUBD & S 35' LOT 2 BLK 1 IN SUBD OF A PART OF LOTS 3 & 4 IN DOUSMAN'S SUBD & W 1/2 VAC N 28TH ST ADJ



Parcel photo

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

Floodplain Map



**EXHIBIT B**  
**Comparable Sales Information**  
**Land Sale No. CL-1**

**Property Identification**

<b>Record ID</b>	1250
<b>Property Type</b>	Commercial Land
<b>Property Name</b>	Dunkin' Donuts Parcel
<b>Address</b>	9001 N. Green Bay Road, Brown Deer, Milwaukee County, Wisconsin
<b>Location</b>	Southwest Corner of Green Bay Rd. & Deerwood Dr.
<b>Tax ID</b>	027-8999-001

**Sale Data**

<b>Grantor</b>	Community Television of Wisconsin, LLC
<b>Grantee</b>	RK Green Bay Road LLC
<b>Sale Date</b>	October 3, 2013
<b>Deed Book/Page</b>	Doc #10300522
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Cash to Seller

<b>Sale Price</b>	\$750,000
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**Land Data**

<b>Zoning</b>	B-3, Commercial
<b>Topography</b>	Generally Level
<b>Utilities</b>	All Available
<b>Shape</b>	Irregular Rectangle

**Land Size Information**

<b>Land Size</b>	1.67 Acres or 72,744 SF
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**Indicators**

<b>Sale Price/SF</b>	\$10.31
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**Remarks**

This is the October, 2013 sale of 1.67 acres of land located along the west side of N. Green Bay Road in the Village of Brown Deer. The sale price in this transaction was \$750,000 or \$10.31 per square foot. The buyer in this transaction (Endeavor Corporation) is a local developer that has built a freestanding Dunkin' Donuts restaurant on the property and also a ±11,000 square foot strip retail building. This property is located across the street from a larger shopping center that is anchored by Pick 'n Save, Marshall's and Kohl's. This parcel was listed for sale at \$1,250,000 for ±1.5-years with MidAmerica Real Estate prior to the sale.

Land Sale No. CL-1 (Cont.)



**Land Sale No. CL-2****Property Identification**

<b>Record ID</b>	1063
<b>Property Type</b>	Multi-Family Land
<b>Property Name</b>	Bradley Crossing Parcel
<b>Address</b>	4375 W. Bradley Road, Brown Deer, Milwaukee County, Wisconsin
<b>Location</b>	Southwest Quadrant of Bradley Rd. & Sherman Blvd.
<b>Tax ID</b>	085-9999-003 & Part of 085-9999-002

**Sale Data**

<b>Grantor</b>	GenCap Bradley, LLC
<b>Grantee</b>	Bradley Crossing 60, LLC
<b>Sale Date</b>	December 19, 2011
<b>Deed Book/Page</b>	Doc #10079077
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Cash to Seller

<b>Sale Price</b>	\$900,000
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**Land Data**

<b>Zoning</b>	PD, Planned Development
<b>Topography</b>	Generally Level
<b>Utilities</b>	All Available
<b>Shape</b>	Rectangular / Noncontiguous

**Land Size Information**

<b>Land Size</b>	2.75 Acres or 119,790 SF
<b>No. Units</b>	60

**Indicators**

<b>Sale Price/SF</b>	\$7.51
<b>Sale Price/Unit</b>	\$15,000

**Remarks**

This is the December, 2011 sale of a 2.75 acre parcel for \$900,000 to Bradley Crossing 60, LLC (Jewish Family Services) from GenCap Bradley, LLC (General Capital). The parcel is located at 4375 W. Bradley Road which is in the southwest quadrant of W. Bradley Road and N. Sherman Boulevard in Brown Deer. The parcel was zoned planned development and the buyer has constructed a 3-story, 68,000 square foot, 60-unit multi-family building. Approvals were reportedly in place at the date of sale for 60 units. The seller's company is the developer for the project and there were several Section 42 tax credits on this deal but no sale conditions. The sale price is equal to \$7.51 per square foot and \$15,000 per unit.



Land Sale No. CL-2 (Cont.)



**Land Sale No. CL-3****Property Identification**

<b>Record ID</b>	1055
<b>Property Type</b>	Commercial Land
<b>Property Name</b>	O'Reilly Automotive Parcel
<b>Address</b>	6375 N. 76th Street, Milwaukee, Milwaukee County, Wisconsin
<b>Location</b>	Southwest Corner of N. 76th St. & Mill Rd.
<b>Tax ID</b>	153-9981-111 & 153-0170

**Sale Data**

<b>Grantor</b>	Milwaukee County
<b>Grantee</b>	O'Reilly Automotive, Inc.
<b>Sale Date</b>	August 27, 2010
<b>Deed Book/Page</b>	Doc #9910881
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Cash to Seller

<b>Sale Price</b>	\$475,000
<b>Upward Adjustment</b>	\$8,500 Demolition
<b>Adjusted Price</b>	\$483,500

**Land Data**

<b>Zoning</b>	LB1, Local Business
<b>Topography</b>	Generally Level
<b>Utilities</b>	All Available
<b>Shape</b>	Rectangular

**Land Size Information**

<b>Land Size</b>	1.434 Acres or 62,476 SF
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**Indicators**

<b>Sale Price/SF</b>	\$7.74 Adjusted
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**Remarks**

This is the August, 2010 sale of a 1.434 acre land parcel located at the intersection of N. 76th Street and W. Mill Road on Milwaukee's northwest side. The sale price in this transaction was \$475,000. The parcel was improved with a former Milwaukee County transit station that was subsequently demolished at an estimated cost of \$8,500. The adjusted sale price is \$483,500 or \$7.74 per square foot. The buyer has constructed an O'Reilly Auto Parts store on this parcel.

Land Sale No. CL-3 (Cont.)



**Land Sale No. CL-4****Property Identification**

<b>Record ID</b>	1365
<b>Property Type</b>	Multi-Family Land
<b>Property Name</b>	Capuchin Apartments Parcel
<b>Address</b>	2509 W. Fond du Lac Avenue, Milwaukee, Milwaukee County, Wisconsin
<b>Location</b>	Southwest Side of Fond du Lac Ave., Northwest of Tamarack St.
<b>Tax ID</b>	325-1015-000

**Sale Data**

<b>Grantor</b>	James Melvin Chapman, Sr. #1
<b>Grantee</b>	Fond du Lac Apartments, LLC
<b>Sale Date</b>	August 5, 2010
<b>Deed Book/Page</b>	Doc #9902879
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Cash to Seller

<b>Sale Price</b>	\$21,000
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**Land Data**

<b>Zoning</b>	LB2, Local Business
<b>Topography</b>	Generally Level
<b>Utilities</b>	All Available
<b>Shape</b>	Rectangular

**Land Size Information**

<b>Land Size</b>	0.103 Acres or 4,500 SF
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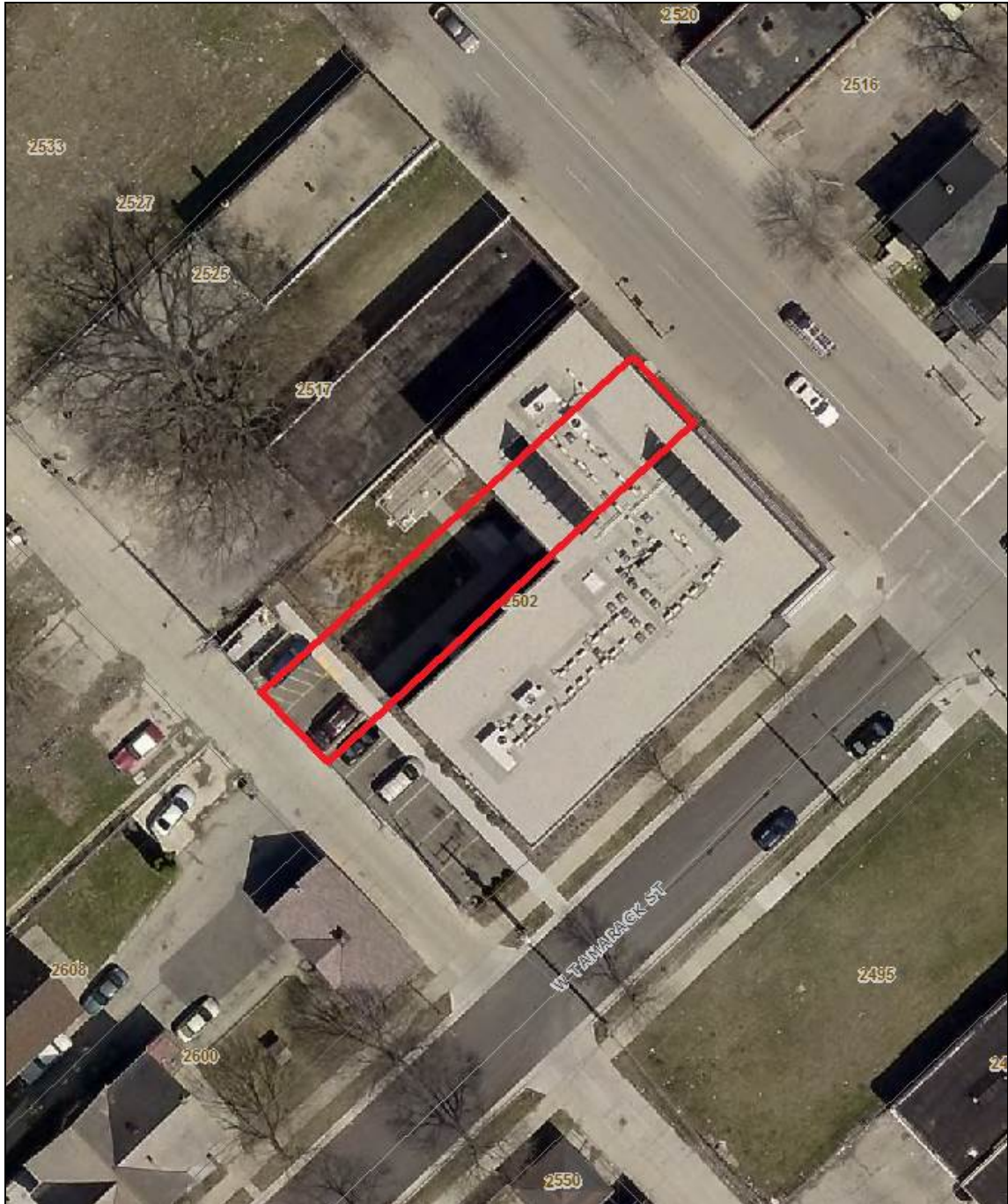
**Indicators**

<b>Sale Price/SF</b>	\$4.67
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**Remarks**

This is the August, 2010 sale of a 0.103 acre land parcel located on the west side of Fond du Lac Avenue, south of Center Street in the City of Milwaukee. Fond du Lac Apartments, LLC (Heartland Alliance Housing) purchased this parcel from James Melvin Chapman, Sr. #1 for \$21,000 or \$4.67 per square foot and assembled it with adjacent parcels to construct a 38-unit apartment building known as Capuchin Apartments. The property was rezoned from LB2, Local Business District, to PD, Planned Development District, to accommodate the project. Municipal sewer and water are available and immediately adjacent to the site.

Land Sale No. CL-4 (Cont.)



**Land Sale No. CL-5****Property Identification**

<b>Record ID</b>	1218
<b>Property Type</b>	Institutional Land
<b>Property Name</b>	Sojourner Family Peace Center Parcel
<b>Address</b>	619 W. Walnut Street, Milwaukee, Milwaukee County, Wisconsin
<b>Location</b>	Southwest Corner of N. 6th St. & Walnut St.
<b>Tax ID</b>	362-0395-000

**Sale Data**

<b>Grantor</b>	Prince Hall Masonic Foundation, Inc.
<b>Grantee</b>	Sojourner Family Peace Center, Inc.
<b>Sale Date</b>	January 7, 2010
<b>Deed Book/Page</b>	Doc #0984291
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Cash to Seller

<b>Sale Price</b>	\$300,000
<b>Upward Adjustment</b>	\$170,000 Demolition
<b>Adjusted Price</b>	\$470,000

**Land Data**

<b>Zoning</b>	PD, Planned Development
<b>Topography</b>	Generally Level
<b>Utilities</b>	All Available
<b>Shape</b>	Mostly Rectangular

**Land Size Information**

<b>Land Size</b>	2.595 Acres or 113,049 SF
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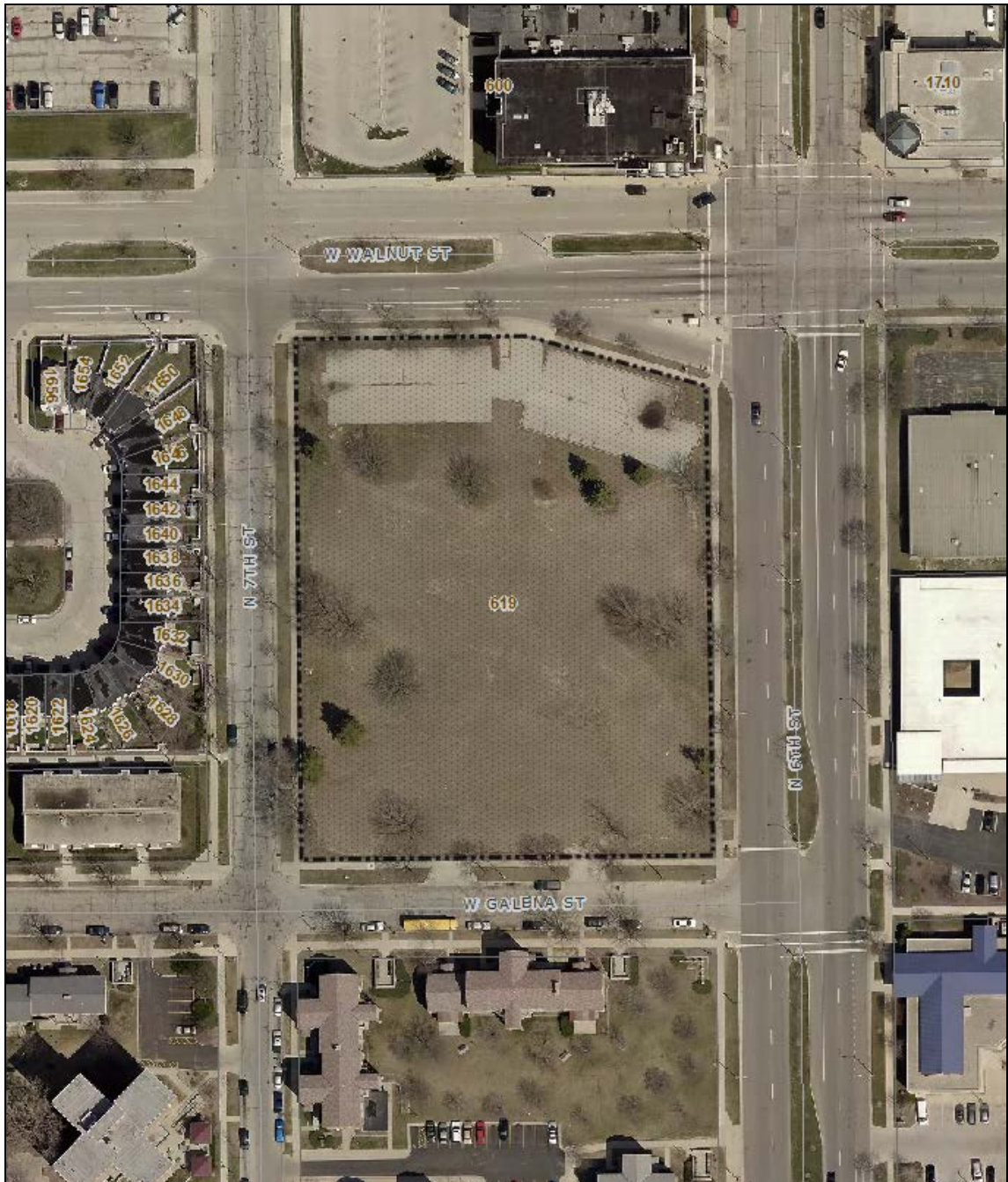
**Indicators**

<b>Sale Price/SF</b>	\$4.16 Adjusted
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**Remarks**

This is the January, 2010 sale of a 2.595 acre parcel in the City of Milwaukee comprising an entire city block bounded by Walnut Street to the north, Galena Avenue to the south, N. 6th Street to the east and N. 7th Street to the west. Sojourner Family Peace Center, Inc. purchased the property from Prince Hall Masonic Foundation, Inc. for \$300,000 for construction of a ±75,000 square foot facility that will house a variety of resources for victims of domestic abuse. At the time of sale, the property was improved with a ±33,065 square-foot, 81-bed skilled nursing facility known as Plymouth Manor, which the buyer demolished at an estimated cost of \$170,000. Subtracting the demolition costs results in an adjusted sale price of \$470,000 or \$4.16 per square foot.

Land Sale No. CL-5 (Cont.)



**Land Sale No. RL-1****Property Identification**

**Record ID** 1366  
**Property Type** Assisted Living & Single-Family Land  
**Property Name** Former Prange Greenhouse Parcel  
**Address** Approx. 2510 W. Good Hope Road, Glendale, Milwaukee County, Wisconsin  
**Location** North Side of Good Hope Rd., East of Range Line Rd.  
**Tax ID** 100-9984-001, 100-9985-003, 100-9982-001 & 100-9977

**Sale Data**

**Grantor** GSD Company LLC / The Audrey B. Prange Survivor's Trust  
**Grantee** GD Rental Properties LLC  
**Sale Date** May 29, 2014  
**Deed Book/Page** Doc #10366795 & 10366796  
**Property Rights** Fee Simple  
**Conditions of Sale** Arm's Length  
**Financing** Cash to Seller

**Sale Price** \$225,000  
**Upward Adjustment** \$75,000 (Demolition)  
**Adjusted Price** \$300,000

**Land Data**

**Zoning** R-3, Residence & PD, Planned Unit Development  
**Topography** Generally Level  
**Utilities** All Available  
**Shape** Mostly Rectangular; Noncontiguous

**Land Size Information**

**Land Size** 6.026 Acres or 262,493 SF

**Indicators**

**Sale Price/SF** \$1.14 Adjusted

**Remarks**

This is the May, 2014 sale of 6.026 acres of land located just east of Brown Deer Park within the northeast quadrant of Good Hope Road and Range Line Road in the City of Glendale. GD Rental Properties LLC purchased the property for \$225,000 for construction of two, 20-unit assisted living community based residential facilities (CBRF) known as Glendale Manor and a small, ten lot single family residential subdivision known as Braeburn Meadows. The site was improved with the former Prange Greenhouse which the buyer will demolish at an estimated cost of \$75,000. Including the demolition costs, the total adjusted sale price for the property was \$300,000 or \$1.14 per square foot. The property had been zoned R-3, Residence District, which allows for single family residential use, parks and municipal-owned buildings, among other uses. The southern portion of the property was rezoned to PD, Planned Unit Development District, to allow for construction of the assisted living facility. The property has a noncontiguous shape and will likely require the purchase of an additional land parcel to the north to allow access to the planned 10 lot single family subdivision.



Land Sale No. RL-1 (Cont.)



**Land Sale No. RL-2****Property Identification**

<b>Record ID</b>	1367
<b>Property Type</b>	Residential Land
<b>Property Name</b>	Former Milwaukee Community Service Corps Parcel
<b>Address</b>	2516-2518 W. Wells Street, Milwaukee, Milwaukee County, Wisconsin
<b>Location</b>	North Side of Wells St. Between N. 25th St. & N. 26th St.
<b>Tax ID</b>	389-1708

**Sale Data**

<b>Grantor</b>	Milwaukee Community Service Corps, Inc.
<b>Grantee</b>	21 Century Asset Holding Company, Inc.
<b>Sale Date</b>	May 31, 2013
<b>Deed Book/Page</b>	Doc #10256382
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Cash to Seller

<b>Sale Price</b>	\$4,000
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**Land Data**

<b>Zoning</b>	RT3, Two-Family Residential
<b>Topography</b>	Gently Sloped
<b>Utilities</b>	All Available
<b>Shape</b>	Elongated Rectangle

**Land Size Information**

<b>Land Size</b>	0.172 Acres or 7,500 SF
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**Indicators**

<b>Sale Price/SF</b>	\$0.53
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**Remarks**

This is the May, 2013 sale of a 0.172 acre vacant land parcel located on the north side of Wells Street between N. 25th and N. 26th Streets in the City of Milwaukee. 21 Century Asset Holding Company, Inc. purchased the property from Milwaukee Community Services Corps, Inc. for \$4,000 or \$0.53 per square foot. Plans for the site are unknown but its RT3 zoning designation allows for single- and two-family residential use. Access to the site is from an alley to the north. The site has a gently sloped topography and an elongated rectangular shape.

Land Sale No. RL-2 (Cont.)



**Land Sale No. RL-3****Property Identification**

<b>Record ID</b>	1368
<b>Property Type</b>	Industrial Parking Land
<b>Property Name</b>	Ampco Pumps Expansion Parcel
<b>Address</b>	1965-1991 W. Mill Road, Glendale, Milwaukee County, Wisconsin
<b>Location</b>	South Side of Mill Rd., West of Green Bay Ave.
<b>Tax ID</b>	161-8017, 161-8018 & 161-8019

**Sale Data**

<b>Grantor</b>	Shafton Family Partnership
<b>Grantee</b>	Ampco Pumps Real Estate, LLC
<b>Sale Date</b>	February 07, 2013
<b>Deed Book/Page</b>	Doc #10213498
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Cash to Seller

<b>Sale Price</b>	\$200,000
<b>Upward Adjustment</b>	\$8,500 (Demolition)
<b>Adjusted Price</b>	\$208,500

**Land Data**

<b>Zoning</b>	R-7, Residence
<b>Topography</b>	Generally Level
<b>Utilities</b>	All Available
<b>Shape</b>	Rectangular

**Land Size Information**

<b>Land Size</b>	1.755 Acres or 76,434 SF
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**Indicators**

<b>Sale Price/SF</b>	\$2.73 Adjusted
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**Remarks**

This is the February, 2013 sale of a 1.755 acre land parcel located on the south side of Mill Road, west of Green Bay Avenue in a mixed residential/industrial area in the City of Glendale. An adjacent industrial property owner, Ampco Pumps Real Estate, LLC, purchased the property for \$200,000 from Shafton Family Partnership for expansion of their facility's parking lot. The residentially-zoned parcel was improved with a single-family house which was demolished at an estimated cost of \$8,500. Including the demolition costs, the total adjusted sale price for the property was \$208,500 or \$2.73 per square foot.

Land Sale No. RL-3 (Cont.)



**Land Sale No. RL-4****Property Identification**

<b>Record ID</b>	1369
<b>Property Type</b>	Institutional Land
<b>Property Name</b>	Milwaukee Scholars Charter School Parcel
<b>Address</b>	7000 W. Florist Avenue, Milwaukee, Milwaukee County, Wisconsin
<b>Location</b>	North Side of Florist Ave., East of N. 76th St.
<b>Tax ID</b>	154-0061

**Sale Data**

<b>Grantor</b>	Holy Cathedral Church of God In Christ, Inc.
<b>Grantee</b>	Charter Development 6, LLC
<b>Sale Date</b>	February 16, 2011
<b>Deed Book/Page</b>	Doc #9973322
<b>Property Rights</b>	Fee Simple
<b>Conditions of Sale</b>	Arm's Length
<b>Financing</b>	Cash to Seller

<b>Sale Price</b>	\$316,200
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**Land Data**

<b>Zoning</b>	DPD, Detailed Plan Development
<b>Topography</b>	Gently Rolling
<b>Utilities</b>	All Available
<b>Shape</b>	Rectangular

**Land Size Information**

<b>Land Size</b>	7.903 Acres or 344,261 SF
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**Indicators**

<b>Sale Price/SF</b>	\$0.92
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**Remarks**

This is the February, 2011 sale of a 7.903 acre vacant land parcel located on the north side of Florist Avenue, east of N. 76th Street in a mixed residential/industrial area in the City of Milwaukee. Charter Development 6, LLC purchased the parcel from Holy Cathedral Church of God In Christ, Inc. for \$316,200 or \$0.92 per square foot for construction of the Milwaukee Scholars Charter School. The property was rezoned from IL1, Industrial-Light District, to DPD, Detailed Planned Development District, to accommodate the institutional project. The site has a gently rolling topography and a rectangular shape. Municipal sewer and water are available and immediately adjacent to the site.

Land Sale No. RL-4 (Cont.)



## **EXHIBIT C**

### **Assumptions and Limiting Conditions**

No responsibility is assumed for matters legal in nature. No investigation has been made of the title to or any liabilities against the property appraised. The appraisal presumes, unless otherwise noted, that the owner's claim is valid, the property rights are good and marketable, and there are no encumbrances which cannot be cleared through normal processes. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

Unless otherwise specifically noted within the appraisal report, it is assumed that title to the property appraised is clear and marketable and that there are no recorded or unrecorded matters or exceptions that would adversely affect marketability or value. We are not aware of any title defects nor have we been advised of any unless such is specifically noted in the report. We, however, have not examined title and make no representations relative to the condition thereof. Documents dealing with liens, encumbrances, easements, deed restrictions, clouds and other conditions that may affect the quality of title have not been reviewed. Insurance against financial loss resulting in claims that may arise out of defects in the subject property's title should be sought from a qualified title company that issues or insures title to real property.

It is assumed that all applicable zoning and use regulations and restrictions have been complied with unless a nonconformity has been stated, defined, and considered in the appraisal report. Further, it is assumed that the utilization of the land and improvements is within the boundaries of the property described and that no encroachment or trespass exists unless noted in the report. 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.

To the best of our knowledge, all data set forth in this report are true and accurate. Although gathered from reliable sources, no guarantee is made nor liability assumed for the accuracy of any data, opinions, or estimates identified as being furnished by others which have been used in formulating this analysis.

Land areas and descriptions used in this appraisal were either obtained from public records or furnished by the client and have not been verified by legal counsel or a licensed surveyor. The land description is included for identification purposes only and should not be used in a conveyance or other legal document without proper verification by an attorney. Although the material was prepared using the best available data, it should not be considered as a survey or scaled for size. All engineering studies are assumed to be correct. The plot and site plans and other illustrative material in this report are included only to help the reader visualize the property and they should not be scaled for size. Any survey or right-of-way plat sheet included was provided by the client and assumed accurate. Except as specifically stated, data relative to size or area of the subject and comparable properties has been obtained from sources deemed accurate and reliable.



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**Assumptions and Limiting Conditions, Continued**

We have made a physical inspection of the property and noted any readily visibly apparent physical defects, if any, in our report. This inspection was made by individuals generally familiar with real estate and building construction; however, these individuals are not architectural or structural engineers who would have detailed knowledge of building design and structural integrity. Accordingly, we do not opine on, nor are we responsible for, the structural integrity of the property including its conformity to specific governmental code requirements, such as fire, building and safety, earthquake, and occupancy, or any physical defects that might exist. Unless otherwise specifically noted in the body of this report, it is assumed: that the existing improvements on the property appraised are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the property has been engineered in such a manner that the improvements conform to all applicable local, state, and federal building codes and ordinances. We are not engineers and are not competent to judge matters of an engineering nature. We have not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, make no representations relative to the condition of improvements. Unless otherwise specifically noted in the body of the report, no problems were brought to our attention by ownership or management. Structural problems and/or building system problems may not be visually detectable. If engineering consultants retained should report negative factors of a material nature, or if such are later discovered, such information could have a substantial negative impact on the conclusions reported in this appraisal. Accordingly, if negative findings are reported by engineering consultants, we reserve the right to amend the appraisal conclusions reported herein.

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect on the value of the property. We have not considered the possible noncompliance with the requirements of ADA in estimating the value of the property.

No soil analysis or geological studies were ordered or made in conjunction with this appraisal, nor were any water, oil, gas, coal, or other subsurface mineral and use rights or conditions investigated. Unless otherwise noted in the body of the report, it is assumed that there are no mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered unless otherwise stated in this appraisal report. Unless otherwise stated, it is also assumed that there are no air or development rights of value that may be transferred. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.

**Assumptions and Limiting Conditions, Continued**

Any opinions of value provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the opinion of value, unless such proration or division of interests has been set forth in the report.

The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and projected stable economic conditions.

These forecasts are, therefore, subject to changes with future conditions. Any cash flows included in the analysis are forecasts of estimated future operating characteristics and are predicated on the information and assumptions contained within the report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future; rather, they are estimates of current market expectations of future income and expenses. The achievements of the financial forecasts are subject to fluctuating economic conditions and are dependent upon other projected future occurrences that obviously cannot be assured. Actual results will likely occur from the projections made herein and we cannot and do not warrant that these forecasts will occur. Projections may be affected by circumstances beyond the current realm of our knowledge or control.

Unless otherwise noted in the body of this report, it is assumed that no changes in the present zoning ordinances or regulations governing use, density, or shape have been considered. The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, nor national government or private entity or organization have been or can be obtained or renewed for any use for which the value estimates contained in this report is based, unless otherwise stated.

Testimony or attendance in court or at any other hearing is not required by reason of this appraisal unless arrangements are made within a reasonable time in advance for such testimony, and then such testimony shall be at the prevailing per diem for the individuals involved.

The date of value to which the conclusions and opinions expressed apply is set forth in this report. Unless otherwise noted, this date represents the last date of our physical inspection of the property. The value opinion herein rendered is based on the status of the national business economy and the purchasing power of the U.S. dollar as of that date.

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**EXHIBIT D**  
**Appraisal Certifications**

I certify that, to the best of my 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 my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest or bias with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is subject of this report within the three-year period immediately preceding acceptance of this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report.
- Thomas Makarewicz has provided significant professional assistance to the person signing this certification.
- 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.
- As of the date of this report, I have completed the requirements under the continuing education program of the Appraisal Institute.

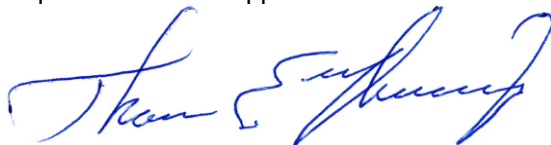


Lawrence R. Nicholson, MAI  
Wisconsin Certified General Appraiser (#116)

### Appraisal Certification

I certify that, to the best of my 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 my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest or bias with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is subject of this report within the three-year period immediately preceding acceptance of this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report.
- No one has provided significant professional assistance to the person signing this certification.
- 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.
- As of the date of this report, I have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Candidates for Designation.



Thomas E. Makarewicz  
Wisconsin Certified General Appraiser (#1644)

**EXHIBIT E****Professional Qualifications****Lawrence R. Nicholson, MAI***The Nicholson Group LLC***Experience**

Owner of The Nicholson Group LLC, a Milwaukee-based real estate valuation and consulting firm dedicated to providing reliable and well documented valuations, feasibility and market studies, litigation support and other consulting services in a personal and timely manner. Mr. Nicholson has over 30 years of real estate valuation and consulting experience. Mr. Nicholson has been an MAI since 1989 and a Certified General Appraiser in the State of Wisconsin since 1991. He also was a Counselor of Real Estate ("CRE") from 2000 through 2008.

Mr. Nicholson has extensive experience with a variety of property types including office buildings, shopping centers, apartment complexes, golf courses, waterparks, marinas, hotels, business/industrial parks, developmental land, self-storage facilities, and light and heavy industrial facilities. Mr. Nicholson is an expert in condemnation-related appraisals as well as in partial interest valuation. Mr. Nicholson has been appointed by the Governor to the Real Estate Appraisers Board for the State of Wisconsin within the Department of Safety and Professional Services. Mr. Nicholson has taught the Valuation of Real Estate course (Real Estate 415) at the University of Wisconsin-Madison School of Business. Mr. Nicholson is also an approved instructor of real estate appraisal principles and procedures in the State of Wisconsin. He also frequently participates as a speaker in numerous conferences, seminars and symposiums. Mr. Nicholson has a Bachelor of Business Administration degree (real estate and finance) and a Master of Science degree in Real Estate Appraisal and Investment Analysis from the University of Wisconsin – Madison.

Prior to forming The Nicholson Group in 1993, Mr. Nicholson was National Managing Director of the Real Estate Advisory Group (REAG) of American Appraisal Associates. As an operating unit of the world's largest independent valuation consulting firm, REAG specialized in providing appraisal, consulting, and market research services nationwide.

**Academics**

University of Wisconsin - Madison

Master of Science - Real Estate Appraisal & Investment Analysis (1981)

Bachelor of Business Administration - Finance & Urban Land Economics (1979)

Appraisal Institute

Numerous real estate appraisal courses

American Society of Appraisers

Business Valuation 201

Business Valuation 202

Business Valuation 203

**Court  
Experience**

Mr. Nicholson has provided expert testimony concerning the market value of real estate and partial interests.

**Lawrence R. Nicholson, MAI**  
**Professional Qualifications, continued**

**Professional Affiliations**

- Appraisal Institute, MAI Designation #8077 (1989)
- Board of Directors, Wisconsin Chapter (2006 - 2009)
- Ethics Administration Division - Assistant Regional Member
- Admissions Committee (former)
- Board of Directors, Badger Chapter (former)
- Chairperson - Public Relations Committee (former)
- Nonresidential Appraisal Reports Grader (former)
  
- State of Wisconsin Department of Safety and Professional Services
- Real Estate Appraisers Board, State of Wisconsin (5/1/2010 - )
- Real Estate Appraisers Application Advisory Committee
  - Chairman (2013 - )
  - Member (2006 - 2010)
  
- State Certification
- Wisconsin Certified General Appraiser #116-10 (1991)
  
- International Right of Way Association
  
- Commercial Association of Realtors Wisconsin
- Board of Directors (2001-2004)
  
- University of Wisconsin-Madison
- Lecturer, Real Estate 415, Valuation of Real Estate (2008 - 2009)



**Thomas E. Makarewicz***The Nicholson Group LLC***Experience**

An appraiser with The Nicholson Group LLC, a Milwaukee-based real estate valuation and consulting firm dedicated to providing reliable and well-documented valuations, feasibility and market studies, and other real estate consulting services in a personal and timely manner. Mr. Makarewicz joined The Nicholson Group LLC in 2003.

Prior to arriving at The Nicholson Group, Mr. Makarewicz worked as a market analyst at Xceligent, Inc., a computer technology company. Xceligent, Inc. introduced a multiple listing service for commercial properties, which is now used by many commercial brokerage firms in the Greater Milwaukee area. Responsible for gathering and maintaining commercial building and listing information for all of Southeastern Wisconsin, Thomas has extensive knowledge of the surrounding real estate market.

Over the last several years, Mr. Makarewicz has specialized on the appraisal of various land types and is an expert in condemnation-related appraisals. Mr. Makarewicz also has extensive appraisal experience with a wide variety of property types.

**Academic  
Background**

University of Wisconsin-Madison, Wisconsin

Bachelor of Business Administration degree, December 1999

Major: Real Estate and Urban Land Economics

**Course Work  
Completed**

Appraisal Institute Coursework

- 7-Hour & 15-Hour National USPAP Courses
- Business Practices & Ethics
- Real Estate Appraisal Principals
- Real Estate Appraisal Procedures
- General Market Analysis & Highest and Best Use
- Advanced Sales Comparison and Cost Approaches
- Report Writing and Valuation Analysis
- Advanced Applications
- Attacking & Defending an Appraisal in Litigation
- Complex Litigation Appraisal Case Studies

**Thomas Makarewicz**  
**Professional Qualifications, continued**

**Court**

**Experience** Mr. Makarewicz has provided deposition testimony as an expert witness.

**Professional**  
**Affiliations**

Wisconsin Certified General Appraiser #1644 (January, 2010)

International Right of Way Association (2010 - Present)

- Participated as a speaker at the Wisconsin Badger Chapter's quarterly meeting on the topic of changing market conditions and its impact on land values (2011)

Appraisal Institute (2004 - Present)

- Candidate for Designation
- Presented on the topic of surplus land appraisal at the Wisconsin Chapter's 8<sup>th</sup> & 9<sup>th</sup> Annual Condemnation Appraisal Symposiums (2011 & 2012) and on the appraisal of special purpose properties at the 10<sup>th</sup> Annual Condemnation Appraisal Symposiums (2013)





## Firm Overview

**The Nicholson Group LLC** is a Milwaukee-based real estate valuation and consulting firm. The Nicholson Group, established in 1993, is one of the pre-eminent valuation consulting firms throughout the State of Wisconsin as well as the Midwest and is a premier provider of appraisal and related services to financial institutions, law firms, investors, corporations and other real estate owners and users. We provide complete support from our initial consultation through our finished reports and if required, expert testimony.

The Nicholson Group is dedicated to providing reliable, well documented appraisals, feasibility and market studies, review appraisals and other consulting services in a personal and timely manner. All of our appraisal and consultation services are produced to the highest possible standards including complying with: the Uniform Standards of Professional Appraisal Practice (“USPAP”); and, the Standards of Professional Appraisal Practice and Code of Professional Ethics of the Appraisal Institute.

We pride ourselves in our ability to provide quality-oriented appraisal and consulting services which create and maintains a high level of **client confidence, trust, loyalty and satisfaction**. Our clientele include financial institutions, insurance companies, law firms, real estate operating companies, pension funds, pension fund managers, corporations, and governmental agencies. Our extensive experience with a variety of property types includes: office & industrial buildings; regional malls & shopping centers; hotels & motels; water parks, golf courses & marinas; self-storage facilities; business & industrial parks; apartment complexes; and developmental land.

Our firm is characterized by valuation **knowledge and experience** as our work is produced by highly trained, experienced professionals; **credibility** based on extensive experience with leading real estate and business decision makers; **client service** geared to meet client timing needs at a fair price; and high standards of **objectivity and integrity** that has earned high levels of **respect** throughout the real estate community.

## The Nicholson Group Client Listing

### Financial Institutions

Anchor Bank  
 Associated Bank  
 BMO Harris Bank  
 Citibank  
 Citizens Bank of Mukwonago  
 Community Bank & Trust  
 Foundations Bank  
 Johnson Bank  
 JP Morgan Chase Bank  
 Marine Bank  
 National City Bank  
 Park Bank  
 PNC Bank  
 TCF Bank  
 The Private Bank  
 Town Bank  
 Tri-City National Bank  
 US Bank  
 Waukesha State Bank  
 Wells Fargo Bank

### Insurance Companies

AEGON USA Realty Advisors  
 American Family Insurance  
 American Fidelity Assurance Corp  
 Northwestern Mutual Life  
 Principal Life Insurance Company  
 Society Insurance  
 The Guardian

### Attorneys

Balisle & Roberson  
 Davis & Kuelthau  
 DeWitt, Ross & Stevens  
 Faegre & Benson  
 Foley & Lardner  
 Friebert, Finerty & St. John  
 Godfrey & Kahn  
 Kalcheim, Schatz & Berger  
 Michael Best & Friedrich  
 Quarles & Brady  
 Reinhart Boerner Van Duren  
 Schweitzer & Cincotta  
 von Briesen, Purtell & Roper  
 Weiss Berzowski Brady  
 Whyte Hirshboeck Dudek

### Municipal/Public

Arrowhead High School  
 Cardinal Stritch University  
 Carroll University  
 City of Delafield  
 City of Glendale  
 City of New Berlin  
 City of Oconomowoc  
 City of Racine  
 City of West Allis  
 Redevelopment Authority of the  
   City of Milwaukee  
 Milwaukee County  
 Marquette University  
 Milwaukee Public Schools  
 Sheboygan Area School District  
 Town of Brookfield  
 Town of Jackson  
 US Postal Service  
 UW-Milwaukee Real Estate  
   Foundation  
 Village of Greendale  
 Village of Hartland  
 Village of Kohler  
 Village of Menomonee Falls  
 Village of Pleasant Prairie  
 Village of Shorewood  
 Village of West Milwaukee  
 Waukesha School District  
 WI Department of Justice  
 WI Department of Transportation

### Real Estate Operating Companies

Atlas Management  
 Continental Properties  
 Fiduciary Real Estate Development  
 General Capital Group  
 Interstate Partners  
 Lighthouse Development Co.  
 Mandel Group  
 Madison Golf Development Group  
 Metropolitan Associates  
 Pabst Farms Development Co.  
 Principal Real Estate Investors  
 Public Storage, Inc  
 Told Development Company  
 Towne Realty

### Corporate

Abbott Laboratories  
 Agnesian HealthCare, Inc.  
 Aldrich Chemical  
 American Honda Motor Corp.  
 Boys & Girls Club of Milwaukee  
 Bradley Center Sports  
 Everbrite Company  
 Extencicare Health Services  
 Federal Express  
 Harley Davidson  
 Journal - Sentinel, Inc.  
 Noah's Ark Family Park, Inc.  
 Rockwell Automation  
 Roth Kase USA Ltd.  
 Sargento Foods  
 Self Storage Preferred Partners  
 SkipperLiner Marine Group  
 Spancrete Industries  
 Staubach Portfolio Services  
 Swiss Colony  
 Teamsters General Local No. 200  
 U-Haul International  
 United Parcel Service  
 Walgreen Company  
 Wal-Mart Stores & Wal-Mart Realty  
 Wisconsin Alumni Research  
   Foundation (WARF)

### **General Service Conditions**

The services provided by The Nicholson Group LLC have been performed in accordance with professional appraisal standards. Our compensation was not contingent in any way upon our conclusions. We have assumed, without independent verification, the accuracy of all data provided to us. All files, work papers, or documents developed by us during the course of the engagement are our property. We will retain this data for at least five years.

Our opinions and report are to be used only for the specific purpose stated herein and any other use is invalid. No reliance may be made by any third party without our prior written consent. Possession of this report or any copy thereof does not carry with it the right of publication. No portion of this report shall be disseminated to the public through prospectus, advertising, public relations, news, or any other means of communication without the written consent and approval of The Nicholson Group LLC.

You agree to indemnify and hold us harmless against and from any and all losses, claims, actions, damages, expenses, or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement. The extent of The Nicholson Group LLC's liability as a result of any of the preceding items, or any other matter related to this engagement, is limited to the appraisal fee paid by the client for these appraisal services. Your obligation for indemnification and reimbursement shall extend to any controlling person of The Nicholson Group LLC, employee, affiliate or agent.

We reserve the right to include your company/firm name in our client list, but we will maintain the confidentiality of all conversations, documents provided to us, and the contents of our reports, subject to legal or administrative process or proceedings. These conditions can only be modified by written documents executed by both parties.