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TERRENCE M. O'BRIEN, MAI

APPRAISAL REPORT

OF

THE NORTH SIDE OF THIRD STREET

BOUNDED BY GARFIELD AVENUE ON THE EAST

AND WASHINGTON STREET ON THE WEST

HINSDALE, ILLINOIS

- THE SUBJECT PROPERTY CONSISTS OF A
PARCEL OF LAND CONTAINING 232,500± SQUARE
FEET, PARTIALLY IMPROVED WITH A SCHOOL
BUILDING, PARKING AREAS, DRIVEWAYS, ETC. -

FOR

ELEMENTARY SCHOOL DISTRICT 181

ATTENTION: MS. SUE KAMUDA

DIRECTOR, BUILDINGS & GROUNDS

PERMANENT TAX INDEX NUMBER(S)

09-12-130-010
09-12-130-011
09-12-130-012
09-12-130-013
09-12-130-014
09-12-130-015
09-12-130-017
09-12-130-018

REAL ESTATE APPRAISERS - BROKERS - CONSULTANTS
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TERRENCE M. O'BRIEN, MAI

FAX (847) 729-8103

December 19, 2002

Ms. Sue Kamuda
Director, Buildings & Grounds
Elementary School District 181
120 South Walker Avenue
Clarendon Hills, Illinois 60514

Re: North Side of Third Street Bounded By Garfield Avenue
on the East and Washington Street on the West
Hinsdale, Illinois
Permanent Tax Index Number(s): 09-12-130-010, 011, 012,
013, 014, 015, 017 and 018

Dear Ms. Kamuda:

Pursuant to your request, the above captioned property was inspected on November 27, 2002, for the purpose of arriving at an opinion of the *Market Value* thereof in fee simple title.

The intended use of this appraisal is to provide a basis for Elementary School District 181 to utilize in negotiations for the acquisition and/or sale of the subject real estate. In keeping with this function, the value of the real estate has been estimated in accordance with any assumptions, limiting conditions and instructions cited within the report.

Based upon your instructions, we are appraising the subject site as vacant land under the premises that it can be developed to its *Highest and Best Use* and disregarding any contributory value of the existing improvements on the site. If the subject site were developed to its *Highest and Best Use* as proposed herein, we have assumed that there would be adequate on-site storm water detention areas for each of the 18 lots.

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Ms. Sue Kamuda
Director, Buildings & Grounds
Elementary School District 181

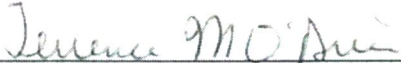
Page Two
December 19, 2002

As a result of this investigation, more fully described in this Complete Summary Appraisal Report, composed of 54 pages, it is our opinion that the Market Value of the subject real estate, as of November 27, 2002, is:

NINE MILLION DOLLARS

(\$9,000,000.00)

Respectfully submitted,


TERRENCE M. O'BRIEN, MAI

GENERAL CERTIFIED APPRAISER
CERTIFICATE NUMBER 153-000100


BRIAN J. DUNIEC

GENERAL CERTIFIED APPRAISER
CERTIFICATE NUMBER 153-000881

TMO/of (320A)

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SCOPE OF THE APPRAISAL ASSIGNMENT

The term Scope of the Appraisal Assignment is defined as "the extent of the process of collecting, confirming and reporting data."¹

Furthermore, as explained in Standard Rule 2-2 (f), "This requirement is designed to protect third parties whose reliance on an appraisal report may be affected by the extent of the appraiser's investigation; i.e., the process of collecting, confirming, and reporting data."²

The *Scope of the Appraisal Assignment*, in this report, will outline the indepth research and analysis that was completed to prepare this report for its intended use.

The subject property and surrounding area were personally inspected by the person(s) indicated in the *Certificate of Appraisal* attached hereto and made a part of this report. The date of inspection is indicated in the letter of transmittal.

The legal description presented herewith has been supplied by the owner and/or his agent or from a review of public records or documents.

Any photographs included in this appraisal report were taken as of the date of inspection unless otherwise indicated.

All regional, city, county and neighborhood data was prepared based on information available at the time of the commencement of this appraisal. The neighborhood data was based upon a physical inspection of the subject and surrounding area. In addition, a thorough review was made of zoning maps, ordinances, comprehensive plans, etc. applicable to the subject.

¹The Appraisal Foundation, S.R. 2-2 (f), UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE, (Washington, DC: The Appraisal Foundation, December, 1990), B-15.

²Ibid., B-15.

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SCOPE OF THE APPRAISAL ASSIGNMENT (cont'd)

The site data is based upon the personal inspection, surveys, when supplied, and/or other public records and documents such as Sidwell Plat Books and/or Redi Realty Atlas Books.

The *Description of Improvements*, if any, is based upon the personal inspection, review of building/floor plans, where available, and information supplied by the owner and/or his agent.

An investigation and analysis was made to determine the subject property's *Highest and Best Use*. This included the subject as vacant, as well as consideration of the present and/or existing use; the character and/or trend in the subject and surrounding area; the impact this or any other use will have upon the value of surrounding real estate; the economic yield resulting from any potential development or use, etc.

The *Cost, Sales Comparison and Income Capitalization Approaches* were considered in this assignment; they were utilized unless instructed otherwise or thought to be non-applicable in this analysis.

Information pertaining to construction costs was obtained from one or more sources including cost manuals such as the Marshall Valuation Service, the Calculator Valuation Guide, the Boeckh Building Evaluation Manual, various builders, developers, architects, engineers, etc.

Market data, with regard to comparable sales and rentals, was collected and confirmed by one or more sources including real estate brokers, buyers, sellers, attorneys, public records, etc. Those comparables most similar were then compared to the subject and, where necessary, adjustments were made in order to arrive at an indication of value for the property in question.

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SCOPE OF THE APPRAISAL ASSIGNMENT (cont'd)

To arrive at an indication of the subject's estimated Market Rent (Net or Gross Income), where applicable, a market study was conducted which included interviews with one or more sources including real estate brokers, leasing agents, developers, property owners, etc. This study and analysis also included a review of market conditions pertaining to vacancy factors for comparable and/or similar properties and was tempered by the appraiser's(s') experience and judgment.

Income and expense items/projections delineated under the *Income Capitalization Approach*, where applicable, were supplied by one or more sources including the owner and/or his agent, as well as various publications and manuals. These include, but are not limited to, the EXPERIENCE EXCHANGE REPORT, published by BOMA (Building Owners and Managers Association); the INCOME/EXPENSE ANALYSIS-CONVENTIONAL APARTMENTS (this series covers apartments as well as other types of properties), published by IREM (Institute of Real Estate Management); HOSPITALITY DIRECTIONS, published by Coopers and Lybrand; THE HOTEL VALUATION JOURNAL, published by Hospitality Valuations Services; HOTEL OPERATING STATISTICS, published by Smith Travel Research; the PULSE OF THE HOTEL MARKET, a joint publication of BDO Seidman and the Hotel Association of Illinois; and the DOLLARS AND CENTS OF SHOPPING CENTERS, published by The Urban Land Institute. In addition, the appraiser's(s') experience and judgment was considered.

Interest and/or capitalization rates were based upon one or more sources including various publications, manuals, actual market transactions, as well as the appraiser's(s') experience and judgment.

The three approaches, *Cost*, *Sales Comparison* and *Income Capitalization*, when utilized, were reconciled into a final value estimate taking into consideration the market data available within each approach. Those steps taken to reach this final value estimate are outlined, in detail, under the *Reconciliation of Value* section of this report.

The *Scope of the Appraisal Assignment* is subject to all the assumptions and limiting conditions set forth within this report.

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PURPOSE OF REPORT

The purpose of this appraisal report is to estimate the *Market Value* of the fee simple interest in the subject real estate, free and clear of all encumbrances, as of November 27, 2002.

The basic aim (or purpose) of this or any appraisal is to estimate a *defined value* of the subject real estate interest and/or to prepare an evaluation analysis for any present or future real property decisions. Usually, every appraisal will answer some question(s) with reference to the value of the subject real estate. The value that the appraiser will generally seek for his client is *Market Value*.

The appraiser and client must have a clear and thorough understanding of the appraisal's purpose. The real estate interests being appraised, and the use they will be put to, will often determine what *type of value* the appraiser is seeking in his indepth analysis. This *defined value* must be clarified at the outset of the appraisal. Thus, it is extremely important for the appraiser to distinguish for the client the difference between certain terminology; these definitions include *Real Estate, Real Property, Price, Market, Real Estate Market, Market Price, Market Value and Investment Value*. The explanations of these terms follow.

The term Real Estate is defined as "the physical land and appurtenances affixed to the land, e.g., structures. Real estate is immobile and tangible. The legal definition of real estate includes land and all things that are a natural part of land (e.g., trees and minerals), as well as all things that are attached to it by people (e.g., buildings and yard improvements). All permanent building attachments (e.g., plumbing, electrical wiring, heating installations) as well as built-in items (e.g., cabinets and elevators) are usually considered part of the real estate."³

³American Institute of Real Estate Appraisers (currently the Appraisal Institute), THE APPRAISAL OF REAL ESTATE, Ninth Edition, AIREA, Chicago, Illinois, 1987, Page 5.

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PURPOSE OF REPORT (cont'd)

The term Real Property is defined as "includes all interests, benefits, and rights inherent in the ownership of physical real estate. A right or interest in real property is also referred to as an estate. Specifically, an estate in land is the degree, nature, or extent of interest that a person has in it. Interests vary, so real property is said to include a 'bundle of rights' that are inherent in the ownership of real estate. Ownership rights include the right to use real estate, to sell it, to lease it, to enter it, to give it away, or to choose to exercise all or none of these rights."⁴

The term Price is defined as "usually used to refer to a sale or transaction price, applies to exchange; a price is an accomplished fact. A price represents the amount a particular purchaser agrees to pay and a particular seller agrees to accept under the circumstances surrounding their transaction."⁵

The term Market is defined as "a set of arrangements in which buyers and sellers are brought together through the price mechanism. A market may be defined in terms of geography, products or product features, number of available buyers and sellers, or other arrangements of circumstance."⁶

The term Real Estate Market is defined as "the interaction of individuals who exchange real property rights for other assets, such as money. Specific real estate markets are defined on the basis of property type, location, income-producing potential, a typical investor profile, a typical tenant profile, or other attributes considered by those participating in the exchange of real property."⁷

⁴Ibid., Page 5.

⁵Ibid., Page 15.

⁶Ibid., Page 15.

⁷Ibid., Page 15.

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PURPOSE OF REPORT (cont'd)

The term Market Price is defined as "The price paid for a property; the amount of money that must be given or which may be obtained at the market in exchange under the immediate conditions existing at a certain date. The price paid for property regardless of pressures, motives or intelligence. To be distinguished from market value."⁸

The term Market Value is defined as "The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress."⁹

In addition, many of the legal definitions of *Market Value* are based on the following:

"The highest price estimated in terms of money that the land would bring if exposed for sale in the open market, with reasonable time allowed in which to find a purchaser, buying with knowledge of all of the uses and purposes to which it was adapted and for which it was capable of being used."¹⁰

⁸American Institute of Real Estate Appraisers (currently the Appraisal Institute), APPRAISAL TERMINOLOGY AND HANDBOOK, Fifth Edition, Lakeside Press, Chicago, Illinois, 1967, Page 131.

⁹American Institute of Real Estate Appraisers (currently the Appraisal Institute), THE DICTIONARY OF REAL ESTATE APPRAISAL, Second Edition, AIREA, Chicago, Illinois, 1989, Page 192.

¹⁰Sacramento Southern Railroad Company v. Heilbron 156 Cal. 408, 104 Page 979 (1909).

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PURPOSE OF REPORT (cont'd)

In the above definitions of *Market Value*, some fundamental assumptions and conditions are presumed; these include:

- 1) that both buyer and seller are motivated by self-interest;
- 2) that both buyer and seller are well informed and are acting prudently (not under undue duress);
- 3) that the property has been exposed for a reasonable length of time on the open real estate market;
- 4) that payment is made in cash, its equivalent, or in specified financing terms;
- 5) that the specified financing, if any, may be the financing actually in place or on terms generally available for the property type in its locale on the effective appraisal date; and
- 6) that the effect, if any, on the amount of *Market Value* of any atypical financing, services, or fees shall be clearly and precisely revealed in the appraisal report.

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PURPOSE OF REPORT (cont'd)

The term Investment Value is defined as "The specific value of an investment to a particular investor or class of investors based on individual investment requirements; as distinguished from market value, which is impersonal and detached."¹¹

In conclusion, any appraisal and/or analysis should distinguish and delineate the difference between these terms. The essential difference between all these definitions lies in the supposition of:

- 1) the intelligence of both buyer and seller;
- 2) knowledge of the market in general; and
- 3) individual investment requirements (present and long term).

In other words, at any given moment of time, *Market Value* connotes what a property is worth, whereas *Market Price* and *Investment Value* are indicative of what a property may be sold for under certain conditions and circumstances surrounding the sale transaction.

Thus, in this *Purpose of Report*, the reason for this assignment has been summarized along with the real estate interests being appraised as well as the *type of value* and *date of value* being sought by the client.

¹¹American Institute of Real Estate Appraisers (currently the Appraisal Institute), THE DICTIONARY OF REAL ESTATE APPRAISAL, Second Edition, AIREA, Chicago, Illinois, 1989, Page 164.

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IDENTIFICATION OF PROPERTY



LOOKING IN A NORTHWESTERLY DIRECTION
WITH THE SUBJECT PROPERTY IN BACKGROUND



LOOKING IN A NORTHEASTERLY DIRECTION
WITH THE SUBJECT PROPERTY IN BACKGROUND

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IDENTIFICATION OF PROPERTY (cont'd)



LOOKING IN A SOUTHEASTERLY DIRECTION
WITH THE SUBJECT PROPERTY IN BACKGROUND



LOOKING IN A SOUTHWESTERLY DIRECTION
WITH THE SUBJECT PROPERTY IN BACKGROUND

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IDENTIFICATION OF PROPERTY (cont'd)

Legal Description

There has been no *legal description* supplied to further identify the subject property. Thus, the *legal description* presented herewith has been derived from a review of public records, as well as the Sidwell Plat Books, and no guarantee is made as to its accuracy.

Lots 5, 6, 7 and 8 in Block 5 plus Lots 1 through 8 inclusive in Block 6 plus vacated alleys and vacated Second Street lying between said Lots in the original Town of Hinsdale in the Northwest Quarter of Section 12, Township 38 North, Range 11, East of the Third Principal Meridian in Downers Grove Township, DuPage County, Illinois.

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CITY OF CHICAGO DATA

Chicago—*Illinois' largest city* is located in the north-eastern tip of the State. Lying along the southwesterly shores of Lake Michigan, it encompasses over 29± miles of shoreline and protected harbors with a total land area of approximately 228± square miles. Strategically located, with the added bonus of having access to overseas shipping through Lake Michigan and connected waterways, Chicago is ideally situated for business, commerce and recreation.

The *Eight Counties of Metropolitan Chicago*¹² help make the City a cross section of both people and topography. Overall, the land is flat, with several hills and ridges in both northern and southern areas. Branching in two directions, the Chicago River divides the City into the south, west and north sides. The "Loop" - which is the heart of the City - is Chicago's Downtown Area where the majority of business is conducted.

Although it is the largest city in the Cornbelt of the Nation, Chicago's residents are employed primarily in non-agricultural capacities. Prior to the Chicago Fire, the growth of the City centered on the organization of the Union Stock Yards. This enabled Chicago to serve as a nationwide center for agricultural trade. Subsequent to the Fire of 1871, the metropolitan area evolved into an industrial hub. This included, in the late 1800s, the development of iron and steel mills along the Calumet River. By the turn of the century, the economy of this City was derived chiefly from industrial production. Coal, from southern Illinois and Indiana, iron ore and by-products, from the Lake Superior region, were the raw materials used to produce iron and steel for other areas of the Nation.

At the present time, there is a tremendous diversification in the complexion of the work force. Business, finance and commerce are as much a part of the fabric of Chicago's economy as industrial production. Today, sizable manufacturing plants of electrical products and machineries, household products, etc. coexist with the employment of people in trade, public utilities, finance, insurance, transportation, communication, construction, real estate and government.

¹²The Eight Counties include the Illinois counties of Cook, DuPage, Lake, Kane, Will and McHenry as well as the Indiana counties of Porter and Lake.

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CITY OF CHICAGO DATA (cont'd)

Chicagoans are governed by a Mayor and Council. The Council itself is made up of 50 aldermen. As of the 2000 census, there were over 2,896,000± people residing within the City. Considering that as of the first census in 1840, Chicago's population numbered 4,470± residents, increases have been substantial - *making Chicago the third largest city by population in the United States.* The Greater Metropolitan Chicagoland Area (Eight Counties) has a population in excess of 8± million. It is the fourth largest metropolitan area in the country, encompassing 4,657± square miles. As a result, the *Chicagoland Area* is considered to have one of the biggest and most lucrative retail markets in the country.

The City of Chicago is divided into 77 community areas. These include Rogers Park, Lincoln Park, Logan Square, Hyde Park, Hegewisch, Bridgeport, Englewood, Beverly, Chicago Lawn, Avondale and Morgan Park to name but a few. Each community brings its own unique history, ethnic background and vintage architecture to the City as a whole. Many of these community areas were originally independent villages that were later annexed into the City. For example, in 1889, Chicago annexed the adjacent communities of Jefferson, Lake View, Lake and Hyde Park. Through these annexations alone, the City increased its size fourfold. Chicago has often been called a *City of Neighborhoods*. Within these community areas, individual neighborhoods such as Streeterville, Old Town, the Gold Coast, Wrigleyville, Printers Row, Pilsen, Little Italy, Chinatown, Ukrainian Village, etc. add a distinctive quality, lifestyle, economic base and housing often different from other areas of the City. There are approximately 40 landmark districts within Chicago, many of which are clustered in the booming rehab neighborhoods on the North and Northwest sides.

"Growth," in a sense, has always been one of Chicago's trademarks, not only in population but in construction and the planned development of the *Downtown Area*. This is enhanced by more than adequate transportation which has facilitated this development. In Chicago, there is a ready availability of transportation by sea, rail, air and truck. The ability to manufacture, market and easily transport goods and merchandise in and out of this Midwest City has, to a great extent, fostered Chicago's past and present growth pattern.

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CITY OF CHICAGO DATA (cont'd)

Of primary importance, is the metropolitan area's almost *direct linkage to foreign trade*. Through the St. Lawrence Seaway (opened in 1959) to the Atlantic Ocean and the Mississippi Waterway Systems to the Gulf of Mexico, Chicago can have a wealth of goods and materials brought to her harbors and people. Chicago's *proximity* to both the St. Lawrence Seaway and the Mississippi River enables millions of tons of cargo to be carried in and out of the City by barges as well as freighters and ships. In addition, the Port of Chicago, with several international shipping lines servicing this area, handles ships bound for overseas.

With the exception of Texas, Illinois has more miles of railroad than any other state, and one has to merely travel in the *Chicagoland Area* for a few minutes to see how important a part the rails have played and are still playing. Operating approximately 50± percent of America's trackage, there are 20± trunk line railroads transporting goods locally and long distance. Millions of tons of goods are transported via rail every year to and from Chicago - more than any other manufacturing district in the country.

In addition, the commuter railroad system now under METRA (which includes the Chicago and North Western Railroad, Milwaukee Road, as well as other suburban rail lines) serves the north, south and west sides - transporting over 250,000± people daily to and from the suburbs. Within the City's boundaries, the Chicago Transit Authority, CTA, provides elevated and subway service along the major thoroughfares. Several close suburban communities are also served by the CTA "L" - these include Evanston, Skokie, Wilmette, Park Ridge, Rosemont, Oak Park, Forest Park, River Forest, Cicero and Berwyn. The CTA also runs rapid transit train service (35 minutes) between Chicago's downtown and O'Hare Airport. An extensive network of buses is also provided by the CTA maintaining a full schedule (24 hour service), along major and some secondary thoroughfares, within Chicago's limits.

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CITY OF CHICAGO DATA (cont'd)

While the railroads have played an important part in the past, today, air and vehicle travel for goods is more significant. O'Hare International Airport, annexed as part of the City and located northwest of Chicago's *Loop*, is the world's busiest airport. It accommodates in excess of 2,300± flights daily; this includes passenger and freight. In addition, over 60± million passengers annually commute through O'Hare's terminals. Its central location enables O'Hare to be an axis of air travel in the Midwest - originating and connecting air flights coast to coast and overseas. O'Hare now has a new international terminal to handle the additional number of overseas flights. There are a growing number of domestic and international carriers whose overseas flights now originate from O'Hare. In addition, major carriers, such as United Airlines, make O'Hare their home base of operations. This airport ships and receives more mail and freight than any other of the Nation's major airports. Located 20± minutes from Downtown Chicago, Midway Airport provides primarily domestic service, with over 8± million passengers annually. Meigs Field, the smaller of Chicago's airports, is located 10± minutes from Chicago's *Loop*. It has several commercial airlines utilizing its facilities which primarily serve nearby midwestern states and cities.

Through such Interstate Tollroads as 80/90, helping to connect Chicago's metropolitan area from coast to coast, truckers can make available to Chicagoans a wide variety of national and foreign products to serve the 8± million consumers in the *Eight County Chicagoland Area*. At the present time, there are over 2,000± trucking and warehousing companies in the area operating more than 150,000± vehicles. In addition, there are numerous corporate and independent fleets. The City of Chicago is second only to the Dallas-Fort Worth area in truck registrations. This ready accessibility of varied merchandise for its populace is another factor for Chicago's popularity among its citizens.

Expressways and tollroads also play another important part in Chicagoland's urban and suburban travel. The Stevenson, Dan Ryan, and Kennedy Expressways, within the City limits, are toll free. The Kennedy Expressway accommodates over 270,000± vehicles daily which, for its size, makes it one of the busiest stretches of highway in the Nation. The Illinois Tollroad, Northwest Tollroad and Edens Expressway serve the suburban areas. These roads, in conjunction with other main arteries, expedite traffic flow to and from City boundaries during peak travel periods.

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CITY OF CHICAGO DATA (cont'd)

The "heart" of the City, *the Loop*, as previously mentioned, is "the center" not only for government, industry and commerce, but for all major businesses and financial institutions as well. In addition, along La Salle Street, many local, national and international financial firms have located their corporate headquarters.

Retail shopping, which includes large department stores, (Marshall Field & Co., Carson Pirie Scott & Co., etc.) is available along State Street. Michigan Avenue, Madison, Oak and Wells Streets, as well as Lincoln Avenue, also have numerous exclusive stores, specialty shops, galleries and antique shops. In addition, Water Tower Place - known as 'the atrium mall' - on Michigan Avenue (Chicago's version of a suburban mall) has large department stores (Marshall Field & Co. and Lord and Taylor) as well as restaurants, theatres, and other varied boutiques in a setting of glass, greenery and waterfalls. In addition, the center, in the 900 N. Michigan Building, anchored by Bloomingdales, offers specialty retail outlets, upscale fashion stores and restaurants. Other malls within or adjacent to Chicago's borders include Evergreen Plaza (in adjacent Evergreen Park), one of *Chicagoland's* oldest malls (opened in 1952), anchored by Carson Pirie Scott & Co. and Montgomery Ward, which contains over 150+ stores; the Brickyard Mall, at Diversey and Narragansett Avenues, houses J. C. Penney, Montgomery Ward, K-Mart and over 120+ fashion and retail shops; and North Pier, just west of Lake Shore Drive at Illinois Street; this is Chicago's first *waterfront shopping district*. This center houses restaurants, bars and many specialty shops. This combination of business and retail outlets makes *Chicago's Loop and Downtown Area a nearly perfect environment in which to work.*

At the present time, Chicago has the biggest grain and product futures markets, and through the Midwest Stock Exchange, Chicagoans can buy and sell over 500+ types of stocks and bonds. Many board members are located in primary and secondary cities and several foreign ports. Grain futures and farm produce are bought and traded through the services of the Chicago Board of Trade and Chicago Mercantile Exchange.

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CITY OF CHICAGO DATA (cont'd)

Chicago not only serves the business community but the educational community as well. There are 226± colleges and universities in the area (this includes 91± privately owned and 8± City Colleges). The City Colleges of Chicago have branches in various locations. The system provides for a two-year associate arts degree as well as a myriad of computer and technical type programs. Major and leading universities located here include the University of Chicago, Northwestern and Loyola Universities as well as the Illinois Institute of Technology, DePaul University and the University of Illinois Circle Campus. The University of Chicago is one of the more acclaimed educational institutions in the world. The school has produced 61 winners of Nobel Prizes throughout its history. The City of Chicago maintains 510± elementary and 65± high schools within the City. In addition, the Archdiocese of Chicago helps support 220± Catholic elementary and high schools. There are also numerous other private and religious elementary and high schools located within the City.

The City of Chicago has 25 police districts with 6 area headquarters. The Police Department employs over 12,000± police officers (including 28± mounted police). The Fire Department is divided into 6 districts; there are 24 Battalions and 112 station houses. In addition, the Fire Department maintains 1 fire boat and 2 helicopters. There is a total of 4,363± firefighters employed with the City and an additional 534± paramedics providing 911-medical services.

A "wealth" of cultural and recreational facilities are available to Chicagoans. Within the City's boundaries, Orchestra Hall and the Civic Opera House have national and foreign artists visiting weekly. There are numerous theatres located throughout the City including the newly renovated Chicago Theatre; Goodman; Auditorium; Arie Crown and Blackstone Theatres. Appearances by the Chicago Symphony Orchestra, one of the finest orchestras in the world, at Ravinia in Highland Park (a northern suburb) and Orchestra Hall (in Chicago) offer *Chicagoland residents* a real choice of performances and selections. In addition, during the summer months, there are numerous free outdoor concerts throughout the City and particularly at Grant Park.

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CITY OF CHICAGO DATA (cont'd)

There are 560± parks which encompass over 7,000± acres available to all Chicago residents. This includes 32± bathing beaches, tennis courts (700± outdoor/6± indoor), 6± golf courses, numerous boat launching ramps and 8± yacht harbors. Scattered throughout the metropolitan area, there are also numerous Forest Preserve Districts (operated by Cook County). These recreational areas provide open land for winter sports, tobogganing, skiing and skating as well as formal botanical gardens, arboretums, nature walks, conservation areas, picnic and athletic facilities.

The Museum of Science and Industry, the Field Museum of Natural History, the Shedd Aquarium and Oceanarium, the Adler Planetarium and the Art Institute offer various exhibits to both residents and tourists. Brookfield Zoo, located in a nearby suburb, and Lincoln Park Zoo, within City limits, compete with the museums as City attractions. Brookfield, one of the Nation's leading zoos, offers a view of the life style of various animals by placing them in many of their own natural environments. Chicago's Public Library and Cultural Center also hosts numerous year-round special events, including concerts and plays.

Its *central* location to the rest of the country makes Chicago ideally suited for conventions, trade shows and corporate meetings, holding over 29,000± last year alone. There are over 3.5± million people attending Chicago's conventions, trade shows and corporate sales meetings annually. Convention centers include McCormick Place East, McCormick Place North, Donnelley Hall, McCormick Place West, the Amphitheatre and, in adjoining suburbs, the Rosemont Exposition Center as well as the O'Hare International Trade and Exposition Center and the Arlington Park Exposition Center. Hosting National political conventions for both Democrats and Republicans, Chicago's desirability as a "*meeting place*" and convention headquarters stems primarily from its central location, as well as excellent hotel accommodations, varied and first class restaurants and the added amenities of its lakefront, theatres, museums and fine shopping districts.

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CITY OF CHICAGO DATA (cont'd)

The Central Business District of Chicago has accounted for the *majority* of the recent office construction boom. Chicago has the tallest building in the world - the Sears Tower (1,454± feet); additional high-rise buildings include the Amoco Building (1,136± feet); the John Hancock Center (1,127± feet); 311 S. Wacker Drive (970± feet) and Two Prudential Plaza (912± feet). In addition, Chicago has the tallest bank building (First National Bank) and the tallest apartment building (Lake Point Tower). The largest U.S. Post Office is also located within the City.

Single family construction has declined over the past several years; however, there has been an upsurge of apartment/condominium type structures. Chicago can offer its residents the best of both types of living. There are many fine suburban-like homes located northwest of the *Downtown Area* and many apartment buildings and condominiums directly located within or close to its business/industrial districts. There is a renaissance taking place within the City in several older residential areas where townhouses, condominiums and brownstones are being renovated to provide "up-scale" housing for Chicago's residents. In many cases, the renovations preserve the "architectural style" of the older buildings and neighborhoods while completely modernizing the interiors.

Similar to other large cities, there has been an exodus of movement from the City to nearby suburbs. However, even with this decline in the City's population (a 7.37± percent loss between 1980 and 1990), the majority of suburban dwellers are employed in some capacity with a Chicago-based firm or office.

Chicago's *central location* in the Midwest and Nation, in conjunction with the *diversification* of jobs available to its residents, the present *excellent transportation facilities* as well as the varied *recreational amenities* and *tourist attractions*, virtually assure the economic future and growth of the City as a whole.

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COMMUNITY AND AREA DATA

The subject property is located approximately 20 miles southwest of Chicago's downtown "Loop" in the suburban Village of Hinsdale, Illinois. The Village of Hinsdale was incorporated in 1873 and has a population of approximately 17,350 residents.

The immediate area in which the subject property is located has a variety of land uses. However, the majority of the improvements located immediately north of the subject property are commercial in nature, while the improvements located along the secondary thoroughfares to the east, south and west of the subject are primarily single family, residential in nature. The age of the improvements in the immediate area of the subject property varies from new to in excess of 80+ years old. The condition of the improvements in the immediate area of the subject property varies; however, the majority of the buildings can be classified in the very good to excellent category. There is little vacant land available in the area which may be utilized for development. There has been some scattered residential construction in the area which primarily has required the demolition of older existing buildings.

Transportation for the subject area is considered fair to good. The Regional Transportation Authority (RTA) Metra trains provide a commuter service between Hinsdale and the Chicago "Loop". The traveling time between Hinsdale and the Chicago "Loop" is approximately 40 minutes with the express trains making the trip in approximately 20 minutes. Driving time to the Chicago "Loop" via any number of main thoroughfares and/or the expressway/tollway system takes approximately one hour during ideal traffic conditions. Driving time to Chicago's O'Hare Airport via any number of main thoroughfares and/or the Tri-State Tollway takes approximately 45 minutes during ideal traffic conditions. Driving time to Chicago's Midway Airport via any number of main thoroughfares and/or the tollway/expressway system takes approximately 45 minutes during ideal traffic conditions.

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COMMUNITY AND AREA DATA (cont'd)

Shopping for the subject area is considered good and is readily available within the downtown area located immediately north of the subject as well as along the main thoroughfare of Ogden Avenue. These areas provide a variety of convenience type stores including grocery marts, hardware stores, coffee shops, restaurants, service stations, financial institutions, small clothing stores, shoe stores, jewelry stores, etc. However, for a variety of discount centers and department stores one must travel to the Chicago "Loop", the North Michigan Avenue area, or a regional size shopping mall such as the Oak Brook Center located at the northeast corner of Cermak Road and Route 83.

Churches of various denominations are located within a convenient driving distance of the subject property. A few of the denomination represented within the community include Baptist, Catholic, Christian Science, English Lutheran, Episcopal, Evangelical, Evangelical and Reformed, Evangelical Mission Covenant, Lutheran, Seven Day Adventist, Union, Unitarian, United Methodist Congregations, etc.

Public elementary, junior high and high schools are available to the students within the Village of Hinsdale. In addition, there are Catholic, Lutheran and Seven Day Adventist elementary schools located within the Village.

Medical facilities in the form of doctors' offices, dental offices and clinics are located within the downtown area as well as along the main thoroughfares within Hinsdale as well as the surrounding communities. In addition, Hinsdale Hospital is located within the Village.

The subject area reached maturity by 1925 and, as previously mentioned, there is little vacant land available for development. The residents of the area are employed primarily in white collar type jobs and are in the upper income bracket. Pride of ownership is evident in the majority of the structures within the Village.

Our review of the market indicates that real estate values had been increasing through the year 2001; however, they have stabilized subsequent to that time.

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ZONING

According to the most recent zoning ordinance and maps of the Village of Hinsdale, the subject property is zoned *IB, Institutional Building District*.

Permitted Uses Under IB Zoning

- A) Any governmental activity or service conducted within a building owned or leased by a public body.
- B) Publicly owned parks, playgrounds, forest preserves, botanical and zoological gardens, arboreta, conservatories, recreational areas, and other open areas.
- C) Parking lots owned or leased by the Village.
- D) Any use listed in section 7-305 of this part, to the extent it existed on the effective date of this Code. Any change of such use or any lot or structure associated with it after such effective date shall comply with the regulations of this part, except as provided in Article X of this Code.
- E) Personal wireless services antennas, with or without antenna support structures, and related electronic equipment and equipment structures; but only where:
 - 1) the antenna and any necessary antenna support structure are fully enclosed or shielded from view from any point located off the zoning lot on which they are located by a structure otherwise permitted on the zoning lot and all electronic equipment is fully enclosed in a structure otherwise permitted on the zoning lot, or

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ZONING (cont'd)

Permitted Uses Under IB Zoning (cont'd)

E) (cont'd)

- 2) the antenna or antennas are limited to omni-directional or whip antennas and directional or panel antennas and are located on a lawfully preexisting building that will serve as an antenna support structure and all electronic equipment is fully enclosed in a structure otherwise permitted on the zoning lot and, in either such case, such antenna, support structure and equipment fully comply with all standards and requirements applicable thereto.

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SITE DESCRIPTION

The subject site is a slightly irregular, rectangular shaped, corner parcel of land at street grade. It contains 232,500± square feet with 500.14± feet on the north perimeter; 465.49± feet fronting on the west side of Garfield Avenue; 499.78± feet fronting on the north side of Third Street; and, 464.4± feet fronting on the east side of Washington Street. The north and west portions of the subject site are relatively level. However, there appears to be a storm water detention area on the southeast approximate one-quarter of the site. A review of the topographic survey map by Intech Consultants, Inc., dated February 1993, indicates that this area slopes downward towards the center with the low point being 10± feet below grade with the remaining portions of the site.

No soil tests were taken; however, at the time of our inspection the subject site was partially improved with a school building, parking lots, etc., and no detrimental settling conditions were apparent. In addition, no adverse drainage conditions were observed. Our review of the Flood Insurance Rate Map for the Village of Hinsdale, Illinois, Community Panel Number 170105 0004 B, dated January 16, 1981, indicates that the subject property lies within Zone C, areas of minimal flooding.

All utilities including storm sewer, sanitary sewer, gas, water, electrical power and telephone service are available to the subject site.

Immediately north of the subject property are commercial improvements, as well as asphalt paved parking lot areas. Immediately east of the subject property is Garfield Avenue. Immediately south of the subject property is Third Street. Immediately west of the subject property is Washington Street.

Garfield Avenue is a secondary thoroughfare running in a north/south direction. It is improved with an asphalt paved surface, as well as concrete curbs, gutters and sidewalks.

Third Street is a secondary thoroughfare running in an east/west direction. It is improved with an asphalt paved surface, as well as concrete curbs, gutters and sidewalks.

Washington Street is a secondary thoroughfare running in a north/south direction. It is improved with an asphalt paved surface, as well as concrete curbs, gutters and sidewalks.

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HIGHEST AND BEST USE

Essential to the concept of *Highest and Best Use* is an understanding of so-called market behavior. A number of market forces can create *Market Value*; thus, the understanding of the interplay between these market forces and *Highest and Best Use* is of great importance. If the *Purpose of the Report* is to estimate *Market Value*, the *Highest and Best Use* analysis will demonstrate the most profitable and competitive use for which the property can be utilized. This analysis includes the subject as vacant, as well as its present and/or existing use.

To clarify what is meant by *Highest and Best Use*, two definitions and/or explanations are outlined below which are in keeping with present appraisal practice and theory; they are:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest land value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."¹³

"By identifying and interpreting the market forces that affect a specific property in a local and regional context, the appraiser determines the property's highest and best use. Highest and best use is a fundamental concept in real estate appraisal because it focuses market analysis on the subject property and allows the appraiser to consider the property's optimum use in light of market conditions on a specific date. Highest and best use reflects a basic assumption about real estate market behavior—that the price a buyer will pay for a property is based on his or her conclusions about the most profitable use of the site or property."¹⁴

¹³American Institute of Real Estate Appraisers (currently the Appraisal Institute), THE DICTIONARY OF REAL ESTATE APPRAISAL, Second Edition, AIREA, Chicago, Illinois, 1989, Page 149.

¹⁴American Institute of Real Estate Appraisers (currently the Appraisal Institute), THE APPRAISAL OF REAL ESTATE, Ninth Edition, AIREA, Chicago, Illinois, 1987, Page 41.

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HIGHEST AND BEST USE (cont'd)

In the first definition, the four criteria of *Highest and Best Use* analysis were discussed. These criteria are essential to an understanding of a property's *Highest and Best Use*. A use for a property may be feasible financially; however, it is immaterial if it is not physically possible or if the use is legally prohibited. If the possibility exists that one, or more, of the former unacceptable conditions can be altered, then the analysis can proceed on the basis of this particular *Highest and Best Use* for the property in question.

An example of how this might come into play is when a zoning for a property may be changed. This change may come about through the property owner's petition for a review before a zoning board. In this scenario, if the possibility exists that the zoning can be changed, then the proposed use of the property can be considered on that basis.

A property may also have a *legal nonconforming use*. This is a use that was lawfully established in prior years but is no longer maintained and/or no longer conforms to the zoning ordinances and overall plan of the area in which the property is located. These zoning changes can then create either under- or overimproved properties. In the appraisal of property with a *legally nonconforming use*, the appraiser may come to the conclusion that the present use may be generating more income and, as a result, have more value than a property would that conforms to the current zoning codes.

In addition, a property may have a *special use*. Often, special use or special purpose properties are suitable for only one use or for a restricted number of uses. In this case, the *Highest and Best Use* of a special-purpose property may be the continuation of its current use. In some cases, the present use of a special-purpose property is physically and functionally obsolete—with no alternative use possible. As a result, the *Highest and Best Use* of this property may be the demolition of the structure and redevelopment of the site with a use that will result in the highest land value.

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HIGHEST AND BEST USE (cont'd)

In a *Highest and Best Use* analysis many varied factors come into consideration. Those deemed most important are outlined below; they are:

- 1) the appraiser's(s') own experience and knowledge;
- 2) the present or existing zoning of the subject property and the surrounding properties;
- 3) the present or existing use of the subject property and the surrounding properties;
- 4) the character and/or trend of development in and around the subject property;
- 5) the city, county, village and/or township comprehensive plan;
- 6) the availability of public utilities;
- 7) the need and demand for possible or potential uses;
- 8) the location and physical characteristics of the subject property;
- 9) the impact any use will have upon the value of real estate in the general area of the subject property; and
- 10) the anticipated cost of developing the subject property and, in turn, the economic yield resulting from any potential development or use.

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HIGHEST AND BEST USE (cont'd)

Analysis and Conclusion

As previously mentioned in the Letter of Transmittal, we have been instructed to appraise the property as vacant land assuming that it can be developed to its *Highest and Best Use* and disregarding any contributory value of the existing improvements. In our analysis we have considered all the previously mentioned factors; however, it is our opinion that the following factors are most applicable to the subject.

With regard to the existing zoning of the subject property and surrounding properties, the subject is zoned *IB, Institutional Building District*. The properties to the north of the subject are zoned *B-2, Central Business District, O-1, Special Office District, and O-2, Limited Office District*, while the properties to the east of Garfield Avenue are zoned *R-1, Single Family Residential District* requiring a minimum lot size of 30,000 square feet. The property to the south and west of the subject property is zoned *R-4* requiring a minimum lot size of 10,000 square feet. Based upon the zoning in the area a conclusion can be reached that the applicable zoning for the subject should be single family residential, business/office and/or institutional.

With regard to the present or existing use of the subject property and surrounding properties the subject is presently developed in part with a school building, parking lots, etc.; however, we have been instructed to appraise the property assuming that it is vacant and can be developed to its *Highest and Best Use*. The uses to the north of the subject property are commercial in nature, while the improvements located to the east, south and west of the subject are primarily single family residential in nature. Based upon the uses in the area, a conclusion can be reached that the proper development of the subject site would be for single family residential uses and/or commercial uses.

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HIGHEST AND BEST USE (cont'd)

Analysis and Conclusion (cont'd)

From the standpoint of character and/or trend of development in or around the subject property, the property immediately north of the subject is developed with commercial buildings, while the properties to the east, south and west of the subject are primarily developed with single family residential buildings. Therefore, the character and/or trend of development in the area is for commercial and/or single family residential uses.

From the standpoint of availability of public utilities, public sanitary sewer, storm sewer and water facilities as well as electrical power, gas and telephone service are immediately available to the subject site. The availability of these utilities would lend itself to the development of the subject with various uses including residential, commercial and/or institutional buildings.

From the standpoint of need and/or demand for possible or potential uses, the development in the area indicates that there is a demand for business, office, and single family residential uses.

From the standpoint of location and physical characteristics of the subject property, the subject has frontage on secondary thoroughfares and is primarily bounded by commercial improvements on the north as well as single family residential improvements on the east, south and west. Considering these factors, the development of the subject site would lend itself to the construction of single family residential uses.

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HIGHEST AND BEST USE (cont'd)

Analysis and Conclusion (cont'd)

Considering all the previously mentioned factors, it is our opinion that the *Highest and Best Use* of the subject site would be for the subdivision of same into single family zoned residential lots. Since the area west of Garfield Avenue and south as well as west of the subject property is zoned *R-4, Single Family Residential*, it is our opinion that the subject site should be rezoned *R-4* and developed corresponding to said zoning requirements. Under the *R-4, Single Family Residential District* zoning the minimum lot size is 10,000 square feet; the minimum lot width for interior lots is 70 feet; the minimum lot width for corner lots is 80 feet; and, the minimum lot depth is 125 feet.

Therefore, it is our opinion that the subject site can be subdivided and developed with 18 single family detached dwellings (refer to "Proposed Subdivision" on the following page). It should be noted that said development will require the dedication and improvement of Second Street as well as the extension of all utilities along same. If the subject site were developed to its *Highest and Best Use* as proposed herein, we have assumed that there would be adequate on-site storm water detention areas for each of the 18 lots. It is our opinion that said development will not have a negative effect upon the surrounding properties and, in turn, would provide the greatest economic yield to the site.

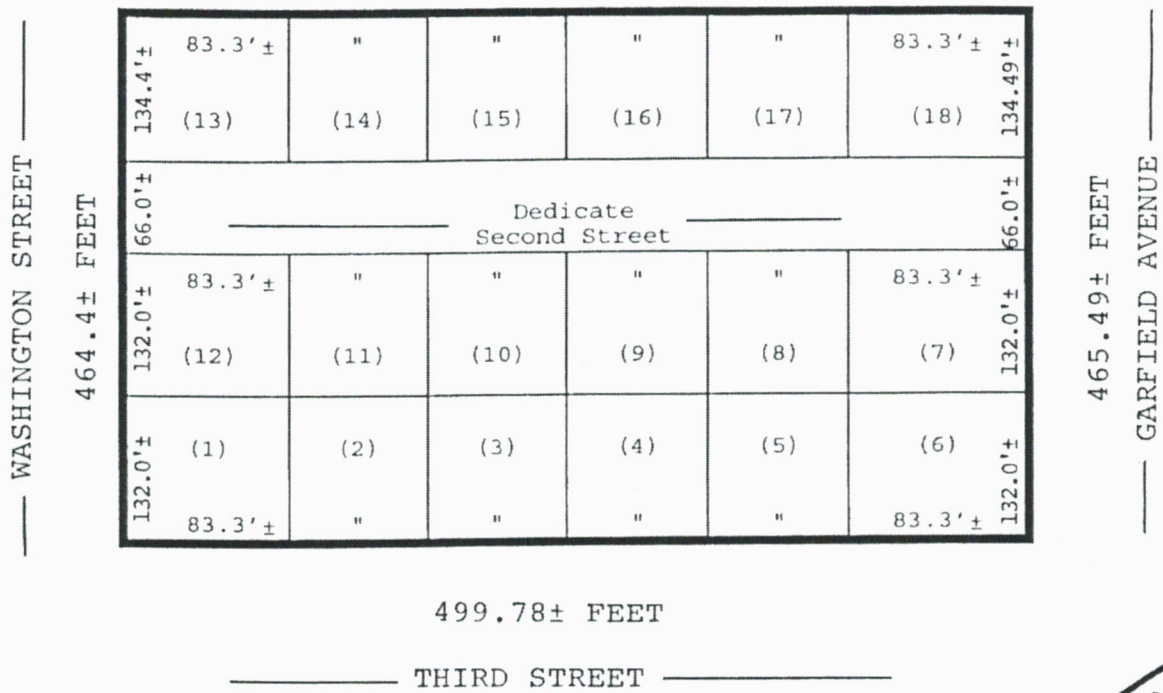
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HIGHEST AND BEST USE (cont'd)

Analysis and Conclusion (cont'd)

Proposed Subdivision

500.14± FEET



499.78± FEET

THIRD STREET



Minimum Lot Size - Lots 1 through 12: 83.3'± x 132.0'± = 10,996± sf

Minimum Lot Size - Lots 13 through 18: 83.3'± x 134.4'± = 11,196± sf

Average Lot Size (199,128± sf ÷ 18 Lots): 11,063± sf

Net Area: 10,996± sf x 12 Lots = 131,952± sf

11,196± sf x 6 Lots = 67,176± sf

Total Net Area:..... 199,128± sf

Total Front Feet: 1,499±

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EXPOSURE TIME

The term *Exposure Time* refers to "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 estimate based upon an analysis of past events assuming a competitive and open market. *Exposure time* is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. *Exposure Time* is different for various types of real estate and value ranges and under various market conditions."¹⁵

In consideration of market conditions preceding the subject's date of value and assuming the property is marketed at an asking price in reasonable proximity to the estimated *Market Value* of the subject property, it was concluded that a reasonable *Exposure Time* for this class and/or type of property is in the range of 6± to 12± months.

SALES HISTORY OF SUBJECT

Our client has informed us and, therefore, to the best of our knowledge, the subject property has not sold within the past three years.

¹⁵American Institute of Real Estate Appraisers (currently the Appraisal Institute), THE DICTIONARY OF REAL ESTATE APPRAISAL, Third Edition, AIREA, Chicago, Illinois, 1993, Page 126.

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ESTIMATE OF LAND VALUE

There are a number of methods which may be employed in estimating the value of a site; the following six are among the most common:

- 1) Sales Comparison - "The sales comparison approach may be used to value land that is actually vacant or land that is being considered as though vacant for appraisal purposes. Sales comparison is the most common technique for valuing land and it is the preferred method when comparable sales are available. With this method, sales of similar parcels of land are analyzed, compared, and adjusted to provide a value indication for the land being appraised. The comparison process is based on an analysis of the similarity or dissimilarity of the parcels."¹⁶

- 2) Allocation - "The allocation method is based on the principle of balance and the related concept of contribution, which affirm that there is a normal or typical ratio of land value to property value for specific categories of real estate in specific locations. This ratio is generally more reliable when the subject property includes relatively new improvements. With older improvements, the ratio of land value to total value increases. The allocation method does not produce conclusive value indications, but it can be used to establish land value when the number of vacant land sales is inadequate."¹⁷

¹⁶American Institute of Real Estate Appraisers (currently the Appraisal Institute), THE APPRAISAL OF REAL ESTATE, Ninth Edition, AIREA, Chicago, Illinois, 1987, Page 301.

¹⁷Ibid., Page 303.

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ESTIMATE OF LAND VALUE (cont'd)

- 3) Extraction - "Extraction is a variant of the allocation method in which land value is extracted from the sale price of an improved property by deducting the contribution of the improvements, which is estimated from their depreciated costs. The remaining value represents the value of the land. Improved sales in rural areas are frequently analyzed in this way because the proportion of building contribution to total property value is generally small and relatively easy to identify. The land value estimates produced with the extraction method can be used with data gathered from vacant land sales in sales comparison. Sometimes, the extraction technique is applied to assessment ratios rather than specific numerical amounts. However, value indication derived in this way is generally unpersuasive because the assessment ratios may be unreliable and the extraction method does not reflect market considerations."¹⁸
- 4) Subdivision Development - "The subdivision development method is used to value land when subdivision and development represent the highest and best use of the appraised parcel and sales data on finished lots are available. Subdivision development analysis may involve industrial, residential, or recreational land. The subdivision of land is the normal pattern of real estate development. A landowner divides a large plot into smaller parcels to sell or lease them. A planned subdivision can create a higher, better, and more intense property use when zoning, the availability of utilities, community conditions, access, and a host of other elements combine favorably. Traditionally, subdivision developers divide large tracts into smaller plots and create roads, drainage, public utilities, and other improvements that are required by local law and zoning ordinances."¹⁹

¹⁸Ibid., Pages 303 and 304.

¹⁹Ibid., Page 304.

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ESTIMATE OF LAND VALUE (cont'd)

- 5) Land Residual - "The land residual technique may also be used to estimate land value when sales data on similar parcels of vacant land are lacking. This technique is based on the principle of balance and the related concept of contribution, which are concerned with equilibrium among the agents of production—i.e., labor, capital, coordination, and land. The land residual technique can be used to estimate land value when 1) building value is known or can be accurately estimated, 2) stabilized, annual net operating income to the property is known or estimable, and 3) both building and land capitalization rates can be extracted from the market. Building value can be estimated for new or proposed buildings that represent the highest and best use of the property and have not yet incurred physical deterioration or functional obsolescence."²⁰

- 6) Ground Rent Capitalization - "Ground rents can be capitalized at an appropriate rate to indicate the market value of a site. Ground rent is paid for the right to use and occupy the land according to the terms of the ground lease; it corresponds to the value of the landowners interest in the land, the leased fee interest. Market-derived capitalization rates are used to convert ground rent into market value. This procedure is useful when an analysis of comparable sales of leased land indicates a range of rents and capitalization rates. Ground leases can have different terms and escalation clauses. The appraiser should ascertain all lessor benefits during the term of the lease and the option periods, and determine when the reversion of the property will take place."²¹

²⁰Ibid., Page 306.

²¹Ibid., Page 307.

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ESTIMATE OF LAND VALUE (cont'd)

The six procedures, outlined above, used in land valuation all derive from the three approaches (*Cost, Sales Comparison and Income Capitalization*) to value. The *Sales Comparison Approach* is the most commonly used and the preferred method to value land when comparable data is available. In using this technique, comprehensive information on sales of similar, or comparable, parcels of land is searched for, analyzed, compared, and then adjusted for dissimilarities with the subject property.

After a review of the above mentioned methods for estimating the value of a site, it has been concluded that, in this particular instance, the *Sales Comparison Approach* (formerly *Market Approach*) has been used in estimating the land value. This technique calls for a comparison and adjustment of comparable sales to the land being appraised.

One method is the *Paired Data Analysis* which "is a process in which two or more market sales are compared to derive an indication of the size of the adjustment for a single characteristic. Ideally the sales being compared will be identical in all respects except for the element being measured. However, this is rarely the case. Frequently an appraiser must undertake a series of *Paired Data Analyses* to isolate the effect of a single characteristic."²² Even though in theory the *Paired Data Analysis* is a sound method, it is sometimes impractical because there may be few examples of sufficient comparable properties available, and therefore, hard to quantify the changes attributable to the variables existing.

²²The Appraisal Institute, *THE APPRAISAL OF REAL ESTATE*, Tenth Edition, Chicago, Illinois, 1992, Page 385.

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ESTIMATE OF LAND VALUE (cont'd)

Another method is the Relative Comparison Analysis which "is the study of the relationships indicated by market data without recourse to quantification. Many appraisers use this technique because it reflects the imperfect nature of real estate markets. To apply the technique the appraiser analyzes comparable sales to determine whether the comparables' characteristics are inferior, superior, or equal to those of the subject property. The analysis is very similar to Paired Data Analysis, except that the adjustments are not expressed as dollar or percentage amounts."²³ Thus, through one of these comparative methods, it is possible to estimate one or more *kinds of value* as of a specific date.

The elements of comparison include the following: a) property rights; b) legal or other encumbrances; c) financing terms, when available; d) overall market and sale conditions; e) the location of the property; f) physical characteristics and/or topography; g) the availability of utilities; h) zoning; i) the *Highest and Best Use*; etc. These elements of comparison applied correspond to those used in the market. One or more units of comparison are generally correlated. Sale prices are then adjusted for each element of comparison. The data on land sales that is most similar to the subject is given the greatest weight. It should be noted that information from actual transactions, as well as relevant transactions that did not reach completion, are analyzed as the bases of comparison, if applicable.

From the total market data gathered, the following comparables were considered to be most like the subject and, thus, are representative of the *Market Value* of the subject land.

²³Ibid., Page 386.

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ESTIMATE OF LAND VALUE (cont'd)

- 1) Location: 15 E. Ayres Avenue
Hinsdale, Illinois
Sales Price: \$697,000 Lot Size: 13,125± sq. ft.
Date of Sale: January, 2002 Zoning: R-4
Price Per Sq. Ft.: \$53.10± Price Per Front Ft.: \$9,293±
- Comments: This is a relatively level, rectangular shaped parcel of land. It has 75± feet fronting on Ayres Avenue and a depth of 175± feet. At the time of sale, this site was improved with a residential building that was subsequently demolished. This is a cash sale. The Permanent Tax Index Number appears to be 09-01-305-005. The Document Recording Number is R2002036214.
- 2) Location: 303 N. Lincoln Street
Hinsdale, Illinois
Sales Price: \$630,000 Lot Size: 11,435± sq. ft.
Date of Sale: June, 2001 Zoning: R-4
Price Per Sq. Ft.: \$55.09± Price Per Front Ft.: \$9,545±
- Comments: This is a relatively level, rectangular shaped parcel of land. It has 66± feet fronting on Lincoln Street and 173.25± feet fronting on Hickory Street. At the time of sale, this site was improved with a residential building that was subsequently demolished. This is a cash sale. The Permanent Tax Index Number appears to be 09-01-313-006. The Document Recording Number is R2001159829.
- 3) Location: 306 N. Lincoln Street
Hinsdale, Illinois
Sales Price: \$675,000 Lot Size: 12,953± sq. ft.
Date of Sale: August, 2001 Zoning: R-4
Price Per Sq. Ft.: \$52.11± Price Per Front Ft.: \$8,599±
- Comments: This is a relatively level, rectangular shaped parcel of land. It has 78.5± feet fronting on Lincoln Street and 165± feet fronting on Hickory Street. At the time of sale, this site was improved with a residential building that was subsequently demolished. This is a cash sale. The Permanent Tax Index Number appears to be 09-01-312-011. The Document Recording Number is R2001164710.

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ESTIMATE OF LAND VALUE (cont'd)

4) Location: 130 E. Third Street
Hinsdale, Illinois
Sales Price: \$949,000 Lot Size: 14,200± sq. ft.
Date of Sale: February, 2001 Zoning: R-1
Price Per Sq. Ft.: \$66.83± Price Per Front Ft.: \$9,989±

Comments: This is a relatively level, slightly irregular, trapezoid shaped parcel of land. It has 95± feet fronting on Third Street and an average depth of 154.5± feet. At the time of sale, this site was improved with a residential building that was subsequently demolished. This is a cash sale. The Permanent Tax Index Number appears to be 09-12-211-004. The Document Recording Number is R2001030677.

5) Location: 727 S. Oak Street
Hinsdale, Illinois
Sales Price: \$1,500,000 Lot Size: 32,400± sq. ft.
Date of Sale: May, 2002 Zoning: R-1
Price Per Sq. Ft.: \$46.30± Price Per Front Ft.: \$13,889±

Comments: This is a relatively level, rectangular shaped, vacant parcel of land. It has 108± feet fronting on Oak Street and a depth of 300± feet. This is a cash sale. The Permanent Tax Index Number appears to be 09-12-407-004. The Document Recording Number is R2002122462.

6) Location: 216 N. Vine Street
Hinsdale, Illinois
Sales Price: \$575,000 Lot Size: 9,620± sq. ft.
Date of Sale: September, 2001 Zoning: R-4
Price Per Sq. Ft.: \$59.77± Price Per Front Ft.: \$8,846±

Comments: This is a relatively level, rectangular shaped parcel of land. It has 65± feet fronting on Vine Street and a depth of 148± feet. At the time of sale, this site was improved with a residential building that was subsequently demolished. This is a cash sale. The Permanent Tax Index Number appears to be 09-01-316-024. The Document Recording Number is R2001211401.

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ESTIMATE OF LAND VALUE (cont'd)

Analysis and Conclusion - Land Value

After reviewing numerous sales and offerings in the subject area, as well as in similar areas, comparables were selected which were thought to be indicative of the Market Value of the subject site as vacant land. These comparables were compared to the subject on the basis of conditions of sale, time (comparables' sale dates versus the subject's date of value), location, size, physical characteristics, zoning, etc. Prior to adjustments for the herein mentioned factors, these comparables indicate a range of value on a per square foot basis of \$46.30± to \$66.83± as well as on a per front foot basis of \$8,599± to \$13,889±.

At this time, it is important to note that no two properties are exactly alike. However, when enough similarities exist, the comparables can be adjusted and, after doing so, they will be a good indication of value for the subject.

From the standpoint of conditions of sale, the subject is being appraised as a vacant parcel of land. Comparable sales 1, 2, 3, 4 and 6 were improved with residential buildings which were demolished subsequent to the sale, therefore, the purchasers of same incurred an additional expense. Thus, comparables 1, 2, 3, 4 and 6 were adjusted upward for this factor. Comparable 5 was a vacant parcel of land; therefore, it was not adjusted for this category.

From the standpoint of time (comparables' sale dates versus subject's date of value), the subject's date of value is November 27, 2002. Our review of the market indicates that real estate values in the subject area had been increasing through the year 2001; however, they have stabilized subsequent to that time. The sales of comparables 2, 3, 4 and 6 occurred during the year 2001; therefore, they were adjusted upward. The sales of comparables 1 and 5 occurred subsequent to the year 2001; therefore, they were not adjusted for this category.

From the standpoint of location, all the comparable sales were considered to be similar to the subject; therefore, no adjustment was made for this category.

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ESTIMATE OF LAND VALUE (cont'd)

Analysis and Conclusion - Land Value (cont'd)

From the standpoint of lot size, we have utilized the average lot size of 11,063± square feet (as determined in the *Highest and Best Use* section page 31) for our lot size adjustments. A review of the market indicates that when all other things are equal and/or similar, larger parcels of land will sell for a discount on a per square foot basis, while smaller parcels will sell for a premium on a per square foot basis. Taking this into consideration, comparables 1, 2, 3, 4 and 5, which were larger than the subject, were adjusted upward. Comparable 6, which was smaller than the subject, was adjusted downward for this category.

After the previous adjustments it has been concluded that \$60.00± per square foot of net area and/or \$8,000± per front foot are the indicated unit values of the vacant lots prior to adjustment for physical characteristics and zoning.

From the standpoint of physical characteristics, as determined under the *Highest and Best Use*, a portion of the subject site will have to be dedicated with a fully improved Second Street which will require the extension of all utilities along same. The comparables sales do not have this requirement; therefore, they were considered to be superior to the subject and adjusted downward for this category. In addition, the subject consists of 18 individual lots. A review of the market indicates that single lots will sell for a premium to multiple lots; therefore, all of the comparable sales, which are single lots, were adjusted downward for this factor.

From the standpoint of zoning, the subject is presently zoned *Institutional Building District*. Under the *Highest and Best Use* we have determined that the subject site should be rezoned to an *R4, Single Family Residential* zoning classification. All the comparable sales did not require a change in zoning in order that they could be developed to their *Highest and Best Use*. Therefore, all the comparable sales were considered to be superior to the subject and adjusted downward for this category.

The *Cost and Income Capitalization Approaches To Value* have been considered; however, since the subject is being appraised as a vacant parcel of land, they are not deemed applicable in this particular instance.

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ESTIMATE OF LAND VALUE (cont'd)

Analysis and Conclusion - Land Value (cont'd)

If the subject site were developed to its *Highest and Best Use* as proposed herein, we have assumed that there would be adequate on-site storm water detention areas for each of the 18 lots. After all appropriate adjustments for the herein mentioned factors, it has been concluded that \$45.00± per square foot of net area and/or \$6,000± per front foot are the indicated unit values of the subject site as vacant land. Refer to page 31 for net land area and total front footage.

Therefore, as a result of this appraisal and analysis, it has been concluded that *Market Value* of the real estate, as of November 27, 2002, is:

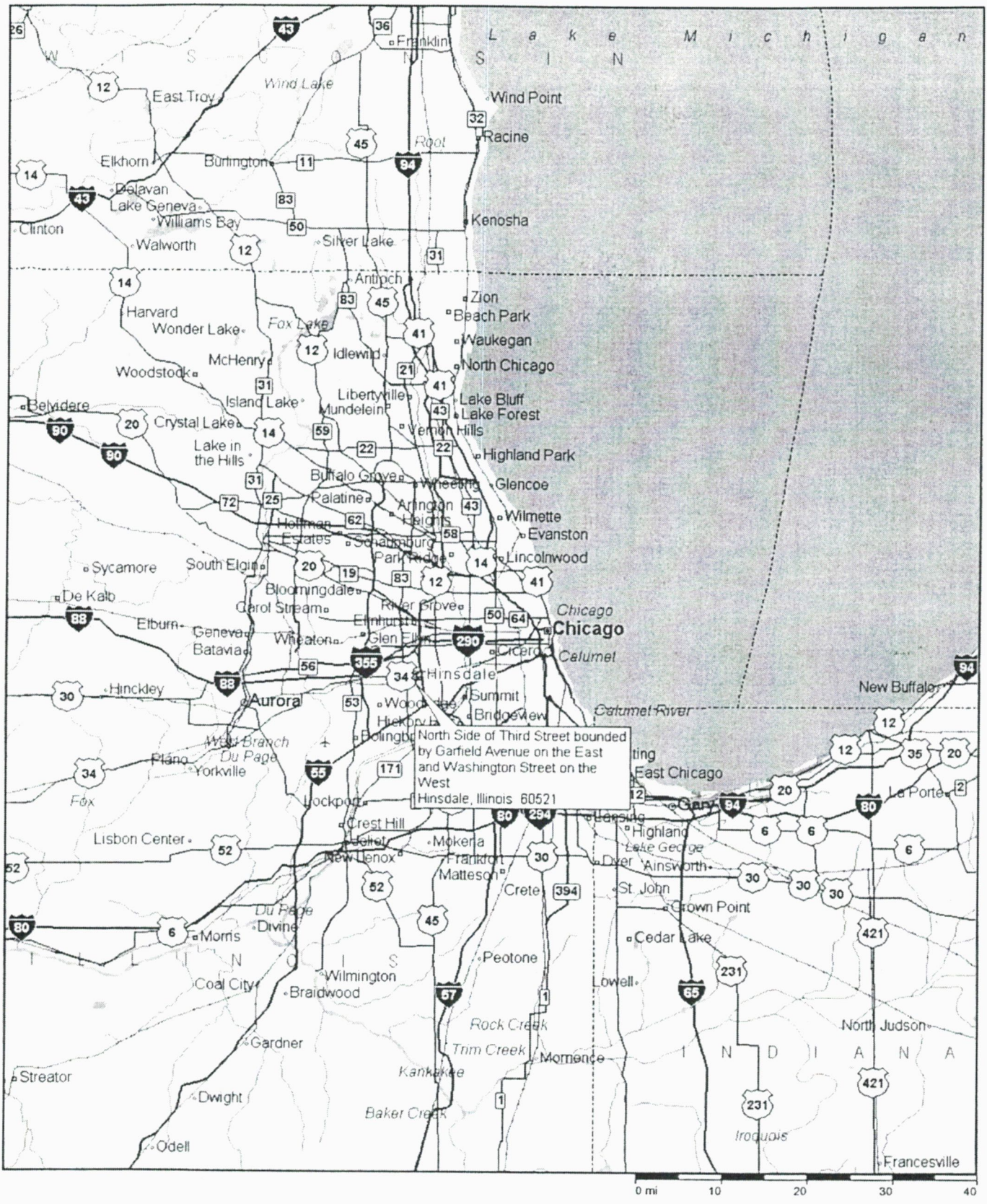
Total Net Land Area (Square Feet).....	199,128 ±
Indicated Unit Value.....	\$ <u>45.00</u> ±
Indicated Land Value.....	\$8,960,760 ±
	ROUNDED TO..... <u>\$9,000,000</u>

Total Front Feet.....	1,499 ±
Indicated Unit Value.....	\$ <u>6,000</u> ±
Indicated Land Value.....	\$8,994,000 ±
	ROUNDED TO..... <u>\$9,000,000</u>

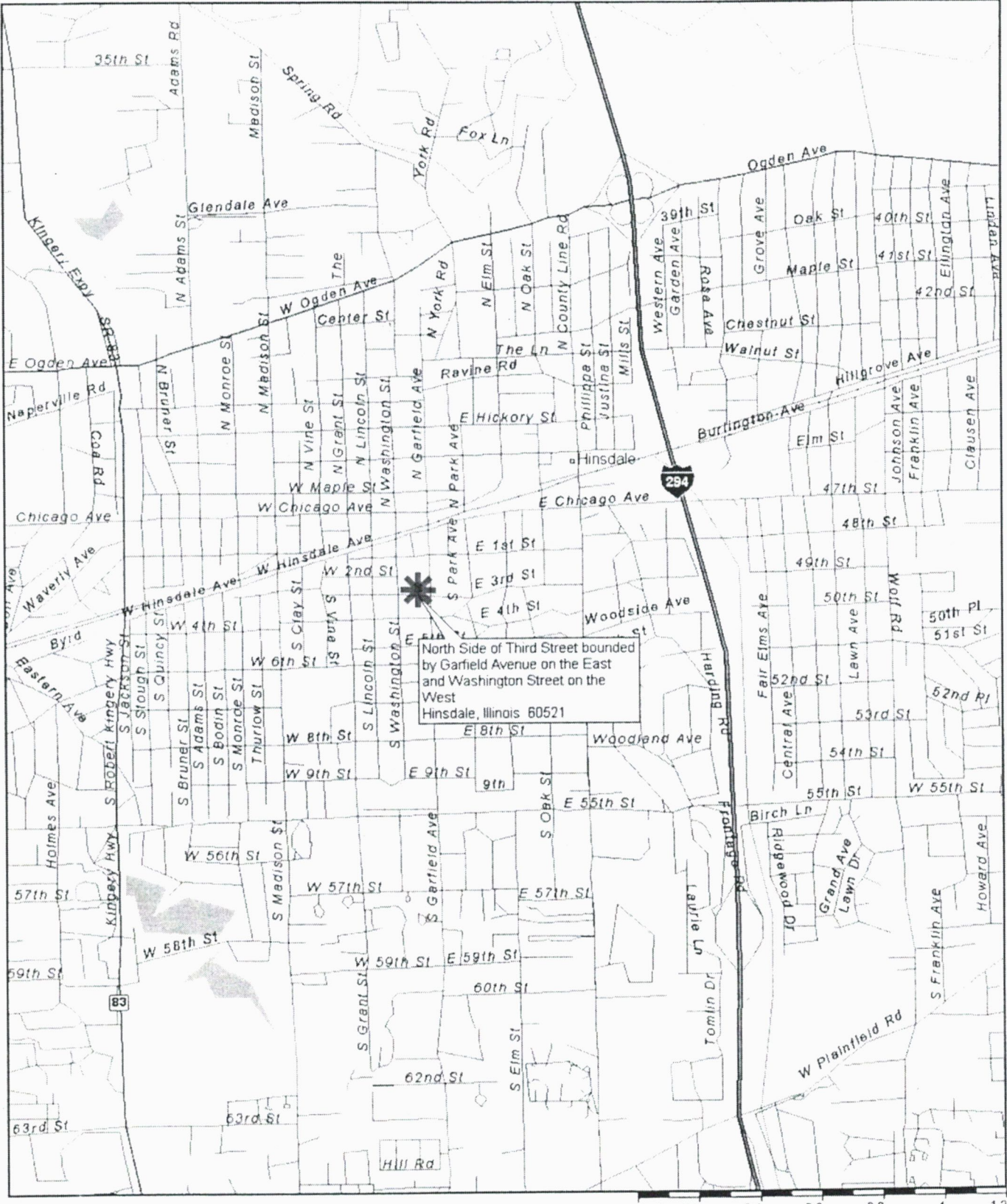
NINE MILLION DOLLARS

(\$9,000,000.00)

REGIONAL MAP



AREA MAP



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ASSUMPTIONS AND LIMITING CONDITIONS

The following assumptions and limiting conditions apply to this analysis and/or report unless noted elsewhere within this appraisal and/or preliminary study.

The legal description(s), if cited herein, is assumed to be correct, and no guarantee is made as to the accuracy of same.

No responsibility is assumed for matters legal in character, nor is any opinion rendered as to the title, which is assumed by the appraiser(s) to be good and marketable.

The property, if appraised, is assumed to be free and clear of mortgage indebtedness, assessments, or liens of any sort other than current real estate taxes.

If a survey(s) of the property has been furnished the appraiser(s), it is assumed to be correct, and no guarantee is made as to the accuracy of same.

The possibility exists that the final conclusion(s) as to value could be different in those instances where one or more approaches (*Cost*, *Sales Comparison* and *Income Capitalization*) are not utilized.

Any drawing, diagram and/or sketch included in this analysis and/or report is to serve only as a visual aid, and no guarantee is made as to the accuracy of same.

To the best of the appraiser's(s') knowledge and belief, the statements and opinions contained in this analysis and/or report are supportable. The factual data has been compiled by the appraiser(s) from sources deemed reliable, and no guarantee is made as to the accuracy of same.

Disclosure of the contents of this analysis and/or report is governed by the By-Laws and Regulations of the Appraisal Institute.

Neither all nor any part of the contents of this analysis and/or report (especially any conclusions as to value(s), the identity of the ap-

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ASSUMPTIONS AND LIMITING CONDITIONS (cont'd)

praiser(s) or the firm with which he is connected, or any reference to the Appraisal Institute or to the MAI designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without the prior written consent and approval of the undersigned.

The appraiser(s) is not required to give testimony and/or to appear in court by reason of this assignment without the prior written consent and approval of the undersigned.

The appraiser(s) has made a diligent effort to obtain the financing data on all comparable sales cited herein. Where such information was available, an explanation was included; where such information was unavailable, reliance on that particular sale was limited.

Any estimate(s) of value contained in this analysis and/or report is under the proposed or existing program of utilization described herein.

The appraiser(s) assumes that the property has no "wetlands", adverse soil conditions, and/or structural defects which would render it more or less valuable.

The appraiser(s) assumes that any/all mechanical equipment located on the property is operable and in good working condition.

The appraiser's(s') conclusion(s) in this analysis and/or report is based upon the assumption that no potentially hazardous and/or toxic materials are present, or were used, in the maintenance and/or construction of the property that would render it more or less valuable.

With regards to the Americans with Disabilities Act (ADA), we have not made nor have we been supplied a specific compliance survey and analysis of the property that is the subject of this appraisal to determine whether or not it is in conformity with the requirements of the ADA. Furthermore, we are not experts in this area; thus, we did not consider possible non-compliance with this requirement in rendering our opinion as to the Market Value of the subject property.

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CERTIFICATE

1. We have no present or contemplated future interest in the real estate that is the subject of this report.

2. We have no personal interest or bias with respect to the subject matter of this report or to the parties involved.

3. To the best of our knowledge and belief, the statements of fact contained in this report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct.

4. This report sets forth all of the limiting conditions affecting the analyses, opinions and conclusions contained herein.

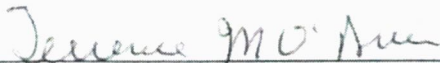
5. This report has been made in conformity with, and is subject to, the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute, as well as the Uniform Standards of Professional Appraisal Practice.

6. No one other than those whose names appear have inspected the property, prepared the analyses, conclusions and opinions concerning real estate that are set forth in this report. Brian J. Duniec personally inspected the subject property.

7. Neither the employment to prepare this report, nor the compensation received, is contingent on the conclusions arrived at herein.

8. The use of this report is subject to the requirements of the Appraisal Institute and State of Illinois relating to review by their duly authorized representatives.

9. As of the date of this report, I, Terrence M. O'Brien, have completed the requirements under the continuing education program of the Appraisal Institute.


TERRENCE M. O'BRIEN, MAI

GENERAL CERTIFIED APPRAISER
CERTIFICATE NUMBER 153-000100


BRIAN J. DUNIEC

GENERAL CERTIFIED APPRAISER
CERTIFICATE NUMBER 153-000881

TERRENCE O'BRIEN & Co.

QUALIFICATIONS OF TERRENCE M. O'BRIEN, MAI

GENERAL EDUCATION

Mount Carmel High School, Chicago, Illinois
Marquette University, Milwaukee, Wisconsin
(Bachelor of Science in Business Administration)

PROFESSIONAL ORGANIZATIONS

MAI - Member of the Appraisal Institute
Certificate No. 5663
G.R.I. - Graduate Realtors Institute
C.P.M. - Certified Property Manager
Real Estate Broker, Licensed by the
State of Illinois, No. 75-63070
Affiliate Member - Chicago Association of Realtors
General Certified Appraiser
by the State of Illinois - Certificate Number 153-000100

Appointed by the Governor to the Illinois Real Estate Appraisal Committee for a four-year term expiring January 15, 1994; elected and served as Chairman of this committee for 2 years. Resigned from the committee in May, 1995 after 5 years service.

CONTINUING EDUCATION

The Appraisal Institute conducts a program of continuing professional education for its designated members. MAI and RM members who meet the minimum standards of this program are awarded periodic educational credits.

As of the date of this report, I, Terrence M. O'Brien, have completed the requirements under the continuing education program of the Appraisal Institute.

EXPERIENCE

Appraised a large number of various types of real estate throughout Chicago and its metropolitan area with an aggregate value well in excess of one hundred billion dollars. Experience includes the appraisal of fee, leasehold and partial interest as well as equity investment analysis, feasibility, market and highest and best use studies. Qualified and extensively used as an expert witness in numerous courts of law as well as before several municipal zoning boards.

OFFICE LOCATIONS

CHICAGO - 111 West Washington Street, Suite 1420
GLENVIEW - 1247 Waukegan Road, Suite 103
TELEPHONE - (847) 729-1310 FAX: (847) 729-8103

TERRENCE O'BRIEN & Co.

QUALIFICATIONS OF TERRENCE M. O'BRIEN, MAI (cont'd)

<u>REAL ESTATE TRAINING</u>	<u>COURSE</u>	<u>SPONSORING INSTITUTION</u>
Basic Principles	I	Illinois Realtors Inst.
Principles	II	Illinois Realtors Inst.
Principles	III	Illinois Realtors Inst.
Practical Methods for Successful Property Management	I	Institute of Real Estate Management
Analysis and Management of Investment Property	II	Institute of Real Estate Management
Land Planning and Development	N/A	Chicago Real Estate Board

REAL ESTATE APPRAISING

Theories and Principles	I	Appraisal Institute
Appraisal Problems	II	Appraisal Institute
Condemnation	IV	Appraisal Institute
Investment Analysis	VI	Appraisal Institute
Industrial Properties	VII	Appraisal Institute
Standards of Professional Practice	A&B	Appraisal Institute

In addition to those cited above, I have taken numerous other courses offered and sponsored by the Appraisal Institute.

REPRESENTATIVE LIST OF TYPES OF PROPERTY APPRAISED

Airports	Mobile Home Parks
Apartments	Motels
Automobile Showrooms	Nursing Homes
Condominiums	Office Buildings
Co-operative Apartments	Office Complexes
Eleemosynary Property	Outlet Malls
Funeral Homes	Religious Institutions
Garages	Churches, Housing and Educational
Hotels	Residences
Hospitals	Restaurants
Industrial Factories/ Light Manufacturing and Heavy Industrial	Retail Stores
Land	Schools, Elementary, High School, University and Technical Colleges
Farms	Service Stations
Commercial	Shopping/Discount Centers
Industrial	Special Purpose Property
Residential	Storage Facilities
Landfill Sites	Supermarts
Loft Buildings	Tank Farms
Medical Emergency Centers	

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QUALIFICATIONS OF TERRENCE M. O'BRIEN, MAI (cont'd)

REPRESENTATIVE LIST OF CLIENTS

GOVERNMENTAL BODIES

City of Highland Park
Chicago Board of Education
Chicago Dept. of Planning,
City and Community Develop.
Chicago Park District
Chicago Public Building Com.
Cook County Forest
Preserve District
Cook County Highway Department
DuPage Airport Authority
Glenview Park District
Illinois Department
of Insurance
Illinois Department
of Transportation
Illinois Medical Commission
Mount Prospect Park District
Northbrook Park District
Village of Glenview
Village of Hodgkins

FINANCIAL INSTITUTIONS

Amalgamated Trust & Savings
American National Bank &
Trust Company of Chicago
Cole Taylor Bank
Continental Bank
Devon Bank
Exchange National Bank
of Chicago
Forest Park National Bank
Glenview State Bank
Harris Bank
Home Savings Bank of Upstate
New York, Albany, New York
Homewood Federal
Hyde Park Bank & Trust Company
Northern Trust Bank

REAL ESTATE ORGANIZATIONS

Balcor Company
Bradford Companies
Burnham Companies
Continental Mortgage Investors
Fleetwood Realty Company
Golub & Company
Habitat Company
Homart Development Company
Independence Mortgage Trust
of California
Inland Real Estate Corporation
JMB Properties Urban Company
John Buck Company
Lexington Development Companies
Lincoln Property Company
Miglin-Beitler Developments
Oxford Properties, Inc.
Pacific Realty Corporation
Piedmont Realty Advisers
Prudential Property Co. Inc.
Stein & Company
Tishman/Speyer Properties.
Walsh Higgins & Co.

TERRENCE O'BRIEN & Co.

QUALIFICATIONS OF TERRENCE M.O'BRIEN, MAI (cont'd)

REPRESENTATIVE LIST OF CLIENTS (cont'd)

BUSINESS, CORPORATE AND OTHERS

A.B. Dick Company	Holiday Inns, Inc.
Allied Van Lines	Hyatt Hotel Corporation
Allis Chalmers, Inc.	Inland/Ryerson Steel Co.
Amoco Corporation	Jewel Food Stores
Amvets, Inc.	Keebler Company
Anheuser-Busch, Inc.	Lutheran General Hospital
Bally Manufacturing Corp./	Maryland Cup Corporation
Bally's Chicago Health Clubs	Matsushita Electric Corporation
CPC International, Inc.	of America
Catholic Archdiocese	Moody Bible Institute
of Chicago	Motel 6 Corporation
Chicago Motor Club	Northern Illinois Gas Company
Chicago Title & Trust Co.	Northwestern Mutual Life
Ciba-Geigy Corporation	Insurance Company
Colt Industries	Paddock Publications
Dominick's Food Stores	Reliance Life Insurance Company
Eastman Kodak Corporation	Rush-Presbyterian Hospital
Elek-Tek, Inc.	Sears Roebuck Corporation
Federal Life Insurance Co.	Spiegel, Inc.
Ford Motor Company	Standard Brands, Inc.
General Cinema Company	Teachers Insurance & Annuity
General Electric Corporation	Union Carbide Corporation
General Motors	United Insurance Company
Acceptance Corporation	of America
General Telephone	University of Chicago
and Electric Company	University of Illinois-Chicago
Greyhound Corporation	Vantage Companies
Harcourt, Brace &	Walgreen's Inc.
Jovanovich, Inc.	Westin Hotels

TERRENCE O'BRIEN & Co.

QUALIFICATIONS OF

BRIAN J. DUNIEC

GENERAL EDUCATION

Fenwick High School, Oak Park, Illinois

University of Illinois, Champaign, Illinois
(Bachelor of Science)

<u>REAL ESTATE APPRAISING</u>	<u>COURSE</u>	<u>SPONSORING INSTITUTION</u>
Theories and Principles	1-A	Appraisal Institute Chicago, Illinois
Capitalization Theories and Techniques	1-B	Appraisal Institute Lincoln, Nebraska
Urban Properties	II	Appraisal Institute Chicago, Illinois
Investment Analysis	VI	Appraisal Institute Chicago, Illinois
Professional Practice	Seminar 440	Society of Real Estate Appraisers

REAL ESTATE SALESMAN AND BROKER COURSES

Real Estate Transactions	N/A	Homefinders Institute Glenview, Illinois
Contracts and Conveyancing	B-1	Real Estate School of Illinois
Advanced Real Estate Principles	B-2	Real Estate School of Illinois
Real Estate Appraisal	B-3	Real Estate School of Illinois
Financing	B-5	Real Estate School of Illinois

TERRENCE O'BRIEN & Co.

QUALIFICATIONS OF BRIAN J. DUNIEC (cont'd)

PROFESSIONAL DESIGNATIONS AND EXPERIENCE

Real Estate Broker,
Licensed by the State of Illinois
Certificate Number 075-0078700

General Certified Appraiser
by the State of Illinois - Certificate Number 153-000881

Appraiser for the First Bank of Oak Park

Appraiser for Brandt Carlson & Co., Appraisers

REPRESENTATIVE LIST OF TYPES OF PROPERTY APPRAISED

Apartments	Mobile Home Parks
High-Rise and Other	Motels
Automobile Showrooms	Nursing Homes and
and Facilities	Interim Care Facilities
Condominiums for	Office Buildings
Apartments and Offices	High-Rise and Other
Co-operative Apartments	Office Complexes
Eleemosynary Property	Outlet Malls
Funeral Homes	Religious Institutions
Garages	Including Churches;
Hotels	Housing for Religious and
Hospitals	Educational Facilities
Industrial Factories	Residences
and Complexes	Single and Multi-Family
Light Manufacturing	Restaurants
and Heavy Industrial	Retail Stores
Land	Schools, Elementary,
Farms	High School, University
Commercial	and Technical Colleges
Industrial	Service Stations
Residential	Shopping and Discount
Landfill Sites	Centers
Loft Buildings	Special Purpose
Medical and Emergency	Property(s)
Trauma Centers	Storage Facilities
Medical/Professional	Supermarts
Office Buildings	Tank Farms

TERRENCE O'BRIEN & Co.

QUALIFICATIONS OF BRIAN J. DUNIEC (cont'd)

GENERAL EXPERIENCE AND APPRAISAL BACKGROUND

My appraisal of real estate has covered Chicago and its entire metropolitan area as well as outlying counties and nearby states. At the present time, my list of clients includes governmental bodies encompassing State, County and Suburban agencies; the Court System of Cook County; Amvets; the Archdiocese of Chicago and numerous others. In addition, I have appraised industrial/warehouse complexes, office buildings, steel mills and fabrication facilities, etc. for major companies and National corporations.

I have prepared numerous indepth and narrative reports for attorneys, large law firms and individuals running the gamut from vacant/agricultural land - both city and suburban; detached and attached single family homes; apartments, cooperative units and others; multifamily dwellings, including condominiums and townhomes; health and sports club facilities; golf courses as well as commercial property and the previously mentioned industrial complexes and office buildings. I have also been involved in the appraisal of properties affected by architectural and historic preservation laws.

Since 1974, I have been employed by Terrence O'Brien & Co. (Real Estate Appraisers, Brokers and Consultants). During this period of time, my professional experience and background has included, in addition to general appraisal work, Highest and Best Use analyses; market and feasibility studies; equity investment analyses; discounted cash flow analyses and the appraisal of special use and special purpose type properties.