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APPRAISAL REPORT OF

Southwest Corner of Hawthorne
and King Streets,
Franklin Park,
Cook County, IL, 60131

AS OF

July 23, 2021

PREPARED FOR

Mr. John Schneider
Director of Community
Development
Village of Franklin Park
9500 W. Belmont Ave.
Franklin Park, IL 60131

PREPARED BY

Praedium Valuation Group
3847 N. Lincoln, 2nd Floor
Chicago, Illinois 60613
File Name: 12924

PRAEDIUM VALUATION GROUP

Appraisals • Consulting • Expert Witness

3847 N. Lincoln, 2nd Floor
Chicago, Illinois, 60613

www.pvgchicago.com
info@pvgchicago.com

773-665-8361
Fax: 773-665-8342

August 4, 2021

Mr. John Schneider
Director of Community Development
Village of Franklin Park
9500 W. Belmont Ave.
Franklin Park, IL 60131

Re: Southwest Corner of Hawthorne and King Streets, Franklin Park,
Cook County, IL, 60131 PIN 12-21-409-012

Dear Mr. Schneider:

At your request, we have prepared an appraisal report, which is intended to comply with the reporting requirements set forth under Standards rule 2 in the Uniform Standards of Professional Appraisal Practice. The depth of discussion contained in the report is specific to the needs of the client and for the intended use stated in the attached appraisal report.

The subject property is a vacant parcel of land located at the southwest corner of King Street and Hawthorne Street. It contains 4,200± square feet and is nearly triangular in shape. There is a public alley along the southwest lot line. It is zoned C-M, Commercial Manufacturing District in the Village of Franklin Park.

Please reference page 9 of this report for important information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis, and valuation methodology.

We certify that we have no present or contemplated future interest in the property beyond this estimate of values.

Your attention is directed to the Limiting Conditions and Assumptions section of this report (page 34). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, we note the following:

Mr.. Schneider
Village of Franklin Park
Page 2

Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal.

Extraordinary Assumptions:

- There are no extraordinary assumptions for this appraisal.

We have not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumptions and Hypothetical Conditions (if any), we have made the following value conclusions:

Current As Is Market Value:

The market value of the fee simple estate of the property, as is, as of July 23, 2021, is

\$29,500

Twenty Nine Thousand Five Hundred Dollars

The market exposure time preceding July 23, 2021 would have been 6 to 12 months and the estimated marketing period as of July 23, 2021 is 6 to 12 months.

This report was prepared in conformance with USPAP appraisal guidelines as well as those of the Appraisal Institute.

Respectfully submitted,
Praedium Valuation Group



Mary Wagner, MAI
Illinois Certified General Real Estate Appraiser
License No. 553-001102
License Expires September 30, 2021



Elizabeth Gulis, MAI
Illinois Certified General Real Estate Appraiser
License No. 553.002269
License Expires September 30, 2021

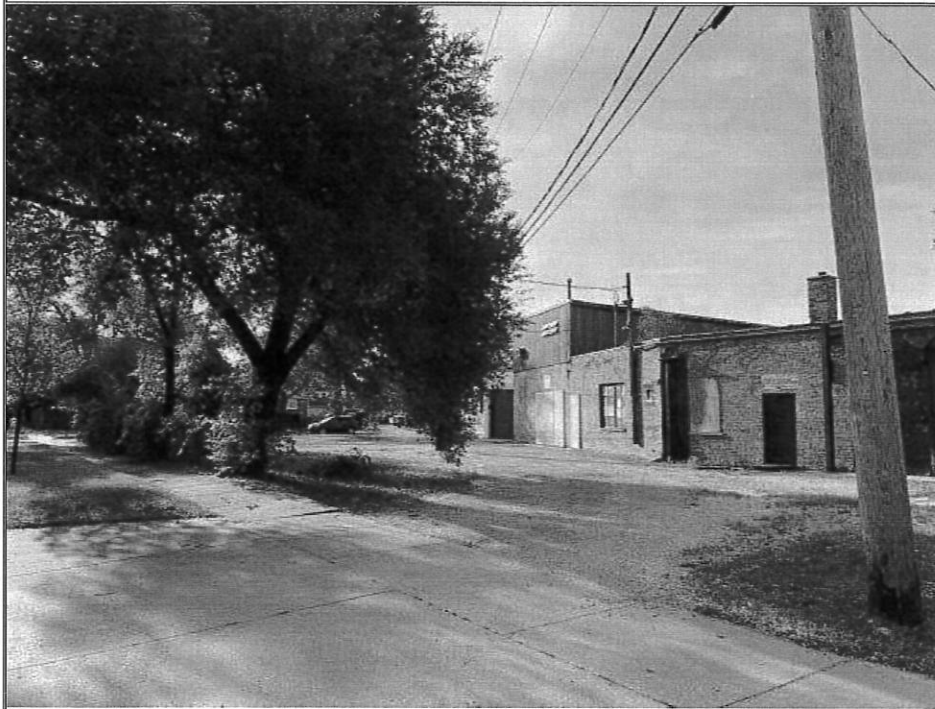
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Subject Photos



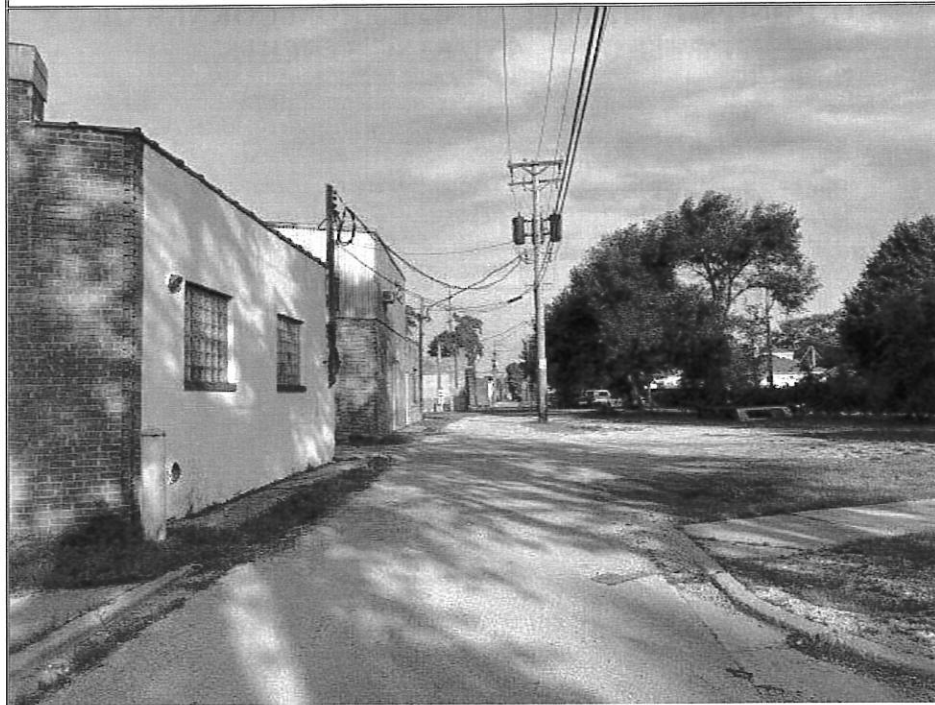
**LOOKING SOUTHWEST AT SITE FROM CORNER OF
HAWTHORNE AND KING STREETS**



LOOKING SOUTHEAST AT SITE FROM KING STREET



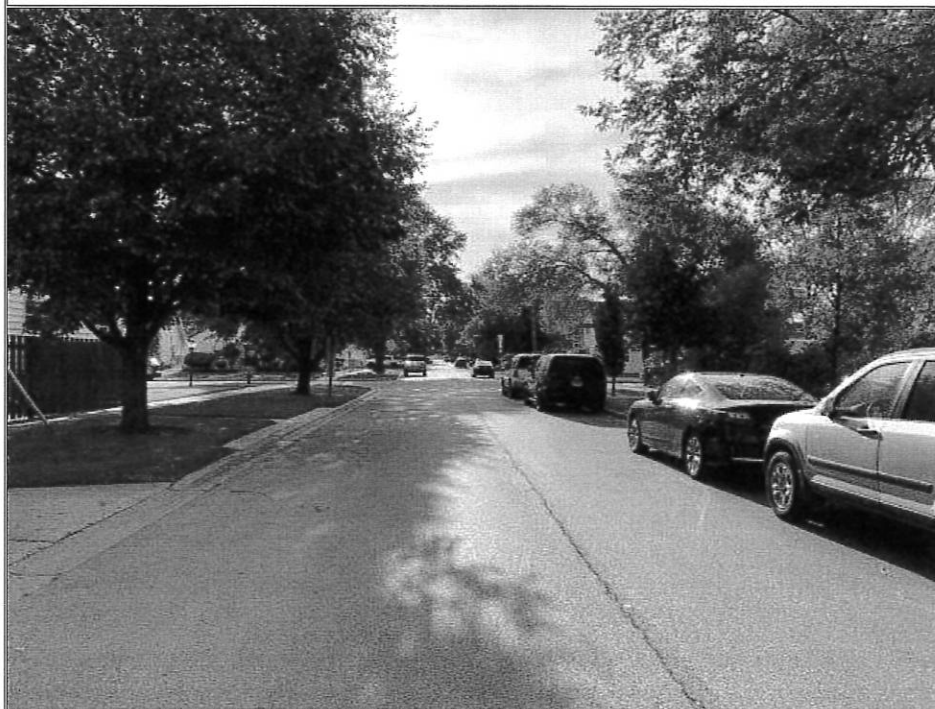
LOOKING WEST AT SITE FROM HAWTHORNE STREET



**LOOKING NORTHWEST ALONG ALLEY TO SOUTH OF
SUBJECT (SUBJ. ON RIGHT)**



VIEW SOUTH ON HAWTHORNE STREET (SUBJ. ON RIGHT)



VIEW EAST ON KING STREET



VIEW WEST ON KING STREET

Aerial Photograph



Source: Cook Viewer website.

Subject is shaded in blue.

Summary of Important Facts and Conclusions

GENERAL

Subject:	Southwest Corner of Hawthorne and King Streets, Franklin Park, Cook County, IL, 60131
	The subject property is a vacant parcel of land located at the southwest corner of King Street and Hawthorne Street. It contains 4,200± square feet and is nearly triangular in shape. There is a public alley along the southwest lot line. It is zoned C-M, Commercial Manufacturing District in the Village of Franklin Park.
Owner:	Village of Franklin Park
Legal Description:	See addenda
Tax Identification:	12-21-409-012
Date of Report:	August 4, 2021
Intended Use:	The intended use is for a potential sale of the subject property.
Intended Users:	The Village of Franklin Park
Sale History & Current Listing / Contracts:	There were no transfers of the subject ownership reported on the Cook County Clerk's website within the three years preceding this appraisal report. The former property owner had been delinquent with the taxes, and the property was acquired by the Village of Franklin Park. The Village is working with a potential purchaser that is also under contract on an adjacent improved industrial site that is owned by the Cook County Land Bank Authority. The subject site would be used as accessory parking for the adjacent improved parcel, which lacks on-site parking.

PROPERTY

Land Area:	Total: 4,200± square feet; 0.10 acres We were not provided with a Plat of Survey and the site area is estimated based on a Sidwell Map.
Improvements:	None
Zoning:	C-M, Commercial Manufacturing
Highest and Best Use of the Site:	Accessory parking for adjacent industrial building.
Highest and Best Use as Improved:	Not relevant.

VALUE INDICATIONS

Reconciled Values:	As Is
Value Conclusions	\$29,500
Effective Dates	July 23, 2021
Property Rights	Fee Simple

The market exposure time preceding July 23, 2021 would have been 6 to 12 months and the estimated marketing period as of July 23, 2021 is 6 to 12 months.

Key Analysis Points

Location

The subject property is located in the Village of Franklin Park, Illinois, a northwestern suburb of Chicago. The property is approximately 12 miles northwest of the Loop, 2.2 miles southeast of O'Hare Airport, and 11.5 miles northwest of Midway Airport. Franklin Park is roughly bordered by Waveland and Seymour Avenues to the north, Des Plaines River Road and Elm Street to the east, I-294, Belmont Avenue, Grand Avenue, Fullerton Avenue and Armitage Avenue to the south, and the CNW railroad tracks and Mount Prospect Road to the west. Neighboring communities include River Grove to the east, Melrose Park and Northlake to the south, Bensenville to the west and Schiller Park and O'Hare International Airport to the north.

Franklin Park has sizeable industrial districts in the west end of the village, and in the northeast and southeast portions of the village. The local industrial market benefits from its proximity to the airport and area expressways, as well as a strong labor force. The remaining areas are primarily residential, along with commercial districts along the thoroughfares in the village.

More specifically, the subject is located on the southwest corner of King and Hawthorne Streets, which are secondary streets. Although the property is not located on Pacific Avenue, municipal and county records report the address for the subject PIN as 9960 Pacific Avenue, as it had formerly been associated with the building on that property. The actual 9960 Pacific (PIN 12-21-409-014) fronts on Pacific Avenue and is across the alley from the subject. It is improved with an older industrial building with no on-site parking. Former ownership of both parcels (subject and adjacent improved industrial site) was delinquent with their real estate taxes. The Cook County Land Bank Authority acquired the improved parcel and it is currently under contract to a buyer that is seeking to purchase the subject parcel for use as accessory parking. The parcel on Pacific is improved with an older one and part two story, 15,000± sf industrial building with significant deferred maintenance.

The area to the south of the subject along Pacific Avenue is industrial in nature while the areas to the north and east, are improved with single-family detached residences. The subject is about 0.5 miles northwest of the downtown Franklin Park commercial district and the Franklin Park Metra station. Mannheim Road is approximately 0.5 miles to the west. Public bus service is available in Franklin Park. The southeast boundary of O'Hare International Airport is approximately two miles northwest of the subject, and I-294 is accessible approximately 1.5 miles northwest. Overall, the property has good local and regional access.

There has been a significant amount of new industrial construction in Franklin Park, however, it has consisted of large, primarily spec buildings with high ceilings and multiple docks. There has been little to no new construction of smaller industrial buildings similar in size and design to the improvements in the industrial district along Pacific Avenue.

Report Scope of Work

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user. Therefore, the appraiser must identify and consider: the

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

This appraisal is prepared for Mr. John Schneider, Village of Franklin Park. The problem to be solved is to estimate the current 'as is' market value to be used in a possible sale of the property.

The definition of market value used in this appraisal is found in *The Dictionary of Real Estate Appraisal, 6th edition* (Chicago: Appraisal Institute, 2015), and the same definition can also be found in the Code of Federal Regulations; "12 CFR, part 34, subpart C-Appraisal 34.42 (g).

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

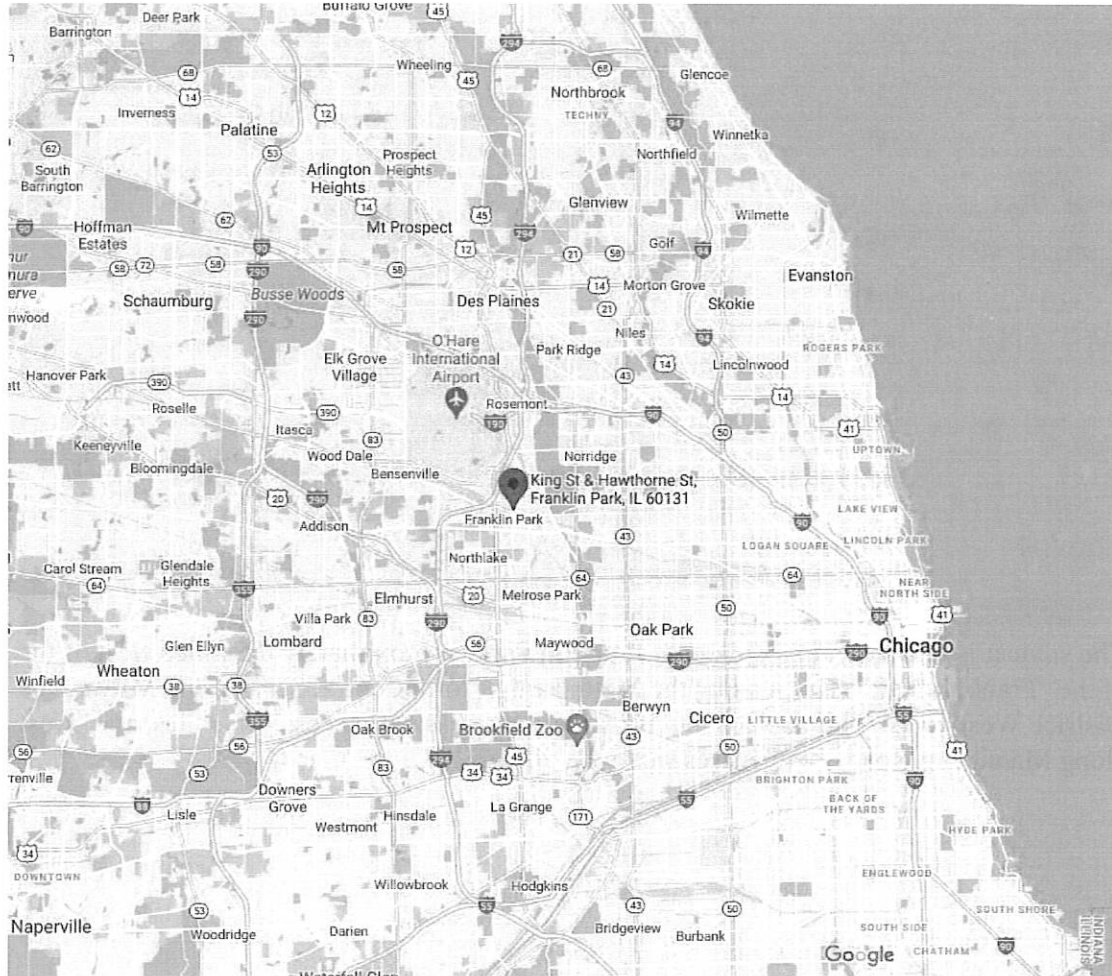
- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment was made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 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.

The intended use is to assist our client The Village of Franklin Park in a potential sale of the subject property.

Scope of Work

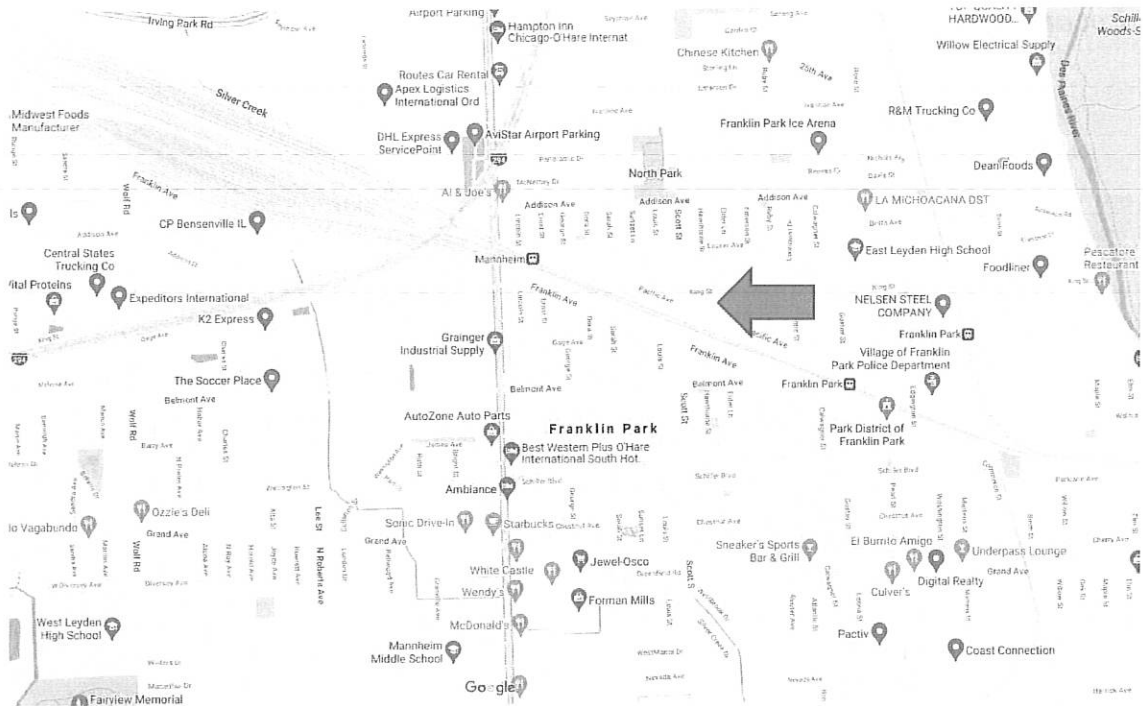
Report Type:	This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2.
Property Identification:	The subject has been identified by the Assessor's parcel number, the legal description and common street address.
Inspection:	An inspection of the subject property has been made.
<u>Valuation Analyses</u>	
Cost Approach:	A cost approach was not applied as the subject is vacant land and the cost approach is not relevant.
Sales Comparison Approach:	A sales comparison approach was applied as there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.
Income Capitalization Approach:	An income capitalization approach was not applied as the subject is vacant land and the income capitalization approach is not relevant.
Hypothetical Conditions:	There are no hypothetical conditions for this appraisal.
Extraordinary Assumptions:	There are no extraordinary assumptions for this appraisal.

Location Map



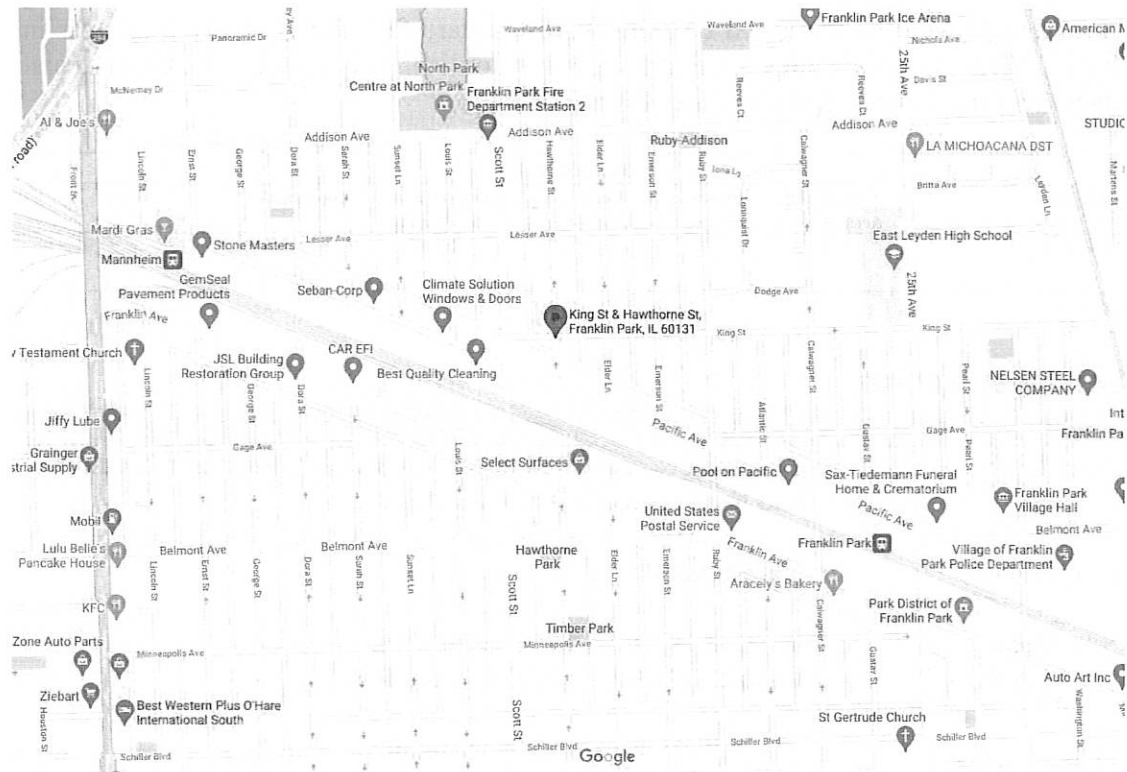
The subject property is located in the Village of Franklin Park, Illinois, a northwestern suburb of Chicago. The property is approximately 12 miles northwest of the Loop, 2.2 miles southeast of O'Hare airport, and 11.5 miles northwest of Midway Airport.

Community Map



The subject is located in the Village of Franklin Park, approximately 0.5 miles west of the of the “Franklin Park” station along the Metra Rail’s North Central Service and Milwaukee District West lines. The subject has proximate expressway access 1.5 miles northwest along Mannheim Road. Pace busses serve the village.

Neighborhood Map



Subject is identified by red PIN in center of map.

Property Description

The subject property is a vacant parcel of land located at the southwest corner of King Street and Hawthorne Street. It contains 4,200± square feet and is nearly triangular in shape. There is a public alley along the southwest lot line. It is zoned C-M, Commercial Manufacturing District in the Village of Franklin Park.

Parcel ID	Land Summary				Topography	Shape
	Gross Land Area (Acres)	Gross Land Area (Sq Ft)	Usable Land Area (Acres)	Usable Land Area (Sq Ft)		
12-21-409-012	0.10	4,200	0.10	4,200	Primarily Level	Nearly triangular

Site Description

SITE

Location:	The subject is located at the southwest corner of Hawthorne and King Streets in Franklin Park.
Current Use:	Vacant Land
Site Size:	Total: 0.10 acres; 4,200 square feet Usable: 0.10 acres; 4,200 square feet
Shape:	The subject site is nearly triangular.
Frontage/Access:	The subject property has average access. It is a corner property with a public alley along the southwest lot line. Currently, there is not a curb cut onto the site from either King or Hawthorne Street. Frontage is as follows: Hawthorne Street: 64.40 feet King Street: 129 feet The site is a corner lot.
Visibility:	Unobstructed
Topography:	Level
Soil Conditions:	The soil conditions at the subject are thought to be typical of the region and adequate to support development.
Utilities:	Electricity: The site is served by public electricity. There are overhead wires on posts that run adjacent to the subject's southwest lot line (along the alley). Sewer: City sewer Water: City water

Natural Gas: The site is served by a public gas company
Adequacy: The subject's utilities are typical of the market area and adequate for its intended use.

Site Improvements: Low lying vegetation, shrubs, tree, gravel

Flood Zone: The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.

FEMA Map Number: 17031C0386J

FEMA Map Date: August 19, 2008

The subject is outside the 500 year flood plain. The appraiser is not an expert in this matter and is reporting data from FEMA maps.

Environmental Issues: There are no known adverse environmental conditions on the subject site. Please reference Limiting Conditions and Assumptions.

Encumbrance
Easements: There no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.

Site Comments: The subject site is a nearly triangular, corner site located between an industrial district to the south and a residential district to the north. There is a public alley along the southwest lot line.

Flood Map



Subject is indicated by the blue arrow and is not in a special flood hazard area.

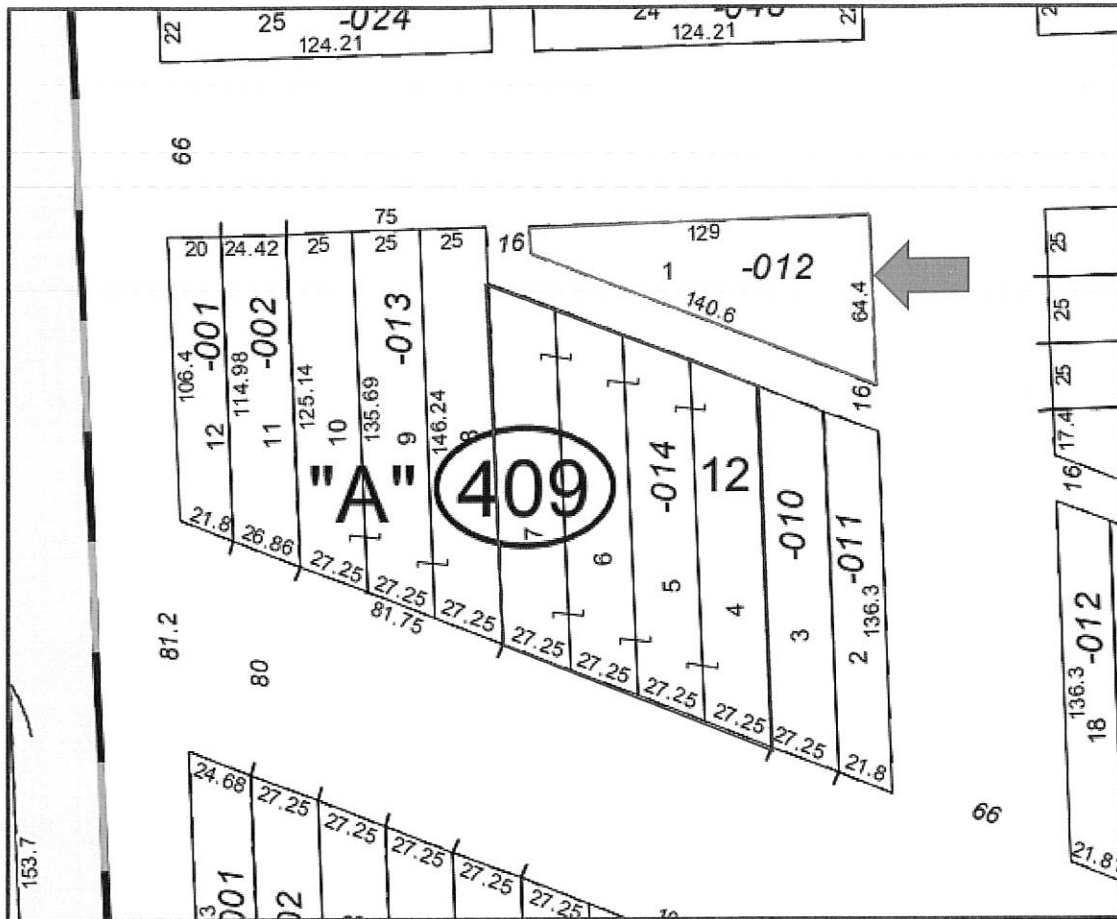
Aerial Photograph



Note: Subject shaded in blue above.

Source: Cook County GIS

Tax Map



Note: Subject indicated by the blue arrow / outline.

The associated improved industrial site at 9960 Pacific, which is not a part of the subject property for this appraisal report, is outlined in red.

Assessment and Taxes

Taxing Authority Cook County

PINs: 12-21-409-012

Assessment Year 2018 Board of Review

Real estate in Cook County is reassessed every three years. Taxes are payable in arrears in two installments. The first installment is an estimated bill based on the prior year's tax rate and assessed value. The second installment is then adjusted to reflect changes in assessed valuation or tax rates for that year. Taxes for 2020 are paid in 2021.

The subject is vacant land, and has been assessed at \$8,235 for the past two years. The level of assessment for vacant land is 10%, indicating an Assessor's opinion of market value of \$82,350, or \$19.61 psf of land. Based on this appraisal, the property is significantly overassessed. The local property tax rate is 11.882%.

The real estate taxes for the parcel for the last few years have been as follows:

Year	Real Estate Taxes
2016	\$2,029
2017	\$2,183
2018	\$2,215
2019	\$2,853

The former owner was delinquent on real estate tax payments and the property has been acquired by the Village of Franklin Park.

Zoning

The subject is zoned C-M, Commercial Manufacturing by the Village of Franklin Park.

Zoning District:	C-M Commercial Manufacturing District	
Purpose:	“...to provide an area suitable for the design and production of small items and ancillary commercial services.” Residential uses are not permitted.	
Permitted Uses:	<u>Public/Civic:</u>	Conditional only
	<u>Commercial:</u>	Commercial graphics, building trades showrooms and shops, household products manufacturing, government building, laundries and dry cleaners, offices, printing and publishing, plastic products design, molding and assembly, pottery and ceramics manufacturing, restaurants, welding shops, wholesaling and warehousing, etc.
	<u>Conditional:</u>	Automobile service stations, lumberyards, car washes, photo processing, religious institution, schools, etc.
Minimum Lot Size:	3,000 <i>sf</i>	
Max. Bldg. Height:	45 feet	
Yard Req.:	<u>Front:</u>	25 ft
	<u>Side:</u>	25 ft
	<u>Rear:</u>	20 ft
Maximum Floor-Area-Ratio (FAR):	2.0	
Parking Requirements:	See full Ordinance for further complete listing	
Source: Village of Franklin Park Zoning Ordinance		

The village intends the subject site to be used for accessory parking for an improved parcel along Pacific Avenue. The ordinance states the following regarding accessory parking.

The unenclosed parking of trucks/commercial vehicles that serve as an accessory use to a primary use with a loading berth, of land adjacent to residential property shall be screened therefrom by a wall, fence or densely planted compact hedge, not less than five (5) feet, nor more than eight (8) feet in height.

Zoning Map



The subject is zoned C-M, Commercial Manufacturing District by the Village of Franklin Park.

- | | |
|------------------------------|-----------------------|
| C-1 Neighborhood Convenience | Municipal Property |
| C-2-1 Community Shopping | Park |
| C-3 General Commercial | R-1 Single Family |
| C-M Commercial Manufacturing | R-2 Single Family |
| DT-1 Downtown Core | R-3 General Residence |
| DT-2 Downtown Mix | R-4 General Residence |
| DT-3 Downtown General | R-5 General Residence |
| DT-4 Downtown Edge | School |
| I-1 Restricted Industrial | |
| I-2 General Industrial | |

Highest and Best Use

Land is appraised as though vacant and available for development to its highest and best use, and the appraisal of improvements is based on their actual contribution to the site.

Highest and best use may be defined as:

The reasonably probable and legal use of vacant land or improved property, which 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 profitability.¹

Highest and Best Use – “As If Vacant”

The highest and best use of the site, as vacant, is for: Accessory parking for adjacent industrial building. The subject parcel is relatively small and nearly triangular in shape. It's configuration and size limit its feasible uses.

Highest and Best Use – “As Improved”

The Highest and Best Use of the subject property “as improved” is not relevant since the site is vacant land.

Valuation Methodology

Three basic approaches may be used to arrive at an estimate of market value. They are:

1. The Cost Approach
2. The Income Capitalization Approach
3. The Sales Comparison Approach

Cost Approach

The Cost Approach is based on the principle that a prudent buyer would not pay more for a property than the cost of obtaining a similar site and having similar improvements constructed on the site. The land and the improvements are separately valued. The land is valued based on sales of comparable sites, adjusting their sale prices for differences indicated by the market. The replacement cost new of the improvements is estimated, and then adjusted for depreciation. The depreciated value of the improvements is then added to the value of the land to arrive at an estimate of value for the subject by the Cost Approach.

The Cost Approach is summarized as follows:

$$\begin{array}{r} \text{Cost New} \\ - \text{Depreciation} \\ + \text{Land Value} \\ \hline = \text{Value} \end{array}$$

Sales Comparison Approach

The Sales Comparison Approach is based on the principle that a prudent buyer would not pay more to purchase a property than it would cost to purchase a similar alternative property. The first step in this approach is to collect sale prices (or asking prices) for properties that are comparable to the subject. These sales are then analyzed using common units of comparison, such as price per square foot, price per dwelling unit, or price per acre, depending on the property type. The unit prices that are derived are then adjusted for differences between the comparable sales and the subject. An adjusted unit price is applied to the subject, resulting in an estimate of value by the Sales Comparison Approach.

Income Capitalization Approach

The Income Capitalization Approach is based on the principle that a prudent buyer will pay no more for an income-producing property than the value of the projected income capitalized (or discounted) to a current lump-sum value at a given rate of return. This approach forecasts a gross income for the subject, which is reduced to a net income by deducting a vacancy allowance and reasonable expenses. The net income is then capitalized (or discounted) based on a rate that is required in the market, taking into account the perceived risks and benefits that would apply to owning the subject property. The

capitalization process results in an estimate of value by the Income Capitalization Approach.

Final Reconciliation

The appraisal process concludes with the final reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others.

Analyses Applied

A **cost analysis** was considered and was not developed because the subject is vacant land and the cost approach is not relevant.

A **sales comparison analysis** was considered and was developed because there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.

An **income analysis** was considered and was not developed, because the subject is vacant land and the income capitalization approach is not relevant.

Sales Comparison Approach

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

The procedure for the sales comparison approach is outlined in *The Appraisal of Real Estate*, Fourteenth Edition, published in 2013, as the following:

- 1) Research the competitive market for information on sales transactions, listings, and offers to purchase or sell involving properties that are similar to the subject in terms of characteristics such as condition, location, and land use constraints. The goal is to find a set of comparable sales as similar as possible to the subject property.
- 2) Verify the information by confirming that the data obtained is factually accurate and that the transactions reflect arm's-length market considerations. Verification may elicit additional information about the market.
- 3) Select relevant units of comparison (e.g., price per acre, price per square foot, price per front foot) and develop a comparative analysis for each unit. The goal here is to define and identify a unit of comparison that explains market behavior.
- 4) Look for differences between the comparable sale properties and the subject property using the elements of comparison. Then adjust the price of each sale property to reflect how it differs from the subject property or eliminate that property as a comparable. This step typically involves using the most comparable sales properties and then adjusting for any remaining differences.
- 5) Reconcile the various value indications produced from the analysis of comparables into a single value indication or a range of values.

Comparables

We have researched several land sales for this analysis. There has been a lack of recent sales of smaller sites with similar zoning in this or surrounding market areas. The most relevant sales are listed in the following table, and all back up data has been retained in the work file.

Improved Sale Comparables							
	Subject	1	2	3	4	5	6
Address	9800 Franklin Ave. Franklin Park, IL	238 Park St. Bensenville	3515 W. Columbus Chicago, IL	3330-56 W. 51st St., Chicago, IL	6100 S. Archer Summit, IL	8780 47th Street Lyons, IL	8630 S. Thomas Bridgeview, IL
PIN	12-21-409-012	03-13-322-010 (DuPage)	19-35-221-037	19-11-204-042 to - 052	18-13-303-020	18-02-309-013 & 014	18-36-415-013
Property Rights	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Lot Size	4,200±	7,500	19,508	32,685	20,865	22,792	20,748
Configuration	Nearly triangular	Rectangular; 50' x 150'	Irregular	Rectangular	Irregular	Rectangular; 187.9' x 121.3	Rectangular; 156' x 133'
Zoning	C-M	I-1, Light Industrial	M1-1	M1-2	M1-2	I-1	I-1
Utilities to Site	All	Yes	Yes	Yes	Yes	Yes	All
Flood Zone	No	No	No	Normal	Normal	No	No
Corner / Interior	Corner	Interior; Dual frontage	Corner; one street not improved and not a thru street	Dual corner	Interior at T- intersection	Corner	Interior
Conditions of Sale	N/A	Normal	Normal	Normal	Normal; Cash	Normal; Cash	Current Listing
Sale Date	N/A	12/18/2020	1/8/2020	3/27/2019	8/11/2020	2/23/2018	Current Listing
Marketing Time	N/A	3 months	2.5 months	Unk	Unk	15 days	4.8 years
Purchase Price	N/A	\$42,000	\$150,000	\$300,000	\$225,000	\$350,000	\$219,900
\$/SF	N/A	\$5.60	\$7.69	\$9.18	\$10.78	\$15.36	\$10.60

Comparable Sales Analysis

The comparable sales and sale offering have been analyzed and compared with the subject property. They range in unadjusted unit sale price between \$5.60 and \$15.36 psf, with an average of \$9.87 psf and a median of \$9.89 psf.

The Comps were verified via public records and a party to the transaction when possible.

Comp 1 sold for \$5.60 psf in December of 2020. It is a small site in neighboring Bensenville that was selected for its size, zoning and sale date. The site has an advantage in configuration and in that it is located in DuPage County, which has a significantly lower effective tax rate, but is inferior in that it is not a corner parcel. The property is similar to the subject in that it is a transitional site between residential to the north and industrial to the east and south. The broker said that because there was a home on the parcel immediately north of the subject, it limited potential uses and the desirability of the site. Neighboring property owners were not interested in the site, and the village would not allow re-zoning for residential use. The seller decided to sell for whatever he could get in a relatively quick time frame. Overall, this is a superior site but the conditions of sale (seller motivation for quick sale) impacted the price.

Comp 2 sold for \$7.69 psf in January of 2020. It is an irregular-shaped site located on the southwest side of the city of Chicago. Columbus Avenue has a higher traffic count and greater exposure, but conversely, the site backs to railroad tracks. It is larger, and typically there is an inverse relationship between size and price psf, but the subject site is so small that it does not have development potential as a stand-alone site. It will only be used as accessory parking for an adjacent site across the alley. Combined, the two sites (subject and adjacent improved site) have development potential. Although the Comp is a corner site, St. Louis Street is dedicated but not improved south of Columbus and it dead ends into the railroad tracks. The subject has an advantage in this respect. Overall, it is similar to slightly superior to the subject.

Comp 3 sold for \$9.18 psf in March of 2019. It is a rectangular, dual corner site on the southwest side of Chicago that is zoned M1-2. It is a larger site with a dual corner location. It has a superior, rectangular configuration. The property sold in March of 2019 and the industrial market has been appreciating since that time. Overall, it is similar to slightly superior to the subject on a price per sf of land unit basis.

Comp 4 sold for \$10.78 psf in August of 2020. It is located on Archer Road in Summit. Although it has a higher traffic count, Franklin Park has a more active industrial district than Summit. Summit is also inferior in that it has a higher property tax rate. Although it is larger than the subject, it has superior development potential as a stand-alone site. It is inferior in lot positioning. Overall, it is similar to slightly superior to the subject on a unit basis.

Comp 5 sold for \$15.36 psf in February of 2018. 47th Street has a higher traffic count, providing superior exposure, however, Lyons has a higher property tax rate than Franklin Park. Like the subject, this is a corner parcel. It is a larger site, but has greater

development potential, and a superior configuration. Conversely, it sold in February of 2018, and the industrial market has been appreciating since that time. Overall, it is superior to the subject on a price psf unit basis.

Comp 6 is a sale offering at a list price of \$10.60 psf. It has an inferior location on a secondary street in Bridgeview, and is also inferior in interior lot positioning. It is a larger site, though with superior development potential. Also, this is an offering with an extended listing period and the actual contract price will likely be lower than the list price.

There have been no recent sales of smaller sites in Franklin Park with similar zoning. Although there has been a significant amount of recent industrial development in Franklin Park, it has been of large distribution buildings, mostly constructed on a speculative basis, and the associated land sales have been of multi-acre sites. These sales are not comparable as the buyers are national industrial developers that would not consider the subject site. The price points for these larger development sites have mostly been in the teens to \$20 psf range.

Also, a 40,946 sf site further east on Pacific Avenue (9801 Pacific) sold in June of 2019 for \$125,000 or \$3.05 psf. The site is a corner site zoned DT-4 (Downtown Edge) and was planned for multifamily residential use. The broker reported that the site had older underground fuel storage tanks that needed to be removed by the buyer and that was a turn off to potential purchasers. Also, the site backs to the railroad tracks, which is not a desirable feature for residential use.

Conclusion

The subject is unique in that it has little to no development potential as a stand-alone site, but has contributory value as accessory parking for a neighboring business. It would need to be paved, and perhaps screened from the adjacent residential areas. Due to the limited on-site parking for neighboring businesses, it is thought that the site would be attractive to the property owners along Pacific Avenue between Hawthorne Street and Scott Street, but have very limited appeal to any other potential purchaser.

Although the subject is inferior to all comparables, it is not significantly inferior to any, aside from Comp 5. Comp 1 sets the low end of the range and the seller was looking for a quick sale due to limited development potential and the lack of interest from neighboring owners.

Based on the preceding analysis, the unit value of the subject is best indicated towards the lower end of the range of the Comps, near the indication of Comp 2, or say at \$7.00 psf or \$29,500, as shown below.

As Is Market Value Conclusion

Indicated Value per SF of Land:	\$7.00
Subject Size:	4,200 sf
Indicated Value:	\$29,400
Rounded:	\$29,500

Twenty Nine Thousand Five Hundred Dollars

Certification

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- We have not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our 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.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- Elizabeth Gulis, MAI has not made a personal inspection of the property that is the subject of this report. Mary Wagner, MAI, has made an exterior inspection of the property.
- No one else provided significant real property appraisal assistance to the person(s) signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and 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, Mary Wagner, MAI and Elizabeth Gulis, MAI have completed the continuing education program of the Appraisal Institute.



Mary Wagner, MAI
Illinois Certified General Real Estate Appraiser
License No. 553-001102
License Expires September 30, 2021



Elizabeth Gulis, MAI
Illinois Certified General Real Estate Appraiser
License No. 553.002269
License Expires September 30, 2021

Addenda

Legal Description

LOT 1 IN BLOCK 12 IN THIRD ADDITION TO FRANKLIN PARK IN SECTION 21 AND 28, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index No.: 12-21-409-012-0000

Location: 9960 Pacific Avenue, Franklin Park, Illinois 60131

Source: Cook County Records

Definitions

Market Value¹:

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.

A Fee Simple estate is defined¹ 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.

A Leased Fee interest is defined¹ as:

A freehold (ownership interest) where the possessory interest has been granted to another party by the creation of a contractual landlord-tenant relationship (i.e., a lease).

Marketing Time is defined¹ as:

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal.

Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal.

Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.

¹ Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015).

Exposure Time is defined¹ as:

1. The time a property remains on the market.
2. 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 on an analysis of past events assuming a competitive and open market.

See Marketing Time, above.

Gross Building Area (GBA): Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the region.¹

Rentable Area (RA): For office buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring the inside finished surface of the dominant portion of the permanent building walls, excluding any major permanent penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice.¹

Gross Leasable Area (GLA): Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces.¹

As Is Market Value

The estimate of the market value of the real property in its current physical condition, use and zoning as of the appraisal date.¹

Limiting Conditions and Assumptions

Acceptance of and/or use of this report constitutes acceptance of the following limiting conditions and assumptions; these can only be modified by written documents executed by both parties.

This appraisal is to be used only for the purpose stated herein. While distribution of this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed; this report is intended to be used in whole and not in part.

No part of this appraisal, its value estimates or the identity of the firm or the appraiser(s) may be communicated to the public through advertising, public relations, media sales, or other media.

All files, work papers and documents developed in connection with this assignment are the property of Praedium Valuation Group. Information, estimates and opinions are verified where possible, but cannot be guaranteed. Plans provided are intended to assist the client in visualizing the property; no other use of these plans is intended or permitted.

No hidden or unapparent conditions of the property, subsoil or structure, which would make the property more or less valuable, were discovered by the appraiser(s) or made known to the appraiser(s). No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there is no existence of hazardous materials or conditions, in any form, on or near the subject property.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of the appraiser nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, nor for any expertise or knowledge required to discover them.

Unless stated herein, the property is assumed to be outside of areas where flood hazard insurance is mandatory. Maps used by public and private agencies to determine these areas are limited with respect to accuracy. Due diligence has been exercised in interpreting these maps, but no responsibility is assumed for misinterpretation.

Good title, free of liens, encumbrances and special assessments is assumed. No responsibility is assumed for matters of a legal nature.

Necessary licenses, permits, consents, legislative or administrative authority from any local, state or Federal government or private entity are assumed to be in place or reasonably obtainable.

It is assumed there are no zoning violations, encroachments, easements or other restrictions which would affect the subject property, unless otherwise stated.

The appraiser(s) are not required to give testimony in Court in connection with this appraisal. If the appraisers are subpoenaed pursuant to a court order, the client agrees to pay the appraiser(s) Praedium Valuation Group regular per diem rate plus expenses.

Appraisals are based on the data available at the time the assignment is completed. Amendments/modifications to appraisals based on new information made available after the appraisal was completed will be made, as soon as reasonably possible, for an additional fee.

Americans with Disabilities Act (ADA) of 1990

A civil rights act passed by Congress guaranteeing individuals with disabilities equal opportunity in public accommodations, employment, transportation, government services, and telecommunications. Statutory deadlines become effective on various dates between 1990 and 1997. Praedium Valuation Group has not made a determination regarding the subject's ADA compliance or non-compliance. **Non-compliance could have a negative impact on value, however this has not been considered or analyzed in this appraisal.**

Appraiser Competency

The appraiser(s) of this report have the necessary and required education, knowledge and experience to provide a reliable and credible valuation of the subject property.

Appraiser Qualifications

PRAEDIUM VALUATION GROUP

Appraisals • Consulting • Expert Witness

Mary Wagner, MAI

EDUCATION

University of Wisconsin- Madison, WI- 1991

Bachelor of Business Administration, Real Estate & Urban Land Economics

LICENSES, CERTIFICATIONS & AFFILIATIONS

- Illinois Certified General Real Estate Appraiser
- Member, MRED, Midwest Real Estate Data
- Designated Member of the Appraisal Institute (MAI)
- ICAP

APPRAISAL EXPERIENCE

Appraising assignments for all types of real estate and property rights, including but not limited to: multi family residential, development sites, industrial, commercial, and special purpose properties. Industrial properties include factories, warehouses, manufacturing and distribution facilities. Commercial and special purpose properties include but are not limited to: office buildings, shopping centers, big box retail, single tenant new leases, banks and restaurants

Appraisal reports were completed for financial institutions, appraisal management companies, municipalities, attorneys, accountants, non-for profit organizations, investors and individuals.

Qualified as an expert witness in federal bankruptcy court, the City of Chicago Zoning Board of Appeals and at municipal hearings.

Currently serve as a Candidate Adviser for the Appraisal Institute.

PROFESSIONAL EXPERIENCE

Praedium Valuation Group, Chicago, IL (2016 - present)

Senior Commercial Appraiser & Reviewer

Midwest Appraisal Company, Chicago, IL (1991-2016)

President & Senior Reviewer

PRAEDIUM VALUATION GROUP

Appraisals • Consulting • Expert Witness

ELIZABETH GULIS, MAI

EDUCATION

The University of Michigan—Ann Arbor, MI (1984-1988)

Bachelor of Business Administration

Commercial Appraisal Coursework (Appraisal Institute)

General Appraiser Income Approach I
General Appraiser Income Approach II
General Appraiser Sales Comparison Approach
General Appraiser Site Valuation & Cost Approach
Advanced Income Capitalization
Quantitative Analysis

Statistics, Modeling and Finance
General Appraiser Market Analysis Highest & Best Use
General Report Writing and Case Studies
Advanced Market Analysis and Highest & Best Use
Advanced Concepts & Case Studies
General Appraiser Report Writing & Case Studies

LICENSES, CERTIFICATIONS & AFFILIATIONS

- Illinois Certified General Real Estate Appraiser
- Member, MRED, Midwest Real Estate Data
- Designated Member of the Appraisal Institute (MAI)

APPRAISAL EXPERIENCE

Commercial

Apartment Buildings (5+ Units)
Retail Buildings & Strip Centers
Industrial Buildings
New Construction
Rent Survey

Mixed Use Buildings
Office Buildings
Parking Garage Buildings
Broken Condominiums

Vacant Land
Retail and Office Condominiums
De-Conversions
House of Worship

Residential

Detached Single Family Houses
Condominiums
Small Income (2-4 Units) Properties

Cooperatives
Vacant Land
Relocation

New Construction

PROFESSIONAL EXPERIENCE

Praedium Valuation Group, Chicago, IL (2005 - present)

Senior Commercial Real Estate Appraiser (2012 –present)

- Value Types: Market, Bulk Sale Value, Disposition, Liquidation, As Is, As Complete, As Stabilized, Diminution in Value
- Proficient in WinTotal and Narrative1 software
- Appraisal Review

Certified Residential Real Estate Appraiser (2005-2012)

- Appraised residential real estate specializing in downtown Chicago neighborhoods and high-value properties.

Engagement Letter

PRAEDIUM VALUATION GROUP

Appraisals • Consulting • Expert Witness

CLINTON J. WALLACE, MAI
SARA CHAMBERS, SRA
ELIZABETH GILES, MAI
MARY WAGNER, MAI
KAREN PROULAU
EDDIE SMITH
TOM FISHBAU
JENNIFER STYER
BILL HOGUEMAN
JOAN HYLAND
RICK LAYMAN

ASHLEY PIER
JOLANTA EMBORCH
VINCE MAYHARRIS
HUGH WARD
MICHELLE WYBEN
STEVEN ENGEL
JULIAN DALLGOTT
KATHLEEN FRAWLEY
DAN BOYLE
CHLISEA ROCKSLEY
ZSOFIA KORS

July 12, 2021

Mr. Nicholas Walny
Senior Village Planner
Village of Franklin Park
9500 W. Belmont Avenue
Franklin Park, IL 60131
847-671-8278
nwalny@vofp.com

RE: Appraisal Proposal for the Real Property Located At:
9800 Franklin Avenue and 9960 Pacific Avenue, Franklin Park, IL

Dear Mr. Walny:

Thank you for the opportunity to present this proposal for an appraisal of the above referenced properties. It is our understanding that this appraisal is required for a potential sale of the properties. The Franklin Avenue property is a single-tenant, light industrial building that we previously appraised for you, while the Pacific property is a vacant parcel zoned CM. The assignment will consist of two separate appraisal reports of the current fee simple market value of each property. By signing and returning this proposal you authorize Praedium Valuation Group to perform the following scope of work for each property:

Scope of Work

- Identification of the objective and purpose of the assignment
- Identification of the property and description of its location and neighborhood
- Analysis and conclusion of the property's highest and best use viewed from the position of the most probable buyer in the open market
- Research and analysis of the history of the property
- An inspection of the subject property
- A comparative analysis of comparable property
- Preparation of a narrative appraisal report (or a land form for the Pacific property) identifying the property and providing a discussion of the data and analysis used in the appraisal process, including a market analysis and sales comparison approach, and reporting the final opinion of market value

3847 N Lincoln - 2nd Floor - Chicago, IL 60613
(P) 773-665-8361 - (E) info@pvgchicago.com

Our fee for the Franklin property would be \$1,700 for a summary report and \$1,300 for a restricted appraisal report. The restricted report will be the result of the same appraisal development process, and the value opinion will be the same regardless of the reporting option. The restricted report is a very concise report with very limited data and analysis, but may be appropriate in this instance since you have a prior appraisal from 2019.

The fee for the vacant parcel on Pacific on a land form would be \$1,000. A 50% retainer is required upon acceptance of the appraisal proposal, with the remainder of the fee due upon completion of the appraisal report.

If you would like to proceed with the appraisal assignment, please sign below and return to our office. The typical turn-around time is 18 business days from the receipt of the signed proposal.


Please let me know if you have any questions.

Respectfully submitted,



Mary P. Wagner, MAI
Managing Director
Praedium Valuation Group, Inc.

Print Authorized Name: John P. Schneider

Authorized Signature: 

Authorization Date: 7-12-21