



# **PRAEDIUM** VALUATION GROUP

Appraisals • Consulting • Expert Witness

## **APPRAISAL REPORT FOR** 9800 Franklin Avenue

**LOCATED AT**  
9800 Franklin Avenue,  
Franklin Park,  
Cook County, IL, 60131

**AS OF**  
August 19, 2019

**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  
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Chicago, Illinois 60613  
File Name: 6281

# PRAEDIUM VALUATION GROUP

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September 17, 2019

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

Re: Appraisal  
9800 Franklin Avenue, Franklin Park,  
Cook County, IL, 60131

Dear Mr. Schneider:

At your request, we have prepared an appraisal for the above referenced property, which may be briefly described as follows:

The subject property consists of a 4,925± sf, brick, single-tenant light industrial building constructed around 1970. The building has approximately 12.5-foot clear ceiling heights in the shop area, two grade-level overhead doors, and an estimated 12% finished area at the front (south) of the building. The building has been vacant for a few years and has some deferred maintenance. The improvements are situated on a 6,511 sf site at a signalized corner. Also included with the subject is a vacant, 1,875± sf parcel that is separated from the main parcel by a paved, dedicated alley. The total site area is 8,386 sf.

Please reference page 11 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 59). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, we note the following:

Mr.. Schneider  
Village of Franklin Park  
September 17, 2019  
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Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal.

Extraordinary Assumptions:

- There are no extraordinary assumptions for this appraisal.

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:**

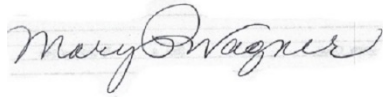
The market value of the fee simple estate of the property, as is, as of August 19, 2019, is

**\$190,000**  
**One Hundred Ninety Thousand Dollars**

The market exposure time preceding August 19, 2019 would have been 3 to 9 months and the estimated marketing period as of August 19, 2019 is 3 to 9 months.

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

Respectfully submitted,  
Praedium Valuation Group



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

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## Subject Photos



**FRONT (SOUTH) ELEVATION**



**EAST ELEVATION**





**REAR ELEVATION**



**OVERHEAD DOOR ALONG FRONT ELEVATION**





**EAST ON FRANKLIN AVENUE**



**WEST ON FRANKLIN AVENUE**





**NORTH ON RUBY STREET**



**SOUTH ON RUBY STREET**





**WEST ON BELMONT STREET**



**WEST ON ALLEY SEPARATING SUBJECT PARCELS**





**PIN 12-21-418-047 (ADDITIONAL PARKING)**

## Summary of Important Facts and Conclusions

### GENERAL

<b>Subject:</b>	9800 Franklin Avenue, Franklin Park, Cook County, IL, 60131
	The subject property consists of a 4,925± sf, brick, single-tenant light industrial building constructed around 1970. The building has approximately 12.5-foot clear ceiling heights in the shop area, two grade-level overhead doors, and an estimated 12% finished area at the front (south) of the building. The building has been vacant for a few years and has some deferred maintenance. The improvements are situated on a 6,511 sf site at a signalized corner. Also included with the subject is a vacant, 1,875± sf parcel that is separated from the main parcel by a paved, dedicated alley. The total site area is 8,386 sf.
<b>Owner:</b>	Village of Franklin Park
<b>Legal Description:</b>	See addenda
<b>Tax Identification:</b>	12-21-418-029 & 047
<b>Date of Report:</b>	September 17, 2019
<b>Intended Use:</b>	The intended use is for a potential sale of the subject property
<b>Intended User(s):</b>	the Village of Franklin Park
<b>Assessed Value:</b>	2018 Assessment: \$146,158 2019 Assessment: \$148,875 2018 Taxes: \$58,795
<b>Sale History &amp; Current Listing / Contract(s):</b>	The subject property was recently acquired by the Village of Franklin Park after the owner had passed away. The price was not disclosed. The village plans to sell the property. There were no other recorded transfers of the subject ownership within the three years preceding this appraisal report.

PROPERTY			
Land Area:	Total: 8,386 square feet; 0.19 acres		
Improvements:			
	<b>Subject</b>		
Building ID:	9800 Franklin Avenue		
Year Built:	1970		
Condition:	Avg. / Avg.-		
Number of Stories:	1.00 story		
Gross Building Area (GBA):	4,925 square feet		
Rentable Area (RA):	4,925 square feet		
Property Totals:	<b>GBA</b>	<b>RA</b>	<b>Units</b>
	4,925	4,925	1
Zoning:	C-M, Commercial Manufacturing		
Highest and Best Use of the Site:	Build to suit light industrial development		
Highest and Best Use as Improved:	Continued use of improvements after curing deferred maintenance		

VALUE INDICATIONS	
<b>Reconciled Values:</b>	<b>As Is</b>
Value Conclusions	\$190,000
Effective Dates	August 19, 2019
Property Rights	Fee Simple

The market exposure time preceding August 19, 2019 would have been 3 to 9 months and the estimated marketing period as of August 19, 2019 is 3 to 9 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 11.8 miles northwest of the Loop, 2.5 miles southeast of O'Hare airport, and 11.3 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. The remaining areas are primarily residential, along with commercial districts along the thoroughfares in the village.

More specifically, the subject is located on the northwest corner of Franklin Avenue and Ruby Street, a signalized intersection. Franklin Avenue has an average daily traffic count of 11,300 vehicles per day at this location and Ruby Street has 3,050 vehicles per day. Belmont Avenue also dead ends into this intersection in an easterly direction, and has a traffic count of 4,100 vehicles per day. The subject is just west of the downtown Franklin Park district and Ruby Street is a dividing line between a commercial district to the east and a light industrial district to the west along Franklin Street. The Franklin Park Metra station is a few blocks southeast of the subject. The downtown district consists primarily of older storefronts occupied by local businesses, and one newer mixed-use building with ground floor commercial space and residential units above. The ground floor commercial units have had high vacancy since the building was constructed about a decade ago.

The subject is compatible with the industrial properties to the west of Ruby Street, most of which are older and occupied by local businesses. 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 subject.

In addition to its proximity to the Metra station, 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.

Approximately 40% of Franklin Park's land use is residential, 15% is commercial and 45% is industrial. There are supporting commercial properties located along the area's primary thoroughfares (i.e. Mannheim Road and Grand Avenue et al). The majority of the residential and industrial improvements in the area range in age from 30 to 60 years, though

there are scattered newer properties. Land use within the immediate area include industrial properties to the west and north, and commercial properties to the east along Franklin Street, with residential properties along the secondary streets, including to the south of Belmont. The subject is compatible with the surrounding uses, and could function as either a light industrial building or a commercial service building due to its exposure of Franklin Avenue at a signalized corner, and proximity to the downtown district.

In summary, the subject property is located at a signalized corner on Franklin Avenue where it transitions from the downtown district to the east and a light industrial district to the west. The location along Franklin Avenue and Ruby Street provides good visibility. Overall, the subject has an above average industrial location within the Village, and would appeal to a user that requires visibility.

#### Property Description

The subject property consists of a 4,925± sf, brick, single-tenant light industrial building constructed around 1970. The building has approximately 12.5-foot clear ceiling heights in the shop area, two grade-level overhead doors, and an estimated 12% finished area at the front (south) of the building. The building has been vacant for a few years and has some deferred maintenance. The improvements are situated on a 6,511 sf site at a signalized corner. Also included with the subject is a vacant, 1,875± sf parcel that is separated from the main parcel by a paved, dedicated alley. The total site area is 8,386 sf.

#### Parking Requirements

When a property in the village of Franklin Park is non-compliant in regards to parking, village ordinance requires that it comes into compliance when there is a change of use or ownership. Parking requirements vary by use, but when the building sells, the new owner will have to be compliant with the parking code. Ideally, that consists of a paved and fenced lot with an opaque screen / buffer along the Metra rail tracks.



## 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, 6<sup>th</sup> 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.

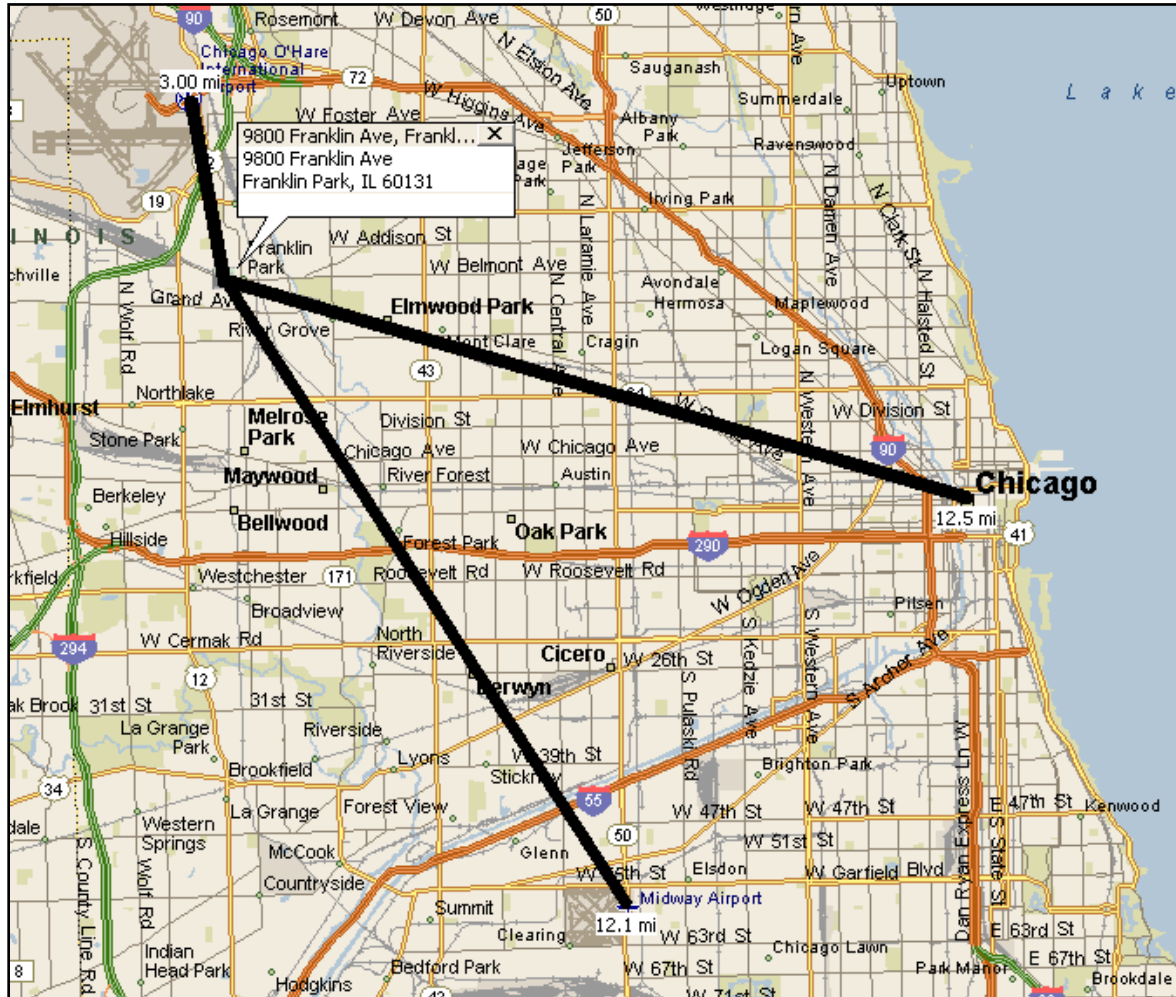
The intended use is to assist our client the Village of Franklin Park in a potential sale of the subject property.

## ***Scope of Work***

Report Type:	This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a summary or description of the appraisal process, subject and market data and valuation analyses.
Property Identification:	The subject has been identified by the Assessor's parcel number, the legal description and common street address.
Inspection:	An interior and exterior inspection of the subject property has been made, and photographs taken.
<u>Valuation Analyses</u>	
Cost Approach:	A cost approach was not applied as the age of the improvements makes the depreciation difficult to accurately measure. Also, buyers and sellers of this asset class typically do not use this approach when making pricing decisions.
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 a vacant single-tenant building that had formerly been owner occupied. Pricing for this type of asset is based on a sales comparison analysis, and the income capitalization approach is not necessary for credible assignment results.
Hypothetical Conditions:	There are no hypothetical conditions for this appraisal.
Extraordinary Assumptions:	There are no extraordinary assumptions for this appraisal.

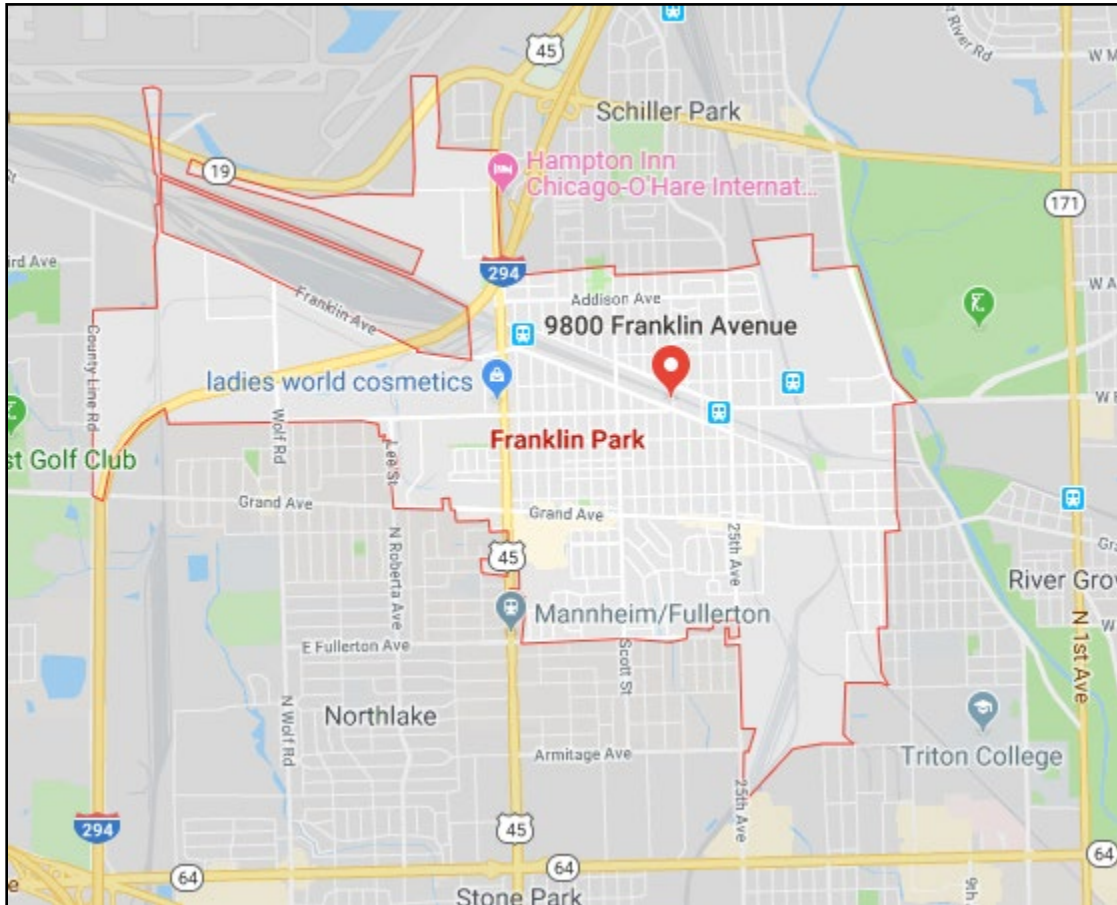
# Market Area Analysis

## *Location Map*



The subject property is located in the Village of Franklin Park, approximately 12.5 miles northwest of the Loop, 2.5 miles southeast of O'Hare airport, and 12.1 miles northwest of Midway Airport.

## Community Map



The subject is located in the Village of Franklin Park, approximately 0.3 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 to Mannheim Road. Bus route 303 runs along 25th Avenue in proximity to the subject.

## **Market Area Location and Boundaries**

The subject property is located in the Village of Franklin Park, approximately 12.5 miles northwest of the Loop, 2.5 miles southeast of O'Hare airport, and 12.1 miles northwest of Midway Airport.

The major employers in the Chicago market area are as follows:

### **CHICAGO AREA MAJOR EMPLOYERS 2018**

<b>2018 Top Employers – Chicago</b>	<b><u>Local</u> <u>Employees</u></b>	<b><u>% Change</u> <u>from 2017</u></b>
1. U.S. Government	41,500	NC
2. Chicago Public Schools	36,415	+2.7
3. City of Chicago	31,854	+2.2
4. Cook County	22,438	+5.3
5. Northwestern Memorial Healthcare	19,886	+19.3
6. Advocate Aurora Health	19,513	+2.4
7. University of Chicago	17,345	+4.6
8. Amita Health	16,231	N/A
9. United Continental Holdings Inc.	14,582	+12.2
10. Amazon.com Inc.	14,918	+5.9
11. JP Morgan Chase & Co.	13,795	+0.1
12. State of Illinois	13,642	-7.1
13. Walgreens Boots Alliance Inc.	12,311	-3.5
14. Walmart Inc.	11,420	+11.7
15. Northwestern University	10,865	+0.2
16. Jewel-Osco	10,376	+7.4
17. Abbott Laboratories	9,860	NC
18. University of Chicago Medicine	9,737	+4.4
19. Rush University Medical Center	9,628	+2.4
20. American Airlines Group Inc.	9,520	NC
21. Chicago Transit Authority	9,453	+0.9
22. AT&T Inc.	9,240	+0.4
23. Employco USA Inc.	7,778	+1.6
24. Allstate Corp.	7,450	-2.9
25. Healthcare Service Corp.	6,450	+0.8
<i>Source: Crain's Chicago Business, February 2019</i>		

The nation's unemployment rate as of July 2019 was 3.7%, according to the Bureau of Labor Statistics. The Illinois unemployment rate as of July 2019 was 4.2%, while the Chicago metro area rate was 3.8%. Overall, the state of Illinois and the Chicago metro area have recently been in line with the national unemployment rate.



## Population Trends

The following chart details the household income and population within one mile, three-mile, and five-mile radii of the subject property:



### Demographic and Income Comparison Profile

9800 Franklin Ave, Franklin Park, Illinois, 60131  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 41.93691  
Longitude: -87.87074

	1 mile	3 miles	5 miles
<b>Census 2010 Summary</b>			
Population	19,714	123,035	416,148
Households	6,697	42,995	148,186
Families	4,854	30,033	102,457
Average Household Size	2.94	2.85	2.78
Owner Occupied Housing Units	4,718	28,764	101,898
Renter Occupied Housing Units	1,979	14,231	46,288
Median Age	35.6	36.1	37.7
<b>2019 Summary</b>			
Population	19,642	122,447	414,838
Households	6,668	42,549	147,375
Families	4,798	29,469	100,870
Average Household Size	2.94	2.87	2.78
Owner Occupied Housing Units	4,565	27,558	98,192
Renter Occupied Housing Units	2,103	14,990	49,183
Median Age	36.7	37.5	38.9
Median Household Income	\$59,982	\$57,590	\$64,538
Average Household Income	\$73,933	\$73,786	\$89,581
<b>2024 Summary</b>			
Population	19,488	121,271	411,702
Households	6,606	42,054	146,071
Families	4,742	29,057	99,696
Average Household Size	2.95	2.87	2.79
Owner Occupied Housing Units	4,596	27,750	98,835
Renter Occupied Housing Units	2,010	14,304	47,236
Median Age	38.1	38.7	39.9
Median Household Income	\$67,924	\$64,375	\$73,164
Average Household Income	\$84,775	\$84,559	\$101,368
<b>Trends: 2019-2024 Annual Rate</b>			
Population	-0.16%	-0.19%	-0.15%
Households	-0.19%	-0.23%	-0.18%
Families	-0.23%	-0.28%	-0.23%
Owner Households	0.14%	0.14%	0.13%
Median Household Income	2.52%	2.25%	2.54%

## Population

The populations of all radii are expected to decrease slightly between 2019 and 2024.

## Household Income

The 2019 median household income within a one-mile radius of the subject property was \$59,982, while household incomes are similar at \$57,590 and \$64,538 for the three-mile and five-mile radii, respectively. These income levels are below the median income for the Chicago Metropolitan area as a whole, which was \$66,020 as of 2017. Median household incomes for all of the radii cited are expected to grow at an annual rate of 2.25%-2.54% per year through 2024, which suggests income growth will be roughly in line with projected inflation.

## ***Housing Trends***

### ***Median Real Property Selling Prices***

The subject property is located in the Village of Franklin Park. Median selling prices over the last three years for detached, attached, and 2-4 unit properties in the subject's market area are as follows:

<b>MLS 131: FRANKLIN PARK</b>								
<b>Property Type</b>	<b>7/1/2016-6/30/2017</b>		<b>7/1/2017-6/30/2018</b>		<b>7/1/2018-6/30/2019</b>		<b>% Change</b>	<b>% Change</b>
	<b># Units</b>	<b>Med. Price</b>	<b># Units</b>	<b>Med. Price</b>	<b># Units</b>	<b>Med. Price</b>	<b>Prior Year</b>	<b>Most Recent Yr.</b>
<b>Detached</b>	252	\$183,500	212	\$200,000	218	\$215,000	9.0%	7.5%
<b>Attached</b>	9	\$130,000	10	\$153,000	15	\$154,000	17.7%	0.7%
<b>2-4 Unit</b>	1	121,200	6	277,450	2	250,750	128.9%	-9.6%

Median selling prices for both attached and detached properties are up as of the recent two periods. There are too few sales of 2-4 unit properties to arrive at a discernable trend. The sales volume has remained steady in the area. Additionally, the market area's median sale price for detached properties was below the median sale price for detached properties in the Chicago Metropolitan Area as a whole, which was \$238,000 as of 2018. The market is considered to be improving.

### **Industrial Market**

The local industrial market has been performing very well in recent years. The following statistics have been taken from CBRE Marketview, 1<sup>st</sup> Q, 2019.

## CBRE Marketview Chicago Industrial, 1<sup>st</sup> Q, 2019

Submarket	Rentable Building Area (Sq. Ft.)	Availability Rate (%)	Vacancy Rate (%)	User Sales (Sq. Ft.)	Leasing Activity (Sq. Ft.)	Net Absorption YTD (Sq. Ft.)	Under Construction (Sq. Ft.)	Average Net Asking Lease Range (\$/Sq. Ft./Yr)
McHenry County (1)	21,910,334	3.7	3.0	79,500	29,258	-25,000	0	2.75 to 4.00
Lake County (2)	84,159,767	5.2	3.3	745,919	321,083	334,801	1,373,943	4.25 to 6.75
NE Cook County (3)	62,072,058	3.6	2.3	58,000	56,071	649,545	0	4.00 to 7.25
NW Cook County (4)	31,270,081	5.0	2.1	174,808	66,582	-19,729	295,145	5.00 to 5.25
N Kane County (5)	29,491,413	5.2	2.1	39,900	74,554	75,241	118,457	4.75 to 5.50
N DuPage County (6)	43,465,508	5.9	3.0	214,683	247,290	-448,413	0	5.50 to 6.75
O'Hare (7)	110,303,657	4.3	2.4	222,990	907,063	488,492	756,718	5.25 to 9.50
City North (8)	103,369,391	3.3	2.6	261,972	209,962	114,547	0	5.00 to 10.00
Near West Suburbs (9)	97,700,726	4.1	3.0	166,641	586,570	472,076	575,935	2.75 to 5.25
Chicago Metro Area Subtotal	1,179,366,620	5.4	3.5	2,761,761	6,753,519	2,922,228	8,989,091	5.12
Northwest Indiana (18)	30,580,602	3.5	4.0	13,200	24,619	373,848	0	3.45 To 4.75
Kenosha/Racine (19)	64,652,774	5.8	4.2	25,000	1,183,691	282,836	3,409,742	3.95 to 5.35
Total	1,274,599,996	5.4	3.5	2,799,961	7,961,829	3,578,912	12,398,833	5.08

According to CBRE “Marketview” Chicago Industrial (1<sup>st</sup> Q, 2019), the Chicago industrial market ended Q1 2019 with a 5.4% availability rate, the lowest rate recorded since CBRE started tracking the market 22 years ago. This rate is 620 bps lower than the record-high posted the first half of 2010, during the Great Recession.

The subject is located on the border of the “O’Hare” and “Near West Suburbs” submarkets as defined by CBRE. The indicated vacancy rate for O’Hare is 2.4%, while for the Near West Suburbs, it is 3.0 %, down from the previous year which was reported at 3.8%. The current availability rate for O’Hare is 4.3%, while for the Near West Suburbs submarket, it is 4.1%, down from the 5.7%, reported in Q1, 2018. New industrial development has been plentiful in Franklin Park over the past few years, with some major projects including:

10601 Franklin (Bridge Development) – 3 building speculative industrial development with a total of 720,000+- sf of building area.

9401 Grand Avenue (Digital Realty) – New owner-user 470,000 sf data center on site of former Motorola campus.

11333 Addison Street (Pritzker Realty Group) – Spec 194,260 sf industrial building

3400 Wolf Road (Panattoni Development) – Speculative 481,089 sf industrial building

10510 Seymour Avenue (RREEF / Molto) – Speculative 367,389 sf industrial building

3300 N. River Road –98,000 industrial spec building

10601 and 10701 Seymour (Centerpoint Properties) Two spec buildings having a total of 560,000+- sf.

Former Centrella Property – (Molto) – Two large spec industrial buildings having a total of 475,000+- sf

SEC County Line Road and Copenhagen Road –Large spec industrial building

Franklin Park has been the location for a significant amount of speculative industrial development for a few primary reasons: its proximity to O'Hare International Airport; the EOWA project; availability of a solid labor pool; and excellent rail and truck infrastructure. These new buildings are typically being constructed on sites that were formerly improved with older, obsolete industrial product. While Franklin Park is at a disadvantage to neighboring municipalities to the west in DuPage County due to effective property tax rates, Franklin Park has been successful in attracting developers by offering the Cook County Class 6b tax incentive which results in significantly reduced property taxes for 12 years. Also, the industrial land in the village is within an Enterprise Zone and there are TIF districts as well. While the market for larger spec industrial developments has been very healthy, the local industrial market for smaller, older industrial buildings such as the subject has seen less growth. Overall, the local industrial market is performing very well.

### **Market Area Summary**

The market conditions in which a property exists will change over the life of an asset. Generally a neighborhood passes through four stages, briefly described as follows:

- Growth, during which time the neighborhood is establishing and gaining public favor and acceptance.
- Stability, which is a static period evidenced by a lack of available land for continued new development.
- Decline, during which time shifting neighborhood use patterns result in a secondary location.
- Redevelopment, which results in a removal of or renovation of outdated improvements and construction of more modern improvements.

Overall, the subject's Franklin Park location indicates stable demographic trends and a housing market that's trending upward. There has been a significant amount of new industrial product in Franklin Park in recent years. Due to the preceding, the subject's location remains in the stability to growth phase of the market life cycle, and the local industrial market is trending upward.



## Property Description

The subject property consists of a 4,925± sf, brick, single-tenant light industrial building constructed around 1970. The building has approximately 12.5-foot clear ceiling heights in the shop area, two grade-level overhead doors, and an estimated 12% finished area at the front (south) of the building. The building has been vacant for a few years and has some deferred maintenance. The improvements are situated on a 6,511 sf site at a signalized corner. Also included with the subject is a vacant, 1,875± sf parcel that is separated from the main parcel by a paved, dedicated alley. The total site area is 8,386 sf.

Land Summary						
Parcel ID	Gross Land Area (Acres)	Gross Land Area (Sq Ft)	Usable Land Area (Acres)	Usable Land Area (Sq Ft)	Topography	Shape
12-21-418-029 & -047	0.19	8,386	0.19	8,386	Level	Two parallelograms

### SITE

Location:	The subject is located at the northwest corner of Franklin Avenue and Ruby Street in Franklin Park.
Current Use:	Light Industrial Building
Site Size:	Total: 0.19 acres; 8,386 square feet  Usable: 0.19 acres; 8,386 square feet
Shape:	The subject site consists of two parallelograms separated by a public alley.
Frontage/Access:	The subject property has average access with one curb cut on Franklin Avenue leading to the dock, and a public alley along the rear lot line. Frontage is as follows:  Franklin Avenue: 52.03 feet Ruby Street: 136.3 feet for main parcel, plus approximately 40 feet for rear parcel  The site is a signalized, corner lot.
Visibility:	Above Average
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. Sewer: City sewer

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

Site Improvements: Minimal landscaping, gravel parking

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

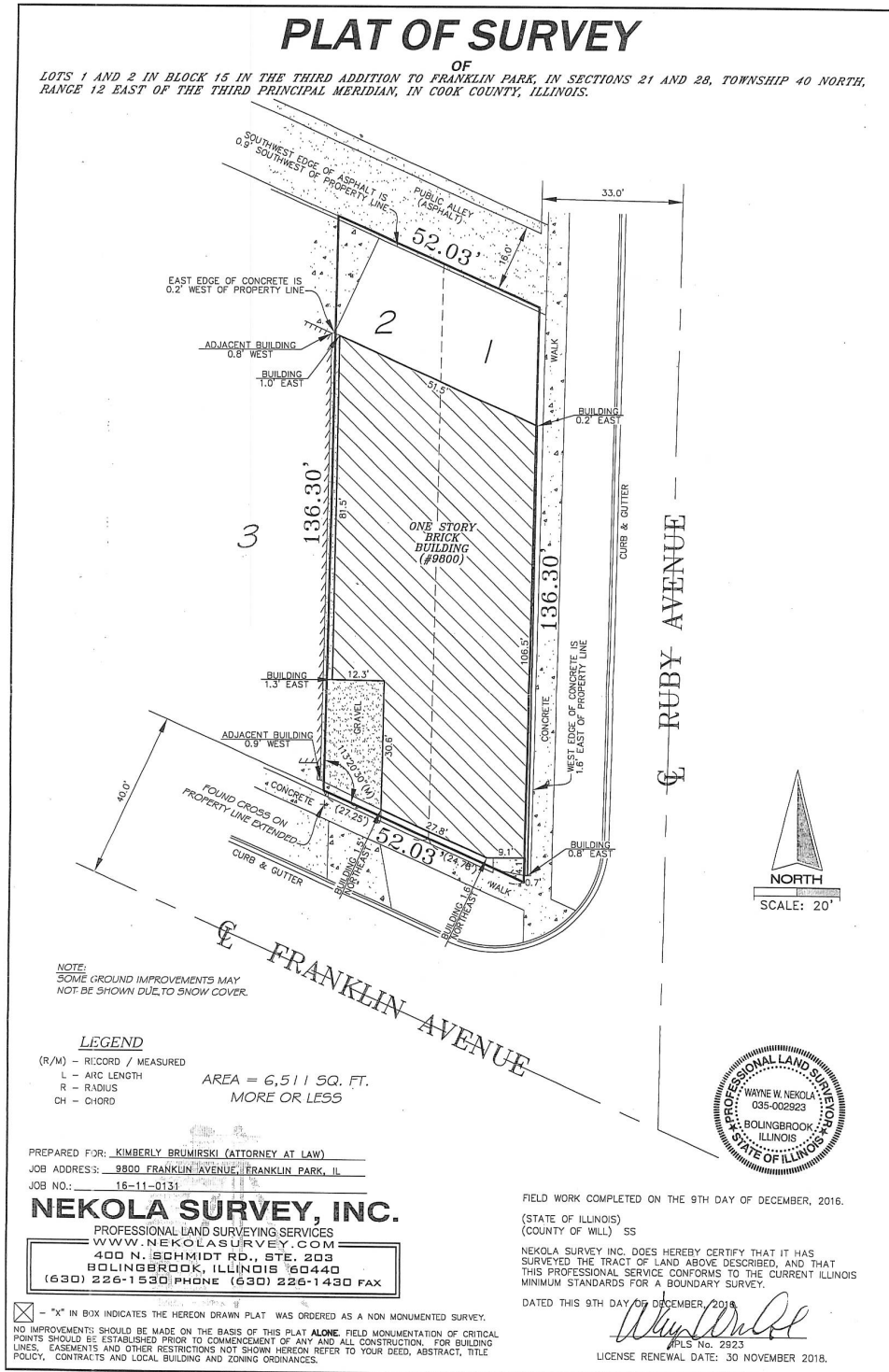
The subject is outside the 500 year flood plain. The appraiser is not an expert in this matter and is reporting data from FEMA maps.

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.

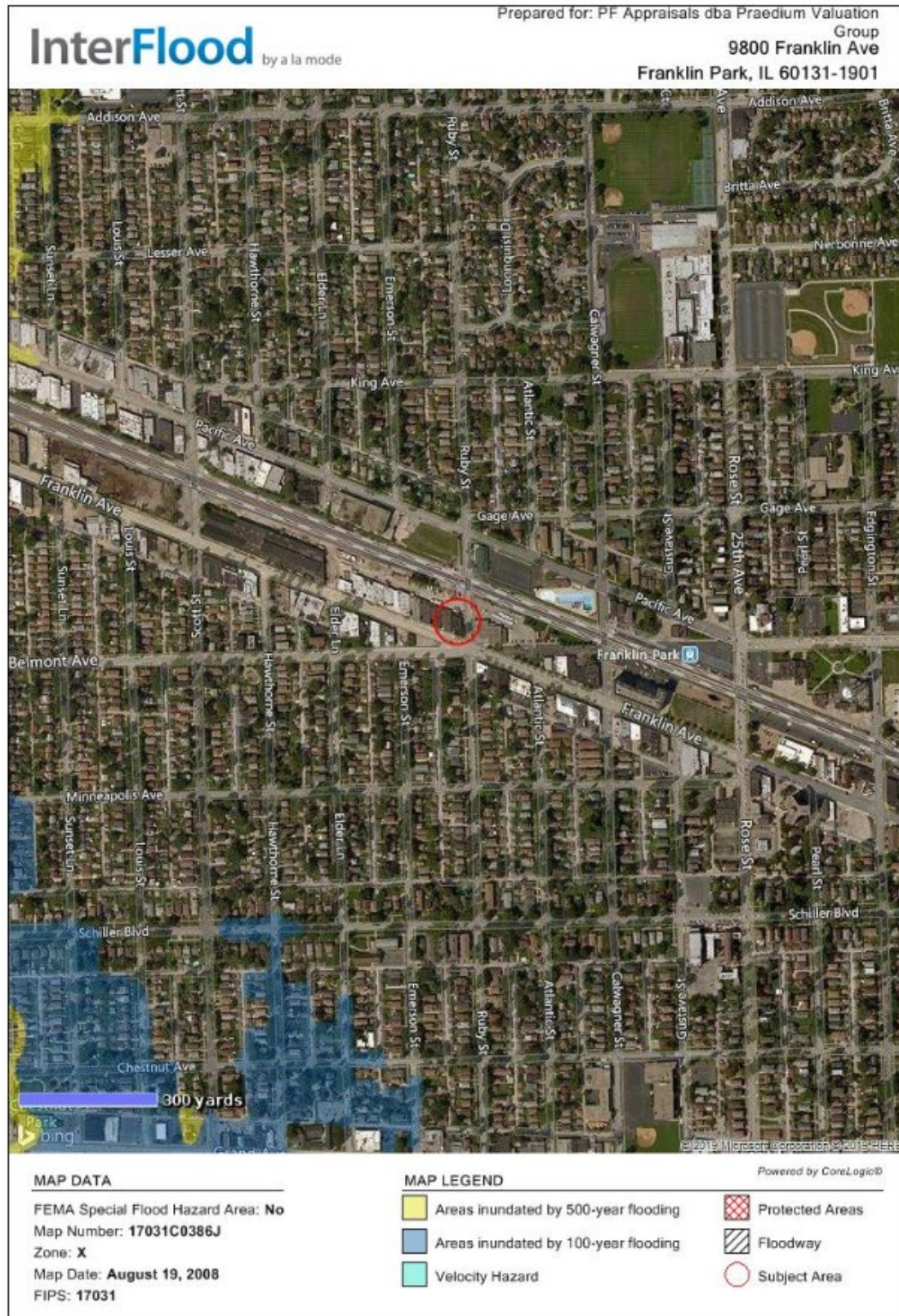
Site Comments: The subject site is located at a signalized intersection, and is a non-contiguous site, separated by a public alley.

# Plat of Survey





## Flood Map



*Aerial View*



Note: Subject outlined above in red

Source: Cook County GIS



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26



Improvements Description	
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Development/Property Name:	9800 Franklin Avenue
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Property Type:	Warehouse
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Overview:	The subject property consists of a 4,925± sf, brick, single-tenant light industrial building constructed around 1970. The building has approximately 12.5-foot clear ceiling heights in the shop area, two grade-level overhead doors, and an estimated 12% finished area at the front (south) of the building. The building has been vacant for a few years and has some deferred maintenance. The improvements are situated on a 6,511 sf site at a signalized corner. Also included with the subject is a vacant, 1,875± sf parcel that is separated from the main parcel by a paved, dedicated alley. The total site area is 8,386 sf.
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GENERAL	
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Building Identification:	9800 Franklin Avenue
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Building Description:	Light industrial
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Construction:	Class C
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Construction Quality:	Average
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Year Built:	1970
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Effective Age:	30 years
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Remaining Useful Life:	20 years
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Condition:	Avg. / Avg.-
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Appeal/Appearance:	Average
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Areas, Ratios & Numbers:	Number of Stories: 1.00 Gross Building Area: 4,925 square feet Rentable Area: 4,925 square feet
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FOUNDATION, FRAME & EXTERIOR	
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Foundation:	Concrete
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Basement/Sublevels:	0
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Basement Use:	No Basement
Structural Frame:	Masonry
Exterior:	Face brick on front and east elevations; common brick on rear and west elevations
Windows:	Fixed casement
Roof/Cover:	Wood deck / Silver coat on unknown underlayer, and a shingle mansard

#### **INTERIOR**

Interior Layout:	Average
Floor Cover:	Concrete in warehouse; rubber tile in office / sales area
Walls:	Concrete block in warehouse; Drywall in office area
Ceilings & Ceiling Height:	Acoustical tile in office area; thin metal sheeting in shop area; 12.5' ceiling clearance in the warehouse area
Lighting:	Warehouse: florescent strip lighting    Office: florescent recessed
Washrooms:	1 washroom in shop area and 1 washroom in office area
Office Space:	Approximately 12% of gross building area (GBA) is finished office / customer service area. It appears to have been updated in the past ten years.
Loading Facilities:	One drive-in door along the rear (north) elevation and one along the west portion of the south elevation.

#### **MECHANICAL SYSTEMS**

Heating:	Suspended heaters in warehouse; GFA in office
Cooling:	Central AC in office area only
Electrical:	Heavy power for a small industrial building; 3 phase 4 wire service
Plumbing Condition:	Assumed average
Sprinkler:	None

## **PARKING**

**Number of Spaces:** There is gravel area along the rear of the building which can accommodate 5 vehicles if the overhead door will be used, and 7 if it is not used. Additionally, the parcel north of the alley can accommodate 7 cars. Both parking areas are gravel and the city code requires them to be paved, and ideally, there should be opaque fencing along the rear lot which abuts the railroad tracks. Parking requirements vary based on use. Assuming the rear OHD will be used, there are a total of 12 spaces, or 2.4 spaces / 1,000 sf. The subject is non-compliant with respect to on-site parking requirements because even if it meets code in regards to quantity, it needs to be paved, and also fenced along the railroad tracks.

## **PROPERTY ANALYSIS**

**Deferred Maintenance:** The subject building has been vacant for a few years and is an older light industrial building with some deferred maintenance. The finished area is in average to above average condition and appears to have been modernized in the past 10 years. The front washroom is in need of a solid cleaning and it is unknown if the plumbing is functioning since the water has been turned off. The shop washroom is in fair condition with modest and worn finishes. The concrete flooring has some cracks in the shop area. There was a standing pool of some type of oil-like substance in the central portion of the building, though this appraisal assumes clean environmental. The exterior brick was in average condition for the age of the building. The front overhead door had peeling paint and the wood was deteriorating in areas. The overhang along the front of the building is worn in areas, and some of the shingles on the mansard need to be replaced. Overall, the condition of the building is average to below average condition for its age and market area.

**Capital Improvements:** No recent capital improvements were reported

**Comments:** The subject property is a light industrial building with two overhead doors, 12.5' clear ceiling heights and 12%± finished office / customer service area. It is in average condition for its age in comparison to other buildings in the immediate market area, but has some deferred maintenance.

## **Americans With Disabilities Act**

Please reference the Limiting Conditions and Assumptions section of this report on page 61.

## **Hazardous Substances**

Please reference the Limiting Conditions and Assumptions section of this report on page 61.

## Interior Photos



**FRONT FINISHED AREA**



**FRONT WASHROOM**





**MIDDLE PORTION**



**MIDDLE PORTION**



**MIDDLE PORTION**



**WASHROOM IN MIDDLE PORTION**





**REAR PORTION**



**RECEIVING AREA**

## Assessment and Taxes

**Taxing Authority** Cook County

**PINs:** 12-21-418-029 & 047

**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 2018 are paid in 2019.

	<b>Tax Year 2018</b>	<b>Tax Year 2017</b>	<b>Tax Year 2016</b>	<b>% Change 2017 - 2018</b>	<b>% Change 2016 - 2017</b>
Land Value	\$26,177	\$26,177	\$26,177	0.0%	0.0%
Building Value	\$119,981	\$119,981	\$119,981	0.0%	0.0%
Total Assessed Value	\$146,158	\$146,158	\$146,158	0.0%	0.0%
Property Taxes	\$58,795	\$57,946	\$53,888	1.5%	7.5%
Property Taxes Per Sq. Ft.	\$11.94	\$11.77	\$10.94	1.5%	7.5%

The subject's 2018 tax load (payable in 2019) was \$58,795 or \$11.94 per square foot of building area. This was a modest increase from the 2017 taxes, and was due to an increase in the local property tax rate, which was 13.862% for 2018. The 2018 assessed value is reflective of the Assessor's opinion of market value of \$584,632 given the 25% level of assessment. The property is substantially overassessed based on this appraisal and local tax comparables. The former owner passed away, and an appeal has not been filed in the past five years. Tax comparables are presented below.

### Comparable Property Taxes

<b>Comp</b>	<b>Property Address</b>	<b>PIN Number(s)</b>	<b>Square Feet</b>	<b>2018 R.E. Tax</b>	<b>R.E. Tax/SF</b>
1	10134 Pacific Avenue	12-21-307-018 & -019	5,000	\$16,883	\$3.38
2	10217-21 Franklin Avenue	12-21-317-001 to -003	8,500	\$16,425	\$1.93
3	9333 Schiller Blvd.	12-27-110-009	7,175	\$10,650	\$1.48
4	10349 Franklin Avenue	12-21-315-067	11,500	\$36,416	\$3.17
5	9915 Pacific Avenue	12-21-417-046	8,020	\$31,959	\$3.98
				<b>Average</b>	<b>\$2.79</b>
				<b>Median</b>	<b>\$3.17</b>
<b>Subject</b>	<b>9800 Franklin Avenue</b>	<b>12-21-418-029 &amp; 047</b>	<b>4,925</b>	<b>\$57,946</b>	<b>\$11.77</b>

The tax loads of the comparables range from \$1.48 to \$3.98 psf with an average and a median tax load of \$2.79 psf and \$3.17 psf, respectively. Based on the tax comps, a market based tax load for the subject would be in the \$3.00 to \$3.50 psf range (annually).

## Zoning

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

<b>Zoning District:</b>	<b>C-M Commercial Manufacturing District</b>		
<b>Purpose:</b>	“...to provide an area suitable for the design and production of small items and ancillary commercial services.”		
<b>Permitted Uses:</b>	<u>Public/Civic:</u>	Conditional only	
	<u>Commercial:</u>	Artwork and commercial graphics services, laundries and dry cleaners, printing and publishing, restaurants, wholesaling and warehousing, etc.	
	<u>Conditional:</u>	Automobile service stations, lumberyards, car washes, photo processing, religious institution, schools, etc.	
<b>Minimum Lot Size:</b>	3,000 <i>sf</i>		
<b>Max. Bldg. Height:</b>	45 feet		
<b>Yard Req.:</b>	<u>Front:</u>	25 ft	
	<u>Side:</u>	25 ft	
	<u>Rear:</u>	20 ft	
<b>Maximum Floor-Area-Ratio (FAR):</b>	2.0		
<b>Parking Requirements:</b>	See full Ordinance for further complete listing		
Source: Village of Franklin Park Zoning Ordinance			

The subject is a legal, use of the site however the parking is non-conforming with the village ordinance, which requires that the parking be paved, and that there is a fence along the railroad tracks. The quantity of parking required varies depending on the use.

## Zoning Map



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

-  C-1 Neighborhood Convenience
-  C-2-1 Community Shopping
-  C-3 General Commercial
-  C-M Commercial Manufacturing
-  DT-1 Downtown Core
-  DT-2 Downtown Mix
-  DT-3 Downtown General
-  DT-4 Downtown Edge
-  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.<sup>1</sup>*

### **Highest and Best Use – “As If Vacant”**

1. Legally Permissible: Private restrictions, zoning, building codes and other regulations establish use that are legally permitted. As indicated in the zoning section of this report, the subject is zoned C-M, Commercial Manufacturing. The current zoning allows for a variety of industrial improvements, along with some commercial and institutional uses. There are no known deed restrictions preventing development of the site in accordance with the existing C-M zoning requirements.
2. Physically Possible: Factors such as the size, shape, terrain, accessibility of land and the risk of natural disasters such as floods or earthquakes affect the use to which vacant land can be used. While the subject’s parcel is split by an alley, the main portion is adequate in terms of size, frontage, terrain and depth to accommodate a small-scale development permitted by the subject’s C-M zoning, and the smaller portion can be used for parking.
3. Financially Feasible: There is a limited amount of land available for future development. Most recent industrial development in the village has taken place on previously developed sites, after demolition of existing improvements. Although there have been a substantial number of large-scale spec industrial projects in the village, there has been little to new development of small-scale neighborhood industrial, such as the subject lot would accommodate. Current rental rates and property values do not justify the cost of speculative new development of this type (small-scale neighborhood industrial) in the market area. Given current market conditions, the financially feasible use if vacant would be to hold for future development or for an industrial or permissible commercial build-to-suit.
4. Maximally Productive: Of the financially feasible uses, the one creating the highest present land value is the most profitable use of the site as if vacant. Under current economic conditions, the most probable use would be for a light industrial or commercial service build-to-suit.

In summary, the highest and best use of the site, as vacant, is for: Build to suit light industrial development.

### ***Highest and Best Use – “As Improved”***

The subject property is in average condition.

Three options exist for the improvements:

1. Raze the improvements and redevelop the site
2. Renovate or significantly alter the improvements
3. Leave the improvements “as is” with the exception of curing any deferred maintenance

Based on our analysis, it is our opinion that the value of the property, as improved, is greater than the value of the subject site as vacant. The subject property is improved with a 49+ year old, one-story, brick light industrial type building in average condition for its age, but with some deferred maintenance. The building contains an aggregate building area of approximately 4,925 square feet. To the best of our knowledge, the subject’s existing improvements are a legally permissible use of the site, aside from the parking requirement. The ceiling heights are low by modern standards, but are typical of a building of this age in this market area.

Therefore, the Highest and Best Use of the subject property “as improved” is: Continued use of improvements after curing deferred maintenance.



## 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 age of the improvements makes the depreciation difficult to accurately measure. Also, buyers and sellers of this asset class typically do not use this approach when making pricing decisions.

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 a vacant single-tenant building that had formerly been owner occupied. Pricing for this type of asset is based on a sales comparison analysis, and the income capitalization approach is not necessary for credible assignment results.

## 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 five comparables for this analysis. These sales are documented on the following pages followed by a location map and analysis grid. All sales have been researched through numerous sources, inspected and verified by a party to the transaction or by public records.

Comp	Address	Price	Price Per SF	Year Built	
	City	Date	GBA	Land To Building Ratio	Comments
Subject	9800 Franklin Avenue Franklin Park	N/A N/A	N/A 4,925	1970 1.7	The subject property consists of a 4,925± sf, brick, single-tenant light industrial building constructed around 1970. The building has approximately 12.5-foot clear ceiling heights in the shop area, two grade-level overhead doors, and an estimated 12% finished area at the front (south) of the building. The building has been vacant for a few years and has some deferred maintenance. The improvements are situated on a 6,511 sf site at a signalized corner. Also included with the subject is a vacant, 1,875± sf parcel that is separated from the main parcel by a paved, dedicated alley. The total site area is 8,386 sf.
1	10217 Franklin Ave  Franklin Park	\$275,000  7/11/2018	\$25.23  10,900	Circa 1960  0.87	This is a 1- and part 2-story, 2-unit industrial building, containing approximately 7,730 sf warehouse space on the ground level and 3,170 sf office area above. At the time of sale, the building was vacant. It has 12-foot ceiling height and (4) drive-in doors. Per the listing broker, Mr. Daly Gazaldo of Brown Commercial Group, at the time of sale the building was in "fair" condition. It was purchased by a general contractor for single-tenant occupancy. There is limited on-site parking for 7 cars.
2	10349 Franklin  Franklin Park	\$295,000  2/2/2018	\$25.65  11,500	1965  1.25	According to Jay Maher at NAI Hiffman, the sale property is a one-story, brick, single tenant industrial building having 14' clear ceiling heights, 13% office area, one dock and one grade level overhead door. The entire building has central AC, and the premises includes 12 parking spaces. The property was listed for sale at an asking price of \$345,000. It was in average condition and there were no atypical sale conditions. He thinks the buyer was an owner user.
3	9333 Schiller Blvd.  Franklin Park	\$230,000  3/1/2019	\$32.06  7,175	1968  1.63	According to Ben Cocogliato of RCI Realty, broker, this is a single-story, single-tenant, brick industrial building with 11' clear ceiling heights, 9% office area, one dock and one overhead door. There were some minor issues that needed to be corrected to meet village requirements. All mechanicals were functioning at the time of sale. The exterior was in average to below average condition. There were no atypical sale conditions. There is street parking along Schiller Blvd. and also along village owned land along the rear of the subject building. The parking is not paved and striped and the amount cannot be determined.
4	9915 Pacific Ave.  Franklin Park	\$325,000  3/6/2018	\$40.52  8,020	1961  1.86	The sale property is a one-story, brick, single tenant industrial building having 11' clear ceilings and 15% finished office area. The building has one exterior recessed loading dock. There is on site parking for approximately 16 cars. We were unable to contact a party to the sale, but the building appears to have newer windows and from the exterior appears to be in average to above average condition compared to neighboring properties.
5	10134 Pacific Avenue  Franklin Park	\$235,000  7/2/2018	\$49.47  4,750	1961  1.41	The sale property is a one story, masonry constructed, single tenant industrial building having 14 clear ceiling heights, 15% office area and one overhead door. The property is located at the northwest corner of Pacific Avenue and Sarah Street. There is land at the rear of the site that could potentially accommodate 4 cars, but is not paved and is currently enclosed by a fence. Also, there is parking for approximately four cars on the village owned parkway in front of the property. There is no other on-site parking. The property does not appear to have been actively marketed, and we were not able to contact a party to the transaction. The building appears to be in average condition.

### Comparable 1



Transaction			
<b>ID</b>	4329	<b>Date</b>	7/11/2018
<b>Address</b>	10217 Franklin Ave	<b>Price</b>	\$275,000
<b>City</b>	Franklin Park	<b>Price Per SF</b>	\$25.23
<b>State</b>	IL	<b>Transaction Type</b>	Closed Sale
<b>Tax ID</b>	12-21-317-001 through 003	<b>Financing</b>	Conventional
<b>Grantor</b>	Franklin Bldg Mgmt, LLC	<b>Property Rights</b>	Fee Simple
<b>Grantee</b>	Royal Metal Installations, LLC	<b>Days on Market</b>	1084
<b>Book/Page or Reference Doc</b>	180214800349	<b>Verification</b>	CoStar ID: 4373721
Site			
<b>Acres</b>	0.2	<b>Topography</b>	Level
<b>Land SF</b>	9,523	<b>Zoning</b>	C-M
<b>Road Frontage</b>	Corner	<b>Flood Zone</b>	X
<b>Shape</b>	Rectangular	<b>Encumbrance or</b>	None Reported
<b>Utilities</b>	All to Site	<b>Environmental Issues</b>	None Reported
Improvements & Financial Data			
<b>GBA</b>	10,900	<b>Ceiling Height</b>	12'0"
<b>No. of Units</b>	2	<b>No. of Truck Doors</b>	4
<b>Year Built</b>	Circa 1960	<b>Percent Office</b>	29.00%
<b>Parking Adequacy</b>	7 spaces/ 0.64 per 1000 sf	<b>Land To Building Ratio</b>	0.87
<b>Condition</b>	Fair		
Comments			

This is a 1- and part 2-story, 2-unit industrial building, containing approximately 7,730 sf warehouse space on the ground level and 3,170 sf office area above. At the time of sale, the building was vacant. It has 12-foot ceiling height and (4) drive-in doors. Per the listing broker, Mr. Daly Gazaldo of Brown Commercial Group, at the time of sale the building was in "fair" condition. It was purchased by a general contractor for single-tenant occupancy. There is limited on-site parking for 7 cars.



### Comparable 2



Transaction			
<b>ID</b>	5204	<b>Date</b>	2/2/2018
<b>Address</b>	10349 Franklin	<b>Price</b>	\$295,000
<b>City</b>	Franklin Park	<b>Price Per SF</b>	\$25.65
<b>State</b>	IL	<b>Transaction Type</b>	Closed Sale
<b>Tax ID</b>	12-21-315-067	<b>Financing</b>	Conventional
<b>Grantor</b>	TJ Assemblies, Inc.	<b>Property Rights</b>	Fee Simple
<b>Grantee</b>	Artmarmalad, LLC	<b>Days on Market</b>	NA
<b>Book/Page or Reference</b>	1803215090	<b>Verification</b>	CoStar, CCRD, broker
<b>Doc</b>			

Site			
<b>Acres</b>	0.3	<b>Topography</b>	Level
<b>Land SF</b>	14,400	<b>Zoning</b>	C-M
<b>Road Frontage</b>	Corner	<b>Flood Zone</b>	No
<b>Shape</b>	Parallelogram	<b>Encumbrance or</b>	None known
<b>Utilities</b>	At site	<b>Environmental Issues</b>	None known

Improvements & Financial Data			
<b>Source For SF Area</b>	Broker	<b>Ceiling Height</b>	14'
<b>GBA</b>	11,500	<b>No. of Truck Doors</b>	2
<b>No. of Units</b>	1	<b>Percent Office</b>	N/A
<b>Year Built</b>	1965	<b>Land To Building Ratio</b>	1.25
<b>Parking Adequacy</b>	12 spaces/1 per 1,000 sf		
<b>Condition</b>	Avg.		

### Comments

According to Jay Maher at NAI Hiffman, the sale property is a one-story, brick, single tenant industrial building having 14' clear ceiling heights, 13% office area, one dock and one grade level overhead door. The entire building has central AC, and the premises includes 12 parking spaces. The property was listed for sale at an asking price of \$345,000. It was in average condition and there were no atypical sale conditions. He thinks the buyer was an owner user.

**Comparable 3**



Transaction			
<b>ID</b>	5195	<b>Date</b>	3/1/2019
<b>Address</b>	9333 Schiller Blvd.	<b>Price</b>	\$230,000
<b>City</b>	Franklin Park	<b>Price Per SF</b>	\$32.06
<b>State</b>	IL	<b>Transaction Type</b>	Closed Sale
<b>Tax ID</b>	12-27-110-009	<b>Financing</b>	Conventional
<b>Grantor</b>	Tucci Nicola Living Trust	<b>Property Rights</b>	Fee Simple
<b>Grantee</b>	Maj Family LLC	<b>Days on Market</b>	NA
<b>Book/Page or Reference Doc</b>	1906712026	<b>Verification</b>	Broker, MLS, CCRD

Site			
<b>Acres</b>	0.3	<b>Topography</b>	Level
<b>Land SF</b>	11,695	<b>Zoning</b>	I-2
<b>Road Frontage</b>	Interior	<b>Flood Zone</b>	No
<b>Shape</b>	Irregular - Avg.	<b>Encumbrance or</b>	None known
<b>Utilities</b>	At site	<b>Environmental Issues</b>	None known

Improvements & Financial Data			
<b>Source For SF Area</b>	Broker	<b>Ceiling Height</b>	11'
<b>GBA</b>	7,175	<b>No. of Truck Doors</b>	2
<b>No. of Units</b>	1	<b>Percent Office</b>	9.00%
<b>Year Built</b>	1968	<b>Land To Building Ratio</b>	1.63
<b>Parking Adequacy</b>	NA		
<b>Condition</b>	Avg./Avg.-		

**Comments**

According to Ben Cocogliato of RCI Realty, broker, this is a single-story, single-tenant, brick industrial building with 11' clear ceiling heights, 9% office area, one dock and one overhead door. There were some minor issues that needed to be corrected to meet village requirements. All mechanicals were functioning at the time of sale. The exterior was in average to below average condition. There were no atypical sale conditions. There is street parking along Schiller Blvd. and also along village owned land along the rear of the subject building. The parking is not paved and striped and the amount cannot be determined.

**Comparable 4**



Transaction			
<b>ID</b>	5205	<b>Date</b>	3/6/2018
<b>Address</b>	9915 Pacific Ave.	<b>Price</b>	\$325,000
<b>City</b>	Franklin Park	<b>Price Per SF</b>	\$40.52
<b>State</b>	IL	<b>Transaction Type</b>	Closed Sale
<b>Tax ID</b>	12-21-417-046	<b>Financing</b>	Conventional
<b>Grantor</b>	Frawley Family Revocable Living	<b>Property Rights</b>	Fee Simple
<b>Grantee</b>	9915 Pacific Corp	<b>Days on Market</b>	NA
<b>Book/Page or Reference</b>	1812019022	<b>Verification</b>	CoStar, CCRD
<b>Doc</b>			
Site			
<b>Acres</b>	0.3	<b>Topography</b>	Level
<b>Land SF</b>	14,900	<b>Zoning</b>	C-M
<b>Road Frontage</b>	Interior	<b>Flood Zone</b>	No
<b>Shape</b>	Quadrilateral	<b>Encumbrance or</b>	None known
<b>Utilities</b>	At site	<b>Environmental Issues</b>	None known
Improvements & Financial Data			
<b>Source For SF Area</b>	CoStar, County		
<b>GBA</b>	8,020	<b>Ceiling Height</b>	11
<b>No. of Units</b>	1	<b>No. of Truck Doors</b>	1
<b>Year Built</b>	1961	<b>Percent Office</b>	15.00%
<b>Parking Adequacy</b>	16 spaces/2.0 per 1,000sf	<b>Land To Building Ratio</b>	1.86
<b>Condition</b>	Avg./Avg.+		

**Comments**

The sale property is a one-story, brick, single tenant industrial building having 11' clear ceilings and 15% finished office area. The building has one exterior recessed loading dock. There is on site parking for approximately 16 cars. We were unable to contact a party to the sale, but the building appears to have newer windows and from the exterior appears to be in average to above average condition compared to neighboring properties.

**Comparable 5**

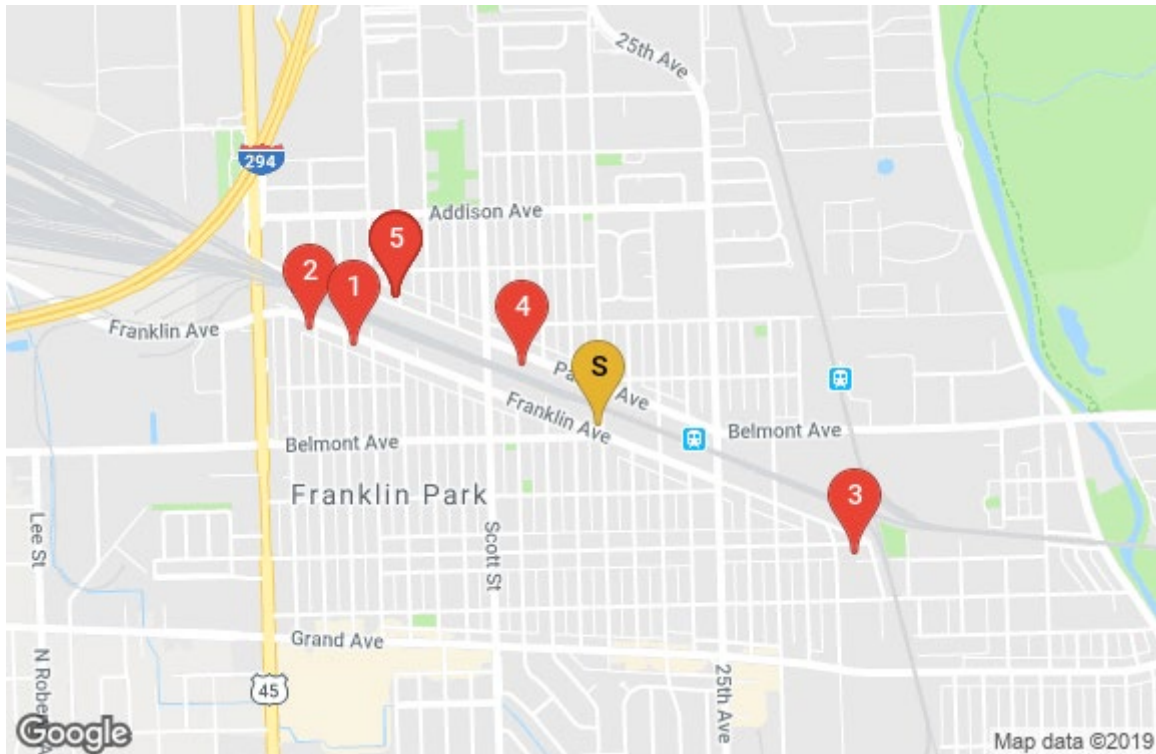


Transaction			
<b>ID</b>	5202	<b>Date</b>	7/2/2018
<b>Address</b>	10134 Pacific Avenue	<b>Price</b>	\$235,000
<b>City</b>	Franklin Park	<b>Price Per SF</b>	\$49.47
<b>State</b>	IL	<b>Transaction Type</b>	Closed Sale
<b>Tax ID</b>	12-21-307-018 and -019	<b>Financing</b>	Conventional
<b>Grantor</b>	Janczura Boguslaw & Helena	<b>Property Rights</b>	Fee Simple
<b>Grantee</b>	Forrest Bradshaw Holdings LLC	<b>Days on Market</b>	NA
<b>Book/Page or Reference</b>	1819119315	<b>Verification</b>	CoStar, CCRD
<b>Doc</b>			
Site			
<b>Acres</b>	0.2	<b>Topography</b>	Level
<b>Land SF</b>	6,686	<b>Zoning</b>	C-M
<b>Road Frontage</b>	Corner	<b>Flood Zone</b>	No
<b>Shape</b>	Parallelogram	<b>Encumbrance or</b>	None known
<b>Utilities</b>	At site	<b>Environmental Issues</b>	None known
Improvements & Financial Data			
<b>GBA</b>	4,750	<b>Ceiling Height</b>	14'
<b>No. of Units</b>	1	<b>No. of Truck Doors</b>	1
<b>Year Built</b>	1961	<b>Percent Office</b>	15.00%
<b>Parking Adequacy</b>	4/ 0.8 per 1,000 sf	<b>Land To Building Ratio</b>	1.41
<b>Condition</b>	Avg,		
Comments			

The sale property is a one story, masonry constructed, single tenant industrial building having 14 clear ceiling heights, 15% office area and one overhead door. The property is located at the northwest corner of Pacific Avenue and Sarah Street. There is land at the rear of the site that could potentially accommodate 4 cars, but is not paved and is currently enclosed by a fence. Also, there is parking for approximately four cars on the village owned parkway in front of the property. There is no other on-site parking. The property does not appear to have been actively marketed, and we were not able to contact a party to the transaction. The building appears to be in average condition.



## Comparables Map



## Analysis Grid

The comparable sales have been analyzed and compared with the subject property. We have considered adjustments in the areas of:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

On the following page is a sales comparison grid displaying the subject property, the comparables and the adjustments applied.

Analysis Grid			Comp 1		Comp 2		Comp 3		Comp 4		Comp 5	
Address	9800 Franklin Avenue		10217 Franklin Ave		10349 Franklin		9333 Schiller Blvd.		9915 Pacific Ave.		10134 Pacific Avenue	
City	Franklin Park		Franklin Park		Franklin Park		Franklin Park		Franklin Park		Franklin Park	
State	IL		IL		IL		IL		IL		IL	
Date	8/19/2019		7/11/2018		2/2/2018		3/1/2019		3/6/2018		7/2/2018	
Price	N/A		\$275,000		\$295,000		\$230,000		\$325,000		\$235,000	
GBA	4,925		10,900		11,500		7,175		8,020		4,750	
GBA Unit Price	N/A		\$25.23		\$25.65		\$32.06		\$40.52		\$49.47	
Transaction Adjustments												
Property Rights	Fee Simple		Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional		Conventional	0.0%	Conventional	0.0%	Conventional	0.0%	Conventional	0.0%	Conventional	0.0%
Conditions of Sale			Normal	0.0%	Normal	0.0%	Normal	0.0%	Normal	0.0%	Normal	0.0%
Adjusted GBA Unit Price			\$25.23		\$25.65		\$32.06		\$40.52		\$49.47	
Market Trends Through	8/19/2019	2.0%	2.2%		3.1%		0.0%		2.9%		2.3%	
Adjusted GBA Unit Price			\$25.79		\$26.45		\$32.06		\$41.71		\$50.59	
Location	Average		Similar		Similar		Similar		Similar		Similar	
% Adjustment			0%		0%		0%		0%		0%	
\$ Adjustment			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	
Condition	Avg. / Avg.-		Fair		Avg.		Avg./Avg.-		Avg./Avg.+		Avg,	
% Adjustment			10%		-5%		0%		-10%		-5%	
\$ Adjustment			\$2.58		-\$1.32		\$0.00		-\$4.17		-\$2.53	
Year Built	1970		Circa 1960		1965		1968		1961		1961	
% Adjustment			0%		0%		0%		0%		0%	
\$ Adjustment			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	
GBA	4,925		10,900		11,500		7,175		8,020		4,750	
% Adjustment			10%		10%		3%		5%		0%	
\$ Adjustment			\$2.58		\$2.64		\$0.96		\$2.09		\$0.00	
Parking Adequacy	2.4 / 1,000 sf		7 spaces/ 0.64 per 1000 sf		12 spaces/1 per 1,000 sf		N/A		16 spaces/2.0 per 1,000sf		4/ 0.8 per 1,000 sf	
Land To Building Ratio	1.70		0.87		1.25		1.63		1.86		1.41	
% Adjustment			20%		10%		0%		0%		3%	
\$ Adjustment			\$5.16		\$2.64		\$0.00		\$0.00		\$1.52	
No. of Truck Doors	2		4		2		2		1		1	
SF of GBA per Dock	2,463		2,725		5,750		3,588		8,020		4,750	
% Adjustment			0%		5%		0%		5%		3%	
\$ Adjustment			\$0.00		\$1.32		\$0.00		\$2.09		\$1.52	
Ceiling Height	12.5'		120"		14'		11'		11		14'	
% Adjustment			0%		0%		0%		0%		0%	
\$ Adjustment			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	
No. of Stories	1		1 and part 2		1		1		1		1	
% Adjustment			5%		0%		0%		0%		0%	
\$ Adjustment			\$1.29		\$0.00		\$0.00		\$0.00		\$0.00	
Road Frontage	Sig. Comer		Comer		Comer		Interior		Interior		Comer	
% Adjustment			5%		5%		10%		10%		5%	
\$ Adjustment			\$1.29		\$1.32		\$3.21		\$4.17		\$2.53	
Percent Office	12%±		29.0%		13.0%		9.0%		15.0%		15.0%	
% Adjustment			-5%		0%		0%		0%		0%	
\$ Adjustment			-\$1.29		\$0.00		\$0.00		\$0.00		\$0.00	
Adjusted GBA Unit Price			\$37.39		\$33.06		\$36.22		\$45.88		\$53.63	
Net Adjustments			45.0%		25.0%		13.0%		10.0%		6.0%	
Gross Adjustments			55.0%		35.0%		13.0%		30.0%		16.0%	

## **Comparable Sale Adjustments**

The comparables are all masonry light industrial buildings of similar vintage to the subject, and are located in Franklin Park within a mile of the subject. They have been compared to the subject based on the following criteria.

### **Property Rights**

When real property rights are sold, they may be the sole subject of the contract or the contract may include other rights, less than all of the real property rights, or even another property or properties. Before the price of a comparable sale property can be used in sales comparison analysis, the appraiser first must ensure that the sale price of the comparable property applies to the property rights that are similar to those being appraised.

The subject has been valued on a fee simple basis. From what we have been able to establish, all of the property interests of the improved sales are fee simple; therefore, no additional adjustments are required for property rights conveyed.

### **Financing**

The availability of financing affects both the supply of real estate and property values. In most cases, the cost and availability of financing have an inverse relationship; high interest rates and other costs usually are accompanied by a decline in the demand for credit. The adjustment for financing considers the differences in financing terms between the subject property and the comparable sales.

None of the exchanges indicated that unusual financing factors were employed that affected the sales price. The comparable sales are cash, are conventionally financed at market rates, or involve at terms equivalent to cash and therefore need no adjustments.

### **Conditions of Sale**

If a comparable sale reflects unusual situations, we make appropriate adjustments for the motivations of the buyer and the seller, or for atypical conditions of sale. Situations requiring adjustment may include 1031 tax exchanges, assemblies, condemnation, sales between related parties, pending divorce, partnership dissolution and financial problems. Even an arm's-length transaction can reflect atypical motivations due to unusual tax considerations, lack of exposure on the open market, or complex eminent domain proceedings.

From what we have been able to determine, all comparables indicate typical sales conditions and no adjustments are necessary.

### **Economic Trends**

Comparable sales that occurred under market conditions different from those applicable to the subject on the effective date of value require adjustment for any differences that affect their values. Adjustments for market conditions are made if general property values have appreciated or depreciated since the transaction dates due to inflation or deflation or a change in investors' perceptions of the market over time. If market conditions have not

changed, no adjustment is required even though considerable time may have elapsed. In the market analysis section of this report, it was concluded that the subject's Franklin Park location indicates positive demographic trends, and an improving industrial market. The current industrial vacancy rate and asking rent in the immediate area are near the 5-year average.

Comps 1, 2, 4, and 5 sold over a year prior to the date of value and are adjusted upward. Comp 3 is a more recent sale and is not adjusted.

## **Location**

An adjustment for location within a market may be required when the locational characteristics of a comparable property are different from those of the subject property. Excessive locational differences may disqualify a property from use as a comparable. The subject's lot positioning (corner versus interior) will be accounted for in a separate adjustment category.

The subject is located at the corner of Franklin Avenue and Ruby Street at a transitional point between the downtown commercial district to the east and the neighborhood industrial district to the west. Recent prices for storefronts in the downtown district have been relatively low, and it is not thought that the proximity to the downtown area has a significant impact on the subject's value. Franklin Avenue has a relatively high traffic count, and Ruby Street is also a through street locally. Given that an adjustment for corner location will be made in a separate category, no further adjustments are required in this category.

## **Physical Condition**

The subject building is approximately 49 years old. The office / customer service area appears to have been renovated within the past 10+- years. The property has been vacant for a few years and has some deferred maintenance which would have to be addressed, including paving the two parking areas. Overall, the building appears to be in average to below average condition for the age and use when compared to competing properties in the market area.

Comp 1 was in fair condition warranting an upward adjustment for condition.

Comps 2 and 5 were in average condition and are adjusted downward slightly.

Comp 3 was in average to below average condition and is not adjusted.

Comp 4 was in average to above average condition and warrants a more significant downward adjustment.

## **Year Built / Age**

The subject was building in 1970, and the comparable properties were constructed in the 1960s. All are generally similar in this respect and no adjustments are warranted.



## **Size**

Size adjustments are necessary when there are significant differences in building sizes. There is usually an inverse relationship between unit value and size with smaller buildings selling for a higher unit of value than larger buildings.

The subject building contains 4,925 SF, while the comparable sales range in size from 4,750 sf to 11,500 sf. Adjustments have been made to Comps 1 through 4, which are larger buildings. Comp 5 is generally similar in size and is not adjusted.

## **Land-to-Building Ratio / Parking Ratio**

The subject's land to building ratio is 1.70 to 1, and its parking ratio is 2.4 spaces per 1,000 sf of GBA. Comps 1, 2 and 5 are inferior in land to building ratio and or parking ratio and require varying upward adjustments. The adjustments are related to the underlying land value, the difference between the subject and comp and the unit price to which it is being applied.

Comps 3 and 4 are generally similar in this respect and are not adjusted.

## **Docks and Overhead Doors**

The subject has two grade level overhead doors, or 2,463 sf of building area per door. A lower figure is superior as it indicates more doors per sf of building area.

Comps 1 and 3 are generally similar in this respect and are not adjusted, however, Comps 2, 4 and 5 are inferior and warrant upward adjustments.

## **Clear Ceiling Height**

The subject has a clear ceiling heights of approximately 12.5 feet, while the comparable sales reported ceiling clearances between 11 and 14 feet. The clearance is higher between the trusses, but most brokers quote the clear height to the bottom of the truss.

The subject and comparable sales have similar clear ceiling heights. No adjustment is warranted.

## **Number of Stories**

Owners of small industrial buildings prefer a one story layout for the free flow of inventory, equipment and personnel, as well as for handicap accessibility issues. The subject is a one story building, as are Comps 2 through 5. Comp 1 is a one and part two story building with second floor office area, and an upward adjustment is warranted for this factor.

## **Road Frontage**

The subject is located at a signalized corner. Comps 1, 2 and 5 are standard corner lots and are adjusted upward. Comps 3 and 4 are interior lots and are adjusted upward by a more significant amount.

## Percentage of Office Area

Approximately 12% of the subject's GBA is finished office / customer service area. Office build-out is more costly than basic warehouse build-out and most buyers will pay a premium for additional office area, particularly good quality office area, if they have a need for it. At a certain point, additional office space offers diminishing returns.

Comp 1 contains 29% office area and warrants a modest downward adjustment for this factor. The remaining comps are generally similar in this respect and are not adjusted.

## Sales Comparison Approach Conclusion

The adjusted values of the comparable properties range from \$33.06 to \$53.63 psf. The average is \$41.24 psf and the median is \$37.39 psf. All of the comparable properties are buildings in the subject's general market area.

In addition to the preceding closed sales, we have considered a listing of a 3,760 sf industrial building on a 7,344 sf site at 10109 Franklin Avenue. The property is listed for \$169,900 or \$45.19 psf. Similar to the subject, the listing states that the new owners will have to pave the rear parking area. The building has 11' clear ceilings and about 8% finished office area. It was constructed in 1956. The property has been on the market for less than one month. Recent sales in the area indicate that list prices are seldom achieved, and the gap between sale and list prices is sometimes large.

In the final analysis, all of the value indications have been considered in arriving at our final reconciled value. Primary weight was given to Comps 1 through 3. Comps 1 and 2 are located on Franklin Avenue, while Comp 3 is the most recent sale and is most similar in condition and warranted the lowest amount of adjustments. Also, these were the three sales for which we were able to speak with a party to the transaction to verify details. The average adjusted sale price for Comps 1 through 3 is \$35.47 per square foot, while the adjusted average of all of the comps is \$41.18 per square foot. Therefore, our concluded value is in between the average adjusted unit price of Comps 1 to 3 and the adjusted average of all of the comparables, or say \$39.00 per square foot. Calculations are as follows:

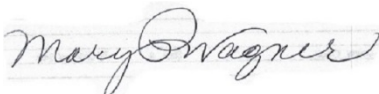
As Is Market Value	
Indicated Value per GBA:	\$39.00
Subject Size:	4,925 sf
Indicated Value:	\$192,075
Rounded:	\$190,000

**One Hundred Ninety Thousand Dollars**

# Certification Statement

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.
- The appraiser has 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 a personal inspection of the property.
- Elizabeth Benson, Research Analyst, researched the subject's Assessed values, Real Estate Taxes, Zoning and Sidwell and Flood maps. Elizabeth also inputted the client's name and contact information. 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, 2019

## **Addenda**



## ***Legal Description***

Legal Description: LOTS 1 AND 2 IN BLOCK 15 IN THE THIRD ADDITION TO FRANKLIN PARK, IN SECTIONS 21 AND 28, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 12-21-418-029-0000 12-21-418-047-0000

Common Address: 9800 FRANKLIN AVENUE FRANKLIN PARK IL 60131

Source: Cook County Records

## ***Definitions***

### **Market Value<sup>1</sup>:**

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 defined<sup>1</sup> 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 defined<sup>1</sup> 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 defined<sup>1</sup> 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.

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

**Exposure Time** is defined<sup>1</sup> 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.<sup>1</sup>

**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.<sup>1</sup>

**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.<sup>1</sup>

### **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.<sup>1</sup>

## ***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. The appraiser(s) of this report have not performed any appraisal work or any other type of work on the subject property in the past three years.

## ***Appraiser Qualifications***



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

CLINTON J. WALLACE, MAI  
SARA CHAMBERS, SRA  
ELIZABETH GULIS, MAI  
MARY WAGNER, MAI  
KAREN PRIOLEAU  
DENNIS SMITH  
TOM PRIMEAU  
JENNIFER STYER  
BILL HOULIHAN  
JOAN HYLAND  
RICK LAYMAN

## PRAEDIUM VALUATION GROUP

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ASHLEY PIPER  
JOLANTA BARDECKI  
VINCE MANDARINO  
HUGH WARD  
MICHELLE BYRNES  
STEVEN ENGEL  
JILLIAN DELCOTTO  
KATHLEEN FRAWLEY  
DAN BOYLE  
CHELSEA ROUNSLEY  
ZSOFIA KOPS

August 12, 2019

Mr. John Schneider  
Director of Community Development  
Village of Franklin Park  
9500 W. Belmont Avenue  
Franklin Park, IL 60131  
847-671-8278  
jschneider@vofp.com

RE: Appraisal Proposal for the Real Property Located At:  
9800 Franklin Avenue, Franklin Park, IL PIN 12-21-418-029

Dear Mr. Schneider:

Thank you for the opportunity to present this proposal for an appraisal of the above referenced property. It is our understanding that this appraisal is required for the village's acquisition of the property. The subject property is a 5,000± sf, brick, single-story light industrial building situated on a 7,000± sf site at a signalized intersection. The site is zoned C-M, Commercial Manufacturing District.

The assignment will be an appraisal of the current fee simple market value of the subject property. By signing and returning this proposal you authorize Praedium Valuation Group to perform the following scope of work:

### 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

# PRAEDIUM VALUATION GROUP

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- Preparation of a narrative appraisal report identifying the property, including a market area analysis, a discussion of the data and analysis, a sales comparison approach and reporting an opinion of the market value of the subject property.

Our fee for this assignment is \$1,750. A 50% retainer is required upon acceptance of the appraisal proposal, with the remainder of the fee due upon completion of the appraisal report. Alternately, we can provide a restricted report for \$1,450 which will contain very little data and analysis, but will have included the same development process, and the opinion of market value will be the same regardless of which report option you choose.

If you would like to proceed with the appraisal assignment, please sign below and send a copy of this proposal along with the 50% retainer fee to our office. The delivery time is three weeks 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:



Authorized Signature:



Authorization Date:

