

---

---

**THE VILLAGE OF FRANKLIN PARK**  
**COOK COUNTY, ILLINOIS**

---

---

**RESOLUTION**

**NUMBER 2122-R-10**

---

---

**A RESOLUTION OF THE VILLAGE OF FRANKLIN PARK, COOK COUNTY,  
ILLINOIS DECLARING AS SURPLUS PROPERTY THE VILLAGE OWNED PARCEL  
OF REAL PROPERTY AT 9800 FRANKLIN AVENUE AND FURTHER AUTHORIZING  
AN EXCLUSIVE RIGHT TO SELL AGREEMENT WITH DARWIN REALTY AND  
DEVELOPMENT CORPORATION TO MARKET AND SELL THE PROPERTY AND  
DIRECT THE VILLAGE CLERK TO MAKE A COPY OF THE APPRAISAL ON  
THE PROPERTY AVAILABLE TO ANY PARTY**

---

---

**BARRETT F. PEDERSEN, Village President**  
**APRIL ARELLANO, Village Clerk**

**IRENE AVITIA**  
**GILBERT J. HAGERSTROM**  
**JOHN JOHNSON**  
**WILLIAM RUHL**  
**KAREN SPECIAL**  
**ANDY YBARRA**  
**Trustees**

---

---

**RESOLUTION NUMBER 2122-R-10**

**A RESOLUTION OF THE VILLAGE OF FRANKLIN PARK, COOK COUNTY,  
ILLINOIS DECLARING AS SURPLUS PROPERTY THE VILLAGE OWNED PARCEL  
OF REAL PROPERTY AT 9800 FRANKLIN AVENUE AND FURTHER AUTHORIZING  
AN EXCLUSIVE RIGHT TO SELL AGREEMENT WITH DARWIN REALTY AND  
DEVELOPMENT CORPORATION TO MARKET AND SELL THE PROPERTY AND  
DIRECT THE VILLAGE CLERK TO MAKE A COPY OF THE APPRAISAL ON  
THE PROPERTY AVAILABLE TO ANY PARTY**

---

**WHEREAS**, the Village of Franklin Park, Cook County, Illinois (the "*Village*") is a duly organized and existing municipal corporation created under the provisions of the laws of the State of Illinois and under the provisions of the Illinois Municipal Code, as from time to time supplemented and amended; and

**WHEREAS**, the Village is the owner of a parcel of property commonly known as 9800 Franklin Avenue, Franklin Park, Illinois, identified by PINS 12-21-418-029-0000 and 12-21-418-047-0000, which is an 8,386 square foot corner lot (0.19 acres) that is improved with a brick one-story, single tenant light industrial building approximately 4,925 square feet in size constructed around 1970 (the "*Property*"), and legally described on Exhibit A, a copy of which is attached hereto and made a part hereof; and

**WHEREAS**, the Property is in the C-M Commercial Manufacturing District, as identified and described in the Village of Franklin Park Zoning Ordinance; and

**WHEREAS**, the Village President and Board of Trustees of the Village of Franklin Park (the "*Corporate Authorities*") find that the Property is no longer necessary, appropriate, required for the use of, profitable to or serve any viable use to the Village and that the sale of the Property will eliminate burdensome maintenance cost, provide needed funds, and generate tax revenue for use in the general fund of the Village; and

**WHEREAS**, the Corporate Authorities further find that the Property serves no public use to the residents of the Village and is in the best interest of the health, safety, and welfare of Village residents to sell the Property; and

**WHEREAS**, 65 ILCS 5/11-76-4.1 of the Illinois Municipal Code sets forth a procedure for the sale of municipal-owned surplus real property by listing such property for sale through a local licensed real estate agency provided the agent's compensation shall be included in the resolution after ascertaining the value of the surplus real estate by written appraisal and making said appraisal available for public inspection; and

**WHEREAS**, the Village ascertained a written appraisal report for the Property, dated July 23, 2021, which was prepared by Mary Wagner, MAI, of Praedium Valuation Group, 3847 North Lincoln Avenue, 2nd Floor, Chicago, Illinois, (the "*Appraisal*"), a copy of which is attached hereto and made a part hereof, as Exhibit B; and

**WHEREAS**, the Appraisal found that the appraised value of the Property in its "as is" condition is \$148,000.00 based on certain extraordinary assumptions; and

**WHEREAS**, the Appraisal is on file and available for inspection or copying in the office of the Village Clerk of the Village of Franklin Park as well as on the Village's website to any interested party; and

**WHEREAS**, the Village has advertised and marketed the Property for sale but because no final agreement for the sale and redevelopment of the Property has occurred, the Corporate Authorities have determined it best to obtain a professional real estate agency to market the Property; and

**WHEREAS**, Darwin Realty & Development Corporation, 970 North Oaklawn Avenue, Suite 100, Elmhurst, Illinois 60126 (the "*Darwin*"), is a professional real estate agency that is

familiar with the Franklin Park industrial and commercial real estate market and able to market the Property to ensure compliance with various Village conditions that require the buyer to: 1) comply with all parking requirements and provide for paved parking and fencing, including all required screening and/or buffering on the Property; 2) undertake all necessary repairs and improvements to ensure that the building and Property is in full compliance with building, property maintenance, electrical, plumbing and fire code requirements, including the installation of a sprinkler system or approved fire wall, if applicable, and a new tear of replacement roof; 3) execute an affidavit that no party taking title or lease to the Property is a descendant of the former owner of the Property, the Estate of Lawrence H. Maas; and 4) comply with all zoning, use and licensing requirements of the Village; and

**WHEREAS**, the Exclusive Right to Sell Agreement between the Village and Darwin provides that Darwin shall have the exclusive right to sell the Property until September 1, 2022, and that Darwin shall be paid a commission of 6% of the selling price of the Property; and

**WHEREAS**, the Corporate Authorities have determined it is in the best interests of the Village to list and sell the Property with a licensed real estate agency pursuant to 65 ILCS 5/11-76-4.1 of the Illinois Municipal Code.

**NOW, THEREFORE, BE IT RESOLVED** by the President and Board of Trustees of the Village of Franklin Park, Cook County, Illinois, as follows:

**Section 1.** That the above recitals and legislative findings are found to be true and correct and are hereby incorporated herein and made a part hereof, as if fully set forth in their entirety.

**Section 2.** The Property, as herein described, is hereby determined and declared by the Corporate Authorities to be surplus real estate of the Village.

**Section 3.** The Exclusive Right to Sell Agreement by and between the Village of Franklin Park, Cook County, Illinois and Darwin Realty and Development Corporation (the “*Darwin Agreement*”), a copy of which is attached hereto and made a part hereof as Exhibit C, is hereby approved and the Director of Community Development is hereby authorized to work with Darwin to review proposals for the sale of the Property and further recommend and present a final agreement to the Corporate Authorities for the sale and redevelopment of the Property in accordance with this Resolution and pursuant to 65 ILCS 5/11-76-4.1 of the Illinois Municipal Code.

**Section 4.** The officials, officers, employees, and attorneys of the Village are hereby authorized to undertake the necessary steps to present a proposal and final agreement for the sale of the Property to the Corporate Authorities, as contemplated herein.

**Section 5.** The Village Clerk is hereby authorized and directed to publish a copy of this Resolution at the first opportunity following its passage in a newspaper published within the Village and to make available a copy of the Appraisal for public inspection by any interested party.

**Section 6.** If any section, paragraph, clause, or provision of this Resolution shall be held invalid, the invalidity thereof shall not affect any other provision of this Resolution.

**Section 7.** All ordinances, resolutions, motions, or orders in conflict with this Resolution are hereby repealed to the extent of such conflict.

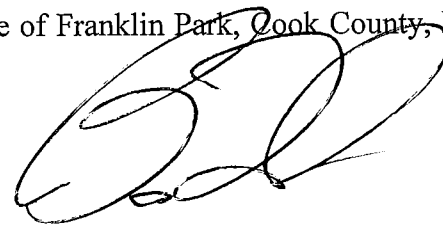
**Section 8.** This Resolution shall be in full force and effect immediately after its passage and publication as required by law.

*(Intentionally Left Blank)*

**PASSED** by the President and Board of Trustees of the Village of Franklin Park, Cook County, Illinois this 7th day of September 2021, pursuant to a roll call vote, as follows:

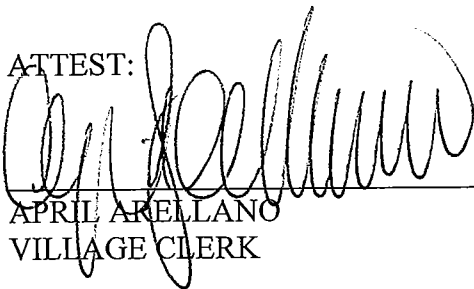
|                    | YES | NO | ABSTAIN | ABSENT | PRESENT |
|--------------------|-----|----|---------|--------|---------|
| AVITIA             | X   |    |         |        |         |
| HAGERSTROM         | X   |    |         |        |         |
| JOHNSON            | X   |    |         |        |         |
| RUHL               | X   |    |         |        |         |
| SPECIAL            | X   |    |         |        |         |
| YBARRA             | X   |    |         |        |         |
| PRESIDENT PEDERSEN |     |    |         |        |         |
| <b>TOTAL</b>       | 6   |    |         |        |         |

**APPROVED** by the President of the Village of Franklin Park, Cook County, Illinois on this 7th day of September 2021.



BARRETT F. PEDERSEN  
VILLAGE PRESIDENT

ATTEST:



APRIL ARELLANO  
VILLAGE CLERK

Exhibit A

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.

Permanent Index Numbers (PINS): 12-21-418-029-0000 and 12-21-418-047-0000

Property commonly known as 9800 Franklin Avenue, Franklin Park, Illinois 60131

Exhibit B

Appraisal

Exhibit C

Darwin Agreement



# **PRAEDIUM** VALUATION GROUP

Appraisals • Consulting • Expert Witness

## **RESTRICTED APPRAISAL REPORT FOR**

9800 Franklin Avenue

## **LOCATED AT**

9800 Franklin Avenue,  
Franklin Park,  
Cook County, IL, 60131

## **AS OF**

July 23, 2021

## **PREPARED FOR**

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

## **PREPARED BY**

Praedium Valuation Group  
3847 N. Lincoln, 2nd Floor  
Chicago, Illinois 60613  
File Name: 6281

# PRAEDIUM VALUATION GROUP

Appraisals • Consulting • Expert Witness

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

www.pvgchicago.com  
info@pvgchicago.com

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

August 2, 2021

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

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

Dear Mr. Schneider:

At your request, we have prepared a restricted appraisal report, which is intended to comply with the reporting requirements set forth under Standards rule 2 in the Uniform Standards of Professional Appraisal Practice. As such, it presents limited discussion of the data, reasoning and analyses that were used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation has been retained in the appraiser's workfile. The depth of discussion contained in the report is specific to the needs of the client and for the intended use stated below.

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 several years and has 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 14 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 48). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, we note the following:

Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal.

Extraordinary Assumptions:

- An exterior inspection of the property was completed for this appraisal. A previous interior inspection was completed in 2019 for a prior appraisal of the property for the same client. Since that time, the condition of the property has deteriorated and the building is in need of a tear off roof. This appraisal is based on the extraordinary assumption that no changes have been made to the interior of the building since our 2019 inspection. Use of this extraordinary assumption may have affected assignment results.
- The client and owner of the property, the Village of Franklin Park has stated that although the subject site is zoned C-M, they will not allow for many of the permitted industrial uses on this site since it abuts the Downtown District. Uses such as a manufacturing operation (stamping plant, tool and die shop) would not be approved, as the Village would prefer a business with a commercial component that complements the Downtown District, such as a tile showroom and warehouse. Use of this extraordinary assumption may have affected assignment results.

We have previously appraised the subject property for the same client in August of 2019. Otherwise, we have not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.

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

**Current As Is Market Value:**

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

**\$148,000**

**One Hundred Forty Eight Thousand Dollars**

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

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

Respectfully submitted,  
Praedium Valuation Group



---

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



---

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

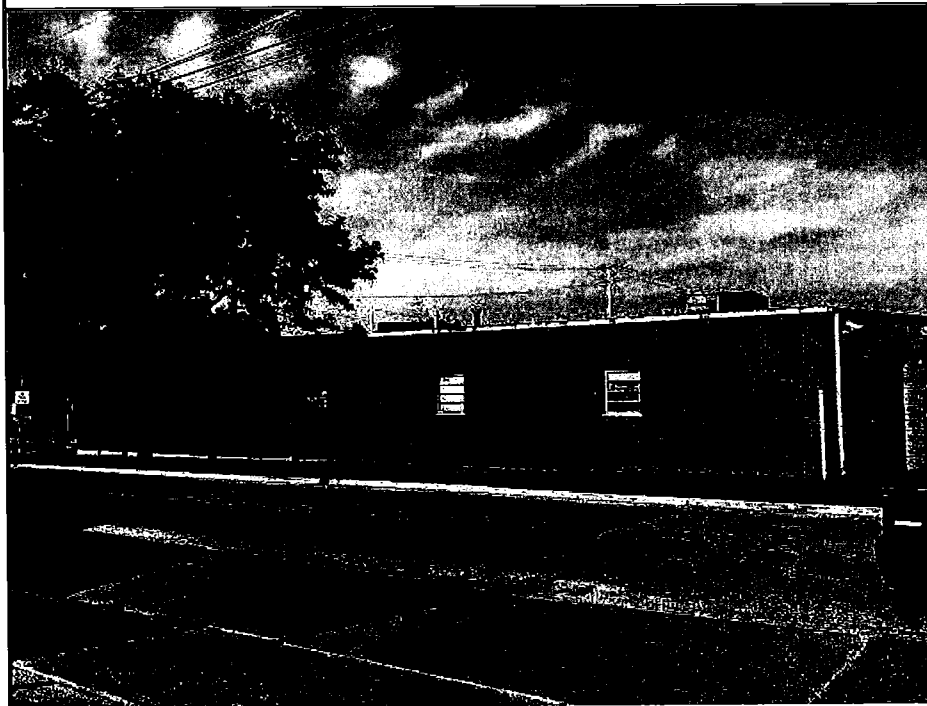
## Table of Contents

|   |    |
|---|----|
| Subject Photos.....                             | 5  |
| Summary of Important Facts and Conclusions..... | 11 |
| Key Analysis Points.....                        | 13 |
| Report Scope of Work .....                      | 16 |
| Scope of Work .....                             | 17 |
| Market Area Analysis .....                      | 19 |
| Location Map.....                               | 19 |
| Community Map.....                              | 20 |
| Property Description .....                      | 21 |
| Plat of Survey.....                             | 23 |
| Flood Map.....                                  | 24 |
| Aerial View.....                                | 25 |
| Source: Cook County GIS .....                   | 25 |
| Tax Map.....                                    | 26 |
| Assessment and Taxes .....                      | 35 |
| Zoning.....                                     | 36 |
| Zoning Map.....                                 | 37 |
| Highest and Best Use.....                       | 38 |
| Valuation Methodology .....                     | 39 |
| Analyses Applied.....                           | 40 |
| Sales Comparison Approach.....                  | 41 |
| Comparables .....                               | 41 |
| Certification .....                             | 44 |
| Definitions.....                                | 47 |
| Limiting Conditions and Assumptions .....       | 49 |
| Appraiser Qualifications .....                  | 51 |
| Engagement Letter .....                         | 53 |

## Subject Photos



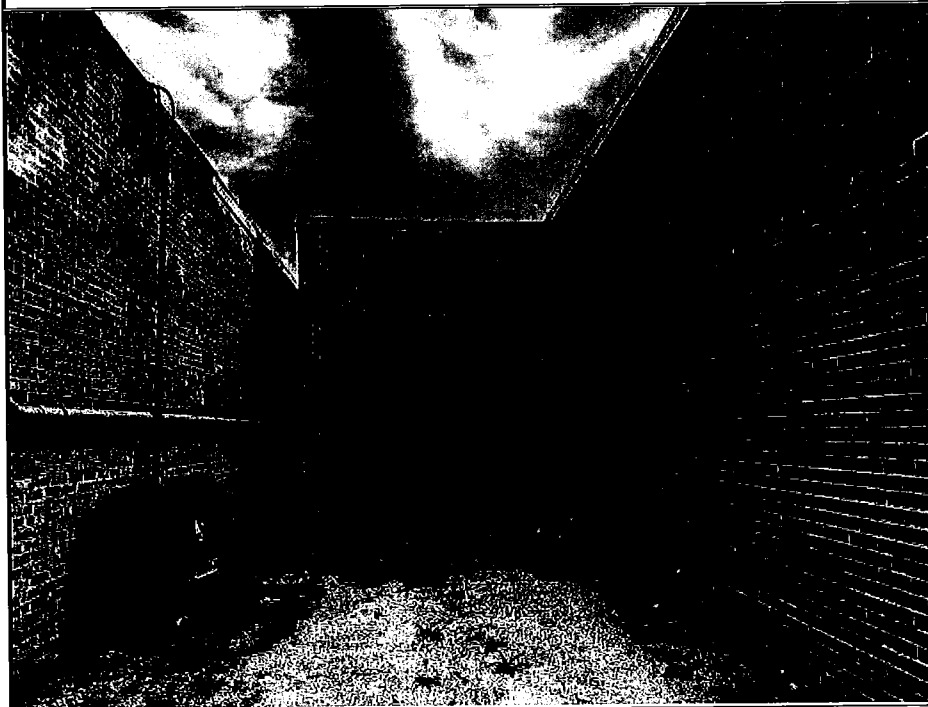
FRONT (SOUTH) ELEVATION



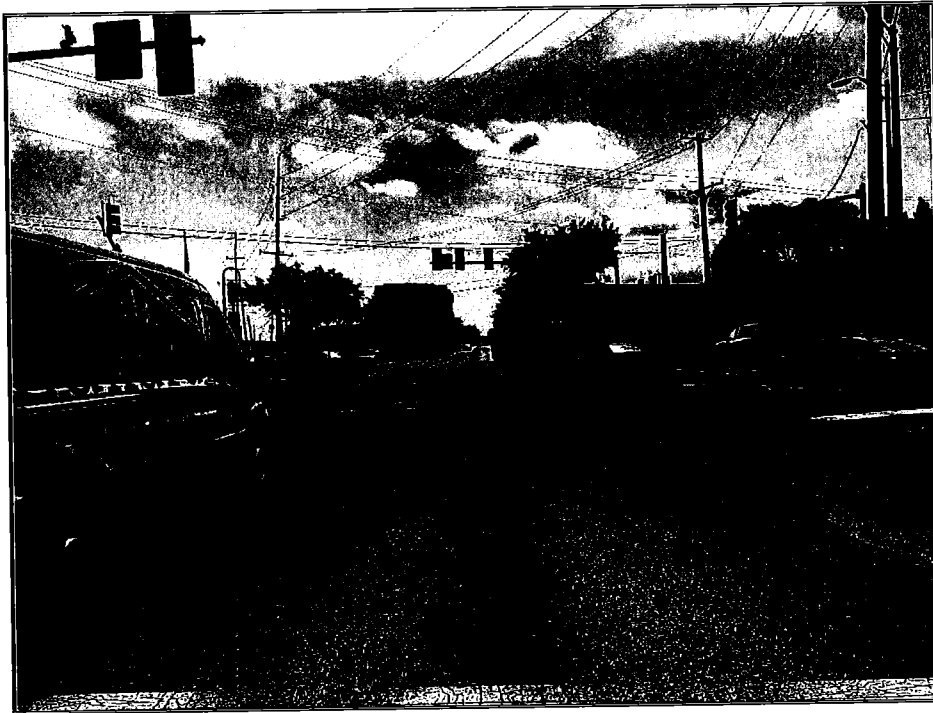
EAST ELEVATION



**REAR ELEVATION**



**OVERHEAD DOOR ALONG FRONT ELEVATION**



EAST ON FRANKLIN AVENUE



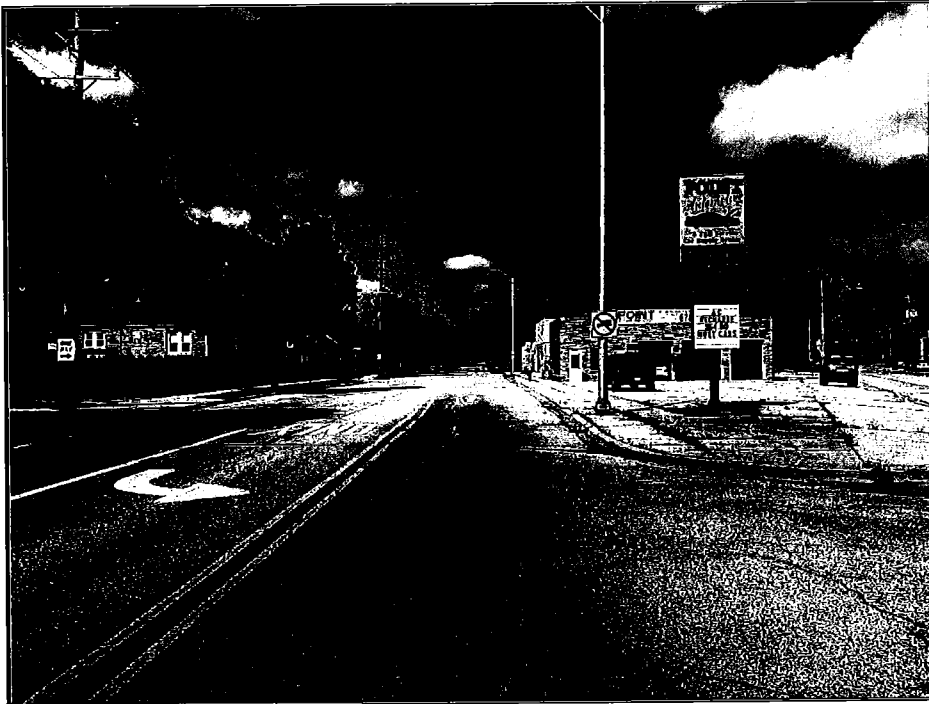
WEST ON FRANKLIN AVENUE



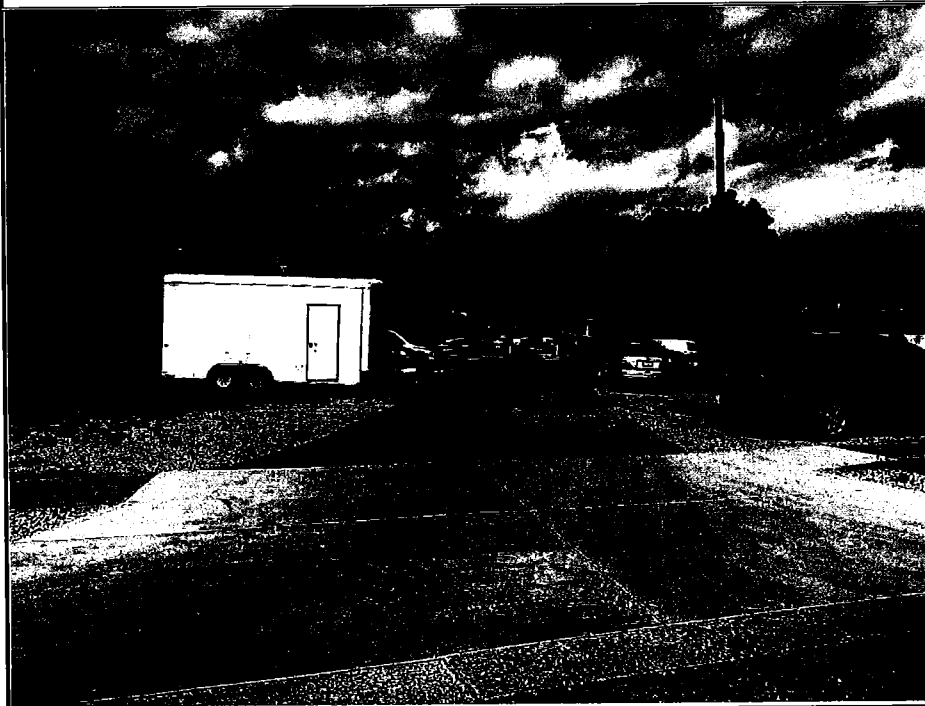
**NORTH ON RUBY STREET**



**SOUTH ON RUBY STREET**



WEST ON BELMONT STREET



WEST ON ALLEY SEPARATING SUBJECT PARCELS



EAST AT PIN 12-21-418-047 (ADDITIONAL PARKING)

## Summary of Important Facts and Conclusions

### GENERAL

**Subject:** 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 several years and has 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.

**Owner:** Village of Franklin Park

**Legal Description:** See addenda

**Tax Identification:** 12-21-418-029 & 047

**Date of Report:** August 2, 2021

**Intended Use:** The intended use is for a potential sale of the subject property.

**Intended Users:** The Village of Franklin Park

**Assessed Value:** Tax exempt

**Sale History & Current Listing / Contracts:** The subject property was acquired by the Village of Franklin Park a few years ago after the owner had passed away. The price was not disclosed. The property is currently offered for sale at a list price of \$190,000 and has been on the market for several months. There were no 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:**

|                                   | <u>Subject</u>       |
|-----------------------------------|----------------------|
| <b>Building ID:</b>               | 9800 Franklin Avenue |
| <b>Year Built:</b>                | 1970                 |
| <b>Condition:</b>                 | Below average / fair |
| <b>Number of Stories:</b>         | 1.00 story           |
| <b>Gross Building Area (GBA):</b> | 4,925 square feet    |
| <b>Rentable Area (RA):</b>        | 4,925 square feet    |

| <b>Property Totals:</b> | <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:** A build-to-suit light industrial or commercial development in accordance with the Village of Franklin Park's allowed uses of the site. Based on EA, many uses under the current commercial manufacturing zoning will not be allowed.

**Highest and Best Use as Improved:** Continued use of improvements after curing deferred maintenance.

**VALUE INDICATIONS**

| <b>Reconciled Values:</b> | <u>As Is</u>  |
|---------------------------|---------------|
| Value Conclusions         | \$148,000     |
| Effective Dates           | July 23, 2021 |
| Property Rights           | Fee Simple    |

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

## Key Analysis Points

### Location

The subject property is located in the Village of Franklin Park, Illinois, a northwestern suburb of Chicago. The property is approximately 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.

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 several years and has 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.

The subject's roof needs to be replaced prior to occupancy. According to an inspection report, the condition of the roof is "extremely poor with the modified bitumen membrane failing". Water has been getting into the building through voids. Ownership just received a bid of \$65,690 for a tear off replacement with new TPO membrane cover.

#### 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.

#### Report Format

At your request, we have prepared a restricted appraisal report, which is intended to comply with the reporting requirements set forth under Standards rule 2 in the Uniform Standards of Professional Appraisal Practice. As such, it presents limited discussion of the data, reasoning and analyses that were used in the appraisal process to develop the appraisers' opinion of value. Supporting documentation has been retained in the appraiser's workfile. The depth of discussion contained in the report is specific to the needs of the client and for the intended use stated below.

#### Extraordinary Assumptions

- An exterior inspection of the property was completed for this appraisal. A previous interior inspection was completed in 2019 for a prior appraisal of the property for the same client. Since that time, the condition of the property has deteriorated and the building is in need of a tear off roof. This appraisal is based on the extraordinary assumption that no changes have been made to the interior of the building since our 2019 inspection. Use of this extraordinary assumption may have affected assignment results.
- The client and owner of the property, the Village of Franklin Park has stated that although the subject site is zoned C-M, they will not allow for many of the permitted

industrial uses on this site since it abuts the Downtown District. Uses such as a manufacturing operation (stamping plant, tool and die shop) would not be approved, as the Village would prefer a business with a commercial component that complements the Downtown District, such as a tile showroom and warehouse. Use of this extraordinary assumption may have affected assignment results.

## Report Scope of Work

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

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

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

The definition of market value used in this appraisal is found in *The Dictionary of Real Estate Appraisal, 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 a Restricted Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(b). This format provides for only basic property identification, appraisal statements and value conclusion(s). The appraisal may only be used by the client for the intended use. The rationale for how the appraiser arrived at the opinions and conclusions set forth in the report may not be understood properly without additional information in the appraiser's workfile. |
| Property Identification:        | The subject has been identified by the Assessor's parcel number, the legal description and common street address.  |
| Inspection:                     | An exterior inspection of the subject property has been made, and an interior observation was made in 2019 for a prior appraisal assignment. The client indicated that the property has been vacant since that time, and that it is now in need of a new, tear-off roof.   |
| <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.   |

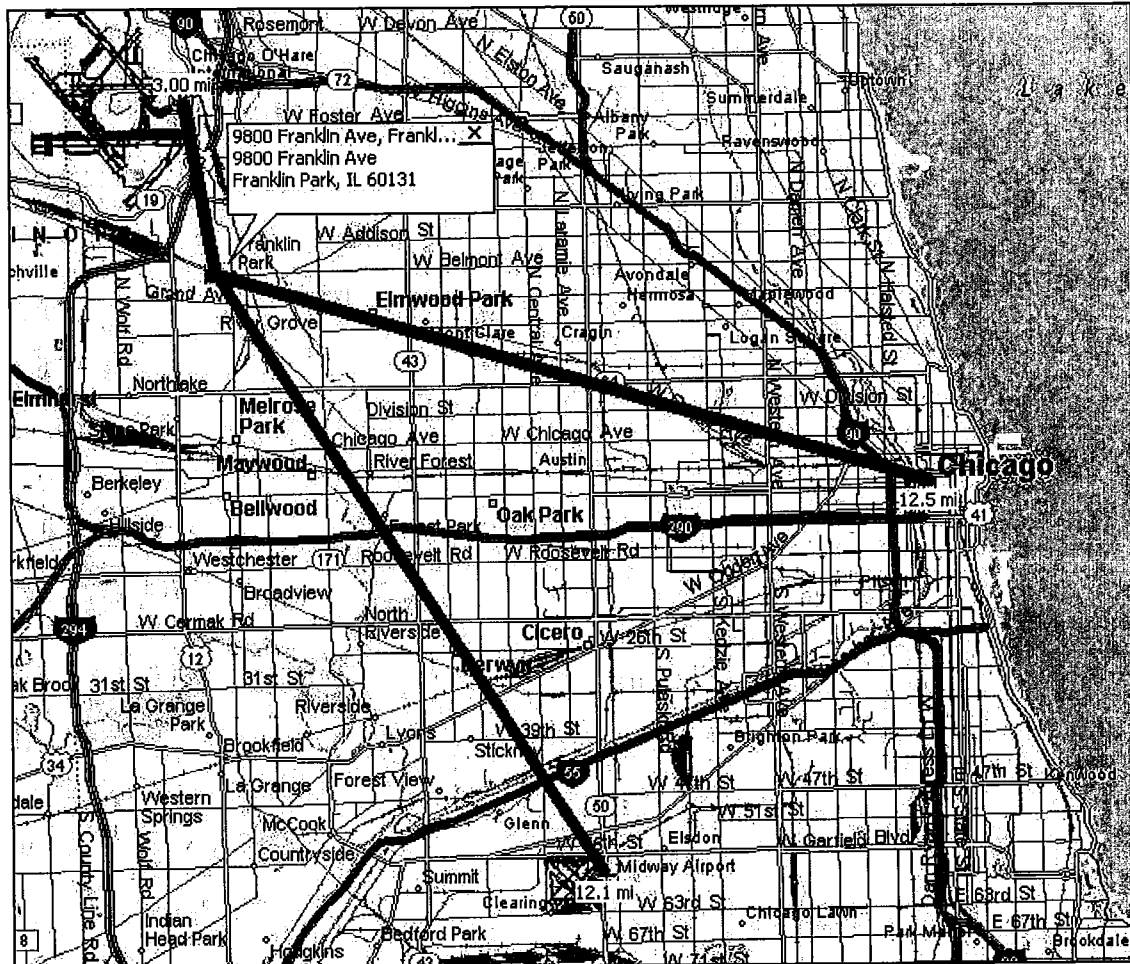
Extraordinary Assumptions:

An exterior inspection of the property was completed for this appraisal. A previous interior inspection was completed in 2019 for a prior appraisal of the property for the same client. Since that time, the condition of the property has deteriorated and the building is in need of a tear off roof. This appraisal is based on the extraordinary assumption that no changes have been made to the interior of the building since our 2019 inspection. Use of this extraordinary assumption may have affected assignment results.

The client and owner of the property, the Village of Franklin Park has stated that although the subject site is zoned C-M, they will not allow for many of the permitted industrial uses on this site since it abuts the Downtown District. Uses such as a manufacturing operation (stamping plant, tool and die shop) would not be approved, as the Village would prefer a business with a commercial component that complements the Downtown District, such as a tile showroom and warehouse. Use of this extraordinary assumption may have affected assignment results.

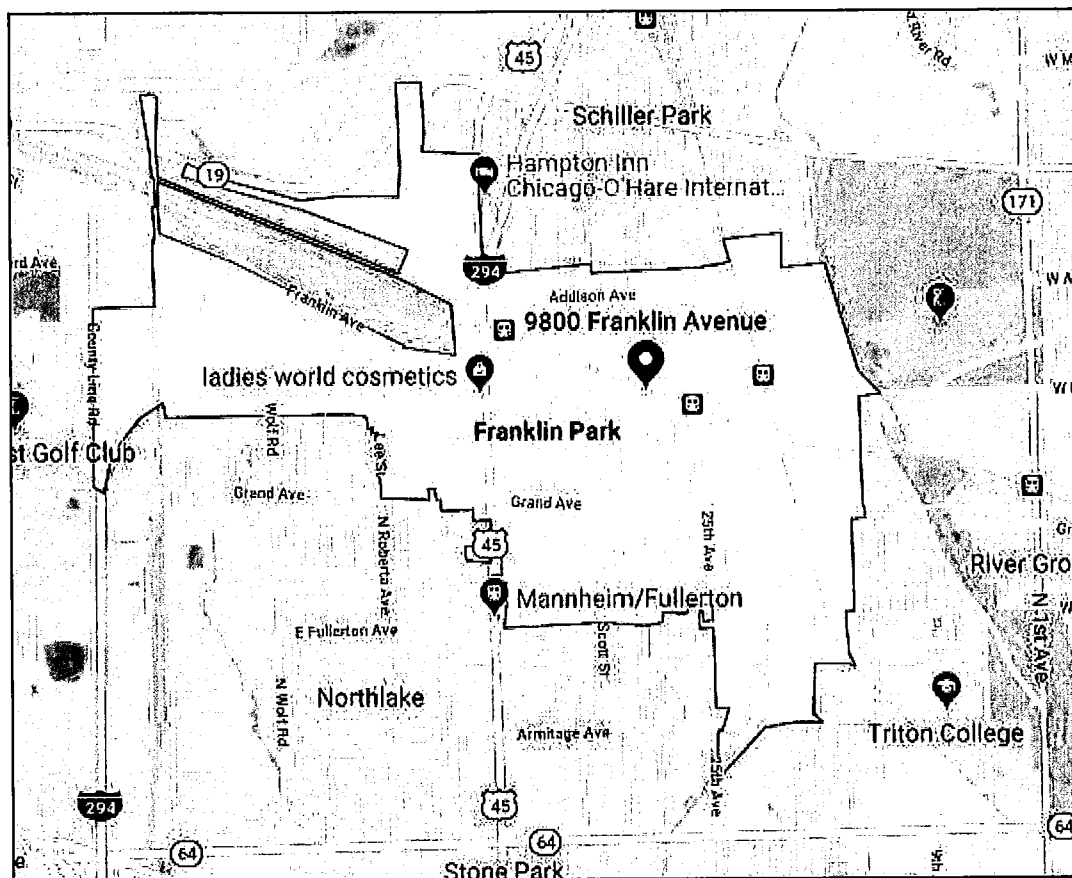
# Market Area Analysis

## 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.

## 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 several years and has 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.

| Parcel ID            | Land Summary            |                         |                          |                          | Topography | Shape              |
|----------------------|-------------------------|-------------------------|--------------------------|--------------------------|------------|--------------------|
|                      | Gross Land Area (Acres) | Gross Land Area (Sq Ft) | Usable Land Area (Acres) | Usable Land Area (Sq Ft) |            |                    |
| 12-21-418-029 & -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  
The main parcel is 6,511 sf and the secondary parcel is 1,875 sf.  
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

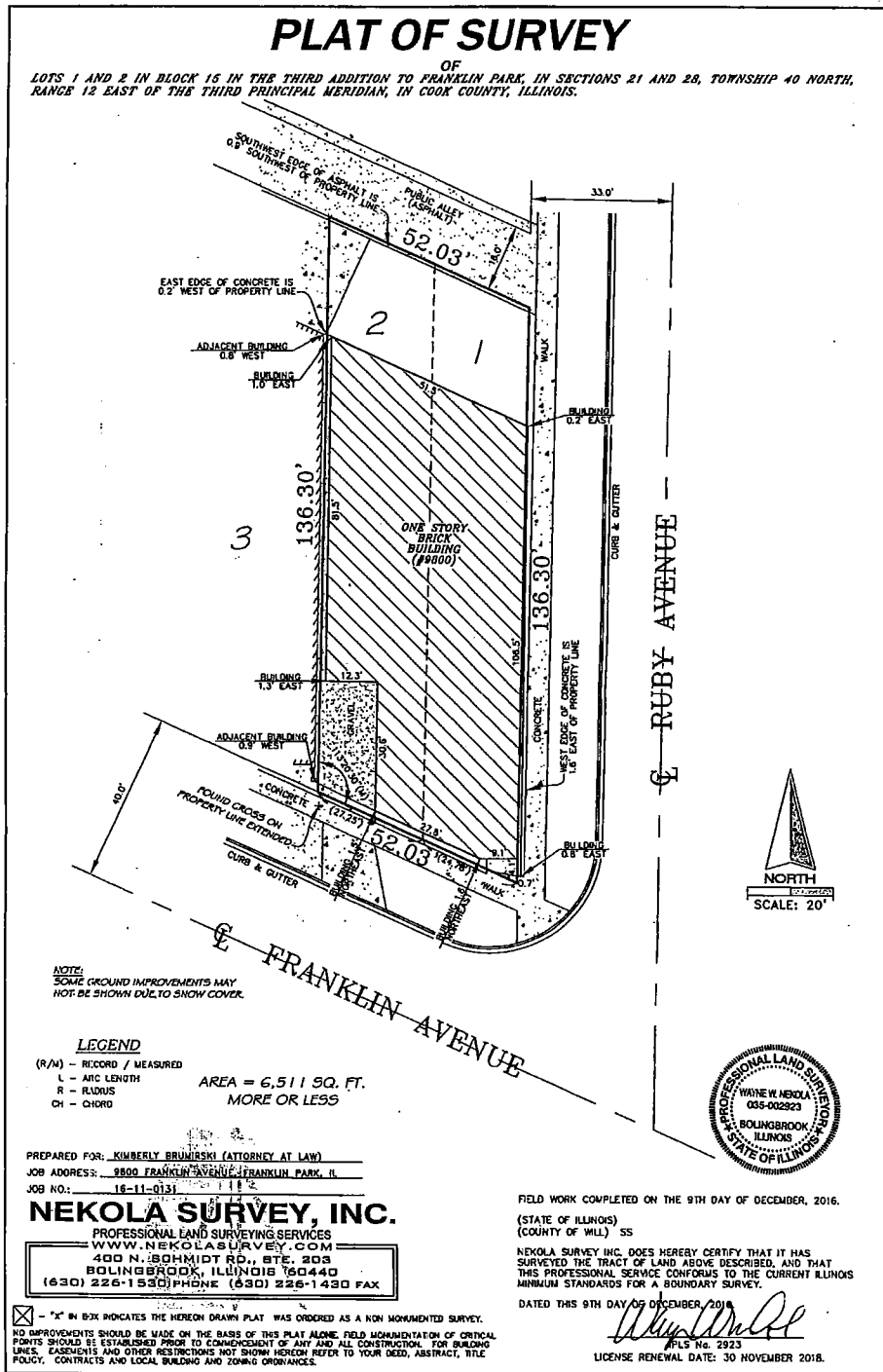
The subject is outside the 500 year flood plain. The appraiser is not an expert in this matter and is reporting data from FEMA maps.

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

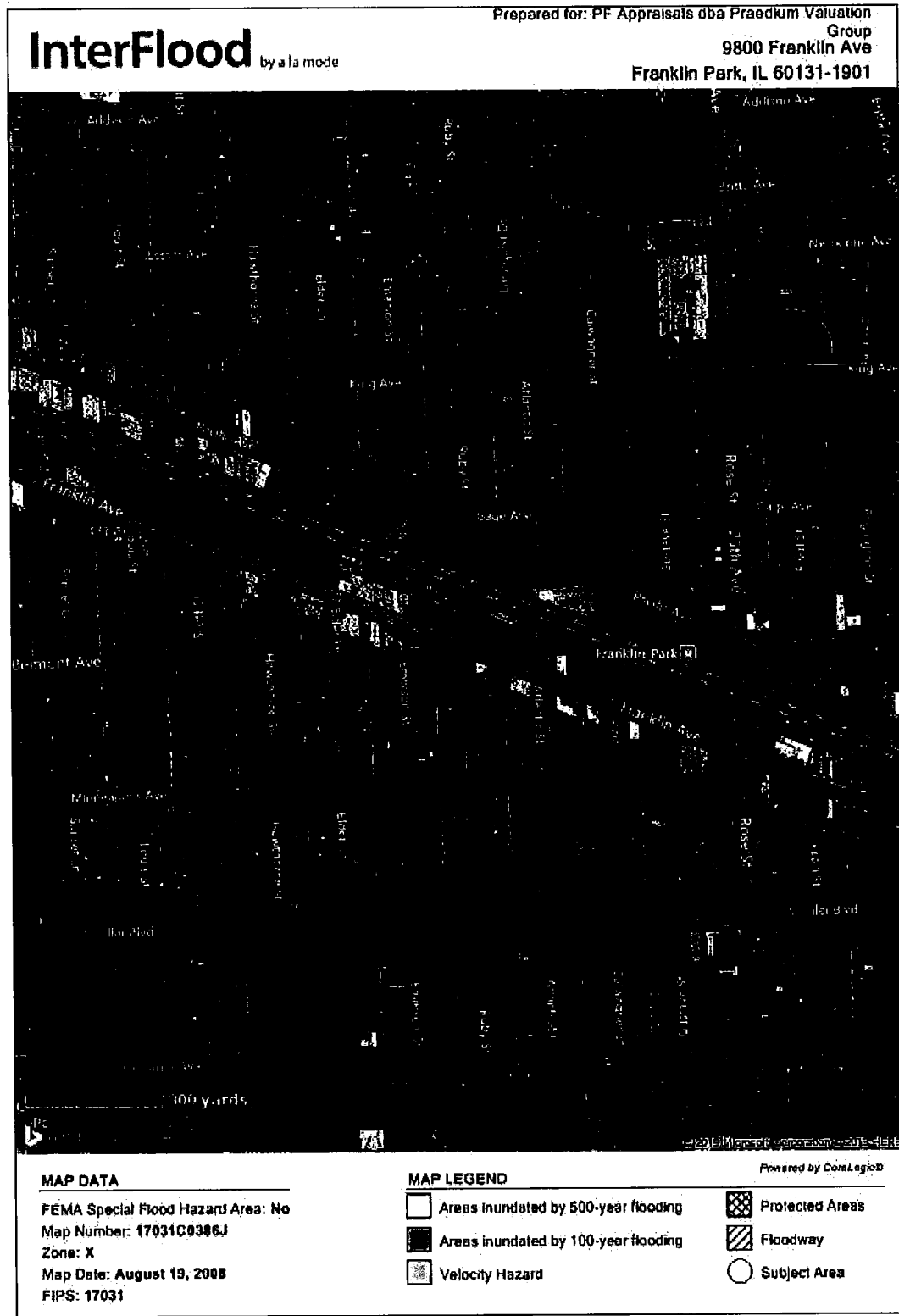
Encumbrance  
Easements: There no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.

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



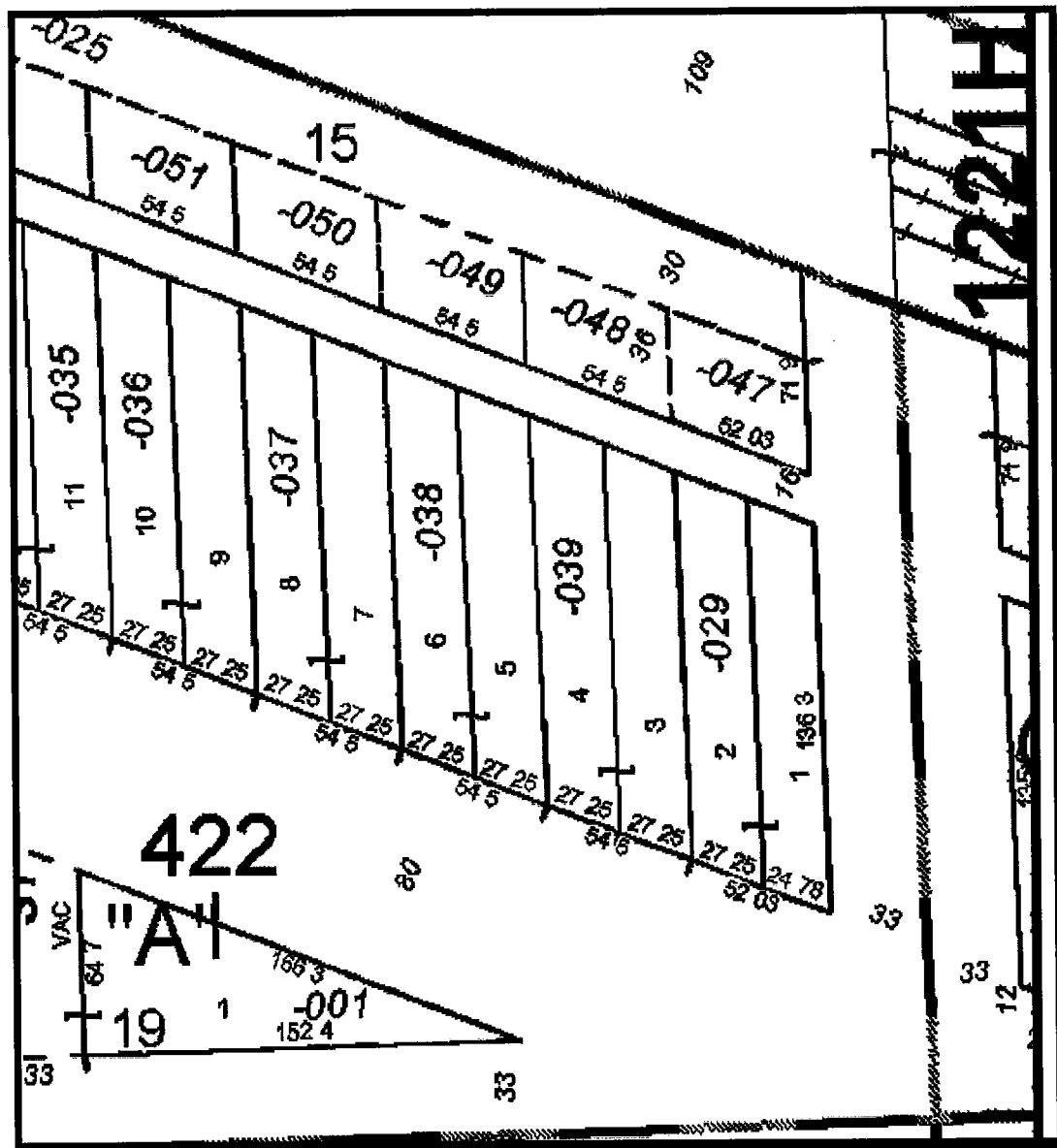
*Aerial View*



Note: Subject outlined above in red

Source: Cook County GIS

# Tax Map



Note: Subject highlighted above

### Improvements Description

Development/Property Name: 9800 Franklin Avenue

Property Type: Warehouse

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 several years and has 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.

### GENERAL

Building Identification: 9800 Franklin Avenue

Building Description: Light industrial

Construction: Class C

Construction Quality: Average

Year Built: 1970

Effective Age: 35 years

Remaining Useful Life: 15 years

Condition: Below average / fair

Appeal/Appearance: Average

Areas, Ratios & Numbers: Number of Stories: 1.00  
Gross Building Area: 4,925 square feet  
Rentable Area: 4,925 square feet

### FOUNDATION, FRAME & EXTERIOR

Foundation: Concrete

Basement/Sublevels: 0

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. Roof is at the end of its economic life and needs to be replaced. The owner has received an estimate of \$65,000 for the roof replacement. |

**INTERIOR—AN EXTERIOR INSPECTION WAS MADE. THE FOLLOWING INTERIOR DESCRIPTION IS FROM A PREVIOUS APPRAISAL REPORT IN 2019.**

|                            |   |
|----------------------------|---|
| 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.                      |
| 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 deferred maintenance. The finished area is in average condition and appears to have been modernized in the past 15 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 roof is in need of a tear off replacement, and there is water damage to the interior from water coming in. The exterior brick was in average condition for the age of the building, though portions of the rear elevation require tuckpointing. The front overhead door had peeling paint and the wood was deteriorating in areas. The driveway leading to the overhead door needs to be paved. The overhang along the front of the building is worn, and some of the shingles on the mansard need to be replaced. Overall, the condition of the building is below average to fair 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 below average to fair condition for its age in comparison to other buildings in the

immediate market area. It has deferred maintenance, most notably is the need for a tear off roof replacement.

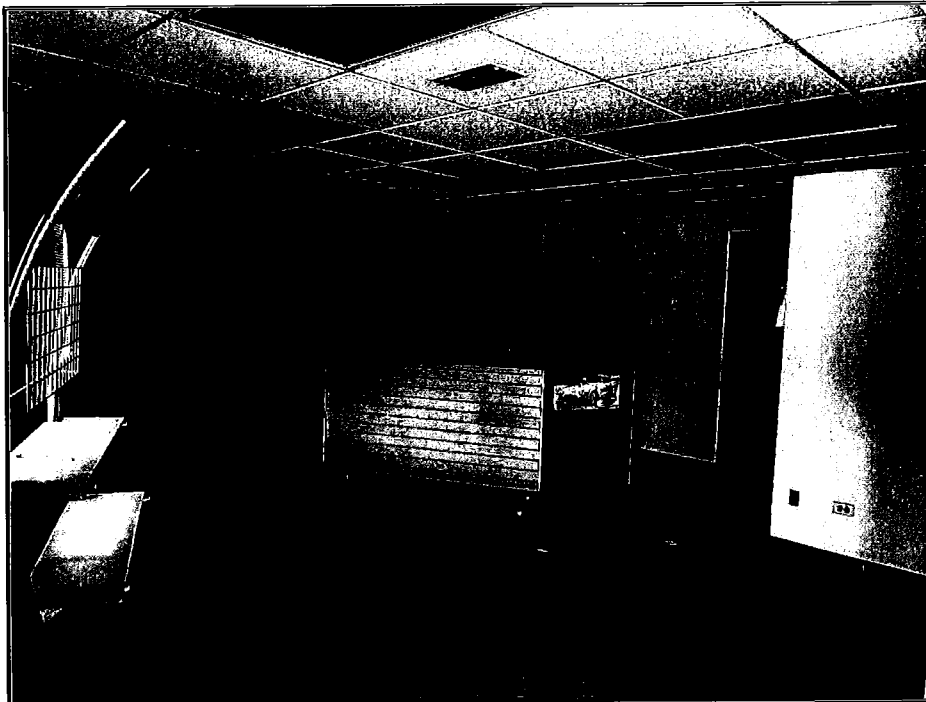
### **Americans With Disabilities Act**

Please reference the Limiting Conditions and Assumptions section of this report on page 50.

### **Hazardous Substances**

Please reference the Limiting Conditions and Assumptions section of this report on page 50.

Interior Photos (From August, 2019 interior inspection)



**FRONT FINISHED AREA**



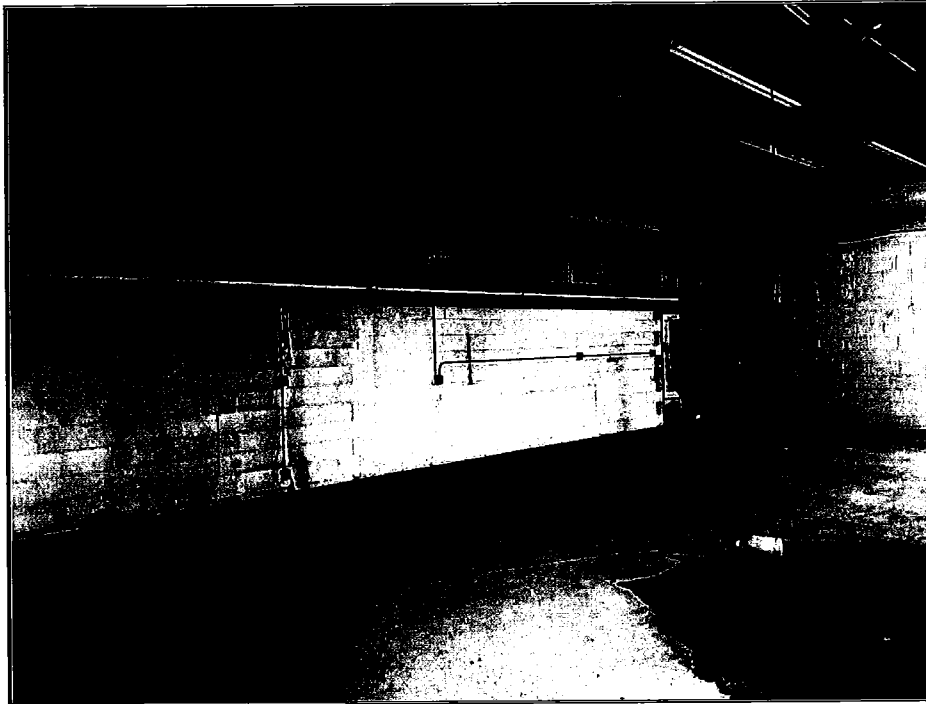
**FRONT WASHROOM**



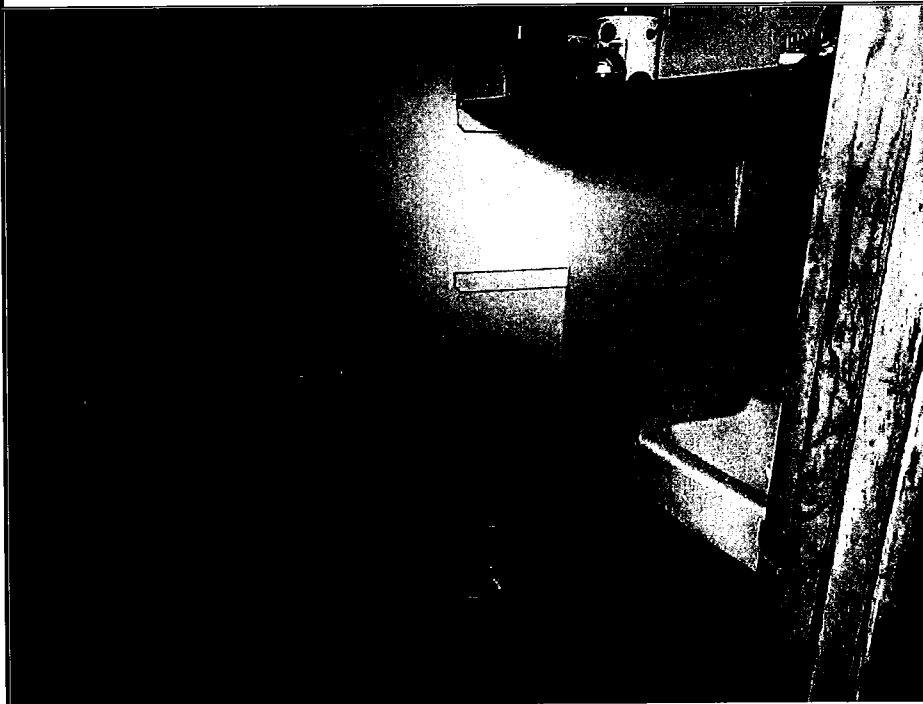
**MIDDLE PORTION**



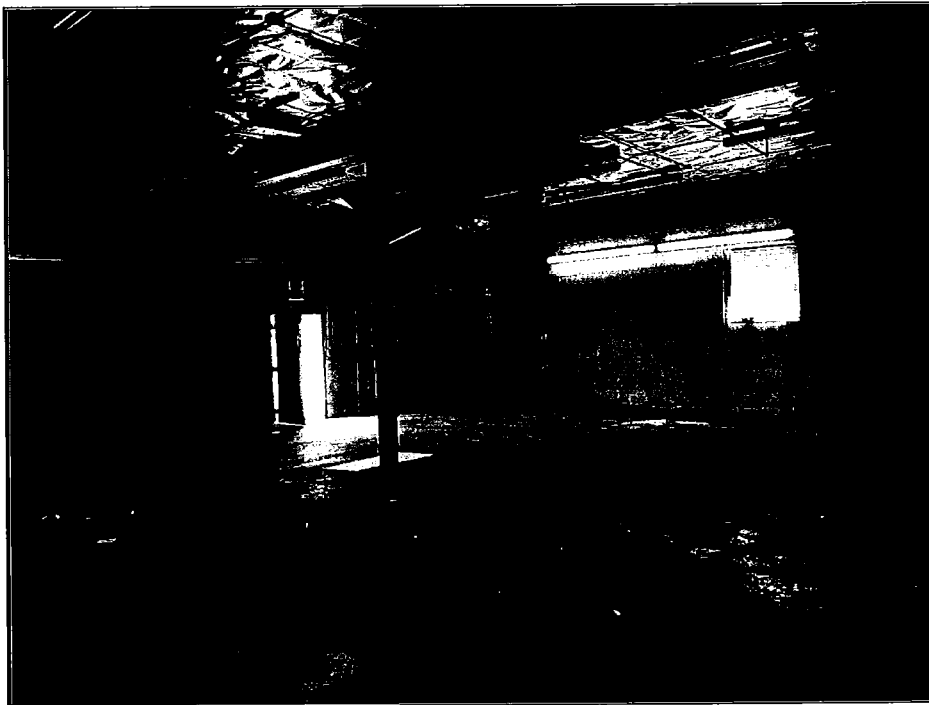
**MIDDLE PORTION**



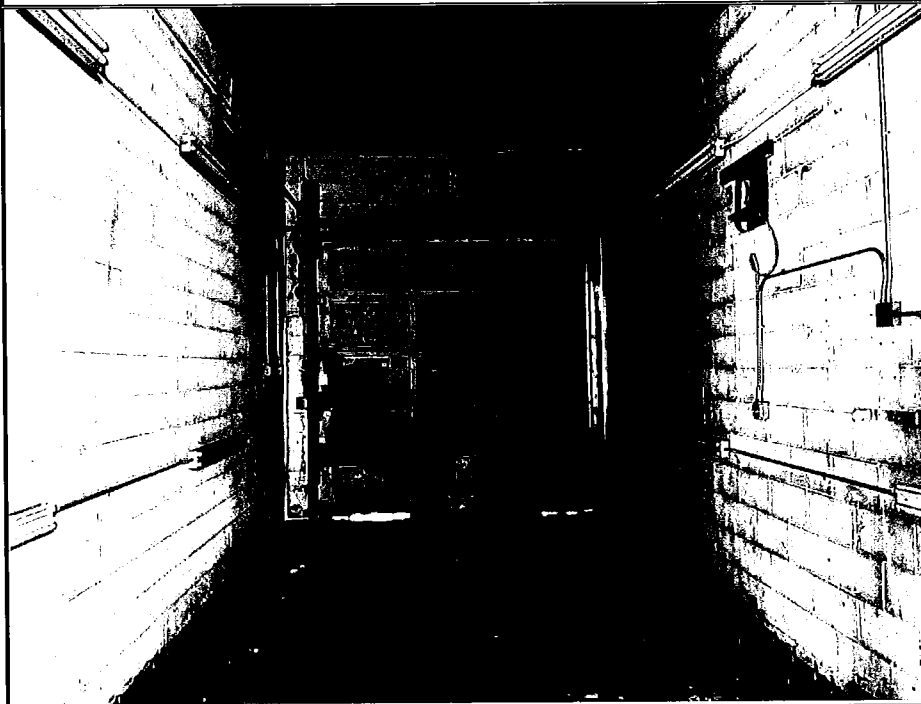
**MIDDLE PORTION**



**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 2020 are paid in 2021.

The subject is owned by the Village of Franklin Park and is tax exempt. Therefore, there is no assessment or tax data for the subject. The local property tax rate is 11.882%.

## Zoning

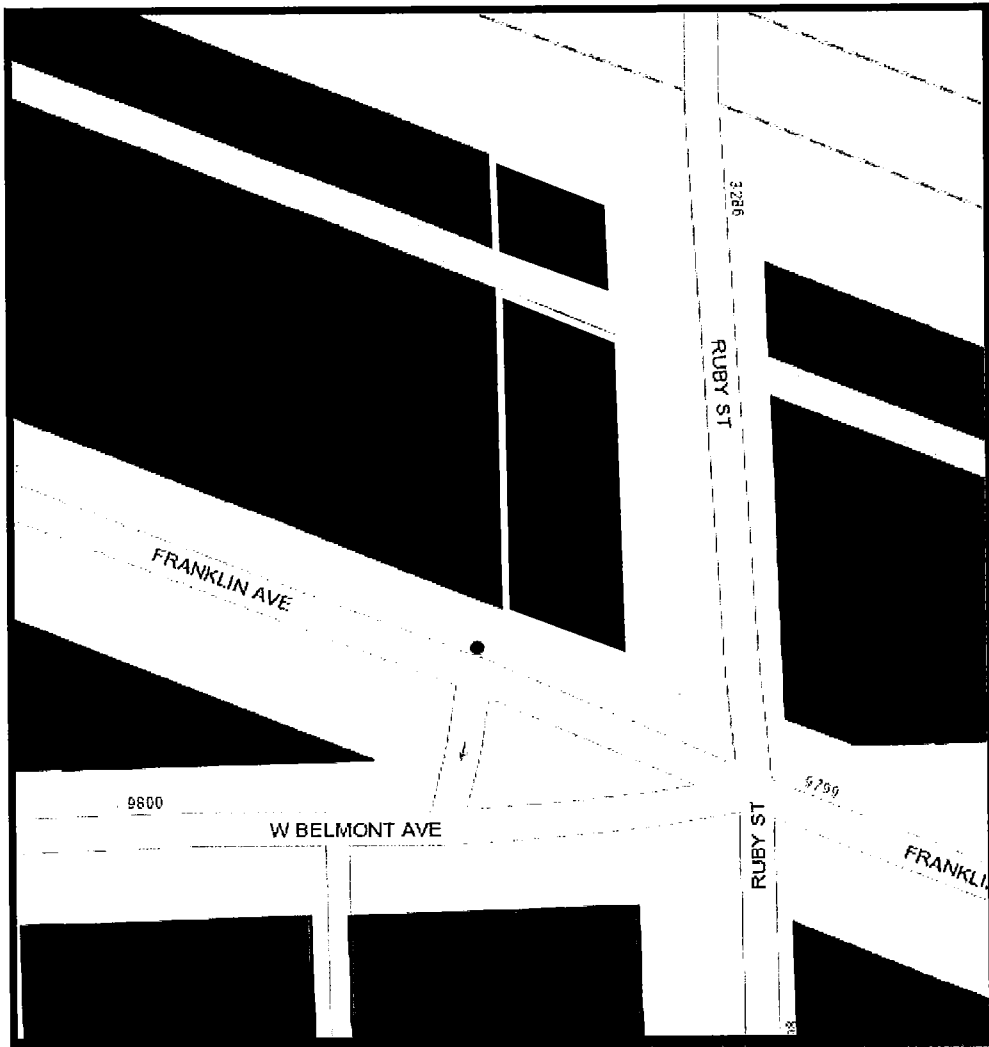
The subject is zoned C-M, Commercial Manufacturing by the Village of Franklin Park.

|   |  |   |  |
|---|--|---|--|
| <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.

Also, as agreed upon with the client, this appraisal is based on the extraordinary assumption that any future use will be complementary with the adjacent business district. The land on the east side of Ruby Street is zoned as a part of the Downtown Mixed-Use district and the village would like to see this business district extend further to the west. As such, a stamping plant or other manufacturing use would not be approved for the subject. The village would prefer a use with a retail or office component, such as a tile distributor with a retail storefront component or similar 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”***

The highest and best use of the site, as vacant, is for: A build-to-suit light industrial or commercial development in accordance with the Village of Franklin Park's allowed uses of the site. (subject to extraordinary assumption)

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

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 several comparables for this analysis. The most relevant sales are listed in the following table, and all back up data has been retained in the work file.

| Improved Sale Comparables |   |  |  |   |  |                   |
|---------------------------|---|--|--|---|--|-------------------|
|                           | Subject   | 1  | 2  | 3   | 4  | 5                 |
| Address                   | 9800 Franklin Ave.                                    | 9104 Belden Ave.   | 10005 Franklin Ave.  | 9930 Pacific Ave.                             | 10251 Franklin                                   | 9836 Franklin     |
|                           | Franklin Park, IL                                     | Franklin Park, IL  | Franklin Park, IL  | Franklin Park, IL                             | Franklin Park, IL                                | Franklin Park, IL |
|                           |   |  |  |   |  |                   |
| Property Rights           | Fee Simple  | Fee Simple   | Fee Simple   | Fee Simple                                    | Leased Fee                                       | Fee Simple        |
| Building Size (SF)        | 4,925   | 4,700  | 4,300  | 5,100   | 6,500  | 4,800             |
| Lot Size                  | 8,386   | 7,500  | 14,111   | 6,350   | 9,645  | 8,777             |
| Land to Bldg. Ratio       | 1.70  | 1.60   | 3.28   | 1.25  | 1.48   | 1.83              |
| YB/Condition              | 1970; Avg.- / Fair; needs new roof and resurfaced lot | 1971; Fair/Poor; Needs plumbing, elect., roof, HVAC repairs / improvements | 1954; Avg./Fair; needed resurfaced lot and new sprinkler system & updating | 1956; Avg.; needed interior and ext. painting | 1955; Avg.; needs updating and minor roof maint. | 1971; Avg. +      |
| Ceiling Heights           | 12.5'±  | 13'±   | 11'  | 12'   | 12'  | 12.5'             |
| % Office                  | 12%±  | 7%±  | 20%±   | 9%±   | 15%±   | 12.5%±            |
| Docks / Doors             | 1 Dock; 1 DID   | 1 Dock; 1 DID  | 1 DID  | 1 Dock; 1 DID                                 | 3 DIDs   | 1 Dock; 1 DID     |
| Corner / Interior         | Signalized corner                                     | Interior   | Interior   | Corner  | Corner   | Interior          |
| Conditions of Sale        | N/A   | Estate Sale  | Family Trust / Estate; Sold 'As Is'  | Sold 'As Is'                                  | 1/3 leased to Comcast; 2/3 vacant                | Normal            |
| Sale Date                 | N/A   | 12/23/2019   | 5/12/2020  | 9/25/2020                                     | 7/14/2021  | 2/20/2021         |
| Purchase Price            | N/A   | \$120,000  | \$120,000  | \$145,000                                     | \$200,000  | \$270,000         |
| \$/SF                     | N/A   | \$25.53  | \$27.91  | \$28.43                                       | \$30.77  | \$56.25           |
| Overall Adjustment        | N/A   | Inferior   | Inferior   | Inferior                                      | Sl. Superior                                     | Superior          |

### ***Comparable Sales Analysis***

The comparable sales have been analyzed and compared with the subject property. They range in unadjusted unit sale price between \$25.53 and \$56.25 psf, with an average of \$33.78 psf and a median of \$28.43 psf. We spoke with brokers for the Comps to verify details. Comp 5 is at a considerably higher price point and is most similar to the subject in construction, size, ceiling heights, office area, overhead doors, building and lot size, including a portion separated by the alley. The Comp is inferior to the subject in that it is not a corner, but is significantly superior in condition. The broker reported that it was well maintained and in nice shape with no significant deferred maintenance, but it was not recently renovated. He said that some people that looked at the building (Comp 5) also looked at the subject and commented on the long list of violations and repairs that would be necessary at the subject (9800 Franklin). The Comp (9836 Franklin) required little to no work. The buyer was an owner user of a terra cotta business.

After consideration of the subject's location, condition, physical and legal characteristics, and the extraordinary assumptions of this appraisal, it is our opinion that the market value is best estimated between the unit price psf of Comps 3 and 4, or at \$30.00 psf or \$148,000, as shown below.

| <b>As Is Market Value</b>                                   |           |
|---|-----------|
| Indicated Value per GBA:                                    | \$30.00   |
| Subject Size:   | 4,925 sf  |
| Indicated Value:  | \$147,750 |
| Rounded:  | \$148,000 |
| <hr/> <b>One Hundred Forty Eight Thousand Dollars</b> <hr/> |           |

## Certification

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- We have previously appraised the subject property for the same client in August of 2019. Otherwise, we have not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- Elizabeth Gulis, MAI has not made a personal inspection of the property that is the subject of this report. Mary Wagner, MAI, has made an exterior inspection of the property, and previously made an interior inspection on August 29, 2019 for a prior appraisal for the same client.
- No one else provided significant real property appraisal assistance to the person(s) signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Mary Wagner, MAI and Elizabeth Gulis, MAI have completed the continuing education program of the Appraisal Institute.



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



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

## **Addenda**

## ***Legal Description***

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.

---

<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.

## ***Appraiser Qualifications***

# **PRAEDIUM VALUATION GROUP**

Appraisals • Consulting • Expert Witness

**Mary Wagner, MAI**

### **EDUCATION**

***University of Wisconsin- Madison, WI- 1991***

Bachelor of Business Administration, Real Estate & Urban Land Economics

### **LICENSES, CERTIFICATIONS & AFFILIATIONS**

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

### **APPRAISAL EXPERIENCE**

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

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

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

Currently serve as a Candidate Adviser for the Appraisal Institute.

### **PROFESSIONAL EXPERIENCE**

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

*Senior Commercial Appraiser & Reviewer*

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

*President & Senior Reviewer*

# PRAEDIUM VALUATION GROUP

Appraisals • Consulting • Expert Witness

## ELIZABETH GULIS, MAI

### EDUCATION

*The University of Michigan—Ann Arbor, MI (1984-1988)*  
Bachelor of Business Administration

#### *Commercial Appraisal Coursework (Appraisal Institute)*

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

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

### LICENSES, CERTIFICATIONS & AFFILIATIONS

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

### APPRAISAL EXPERIENCE

#### Commercial

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

Mixed Use Buildings  
Office Buildings  
Parking Garage Buildings  
Broken Condominiums

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

#### Residential

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

Cooperatives  
Vacant Land  
Relocation

New Construction

### PROFESSIONAL EXPERIENCE

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

##### *Senior Commercial Real Estate Appraiser (2012 –present)*

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

##### *Certified Residential Real Estate Appraiser (2005-2012)*

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

# Engagement Letter

## PRAEDIUM VALUATION GROUP

Appraisals • Consulting • Expert Witness

CHRISTOPHER WALLACE, MAI  
SARA CHAMBERS, SRA  
ELIZABETH CHILDS, MAI  
MARY WAGNER, MAI  
KAREN PROBERT  
DEBORAH BERTH  
TONY PARRELL  
JENNIFER STEIN  
BILL MOUTRIAN  
JOAN HILLMAN  
RICK LAYMAN

ASHLEY TIERER  
JULIANA DOROSZ  
VINCE MATHIAS  
HIGG WARD  
MICHELLE HYNES  
STEVEN FINEAL  
ALUAN DELCOTTO  
KARLEEN FRAWLEY  
DAN BOWLE  
CHLOE FROSTEN  
ZOFIA KUPA

July 12, 2021

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

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

Dear Mr. Walny:

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

### Scope of Work

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

3817 N Lincoln - 2<sup>nd</sup> Floor - Chicago, IL 60613  
(773) 663-8361 - (E) info@prachicago.com

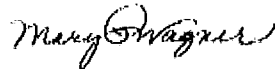
Our fee for the Franklin property would be \$1,700 for a summary report and \$1,300 for a restricted appraisal report. The restricted report will be the result of the same appraisal development process, and the value opinion will be the same regardless of the reporting option. The restricted report is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

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

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

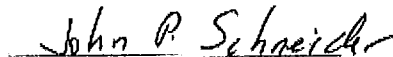
Please let me know if you have any questions.

Respectfully submitted,



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

Print Authorized Name:



Authorized Signature:



Authorization Date:

7-12-21



970 N. Oaklawn Avenue ♦ Suite 100 ♦ Elmhurst, IL 60126  
T. 630-782-9520 ♦ F. 630-782-9531 ♦ [www.darwinrealty.com](http://www.darwinrealty.com)

### EXCLUSIVE RIGHT TO SELL/LEASE AGREEMENT

In consideration of the agreements of Broker contained in this Agreement, the undersigned ("Owner") appoints DARWIN REALTY & DEVELOPMENT CORPORATION ("Broker") as exclusive agent to sell/lease and grants Broker the exclusive right to sell/lease the following described Real Estate and improvements commonly known as: 9800 Franklin Avenue ("Premises") and in consideration of the promises by Owner to pay the Broker's commission as provided, Broker accepts the appointment. This Agreement is subject to the following covenants and conditions:

1. **Term.** This Agreement shall commence on this date and shall terminate on 9/1/2022.
2. **Owner Duties.** Owner agrees to: (a) sell the Premises at a price of \$148,000.00 subject to customary prorations, or to lease the Premises at a (net) (gross) rental of \$ per square foot per annum for a term of   years or any other price, rental or term which Owner may agree to accept; (b) to immediately refer all inquiries relating to the Premises to Broker, and to fully cooperate with Broker in the sale/leasing of the Premises; (c) to furnish satisfactory evidence of good title, its standard lease form and such other documentation as may be necessary to sell the Premises or cause the execution of the lease, and (d) to provide Broker with a conformed or true copy of the sale contract or lease of the Premises immediately upon execution thereof.
3. **Broker Duties.** Broker agrees to: (a) use its best efforts to procure a Purchaser/Tenant for the Premises; (b) to advertise the Premises to be sold/leased at the expense of the Owner in an amount not to exceed \$0; (c) list the premises with members of the Chicago chapter of the Society of Industrial and Office Realtors and the Association of Industrial Real Estate Brokers and to solicit their active cooperation in obtaining a Purchaser/Tenant; (d) place a sign or signs about the Premises. Owner consents to Broker placing a "For Sale" or "For Rent" sign upon the Premises.

Owner understands that the information which Owner provides to Broker will be used to advertise Owner's Premises to the public and it is essential that this information be accurate. Owner understands that Owner may be held responsible by a buyer for any latent or hidden, undisclosed defects in the Premises which are known to Owner but which are not disclosed to the Buyer.

Owner agrees to indemnify and hold Broker and its sales associates and agents harmless from all claims, disputes, litigation, judgments, and costs (including reasonable attorney's fees) arising from Owner's breach of this Agreement, from any incorrect information or misrepresentation supplied by Owner or from any material facts, including latent defects, that are known to Owner and that Owner fails to disclose.

4. **Designated Agents; Exclusive Representation.** Broker designates the following brokers or sales associates as the legal agents of Owner under this Listing Agreement ("Designated Agents"), to the exclusion of all brokers or sales associates employed by or affiliated with Broker, unless and until Broker notifies Owner in writing to the contrary:

Name(s) of Designated Agents

Phone Number

Broker reserves the right to name additional Designated Agents when in Broker's discretion it is necessary. If additional Designated Agents are named, Owner shall be informed in writing within a reasonable time. If other brokers or sales associates employed by or affiliated with Broker are designated as the legal agents of the prospective buyer or tenant of the Property, then each of the designated brokers or sales associates shall be instructed to act exclusively for the party they have been designated to represent and not to share or attempt to obtain information not appropriate to share or obtain with representatives of adverse parties.

5. **Commission to Broker.** Owner agrees to pay Broker, or Broker may retain from the proceeds arising from such sale or lease, a broker's commission as stipulated on the attached Commission Schedule in the event: (a) the Premises is sold/leased, or otherwise disposed of in any way, by or through Broker, or Owner, or any other person during the term of this agreement; (b) The Premises is sold/leased or otherwise disposed of within six (6) months from the termination date of this Agreement to a prospect to whom it was submitted by Broker during the term of this Agreement, and whose name has been submitted in writing to Owner within thirty (30) days after the termination hereof, or to a prospect to whom it was submitted on behalf of Broker whose name has been disclosed to Owner, or to anyone with whom Owner has dealt during the term of this Agreement; (c) if Owner is a corporation, partnership or other business entity and an interest in such corporation, partnership or other business entity is transferred, whether by merger, outright purchase or otherwise, in lieu of a sale of the Premises during the term of this Agreement; (d) Owner contributes or conveys Premises to a partnership, joint venture or other business entity; or (e) Owner is a sublessor, and through the effort or intervention of the agent the building owner relieves the Owner of its obligation for the remaining term, or any part of the remaining term of the lease, based upon that forgiven portion of the remaining term. In the event Owner during the term of this Agreement (i) withdraws the Premises from sale/lease, (ii) revokes this Agreement, or (iii) fails to comply with its agreements hereunder, then Owner shall pay Broker as liquidated damages, and not as a penalty, an amount equal to the higher of the Broker's commission computed on the offered sale price or lease terms set forth above.

6. **Management and Other Brokers.** Broker shall not be responsible for the management, maintenance, repair, upkeep or operation of the Premises during the term of this Agreement and all extensions. Owner agrees to indemnify and save harmless Broker against any and all actions, claims, demands, disputes, litigation, judgments, and costs (including reasonable attorney's fees) relating to alleged or actual injury to persons or damage to property resulting from or occurring on the Premises or any appurtenances or improvements.

Owner acknowledges that potential buyers may elect to employ the services of a licensed real estate broker or sales associate as their own agent ("Buyer's Agent"). Broker is authorized to show the premises to prospective buyers represented by Buyer's Agent and Broker, in its sole discretion, may pay a part of the above commission to Buyer's Agent or other cooperating agents. Broker is authorized in its sole discretion to determine with which brokers it will cooperate, and the amount of compensation that it will offer cooperating brokers in the sale of the Property.

Owner understands and agrees that other sales associates affiliated with Broker, other than Owner's Designated Agent(s), may represent the actual or prospective buyer (or tenant) of Owner's property. Further, Owner understands and agrees that if the Premises is sold (or leased) through the efforts of a sales associate affiliated with Broker who represents the Buyer, the other sales associate affiliated with Broker will be acting as a Buyer's designated agent.

7. Changes Must be Written. The terms and conditions contained in the Commission Schedule on the attached Commission Schedule are expressly incorporated and made a part of this Exclusive Agency Agreement. No amendment or alteration of the terms and conditions of this Agreement shall be valid unless agreed to in writing by Broker and Owner.

8. No Discrimination. The parties acknowledge that pursuant to the General Rules and Regulations for the Administration of the Illinois Real Estate License Act of 2000, it is illegal for an owner or lessee of property, or the real estate broker to refuse to sell, or lease to, any person because of race, color, religion, national origin, sex, ancestry, age, marital status, physical or mental handicap, familial status or any other class protected by Article 3 of the Illinois Human Rights Act.

9. Lease Execution- Recordable Notice. ~~In the event the Premises are leased, the Owner agrees to execute in recordable form and deliver to Broker, a Notice containing legal description of the Premises, and reciting that the Owner has entered into a Lease with (naming the tenant) and that in accordance with this Agreement, the Broker is entitled to receive payment of commission (and is granted a lien therefor) from the then owner of the Premises at the time of the exercise by the lessee or its successors or assigns of any and all options to extend or renew said Lease, or upon the execution of any new Lease or amendment to the Lease, or if the lessee or its successors or assigns exercises an option for additional space or enters into a new lease for additional space or exercises any option to purchase the Premises or purchases the Premises.~~

10. Arbitration of Disputes. ~~Any controversy or claim arising out of or relating to this Agreement or a breach under this Agreement, shall be settled by binding arbitration in Chicago, Illinois, in accordance with the commercial rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. Discovery may be obtained in such proceedings to the same extent as authorized in civil court proceedings in Illinois. The arbitrator(s) shall be limited to awarding compensatory damages and shall have no authority to award punitive, exemplary or similar type damages. The arbitrator(s) shall award the prevailing party its expenses, costs and reasonable attorneys' fees.~~

11. Duty to Disclose and Indemnify. Owner agrees to disclose to Broker and prospective buyers all information which Owner has or may obtain regarding the Premises and all present and future zoning, ordinance and environmental matters affecting the Premises including, but not limited to, structural, mechanical and soil conditions, the presence and location of asbestos, PCB transformers, underground storage tanks and any hazardous or contaminated substances in, on or around the Premises. Broker is authorized to disclose all such information to prospective buyers. Owner agrees to indemnify and save harmless Broker and its officers and agents against any and all actions, claims, damages, liabilities, disputes, litigation, judgments and costs (including reasonable attorney's fees) (a) relating to the condition of the Premises; (b) pertaining to the presence and location of asbestos, PCB transformers, underground storage tanks and any hazardous or contaminated substances in, on or around the Premises; and (c) any damage or injury to person or property resulting from or occurring in, on or about the Premises. Broker is authorized to disclose all such information to prospective buyers.

12. Dual Agency. The undersigned confirms that they consent to Darwin Realty & Development Corporation ("Licensee") acting as a Dual Agent in providing brokerage services on their behalf and specifically consent to Darwin Realty & Development Corporation ("Licensee") acting as a Dual Agent in regard to the transactions referred to in this Listing Agreement

13. Owner's Authority. The Owner represents and warrants that it is either the owner of the Premises, the beneficiary under the land trust that owns the Premises or is the authorized agent of the Owner who has the power and authority to enter into this Contract on behalf of the legal or beneficial owner of the Premises. Upon Broker's written demand, Owner shall deliver to Broker documentation which reasonably substantiates such representation and warranty, including, without limitation, a certified copy of a land trust agreement or a certified copy of a corporate authorizing resolution.

14. Interest in Premises. ☐ If this area is checked or initialed by Broker, a principal or affiliate of Broker has an ownership interest in the Premises or in the entity offering the Premises for sale or lease.

15. Miscellaneous. If more than one Owner or buyer is involved, the pronouns and grammatical structure shall be understood to conform. This agreement shall be governed by the laws of the State of Illinois and shall be binding and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties.

Dated: \_\_\_\_\_

**BROKER:**  
DARWIN REALTY & DEVELOPMENT  
CORPORATION

**OWNER:**

By: \_\_\_\_\_

Name: Richard G. Daly  
Title: President  
Address: 970 N. Oaklawn Avenue, Ste. 100  
Elmhurst, IL 60126  
Phone: 630-782-9520  
Email: rdaly@darwinrealty.com

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_



970 N. Oaklawn Avenue ♦ Suite 100 ♦ Elmhurst, IL 60126  
T. 630-782-9520 ♦ F. 630-782-9531 ♦ [www.darwinrealty.com](http://www.darwinrealty.com)

## Commission Schedule

### SALES COMMISSION

**VACANT LAND:** The commission is 10% of the selling price (or the condemnation award, if taken by eminent domain).

**BUILDING & IMPROVED REAL ESTATE:** The commission is the total of 6% of the first \$500,000 of the selling price (or the condemnation award, if taken by eminent domain) and 5% of the selling price (or condemnation award, if taken by eminent domain) in excess of \$500,000.

### LEASE & SUBLEASE COMMISSION

Unless otherwise set forth herein, in the event of a lease, sublease or assignment of lease the commission set forth below shall be based upon the full rental and/or other consideration and the full amount of any renewal or purchase option.

**On GROSS LEASES** (leases wherein the owner or lessor is responsible for paying all or a major portion of the costs of maintaining and operating the premises).

#### When the term of the lease is:

**6 MONTHS OR LESS:** Commission is 7% of an amount equal to six month's rental computed on the basis of the average monthly rental for the term of the lease.

#### **MORE THAN 6 MONTHS TO AND INCLUDING 1 YEAR;**

Commission is 7% of an amount equal to one year's rental computed on the basis of the average monthly rental for the term of the lease.

#### **MORE THAN 1 YEAR TO AND INCLUDING 5 YEARS;**

Commission is 7% of the average annual rental, plus 3% of the balance of rent reserved in the lease.

**MORE THAN 5 YEARS;** Commission is 3.5% of the total rental reserved in the lease.

**On NET LEASES:** (leases wherein the tenant or lessee is responsible for paying all or a major portion of the costs of maintaining and operating the premises).

#### When the term of the lease is:

**6 MONTHS OR LESS:** Commission is 8% of an amount equal to six month's rental computed on the basis of the average monthly rental for the term of the lease.

#### **MORE THAN 6 MONTHS TO AND INCLUDING 1 YEAR;**

Commission is 8% of an amount equal to one year's rental computed on the basis of the average monthly rental for the term of the lease.

#### **MORE THAN 1 YEAR TO AND INCLUDING 5 YEARS;**

Commission is 3% of the average annual rental, plus 3% of the balance of rent reserved in the lease.

**MORE THAN 5 YEARS;** Commission is 3.5% of the total rental reserved in the lease.

If a tenant is procured through a cooperating broker other than Broker or through a buyer's designated agent other than Owner's Designated Agents, the commission due will be one and one-half times the commission as stipulated above, with the procuring (cooperating) broker or buyer's designated agent receiving a full commission, and Broker receiving one-half of a full commission.

All commissions are earned upon procurement of a ready, willing and able purchaser or lessee (or at the conclusion of eminent domain proceedings) and are payable upon presentation of an invoice by the Broker. Simultaneously with payment of the entire commission, Broker shall deliver to Owner in recordable form a waiver of Broker's lien under the Broker's Lien Act. If the sale transaction is closed through an escrow, Broker may deliver to the escrow agent Broker's invoice and a copy of this Agreement. Owner authorizes the direct payment of Broker through such escrow and Broker will cooperate by delivering Broker's lien waiver with a direction that the waiver will not be recorded or released to Owner until the escrow agent is prepared to disburse the commission to Broker.

### RENEWAL OPTION

If a lease or separate instrument or agreement gives the lessee an option of renewal or extension, a commission is due for the term of the lease, exclusive of the period covered by the renewal or extension option. In the event the lessee exercises the option of renewal or extension, an additional commission will be due based upon the extended or additional period. Additionally, in the event the lessee remains in the premises for an additional period of time under a new lease, or an amendment to the original lease, a commission shall be due for such additional period based upon the rental to be paid for such additional period. The additional commission shall be the difference between the amount of commission due for the entire term of the lease, including the extended or additional period, and the amount of commission previously paid. Any such commissions shall be due and payable upon the exercise of the renewal or extension or upon the execution of the new lease or amendment to the original lease. All of the aforesaid commission shall be payable by Owner whether or not the premises is conveyed or the lease assigned prior to the exercise of any such renewal or extension.

### ADDITIONAL SPACE OPTION

If a lease or a separate instrument or agreement gives the lessee an option to lease additional space and the lessee exercises such option or, if any time during the original term of the lease in question the lessee enters into a new lease for such additional space, whether or not the lease or agreement for such additional space shall be upon the same terms and conditions as set forth in the original lease, then an additional commission is due equal in amount to what the charge would be if a lease for such additional space had been consummated with a new lessee, based on the term and rental provided for in the additional space option or in the new leases. The additional commission shall be due and payable at the time the option is exercised or the new lease is executed. All of the aforesaid commissions shall be payable by Owner whether or not the premises is conveyed or the lease assigned prior to the exercise of any such option or the execution of a new lease.

### ADDITIONAL SPACE

When the original lease, or an option provided for in the original lease that has been exercised, does not grant the lessee the option to acquire space in addition to that demised, but nevertheless the lessee, after consummation of said original lease or after said option has been exercised, leases additional space, then an additional commission is due equal in amount to what the charge would be if a lease for such additional space had been consummated with a new lessee, based upon the term and rental of the lease for such additional space to a new tenant. The additional commission shall be due and payable at the time the new lease is executed. The aforesaid commission shall be payable by Owner whether or not the premises is conveyed or the lease assigned prior to the lease of additional space.

### OPTION TO PURCHASE

When the lease or any renewal or extension thereof, or any separate instrument or agreement, contains a provision giving the lessee an option to purchase the premises and the lessee does purchase the property at any time during the term covered by the original lease, any renewal or extension thereof or any separate instrument, even though on terms and conditions not in accord with those set forth in the aforesaid option, then an additional commission is due based upon the rate indicated in this schedule for making sales of real estate less an amount equal to the unauthorized portion of the previously paid lease commission. Such commission shall be due and payable at the time of said purchase. This provision shall not apply if the commission applicable to the sale is less than the commission paid for negotiating the lease and any renewal or extension thereof. In the event the lessee does purchase the premises during the term of the original lease or any extension thereof or any separate instrument, even though the lessee does not have an option to purchase the premises, the provisions of this paragraph shall apply. The aforesaid option commission shall be payable by Owner whether or not the premises is conveyed or the lease assigned prior to such purchase.