

Richland Co-Op Electric Association

1027 N. Jefferson Street, Richland Center, Wisconsin 53581

\$550,000 (in total)

Land, as-if vacant: \$42,000

Equipment (generator): \$10,000

Improvements: \$498,000

Samuel J. Tesar, Jr. – Wisconsin Certified General Appraiser #466-010

Effective Date of Appraisal: January 28, 2020

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R-1 Zoning Ordinance - City of Richland Center
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INTENDED USE OF APPRAISAL/INTENDED USER(s):

The purpose of the appraisal is to formulate an opinion of Market Value of the property being described herein, as of <u>January 28, 2020</u>, for purposes of assisting Richland County Emergency Services with placing an offer to purchase on said property. The appraisal was requested by Darin Gudgeon, Director, Richland County Emergency Services. The Intended User(s) are that of Director Gudgeon and the Richland County Emergency Services/Richland County Board.

DEFINITION OF MARKET VALUE (Title XI of the FIRREA):

Market Value means 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 own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of 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.

RIGHTS APPRAISED:

The real property rights appraised herein are Fee Simple Estate.

The Fee Simple Estate is defined from <u>The Dictionary of Real Estate</u> <u>Appraisal, Third Edition</u>, of the Appraisal Institute 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."

TYPE OF PROPERTY:

Subject property consists of an existing office complex on the north side in the City of Richland Center, Richland County, Wisconsin.

LOCATION:

Subject property is located north of the downtown section of this community lying south and east of Highway 14 and west of Highway 80. This is primarily a residential area with some municipal-owned properties and some highway commercial.

Richland Center is the county seat for Richland County and has a population of approximately 5,000 residents. It is home to the University of Wisconsin-Platteville Richland campus, which is a freshman-sophomore campus in the UW system. There is a school district as well (Richland School District) which services the area.

Madison, the state capitol, is located approximately 60 miles southeast of the city and is the nearest metro area. Another metro area, La Crosse, is located approximately 65 miles northwest of the city. Both Hwy 14 and 80 in the city handle about 5,500 to 5,800 vehicles per day, according to DOT counts.

OWNER OF RECORD:

Richland Co-op Electric Association is the owner of record, according to Richland County Register of Deeds and City of Richland Center Clerk.

SALES HISTORY OF SUBJECT PROPERTY:

Subject property has not been sold within the past several years, in fact, has been owned by the co-op since the 1950's. The property, along with an adjacent parcel, is being offered to Richland County Emergency for a reported \$600,000, according to Darin Gudgeon. The adjacent parcel will have the single-family residence razed (by the Co-op) and site will be filled and graded, leaving a level site prior to purchase. Appraiser has not viewed any Offer to Purchase as none was provided.

LEGAL DESCRIPTION:

Schoolcraft Addition (City of Richland Center, Richland County, WI), Lots 7 & 8; Block 44

SCOPE OF THE INVESTIGATION:

The scope of the investigation included a physical inspection of the subject property (January 28, 2020 with Mr. Shannon Clark, Executive Director of Richland Electric Co-op) to ascertain location and physical characteristics. Both the interior and exterior of the building, except the roofing, was completed during the time. Further, Appraiser viewed from the exterior the extra parcel (1044 N. Main Street) which consisted of a 44' x 132' adjacent lot with single family residence. Exterior inspections were made of the comparables used in this report. Sales were researched around the area which was expanded into Crawford, Grant, Vernon, Richland, Iowa, Monroe, and La Crosse counties in Wisconsin. Sales were verified through either local assessor, Register of Deeds, Wisconsin Department of Revenue, real estate broker, area appraiser, or buyer/seller. The Direct Sales Comparison Approach was developed as adequate sales existed. The Income Approach was not developed as subject has mixed use (offices and garage space) and finding suitable rental comparables in this small city was not possible. The Cost Approach was not developed as it would have been relied upon much less due to depreciation which tends to distort the final estimate. The Direct Sales Comparison Approach was used to value the site, as if vacant, as well. An appraisal was not conducted on the Personal Property/Business Equipment. The only such equipment included in the sale is that of the diesel generator, therefore, a Contributory Value assigned. The report is presented in a Summary Appraisal format.

ASSESSED VALUATION/TAXES (Real Property):

The co-op complex is tax-exempt, thus no assessment or resulting tax.

The second parcel (1044 N. Main Street) currently has a residence on a substandard lot (44' \times 132') having an Assessed Value of \$43,000 (\$9,000 site + \$34,000 improvements) which translates into \$1,001.33 in real estate taxes for the 2019 tax year.

ZONING:

Subject property is zoned R-1: Single Family Residential District.

Subject's use as an office complex precedes zoning in the community and therefore, is a legal, non-conforming use in the R-1 district. Typically, professional office complex is a permitted use in the "R-O" (Residential-Office) District.

Subject is included in Zone X500, according to FEMA Map #55103C0307D, dated 12/08/2016.

Census Tract: 9703

Note: Both parcels are zoned R-1. The second parcel with the home is to be razed prior to purchase. According to Mr. McCorkle (Zoning Department, City of Richland Center), this soon to be vacant lot could be improved into a parking lot to support the larger parcel.

HIGHEST AND BEST USE:

According to <u>The Dictionary of Real Estate Appraisal</u>, <u>Third Edition</u>, the highest and best use is defined as follows:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

Subject property use as an office complex/garage is a legal, non-conforming use, as outlined by the R-1 District, since it was in place prior to zoning for the community. The improvements can be rebuilt and use continued, if destroyed, on the existing footprint, according to Bill McCorkle with the Richland Center Zoning Department.

Subject property has been an office/garage since construction, was allowed an expansion for further office space approximately 20 years ago, is allowed by the municipality to continue as said use in the event of destruction, and there is a demand for such type of use in the community. The extra parcel was used mostly as a rental and a place to push snow. I believe four tests are met (physically possible, appropriately supported, financially feasible, and that results in the highest value), therefore, the Highest & Best Use, is that of its current use, Office Space/Garage.

LAND DESCRIPTION:

This mostly level site (parcel #276-1644-7000) measures 132' along N. Jefferson Street and 132' along 7th Street. It is improved with typical city amenities including city water/sanitation, natural gas, curb/gutter, etc.

There is a large concrete parking area on the south side of the complex, having approximately 3,258 sq. ft. of concrete pad (generator rests on approximately 150sf of that total). Further, along the north, east, and south is an asphalt driveway which totals approximately 3,682 sq. ft.

Both asphalt and concrete paving is in Average market condition.

The adjacent parcel (parcel #276-1644-3000) which is currently improved with a house, measures 44' x 132' and is mostly level having all municipal amenities. This site is to be level and with improvements razed prior to sale.

BUILDING DESCRIPTION(s):

The original block/brick/stone veneer structure was built around 1955 and contained approximately 3,509 sq. ft. with a glass vestibule having another 60 sq. ft. There are a series of offices, break room, former drive-up window, 10' x 12' vault, restrooms, and conference room. A slab foundation (with frost wall) is under the original structure. Later, a 4-bay garage was enclosed/constructed (1,668sf) having four automatic openers (two doors are 10' and two are 11') & the garage is climate controlled. Around the year 2000, a 3,012 sq. ft. addition was constructed having a partial, span-crete basement (electric-fired overhead heating unit in this room). This addition contains more offices and computer system equipment storage, as well as the board/conference room. The total Gross Building Area is: 9,529 sq. ft. which is divided as follows:

Office Area: 6,521sf Garage Space: 1,668sf Basement: 1,280sf Glass Entry: 60sf

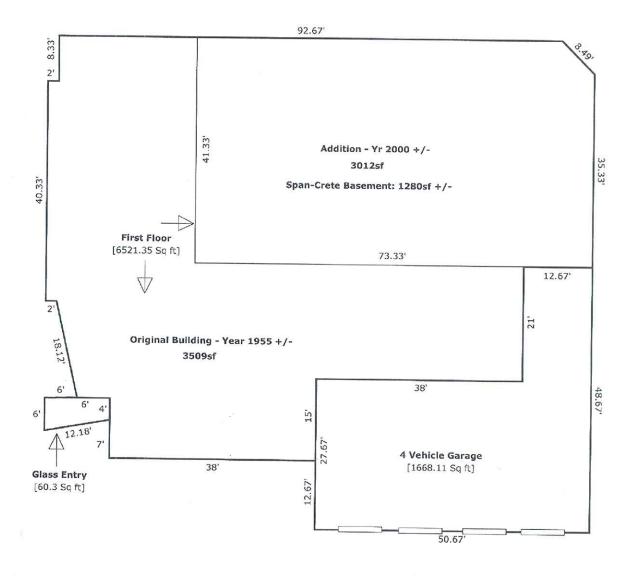
There are two mechanical rooms (above-grade), a separate climate controlled room, vault, 3-1/2 half-bathrooms (two are newly renovated and handicap accessible; one is older and used for storage), a reception area, a customer seating area, a former drive-up window room, six walled offices, two separate open office areas, a break room, and large conference/board room (32' x 21') with sink/counter bar and "Wall-talker" wallpaper writing board.

The mechanicals consist of forced air/central air, natural gas-fired units (all newer, except hanging furnace in garage), a single air-to-air heat pump. Electrical is 400-amp single phase, which is upgradable to 600-amp, per Mr. Clark. The original structure is block (10' height); newer structure has 2x6 steel studs on the exterior with 4-inch brick veneer (steel studs on the interior as well), drop tile ceiling, sheetrock interior walls, slider windows, commercial carpeting/tile flooring, and EPDM roofing (extremely durable synthetic rubber roofing membrane (no aggregate) which is approximately 20 years old with 10 years remaining on the warranty. Finally, the building has all access control doors, fiber optics and coaxial cable, and an 60kw diesel generator.

Mr. Clark informed Appraiser the two bathrooms were updated around 2018, HVAC is newer for the most part, and the majority of asbestos has been removed from the building. Further, there are no environmental issues with the property. Appraiser is making an EXTRAORDINARY ASSUMPTION to the fact of no environmental issues, or if any are discovered, the site is made "environmentally-clean".

Overall market condition and quality of subject property is Good.

A sketch is provided on the following page.



DIRECT SALES COMPARISON APPROACH TO VALUE (Lnd/Bldg)

DIRECT SALES COMPARISON GRID

| FEATURE | SUBJECT PROPERTY | COMPARABLE | SALE NO. 1 | COMPARABLE | SALE NO. 2 | COMPARABLE | SALE NO. 3 | COMPARABLE | SALE NO 4 | COMPARABLE | CALENO |
|----------------------------------|-----------------------|-------------------|-------------------|--------------------|----------------|--------------------|----------------|---------------------|----------------|---------------------|---------------|
| Address 1027 N. Jeffe | rson Street | 2160 E Main Stree | et | 1101 Main Street | | 560 Lester Avenu | | 3143 State Road | SACE 140, 4 | 427 Gillette Stree | |
| Richland Center, WI 53581 Reedsb | | Reedsburg, WI 5 | 3959 | Onalaska, WI 54650 | | Onalaska, WI 54650 | | La Crosse, WI 54601 | | La Crosse, WI 54 | |
| Proximity to Subject | | 24.37 miles NE | | 56.08 miles NW | | | | 51.56 miles NW | | 55.45 miles NW | 003 |
| Building Usage/Name | Richland Electric | Former Plumbing | Contractor | Former Associate | d Bank | Former Office Bu | ilding | Professional Offi | co-Dontal | Professional Office | |
| Sale/Deed Reference | n/a | WD Doc #115085 | 2 | WD Doc #171022 | | WD Doc #174090 | | WD Doc #172866 | | WD Doc #171565 | - |
| Data Source(s) | Int/Ext Insptn | Assessor, SCW#1 | 303183 | Assessor,SCW#1 | 581526 | Assessor,SCW#1 | | Assessor,SCW#1 | | Assessor,SCW#1 | |
| Verification Source(s) | | R.Gavin-Agent,C | ounty, Assr. | | | D.Olson-Agent,C | | J.Young-Agent, C | | C.Fox-Agent,Cou | - |
| Sale Price | \$ | | \$ 300,000 | | \$ 513,000 | - Senige | \$ 915,000 | J. Tourig-Agent, C | \$ 675,000 | C.Fox-Agent,Cou | \$ 485,000 |
| C.E. ADJUSTMENTS | DESCRIPTION | DESCRIPTION | +(-) \$ Adjust | DESCRIPTION | +(-) \$ Adjust | DESCRIPTION | +(-) \$ Adjust | DESCRIPTION | +(-) \$ Adjust | DESCRIPTION | |
| Rights Appraised | Fee Simple | Fee Simple | | Fee Simple | | Fee Simple | | Fee Simple | | | +(-) \$ Adjus |
| Date of Sale/Time | Present | 6/28/2017 | | 5/15/2018 | | 2/13/2020 | - | 7/5/2019 | | Fee Simple | |
| Conditions of Sale | N/A | Cash | | Conventional | | Cash | | Conventional | | 8/7/2018 | 14,600 |
| Sale Concessions | N/A | No Concessions | | No Concessions | | No Concessions | | | | Cash | |
| | | | - | concessions | | Concessions | 0 | No Concessions | | No Concessions | |
| Cash Equivalent Price | \$ | ESTEROIDE AT | \$ 315,000 | 1/03/23/16/21 | \$ 528,400 | 83411 | \$ 915,000 | | A | 101192.07-2-0 | |
| C.E. Price/GBA | \$ | \$ 50.81 | 52,500 | \$ 109.08 | y 320,400 | \$ 117.04 | 3 312,000 | \$ 49.71 | \$ 675,000 | | \$ 499,600 |
| VALUE ADJUSTMENTS | DESCRIPTION | DESCRIPTION | +(-) \$ Adjust | DESCRIPTION | +(-) \$ Adjust | | | T 10112 | | \$ 98.93 | MAN DOLLAR |
| Net Building Area | sq. ft. | sq. ft. | +(-) \$ Aujust | sq. ft. | +(-) \$ Adjust | DESCRIPTION | +(-) \$ Adjust | DESCRIPTION | +(-) \$ Adjust | DESCRIPTION | +(-) \$ Adjus |
| Gross Building Area | 9,529 | 6,200 | 99,900 | 4.844 | 140.000 | sq. ft. | 100-71-7-91 | sq. ft. | | sq. ft. | |
| Net Site Area (in Acres | | 0.76 | (6,800) | 7-1- | (10,100) | 7,818 | 51,300 | 13,580 | (121,500) | 5,050 | 134,400 |
| | AVG/Off Highway | GD/Along Hwy | | GD/Off Highway | | | (7,400) | | | 0.602 | - |
| | | Steel | | Frame/Block/Brk | | GD/Off Highway | | | | GD/Off Highway | (99,900 |
| 2.5 | GD GD | AVG | 63,000 | | | Frame/Brick | - | Frame/Brick/Wd | - | Frame/Brick | - |
| | 65 & 20 yrs | 39 yrs | | 41 yrs | - | GD | | GD | - | GD | |
| Condition | GD | AVG | | GD GD | - | 16 yrs | | 53 yrs | | 24 yrs | |
| Parking | Lg Asphalt | Lg Asphalt | 31,500 | | | VERY GD | (45,800) | | 67,500 | GD | 1.0 |
| Extras | generator | hoist | | Lg Asphalt | • | Lg Asphalt | • | Lg Asphalt | | Lg Asphalt | |
| Extras | vault | none | 10.000 | canopy | - | none | | hydraulic lift | | none | 10,000 |
| Basement of in GBA: | 1280sf bsmt in GBA | - | 10,000 | vault | | none | 10,000 | none | 10,000 | none | 10,000 |
| Dasement Si III GBA. | 1200ST DSTITE ITI GBA | no basement | | 2422sf bsmt. | • | none | | 6790sf bsmt. | | none | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| Net Adjustment (Total, | in \$) | | \$ 134,600 | | \$ 24,800 | | \$ (210,700) | | A (470.055) | A Delegand Indiana | |
| | | | + == 1,000 | | y 24,000 | Van de la constant | \$ (210,700) | | \$ (179,000) | | \$ 54,500 |
| Adjusted Sale Price (To | | | \$ 449,600 | | \$ 553,200 | | \$ 704,300 | | \$ 496,000 | | \$ 554,100 |
| Adjusted Sale Price/Sq | .Ft. of Structure | | \$ 72.52 | | \$ 114.20 | | \$. 90.09 | | \$ 36.52 | Fifther Street | \$ 109.72 |
| Weight Placed on Sale | | | 30% | | 30% | | 20% | | 5% | | y 103.72 |

Mean Adj \$/Sq.Ft.

551,440.00

Weighted Average \$

549,615 Rounded to:

Adjustments/Comments on Direct Sales Comparison Grid:

Appraiser searched locally for similar comparable sales over the past 3 years, however none existed after searching private and broker sales. Therefore, the search area was expanded out to find the above five comparable sales which adequately bracket the subject property. The five sales consist of a former plumbing contractor location having retail and shop space as well as a former bank (has a vault), and professional offices. These were the best available comparable sales from which to select.

Sale #1, #2, and #5 were slightly older thus requiring time adjustment to reflect market changes from the sale date to the Effective Date of this appraisal.

Gross Building Area (total floor area of a building, including below-grade space but excluding unenclosed areas, measured from the exterior of the walls) is adjusted across the grid at \$30 per square foot and rounded to nearest \$100.

Sites are adjusted based on \$30,000 per acre. #4 and #5 sites were fairly similar to that of subject, thus no adjustment taken.

Sale #1 is located in a similar market (Reedsburg), however Sales #2 thru #5 are located in the La Crosse market, which is superior. Therefore, La Crosse market sales (#2 thru #5) have a location adjustment of 20% downward. Sale #1 has a location adjustment, despite being in a similar market, merely for being located along the main highway through the community, whereas subject is not, thus a 20% downward adjustment due to increased visibility.

Sale #3 had lower Effective Age to that of subject, thus adjusted accordingly.

Sale #1 was an inferior quality steel building, thus a 20% upward adjustment taken. The other sales were of similar overall quality to that of subject.

Sale #1 and #4 were in inferior condition to that of subject at time of sale, thus a 10% upward adjustment taken to reflect subject's superior updating. Sales #2 and #5 were in similar overall market condition to that of subject at time of sale. Sale #3 was in slightly superior condition, thus a 5% downward adjustment taken.

All sales had large asphalt covered parking lots being adequate to service the building, similar to subject.

Subject has two additional items having Contributory Value, working vault and diesel generator. The Contributory Value of each is \$10,000. All sales lacked a vault, except for sale #2 (was a bank in prior use), thus adjustment taken. Subject has a generator; Sale #1 had a 8000 lbs vehicle hoist included with the sale which has similar Contributory Value; Sales #3, #4, and #5 lacked any such improvement, thus adjusted.

Subject's Gross Building Area includes approximately 1,280 sq. ft. of space in the lower level. Appraiser selected sales with and without some space in the lower level. No adjustment is made as the space in the lower level of each sale and subject is included already in the Gross Building Area adjustment, previously.

*Note: Sale #3 was a very recent sale which was a pending sale as of the Effective Date of this appraisal and did close prior to signature date on this appraisal.

Conclusion Using the Direct Sales Comparison Approach:

Using all five (5) comparables, the following is observed-Median Adjusted Sales Price = \$553,200 Mean Adjusted Sales Price = \$551,440

Appraiser is using a Weighted Average method which assigns weight to each sale based on overall comparability. Sale #1 and #2 are the most comparable (#1 due to similar market and mixture of office/shop/garage space & #2 due to former bank with basement space included in GLA and presence of a vault), thus 30% weight each given. Next, Sale #3 is weighted at 20% as it is nearest subject property in terms of Gross Building Area. Next, Sale #5 as it is located in a residential area (multi-family area) and of similar condition and Effective Age, thus 15% weight assigned. Finally, Sale #4 is the least comparable as it is the largest property (GBA) being in a superior La Crosse market, thus only 5% weight assigned.

The Weighted Average calculates to an indicated value of \$550,000.

Therefore, I believe subject property has an Estimated Fair Market Value of \$550,000 using the Direct Sales Comparison Approach.

DIRECT SALES COMPARISON APPROACH FOR VACANT LAND

Appraiser searched the local market for vacant land sales from 2016 to the present. The following is a summary of those sales found which are used to form an opinion of value on the site, as-if vacant:

- 710 E. Kinder Street sold for \$10,000 on 11/13/2019 (Warranty Deed Document #323505, EM & J Properties to Jasen/Lori Glasbrenner). This was a 66' x 132' (8,712 sq.ft.) level, corner site on the east side of the city in a mostly residential neighborhood. The site was zoned R-1 and had all city amenities. Sold for \$1.15 per square foot.
- 380 W. 3rd Street sold for \$24,500 on 5/24/2017 (Warranty Deed Document #315887), Westby Coop Credit Union to Darcy Dobbs (REO sale, a/k/a foreclosure, sold at market level thou). This was an approximately 10,193 sq. ft. L-Shaped, Level site with a small (one car size) shed in fair condition. Garage razing cost is minimal. Site was zoned CG (Commercial General) and had all city amenities. Sold for \$2.40 per square foot.
- 101 N. Orange Street sold for \$55,000 on 7/22/2016 (Warranty Deed Document #'s 312812 and 312812 from two different sellers and one

buyer (R& J Simpson and Chester/Karen Sumwalt = Sellers; Hill Country Rentals LLC = Buyer). This was an L-shaped (17,424 sq.ft.), property along the highway just north of the new Kwik Trip property being zoned CG (Commercial General) and being level, a corner site, and all city amenities. Sold for \$3.16 per square foot.

ADJUSTMENT CRITERIA:

Adjustments are made both cumulative and additive. Cumulative adjustments are for economic elements, such as date of sale and conditions or terms of sale, so the sale can be adjusted for current market conditions or cash equivalency or unusual sale terms or financing, or sales concessions **before** additive adjustments, which are the physical elements effecting value, are made.

| Sale #1: | Pre-Adjusted Price: | \$1.15 |
|----------|-------------------------|-----------|
| | Cumulative Adjustments: | \$0.00 |
| | Additive Adjustments: | \$0.00 |
| | After-Adjusted Price: | \$1.15/sf |

| Sale #2: | Pre-Adjusted Price: | \$2.40 |
|----------|------------------------|---------------------------------|
| 9 | Cumulative Adjustment: | \$0.14+ (time adjustment + 6%) |
| 3 | | \$0.76- (commercial zoned -30%) |
| | After-Adjusted Price: | \$1.78/sf |

| Sale #3: | Pre-Adjusted Price: | \$3.16 \$0.22 (time adjustment + 7%) |
|-------------|------------------------|--|
| July 11 3 . | Cumulative Adjustment: | \$0.22 (time adjustment + 7%) |
| | Additive Adjustments: | \$0.34 (superior location - 10%) \$1.01 (commercial zoned -30%) |
| | After-Adjusted Price: | \$2.03/sf |

Average: \$1.65/sf Median: \$1.78/sf

Conclusion,

I believe subject site (23,232sf), as-if vacant, has an Estimated Fair Market Value of: \$42,000 or \$1.80/sf +/-

Allocation of Site between two parcel numbers, as requested by Client:

Parcel #276-1644-7000 (17,424sf) ---- \$30,500 Parcel #276-1644-3000 (5,808sf) ----\$11,500** **as-if vacant and a level graded site

APPRAISAL SUMMARY:

| Land, As-If Vacant | \$ 42,000 |
|---|---------------|
| DIRECT SALES COMPARISON APPROACH TO VALUE | \$550,000 |
| COST APPROACH TO VALUE | Not Developed |
| INCOME APPROACH TO VALUE (reconciled value) | Not Developed |

Therefore,

I estimate the Fair Market Value of subject property, after residence is raised on parcel #276-1644-3000 and site is readied for development (filled, graded, mostly level), as of January 28, 2020 to be:

\$550,000

Allocation:

Land \$ 42,000 (\$30,500 + \$11,500 (small parcel)

Improvements \$498,000 Equipment (generator) \$ 10,000

Hypothetical Condition(s):

Residence is razed on adjacent property (parcel #276-1644-3000) and site is filled, graded, and mostly level.

Extraordinary Assumption(s):

Environmentally-Clean site or site will be made such at time of conveyance.

Marketing Time: 6-12 months Exposure Time: 6-12 months

Samuel J. Tesar, Jr.

Domuel Desar

Wisconsin Certified General Appraiser #466-010

February 24, 2020

Date Report Signed

Appraiser Certification

- · the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report.
- no one provided significant real property appraisal assistance to the person signing this certification.
- Appraiser has not provided a valuation service in the past, ever, on subject property.

Samuel Desar Jr

Samuel J. Tesar, Jr.

Wisconsin Certified General Appraiser #466-010

February 24, 2020

Date Signed

Limiting Conditions

- 1. The appraiser has no present nor contemplated future interest in the property under appraisement. The opinion expressed is in no way influenced by the fee received.
- 2. The legal description furnished the appraiser is assumed to be correct.
- 3. The appraiser believes to be reliable the information which was furnished to him by others, but assumes no responsibility for its accuracy.
- 4. The appraiser is not required to give testimony or to appear in court by reason of this appraisal with reference to the property in question, unless arrangements have been previously made therefor.
- 5. The distribution of the total valuation in this report between land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
- 6. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to the property value, the identity of the Appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the Appraiser is connected), shall be used for any purposes by anyone but the client specified in the report, the mortgagee or its successors and assignors, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency, or instrumentality of the United States or any state or the District of Columbia, without the previous WRITTEN consent of the appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or other media, without the WRITTEN consent and approval of the Appraiser.
- 7. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusions are contingent upon completion of the improvements in a workmanlike manner.
- 8. The Appraiser has not made a radon gas inspection of the structures, and assumes no responsibility of such gas, if present. Appraiser has not conducted a Phase I or Phase II environmental study of site, nor has any knowledge of environmental concerns.

Samuel J. Tesar, Jr.

Samuel Desar

Wisconsin Certified General Appraiser #466-010

February 24, 2020

Date Signed

Addendum

R-1 Zoning Ordinance - City of Richland Center

Location Map - Subject and Comparable Sales

Subject Photos

Comparable Photos

Appraiser Resume

Appraiser Wisconsin Certified General License/Certification

ZONING ORDINANCE FOR THE CITY OF RICHLAND CENTER CHAPTER 402

SPECIFIC REGULATIONS AFFECTING LANDS IN THE "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT

402.01 APPLICABILITY OF CHAPTER 400 TO AN "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT. All of the provisions of Chapter 400 of the Zoning Ordinance of the City of Richland Center apply to lands in an "R-1" District except where the provisions of this Chapter are inconsistent with the provisions of Chapter 400, in which case the provisions of this Chapter shall be deemed controlling.

402.02 PERMITTED USES IN AN "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT. The following uses are permitted uses in an "R-1" District:

- (1) Single family dwellings [Amended by Ord 1997-15]
- (2) Public parks and playgrounds.
- (3) Home occupations as defined and regulated by this Zoning Ordinance.
- (4) Family day care homes.

402.03 PERMITTED ACCESSORY USES IN AN "R-1" DISTRICT. [As Amended by Ord 2015-1] No accessory structure or use of land shall be permitted in an "R-1" District except for one or more of the following:

- (1) Unenclosed parking spaces and carports for passenger cars.
- (2) One private garage not exceeding 768 square feet in area or 15 feet in height.
- (3) One accessory building other than a private garage which does not exceed 120 square feet in area. A shipping container shall not be used as an accessory building in an R-1 zoning district nor shall a shipping container be placed for any other purpose on a lot in an R-1 zoning district. [Amended by Ord 2017-5]
 - (4) Decorative landscape features.
 - (5) On-premises signs as regulated by this Zoning Ordinance and by any other ordinance or

Chapter dealing with the regulation of signs.

- (6) Private swimming pools, tennis courts or similar recreational activity intended for the primary use of the dwelling located on the same site as such recreational use, and not for hire or held open to the public.
- (7) A parking canopy may not be used as an accessory building nor shall a parking canopy be placed for any other purpose on a lot in an R-2 zoning district. [Added by Ord 2017-5]
- (8) A portable garage may not be used as an accessory building nor shall a portable garage be placed for any other purpose on a lot in an R-1 zoning district. [Added by Ord 2017-5]
- 402.04 CONDITIONAL USES IN AN "R-1" DISTRICT. None of the following uses shall be permitted in an "R-1" District except with a Conditional Use Permit:
- (1) Not more than one (1) additional dwelling unit located entirely within an existing residential structure on the lot, in addition to the primary dwelling unit within the structure, provided such additional dwelling unit is equipped with its own complete bath and toilet facilities and with its own kitchen facilities.
- (2) Churches, including those related structures located on the same site which are an integral part of the church proper, and parsonages, rectories, convents or homes for persons performing a religious function on the same site.
 - (3) Public schools, parochial schools, colleges and universities.
 - (4) Public libraries, public museums and art galleries.
- (5) Municipal buildings, excepting the following: sewage disposal plants, garbage incinerators, public warehouses, public garages, public shops and storage yards, and penal or correctional institutions and asylums.
- (6) Buildings used exclusively for governmental purposes whether city, county, state or federal, provided that no vehicle or equipment storage or repair shall be permitted in or abutting any such building, and also excepting the following: sewage disposal plants, garbage incinerators, public warehouses, public garages, public shops and storage yards, and penal or correctional institutions and asylums.
- (7) Professional offices, provided that when permitted in this district, a professional office shall be incidental to a primary residential occupancy of the building; not more than forty per cent (40%) of the floor area of not more than one story of one building on the lot shall be occupied by such office; and only one (1) name plate not exceeding one (1) square foot in area,

stating the name and profession of the occupant of the premises, may be exhibited.

- (8) Attached garages and breezeways (with open or closed sides) located in the rear yard of a property with a rear yard setback of less than 25 feet. The total of the front and rear yard setbacks shall be at least 32 feet with the minimum rear setback being 12 feet. The structure shall meet the side yard setback requirements or be in line with the existing house. If living area accessible from the interior of the house is built above the garage the height of the garage shall not exceed the height of the house. If no living area is built above the garage the maximum height shall be 16 feet. [Amended by Ord 2002-12]
- (9) Any private garage or other accessory building in excess of one of each on a lot. [Added by Ord 2015-1]
 - (10) Private garage exceeding 768 square feet of floor area. [Added by Ord 2015-1]
- (11) Accessory building other than a private garage which exceeds 120 square feet of floor area. [Added by Ord 2015-1]
 - (12) A private garage with a living area above the ground floor. [Added by Ord 2015-1]
- (13) Private garage or other accessory building which exceeds a height of 15 feet above ground level. [Added by Ord 2015-1]
 - (14) Mobile service facilities and mobile service support structures. [Added by Ord 2017-5]

402.05 LOT AREA, FLOOR AREA, BUILDING HEIGHT, LOT WIDTH AND OTHER YARD REQUIREMENTS IN AN "R-1" DISTRICT.

- (1) **BUILDING HEIGHT:** No structure or building shall exceed a height of thirty-five (35) feet, except as provided in paragraph 400.09 (2) of this Zoning Ordinance.
- (2) SIDE YARD: A side yard abutting a street shall not be less than twenty (20) feet in width. There shall be an aggregate of side yards for every building used for human habitation of not less than twenty (20) feet and no single side yard shall be less than eight (8) feet.
- (3) **SET BACK FROM STREET:** The nearest point of any structure to any street right-of-way line shall be set back not less than twenty (20) feet from the right-of-way line of any public street.
- (4) TRAFFIC VISIBILITY TRIANGLE: No fences, structures, trees, bushes, other plantings or other objects other than lawn grass, sidewalks or city utility system components or street signs, traffic signs or other signs installed by the city shall be permitted, placed or maintained within any area of a lot or boulevard abutting intersecting streets within the triangular

area described as follows:

A triangle, the sides of which are determined by measuring to points 33 feet along the curb lines of each of the two intersecting streets from the point of intersection of the lines of the two curbs, and the base of which is a line connecting such two points. The measurement of a curb line shall be made at the top edge of the curb where the back of the concrete curb meets the boulevard. For purposes of such measurement, where the area of the curb intersection is rounded or set back to enable handicapped access to the sidewalks, the curb lines shall be extended to the point where the extended lines intersect. Where there is no curb installed, the measurement shall be made along the edge or edges of the paved street roadway(s) closest to the lot line of the abutting property. [From 400.04 (7)(a)]

In the case of any lot or subdivision abutting a state trunk highway, the setback and traf visibility requirements set forth in the Wisconsin Statutes and/or Wisconsin Administrative Cc shall apply, provided that such requirements require a traffic visibility triangle not smaller than required above.

- (5) **REAR YARD:** There shall be a rear yard having a minimum depth of twenty-five (25) feet.
- (6) LOT AREA PER DWELLING UNIT: Every structure hereafter erected or structural altered for human habitation which contains one dwelling unit shall provide a lot area of not le than 8,000 square feet and no such lot shall be less than sixty (60) feet in width. Any structure erected or structurally altered to contain two dwelling units shall provide a lot area of not less than 4,000 square feet per dwelling unit and no such lot shall be less than sixty (60) feet in wid
- (7) FLOOR AREA PER DWELLING UNIT: Every dwelling unit erected or created by structural alteration for human habitation shall provide minimum living area of eight hundred and fifty (850) square feet.
- (8) DISTANCE OF DETACHED ACCESSORY BUILDINGS FROM LOT LINES: I detached accessory structure shall be located closer than the following distances from the indicated lot lines of the lot or parcel upon which it is erected:
- (a) No portion of the foundation or wall shall be located less than three feet (3') from the rear lot line, and no portion of the building (including any part of the roof, eaves or eaves troug shall be located less than one and one-half (1.5) feet from the rear lot line.
- (b) Where the entire accessory building is located within a rear yard, no portion of the foundation or wall shall be located less than three feet (3') from the side lot line, and no portior of the building (including any part of the roof, eaves or eaves trough) shall be located less than one and one-half (1.5) feet from the side lot line.

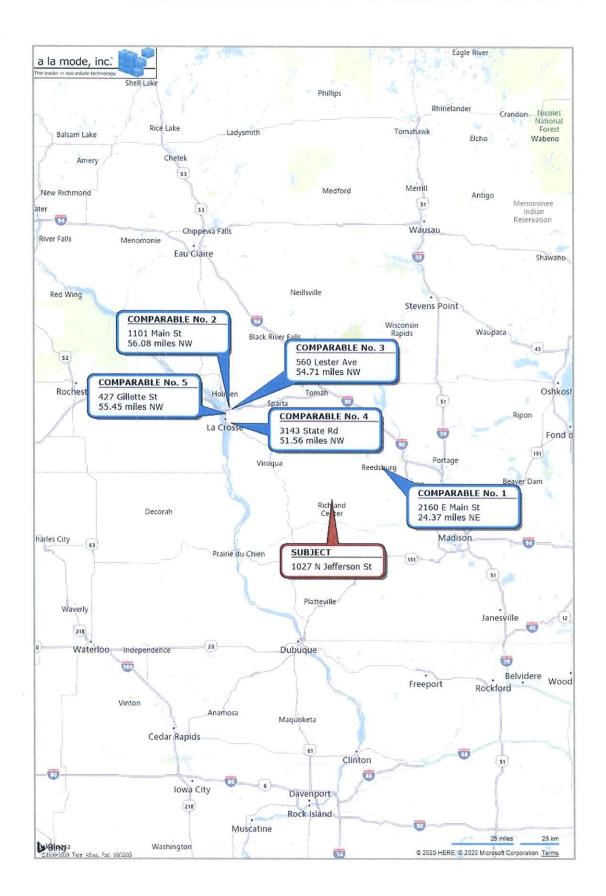
- (c) Where any portion of such accessory building is located in a side yard, no portion of the foundation or wall shall be located less than eight feet (8') from the side lot line, and no portion of the building (including any part of the roof, eaves or eaves trough) shall be located less than six and one-half (6.5) feet from the side lot line.
- (d) Notwithstanding the foregoing, where such side or rear lot line abuts a street, the accessory building shall be subject to the same setback requirements from such street as apply to a primary structure.
- (e) Additional limitations on detached accessory buildings set forth in sec. 400.04 (5) are applicable in this district.

402.06 PERFORMANCE STANDARDS APPLICABLE TO AN R-1 DISTRICT.

- (1) Exterior Storage in Residential Districts. All materials and equipment shall be stored within a building or fully screened so as not to be visible from adjoining properties or from any public street, except for the following:
 - (a) Laundry being dried.
 - (b) Recreational equipment, other than boats, canoes, snowmobiles and trailers.
- (c) Boats, canoes, snowmobiles, trailers and unoccupied recreational-type campers and trailers less than twenty (20) feet in length, if stored in the rear yard and more than five (5) feet from any property line.
- (d) Construction and landscaping materials and equipment currently being used on the premises for improvements to the premises, which may be stored for a period not more than forty-five (45) days, while work is actually in progress.
- (e) Off-street parking of an aggregate of not more than three (3) passenger automobiles and pick-up trucks owned by residents of the premises, all of which shall be in condition to be legally operated upon the highways of the state and shall display current registration.
- (f) Heating wood intended for use on the premises, but not heating wood being held for sale. Any quantity of heating wood in excess of four (4) cords shall be presumed to be held for sale. All heating wood shall be stored in the rear yard and more than five (5) feet from any property line.
- (2) In addition to (1) above, all of the performance standards set forth in sec. 400.07 which are applicable to all zoning districts apply to lands in the R-1 District.

Location Map

| Owner | Richland Co-op Electric Assn. | | | | | | |
|------------------|-------------------------------|--------|----------|-------|----|----------|-------|
| Property Address | 1027 N Jefferson St | | | | | | |
| City | Richland Center | County | Richland | State | WI | Zip Code | 53581 |
| Annraiser | Samuel I Tesar Ir | | | | | | |



| Owner | Richland Co-op Electric Assn. | | | | | | |
|------------------|-------------------------------|--------|----------|-------|----|----------|-------|
| Property Address | 1027 N Jefferson St | | | | | | |
| City | Richland Center | County | Richland | State | WI | Zip Code | 53581 |
| Appraiser | Samuel J. Tesar, Jr. | | | | | | |





Front/Side (West and South)

Side/Rear (South and East)







Another view of Asphalt Driveway

| Owner | Richland Co-op Electric Assn. | | | | | | |
|------------------|-------------------------------|--------|----------|-------|----|----------|-------|
| Property Address | 1027 N Jefferson St | | | | | | |
| City | Richland Center | County | Richland | State | WI | Zip Code | 53581 |
| Appraiser | Samuel J. Tesar, Jr. | | | | | | |





Former Drive-up station

Across front







Street - Looking South on Jefferson

| Owner | Richland Co-op Electric Assn. | | | | | | |
|------------------|-------------------------------|--------|----------|-------|----|----------|-------|
| Property Address | 1027 N Jefferson St | | |),5 | | | |
| City | Richland Center | County | Richland | State | WI | Zip Code | 53581 |
| Appraiser | Samuel J. Tesar, Jr. | | | | | | |





Across Parking Lot - looking East

Street view - looking North on Jefferson

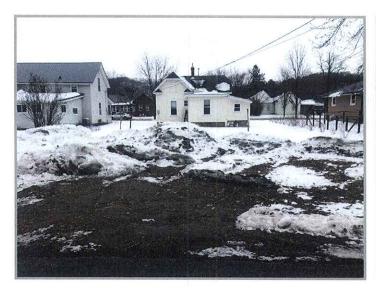


View of Generator



Another driveway view

| Owner | Richland Co-op Electric Assn. | | | | | | |
|------------------|-------------------------------|--------|----------|-------|----|----------|-------|
| Property Address | 1027 N Jefferson St | | | | | | |
| City | Richland Center | County | Richland | State | WI | Zip Code | 53581 |
| Appraiser | Samuel J. Tesar, Jr. | | | | | | |





Residential Parcel - Rear

Residential Parcel - Front







Hallway - New Addition

| Owner | Richland Co-op Electric Assn. | | | | | | |
|------------------|-------------------------------|--------|----------|-------|----|----------|-------|
| Property Address | 1027 N Jefferson St | | | | | | |
| City | Richland Center | County | Richland | State | WI | Zip Code | 53581 |
| Appraiser | Samuel J. Tesar, Jr. | | | | | • | |





Conference/Board Room - New Addition

Garage





Reception Area - original structure

Hallway - Original Structure

| Owner | Richland Co-op Electric Assn. | E E | | | | |
|-----------|-------------------------------|-----------------|--------|-----|----------|-------|
| | 1027 N Jefferson St | | | | | |
| City | Richland Center | County Richland | State | WI | Zip Code | 53591 |
| Appraiser | Samuel J. Tesar, Jr. | | o tato | **1 | Lip oods | 33361 |



Sitting Area - Original Structure



Mechanicals in Garage

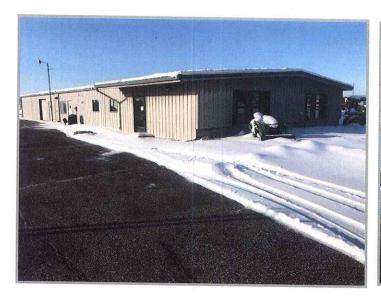


furnace in garage



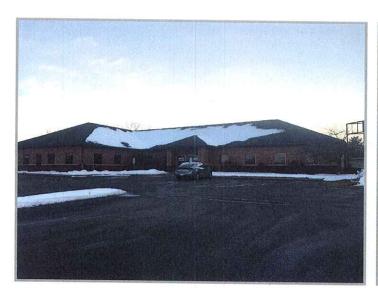
mechanicals in garage

| Owner | Richland Co-op Electric Assn. | | | | | |
|-----------|-------------------------------|---|-------|------|----------|-------|
| | | | | | | |
| City | Richland Center | County Richland | State | WI | Zip Code | 52501 |
| Appraiser | Samuel J. Tesar, Jr. | , | Otato | VV I | Zip Oouc | 33361 |



Comparable Sale #1 2160 E. Main Street - Reedsburg, WI

Comparable Sale #2
1101 Main Street - Onalaska, WI



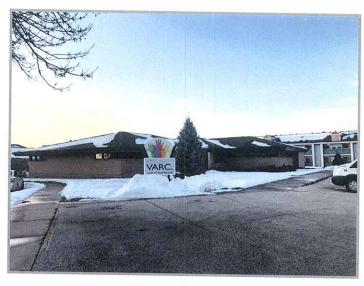
Comparable Sale #3 560 Lester Avenue - Onalaska, WI

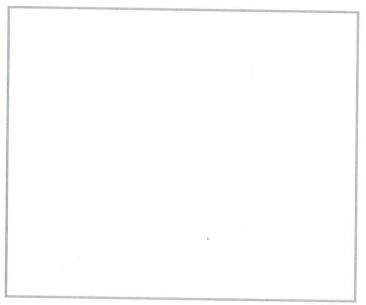


Comparable Sale #4 3143 State Road - La Crosse, WI



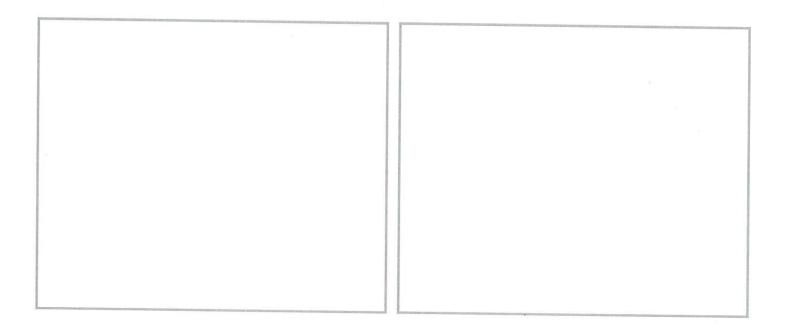
| Owner | Richland Co-op Electric Assn. | | | | | |
|------------------|-------------------------------|-----------------|-------|------|----------|-------|
| Property Address | 1027 N Jefferson St | | | | | |
| City | Richland Center | County Richland | State | WI | Zip Code | 52501 |
| Appraiser | Samuel J. Tesar, Jr. | , mumu | Otato | VV I | Lip Oode | 33381 |





Comparable Sale #5

427 Gillette Street - La Crosse, WI



SAMUEL J. TESAR, JR.

sam@theappraisalcompany.biz 608-412-0426 (cell) / 608-874-4433 (office) P.O. Box 125, Eastman, Wisconsin 54626

RESUME

EDUCATION/ORGANIZATIONS

Bachelor of Business Administration Degree in Accounting granted by the University of Wisconsin-Whitewater (May, 1991)

Wisconsin Certified General Appraiser #466-10 (August 30, 1993)

Iowa Certified General Appraiser #CG02076 (February 15, 1999)

Wisconsin Real Estate Broker's License #44538

Town of Eastman Board Chairman (April 2011 til present)

Town of Eastman Clerk (April 2005 thru April 2011)

WORK EXPERIENCE

The Appraisal Company, P.O. Box 125, Eastman, WI (Jan, 1993 – Present)

- Owner/Operator (in Janesville, WI from 1993 to 1998)
 (in Eastman, WI from 1998 to Present)
- Appraising of residential, vacant land, residential subdivision tracts, and commercial properties which entails site inspection, data collection, and paired sales market analysis. Types of commercial property are as follows: theaters, bowling alley, motel/hotel, bar/restaurant, strip mall, retail storefront, warehouse, municipal structures, large tracts of land for development, and agricultural/recreational lands.
- Major Clients over the years
 Peoples State Bank, Old National Bank, Associated Bank, Wells Fargo Bank, Kerndt Brothers Savings Bank, US Department of Veterans Administration, Wisconsin Department of Veterans Affairs, U.S. Department of HUD, USDA/Rural Housing, Merchant's Bank, Village of Ferryville, Village of Gays Mills, City of Prairie du Chien, Village of Chaseburg.

Ahrens Realty, Inc., Prairie du Chien, Wisconsin (Jan., 1986 - Jan., 1993)

- Participated in residential, commercial, and agricultural property sales.
- Assisted a Certified General Appraiser in appraising real property.

NO. 466 - 10

Department of Safety and Professional Services The State of Wisconsin

SAMUEL | TESAR JR Hereby certifies that

was granted a certificate to practice as a

CERTIFIED GENERAL APPRAISER ELIGIBLE TO APPRAISE FEDERALLY RELATED TRANSACTIONS IS AQB COMPLIANT

in the State of Wisconsin in accordance with Wisconsin Law

on the 30th day of August in the year 1993.

The authority granted herein must be renewed each biennium by the granting authority. Department of Safety and Professional Services has caused this certificate to be issued under In witness thereof, the State of Wisconsin its official seal.



This certificate was printed on the 6th day of December in the year 2019