SUMMARY
APPRAISAL REPORT

The Milwaukee County Transit Property
909 E. Michigan Street
Milwaukee, Wisconsin

Appraisal Date:
December 19, 2011

THE NICHOLSON GROUP LLC

THE NICHOLSON GROUP LLC

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January 17, 2012

Gerald A. Baker
Milwaukee County
Department of Transportation & Public Works
2711 W. Wells Street, 3rd Floor
Milwaukee, Wisconsin 53208-3531

Subject: The Milwaukee County Transit Property Appraisal
909 E. Michigan Street, Milwaukee, Wisconsin

We have made a complete appraisal of the real property rights associated with the fee simple estate in the property identified above and submit our findings in the following summary appraisal report. The subject property consists of a 2.207 acre parcel improved with the Milwaukee County Transit Downtown Complex located at 909 E. Michigan Street in Milwaukee. The facility comprises a two-story bus waiting station and bus marshalling structure. The improvements were constructed in 1992 as a special purpose facility and contain a gross building area of 111,460 square feet. The highest and best use of the property is for demolition of the existing improvements creating a vacant parcel available for future commercial development. As such, this appraisal consists of a land valuation analysis that considers the estimated cost of demolishing the improvements.

This appraisal has been made under certain extraordinary assumptions including: 1) that the current zoning can be changed to accommodate the property's development to its highest and best use; 2) that the demolition costs are as estimated at $700,000 and that no public subsidies are available to pay these costs; and, 3) the existing agreement with Grandview Management, Inc. to provide catering services in the Harbor Lights Room can be terminated with no impact on value.

Based on the valuation analyses as presented in this report, it is my opinion that the market value of the fee simple estate in the subject property as of December 19, 2011 is:

Eight Million Nine Hundred Thousand Dollars
$8,900,000

The opinions expressed in this report can only be completely understood by reading the following report, exhibits, other data, assumptions and limiting conditions, and general service conditions.

Respectfully submitted,
THE NICHOLSON GROUP LLC

Lawrence R. Nicholson, MAI
Wisconsin Certified General Appraiser (#116)

Attachment
11-156

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Scope of Work

Property Appraised	Milwaukee County Transit Property 909 E. Michigan Street, Milwaukee, Wisconsin
Appraisal Date	December 19, 2011
Inspection Date	December 19, 2011
Appraisal Purpose & Rights Appraised	Market value of the fee simple estate
Intended User	The intended user of my value opinion and this report is Milwaukee County ("client"). Use of this report by others or for any other use is not intended by the appraiser. A party receiving a report copy from the client does not, as a consequence, become a party to the appraiser-client relationship. No third parties are authorized to rely upon this report without the express written permission of The Nicholson Group LLC.
Intended Use	The intended use of my value opinion and this report is for planning purposes involving the possible sale of the property.
Assets Included	Land, site improvements and building improvements.
Scope of the Investigations	In developing this real property appraisal, a complete appraisal process was conducted that considered the use of the three traditional approaches to value: the Cost, Sales Comparison and Income Capitalization Approaches. As the highest and best use of the property is for demolition of the existing improvements creating a vacant parcel available for future commercial development, this appraisal consists of a land valuation analysis considering the estimated cost of demolishing the improvements. The Sales Comparison Approach was utilized. Lawrence R, Nicholson, MAI collected, researched, verified and analyzed the information deemed necessary to develop credible assignment results, that is, being worthy of belief. Furthermore, the appraiser: inspected the interior and exterior of the appraised property; reviewed subject property information provided by the property owner; researched public records pertaining to the subject property; investigated market and neighborhood trends affecting the highest and best use; gathered information pertaining to comparable sales; analyzed the data; and, applied the appropriate valuation approaches to arrive at a reasonable and independent opinion of market value.

Sources used in obtaining comparable data included: The Nicholson Group's proprietary database of sale transactions; public records; real estate sales data published by CoStar Group, MLS, Redi-net and tax assessor offices; other appraisers; and, real estate brokers. The comparable sales were inspected and the terms of the transactions were verified through public records and/or by interviewing a party to the transaction. Data may have been used without verification by a party to the transaction if attempts to contact these individuals were unsuccessful and/or if the data was obtained from a reliable source and appeared to be correct.

The value opinion presented in this report is based upon review and analysis of the market conditions affecting real property value. The value opinion has been supported by relevant evidence and logic to the degree necessary for the intended use.

Information, estimates and opinions furnished to the appraiser and contained in this report and/or in the appraisal workfile were obtained from sources considered reliable and believed to be true and correct. However, we can assume no responsibility for the accuracy of such items furnished to the appraiser.

While reasonable care has been taken to ensure that the facts stated herein are accurate and that any expressed or implied opinions are fair and reasonable, the opinions, estimates and projections in this appraisal constitute judgments as of the date of this appraisal and there can be no assurance that future results or events will be consistent with any such opinions, estimates or projections.

This is a Summary Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice ("USPAP") for a Summary Appraisal Report. As such, it presents only summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop my opinion of value. Supporting documentation that is not provided within the report concerning the data, reasoning and analyses is retained in the appraisal workfile. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

Extraordinary Assumptions

The Uniform Standards of Professional Appraisal Practice ("USPAP") defines an Extraordinary Assumption as: "an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions." The following comment is offered directly after this definition: "Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis."

This appraisal is conditioned upon certain Extraordinary Assumptions including:

- The property is currently zoned Parks District (PK). This appraisal has been made under the extraordinary assumption that the current zoning can be changed to accommodate the property's development to its highest and best use. If at a later date information is provided that proves this assumption to be incorrect, the value of the subject property will change and I reserve the right to revisit the appraisal analysis and amend my value opinion.

- The highest and best use of the property is for demolition of the existing improvements creating a vacant parcel available for future commercial development. The demolition costs have been estimated by the appraiser at $700,000 utilizing information provided in Marshall Valuation Service, an appraisal industry standard for construction cost estimates. This appraisal has been made under the extraordinary assumption that the demolition costs are as estimated and furthermore, that no public subsidies are available to pay these costs. If at a later date information is provided that proves this assumption to be incorrect, the value of the subject property will change and I reserve the right to revisit the appraisal analysis and amend my value opinion.

- The subject property is encumbered by an agreement with Grandview Management, Inc. to provide catering services in the Harbor Lights Room. This appraisal has been made under the extraordinary assumption that this agreement can be terminated with no impact on value. If at a later date information is provided that proves this assumption to be incorrect, the value of the subject property will change and I reserve the right to amend my value opinion.

Standards Conformance

This appraisal has been prepared to conform with: the Uniform Standards of Professional Appraisal Practice ("USPAP"); and, the Standards of Professional Appraisal Practice and Code of Professional Ethics of the Appraisal Institute.

Competency Statement

According to the Competency Rule as set forth by USPAP, competency applies to factors such as, but not limited to, specific types of property, a specific type of property or asset, a market, a geographic area, an intended use, specific laws and regulations, or an analytical method. The appraiser is familiar with the subject property type and market area. Furthermore, the appraiser has the education, experience and competency to appropriately utilize the analytical methods employed in this report. The appraiser certifies that he had the ability to properly identify the problem to be addressed, the knowledge and experience to complete the assignment competently and recognition of and compliance with laws and regulations that apply to the appraiser or to the assignment.

Reasonable Exposure Time

Exposure time is defined as "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." [Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute), 2010]

A reasonable exposure time is the amount of time necessary to expose a property to the open market in order to achieve a sale. The estimate of a reasonable exposure time is not intended to be a prediction of a date of sale. Furthermore, exposure time is always presumed to occur prior to the effective date of the appraisal. Implicit in this definition are the following characteristics:

- the property is actively exposed and aggressively marketed to potential purchasers through marketing channels commonly used by sellers of similar type property;
- the property is offered at a price reflecting the most probable markup over market value used by sellers of similar type property; and,
- sale is consummated under the terms and conditions of the definition of Market Value.

It is my opinion that the reasonable exposure time, or the length of time necessary for the subject property to be exposed to the market prior to an arm's length sale occurring at the market value as concluded herein, is 1- to 2-years.

Definitions

Market Value is defined as: The most probable price that 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 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.

[Source 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994]

Fee Simple Estate is defined 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." [Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute), 2010]

Highest and Best Use is defined as: "The reasonably probable and legal use of vacant land or an improved property that 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 productivity." [Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 5th ed. (Chicago: Appraisal Institute), 2010]

City of Milwaukee Overview

The subject property is located on the east side of downtown Milwaukee which is in east-central Milwaukee County. The City of Milwaukee is the largest city in Wisconsin and the major economic center in the State. The City of Milwaukee has experienced population loss over the past several decades which is attributable to the outward migration of residents into the more suburban counties, namely Ozaukee, Waukesha, and Washington Counties. The City of Milwaukee comprises the majority of Milwaukee County and therefore many of the demographic and employment statistics for Milwaukee County are applicable to the city of Milwaukee as well. The historical population levels for the city of Milwaukee and Milwaukee County are summarized below.

Summary of Population Levels & Growth

	1980	1990	2000	2010	Projected 2015	Projected 2020
City of Milwaukee	636,295	628,088	596,974	594,833	578,030	571,564
% Annual Change	-	*-0.1%*	*-0.5%*	*-0.04%*	*-0.6%*	*-0.2%*
Milwaukee County	964,988	959,275	940,164	929,208	928,077	923,910
% Annual Change	-	*-0.1%*	*-0.2%*	*-0.1%*	*-0.02%*	*-0.1%*

Source: WI Dept of Administration

Through the next 5- to 10-years, population in both the city and county are projected to continue modest annual levels of decline despite the resurgence of new downtown housing projects and a trend toward urbanization, i.e. empty nesters and young professionals living downtown to be closer to the areas cultural and entertainment districts.

Milwaukee County is the cultural and economic heart of the region with almost as many residents, jobs and businesses as all of the other counties combined. The City of Milwaukee, the 22nd largest city in the nation, is home to eight Fortune 1000 companies including Harley-Davidson, Joy Global, Manpower, Northwestern Mutual, Rockwell Automation, Roundy's, A.O. Smith and We Energies. Two more Fortune 1000 companies are based in the surrounding suburbs – Briggs & Stratton and Johnson Controls.

Detailed demographic data within a 1, 3, and 5-mile radius of the subject property is presented below and on the following two pages.

Executive Summary

Prepared by Lawrence Nicholson

909 E. Michigan Street
909 E Michigan St, Milwaukee, WI, 53202
Ring: 1, 3, 5 Miles

Latitude: 43.037649
Longitude: -87.899979

	1 mile radius	3 miles radius	5 miles radius
2010 Population			
Total Population	15,649	181,925	409,335
Male Population	54.3%	50.8%	49.0%
Female Population	45.7%	49.2%	51.0%
Median Age	35.6	28.5	30.4
2010 Income			
Median HH Income	$43,886	$33,186	$40,456
Per Capita Income	$43,126	$18,445	$20,293
Average HH Income	$63,496	$44,864	$50,714
2010 Households			
Total Households	10,338	72,009	159,959
Average Household Size	1.36	2.38	2.47
2010 Housing			
Owner Occupied Housing Units	12.3%	21.1%	35.1%
Renter Occupied Housing Units	76.7%	64.7%	53.2%
Vacant Housing Units	10.9%	14.1%	11.7%
Population			
1990 Population	12,040	194,583	437,617
2000 Population	13,376	178,451	406,931
2010 Population	15,649	181,925	409,335
2015 Population	16,387	183,426	410,953
1990-2000 Annual Rate	1.06%	-0.86%	-0.72%
2000-2010 Annual Rate	1.54%	0.19%	0.06%
2010-2015 Annual Rate	0.93%	0.16%	0.08%

In the identified market area, the current year population is 409,335. In 2000, the Census count in the market area was 406,931. The rate of change since 2000 was 0.06 percent annually. The five-year projection for the population in the market area is 410,953, representing a change of 0.08 percent annually from 2010 to 2015. Currently, the population is 49.0 percent male and 51.0 percent female.

Households			
1990 Households	7,324	74,150	165,693
2000 Households	8,716	69,913	157,945
2010 Households	10,338	72,009	159,959
2015 Households	10,877	72,974	161,064
1990-2000 Annual Rate	1.76%	-0.59%	-0.48%
2000-2010 Annual Rate	1.68%	0.29%	0.12%
2010-2015 Annual Rate	1.02%	0.27%	0.14%

The household count in this market area has changed from 157,945 in 2000 to 159,959 in the current year, a change of 0.12 percent annually. The five-year projection of households is 161,064, a change of 0.14 percent annually from the current year total. Average household size is currently 2.47, compared to 2.49 in the year 2000. The number of families in the current year is 85,514 in the market area.

Housing

Currently, 35.1 percent of the 181,057 housing units in the market area are owner occupied; 53.2 percent, renter occupied; and 11.7 percent are vacant. In 2000, there were 171,384 housing units - 36.6 percent owner occupied, 55.6 percent renter occupied and 7.8 percent vacant. The rate of change in housing units since 2000 is 0.54 percent. Median home value in the market area is $99,512, compared to a median home value of $157,913 for the U.S. In five years, median home value is projected to change by 2.84 percent annually to $114,496. From 2000 to the current year, median home value changed by 2.1 percent annually.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015. Esri converted 1990 Census data into 2000 geography

Executive Summary

Prepared by Lawrence Nicholson

909 E. Michigan Street
909 E Michigan St, Milwaukee, WI, 53202
Ring: 1, 3, 5 Miles

Latitude: 43.037649
Longitude: -87.899979

	1 mile radius	3 miles radius	5 miles radius
Median Household Income			
1990 Median HH Income	$21,168	$15,943	$21,131
2000 Median HH Income	$33,453	$24,656	$30,675
2010 Median HH Income	$43,886	$33,186	$40,456
2015 Median HH Income	$56,431	$40,753	$48,513
1990-2000 Annual Rate	4.68%	4.46%	3.8%
2000-2010 Annual Rate	2.68%	2.94%	2.74%
2010-2015 Annual Rate	5.16%	4.19%	3.7%
Per Capita Income			
1990 Per Capita Income	$20,715	$9,010	$10,699
2000 Per Capita Income	$34,735	$14,459	$16,374
2010 Per Capita Income	$43,126	$18,445	$20,293
2015 Per Capita Income	$52,354	$22,103	$23,853
1990-2000 Annual Rate	5.3%	4.84%	4.35%
2000-2010 Annual Rate	2.13%	2.4%	2.12%
2010-2015 Annual Rate	3.95%	3.68%	3.29%
Average Household Income			
1990 Average Household Income	$33,102	$22,784	$27,618
2000 Average Household Income	$51,981	$35,894	$41,249
2010 Average HH Income	$63,496	$44,864	$50,714
2015 Average HH Income	$77,008	$53,596	$59,485
1990-2000 Annual Rate	4.62%	4.65%	4.09%
2000-2010 Annual Rate	1.97%	2.2%	2.04%
2010-2015 Annual Rate	3.93%	3.62%	3.24%

Households by Income

Current median household income is $40,456 in the market area, compared to $54,442 for all U.S. households. Median household income is projected to be $48,513 in five years. In 2000, median household income was $30,675, compared to $21,131 in 1990.

Current average household income is $50,714 in this market area, compared to $70,173 for all U.S. households. Average household income is projected to be $59,485 in five years. In 2000, average household income was $41,249, compared to $27,618 in 1990.

Current per capita income is $20,293 in the market area, compared to the U.S. per capita income of $26,739. The per capita income is projected to be $23,853 in five years. In 2000, the per capita income was $16,374, compared to $10,699 in 1990.

Population by Employment			
Total Businesses	3,289	8,571	15,093
Total Employees	81,312	161,654	243,024

Currently, 83.4 percent of the civilian labor force in the identified market area is employed and 16.6 percent are unemployed. In comparison, 89.2 percent of the U.S. civilian labor force is employed, and 10.8 percent are unemployed. In five years the rate of employment in the market area will be 86.0 percent of the civilian labor force, and unemployment will be 14.0 percent. The percentage of the U.S. civilian labor force that will be employed in five years is 91.2 percent, and 8.8 percent will be unemployed. In 2000, 63.7 percent of the population aged 16 years or older in the market area participated in the labor force, and 0.0 percent were in the Armed Forces.

In the current year, the occupational distribution of the employed population is:

- 57.9 percent in white collar jobs (compared to 61.6 percent of U.S. employment)
- 21.2 percent in service jobs (compared to 17.3 percent of U.S. employment)
- 20.9 percent in blue collar jobs (compared to 21.1 percent of U.S. employment)

In 2000, 64.5 percent of the market area population drove alone to work, and 2.2 percent worked at home. The average travel time to work in 2000 was 22.1 minutes in the market area, compared to the U.S. average of 25.5 minutes.

Population by Education

In 2010, the educational attainment of the population aged 25 years or older in the market area was distributed as follows:

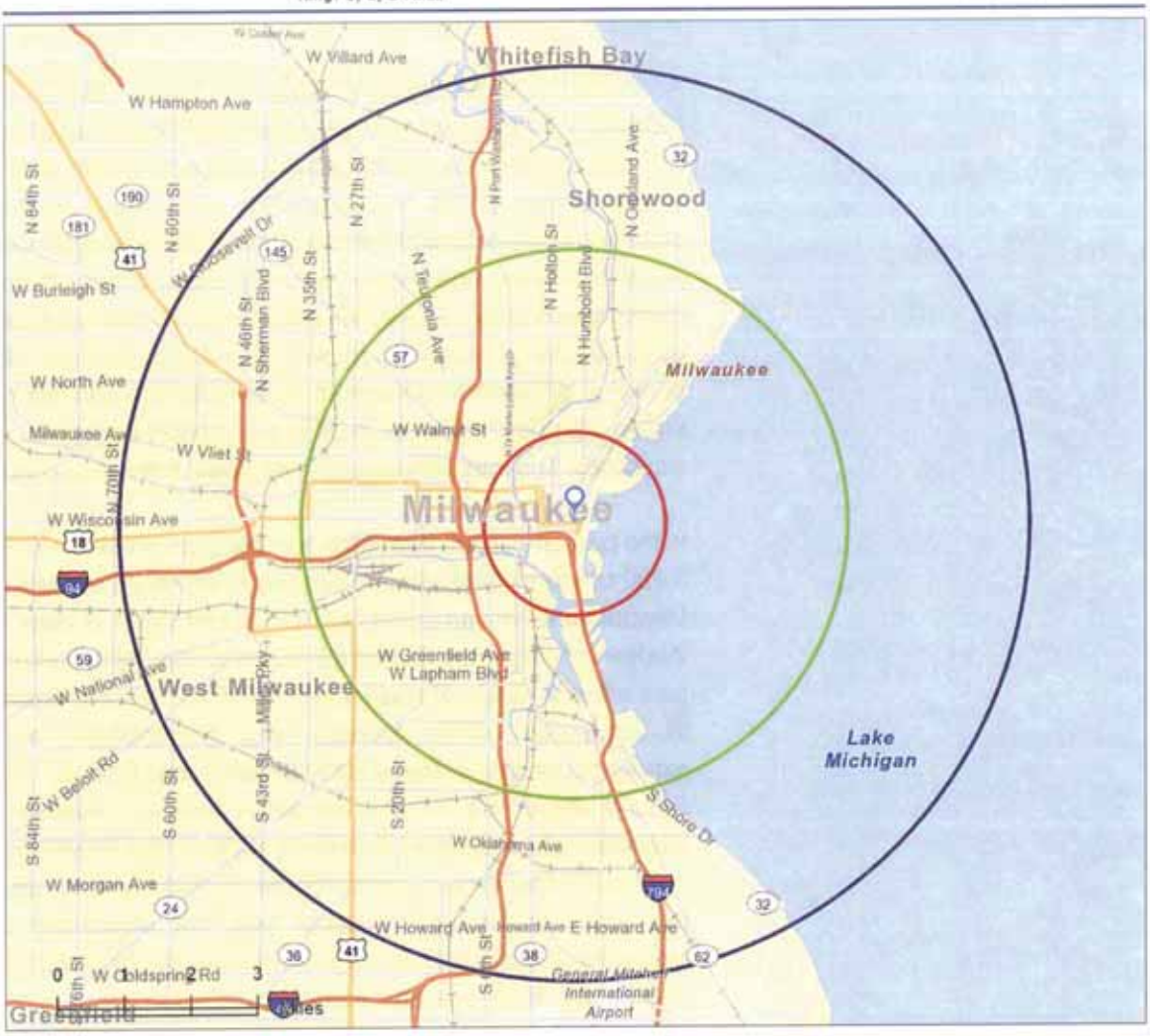
- 21.3 percent had not earned a high school diploma (14.6 percent in the U.S.)
- 28.7 percent were high school graduates only (29.6 percent in the U.S.)
- 5.9 percent had completed an Associate degree (7.7 percent in the U.S.)
- 15.8 percent had a Bachelor's degree (17.7 percent in the U.S.)
- 9.6 percent had earned a Master's/Professional/Doctorate Degree (10.4 percent in the U.S.)

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing. Esri forecasts for 2010 and 2015. Esri converted 1990 Census data into 2000 geography.

Site Map

909 E. Michigan Street
909 E Michigan St, Milwaukee, WI, 53202
Ring: 1, 3, 5 Miles

Prepared by Lawrence Nicholson



The City has a stable and diverse employment base and has many large employers, with no substantial reliance on any one employer or industry. Milwaukee's economy was negatively affected by the economic recession beginning in mid-2008; however, the economy appears to be heading towards recovery but the duration of the recovery is uncertain.

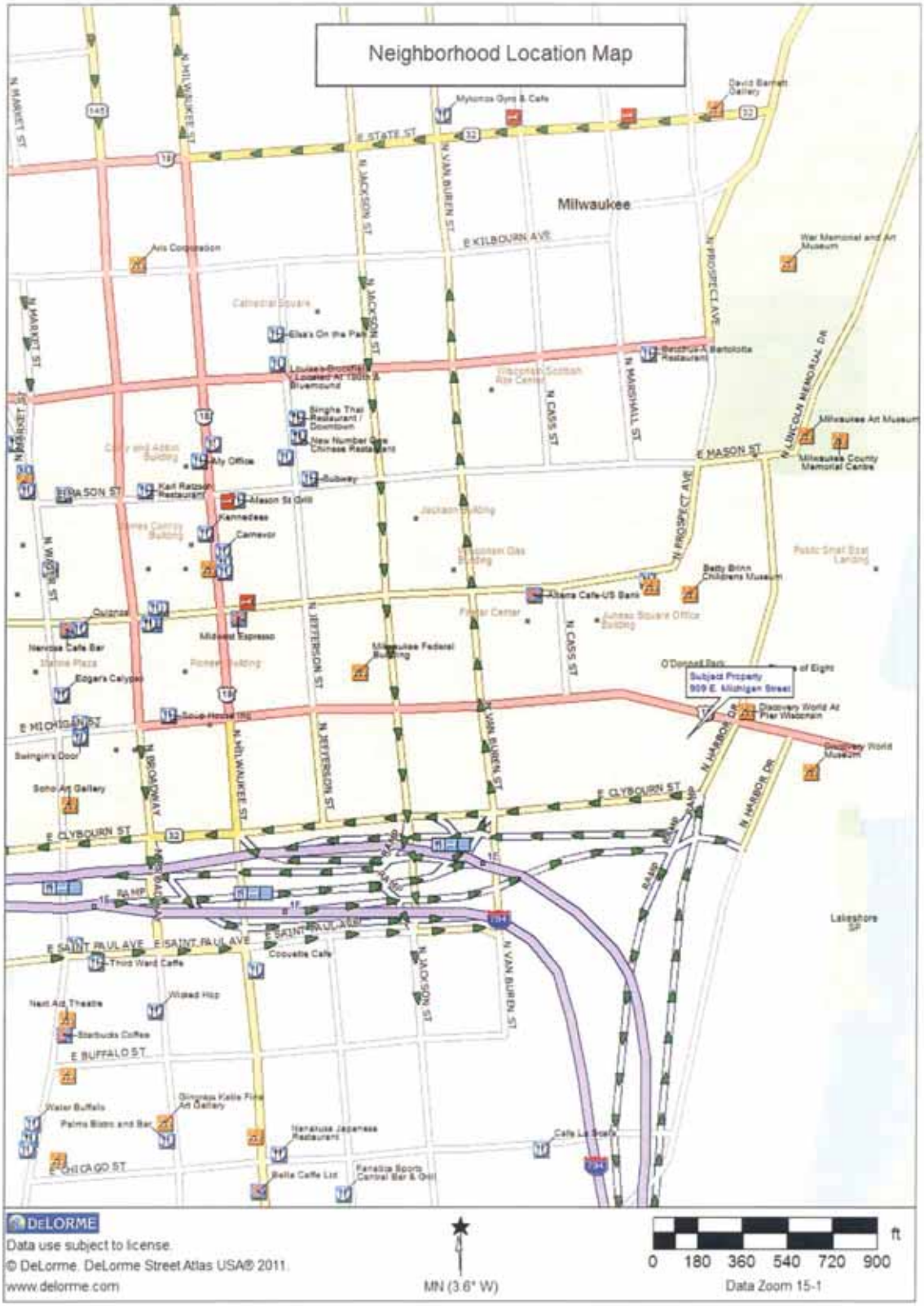
According to the Metropolitan Milwaukee Association of Commerce ("MMAC"), a large portion of the local labor force is employed in the manufacturing sector. Service businesses, however, constitute the largest sector of the local economy, with much of the growth occurring in financial and insurance services, including e-commerce and data processing services. Tourism is also a major contributor to the local economy. The area's many festivals and parades, as well as its nationally recognized museums and zoo, generate $2.5 billion annually. Milwaukee is home to many nationally and internationally known service companies in all major market segments, including insurance, financial services, utilities, retail and food services.

In the past ±10 years, downtown has been developed with more than 3,000 condominiums offering panoramic views of Lake Michigan, the Milwaukee River and the city's historic Third Ward, Brewer's Hill and Walker's Point areas. During the summer, the city's lakefront festival park offers a variety of musical entertainment venues, which is home to numerous ethnic festivals and Summerfest, an 11-day extravaganza that is the world's largest music festival. Downtown cultural attractions include the Milwaukee Art Museum and its internationally acclaimed Calatrava addition, the downtown theater district and the Marcus Center for the Performing Arts. Sports fans can enjoy professional baseball with the Milwaukee Brewers, professional basketball with the Milwaukee Bucks and professional hockey with the Milwaukee Admirals.

The city is home to major institutions of higher education: Marquette University, with an enrollment of 11,000 undergraduate and graduate students; and, the University of Wisconsin–Milwaukee, the second largest campus in the UW system with more than 27,000 students. Universities and colleges within the city include: Alverno College, Cardinal Stritch University, Keller Graduate School, Marquette University, Medical College of Wisconsin, Milwaukee Area Technical College, Milwaukee Institute of Art & Design, Milwaukee School of Engineering, Mount Mary College, Stratton College, University of Wisconsin – Milwaukee, and Wisconsin Lutheran College.

Neighborhood Overview

Land uses within a neighborhood are affected by similar operation of the four forces (social, economic, governmental, and environmental) that affect property value. The subject neighborhood can be generally described as being Milwaukee's central business district and lake front area. A Neighborhood Map is presented on the following page and an aerial photograph of the neighborhood is below. The neighborhood is in the stable stage of its life cycle.


Neighborhood Location Map
Milwaukee
E STATE ST
E KILBOURN AVE
E MASON ST
E MICHIGAN ST
E CLYBOURN ST
E SAINT PAUL AVE
E BUFFALO ST
E CHICAGO ST
N MILWAUKEE ST
N JACKSON ST
N VAN BUREN ST
N PROSPECT AVE
N MARSHALL ST
N CASS ST
N JEFFERSON ST
N BROADWAY
N HARBOR DR
N LINCOLN MEMORIAL DR
N MARKET ST
Subject Property
909 E. Michigan Street
Lakeshore SP
DeLORME
Data use subject to license.
© DeLorme. DeLorme Street Atlas USA® 2011.
www.delorme.com
MN (3.6° W)
0 180 360 540 720 900 ft
Data Zoom 15-1

Summary of Property Appraised

Parcel	Photographs of the subject property and other property-related information are provided in Exhibit A. Reduced copies of parcel plats are provided in Exhibit A.
Size	2.207 acres (96,130 square feet) The parcel size was taken from information provided by the property owner and was considered reliable. Nonetheless, should any further detailed measurements of the parcel indicate a significant difference in the size, the value of the subject property as concluded herein may change and I reserve the right to revisit our valuation analyses and amend my opinion.
Shape	Irregular rectangular (please refer to the plats in Exhibit A).
Frontage	The parcel fronts along E. Michigan Street on its north side, N. Lincoln Memorial Drive on its east side and E. Clybourn Street on its south side. Frontage is adequate.
Visibility	The subject property is readily visible from the fronting streets. The parcel has excellent views of Lake Michigan and Milwaukee's lake front areas to the east.
Access Points	Access is from both E. Michigan and E. Clybourn Streets and is adequate for the parcel's highest and best use.
Topography	The parcel is generally level and at grade with the fronting streets.
Soils	No subsurface investigations were conducted. The Nicholson Group LLC is not responsible for and has not undertaken an investigation of unapparent conditions, and cannot render a definitive opinion about buildability. Our market value opinion is based on the assumption that the subject land is buildable. Our conclusion of value is based upon the assumption that there are no hidden or unapparent conditions of the property that might impact upon buildability. We recommend due diligence be conducted through local building department or municipality to investigate buildability and whether property is suitable for intended use. The Nicholson Group LLC makes no representations, guarantees or warranties.
Utility Services	Public utilities, including gas, electricity, telephone, municipal water and sewer are available and adequate to service the site.

Easements	We are not aware of any easements which would adversely affect utility or marketability of the site nor has any such information been provided by the property owner. Standard utility easements likely exist but we have not investigated these. The Nicholson Group LLC cannot guarantee that property is free of encroachments or easements and recommends further investigation and survey.
Improvements	The subject parcel is improved with the Milwaukee County Transit Downtown Complex, a bus waiting station and a bus marshalling structure. The improvements were constructed in 1992 as a special purpose facility containing a gross building area of 111,460 square feet as per information provided by the owner. The highest and best use of the property is for demolition of the existing improvements creating a vacant parcel available for future commercial development and as such, this description of the improvements has intentionally been brief. A detailed description as provided by the property owner is contained in Exhibit A.
History of Ownership and Property Sales	According to USPAP, an appraiser must analyze all agreements of sale, options, and listings of the subject property current as of the effect date of the appraisal; and, analyze all sales of the subject property that occurred within the three years prior to the effective date of the appraisal. The subject property is not currently under sale contract nor is it listed for sale; there has been no arm's length sale of the property within the past three years.
Assessments and Taxes	The subject property is owned by Milwaukee County as therefore is not assessed by the City of Milwaukee. The parcel's tax parcel number is 392-1678-121.
Zoning	The property is zoned PK, Parks District, which is a special district in the City of Milwaukee. Special districts are intended to identify areas of the city that have unique qualities requiring special treatment or locations where special approaches to development may be warranted. Special districts are base districts designed to protect or regulate the development of unique areas or to provide more flexible zoning districts which encourage good design and site layout. Special districts contain or provide, by reference, all applicable zoning regulations. The purpose of the PK Parks District is to accommodate a wide variety of public and quasi-public open spaces and facilities providing recreational and cultural opportunities and supporting services for surrounding neighborhoods.

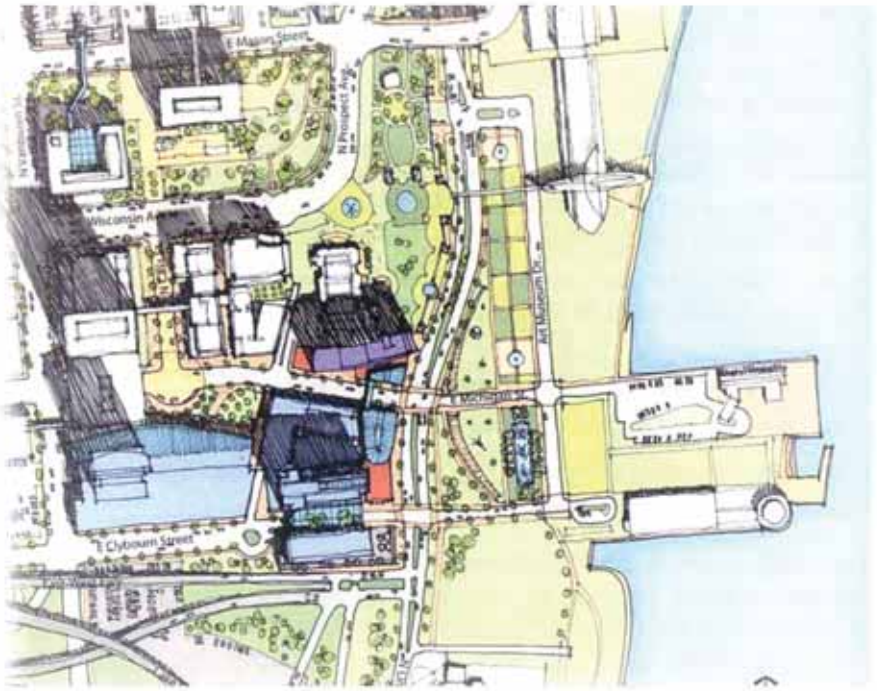
On October 12, 2010 the City of Milwaukee Common Council approved the Downtown Area Plan. The subject property is situated with the Downtown Lakefront District. The Plan's recommendations for the subject parcel include: 1) "Relocate the Downtown Transit Center to the Station District to complement the Intermodal Station and proposed streetcar line"; and, 2) "Develop vertically above the transit center site with a single or a mix of uses with a public plaza or public wintergarden occupying the ground floor and terracing down to Lincoln Memorial Drive". The property is part of a catalytic project for the Lakefront District, namely a Lakefront cultural park and gateway facilitated by a reconfigured Lakefront traffic pattern, presented on page 197 in the plan as follows:

Catalytic Project – A Lakefront cultural park and gateway facilitated by a reconfigured Lakefront traffic pattern.

A necessary ingredient in the creation of future improvements and public activities along the Lakefront is a reduction in traffic/pedestrian conflicts and barriers to pedestrian access between Downtown and the Lakefront. The proposed modifications to the Lakefront street and land utilization pattern has advantages in setting the stage for new development on the west side of Lincoln Memorial Drive as well as additional Lakefront activities, users, and energy on the east side of Lincoln Memorial Drive. Features include:

- Shift the existing alignment of Lincoln Memorial Drive south of Michigan Street and re-locating the Downtown Transit Center results in the creation of two high-value development sites on the west side of the Drive.
- An internationally recognized park and cultural campus. A new Lakefront plaza or park is created by extending the linear arrangement of the municipal pier out to a re-configured Lincoln Memorial Drive and backdropped by a glass curtain wall and public wintergarden from development at the current Downtown Transit Center site.
- A new "Lakefront Plaza" can accommodate a composition of sculptures, exhibits, interactive fountains, as well as retail kiosks and pavilions.
- The space closest to Downtown is 74,800 sq ft in size, and the overall area is 184,000 sq ft, plus the 30,000 sq. ft. triangular space to the west of Kiley Gardens.
- There are no through-streets conflicting with pedestrians to the east of Lincoln Memorial Drive.
- Improved pedestrian access. Elimination of the dedicated right-turn lanes at Michigan Street reduces pedestrian crossings from seven to five lanes.

In conclusion, an invigorated Lakefront District could consist of a wide range of open space, recreational, cultural, educational, and entertainment uses, adjoined on the west by a dramatic edge consisting of commercial developments in two or three architecturally-expressive towers built on air-rights over public wintergardens, gallery spaces, and internal grade transitions. This synergistic combination of uses within a fully-integratred urban design concept would significantly enhance Milwaukee's identity and competitiveness.


E Mason Street
N Prospect Ave
Wisconsin Ave
N Lincoln Memorial Dr
E Clybourn Street

It appears likely that the city would be willing to rezone the subject parcel to accommodate its commercial development consistent with the Downtown Area Plan.

The improvements appear to represent a legally conforming use. However, it is assumed all necessary permits and approvals were secured and the improvements have been constructed and comply with local zoning ordinances, building codes, and all other applicable regulations or have been legally "grandfathered".

The preceding descriptions of the applicable subject zoning are summaries only and are not meant to be complete. The reader is strongly encouraged to obtain and read all applicable ordinances for complete zoning information. We make no guarantees or warranties pertaining to the zoning applicable to the subject property or to any of our interpretations of the zoning ordinance. Furthermore, we do not guarantee or warrant any zoning or building code compliance. If a user of this report has an issue relating to the zoning or building codes as they pertain to the subject property, it is strongly recommended that any such user obtain professional zoning and/or building code consultation from a qualified person.

Floodplain

According to FIRM map community panel #55079C0092E, dated September 26, 2008, the site falls within Zone X identified as areas of minimal flooding and not within the designated 100-year floodplain.

Hazardous Materials

Upon physical inspection of the subject property, no indication "to the untrained eye" of any environmental hazards were apparent nor were any issues brought to our attention. We have assumed that there are no unresolved or unknown environmental problems within the boundaries of the subject property. However, an appraiser is not qualified to assess environmental issues and is not considered an expert in this field.

Substances such as asbestos, mold, lead paint, urea-formaldehyde foam insulation, other chemicals, toxic wastes, or other potentially hazardous materials could, if present, adversely affect the value of the property. Unless otherwise stated in this report, the existence of hazardous substances, which may or may not be present on or in the property, was not considered by the appraiser in the development of the conclusion of value. The stated value estimate is predicated on the assumption that there is no material on or in the property that would cause such a loss in value. No responsibility is assumed for any such conditions, and the client and any reader of this report is hereby advised that the appraiser is not qualified to detect such substances or develop the remediation cost.

Full compliance with applicable federal, state, and local environmental regulations and laws is assumed unless otherwise stated, defined, and considered in the report. It is also assumed that all required licenses, consents, or other legislative or administrative authority from any local, state, or national government or private entity organization either have been or can be obtained or renewed for any use which the report covers.

Highest and Best Use

Legally Permissible

Legal restrictions as they apply to the parcel involve the public restrictions of zoning and the private restrictions of easements. Although the property is currently zoned PK, Parks District, it appears likely that the city would be willing to rezone the subject parcel to accommodate its commercial development consistent with the Downtown Area Plan. Page 197 states the following regarding the subject site: "In conclusion, an invigorated Lakefront District could consist of a wide range of open space, recreational, cultural, educational, and entertainment uses, adjoined on the west by a dramatic edge consisting of commercial developments in two or three architecturally-expressive towers built on air-rights over public wintergardens, gallery spaces, and internal grade transitions. This synergistic combination of uses within a fully-integrated urban design concept would significantly enhance Milwaukee's identity and competitiveness".

As previously stated, this appraisal has been made under the extraordinary assumption that the current zoning can be changed to accommodate the property's development to its highest and best use. Based on the legal-political attributes of the parcel, a vertical, high-density development with an office and/or mixed-use project is concluded to be legally permissible.

Physically Possible

Physical aspects of the site impose constraints on possible uses of the property. Size, shape, topography and soils are key determinants of physically possible uses. Based on a review of the physical aspects of the parcel, the legally permitted uses are physically possible. The improvements were constructed in 1992 as a special purpose facility containing a gross building area of 111,460 square feet. Given the special purpose nature of the existing transit center improvements, conversion to a different type of use although physically possible, is not probable.

Financially Feasible

Testing financial feasibility of the property as improved involves determining if the existing improvements generate a positive return to the land as if vacant or if the value of the underlying land parcel exceeds the property value as currently improved. The transit facility improvements are publically owned and do not generate an economic return from a real estate investment standpoint. It is highly improbable that conversion to an alternative use would be economically feasible. Given the parcel size and locational attributes, the value of the underlying land parcel exceeds the value of the property as currently improved even after consideration of the estimated $700,000 in demolition costs.

Over the past several years, the economic recession has severely impacted the real estate markets. Financing for new construction has become scarcer with increased lending standards, many retailers are closing stores or halting planned expansions, and demand for office space has significantly decreased. Despite the recent economic downturn, the long-term outlook for the subject neighborhood is good due to its established nature and location on the east side of downtown Milwaukee in the Lakefront District.

The appraisal problem and scope of work did not warrant an intensive highest and best use study. Given the nature of the subject real estate, the conclusion of highest and best use was based on logic, observed evidence, and the valuation analyses as summarized within this appraisal report.

Given the legal, physical and locational attributes of the subject property coupled with our extensive valuation experience in this market area, the future development of an office and/or mixed-use project is concluded to be financially feasible, however, the timing of such a development is uncertain due to the lingering effects of the recent economic recession.

Maximally Productive & Highest and Best Use

The most productive use of the subject property is to maximize its development potential given its legal, physical and locational attributes. The concluded maximally productive use and highest and best use of the land parcel is for future development with an office and/or mixed-use project in accordance with the recent Downtown Area Plan. The current use is an interim use. The highest and best use of the property is for demolition of the existing improvements creating a vacant parcel available for future commercial development. As such, this appraisal consists of a land valuation analysis that considers the estimated cost of demolishing the improvements.

Overview of Valuation Procedures

Cost Approach	In the Cost Approach, an estimate is made of the current replacement cost new of the improvements. This amount is then adjusted to reflect depreciation resulting from physical deterioration, as well as functional and external obsolescence. The adjusted cost indication is then added to the estimated market value of the land resulting in an indication of value.
Sales Comparison Approach	In the Sales Comparison Approach, similar properties that have recently sold in the competitive market are analyzed and compared with the property being appraised. Adjustments are typically considered for differences in such factors as property rights conveyed; financing; conditions of sale; market conditions (date of sale); location; size; and, other physical characteristics. Analysis of comparable sales and current offerings provide a range of unit prices within which the current real estate market is operating and within which the appraised property might be expected to sell.
Income Capitalization Approach	The Income Capitalization Approach involves forecasting the income and expenses of the subject property based on analysis of comparable rentals and market trends, and obtaining capitalization or discount rates from the market to convert the financial forecasts into value estimates.
Approaches Used	As previously discussed in the Scope of Work section, the Sales Comparison Approach was used in this appraisal.

Sales Comparison Approach

Introduction

Land is valued as if vacant and available for development to its highest and best use. Similar land that has recently sold or is offered for sale is investigated and a comparative analysis is made of factors influencing value. Land valuation can be very difficult due to the fact that no two land parcels are exactly similar thereby making comparison analysis more subjective in nature. Nonetheless, the land sales that have occurred in the market area over the past several years coupled with my investigations, experience and analysis has allowed me to form a reliable opinion of value.

In the Sales Comparison Approach to valuation, similar properties that have recently sold in the market area are analyzed and compared with the property being appraised. Adjustments are considered for such factors as property rights conveyed, financing, conditions of sale, market conditions (date of sale), location and physical characteristics of the property as compared to the subject property.

Comparable Sales

The following key attributes were considered in selecting the most appropriate comparable sales to use in valuing the property:

Location – The immediate downtown area as well as periphery areas of the central business district.

Highest & Best Use – Parcels with higher density commercial and mixed-use development potential. Due to their locations that afford excellent lake views, two higher density residential land sales were included as comparable sales.

Size – ±10,000 to ±150,000 square feet

Date of Sale – First, 2010 and 2011 to reflect the impact of the recent economic recession on value. Due to the lack of recent sales, properties selling from 2006 to the present were also considered. One sale in 2003 was included in the analysis due to its location on the near north side of the downtown area with lake views.

The search resulted in the following land sales that met the aforementioned parameters; a map showing their locations is presented on the following page. More detailed information is presented in Exhibit B. These comparables are considered reasonably similar properties, the analysis of which results in a credible opinion of value for the subject property after appropriate comparative analysis considerations.

Land Sales Summary

Comp #	Location	Seller / Buyer	Sale Date / Size	Sale Price / $/Sq. Ft.	Water Frontage / Corner
Subject	909 E. Michigan Street SWC N. Lincoln Memorial Dr & E. Michigan St	Milwaukee County	19-Dec-11 96,130 Sq. Ft. 2.207 Acres		Lake View Corner
1	Marriott Hotel Assemblage, E. Wisconsin Ave & N. Milwaukee St 319-327 E. Wisconsin & 627-631 N. Milwaukee	1) MBI Properties LLC; 2) Milwaukee NOW I LLC to 1) Jackson Street Management LLC; 2) Wisconsin & Milwaukee Hotel LLC	Aug-11 32,600 Sq. Ft. 0.748 Acres	$3,700,000 $113.50 (+ Demolition)	None Non-Corner
2	SEC W. Juneau Ave & N. Old World 3rd St 201 W. Juneau Avenue	RFP Parking LLC to Milwaukee River Hotel-P LLC	Jun-10 55,844 Sq. Ft. 1.282 Acres	$2,275,000 $40.74	Milwaukee River Corner
3	N. Broadway, Between E. St. Paul & E. Buffalo 330 N. Broadway & 331 N. Milwaukee Street	Broadway Partners to DJRJ LLC	Jun-09 28,722 Sq. Ft. 0.659 Acres	$1,693,300 $58.95	None Interior (Dual Frontage)
4	SEC N. Water St & E. Juneau Ave 1124-1144 N. Water Street	Market Street Partners II LLP to DOC Milwaukee LP	Dec-06 28,662 Sq. Ft. 0.658 Acres	$2,200,000 $76.76	None Corner
5	Park Lafayette Parcel 2000-2038 N. Prospect Ave	Sik Kin Wu to Renaissant Lafayette LLC	Apr-06 44,488 Sq. Ft. 1.021 Acres	$6,500,000 $146.11	Lake View Corner
6	Kilbourn Tower Parcel 923 E. Kilbourn Ave	City of Milwaukee to Kilbourn Tower LLC	Jul-03 10,800 Sq. Ft. 0.248 Acres	$700,000 $64.81	Lake View Corner

Comparable Sales Location Map
Comp 1
Marriott Hotel Parcel
Comp 2
Comp 3
Comp 4
Staybridge Suites Parcel
Comp 5
Comp 6
Subject Property
Milwaukee
Juneau Park
Lakeshore SP
Milwaukee River
DeLORME
Data use subject to license.
© DeLorme. DeLorme Street Atlas USA® 2011.
www.delorme.com
MN (3.6° W)
0 400 800 1200 1600 2000 2400 ft
Data Zoom 13-6

Comparable 1 – This is the assemblage of four parcels in two transactions for the construction of a 200 unit, 9-story full service Marriott Hotel at the southwest corner of E. Wisconsin Avenue and N. Milwaukee Street, however, the assembled parcel excludes the small corner parcel that is improved with a historic office building at 329 E. Wisconsin Avenue. The transaction occurred on August 31, 2011 after receiving development approvals from the city; the project was first publically announced in 2010. There had been controversy regarding the demolition of 19th century historic buildings and it was agreed with the City that the facades of the E. Wisconsin Avenue buildings will not be demolished; the N. Milwaukee Street buildings will be demolished. The total sale price was $3,700,000 ($2,300,000 for the E. Wisconsin Avenue buildings+ $1,400,000 for the N. Milwaukee Street buildings). The sale price is equal to $113.50 per square foot of land area. Adding estimated demolition costs of $500,000 results in an adjusted price of $4,200,000 or $128.83 per square foot of land area. The $54 million hotel project will not include any public subsidies. The 9-story structure will include a restaurant, bar and underground parking for ±50 cars and will take 1.5- to 2-years to complete.

Comparable 2 – This is the June 2010 sale of ±55,844 total square feet of land located along N. Old World Third Street, just south of W. Juneau Avenue. The sale involved the transfer of two non-contiguous parcels: 1) a ±48,344 square foot parcel on the west bank of the Milwaukee Rive at the southeast corner of N. Old World Third Street and W. Juneau Avenue and, 2) a ±7,500 square foot parcel located on the west side of N. Old World Third Street, south of W. Juneau Avenue. The sale price in this transaction was $2,275,000 or $40.74 per square foot. The larger of the two parcels along the Milwaukee River shares its access point along N. Old World Third Street with the abutting Riverfront Plaza building to the south. The shared access area (±12,158 square feet) lies entirely within this comparable's land area. The shared access area has a contributory value of 50% of its underlying land area and applying this factor to the share access area results in an indicated upward adjustment of +12% or $275,000. The adjusted price reflects the price for this parcel as if there is no shared access drive area.

The adjusted sale price in this transaction is $2,550,000 or $45.66 per square foot. The development plans for these parcels are unclear. The buyer in this transaction is a Milwaukee-based hotel developer and was involved in the development of the Aloft Hotel, located just north of this property. The seller in this transaction acquired this property in June 2007, indicating a decline in sale price (2010 vs. 2007) of approximately -7.1%.

Comparable 3 – This marks the sale of two adjacent parcels totaling 28,722 square feet located at 330 N. Broadway and 331 N. Milwaukee Street in the City of Milwaukee's Historic Third Ward. The sale took place in one transaction in June 2009 for a price of $1,693,300 or $58.95 per square foot. The parcels have a desirable location on the north side of the Third Ward, south of E. St Paul Avenue, north of E. Buffalo Street, east of N. Broadway, and west of N. Milwaukee Street. Being located in the middle of the block, the parcels have frontage on both N. Broadway and N. Milwaukee Street. This parcel represents one of a few remaining vacant land parcels available for development in the Third Ward. In 2006, the seller had proposed an 18-story building featuring a 150 room hotel, upscale health club, 30 condominiums and parking structure failed to get financing. The current buyer is holding for future development.

Comparable 4 – This property ±28,662 square foot parcel sold in December, 2007 for a total sale price of $2,200,000 or $76.76 per square foot. This property has an excellent location at the southeast corner of N. Water Street and E. Juneau Avenue, just east of the Milwaukee River. The buyer, Development Opportunity Corporation is planning on building a $33 million mixed-use building that would include a 128-room Staybridge Suites extended stay hotel; 31 condominiums; 14,000 square feet of retail space on the first floor; and two floors of parking. Also, the roof area will utilized as green space in the form of a rooftop garden. As of October, 2007, construction had already begun with a target finish date in spring, 2008. The transfer included 5 city-owned parcels totaling ±9,200 square feet that were at the corner of the two fronting streets as well as a north-south alley accessible via E. Juneau, just east of N. Water. This area will no longer be an alley as the building will be sited in this area.

Comparable 5 – Located on Milwaukee's East Side, on the bluff overlooking Lake Michigan; the property is located at the northeast corner of N. Prospect Avenue and E. Lafayette Place in a vibrant, redeveloping area. E. Lafayette Place provides direct access to N. Lincoln Memorial Drive and Lake Michigan. The buyer/developer plans to build a 291-unit condominium project in twin, 20-story towers to be known as Park Lafayette. The $90 million condominium project will over Lake Michigan views and will have unit pricing from $222,000 for a 1-bedroom, 740-square foot unit up to $450,000 for a 2-bedroom, 1,248-square foot unit. The buildings will have a 446-space underground parking structure. Approval was received in December, 2005; construction is expected to be completed in 2008; as of May, 2006, about 50-units have been reserved. The project will have two towers and also 10 townhouses.

This property was acquired in April, 2006 for $6,500,000 or $146.11 per square foot; based on the 291 planned condos, the sale price is equal to $22,337 per unit. Although the price per square foot reflects the highest land price per square foot in the metropolitan area, the price per dwelling unit is in-line with land prices for high density residential condominiums projects.

Comparable 6 – Located at the southwest corner of E. Kilbourn and N. Prospect Avenues, Kilbourn Towers is a luxury condominium project with 33-floors offering excellent views of Lake Michigan and Milwaukee's skyline. The completed $62 million, 74-unit project has units selling from about $700,000 to over $2,200,000. There are 4-levels of underground parking.

The 10,800 square foot parcel was sold through a bid/development plan submittal process; there were five bids/development plans submitted. The accepted bid was reportedly not necessarily the highest land price but maximized the development property value. The sale price consisted of a $700,000 purchase price plus $118,000 paid to the City to vacate the existing right-turn lane from E. Kilbourn Avenue to N. Prospect Avenue and $250,000 paid to the City for upgrades to E. Kilbourn Avenue; the total price is $1,068,000 or $98.89 per square foot and $14,432 per dwelling unit.

Adjustment Considerations

Capital Expenditures – The total price paid for a land parcel is reflected as the purchase price paid by the seller plus the costs associated with making the site vacant, that is, demolition costs. Additionally, the costs associated with environmental remediation must also be considered; environmental costs often are associated with asbestos and/or lead paint removal prior to demolition of the improvements as well as the remediation of soil contaminates. By adding the demolition and environmentally related costs to the amount paid to the seller, the resulting total reflects the true cost to the buyer of obtaining a vacant, environmentally clean developable parcel of land.

Other than Comparable 1, the other comparables sold as unimproved land and did not require any adjustments with respect to demolition; furthermore, no adjustments for environmental contamination were necessary. Comparable 1 was improved with various improvements at the time of sale and therefore the sale price was adjusted upward for the estimated $500,000 in demolition costs that the buyer/developer must incur.

Property Rights Conveyed - Comparable 2 has two separate parcels associated with the sale; the larger of the two parcels along the Milwaukee River shares its access point along N. Old World Third Street with the abutting Riverfront Plaza building to the south. The shared access area (±12,158 square feet) lies entirely within this comparable's land area. The shared access area has a contributory value of 50% of its underlying land area and applying this factor to the shared access area results in an indicated upward adjustment of +12% or $275,000. The adjusted price reflects the price for this parcel as if there is no shared access drive area. The other comparables did not require any adjustments with respect to property rights conveyed.

Financing Terms - No adjustments were made for financing.

Conditions of Sale - No adjustments were made for conditions of sale.

Market Conditions (Time) – The national, regional, and local economies entered into a significant recession in 2008 which has led to a weakening of the real estate market. There have been significant job losses, increased bankruptcies, and government bailouts crossing numerous business sectors. These economic conditions have negatively impacted all real estate sectors albeit with different degrees of severity. Due to the economic downturn and poor financial environment that have stressed the national, regional and local economies since mid-2008, office/commercial land values have decreased from the peak levels experienced in 2007 and 2008. Pricing seems to have stabilized in 2010 and 2011. Comparable 1 sold in 2011 whereas Comparable 2 sold in August 2010, both dates which reflect current market pricing; no market conditions adjustments were warranted.

Comparable 3 three sold in 2009 whereas Comparables 4 and 5 sold in 2006 under superior market conditions than currently exist. A market conditions adjustment of -10% was applied to the sale price of Comparable 3 to reflect declining market conditions from its sale date to the appraisal date. A market conditions adjustment of -20% was applied to the sale prices of Comparables 4 and 5 to reflect a greater decrease in prices from 2006 to the appraisal date. No adjustment was made to Comparable 6 which sold in 2003 as it was felt that any price increase that occurred from 2003 to 2008 was offset by subsequent price decline.

Locational & Physical Characteristics – The locational and physical attributes considered most pertinent for comparison of the comparable sales to the subject parcel were: overall location; site specific locational attributes such as corner/non-corner, access, exposure and water frontage/lake views; size; shape; topography; utilities availability; and, zoning/highest and best use.

The comparables were compared and contrasted with respect to each other as well as to the subject property. A summary of this comparison process is presented in an adjustment grid format on the following two pages. Comments regarding the concluded adjustments are provided on page 35.

Summary - A summary of the comparison analysis in an adjustment grid format is presented on the following two pages.

Land Sales Adjustment Grid
909 E. Michigan Street

Comparable	Subject	CBD 1		River Front 2		Third Ward 3	
Location	SWC N. Lincoln Memorial Dr & E. Michigan St	Marriott Hotel Assemblage, E. Wisconsin Ave & N. Milwaukee St		SEC W. Juneau Ave & N. Old World 3rd St		N. Broadway, Between E. St. Paul & E. Buffalo	
Address	909 E. Michigan Street	319-327 E. Wisconsin & 627-631 N. Milwaukee		201 W. Juneau Avenue		330 N. Broadway & 331 N. Milwaukee Street	
Sale Date	19-Dec-11	Aug-11		Jun-10		Jun-09	
Size							
Acres	2.207	0.748		1.282		0.659	
Sq. Ft.	96,130	32,600		55,844		28,722	
Sale Price		$3,700,000		$2,275,000		$1,693,300	
Add: Demolition/Environmental Costs		500,000		0		0	
Total Price		$4,200,000		$2,275,000		$1,693,300	
$/Sq. Ft.		$128.83		$40.74		$58.95	
Property Rights Conveyed		Similar		$275,000 (shared access)		Similar	
Financing Terms		Similar		Similar		Similar	
Conditions of Sale		Similar		Similar		Similar	
Adjusted Price		$4,200,000		$2,550,000		$1,693,300	
$/Sq. Ft.		$128.83		$45.66		$58.95	
Market Conditions							
# Years Since Sale		0.3		1.5		2.5	
Market Conditions Adjustment Factor		1.00		1.00		0.90	
Adjusted Sale Price		$4,200,000		$2,550,000		$1,523,970	
Adjusted Price/Sq. Ft.		$128.83		$45.66		$53.06	
Locational & Physical Attributes							
Overall Location	SWC N. Lincoln Memorial Dr & E. Michigan St	319-327 E. Wisconsin & 627-631 N. Milwaukee		SEC W. Juneau Ave & N. Old World 3rd St		N. Broadway, Between E. St. Paul & E. Buffalo	
Comparison		Superior	-25%	Inferior	60%	Inferior	40%
Site Specific Location							
• Corner/Non-Corner	Corner	Non-Corner	5%	Corner		Interior (Dual Frontage)	5%
• Access	Adequate	Adequate		Adequate		Adequate	
• Exposure	Good	Good		Fair	5%	Fair	5%
• Water Frontage	Lake View	None	20%	Milwaukee River	5%	None	20%
Comparison		Inferior		Inferior		Inferior	
Size Similarity - Sq. Ft.	96,130	32,600		55,844		28,722	
Comparison		Superior	-15%	Superior	-10%	Superior	-15%
Shape	Irregular Rectangle	Irregular Rectangular		Mostly Rectangular		Rectangular	
Comparison		Similar		Similar		Similar	
Topography	Generally Level	Gentle Slope		Generally Level		Generally Level	
Comparison		Similar		Similar		Similar	
Utilities	All Available	Similar		Similar		Similar	
Zoning/Highest & Best Use	PK Parks / Mixed Use, High Density	C9F(A) / Hotel, Office, Mixed Use		RED / Commercial, Mixed Use		C9B / Commercial, Mixed Use	
Comparison		Similar		Similar		Similar	
Adjusted Price/Sq. Ft.		$109.51	-15%	$73.06	60%	$82.24	55%

Land Sales Adjustment Grid
909 E. Michigan Street

Comparable	Subject	N. Water Street 4		High Density Residential 5		6	
Location	SWC N. Lincoln Memorial Dr & E. Michigan St	SEC N. Water St & E. Juneau Ave		Park Lafayette Parcel		Kilbourn Tower Parcel	
Address	909 E. Michigan Street	1124-1144 N. Water Street		2000-2038 N. Prospect Ave		923 E. Kilbourn Ave	
Sale Date	19-Dec-11	Dec-06		Apr-06		Jul-03	
Size							
Acres	2.207	0.658		1.021		0.248	
Sq. Ft.	96,130	28,662		44,488		10,800	
Sale Price		$2,200,000		$6,500,000		$700,000	
Add: Demolition/Environmental Costs		0		0		0	
Total Price		$2,200,000		$6,500,000		$700,000	
	$/Sq. Ft.	$76.76		$146.11		$64.81	
Property Rights Conveyed		Similar		Similar		Similar	
Financing Terms		Similar		Similar		Similar	
Conditions of Sale		Similar		Similar		$368,000	
	Adjusted Price	$2,200,000		$6,500,000		$1,068,000	
	$/Sq. Ft.	$76.76		$146.11		$98.89	
Market Conditions							
# Years Since Sale		5.0		5.7		8.4	
Market Conditions Adjustment Factor		0.80		0.80		1.00	
Adjusted Sale Price		$1,760,000		$5,200,000		$1,068,000	
Adjusted Price/Sq. Ft.		$61.41		$116.89		$98.89	
Locational & Physical Attributes							
Overall Location	SWC N. Lincoln Memorial Dr & E. Michigan St	SEC N. Water St & E. Juneau Ave		Park Lafayette Parcel		Kilbourn Tower Parcel	
Comparison		Inferior	60%	Inferior	15%	Inferior	15%
Site Specific Location							
• Corner/Non-Corner	Corner	Corner		Corner		Corner	
• Access	Adequate	Adequate		Adequate		Adequate	
• Exposure	Good	Good		Good		Good	
• Water Frontage	Lake View	None	20%	Lake View		Lake View	
Comparison		Inferior		Similar		Similar	
Size Similarity - Sq. Ft.	96,130	28,662		44,488		10,800	
Comparison		Superior	-15%	Superior	-10%	Superior	-15%
Shape	Irregular Rectangle	Rectangular		Triangular		Irregular Rectangle	
Comparison		Similar		Inferior	5%	Similar	
Topography	Generally Level	Generally Level		Sloping		Generally Level	
Comparison		Similar		Inferior	5%	Similar	
Utilities	All Available	Similar		Similar		Similar	
Zoning/Highest & Best Use	PK Parks / Mixed Use, High Density	C9B / Commercial, Mixed Use		RM7 / MF Residential, High Density		C9A(A) / MF Residential, High Density	
Comparison		Similar		Similar		Similar	
Adjusted Price/Sq. Ft.		$101.33	65%	$134.42	15%	$98.89	0%

Sales Comparison Adjustment Analysis Comments	
Factor of Comparison	Adjustment Comparison Comments
Capital Expenditures Immediately Upon Sale	Other than Comparable 1, the other comparables sold as unimproved land and did not require any adjustments with respect to demolition; furthermore, no adjustments for environmental contamination were necessary. Comparable 1 was improved with various improvements and therefore the sale price was adjusted upward for the estimated $500,000 in demolition costs that the buyer/developer must incur.
Property Rights Conveyed	Comparable 2 has two separate parcels associated with the sale; the larger of the two parcels along the Milwaukee River shares its access point along N. Old World Third Street with the abutting Riverfront Plaza building to the south. The shared access area (±12,158 square feet) lies entirely within this comparable's land area. The shared access area has a contributory value of 50% of its underlying land area and applying this factor to the shared access area results in an indicated upward adjustment of +12% or $275,000. The adjusted price reflects the price for this parcel as if there is no shared access drive area. The other comparables did not require any adjustments with respect to property rights conveyed.
Financing Terms	No adjustments were made for financing.
Conditions of Sale	No adjustments were made for conditions of sale.
Market Conditions	Comparable 1 sold in 2011 whereas Comparable 2 sold in August 2010, both dates which reflect current market pricing; no market conditions adjustments were warranted. Comparable 3 three sold in 2009 whereas Comparables 4 and 5 sold in 2006 under superior market conditions than currently exist. A market conditions adjustment of -10% was applied to the sale price of Comparable 3 to reflect declining market conditions from its sale date to the appraisal date. A market conditions adjustment of -20% was applied to the sale prices of Comparables 4 and 5 to reflect a greater decrease in prices from 2006 to the appraisal date. No adjustment was made to Comparable 6 which sold in 2003 as it was felt that any price increase that occurred from 2003 to 2008 was offset by subsequent price decline.
Overall Location	Comparable 1 has a superior location in the heart of the CBD; a downward adjustment was necessary. The other comparables have inferior locations relative to Comparable 1 and the subject property and their sale prices required upward adjustment, but to differing degrees.
Site Specific Location Characteristics	Comparables 1 and 3 have non-corner locations, are inferior to the subject property and upward adjustments were made. All the comparables have adequate accessibility as does the subject property; no adjustments were necessary. Comparable 2 has a non-contiguous parcel making it inferior to the subject property whereas Comparable 3 is divided by a public alley but does have frontage on two streets in the Third Ward; upward price adjustments were requried for the inferior overall exposure. A building on the subject property will have Lake Michigan and lake front views; Comparables 5 and 6 also have lake views and were included in this analysis for this reason; the other comparables do not have lake views and are inferior to the subject property; Comparable 2 is located along the Milwaukee River which is a valuable amenity making it less inferior relative to the comparables that have no water frontage.
Size	At 96,130 square feet, the subject property is larger than all of the comparables. Being smaller in size, the comparables were considered superior to the subject property and downward price adjustments were warranted.
Shape	The subject property has an irregular rectangular shape conducive to development. Comparable 1 has a slightly irregular shape as the assembled parcel does not include the corner parcel but not irregular enough to warrant adjustment. Comparable 5 has a triangular shape and as such is inferior to the subject property and an upward adjustment was made. No adjustments were necessary for the other comparables.
Topography	Comparable 5 has a sloping topography making it inferior to the subject property and a slight upward adjustment was made. No adjustments were warranted for the other comparables.
Utilities	All municipal utilities are available to the subject property and the comparables; no adjustments were made.
Zoning/Highest and Best Use	No adjustments were required.

Indicated Value

Because of the nature of the adjustments, the adjusted per-square foot price for each sale is not to be interpreted as the value of the subject property but part of a range within which the subject's value is expected to fall. The comparables have adjusted sale prices per square foot ranging from $73.06 to $134.42; the average and median adjusted sale price per square foot are $99.91 and $100.11, respectively. The adjusted indicated value range is wider than desired but demonstrates the imperfect nature of the real estate markets, especially for developmental land parcels.

The value of the subject parcel as if vacant is concluded at $100.00 per square foot or a total value of $9,600,000. In order to create a vacant parcel available for development, the existing improvements must be demolished. Demolition costs of $700,000 have been estimated using Marshall Valuation Service, an appraisal industry standard for estimating construction costs. As previously stated, this appraisal has been made under the extraordinary assumption that the demolition costs are as estimated and furthermore, that no public subsidies are available to pay these costs. If at a later date information is provided that proves this assumption to be incorrect, the value of the subject property will change and I reserve the right to revisit the appraisal analysis and amend my value opinion.

The as-is market value of the subject parcel is as calculated below:

Value Calculation

Concluded Value per Sq. Ft.		$100.00
Parcel Size, Sq. Ft.	x	96,130
Indicated Value, As-If Vacant		$9,613,000
Rounded		$9,600,000
Less: Demolition Cost (Est.)	-	$700,000
Indicated Market Value		$8,900,000

Correlation & Conclusion

Three approaches to value have been considered in arriving at an opinion of the value of the fee simple estate in the subject properties. In the valuation of land, the Sales Comparison Approach is generally considered the most reliable approach provided that there are a sufficient number of sales. The Sales Comparison Approach was used in this appraisal.

In the reconciliation of the three approaches to value, the quantity and quality of the data under each approach was considered as was the advantages and/or disadvantages of each approach and the relevance of each to the subject property and appraisal problem.

The Sales Comparison Approach is the most direct approach to value. Because the comparable sales represent theoretical acquisition alternatives, an analysis of comparable property sales provide a reliable indication of value. The comparable sales provided market support for an indicated value range of the subject parcel as if vacant. The adjustments to these sales were reasonable and were substantiated with market evidence and logical rationale. Demolition costs were estimated using an appraisal industry standard for estimating construction costs and were deducted resulting in an indicated as-is market value. The resulting concluded value by the Sales Comparison Approach was considered very reliable.

Based on the investigations and appraisal analyses as presented, it is my opinion that the market values of the subject property as of December 19, 2011 is:

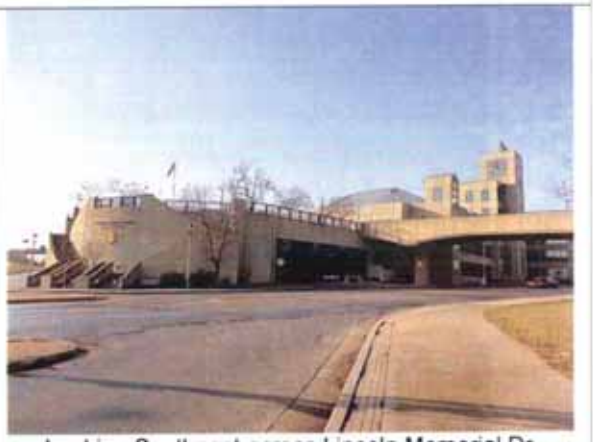
Eight Million Nine Hundred Thousand Dollars
$8,900,000

EXHIBIT A

Subject Property Photographs & Information

Subject Photographs (12/19/11)

East Elevation, Looking West across Lincoln Memorial



Looking Southeast across Lincoln Memorial Dr.

South Elevation, Looking East along E. Clybourn

Looking Northwest across Lincoln Memorial Dr.

Looking Northerly along Lincoln Memorial Dr.

First Floor Common Area

Subject Photographs (12/19/11)

First Floor Common Area

Escalators to Second Floor

Bus Marshalling Area

Second Floor Common Area

Harbor Lights Room

Second Level Terrace, Looking Southeasterly

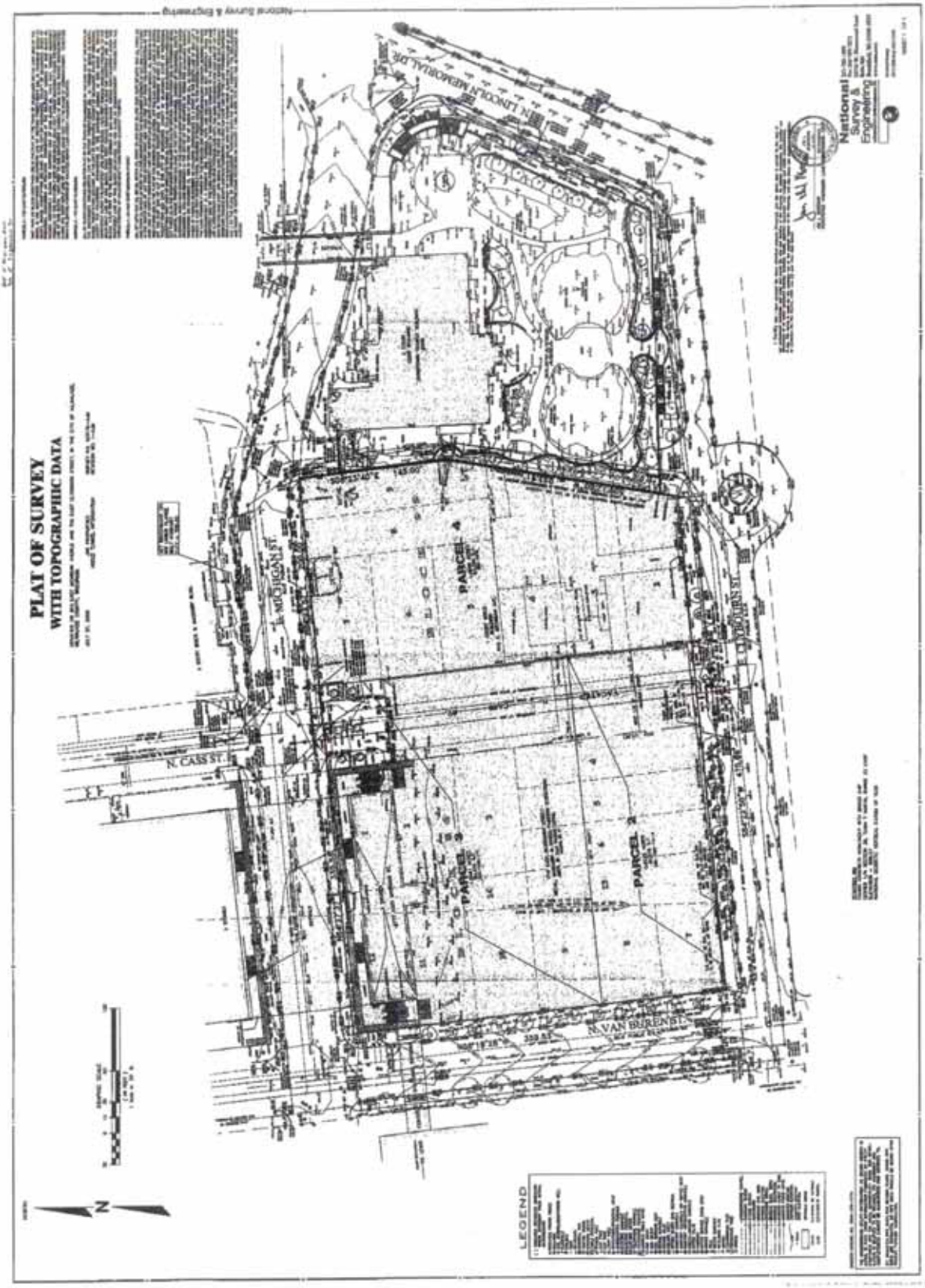
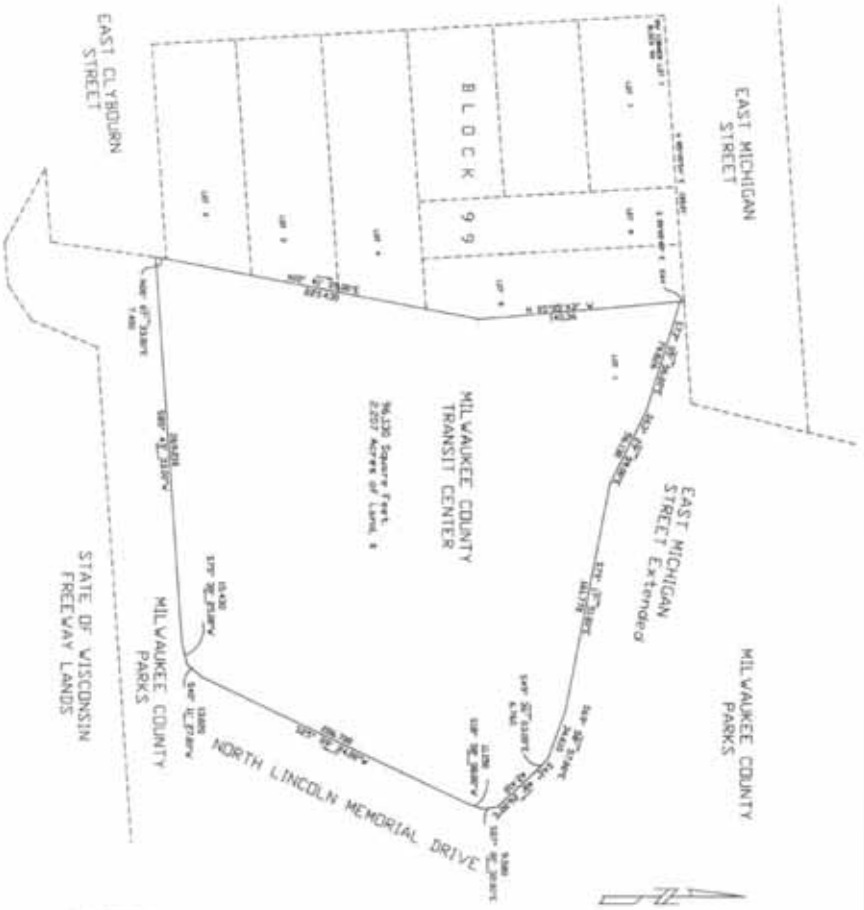

PLAT OF SURVEY
WITH TOPOGRAPHIC DATA
PARCEL 1
PARCEL 2
PARCEL 3
N. CASS ST.
N. VAN BUREN ST.
N
LEGEND

EXHIBIT "A"

THAT PART OF LOTS 1, 2, 3, 4 AND LOT 9, BLOCK 99 ALL IN THE PLAT OF THE DIVISION OF 13.30 ACRES OFF THE EAST END OF LOT 3 AND 17.10 ACRES OFF THE EAST END OF LOT 4 IN THE NE 1/4 AND SE 1/4 OFTHE SW 1/4 OF SECTION 28, TOWN 7 NORTH, RANGE 22 EAST, LOCATED IN THE CITY OF MILWAUKEE, MILWAUKEE COUNTY, WISCONSIN.



Legal description and Exhibit is based on survey performed By Clarence K. Zeiler-Milwaukee County Surveyor, dated 2-19-08 and Site Plan performed By Sonnhalter & Associates, dated 9/29/03.

SEE SHEET ONE FOR LEGAL DESCRIPTION

2/2	JOB# 1333	MILWAUKEE COUNTY DOWNTOWN TRANSIT CENTER	1"=80'	KRK
		EXHIBIT "A"	1/31/12	KRK

MILWAUKEE COUNTY DEPARTMENT OF ADMINISTRATION
ARCHITECTURE, ENGINEERING AND ENVIRONMENTAL SERVICES
CITY CAMPUS 2711 W. WELLS ST. SECOND FLOOR MILWAUKEE, WI 53208

S.W. 1/4 SEC. 28, T. 7 N., R. 22E.
Subject
N. CASS
N. VAN BUREN
WISCONSIN
MICHIGAN
CLYBOURN
ST. PAUL
BUFFALO
THE DIVISION
FREEWAY
TRACT
COMPILED AND DRAWN BY
BUREAU OF ENGINEERS
CITY OF MILWAUKEE

VFA

Asset Detail Report
by Asset Name

Property: MCTS
Site: Downtown Transit Station*

Asset Name: Transit Waiting Station
Asset Number: 0176

STATISTICS

FCI Cost:	503,895	**FCI:**	0.03
Total Requirements Cost :	503,895	**RI:**	0.03

Current Replacement Value	14,457,477	**Address 1**	909 E Michigan Street
Size	111,460 SF	**Address 2**	-
Year Constructed	1992	**City**	MILWAUKEE
Year Renovated	0	**State/Province/Region**	WI
Commission Date	-	**Zip/Postal Code**	-
Decommission Date	-	**Architect**	-
Ownership	Client Owned	**Historical Category**	-
Floors	2	**Construction Type**	WAC 3 FR Metal Frame - Protected
Type	Building	**Use**	Transit Waiting Station

PHOTO

ASSET DESCRIPTION

ARCHITECTURAL

The Milwaukee County Transit System Downtown Complex is located in the City of Milwaukee, Wisconsin at 909 E Michigan Street. The facility includes a bus waiting station and a bus marshalling structure. Generally, the portion of the site that is within ten feet of a building's perimeter such as walks, fencing, retaining walls, loading dock pavement etc. is considered in the domain of that particular building. Corresponding deficiencies and corrections are then assigned to the building. The scope of work included the building.

The Transit Waiting Station is an 111,460 square foot, two-story facility without a basement. The multiple use facility includes a bus waiting station with conference\meeting room and support facilities and a bus marshalling structure.

Bus Waiting Station

The first floor contains the station waiting area with the elevator\escalator machine rooms, a security office with staff restrooms, vending area, janitors closet, public male and female restrooms. The main meeting\conference room with a coatroom and storage rooms, unisex restroom, male and female restrooms, a meeting room and kitchen are featured on the second floor. A tower extends over a portion of the second floor facing E Michigan Street that contains a clock room. The mechanical space is located at a mezzanine level and in a penthouse above the second level. The second floor corridor passes along a floor opening that is open to the waiting area below. The second floor accesses a landscaped plaza that is above the bus marshalling structure. The plaza is connected to the Miller Pavilion by a bridge over E Michigan Street.

Bus Marshalling Structure

The open bay structure with a mechanical room serves as a facility for buses to stand prior to starting scheduled runs. The buses enter the facility from N Lincoln Memorial Drive and exit to E Michigan Street. The buses load and unload passengers at the station prior to exiting along a paved, covered service road located between the station and marshalling structure.

Per the Wisconsin Administrative Code, Comm. Section 54 and 59, the transit waiting station is classified under Office and Hazardous Occupancies. The Wisconsin Administrative Code, Comm. Section 51.03, the waiting station is a construction class 3 or Metal Frame-Protected and the marshalling station is a type 5A or Exterior Masonry-Protected as determined from field observations and as built drawings.

All costs in USD.

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VFA

Asset Detail Report
by Asset Name

Building Exterior

Bus Waiting Station

The building facade is pre-cast concrete panels with aluminum framed, insulating glass windows. Within the face of the tower glass block windows is a time clock. The facility has primarily a sloped standing seam metal panel roof except on the flat roof outside of the mechanical penthouse that is a built up roof. The exterior wall of the penthouse is standing seam metal panels. The clock tower roof has a wood sheathed deck.

The exterior doors are double swing, insulating glass doors with transoms and sidelights and aluminum frames and full metal full panel doors set in metal frames. In addition, the waiting areas have sliding glass doors with automatic operators.

Bus Marshalling Structure

The windowless facility has pre-cast concrete panels with automatic overhead and full metal full panel doors set in metal frames. The roof of the plaza is landscaped with a brick paved surface. The deck was not inspected due to a deep snow cover, but no leaks were observed from below and reported leaks to maintenance personnel were not indicated.

Building Interior

Bus Waiting Station

The station waiting area and second floor corridor above have painted gypsum board walls with a quarry tile wainscot, quarry tile floors, and a painted gypsum board ceiling. The second floor interior corridor has painted gypsum board walls, quarry tile floors, and a 2 x 2 suspended acoustical tile ceiling. Numerous display cases line the corridor on the second floor. Carpet, a 2 x 2 suspended acoustical tile ceiling with painted gypsum board soffit, and wall covering above a wood panel wainscot are the featured finishes within the second floor meeting room. The restroom finishes are suspended acoustical tile ceilings and ceramic tile floors and walls. Other spaces have painted gypsum board walls, vinyl composition tile floors and acoustical tile ceilings. The interior doors are metal or wood doors set in metal frames with lever type hardware. The interior vestibule doors are double swing, glass doors, sidelights and transoms with aluminum frames.

Bus Marshalling Structure

The marshalling area is unfinished except for the sealed concrete deck with parking space striping.

Structure

The foundation is comprised of perimeter concrete grade beams and piles supporting the steel superstructure. The interior columns are supported on the piles and the pile cap. The floor structure is a five-inch reinforced concrete slab on grade. The superstructure features steel beams, joists and columns supporting the metal roofs and the mezzanine, second floor and penthouse concrete floors. This narrative is based on field observations and as built drawings.

Bus Marshalling

The foundation is comprised of concrete grade beams and piles supporting the exterior columns and wall panels. The interior columns are supported on the piles and the pile cap. The floor structure is an eight-inch reinforced concrete slab on grade. The pre-cast concrete superstructure features girders, beams and columns supporting the plaza deck above. A four-inch concrete topping over eight-inch pre-cast concrete planks is the plaza deck structure. This narrative is based on field observations and as built drawings.

Vertical Transportation

The building has one passenger elevator that services the first, second and mechanical penthouse floors. The other passenger elevator connects the first, mezzanine and second floors. Two enclosed exit stairs connect the first and second floors. An interior stair with an escalator on each side connects the first floor waiting with the second level. The plaza has concrete stairs that connect to street level. Two end at N Lincoln Memorial Drive and the other at the N Lincoln Memorial Drive and E Michigan Street intersection. Lastly, the bridge across E Michigan Street accesses concrete steps to ground level.

Handicapped Accessibility

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The Mill Road Complex's compliance with handicapped accessibility was evaluated utilizing Wisconsin Administrative Code, Comm. Section 69 and ADAAG. The building has accessible entrances and exits, elevators, lever door hardware, curb ramps, and public restrooms. The facility lacks compliant Braille permanent room signs, first floor staff restrooms and the addition of a three-foot stall in the public male and female restrooms on the second level. This is required as the number of water closets exceeds six.

Hazardous Materials

Considering the 1990 construction date, asbestos and lead paint containing materials should not be present

HVAC

Heat is primarily provided by five gas-fired hydronic boilers. Four are 468 MBh (in two banks of two boilers feeding a common header) and one is a newer 1900 MBh hydronic boiler. Wall mounted cabinets heaters are located in the restrooms and stairwells and at some of the first floor exits. Two air handling units handle the first and second floors respectively. The air handlers are provided with 100 % outside air.

It appears that one of the pipes in the main mechanical room is mislabeled as heating return water when it is likely this pipe contains heated water supply. The pipe originates from the new 1900 MBh Thermific boiler. An adjacent pipe that leads into the same header is labeled hot water supply. No complaints were reported concerning the heating system that would indicate the system is being short circuited.

Air Handler One has had its return air fan disconnected and removed to alleviate an under pressurization problem that was drawing in polluted air from the busses. Exhaust soot was introduced into the building that cause spill out into all orifices including lighting fixtures, diffusers, and sprinkler heads. The introduction of more air into the facility necessitated the addition of the extra 1900 MBh boiler. Pressure is reportedly maintained at .5 inches static resulting in positive pressurization. The air handling system was reportedly cleaned and balanced at that time. Boilers, boiler peripherals, pumps, piping, and air handlers were observed to be in good condition.

A glycol heat recovery system is located in the mechanical room. Two 2.7 horsepower pumps, pump glycol to a heat exchanger. Two 2.0 horsepower pumps, pump water to the heat exchanger, and to the air handling units. The return pumps are .75 horsepower and are in good condition. No costs are anticipated.

Cooling is provided by an estimated 200-ton liquid chiller with R22 refrigerant. One of the compressors is reportedly not operational and will need replacement. Pairs of 5 horsepower pumps, pump water to a cooling tower. Snow cover prevented a more detailed look at the tower (and exhaust fans) on the roof but no corrosion spots or evidence of past leakage were observed.

Building controls consist of pneumatically powered and electrically actuated points. The air compressor is in good condition and no repairs or replacement costs are shown. A Robert Shaw DMS 350 Digital Energy management controls system is provided along with air handling unit timers. Rooftop mushroom type exhaust fans, that were observed to be in good condition, primarily provide building and restroom ventilation. Three-blade paddle fans dispersed in the waiting area provide additional air movement.

The bus marshalling area contains two large exhaust units. Although these units reportedly were installed when the building was built in 1991-2, they appear older. This may be caused by an apparent lack of preventative maintenance and cleaning. In addition, the type of air that is being drawn into them (dirty and full of soot and corrosive particulate from the diesel exhaust) may account for their effective age. Air from the marshalling area passes through wall vents located in the air handling room. There are no filters on the floor level intake vents.

One of the air handlers has had its 15 horsepower motor replaced. The fan wheel and blades are dirty, the shaft shows signs of corrosion, and the structural components (bolts, nuts and supports) are beginning to rust. These units can expect a shortened expected useful life. The air is then exhausted through vents located on the side of the building. Supply air is provided by large in line fans located on the opposite wall.

There is a kitchen located on the second floor of the transit center. A mechanical refrigeration unit is located there. The compressor and air handler is located on the top of the unit. Both appear to be in good condition and no costs are shown for repairs or replacements.

Following this Building Summary in section D is a mechanical and electrical equipment summary. HVAC testing results and preventive maintenance recommendations for the equipment as prepared by Michael's Engineering and Michael's Fluid Balancing.

ELEVATORS

All costs in USD.

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Two hydraulic elevators are located in the transit building. Both appear to be in good operating condition. No costs are shown for repairs or replacements.

PLUMBING

Domestic water is supplied from the city via a 3-inch domestic water main. For the most part, horizontal piping is run overhead with concealed drop legs in the walls. A pair of 119-gallon and a single 50-gallon electric resistance hot water heater provide domestic hot water. The domestic hot water heaters were observed to be in good condition. Site staff reported no problems with the domestic water-piping infrastructure.

Public and staff restroom fixtures throughout the building, in general, are in good condition. Typical restrooms consist of wall-mounted toilets, wall mounted and drop in counter mounted sinks with the men's public restrooms containing floor-mounted urinals.

Janitor utility sinks are located on each floor and are equipped with vacuum breakers.

A backflow-protected irrigation system, with reportedly 24 zones, is located in Air Handler One mechanical room. It contains a 5 horsepower boost pump and 60-PSI pressure tank. Both are in good condition.

The building is served by pairs of wall-mounted refrigerated drinking fountains on each floor adjacent to the public restrooms. The drinking fountains were observed to be in good condition.

The storm and sanitary systems are gravity return to the site main. Visible piping within the building consists of 4-inch cast iron piping. The systems appeared to be in good condition with no reported problems.

FIRE PROTECTION

The transit building waiting areas and second floor conference areas are protected by a sprinkler system. A single check backflow prevention was present on the sprinkler line. Table 82.41 (Comm. 82.41 page 60) requires this to be a double check assembly. The sprinkler main is complete with an alarmed flow station and tamper switches on valves. The internal sprinkler head distribution appears to be consistent with the space use and wall configurations.

ELECTRICAL

Service and Power Distribution:

Power is supplied to the building by a pad mounted transformer located on the east side of the facility by Wisconsin Electric Power Company to a 277/480 volt, 3 phase, 4 wire, 1200 amp main switchboard located in the mezzanine storage room. This service equipment feeds the remaining panels, motor control centers, disconnect switches, and transformers located in storage/electrical closets and on corridor walls throughout the facility.

Emergency Lighting and Power:

There building has no emergency generator for the facility. However, emergency battery packs for lighting are located in the facility. The battery packs appear to be mainly in the corridor areas and with some lighting in selected areas throughout the facility. Lighted exit signs are used, in most cases, along paths of egress.

Lighting Systems:

The facility uses 2x4 recessed fixtures with parabolic lenses, and 1x4 recessed fixtures with prismatic lenses, pendent industrials, compact fluorescent PL fixtures, and a small number of incandescent or industrial fixtures mostly in service areas and closets. In the bus garage area HID (Metal Halide) fixtures are implemented. Area lighting around the building consists of bollard and Harp lighting by the City of Milwaukee.

Fire Alarm Equipment:

The fire alarm control panel is an Edwards Fire Alarm system that is a coded system. The main fire alarm panel is located within the central command center. The panel is connected to an outside monitoring location. On site staff did not know the name of the monitoring company. The system devices include manual pull stations, smoke and heat detectors, and horn/light devices. Replacement of an addressable system is recommended. Additional strobes are needed in the ballroom, rest rooms and conference room areas. Alarm lights are not ADA compliant strobes.

All costs in USD.

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WIREdata CORPORATION

Full Report

Property Location : **909 E Michigan ST**

View: Full Report View | Report Options | Print Report | Search Criteria | Search Results | Modify Search

Taxed by: City Of Milwaukee

Owner :
Milwaukee County
Frwy Active
Lands Hwy
901 N 9TH ST
Milwaukee, WI 53233-1425

Taxkey # 3921678121
Owner Occupied:
Property Address :
909 E Michigan ST
Milwaukee, WI 53202-5606

ID Walk Down | ID Walk Up

Record 1 of 1 selected records

Assessments

Assessment Year	Property Class	Land Assessment	Improvement Assessment	Total Assessment	Percent Of Change	Acres	Ratio
2011	Exempt				0.000	7.025	1.004732798
2010	Exempt				0.000	7.025	0.956617820
2009	Exempt				0.000	3.512	0.928238797
2008	Exempt				0.000	3.512	0.952117558
2007	Exempt				0.000	3.512	0.923125025
2006	Exempt				-100.000		0.944689302
2005		$ 248,000	$ 9,752,000	$ 10,000,000	0.000		0.960163730
2004	County (Housing)(MetroSewer)	$ 248,000	$ 9,752,000	$ 10,000,000	0.000		0.968432436
2003	County (Housing)(MetroSewer)	$ 248,000	$ 9,752,000	$ 10,000,000	0.000		0.970726965

Taxes

Tax Year	Total Tax	First Dollar	Lottery Credit	Net Tax	Special Taxes	Special Assessment	Special Charges	Full Pay Amount
2010								
2009								
2008								
2007								
2006								
2005								
2004								
2003								
2002								

Assessor

Building Square Feet :
Bedrooms :
Full Baths :
Half Baths :
Total Rooms :
Number of Stories :
Building Type :
Exterior Wall :
Exterior Condition :
Land Use : 9199 General Government
Zoning : PK Parks-Special Districts And Overlay Zones
Census Tract : 153.00

Year Built :
Year Remodeled :
Effective Year Built :
Air Conditioning :
Fireplace :
Number of Units :

Township : 7N
Range : 22E
Section : 28
Quarter :
Pool :
Attic :
Basement :
Heat :
Garage :
School District : 3619 Milwaukee School District
Historic Designation :

Legal Description

Plat Page 39603 Neighborhood 6460 Division Of 13.30 Acres In SW 1/4 Sec 28-7-22 Block 99 Part Of (lots 1 Thru 4 & Lot 9 & Filled Lands Adj On E) All Lying Betw N Li (e Clybourn ST & E Clybourn ST Ext'd E) On The S & W Li Lake Freeway On The E & S Li (e Michigan ST & E Michigan ST Ext'd E) On The N & (e Li SD Lot 1 & A Li 10' Wly Of As Meas Normal To A Ref Li Extending From SW Cor SD Lot 1 To A PT On S Li & 150' E Of SW Cor Of Lot 2) On The W Bid # 21

Sales

MILWAUKEE COUNTY DOWNTOWN TRANSIT CENTER
LEGAL DESCRIPTION
Of

That part of part of Lots 1, 2, 3, 4 and Lot 9, Block 99 all in the Plat of the Division of 13.30 acres off the east end of Lot 3 and 17.10 acres of the east end of Lot 4 in the NE ¼ and the SE ¼ of the SW ¼ of Section 28, Town 7 North, Range 22 East,
Located the City of Milwaukee, Milwaukee County, Wisconsin and more particularly described as follows:

Beginning at a point that that is N 85°45'54" E 199.97 feet of the Northwest corner of Lot 7 in Block 99 in the Plat of the Division of 13.30 acres off the east end of Lot 3 and 17.10 acres of the east end of Lot 4, on the south right of way line of East Michigan Street;
thence S 05°05'43" E 2.64 feet;
thence S 73°05'56" E 79.83 feet;
thence S 63°29"59" E 56.13 feet;
thence S 79°17'51" E 161.77 feet;
thence S 69°58'57" E 34.61 feet;
thence S 49°36"03" E 6.76 feet;
thence S 42° 48'26" E 42.41 feet;
thence S 07°00"32" E 9.58 feet;
thence S 18°38'08" W 11.15 feet;
thence S 25°09'24" W along the westerly edge of a concrete walk for N. Lincoln Memorial Drive, 206.70 feet;
thence S 40°11'27" W 13.02 feet;
thence S 75°30'25" W 15.43 feet to a point on the northerly edge of a concrete walk for E. Clybourn Street extended easterly;
thence S 85°43'33" W along the north edge of the concrete walk, 269.21 feet;
thence N 8°07'33" E 7.40 feet to the north right of way line of East Clybourn Street;
thence N 10°41'09" E 223.43 feet;
thence N 05°05'43" W 140.36 feet; to the point of beginning

Containing 2.207 acres of land, more or less.
96,130 square feet.

This instrument was drafted by:
Kenneth R. Reesman, R.L.S. 1351
Dated: January 5, 2012
Department of Administrative Services
Environmental & Engineering Section
Site Development Division

EXHIBIT B
Comparable Land Sales Information

Land Sale No. 1

Property Identification	
Record ID	1035
Property Type	Land, Commercial Land
Property Name	Marriott Hotel Parcel Assemblage
Address	319-327 E. Wisconsin Avenue & 627-631 N. Milwaukee Street, Milwaukee, Milwaukee County, Wisconsin
Location	Milwaukee CBD
Tax ID	392-0735, -0734, -0736, -0737-6
MSA	Milwaukee
Market Type	Urban
Sale Data	
Grantor	1) MBI Properties LLC; 2) Milwaukee NOWI LLC
Grantee	1) Jackson Street Management LLC; 2) Wisconsin & Milwaukee Hotel LLC
Sale Date	August, 2011 (2 deeds)
Deed Book/Page	#10030113 & -114
Property Rights	Fee simple
Conditions of Sale	Arm's length
Financing	Cash to seller
Sale Price	$3,700,000 ($2,300,000 + $1,400,000)
Cash Equivalent	$3,700,000
Upward Adjustment	$500,000 Demolition
Adjusted Price	$4,200,000
Land Data	
Zoning	C9F(A), Office & Service, Commercial
Topography	Slight Slope
Utilities	All available
Shape	Irregular, Rectangular
Flood Info	Not in floodplain
Land Size Information	
Gross Land Size	0.748 Acres or 32,600 SF
Useable Land Size	0.748 Acres or 32,600 SF , 100.00%
Front Footage	E. Wisconsin Avenue; N. Milwaukee Street
Indicators	
Sale Price/Gross SF	$113.50 Actual or $128.83 Adjusted

Land Sale No. 1, continued

Remarks

This is the assemblage of four parcels in two transactions for the construction of a 200 unit, 9-story full service Marriott Hotel at the southwest corner of E. Wisconsin Avenue and N. Milwaukee Street, however, the assembled parcel excludes the small corner parcel that is improved with a historic office building at 329 E. Wisconsin Avenue. The transaction occurred on August 31, 2011 after receiving development approvals from the city; the project was first publically announced in 2010. There had been controversy regarding the demolition of 19th century historic buildings and it was agreed with the City that the facades of the E. Wisconsin Avenue buildings will not be demolished; the N. Milwaukee Street buildings will be demolished. The total sale price was $3,700,000 ($2,300,000 for the E. Wisconsin Avenue buildings+ $1,400,000 for the N. Milwaukee Street buildings). The sale price is equal to $113.50 per square foot of land area. Adding estimated demolition costs of $500,000 results in an adjusted price of $4,200,000 or $128.83 per square foot of land area. The $54 million hotel project will not include any public subsidies. The 9-story structure will include a restaurant, bar and underground parking for ±50 cars and will take 1.5- to 2-years to complete.

Land Sale No. 2

Property Identification	
Record ID	879
Property Type	Land, Parking Lot
Address	201 W. Juneau Avenue, Milwaukee, Milwaukee County, Wisconsin
Location	SEC W. Juneau Ave & N. Old World 3rd Street
Tax ID	361-0412-114-9
Sale Data	
Grantor	RFP Parking LLC
Grantee	Milwaukee River Hotel-P LLC
Sale Date	June, 2010
Deed Book/Page	Doc # 09886982
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Sale Price	$2,275,000
Upward Adjustment	$275,000 Shared Access
Adjusted Price	$2,550,000
Land Data	
Zoning	RED
Topography	Generally Level
Utilities	All to Site
Shape	Rectangular
Land Size Information	
Gross Land Size	1.282 Acres or 55,844 SF
Indicators	
Sale Price/Gross SF	$40.74 Actual or $45.66 Adjusted

Remarks

This is the June 2010 sale of ±55,844 total square feet of land located along N. Old World Third Street, just south of W. Juneau Avenue. The sale involved the transfer of two non-contiguous parcels: 1) a ±48,344 square foot parcel on the west bank of the Milwaukee Rive at the southeast corner of N. Old World Third Street and W. Juneau Avenue and, 2) a ±7,500 square foot parcel located on the west side of N. Old World Third Street, south of W. Juneau Avenue. The sale price in this transaction was $2,275,000 or $40.74 per square foot. The larger of the two parcels along the Milwaukee River shares its access point along N. Old World Third Street with the abutting Riverfront Plaza building to the south. The shared access area (±12,158 square feet) lies entirely within this comparable's land area. The shared access area has a contributory value of 50% of its underlying land area and applying this factor to the share access area results in an indicated upward adjustment of +12% or $275,000. The adjusted price reflects the price for this parcel as if there is no shared access drive area.

The adjusted sale price in this transaction is $2,550,000 or $45.66 per square foot. The development plans for these parcels are unclear. The buyer in this transaction is a Milwaukee-based hotel developer and was involved in the development of the Aloft Hotel, located just north of this property. The seller in this transaction acquired this property in June 2007, indicating a decline in sale price (2010 vs. 2007) of approximately -7.1%.

Land Sale No. 3

Property Identification	
Record ID	762
Property Type	Land, Commercial Land
Address	330 N. Broadway & 331 N. Milwaukee Street, Milwaukee, Milwaukee County, Wisconsin
Location	N. Broadway, Between E. Buffalo Street & E. St. Paul Avenue
Tax ID	3960351000 & 3960352000
MSA	Milwaukee
Market Type	Third Ward
Sale Data	
Grantor	Broadway Partners
Grantee	DJ-RJ LLC
Sale Date	June, 2009
Deed Book/Page	Doc # 09753057
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Sale Price	$1,693,300
Land Data	
Zoning	C9G, Mixed Activity
Topography	Generally Level
Utilities	All to Site
Shape	Generally Rectangular
Land Size Information	
Gross Land Size	0.659 Acres or 28,722 SF
Indicators	
Sale Price/Gross SF	$58.95

Remarks

This marks the sale of two adjacent parcels totaling 28,722 square feet located at 330 N. Broadway and 331 N. Milwaukee Street in the City of Milwaukee's Historic Third Ward. The sale took place in one transaction in June 2009 for a price of $1,693,300 or $58.95 per square foot. The parcels have a desirable location on the north side of the Third Ward, south of E. St Paul Avenue, north of E. Buffalo Street, east of N. Broadway, and west of N. Milwaukee Street. Being located in the middle of the block, the parcels have frontage on both N. Broadway and N. Milwaukee Street. This parcel represents one of a few remaining vacant land parcels available for development in the Third Ward. . In 2006, the seller had proposed an 18-story building featuring a 150 room hotel, upscale health club, 30 condominiums and parking structure failed to get financing. The current buyer is holding for future development.

Land Sale No. 4

Property Identification	
Record ID	478
Property Type	Land, Commercial Land
Address	1124-44 N. Water Street & 209-233 E. Juneau Avenue, Milwaukee, Milwaukee County, Wisconsin
Location	SEC of N. Water & E. Juneau Ave
Tax ID	392-2571, 392-2561-006, et al
MSA	Milwaukee
Market Type	Downtown
Sale Data	
Grantor	Market Street Partners II LLP
Grantee	DOC Milwaukee LP
Sale Date	December, 2006
Deed Book/Page	Doc# 9351429
Property Rights	Fee simple
Conditions of Sale	Arm's length
Financing	Cash to seller
Sale Price	$2,200,000
Land Data	
Zoning	C9B
Topography	Generally level
Utilities	All to site
Shape	Rectangular
Land Size Information	
Gross Land Size	0.658 Acres or 28,662 SF
Indicators	
Sale Price/Gross SF	$76.76

Remarks

This property ±28,662 square foot parcel sold in December, 2007 for a total sale price of $2,200,000 or $76.76 per square foot. This property has an excellent location at the southeast corner of N. Water Street and E. Juneau Avenue, just east of the Milwaukee River. The buyer, Development Opportunity Corporation is planning on building a $33 million mixed-use building that would include a 128-room Staybridge Suites extended stay hotel; 31 condominiums; 14,000 square feet of retail space on the first floor; and two floors of parking. Also, the roof area will utilized as green space in the form of a rooftop garden. As of October, 2007, construction had already begun with a target finish date in spring, 2008. The transfer included 5 city-owned parcels totaling ±9,200 square feet that were at the corner of the two fronting streets as well as a north-south alley accessible via E. Juneau, just east of N. Water. This area will no longer be an alley as the building will be sited in this area.

Land Sale No. 5

Property Identification	
Record ID	289
Property Type	Land, Multi-Family Land
Property Name	Park Lafayette Parcel
Address	2000-2038 N. Prospect Avenue, Milwaukee, Milwaukee County, Wisconsin
Location	NEC N. Prospect Ave & E. Lafayette Pl
Tax ID	3560246000, 3560247000, 3560243100
MSA	Milwaukee
Market Type	East Side
Sale Data	
Grantor	Sik Kin Wu
Grantee	Renaissant Lafayette LLC
Sale Date	April, 2006
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to seller
Sale Price	$6,500,000
Land Data	
Zoning	RM7, Multi-Family
Topography	Slopes down from south to north; on bluff
Utilities	All available
Shape	Triangular
Land Size Information	
Gross Land Size	1.021 Acres or 44,488 SF
Actual Units	291
Front Footage	N. Prospect Avenue; E. Lafayette
Indicators	
Sale Price/Gross SF	$146.11
Sale Price/Actual Unit	$22,337

Remarks

Located on Milwaukee's East Side, on the bluff overlooking Lake Michigan; the property is located at the northeast corner of N. Prospect Avenue and E. Lafayette Place in a vibrant, redeveloping area. E. Lafayette Place provides direct access to N. Lincoln Memorial Drive and Lake Michigan. The buyer/developer plans to build a 291-unit condominium project in twin, 20-story towers to be known as Park Lafayette. The $90 million condominium project will over Lake Michigan views and will have unit pricing from $222,000 for a 1-bedroom, 740-square foot unit up to $450,000 for a 2-bedroom, 1,248-square foot unit. The buildings will have a 446-space underground parking structure. Approval was received in December, 2005; construction is expected to be completed in 2008; as of May, 2006, about 50-units have been reserved. The project will have two towers and also 10 townhouses.

This property was acquired in April, 2006 for $6,500,000 or $146.11 per square foot; based on the 291 planned condos, the sale price is equal to $22,337 per unit. Although the price per square foot reflects the highest land price per square foot in the metropolitan area, the price per dwelling unit is in-line with land prices for high density residential condominiums projects.

Land Sale No. 6

Property Identification	
Record ID	290
Property Type	Land, Multi-Family Land
Property Name	Kilbourn Tower Parcel
Address	923 E. Kilbourn Avenue, Milwaukee, Milwaukee County, Wisconsin
Location	SWC E. Kilbourn Avenue & N. Prospect Avenue
Tax ID	392-1693-000
MSA	Milwaukee
Market Type	East Side
Sale Data	
Grantor	City of Milwaukee
Grantee	Kilbourn Tower, LLC
Sale Date	July, 2003
Deed Book/Page	Doc #8536243
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to seller
Sale Price	$700,000
Upward Adjustment	$368,000
Adjusted Price	$1,068,000
Land Data	
Zoning	C9A A, Residential
Topography	Slight slope
Utilities	All available
Shape	Irregular
Land Size Information	
Gross Land Size	0.248 Acres or 10,800 SF
Actual Units	74
Front Footage	140 ft on E. Kilbourn Ave;70 ft on N. Prospect Ave
Indicators	
Sale Price/Gross SF	$64.81 Actual or $98.89 Adjusted
Sale Price/Actual Unit	$9,459 Actual or $14,432 Adjusted

Remarks

Located at the southwest corner of E. Kilbourn and N. Prospect Avenues, Kilbourn Towers is a luxury condominium project with 33-floors offering excellent views of Lake Michigan and Milwaukee's skyline. The completed $62 million, 74-unit project has units selling from about $700,000 to over $2,200,000. There are 4-levels of underground parking.

The 10,800 square foot parcel was sold through a bid/development plan submittal process; there were five bids/development plans submitted. The accepted bid was reportedly not necessarily the highest land price but maximized the development property value. The sale price consisted of a $700,000 purchase price plus $118,000 paid to the City to vacate the existing right-turn lane from E. Kilbourn Avenue to N. Prospect Avenue and $250,000 paid to the City for upgrades to E. Kilbourn Avenue; the total price is $1,068,000 or $98.89 per square foot and $14,432 per dwelling unit.

EXHIBIT C
Assumptions and Limiting Conditions

No responsibility is assumed for matters legal in nature. No investigation has been made of the title to or any liabilities against the property appraised. The appraisal presumes, unless otherwise noted, that the owner's claim is valid, the property rights are good and marketable, and there are no encumbrances which cannot be cleared through normal processes. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

Unless otherwise specifically noted within the appraisal report, it is assumed that title to the property appraised is clear and marketable and that there are no recorded or unrecorded matters or exceptions that would adversely affect marketability or value. We are not aware of any title defects nor have we been advised of any unless such is specifically noted in the report. We, however, have not examined title and make no representations relative to the condition thereof. Documents dealing with liens, encumbrances, easements, deed restrictions, clouds and other conditions that may affect the quality of title have not been reviewed. Insurance against financial loss resulting in claims that may arise out of defects in the subject property's title should be sought from a qualified title company that issues or insures title to real property.

It is assumed that all applicable zoning and use regulations and restrictions have been complied with unless a nonconformity has been stated, defined, and considered in the appraisal report. Further, it is assumed that the utilization of the land and improvements is within the boundaries of the property described and that no encroachment or trespass exists unless noted in the report. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.

To the best of our knowledge, all data set forth in this report are true and accurate. Although gathered from reliable sources, no guarantee is made nor liability assumed for the accuracy of any data, opinions, or estimates identified as being furnished by others which have been used in formulating this analysis.

Land areas and descriptions used in this appraisal were either obtained from public records or furnished by the client and have not been verified by legal counsel or a licensed surveyor. The land description is included for identification purposes only and should not be used in a conveyance or other legal document without proper verification by an attorney. Although the material was prepared using the best available data, it should not be considered as a survey or scaled for size. All engineering studies are assumed to be correct. The plot and site plans and other illustrative material in this report are included only to help the reader visualize the property and they should not be scaled for size. Any survey or right-of-way plat sheet included was provided by the client and assumed accurate. Except as specifically stated, data relative to size or area of the subject and comparable properties has been obtained from sources deemed accurate and reliable.

Assumptions and Limiting Conditions, Continued

We have made a physical inspection of the property and noted any readily visibly apparent physical defects, if any, in our report. This inspection was made by individuals generally familiar with real estate and building construction; however, these individuals are not architectural or structural engineers who would have detailed knowledge of building design and structural integrity. Accordingly, we do not opine on, nor are we responsible for, the structural integrity of the property including its conformity to specific governmental code requirements, such as fire, building and safety, earthquake, and occupancy, or any physical defects that might exist. Unless otherwise specifically noted in the body of this report, it is assumed: that the existing improvements on the property appraised are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the property has been engineered in such a manner that the improvements conform to all applicable local, state, and federal building codes and ordinances. We are not engineers and are not competent to judge matters of an engineering nature. We have not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, make no representations relative to the condition of improvements. Unless otherwise specifically noted in the body of the report, no problems were brought to our attention by ownership or management. Structural problems and/or building system problems may not be visually detectable. If engineering consultants retained should report negative factors of a material nature, or if such are later discovered, such information could have a substantial negative impact on the conclusions reported in this appraisal. Accordingly, if negative findings are reported by engineering consultants, I reserve the right to amend the appraisal conclusions reported herein.

Substances such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, or other potentially hazardous materials could, if present, adversely affect the value of the property. Unless otherwise stated in this report, the existence of hazardous substances, which may or may not be present on or in the property, were not considered by the appraiser in the development of the conclusion of value. The stated value estimate is predicated on the assumption that there is no material on or in the property that would cause such a loss in value. No responsibility is assumed for any such conditions, and the client has been advised that the appraiser is not qualified to detect such substances or develop the remediation cost.

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect on the value of the property. We have not considered the possible noncompliance with the requirements of ADA in estimating the value of the property.

Assumptions and Limiting Conditions, Continued

No soil analysis or geological studies were ordered or made in conjunction with this appraisal, nor were any water, oil, gas, coal, or other subsurface mineral and use rights or conditions investigated. Unless otherwise noted in the body of the report, it is assumed that there are no mineral deposits or subsurface rights of value involved in this appraisal, whether they are gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered unless otherwise stated in this appraisal report. Unless otherwise stated, it is also assumed that there are no air or development rights of value that may be transferred. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.

Any opinions of value provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the opinion of value, unless such proration or division of interests has been set forth in the report.

The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and projected stable economic conditions. These forecasts are, therefore, subject to changes with future conditions. Any cash flows included in the analysis are forecasts of estimated future operating characteristics and are predicated on the information and assumptions contained within the report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future; rather, they are estimates of current market expectations of future income and expenses. The achievements of the financial forecasts are subject to fluctuating economic conditions and are dependent upon other projected future occurrences that obviously cannot be assured. Actual results will likely occur from the projections made herein and we cannot and do not warrant that these forecasts will occur. Projections may be affected by circumstances beyond the current realm of our knowledge or control.

Unless otherwise noted in the body of this report, it is assumed that no changes in the present zoning ordinances or regulations governing use, density, or shape have been considered. The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, nor national government or private entity or organization have been or can be obtained or renewed for any use for which the value estimates contained in this report is based, unless otherwise stated.

Testimony or attendance in court or at any other hearing is not required by reason of this appraisal unless arrangements are made within a reasonable time in advance for such testimony, and then such testimony shall be at the prevailing per diem for the individuals involved.

The date of value to which the conclusions and opinions expressed apply is set forth in this report. Unless otherwise noted, this date represents the last date of our physical inspection of the property. The value opinion herein rendered is based on the status of the national business economy and the purchasing power of the U.S. dollar as of that date.

EXHIBIT D

Appraisal Certification

I certify that, to the best of my 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 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 or bias 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.
- I have not performed prior services regarding the subject property, as an appraiser, or in any other capacity, within the three year period immediately preceding acceptance of this appraisal 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.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP").
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I have made a personal inspection of the property that is the subject of this report.
- No one has provided significant professional assistance to the person signing this certification.
- As of the date of this report, I have completed the continuing education program of the Appraisal Institute.

Lawrence R Nicholson

Lawrence R. Nicholson, MAI
Wisconsin Certified General Appraiser (#116)

EXHIBIT E

Professional Qualifications

Lawrence R. Nicholson, MAI

The Nicholson Group LLC

Experience

Owner of The Nicholson Group LLC, a Milwaukee-based real estate valuation and consulting firm dedicated to providing reliable and well documented valuations, feasibility and market studies, litigation support and other consulting services in a personal and timely manner. Mr. Nicholson has over 25-years of real estate valuation and consulting experience. Mr. Nicholson has been an MAI since 1989 and a Certified General Appraiser in the State of Wisconsin since 1991. He also was a Counselor of Real Estate ("CRE") from 2000 through 2008.

Mr. Nicholson has extensive experience with a variety of property types including office buildings, shopping centers, apartment complexes, golf courses, waterparks, marinas, hotels, business/industrial parks, developmental land, self-storage facilities, and light and heavy industrial facilities. Mr. Nicholson is an expert in condemnation-related appraisals as well as in partial interest valuation. Mr. Nicholson has been appointed by the Governor to the Real Estate Appraisers Board for the State of Wisconsin within the Wisconsin Department of Regulation & Licensing. Mr. Nicholson has taught the Valuation of Real Estate course (Real Estate 415) at the University of Wisconsin-Madison School of Business. Mr. Nicholson is also an approved instructor of real estate appraisal principles and procedures in the State of Wisconsin. He also frequently participates as a speaker in numerous conferences, seminars and symposiums. Mr. Nicholson has a Bachelor of Business Administration degree (real estate and finance) and a Master of Science degree in Real Estate Appraisal and Investment Analysis from the University of Wisconsin – Madison.

Prior to forming The Nicholson Group in 1993, Mr. Nicholson was National Managing Director of the Real Estate Advisory Group (REAG) of American Appraisal Associates. As an operating unit of the world's largest independent valuation consulting firm, REAG specialized in providing appraisal, consulting, and market research services nationwide.

Academics

University of Wisconsin - Madison
- Master of Science - Real Estate Appraisal & Investment Analysis (1981)
- Bachelor of Business Administration - Finance & Urban Land Economics (1979)

Appraisal Institute
- Numerous real estate appraisal courses

American Society of Appraisers
- Business Valuation 201
- Business Valuation 202
- Business Valuation 203

Court Experience

Mr. Nicholson has provided expert testimony concerning the market value of real estate and partial interests. He has given depositions, provided expert testimony and litigation support regarding the valuation of land, office buildings, shopping centers, hotels, golf courses, industrial facilities and automotive dealerships.

Lawrence R. Nicholson, MAI
Professional Qualifications, continued

Professional Affiliations

Appraisal Institute, MAI Designation #8077 (1989)
- Board of Directors, Wisconsin Chapter (2006 - 2009)
- Ethics Administration Division - Assistant Regional Member
- Admissions Committee (former)
- Board of Directors, Badger Chapter (former)
- Chairperson - Public Relations Committee (former)
- Nonresidential Appraisal Reports Grader (former)

Wisconsin Department of Regulation & Licensing
- Real Estate Appraisers Board, State of Wisconsin (5/1/2010 -)
- Real Estate Appraisers Application Advisory Committee (2006 - 2010)

State Certifications
- Wisconsin Certified General Appraiser #116 (1991)

International Right of Way Association

The Counselors of Real Estate, CRE Designation #2708 (2000-2008)

Commercial Association of Realtors Wisconsin
- Board of Directors (2001-2004)

University of Wisconsin-Madison
- Lecturer, Real Estate 415, Valuation of Real Estate (2008 - 2009)

Approved Instructor, Real Estate Principles and Procedures
- Robbins & Lloyd (Wisconsin)

University of Wisconsin Real Estate Alumni Association

Wisconsin Interscholastic Athletic Association (WIAA)
- Licensed Official, Basketball

State of Wisconsin
Department of Safety and Professional Services

CERTIFIED GENERAL APPRAISER

LAWRENCE R NICHOLSON

HARTLAND, WI 53029

Credential No 116-10 Expiration Date: 12-14-2013

Firm Overview

The Nicholson Group LLC is a Milwaukee-based real estate valuation and consulting firm. The Nicholson Group, established in 1993, is one of the pre-eminent valuation consulting firms throughout the State of Wisconsin as well as the Midwest and is a premier provider of appraisal and related services to financial institutions, law firms, investors, corporations and other real estate owners and users. We provide complete support from our initial consultation through our finished reports and if required, expert testimony.

The Nicholson Group is dedicated to providing reliable, well documented appraisals, feasibility and market studies, review appraisals and other consulting services in a personal and timely manner. All of our appraisal and consultation services are produced to the highest possible standards including complying with: the Uniform Standards of Professional Appraisal Practice ("USPAP"); the Standards of Professional Appraisal Practice and Code of Professional Ethics of the Appraisal Institute; and, the Standards of Professional Practice and Code of Ethics of the Counselors of Real Estate.

We pride ourselves in our ability to provide quality-oriented appraisal and consulting services which create and maintains a high level of ***client confidence, trust, loyalty and satisfaction***. Our clientele include financial institutions, insurance companies, law firms, real estate operating companies, pension funds, pension fund managers, corporations, and governmental agencies. Our extensive experience with a variety of property types includes: office & industrial buildings; regional malls & shopping centers; hotels & motels; water parks, golf courses & marinas; self-storage facilities; business & industrial parks; apartment complexes; and, developmental land.

Our firm is characterized by valuation ***knowledge and experience*** as our work is produced by highly trained, experienced professionals; ***credibility*** based on extensive experience with leading real estate and business decision makers; ***client service*** geared to meet client timing needs at a fair price; and, high standards of ***objectivity and integrity*** that has earned high levels of ***respect*** throughout the real estate community.

The Nicholson Group
Client Listing

Financial Institutions
Anchor Bank
Associated Bank
Bank of Kenosha
Citibank
Citizens Bank of Mukwonago
Community Bank & Trust
Harris Bank
Johnson Bank
JP Morgan Chase Bank
Marine Bank
M & I Bank
National City Bank
Park Bank
TCF Bank
The Private Bank
Town Bank
Tri-City National Bank
US Bank
Waukesha State Bank
Wells Fargo Bank

Insurance Companies
AEGON USA Realty Advisors
American Family Insurance
American Fidelity Assurance Corp
Northwestern Mutual Life
Principal Life Insurance Company
Society Insurance
The Guardian

Attorneys
Balisle & Roberson
Davis & Kuelthau
DeWitt, Ross & Stevens
Faegre & Benson
Foley & Lardner
Friebert, Finerty & St. John
Godfrey & Kahn
Kalcheim, Schatz & Berger
Michael Best & Friedrich
Quarles & Brady
Reinhart Boerner Van Duren
Schweitzer & Cincotta
von Briesen, Purtell & Roper
Weiss Berzowski Brady
Whyte Hirshboeck Dudek

Municipal/Public
Arrowhead High School
Cardinal Stritch University
Carroll University
City of Delafield
City of Glendale
City of New Berlin
City of Oconomowoc
City of Racine
City of West Allis
Redevelopment Authority of the City of Milwaukee
Milwaukee County
Marquette University
Milwaukee Public Schools
Sheboygan Area School District
US Postal Service
UW-Milwaukee Real Estate Foundation
Village of Greendale
Village of Hartland
Village of Menomonee Falls
Village of Pleasant Prairie
Village of Shorewood
Village of West Milwaukee
Waukesha School District
WI Department of Justice
WI Department of Transportation

Real Estate Operating Companies
Atlas Management
Continental Properties
Fiduciary Real Estate Development
General Capital Group
Interstate Partners
Lighthouse Development Co.
Mandel Group
Madison Golf Development Group
Metropolitan Associates
Pabst Farms Development Co.
Principal Real Estate Investors
Public Storage, Inc
Told Development Company
Towne Realty

Corporate
Abbott Laboratories
Agnesian HealthCare, Inc.
Aldrich Chemical
American Honda Motor Corp.
Boys & Girls Club of Milwaukee
Bradley Center Sports
Everbrite Company
Extendicare Health Services
Federal Express
Harley Davidson
Journal - Sentinel, Inc.
Noah's Ark Family Park, Inc.
Rockwell Automation
Roth Kase USA Ltd.
Sargento Foods
Self Storage Preferred Partners
SkipperLiner Marine Group
Spancrete Industries
Staubach Portfolio Services
Swiss Colony
Teamsters General Local No. 200
U-Haul International
United Parcel Service
Walgreen Company
Wal-Mart Stores & Wal-Mart Realty
Wisconsin Alumni Research Foundation (WARF)

GENERAL SERVICE CONDITIONS

The services provided by The Nicholson Group LLC have been performed in accordance with professional appraisal standards. Our compensation was not contingent in any way upon our conclusions. We have assumed, without independent verification, the accuracy of all data provided to us. All files, work papers, or documents developed by us during the course of the engagement are our property. We will retain this data for at least five years.

My value opinion and report are to be used only for the specific purpose stated herein and any other use is invalid. No reliance may be made by any third party without our prior written consent. Possession of this report or any copy thereof does not carry with it the right of publication. No portion of this report shall be disseminated to the public through prospectus, advertising, public relations, news, or any other means of communication without the written consent and approval of The Nicholson Group LLC.

You agree to indemnify and hold us harmless against and from any and all losses, claims, actions, damages, expenses, or liabilities, including reasonable attorneys' fees, to which we may become subject in connection with this engagement. The extent of The Nicholson Group LLC's liability as a result of any of the preceding items, or any other matter related to this engagement, is limited to the appraisal fee paid by the client for these appraisal services. Your obligation for indemnification and reimbursement shall extend to any controlling person of The Nicholson Group LLC, employee, affiliate or agent.

We reserve the right to include your company/firm name in our client list, but we will maintain the confidentiality of all conversations, documents provided to us, and the contents of our reports, subject to legal or administrative process or proceedings. These conditions can only be modified by written documents executed by both parties.