

## **A Summary Appraisal Report**

**of:**

**Land Parcel  
North of 2004/2030 East 23rd  
Lawrence, Kansas 66046**

**Prepared For:  
Ms. Diane Stoddard  
Assistant City Manager  
City of Lawrence  
6 East 6<sup>th</sup> Street  
Lawrence, Kansas 66044**

**Prepared By:  
Ronald D. Aul, MAI  
Aul & Hatfield Appraisals, L.C.**

**Date of Inspection:  
September 2, 2011**

**Effective Date of Valuation:  
September 2, 2011**

September 6, 2011

Ms. Diane Stoddard  
Assistant City Manager  
City of Lawrence  
6 East 6<sup>th</sup> Street  
Lawrence, Kansas 66044

RE:           **Summary Appraisal Report**  
Land Parcel  
North of 2004/2030 East 23<sup>rd</sup>  
Lawrence, Kansas 66046  
File No. C-1094

Dear Ms. Stoddard:

In accordance with your request, I have personally inspected the subject property identified above and prepared a **Summary Appraisal Report** in compliance with Standards Rule 2-2(b) of the *2010-2011 Uniform Standards of Professional Appraisal Practice*.

The subject property represents a parcel which is located directly north of 2004/2030 East 23<sup>rd</sup>, Lawrence, Kansas 66046 and measures 160' x 400' for a total site area of 64,000 square feet or 1.47 acres. The subject is a portion of the old Farmland property of which is now owned by the City of Lawrence. The reader is referred to the following report for more detailed information on the subject site and is cautioned to pay very close attention to the special assumptions and limiting conditions.

The purpose and intended use of this appraisal is to provide my client, named above, with my opinion of the *Market Value* of the fee simple interest in the subject as of the effective date of this report for internal use by the City of Lawrence.

My final opinion of value is based on the facts and circumstances pertinent to the analysis, the definition of value used, the purpose and intended use of the appraisal, the contingent and limiting conditions, hypothetical conditions and extraordinary assumptions, and all aspects of the property and market information contained in the attached report. My opinion of the market value of the fee simple interest in the subject property as of September 2, 2011, is as follows:

**\$130,000**  
**ONE HUNDRED THIRTY THOUSAND DOLLARS**  
**\$2.00 PER SQUARE FOOT**

Ms. Diane Stoddard

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September 6, 2011

Thank you for the opportunity to be of service. If you have any questions or need additional information please feel free to contact the undersigned at your convenience.

Respectfully submitted,  
AUL & HATFIELD APPRAISALS, L.C.



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**Ronald D. Aul, MAI**  
Certified General Real Property Appraiser  
Kansas No. G-1241

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## Summary / General Information

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### SUMMARY OF CONCLUSIONS

Value Indications:	
Cost Approach:	N/A
Sales Comparison Approach:	\$130,000
Income Approach:	N/A
Final Value Opinion:	\$130,000

### IDENTIFICATION OF THE SUBJECT PROPERTY

Property Address(es):	North of 2004/2030 East 23rd Lawrence, Kansas 66046
Building Name:	N/A
Type of Property:	Vacant Land
Current Use:	Ag
Site Size:	64,000 sf (1.47 acres)
Improvements Size:	N/A
Legal Description:	See below.

### LEGAL DESCRIPTION

The legal description of the subject is the following: Beginning at the Northwest Corner of Lot 1, Block 1, Cornerstone Plaza Addition No. 1, thence North 400 Feet, thence East 160 Feet, thence South 400 Feet and thence West 160 Feet to the point of beginning, City of Lawrence, Douglas County, Kansas.

### SCOPE OF WORK

The *Scope of Work* is defined as the amount and type of information researched and the analysis applied in an assignment. Scope of Work includes, but is not limited to, the following:

- the degree to which the property is identified;
- the extent to which tangible property is inspected;
- the type and extent of data researched; and
- the type and extent of analysis applied to arrive at opinions or conclusions.<sup>1</sup>

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<sup>1</sup> *The Uniform Standards of Professional Appraisal Practice– 2010–2011 Edition*, Copyright © 2010 by the Appraisal Foundation, p. U-13.

The Scope of Work of this appraisal assignment is summarized on the following pages.

NOTE: The *Glossary of Terms/Definitions* found later in this appraisal defines and expands on many of the terms found in this section.

Summary of Scope of Work:	
<b>Intended use of the appraisal:</b>	To provide my client (named below), with my opinion of the <i>Market Value</i> of the fee simple interest in the subject as of the effective date of this appraisal for internal use by the City of Lawrence. The appraiser is not responsible for unauthorized use of this report.
<b>Intended user(s) of the appraisal:</b>	The client named below. No other intended users are identified by the appraiser.
<b>Client:</b>	Ms. Diane Stoddard Assistant City Manager City of Lawrence
<b>Type of value(s) developed:</b>	Market Value (as defined later in this report)
<b>Property interest(s) appraised:</b>	Fee Simple Interest
<b>Effective date(s) of value:</b>	September 2, 2011
<b>Date of inspection:</b>	September 2, 2011
<b>Date of report:</b>	September 6, 2011
<b>Report reflects the following value perspective:</b>	<input checked="" type="checkbox"/> Current (the inspection date is the effective date) <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective
<b>Type of inspection:</b>	Roadside inspection
<b>Person(s) inspecting:</b>	Ronald D. Aul, MAI
<b>Report format:</b>	Summary Appraisal Report
<b>Value approaches developed for this appraisal:</b>	<input type="checkbox"/> Cost Approach <input checked="" type="checkbox"/> Sales Comparison Approach <input type="checkbox"/> Income Approach
<b>Reasons for excluding a value approach:</b>	Sales Comparison Approach of area land sales considered most representative approach for subject property. Cost and Income Approaches were not considered to be applicable.

**Extent of Inspection:**

The scope of this appraisal included a visual inspection of the subject to the extent noted above. Information regarding the size, design, and layout of the subject was derived from this inspection as well as information provided to the appraisers by the client, property owner, and/or public officials.

**Extent of Research:**

Comparable data was developed from the Lawrence Multiple Listing system, Douglas County records as well as conversations with area real estate agents, developers, appraisers and other market participants. Items provided by the client and/or property owner included:

- A diagram of the subject property included following.

The development of the comparable data and all interpretations of this data are based on the appraiser's judgment as it is presented in this appraisal.

**Extraordinary Assumptions and Hypothetical Conditions:**

1. The appraiser has no experience nor is considered to be an expert with any environmental matters and it has been well documented that the subject property has significant environmental issues.
2. The market value estimated within this report assumes that municipal utilities of sewer and water have been extended to the subject site and there are no special assessments. Further, the market value assumes that other utilities such as natural gas and electrical services have been extended to the site.
3. The market value estimated within this report expressly assumes all former Farmland Industries structures, tanks, buildings, etc. have been removed from the subject site.
4. The market value within this report expressly assumes the subject site is clean and available to redevelop with no environmental liabilities to any potential buyer.
5. The market value within this report expressly assumes the subject property does not suffer from any kind of environmental stigma.

## Market Area Analysis

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### LOCATION MAP





## **MARKET ANALYSIS – LAWRENCE, KANSAS**

### **Location**

The subject property is located in the far eastern portion of the City of Lawrence and a short distance to the north of East 23<sup>rd</sup> Street. Lawrence is located approximately 30 miles west of the Kansas City metropolitan area and is the county seat of Douglas County. Lawrence is accessible via Interstate 70 on the north and Highway K-10 (23<sup>rd</sup> Street) on the south, which is a major four-lane highway connecting Lawrence and suburban Kansas City. The University of Kansas is located in Lawrence which represents a significant influence on the community.

### **Population**

The estimated population of the City of Lawrence for 2000 was 80,098 persons, according to data from the U.S. Census Bureau. This represents a 22% increase from the 1990 census estimate of 65,608. The year 2009 estimated population was 91,464 persons. According to the Lawrence Chamber of Commerce (US Census Bureau Source), there are approximately 36,739 households (most recent year 2010) in Lawrence and all of Douglas County.

### **Education/Recreation**

The Lawrence public school system includes 15 elementary schools, four junior highs and two high schools. It should be noted, there are several schools slated for closing due to budget cuts and as of the Fall 2011 school year Lawrence schools will go to a 4 year high school concept along with a middle school concept.

There are two universities located in Lawrence. Haskell Indian Nations University, (1,000 students) is the nation's only inter-tribal university for Native Americans. The University of Kansas, a major state-supported university with approximately 27,000 students, is located in the central portion of the City of Lawrence. KU has a significant impact on the local economy and is one of the city's largest employers.

Local recreation and cultural attractions include Clinton Lake, located at the west edge of the city, Perry Lake, just north of the city in Jefferson County and several golf courses. In addition to the wide variety of activities at the University of Kansas, Lawrence benefits from its close proximity to the Kansas City metro area.

### **Employment/Income**

The year 2010 indicates that approximately 57% of households in Lawrence have income greater than \$35,000.

Unemployment in Douglas County has historically been in the 3% to 5% range but due to economic conditions is likely higher at present.

Major employers in the Lawrence area are shown on the following chart:

Major Employers in the Lawrence MSA	
Employer	# of Employees
University of Kansas	9872
Lawrence Public Schools	1634
Vangent	1500
City of Lawrence	1020
Lawrence Memorial Hospital	1279
Berry Plastics	739
Hallmark Cards, Inc.	510
Amarr Garage Doors	497
Baker University	496
<i>Source: Lawrence Chamber of Commerce, 2011</i>	

### **Local/Neighborhood Description**

The subject property is located in the southeastern portion of the City of Lawrence. The uses in proximity to the subject would include retail and office along 23<sup>rd</sup> Street and residential and multifamily back off this street. The East 23<sup>rd</sup> Street corridor turns into K-10 Highway which allows for easy access to the Kansas City area. The uses in close proximity to the subject would include Knights of Columbus Hall, Slimmer Automotive, Sonic, Tractor Supply Company, Orscheln, US Bank, Cal Testing and Zarco 66. The access to the neighborhood is considered to be good based on East 23<sup>rd</sup> Street which turns into K-10 Highway. There are no land uses in close proximity which adversely affect the subject property nor the market area. It should certainly be noted, the subject is at the far southwestern edge of the former Farmland Industries Property of which has represented a blighted black eye to the entry to the City of Lawrence for a large number of years. However, at the present time demolition efforts are underway and the old machinery and tanks on site are being removed to make way for a redevelopment. The City of Lawrence took ownership of the Farmland property but at the same time also took over managing the environmental cleanup effort. A large amount of money is in a trust fund for cleanup and monitoring, but if this money runs out then the City of Lawrence will be liable for any additional costs of cleanup. The private automobile is the predominate available transportation in this area, although Lawrence does have a municipal bus system.

### **Market Conditions**

General market conditions for improved commercial properties in Lawrence, Kansas are considered to generally range from stable to unstable. The office developments are likely under the greatest pressures while retail and industrial and multifamily appear to be doing better although at present there are around 12 storefronts in downtown Lawrence either looking for new users or in transition. While interest rates are very favorable considering

historical interest rates, buyers have significantly reduced financing options due to all the scrutiny being placed on lending institutions. The speculative commercial land and residential subdivision developed lots markets have taken a hit in a negative manner and those markets have significantly slowed. The residential markets for subdivision lots are not going in a positive direction at the present and there are many motivated sellers at the present time to move residential lots at a reduced rate. Interest rates when considering a long term perspective are good but banks are taking a much longer look at commercial projects and the ability to have multiple options to finance commercial properties has dwindled. As of the effective date of this appraisal, a creditworthy borrower could get 15 year fixed rate financing on residential improved properties at an interest rate of around 3.5% which is a phenomenal rate considering the long term perspective. There has been some good local commercial news which would be the multistory facility under construction at the southwest corner of 9<sup>th</sup> and New Hampshire which will be occupied by 55 apartment units, second level office and the grade level by a health club, private work out facility and a restaurant. The LJW announced that a new high tech facility called Plastikon will be moving to Lawrence which could add up to 125 nice paying jobs in the East Hills Business Park. The northwest quadrant of 6<sup>th</sup> and Wakarusa has enjoyed the newer opening of Wal-Mart, CVS Pharmacy and a tunnel car wash. A new motel is under construction just south of the Hallmark Cards Lawrence production facility.

The local real estate firm of Grubb & Ellis does annual and bi-annual studies of vacancy in the City of Lawrence and the year end 2010 numbers compiled by G&E indicated industrial vacancy in the 8.05% range which is 1.65% higher than the previous year 6.4%, retail in the 5.4% range which is lower than the 7.0% from the previous year and office in the 10.9% range which is less than the 13.2% year previous. It should be noted that the office vacancy factor can be somewhat misleading in the City of Lawrence because there are larger blocks of vacant space in the former Tanger Outlet Mall and former Downtown Outlet Mall and a large building at 18<sup>th</sup> and Wakarusa. The first two mentioned above would represent former retail type of space of which has been converted to office use and previously would have been reflected in another category. There are recent sales of distressed office buildings at the corner of 23<sup>rd</sup> and Kasold and along West 6<sup>th</sup> Street and on Harvard Road. The appraiser is of the opinion that overall the improved commercial markets in the City of Lawrence range from unstable to stable but speculative commercial land and residential developed subdivisions do not remain stable due to the current economy status both locally and nationally in the United States.

The following chart includes a historical perspective for residential development in the City of Lawrence and would certainly give an indication of the slowdown.

### Historical Building Permit Analysis – Lawrence, Kansas

Year	SF Permits	Duplex Permits	Tri-plex Permits	Four-Plex Permits	MF Units
2001	308	168	2	18	224
2002	299	118	2	0	271
2003	317	157	2	6	253
2004	313	110	0	0	102
2005	232	73	1	3	112
2006	247	28	2	5	87
2007	166	9	0	19	147
2008	102	12	1	1	550
2009	110	16	0	0	172
2010	146	10	0	0	220

The table included above shows the historical results from 2001 to 2010 in the City of Lawrence for single family building permits, duplex permits, tri-plex permits, four-plex and multifamily units and would clearly show that there has been a pretty significant drop in the smaller size residential construction industry in the City of Lawrence in the last few years but multifamily has not seen a very noticeable drop other than from the major ramp up year 2008 to now. There is likely somewhere in the range of 500 plus lots available in the City of Lawrence which would basically say the market for single family residential is saturated with available lots and based on the historical analysis could be looking at an approximate 3–4 year absorption period assuming the market gets kicked in and going again in the near future. However, it should be noted, multifamily properties appear to be doing better and in fact there is a fairly recent land sale at 24<sup>th</sup> and Crossgate Drive for 46 new one bedroom units to be constructed in the future.

### Estimated Marketing Time

Based on the data presented in this report, and the fact that the market value estimated herein is representative of a price based on current acceptable returns indicated by market participants, I am of the opinion that the reasonable marketing time for the subject property in their present use would be approximately 12 to 24 months.

## Property Description

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### PUBLIC DATA ANALYSIS

**Property Address:** North of 2004/2030 East 23rd  
Lawrence, Kansas 66046

**Legal Description:** Previously presented.

**Owner of Record:** City of Lawrence

**Parcel ID No(s):** 023-103-05-0-40-02-001.00-0  
Subject is a portion

**2010 Real Estate Taxes:** N/A

**2010 County Market Value:** N/A

### THREE YEAR HISTORY OF THE PROPERTY AND OWNERSHIP

The subject property is currently owned by the City of Lawrence who took ownership of the subject property in September of 2010. The subject property was operated as the Farmland Industries plant starting in about 1954 and discontinuing in about 2001. Subsequently there has been a bankruptcy and all the well documented environmental issues with the subject property. As the property sits today it is a complete "eye sore" for what should really be a "gateway" to the City of Lawrence area from K-10 Highway but cleanup and demolition efforts are in process and things are starting to look better.

There have been a lot of discussions about redevelopment, environmental reports, etc. all of which would be beyond the scope of this report. The City of Lawrence taking ownership resulted in Lawrence taking the lead in redeveloping the subject property. The City of Lawrence acquired the subject property at zero cost but agreed to be responsible for overseeing all the environmental cleanup operations which could take up to 30 years. In addition, this will also likely involve removal of all the tanks and structures on site as well as any other site improvements. The Farmland bankruptcy resulted in approximately \$10.8 million in a trust that is ear marked for cleanup of the subject site. The City of Lawrence received the property at "zero cost" but would be responsible for any environmental clean up costs above this approximate \$10.8 million.

## **SITE DESCRIPTION**

The subject site represents a 160' x 400' sliver above the properties located at 2004 and 2030 East 23<sup>rd</sup> and is situated along the east side of 1575 Road. The site has perimeter fencing at present and is a small portion of the former Farmland Industries property in far southeastern Lawrence. The terrain from roadside views appears to be generally level to gently sloping and conducive towards development. The site has a north-south measurement of 400' and an east-west measurement of 160'. The site has 400' of frontage along the east side of 1575 Road. The configuration is rectangular shaped. The property is assumed to have access to municipal services of sewer and other utilities of natural gas and electrical services. The reader is referred to the diagram which shows a graphic depiction of the subject property.

The subject property has been annexed into the City of Lawrence and the site is currently zoned UR, Urban Reserve according to Dan Warner, Long Range Planner with the City of Lawrence. The Farmland Industries Redevelopment Plan is the policy guide for the property and calls out future use as industrial, research, business park. Residential development is not likely on most of the former Farmland property but the subject resides in the far southwestern corner which might make it more of a possibility. The property directly south along East 23<sup>rd</sup> Street is zoned CS, Commercial Strip and the property to the west which represents a trailer park is zoned RS-7, Single Family Residential. The appraiser has considered it to be reasonably probable to obtain a new zoning category of IG or IL or possibly CS or maybe a form of residential within the City of Lawrence.

The subject appears to not be located in a floodplain district based on FEMA panel number 20045C0179D dated August 5, 2010. Flood insurance would not likely be required for the subject property. A copy of the flood plain map is included in the following pages.

The appraiser was not provided with an ALTA survey to identify any easements of record on the subject site but it is assumed there are likely some utility easements present.

## **Environmental Considerations**

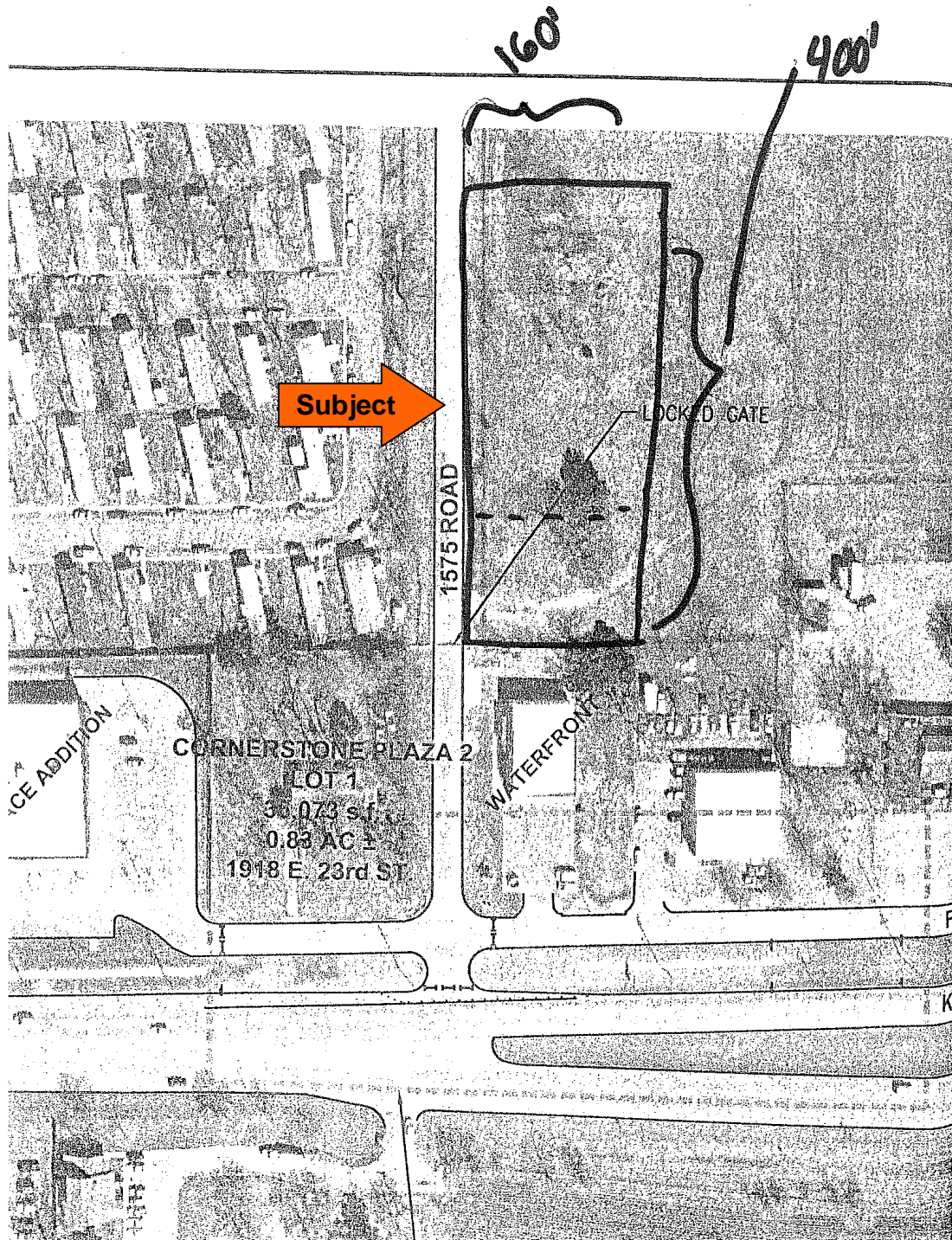
The subject property would represent a contaminated site and has a long documented history of environmental issues related to the long use as a Farmland Industries farm chemical plant operation. The appraiser is not an expert with regards to environmental matters and any environmental questions and/or issues should be directed to the client which has many volumes of environmental reports on the subject property. The reader is referred to the previously presented extraordinary assumptions and hypothetical conditions.

The following pages include copies of FEMA flood plain and aerial maps for the reader's reference in regards to the subject property.





**PROPERTY DIAGRAM**





**DESCRIPTION OF THE IMPROVEMENTS**

The subject property does not have any building improvements. There is perimeter fencing of which was considered to add no value to the property.

**PHOTOGRAPHS OF THE SUBJECT PROPERTY**



2004 EAST 23RD



2030 EAST 23RD



ROAD SCENE LOOKING NORTH



SUBJECT PROPERTY



SUBJECT PROPERTY



SUBJECT PROPERTY

## Highest and Best Use

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Highest and best use is that reasonable and probable use that will support the highest present value, as defined, as of the effective date of the appraisal. Alternatively, it is that use, from among legally permissible, physically and reasonably possible uses, found to be economically and financially feasible, and which results in the most profitable of the alternatives.

Four questions must be answered in determining highest and best use:

1. **Legally Permissible Uses.** What uses are permitted by zoning and deed restrictions on the subject site?
2. **Physically Possible Uses.** To what uses is it physically possible to put the subject site?
3. **Financially Feasible Uses.** Which possible and permissible uses will produce any net return to the owner of the subject site?
4. **Maximally Productive Use.** Among the feasible uses, which use will produce the highest net return or result in the highest present worth?

The definition and questions above apply specifically to the highest and best use of land. In cases where a site has existing improvements, the highest and best use may be different from the existing use. The existing use will continue, however, unless and until the land value in its highest and best use exceeds the total value of the property in its existing use.

The subject site measures 160' x 400' and is located along the east side of 1575 Road and directly north of the properties at 2004 and 2030 East 23<sup>rd</sup> Street. The site is generally level to gently sloping and appears to be conducive towards development. The site is not in a floodplain district and is assumed to have all utilities nearby for development. The appraiser has considered the physically possible uses to not be limited other than the relatively small size of the subject site.

The subject property has been annexed into the City of Lawrence and the site is currently zoned UR, Urban Reserve according to Dan Warner, Long Range Planner with the City of Lawrence. The Farmland Industries Redevelopment Plan is the policy guide for the property and calls out future use as industrial, research, business park. Residential development is not likely on most of the former Farmland property but the subject resides in the far southwestern corner which might make it more of a possibility. The property directly south along East 23<sup>rd</sup> Street is zoned CS, Commercial Strip and the property to the west which represents a trailer park is zoned RS–

7, Single Family Residential. The appraiser has considered it to be reasonably probable to obtain a new zoning category of IG or IL or possibly CS or maybe a form of residential within the City of Lawrence.

The appraiser has considered the highest and best use for the subject property to rezone to CS, IL, or IG or possibly some form of residential or multifamily and to develop in accordance to City of Lawrence guidelines as demand warrants.

## Valuation Methodology

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The traditional methods of processing market data into a value indication include:

- Cost Approach;
- Sales Comparison Approach; and
- Income Capitalization Approach.

The cost approach assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land, or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The sales comparison approach assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data that can be verified from authoritative sources. The sales comparison approach is less reliable in an inactive market, or when estimating the value of properties for which no real comparable sales data is available. It is also questionable when sales data cannot be verified with principals to the transaction.

The income capitalization approach reflects the market's perception of a relationship between a property's potential income and its market value, a relationship expressed as a capitalization rate. This approach converts the anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value indication through capitalization. This approach is widely applied when appraising income-producing properties.

As discussed previously, the appraiser has analyzed the subject property based on the Sales Comparison Approach to market value. The reconciliation at the end of this appraisal report discusses the relative strengths and weaknesses of each approach and indicates which approaches were not completed.

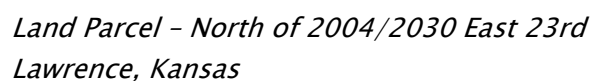
## **Direct Sales Comparison Approach**

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The Direct Sales Comparison Approach involves the comparison with the subject property of similar properties that have recently been sold or similar properties currently on the market. Differences in time/market conditions, tract size, zoning, access, utilities and other features are analyzed. Differences in the comparable properties are adjusted to the subject property to indicate a range of value for the property being appraised. These adjustments are extracted from the market, based on actions of typical buyers and sellers in the subject's market. The value range is then correlated into a final indicated value for the subject property by this Direct Market Comparison Approach.

The appraiser has analyzed the subject property based on several comparable Lawrence, Kansas land sales. The following pages include a locational map as well as a sales comparison approach adjustment grid. The addenda to this report contains comparable sale writeups for the reader's review.





**Comparable Land Sales Grid**  
**Land Parcel**  
**North of 2004/2030 East 23rd**  
**Lawrence, Kansas 66046**

**Land Tract North of 2004/2030 East 23rd**

	SUBJECT PROPERTY	COMPARABLE #1	COMPARABLE #2	COMPARABLE #3	COMPARABLE #4	COMPARABLE #5	COMPARABLE #6	COMPARABLE #7
<b>PROPERTY IDENTIFICATION</b>	City of Lawrence	Dg County - LOI	VFW	Hedge Tree LLC Tract	Crossgate Casitas	Prairie Wind	Day Care	Dollar General
<b>PROPERTY LOCATION</b>	N of 2004/2030 E 23rd Lawrence, KS	Tract by Jail Lawrence, KS	138 Alabama Lawrence, KS	2645 Haskell Avenue Lawrence, KS	2451 Crossgate Dr Lawrence, KS	2620 Haskell Ave Lawrence, KS	1300 Research Park Dr Lawrence, KS	1001 N 3rd Lawrence, KS
<b>SALES DATA:</b>								
<b>DATE OF SALE</b>		LOI	3/1/2012	8/1/2011	10/20/2010	2/17/2011	5/25/2010	5/20/2010
<b>SALE PRICE</b>	\$	1,196,000	\$ 825,000	\$ 140,000	\$ 380,000	\$ 285,000	\$ 199,000	\$ 309,215
<b>TERMS OF SALE</b>		Market	Market	Market	Market	Market	Market	Market
<b>CONDITION OF SALE</b>		Normal	Normal	Normal	Normal	Normal	Normal	Normal
<b>SITE DATA:</b>								
<b>SITE AREA (ACRES)</b>	1.47 acres	34.00 acres	13.30 acres	1.74 acres	4.61 acres	3.04 acres	1.94 acres	1.51 acres
<b>SITE AREA (SQ.FT.)</b>	64,000 sq.ft.	1,481,040 sq.ft.	579,348 sq.ft.	75,900 sq.ft.	200,642 sq.ft.	132,422 sq.ft.	84,354 sq.ft.	65,810 sq.ft.
<b>ZONING</b>	UR	A	IG	IG	PRD	PRD	IBP	CS
<b>PRICE PER SQ.FT.</b>	\$	0.81	\$ 1.42	\$ 1.84	\$ 1.89	\$ 2.15	\$ 2.36	\$ 4.70
<b>PRICE PER ACRE</b>	\$	35,176	\$ 62,030	\$ 80,348	\$ 82,499	\$ 228,777	\$ 228,777	\$ 228,777
<b>ADJUSTMENTS:</b>								
<b>TIME/MARKET CONDITIONS</b>								
<b>PERCENTAGE</b>		0%	0%	0%	0%	0%	0%	0%
<b>DOLLAR ADJUSTMENT</b>	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>ADJUSTED PRICE PER SF</b>	\$	0.81	\$ 1.42	\$ 1.84	\$ 1.89	\$ 2.15	\$ 2.36	\$ 4.70
<b>ADJUSTMENTS:</b>								
<b>TRACT SIZE</b>								
<b>PERCENTAGE</b>		80%	40%	0%	20%	10%	0%	0%
<b>DOLLAR ADJUSTMENT</b>	\$	0.65	\$ 0.57	\$ -	\$ 0.38	\$ 0.22	\$ -	\$ -
<b>TERRAIN/UTILITIES</b>								
<b>PERCENTAGE</b>		0%	20%	0%	10%	0%	0%	0%
<b>DOLLAR ADJUSTMENT</b>	\$	-	\$ 0.28	\$ -	\$ 0.19	\$ -	\$ -	\$ -
<b>LOCATION/ACCESS/ZONING</b>								
<b>PERCENTAGE</b>		0%	0%	0%	0%	0%	0%	0%
<b>DOLLAR ADJUSTMENT</b>	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2.75)
<b>ADJUSTED PRICE PER SQ.FT.</b>	<b>\$</b>	<b>1.46</b>	<b>\$ 2.27</b>	<b>\$ 1.84</b>	<b>\$ 2.46</b>	<b>\$ 2.37</b>	<b>\$ 2.36</b>	<b>\$ 1.95</b>
<b>AVG ADJUSTED PRICE PER SF</b>	\$	2.10						
<b>CONCLUSION PRICE PER SF</b>	\$	2.00						
<b>MARKET VALUE CONCLUSION</b>	\$	128,000	ROUNDED TO	\$ 130,000				



## **LAND SALE ANALYSIS**

The appraiser has made several adjustments to the comparable land sales as discussed below.

### **Time/Market Conditions**

The appraiser did not make an adjustment for time/market conditions. Two of the sales are either LOI's or pending and the balance were considered to be fairly recent.

### **Tract Size**

The subject represents a site which contains 64,000 square feet or 1.47 acres based on the 160' x 400' configuration. The sales ranged from between 1.51 acres and 34 acres. A pairing of Sales 1 and 2 indicates an approximate difference of about 20% per doubling size. Based on this analysis Sales 1, 2, 4 and 5 were adjusted for tract size.

### **Terrain/Utilities**

The subject site appears to have a terrain which is conducive towards development and is assumed to have all utilities available for development. Sale 2 has a portion which represents a pond and is inferior terrain and was adjusted upward 20%. Sale 4 has some flood influence and was adjusted upward 10%.

### **Location/Access/Zoning**

The general location and access and zoning of the comparable sales except Sale 7 was considered to be similar. Sale 7 is located in North Lawrence but has a superior retail type road frontage along North 3<sup>rd</sup> Street or Highway 59. Based on a pairing with the other sales, Sale 7 was adjusted downward \$2.75 per square foot.

After adjustments, the seven comparables range from \$1.46 to \$2.46 per square foot. The appraiser has given some consideration to all seven sales and estimated the market value of the subject site at \$2.00 per square foot. The market value of the subject property via the Sales Comparison Approach is shown below:

$$\text{\$2.00 per square foot} \times 64,000 \text{ square feet} = \text{\$128,000, rounded to \$130,000}$$

The appraiser cautions to reader to not "generalize" the market value opinion per square foot of this parcel to any other parcels located on the former Farmland Industries property. There are many variables such as location, street frontage, terrain, visibility, zoning, tract size and utility availability, that can differentiate greatly among land tracts and result in significantly different market value opinions.

## Reconciliation and Final Value Opinion

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Reconciliation is the process by which the appraiser weighs the relative significance, defensibility, and applicability of each approach as it pertains to the type of property being appraised. My analysis in this appraisal has led to the following value indications:

As noted earlier in this report, I have analyzed the subject property based on the Sales Comparison and Income Approaches only.

The **Cost Approach** was not completed in this report as previously discussed. The omission of the Cost Approach was not considered to make this report misleading.

The **Sales Comparison Approach** is especially appropriate when an active market provides sufficient reliable data that can be verified from authoritative sources. The Sales Comparison Approach was the only approach to market value included within this report.

The **Income Approach** was not completed as previously discussed. The omission of the Income Approach was not considered to make this report misleading.

My opinion of the market value of the fee simple interest in the subject property as of September 2, 2011, is as follows:

**\$130,000**  
**ONE HUNDRED THIRTY THOUSAND DOLLARS**  
**\$2.00 PER SQUARE FOOT**

## **Certification and Limiting Conditions**

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### **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 with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Standards of Professional Practice* of the Appraisal Institute which include the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification.
- I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.



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**Ronald D. Aul, MAI**  
Certified General Real Property Appraiser  
Kansas No. G-1241

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**September 6, 2011**

Date of Report

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**C-1094**

File Number

## **CONTINGENT AND LIMITING CONDITIONS**

The certification of the Appraiser appearing in the report is subject to the following conditions and to such other specific and limiting conditions as are set forth in the report.

1. 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). As such, it presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the opinion of value. Supporting documentation concerning the data, reasoning, and analyses are retained in our file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use as noted herein. The appraiser is not responsible for unauthorized use of this report.
2. The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised on the basis of it being under responsible ownership. The property is appraised as though under responsible engineer or architect, the Appraiser applied limited structural and design analysis to the problem and the cost estimates must be considered non-professional. The future operation of the property assumes skilled and adequate management but are not represented to be historically based. A property manager was not retained to estimate the revenue and expense projections. A reasonable understanding of zoning and life safety and other codes is assumed but no guarantee is given that permits and occupancy rights will be given by the appropriate authority of the probable uses discussed in the report.
3. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property and understanding the appraiser's determination of its size. The Appraiser has made no land survey of the property unless otherwise indicated.
4. The Appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefore.
5. Values for various components of the subject parcel and improvements or the value derived by one or two approaches to value as contained within this report are valid only when making a summation or final opinion of value and are not to be used independently for any purpose and must be considered invalid if so used. A separate report on only a part of a whole property, particularly if the reported value exceeds the value that would be derived if the property were considered separately as a whole, must be stated as a fractional report. Any conclusions based on the assumed completion of public or private improvements will have clearly defined conditions, extent, and effects of such assumptions stated.

6. If the cost approach is included in this appraisal, the appraiser has estimated the value of the land in the cost approach at its highest and best use, and the improvements at their contributory value. Unless otherwise specifically indicated, the cost approach value is not an insurance value, and should not be used as such.
7. The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.
8. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of and did not observe any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc. or any used in the construction or maintenance of the building) that would make the property more or less valuable, and has assumed that there are no such conditions. The appraiser makes no guarantees or warranties, express or implied, regarding the condition of the property. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered an environmental assessment of the property. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.
9. Information, estimates, and opinions furnished to the Appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties. All information furnished regarding property for sale, rental, financing, or projections of income and expense is from sources deemed reliable. No warranty or representation is made as to the accuracy thereof, and it is submitted subject to errors, omissions, change of price, rental or other conditions, prior sale, lease, financing, or withdrawal without notice.
10. The appraiser will not disclose the contents of the appraisal report except as provided for in the *Uniform Standards of Professional Appraisal Practice* and any applicable federal, state or local laws. Disclosure of the contents of the appraisal report is also governed by the regulations of the Appraisal Institute with which the Appraiser is affiliated.

11. An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client or other party does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment. Possession of this report or any copy thereof does not carry with it the right of publication nor may the same be sued for any other purpose by anyone without the previous written consent and approval of the Appraiser or the client for whom it is written and, in any event, only in its entirety. The contents of this report, neither all or any part, shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the author(s), particularly regarding the valuation conclusions and the identity of the Appraiser or the firm with which he/she is associated or any of his/her associates.
12. Forecasts of effective demand for the highest and best use or the best fitting and most appropriate use were based on the best available data concerning the market and are subject to conditions of economic uncertainty about the future. Primary market research was not used due to time and budget limitations unless noted in the report.
13. On all analysis, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.
14. The Appraiser has referred to flood zone maps that are provided by the Federal Emergency Management Agency (or other data sources as indicated), however he/she is not an engineer or surveyor and no warranty, express or implied, is made to the reliability of this information.
15. 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 upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in our opinion of value of the property.

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- Allow end users to resell the Work or a derivation, or to resell data or services which are derived from the Work.

## Glossary / Definition of Terms

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Several terms utilized in this appraisal report require definition and/or reference. This glossary is considered a part of the attached appraisal report and this report is not valid without inclusion of this glossary. Not all terms in this glossary may specifically apply to this appraisal analysis.

### ***Market Value:***

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

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. 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: Defined by the National Credit Union Administration, Office of Thrift Supervision, Office of the Comptroller of the Currency, Federal Deposit Insurance Corporation, Federal Reserve System, and The Appraisal Foundation, implementing Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), and accepted by the Appraisal Institute.*

### ***Fee Simple Estate***

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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: The Dictionary of Real Estate Appraisal – Fifth Edition, © 2010 by the Appraisal Institute, an Illinois Not for Profit corporation, p. 78.*



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***Leased Fee Interest***

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

*Source: The Dictionary of Real Estate Appraisal – Fifth Edition, © 2010 by the Appraisal Institute, an Illinois Not for Profit corporation, p. 161.*

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***Intended Use***

The use or uses of an appraiser's reported appraisal, appraisal review, or appraisal consulting assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment.

*Source: Uniform Standards of Professional Appraisal Practice– 2010–2011 Edition, Copyright © by the Appraisal Foundation, p. U-3*

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***Intended User(s)***

The client and any other party indentified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report by the appraiser on the basis of communication with the client at the time of the assignment.

*Source: Uniform Standards of Professional Appraisal Practice– 2010–2011 Edition, Copyright © by the Appraisal Foundation, p. U-3*

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***Rentable Area***

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

*Source: The Dictionary of Real Estate Appraisal – Fifth Edition, © 2010 by the Appraisal Institute, an Illinois Not for Profit corporation, p. 167–168.*

*NOTE: Rentable Area may be indicated as RA or NRA within this report.*

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***Gross Building Area (GBA)***

Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. Gross building area for office buildings is computed by measuring to the outside finished surface of permanent

outer building walls without deductions. This includes mezzanines and basements if and when typically included in the region.

*Source: The Dictionary of Real Estate Appraisal – Fifth Edition, © 2010 by the Appraisal Institute, an Illinois Not for Profit corporation, p. 80.*

*NOTE: There may be exceptions to the areas utilized for gross building area (basements, etc.) as detailed in this report where necessary.*

## Qualifications of the Appraiser / Company Profile

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Ronald D. Aul, CPA, MAI

### EDUCATION

MBA, University of Kansas, 1986

BS, Business Administration/Accounting, University of Kansas, 1984

Completed the education requirements for the MAI designation of The Appraisal Institute.

### LICENSES

Kansas General Licensed Appraiser G-1241

Missouri General Licensed Appraiser RA 003013

Kansas Licensed Real Estate Broker, License Number EB00052460

### EXPERIENCE

Commercial and residential real estate appraisal, review and consulting since 1993. The commercial property experience includes multi-family, retail, office, industrial, special use, vacant land and agricultural properties. The residential experience has primarily focused on reviewing reports within the office.

Currently Manager and Principle Owner of Aul & Hatfield Appraisals, L.C. Markets covered primarily include the midwest region of the United States.

Involved with the ownership and management of residential and commercial real estate since 1990.

Prior to 1993 had various corporate positions in accounting and/or finance.

### ORGANIZATIONS

Member of the Appraisal Institute (MAI), Member Number 11,279

Kansas Real Estate Appraisal Board (Chairman 2004)

Tau Kappa Epsilon Fraternity, Board of Control Member

Graduate – Leadership Lawrence – Class of 1998

Lawrence Schools Foundation – President

### CLIENT LIST

A list will be provided upon request.

## **COMPANY PROFILE**

Aul & Hatfield Appraisals, LC is a full-service real estate appraisal and consulting firm. Aul & Hatfield was formed in 2001 by Ronald D. Aul, MAI, Hal Crady, and Jeff Hatfield, who have a combined 60 years of appraisal experience. Aul & Hatfield is affiliated with Larry A. Hatfield Appraisals, a local residential appraisal firm founded in 1964.

Our staff of commercial and residential appraisers are headquartered in Lawrence, Kansas with branch offices in Topeka and Kansas City metro areas, including our newest office in downtown Gardner. We serve an area stretching from eastern Kansas to western Missouri, including Lawrence, Topeka, Kansas City and the surrounding rural areas. Services include commercial and residential appraisal, a variety of consulting services and property management.

Members of the firm hold individual memberships in several organizations including the Appraisal Institute, Lawrence Board of REALTORS®, Topeka Board of REALTORS®, the Kansas City Regional Association of REALTORS® and the Lawrence Chamber of Commerce. In addition, Ronald D. Aul, MAI is the former chairman of the Kansas Real Estate Appraisal Board.

## Comparable Land Sales



## Comparable Land Sale No. 1

Land Sale No. 1507

Property Type:	Vacant Land
Address:	Douglas County Tract 0 Lawrence, Douglas County, KS 66046
Legal Description:	Tract in S9, T13, R20
Grantor:	P.D.O. Investors, L.L.C.
Grantee:	Douglas County, Kansas
Recording Data:	
Instrument:	
Film / Page:	
Date of Sale:	7/28/2011
Sale Price:	\$ 1,196,000.00
Specials:	\$ 0.00
Adjusted Price:	<u>\$ 1,196,000.00</u>
Property Rights:	Fee Simple
Site Data:	
Land Size:	1,481,040 sq.ft. 34.00 acres
Number of Units:	N/A
Zoning:	NA
Tax ID No:	
Site Comments:	LOI for 34 acres owned by P.D.O. Investors, LLC either adjacent or in proximity to the Douglas County Jail facility. Will need to confirm zoning, flood, and utility availability. Information confirmed with draft copy of LOI from E. Ice. LOI also indicates that Douglas County will attempt to buy Taylor Property, U185550GA for county market value of \$572,720 and Printing Solutions Property of U18550GC at county market value of \$250,000.
	7/28/2011 is the date on the LOI.
Current Improvements:	N/A
Comments:	



## Comparable Land Sale No. 1

Land Sale No. 1507

Price per sq.ft.: N/A

Price per acre: \$35,176.00

Data Source: EI

Entered by: RDA 8/11/2011

Old DB# N/A Other Ref#: N/A

Lat: N/A Long: N/A

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## Comparable Land Sale No. 2

Land Sale No. 1470

Property Type: Special Use – Land

Address: VFW Property  
138 Alabama  
Lawrence, Douglas County, KS  
66044

Location: 2nd and Alabama

Grantor: VFW

Grantee: Bert Nash

Recording Data:

Instrument:

Film / Page:

Date of Sale: 3/1/2012

Sale Price: \$ 825,000.00

Specials: \$ 0.00

Adjusted Price: \$ 825,000.00

Property Rights: Fee Simple

Site Data:

Land Size: 579,348 sq.ft.

13.30 acres

Number of Units: N/A

Zoning: IG – Industrial General

Tax ID No: 023-067-25-0-10-04-002.01-0

Site Comments: LOI received from Bert Nash to VFW. The VFW building is tired and the property includes a fishing pond of about 3.8 acres. The property has portions in the flood plain district. The terrain ranges from level at street grade to sloping areas.

The closing is tentatively scheduled for on/before March 1, 2012.

Current Improvements: N/A

Comments: Pending sale as of 7/29/2011 LJW Article as well as confirmation with LOI. C-1053. LJW on 7/29/2011 indicated the sale would close in 6 to 8 months which would be consistent with the LOI which said on/before 3/1/2012.





## Comparable Land Sale No. 2

Land Sale No. 1470

Price per sq.ft.: \$1.42  
Price per acre: \$62,030.00

Data Source: Tina - VFW

Entered by: RDA 4/13/2011

Old DB# N/A Other Ref#: N/A

Lat: N/A Long: N/A Copyright © 2011 Aul and Hatfield Appraisals, LC

## Comparable Land Sale No. 3

Land Sale No. 1508

Property Type: Land

Address: Hedge Tree LLC Tract  
2645 Haskell Avenue  
Lawrence, Douglas County, KS  
66046

Location: One parcel to west of NWC 27th & Haskell Avenue

Legal Description: Lot 3, Lawrence Industrial Park & Replat of Lots 14 and 15 Learnard Suburban Acres

Grantor: Roy Chaney

Grantee: Hedge Tree LLC (Rodger Johnson)

Recording Data:  
Instrument: WD  
Film / Page: 1076/4292      Recording Date: 8/1/2011

Date of Sale: 8/1/2011

Sale Price: \$ 140,000.00

Specials: \$ 0.00

Adjusted Price: \$ 140,000.00

Property Rights: Fee Simple

Site Data:  
Land Size: 75,900 sq.ft.  
1.74 acres

Number of Units: N/A

Zoning: IG - Industrial General

Tax ID No: 023-103-07-0-10-01-008.01-0

Site Comments: The site is located one parcel to the west of the northwest corner of 27th and Haskell Avenue.

Current Improvements: N/A

Comments:

Price per sq.ft.: \$1.84

Price per acre: \$80,460.00

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## Comparable Land Sale No. 3

Land Sale No. 1508

Data Source: Douglas County records

Entered by: RDA 8/12/2011

Old DB# N/A Other Ref#: N/A

Lat: N/A Long: N/A Copyright © 2011 Aul and Hatfield Appraisals, LC

## Comparable Land Sale No. 4

Land Sale No. 1385

Property Type:	Vacant Land		
Address:	Crossgate Casitas 2451 Crossgate Drive Lawrence, Douglas County, KS 66047		
Location:	SWQ Crossgate Drive and 24th Place		
Legal Description:	Lot 1, Block 1, Inverness Park Plaza Addition No. 4		
Grantor:	Corporate Holdings II, LLC		
Grantee:	Fairway, L.C.		
Recording Data:			
Instrument:	WD	Recording Date:	10/20/2010
Film / Page:	1067/1655		
Date of Sale:	10/20/2010		
Sale Price:	\$ 230,000.00		
Specials:	\$ 150,000.00		
Adjusted Price:	<hr/> \$ 380,000.00		
Property Rights:	Fee Simple		
Site Data:			
Land Size:	200,642 sq.ft. 4.61 acres		
Number of Units:	46 units		
Zoning:	PRD - Planned Residential District		
Tax ID No:	023-112-10-0-20-01-001.00-0		
Site Comments:	<p>The site per the plat map contains 200,642 square feet or 4.606 acres, more or less. The western portion of the site represents a drainage easement area ranging in width from 30' to 60'. Assuming an average width of 45' would equate to an area of approximately .78 acres in the drainage easement area which is also likely floodplain influenced.</p> <p>The site is located along the west side of Crossgate Drive and one parcel to the south of the SWC of 24th Place and Crossgate Drive.</p> <p>The parcel had special assessments of principle beginning balance</p>		



## Comparable Land Sale No. 4

Land Sale No. 1385

of \$308,979 dating back to 2002 of which this writeup estimates that about 1/2 have been paid, therefore, the special assessments add on above is based on 1/2 or \$150,000.

The PRD zoning on this property allows for up to 10 units per acre. The Preliminary Development Plan filed with the City of Lawrence, Crossgate Casitas, calls for 46 units, 45 1BR units plus 1 office. The western portion of the property which is flood influenced will be open recreational space area. Confirmed with S. Day.

Current Improvements: N/A

### Comments:

Price per sq.ft.: \$1.89  
Price per acre: \$82,430.00  
Price / unit: \$8,260.87

Data Source: Douglas County Records & City of Lawrence

Entered by: RDA 11/22/2010

Old DB# N/A Other Ref#: N/A

Lat: N/A Long: N/A Copyright © 2011 Aul and Hatfield Appraisals, LC

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## Comparable Land Sale No. 5

Land Sale No. 1500

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Property Type:	Land
Address:	Prairie Wind Subdivision 2620 Haskell Avenue Lawrence, Douglas County, KS 66046
Location:	26th and Haskell Avenue
Legal Description:	Prairie Wind Add, Lot 1
Grantor:	Parnell Investors, LLC
Grantee:	Tenants to Homeowners, LLC
Recording Data:	
Instrument:	Warranty
Film / Page:	1072/3833
	Recording Date: 3/16/2011
Date of Sale:	2/17/2011
Sale Price:	\$ 285,000.00
Specials:	\$ 0.00
Adjusted Price:	<hr/> \$ 285,000.00
Financing:	Cash
Conditions of Sale:	Arms Length
Property Rights:	Fee Simple
Site Data:	
Land Size:	132,422 sq.ft. 3.04 acres
Number of Units:	N/A
Zoning:	PRD - Planned Residential Development
Tax ID No:	023-103-08-0-20-11-008.00-0
Topography:	Mostly level
Ingress/Egress:	Adequate
Visibility:	Good
Utilities:	Existing
Site Comments:	A rectangular tract with road frontage on Haskell Avenue.
Current Improvements:	Improvements included a house built in 1900 and several small outbuildings. The improvements were in fair condition and assigned no value.

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## Comparable Land Sale No. 5

Land Sale No. 1500

Proposed Use: Subdivision

Comments: Sale of a tract which is planned for the Prairie Wind Subdivision of 18 lots.. Access to all 18 lots will be via 26th Street to Ryan Court. A majority of the street area will be public street ROW but several areas will be as easement. Originally platted for 17 lots, the Grantee filed a new site plan that is in the early stages of approval, per Mary Miller, Planner, City of Lawrence.

At the time of the purchase, the property had a single family dwelling and outbuildings. This write assumes that any value to the improvements is offset by the demolition costs.

Price per sq.ft.: \$2.15

Price per acre: \$93,750.00

Verification: Sales Questionnaire

Data Source: Tim Keller

Entered by: KSR 6/26/2011

Old DB# N/A Other Ref#: N/A

Lat: N/A Long: N/A Copyright © 2011 Aul and Hatfield Appraisals, LC

## Comparable Land Sale No. 6

Land Sale No. 1182

Property Type:	Vacant Land		
Address:	Elwell Tract 1300 Research Park Drive Lawrence, Douglas County, KS 66049		
Location:	SWC Research Park Drive and Legends Drive		
Legal Description:	Lot 1, Block 2, Oread West No. 10		
Grantor:	Mike Elwell		
Grantee:	Birdie Enterprises, LLC (Tiraz and Purviz Birdie)		
Recording Data:			
Instrument:	WD		
Film / Page:	1061/5435	Recording Date:	5/25/2010
Date of Sale:	5/25/2010		
Sale Price:	\$ 199,000.00		
Specials:	\$ 0.00		
Adjusted Price:	<hr/> \$ 199,000.00		
Property Rights:	Fee Simple		
Site Data:			
Land Size:	84,354 sq.ft. 1.94 acres		
Number of Units:	N/A		
Zoning:	IBP - Industrial/Business Park District		
Tax ID No:	023-068-33-0-30-01-012.03-0		
Site Comments:	Generally level site, 281.18' on Research Park Drive x 300' on Legends Drive. All utilities available.  The site sold in October of 2005 for \$260,000 which based on this sale price of \$199,000 would give an indication of 23% depreciation.  The buyer is purchasing the site for construction of a montessori daycare facility.  Secondary location west of Wakarusa Drive.		

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## Comparable Land Sale No. 6

Land Sale No. 1182

Current Improvements: N/A

### Comments:

Price per sq.ft.: \$2.36

Price per acre: \$102,577.32

Verification: Mike Elwell

Data Source: Seller & Contract

Entered by: RDA 11/19/2009

Old DB# N/A Other Ref#: N/A

Lat: N/A Long: N/A Copyright © 2011 Aul and Hatfield Appraisals, LC

## Comparable Land Sale No. 7

Land Sale No. 1314

Property Type:	Land
Address:	Dollar General 1001 N 3rd Lawrence, Douglas County, KS 66044
Location:	North Lawrence, south of Sonic
Legal Description:	Lengthy, refer to PIN #'s
Grantor:	Foust, LLC
Grantee:	Lawrence DKP II LLC
Recording Data:	
Instrument:	WD
Film / Page:	1061/5314
	Recording Date: 5/20/2010
Date of Sale:	5/20/2010
Sale Price:	\$ 210,500.00
Adjustment:	\$ 98,715.00 (Site fill, flood fill, demolition & clean up)
Specials:	\$ 0.00
Adjusted Price:	\$ 309,215.00
Property Rights:	Fee Simple
Site Data:	
Land Size:	65,810 sq.ft. 1.51 acres
Number of Units:	N/A
Zoning:	CS - Commercial Strip
Tax ID No:	023-074-19-0-30-01-004.00-0 & -008.00-0
Site Comments:	Sale of a site located along the west side of North 3rd Street, south of Interstate 70 and directly south of Sonic. The site was purchased for the location of a future Dollar General. A 300 square foot auto sales building was located on site and an estimated \$10,000 in demolition and cleanup costs. The property is located in the 100 year flood plain and will likely have to be elevated prior to construction of any new retail improvements.
Current Improvements:	N/A
Comments:	Adjusted sale price includes a rounded \$1.50 per square foot



## **Comparable Land Sale No. 7**

Land Sale No. 1314

estimated for site clean up and demo and fill dirt to raise above flood plain.

Price per sq.ft.: \$4.70

Price per acre: \$204,778.15

Data Source: Douglas County Records

Entered by: RDA 7/23/2010

Old DB# N/A Other Ref#: N/A

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