

Appraisal Report

Former Philipp School
MPS School Building
4310 N. 16th Street
Milwaukee, Wisconsin



Appraisal Date:
September 29, 2017

THE NICHOLSON GROUP LLC

October 18, 2017

Rhonda Szallai
Real Estate Specialist
City of Milwaukee, Department of City Development
809 N. Broadway
Milwaukee, Wisconsin 53202

Subject: Former MPS Philipp School Building Appraisal
4310 N. 16th Street, Milwaukee, Wisconsin

We have completed an appraisal of the fee simple estate in the property identified above and submit our findings in this appraisal report. The subject property consists of the former Philipp School containing a gross building area ("GBA") of ±39,625 square feet situated on a 2.472-acre parcel. The improvements were originally constructed in 1931 with additions in 1961 and 1966. The school has been vacant for the past ±10-years. At the request of the client, two separate values have been estimated in this appraisal: 1) the market value reflecting the property being able to be sold to an education operator without restriction; and, 2) the current value reflecting the sale of the property for redevelopment assuming no two-year education operator sale restriction.

It is our opinion that the values of the fee simple estate in the property under each valuation scenario, as of September 29, 2017, under the extraordinary assumptions and hypothetical condition as stated herein, are:

Summary of Indicated Values	
<u>Educational Facility</u>	<u>Redevelopment Property</u>
\$634,000	\$495,000

This appraisal was made subject to the extraordinary assumptions summarized below; please refer to pages 8 and 9 for further descriptions:

1. That the gross building area ("GBA") is 39,625 square feet with a 10,289 square foot unfinished basement area.
2. That the mechanical systems are in working order and have been adequately maintained.
3. That there are no deferred maintenance costs.
4. That no immediate asbestos abatement is necessary. No asbestos abatement costs have been provided by the client or MPS and it is beyond the expertise of the appraisers and beyond the scope of this appraisal to estimate these costs. The property value as concluded herein has not considered any impact on value created by the presence of asbestos which would likely decrease value.

If at a later date any of these extraordinary assumptions are shown to be different than as stated, the value of the property will likely change and we reserve the right to revise our valuation analysis and amend our opinions.

This appraisal was made subject to the hypothetical condition summarized below; please refer to page 10 for further descriptions:

1. There is a two-year restriction that the subject property must only be sold to an education operator, however, the client has requested that we provide an estimate of the current value reflecting the sale of the property for redevelopment assuming no two-year education operator sale restriction. Therefore, this valuation scenario has been made under the hypothetical condition that as of the appraisal date, the property can be sold to a non-educational operator without use restriction for redevelopment as a non-school use. Furthermore, it is assumed that the zoning has been changed to accommodate such redevelopment.

If at a later date this hypothetical condition is shown to be different than as stated, the value of the property under this valuation scenario will likely change and we reserve the right to revise our valuation analysis and amend our opinions.

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. This appraisal report and the appraiser's work in connection with the appraisal assignment are subject to the limiting and general service conditions as well as all other terms stated in this report. Any use of the appraisal by any party, regardless of whether such use is authorized or intended by The Nicholson Group, constitutes acceptance of all such limiting and general service conditions and terms.

Respectfully submitted,
THE NICHOLSON GROUP LLC



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



Caleb E. Nicholson
Wisconsin Certified General Appraiser (#2255)

Attachment
17-178

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Scope of Work

Property Appraised	Former MPS Philipp School Building 4310 N. 16 th Street Milwaukee, Wisconsin
Appraisal & Inspection Date	September 29, 2017
Property Rights Appraised	Market value of the fee simple estate
Intended Users	The intended user of our opinions and this report is City of Milwaukee, Department of City Development ("Client"). Use of this report by others 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 our opinions or this report without the express written permission of The Nicholson Group.
Intended Use	The intended use of our opinions and this report is for the possible sale of the property.
Assets Included	Land and improvements; excluded are furniture, fixtures and equipment, supplies and materials on hand.
Scope of the Investigations	<p>In developing this real property appraisal, the appraiser conducted a complete appraisal process which considered the use of the three traditional approaches to value: the Cost, Sales Comparison and Income Capitalization Approaches. The Sales Comparison Approach was used and is the most applicable approach.</p> <p>The Cost Approach was considered as part of this appraisal process, however, it was not used. The Cost Approach is considered most reliable when the appraised improvements are new or relatively new and do not suffer from items of significant physical, functional, or external obsolescence. The subject building was originally constructed in 1931 with additions in 1961 and 1966. There is an extensive amount of accrued depreciation and the Cost Approach is not one that the most probable buyer would use in determining an appropriate acquisition price for the property.</p>

The most probable buyer for the subject property is an owner-user. The subject's location is not an active investment market for educational real estate. There is a lack of rental data for school properties in the market area from which market rent could be reliably ascertained. The same is true for overall capitalization rates. Given that the highest and best use of the subject property is as an owner-user building and not an income producing building (i.e. investment property), the Income Capitalization Approach was not used and is not necessary in order to provide a credible opinion of value.

Given the applicability and strength of the Sales Comparison Approach, the omission of the Cost Approach and Income Capitalization Approach does not weaken the credibility of the opinion of value concluded herein.

Caleb E. Nicholson collected, researched, verified and analyzed the information deemed necessary to develop credible assignment results, that is, being worthy of belief. Furthermore, the appraiser has: inspected the appraised property; reviewed property information obtained from 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; applied the appropriate valuation approaches to arrive at a reasonable and independent opinion of market value; and, prepared this appraisal report.

Lawrence R. Nicholson, MAI inspected the interior and exterior of the appraised property, reviewed the valuation analyses and the techniques used, reviewed this report and has concluded that the conclusions stated herein are adequately supported, reasonable and credible.

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 and tax assessor offices; other appraisers; and/or, real estate brokers. The comparable sales were inspected by the appraiser or someone else within the firm 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 opinions presented in this report are 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 appraisal report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice ("USPAP") for an Appraisal Report. This report presents summary discussions of the data, reasoning and analyses that were used in the appraisal process to develop our opinion of value. Supporting documentation that is not provided with 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 state 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, as of the effective date of the assignment results, 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 about the integrity of data used in an analysis.”

This appraisal has been made under the following extraordinary assumptions:

1. The gross building area (“GBA”) used in this appraisal is 39,625 square feet with a 10,289 square foot unfinished basement area. The appraiser’s GBA was based on measurements from reduced copies of building floor plans as provided and supplemented with measurements taken during the property inspection. This appraisal has been made under the extraordinary assumption that the appraiser’s GBA and associated measurements pertaining to various building areas are correct. If detailed information is provided showing a different GBA, the value of the property will likely change accordingly and we reserve the right to revise our valuation analysis and amend our opinions.
2. We understand that the subject building closed circa 2007 and that the mechanical systems are in working order as they have been adequately maintained. This appraisal has been made under the extraordinary assumption that the building mechanical systems are in working order. If information is provided showing that this is not the case, the value of the property will likely change and we reserve the right to revise our analysis and amend our opinions.

3. No significant items of deferred maintenance were noted at the property during our inspection. However, it is beyond our expertise to identify all items of deferred maintenance and estimate the associated costs to cure. Deferred maintenance costs are a direct deduction from the property value and this appraisal has been made under the extraordinary assumption that no deferred maintenance costs exist. If information is provided showing that this is not the case, the value of the property will likely change and we reserve the right to revise our analysis and amend our opinions.

4. We understand that there are asbestos containing materials (“ACM’s”) present throughout the building. Milwaukee Public Schools is aware of this and has implemented an asbestos inspection and management plan. It is our understanding and it is an extraordinary assumption that no immediate abatement is necessary. No asbestos abatement costs have been provided by MPS and it is beyond the expertise of the appraisers and beyond the scope of this appraisal to estimate these costs. The property value as concluded herein has not considered any impact on value created by the presence of ACM’s which would decrease value. We reserve the right to revise our analysis and amend our opinions if it is later found that the ACM’s present in the building requires abatement and the cost of this abatement becomes known.

Hypothetical Condition

The Uniform Standards of Professional Appraisal Practice (“USPAP”) defines a Hypothetical Condition as: “that which is contrary to what exists but is supposed for the purpose of analysis.” The following comment is offered directly after this definition: “Hypothetical conditions assume conditions contrary to known facts 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 based on the following hypothetical condition:

1. There is a two-year restriction that the subject property must only be sold to an education operator, however, the client has requested that we provide an estimate of the current value reflecting the sale of the property for redevelopment assuming no two-year education operator sale restriction. Therefore, this valuation scenario has been made under the hypothetical condition that as of the appraisal date, the property can be sold to a non-educational operator without use restriction for redevelopment as a non-school use. Furthermore, it is assumed that the zoning has been changed to accommodate such redevelopment.

If at a later date this hypothetical condition is shown to be different than as stated, the value of the property under this valuation scenario will likely change and we reserve the right to revise our valuation analysis and amend our opinions.

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 appraisers are familiar with the subject property type and market area. Furthermore, the appraisers have the education, experience and competency to appropriately utilize the analytical methods employed in this report. The appraisers certify that they have 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.

Exposure Time

Exposure time is defined in USPAP as “estimated length of time that 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”. Further, “Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market.”

Exposure time is the amount of time necessary to expose a property to the open market in order to achieve a sale. The opinion of an 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.

The subject property is a special use property for which there is a limited amount of demand; as such, the market exposure period could be quite long. It is our 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 up to two or more 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, 6th ed. (Chicago: Appraisal Institute), 2015]

Highest and Best Use is defined as: “The reasonably probable use of property that results in the highest value. The four criteria that 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, 6th ed. (Chicago: Appraisal Institute), 2015]

Area Overview

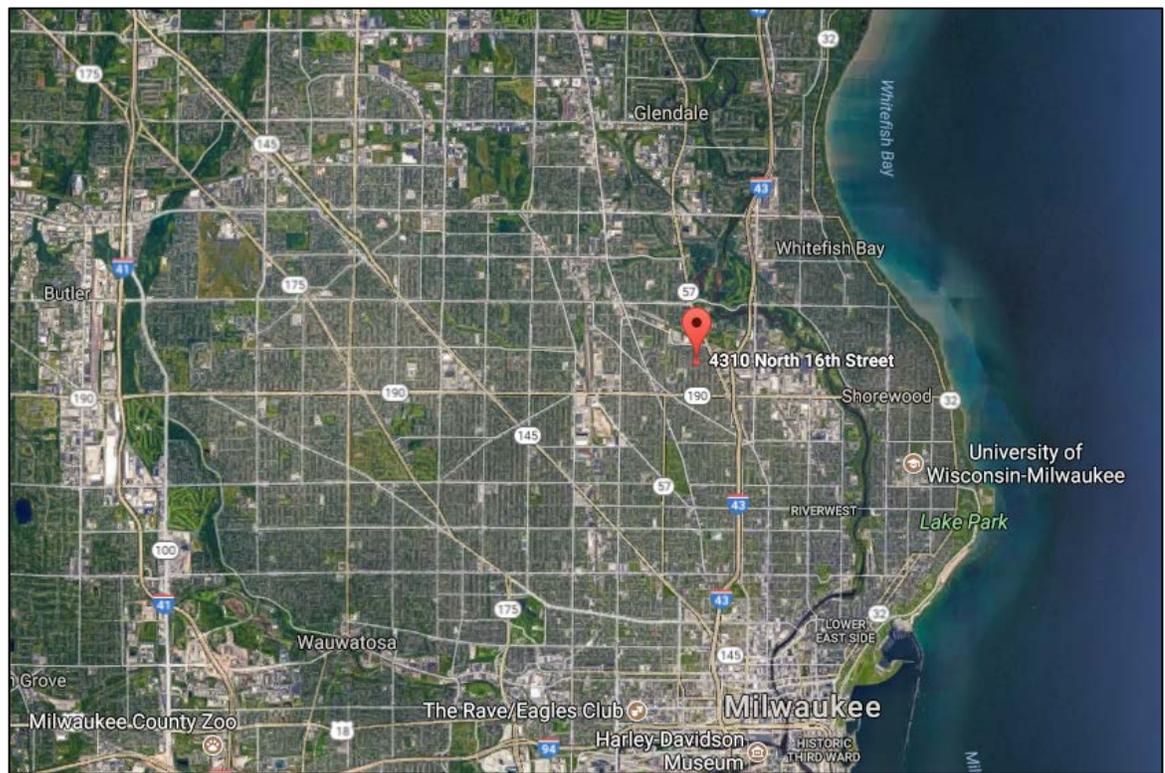
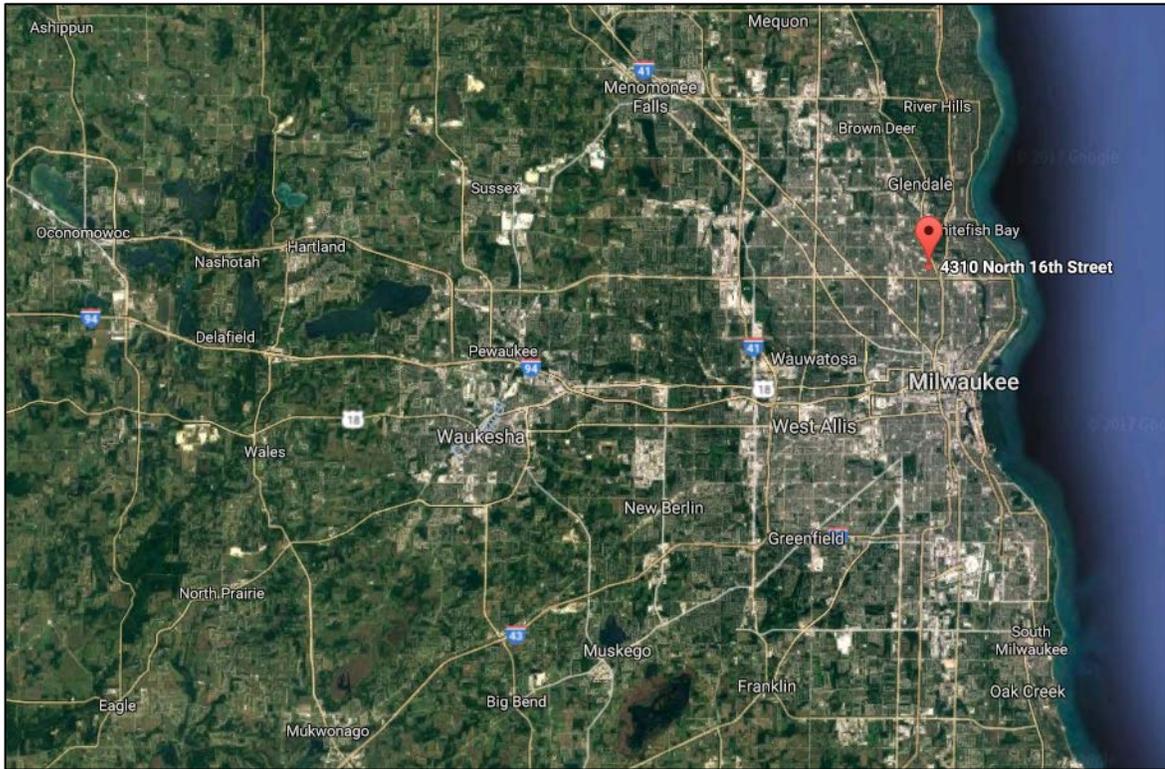
The subject property is located in the northeast quadrant of W. Olive Street and N. 16th Street in the City of Milwaukee. Area maps are presented on the following two pages. Detailed demographic data for the City of Milwaukee is presented on pages 16 through 17; with detailed demographic data within 1-, 3-, and 5-mile radii of the subject property is presented on pages 18 to 20.

Milwaukee's 2016 population is 592,535 which compares to 594,746 in 2010 or an annual rate of change of -0.06%. The five-year projection for the population is 593,404 representing an annual change of +0.03% from 2016 to 2021. The household count in Milwaukee has changed from 230,171 in 2010 to 228,273 in 2016, a change of -0.13% annually. The five-year projection of households is 228,020, a change of -0.02% annually from the current year total.

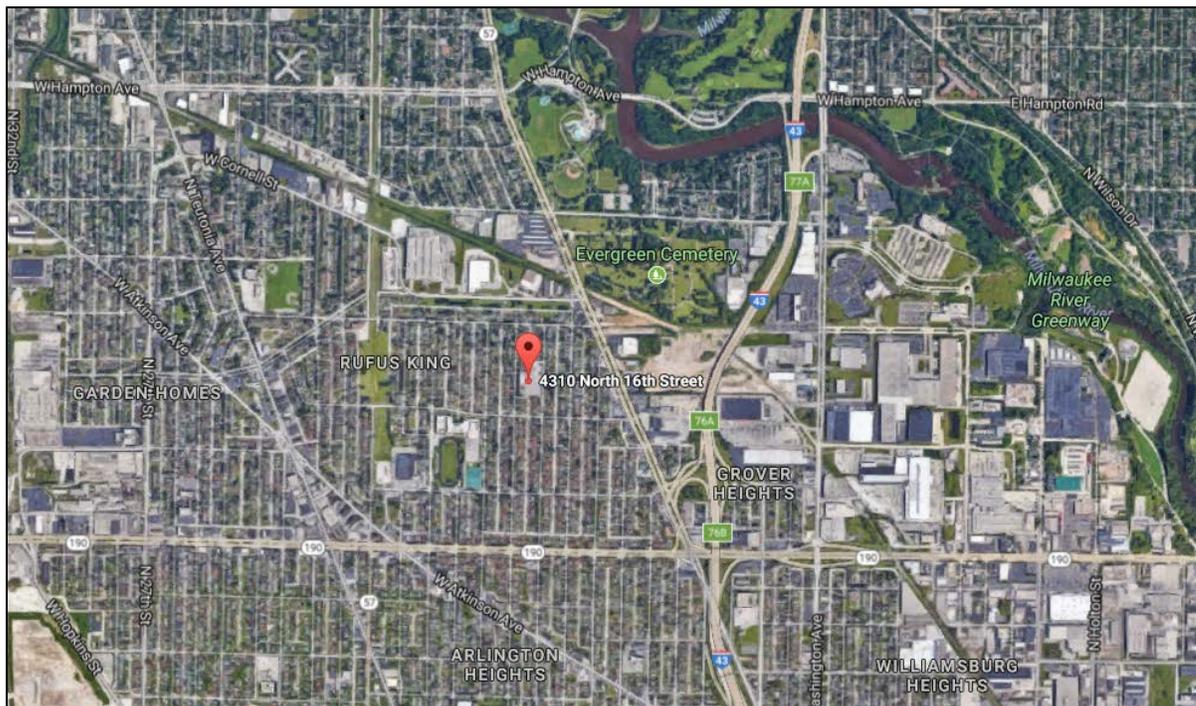
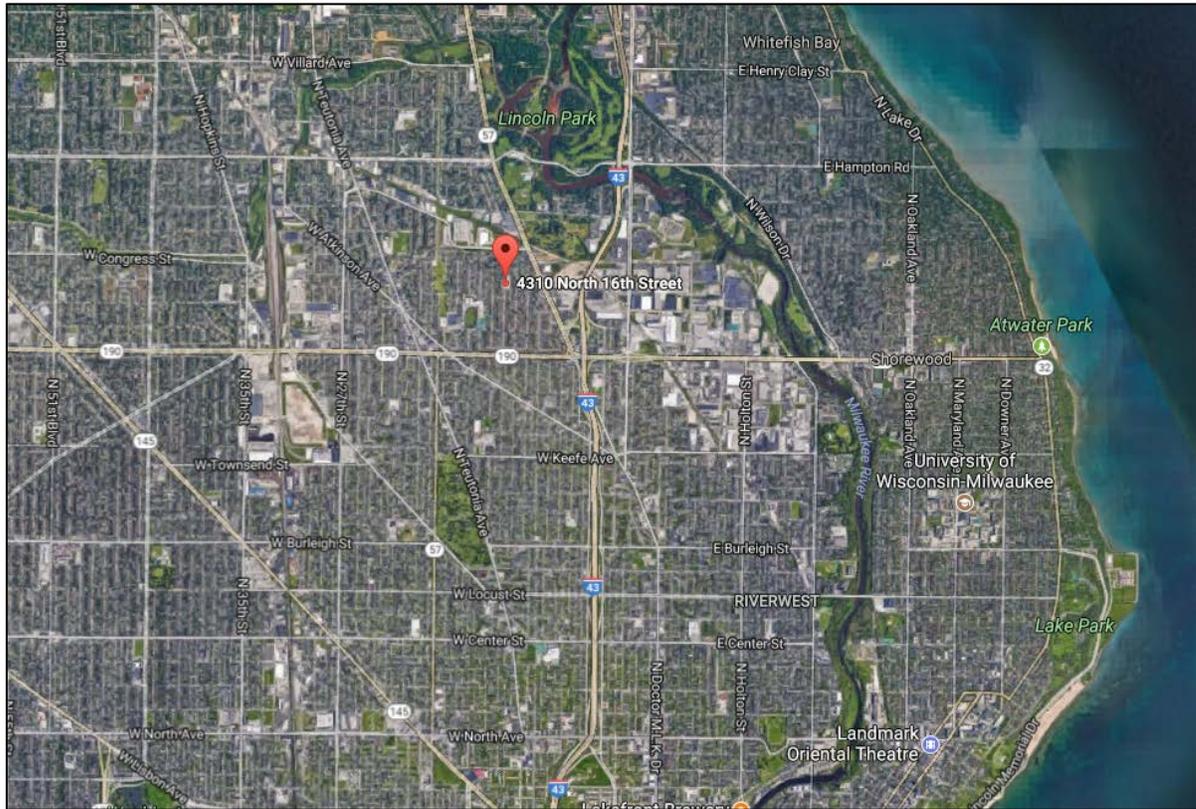
The 2017 population within a 1-mile radius of the subject is 20,272 which compares to 20,398 in 2010 representing an annual rate of change of -0.09%. The five-year projection for the population is 20,278 representing an annual change of +0.01% from 2017 to 2022. The household count within a 1-mile radius has changed from 7,877 in 2010 to 7,806 in 2017, a change of -0.12% annually. The five-year projection of households is 7,792, a change of -0.04% annually from the current year total.

Milwaukee is the largest city in Wisconsin and is the major economic center in the state. The population decreased slightly 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. Population is expected to remain relatively flat into the foreseeable future. The City has a stable and diverse employment base and has many large employers with no substantial reliance on any one employer. The City is served by several local bus routes and freeway flyer routes of the Milwaukee County Transit System.

Area Maps



Area Maps



City of Milwaukee Demographic Data



Executive Summary

Milwaukee City, WI
 Milwaukee City, WI (5553000)
 Geography: Place

Prepared by Esri

	Milwaukee cit...
Population	
2000 Population	596,827
2010 Population	594,746
2016 Population	592,535
2021 Population	593,404
2000-2010 Annual Rate	-0.03%
2010-2016 Annual Rate	-0.06%
2016-2021 Annual Rate	0.03%
2016 Male Population	48.3%
2016 Female Population	51.7%
2016 Median Age	31.2

In the identified area, the current year population is 592,535. In 2010, the Census count in the area was 594,746. The rate of change since 2010 was -0.06% annually. The five-year projection for the population in the area is 593,404 representing a change of 0.03% annually from 2016 to 2021. Currently, the population is 48.3% male and 51.7% female.

Median Age

The median age in this area is 31.2, compared to U.S. median age of 38.0.

Households	
2000 Households	232,120
2010 Households	230,171
2016 Total Households	228,273
2021 Total Households	228,020
2000-2010 Annual Rate	-0.08%
2010-2016 Annual Rate	-0.13%
2016-2021 Annual Rate	-0.02%
2016 Average Household Size	2.52

The household count in this area has changed from 230,171 in 2010 to 228,273 in the current year, a change of -0.13% annually. The five-year projection of households is 228,020, a change of -0.02% annually from the current year total. Average household size is currently 2.52, compared to 2.50 in the year 2010. The number of families in the current year is 127,786 in the specified area.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021. Esri converted Census 2000 data into 2010 geography.

April 06, 2017

City of Milwaukee Demographic Data



Executive Summary

Milwaukee City, WI
 Milwaukee City, WI (5553000)
 Geography: Place

Prepared by Esri

	Milwaukee cit...
Median Household Income	
2016 Median Household Income	\$36,015
2021 Median Household Income	\$35,741
2016-2021 Annual Rate	-0.15%
Average Household Income	
2016 Average Household Income	\$49,632
2021 Average Household Income	\$53,956
2016-2021 Annual Rate	1.68%
Per Capita Income	
2016 Per Capita Income	\$19,473
2021 Per Capita Income	\$21,085
2016-2021 Annual Rate	1.60%

Households by Income

Current median household income is \$36,015 in the area, compared to \$54,149 for all U.S. households. Median household income is projected to be \$35,741 in five years, compared to \$59,476 for all U.S. households

Current average household income is \$49,632 in this area, compared to \$77,008 for all U.S. households. Average household income is projected to be \$53,956 in five years, compared to \$84,021 for all U.S. households

Current per capita income is \$19,473 in the area, compared to the U.S. per capita income of \$29,472. The per capita income is projected to be \$21,085 in five years, compared to \$32,025 for all U.S. households

Housing

2000 Total Housing Units	249,157
2000 Owner Occupied Housing Units	105,211
2000 Renter Occupied Housing Units	126,909
2000 Vacant Housing Units	17,037
2010 Total Housing Units	255,518
2010 Owner Occupied Housing Units	100,260
2010 Renter Occupied Housing Units	129,911
2010 Vacant Housing Units	25,347
2016 Total Housing Units	258,348
2016 Owner Occupied Housing Units	94,512
2016 Renter Occupied Housing Units	133,760
2016 Vacant Housing Units	30,075
2021 Total Housing Units	259,796
2021 Owner Occupied Housing Units	94,192
2021 Renter Occupied Housing Units	133,827
2021 Vacant Housing Units	31,776

Currently, 36.6% of the 258,348 housing units in the area are owner occupied; 51.8%, renter occupied; and 11.6% are vacant. Currently, in the U.S., 55.4% of the housing units in the area are owner occupied; 32.9% are renter occupied; and 11.7% are vacant. In 2010, there were 255,518 housing units in the area - 39.2% owner occupied, 50.8% renter occupied, and 9.9% vacant. The annual rate of change in housing units since 2010 is 0.49%. Median home value in the area is \$130,433, compared to a median home value of \$198,891 for the U.S. In five years, median value is projected to change by 4.22% annually to \$160,408.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021. Esri converted Census 2000 data into 2010 geography.

April 06, 2017

Demographics – 1-, 3- & 5-Mile Radii



Executive Summary

4310 N 16th St, Milwaukee, Wisconsin, 53209
Rings: 1, 3, 5 mile radii

Prepared by Esri
Latitude: 43.09500
Longitude: -87.93052

	1 mile	3 miles	5 miles
Population			
2000 Population	21,945	206,944	408,476
2010 Population	20,398	194,696	396,210
2017 Population	20,272	192,900	398,264
2022 Population	20,278	193,141	400,966
2000-2010 Annual Rate	-0.73%	-0.61%	-0.30%
2010-2017 Annual Rate	-0.09%	-0.13%	0.07%
2017-2022 Annual Rate	0.01%	0.02%	0.14%
2017 Male Population	45.1%	46.8%	47.8%
2017 Female Population	54.9%	53.2%	52.2%
2017 Median Age	35.3	31.3	31.3

In the identified area, the current year population is 398,264. In 2010, the Census count in the area was 396,210. The rate of change since 2010 was 0.07% annually. The five-year projection for the population in the area is 400,966 representing a change of 0.14% annually from 2017 to 2022. Currently, the population is 47.8% male and 52.2% female.

Median Age

The median age in this area is 35.3, compared to U.S. median age of 38.2.

Households			
2000 Households	8,194	75,982	160,790
2010 Households	7,877	73,412	159,278
2017 Total Households	7,806	72,557	160,127
2022 Total Households	7,792	72,506	161,209
2000-2010 Annual Rate	-0.39%	-0.34%	-0.09%
2010-2017 Annual Rate	-0.12%	-0.16%	0.07%
2017-2022 Annual Rate	-0.04%	-0.01%	0.13%
2017 Average Household Size	2.58	2.60	2.39

The household count in this area has changed from 159,278 in 2010 to 160,127 in the current year, a change of 0.07% annually. The five-year projection of households is 161,209, a change of 0.13% annually from the current year total. Average household size is currently 2.39, compared to 2.39 in the year 2010. The number of families in the current year is 84,535 in the specified area.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022. Esri converted Census 2000 data into 2010 geography.

Demographics – 1-, 3- & 5-Mile Radii



esri

Executive Summary

4310 N 16th St, Milwaukee, Wisconsin, 53209
Rings: 1, 3, 5 mile radii

Prepared by Esri
Latitude: 43.09500
Longitude: -87.93052

	1 mile	3 miles	5 miles
Median Household Income			
2017 Median Household Income	\$25,712	\$34,274	\$38,509
2022 Median Household Income	\$26,776	\$37,228	\$44,067
2017-2022 Annual Rate	0.81%	1.67%	2.73%
Average Household Income			
2017 Average Household Income	\$37,903	\$56,017	\$60,134
2022 Average Household Income	\$42,571	\$63,062	\$69,185
2017-2022 Annual Rate	2.35%	2.40%	2.84%
Per Capita Income			
2017 Per Capita Income	\$14,624	\$21,451	\$24,570
2022 Per Capita Income	\$16,379	\$24,074	\$28,203
2017-2022 Annual Rate	2.29%	2.33%	2.80%

Households by Income

Current median household income is \$38,509 in the area, compared to \$56,124 for all U.S. households. Median household income is projected to be \$44,067 in five years, compared to \$62,316 for all U.S. households

Current average household income is \$60,134 in this area, compared to \$80,675 for all U.S. households. Average household income is projected to be \$69,185 in five years, compared to \$91,585 for all U.S. households

Current per capita income is \$24,570 in the area, compared to the U.S. per capita income of \$30,820. The per capita income is projected to be \$28,203 in five years, compared to \$34,828 for all U.S. households

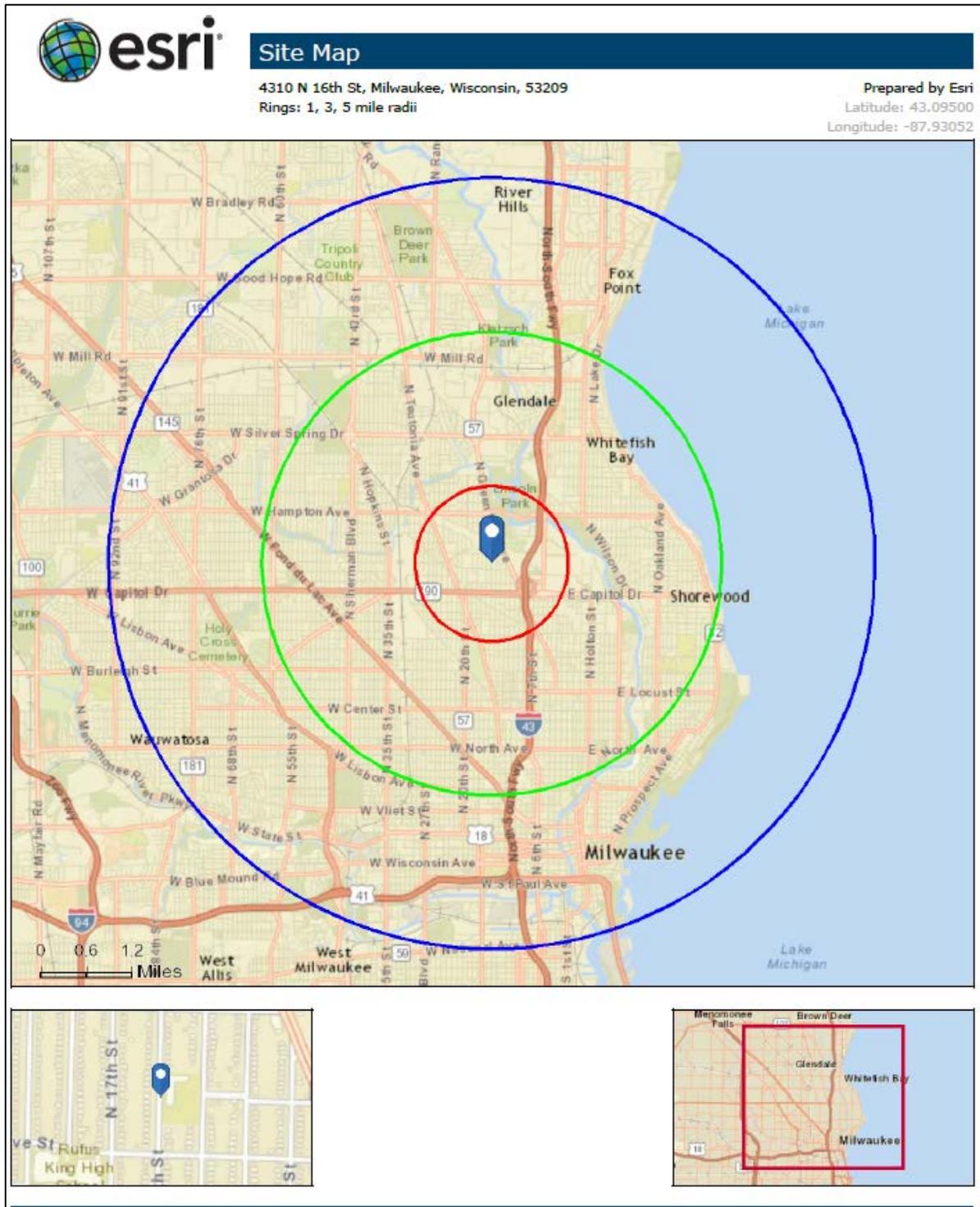
Housing

2000 Total Housing Units	8,918	82,376	173,005
2000 Owner Occupied Housing Units	4,083	35,910	71,770
2000 Renter Occupied Housing Units	4,110	40,072	89,020
2000 Vacant Housing Units	725	6,394	12,215
2010 Total Housing Units	8,958	83,187	178,302
2010 Owner Occupied Housing Units	3,579	32,778	68,039
2010 Renter Occupied Housing Units	4,298	40,634	91,239
2010 Vacant Housing Units	1,081	9,775	19,024
2017 Total Housing Units	9,038	84,110	181,791
2017 Owner Occupied Housing Units	3,251	29,926	63,007
2017 Renter Occupied Housing Units	4,554	42,631	97,119
2017 Vacant Housing Units	1,232	11,553	21,664
2022 Total Housing Units	9,093	84,724	184,085
2022 Owner Occupied Housing Units	3,226	29,771	63,060
2022 Renter Occupied Housing Units	4,566	42,735	98,150
2022 Vacant Housing Units	1,301	12,218	22,876

Currently, 34.7% of the 181,791 housing units in the area are owner occupied; 53.4%, renter occupied; and 11.9% are vacant. Currently, in the U.S., 55.6% of the housing units in the area are owner occupied; 33.1% are renter occupied; and 11.3% are vacant. In 2010, there were 178,302 housing units in the area - 38.2% owner occupied, 51.2% renter occupied, and 10.7% vacant. The annual rate of change in housing units since 2010 is 0.87%. Median home value in the area is \$152,651, compared to a median home value of \$207,344 for the U.S. In five years, median value is projected to change by 1.45% annually to \$164,031.

Data Note: Income is expressed in current dollars

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2017 and 2022. Esri converted Census 2000 data into 2010 geography.

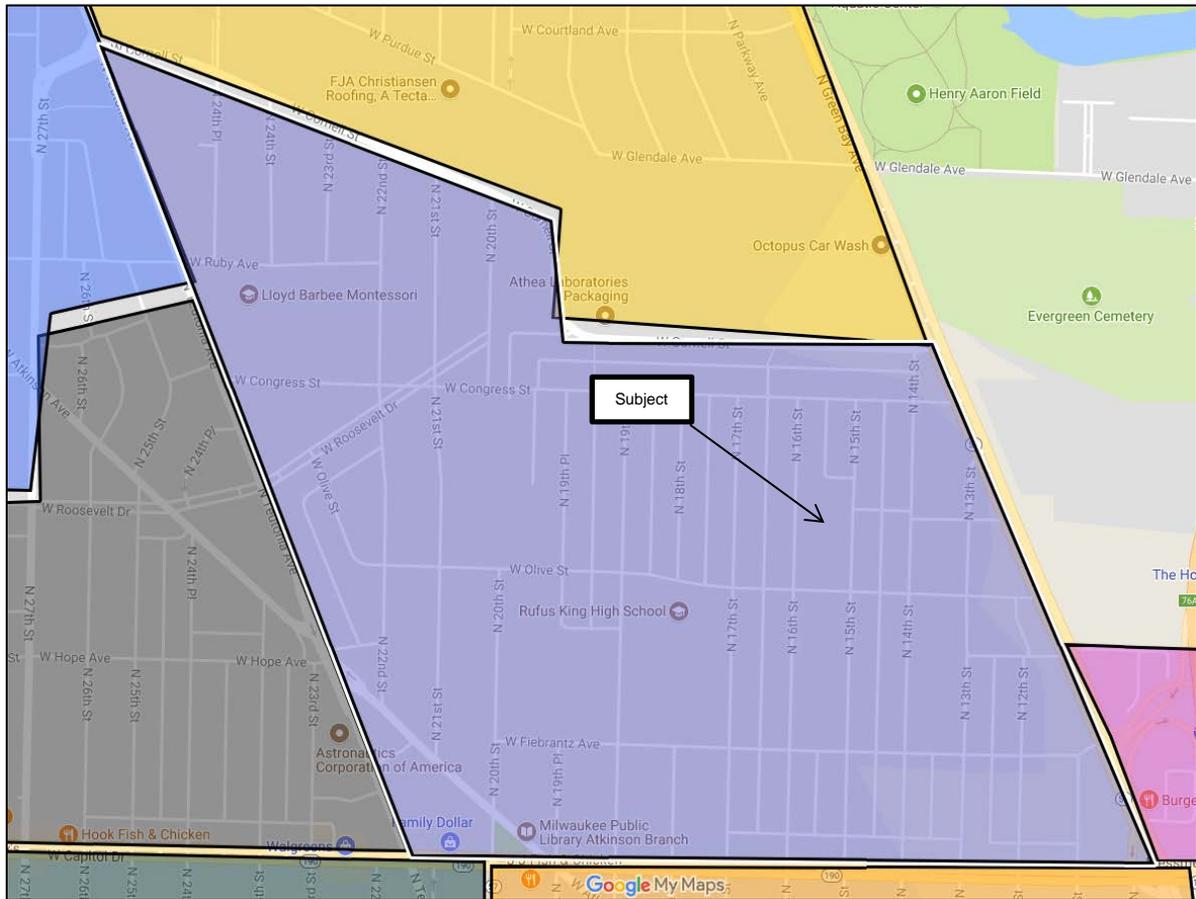


Neighborhood Overview

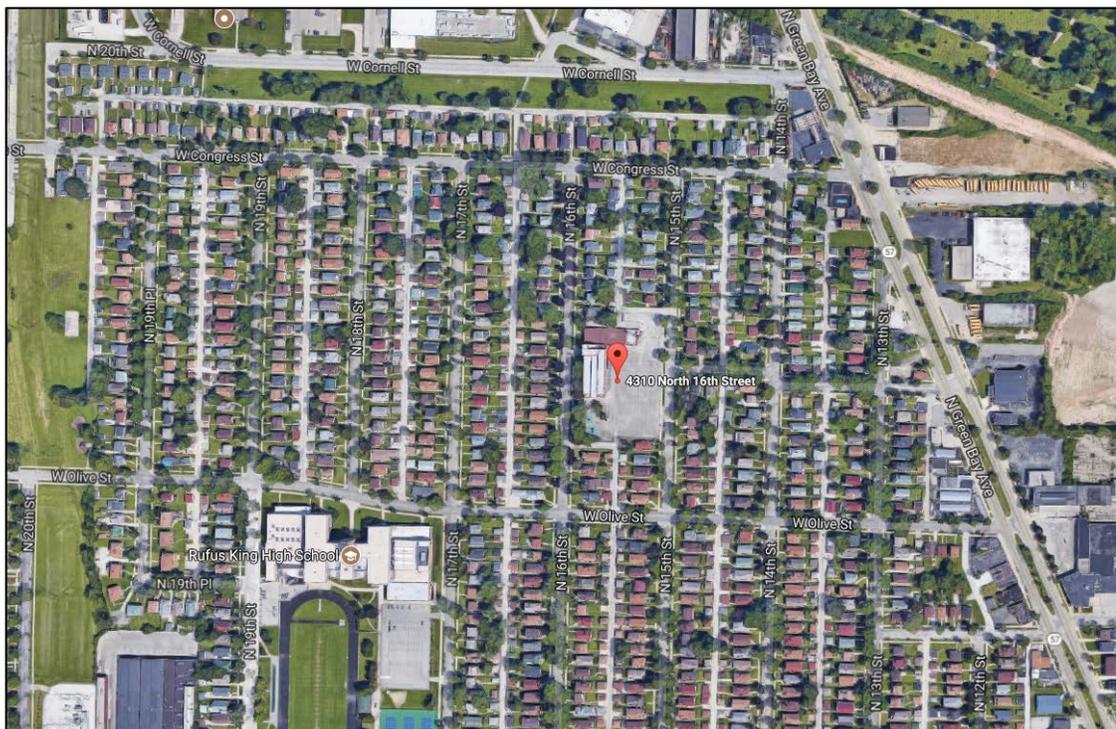
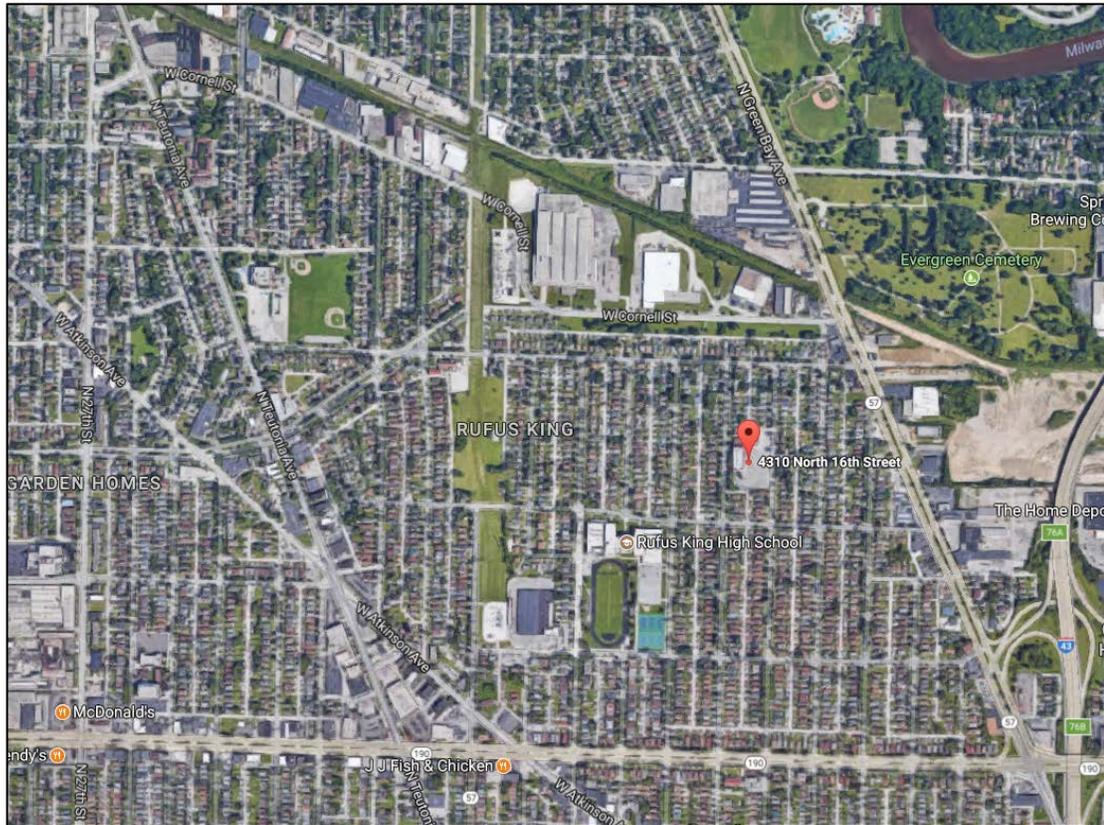
The property is located at the northeast quadrant of W. Olive Street and N. 16th Street on the northwest side of the City of Milwaukee. This location is in the Rufus King neighborhood which is north/northwest of the downtown area. The neighborhood is bounded by W. Cornell Street, N. Teutonia Avenue, W. Capitol Drive and N. Green Bay Avenue.

The immediate neighborhood is primarily residential in nature with more intense commercial development along the major traffic arterials. Aerial maps of the neighborhood identifying surrounding uses are presented below and on the following page.

Neighborhood Map



Neighborhood Aerial Maps

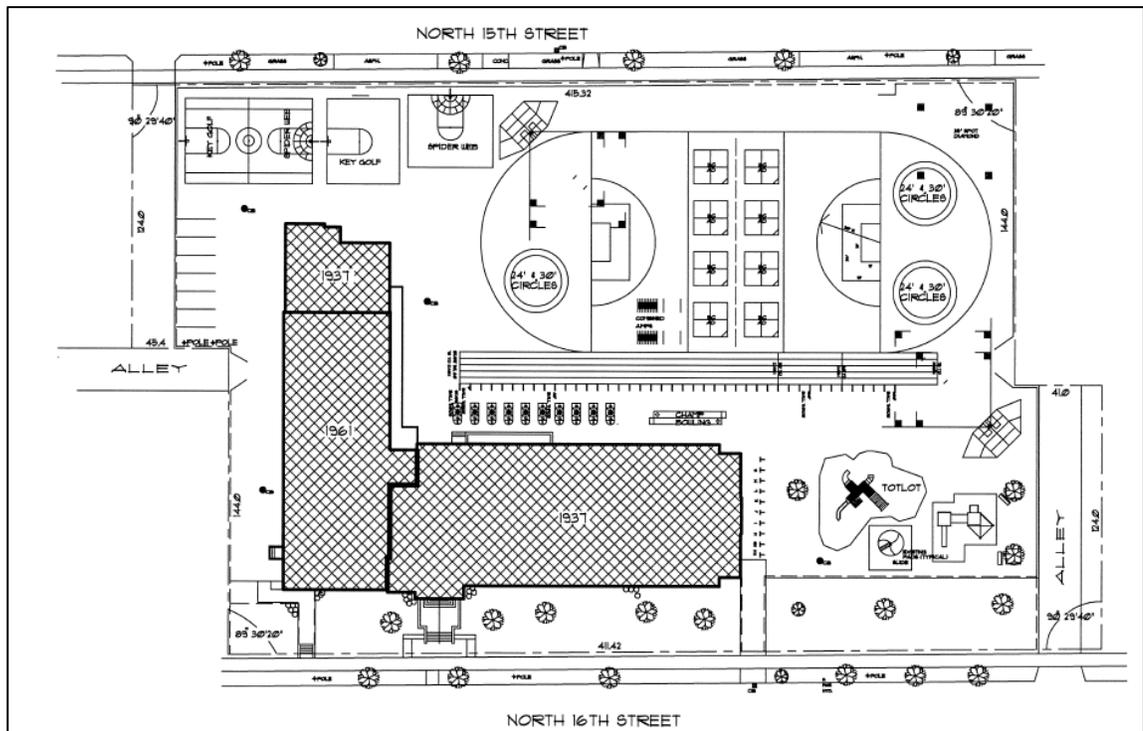


Summary of Property Appraised

Size 2.472 acres
 The parcel size was obtained from public records. Although considered reliable, should any future detailed measurements indicate a significant difference in the size, the value of the property may change and we reserve the right to revisit our analyses and amend our opinions.

Shape Generally rectangular

Site Plan



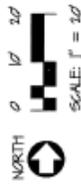
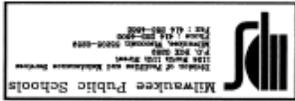
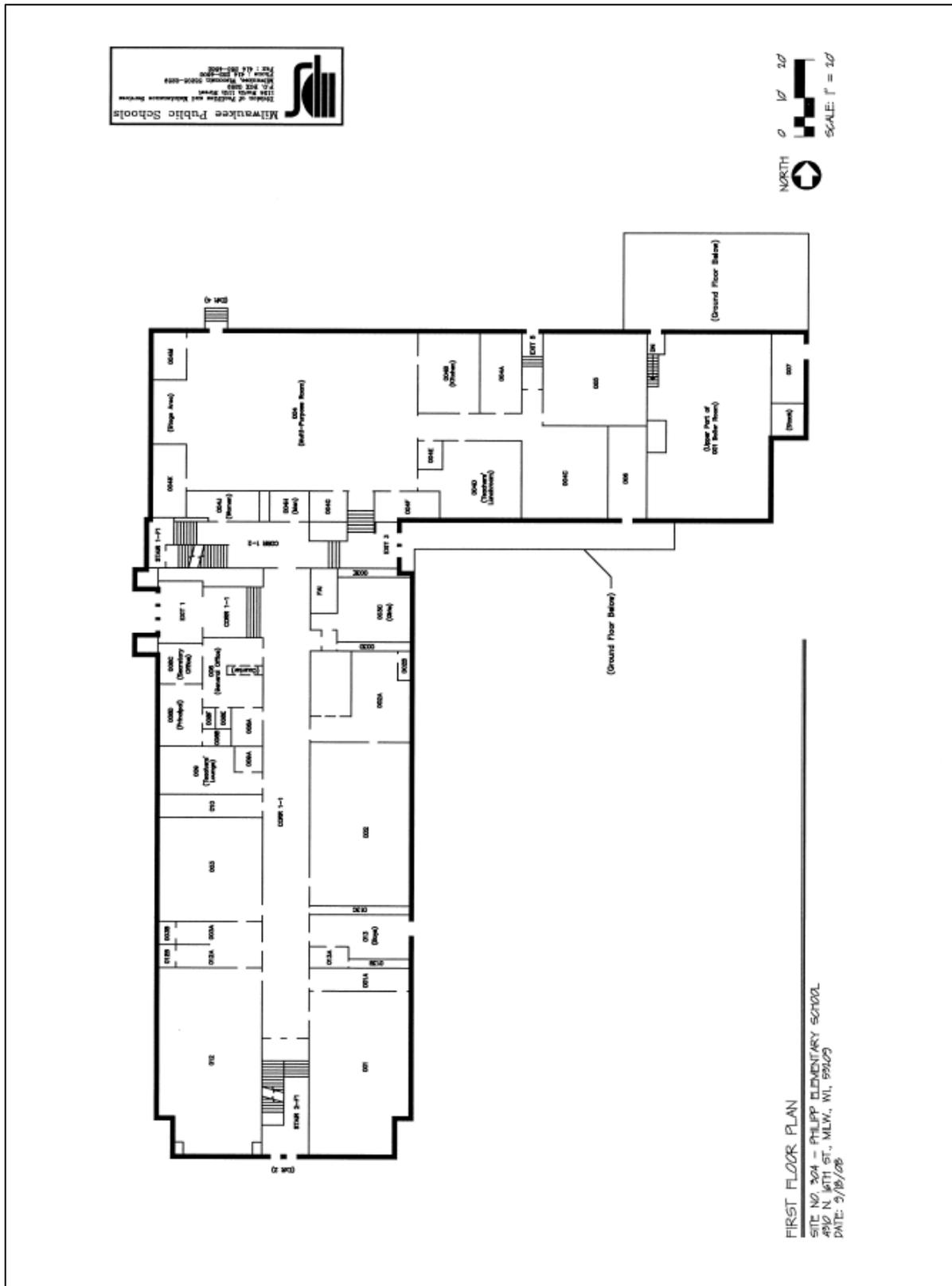
Frontage The property has frontage along the east side of N. 16th Street and the west side of N. 15th Street.

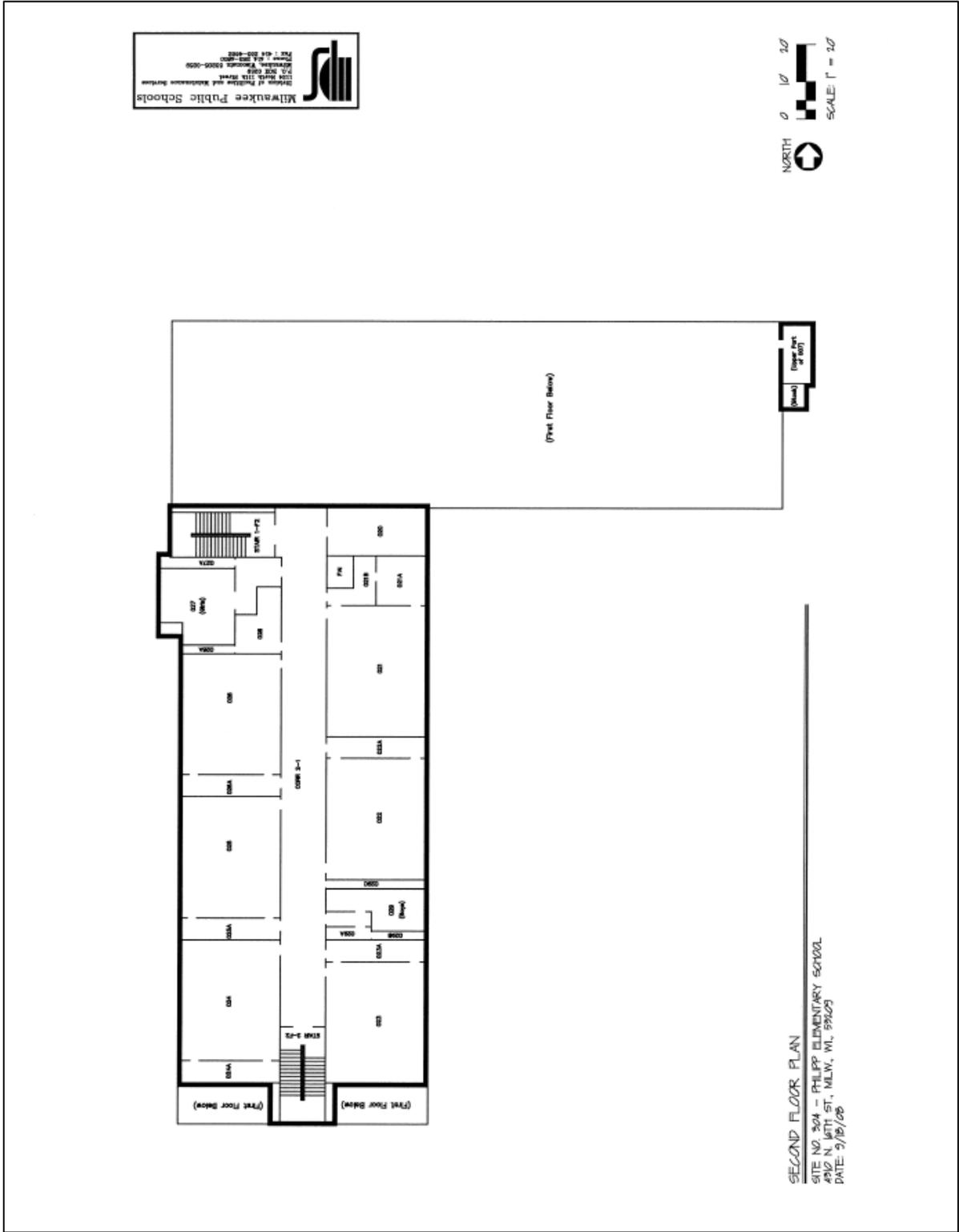
Visibility The property is visible from all fronting streets.

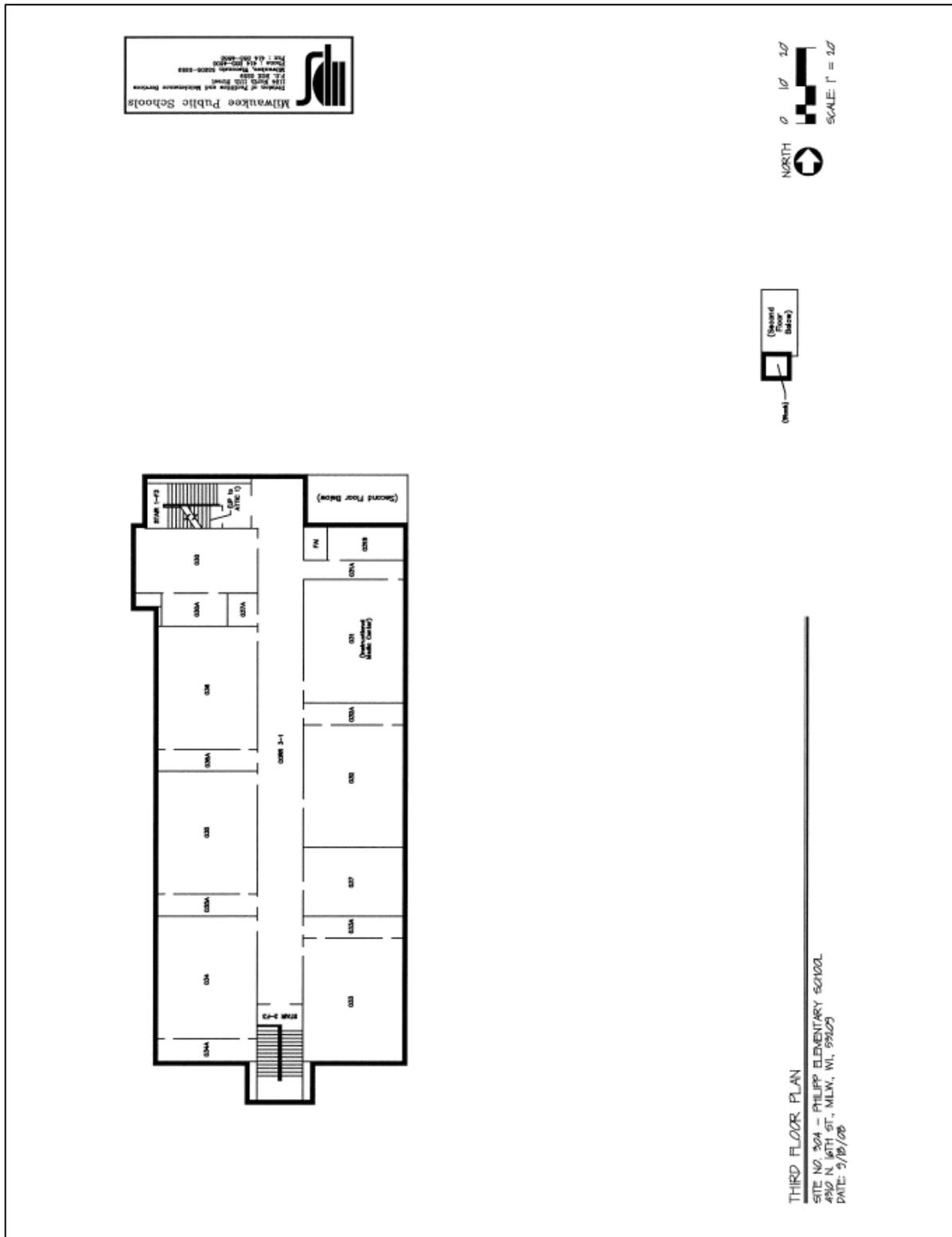
Topography The property has a generally level topography and the building improvements are at to slightly above the grade of the fronting roadways.

Access Access to the site is provided via three access points: one on N. 16th Street, one via a public alleyway from N. 15th Street and one via a public alleyway from W. Congress Street. Access is reasonable for the property's highest and best use.

Utility Services	Utilities including sewer, water, gas, electricity and telephone are available to the site.
Soils	No subsurface investigations were conducted. The Nicholson Group is not responsible for and has not undertaken an investigation of unapparent conditions, and cannot render a definitive opinion about buildability. My 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 makes no representations, guarantees or warranties.
Easements	We are not aware of any easements which would adversely affect utility or marketability of the site. Standard utility easements likely exist but we have not investigated these. The Nicholson Group cannot guarantee that property is free of encroachments or easements and recommends further investigation and survey.
Site Improvements	The site improvements are common for urban school properties such as asphalt paved parking and playground areas, concrete sidewalks, chain link fencing, landscaping and playground equipment, among other items. Overall, the site improvements are in fair-to-good condition.
Building Improvements	The building improvements are identified and examined to determine functional utility, quality and condition. This overview is based on a physical inspection of the property and review of reduced building floor plans as provided by the client. Floor plans as provided are on the following six pages.





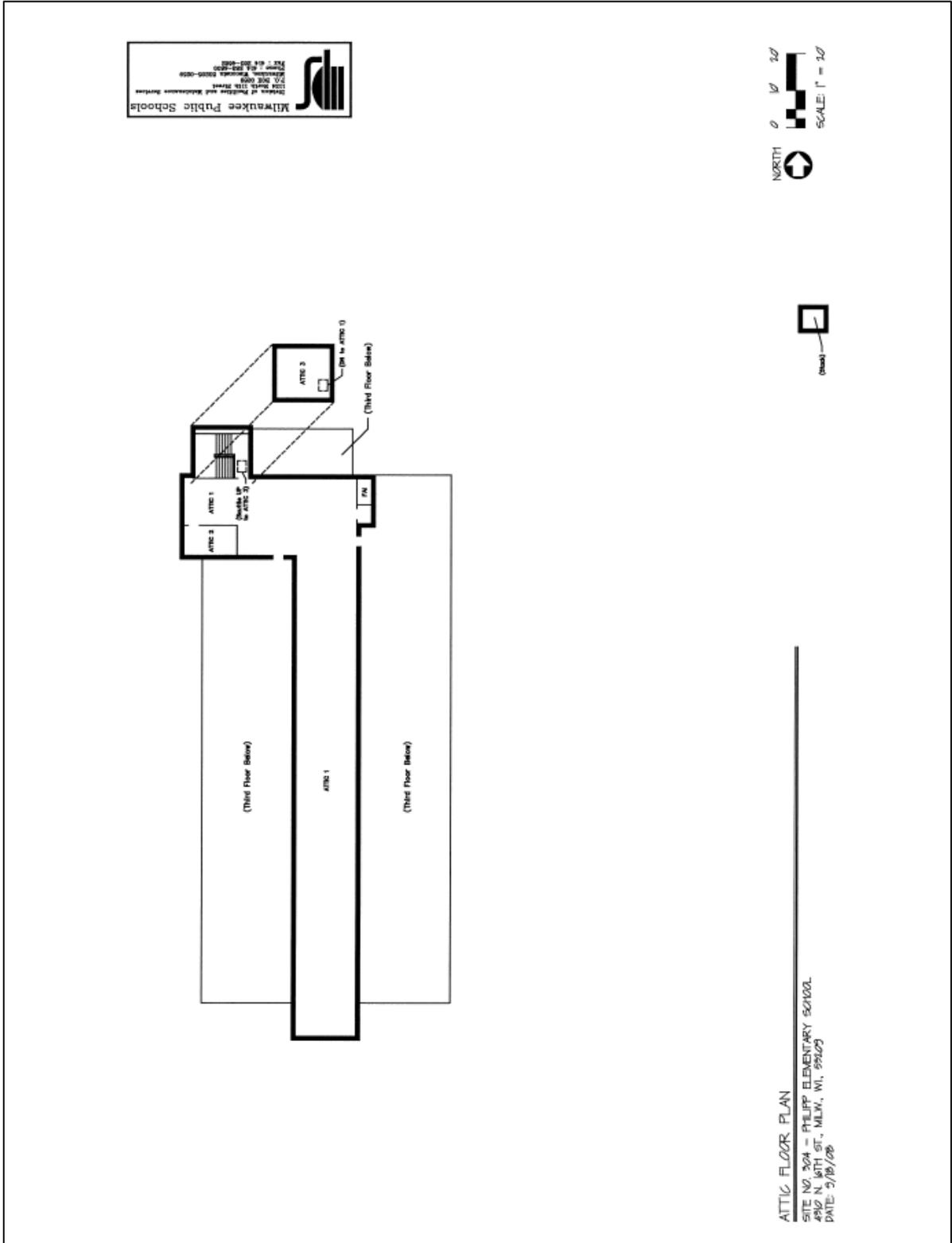


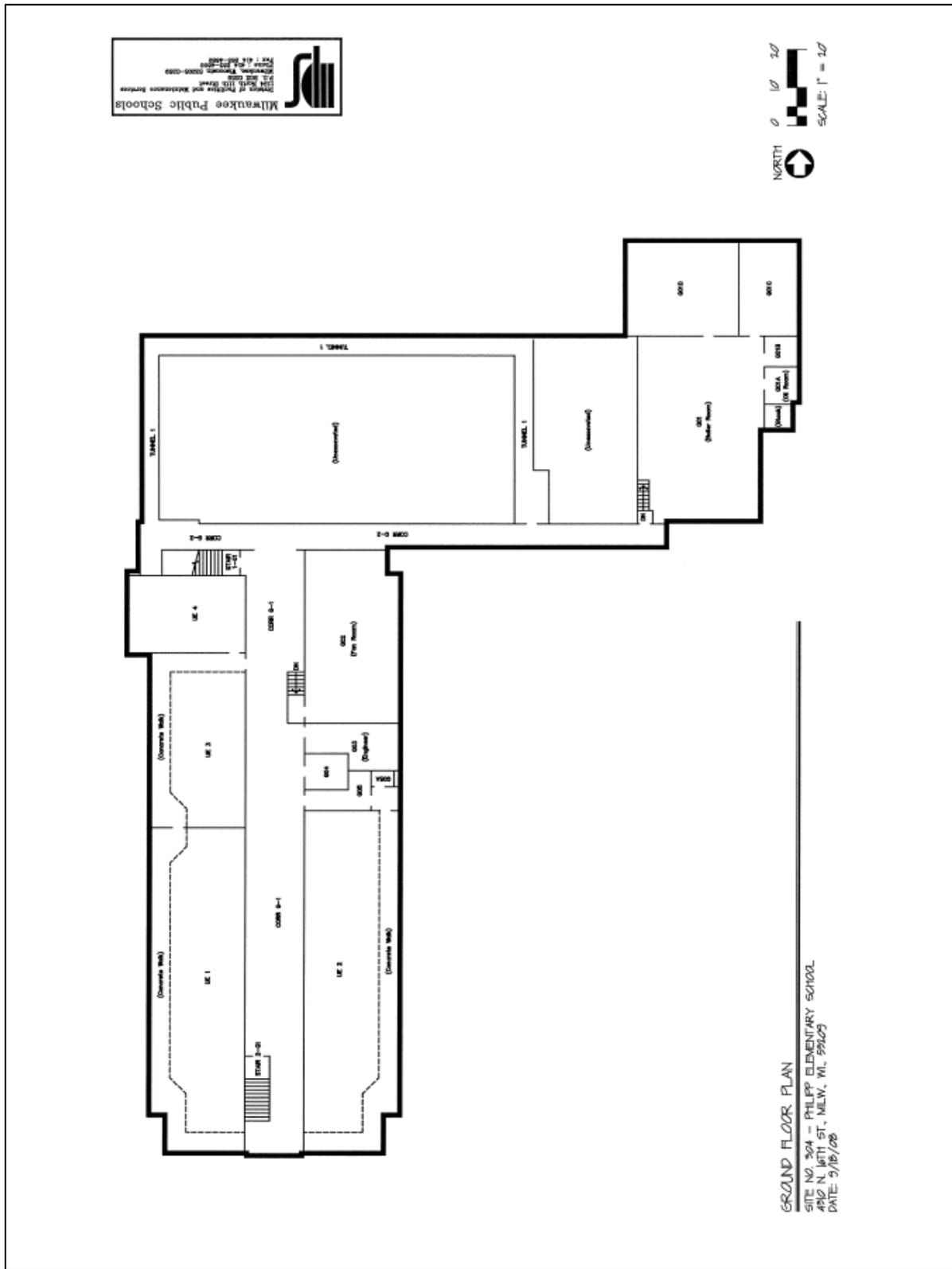
Milwaukee Public Schools
 Division of Architecture and Mechanical Services
 1116 North Lincoln Street
 P.O. Box 3333
 Milwaukee, Wisconsin 53233-3333
 Fax: 414-961-4800

NORTH
 0 10' 20'
 SCALE: 1" = 20'

(Second Floor Below)

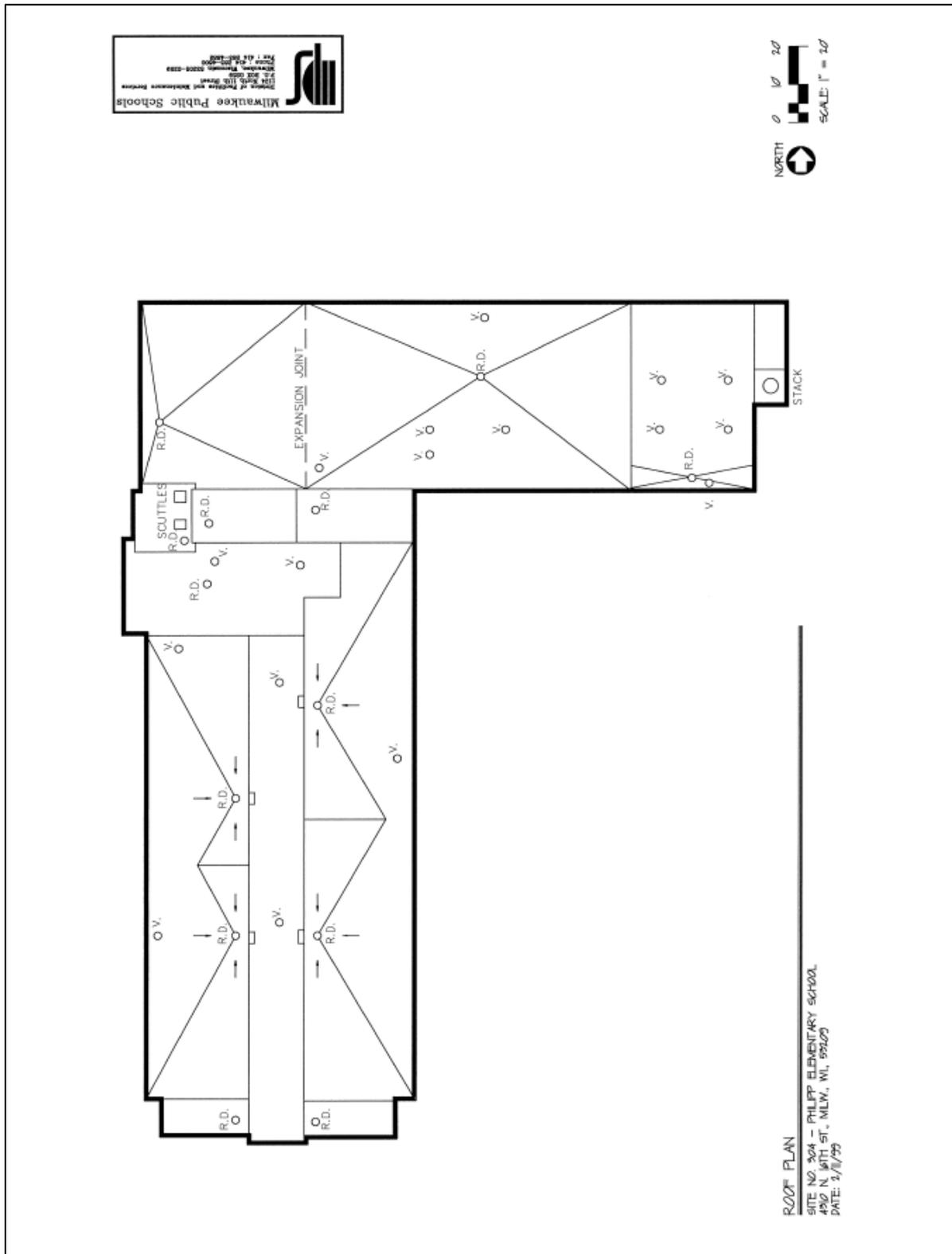
THIRD FLOOR PLAN
 SITE NO. 304 - PHILIPP ELEMENTARY SCHOOL
 4910 N. 10TH ST., MILWAUKEE, WI, 53210
 DATE: 5/18/08





GROUND FLOOR PLAN

SITE NO. 324 - PHILIP ELEMENTARY SCHOOL
 3101 N. BERRY ST., MILW., WI. 53205
 DATE: 5/18/28



The gross building area ("GBA") totals ±39,628 square feet not including a ±10,289 square foot basement area that houses mechanical equipment and storage area. The square footages associated with various building areas were taken from reduced copies of building floor plans as provided, supplemented with measurements taken during the property inspection. Although considered reliable, the building areas are appraiser estimates and should information provided at a later date indicate a different GBA, the subject's value as concluded herein may change and we reserve the right to revisit our analyses and amend our opinions.

Building Area Summary		
Building Level	GBA	% GBA
First Floor	17,919	45.2%
Second Floor	11,142	28.1%
Third Floor	10,564	26.7%
Total GBA	39,625	100.0%
Basement	10,289	

Functional Utility - School Use Overall Comparability Analysis	
	Subject
<u>Factor of Comparison</u>	
Gymnasium Comparability	Yes (Shared Cafeteria/Gym)
Cafeteria Comparability	Yes (Shared Cafeteria/Gym)
Auditorium Comparability	None -
Kitchen Comparability	Adequate, Good Condition -
Handicap Accessibility Comparability	No -
Elevator Comparability	None -
Restrooms	2 on Large First Floor, 2 on 2nd Floor, None on 3rd Floor

Building Physical Attributes Summary

Building Use	Former MPS School
Number of Buildings, Stories & Configuration	<p>One, three-story building with partial unfinished basement</p> <p><u>Basement</u> – The partial basement area is unfinished and totals 10,289 square feet which has been excluded from the total GBA. The basement is primarily used as storage along with various tunnels that run along the perimeter of the building footprint.</p> <p><u>First Floor</u> – The first floor contains numerous classrooms along with: administrative offices, boys and girls restrooms, gym (shared with cafeteria), teacher’s lunchroom, kitchen and the upper portion of the boiler room.</p> <p><u>Second Floor</u> – The second floor houses classrooms and boys/girls bathrooms.</p> <p><u>Third Floor</u> – The third floor houses various classrooms and media center.</p>
Size (GBA)	GBA: ±39,625 square feet excluding the basement area that houses mechanical equipment and storage area.
Year Built, Effective Age and Remaining Economic Life	The building was originally constructed in 1931 with additions in 1961 and 1966. The effective age is estimated at ±75 years and the remaining economic life is ±10 to ±20 years. Remaining economic life reflects minimal maintenance, no renovation and no remodeling; however, the remaining economic life can be extended and even continued into perpetuity given adequate routine maintenance and capital expenditures made to the building as needed for replacement of short lived items (i.e. roof cover, parking lot, HVAC, etc.) and cure of any deferred maintenance.
Construction Type	<p><u>Structural</u> Partially reinforced concrete framing, concrete block and brick.</p> <p><u>Walls</u> Brick</p> <p><u>Floors</u> Poured concrete</p> <p><u>Roof</u> Flat with membrane and rolled asphalt covering</p>
HVAC	Heat is provided via hot water steam boilers located in the basement. The property does not have central air conditioning.
Elevator	The property does not have an elevator.

Interior Finish	The interior floor finish generally consists of: linoleum tile, hardwood, carpet, terrazzo tile and concrete flooring. The walls are a mixture of painted drywall and painted brick. Lighting is provided through various ceiling mounted fluorescent and incandescent light fixtures. Large wood and glass doors are prevalent throughout the building. A mixture of chalkboards and corkboards are present throughout the classrooms.
Handicap Accessibility	The building does not appear to be handicapped accessible.
Parking	There is a small parking lot on the north side of the school. As an urban school that utilizes a bus system with ample street parking in close proximity, parking is considered adequate. Please refer to the site plan on page 23.

Functional Utility

The building is functional for use as an educational facility. Positive functional attributes include: a generally functional layout with large classrooms; kitchen facility; lunchroom; playground; and, no significant deferred maintenance items.

The building also appears to be functional for redevelopment conversion to an alternative use which most likely would be multi-unit housing. Under the redevelopment scenario, the building would likely be gutted and mechanical systems replaced.

Occupancy Status

Vacant

Condition and Deferred Maintenance

The building appears to have been adequately maintained over time and is in fair-to-good overall condition. No deduction has been made for condition and deferred maintenance. However, this appraisal has been performed under the extraordinary assumption that no significant items of deferred maintenance exist.

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 effective 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. There are no pending options or agreements of sale associated with the property and there have been no sales of the property in the past three years.

We understand that the property was recently listed for sale with no asking price specified. Sales requirements are that the property may be sold only to an education operator under Wis. Stats. 119.61(1)(a) and the buyer must obtain occupancy certificate for school use and occupy property for school use within 24 months after the date of sale closing. Additional information is presented below.

Milwaukee DCD Listing Information Sheet

	<p align="center">Former Philipp Elementary School 4310 North 16th Street Price: To be determined by Appraisal</p>
	
<p>Brick school building constructed in 1932; addition in 1961.</p> <ul style="list-style-type: none"> ➤ 53,200 SF with 17 classrooms; capacity 280 ➤ 2.595 ± acres / Zoned RS6 ➤ Floor plans, site plan and other property information will be available at: http://city.milwaukee.gov/Surplus-School-Properties.htm 	
<p>DEVELOPMENT REQUIREMENTS</p> <ul style="list-style-type: none"> ➤ Property may be sold only to an Education Operator under Wis. Stats. 119.61(1)(a). ➤ Buyer must obtain occupancy certificate for school use and occupy property for school use within 24 months after the date of sale closing. 	
<p>SHOWINGS After submitting a Letter of Interest, reach out to the point of contact below to request a showing.</p>	
<p>SUBMITTAL Buyer must submit a Letter of Interest (LOI) to the Milwaukee City Clerk, 200 E. Wells St., Milwaukee, WI 53202.</p>	
<p>LOI must include the following information:</p>	
<ol style="list-style-type: none"> 1) Name and address of the property. 2) Legal name of the entity submitting the LOI. 3) Mailing address, email address, and telephone number of the entity submitting the LOI. 4) Category under which submitting party qualifies as an education operator. 5) Documentation verifying the party's status as an education operator. 	
<p>Verified education operators will be required to submit additional information following acceptance of the LOI, including an offer to purchase and proof of financial capability to buy the property and make necessary renovations to achieve an occupancy certificate for school use.</p>	
<p>REVIEW & APPROVAL CRITERIA AND PROCESS:</p>	
<ul style="list-style-type: none"> ➤ Offer acceptance subject to approval by the Common Council. ➤ Offers may require additional approval by members of a committee if multiple proposals are received. ➤ Buyer must be an Education Operator per s. 119.61. ➤ Buyer must demonstrate financial ability and capacity to complete the project proposed. ➤ Closing contingent on proof of financing for the purchase and any improvements proposed for the building. ➤ Purchase & Sale Agreement to be executed prior to closing to outline performance obligations and timely rehabilitation. ➤ Conveyance will include a reversionary clause permitting the Common Council to recapture a building that remains unoccupied 24 months after the date of closing due to a failure of the purchaser to complete proposed improvements. 	
<p>Contact: Rhonda Szallai (414) 286-5674, DCD-Real Estate, 809 North Broadway, Milwaukee, WI 53202-3617 or rszall@milwaukee.gov</p>	
<p>Please Note: No brokerage fee will be paid by the City of Milwaukee</p>	
<p>No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any specific listing conditions, imposed by our principals.</p>	
<p align="right">DATE: AUGUST 2017</p>	

Identifying Land Description	<p>An identifying land description from public records is contained in Exhibit A. The property can best be identified by its address and tax parcel numbers as presented herein. The identifying land description is assumed to be correct; however, any identifying land description presented in this appraisal report is not and should not be construed as a complete and accurate legal description of the subject property; it should only be used along with the tax parcel number and property address to identify the subject property for appraisal purposes. We do not guarantee or warrant the completeness, correctness or accuracy of the legal description of the subject property as provided and it should not be used for ownership transfer involving the subject property. The appraiser assumes no responsibility for matters legal in character, nor renders any opinions as to the title, which is assumed to be good.</p>
Assessment and Taxes	<p>The property is owned by the City of Milwaukee and is exempt from assessment and real estate taxes.</p>
Zoning	<p>The subject property is zoned RS6, Single-Family Residential District, by the City of Milwaukee. According to the City's zoning code, "The purpose of the RS6 single-family district is to promote, preserve and protect neighborhoods intended primarily for single-family dwellings with traditional urban character. This district allows smaller lots, smaller setbacks and a higher lot coverage than the other single-family districts. The neighborhoods found in this district were platted and developed, in large part, in the late 1800's and early 1900's. This district also allows traditional corner commercial establishments commonly found in more urban neighborhoods". A school is a permitted use under the RS6 zoning while a multi-family dwelling is a prohibited use. However, it is assumed all necessary permits and approvals were secured and the building was constructed and complies with local zoning ordinances, building codes, and all other applicable regulations.</p> <p>The existing improvements appear to represent a legally permitted use. However, it is likely that given the building's age, it is not in compliance with building codes and it is assumed that renovation will include bringing the building into code compliance.</p>

The preceding description of the applicable subject zoning is a summary only and is 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 my 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 questions 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.

Hazardous Materials

We understand that there are likely asbestos containing materials (“ACM’s”) present throughout the building. It is our understanding and it is an extraordinary assumption that no immediate abatement is necessary. No asbestos abatement costs have been provided by the client or MPS and it is beyond the expertise of the appraisers and beyond the scope of this appraisal to estimate these costs which would decrease value. The property value as concluded herein has not considered any impact on value created by the presence of ACM’s in the subject building. We reserve the right to amend our opinions if it is later found that the ACM’s present requires immediate abatement and the cost of this abatement becomes known.

An online check of the Wisconsin DNR Bureau for Remediation and Redevelopment Tracking System (BRRTS on the Web) identifies one closed LUST (Leaking Underground Storage Tank). There is reported soil contamination from an unknown type of petroleum. The activity is reported as not being eligible for PECFA funds. The responsible party is Milwaukee Public Schools. The BRRTS activity report is presented below; additional information can be found at the following BRRTS on the web URL:

<http://dnr.wi.gov/botw/GetActivityDetail.do?siteId=4687200&adn=0341109200>

03-41-109200 PHILLIP SCHOOL						
CLOSED LUST						
Location Name <small>(Click Location Name to View Location Details)</small>			County	WDNR Region		
PHILLIP SCHOOL			MILWAUKEE	SOUTHEAST		
Address			Municipality			
4310 N 16TH ST			MILWAUKEE			
Public Land Survey System		Latitude	Google Maps	RR Sites Map		
NE 1/4 of the SE 1/4 of Sec 06, T07N, R22E		43.0950172	CLICK TO VIEW	CLICK TO VIEW		
Additional Location Description		Longitude	Facility ID	Size (Acres)		
		-87.9302623	241899240	UNKNOWN		
Jurisdiction	PECFA No.	EPA Cerclis ID	Start Date	End Date	Last Action	
DNR RR	53209-6998-10		1996-07-23	1997-01-13	2013-07-02	
Comments						
SITE WAS CLOSED UNDER THE JURISDICTION OF THE DEPT OF SAFETY AND PROFESSIONAL SERVICES (DSPS) OR DEPT OF COMMERCE – SITE TRANSFERRED BACK TO DNR JURISDICTION IN 2013						
Characteristics						
PECFA Tracked?	EPA NPL Site?	Eligible for PECFA Funds?	Above Ground Storage Tank?	Drycleaner?	Co-Contamination?	On GIS Registry?
No	No	No	No	No	No	No
Actions						
<small>Place Cursor Over Action Code to View Description</small>						
Date	Code	Name	Comment			
1996-07-23	<u>1</u>	Notification				
1996-09-18	<u>2</u>	RP Letter Sent				
1996-09-18	<u>76</u>	Activity Transferred to DSPS (formerly Commerce)				
1997-01-13	<u>11</u>	Activity Closed	*** NR708 Closure from Commerce Data Interchange ***			
1997-01-13	<u>83</u>	Close-out Under NR708.09	*** NR708 from Commerce Data Interchange ***			
2013-07-02	<u>88</u>	DSPS (formerly Commerce) Transferred Back to DNR	PECFA PROGRAM TRANSFER 2013-2015 STATE BUDGET			
Impacts						
Type	Comment					
Soil Contamination	-					
Substances						
Substance	Type	Amount Released	Units			
Petroleum - Unknown Type (8K)	Petroleum					
Who						
Role	Name/Address					
Responsible Party	MILWAUKEE PUBLIC SCHOOLS 1124 N 11TH ST MILWAUKEE, WI 53233					
For Additional Information, Please Contact						
CHUE YEE YANG 414-263-8366 chueyee.yang@wisconsin.gov						

We have not been provided with costs of cleaning up the contamination and do not know if cleanup is necessary. Soil contamination can often be managed in-place through the use of an appropriate cap such as parking lot asphalt or a concrete building slab. It has been assumed that the contamination does not have a material effect on value; however, should information be provided at a future date indicating that this is not the case, the value of the property as concluded herein may change and we reserve the right to revisit our analyses and amend our opinions.

Other than the preceding, a review of public records indicated no other contamination issues and upon physical inspection, no indication "to the untrained eye" of any environmental hazards were apparent. We assume 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 involve the public restrictions of zoning and the private restrictions of easements. The property is zoned RS6 District and the permitted uses include a variety of residential and institutional uses. We know of no easements that adversely impact value. The subject school building appears to represent a permitted use under the zoning and is compatible with surrounding land uses. There are no easements that have a negative impact on value. The property as improved appears to represent a legally permissible use.

Wis. Stats. 119.61(1)(a) require that the property may be sold only to an education operator for a two-year period of time after which it may be sold to any buyer type. The subject property was only recently listed for sale by the City of Milwaukee as a surplus property. Therefore, as of the appraisal date, the only legally permissible use of the subject property is as an educational facility.

Physically Possible

Physical aspects of the site impose constraints on possible uses of the property. Size, shape, topography, soils and access are key determinants of physically possible uses. The parcel's size, shape and topography are conducive to development and access is adequate, convenient and suitable. Based on a review of the physical aspects of the site, if the site was vacant, a variety of uses are physically possible including the legally permissible uses.

The physical layout of the building on the site is designed to provide adequate safety features and allows reasonable ingress and egress from the site and building. The building was constructed in 1931 with additions in 1961 and 1966; it has been vacant for ±10-years. MPS has adequately maintained the property over the course of its life. The building is functional for use as an educational facility. Based on a review of the physical aspects as improved, the improvements are physically appropriate.

The building is also functional for redevelopment conversion to an alternative use which most likely would be multi-unit housing. Under the redevelopment scenario, the building would likely be gutted and mechanical systems replaced.

Financially Feasible

The continued use of the subject improvements as an educational facility is financially feasible as evidenced by the sales of similar facilities that were purchased for continued educational use. These sales provide market evidence that there has been some market demand for older educational facilities, however, it has not been an overly-active market and there is a very thin pool of potential buyers that would be interested in purchasing a school property such as the subject.

Testing financial feasibility of the property as improved involves determining if the property as improved is more valuable than the underlying land parcel. That is, do the existing improvements add value to the land parcel or is it economically justifiable to demolish the improvements for redevelopment. The value of the property as improved exceeds the value of the underlying land. The existing improvements add value to the land parcel and no other alternative uses could economically justify demolition of the existing improvements.

As presented in the following valuation section, if permitted as of the appraisal date, it is financially feasible to sell the building for redevelopment conversion to an alternative use which most likely would be multi-unit housing. That is, the value as improved under this scenario is greater than the underlying land value.

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

Most Productive Use

The most productive use of the property is to maximize its overall value given its legal, locational, physical and economic attributes. The only legally permissible use of the subject property as of the appraisal date is for purchase by an education operator for use as a school. The current market value of the property for school use exceeds that as if acquired for redevelopment, that is, if it were currently permitted and considering the extraordinary assumptions and hypothetical condition as previously stated. The maximally productive use of the subject property is as currently improved and for continued use as an educational facility.

Highest and Best Use

The highest and best use is the use that is legally permissible, physically possible and financially feasible and that generates the highest property value. The highest and best use of the subject property is as currently improved and for continued use as an educational facility.

Overview of Valuation Procedures

Cost Approach	In the Cost Approach, an estimate is made of the reproduction or 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 market area 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 provides 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 discussed in the scope of work section of this report, the Sales Comparison Approach has been used for both valuation scenarios.

Sales Comparison Approach:**School Use**

Introduction

In the Sales Comparison Approach to valuation, similar properties that have 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:

Property Type – Owner-user school buildings acquired for educational use

Property Rights – Fee simple estate

Location – Metropolitan Milwaukee area

Sale Date – Due to the relatively few sales of former school properties, it was necessary to use sales from 2012 to the present.

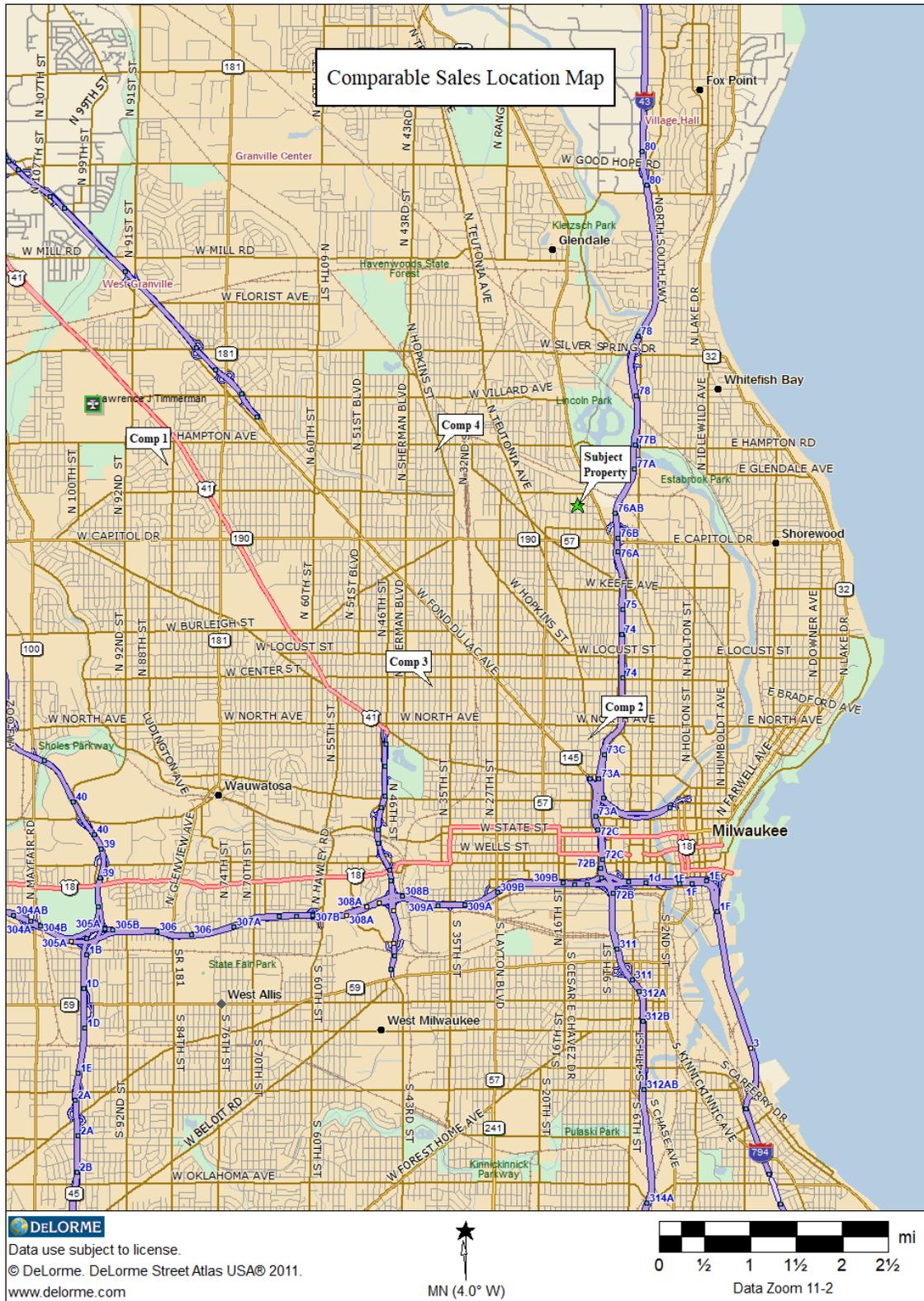
Building Size – 50,000+ square feet of GBA

Condition/Age – Older buildings in generally similar observed condition.

The subject property is unique in that former school buildings do not sell frequently. Based on the parameters outlined above, the comparable sales summarized on the following page were selected; a map showing their locations is presented on the subsequent page. These comparables are presented in detail in Exhibit B. In our opinion, these comparables are the best available and are reliable indicators of value for the subject property after appropriate comparative analysis considerations.

Comparable Sales Summary

Comp.	Property Type/Name Address City	Sale Price Sale Date	GBA (Sq. Ft.) Price/Sq. Ft.	Year Built # Stories	Land Area Land-to-Building Ratio ("LBR")				
Subject	Former Philipp School 4310 N. 16th Street Milwaukee	29-Sep-17	39,625 sq. ft.	1931, 1961, 1966 Three (All Above Grade, Partial Unfinished Basement)	2.472 acres 2.7 LBR				
1	Hmong American Peace Academy 4601 N. 84th Street Milwaukee	\$2,770,000 Feb-13	163,000 sq. ft. \$16.99 /sq. ft.	1961-1963 One & Four (Three Above Grade & One Below Grade)	14.595 acres 3.9 LBR				
<table border="1" style="width: 100%;"> <tr> <td>Buyer:</td> <td>Hmong American Peace Academy, Ltd.</td> </tr> <tr> <td>Seller:</td> <td>City of Milwaukee Public Schools</td> </tr> </table>						Buyer:	Hmong American Peace Academy, Ltd.	Seller:	City of Milwaukee Public Schools
Buyer:	Hmong American Peace Academy, Ltd.								
Seller:	City of Milwaukee Public Schools								
2	Milwaukee College Prep School- Lloyd Street Campus 1228 W. Lloyd Street Milwaukee	\$1,200,000 Jul-12	73,397 sq. ft. \$16.35 /sq. ft.	1908, 1957, 2010 One & Three (Two Above Grade & One Partially Below Grade)	4.979 acres 3.0 LBR				
<table border="1" style="width: 100%;"> <tr> <td>Buyer:</td> <td>M.C. Preparatory School of Wisconsin, Inc.</td> </tr> <tr> <td>Seller:</td> <td>City of Milwaukee Public Schools</td> </tr> </table>						Buyer:	M.C. Preparatory School of Wisconsin, Inc.	Seller:	City of Milwaukee Public Schools
Buyer:	M.C. Preparatory School of Wisconsin, Inc.								
Seller:	City of Milwaukee Public Schools								
3	Milwaukee College Prep School- 38th Street Campus 2623 N. 38th Street Milwaukee	\$1,220,000 Jul-12	73,975 sq. ft. \$16.49 /sq. ft.	1911, 1914, 1972 Three (Two Above Grade & One Partially Below Grade)	2.775 acres 1.6 LBR				
<table border="1" style="width: 100%;"> <tr> <td>Buyer:</td> <td>M.C. Preparatory School of Wisconsin, Inc.</td> </tr> <tr> <td>Seller:</td> <td>City of Milwaukee Public Schools</td> </tr> </table>						Buyer:	M.C. Preparatory School of Wisconsin, Inc.	Seller:	City of Milwaukee Public Schools
Buyer:	M.C. Preparatory School of Wisconsin, Inc.								
Seller:	City of Milwaukee Public Schools								
4	Ceria M. Travis Academy 4700 N. 39th Street Milwaukee	\$740,000 May-12	91,677 sq. ft. \$8.07 /sq. ft.	1930-1950, 1953, 1958 Parts One, Two & Three in Three Buildings	2.780 acres 1.3 LBR				
<table border="1" style="width: 100%;"> <tr> <td>Buyer:</td> <td>Ceria M. Travis Academy, Inc.</td> </tr> <tr> <td>Seller:</td> <td>Saint Catherine Congregation</td> </tr> </table>						Buyer:	Ceria M. Travis Academy, Inc.	Seller:	Saint Catherine Congregation
Buyer:	Ceria M. Travis Academy, Inc.								
Seller:	Saint Catherine Congregation								



Unit of Comparison	The sale prices of the comparables were analyzed on a per square foot of GBA.
Valuation Discussion	<p><u>Capital Expenditures/Deferred Maintenance</u> – Capital expenditures for known deferred maintenance or environmental contamination issues incurred after the sale by the buyer are added to the acquisition price in order to reflect the total acquisition cost of a property. Costs incurred by the seller either before or after the sale are not adjusted for. No adjustments were required for deferred maintenance.</p> <p><u>Property Rights Conveyed</u> – The comparable sales represented transfers of their fee simple estates; therefore, no sale price adjustments for ownership rights were required.</p> <p><u>Financing Terms</u> - No adjustments were required for financing.</p> <p><u>Conditions of Sale</u> – Conditions of sale typically include factors that impact a property's sale price such as atypical buyer and/or seller motivational issues or being a distressed property. Comparable 1 sold under a land contract agreement. It is our understanding that the sale price in this transaction was based on a recent appraisal of the property. Comparables 2 and 3 were also sold by the City of Milwaukee Public Schools ("MPS") at sale prices equal to the concluded values of recent appraisals. These two comparables were warranty deed transactions that were financed at market terms. Comparables 1, 2, and 3 all were sold by MPS at their appraised market value indicating that the terms of Comparable 1's land contract agreement had no impact on sale price. Therefore, no adjustment was made to the sale price of Comparable 1 for conditions of sale.</p> <p>Comparable 4 was listed as an REO sale; the bank had to agree to release the grantor in this transaction from their mortgage. An appraisal of this property at the time of sale was made at an appraised value of \$850,000. Based on a sale price of \$740,000, an upward conditions of sale adjustment of +\$110,000 is appropriate to reflect the impact that the motivated seller had on this transaction.</p> <p>No adjustments were warranted to Comparables 2 and 3 for conditions of sale.</p>

Market Conditions (Time) – No adjustments were made for market conditions as the comparables sold between May 2012 and February 2013. In our opinion, older school properties do not appreciate overtime like other types of real estate due to their older age and the thin buyer market that exists. No annual market conditions adjustments were made.

Locational & Physical Attributes – Each of the comparable sales was compared and contrasted to the subject property relative to the locational and physical attributes that affect value. The following are discussions of the characteristics of the comparables versus the subject property. A summary of this analysis is presented in an adjustment grid format on page 52.

Overall Location – The comparables have generally similar locations as the subject property with respect to older school properties. No adjustments were made for overall location.

Access/Visibility – The subject and all of the comparables have adequate accessibility and visibility for school properties. No adjustments were warranted.

Building Age/Condition - The average condition and age of a property is reflected in its sale price. Based on our experience, once a property reaches ± 20 years of age and/or has undergone substantial renovation, the condition/age adjustment cannot be quantified based on the number of years difference in the age of the comparable sales versus the subject property. Rather, condition is based upon observational comparisons and the adjustment is made based on a more subjective basis.

Each of the comparables was researched and inspected to ascertain condition at the date of sale. The condition of the subject property reflects no deferred maintenance items being repaired under the extraordinary assumption as previously described. Based on the age and condition of the comparables relative to the subject property, the following adjustments were concluded as being appropriate: Comparable 1 is superior to the subject property and received a downward -10% adjustment; Comparables 2, 3 and 4 are similar to the subject property with respect to building age/condition and received no adjustments.

Building Size – On a per square foot basis, smaller properties cost more to construct than larger properties and typically sell for more per square foot as well. Likewise, larger properties cost less to construct and typically sell for less per square foot. At ±163,000 square feet of GBA, Comparable 1 is much larger than the subject's ±49,914 (including the unfinished basement area) square feet making it inferior for this factor; an upward adjustment of +15% has been made. At ±73,397 square feet, ±73,975 square feet and ±91,677 square feet, Comparables 2, 3 and 4 are similar to the subject's building size and no adjustments are warranted.

Construction Type – The subject and the comparables are of generally similar construction types such that no adjustments were required.

Overall Functional Utility – Factors considered as part of overall functional utility include lower level, number of buildings, number of stories and building layout. The subject is a three-story building with a partial unfinished basement; Comparables 1, 2 and 3 are two and three-story buildings with partially exposed lower levels. Partially exposed lower level area is less desirable and has lower contributory value than above grade space; furthermore, the building mechanical systems are typically in the lower level and are in unfinished areas. The lower level finished area has a contributory value of 75% of above ground area with the basement mechanical area having a contributory value of 10% of above ground area. The adjustment calculations on the following page quantify the difference in lower level functional utility between the subject and Comparables 1, 2 and 3; the applicable adjustments are also shown.

Comparable 4 is a former school and religious complex comprised of three buildings: a church/office/rectory building; a convent building; and a school building. Comparable 4's GBA also includes ±7,600 square feet of unfinished basement space. The grantee in this transaction operates a charter school at this property, which is its highest and best use. The ±39,647 square foot school building is a highly functional building while the church/rectory/convent space is significantly less functional/useable. The functional utility adjustment was calculated considering that church/rectory/convent space is less valuable than school space with this space concluded at 25% of the contributory value of school space. It has also been concluded that the unfinished basement space contributes 10% of the contributory value of the school space.

Note that the adjustment considers both Comparable 4's inferior building area functionality and multi-building layout.

Functional Utility Adjustment Calculations						
	GBA (Sq. Ft.)	% of Total GBA		Contributory Value		Functional Utility Factor
<u>Subject</u>						
Above Grade Building Area	39,625	100.0%	x	100%	=	100.0%
Below Grade Building Area, Exposed	0	0.0%	x	75%	=	0.0%
	<u>39,625</u>	100.0%				<u>100.0%</u>
<u>Comparable 1</u>						
Above Grade Building Area	154,850	95.0%	x	100%	=	95.0%
Below Grade Building Area, Exposed	8,150	5.0%	x	75%	=	3.8%
	<u>163,000</u>	100%				<u>98.8%</u>
				Indicated Adjustment ⁽¹⁾		1.2%
				Basement Area, Mechanical ⁽²⁾		+ 2.6%
				Total Adjustment		3.8%
				Rounded		4%
<u>Comparable 2</u>						
Above Grade Building Area	53,660	73.1%	x	100%	=	73.1%
Below Grade Building Area, Exposed	19,737	26.9%	x	75%	=	20.2%
	<u>73,397</u>	100%				<u>93.3%</u>
				Indicated Adjustment ⁽¹⁾		7.2%
				Basement Area, Mechanical ⁽²⁾		+ 2.6%
				Total Adjustment		9.8%
				Rounded		10%
<u>Comparable 3</u>						
Above Grade Building Area	51,873	70.1%	x	100%	=	70.1%
Below Grade Building Area, Exposed	22,102	29.9%	x	75%	=	22.4%
	<u>73,975</u>	100%				<u>92.5%</u>
				Indicated Adjustment ⁽¹⁾		8.1%
				Basement Area, Mechanical ⁽²⁾		+ 2.6%
				Total Adjustment		10.7%
				Rounded		11%
<u>Comparable 4</u>						
Above Grade Building Area	39,647	43.2%	x	100%	=	43.2%
Below Grade Building Area, Exposed	0	0.0%	x	75%	=	0.0%
Church/Rector/Convent Area	44,430	48.5%	x	25%	=	12.1%
Unfinished Basement Area	7,600	8.3%	x	10%	=	0.8%
	<u>91,677</u>	100%				<u>56.1%</u>
				Indicated Adjustment ⁽¹⁾		78.3%
				Rounded		78%
⁽¹⁾ Calculated as follow s: (Subject Factor ÷ Comparable Factor) - 1						
⁽²⁾ The subject has mechanical basement area equal to 26% of GBA and at 10% contributory value, the adjustment is +2.6%.						

Functional Utility – School Use – Numerous factors were considered when analyzing the overall comparability as a school use of each of the comparable sales versus the subject property. These factors include gymnasium, cafeteria, auditorium, kitchen and elevator, among others. Each of the comparables was compared to the subject with respect to these physical attributes, a summary of which is presented below. The applied sale price adjustments are also shown in the bottom row of the summary table.

Functional Utility - School Use Overall Comparability Analysis					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
<u>Factor of Comparison</u>					
Gymnasium Comparability	Yes (Shared Cafeteria/Gym)	Yes, 2 Gyms Superior	Yes, Adequate Superior	Shared w/ Cafeteria Similar	None Similar
Cafeteria Comparability	Yes (Shared Cafeteria/Gym)	Yes Slightly Superior	Yes Slightly Superior	Shared w/ Gym Similar	Yes, Church Basement Slightly Inferior
Auditorium Comparability	None -	Yes Superior	None Similar	None Similar	None Similar
Kitchen Comparability	Adequate, Good Condition -	Adequate, Good Condition Similar	Adequate, Good Conditon Similar	Adequate, Good Conditon Similar	Adequate, Good Conditon Similar
Handicap Accessibility Comparability	No -	Adequate Superior	Adequate Superior	1st Floor Only Slightly Superior	Adequate Superior
Elevator Comparability	None -	Yes Superior	Yes (Added 2010) Superior	None Similar	Yes Superior
Restrooms Comparability	2 on Large First Floor, 2 on 2nd Floor, None on 3rd Floor -	Numerous on Each Floor Slightly Superior	2 Large on Ground Floor 3 Small on 1st Floor Similar	2 Large on Ground Floor 1 Large on 2nd Floor Similar	Multiple Slightly Superior
Overall Comparability		Highly Superior	Superior	Slightly Superior	Superior
Concluded Adjustment		-20%	-15%	-5%	-10%

Land-to-Building Ratio – The land-to-building ratio (“LBR”) of a property provides an indication of whether or not, relative to the building area and if there is surplus land for building expansion. For school properties, it also indicates whether there is adequate outdoor playground area. A comparison of the LBR’s of the comparables versus the subject property as well as the concluded adjustments is presented in the following table.

Land to Building Ratio Summary

<u>Subject/Comp</u>	<u>Land-to Building Ratio</u>	<u>Adjustment</u>
Subject	2.7	-
Comp 1	3.9	-5%
Comp 2	3.0	0%
Comp 3	1.6	5%
Comp 4	1.3	5%
Notes: Land-to-Building Ratio (LBR) is land area ÷ building GBA		

Summary of Adjustments

The adjustments made to the sale prices per square foot of the comparables are summarized in an adjustment grid presented on the following page.

Sales Adjustment Grid

Subject Property:	Former Philipp School
Address:	4310 N. 16th Street
City, State:	Milwaukee, WI
Property Size (GBA):	39,625 Sq. Ft.

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
Property Address	4601 N. 84th Street	1228 W. Lloyd Street	2623 N. 38th Street	4700 N. 39th Street
Municipality	Milwaukee	Milwaukee	Milwaukee	Milwaukee
Building GBA (Sq. Ft.)	163,000 sq. ft.	73,397 sq. ft.	73,975 sq. ft.	91,677 sq. ft.
Sale Price	\$2,770,000	\$1,200,000	\$1,220,000	\$740,000
Deferred Maintenance	+ \$0	+ \$0	+ \$0	+ \$0
Adjusted Sale Price	\$2,770,000	\$1,200,000	\$1,220,000	\$740,000
\$/Sq.Ft.	\$16.99	\$16.35	\$16.49	\$8.07
Property Rights Conveyed				
Adjustment	\$0	\$0	\$0	\$0
Adjusted Sale Price	\$2,770,000	\$1,200,000	\$1,220,000	\$740,000
Financing Terms				
Adjustment	\$0	\$0	\$0	\$0
Adjusted Sale Price	\$2,770,000	\$1,200,000	\$1,220,000	\$740,000
Conditions of Sale				
Adjustment	\$0	\$0	\$0	\$110,000
Adjusted Sale Price	\$2,770,000	\$1,200,000	\$1,220,000	\$850,000
Market Conditions				
Appraisal Date	Sep-17	Sep-17	Sep-17	Sep-17
Comparable Sale Date	- Feb-13	- Jul-12	- Jul-12	- May-12
Years Since Sale	4.66 years	5.24 years	5.24 years	5.37 years
Adj. Factor @ 0%	x 1.00	x 1.00	x 1.00	x 1.00
Adjusted Sales Price	\$2,770,000	\$1,200,000	\$1,220,000	\$850,000
Unit of Comparison (Sq. Ft.)	÷ 163,000	÷ 73,397	÷ 73,975	÷ 91,677
Adjusted Price/Sq. Ft.	\$16.99 / sq. ft.	\$16.35 / sq. ft.	\$16.49 / sq. ft.	\$9.27 / sq. ft.

Locational & Physical Comparison

Overall Location	Comparable	Comparable	Comparable	Comparable
Access/Visibility	Comparable	Comparable	Comparable	Comparable
Building Age/Condition	Superior -10%	Comparable	Comparable	Comparable
Building Size	Inferior 15%	Comparable	Comparable	Comparable
Construction Type	Comparable	Comparable	Comparable	Comparable
Functional Utility - Overall	Inferior 4%	Inferior 10%	Inferior 11%	Inferior 78%
Functional Utility - School Use	Superior -20%	Superior -15%	Superior -5%	Superior -10%
Land-to-Building Ratio	Superior -5%	Comparable	Inferior 5%	Inferior 5%
Adjusted Price/Sq. Ft.	\$14.27 / sq. ft.	\$15.53 / sq. ft.	\$18.30 / sq. ft.	\$16.04 / sq. ft.

Indicated Value

Because of the nature of the adjustments, the adjusted unit price for each sale is not to be interpreted as the value of the subject, but part of a range within which the subject's value is expected to fall. The comparable sales have adjusted sale prices per square foot ranging from \$14.27 to \$18.30; the average and median adjusted per square foot prices are \$16.04 and \$15.79, respectively. The indicated value range is wider than we would like to see but reflects the imperfect nature of the real estate market and the adjustment analysis process.

All of the comparables occurred since mid-2012 under market conditions generally similar to the market conditions as of the appraisal date. None of the comparables were given more consideration in the final value estimate conclusion than others. The indicated value of the subject property is reasonably estimated towards the middle of the indicated value range as reflected by the average and median prices per square foot.

Based on the valuation analysis as presented herein coupled with our experience in appraising similar properties, it is our opinion that the market value of the subject property, under the extraordinary assumptions and hypothetical condition as stated herein, is reasonably represented as calculated below:

Value Conclusion	
Concluded Value per Sq. Ft.	\$16.00 /sq. ft.
Subject Property Building Area	x <u>39,625</u> sq. ft.
Market Value	\$634,000
Rounded	\$634,000

**Sales Comparison Approach –
Redevelopment**

Introduction

The only legally permissible use of the subject property as of the appraisal date is for purchase by an education operator for use as a school. However, as requested by the client, the current value reflecting the sale of the property for redevelopment to an alternative use assuming no two-year education operator sale restriction has been estimated. This valuation analysis required certain extraordinary assumptions and a hypothetical condition as previously presented.

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

Comparable Sales

The following key attributes were considered in selecting the most appropriate comparable sales:

Property Type – First, former school properties acquired for redevelopment and second, older loft warehouse buildings acquired for redevelopment.

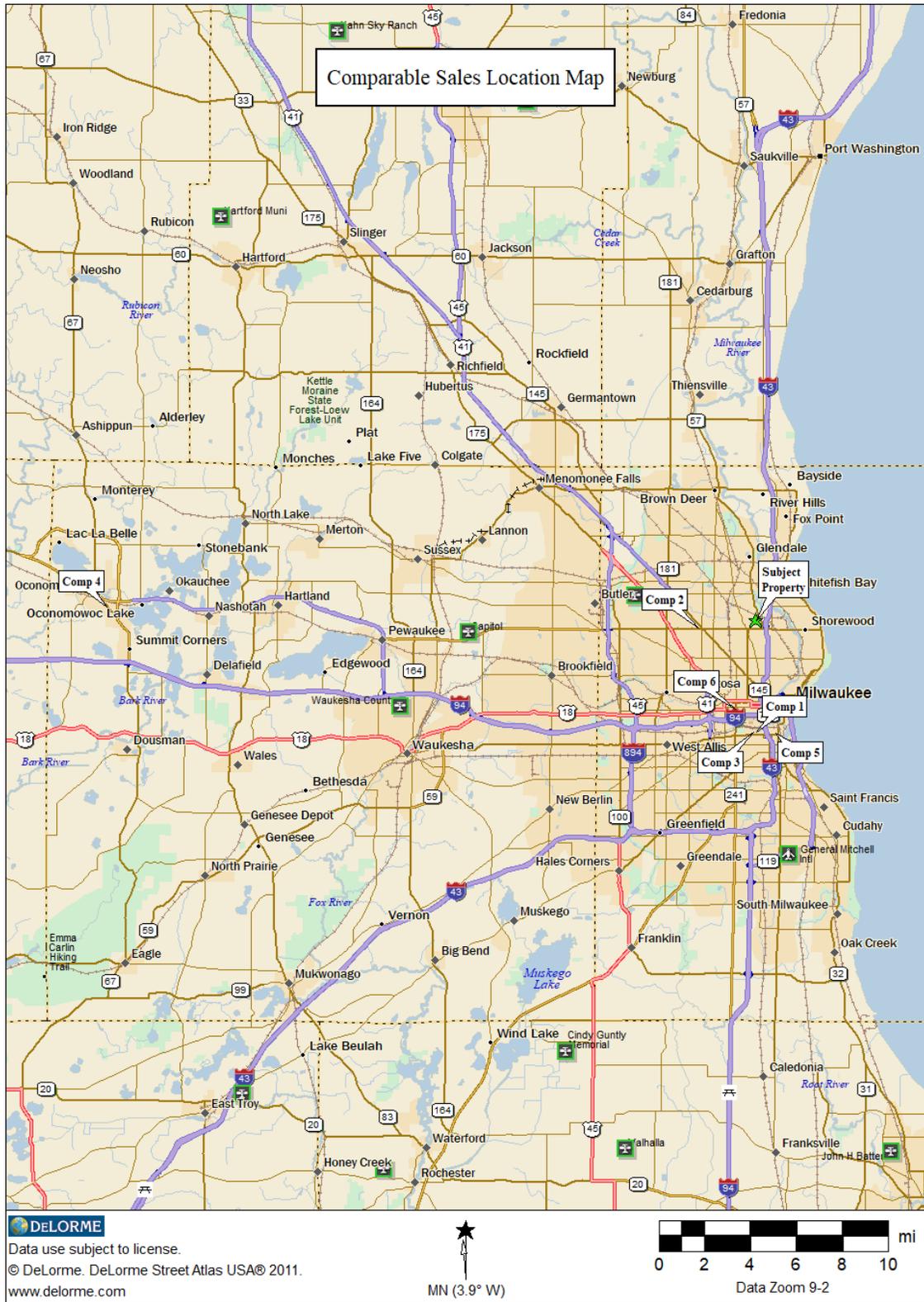
Location – Metropolitan Milwaukee area

Building Size – Less than ±100,000 square feet of gross building area (GBA)

Sale Date – 2012 to the present. Note that Comparable 6 represents a vacant school that is currently under sale contract for redevelopment purposes.

Based on the parameters outlined above, the comparable sales summarized on the following page were selected; a map showing their locations is presented on the subsequent page. These comparables are presented in detail in Exhibit C. In our opinion, these comparables are the best available and are reliable indicators of value for the subject property after appropriate comparative analysis considerations.

Comparable Sales Summary							
Comp #	Property Type/Name Address Neighborhood City	Sale Price Sale Date	Building GBA Basement	Sale Price \$/Sq.Ft.	Year Built # Floors Finish	Land (Acres) LBR ⁽¹⁾	
Subject	Former Philipp School 4310 N. 16th Street Milwaukee	09/29/17	39,625 sq. ft 10,289		1931, 1961, 1966 3	2.47 2.72 : 1	Former School
1	Pierce Street Lofts 1512-1528 W. Pierce Street Milwaukee	\$790,000 Jun-15	71,118 sq. ft 20,746	\$11.11 /sq. ft.	1911 4	0.62 0.38 : 1	Loft Warehouse/Future Multi-Family Seller: Hayden Properties LLC Buyer: CBB Investments LLC
2	Former Northwest General Hospital 5310 W. Capitol Drive Milwaukee	\$800,000 Aug-13	95,295 sq. ft 0	\$8.39 /sq. ft.	1956 3	4.75 2.17 : 1	Former Hospital/Future School Seller: Raghuvver & Anita Nayak LLC Buyer: Next Door Foundation Inc.
3	Sherman Apartments 1560-1568 W. Pierce Street Milwaukee	\$1,375,000 Jul-13	92,800 sq. ft 18,560	\$14.82 /sq. ft.	1935 5	0.87 0.41 : 1	Loft Warehouse/Future Multi-Family Seller: Roadster, LLC Buyer: Paper Box Acquisition, LLC
4	Former Oconomowoc Middle School 623 Summit Avenue Oconomowoc	\$1,050,000 Jan-13	90,105 sq. ft 30,035	\$11.65 /sq. ft.	1918 3	7.86 3.80 : 1	Former School/Future Multi-Family Seller: Oconomowoc Area School District Buyer: Oconomowoc School Apartments, LLC
5	Junior House Lofts 710 & 732 S. 3rd Street Milwaukee	\$1,100,000 Feb-12	65,280 sq. ft 0	\$16.85 /sq. ft.	1915 3	1.07 0.71 : 1	Unfinished Warehouse Seller: Roadster LLC Buyer: Junior House Lofts LLC
6	Former Wisconsin Avenue School 2708 W. Wisconsin Avenue Milwaukee	\$200,000 Sep-17	70,500 sq. ft 0	\$2.84 /sq. ft.	1921 4	1.92 0.66 : 1	Former School/Future Hotel Seller: Cash to Seller Buyer: Fee Simple



Adjustment Considerations

Capital Expenditures/Deferred Maintenance – Capital expenditures for known deferred maintenance or environmental contamination issues incurred after the sale by the buyer are added to the acquisition price in order to reflect the total acquisition cost of a property. Costs incurred by the seller either before or after the sale are not adjusted for. No adjustments were necessary for required capital expenditures other than for Comparable 6. We understand that the buyer of Comparable 6 will incur an estimated \$500,000 in environmental remediation costs after the sale. These estimated costs were known before the sale and negatively impacted the sale price. Comparable 6 was adjusted upward by +\$500,000 to account for these buyer capital expenditures.

Property Rights Conveyed – No adjustments were required for property rights conveyed.

Financing Terms - No adjustments were required for financing.

Conditions of Sale – Conditions of sale typically include factors that impact a property's sale price such as atypical buyer and/or seller motivational issues or being a distressed property. No adjustments were required for conditions of sale.

Market Conditions (Time) – The comparables sold from 2012 to 2017. Commercial real estate market conditions have improved over the past several years as local and national unemployment rates have decreased, vacancy rates in the area have decreased, rental rates have increased and there has been an increased level of new construction and additions made to existing buildings. The subject neighborhood has been active with development and renovation. Property values have been increasing and to reflect this the comparables were adjusted upward at an annual rate of +2.5% to reflect appreciating market conditions from their respective sale dates through the appraisal date.

Locational & Physical Characteristics – Each of the comparable sales was compared and contrasted to the subject property relative to the locational and physical attributes that affect value. The following are discussions of the characteristics of the comparables versus the subject property. A summary of this analysis is presented in an adjustment grid format on pages 61 and 62.

Overall Location – The subject property is located on the northwest side of the City of Milwaukee. All of the comparable sales are located in the City of Milwaukee, except for Comparable 4 which is located in Oconomowoc in western Waukesha County. Despite Comparable 4's distant location, it was included in this analysis as it represents the sale of a former old school that sold for redevelopment into a multi-family use. The comparables received adjustments ranging from 0% to -40% as shown in the adjustment grid.

Building Size – Smaller properties typically sell for more per square foot and likewise, larger properties typically sell for less per square foot. The subject's GBA is ±39,625 square feet, excluding the unfinished basement area. All of the comparable sales are larger than the subject property and received +10% adjustments, respectively.

Age/Condition – The subject building was constructed in 1931 with additions in 1961 and 1966, is in fair overall condition and functional for conversion to commercial and/or residential use. The comparables were purchased for redevelopment and are in similar condition as the subject property. No adjustments were warranted for age/condition.

Interior Buildout – The comparables sold as unfinished space for redevelopment and are similar to the subject property in this aspect. No adjustments were required for interior buildout.

Basement – In conversion buildings, basements have contributory value as they allow for possible conversion for underground parking or for storage areas. The subject has ±10,289 square feet of unfinished basement area. The basement adjustments were developed in a similar fashion as discussed in the previous report section and are calculated as shown in the following table.

Basement Adjustment					
<u>Subject Property</u>	<u>Sq. Ft.</u>	<u>% GBA</u>	<u>Contributory Value</u>	<u>=</u>	<u>Contributory Value Factor</u>
GBA, Above Grade	39,625	100% x	100%	=	100.0%
Basement Area, Unfinished	10,289	26% x	10%	=	2.6%
					102.6%
<u>Comparable 1</u>					
GBA, Above Grade	71,118	100% x	100%	=	100.0%
Basement Area, Unfinished	20,746	29% x	10%	=	2.9%
					102.9%
					Indicated Adjustment ⁽¹⁾ -0.3%
					Concluded 0.0%
<u>Comparable 2</u>					
GBA, Above Grade	95,295	100% x	100%	=	100.0%
Basement Area, Unfinished	0	0% x	10%	=	0.0%
					100.0%
					Indicated Adjustment ⁽¹⁾ 2.6%
					Concluded 3.0%
<u>Comparable 3</u>					
GBA, Above Grade	92,800	100% x	100%	=	100.0%
Basement Area, Unfinished	18,560	20% x	10%	=	2.0%
					102.0%
					Indicated Adjustment ⁽¹⁾ 0.6%
					Concluded 1.0%
<u>Comparable 4</u>					
GBA, Above Grade	90,105	100% x	100%	=	100.0%
Basement Area, Unfinished	30,035	33% x	10%	=	3.3%
					103.3%
					Indicated Adjustment ⁽¹⁾ -0.7%
					Concluded -1.0%
<u>Comparable 5</u>					
GBA, Above Grade	65,280	100% x	100%	=	100.0%
Basement Area, Unfinished	0	0% x	10%	=	0.0%
					100.0%
					Indicated Adjustment ⁽¹⁾ 2.6%
					Concluded 3.0%
<u>Comparable 6</u>					
GBA, Above Grade	70,500	100% x	100%	=	100.0%
Basement Area, Unfinished	0	0% x	10%	=	0.0%
					100.0%
					Indicated Adjustment ⁽¹⁾ 2.6%
					Concluded 3.0%
⁽¹⁾ Calculated as follow s: [(Subject Factor ÷ Comparable Factor) - 1]					

Construction Type – The subject is of concrete block, concrete framing and brick exterior walls. The comparables were considered similar in regards to construction type. No adjustments are required.

Land-to-Building Ratio – The land-to-building ratio (“LBR”) of a property provides an indication of whether or not there is enough space for parking and whether or not there is surplus land for building expansion. The LBR adjustments are summarized in the following table.

LBR, Total Land Area & GBA				
	Land Area	GBA	LBR	Adjustment
Subject	107,680	39,625	2.72	-
Comp 1	27,007	71,118	0.38	5.0%
Comp 2	206,954	95,295	2.17	0.0%
Comp 3	37,897	92,800	0.41	5.0%
Comp 4	342,382	90,105	3.80	-5.0%
Comp 5	46,391	65,280	0.71	5.0%
Comp 6	46,391	70,500	0.66	5.0%

Summary of Adjustments

The adjustments made to the sale prices of the comparables are summarized in an adjustment grid presented on the following two pages.

Sales Adjustment Grid							
Subject Property:		Former Philipp School					
Address:		4310 N. 16th Street					
Property Size (GBA)		39,625 Sq. Ft.					
Comparable #		1		2		3	
Property		Pierce Street Lofts		Former Northwest General Hospital		Sherman Apartments	
Address		1512-1528 W. Pierce Street		5310 W. Capitol Drive		1560-1568 W. Pierce Street	
Sale Price		\$790,000	\$11.11/sq. ft.	\$800,000	\$8.39/sq. ft.	\$1,375,000	\$14.82/sq. ft.
<u>Transactional Adjustments</u>							
Capital Expenditures Adjustment		+ \$0		+ \$0		+ \$0	
Adjusted Sale Price		\$790,000		\$800,000		\$1,375,000	
Property Rights Conveyed Adjustment		+ \$0		+ \$0		+ \$0	
Adjusted Sale Price		\$790,000		\$800,000		\$1,375,000	
Financing Terms Adjustment		+ \$0		+ \$0		+ \$0	
Adjusted Sale Price		\$790,000		\$800,000		\$1,375,000	
Conditions of Sale Adjustment		+ \$0		+ \$0		+ \$0	
Adjusted Sale Price		\$790,000		\$800,000		\$1,375,000	
Market Conditions							
Appraisal Date	29-Sep-17	Sep-17		Sep-17		Sep-17	
Comparable Sale Date		- Jun-15		- Aug-13		- Jul-13	
Years Since Sale		2.28 years		4.16 years		4.25 years	
Annual Market Conditions Adjustment	@ 2.5%/year	x 1.058		x 1.108		x 1.111	
Adjusted Sales Price		\$835,820		\$886,400		\$1,527,625	
Unit of Comparison (Sq. Ft.)		÷ 71,118 sq. ft.		÷ 95,295 sq. ft.		÷ 92,800 sq. ft.	
Adjusted Price/Sq. Ft.		\$11.75/sq. ft.		\$9.30/sq. ft.		\$16.46/sq. ft.	
<u>Locational & Physical Characteristics</u>							
Overall Location		Superior	-15%	Similar		Superior	-15%
Building Size (SF GBA)	39,625 Sq. Ft.	71,118 Sq. Ft.	10%	95,295 Sq. Ft.	10%	92,800 Sq. Ft.	10%
Comparison		Inferior		Inferior		Inferior	
Age (Year Built)	1931, 1961, 1966	1911		1956		1935	
Comparison		Similar		Similar		Similar	
Interior Buildout	Former School	Loft Warehouse/Future Multi-Family		Former Hospital/Future School		Loft Warehouse/Future Multi-Family	
Comparison		Similar		Similar		Similar	
Basement Square Footage	10,289	20,746		0	3%	18,560	1%
Comparison		Similar		Inferior		Inferior	
Construction Type	Concrete Block w/ Brick	Wood Frame/Brick		Masonry		Masonry	
Comparison		Similar		Similar		Similar	
Functional Utility	Good	Good		Good		Good	
Comparison		Similar		Similar		Similar	
Land-to-Building Ratio (1st Floor GBA)	2.72 : 1	1.52 : 1	5%	4.14 : 1		2.04 : 1	5%
Comparison		Inferior		Similar		Inferior	
Adjusted Price/Sq. Ft.		\$11.75/sq. ft.	0%	\$10.51/sq. ft.	13%	\$16.63/sq. ft.	1%

Sales Adjustment Grid										
Subject Property:		Former Philipp School								
Address:		4310 N. 16th Street								
Property Size (GBA)		39,625 Sq. Ft.								
Comparable #		4			5			6		
Property		Former Oconomowoc Middle School			Junior House Lofts			Former Wisconsin Avenue School		
Address		623 Summit Avenue			710 & 732 S. 3rd Street			2708 W. Wisconsin Avenue		
Sale Price		\$1,050,000	\$11.65/sq. ft.	\$1,100,000	\$16.85/sq. ft.	\$200,000	\$2.84/sq. ft.			
<u>Transactional Adjustments</u>										
Capital Expenditures										
Adjustment		+ \$0			+ \$0			+ \$500,000		
Adjusted Sale Price		\$1,050,000			\$1,100,000			\$700,000		
Property Rights Conveyed										
Adjustment		+ \$0			+ \$0			+ \$0		
Adjusted Sale Price		\$1,050,000			\$1,100,000			\$700,000		
Financing Terms										
Adjustment		+ \$0			+ \$0			+ \$0		
Adjusted Sale Price		\$1,050,000			\$1,100,000			\$700,000		
Conditions of Sale										
Adjustment		+ \$0			+ \$0			+ \$0		
Adjusted Sale Price		\$1,050,000			\$1,100,000			\$700,000		
Market Conditions										
Appraisal Date	29-Sep-17	Sep-17			Sep-17			Sep-17		
Comparable Sale Date		- Jan-13			- Feb-12			- Sep-17		
Years Since Sale		4.67 years			5.62 years			0.04 years		
Annual Market Conditions Adjustment	@ 2.5%/year	x 1.122			x 1.149			x 1.001		
Adjusted Sales Price		\$1,178,100			\$1,263,900			\$700,700		
Unit of Comparison (Sq. Ft.)		÷ 90,105 sq. ft.			÷ 65,280 sq. ft.			÷ 70,500 sq. ft.		
Adjusted Price/Sq. Ft.		\$13.07/sq. ft.			\$19.36/sq. ft.			\$9.94/sq. ft.		
<u>Locational & Physical Characteristics</u>										
Overall Location		Superior -15%			Superior -40%			Similar		
Building Size (SF GBA)	39,625 Sq. Ft.	90,105 Sq. Ft. 10%			65,280 Sq. Ft. 10%			70,500 Sq. Ft. 10%		
Comparison		Inferior			Inferior			Inferior		
Age (Year Built)	1931, 1961, 1966	1918			1915			1921		
Comparison		Similar			Similar			Similar		
Interior Buildout	Former School	Former School/Future Multi-Family Similar			Unfinished Warehouse Similar			Former School/Future Hotel Similar		
Basement Square Footage	10,289	30,035 -1%			0 3%			0 3%		
Comparison		Superior			Inferior			Inferior		
Construction Type	Concrete Block w/ Brick	Concrete & Brick			Concrete Frame, Brick			Reinforced Concrete & Steel		
Comparison		Similar			Similar			Similar		
Functional Utility	Good	Good			Good			Good		
Comparison		Similar			Similar			Similar		
Land-to-Building Ratio (1st Floor GBA)	2.72 : 1	5.23 : 1 -5%			2.13 : 1 5%			1.76 : 1 5%		
Comparison		Superior			Inferior			Inferior		
Adjusted Price/Sq. Ft.		\$11.64/sq. ft. -11%			\$15.02/sq. ft. -22%			\$11.73/sq. ft. 18%		

Indicated Value

Because of the nature of the adjustments, the adjusted unit price for each sale is not to be interpreted as the value of the subject, but part of a range within which the subject's value is expected to fall. The comparables indicate an adjusted value range from \$10.51 to \$16.63 per square foot; the average adjusted sale price per square foot is \$12.88, the median adjusted sale price is \$11.74. The indicated value range is wider than we would like to see but reflects the imperfect nature of the real estate market and the adjustment analysis process.

The comparables are all sales of buildings with conversion potential. These comparables are the best available sales in the area to use in this valuation analysis and provide a well-defined indicated value range for the subject property. The comparables were compared and contrasted with the subject property for the relevant factors that drive values for redevelopment buildings. Adjustments to the sales were reasonable and were substantiated with market evidence and logical rationale. The comparables sold since 2012 and modest upward adjustments were made for improving market conditions. None of the comparables were given more consideration in the final value estimate conclusion than others. The indicated value of the subject property is reasonably estimated towards the middle of the indicated value range as reflected by the average and median prices per square foot.

The indicated value for the subject property under the requested redevelopment scenario, under the extraordinary assumptions and hypothetical condition as stated herein, is as calculated below:

Market Value Calculation	
Concluded Value per Sq. Ft.	\$12.50/sq. ft.
Subject Property Sq. Ft. (GBA)	x 39,625
Indicated Value	\$495,313
Rounded	\$495,000

Reconciliation & Conclusion 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 applicable approach to arriving at an indicated value of the subject property and was the only approach to value used in this appraisal. The Sales Comparison Approach utilized comparable fee simple (i.e. owner-user) school building sales that were purchased for operation of a school which represent theoretical acquisition alternatives, an analysis of which should provide a reliable indication of value. Recent sales of school buildings located in the subject's market area were analyzed, compared and contrasted to the subject property. These comparables are the best available sales to use in this valuation analysis. Adjustments to the sales were reasonable and were substantiated with market evidence and logical rationale. The concluded value by the Sales Comparison Approach was considered credible and reliable.

It is our opinion that the values of the fee simple estate in the property under each valuation scenario, as of September 29, 2017, under the extraordinary assumptions and hypothetical condition as stated herein, are:

Summary of Indicated Values	
<u>Educational Facility</u>	<u>Redevelopment Property</u>
\$634,000	\$495,000

EXHIBIT A

Subject Photographs and Property Information

Subject Photographs (09/29/17)



Exterior View of Subject Property



Exterior View of Subject Property



Exterior View of Subject Property



Exterior View of Subject Property



Exterior View of Subject Property



Exterior View of Subject Property

Subject Photographs (09/29/17)



Interior View of Subject Property



Interior View of Subject Property



Interior View of Subject Property



Interior View of Subject Property



Interior View of Subject Property



Interior View of Subject Property

Subject Photographs (09/29/17)



Interior View of Subject Property



Interior View of Subject Property



Interior View of Subject Property



Interior View of Subject Property



Interior View of Subject Property



Interior View of Subject Property

Identifying Land Description



Full Report
Property Location : 4310 N 16TH ST

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

Taxed by: City Of Milwaukee
Owner: City Of Milw Philipp Elem School
 5225 W Vliet ST
 Milwaukee, WI 53208-2627

Taxkey # 2440070110
Owner Occupied:
Property Address: 4310 N 16TH ST
 Milwaukee, WI 53209-6925

Map with:
[MapQuest](#)
[Google Maps](#)

ID Walk Down

ID Walk Up

Record 1 of 1 selected records
County: Milwaukee
Taxed by: City Of Milwaukee
Taxkey # 2440070110

Assessments

Assessment Year	Property Class	Land Assessment	Improvement Assessment	Total Assessment	Percent Of Change	Acres	Ratio
2016	Exempt				0.000-	2.472	0.961806323
2015	Exempt				0.000-	2.472	0.967857030
2014	Exempt				0.000-	2.472	0.958184478
2013	Exempt				0.000-	2.472	0.962670584
2012	Exempt				0.000-	2.472	0.961892953
2011	Exempt				0.000-	4.945	1.004732798
2010	Exempt				0.000-	4.945	0.956617820
2009	Exempt				0.000-	2.473	0.928238797
2008	Exempt				0.000-	2.473	0.952117558

Taxes

Tax Year	Total Tax	First Dollar	Lottery Credit	Net Tax	Special Taxes	Special Assessment	Special Charges	Full Pay Amount	Ratio
2016									0.961806323
2015									0.967857030
2014									0.958184478
2013									0.962670584
2012									0.961892953
2011									1.004732798
2010									0.956617820
2009									0.928238797
2008									0.952117558

Assessor

Building Square Feet :	Year Built :	Township : 7N
Bedrooms :	Year Remodeled :	Range : 22E
Full Baths :	Effective Year Built :	Section : 6
Half Baths :	Air Conditioning :	Quarter :
Total Rooms :	Fireplace :	Pool :
Number of Stories :	Number of Units :	Attic :
Building Type :	Basement :	
Exterior Wall :	Heat :	
Exterior Condition :	Garage :	
Land Use : 8211 Schools-Elementary, Secondary	School District : 3619 Milwaukee	
Zoning : RS6 Residential Single-Family	Historic Designation : Eligible For NRHP & Locally Designated	
Census Tract : 43.00		

Legal Description

Plat Page 24412 Neighborhood 6234 Grootemaat & Sons Inc Subd, (a L) In Se 1/4 Sec 6-7-22 Block 6 Lots 1 Thru 14 & Vac Alley Adj SD Subd & BLK 2 Lots 1-2-13-14 & Part Lot 12 Com Se Cor Lot 12-TH Nwly 15.56'-TH W 113'-TH N 30'-TH E 124'-TH S 41' To Com & Vac Alley Adj Ed Porth & Sons Addn No 3 & BLK 6 Lot 5 North Ridge Subd

Sales

Information is supplied by third parties and has not been verified

EXHIBIT B**Comparable Sales Information – School Sales
Improved Sale No. 1****Property Identification**

Record ID	1726
Property Type	School
Property Name	Hmong American Peace Academy
Address	4601 N. 84th Street, Milwaukee, Milwaukee County, Wisconsin 53225
Location	West side of N. 84th St., south of Hampton Ave.
Tax ID	223-9998-100
MSA	Milwaukee
Market Type	Urban

Sale Data

Grantor	City of Milwaukee Public Schools
Grantee	Hmong American Peace Academy, Ltd.
Sale Date	February 01, 2013
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Land Contract Agreement

Sale Price \$2,770,000

Land Data

Land Size	14.595 Acres
Zoning	RS5, Single-Family Residential
Topography	Generally Level
Utilities	All Available
Shape	Irregular Rectangle

General Physical Data

Building Type	Single Tenant
GBA SF	163,000
Construction Type	Concrete Block w/ Brick Exterior
Stories	1 & 4
Year Built	1961-1963
Condition	Fair

Indicators

Sale Price/GBA SF	\$16.99
Floor Area Ratio	0.26
Land to Building Ratio	3.90:1

Improved Sale No. 1 (Cont.)**Remarks**

This is the February, 2013 sale of a ±163,000 square foot school building located along the west side of N. 84th Street, south of Hampton Avenue in the City of Milwaukee that sold for \$2,770,000, or \$16.99 per square foot of building area. The masonry building is a one and four story (three stories above grade and one partial story below grade) school building that was constructed between 1961 and 1963 and is in fair condition. The grantor in this transaction is The City of Milwaukee Public Schools; the building was formerly operated as the Samuel Morse Middle School. The grantee in this transaction operates a PK3-12 charter school at this building known as The Hmong American Peace Academy.

The buyer leased and occupied the property and acquired it via land contract. We understand that the sale price was negotiated and based on appraisals of the property at the time of sale. The property was sold at its appraised market value without consideration of the existing lease terms. The seller and buyer indicated that the terms of the contract had no impact on sale price, that is, the price was not adjusted upwards or downwards for the fact that it sold via land contract. This is supported by the negotiated sale price being based on the property's appraised market value as well as comparison of the sale price to prices paid for other schools sold under warranty deeds. The property is a former public school for which there is thin market demand for this special use property and it is often necessary to sell a special use property via land contract in order to facilitate the sale as traditional financing may not be readily available. Since the sale price was not impacted by the land contract sale, a cash equivalency adjustment is not necessary.



Improved Sale No. 2**Property Identification**

Record ID	1727
Property Type	School
Property Name	Milwaukee College Prep School- Lloyd Street Campus
Address	1228 W. Lloyd Street, Milwaukee, Milwaukee County, Wisconsin 53205
Location	North side of W. Lloyd St.; south of W. North Ave.
Tax ID	351-0414-100
MSA	Milwaukee
Market Type	Urban

Sale Data

Grantor	City of Milwaukee Public Schools
Grantee	M.C. Preparatory School of Wisconsin, Inc.
Sale Date	July 01, 2012
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to Seller

Sale Price	\$1,200,000
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Land Data

Land Size	4.979 Acres
Zoning	RS6, Single-Family Residential
Topography	Generally Level
Utilities	All Available
Shape	Irregular Rectangle

General Physical Data

Building Type	Single Tenant
GBA SF	73,397
Construction Type	Mixed Construction w/ Brick & Stone Exterior
Stories	1 & 3
Year Built	1908, 1957, 2010
Condition	Fair

Indicators

Sale Price/GBA SF	\$16.35
Floor Area Ratio	0.34
Land to Building Ratio	2.95:1

Improved Sale No. 2 (Cont.)**Remarks**

This is the July, 2012 sale of the ±73,397 square foot Lloyd Street School located along the north side of W. Lloyd Street, just south of W. North Avenue in the City of Milwaukee. The property sold for \$1,200,000, or \$16.35 per square foot of building area. The masonry building is a one and three story (two stories above grade and one story partially below grade) school building that was constructed in multiple phases in 1908, 1957 and 2010; it is in fair condition. The grantor in this transaction is The City of Milwaukee Public Schools. The grantee in this transaction operates a charter school at this building.



Improved Sale No. 3**Property Identification**

Record ID	1728
Property Type	School
Property Name	Milwaukee College Prep School- 38th Street Campus
Address	2623 N. 38th Street, Milwaukee, Milwaukee County, Wisconsin 53210
Location	Northwest corner of N. 38th St. & W. Clarke St.
Tax ID	327-1088-100
MSA	Milwaukee
Market Type	Urban

Sale Data

Grantor	City of Milwaukee Public Schools
Grantee	M.C. Preparatory School of Wisconsin, Inc.
Sale Date	July 01, 2012
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Sale Price	\$1,220,000

Land Data

Land Size	2.775 Acres
Zoning	RT3, Two-Family Residential
Topography	Generally Level
Utilities	All Available
Shape	Rectangular

General Physical Data

Building Type	Single Tenant
GBA SF	73,975
Construction Type	Load Bearing Masonry Construction w/ Brick Exterior
Stories	3
Year Built	1911, 1914, 1972
Condition	Fair

Indicators

Sale Price/GBA SF	\$16.49
Floor Area Ratio	0.61
Land to Building Ratio	1.64:1

Improved Sale No. 3 (Cont.)**Remarks**

This is the July, 2012 sale of the former ±73,975 square foot 38th Street School located at the northwest corner of N. 38th Street and W. Clarke Street in the City of Milwaukee that sold for \$1,220,000, or \$16.49 per square foot of building area. The masonry building is a three story (two stories above grade and one story partially below grade) school building that was originally constructed in 1911 with additions occurring in 1914 and 1972; it is in fair condition. The grantor in this transaction is The City of Milwaukee Public Schools; the building was formerly operated as the 38th Street School. The grantee in this transaction operates a charter school at this building.



Improved Sale No. 4**Property Identification**

Record ID	1733
Property Type	School
Property Name	Ceria M. Travis Academy
Address	4700 N. 39th Street, Milwaukee, Milwaukee County, Wisconsin 53209
Location	Northeast corner of N. 39th St. & W. Courtland Ave.
Tax ID	229-0633-111
MSA	Milwaukee
Market Type	Urban

Sale Data

Grantor	Saint Catherine Congregation
Grantee	Ceria M. Travis Academy, Inc.
Sale Date	May 01, 2012
Property Rights	Fee Simple
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Sale Price	\$740,000
Upward Adjustment	\$110,000 (Conditions of Sale)
Adjusted Price	\$850,000

Land Data

Land Size	2.780 Acres
Zoning	RT3, Two-Family Residential
Topography	Generally Level
Utilities	All Available
Shape	Generally Rectangular

General Physical Data

Building Type	Single Tenant
GBA SF	91,677
Construction Type	Mixed Construction & Exterior
Stories	1, 2 & 3
Year Built	1930-1950, 1953, 1958
Condition	Fair

Indicators

Sale Price/GBA SF	\$9.27 Adjusted
Floor Area Ratio	0.76
Land to Building Ratio	1.32:1

Improved Sale No. 4 (Cont.)**Remarks**

This is the May, 2012 sale of the former $\pm 91,677$ square foot Blessed Trinity Catholic School and religious complex located at the northeast corner of N. 39th Street and W. Courtland Avenue in the City of Milwaukee that sold for \$740,000, or \$8.07 per square foot of building area. The grantor in this transaction joined another parish and no longer needed this facility. The property is improved with three buildings. On the southern end of the property there is a $\pm 30,059$ square foot church that was constructed in 1958. Attached to the church is a small $\pm 4,800$ square foot office/rectory building. North of the church is a $\pm 17,171$ square foot convent facility that was constructed in 1953. North of the convent building is a $\pm 39,647$ square foot school building that was constructed over time between 1930 and 1950. The grantee in this transaction operates a charter school at this building known as The Ceria M. Travis Academy.

The sale was controlled by the bank as the bank had to agree to release the grantor in this transaction from their mortgage; this appeared to be short sale. An appraisal of this property at the time of sale was made at an appraised value of \$850,000. Based on a sale price of \$740,000, an upward condition of sale adjustment of \$110,000 is appropriate to reflect the impact that the highly motivated seller had on this transaction.



EXHIBIT C**Comparable Sales Information – Redevelopment Sales
Improved Sale No. 1****Property Identification**

Record ID	2314
Property Type	Industrial, Loft Conversion
Property Name	Pierce Street Lofts
Address	1512-1528 W. Pierce Street, Milwaukee, Milwaukee County, Wisconsin
Location	N/S W. Pierce St, East of N. 16th St.
Tax ID	4226-9971-200
MSA	Milwaukee
Market Type	Urban

Sale Data

Grantor	Hayden Properties LLC
Grantee	CBB Investments LLC
Sale Date	June 18, 2015
Deed Book/Page	DOC #10472969
Property Rights	Fee simple
Conditions of Sale	Arm's length
Financing	Cash to seller

Sale Price \$790,000

Land Data

Land Size	0.620 Acres or 27,007 SF
Front Footage	W. Pierce Street;
Zoning	IM, Residential/Office
Topography	Generally level
Utilities	All to site
Shape	Rectangular
Flood Info	Not in floodplain

General Physical Data

Building Type	Single Tenant
GBA SF	71,118
Construction Type	Wood frame with brick exterior
Stories	4
Year Built	1911

Indicators

Sale Price/GBA SF	\$11.11
Floor Area Ratio	2.63
Land to Building Ratio	.38:1

Remarks

This is the June 2015 sale of a four-story industrial loft building with a GBA of 71,118 square feet located on the north side of W. Pierce Street, east of N. 16th Street on the far west side of the Walker's Point neighborhood. The sale price in this transaction was \$790,000 or \$11.11 per square foot of building area. The building has an unfinished $\pm 20,746$ square foot basement that is not included in the GBA. The property had historically been used for storage purposes.



Improved Sale No. 2**Property Identification**

Record ID 1747
Property Type Hospital
Property Name Former Northwest General Hospital
Address 5310 W. Capitol Drive, Milwaukee, Milwaukee County,
Wisconsin
Location N/S Capitol Dr, Btwn. N. 53rd St. & 54th St.
Tax ID Multiple (4)

Sale Data

Grantor Raghuveer & Anita Nayak LLC
Grantee Next Door Foundation Inc.
Sale Date August 01, 2013
Property Rights Fee Simple
Conditions of Sale Arm's Length
Financing Cash to Seller

Sale Price \$800,000

Land Data

Land Size 4.751 Acres or 206,950 SF
Zoning RB2
Topography Generally Level
Utilities All to Site
Shape Non-Contiguous, Mostly Rectangular

General Physical Data

Building Name Former Northwest General
Building Type Single Tenant
GBA SF 95,295

Construction Type Masonry
Stories Three
Year Built 1956

Indicators

Sale Price/GBA SF \$8.39
Floor Area Ratio 0.46
Land to Building Ratio 2.17:1

Remarks

This is the August 2013 sale of the former Northwest General Hospital building located on the City of Milwaukee's north side at 5310 W. Capitol Drive. This building was originally constructed in 1956 and has an above-grade gross building area (GBA) of ±95,295 square feet; there is no basement in this building. The buyer indicated the sale price in this transaction was \$800,000; note that the recorded warranty deed indicates a price of \$1,850,000 but the seller made a substantial donation of \$1,050,000 to the Next Door Foundation for the renovation project associated with this property. The indicated sale price per square foot in this transaction is \$8.39 per square foot. The buyer is the Next Door Foundation and they plan to renovate the property for educational use as part of their Head Start program.



Improved Sale No. 3**Property Identification**

Record ID	1861
Property Type	Industrial, Loft Conversion
Property Name	Sherman Apartments
Address	1560-1568 W. Pierce Street, Milwaukee, Milwaukee County, Wisconsin 53204
Location	Northeast corner of W. Pierce Street & S. 16th Street
Tax ID	4269973000
MSA	Milwaukee

Sale Data

Grantor	Roadster, LLC
Grantee	Paper Box Acquisition, LLC
Sale Date	July 01, 2013
Property Rights	Fee Simple
Conditions of Sale	Arm's length
Financing	Cash to seller
Sale Price	\$1,375,000
Cash Equivalent	\$1,375,000

Land Data

Land Size	0.870 Acres or 37,897 SF
Zoning	IM, Industrial-Mixed
Topography	Generally level
Utilities	All available

General Physical Data

Building Type	Single Tenant
GBA SF	92,800
Construction Type	Masonry
Stories	5
Year Built	1935
Condition	Fair

Indicators

Sale Price/GBA SF	\$14.82
Floor Area Ratio	2.98
Land to Building Ratio	.34:1

Remarks

This is the July 2013 sale of a five-story industrial loft building with a GBA of 92,800 square feet located at the northeast corner of W. Pierce Street and S. 16th Street on the far west side of the Walker's Point neighborhood. The sale price in this transaction was \$1,375,000 or \$14.82 per square foot of building area. The building has an unfinished 18,560 square foot basement and a 1,560 square foot parking garage that are not included in the GBA. The parcel includes a surface parking lot located to the east of the building improvements. This property had historically been used for storage purposes. The buyer is an investor from Minneapolis that plans to redevelop the building into a 72-unit affordable apartment complex.



Improved Sale No. 4**Property Identification**

Record ID	2088
Property Type	School, Redevelopment
Property Name	Former Oconomowoc Middle School
Address	623 Summit Avenue, Oconomowoc, Waukesha County, Wisconsin
Location	SWC Summit Avenue & S. George Street
Tax ID	OCOC-0590-195-002

Sale Data

Grantor	Oconomowoc Area School District
Grantee	Oconomowoc School Apartments, LLC
Sale Date	January 29, 2013
Property Rights	Fee simple
Conditions of Sale	Arm's length

Sale Price	\$1,050,000
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Land Data

Land Size	7.860 Acres or 342,382 SF
Zoning	SR-4
Topography	Generally Level/Slightly Sloping
Utilities	All to Site
Shape	Irregular

Indicators

Sale Price/GBA SF	\$11.65
Floor Area Ratio	0.26
Land to Building Ratio	3.8:1

Remarks

This is the January 29, 2013 sale of the former Oconomowoc Middle School in western Waukesha County. The sale price in this transaction was \$1,050,000 and the property totals $\pm 90,105$ square feet of gross building area which equates to \$11.65 per square foot. The building is located at 623 Summit Avenue and was purchased for the conversion to a 55 unit apartment building. The building sold as a vacant school and was converted subsequent to the sale.



Improved Sale No. 5**Property Identification**

Record ID 1627
Property Type Multi-Family, Loft Conversion
Property Name Junior House Lofts Apartments
Address 710 S. 3rd Street, Milwaukee, Milwaukee County, Wisconsin
Location Southeast corner of S. 3rd Street & W. Pierce Street
Tax ID 431-0714-100 & 431-0710-000
MSA Milwaukee
Market Type Urban

Sale Data

Grantor Roadster LLC
Grantee Junior House Lofts LLC
Sale Date February 17, 2012
Deed Book/Page Doc #10084457
Property Rights Fee simple
Conditions of Sale Arm's length
Financing Cash to seller

Sale Price \$1,100,000

Land Data

Land Size 1.065 Acres or 46,407 SF
Front Footage S. 3rd Street; W. Pierce Street; S. 2nd Street;
Zoning IM, Industrial Mixed, Industrial-Mixed
Topography Generally level
Utilities All available
Shape Generally rectangular with attached lot
Flood Info Not in floodplain

General Physical Data

Building Type Single Tenant
GBA SF 65,280

Construction Type Concrete frame, brick walls
Stories 3 floors
Year Built 1915
Condition Fair-Good

Indicators

Sale Price/GBA SF \$16.85
Floor Area Ratio 1.41
Land to Building Ratio .71:1

Remarks

This property is located at 710 S. 3rd Street at the southeast corner of S. 3rd Street and W. Pierce Street in the south end of the Fifth Ward in the City of Milwaukee. The location is across S. 3rd Street from Bradley Tech High School. The three story building has a gross building area of 65,280 square feet and is of concrete frame construction with brick exterior walls. There is no basement. The property sold in February 2012 for \$1,100,000 or \$28.05 per square foot of building area. The conversion began in 2012/2013 and is expected to be completed in the summer of 2013. The buyer indicated that the building was in fair-to-good condition. The ceilings are high at 14'. There is a 50 stall parking lot located on the south side of the building plus 20 stalls in a 3,500 square foot lot across the alley to the east that fronts on S. 2nd Street. The south parking lot had a small building that was in poor condition was torn down as part of the renovation project. The buyer is planning 50 apartment units with preleasing starting in April 2013. The buyer obtained historic tax credits to convert the building to apartments. The buyer also indicated that there was no asbestos containing materials requiring abatement and a Phase 2 environmental assessment report was not required despite an asbestos abatement permit being pulled.



Improved Sale No. 6**Property Identification**

Record ID 2699
Property Type School, Redevelopment
Property Name Former Wisconsin Avenue School
Address 2708 W. Wisconsin Avenue, Milwaukee, Milwaukee County,
 Wisconsin
Location NWC N. 27th Street & W. Wisconsin Avenue

Sale Data

Grantor City of Milwaukee Public Schools
Grantee Ambassador Enterprise LLC
Sale Date September 13, 2017 Contract Date
Property Rights Fee Simple
Conditions of Sale Arm's Length

Sale Price \$200,000
Upward Adjustment \$500,000 Environmental Remediation
Adjusted Price \$700,000

Land Data

Land Size 1.920 Acres or 83,635 SF
Topography Generally Level
Utilities All to Site
Shape Generally Rectangular

Indicators

Sale Price/GBA SF \$2.84 Actual or \$9.93 Adjusted
Floor Area Ratio 0.84
Land to Building Ratio 1.19:1

Remarks

This is the September 2017 sale contract of a ±70,500 square foot school building located at the northwest corner of N. 27th Street and W. Wisconsin Avenue in the City of Milwaukee that is under sale contract for \$200,000, or \$2.84 per square foot of building area. Reportedly the buyer will incur an estimated \$500,000 in environmental remediation costs subsequent to the closing of the sale. The adjusted sale price of \$700,000 equates to \$9.93 per square foot of building area. The concrete block with brick exterior building is a three story school building with no basement was constructed in 1921. The buyer in this transaction plans to redevelop the existing school building into an extended stay, Ambassador Suites Hotel.

Improved Sale No. 6 (Cont.)



EXHIBIT D

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, we reserve the right to amend the appraisal conclusions reported herein.

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 E**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 services as an appraiser or in any other capacity regarding the property that is subject of this report within the three-year period immediately preceding acceptance of this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the exterior of property that is the subject of this report and viewed interior photographs.
- Caleb E. Nicholson has provided significant professional assistance to the person signing this certification by providing market research, valuation analyses and report writing.
- 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 use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the requirements under the continuing education program of the Appraisal Institute.



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

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 services as an appraiser or in any other capacity regarding the property that is subject of this report within the three-year period immediately preceding acceptance of this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report.
- Lawrence R. Nicholson, MAI provided professional assistance to the person signing this certification by providing supervision and review.



Caleb E. Nicholson
Wisconsin Certified General Appraiser (#2255)

EXHIBIT F
Professional Qualifications

Lawrence R. Nicholson, MAI

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 30 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 Department of Safety and Professional Services. 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

Lawrence R. Nicholson, MAI
Professional Qualifications, continued

Court Experience Mr. Nicholson has provided expert testimony concerning the market value of real estate and partial interests.

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)

State of Wisconsin Department of Safety and Professional Services
 Real Estate Appraisers Board, State of Wisconsin (5/1/2010 - present)

- Chairman (2014 - present)
- Member (2010 - 2014)

Real Estate Appraisers Application Advisory Committee

- Chairman (2013 - 2014)
- Member (2006 - 2010)

State Certification
 Wisconsin Certified General Appraiser #116-10 (1991)

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

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



Caleb E. Nicholson
The Nicholson Group LLC

Experience An appraiser with 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.

Prior to joining The Nicholson Group, Mr. Nicholson studied Business Administration at Winona State University. Mr. Nicholson is knowledgeable about many aspects of the real estate industry, particularly property valuation. In addition, his concentrated research on properties in both the Milwaukee and Madison metro area have afforded him a quality understanding of numerous real estate markets in Southern Wisconsin.

Mr. Nicholson has experience with various property types, including commercial land, business/industrial parks, apartment buildings, office buildings, and industrial facilities.

Academic Background

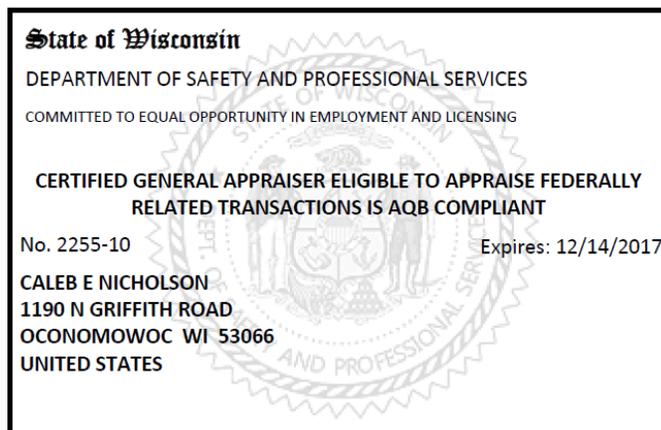
Winona State University
 Bachelor of Business Administration

State Certification

Wisconsin Certified General Appraiser #2255 (2017)

Appraisal Institute Coursework

15-Hour National USPAP
 Business Practices and Ethics
 Basic Appraisal Principles
 Basic Appraisal Procedures
 Finance, Statistics, and Valuation Modeling
 Market Analysis & Highest and Best Use
 Report Writing & Case Studies
 Site Valuation and Cost Approach
 Sales Comparison Approach
 Income Approach Part I
 Income Approach Part II



Firm Overview

The Nicholson Group is a Milwaukee-based real estate valuation firm established in 1993 and has become one of the preeminent valuation consulting firms in Wisconsin. The Nicholson Group provides real estate appraisal services to a variety of clients including financial institutions, law firms, corporations, real estate operating companies, insurance companies and governmental bodies. We provide complete support from initial consultation through providing our **independent and unbiased** opinions in narrative reports and if requested, expert testimony. We pride ourselves in our ability to provide quality-oriented services with high established levels of **integrity, trust and client commitment**. These are not just words to us but represent the cornerstones of our firm. We are proud of the real estate valuation services we provide and the manner in which we provide them.

While the appraisal industry is dominated by single-person shops and large national firms from outside the area, we thrive on the synergy created in a small firm environment that offers continual learning through challenging assignments, knowledge sharing and local market expertise. The Nicholson Group is dedicated to providing reliable, well documented appraisals, market studies, review appraisals, expert testimony and litigation support services in a personal and timely manner. Our services are provided to the highest possible standards including complying 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.

We are very experienced and proficient with many types of properties including industrial, office, shopping centers, apartments and land. Appraisers within the firm have particular specialties in the valuation of hotels, golf courses, waterparks and marinas as well as being recognized for expertise with senior-oriented enterprises such as skilled nursing facilities, CBRFs, assisted living facilities and RCACs. We are proficient in the use of Argus® software which is the appraisal industry standard for lease-by-lease discounted cash flow analysis.

Lawrence R. Nicholson has held the MAI designation from the Appraisal Institute since 1989. Obtaining the MAI designation from the Appraisal Institute means that an appraiser has been elevated into the upper echelon of valuation experts. This designation has long been recognized by courts of law, governmental agencies, financial institutions and investors as a mark of excellence in the field of real estate valuation and analysis. MAI’s are true professionals who have made a commitment to being the best in the real estate appraisal field.

Our firm is characterized by valuation **knowledge and experience, credibility, objectivity** and **client commitment** that have earned us high levels of respect throughout the real estate community.

Integrity matters at The Nicholson Group.

**The Nicholson Group
Client Listing**

Financial Institutions

Associated Bank
Badger Bank
Bank Mutual
Bridgewater Bank
BMO Harris Bank
Citizens Bank of Mukwonago
Farmers & Merchants Bank
First Bank
First Business Bank
First National Bank Fox Valley
Investors Bank
Ixonía Bank
Johnson Bank
JP Morgan Chase Bank
Layton State Bank
Marine Bank
North Milwaukee State Bank
Oostburg State Bank
Park Bank
PNC Bank
Pyramax Bank
TCF Bank
The Private Bank
Town Bank
Tri-City National Bank
U.S. Bank
Waterstone Bank
Waukesha State Bank
Wells Fargo Bank
Westbury Bank
Wintrust Financial Corporation

Insurance Companies

American Family Insurance
Fidelity Real Estate Group
Northwestern Mutual Life
Symetra Life Insurance Co

Real Estate Operating Companies

Fiduciary Real Estate
General Capital Group
Interstate Partners
Metropolitan Associates
Pabst Farms Development Co.
Public Storage, Inc
Zilber Ltd. & Towne Realty Inc.

Municipal/Public

Cardinal Stritch University
Carroll University
City of Brookfield
City of Delafield
City of Delavan
City of Glendale
City of Greenfield
City of Milwaukee
City of New Berlin
City of Oconomowoc
City of Pewaukee
City of Racine
City of Wausau
City of Wauwatosa
City of West Allis
City of West Bend
Redevelopment Authority of the
City of Milwaukee (RACM)
Milwaukee Area Technical
College (MATC)
Milwaukee County
Milwaukee County Research Park
Milwaukee Metropolitan Sewerage
District (MMSD)
Marquette University
Milwaukee Public Schools
Town of Brookfield
Town of Jackson
UW-Milwaukee Real Estate
Foundation
Village of Greendale
Village of Hartland
Village of Kohler
Village of Menomonee Falls
Village of Pleasant Prairie
Village of Shorewood
Village of Wales
Village of West Milwaukee
Waukesha County
Waukesha School District
WI Department of Administration
WI Department of Justice
WI Department of Transportation
Wisconsin Lutheran College

Attorneys

Arenz, Molter, Macy, Riffle & Larson
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Godfrey & Kahn
Michael Best & Friedrich
O'Neil, Cannon, Hollman, DeJong
Quarles & Brady
Reinhart Boerner Van Duren
Stafford Rosenbaum
von Briesen & Roper
Weiss Berzowski Brady
Whyte Hirshboeck Dudek

Corporate

Abbott Laboratories
Agnesian HealthCare, Inc.
Boys & Girls Club of Milwaukee
Bradley Center Sports &
Entertainment Corp.
Caterpillar Inc.
Grunau Company
Harley Davidson
Harmony Living Centers
Journal - Sentinel, Inc.
Lad Lake Inc.
Lake Country Manufacturing
Lauterbach Group
Milwaukee World Festivals Inc.
Noah's Ark Family Park, Inc.
Rockwell Automation
Sargento Foods
Skipper Buds
SkipperLiner Marine Group
Spancrete Industries
Target – Dayton Hudson
Teamsters General Local No. 200
The Conservation Fund
Trane
U-Haul International
Walgreen Company
Wal-Mart Stores & Wal-Mart Realty
Wisconsin Alumni Research
Foundation (WARF)
Zilber Charitable Foundation

General Service Conditions

The services provided by The Nicholson Group 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.

Our opinions 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.

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.