APPRAISAL REPORT ON
CHIPPEWA CROSSING BOULEVARD DEPARTMENT OF ADMINISTRATION LAND
STATE OF WISCONSIN LOCATED IN SECTION 9, T28N, R8W
CHIPPEWA CROSSING BOULEVARD
CHIPPEWA FALLS, WISCONSIN

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January 6, 2022

Wisconsin Department of Administration
Division of Facilities Management
Attn: Mr. Scott Berger, Section Chief – Lease Administration
101 East Wilson, 7th Floor
P O Box 7866
Madison, WI 53707-7866

RE: *Chippewa Crossing Boulevard Department of Administration Land Appraisal*
State of Wisconsin Located in
Section 9, T28N, R8W
Chippewa Crossing Boulevard
Chippewa Falls, Wisconsin

Dear Mr. Berger:

At your request, I have completed an appraisal intended to comply with Standard 1 of the Uniform Standards of Professional Appraisal Practice (USPAP). This appraisal report is prepared under Standards Rule 2-2(a). The legal description of the property is included in the enclosed report.

I have observed the property, researched data, and considered matters pertinent to its value. The Market Value of the property as of the date of observation (December 28, 2021) is stated at $225,000.

TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS

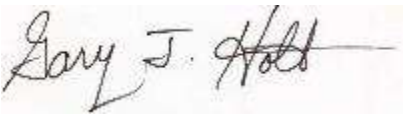
This appraisal includes the land only. There are no building or site improvements located on the property. This appraisal does not include any timber value or personal property located on the premises. Also, this appraisal does not include the market value of the going concern (if any) of the property.

There are no hypothetical conditions associated with this appraisal assignment. The only extraordinary assumption included in this report is there are no environmental conditions on or around the property that would have a negative impact on the overall utility, and hence value. Any deviation from this extraordinary assumption may have a significant effect on the value conclusion stated above.

The property interest being appraised is Fee Simple.

This appraisal report presents brief discussions of the data, reasoning, and analyses that are used in the appraisal process to develop the opinion of value. Supporting documentation concerning the data, reasoning and analyses is retained in the appraisal file. The depth of discussion is specific to the needs of the client and for the intended use stated in this report. I am not responsible for unauthorized use of this report.

Respectfully submitted,



Gary J. Holt, MAI, SRA
WI Certified General Appraiser #1028
Expiration Date: December 14, 2023
J. C. NORBY & ASSOCIATES, INC.

GJH/asr
Enclosure

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APPRAISAL REPORT ON
CHIPPEWA CROSSING BOULEVARD DEPARTMENT OF ADMINISTRATION LAND
STATE OF WISCONSIN LOCATED IN SECTION 9, T28N, R8W
CHIPPEWA CROSSING BOULEVARD
CHIPPEWA FALLS, WISCONSIN

CLIENT: Wisconsin Department of Administration
Division of Facilities Management
Attn: Mr. Scott Berger, Section Chief – Lease Administration
101 East Wilson, 7th Floor
P O Box 7866
Madison, WI 53707-7866

APPRAISER: Gary J. Holt, MAI, SRA
J.C. NORBY & ASSOCIATES, INC.
2115 E. Clairemont Ave., Suite 2
Eau Claire, WI 54701

SUBJECT: Chippewa Crossing Boulevard Department of Administration Land Appraisal
State of Wisconsin Located in Section 9, T28N, R8W
Chippewa Crossing Boulevard
Chippewa Falls, Wisconsin

PURPOSE OF THE APPRAISAL:

The purpose of this appraisal is to provide an estimate of the Fee Simple market value of the subject real property as of the effective date of this appraisal.

DEFINITION OF MARKET VALUE:

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

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and each acting in what they consider their own best interest;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Source: The Dictionary of Real Estate Appraisal, 6th Edition, Appraisal Institute)

DEFINITION OF HYPOTHETICAL CONDITION:

A hypothetical condition is defined as follows:

> A condition that is presumed to be true when it is known to be false. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

(Source: The Dictionary of Real Estate Appraisal, 6th Edition, Appraisal Institute)

Hypothetical conditions are 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 about the integrity of data used in an analysis.

DEFINITION OF EXTRAORDINARY ASSUMPTION:

An extraordinary assumption is defined as follows:

> 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.

(Source: The Dictionary of Real Estate Appraisal, 6th Edition, Appraisal Institute)

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

INTEREST VALUED: Fee Simple

Fee simple estate is defined as follows:

> Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

(Source: The Dictionary of Real Estate Appraisal, 6th Edition, Appraisal Institute)

FUNCTION OF APPRAISAL:

The function of this report is to present the data and reasoning employed to form a professional opinion of the nature, quality, value or utility of specified interests in, or aspects of, identified real estate to facilitate a decision. The objective of this report is to communicate the conclusions to the client.

INTENDED USE OF REPORT:

This appraisal is intended to assist the client, Wisconsin Department of Administration, in estimating the market value of the property that is the subject of this assignment. The intended user of this report includes the client only. This report is not intended for any other use or user.

EFFECTIVE DATE OF VALUE: December 28, 2021

DATE OF REPORT: January 6, 2022

SCOPE OF WORK:

The scope of work includes a number of independent investigations and analysis, including an observation of the property on December 28, 2021.

This appraisal includes the land identified as Parcel #22808-0924-00020000 that is located west of Seymour Cray Boulevard (State Highway 178). There are no building or site improvements located on the subject parcel. This appraisal does not include any timber value or personal property located on the premises, nor does it include the market value of the going concern (if any) of the property.

Site size and dimensions are obtained from the legal description and other public records outlining the subject parcel.

Research sources utilized to gather data regarding the subject include the Chippewa County Register of Deeds and Treasurer Offices, the city of Chippewa Falls Zoning and Assessor Offices; other public records; a previous appraisal completed on the property; and from my personal observation as part of this appraisal assignment.

Research sources utilized to gather general market data include the Northwest Wisconsin Multiple Listing Service (MLS), the Wisconsin Department of Revenue database, CoStar sales database, other publications and real estate professionals located throughout the area, and the internal records database of this appraisal office.

The research sources used are sufficient for the discovery of comparable market data to provide a reliable value opinion for the property being appraised.

Appraisal Process:

According to the *Appraisal Institute*, an appraisal is defined as "an act or process of developing an opinion of value." The intent of an appraisal is to assist in decision making purposes regarding a specific property.

The appraisal process is a systematic method of developing an opinion of value. Depending on the nature of the property and purpose of the assignment, three valuation approaches are considered:

- Cost Approach
- Sales Comparison Approach
- Income Capitalization Approach

Each approach applies data derived from the market.

In the Cost Approach, the component parts of the subject property are analyzed and an estimate of what it would cost in the market to replace them with property of like utility and value is made. Land is broken into use classes, each evaluated on its value in the market. The value of the improvements are estimated based on cost new, less depreciation. Depreciation is defined as loss in value from any cause and may be physical wear, functional and/or external obsolescence.

The Sales Comparison Approach involves market analysis of properties which have sold. Each property is compared to the property being appraised on numerous factors; some being time of sale, size, location, quality of improvements. The concept of comparative analysis is the process by which a value indication is derived. This analysis may employ quantitative adjustment techniques or qualitative analysis, either separately or in combination. This comparative analysis is based on the appraisal principal of substitution, which states "when several similar or commensurate commodities, goods, or services are available, the one with the lowest price will attract the greatest demand and widest distribution."

(Source: Dictionary of Real Estate Appraisal 6th Edition, Appraisal Institute)

The Income Approach typically involves the capitalization of net income. Annual income under typical use and management is outlined using market derived income and expenses. The capitalization rate is derived from the market, using actual data from similar properties and similar investment criteria.

The final process is correlation of the approaches and selection of the approach or approaches that most accurately represent market value.

The Cost Approach is considered, however, is not utilized in this appraisal assignment, as this valuation method typically is not applicable when analyzing vacant land.

The Income Capitalization Approach is also considered in this appraisal assignment, however, is not utilized. The subject has no rental history and there is insufficient market data available to adequately support a reasonable market rent for the subject. Typically, land similar to this is not purchased for income producing purposes. Therefore, this approach is also omitted from this appraisal assignment.

The omission of the Cost and Income Capitalization Approach valuation methods does not prohibit a credible valuation analysis of the property.

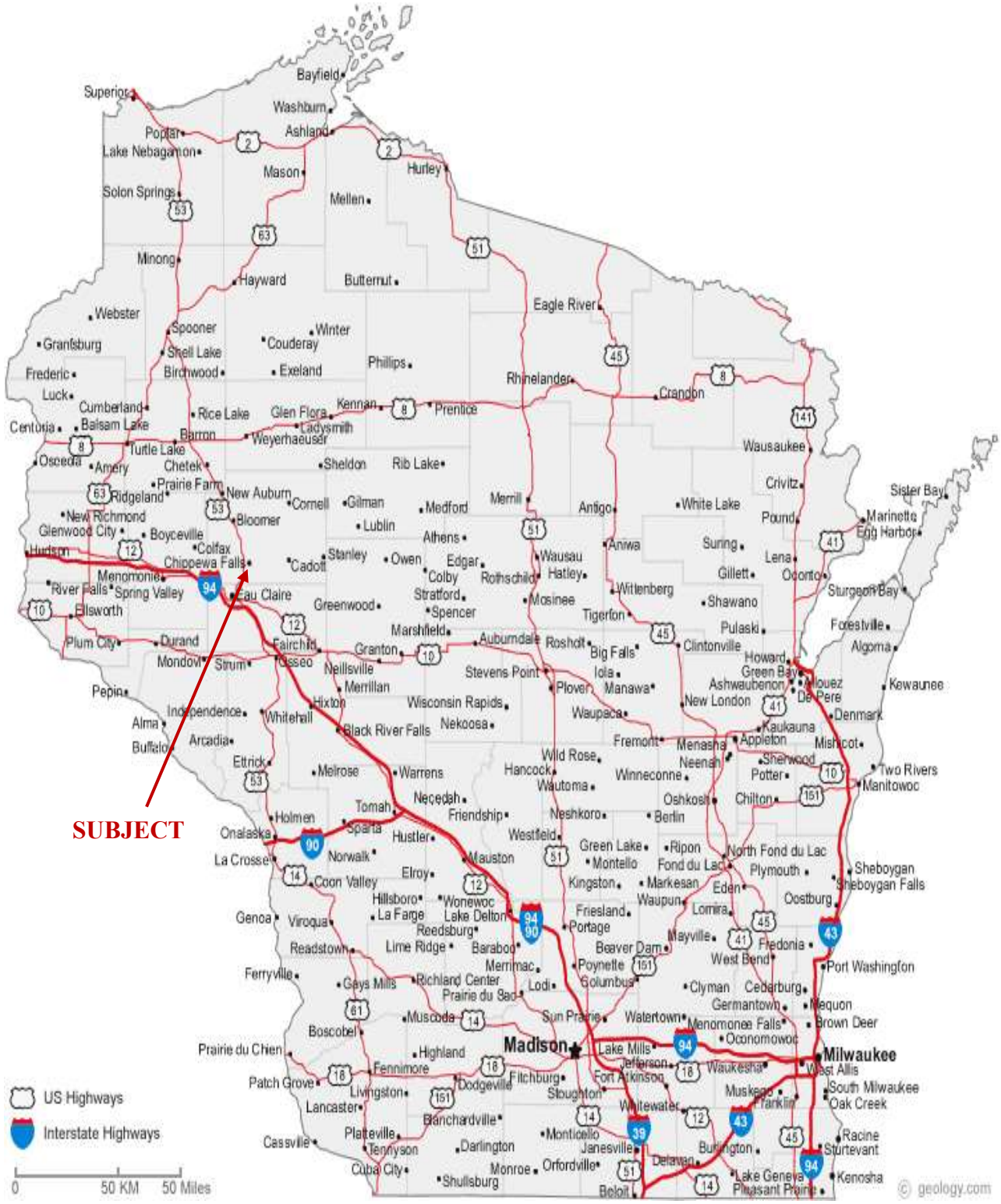
To adequately complete the Sales Comparison Approach, sales of other vacant parcels located in the area are researched and analyzed. Of all the sales researched, those considered most representative of the subject are included in the analysis. Adjustments are made to the comparable properties based on their differences when compared to the subject. For this analysis, sales of other vacant parcels that have occurred in the area within the past few years are considered.

The final step in the reconciliation process is to correlate the various valuation approaches utilized into a Fee Simple market value opinion for the property being appraised. In this case, the reconciliation process is diluted in that there is only one applicable valuation approach for the property.

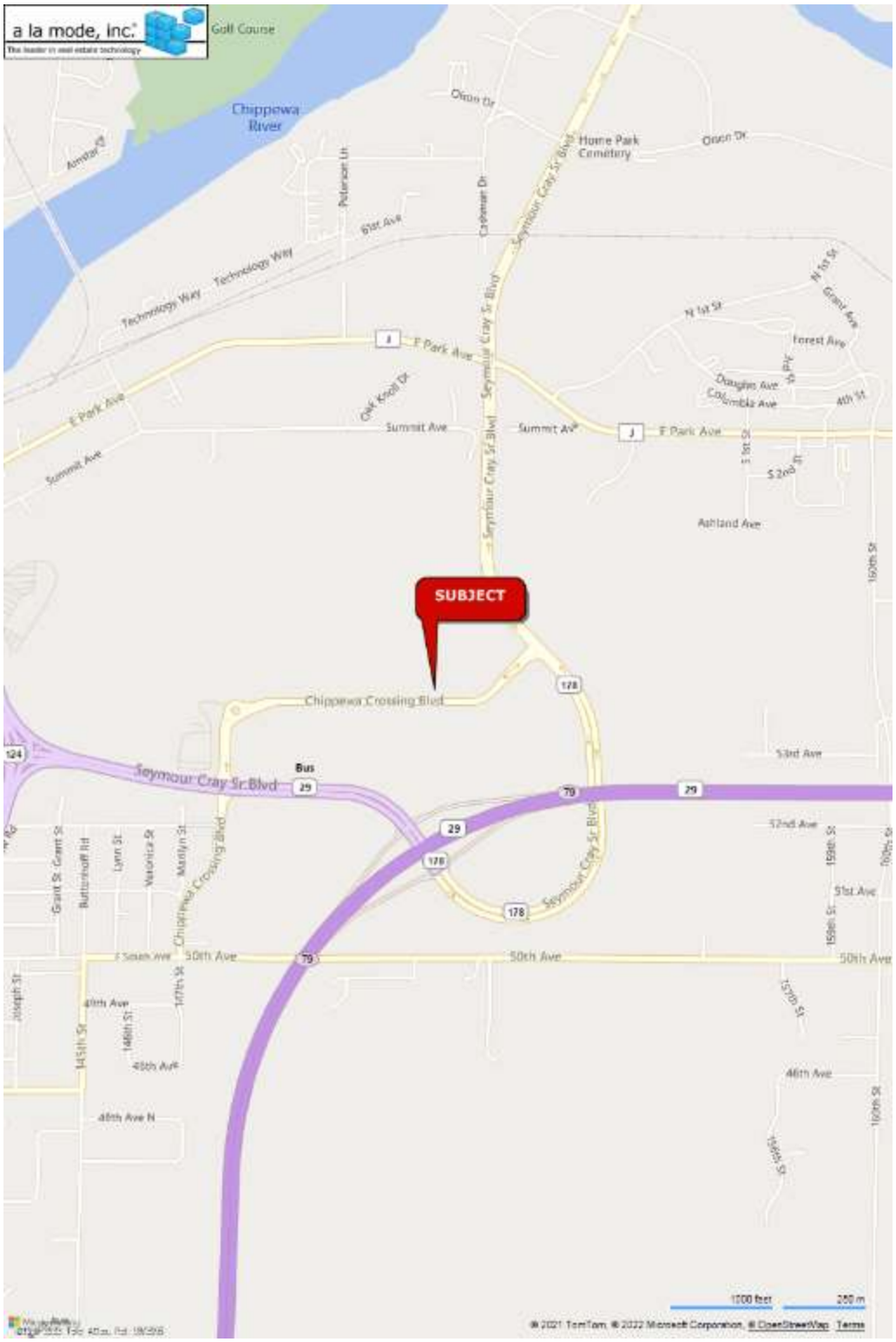
This appraisal report is a brief summary of the data, analysis, and conclusions. All supporting documentation is retained in the appraisal file.

The property is being valued based on its current As Is condition. There are no hypothetical conditions associated with this appraisal assignment. The only extraordinary assumption included in this report is there are no adverse environmental conditions on or around the property that would have a negative impact on the overall utility, and hence value. Any deviation from this extraordinary assumption may have a significant effect on the market value opinion stated in this report.

STATE MAP


SUBJECT
Superior
Bayfield
Washburn
Ashland
Poplar
Lake Nebagamon
Mason
Hurley
Solon Springs
Mellen
Minong
Hayward
Butternut
Eagle River
Webster
Spooner
Winter
Couderay
Grantsburg
Shell Lake
Birchwood
Exeland
Phillips
Frederic
Luck
Rhinelander
Crandon
Cumberland
Rice Lake
Glen Flora
Kennan
Prentice
Centuria
Balsam Lake
Ladysmith
Barron
Weyerhaeuser
Turtle Lake
Wausaukee
Osceola
Amery
Chetek
Sheldon
Rib Lake
Prairie Farm
Crivitz
Sister Bay
Ridgeland
New Auburn
Cornell
Gilman
Medford
Merrill
Antigo
White Lake
Marinette
New Richmond
Bloomer
Lublin
Pound
Egg Harbor
Glenwood City
Boyceville
Athens
Suring
Colfax
Aniwa
Lena
Hudson
Chippewa Falls
Cadott
Stanley
Owen
Edgar
Wausau
Hatley
Gillett
Oconto
Menomonie
Colby
Rothschild
River Falls
Spring Valley
Eau Claire
Stratford
Wittenberg
Sturgeon Bay
Ellsworth
Greenwood
Mosinee
Shawano
Spencer
Tigerton
Forestville
Marshfield
Pulaski
Plum City
Durand
Fairchild
Auburndale
Roshdt
Clintonville
Algoma
Mondovi
Strum
Osseo
Granton
Big Falls
Howard
Neillsville
Green Bay
Stevens Point
Iola
Ashwaubenon
Kewaunee
Pepin
Merrillan
Plover
Manawa
Mouez
De Pere
Hixton
Wisconsin Rapids
New London
Independence
Whitehall
Waupaca
Denmark
Alma
Black River Falls
Nekoosa
Kaukauna
Buffalo
Arcadia
Fremont
Menasha
Appleton
Mishicot
Ettrick
Wild Rose
Neenah
Sherwood
Melrose
Warrens
Hancock
Winneconne
Potter
Two Rivers
Wautoma
Manitowoc
Necedah
Oshkosh
Chilton
Tomah
Friendship
Neshkoro
Berlin
Holmen
Sparta
Onalaska
Hustler
Westfield
Green Lake
Ripon
North Fond du Lac
La Crosse
Norwalk
Mauston
Montello
Fond du Lac
Plymouth
Sheboygan
Coon Valley
Elroy
Kingston
Markesan
Eden
Sheboygan Falls
Hillsboro
Wonewoc
Waupun
Oostburg
La Farge
Lake Delton
Friesland
Lomira
Genoa
Viroqua
Reedsburg
Portage
Mayville
Fredonia
Readstown
Lime Ridge
Baraboo
Beaver Dam
West Bend
Merrimac
Poynette
Port Washington
Ferryville
Gays Mills
Richland Center
Lodi
Columbus
Clyman
Cedarburg
Prairie du Sac
Germantown
Mequon
Muscoda
Sun Prairie
Watertown
Brown Deer
Boscobel
Menomonee Falls
Oconomowoc
Madison
Lake Mills
Milwaukee
Prairie du Chien
Highland
Jefferson
Waukesha
West Allis
Fennimore
Fort Atkinson
South Milwaukee
Patch Grove
Dodgeville
Fitchburg
Muskego
Oak Creek
Livingston
Stoughton
Franklin
Lancaster
Whitewater
Blanchardville
Racine
Platteville
Monticello
Burlington
Sturtevant
Cassville
Tennyson
Darlington
Janesville
Delavan
Cuba City
Monroe
Orfordville
Lake Geneva
Kenosha
Shullsburg
Beloit
Pleasant Prairie
US Highways
Interstate Highways
0
50 KM
50 Miles
© geology.com

CITY MAP


a la mode, inc.
Golf Course
Chippewa River
Home Park Cemetery
Technology Way
E Park Ave
Summit Ave
Seymour Cray Sr Blvd
Forest Ave
Ashland Ave
SUBJECT
Chippewa Crossing Blvd
Bus
29
178
79
124
53rd Ave
52nd Ave
51st Ave
50th Ave
49th Ave
48th Ave
48th Ave N
46th Ave
1000 feet
200 m

SUBJECT PHOTOGRAPHS

View from Chippewa Crossing Boulevard Facing Northeast

View from Seymour Cray Boulevard Facing South

SUBJECT PHOTOGRAPHS

View from Seymour Cray & Chippewa Crossing Boulevards Facing Northwest

Chippewa Crossing Boulevard Facing Southwest Property on Right

TYPE AND CLASS OF PROPERTY:

The subject is vacant land. As previously noted, it is that portion of #22808-0924-00020000 located west of Seymour Cray Boulevard (State Highway 178). The land area included in this appraisal assignment contains a total of approximately 6.40 acres.

The parcel is mostly wooded covered primarily with pine trees and is located at the northwest corner of the Seymour Cray Boulevard and Chippewa Crossing Boulevard intersection.

DATE OF OBSERVATION:

The property was observed on December 28, 2021. This is also the date of valuation.

The property was observed from public vantage points, as well as, utilizing aerial photography.

LEGAL DESCRIPTION:

As previously noted, the subject includes a single real estate tax parcel which is legally described as follows:

Parcel #22808-0924-05250000:

Part of the SE¼ of the NW¼ and part of the SW¼ of the NW¼ lying west of State Highway 178 and southeasterly of Certified Survey Map #1387 and northwesterly of Certified Survey Map #3792.

The above described parcel contains approximately 6.40 acres.

CITY DATA:

Location:

Located in northwest Wisconsin, Chippewa Falls has been named one of the top ten small towns by TIME magazine. This community is just off Highways 29, 178, and 124, and close to I-94.
Chippewa Falls sits on the banks of the Chippewa River in southwest Chippewa County. It is approximately 10 miles northeast of Each Claire, 90 miles east of Minneapolis-St. Paul, Minnesota, 150 miles south of Duluth-Superior, 200 miles northwest of Madison and 269 miles northwest of Milwaukee.

Physical Setting:

The City of Chippewa Falls covers just over 11 square miles or 7,557 acres. Of this, approximately 400 acres is surface water. The topography of Chippewa Falls is quite irregular, alternating between steep hills and fairly level areas. Duncan Creek and the Chippewa River are approximately 840 feet above sea level. The highest areas in the City are about 80 feet above the valley floor in the northwestern and northeastern portions of the City where the land is relatively level. Chippewa Falls is located on the "Fall Line" in northern Wisconsin. The "Fall Line" marks the area of rapids or low cascades on major rivers (Chippewa River) and, hence, a source of water power.

Population and Trends:

Since the earliest population census in 1870, the City of Chippewa Falls has only experienced two decades in which the population has declined. The 1900 population census showed a decrease of 576 persons, which can probably be attributed to the declining lumber industry during that period. However, over the next seventy years the population grew steadily, averaging an approximate increase

of 600 persons every ten years. The most recent population decrease was indicated by the 1980 census.

Between 1970 and 1980, the City's population decreased by 81 persons from 12,351 to 12,270. However, the 1990 census shows that the population increased 3.9% from 1980 to 12,749. The 2000 census showed that the City's population continued to increase during the 1990's to a 2000 population of 12,925. Population growth continued in the City of Chippewa Falls according to the 2010 census. The 2010 census showed a population of 13,661, or a 5.7% increase over the 2000 census. In 2020, the population is estimated at 14,407, or a 5.5% increase from the 2010 Census.

Recreational Highlights:

Chippewa Falls is the gateway to Wisconsin's Indianhead region and is adjacent to Lake Wissota (6,300 acres). Lake Wissota State Park has excellent camping facilities and provides swimming, hiking and snowmobile and cross country skiing trails.

Chippewa County is rich in recreational resources offering an assortment of activities. In addition to all the fine land-related activities such as the Ice Age Trail, Old Abe Trail and numerous scenic drives, the water resources are quite exceptional. Lake Wissota is the County's largest lake and is great for water skiing, sailing and year-round fishing. Irvine Park, located in the city limits of Chippewa Falls, has 300+ acres of natural scenic beauty, a zoo, historical displays and camping facilities. Marshall Playground, adjacent to the park, has a swimming pool, tennis courts and ice rink. A new ice arena has been opened. In addition, there are four golf courses in the immediate area.

RECREATIONAL HIGHLIGHTS

Water Acres as a Percent of Land Area	3.2	Hiking Trails (miles)	48
Bodies of Water Over 200 acres	10	Snowmobile Trails (miles)	351
Fishing Lakes	449	Cross-Country Ski Trails (miles)	13
Trout Streams (miles)	81	ATV Trails (miles)	15
Boat/Canoe Launches	41	Horseback Riding (miles)	14
Camping Sites	1,309	Golf Courses	8
Bicycle Trail (miles)	20	Parks & Picnic Areas	17
		Hunting Areas (public acres)	40,000

Source: Chippewa County Outdoor Recreation Plan, 2004-2009

Area Employment:

Chippewa Falls' proximity to transportation, its highly trained technically savvy workforce, and its beautiful setting have enabled this little city to draw big attention from business and industry. Among the city's major employers are TTM Technologies, SGI Inc., Cray Inc., Extrusion Dies Co., Pliant Corporation, ITW

Deltar, Kell Container Co., Mason Shoe, Leinenkugel Brewery, and Spectrum Industries Inc.

MAJOR EMPLOYERS	
Firm	***# Employees***
TTM Technologies	*1,000+*
Saint Joseph's Hospital	*250-499*
Chippewa Falls Public Schools	*250-499*
County of Chippewa	*250-499*
Silicon Graphics	*250-499*
Mason Companies	*250-499*
Cray Inc.	*250-499*
Department of Health & Family	*250-499*
Kell Container	*100-249*
Coop Educational Service Agency #10	*100-249*
City of Chippewa	*100-249*
Pliant Corporation	*100-249*
Spectrum Industries	*100-249*
Eau Claire Press	*100-249*
Farm & Fleet	*100-249*
ITW Deltar	*100-249*
Chippewa Valley YMCA	*100-249*
Gordy's IGA	*100-249*
Markquart Inc.	*100-249*
Jacob Leinenkugel Brewing Company	*100-249*
Chippewa Manor Nursing Home	*100-249*
Shopko Stores	*100-249*
Lee Enterprises, Inc.	*100-249*
Consumer Coop Assn of EC	*100-249*

Source: Department of Workforce Development

MARKET AREA DATA:

The subject is located on the southeast side of the City of Chippewa Falls in an established mixed use neighborhood consisting of a variety of residential, industrial, commercial, and institutional development, along with vacant land utilized for agricultural crop production purposes. The immediate vicinity surrounding the subject is best characterized as being within the stabilized neighborhood lifecycle stage, although there has been some recent development of parcels in the area including the Chippewa Falls Fire Department #1 Station and a full service automobile dealership property, both located just west of the subject along Chippewa Crossing Boulevard. In addition, a recently constructed Wisconsin's Veterans Home property is located just to the northeast of the subject across from Seymour Cray Boulevard.

State Highway 178 (Seymour Cray Boulevard) is adjacent to the northeast of the subject. Across the highway is additional lands owned by the state that is undeveloped wooded acreage. Also just north of the subject is the state owned Wisconsin Veterans Home property. Further to the northeast are several other institutional type improvements including the Wisconsin National Guard Amory property, the Department of Correction's Chippewa Valley Correctional Treatment Center facility, and the Northern Wisconsin Center facility which opened in 1897 and is managed by the Division of Care and Treatment Services, an affiliate with the Wisconsin Department of Health Services. Just north of these institutional properties is the Riverside Industrial Park, which is an established industrial area that has approximately 10 acres available for future development at this time. The Chippewa River is located just north of the industrial park and to the north of the river is the Lake Wissota Business Park, which is newer park with approximately 84 acres available. This park has experienced recent substantial new industrial development including a large distribution center for Mills Fleet Farm which contains about 1.2 million square feet and encompasses approximately 72 acres of the park land.

There are additional state owned lands located adjacent to the northwest of the subject. Area further to the north/northwest is residential oriented.

Chippewa Crossing Boulevard is located adjacent to the south of the subject. There is undeveloped lands currently available for sale located just south of the subject across from Chippewa Crossing Boulevard. This land has been listed for sale for numerous years. It is being marketed for a commercial use. Also just south of the subject is the State Highway 178 and State Highway 29 interchange.

There is additional state owned vacant land located adjacent to the west of the subject. Also just west of the subject is the recently constructed Chippewa Falls Fire Station #1 facility and the Bloomer Ford full service automobile dealership property. There is additional vacant, undeveloped wood acreage located just west of the subject.

The trend for this area will likely continue as its current use, consisting of a mixture of uses with residential being predominant to the north and northwest of the subject, along with industrial development being predominant further to the north within the Riverside Industrial Park and Lake Wissota Business Park, along with institutional type uses to the north and northeast of the subject across from State Highway 178. There are also a few commercial uses located just west of the subject.

Chippewa Crossing Boulevard is a connecting street offering a direct link to Seymour Cray Boulevard (State Highway 178) at the subject parcel, as well as, to Business Highway 29 just to the southwest of the subject. Business Highway 29 and State Highway 178 also both offer a direct link to State Highway 29. Business Highway 29 also offers a direct link to State Highway 124, about ½ mile west of the subject.

State Highway 29 is a primary traffic route that travels primarily in an east/west direction across most of the state of Wisconsin. It also offers a direct link to U.S. Highway 53 about

five miles southwest of the subject. Highway 53 is also a heavily traveled traffic route that travels in a primarily north/south direction through western Wisconsin. Both Highways 29 and 53 also offer a direct link to Interstate 94. According to the Wisconsin Department of Transportation, as of July, 2017, there were approximately 9,700 vehicles per day that traveled passed the subject along State Highway 178. The daily traffic volume along this stretch of Highway 178 has nearly doubled over the past decade.

There is a good highway infrastructure system in this part of Chippewa Falls that provides convenient access to employment and other services available throughout the city, as well as, other communities the region.

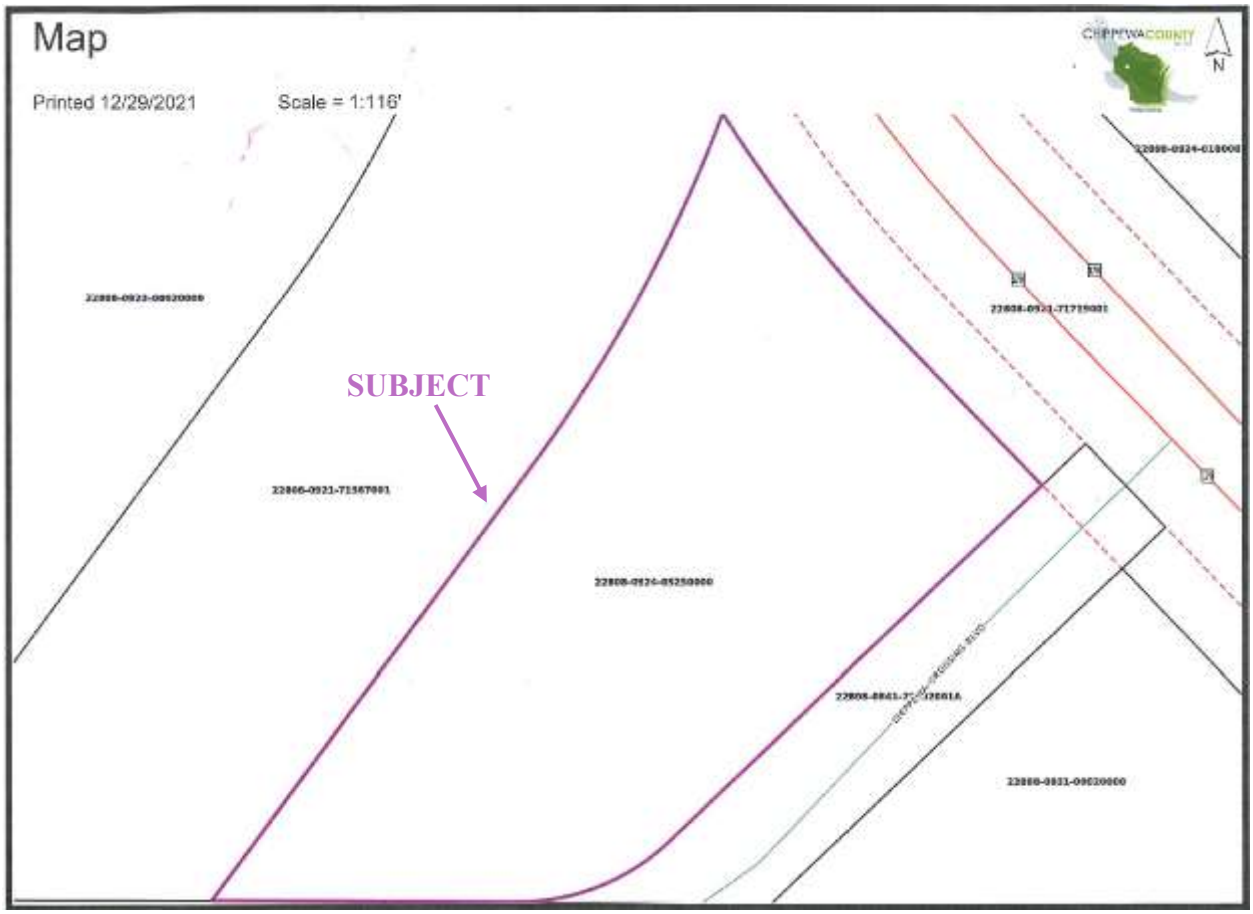
SITE DATA:

As previously noted, the subject includes a single real estate tax parcel that contains a total of approximately 6.40 acres. The parcel is located at the northwest corner of the State Highway 178 and Chippewa Crossing Boulevard intersection. This intersection is not controlled by traffic lights.

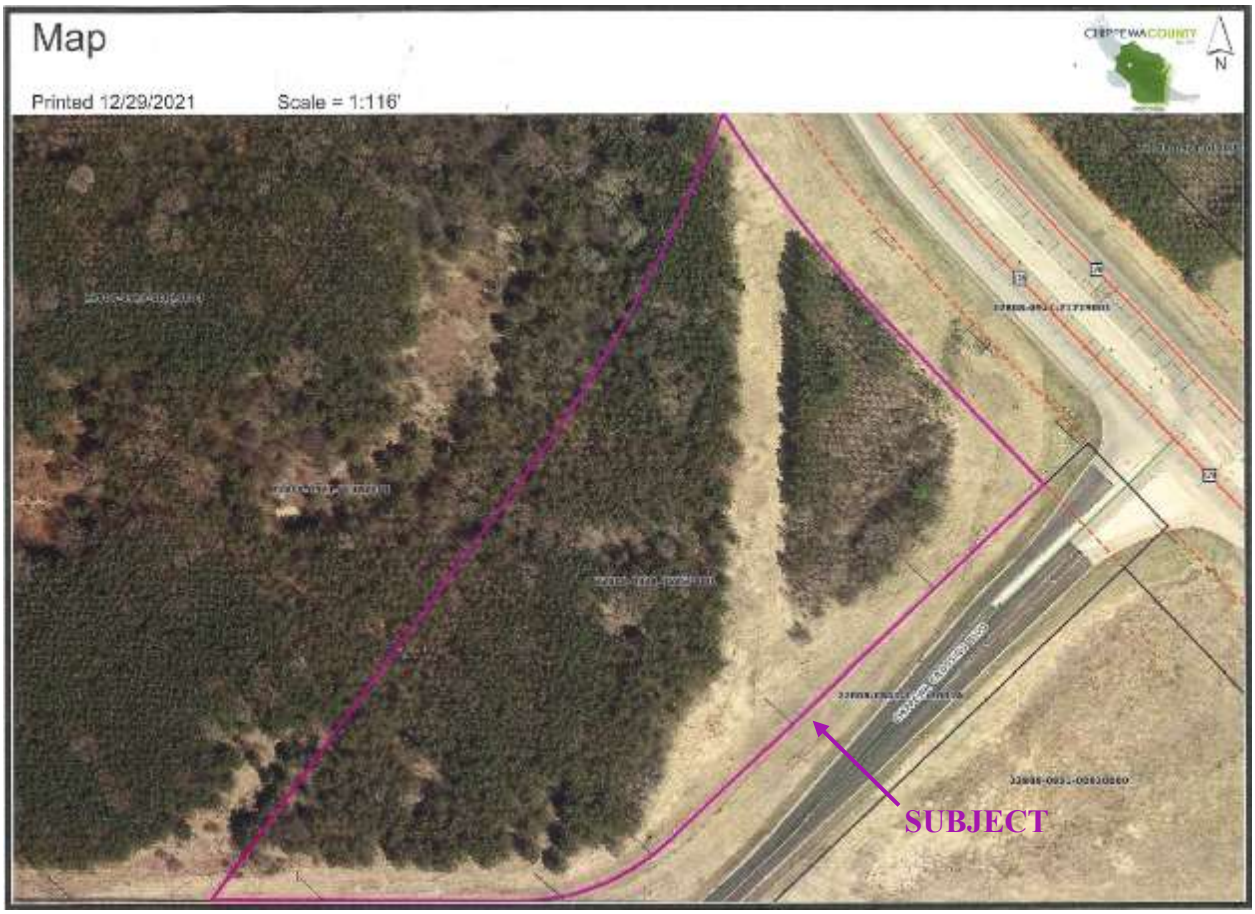
The property has approximately 809 feet of frontage along the north side of Chippewa Crossing Boulevard and approximately 400 feet of frontage along the western side of State Highway 178. The north/west property line has a depth of approximately 768 feet.

A parcel map and two aerial photographs outlining the subject are included on the following pages:

PARCEL MAP



AERIAL PHOTOGRAPHS



Map
Printed 12/29/2021
Scale = 1:927'
CHIPPEWA COUNTY
N
SUBJECT

The subject parcel has an irregular shape and topography that is described as being mostly level to gently sloping. The parcel is at or slightly below the grade of the two adjacent roadways. State Highway 178 is a concrete paved, two-way primary traffic route with two lanes of traffic in each direction separated by a grass median strip. There is no improved boulevard on either side of Highway. Chippewa Crossing Boulevard is a bituminous paved, two-way connecting street that connects State Highway 178 to Business Highway 29. There is a concrete curb and gutter system located along both sides of the boulevard, however, there is no public sidewalk. Access to the property would be available from Chippewa Crossing Boulevard. There is no direct access to the site from State Highway 178.

The subject parcel is primarily wooded covered with a pine tree plantation.

Municipal water and sewer service is available to the property. Other public utilities available include natural gas, electricity, and telephone. The bearing qualities of the soil appear adequate, as there are no significant signs of settlement noted in the surrounding building or site improvements.

There are easements of record for public utilities. There were no apparent easements, encroachments, or other conditions noted that would negatively affect the marketability of the property. However, a title search was not reviewed as part of this appraisal assignment. It is possible a title search could reveal certain easements, encroachments, or other encumbrances that may have a negative impact on the overall utility, and hence value. If the client has a concern, a title search outlining the history of the property should be obtained.

OWNERSHIP DATA:

The property has been under the ownership of the State of Wisconsin Department of Health and Family Services for numerous years. There have been no sale transfers of the subject within the past five years.

To my knowledge, there is no current listing, offering, or purchase agreement involving the property. Also, the property has not been listed for sale on the open market within the past five years.

ENVIRONMENTAL CONDITIONS:

The value estimated in this report is based upon the extraordinary assumption the property is not affected by the existence of hazardous substances or detrimental environmental conditions. I am not an expert in the identification of hazardous substances or detrimental environmental conditions. A routine observation around the property did not develop any information that indicated the existence of any apparent significant substances or detrimental environmental conditions which would affect the property negatively. It is possible tests and inspections made by a qualified hazardous substance and environmental

expert could reveal the existence of hazardous materials or environmental conditions on or around the property that would negatively affect its value. If the client has a concern, a qualified expert should be consulted to determine if environmental hazards do exist.

ASSESSED VALUATION AND TAXES:

The subject is currently owned by the State of Wisconsin, thus, has not been assessed nor taxed in the past. Therefore, there is no assessment or tax data available to report.

ZONING:

According to the city of Chippewa Falls, the subject parcel is zoned P-1 (Public/Institutional District). This district is established to provide specifically defined areas where churches, schools, nursing homes, residential care apartment complexes, libraries, parks, and other uses of a public or institutional nature are the primary use.

The minimum front yard setback requirement is 30 feet while the side yard setback requirement is 15 feet and the rear yard setback requirement is 25 feet. The minimum lot width requirement is 80 feet and the minimum lot size requirement is 7,200 feet. The maximum building height allowed is 60 feet.

There are a number of permitted and conditional uses allowed under the P-1 zoning code. A copy of this zoning code along with a zoning map outlining the subject's location is included in the addendum to this report.

FLOOD PLAIN:

According to the Federal Emergency Management Agency (FEMA) approved flood plain map for the city of Chippewa Falls, Panel #55017C 0586 E, effective date of March 2, 2010, the entire parcel is located in zone X, which is not within the 100 year flood hazard area.

HIGHEST AND BEST USE:

For Highest and Best Use of land as though vacant and property as improved, the use must meet four criteria. Those criteria are that the Highest and Best Use must be:

1. Physically Possible
2. Legally Permissible
3. Financially Feasible
4. Maximally Productive

These criteria should usually be considered sequentially, for only when there is a reasonable possibility that one of the prior unacceptable conditions can be changed is it appropriate to proceed with the analysis.

Highest and Best Use is defined as follows:

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

(Source: Dictionary of Real Estate Appraisal – 6th Edition, Appraisal Institute)

Implied in this definition is that the determination of Highest and Best Use takes into account the contribution of a specific use to the community and community development goals as well as the benefits of that use to the individual property owner. Therefore, in certain situations, the Highest and Best Use of land may be for parks, undeveloped green space, preservation, conservation, or wildlife habitat.

Highest and Best Use Analysis:

Land as Though Vacant:

The four questions about the property must be considered before a Highest and Best Use estimate can be reached. This is done after examining surrounding land uses and coming to a tentative use conclusion.

In this case, the tentative use conclusion appears to conform to a productive use currently not allowed under the present zoning of P-I (Public/Institutional District). The city has identified the future use of this property for something other than public. More discussion on this is below in the Legally Permissible section.

Physically Possible:

Discussing the first criteria of Highest and Best Use, Physically Possible, it is possible for the subject to be utilized for a variety of purposes. The soils appear to be satisfactory and the technology does exist to transform the vacant land into a developed use. The property has adequate access, visibility, and size to be utilized for a number of potential uses.

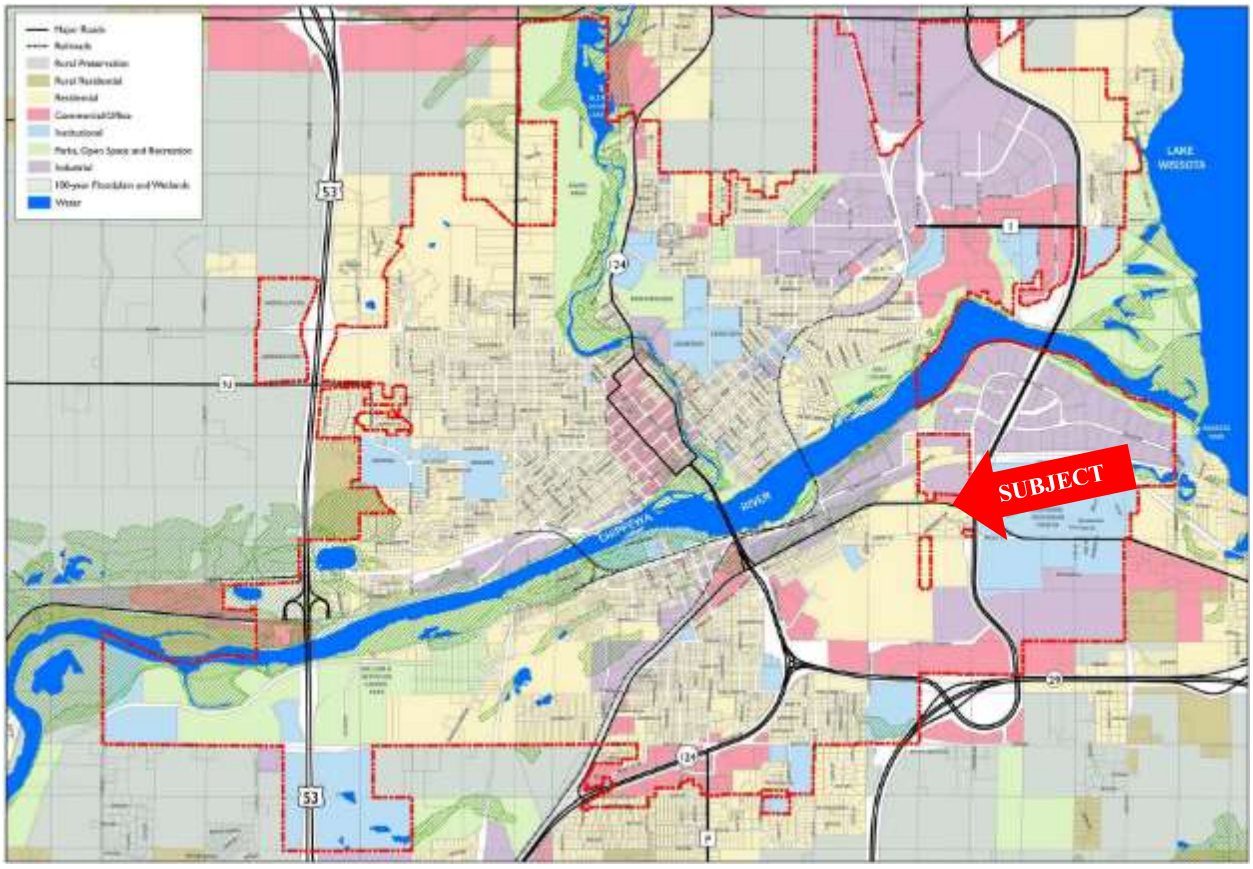
Legally Permissible:

Regarding the second criteria, Legally Permissible, the subject is currently zoned P-1 (Public/Institutional District). According to Mr. Jason Smith, Chippewa Falls City Planner, the zoning of the subject could likely change in the future if interest to develop the site emerges. The 2035 Land Use Plan for the property, as included in the City of Chippewa Falls Comprehensive Plan and adopted

December 4, 2012, suggest the anticipated future land use for the subject is for industrial purposes.

A copy of the 2035 Land Use Map outlining the subject's location and intended future use is located on the following page:

LAND USE PLAN MAP



If future development plans are acceptable to the city, zoning could be changed to accommodate a likely industrial use. It is also entirely possible, given the demand, the parcel could be utilized for some type of secondary commercial use. The city has expressed flexibility in zoning changes to allow for a variety of future development options. For purposes of this appraisal, it is assumed the City of Chippewa Falls would be willing to change the zoning of the subject parcel to allow for future development that best serves the community and the individual parcel. Such development likely meets the criteria of Highest and Best Use.

Financially Feasible:

Regarding the third criteria, financially feasible, the subject is exposed to a relatively high traffic volume along State Highway 178, with convenient access to State Highway 29.

Regarding the third criteria, financially feasible, the subject is exposed to a relatively high traffic volume along State Highway 178, with convenient access to State Highway 29. There is other industrial development located in the area, primarily good access to the subject property.

There is other industrial development located in the area, primarily concentrated in the Riverside Industrial Park which is just north of the subject. There is demand for industrial land in this part of the city as noted by the recent sales of land parcels located in the Lake Wissota Business Park also just north of the subject.

Considering the good access to the subject and the fact it is a corner parcel, the property is a prime potential industrial use, or perhaps a secondary commercial use. The property will achieve the highest residual land value if utilized for one of these purposes.

There has been minimal new commercial development located in the area and the land located across the street to the south of the subject has been marketed for a potential commercial use for over three years. According to Colliers International, who is currently brokering the property, there has been considerable interest and activity shown in the commercial land just south of the subject with a potential announcement of some new development to take place within the coming weeks. Once this land is developed for a commercial purpose, it is possible the subject land parcel could have a more commercial use orientation. However, until this occurs, the property is analyzed as more of a light industrial purpose.

Maximally Productive:

Regarding Maximally Productive, the majority of the subject parcel is suitable for development, taking into consideration typical setback requirements and utility easements. The parcel has a slightly irregular shape and the topography is conducive for development.

Summary:

Based on the above discussion, it appears the subject parcel as though vacant, is best suited for some type of like industrial use, with the potential for a commercial use also a possibility, however, until further additional commercial development occurs, it is difficult to conclude that a commercial use is the Highest and Best Use of the subject property. There does not appear to be any demand for additional public or institutional types of uses at this time, thus to consider the subject's land for this type of use is not feasible.

Property as Improved:

The subject property is vacant land, thus an analysis of the Highest and Best Use of the property as improved is not applicable.

IMPROVEMENT ANALYSIS:

The subject is vacant land that has a mostly wooded pine tree plantation cover. There are no building or site improvements located on the property. Therefore, an improvement analysis discussion for this appraisal assignment is not applicable.

VALUATION BY COST APPROACH:

Underlying the theory of the Cost Approach to Value is the principle of substitution which suggests that no prudent person will pay more for a property than the amount for which they can obtain, by purchase of a site and construction of improvements without undue delay, a property of equal desirability and utility. Consequently, current reproduction cost, prior to any deduction for accrued depreciation, plus land value, plus entrepreneurial profit, provide a measure against which prices for already improved properties may be judged. For the Cost Approach to produce a valid indication of market value, it is necessary to consider the accrued depreciation evident in the property being appraised due to all causes; physical, functional, and external.

The steps taken in deriving an indication of value through application of the Cost Approach are:

1. Estimate the value of the land as though vacant and available to be developed to its highest and best use.

2. Estimate the reproduction or replacement cost of the improvement on the effective appraisal date.

3. Estimate the amount of accrued depreciation in the improvements, categorized by three major types:

   a. Physical Deterioration
   b. Functional Obsolescence
   c. External Obsolescence

4. Deduct the appropriate estimated depreciation from the reproduction or replacement cost of the improvements to derive an estimate of the improvements' contribution to total value.

5. Add the depreciated reproduction or replacement cost of the improvements to value allocation of the site improvements and land to obtain an estimated value by the Cost Approach.

Although considered, the Cost Approach is not utilized in this appraisal assignment. The subject is vacant land and this valuation method typically does not apply for this type of property. Therefore, the Cost Approach is given no further consideration.

VALUATION BY INCOME CAPITALIZATION APPROACH:

Investment property includes real estate which is bought primarily on the basis of the income which is produced. In dealing with such properties, the value tends to be set by the quantity, quality, and durability of the net income to the property.

In the valuation of the property, the process begins by analyzing the existing and/or most probable gross income at the time of appraisal, plus miscellaneous and net service income, if any. Market rental is based on prevailing rental rates for comparable space. This may be more or less than the actual or contract rent.

In actual practice, most buildings cannot expect to be fully and continuously occupied. Prudent investors make a deduction for anticipated vacancy and/or collection losses, which leaves an effective gross income. The next claims upon income are the various operating expenses, such as taxes, insurance, administration, utilities, repairs, reserve for replacements, and any other appropriate out-of-pocket expense.

Capitalization is the process of converting net income into value, either by dividing the net income by an appropriate rate, or multiplying it by a factor. There is no single way to capitalize income. The most commonly used methods have variable built-in assumptions.

Various income approaches to value may be used in an appraisal since, if properly used, each analysis helps to explain the characteristics important to real estate investments; and also they help to illustrate how different points of view can still result in similar value estimates.

Although considered, the Income Capitalization Approach is also not utilized in this appraisal assignment. Land similar to the subject typically is not utilized to generate an income. Therefore, there is insufficient market data available to adequately support a market rent for the subject, which is the first step required in completing this analysis. Therefore, this valuation approach is also given no further consideration.

VALUATION BY SALES COMPARISON APPROACH:

In this approach, sales of similar unimproved land are analyzed, compared and adjusted to derive an indication of value for the land being appraised. The direct sales comparison method is utilized comparing like property. The comparable properties are adjusted to the subject to arrive at an indication of value. The steps of the procedure are as follows:

1. Research the market to obtain information about transactions and listings of other properties similar to the subject property.

2. Verify the information by considering whether the data is factually accurate and the transaction reflects an arm's length market consideration.

3. Determine relevant units of comparison such as acres, square foot and front foot, and develop a comparative analysis for each unit.

4. Compare the subject and comparable sales according to the elements of comparison and adjust the sales price of each comparable as appropriate.

5. Reconcile the multiple value indications that result from the adjustments into a single value indication.

The sales data is as follows:

SALE #	LOCATION	SALE DATE	SALE PRICE	SIZE/ ACRES	PRICE/ ACRE
5777	Lakeland Dr Chippewa Falls	1/2020	$436,800	12.50	$34,944
5385	Lakeland Dr Chippewa Falls	10/2018	$581,000	16.60	$35,000
5790	Commerce Parkway Chippewa Falls	9/2019	$518,000	14.80	$35,000
5184	Chippewa Crossing Blvd Chippewa Falls	11/2016	$450,000	17.20	$26,163

Sale #5777 is the site of the VES Research/Lab light industrial property located along Lakeland Drive in the Lake Wissota Business Park. This property sold in January, 2020 for the equivalent of $34,944 per acre.

Sale #5385 is the site of the Nordson light industrial manufacturing property also located along Lakeland Drive in the Lake Wissota Business Park. This property sold in October, 2018 for the equivalent of $35,000 per acre.

Sale #5790 is a vacant industrial parcel located along Commerce Parkway in the Wissota Business Park. This property is located adjacent to the large Mills Fleet Farm distribution warehouse and was purchased by them for a future use. This property sold in December, 2019 for the equivalent of $35,000.

Sale #5184 is the site of the Bloomer Ford automobile dealership facility located along Chippewa Crossing Boulevard at the Business Highway 29 intersection. This parcel sold in November, 2016 for the equivalent of $26,163 per acre.

The above sales are listed on the following adjustment chart. Any necessary adjustments are made to the comparable properties to reflect differences between them and the subject.

GRID ANALYSIS OF LAND SALES					
SALE #	**SUBJECT**	5777	5385	5790	5184
DATE OF SALE	Dec-21	Jan-20	Oct-18	Sep-19	Nov-16
PRICE		$436,800	$581,000	$518,000	$450,000
SIZE (ACRES)	6.40	12.50	16.60	14.80	17.20
SALE PRICE/ACRE		$34,944	$35,000	$35,000	$26,163
FINANCING (%)					
:AT MKT RATES		YES	YES	YES	YES
ADJUSTMENTS: %					
SALE COND'S		0%	0%	0%	0%
CASH EQUIV'Y		0%	0%	0.0%	0%
NORMAL PRICE:		$436,800	$581,000	$518,000	$450,000
MARKET COND'S		0.00%	0.00%	0.00%	0.00%
ADJUSTED PRICE:		$436,800	$581,000	$518,000	$450,000
LOCATION	Chippewa Falls	0%	0%	0%	0%
SIZE (ACRES)	6.40	0%	0%	0%	0%
ZONING	Public/Institutional	0%	0%	0%	0%
TOPOGRAPHY	Mostly level to gently sloping	0%	0%	0%	0%
SHAPE	Slightly Irregular	0%	0%	0%	0%
UTILITIES	Municipal	0%	0%	0%	0%
ACCESS	Good	0%	0%	0%	0%
VISIBILITY	Good	0%	0%	0%	0%
NET ADJUSTMENT		0%	0%	0%	0%
ADJ SALE PRICE:		$436,800	$581,000	$518,000	$450,000
/ACRE		$34,944	$35,000	$35,000	$26,163
AVERAGE PRICE:					
/ACRE			$32,777		

Land Sales Data # 5777

Type of Property

8 - Vacant, Commercial, Industrial

Buyer

Chippewa Falls Holdings, LLC

Seller

Chippewa County

Street Address

Lakeland Drive

City:

Chippewa Falls

State:

Wi

Legal Description

Lots 2 and 3, Block 6, Second Addition to the plat of Lake Wissota Business Park, city of Chippewa Falls, Chippewa County, Wisconsin

Verification	DOR, Grantor	***Conveyance***	Warranty Deed
Recording Data	Document #897143	***Size (Acres)***	12.5
Size (Square feet)	544,500	***Size (F.Feet)***	
Shape	Slightly Irregular	***Topography***	Level
Site Improvements	None		
Zoning	Industrial	***Access***	Average
Visibility	Good	***Sale Price***	$436,800
Sale Date	1/20/2020	***SP/Unit***	$34,944

Remarks This is the site of the VES Reseach/Lab light industrial property located in the Lake Wissota Business Park. Property is located between Lakeland Drive to the west and STH 178 to the east. In a growing area with other light industrial uses.

Land Sales Data # 5385

Type of Property

8 - Vacant, Commercial, Industrial

Buyer

Lakeland Drive, LLC

Seller

Chippewa County

Street Address

Lakeland Drive

City:

Chippewa Falls

State:

WI

Legal Description

Lots 6 and 7, Block 9, Plat of Lake Wissota Business Park, Second Addition, city of Chippewa Falls, Chippewa County, Wisconsin

Verification	DOR	***Conveyance***	Warranty Deed
Recording Data	Document #883555	***Size (Acres)***	16.6
Size (Square feet)	723,096	***Size (F.Feet)***	
Shape	Rectangular	***Topography***	Level
Site Improvements	None		
Zoning	Industrial	***Access***	Good
Visibility	Good	***Sale Price***	$581,000
Sale Date	10/30/2018	***SP/Unit***	$35,000 / acre

Remarks

This is the future site of the Nordson manufacturing bulding in the process of being constructed. Site is located at the corner of Lakeview Drive and Lakeland Drive in the Lake Wissota Business Park. Property is located across the street from the recently constructed large Fleet Farm distribution center facility. Developing industrial park with convenient access to STH 29.

Land Sales Data # 5790

Type of Property

8 - Vacant, Commercial, Industrial

Buyer

Exel, Inc

Seller

Chippewa County, Wisconsin

Street Address

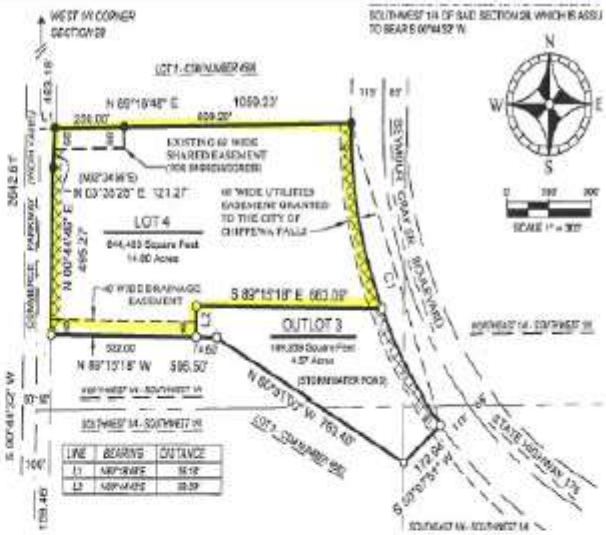
Commerce Parkway

City:

Chippewa Falls

State:

WI



Legal Description

Lot 4 of CSM #4836 recorded in Volume 22 of CSMs on Page 241 as Document #875379,. City of Chippewa Falls, Chippewa County, Wisconsin

Verification	DOR	***Conveyance***	Warranty Deed
Recording Data	Document #892533	***Size (Acres)***	14.8
Size (Square feet)		***Size (F.Feet)***	
Shape		***Topography***	Level
Site Improvements	None		
Zoning	Industrial	***Access***	Average
Visibility	Good	***Sale Price***	$518,000
Sale Date	9/6/2019	***SP/Unit***	$35,000 / acre

Remarks This parcel was purchased by DHL Supply (Mills Fleet Farm) for additional land next to their large distribution warehouse in the Wissota Business Park on the northeast side of Chippewa Falls. In a growing area with other light industrial development.

Land Sales Data # 5184

Type of Property

8 - Vacant, Commercial, Industrial

Buyer

Bauman Construction, Inc

Seller

Chippewa Crossing Partners, LLC

Street Address

Chippewa Crossing

City:

Chippewa Falls

State:

Wi

Legal Description

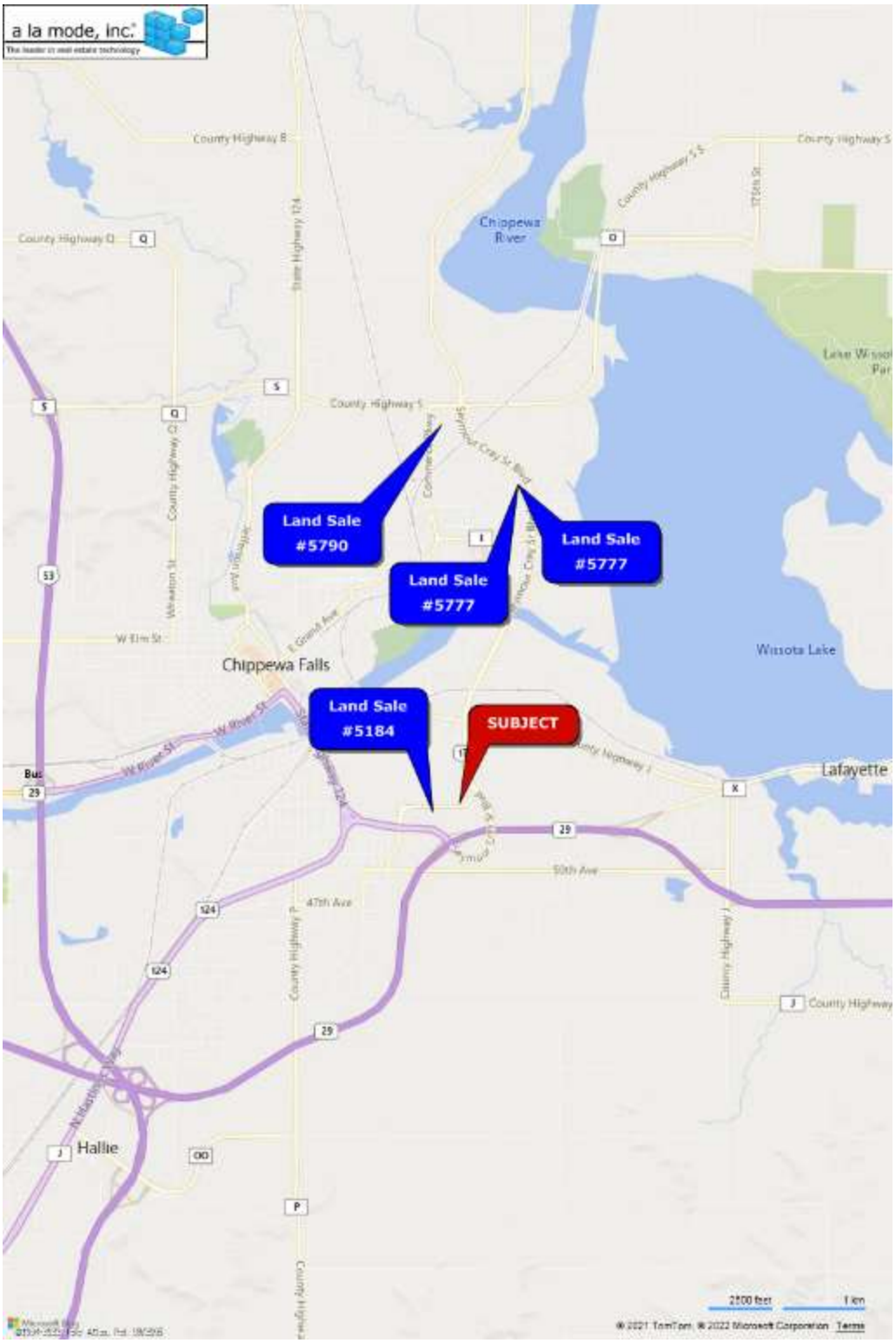
Part of the NW 1/4 of the SE 1/4 of Section 8, T28N, R8W, city of Chippewa Falls, Chippewa County, Wisconsin, further described as follows: Commencing the the East 1/4 corner of Said Section 8; thence South 89 Deg, 53 Min, 3 Sec West 1,318.33' fo the NE corner of the NW 1/4 of the SE 1/4 and the POB; thence South 0 Deg, 16 Min, 43 Sec West on the East line of the NW 1/4 of the SE 1/4, 831.15' to the Northerly ROW line of STH 29; thence 1,006.80' on said line and along the arc of a curve, concave Northerly, having a radius of 5,619.65', a chord bearing north 79 Deg, 55 Min, 1Sec West and a chord distance of 1,005.46'; thence North 0 Deg, 27 Min, 30 Sec East 653.13; thence North 89 Deg, 53 Min, 3 Sec East on the North line of the NW 1/4 of the SE 1/4, 988.75' to the POB

Verification	DOR	***Conveyance***	Warranty Deed
Recording Data	Document #861520	***Size (Acres)***	17.20
Size (Square feet)	749,232	***Size (F.Feet)***	
Shape	Rectangular	***Topography***	Level
Site Improvements	None		
Zoning	General Commercial	***Access***	Good
Visibility	Good	***Sale Price***	$450,000
Sale Date	11/7/2016	***SP/Unit***	$26,163 / acre

Remarks

This is the future site of a Bloomer Ford automobile dealership facility located on the SE side of the city of Chippewa Falls. This parcel is located at the NW corner of the Chippewa Crossing and Bus Hwy 29 intersection and in very close proximity to the STH 178 and STH 29 interchange. This is the first commercial development to occur at this interchange. There was a new city fire station also constructed just east of this parcel. This area has been slow to develop, but is primed for future expansion in the near term. There is convenient access to major traffic routes. This parcel has very limited visibility from STH 29, but elevated signage could alert traffic along the highway to this location.

SUBJECT AND LAND SALES LOCATION MAP



Discussion:

The search for comparable market data includes sales of industrial or commercial zoned parcels located in the City of Chippewa Falls. Of all the sales researched, those considered most representative of the subject are include in the analysis. The sales bracket the subject, providing a balanced analysis.

Transactional Adjustments:

Transactional adjustments include differences in financing, cash equivalency, unusual conditions of sale, and expenditures made immediately after the purchase.

Each comparable property was conveyed by a Warranty Deed and is an arm's length transactions. Also, the property rights conveyed are Fee Simple, similar to the to the property rights value for the subject's land. Therefore, no financing or cash equivalency adjustments are required.

To my knowledge, there were no unusual conditions of sale issues noted in any of the comparable properties, nor where there any expenditures made immediately after purchase. Therefore, no conditions of sale or post sale expenditure adjustments are necessary.

Market Conditions:

There is no matched paired sales data available to any type of adjustment.

According to the Wisconsin Department of Revenue, who tracks changes in equalized value for commercial and industrial land in every municipality throughout the state, the equalized value for industrial land in the city has averaged an increase of 1.75% per year since 2018. Also, the equalized value for commercial land in the city has averaged an increase of 6.5% per year since 2016. This data supports the conclusion that a negative market condition adjustment is not warranted. However, since there is no additional data available to support a positive adjustment, no market conditions are made.

Location:

The subject is located in the City of Chippewa Falls, along the State Highway 178 corridor at the Chippewa Crossing Boulevard intersection. The property is also located near the State Highway 178 and State Highway 29 interchange. This is a good location for a potential industrial or use.

Sales #5777, #5385 and **#5790** are each located in the Lake Wissota Business Park, just north of the subject. This is also an established industrial area of the city. The location of these three properties is judged to be similar to the subject's and no adjustments are made.

Sale #5184 is located just west of the subject along Chippewa Crossing Boulevard. This location is very similar to the subject's and no adjustment is made.

Size:

The subject parcel contains a total of 6.40 acres.

The comparable properties range in size from 17.20 acres to 12.50 acres. The overall size of each comparable properties is reflective of the subject's and no further size adjustments are required. Generally, for industrial use land, the overall size of the parcel is irrelevant when analyzing a sale price per acre. Smaller parcels sell for the same unit price per acre as do larger parcels in the park. Therefore, no adjustment are made.

Zoning:

The subject is zoned for a public/institutional use, although, as noted in the Highest and Best Use section of the report, the likely end use for the subject is for some type of industrial purpose.

Sales #5777, #5385 and **#5790** are all zoned for an industrial use, similar to the subject's Highest and Best Use. Therefore, no zoning adjustments are made.

Sale #5184 is zoned for a commercial use. It is noted the industrial zoning code in the City of Chippewa Falls also does allow for some commercial uses including office buildings, commercial service facilities such as a restaurant, motel, convenience store, etc. Therefore, although having an industrial orientation, the subject parcel could be utilized and developed for a number of commercial uses as well. Therefore, no zoning adjustment is made to this comparable property.

Topography/Shape:

The subject has a mostly level to gently sloping topography a slightly irregular shape.

The topography and shape of each comparable property is reflective of the subject's and no adjustments are made.

Utilities:

The subject has municipal utilities available.

Each comparable property also has similar municipal utilities available at the time of sale. Therefore, no adjustments are made.

Access/Visibility:

The subject has good visibility from State Highway 178 and is located near the corner of the Chippewa Crossing Boulevard intersection. The property is also located in close proximity to the State Highway 29 and State Highway 178 interchange. Access to these primary traffic routes is good.

Each comparable property also has good access and visibility from a primary traffic route. This is similar to the subject's visibility and access and no adjustments are required.

The adjusted comparable properties support a potential value range of $35,000 to $26,163 per acre. Considering the subject has a corner site influence, a market value at the upper end of the range is considered appropriate.

The market value of the subject property is stated at $35,000 per acre and calculated as follows:

Size (Acres)	x	Unit basis	=	Value
6.40 Acres	x	$35,000/Acre	=	$224,000
Round to				$225,000

The market value of the subject property, based on the Sales Comparison Approach, is stated at $225,000.

FINAL OPINION OF VALUE:

The market value of the property, as of December 28, 2021, is stated at $225,000.

TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS

There are no hypothetical conditions associated with this appraisal assignment.

The property is valued based on its current As Is condition as of the date of observation.

There are no hypothetical conditions associated with this appraisal assignment. The only extraordinary assumption included in this report is there are no environmental conditions on or around the property that would have a negative impact on the overall utility, and hence value. Any deviation from this extraordinary assumption may have a significant effect on the value conclusion stated above.

ASSUMPTIONS AND LIMITING CONDITIONS

1. *The "Scope of Work", as agreed upon by the client and appraiser, is the work the appraiser performed to develop the assignment results. Please refer to the "Scope of Work" section of this report.*

2. *This is an appraisal report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an appraisal report. As such, it includes full discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.*

3. *No responsibility is assumed for legal description, legal or title considerations. Title to the property is assumed to be good and marketable.*

4. *The property is appraised free and clear of any or all liens and encumbrances.*

5. *Responsible ownership and competent property management are assumed.*

6. *The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.*

7. *All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.*

8. *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 arranging for engineering studies that may be required to discover them.*

9. *It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws.*

10. *It is assumed that all applicable zoning and use regulations and restrictions have been complied with.*

11. *It is assumed that all required licenses, certificates of occupancy or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.*

12. *Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report. No survey has been made for the purpose of this report.*

13. *It is assumed that the utilization of the land is within the boundaries or property lines of the property described and that there is no encroachment or trespass.*

14. *The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.*

ASSUMPTIONS AND LIMITING CONDITIONS (CONT.)

15. *Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value, marketability, or utility.*

16. *The total valuation in this report applies only under the stated program of utilization. The value allocations must not be used in conjunction with any other appraisal and is invalid if so used.*

17. *Possession of this report, or a copy thereof, does not carry with it the right of publication, in whole or in part. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only the proper written qualification and only in its entirety.*

18. *Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news sales, or other media without prior written consent and approval of the appraiser.*

19. *The valuation of the property (i.e., Cost Approach, Sales Comparison Approach, and Income Capitalization Approach) is used in the appraisal to value only this property for the intended client. The appraised value, any parts of the appraisal, or valuation process must not be used for any other purpose or reason.*

20. *The client agrees that the appraisal firm does not by performing the services rendered, assume, abridge, abrogate, or undertake to discharge any duty of client to any other entity.*

21. *Any use of the appraisal report, by the client, is conditioned upon payment of all fees in accordance with the agreed terms.*

22. *In consideration for performing the services rendered at the fee charged, the appraisal firm expressly limits its liability to the amount of the fee. The appraisal firm expressly disclaims liability as an insurer or guarantor. Any persons seeking greater protection from loss or damage than is provided for herein, should obtain appropriate insurance. The client shall indemnity and hold harmless the appraisal firm and its employees, against all claims by any third party or any judgment for loss or damage relating to the performance of any services by the appraisal firm.*

23. *In the future, if the appraisal firm is compelled to produce documents or testify with regard to work performed, the client shall reimburse the appraiser for all costs and expenses incurred.*

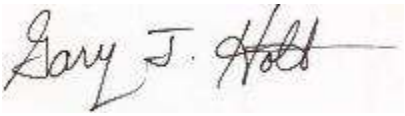
24. *J. C. Norby & Associates and/or the appraisers are not qualified to render expert opinions regarding structural issues, water damage, environmental assessments (such as mold), engineering/mechanical issues, ADA and/or building code compliance, land planning, architectural experts, or soil conditions. If requested, J. C. Norby & Associates will recommend qualified experts in these fields to assist the client and/or the appraisal process.*

25. *This appraisal report has been written for the intended use of the client listed in this appraisal. Possession of this report, or a copy thereof, does not carry with it the right of publication (either in whole or in part), nor may it be used for any purpose other than the one stated in the Letter of Transmittal and the Purpose of the Appraisal, without the express, written consent of the appraiser and client. Authorized copies of this report will be signed by the appraiser(s). Unsigned copies should be considered incomplete. All unauthorized or incomplete copies of this report should also be considered confidential, and as such, must be returned, in their entirety, to J. C. Norby & Associates, Inc.*

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- *The statements of fact contained in this report are true and correct.*
- *The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.*
- *I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.*
- *I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.*
- *My engagement in this assignment was not contingent upon developing or reporting predetermined results.*
- *My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.*
- *My analyses, opinions, and conclusions were developed and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.*
- *I have made a personal inspection of the property that is the subject of this report.*
- *No one provided significant real property appraisal assistance to the person signing this certification.*
- *The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.*
- *The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.*
- *As of the date of this report, I have completed the continuing education program for Designated members of the Appraisal Institute and the state of Wisconsin.*
- *I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.*



Gary J. Holt, MAI, SRA
WI Certified General Appraiser #1028
Signature Date: January 6, 2022
Expiration Date: December 14, 2023

QUALIFICATIONS OF GARY J. HOLT, MAI, SRA
J.C. NORBY & ASSOCIATES, INC.
EAU CLAIRE, WISCONSIN

***EDUCATION**:*
B.S. University of Wisconsin-Stevens Point, Stevens Point, Wisconsin. Accounting Major. Degree: May 1985.
Eminent Domain & Condemnation Seminar, May 1999
Appraisal 500 - Advanced Residential Form and Narrative Report Writing, October 1999
Small Hotel/Motel Valuation, Appraisal Institute, May, 1998
Appraisal 430 - Standards of Professional Appraisal Practice, November 2000
Dynamics of Office Building Valuation, Appraisal Institute, October, 2001
Online Appraisal from Blueprints & Specifications, December, 2001
Appraisal 310 - Basic Income Capitalization - October, 2002
Appraisal 705 - Litigation Appraising - December 2004
Evaluating Commercial Construction - Appraisal Institute - January 2005
Easement Valuation Course # 403 offered by International Right of Way Association - May 2005
General Applications – August 2006
Appraisal Procedures & Practices – May 2007
Highest & Best Use and Market Analysis – July 2007
Conservation Easement – September 2008
Appraisal Standards for Federal Land Acquisition (Yellow Book) – Appraisal Institute – March 2009
Real Estate Finance Statistics & Valuation Modeling - 2009
Analyzing Tenant Credit Risk and Commercial Leases – Appraisal Institute – April 2011
General Appraisal Report Writing – Appraisal Institute, December 2011
Fundamentals of Separating Real, Personal Property, and Intangible Business Assets – March 2012
Advanced Income Capitalization – Appraisal Institute, September 2012
Advanced Concepts and Case Studies - Appraisal Institute, September 2013
General Demonstration Report Writing & Business Practice & Ethics, 2015
Changes to Appraisal Standards for Federal Land Acquisition (Yellow Book) – Appraisal Institute – January, 2017
Business Practices & Ethics – 2017
Appraising Convenience Stores – Appraisal Institute – 2017
Rates and Ratios, Making Sense of GIM's, OAR's, and DCF – Appraisal Institute – November, 2017
A Guide to Appraising Automobile Dealerships – Appraisal Institute – March, 2019
USPAP Update – 2019
Small Hotel/Motel Valuation – Appraisal Institute – September, 2019
Valuation of Medical Office Buildings – Appraisal Institute – December, 2019
USPAP UPDATE – 2020 – Appraisal Institute – February, 2020
Subdivision Valuation – Appraisal Institute – November, 2021
Fundamentals of Apartment Appraising – Appraisal Institute – December, 2021

MEMBERSHIPS & LICENSES:
State of Wisconsin Certified General Appraiser - (CGA) - #1028
State of Minnesota Certified General Appraiser – 40608535
National Association of Realtors
MAI, SRA - Appraisal Institute
International Right-of-Way Association, Member #7953924

APPRAISAL EXPERIENCE:

LENDING INSTITUTIONS

U S Bank - Eau Claire & Milwaukee, Wells Fargo Bank - Eau Claire, Minneapolis & Chicago, First National Bank - Hudson, Royal Credit Union - Eau Claire, Bremer Bank - Menomonie, BMO Harris Bank, Frandsen Bank & Trust - Eau Claire & Hayward, Northwestern Bank - Chippewa Falls & Cornell, First Bank & Trust - Menomonie, Citizens Community Federal - Eau Claire & Chippewa Falls, Charter Bank - Eau Claire, Associated Bank - Wisconsin & Minnesota, First National Bank – River Falls, WESTconsin Credit Union, Sterling Bank, Citizens State Bank, Hiawatha National Bank.

GOVERNMENT BODIES

Cities of Eau Claire, Chippewa Falls, Altoona, River Falls, Spooner, Barron; State of Wisconsin - Department of Veteran's Affairs, Department of Transportation, Department of Justice, Department of Administration, Wisconsin Department of Natural Resources Eau Claire Board of Education, Counties of Eau Claire, Chippewa, Dunn, Pierce, Rusk, Polk and Jackson, Wisconsin Business Development Finance Corporation, Small Business Administration, Wisconsin Housing Authority, Chippewa County Land Conservation Department.

PAST AND PRESENT EMPLOYMENT:

J.C. Norby & Associates, Inc., Eau Claire, Wisconsin, February 1994. Real estate and personal property appraisals.
Fidelity National Bank, Medford, Wisconsin, May 1990-February 1994. Duties include real estate appraisals since June, 1992. Assistant Vice President/Audit & Compliance Officer.
M&I Corp., Wausau, Wisconsin, August 1985-May 1990. Audit and Compliance Services.
Mr. Holt is a Certified General Appraiser with experience in many different types of appraisals including hotels/motels, office buildings, restaurants, retail strip centers, golf courses, nursing homes, convenience stores and various industrial properties.

***TESTIFIED AS EXPERT WITNESS** in Eau Claire County, Dunn County, Chippewa County and Taylor County Courts*

A D D E N D U M

ZONING REGULATIONS

(1) GENERAL PURPOSE. (Am. #99-25) This district is intended to provide specifically, defined areas where churches, schools, nursing homes, residential care apartment complexes, libraries, parks and other uses of a public or institutional nature are the primary use.

(2) SETBACKS.

Minimum Front Yard, 30 feet.

Minimum Either Side Yard, 15 feet.

Minimum Rear Yard, 25 feet.

Minimum Aggregate Side Yard, 30 feet.

(3) LOT SIZE. (Am. #99-25)

Minimum Area:

(a) Building sites, minimum 7,200 [square feet].

(b) Residentail care apartment complexes:

1. One to 4 residential units, 8,400 square feet.
2. More than 4 residential units, 8,400 square feet, plus 1,200 square feet for each additional residential unit over 4.

Minimum Width, 80 feet.

(4) HEIGHT.

Maximum Permitted for Principal Structure, 60 feet.

Maximum Permitted for Accessory Structure, 35 feet.

(5) PERMITTED USES.

(a) Public and private schools.

(b) Churches and religious institutions.

(c) Libraries, museums, art galleries and concert halls.

(d) Cemeteries and mausoleums.

(e) Parks, parkways, historical sites, recreational facilities and nature areas.

(f) Public administrative offices and public service buildings.

(g) Public utility distribution lines including, but not limited to, electric, gas, water, television cable, and telephone distribution lines and other related accessories subject to approval by the City Public Works Department.

(h) Accessory building or use including a garage or paved parking areas.

(i) Signs in conformity with the sign ordinance of Chippewa Falls [Chapter 19].

(j) Parking as required in §§17.38—17.43 of this chapter.

(k) Alcoholic beverage and food service facilities basically accessory to a permitted principal use, but open to the public and operated as a business, upon obtaining any required license or licenses.

(l) Nursing homes. (Cr. #99-25)

(m) Residential care apartment complexes with a minimum required floor area of 250 square feet per residential

(6) CONDITIONAL USES.

(a) Private lodges and clubs.

(b) Hospitals. (Am. #99-25)

(c) Public service yards.

(d) Radio and television transmission and relay towers.

(e) Service facilities, other than alcoholic beverage and food service facilities, basically accessory to a permitted principal use, but open to the public and operated as a business, upon obtaining any required license or licenses.

(f) Roadside stands for the sale only of products raised on the premises operated by the resident and subject to the following:

1. Off-street parking for a minimum of 4 vehicles shall be provided.
2. No stand shall be permitted in a location where it would create a traffic hazard or nuisance, and where permitted, driveways shall be located to minimize possible interference with normal flow of highway traffic.
3. No such stand shall be closer than 30 feet to the existing street line or closer than 20 feet to any other lot line.
4. Signs advertising produce shall be confined to a single neat display frame and shall not exceed 20 square feet in total area.
5. A general sign to advertise the stand, not more than 12 feet square in area, shall be permitted.

(g) Accessory building or use including a private garage carport and paved parking areas customarily incident to the above uses, but not involving the conduct of a business.

(h) Transmission lines, antennas and towers, including, but not limited to, electric, gas, petroleum, and telephone transmission lines, antennas and towers, whether installation is above or below ground, and other related accessories, substations, municipal water towers, pump houses, water and sewage treatment plants. This is subject to the provisions of §17.08(14) and is subject to all laws, rules, and regulations, statutory or administrative, governing the use and enjoyment of public right of ways. (Am. #2015-20)