

# Appraisal Report

## **ONE WILSON - STATE HUMAN SERVICES BUILDING**

1 W Wilson St  
Madison, Wisconsin 53703

Prepared for: State of Wisconsin  
Date of Report: October 3, 2025  
CBRE File No.: CB25US066449-1  
Client Reference No.: Parent ID 505000003

Date of Report: October 3, 2025

Ms. Anne Hanson  
Deputy Secretary, Department of Administration  
STATE OF WISCONSIN  
101 E Wilson St  
Madison, Wisconsin 53703

RE: Appraisal of: One Wilson - State Human Services Building  
1 W Wilson St  
Madison, Dane County, Wisconsin 53703  
CBRE File No.: CB25US066449-1  
Client Reference No.: Parent ID 505000003

Dear Ms. Hanson:

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Appraisal Report.

The subject is a 445,000-square foot, 11-story, urban office building located at 1 W Wilson St in Madison, Wisconsin. The improvements were constructed in 1930, renovated in 1959 and are situated on a 2.81-acre site. This appraisal has been prepared for the State of Wisconsin—Department of Administration (DFDM) to support internal decision-making regarding the disposition and redevelopment of 1 West Wilson Street, Madison. The assignment is to conclude market value of the fee simple estate as a vacant office building (encumbered with a state historic register designation). Because the mechanical/electrical systems require wholesale replacement and continued district-energy service to a private owner is uncertain, the standing improvements are treated as functionally obsolete; this treatment is reflected in the sales-comparison analysis and reconciliation. If a purchaser elects to remain on district steam/chilled water, it is assumed to be available on market-rate terms; otherwise, the added time and cost to construct a full on-site central plant could adversely affect value.

Based on the analysis contained in the following report, the market value of the subject is concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is (Encumbered)	Fee Simple Estate	July 21, 2025	\$20,900,000
Compiled by CBRE			

This Appraisal Report is subject to Extraordinary Assumptions and/or Hypothetical Conditions; please refer to the Executive Summary section of this report for further discussion and analysis.

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute. It also conforms to Title XI Regulations and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) updated in 1994 and further updated by the Interagency Appraisal and Evaluation Guidelines promulgated in 2010.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



Randal D. Dawson, MAI, FRICS, CRE, NACD.DC

Title: VAS - Executive Vice President

Phone: (312) 233-8685

Email: Randal.Dawson@cbre.com

License No. & State: 989-10 WI

# Certification

## We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We 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.
4. Randal D. Dawson, MAI, FRICS, CRE, NACD.DC has not provided any 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 the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our 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.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice.
9. Randal D. Dawson, MAI, FRICS, CRE, NACD.DC has made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the persons signing this certification.
11. 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 Standards of Professional Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Randal D. Dawson, MAI, FRICS, CRE, NACD.DC has completed the continuing education program for Designated Members of the Appraisal Institute.
14. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the State of Wisconsin.



Randal D. Dawson, MAI, FRICS, CRE, NACD.DC

Title: VAS - Executive Vice President

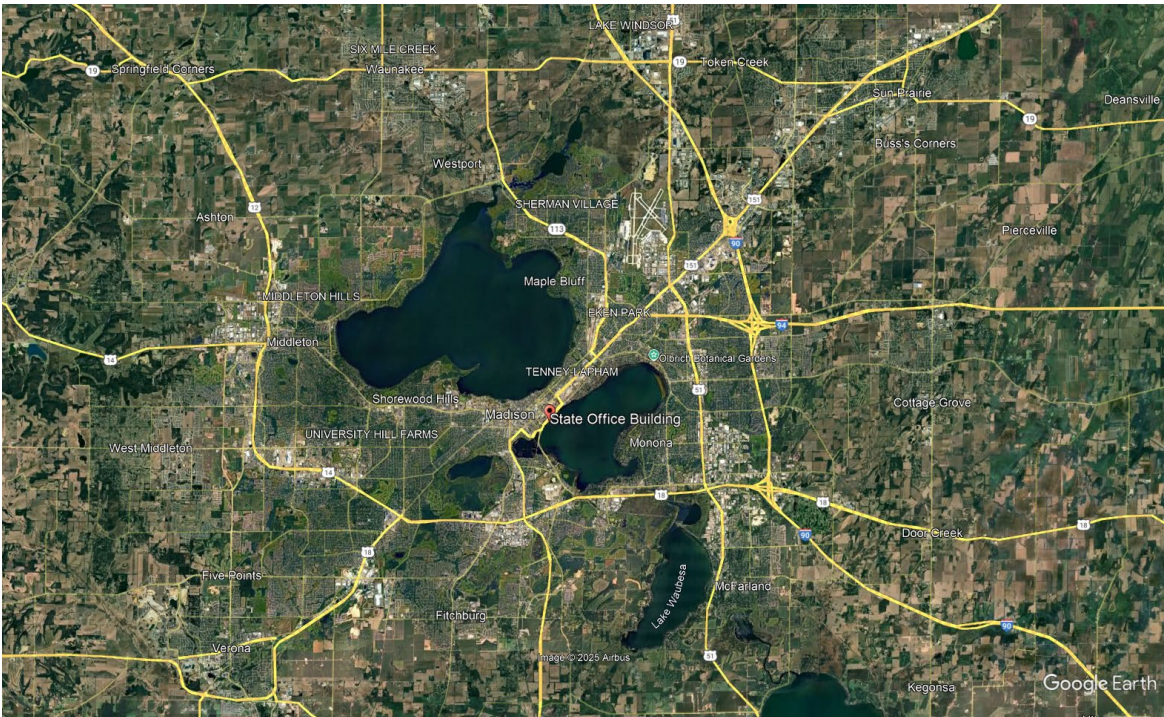
Phone: (312) 233-8685

Email: Randal.Dawson@cbre.com

License No. & State: 989-10 WI



# Subject Photographs



Aerial View





Photo 1



Photo 2



Photo 3

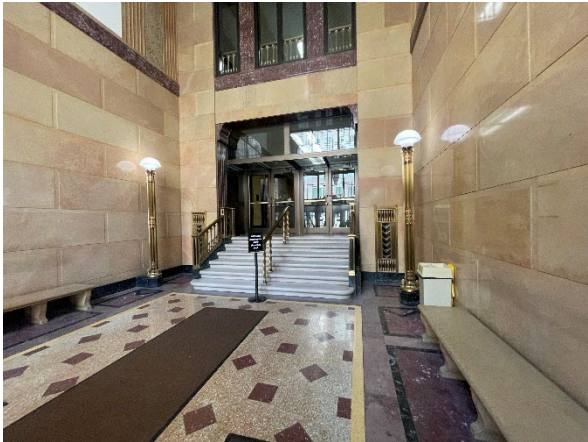


Photo 4



Photo 5

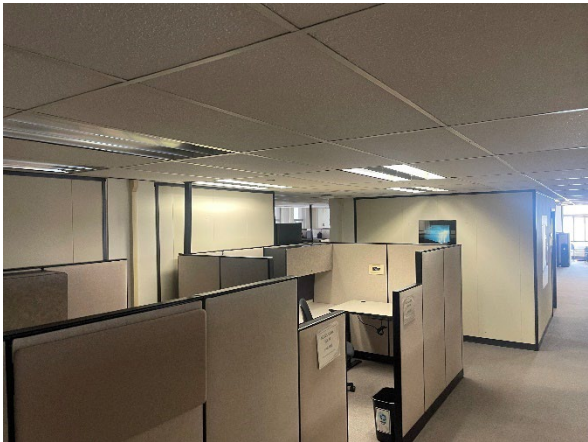


Photo 6





Photo 7



Photo 8



Photo 9

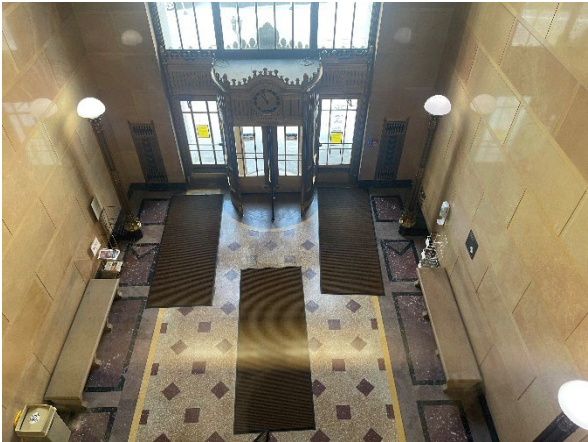


Photo 10

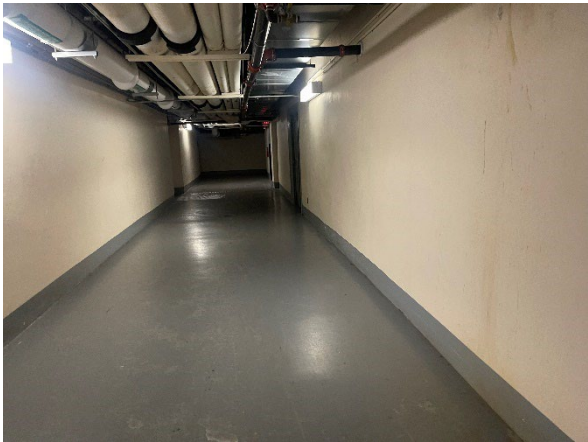


Photo 11

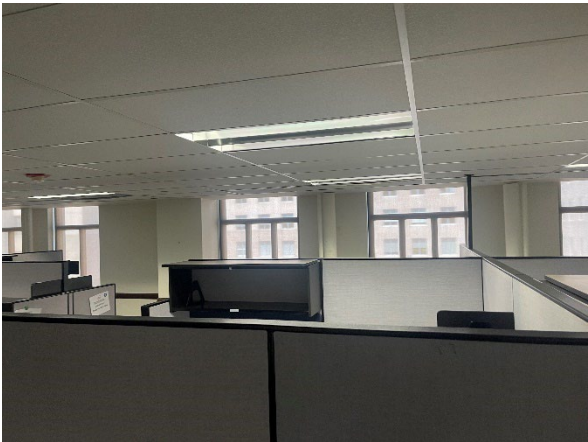


Photo 12





Photo 13



Photo 14

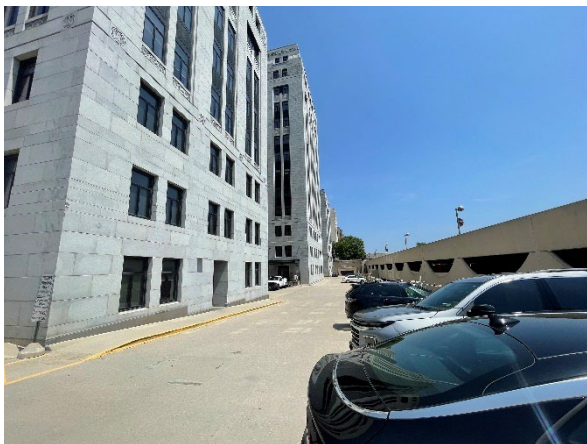


Photo 15

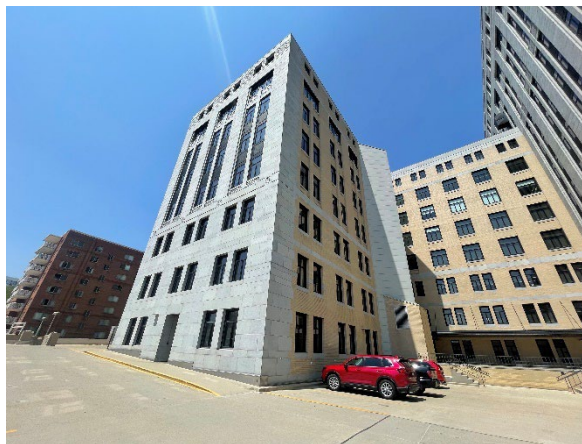


Photo 16



Photo 17



Photo 18



# Executive Summary

Property Name	One Wilson - State Human Services Building		
Location	1 W Wilson St Madison, Dane County, WI 53703		
Parcel Number(s)	0709-242-0118-3		
Client	State of Wisconsin		
Client Reference Number	Parent ID 505000003		
Highest and Best Use			
As If Vacant	Redevelopment		
As Improved	Office		
Property Rights Appraised	Fee Simple Estate		
Date of Inspection	July 21, 2025		
Estimated Exposure Time	6 - 12 Months		
Estimated Marketing Time	6 - 12 Months		
Land Area (Improved)	2.81 AC	122,316 SF	
Zoning	DC - Downtown Core District		
Improvements		Comments	
Property Type	Office	(Single Tenant)	
Number of Buildings	1		
Number of Stories	11		
Gross Building Area	445,000 SF		
Net Rentable Area	445,000 SF		
Year Built / Renovated	1930 / 1959	1939, 1952, 1959	
Effective Age	55 Years		
Remaining Economic Life	5 Years		
Condition	Average		
Buyer Profile	Investor-Regional		
VALUATION	Total		Per SF
Market Value As Is	July 21, 2025		
Sales Comparison Approach	\$20,900,000		\$46.97

CONCLUDED MARKET VALUE			
Appraisal Premise	Interest Appraised	Date of Value	Value
As Is (Encumbered)	Fee Simple Estate	July 21, 2025	\$20,900,000
Compiled by CBRE			

## Market Volatility

Commercial real estate market conditions have deteriorated at the macro level due to the significant increase in the cost of capital beginning in 2022 reducing the volume of transaction activity. Over the past few years, this has impacted price discovery and created an increase in uncertainty.

President Trump's announcement of broad-based global tariffs on April 2, 2025, has introduced additional complexity to the economic landscape. These tariffs have triggered volatility across global financial markets, with potential impacts varying based on their duration and the scope of retaliatory measures from other countries. This could lead to slower economic growth, heightened inflationary pressures, and increased uncertainty for commercial real estate markets.

The reader is cautioned that these recent developments have amplified uncertainty in commercial real estate. The impacts on interest rates, the 10-year Treasury yield, leasing activity, real estate demand, construction costs, financing availability, and property values are still unfolding. Overall, greater risk and market volatility are expected in the near term.

Experience has shown that consumer and investor behavior can shift rapidly during periods of heightened volatility, lending or investment decisions should account for the elevated risk and potential rapid changes in market conditions.

It is important to note that the conclusions set out in this report are valid as of the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to these evolving events.

## Extraordinary Assumptions

An extraordinary assumption is defined as “an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser’s opinions or conclusions.” <sup>1</sup>

- **Vacancy/possession.** The State of Wisconsin will vacate the improvements in 2025 such that the fee simple interest can be transferred or positioned for redevelopment without holdover tenancy.
- **Entitlement path.** Redevelopment consistent with the DC—Downtown Core framework (use mix, UDC/design review, downtown parking regime) is reasonably achievable through normal approvals.
- **Title matters.** Recorded items (public rights over the vacated South Carroll Street strip; railroad ROW interests along the southerly bands; riparian/public rights; and the 1995 Open Parking Structure Easement) will not materially preclude a feasible redevelopment consistent with HBU.
- **Environmental/geotechnical.** No unknown environmental contamination, hazardous materials, or unusual subsurface/shoreline conditions will require extraordinary remediation or materially higher site-prep costs.
- **Preservation overlay.** No perpetual federal historic preservation easement will be recorded and remain in force prior to clearance or conveyance that would materially constrain redevelopment. (If such an easement is executed and survives, value may be lower.)
- This appraisal makes an extraordinary assumption that any continued connection to the State’s district steam and chilled-water system will be available to a private owner under market-rate,

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<sup>1</sup> The Appraisal Foundation, *USPAP, 2024 Edition* (Effective January 1, 2024)



commercial terms. If this assumption proves false, the cost and timing of a full on-site plant would likely be greater than assumed, and the concluded market value could be affected.

- The use of these extraordinary assumptions may have affected the assignment results.

## Hypothetical Conditions

A hypothetical condition is defined as “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 purposes of analysis.”<sup>2</sup>

- None noted

## Property Ownership and History

OWNERSHIP SUMMARY	
Item	Current
<b>Current Ownership</b>	
Owner:	State of Wisconsin Building Commission (State of Wisconsin)
Seller:	Wisconsin State Public Building Corporation (to State Building Commission)
Purchase Price:	\$0
Transaction Date:	March 1, 1986
Sale in Last 3 Years?:	No
Legal Reference:	Chicago Title Commitment C-2523
County/Locality Name:	Dane
Buyer/Seller Relationship Type:	Related parties
At / Above / Below Market:	At Market
Comments:	State-owned, tax-exempt property; no open-market sale activity reported by the City/County in recent years. WPR noted properties could be listed by the end of 2025; not reported as listed as of the effective date of this report.
<b>Pending Sale</b>	
Under Contract:	No
<b>Current Listing</b>	
Currently Listed For Sale:	No
Compiled by CBRE	

CBRE is unaware of any arm's length ownership transfers of the property within three years of the date of appraisal. Further, the property is not reportedly being offered for sale as of the current date.

## Exposure/Marketing Time

Current appraisal guidelines require an estimate of a reasonable time period in which the subject could be brought to market and sold. This reasonable time frame can either be examined historically or prospectively. In a historical analysis, this is referred to as exposure time. Exposure time always precedes the date of value, with the underlying premise being the time a property would have been on the market prior to the date of value, such that it would sell at its appraised value as of the date of value. On a prospective basis, the term marketing time is most often used. The exposure/marketing time is a function

<sup>2</sup> The Appraisal Foundation, *USPAP, 2024 Edition* (Effective January 1, 2024)

of price, time, and use. It is not an isolated estimate of time alone. In consideration of these factors, we have analyzed the following:

- exposure periods for comparable sales used in this appraisal;
- exposure/marketing time information from the PwC Real Estate Investor Survey; and
- the opinions of market participants.

The following table presents the information derived from these sources.

EXPOSURE/MARKETING TIME DATA				
Investment Type	Exposure/Mktg. (Months)			
	Range		Average	
Comparable Sales Data	8.0	-	26.0	14.7
<i>PwC CBD Office (3rd Qtr. 2025)</i>				
National Data	3.0	-	15.0	9.5
Local Market Professionals	6.0	-	12.0	9.0
CBRE Exposure Time Estimate	6 - 12 Months			
CBRE Marketing Period Estimate	6 - 12 Months			
Various Sources Compiled by CBRE				



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**ADDENDA**

- A Improved Sales Data Sheets
- B Qualifications

# Scope of Work

This Appraisal Report is intended to comply with the real property appraisal development and reporting requirements set forth under Standards Rule 1 and 2 of USPAP. The scope of the assignment relates to the extent and manner in which research is conducted, data is gathered, and analysis is applied.

## Intended Use Of Report

This appraisal is to be used for internal decisions/other and no other use is permitted.

This report is intended solely to develop and communicate an opinion of market value of the fee simple interest, as if vacant, for the real property located at 1 West Wilson Street, Madison, Wisconsin, as of the stated effective date. The conclusions are to be used by the Client for internal planning and decision-making, including—but not limited to—portfolio strategy, disposition and redevelopment planning, budgeting (including demolition/abatement sensitivity), and related internal approvals.

This report is not intended for use in lending, securitization, financial reporting under GAAP/IFRS, property tax protests, public offerings, eminent domain/litigation testimony, or any other use not expressly stated herein. Any other use is prohibited.

## Client

The client is State of Wisconsin.

The Client, as defined by USPAP (the party who engages the appraiser), is the State of Wisconsin, Department of Administration (DOA), Division of Facilities Development & Management (DFDM). No other party is the client for this assignment.

## Intended User Of Report

This appraisal is to be used by State of Wisconsin. No other user(s) may rely on our report unless as specifically indicated in this report.

The Intended Users are limited to the following State of Wisconsin entities and personnel who require the results for the Intended Use above:

- State of Wisconsin, Department of Administration (DOA), DFDM
- State of Wisconsin Building Commission/authorized DOA representatives

No other person or entity is an intended user. Possession of this report or a copy does not confer the right of reliance. Distribution to third parties, if any, is for informational purposes only and does not create intended-user status or reliance rights unless we expressly amend this report in writing to identify additional intended users.

Intended users are those who an appraiser intends will use the appraisal or review report. In other words, appraisers acknowledge at the outset of the assignment that they are developing their expert opinions for the use of the intended users they identify. Although the client provides information about the parties who may be intended users, ultimately it is the appraiser who decides who they are. This is an important point to be clear about: The client does not tell the appraiser who the intended users will be. Rather, the client tells the appraiser who the client



needs the report to be speaking to, and given that information, the appraiser identifies the intended user or users. It is important to identify intended users because an appraiser's primary responsibility regarding the use of the report's opinions and conclusions is to those users. Intended users are those parties to whom an appraiser is responsible for communicating the findings in a clear and understandable manner. They are the audience.<sup>3</sup>

## Reliance Language

Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof (including Client if it is not named as an Intended User), whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

## Purpose of the Appraisal

The purpose of this appraisal is to develop an opinion of the market value of the subject property.

## Definition of Value

The current economic definition of market value agreed upon by agencies that regulate federal financial institutions in the U.S. (and used herein) is as follows:

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

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
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.<sup>4</sup>

## Interest Appraised

The value estimated represents the Fee Simple Estate as defined below:

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<sup>3</sup> Appraisal Institute, *The Appraisal of Real Estate*, 15th ed. (Chicago: Appraisal Institute, 2020), 40.

<sup>4</sup> 12 CFR, Part 34, Subpart C-Appraisals, 34.42(h).

*Fee Simple Estate* - Absolute property 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.<sup>5</sup>

## Extent to Which the Property is Identified

The property is identified through the following sources:

- postal address
- assessor's records
- legal description

## Extent to Which the Property is Inspected

Randal D. Dawson, MAI, FRICS, CRE, NACD.DC inspected the interior and exterior of the subject, as well as its surrounding environs on the effective date of appraisal. This inspection was considered adequate and is the basis for our findings.

## Type and Extent of the Data Researched

CBRE reviewed the following:

- applicable tax data
- zoning requirements
- flood zone status
- demographics
- comparable data

## Type and Extent of Analysis Applied

CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. The steps required to complete each approach are discussed in the methodology section.

## Statement of Competency

The appraisers have the appropriate knowledge, education and experience to complete this assignment competently.

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<sup>5</sup> Appraisal Institute, *The Dictionary of Real Estate Appraisal, 7th ed.* (Chicago: Appraisal Institute, 2022), 73.

## Data Resources Utilized in the Analysis

DATA SOURCES	
Item:	Source(s):
<b>Site Data</b>	
Size	Plat of Survey
<b>Improved Data</b>	
Building Area	Ownership
Area Breakdown/Use	Ownership
No. Bldgs.	Physical inspection
Parking Spaces	Ownership
Year Built/Developed	Ownership
<b>Economic Data</b>	
Deferred Maintenance:	Ownership
Building Costs:	Ownership
<b>Other</b>	
Zoning/Entitlements	Public records
Parking Policy	Public records
Title/Easements	Ownership
<b>Data Not Provided</b>	
Current AKTA/NSPS Survey	Not provided
Phase I ESA/Geotechnical	Not provided
Formal demolition/abatement bid	Not provided
Compiled by CBRE	

## Appraisal Methodology

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

### Cost Approach

The cost approach is based on the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when it is improved with relatively unique or specialized improvements for which there exist few sales or leases of comparable properties.

### Sales Comparison Approach

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, among others, or economic units of comparison such as gross rent multiplier. Adjustments are applied to the physical units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value. Economic units of comparison are not adjusted, but rather analyzed as to relevant differences, with the final estimate derived based on the general comparisons.

### Income Capitalization Approach

The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future.



Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

## Methodology Applicable to the Subject

### Fee Simple Interest of a Vacant Office Building

#### **Sales Comparison Approach — Applicable and Primary.**

The market prices vacant office assets by reference to recent sales of similar buildings, with adjustments for location, size/height, building quality, parking/functional layout, physical/functional obsolescence, required capex/TI/LC, and lease-up risk. Accordingly, sales comparison is the most direct and persuasive indicator for the fee simple value of the subject in its vacant condition.

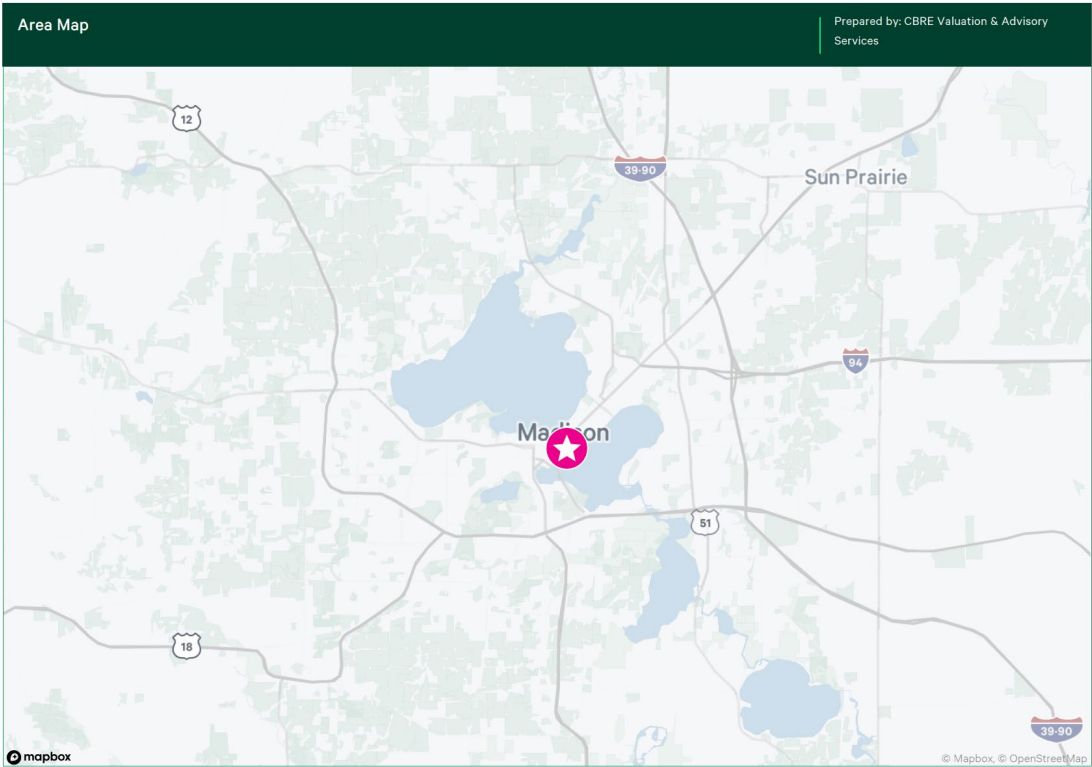
#### **Income Capitalization Approach — Considered; not developed (or used only as a reasonableness check).**

While office properties are commonly valued via income capitalization, a fully vacant asset requires a speculative pro forma (absorption timing, rents, concessions, TI/LCs, capex) that can dominate the result and reduce reliability—particularly where repositioning or redevelopment is a likely outcome. For this reason, the income approach is not developed (or, if included in your template, it is presented only as a secondary check with limited weight).

#### **Cost Approach — Not applicable.**

Given the subject's age and observable physical/functional obsolescence, estimating reproduction cost new and quantifying all forms of accrued depreciation would be highly judgmental and not reflective of investor behavior for older vacant office assets. Excluding the cost approach does not impair the credibility of the value conclusion.

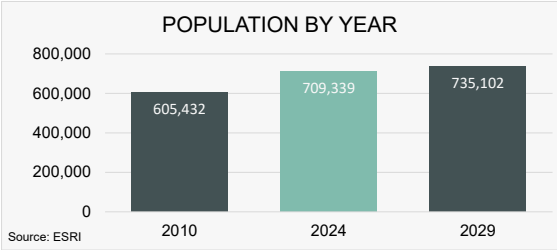
# Area Analysis



The subject is located in the Madison, WI Metropolitan Statistical Area. Key information about the area is provided in the following tables.

## Population

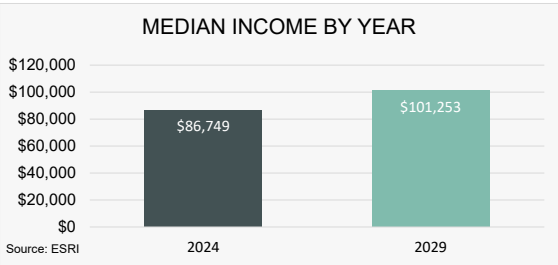
The area has a population of 709,339. Population has increased by 103,907 since 2010, reflecting an annual increase of 1.1%. Population is projected to increase by 25,763 between 2024 and 2029, reflecting a 0.7% annual population growth.



Source: ESRI, downloaded on Oct, 1 2025

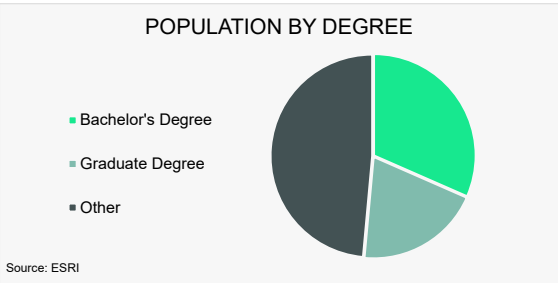
## Income

The area features an average household income of \$117,266 and a median household income of \$86,749. Over the next five years, median household income is expected to increase by 16.7%, or \$2,901 per annum.

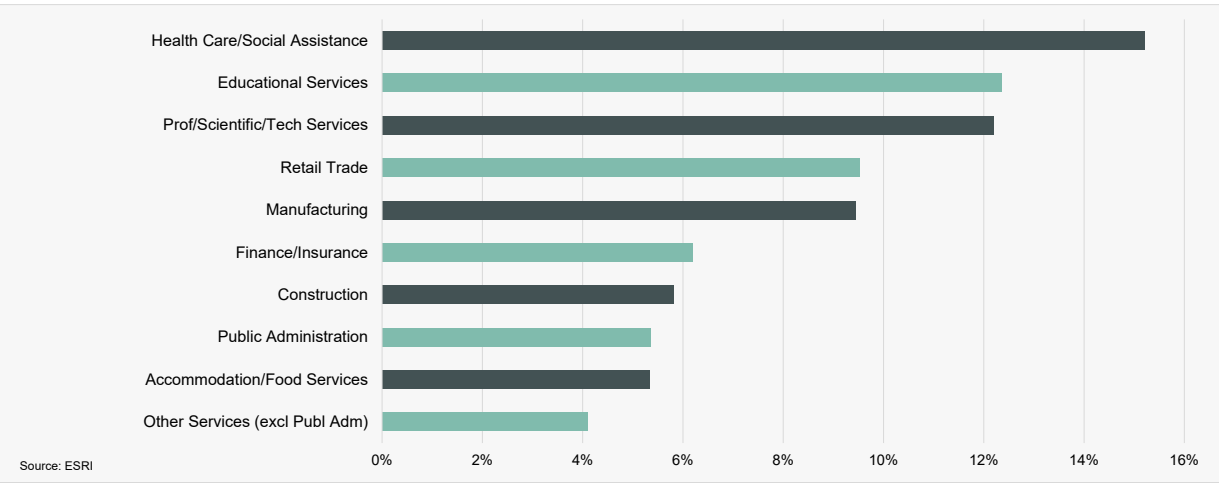


## Education

A total of 51.4% of individuals over the age of 24 have a college degree, with 31.6% holding a bachelor's degree and 19.9% holding a graduate degree.



## Employment



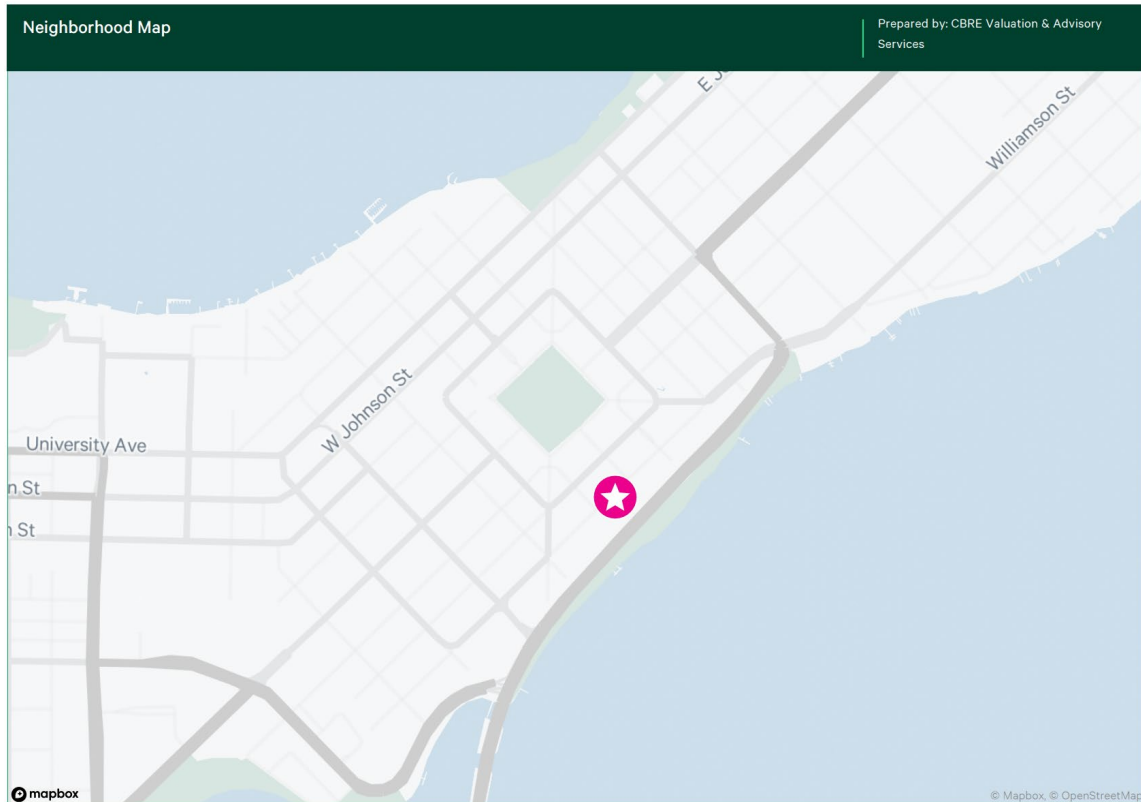
The area includes a total of 410,145 employees and has a 2.7% unemployment rate. The top three industries within the area are Health Care/Social Assistance, Educational Services and Prof/Scientific/Tech Services, which is a combined total of 40% of the workforce.

Source: ESRI, downloaded on Oct 1, 2025; BLS.gov dated Jul 1, 2025 (preliminary)

In summary, the area is forecasted to experience an increase in population and an increase in household income.



# Neighborhood Analysis



## Location

NEIGHBORHOOD CHARACTERISTICS	
Location:	Urban
Built-Up:	Over 75%
Life Cycle Stage	Stability
Change in Present Land Use:	Likely*
(*) From: Office to Redevelopment	
Neighborhood Boundaries	
North:	West Wilson Street (Capital-facing corridor)
South:	John Nolen Drive/Lake Monoma shoreline
East:	Martin Luther King Jr. Boulevard / Monoma Terrace complex
West:	South Carroll Street
Source: CBRE	

NEIGHBORHOOD HOUSING TRENDS			
Property Values:	Stable	Owner Occupied %:	8.7%
Demand/Supply:	In Balance		
Marketing Time:	3 - 6 Months		
	Range with Fewest	Range with Most	Median Value
Housing Prices:	\$100,000 - \$149,999	\$500,000 - \$749,999	\$605,690
Year Built:	1940-1949	1939 or Earlier	1984
Multiple Sources Compiled by CBRE			

NEIGHBORHOOD LAND USE			
Present Land Use %			
Single Unit Residential:	0%	Industrial:	0%
Multi-Housing:	0%	Agricultural:	0%
Commercial:	90%	Other:	10%
Commercial Land Use Patterns			
Primary Commercial Thoroughfares:	W Wilson Street (Capital corridor frontage), John Nolen Drive/US-151 (lakefront arterial), Martin Luther King Jr. Boulevard (civic/convention access spring), South Carroll Street (Capital Square connector)		
Major Commercial Developments:	Monona Terrace Community & Convention Center (convention/civic anchor), Hilton Madison Monoma Terrace (hotel integrated with the convention center), City-County Civic Complex (Madison Municipal Building / City County Building, one block north), Capital Square Retail Dining District (immediately north via S Carroll & MLK Jr. Blvd connectors)		
Source: CBRE			

## Demographics

Selected neighborhood demographics in 1-, 3- and 5-mile radius from the subject are shown in the following table:

**SELECTED NEIGHBORHOOD DEMOGRAPHICS**

1 W Wilson St Madison, WI 53703	1 Mile Radius	3 Mile Radius	5 Mile Radius	Madison, WI Metropolitan Statistical Area
<b>Population</b>				
2029 Total Population	46,019	122,033	222,671	735,102
2024 Total Population	41,288	115,359	213,388	709,339
2010 Total Population	28,234	92,908	182,000	605,432
2000 Total Population	26,768	92,598	179,076	535,422
<i>Annual Growth 2024 - 2029</i>	<i>2.19%</i>	<i>1.13%</i>	<i>0.86%</i>	<i>0.72%</i>
<i>Annual Growth 2010 - 2024</i>	<i>2.75%</i>	<i>1.56%</i>	<i>1.14%</i>	<i>1.14%</i>
<i>Annual Growth 2000 - 2010</i>	<i>0.53%</i>	<i>0.03%</i>	<i>0.16%</i>	<i>1.24%</i>
<b>Households</b>				
2029 Total Households	22,174	56,794	103,520	319,913
2024 Total Households	19,553	52,837	97,724	305,184
2010 Total Households	12,779	40,688	79,784	250,897
2000 Total Households	11,125	39,007	76,794	215,900
<i>Annual Growth 2024 - 2029</i>	<i>2.55%</i>	<i>1.45%</i>	<i>1.16%</i>	<i>0.95%</i>
<i>Annual Growth 2010 - 2024</i>	<i>3.08%</i>	<i>1.88%</i>	<i>1.46%</i>	<i>1.41%</i>
<i>Annual Growth 2000 - 2010</i>	<i>1.40%</i>	<i>0.42%</i>	<i>0.38%</i>	<i>1.51%</i>
<b>Income</b>				
2024 Median Household Income	\$41,520	\$60,283	\$68,427	\$86,749
2024 Average Household Income	\$71,847	\$91,186	\$98,959	\$117,266
2024 Per Capita Income	\$34,162	\$41,846	\$45,328	\$50,539
2024 Pop 25+ College Graduates	12,891	42,780	81,904	249,437
Age 25+ Percent College Graduates - 2024	70.6%	67.5%	61.1%	51.4%

Source: ESRI

## Conclusion

The subject is within an urban civic/commercial district generally bounded by W Wilson Street (north), John Nolen Drive/Lake Monona (south), Martin Luther King Jr. Boulevard (east), and South Carroll Street (west). Land use is predominantly office, hotel/convention, and civic/open-space anchored by the Capitol complex and Monona Terrace. The area is highly built-out, with active public spaces, stable institutional ownership, and building stock that ranges from legacy government offices to renovated mixed-use assets.

Access and infrastructure are strong. The site is served by arterials (W Wilson Street and John Nolen Drive/US-151), bike/pedestrian networks along the lakefront, and nearby structured parking consistent with Downtown Core zoning. Urban design controls emphasize high-quality architecture, active frontages, and structured parking; surface lots are discouraged, and redevelopment typically occurs through infill, adaptive reuse, or vertical additions that respect view and setback standards.

Market behavior reflects continued capital interest in the core, with renovations, selective site assemblage, and proposals that reposition older office inventory to mixed residential and hospitality programs. Near-term risks include timing/approval complexity, construction cost volatility, and absorption pacing for office conversions; however, the combination of civic anchors, convention activity, and amenity access supports reinvestment and long-term relevance of the district. This conclusion is based solely on property, locational, zoning, and economic factors observable in the marketplace; no inferences are drawn from, nor is the analysis influenced by, personal or group characteristics of residents or users.



# Site Analysis

The following chart summarizes the salient characteristics of the subject site.

SITE SUMMARY AND ANALYSIS			
<b>Physical Description</b>			
Gross Site Area	2.81 Acres	122,316 Sq. Ft.	
Net Site Area	2.81 Acres	122,316 Sq. Ft.	
Primary Road Frontage	West Wilson Street	465,131 Feet	
Shape	Rectangular		
Topography	Generally Level		
Parcel Number(s)	0709-242-0118-3		
Zoning District	DC - Downtown Core District		
Flood Map Panel No. & Date	55025C0409G	2-Jan-09	
Flood Zone	Zone X (Unshaded)		
Adjacent Land Uses	North: Office / institutional (Capitol-area government and private offices fronting W Wilson St); South: John Nolen Drive transportation corridor and Lake Monona shoreline/open space; East: Monona Terrace convention center complex and associated hotel/conference uses; West: Office uses and structured parking (Capitol Square connector block)		
<b>Comparative Analysis</b>		<b><u>Rating</u></b>	
Visibility		Average	
Functional Utility		Average	
Traffic Volume		Average	
Adequacy of Utilities		Average	
Landscaping		Average	
Drainage		Average	
Mass Transit		Average	
<b>Utilities</b>		<b><u>Availability</u></b>	
Water		Yes	
Sewer		Yes	
Natural Gas		Yes	
Electricity		Yes	
Telephone/Cable/Internet		Yes	
<b>Other</b>		<b><u>Yes</u></b>	<b><u>No</u></b> <b><u>Unknown</u></b>
Detrimental Easements			X
Encroachments			X
Deed Restrictions			X
Reciprocal Parking Rights			X
Various sources compiled by CBRE			

## Ingress/Egress

**Vehicular access.** Primary ingress and egress are provided from West Wilson Street along the north frontage of the site. Secondary approach and service access are available from the local street grid at South Carroll Street (west) and Martin Luther King Jr. Boulevard (east). The John Nolen Drive / US-151 frontage along the south edge functions as a limited-access arterial; direct full-movement driveways are not typical along this corridor and any curb-cut changes would be subject to City approvals.

**Street characteristics.** West Wilson Street, South Carroll Street, and Martin Luther King Jr. Boulevard are improved with asphalt pavement, concrete curb and gutter, sidewalks, and street lighting, with one travel lane in each direction in the immediate vicinity. On-street parking is generally permitted on portions of West Wilson Street and South Carroll Street, subject to posted restrictions; no on-street parking is provided on John Nolen Drive.

**Pedestrian / bicycle access.** Continuous sidewalks exist along all frontages with connections to the Capitol Square and the Monona Terrace lakefront pathways. Any modification to drive access, curb cuts, or loading zones is subject to standard City of Madison right-of-way permitting.

## Easements and Encroachments

There are no known easements or encroachments impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a current title policy outlining all easements and encroachments on the property, if any, prior to making a business decision.

## Covenants, Conditions and Restrictions

There are no known covenants, conditions or restrictions impacting the site that are considered to affect the marketability or highest and best use. It is recommended that the client/reader obtain a copy of the current covenants, conditions and restrictions, if any, prior to making a business decision.

## Environmental Issues

Although CBRE was not provided an Environmental Site Assessment (ESA), a tour of the site did not reveal any obvious issues regarding environmental contamination or adverse conditions.

The appraiser is not qualified to detect the existence of potentially hazardous material or underground storage tanks which may be present on or near the site. The existence of hazardous materials or underground storage tanks may affect the value of the property. For this appraisal, CBRE, Inc. has specifically assumed that the property is not affected by any hazardous materials that may be present on or near the property.

## Comments

The site comprises approximately 2.81 acres in a rectangular, generally level super-block fronting West Wilson Street with secondary approach from South Carroll Street and Martin Luther King Jr. Boulevard; the John Nolen Drive/US-151 frontage functions as a limited-access arterial. Public infrastructure is in place (water, sanitary sewer, gas, electric, and telecom), and continuous sidewalks/bike connections link the parcel to the Capitol core and the Monona Terrace lakefront. Zoning is DC – Downtown Core, which supports high-intensity mixed use subject to Downtown Height/Stepback maps, Urban Design Commission review, and a structured-parking regime (new surface parking is not permitted). Title items typical of the location are noted, including public-right reservations over the vacated South Carroll Street strip, railroad

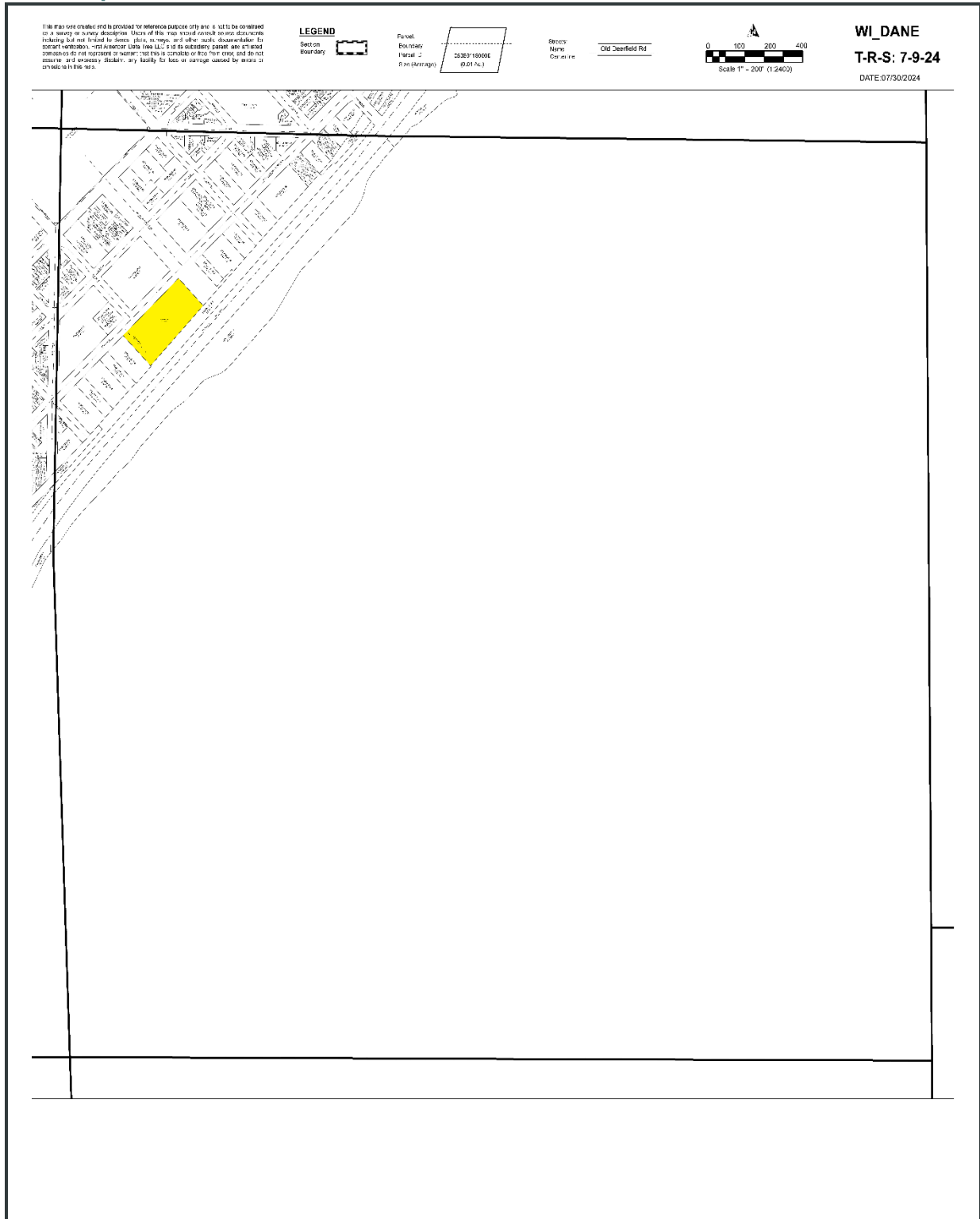
ROW interests along the southerly bands, riparian/public rights along the Lake Monona edge, and an Open Parking Structure Easement (1995); none are expected to preclude market-typical redevelopment. FEMA mapping indicates Zone X (unshaded) on Panel 55025C0409G; no flood insurance requirement is implied by mapping. An ESA was not provided; site inspection revealed no obvious indications of contamination, and the appraisal proceeds on the customary assumption of no hazardous materials unless later shown otherwise.

## Conclusion

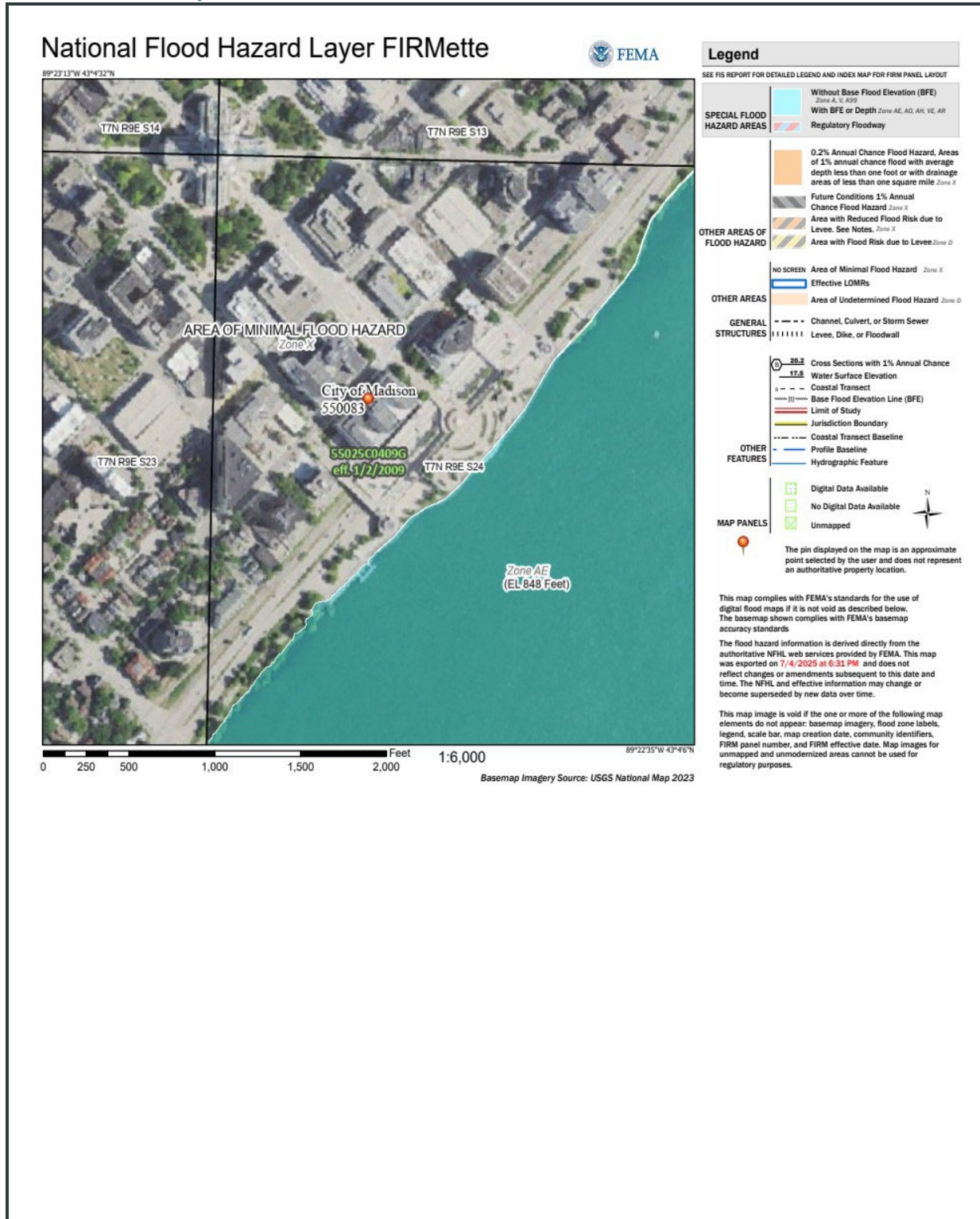
Overall, the site offers adequate access, full utilities, and zoning support for high-density mixed-use or repositioned office consistent with its urban civic/convention setting. Proximity to the Capitol employment core and Monona Terrace, together with established streetscape and structured-parking solutions, supports marketability. While approvals (UDC/design review, height/stepback compliance) and recorded easements require routine coordination, no physical, legal, or locational conditions identified are expected to prevent the property from achieving its highest and best use. The value conclusions herein reflect these site conditions and standard assumptions.



# Plat Map



# Flood Plain Map



# Improvements Analysis

## Improvement Summary & Analysis

The subject is a legacy, high-rise office complex (±445,000 SF GBA) with an 11-story center tower and flanking wings, concrete frame, and formal public lobbies/corridors. Site access is urban and multimodal; structured parking is available via adjacent facilities. Prior capital work over the last decade materially improved envelope, life-safety, and vertical transportation (comprehensive façade/window program; full NFPA-13 sprinkler/standpipe and command center; multi-elevator modernization). Notwithstanding these investments, building systems (HVAC/controls, electrical distribution, plumbing/ADA, interior planning/lighting) remain largely end-of-life or non-competitive versus contemporary office benchmarks.

High-rise, concrete-frame government office complex with an 11-story central tower and two lower wings organized around formal public lobbies/corridors. Approximate GBA: ±445,000 SF. Urban super-block fronting W Wilson St (north), with secondary approach from S Carroll St (west) and MLK Jr. Blvd (east). John Nolen Dr/Lake Monona form the southern edge.

### Capital projects completed (post-2010).

- Building envelope/window program (masonry/terra-cotta repairs, parapets/flushing, comprehensive window replacement).
- Life-safety modernization: full NFPA-13 sprinkler retrofit, upgraded standpipes/fire pump, emergency generator and fire command center.
- Elevator modernization: multi-car controls/regen drives, ADA upgrades, machine-room HVAC, monitoring.

These projects materially improved weather-tightness, vertical transportation, and life-safety. However, the MEP/controls remain at or near end-of-life; restrooms and portions of the interior program require reconfiguration for ADA compliance; lighting/low-voltage and core planning are dated; and the floorplate/corridor pattern is inefficient by contemporary standards.

### Parking & Sitework.

Parking is provided primarily by adjacent structured parking via easement; DC zoning disfavors new surface parking and emphasizes structured solutions. Streetscape is urban—curb/gutter, sidewalks, lighting—with direct pedestrian linkage to the Capitol core and Monona Terrace.

### Market Context & Implication.

Given the scale of systems modernization required, preservation sensitivities in public interiors/exterior, DC design controls and the Capitol-View context, market participants typically underwrite either:

1. Full-building modernization (MEP/controls, interiors/ADA, electrical/lighting, planning), or
2. Clearance and redevelopment with high-density, structured-parking solutions.

In both, the land (and program/entitlement feasibility) is the principal value driver; the legacy improvements provide limited contributory value in current condition.

## Improvement Description & Condition Rating

**Rating key:** Excellent / Good / Average / Fair / Poor (reflects physical state, functional utility, and code/market alignment).

### Structure & Core

- Reinforced concrete frame; central tower + two wings; egress cores typical of period.
- Condition: Average/Good (sound structure; flexible for re-planning with capital).

### Envelope & Roof

- Completed masonry/terra-cotta repairs, parapet/flashing work, and full window replacement; roof/parapet massing screens rooftop equipment.
- Condition: Average/Good (ongoing sealant/cycle maintenance expected).

### Vertical Transportation

- Multiple passenger banks modernized (controllers/regenerative drives), with ADA features and machine-room HVAC.
- Condition: Good (supports immediate occupancy once MEP issues addressed).

### Life-Safety

- Full NFPA-13 sprinkler retrofit; upgraded standpipes/fire pump; emergency generator; dedicated fire command center.
- Condition: Good (code-conforming platform for re-tenanting).

### HVAC / Controls

- Predominantly steam-based distribution; mixed-vintage AHUs; non-uniform outside-air/filtration; mixed pneumatic/DDC controls.
- Condition: Poor (replacement with hydronic/VAV+DOAS and full DDC recommended to achieve market comfort/ESG goals).

### Electrical / Lighting

- Legacy switchgear and feeders in portions; lighting non-uniform outside refreshed zones.
- Condition: Fair/Poor (panel/switchgear upgrades and LED relight program needed).

### Plumbing / Restrooms / ADA

- Aging risers/fixtures; many toilet rooms and door clearances not compliant with current accessibility standards.
- Condition: Poor (core re-planning and code upgrades required).



## Interiors (Public Areas / Office Areas)

- Character-defining lobbies/corridors with historic finishes (preservation-sensitive treatment likely); tenant floors dated, deep corridors, and low planning efficiency by current standards.
- Condition: Public areas Average (with preservation obligations); tenant floors Below Avg/Poor (require ceilings/lighting/IT, TI build-outs).

## Site, Streetscape & Parking

- Urban sidewalks, curb/gutter, lighting; bicycle/ped connections; parking served primarily by adjacent structured facilities (easement/contract).
- Condition: Average/Adequate for downtown context; surface parking expansion not contemplated under DC regime.

Overall Condition (Improvements): Below Average (targeted investments in envelope/elevators/life-safety mitigate near-term exposure, but systemic MEP/controls/interior obsolescence remains the binding constraint).

## Condition Analysis (Vacant, Fee Simple)

### Engineering baseline & cost posture.

The 2022 building assessment recommends full MEP replacement (conversion away from steam; new AHUs/distribution; comprehensive DDC; electrical upgrades; restroom/ADA re-planning) with total project cost escalated to mid-2025 of approximately \$194.4MM inclusive of design, contingencies, escalation and soft costs (two viable phasing options—full decant vs. vertical thirds).

### Design / Approvals Environment.

- **Zoning:** DC emphasizes high-quality architecture, active frontages, and structured parking; surface lots are discouraged.
- **Capitol-View context:** Mechanical penthouse massing/placement and any rooftop projections require careful design and approval; exceptions for mechanical elements can be achievable with review.
- **Preservation:** Work in the formal public interiors and façades must follow preservation-sensitive standards, adding specialty-trade costs and time.

### Functional strategy choices.

- **Modernize & reuse:** Feasible with whole-building systems program, core/stack re-planning, and ADA upgrades; pays off only at high market rent points or mixed-use outcomes.
- **Adaptive reuse:** Consider multifamily/hospitality/education/civic programs where structure and window pattern allow; feasibility subject to floorplate depth, egress, shafts, and glazing strategy.
- **Redevelop (clear site):** Consistent with HBU where modernization economics are dominated by capex/time risk.

### Risk/return levers.

- Schedule risk (approvals, supply chain, specialty trades).

- Cost risk (MEP scope, hazardous abatement where disturbed, preservation detailing).
- Market risk (lease-up for modern office vs. alt-use absorption).
- Entitlement risk (Capitol-View, design review).
- Mitigants include the completed life-safety/elevator and envelope work, civic anchors, and location quality.

**Marketability lens.** In a vacant office, credible re-tenanting requires (a) base-building modernization to current comfort, ventilation, and digital controls; (b) competitive amenitying (lobby, conferencing, bike/locker, wellness), and (c) TI-ready floorplates with clear distribution for power/data and shafts for future uses. Market and marketability analysis support weighting of these property productivity factors and their influence on absorption velocity, achievable rents, and concession structures.

**Zoning/design environment.** The district emphasizes high-quality architecture, active frontages, and structured parking; surface lots are discouraged. Any rooftop mechanical penthouse or visible equipment requires careful massing/screening within view/stepback frameworks. Where historic finishes exist, interventions should follow preservation-sensitive methods (affects cost, sequencing, and schedule).

**Risk & timing.** Schedule/approval risk (MEP cutover, preservation detailing, supply chain for switchgear/AHUs) and capital intensity are key to buyer underwriting. Appraisal reporting must clearly state assignment elements, intended use/users, and scope so that conclusions are meaningful and not misleading.

## Deferred Maintenance (Prioritized Action Plan)

### A. Critical/Systemic — prerequisite to re-tenanting

1. **MEP replacement:** Eliminate steam; new hydronic plant, AHUs with energy recovery; modern ventilation/filtration; TAB & commissioning.
2. **Full-building DDC:** Integrated front-end; sequences of operation; trending, metering, and fault diagnostics.
3. **Electrical upgrades:** Switchgear/feeder/panel renewal to support new mechanical loads and tenant densities; LED relight and controls.
4. **Plumbing/ADA:** Replace aged risers/fixtures; rebuild toilet rooms for capacity and accessibility; review domestic hot water systems.
5. **Ceilings & distribution:** New ceiling systems to route duct/piping, cable trays; add convenience power and IT backbone.
6. **Core and verticals:** Confirm shafts/egress; selective core re-planning to improve rentable efficiency and TI flexibility.
7. **Abatement allowances:** Where selective demolition disturbs legacy materials; scope subject to survey.

### B. Life-Safety/IT & Security Enhancements

1. FA/devices coordination with new ceilings; ERRCS/DAS verification, access control, and CCTV in modernized lobbies/cores.

## C. Program/Amenity Upgrades

2. Lobby/reception re-programming; shared conferencing, wellness, bike/locker, spec suite strategy to accelerate absorption.

## D. Envelope PM (ongoing)

1. Sealant cycles, localized masonry/terra-cotta repairs; roof PM to preserve prior envelope investments.

## Conclusion (Improvements) — Vacant Office, Fee Simple

The subject's structure, envelope, elevator systems, and life-safety provide a stable platform, but MEP/controls and interior program are fundamentally obsolete for contemporary office performance and accessibility. In an urban district that prioritizes structured parking, design quality, and compatibility with the Capitol/Monona Terrace setting, investors principally price the asset on redevelopment economics, not on the residual income potential of the standing improvements.

The subject provides a sound structural and life-safety platform with improved envelope and modernized elevators; however, MEP/controls and interiors are obsolete relative to contemporary requirements.

## Central Utilities / “Power Plant” – Existing Conditions and Redevelopment Implications

This section summarizes the subject's central utilities and distribution systems for a vacant, fee-simple conveyance, and explains why a private buyer should plan for a new building-scale “power plant” and electrical backbone. Facts are drawn from the State of Wisconsin's comprehensive 1 West Wilson Street Building Assessment (May 2022) and are incorporated to support the market-value analysis.

### Current Service Configuration

- District energy (steam + chilled water). Heating is provided by low-pressure steam from the State's Capital Heating Plant; chilled water is also supplied from the plant and circulated by in-building pumps. The steam distribution is largely original, requires continual repair, and should be replaced with a modern hydronic hot-water system.
- Air-handling/controls. The building has 23 AHUs of mixed vintage (some 50+ years old) with obsolete Moduline diffusers and pneumatic controls. Recommendations include new VAV with reheat, full DDC controls, and use of a rooftop mechanical penthouse (basement-only or full-roof consolidation was deemed infeasible for space/clearance).

### Electrical Service and Emergency Power

- **Normal power.** Three MG&E services presently feed the facility: two services supply Switchboards 1–7 (Electrical Rooms B347Y and B257A), and a third feeds the fire pump. Peak demand on the two primary services is ~684 kW ( $\approx 1,898$  A at 208Y/120V). The Gould-ITE 2,000-A switchboards (c.1982) are end-of-life with moisture degradation; numerous aluminum feeders are pre-Series-8000 and should not be reused.
- **Emergency power.** In 2019 the emergency system was replaced: Cummins 500-kW diesel generator at 208Y/120V with a dedicated generator switchboard and seven ATS serving NEC 700/701/702 branches and the fire-pump ATS.

- **Recommended rebuild.** Provide two new MG&E services (each ~2,500 A at 208Y/120V) to replace the existing feeds to Switchboards 1–7, along with new distribution/panelboards and LED lighting with automatic controls.

## Fire Protection and Domestic Water

- **Sprinkler + fire pump.** A full retrofit (~2018) added floor control valves and a fire pump rated ~1,000 gpm with 120-psi boost, supplied by dual 8-inch combination lines; recent flow tests indicate proper performance.
- **Plumbing infrastructure.** Original hub-and-spigot cast-iron waste/vent/storm and mixed galvanized/copper domestic water are beyond useful life; full replacement is recommended. The design should include duplex booster skids and two pressure zones (city pressure + boosted upper floors).

## Why a New On-Site “Power Plant” Is a Practical Necessity

- **District-energy uncertainty for a private owner.** After State vacatur, continued access to State district steam and chilled water is not guaranteed for a private buyer. Underwrite self-sufficiency: new hot-water boilers, electric-drive chillers/heat-pumps (with energy recovery), pumps/heat-rejection, and a rebuilt normal-power backbone. If district connections are retained under a commercial agreement, the MEP/electrical replacements are still required by condition and code.
- **Code/modernization triggers.** A redevelopment will trigger: new switchboards/risers/panelboards and branch circuits; separation of emergency branches; a new addressable voice fire-alarm system; and LED lighting with modern controls.

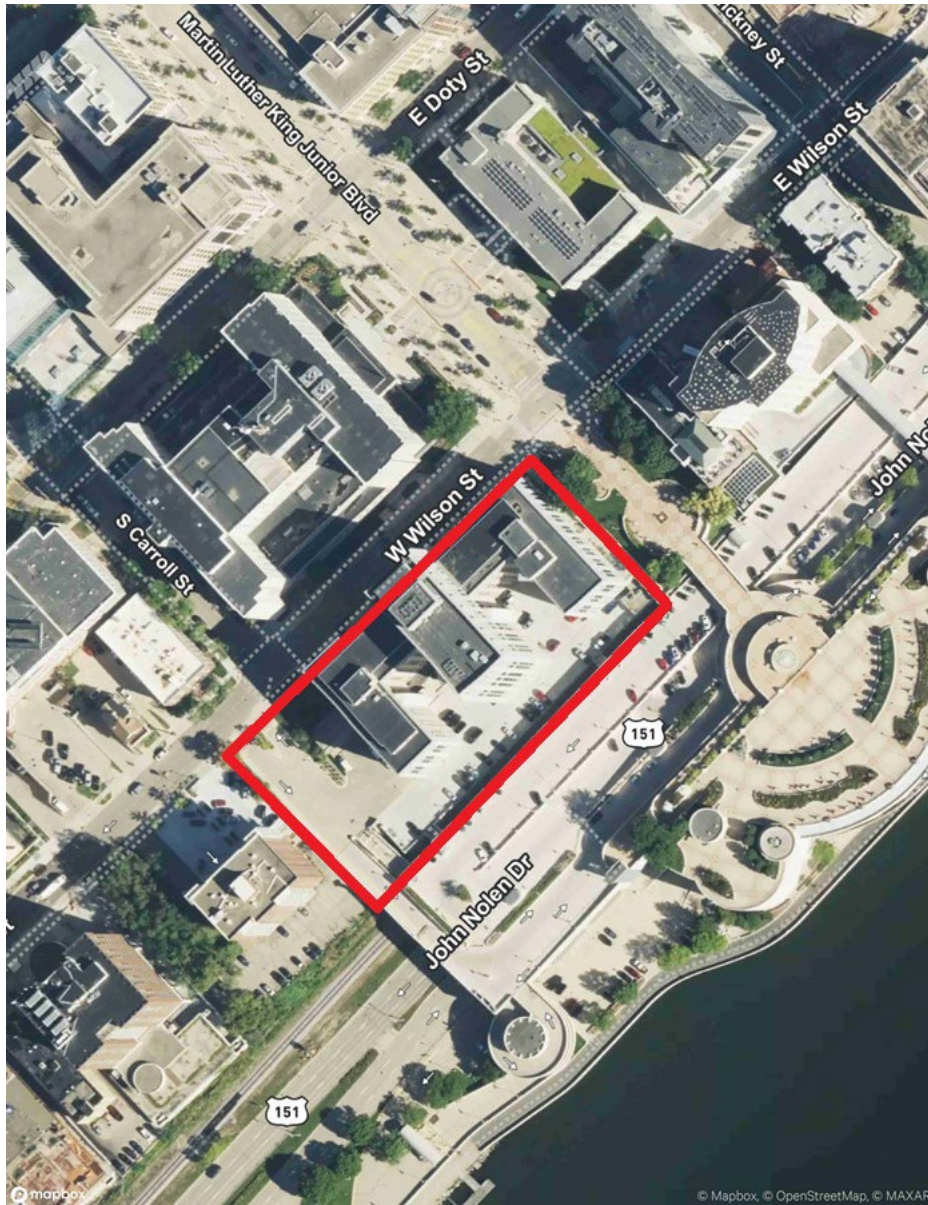
## Indicative Scope and Sequencing

1. Decommission district laterals (if disconnected) and maintain temporary conditioning.
2. Remove end-of-life switchboards/feeds; install two new MG&E services and switchboards; maintain the 2019 generator and reuse the ATS lineup where appropriate.
3. Install on-site plants: hydronic hot-water and electric-driven chiller/heat-pump plant (or steam-to-hot-water heat exchangers if district service is retained), new BAS/DDC, energy-recovery AHUs, and consider migrating to 480Y/277V distribution for efficiency.
4. Replace the 1999-vintage fire-alarm with a new addressable/voice system and complete LED/controls upgrades.

## Valuation Treatment (Vacant, Fee-Simple; Sales Comparison Emphasis)

Given the scale of required MEP replacement and uncertainty around district service to a private owner, market participants treat the existing systems as functionally obsolete under a redevelopment scenario. Accordingly, greatest weight is placed on large, legacy Wisconsin office transactions that traded for land-forward or adaptive-reuse repositioning—consistent with the CBRE comparable file delivered with this assignment.

## Improvements Layout



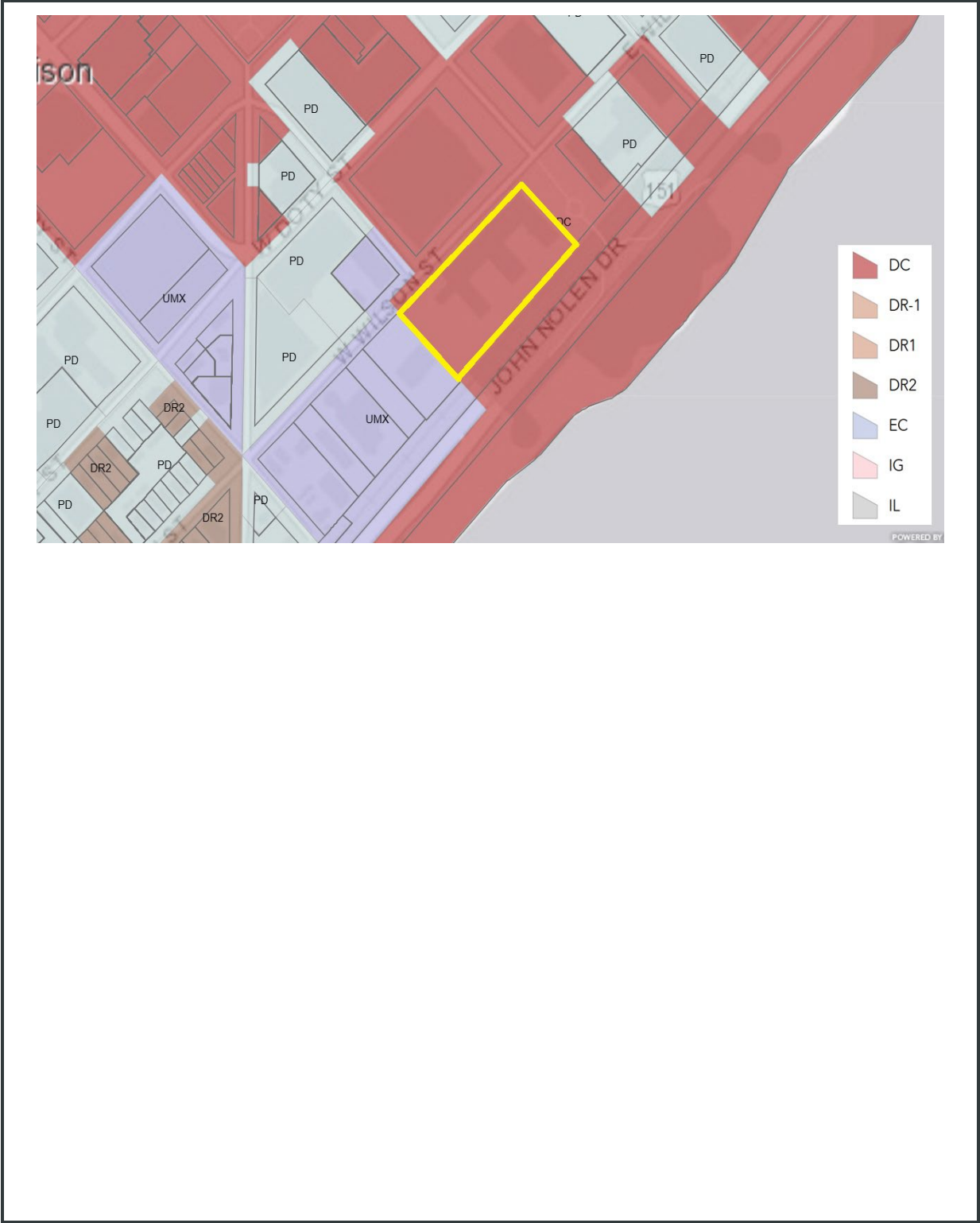


# Zoning

The following chart summarizes the subject's zoning requirements.

ZONING SUMMARY	
Current Zoning	DC - Downtown Core District
Legally Conforming	Yes
Uses Permitted	Office, multifamily residential, hotel/lodging, retail/personal services, restaurants/entertainment, civic /institutional/cultural uses, and structured parking.
Zoning Change	Not likely
Source: Dane County Planning and Zoning Dept.	

Zoning Map



# Tax Assessment Data

The following summarizes the local assessor's estimate of the subject's market value, assessed value, and taxes, and does not include any furniture, fixtures or equipment. The CBRE estimated tax obligation is also shown.

AD VALOREM TAX INFORMATION		
Parcel	Assessor's Parcel No.	Parcel Description
1	0709-242-0118-3	Tax Exempt
Source: Assessor's Office		

## Delinquency

None.

# Market Analysis

The market analysis forms a basis for assessing market area boundaries, supply and demand factors, and indications of financial feasibility. Primary data sources utilized for this analysis include CoStar, Inc.

The subject is in the Madison market and is considered a Class C office building.

## Metropolitan Madison - WI USA Office Market Overview

### Recent Performance

The following table summarizes historical and projected performance for the overall metropolitan Madison - WI USA office market, as reported by Costar.

MADISON - WI USA OFFICE MARKET								
Year Ending	Inventory (SF)	Completions (SF)	Occupied Stock (SF)	Occupancy	Asking Rent (\$/SF Gross)	Asking Rent Change	Net Absorption (SF)	Transaction Price Per Area (SF)
2020	40,149,615	339,673	38,430,500	95.7%	\$20.20	0.95%	338,569	\$55.20
2021	40,127,969	-21,646	37,920,684	94.5%	\$20.53	1.65%	-499,363	\$115.17
2022	40,529,568	401,599	38,388,136	94.7%	\$21.30	3.72%	467,451	\$125.09
2023	40,497,458	-32,110	38,096,476	94.1%	\$21.50	0.96%	-291,658	\$134.72
Q1 2024	40,485,938	-19,520	38,068,448	94.0%	\$21.50	-0.04%	-36,030	\$121.58
Q2 2024	40,605,938	120,000	38,164,964	94.0%	\$21.69	0.90%	96,518	\$170.22
Q3 2024	40,610,938	5,000	38,148,192	93.9%	\$21.85	0.74%	-16,771	\$149.72
Q4 2024	40,612,650	1,712	38,189,196	94.0%	\$21.97	0.55%	41,003	\$86.47
2024	40,612,650	107,192	38,189,196	94.0%	\$21.97	2.17%	84,720	\$86.47
Q1 2025	40,612,650	0	37,793,740	93.1%	\$22.02	0.25%	-395,457	\$157.87
Q2 2025	40,612,650	0	37,905,552	93.3%	\$22.06	0.18%	111,812	\$74.98
Q3 2025*	40,602,014	-10,636	37,802,416	93.1%	\$22.06	-0.04%	-102,891	-
Q4 2025*	40,587,904	-14,110	37,840,368	93.2%	\$22.09	0.13%	38,435	-
2025*	40,587,904	-24,746	37,840,368	93.2%	\$22.09	0.53%	-348,101	-
2026*	40,766,782	178,878	37,950,672	93.1%	\$22.23	0.66%	111,904	-
2027*	40,758,577	-8,205	37,963,064	93.1%	\$22.53	1.35%	13,909	-
2028*	40,802,920	44,343	38,020,264	93.2%	\$22.87	1.52%	58,795	-
2029*	40,883,883	80,963	38,111,920	93.2%	\$23.22	1.51%	93,292	-
2030*	40,987,250	103,367	38,222,880	93.3%	\$23.54	1.41%	112,579	-

\* Future Projected Data according to Costar

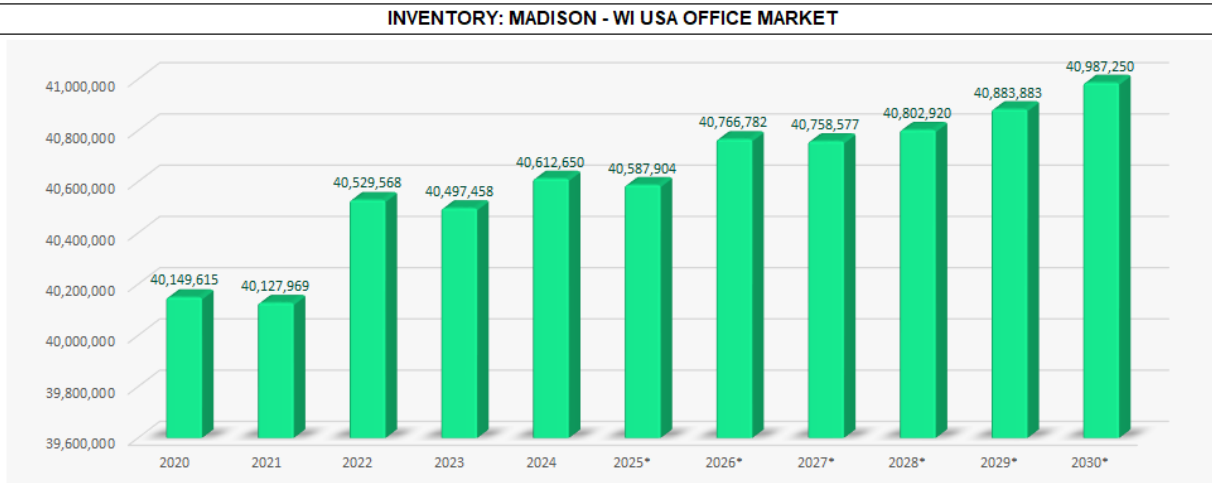
Source: Costar, 2nd Quarter 2025

The Madison - WI USA office market consists of approximately 40,612,650 square feet of office space. The following observations are noted from the table above:

- As of 2nd Quarter 2025, there was approximately 37,905,552 square feet of occupied office space (including sublet space), resulting in an occupancy rate of 93.3% for the metro area. This reflects a small increase from the previous quarter's occupancy of 93.1%, and a decrease from an occupancy rate of 94.0% from last year.
- The area experienced positive 111,812 square feet of net absorption for the current quarter. This indicates an improvement from the previous quarter's negative 395,457 square feet of net absorption, and an improvement from the positive 84,720 square feet of net absorption from last year.
- The area had zero completions for the current quarter, which indicates no change from the previous quarter's zero completions, and indicates a decline from completions of positive 107,192 square feet from last year.

- The area achieved average asking rent of \$22.06 per square foot, which indicates a small increase from the previous quarter's asking rent of \$22.02 per square foot, and an increase from the asking rent of \$21.97 per square foot from last year.

## Historical Inventory – Market

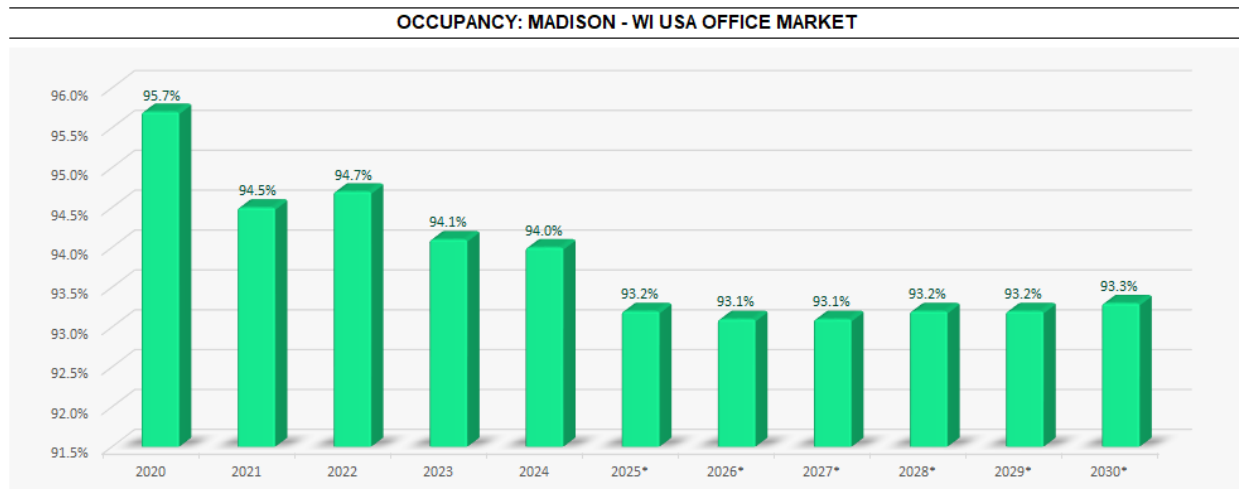


\* Future Projected Data according to Costar

Source: Costar, 2nd Quarter 2025

Inventory is projected to be 40,587,904 square feet at the end of the current year, which is a decrease from the previous year's inventory of 40,612,650 square feet. Inventory for next year is projected to be 40,766,782 square feet, reflecting an increase from the current year.

## Historical Occupancy - Market



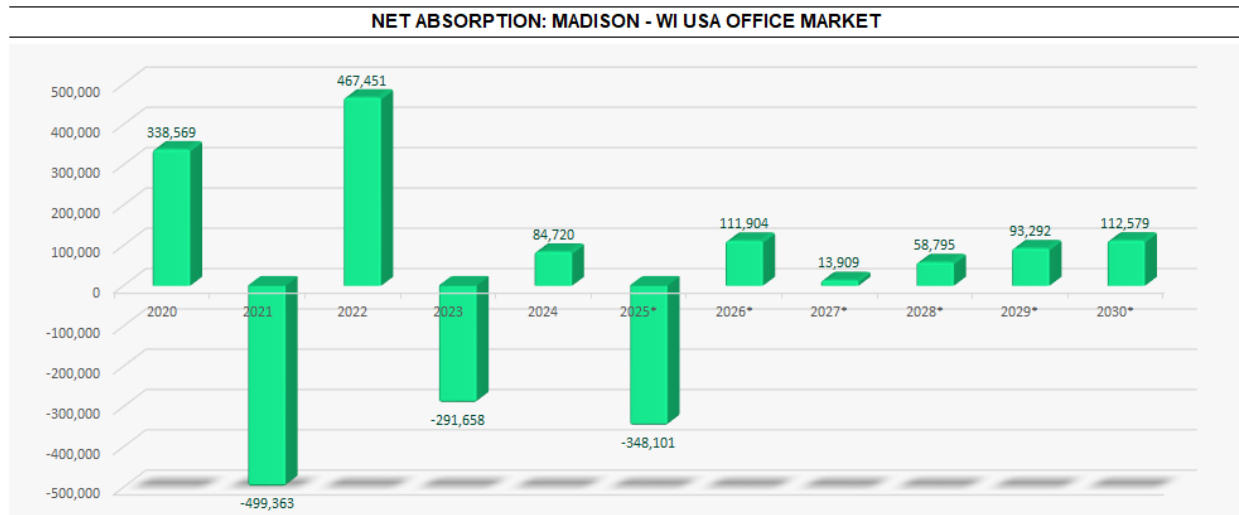
\* Future Projected Data according to Costar

Source: Costar, 2nd Quarter 2025

At the end of the current year, the occupancy rate is projected to be 93.2%, which reflects a decrease from the 94.0% occupancy rate at the end of last year. Occupancy for next year is projected to be 93.1%, reflecting a small decrease from the current year.



## Historical Net Absorption - Market

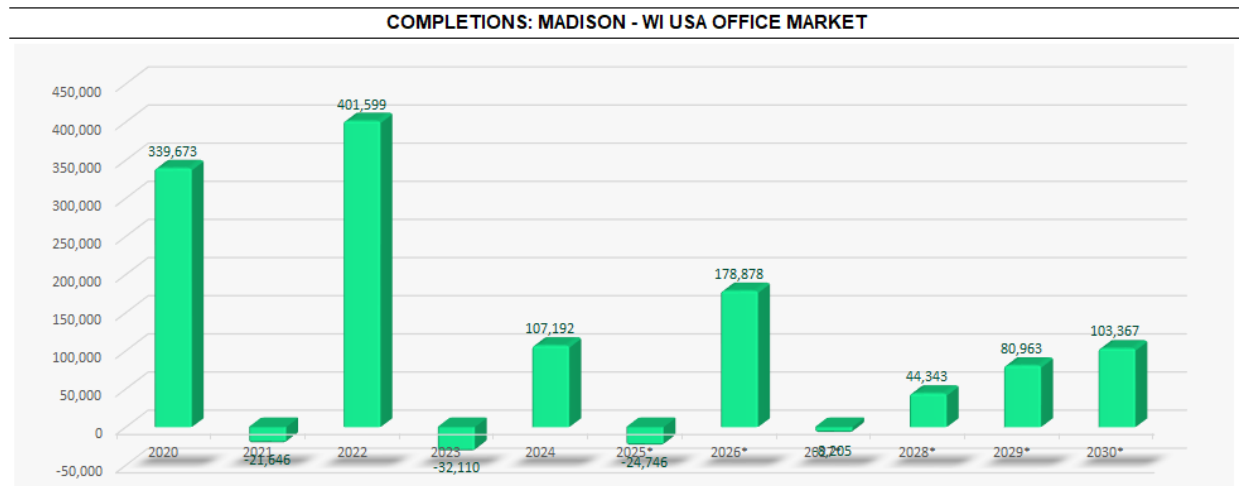


\* Future Projected Data according to Costar

Source: Costar, 2nd Quarter 2025

At the end of the current year, the area is projected to experience negative 348,101 square feet of net absorption, which indicates a decline from the positive 84,720 square feet of net absorption for the previous year. The area is projected to experience positive 111,904 square feet of net absorption as of the end of next year, which indicates an improvement from the current year.

## Historical Completions - Market

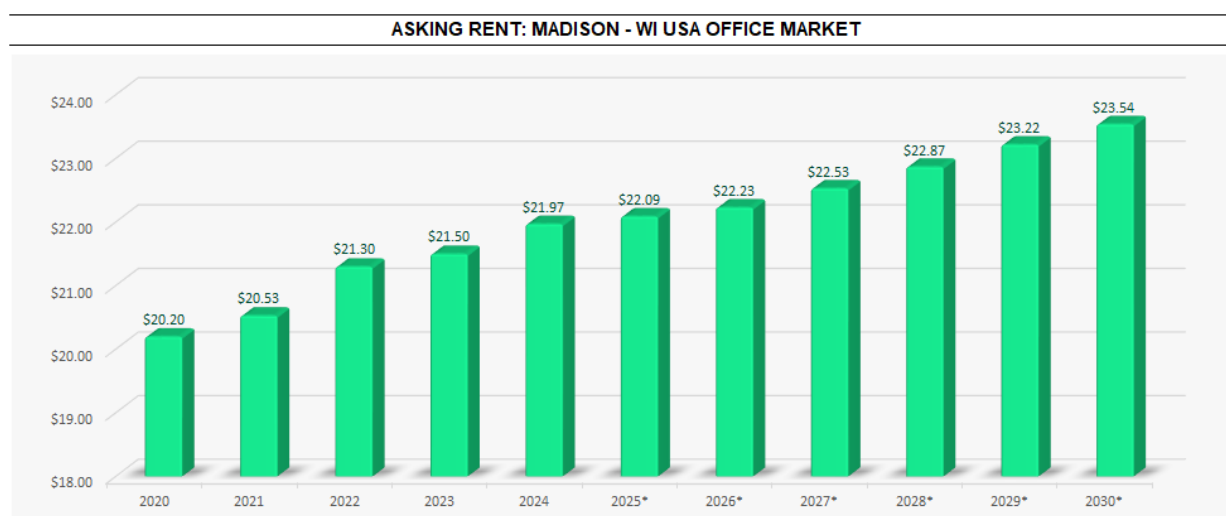


\* Future Projected Data according to Costar

Source: Costar, 2nd Quarter 2025

The area is projected to achieve completions of negative 24,746 square feet for the current year, which indicates a decline from the previous year's completions of positive 107,192 square feet. The area is projected to experience completions of positive 178,878 square feet as of the end of next year, which indicates an improvement from the current year.

## Historical Asking Rent - Market



\* Future Projected Data according to Costar

Source: Costar, 2nd Quarter 2025

The area is projected to achieve average asking rent of \$22.09 per square foot at the end of the current year, which indicates an increase from the previous year's asking rent of \$21.97 per square foot. The area is projected to achieve asking rent of \$22.23 per square foot by the end of next year, indicating an increase from the current year.

## Submarket Snapshot

The following table summarizes the supply of office square footage for each submarket within the Madison - WI USA market as of 2nd Quarter 2025.

SUBMARKET SNAPSHOT				
Submarket	Inventory (SF)	Completions* (SF)	Asking Rent (\$/SF Gross)	Occupancy
Central Campus	8,813,437	-5,013	\$25.62	91.0%
Columbia County	542,749	0	\$17.64	99.4%
Iowa County	532,971	0	\$20.68	100.0%
Near West Madison	5,543,153	0	\$22.28	96.8%
Northeast Madison	7,474,636	0	\$19.82	94.1%
Northwest Madison	6,190,670	0	\$22.54	86.2%
Outlying Dane East	1,797,197	6,725	\$20.52	99.6%
Outlying Dane West	2,654,250	0	\$22.23	99.9%
S Central Madison	2,624,425	0	\$20.82	96.3%
Southeast Madison	2,300,452	5,000	\$19.82	92.4%
Southwest Madison	1,881,992	0	\$19.90	91.6%

\*Completions include trailing 4 quarters

Source: Costar, 2nd Quarter 2025

## Central Campus Submarket

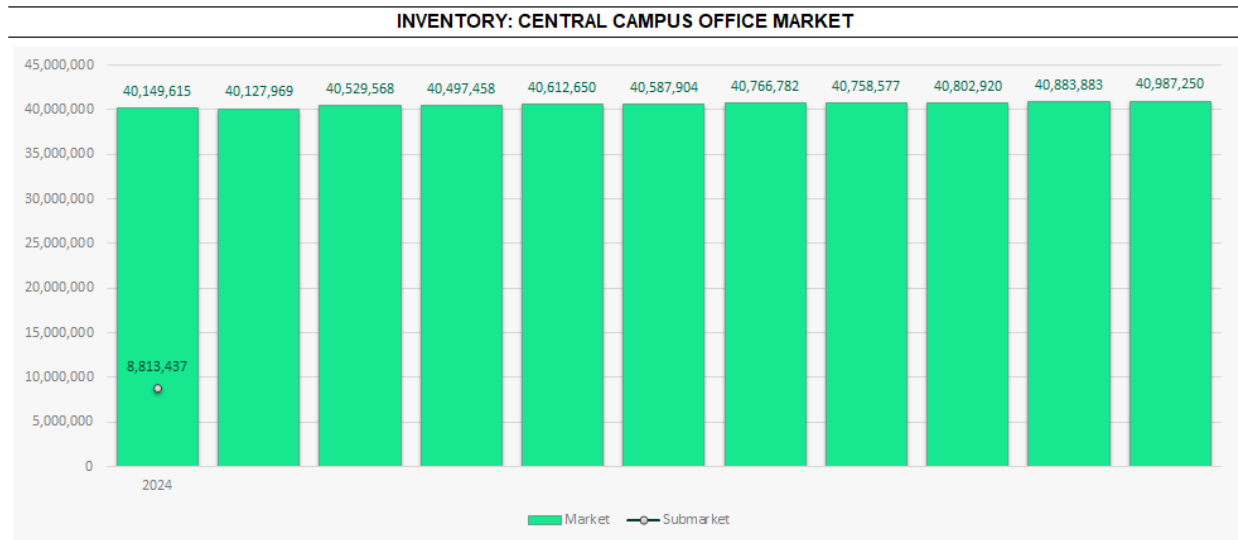
Important characteristics of the Central Campus office market are summarized below:

CENTRAL CAMPUS OFFICE SUBMARKET							
Year Ending	Inventory (SF)	Completions (SF)	Occupied Stock (SF)	Occupancy	Asking Rent (\$/SF Gross)	Asking Rent Change	Net Absorption (SF)
Q1 2024	8,818,450	0	8,314,795	94.3%	\$25.11	-0.28%	-19,310
Q2 2024	8,818,450	0	8,318,382	94.3%	\$25.30	0.74%	3,587
Q3 2024	8,818,450	0	8,261,897	93.7%	\$25.44	0.54%	-56,485
Q4 2024	8,813,437	-5,013	8,251,914	93.6%	\$25.53	0.36%	-9,983
2024	8,813,437	-5,013	8,251,914	93.6%	\$25.53	1.37%	-82,191
Q1 2025	8,813,437	0	8,052,791	91.4%	\$25.58	0.19%	-199,123
Q2 2025	8,813,437	0	8,020,310	91.0%	\$25.62	0.19%	-32,481
Q3 2025*	8,811,128	-2,309	8,015,950	91.0%	\$25.60	-0.08%	-4,299
Q4 2025*	8,808,104	-3,024	8,013,567	91.0%	\$25.64	0.14%	-2,310
*Future Projected Data according to Costar							
Source: Costar, 2nd Quarter 2025							

The Central Campus office submarket consists of approximately 8,813,437 square feet of office space. The current submarket inventory represents approximately 21.7% of the overall market inventory. The following observations were noted from the table above:

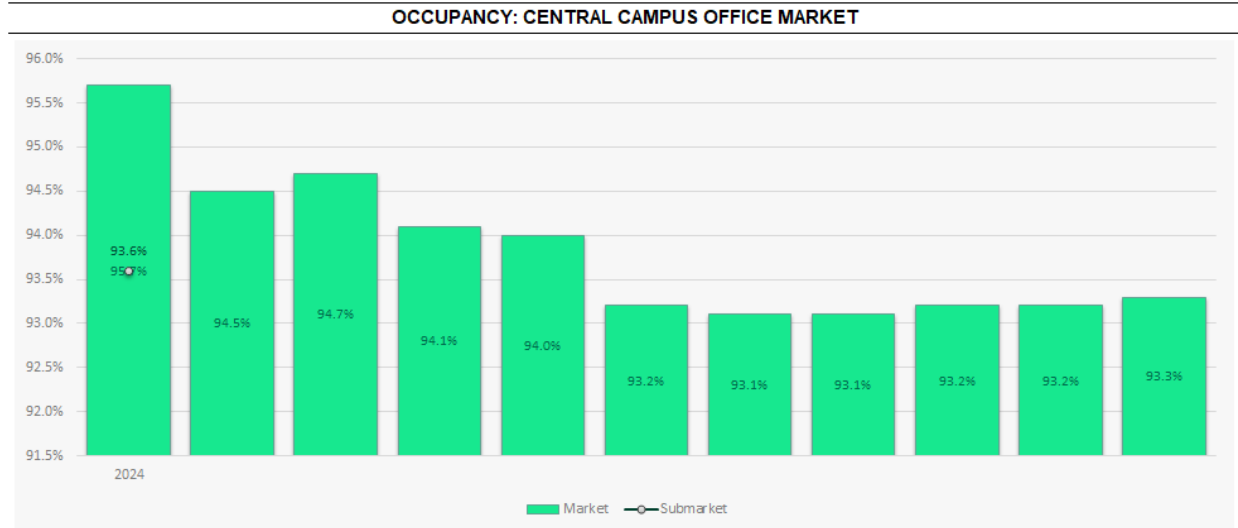
- As of 2nd Quarter 2025, there was approximately 8,020,310 square feet of occupied office space (including sublet space), resulting in an occupancy rate of 91.0% for the submarket. This reflects a decrease from the previous quarter's occupancy of 91.4%, and a decrease from an occupancy rate of 93.6% from last year. The submarket occupancy is below the 93.3% market occupancy.
- The submarket experienced negative 32,481 square feet of net absorption for the current quarter. This indicates an improvement from the previous quarter's negative 199,123 square feet of net absorption, and an improvement from the negative 82,191 square feet of net absorption from a year ago. Overall, the submarket has experienced negative 231,604 square feet of net absorption for the current year-to-date period. The submarket's current net absorption of negative 32,481 square feet is below the overall market net absorption of positive 111,812 square feet.
- The submarket had zero completions for the current quarter, which indicates no change from the previous quarter's zero completions, and no change from the zero completions from last year.
- The submarket achieved average asking rent of \$25.62 per square foot, which indicates a small increase from the previous quarter's asking rent of \$25.58 per square foot, and an increase from the asking rent of \$25.53 per square foot from last year. The submarket's current asking rent of \$25.62 per square foot compares favorably with the overall market asking rent of \$22.06 per square foot.

## Historical Inventory - Submarket



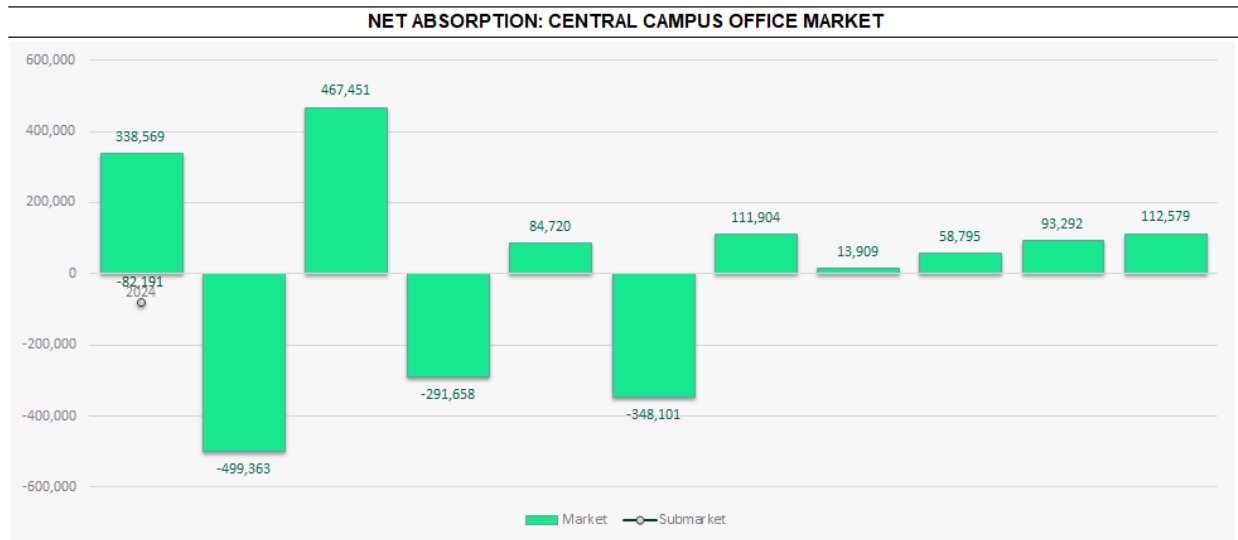
Submarket Inventory is projected to be 8,808,104 square feet at the end of the current year, which is a small decrease from the previous year's submarket inventory of 8,813,437 square feet. Inventory for next year is projected to be 8,795,963 square feet, reflecting a small decrease from the current year.

## Historical Occupancy - Submarket



Submarket occupancy is projected to be 91.0% at the end of the current year, which is a decrease from the previous year's submarket occupancy of 93.6%. Submarket occupancy for next year is projected to be 90.9%, reflecting a small decrease from the current year.

## Historical Net Absorption - Submarket

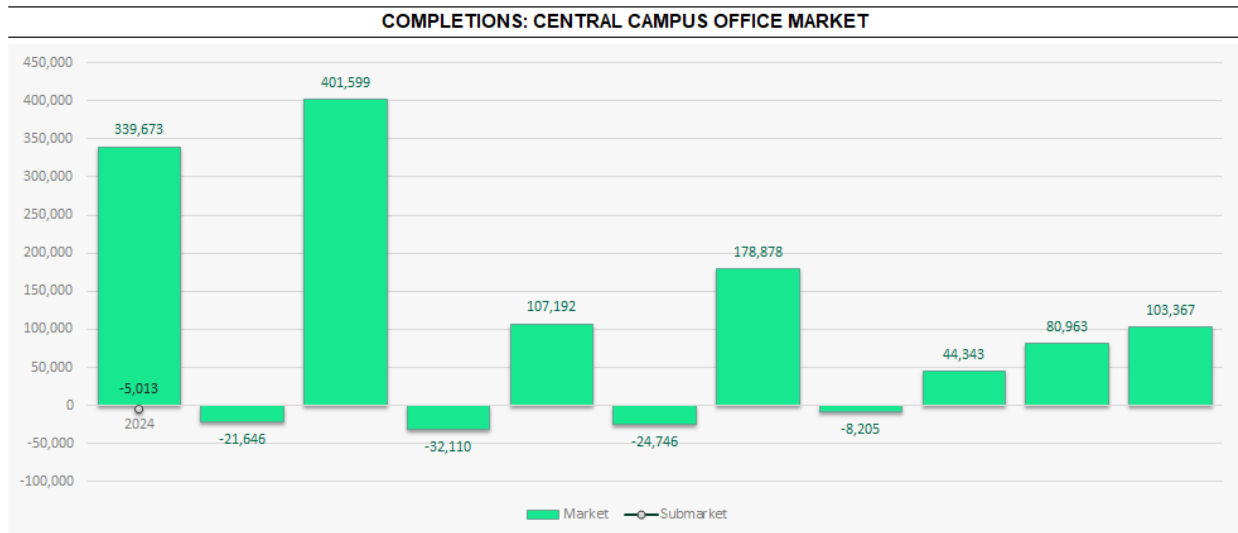


\* Future Projected Data according to Costar

Source: Costar, 2nd Quarter 2025

Net absorption in the submarket is projected to be negative 238,213 square feet at the end of the current year, reflecting a decline from the previous year's net absorption of negative 82,191 square feet. Net absorption for next year is projected to be negative 14,535 square feet, indicating an improvement from the current year.

## Historical Completions - Submarket



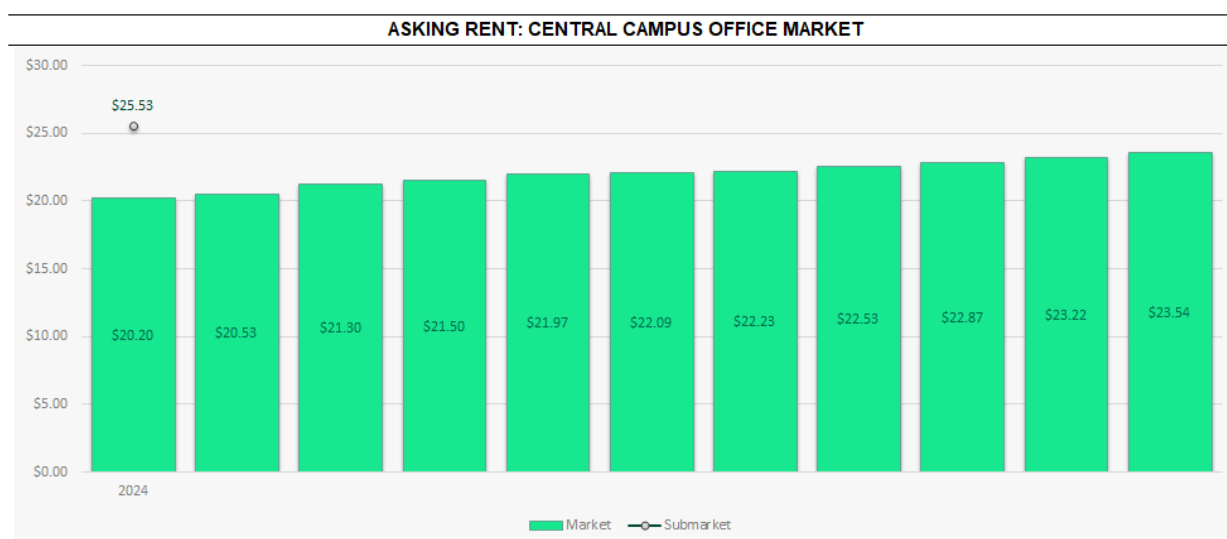
\* Future Projected Data according to Costar

Source: Costar, 2nd Quarter 2025

The submarket is projected to achieve completions of negative 5,333 square feet at the end of the current year, which indicates a decline from the previous year's completions of negative 5,013 square feet. The submarket is projecting completions of negative 12,141 square feet for next year, which indicates a decline from the current year.



## Historical Asking Rent - Submarket



The submarket is projected to achieve average asking of \$25.64 per square foot at the end of the current year, which is an increase from the previous year's asking rent of \$25.53 per square foot. The submarket is projected to achieve average asking rent of \$25.82 per square foot, reflecting an increase from the current year.

## Occupancy

Based on the foregoing analysis, CBRE's conclusion of stabilized occupancy for the subject is illustrated in the following table. This estimate considers both the physical and economic factors of the market.

OCCUPANCY CONCLUSIONS	
Madison - WI USA Market	93.3%
Central Campus Submarket	91.0%
Rent Comparables	98.0%
Subject's Stabilized Occupancy	100.0%
Compiled by CBRE	

## Conclusion

**Market posture.** The Madison office market has held rent levels in the mid-\$20s/SF on average while registering soft demand and uneven absorption. New leasing is concentrated in modern, amenitized assets with efficient cores, outdoor space, strong digital infrastructure, and walkable locations. The Central Campus submarket mirrors this bifurcation: headline rents are stable to slightly rising, yet occupancy trails prior peaks and tenants demonstrate a clear preference for renovated or newly built product. Deliveries are modest, but the effective supply of competitive space is increasing as older buildings return to market and require significant TI/LC packages to win demand.

**Implications for a vacant tower.** Re-tenanting a legacy, vacant high-rise requires (i) full-building base-building modernization (HVAC conversion, comprehensive DDC, electrical upgrades, restroom/ADA rebuilds, ceiling/lighting/IT distribution), (ii) programming/amenitizing to meet current preferences, and (iii)

carrying the schedule and leasing risk while TI/LCs remain elevated. In the current rent and underwriting environment, the return on such capital in a 1930s-1950s vintage structure is uncertain and typically inferior to outcomes achieved in new or comprehensively re-planned projects.

**Why the subject will be redeveloped (decision drivers).**

1. Functional/economic obsolescence. The building's MEP and controls are end-of-life; floorplate/core efficiency and restroom/ADA layout lag market expectations. Targeted prior projects (envelope, elevators, life-safety) reduce immediate exposure but do not solve the systemic modernization required to compete for today's office tenants.
2. Risk-adjusted economics. Modernization requires large, upfront, non-recoverable base-building capital with long lead times, specialized trades, and approval sequences; concurrent TI/LCs and lease-up uncertainty compress the risk-adjusted return. By contrast, the land—given its civic/lakefront location—supports high-intensity programs with clearer exit pricing.
3. Zoning and design framework enable higher use. DC (Downtown Core) zoning favors structured parking, active ground floors, and high-quality design; surface lots are discouraged. The framework accommodates mixed-use and residential/hospitality options that better align with demand adjacent to Monona Terrace and the Capitol core.
4. Location premium and amenity adjacency. The super-block setting at West Wilson/John Nolen offers lake views, convention activity, trails, and direct connections to the Capitol Square. Those attributes price best in mixed-use and residential/hospitality formats rather than in large, legacy office cores.
5. Market preference and capital flows. Tenants and lenders are favoring efficient, sustainable, wellness-oriented buildings; older towers that cannot economically reach those benchmarks are being repositioned or replaced nationwide. Local investor interviews and comparable transactions indicate developers will underwrite the site primarily on its redevelopment potential.

**Conclusion.** In light of market conditions, building condition, and the zoning/design context, the most probable outcome for the subject is redevelopment rather than re-tenanting as a legacy office tower. Accordingly, the appraisal gives primary weight to office building value (fee simple, as if vacant). This conclusion reflects how informed buyers price the asset today: on the highest and best use of the site and the feasibility of a modern, mixed-use program that captures the location's long-term demand drivers.

# Highest and Best Use

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- legally permissible;
- physically possible;
- financially feasible; and
- maximally productive.

The highest and best use analysis of the subject is discussed below.

## As If Vacant

### 1) Legally permissible

- DC allows residential, hotel/lodging, office, retail/personal services, cultural/civic uses and structured parking.
- Height/massing subject to Downtown Height/Stepback and Capitol View limits; additional height may be granted via design/conditional-use pathways.
- Streetscape and active-frontage policies favor ground-floor activation and pedestrian orientation.
- Conclusion—legal test: Multiple mixed-use programs are permissible; the regulatory framework favors dense, walkable development with structured parking and high design quality.

### 2) Physically possible

- ±2.81 acres, four public frontages, full utilities, and a largely rectangular block allow for podium/liner concepts with structured parking and one or more towers.
- The lakefront/arterial edge and view controls require thoughtful massing and equipment screening but do not preclude high intensity.
- Conclusion—physical test: The site can support residential-led mixed use with activated ground floors; a pure large-floorplate office program is physically possible but not advantaged relative to alternatives.

### 3) Financially feasible

- Demand in the Capitol/Monona Terrace district skews toward multifamily (for-rent) and hospitality, with small-format retail/food & beverage as support uses.
- New large-plate office is feasible only at premium rent points and higher risk; residential/hospitality typically deliver deeper market depth and clearer exit pricing.
- Conclusion—feasibility test: Residential-led mixed use (e.g., multifamily tower(s) over podium parking with activated frontages; optional boutique hotel) is the most financeable program.

#### 4) Maximally productive

- Among feasible options, residual land value and market depth are maximized by multifamily-anchored mixed use.
- HBU As If Vacant: Develop high-density mixed use, residential-led, with structured parking and activated frontages, designed within DC/Capitol-View parameters.

### As Improved – Vacant Office Building (Fee Simple)

#### 1) Legally permissible

- Continued office occupancy is permitted.
- Adaptive reuse (residential/hospitality/civic/education) is also permitted subject to design review, life-safety/egress, and accessibility compliance.

#### 2) Physically possible

- The structure, elevators, life-safety, and envelope are serviceable. Competitive tenancy requires:
  - MEP conversion (eliminate steam; hydronic plant; new AHUs/ventilation/filtration; building-wide DDC),
  - Electrical upgrades (switchgear/feeders/panels) and LED relight/controls,
  - Plumbing/ADA rebuild of toilet rooms and core clearances,
  - Ceiling replacement to route new distribution and low-voltage backbone, and
  - Core planning to improve rentable efficiency and create TI-ready floors.

#### 3) Financially feasible

- Re-tenanting as office: Requires large, non-recoverable base-building capex before first revenue, elevated TI/LCs, and a multi-year lease-up horizon in a bifurcated office market. Risk-adjusted returns are typically inferior to new mixed-use on this site.
- Adaptive reuse: Can be viable where floorplate depth, structural grid, shafts, and window pattern support unit planning; however, it entails complex construction, preservation interfaces, design approvals, and carry-time risk.
- Clear-site option: When modernization economics are dominated by capex/time risk, demolition and redevelopment frequently maximize land value and align best with market depth.

#### 4) Maximally productive

- Given the scale of systemic modernization and leasing risk versus the site's redevelopment potential, the existing improvements are not the end-state HBU. The most productive path is demolition and redevelopment to the As-If-Vacant mixed-use program. If retention were pursued, it would be via comprehensive adaptive-reuse/modernization rather than continued office.

**HBU conclusion (as improved—vacant):** Demolish and redevelop; interim holding uses—if any—are short-term and not the highest and best use.

## Buyer profile & implementation roadmap (practical implications)

- Likely buyer: Institutional or best-in-class regional mixed-use developer with structured-parking delivery capability and experience in design-review/Capitol-View environments.
- Approvals: Urban Design Commission/design review; Capitol-View massing compliance; coordination on easements/ROW and shoreline interface; typical building and utility permits.
- Phasing & timing: Concept/pre-app → entitlement/design/GMP (≈12–24 months) → podium and vertical phases keyed to absorption; street activation required on primary frontages.
- Risk controls: Early MEP basis-of-design; preservation scope definition for public interiors/exterior; crane/haul logistics; realistic demolition/abatement planning; pre-leasing strategy for residential/hospitality components.

## How this HBU conclusion informs valuation of the vacant building interest

- The assignment premise is the vacant office building, fee simple. Because the end-state HBU is redevelopment (rather than continued office), market participants price the asset primarily on site potential and conversion/clear-site economics.
- Accordingly, valuation emphasizes sales of vacant office buildings transacted for conversion or redevelopment and applies qualitative/quantitative adjustments for systemic capex, schedule/carry, demolition/abatement allowances (if relevant), and approval context.
- This approach mirrors how informed buyers underwrite the property today, and it prevents a misleading indication that would result from assuming stabilized office income in a building that fails the feasibility/productivity tests for continued office use.

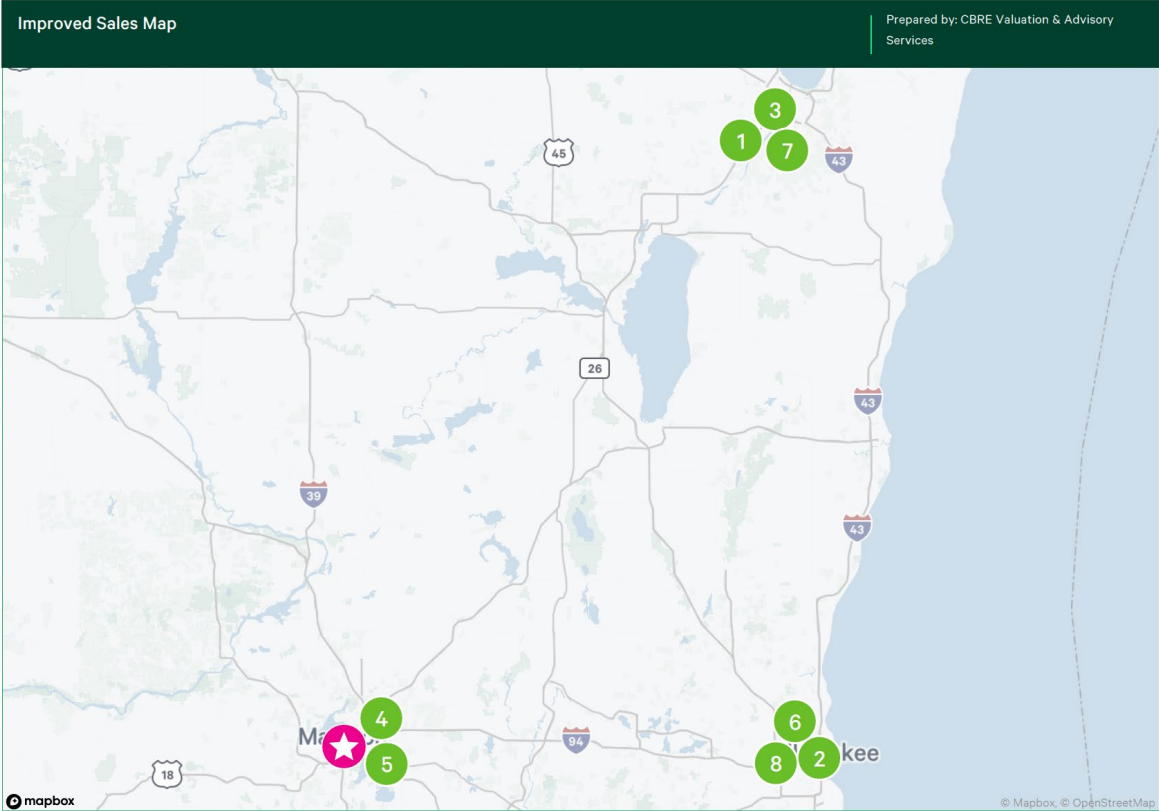
## Final HBU statements

- **As If Vacant Land:** Residential-led mixed-use development with structured parking and active ground floors (DC/Capitol-View compliant).
- **As Improved (Vacant Office Building):** Demolition and redevelopment is the maximally productive course of action; retention is only rational if coupled with a full adaptive-reuse/modernization plan supported by marketable unit layouts and risk-adjusted returns.



# Sales Comparison Approach

The following map and table summarize the comparable data used in the valuation of the subject. A detailed description of each transaction is included in the addenda.



SUMMARY OF COMPARABLE OFFICE SALES												
No.	Property Name	Transaction Type	Date	Interest Transferred	YOC / Reno'd	Property Type	Distance from Subj	Parking Ratio	NRA (SF)	Actual Sale Price	Adjusted Sale Price <sup>1</sup>	Price Per SF <sup>1</sup>
1	Ameriprise 3500 Packerland Drive De Pere, WI 54115	Sale	Jan-25	Fee Simple	2000	Office	115 Miles	5.95	145,033	\$2,500,000	\$2,500,000	\$17.24
2	100 East Wisconsin 100 E Wisconsin Ave and 720 N Water St Milwaukee, WI 53202	Sale	Aug-23	Fee Simple	1989	Office	74 Miles	0.92	435,000	\$28,750,000	\$28,750,000	\$66.09
3	The Arboretum 700 Pilgrim Way Green Bay, WI 54304	Sale	Sep-22	Fee Simple	1987	Office	118 Miles	4.69	218,323	\$5,900,000	\$5,900,000	\$27.02
4	10 Terrace Ct 10 Terrace Ct. Madison, WI 53718	Sale	Jul-22	Fee Simple	2000	Office	6.5 Miles	2.71	132,000	\$11,900,000	\$11,900,000	\$90.15
5	1707 W Broadway Building 1707 W Broadway Monona, WI 53713	Sale	May-21	Fee Simple	1989	Office	2.6 Miles	4.79	156,547	\$11,444,400	\$11,444,400	\$73.11
6	Milwaukee Tool 501 W Michigan Street Milwaukee, WI 53203	Sale	May-21	Fee Simple	1979 / 2023	Office	74 Miles	2.28	372,000	\$7,900,000	\$7,900,000	\$21.24
7	2650 S Ashland Avenue Green Bay, WI 54304	Sale	Jan-20	Fee Simple	1995 / 2002	Office	117 Miles	4.81	106,000	\$1,028,000	\$1,028,000	\$9.70
8	Journal Communications-Journal Square Property 333 West State Street City of Milwaukee, WI 53201	Sale	Nov-19	Fee Simple	1940	Office	74 Miles	0.42	438,200	\$8,731,012	\$8,731,012	\$19.92
Subj. Pro Forma	One Wilson - State Human Services Building 1 W Wilson St Madison, WI 53703	---	---	---	1930 / 1959	Office	---	---	445,000	---	---	---
<sup>1</sup> Adjusted sale price for cash equivalency, lease-up and/or deferred maintenance (where applicable)												
Compiled by CBRE												

## Purpose & Scope

This approach develops the opinion of value for the fee simple interest in the subject as a vacant office building. Consistent with appraisal best practices, we: (1) identify how the market actually transacts legacy, largely obsolete office assets; (2) select and verify directly comparable sales from the provided comp set; (3) analyze transaction and property differences qualitatively (direction only, no percentages); and (4) reconcile to a supported range and conclusion. The unit of comparison is price per gross building area (\$/SF) because buyers of vacant towers acquired for reuse or clearance bid on a whole-building \$/SF basis, not on income metrics.

## How buyers price this niche

Investors acquiring vacant or near-vacant towers underwrite site/program economics and the capex/time needed to convert or clear improvements. Reported prices embed the buyer's view of: (i) location and exit demand (e.g., multifamily/hotel vs. niche uses), (ii) vertical systems complexity and preservation/design-review obligations, (iii) parking form (structured vs. surface), and (iv) seller motivation/distress. Income capitalization is not the decision driver for these trades, which is why the market relies on \$/SF and redevelopment narratives rather than cap rates.

## Comparable Sales (what they tell us)

### Core urban high-rise analogs (primary weight)

- **(#2) 100 East Wisconsin, Milwaukee CBD — 35-story**, ±435,000 SF tower with adjacent garage, sold while <50% occupied to resolve a foreclosure, with the buyer announcing conversion to 340–350 apartments; \$66.09/SF. This demonstrates where prime CBD assets with structured parking and a 1980s core clear when a multifamily conversion is feasible. For our subject: location/setting is competitive (Capitol/lake), but the subject's older core/preservation and lack of an attached garage temper parity with this sale.
- **(#8) Journal Communications / Journal Square, Milwaukee — ±438,200 SF** historic downtown complex, mostly vacant at closing; purchased for redevelopment; \$19.92/SF. This is the best analog for legacy fabric and preservation obligations, bounding the lower side of credible urban pricing for heavy-lift historic product.
- **(#6) 501 W. Michigan ("Milwaukee Tool"), Milwaukee CBD — ±372,000 SF** high-rise traded first in late-2019 and again in 2021 as a user acquisition at \$21.24/SF (previously \$10.75/SF). These back-to-back trades bracket the user/transition basis for big urban boxes requiring substantial repositioning. They reinforce the lower-to-mid tier for at-scale towers where exit certainty is limited.

### Local redevelopment evidence (contextual, secondary weight)

- **(#5) WPS – 1707 W. Broadway, Monona (Madison) — ±156,547 SF**, sold 100% vacant for school conversion at \$73.11/SF. As a local example, it is useful to show what single-purpose users will pay for a smaller building with clear re-use; it tends to overstate what investors would pay for a much larger, high-rise conversion on a risk-adjusted basis.

### Supportive suburban indicators (bookends; light weight)

- **(#3) The Arboretum (former Shopko HQ), Green Bay — ±218,323 SF**, mostly vacant, Opportunity Zone, buyer intends redevelopment; \$27.02/SF. This reads as a mid-band suburban redevelopment basis.

- **(#1) Ameriprise, De Pere — ±145,033 SF**, purchased for multi-tenant conversion with amenities; \$17.24/SF. This demonstrates the lower band in suburban locations with ample surface parking and lower exit rents.

### Outliers used only to frame the tails

- **(#4) 10 Terrace Ct., Madison (owner-user HQ) — ±132,000 SF**, vacant at sale, quick estate disposition to an owner-user at \$90.15/SF; not representative of investor pricing for full-building vacancy.
- **(#7) 2650 S. Ashland, Green Bay — ±106,000 SF Class-C / distress, \$9.70/SF**; floor only, not representative for a downtown lake/Capitol setting.

### Qualitative comparative analysis (direction only)

#### Transaction conditions.

- 100 East carries distress at closing (foreclosure resolution), which would have suppressed its price; Journal's motivation was divestment of mostly vacant historic space (typical); Milwaukee Tool's 2021 closing is a user price; 10 Terrace is an owner-user/quick disposition outlier. In reconciliation, we lean away from owner-user outcomes and normalize the distress reading at 100 East through weighting rather than arithmetic changes.

#### Location & urban context.

- The subject's Capitol/lake adjacency and walkable amenity base place it above suburban De Pere/Green Bay readings (Ameriprise/Arboretum) and competitive with Milwaukee CBD assets. This pushes the subject above the suburban low band and toward the urban mid-high band when exit demand is credible.

#### Scale & vertical complexity.

- At roughly 445,000 SF, the subject matches the at-scale towers (100 East; Journal; Milwaukee Tool). That scale increases MEP conversion, shafting, and preservation complexity, typically keeping pricing below smaller suburban boxes that can be re-tenanted cheaply, but above distressed, obsolete campuses lacking urban demand drivers.

#### Parking form.

- The subject relies on structured parking in an urban context; suburban comps benefit from surface parking. Where a comp includes a garage (100 East), we treat parking as neutral; where a comp relies on surface stalls (Ameriprise/Arboretum), the subject's urban form does not suffer a discount because structured supply is typical and expected downtown.

#### Historic/preservation & design review.

- The subject's character interiors and Capitol-View context impose specialty-trade and schedule demands similar to Journal Communications; 100 East's late-1980s core is generally less preservation-burdened. This keeps the subject near Journal on the risk profile, but the subject's superior setting offsets part of that effect.

## Exit program credibility.

- The most credible buyer lens for the subject is multifamily-led mixed use or clear-site redevelopment. Thus, we de-emphasize owner-user and single-purpose school pricing (10 Terrace, WPS) and favor comps transacting for conversion/redevelopment at scale (100 East, Journal, Milwaukee Tool).

## Reconciliation

1. **Lower anchor.** Journal and the 2019/2021 Milwaukee Tool trades frame the lower end of credible urban pricing for very heavy-lift towers where exit certainty is modest and preservation/MEP complexity is high. They confirm that bids can clear in the high-teens to low-\$20s per SF when risk is front-loaded and parking/amenity advantages are limited.
2. **Upper anchor.** 100 East sets a credible urban high point for a tower with a garage and a more modern core when a multifamily conversion is well signaled; WPS establishes how single-purpose local users may pay more per SF for smaller buildings with a defined program. These two cap the top end but are not one-for-one analogs to the subject.
3. **Context band.** The Arboretum and Ameriprise suburban trades show where mostly vacant office sells when the exit is uncertain and the location is auto-oriented. They keep us from drifting above what the market would pay simply for raw square footage without downtown pull.

## Weighting Decision.

We place primary weight on 100 East, Journal, and Milwaukee Tool because they are urban, at-scale, vacant and were acquired for conversion or user re-programming—mirroring the subject’s most probable buyer behavior. We give secondary weight to WPS (local, but single-purpose school) and tertiary reference to Arboretum/Ameriprise to keep the bracket realistic. Owner-user (10 Terrace) and distress floor (2650 S. Ashland) inform the tails but do not influence the center of the range.

## Value indication.

Synthesizing the anchors above—with the subject’s superior setting (Capitol/lake), older core/preservation and structured-parking context—market behavior supports a central tendency in the urban “conversion” band, above Journal/Milwaukee-Tool readings and below 100 East’s garage-and-1980s-core outcome. On a \$/SF of GBA basis, the most persuasive bracket for the subject is the low-\$40s to low-\$50s per SF range, with emphasis near the mid-\$40s per SF given current buyer caution around vertical MEP replacement and design-review timing. Applied to ±445,000 SF, this implies an order-of-magnitude value in the high-teens to low-\$20 millions, before any explicit treatment of demolition if a clear-site path is elected (buyers typically internalize demo/abatement in their bids for assets like this).

## Sale Price Per Square Foot Conclusion

The market evidence says sophisticated capital will price the subject as a vacant, at-scale urban tower for conversion or clearance, and the most defensible indication—without quantified adjustments—sits in the urban conversion band described above, with reconciliation near the mid-\$40s per SF on GBA.

SALES COMPARISON APPROACH				
NRA (SF)	X	Value Per SF	=	Value
445,000	X	\$42.00	=	\$18,690,000
445,000	X	\$52.00	=	\$23,140,000
<b>VALUE CONCLUSION</b>				
As Is (Encumbered) Value				\$20,900,000
<b>Rounded</b>				<b>\$20,900,000</b>
<b>Value Per SF</b>				<b>\$46.97</b>
Compiled by CBRE				

# Reconciliation of Value

The value indications from the approaches to value are summarized as follows:

SUMMARY OF VALUE CONCLUSIONS			
Appraisal Premise	Date of Value	Sales Comparison Approach	Reconciled Value
As Is (Encumbered)	July 21, 2025	\$20,900,000	\$20,900,000
Compiled by CBRE			

In valuing the subject, the Sales Comparison Approach provides the most credible indicator of market value and is given primary emphasis. The Income Capitalization and Cost approaches were considered but are not relied upon for reconciliation—stabilized income assumptions are speculative for a vacant legacy tower positioned for redevelopment, and a cost indication would be dominated by extraordinary depreciation and not reflective of investor behavior. The final value therefore reconciles within the supported range indicated by the comparable sales.

Based on the foregoing, the market value of the subject has been concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is (Encumbered)	Fee Simple Estate	July 21, 2025	\$20,900,000
Compiled by CBRE			



# Assumptions and Limiting Conditions

1. CBRE, Inc. through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
  - (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
  - (ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
  - (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
  - (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
  - (v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
  - (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.
  - (vii) All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.
  - (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently, nor super-efficiently.
  - (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
  - (x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.

- (xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property, nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report and any conclusions stated therein. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

4. CBRE has assumed that all documents, data and information furnished by or on behalf of the client, property owner or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report and any conclusions stated therein. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including, without limitation, any termite inspection, survey or occupancy permit.
6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. This Report has been prepared in good faith, based on CBRE's current anecdotal and evidence-based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this Report, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections. Further, other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later change or be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decision based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge including, but not limited to, environmental, social, and governance principles ("ESG"), beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full,

comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.

12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.
13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.

# Addenda

# Addendum A

## Improved Sales Data Sheets

**Sale****Office - Single Tenant****No. 1**

Property Name Ameriprise  
 Address 3500 Packerland Drive  
 De Pere, WI 54115  
 United States

Government Tax Agency Brown  
 Govt./Tax ID VA-882 and VA-882-1

**Site/Government Regulations**

	Acres	Square feet
Land Area Net	26.859	1,169,978
Land Area Gross	26.859	1,169,978

Site Development Status	Finished
Shape	Irregular
Topography	Generally Level
Utilities	To Site

Maximum Floor Area N/A  
 Maximum FAR N/A  
 Actual FAR 0.12

Frontage Distance/Street	94 ft	Packerland Drive
Frontage Distance/Street	1,340 ft	Main Avenue
Frontage Distance/Street	1,119 ft	Layden Drive

Zoning N/A  
 General Plan N/A

**Improvements**

Gross Building Area	145,033 sf	Floor Count	2.00
Net Rentable Area (NRA)	145,033 sf	Parking Type	Surface
Usable Area	N/A	Parking Ratio	5.95/1,000 sf
Load Factor	N/A	Condition	Average
Status	Existing	Exterior Finish	Masonry
Occupancy Type	Single Tenant	Investment Class	B
Year Built	2000	Number of Buildings	1
Year Renovated	N/A		
Amenities	N/A		

**Sale Summary**

Recorded Buyer PARK PLACE HOLDINGS - 3500  
 PACKERLAND, LLC  
 True Buyer N/A  
 Recorded Seller ARC ACAWBW1001, LLC  
 True Seller N/A

Interest Transferred Fee Simple  
 Current Use N/A  
 Proposed Use Adaptive Reuse  
 Listing Broker NAIPfefferle  
 Selling Broker N/A  
 Doc # 3085600

Marketing Time 8 Month(s)  
 Buyer Type Corporation  
 Seller Type Corporation  
 Primary Verification Public Record

Type	Sale
Date	1/21/2025
Sale Price	\$2,500,000
Financing	Market Rate Financing
Cash Equivalent	\$2,500,000
Capital Adjustment	\$0
Adjusted Price	\$2,500,000





## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
01/2025	Sale	PARK PLACE HOLDINGS - 3500 PACKERLAND, LLC	ARC ACAWBW1001, LLC	\$2,500,000	\$17.24

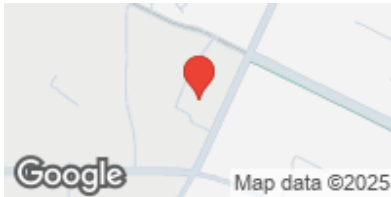
## Units of Comparison

Static Analysis Method	N/A	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	N/A	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	N/A	Adjusted Price / sf	\$17.24
Projected IRR	N/A	Wtd. Avg. Lease Expiry	N/A
Actual Occupancy at Sale	N/A		

## Financial

No information recorded

## Map &amp; Comments



This sake represents the acquisition of a 145,033-square foot office property located at 3500 Packerland Drive in De Pere, Brown County, Wisconsin. The improvements were constructed in 2000 and are situated on a 26.86-acre site. In January 2025 the property was purchased for \$2,500,000 or \$17.24 per square foot. The seller had been a long time owner user of the property. The buyer purchased the property for multi-tenant conversion with additional amenities such as a fitness center and pickleball courts.

Property Name 100 East Wisconsin  
 Address 100 E Wisconsin Ave and 720 N Water St  
 Milwaukee, WI 53202  
 United States

Government Tax Agency Milwaukee  
 Govt./Tax ID Multiple

**Site/Government Regulations**

	Acres	Square feet
Land Area Net	0.630	27,443
Land Area Gross	0.630	27,443

Site Development Status	Finished
Shape	Rectangular
Topography	Generally Level
Utilities	All Available

Maximum Floor Area N/A  
 Maximum FAR N/A  
 Actual FAR 15.85

Frontage Distance/Street N/A Wisconsin Avenue

Zoning C9F(B); Office and Service  
 General Plan N/A

**Improvements**

Gross Building Area	435,000 sf	Floor Count	35.00
Net Rentable Area (NRA)	435,000 sf	Parking Type	Covered
Usable Area	N/A	Parking Ratio	0.92/1,000 sf
Load Factor	N/A	Condition	Average
Status	Existing	Exterior Finish	Masonry
Occupancy Type	Multi-tenant	Investment Class	N/A
Year Built	1989	Number of Buildings	2
Year Renovated	N/A		
Amenities	N/A		

**Sale Summary**

Recorded Buyer	100 East Propco LLC	Marketing Time	16 Month(s)
True Buyer	John Vassallo	Buyer Type	N/A
Recorded Seller	Hertz Milwaukee 100 East Wisconsin LLC	Seller Type	N/A
True Seller	Hertz Investment Group	Primary Verification	CoStar, Public Records

Interest Transferred Fee Simple  
 Current Use N/A  
 Proposed Use N/A  
 Listing Broker CBRE  
 Selling Broker Patrick Gallagher  
 Doc # 11365893

Type	Sale
Date	8/31/2023
Sale Price	\$28,750,000
Financing	Market Rate Financing
Cash Equivalent	\$28,750,000
Capital Adjustment	\$0
Adjusted Price	\$28,750,000



## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
08/2023	Sale	100 East Propco LLC	Hertz Milwaukee 100 East Wisconsin LLC	\$28,750,000	\$66.09

## Units of Comparison

Static Analysis Method	Trailing Actuals	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static and Yield Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	0.00%	Adjusted Price / sf	\$66.09
Projected IRR	N/A	Wtd. Avg. Lease Expiry	N/A
Actual Occupancy at Sale	N/A		

## Financial

No information recorded

## Map &amp; Comments



This 435,000 square foot office building and adjacent parking garage sold for \$28.75 million. The property was sold to resolve a foreclosure lawsuit that was filled against the seller in 2021.

At time of sale the building was less than 50% occupied, with leases expiring by the end of 2024. The new ownership group intends to renovate/redevelop the building and convert it into 340-350 upscale market rage apart

Property Name The Arboretum  
 Address 700 Pilgrim Way  
 Green Bay, WI 54304  
 United States

Government Tax Agency Brown

Govt./Tax ID VA-132-1-2

#### Site/Government Regulations

	Acres	Square feet
Land Area Net	31.440	1,369,526
Land Area Gross	31.440	1,369,526

Site Development Status	Finished
Shape	Irregular
Topography	Generally Level
Utilities	Available at sites

Maximum Floor Area	N/A
Maximum FAR	N/A
Actual FAR	0.16

Zoning B-3

General Plan N/A



#### Improvements

Gross Building Area	N/A	Floor Count	3.00
Net Rentable Area (NRA)	218,323 sf	Parking Type	Surface
Usable Area	N/A	Parking Ratio	4.69/1,000 sf
Load Factor	N/A	Condition	Average
Status	N/A	Exterior Finish	Masonry
Occupancy Type	Multi-tenant	Investment Class	B
Year Built	1987	Number of Buildings	N/A
Year Renovated	N/A		
Amenities	N/A		

#### Sale Summary

Recorded Buyer	PROVISIONS INVESTORS LLC	Marketing Time	9 Month(s)
True Buyer	Act Network	Buyer Type	N/A
Recorded Seller	700 PILGRIM WAY OZ LLC	Seller Type	N/A
True Seller	N/A	Primary Verification	CoStar, Public Records

Interest Transferred	Fee Simple
Current Use	N/A
Proposed Use	N/A
Listing Broker	Friedman Real Estate
Selling Broker	Josh Miller
Doc #	N/A

Type	Sale
Date	9/9/2022
Sale Price	\$5,900,000
Financing	Market Rate Financing
Cash Equivalent	\$5,900,000
Capital Adjustment	\$0
Adjusted Price	\$5,900,000

## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
09/2022	Sale	PROVISIONS INVESTORS LLC	700 PILGRIM WAY OZ LLC	\$5,900,000	\$27.02

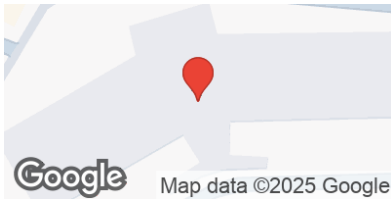
## Units of Comparison

Static Analysis Method	Trailing Actuals	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static and Yield Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	0.00%	Adjusted Price / sf	\$27.02
Projected IRR	N/A	Wtd. Avg. Lease Expiry	N/A
Actual Occupancy at Sale	N/A		

## Financial

No information recorded

## Map &amp; Comments



The 218,323 office building located at 700 Pilgrim Way in Green Bay, Wisconsin has sold for \$5.9M on September 9, 2022. The building is the former Shopko Headquarters. The property sits on 33.43 acres of land zoned Commercial. The property is located within an Opportunity Zone and was mostly vacant at the time of sale. The buyer intends to redevelop the property, but the details are undisclosed at this time. There was no buyer broker involved in the transaction. This information has been verified via the listing broker.

Property Name 10 Terrace Ct  
 Address 10 Terrace Ct.  
 Madison, WI 53718  
 United States

Government Tax Agency Dane  
 Govt./Tax ID Multiple

**Site/Government Regulations**

	Acres	Square feet
Land Area Net	10.840	472,190
Land Area Gross	10.840	472,190

Site Development Status	Finished
Shape	Irregular
Topography	Generally Level
Utilities	N/A

Maximum Floor Area	N/A
Maximum FAR	N/A
Actual FAR	0.28

Zoning O-4  
 General Plan N/A

**Improvements**

Gross Building Area	N/A	Floor Count	5.00
Gross Leasable Area (GLA)	132,000 sf	Parking Type	Surface
Usable Area	N/A	Parking Ratio	2.71/1,000 sf
Load Factor	N/A	Condition	Average
Status	Existing	Exterior Finish	Glass
Occupancy Type	Single Tenant	Investment Class	N/A
Year Built	2000	Number of Buildings	1
Year Renovated	N/A		
Amenities	N/A		

**Sale Summary**

Recorded Buyer DMB Community Bank  
 True Buyer N/A  
 Recorded Seller Old Sauk Trails Park LP  
 True Seller The Gialamas Company, Inc.

Marketing Time N/A  
 Buyer Type End User  
 Seller Type Corporation  
 Primary Verification Public Records

Interest Transferred Fee Simple  
 Current Use N/A  
 Proposed Use N/A  
 Listing Broker N/A  
 Selling Broker N/A  
 Doc # 5850359

Type	Sale
Date	7/22/2022
Sale Price	\$11,900,000
Financing	Market Rate Financing
Cash Equivalent	\$11,900,000
Capital Adjustment	\$0
Adjusted Price	\$11,900,000



## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
07/2022	Sale	DMB Community Bank	Old Sauk Trails Park LP	\$11,900,000	\$90.15

## Units of Comparison

Static Analysis Method	N/A	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Price (Primary Unit of Comparison)	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	N/A	Adjusted Price / sf	\$90.15
Projected IRR	N/A	Wtd. Avg. Lease Expiry	N/A
Actual Occupancy at Sale	0%		

## Financial

No information recorded

## Map &amp; Comments



This sale represents the acquisition of a 132,000-square foot, five-story office building built in 2000 and situated on a 10.84-acre site located at 10 Terrace Court in Madison, Wisconsin. In July 2022 the property was purchased for \$11,900,000 or \$90.15 per square foot. At the time of sale the property was vacant. It was purchased by an owner-user, DMB Community Bank who will occupy the facility as the bank's new headquarters. The bank will occupy approximately half of the facility and plans to lease the remaining space. The sale was considered somewhat distressed or a quick disposition as a result of the death of the seller and estate tax issues.

Property Name 1707 W Broadway Building  
 Address 1707 W Broadway  
 Monona, WI 53713  
 United States

Government Tax Agency Dane  
 Govt./Tax ID 0710-301-0150-2



#### Site/Government Regulations

	Acres	Square feet
Land Area Net	13.000	566,280
Land Area Gross	13.000	566,280

Site Development Status	Finished
Shape	Rectangular
Topography	Generally Level
Utilities	All

Maximum Floor Area N/A  
 Maximum FAR N/A  
 Actual FAR 0.28

Zoning CDD  
 General Plan N/A

#### Improvements

Gross Building Area	156,547 sf	Floor Count	3.00
Gross Building Area (GBA)	156,547 sf	Parking Type	Above Grade Structure
Usable Area	N/A	Parking Ratio	4.79/1,000 sf
Load Factor	N/A	Condition	Average
Status	Existing	Exterior Finish	Concrete
Occupancy Type	Multi-tenant	Investment Class	N/A
Year Built	1989	Number of Buildings	1
Year Renovated	N/A		
Amenities	N/A		

#### Sale Summary

Recorded Buyer	One City Broadway LLC	Marketing Time	9 Month(s)
True Buyer	N/A	Buyer Type	End User
Recorded Seller	Wisconsin Physicians Service Insurance Corporation	Seller Type	End User
True Seller	N/A	Primary Verification	Broker, Public Records
Interest Transferred	Fee Simple	Type	Sale
Current Use	Vacant Office	Date	5/27/2021
Proposed Use	Office, Multifamily, School	Sale Price	\$11,444,400
Listing Broker	N/A	Financing	Market Rate Financing
Selling Broker	N/A	Cash Equivalent	\$11,444,400
Doc #	N/A	Capital Adjustment	\$0
		Adjusted Price	\$11,444,400

## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
05/2021	Sale	One City Broadway LLC	Wisconsin Physicians Service Insurance Corporation	\$11,444,400	\$73.11

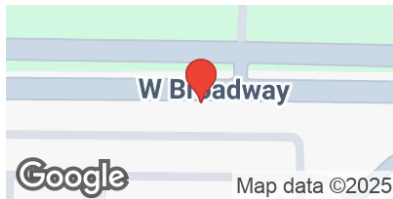
## Units of Comparison

Static Analysis Method	N/A	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Price (Primary Unit of Comparison)	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	N/A	Adjusted Price / sf	\$73.11
Projected IRR	N/A	Wtd. Avg. Lease Expiry	N/A
Actual Occupancy at Sale	0%		

## Financial

No information recorded

## Map &amp; Comments



This comparable represents the acquisition of a 156,547-square foot, four-story vacant office building located at 1707 West Broadway in Monona, WI. The property was built in 1989 and is situated on a 41.37-acre site. In July 2021 the property was purchased for \$11,444,400 or \$71 per square foot. At the time of sale the property was vacant and being marketed for redevelopment or office users. This was a redevelopment sale as the new buyer planned to convert the office building into a school. One City Schools is a charter school and will offer kindergarten through 4th grade, with the intentions of expanding through high school in the future. They also locate their offices in this facility.

Property Name Milwaukee Tool  
 Address 501 W Michigan Street  
 Milwaukee, WI 53203  
 United States

Government Tax Agency Milwaukee  
 Govt./Tax ID 361-0814-122-5

**Site/Government Regulations**

	Acres	Square feet
Land Area Net	2.930	127,631
Land Area Gross	2.930	127,631

Site Development Status	Finished
Shape	Irregular
Topography	Generally Level
Utilities	All available

Maximum Floor Area	N/A
Maximum FAR	N/A
Actual FAR	2.91

Zoning	C9FA
General Plan	N/A

**Improvements**

Gross Building Area	N/A	Floor Count	6.00
Net Rentable Area (NRA)	372,000 sf	Parking Type	Covered
Usable Area	N/A	Parking Ratio	2.28/1,000 sf
Load Factor	N/A	Condition	Average
Status	N/A	Exterior Finish	Steel
Occupancy Type	Single Tenant	Investment Class	N/A
Year Built	1979	Number of Buildings	N/A
Year Renovated	2023		
Amenities	N/A		

**Sale Summary**

Recorded Buyer	Pflicht & Werkzeug Properties LLC	Marketing Time	17 Month(s)
True Buyer	Milwaukee Tool	Buyer Type	N/A
Recorded Seller	F Street	Seller Type	N/A
True Seller	Scott Lurie (	Primary Verification	CoStar, Public Records

Interest Transferred	Fee Simple
Current Use	N/A
Proposed Use	N/A
Listing Broker	CBRE
Selling Broker	Alyssa Geisler
Doc #	11117824

Type	Sale
Date	5/21/2021
Sale Price	\$7,900,000
Financing	Cash to Seller
Cash Equivalent	\$7,900,000
Capital Adjustment	\$0
Adjusted Price	\$7,900,000



## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
05/2021	Sale	Pflicht & Werkzeug Properties LLC	F Street	\$7,900,000	\$21.24
12/2019	Sale	F Street	INTERFINANCIAL	\$4,000,000	\$10.75

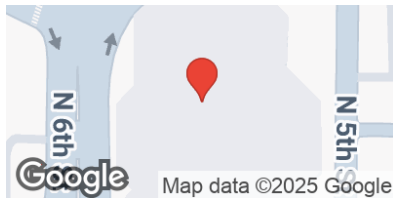
## Units of Comparison

Static Analysis Method	Trailing Actuals	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static and Yield Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	0.00%	Adjusted Price / sf	\$21.24
Projected IRR	N/A	Wtd. Avg. Lease Expiry	N/A
Actual Occupancy at Sale	N/A		

## Financial

No information recorded

## Map &amp; Comments



On May 21st, 2021 this 372,000 sf property located at 501 W Michigan St. Milwaukee, WI sold in a User sale for \$7.9MM. This property is located in Milwaukee County and sits on 2.93 acres of land as a Steel Construction type. The property was purchased by Milwaukee Tool, who was originally seeking \$12.1MM in

Property Name N/A  
 Address 2650 S Ashland Avenue  
 Green Bay, WI 54304  
 United States

Government Tax Agency Brown  
 Govt./Tax ID VA-163-1

**Site/Government Regulations**

	Acres	Square feet
Land Area Net	4.420	192,535
Land Area Gross	4.420	192,535

Site Development Status	Finished
Shape	Irregular
Topography	Generally Level
Utilities	Available at sites

Maximum Floor Area N/A  
 Maximum FAR N/A  
 Actual FAR 0.55

Zoning B  
 General Plan N/A

**Improvements**

Gross Building Area	N/A	Floor Count	2.00
Net Rentable Area (NRA)	106,000 sf	Parking Type	Surface
Usable Area	N/A	Parking Ratio	4.81/1,000 sf
Load Factor	N/A	Condition	Average
Status	N/A	Exterior Finish	Masonry
Occupancy Type	Multi-tenant	Investment Class	C
Year Built	1995	Number of Buildings	N/A
Year Renovated	2002		
Amenities	N/A		

**Sale Summary**

Recorded Buyer	One Voice Foundation	Marketing Time	26 Month(s)
True Buyer	Broadway Automotive	Buyer Type	N/A
Recorded Seller	Brookview Meadows LLC	Seller Type	N/A
True Seller	Besaw Properties, Ltd.	Primary Verification	CoStar, Public Records

Interest Transferred	Fee Simple
Current Use	N/A
Proposed Use	N/A
Listing Broker	Besaw Properties, Ltd.
Selling Broker	Tim Besaw
Doc #	N/A

Type	Sale
Date	1/17/2020
Sale Price	\$1,028,000
Financing	Market Rate Financing
Cash Equivalent	\$1,028,000
Capital Adjustment	\$0
Adjusted Price	\$1,028,000





## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
01/2020	Sale	One Voice Foundation	Brookview Meadows LLC	\$1,028,000	\$9.70
01/2020	Sale	Brookfield Meadows, LLC	Johnson Financial Group	\$900,000	\$8.49

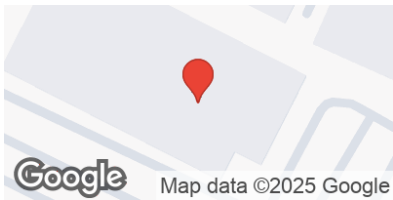
## Units of Comparison

Static Analysis Method	Trailing Actuals	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static and Yield Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	0.00%	Adjusted Price / sf	\$9.70
Projected IRR	N/A	Wtd. Avg. Lease Expiry	N/A
Actual Occupancy at Sale	N/A		

## Financial

No information recorded

## Map &amp; Comments



On January 17, 2020 the office building at 2650 S Ashland Ave in Green Bay Wisconsin was sold for \$1,028,000 or about \$9 per square foot. The transaction was between Brookview Meadows LLC as the seller and One Voice Foundation as the buyer in the deal.

The C class office building features about 106,000 square feet on about about 4.42 acres of land.

The information on this sale comparable was verified via public record as well as both parties on the deal.

Property Name Journal Communications-Journal Square Property  
 Address 333 West State Street  
 City of Milwaukee, WI 53201  
 United States

Government Tax Agency Milwaukee County  
 Govt./Tax ID 392-0341-000

**Site/Government Regulations**

	Acres	Square feet
Land Area Net	2.934	127,805
Land Area Gross	2.934	127,805

Site Development Status	Finished
Shape	Irregular
Topography	Generally Level
Utilities	Available at sites

Maximum Floor Area	N/A
Maximum FAR	N/A
Actual FAR	3.43

Zoning	N/A
General Plan	N/A

**Improvements**

Gross Building Area	N/A	Floor Count	5.00
Net Rentable Area (NRA)	438,200 sf	Parking Type	Surface
Usable Area	N/A	Parking Ratio	0.42/1,000 sf
Load Factor	N/A	Condition	Average
Status	Existing	Exterior Finish	Masonry
Occupancy Type	Single Tenant	Investment Class	B
Year Built	1940	Number of Buildings	N/A
Year Renovated	N/A		
Amenities	N/A		

**Sale Summary**

Recorded Buyer	J. Jeffers & Co.	Marketing Time	18 Month(s)
True Buyer	Josh Jeffers	Buyer Type	N/A
Recorded Seller	Gannett Publishing Services	Seller Type	N/A
True Seller	La Guardia Myers	Primary Verification	CoStar, Public Records

Interest Transferred	Fee Simple
Current Use	N/A
Proposed Use	N/A
Listing Broker	CBRE
Selling Broker	Patrick Gallagher
Doc #	N/A

Type	Sale
Date	11/1/2019
Sale Price	\$8,731,012
Financing	Market Rate Financing
Cash Equivalent	\$8,731,012
Capital Adjustment	\$0
Adjusted Price	\$8,731,012



## Transaction Summary plus Five-Year CBRE View History

Transaction Date	Transaction Type	Buyer	Seller	Price	Cash Equivalent Price/sf
11/2019	Sale	J. Jeffers & Co.	Gannett Publishing Services	\$8,731,012	\$19.92

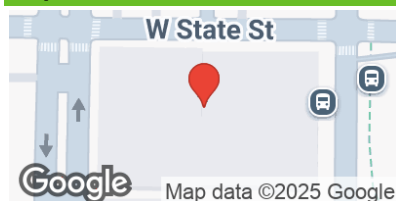
## Units of Comparison

Static Analysis Method	Trailing Actuals	Eff Gross Inc Mult (EGIM)	N/A
Buyer's Primary Analysis	Static and Yield Capitalization Analyses	Op Exp Ratio (OER)	N/A
Net Initial Yield/Cap. Rate	0.00%	Adjusted Price / sf	\$19.92
Projected IRR	N/A	Wtd. Avg. Lease Expiry	N/A
Actual Occupancy at Sale	N/A		

## Financial

No information recorded

## Map &amp; Comments



On November 1, 2019 423,348 square feet of office space at 330-A W Kilbourn Ave and 333 W State St in Milwaukee, WI were sold for \$9,000,000 or \$21.26 per square foot. The Class C and B properties were built in 1951 and 1924, respectively. The property at 333 W State St has been the home of the Journal since 1962. The buildings together occupy 3.27 acres of adjacent land. In addition to its classic Art Deco design, the former Journal Sentinel building features 184 parking spaces, signage, and access to the local bus line.

The properties were on the market for approximately 6 months, with no marketed asking price.

The seller was motivated to divest the property due to decreasing staff, and in order to move to different building which was more in line with the newspaper's evolving needs. The building was mostly vacant at the time of sale.

The buyer was motivated to invest in the property for because of its historic nature, and for its value as a redevelopment property.

The details of the comp were verified with the listing brokerage. The buyer was not available for comment at the time of publication.

The deed was not available at the time of publication.

# Addendum B

## Qualifications



## VALUATION & ADVISORY SERVICES

# Randal Dawson, MAI, FRICS, CRE, NACD.DC

Executive Vice President, National Leader – Litigation Support & Dispute Group, Chicago, IL

**T** +1 312 233 8686

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**E** randal.dawson@cbre.com

Lic. Certified General Appraiser – IL, IN, MO, WI

## Clients Represented

- 1st Source Bank
- Alliant Credit Union
- Baker & Hostetler LLP
- Baker & McKenzie
- Berkeley Point Capital
- Blue Vista Capital
- Brotherhood Bank & Trust
- Bryan Cave
- Centier Bank
- Cole Law
- Extensia Financial
- Hinshaw & Culberson LLP
- Home State Bank
- Huntington Bank
- Korein Tillery
- Prologis
- Reed Smith LLP
- Royal Bank
- Town Center Bank
- United Bank & Trust
- United Community Bank
- US Dept. of Justice
- Valero Companies

## Education

- Bachelor degree of General Studies (BGS) in Liberal Arts and Sciences, University of Kansas

## Professional Experience

Randal Dawson, MAI, CRE, FRICS, NACD.DC serves as Executive Vice President and National Leader—Litigation Support & Dispute Group for the Valuations & Advisory Services line of business for CBRE. Randal is a nationally recognized expert in litigation support and dispute analysis, with over three decades of experience providing strategic valuation and consulting services across a wide range of legal and financial matters. As CBRE's National Litigation Support & Dispute Analysis Practice Leader, Randal has testified as a qualified expert witness in federal, state, and local jurisdictions throughout the United States. His litigation experience spans insurance claims, shareholder disputes, bankruptcy proceedings, tax appeals, divorce cases, IRS tax disputes, condemnation actions, and diminution in value related to historic preservation and conservation easements.

In addition to his litigation expertise, Randal brings more than 30 years of experience in real estate valuation, tax appeals, and strategic counseling. He specializes in the valuation of commercial and special-use properties, with a focus on industrial, retail, multifamily, healthcare facilities, hospitals, and adaptive reuse developments. His work includes highest and best-use analyses, feasibility studies, mass appraisals, and valuations for a wide range of purposes including ad valorem taxation, trust and estate planning, financial reporting, conventional and bond financing, fair rental studies, and specialized assets such as data centers, movie studios, and telecommunications infrastructure.

Randal also leads the Consulting Practice for CBRE's Midwest Region. He holds several prestigious professional designations, including the CRE from the Counselors of Real Estate, the MAI from the Appraisal Institute, the FRICS from the Royal Institution of Chartered Surveyors, and the NACD Directorship Certification from the National Association of Corporate Directors. Randal is a member of the KU School of Business Dean's Advisory Board.

## Pro Affiliations / Accreditations

- University of Kansas School of Business Dean's Advisory Board – Member
- The Appraisal Foundation – Member of the Board of Trustees

- Chair, IMPACT Special Committee
  - Boards Nominating Committee
- Illinois Real Estate Journal – Real Estate Appraiser of the Year, 2025
- Board Member of the Royal Institution of Chartered Surveyors, Americas World Regional Board
  - Valuation Sector
- National Association of Corporate Directors – NACD Directorship Certified®
- Urban Land Institute – Full Member
  - ULI Chicago Property Tax Incidence Task Force 2021 - Member
  - ULI Technical Assistance Panel (TAP) 2018 Mundelein, IL - Panelist
- National Association of Industrial and Office Professionals (NAIOP)
  - NAIOP Board of Directors – Chicago Area
  - NAIOP Legislative Committee – Chicago Area
- CBRE's National Black Excellence Employee Business Resource Group – Executive Committee
- CBRE's Global Ethics & Compliance Ambassador Program Advisory Board Member
- Royal Institution of Chartered Surveyors - Fellow (FRICS)
  - Global Valuation Standards Expert Working Group (EWG) – Member
- Junior Achievement of Chicago – Board of Directors – Development Committee
- The Economic Club of Chicago – Member
- The Realty Club of Chicago – Member
- Real Estate Executive Council – Member
- Business Leadership Council - Member
- Appraisal Institute (MAI) - Designated Member
- The Counselors of Real Estate (CRE) - Midwest
- Valuation of Conservation Easements – Professional Development Program – Appraisal Institute
- Appraising Historic Preservation Easements - Professional Development Program – Appraisal Institute
- Multifamily Accelerated Processing (MAP): Third-Party Technical Valuation Certification. – US Department of Housing and Urban Development (HUD)
- American Bar Association – Associate Member



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Understand all aspects of value

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- Portfolio Valuations
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- Litigation Support & Testimony
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- Environmental Site Assessments
- Land Surveying
- Seismic Risk Analysis
- Radon, Asbestos, Indoor Air Quality
- Zoning Reports & Compliance

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## Property & Transaction Tax

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- Assessment Reviews & Appeals
- Real Estate Transaction Tax
- Property Tax Payment Services
- Pre-Acquisition Due Diligence
- Pre-Construction Due Diligence
- Budgeting & Accruals

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Landmark training, practice guidelines and governance



Dedicated, global team of QRM experts

Industry-leading people, data and technologies

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CBRE is the global leader in commercial real estate services, with more than 100 years of industry experience. We provide unmatched market coverage and sector expertise across every dimension of our Valuation & Advisory Services, delivering insights you can't get anywhere else

90+

U.S. Valuation Offices

80K+

U.S. Yearly Assignments

600k+

Global Yearly Assignments

200+

Global Valuation Offices