

RESTRICTED APPRAISAL REPORT

Type of Property Agricultural – Special Use

Indicate: Residential, Commercial, Bare land, Farm, Special, Industrial

Location	<u>Approximately 4900 N 140 W, West Lafayette, Indiana 47906</u>	Parcel	<u>14</u>
Owner	<u>City of West Lafayette</u>	Phone	<u>765-775-5130</u>
Address	<u>City Hall, West Lafayette, 47906</u>	Project	<u>Big 3 Sewer</u>
Tenant	<u>N/A</u>	City	<u>West Lafayette</u>
		County	<u>Tippecanoe</u>

Area and type of Acquisition:	<u>Perpetual Easement</u>	<u>0.239 Acres</u>
	<u>Temporary R/W</u>	<u>0.164 Acres</u>
	<u>Access Rights</u>	<u>N/A</u>

CLIENT/INTENDED USE:

The term “client” is defined in the definition section of USPAP as “the party or parties who engage, by employment or contract, an appraiser in a specific assignment.”¹ However, in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP), the Client may also engage and communicate with the appraiser directly or through an agent. Consequently, the Client for this appraisal assignment is American Suburban Utilities, Inc.; whereas, the appraiser was engaged by RWS South, Inc., as agent for the Client.

This appraisal report is intended to be used by the Client as a basis for the just compensation due to the property owner in the process of acquiring the specified property rights. The intended user of this report is primarily the acquiring agency, but its funding partners may review the report as part of their program oversight activities. This report is prepared in full compliance with the requirements as set forth by the Client and is intended for the sole and exclusive use of the Client and any funding partners. Any other use or user of this report is prohibited without the express written consent of the appraiser.

PURPOSE OF APPRAISAL:

The purpose of this appraisal is to estimate the fair market value of any part of the subject property (land, land improvements, and/or building improvements) to be acquired, the amount of compensation for any curable and/or incurable damages resulting from the proposed acquisition, and the amount of compensation for use of any temporary and/or perpetual right-of-way.

TYPE OF REPORT:

Written real property appraisal reports must be prepared as either an Appraisal Report or a Restricted Appraisal Report. The essential difference between these two options is in the content and level of information provided. This report is a restricted appraisal report and is and can be utilized only when the client is the sole intended user.

PROPERTY RIGHTS APPRAISED:

The property rights appraised comprise the fee simple interest. The fee simple interest is defined as:

“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.”²

The appraisal of the defined property rights recognizes that a true fee simple interest seldom exists. The complexity of real property ownership is such that nearly all properties are encumbered to some degree by a partial division of rights that specify an economic, legal, physical and/or financial interest.

¹ The Appraisal Foundation, *The Uniform Standards of Professional Appraisal Practice*, 2014-2015 Edition, Definitions, U-2

² “Fee Simple Estate,” *The Dictionary of Real Estate Appraisal*, 5th Edition, Chicago: Appraisal Institute, 2010

EXTRAORDINARY ASSUMPTIONS & HYPOTHETICAL CONDITIONS:

An extraordinary assumption is defined as follows:

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of the data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.³

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 purpose of analysis. Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in the analysis. A hypothetical condition may be used in an assignment only if:

- Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison;
- Use of the hypothetical condition results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.⁴

This appraisal was made under the assumption that the acquisition and construction of the proposed public improvement will occur as depicted on the right-of-way plan sheets provided to the appraiser. If any modifications are made to the referenced plan sheets, the appraisers reserve the right to alter the appraisal report to reflect such modifications.

FAIR MARKET VALUE DEFINED:

USPAP requires appraisal reports to identify the type and definition of value and cite the source of the definition. The type of value is the general class or category of value, whereas the definition of value provides a specific description of the characteristics and conditions of the type of value.

The type, nature and extent of the appraisal problem is such that the definition of Fair Market Value mandated by the Indiana Department of Transportation is deemed to be appropriate in this instance. This definition of market value is utilized uniformly and extensively for real property appraisals that address the partial acquisition of specified property rights.

³ The Appraisal Foundation, *The Uniform Standards of Professional Appraisal Practice*, 2014-2015 Edition, Standard, U-18

⁴ The Appraisal Foundation, *The Uniform Standards of Professional Appraisal Practice*, 2014-2015 Edition, Standard, U-18

Type and Definition

Fair Market Value is the amount of money (cash or its equivalent) which, as of the date of valuation:

- a. An informed and knowledgeable purchaser willing, but not obligated, to buy the property would pay to an informed and knowledgeable owner willing, but not obligated, to sell it.
- b. Taking into consideration all uses for which the property is suited and might in reason be applied; including, but not limited to the present use or highest and best available use taking into consideration the existing zoning or other restrictions upon use and the reasonable probability of a change in those restrictions.
- c. Allowing a reasonable period of time to effectuate such sale.
- d. Disregarding any decrease or increase in fair market value of which real property prior to the date of valuation caused by the public improvement for which such property is acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the owner.
- e. Disregarding the fact that the owner might not want to part with the land because of its special adaptability to the owner's use.
- f. Disregarding the fact that the taker needs the land because of its peculiar fitness for its purpose.
- g. Disregarding any "gain to the taker", i.e., not giving consideration to the special use of the condemnor as against others who may not possess the right of Eminent Domain.
- h. Including the value of any buildings, structures, or improvements located upon the land, which are required to be removed or which it is determined will be adversely affected by the use to which such real property will be put, regardless of whether such building, structure or improvement is classified as real or personal property under local law. Such buildings, structures and improvements are valued based upon their contribution to the fair market value of the real property to be acquired or their value for removal from the real property (salvage value), whichever is greater. This includes tenant owned buildings, structures, or improvements, even if the tenant has a right or obligation to remove the building, structures or improvements at the expiration of the lease term and even if classified as personal property under local law.
- i. Fair market value, based upon adequate recent comparable sales and offering data is usually the measure of just compensation.

Source

49CFR Part 24 of the Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs, effective February 3, 2005.

JURISDICTIONAL EXCEPTION:

The Jurisdictional Exception Rule states that "if any applicable law or regulation precludes compliance with any part of USPAP, only that part of USPAP becomes void of that assignment." Furthermore, according to the Jurisdictional Exception Rule, "law includes constitutions, legislative and court-made law, and administrative rules and ordinances. Regulations include rules or orders having legal force, issued by an administrative agency. Instructions from a client or attorney do not establish a jurisdictional exception."⁵

The definition of market value utilized in this appraisal does not call for the estimate of value to be linked to a specific exposure time. Standards Rule 1-2(c) of USPAP states that "when exposure time is a component of the definition for the value opinion being developed, the appraiser must also develop an opinion of reasonable exposure time linked to that value opinion." The subsequent definition of fair market value merely implies that the property be exposed on the open market for a reasonable amount of time, given its character in the market.

⁵ The Appraisal Foundation, *The Uniform Standards of Professional Appraisal Practice*, 2014-2015 Edition, Rules, U-15

Standards Rule 1-4(f) states that “when analyzing anticipated or public or private improvements, located on or off the site, an appraiser must analyze the effect on value, if any, of such anticipated improvements to the extent they are reflected in market actions.” The following appraisal does not consider any possible enhancement of value due to the construction of the proposed sewer project.

SCOPE OF WORK:

This report is prepared as a Restricted Appraisal Report, as dictated in Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice (USPAP). It has been completed in accordance with the requirements set forth by the Client. The value conclusion presented in this report is regarded to be reasonable and is adequately supported by available market information. However, it should be clearly understood that the opinions and conclusions set forth in this restricted report may not be understood properly without additional supporting information contained in the appraiser’s workfile. This report meets the minimum written reporting requirements of USPAP and is subject to the attached General Assumptions and Limiting Conditions.

Identifying the appraisal problem to be solved is required in order to make critical judgments in determining the appropriate scope of work. The following assignment elements are identified in various sections in the report:

- client and any intended users;
- intended use of the appraisers’ opinions and conclusions;
- type and definition of value;
- effective date of the appraisers’ opinions and conclusions;
- subject of the assignment and its relevant characteristics; and
- assignment conditions. (Extraordinary Assumptions and Hypothetical Conditions)

The scope of work also included the following:

- an inspection of the area and neighborhood was conducted;
- the subject property was inspected;
- the distinguishing topographical features of the site were noted;
- the type, quantity, and condition of site improvements were identified;
- the property was photographed;
- research was conducted in the local land market in order to identify appropriate data for estimating land value;
- the public records in the Assessor’s, Auditor’s and Recorder’s offices were researched for documents pertaining to the subject property and the related comparable sales;
- the Area Plan Commission of Tippecanoe County was contacted to determine governing land use controls;
- the comparable sales which comprise the database for this report were inspected and photographed;
- the data was analyzed and appropriate appraisal procedures were employed to form an opinion of value of the property prior to the proposed acquisitions;
- the proposed acquisitions were studied in terms of their impact on the residue property;
- other compensable items were determined as appropriate; and
- the construction plans for the proposed sanitary sewer facility were reviewed during the course of the assignment.

The *Scope of Work Rule* in the 2014-2015 Edition of USPAP was reviewed in order to ensure compliance.

FIVE YEAR SALES HISTORY:

A review of public records indicates that the property transferred to the current property owners on March 11, 2011. A copy of the warranty deed conveying ownership is included in the Addenda of the report.

PROPERTY INSPECTION AND OWNER CONTACT (IF APPLICABLE):

A letter dated January 24, 2014 was mailed to the address of the property owner. On February 3, 2014, Christie from the Engineering Department of West Lafayette called the appraiser to set an appointment to meet with Dave Buck, the Public Works Director and Joe Payne, Superintendent of Parks and Recreation. Permission was granted at that time to inspect the property. A meeting date was scheduled for February 10, 2014 at the Engineering Department. Mr. Buck and Mr. Payne were cooperative and gracious and numerous questions were answered at this time.

The subject property, proposed acquisition and surrounding area were inspected on February 8, 2014. Field notes and photographs were taken on this date, which will serve as the effective valuation date of this appraisal.

LEGAL DESCRIPTION:

The subject property is located in a part of the northeast quarter of Section 36, Township 24 North, Range 4 West, Wabash Township, Tippecanoe County, Indiana. A complete metes and bounds legal description is included in the Addenda of the report.

The subject property is also identified as Parcel # 79-02-36-200-009.000-023.

BRIEF MARKET AREA DESCRIPTION:

Tippecanoe County, Indiana was organized in 1826 and named after the Indians Kethtippecanoogi. It is located in northwest Indiana with White County to the north, Carroll County to the northeast, Clinton County to the east, Montgomery County to the south, Fountain County to the southwest, Warren County to the west, and Benton County to the northwest. The county is divided into 13 political townships and Lafayette is the county seat. It contains an area of approximately 503 square miles with a population density of 346 people per square mile. The population of the county totaled 177,513 in 2012 and ranked 8th as Indiana's most populated county.

Accessibility to and within the county is considered adequate. I-65 follows a southeast/northwest course through the county. U.S. Highway 231 runs through the middle of the county in a northwest/south direction. U.S. Highway 52 crosses the county in a southeast/northwest path. S.R. 28 travels east/west passing through the southern part of the county. S. R. 25 travels southwest to northeast across the county.

According to Stats Indiana, the median household income for 2011 in Tippecanoe County was \$43,339 placing it 59th of all the counties in Indiana. The state median household income was \$46,410. The per capita personal income in 2011 for Tippecanoe County was \$31,172 which ranks 66th in the state. The state per capita personal income was \$35,689 in 2011. The 2011 poverty rate was 21.4% compared to 15.8% for the state placing the county 4th in the state.

The following tables reflect the most recent labor force and unemployment data for Tippecanoe County.

LABOR FORCE ESTIMATES – TIPPECANOE COUNTY

	Labor Force	Emp.	Unemp.	Area Rate	State Rate
2002	79,973	76,552	3,421	4.3	5.2
2003	77,161	73,522	3,639	4.7	5.3
2004	77,701	74,048	3,653	4.7	5.3
2005	79,258	75,487	3,771	4.8	5.4
2006	80,471	77,074	3,397	4.2	5.0
2007	82,083	78,815	3,268	4.0	4.6
2008	83,939	80,016	3,923	4.7	5.8
2009	84,456	76,707	7,749	9.2	10.4
2010	82,862	75,412	7,450	9.0	10.1
2011	83,204	76,782	6,422	7.7	9.0
2012	84,137	77,938	6,199	7.4	8.4

The most recent labor data for Tippecanoe County shows a total resident labor force of 84,137. Of this, 77,938 are listed as employed and 6,199 as unemployed. This results in a 2012 annual unemployment rate of 7.4%. As indicated by the previous labor and employment statistics, the county labor force has fluctuated over the last several years. However, a comparatively low unemployment rate has been maintained.

The following chart compares unemployment rates for Tippecanoe County, the State of Indiana and the nation as a whole during the same time frame.

Year	2008	2009	2010	2011	2012
Tippecanoe Co.	4.7	9.2	9.0	7.7	7.4
Indiana	5.8	10.4	10.1	9.0	8.0
U.S.	5.8	9.3	9.6	8.9	7.8

The unemployment rates for the county have consistently been lower than that of the state and the nation. This factor would tend to indicate a healthy and viable economic base for the market area.

The subject property is located in an area that is characterized by agricultural properties utilized for the production of row crops and livestock as well as recreational purposes. Single-family residences are scattered throughout the vicinity as well as small, platted subdivisions. A short distance northeast are the Burnett Creek Elementary School, Battle Ground Middle School and William Henry Harrison High School. St. Andrew United Methodist Church is located nearby to the southeast and Mt. Zion United Methodist Church is a short distance to the west.

The outlook for the real estate market appears to be one of general stability with continued slow and scattered development over time.

ZONING AND HIGHEST AND BEST USE:

The subject property is located in Wabash Township in the zoning jurisdiction of the Tippecanoe County Area Plan Commission and is positioned in an area which is zoned FP Flood Plain and R2 Single-Family and Two-Family Residential.

The highest and best use of the subject as though vacant is for recreational purposes.

DESCRIPTION AND COMMENTS ABOUT PROPERTY:

The subject property contains 1.470 acres and is a mix of woods and open land. The Hadley Lake Legal Drain bisects the center of the property in a northeast/southwest manner.

Flood zones are geographic areas that the FEMA (Federal Emergency Management Agency) has defined according to varying levels of flood risk. These zones are depicted on a community's Flood Insurance Rate Map (FIRM) or Flood Hazard Boundary Map. Each zone reflects the severity or type of flooding in the area.

The Flood Hazard Maps published by the FEMA indicate that the subject property is located in Zone AE and X. FEMA describes Flood Zone X as an area outside the 500-year flood, which means it has a less than 0.2 percent chance to flood annually. Flood Zone AE is an area subject to flooding by the 1% annual chance flood. Map 18157C0131D dated September 25, 2009 was reviewed during the course of the assignment.

The path of the proposed sanitary sewer is such that it bisects the east property line off CR 140 W and generally follows the path of the legal drain.

The permanent easement that will encumber the subject property contains 0.239 acres, all of which is located within the legal drain easement for Hadley Lake Legal Drain. Approximately 0.011 acres of the easement is situated within the right-of-way for County Road 140 West. Approximately 0.170 acres of the easement is within the 100-year floodplain per Flood Insurance Rate Map Number 18157C0131D dated September 25, 2009.

A temporary easement for construction contains 0.164 acres. Approximately 0.027 acres of this easement is in the 100-year floodplain per Flood Insurance Rate Map Number 18157C0131D dated September 25, 2009.

A complete legal description and plans showing the configuration of the permanent and temporary easements is included in the Addenda of the report.

A review of the right-of-way plans indicates the location and geometric footprint of the perpetual and temporary easements. Site improvements acquired are limited to naturally occurring deciduous and coniferous trees. The contributory value of the trees is reflected in the unit value of the land.

VALUATION PROCEDURE:

The nature of the appraisal problem and the associated degree of difficulty dictate the valuation procedure to be employed. The Income and Cost Approaches are not applicable in this instance given the nature of the appraisal problem. The appraisal of the subject will utilize similar land sales examined within the context of the Sales Comparison Approach. The development and application of the Sales Comparison Approach is consistent with the definition of Fair Market Value utilized in this report.

SUPPORT FOR THE FAIR MARKET VALUE: (INCLUDING IMPROVEMENTS AND/OR COST-TO-CURE)

The following land sales are utilized to form an opinion of value.

SUMMARY OF COMPARABLE LAND SALES

Comparable Sale	UR-1	UR-2	UR-3	UR-4	UR-5	UR-6
Address	CR700W/CR750N Ridgeville	SR 39/SR 256 Scottsburg	1600 Pennville Rd Cambridge City	17800 Birch Rd Bourbon	32200 SR 4 Walkerton	2501 S 950 W West Lafayette
Sale Date	4/12/2006	6/22/2006	2/28/2007	8/26/2010	11/22/2010	6/5/2013
Sale Price	\$13,000	\$60,000	\$7,500	\$25,000	\$65,000	\$15,000
Size (Acres)	40.000	80.000	5.986	19.690	45.000	9.787
Price/Acre	\$325	\$750	\$1,253	\$1,270	\$1,444	\$1,533
Zoning	Ag	Ag/Timber	A-1 Ag	A-1 Ag	Ag	FP
Utilities	None	Water	None	None	None	None

The comparable sales utilized in this analysis are presented in the Addenda of the report.

A unit of comparison is a component into which a property may be divided for purposes of comparison. The price per acre is a common unit of comparison utilized in the agricultural land market.

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The composition of the array of data is such that the individual transactions are evaluated on an aggregate basis. The transactional adjustments have been examined.

The subject property is located in Wabash Township. Comparable UR-6 is located in Shelby Township, Tippecanoe County. Comparables UR-1, UR-2, UR-3, UR-4 and UR-5 are situated in various locations throughout the state but demonstrate a general basis for property with limited and restricted use. All comparable sales are zoned agricultural or floodplain. The subject property is zoned floodplain and residential. However, the highest and best use of the land as though vacant is for recreational purposes.

Size can affect unit values, with larger properties often reflecting lower values per unit than smaller ones. There is often an inverse/unit price relationship which characterizes residential land sales. The comparable land sales utilized in this analysis vary in size from 5.986 acres to 80.000 acres. The subject site contains 1.470 acres. It would appear that size is a minimal value influence in the market for restricted use land.

The indicated values range from a low of \$325/acre to \$1,533/acre. The variation of physical characteristics and locational attributes are such that the data can essentially be judged on a qualitative or aggregate basis. An evaluation of each market transaction indicates that a reasonable opinion of value for the subject property, as of the effective date of the report, is \$1,500/acre. The value conclusion reflects the limited utility of the subject tract.

PROPERTY RIGHTS TO BE ACQUIRED:

The property rights to be acquired have been identified previously in the narrative. It is appropriate at this point to briefly discuss the nature of the rights to be acquired. An easement is usually the right to perform a specific action on a particular land parcel, or portion of a parcel of land, without the grantees owning the underlying fee.

It is important to underscore the fact that the appraisal addresses the value of real property rights, not the real estate itself. The distinction between the terms real estate and real property must be set forth given the nature of the appraisal problem. Real estate is the physical land and appurtenances affixed to the land – e.g., structures. Whereas, real property includes the interest, benefits and rights inherent in the ownership of physical real estate.

Private enjoyment of these rights is guaranteed by the U.S. Constitution subject to certain limitations and restrictions. The most basic property interest is the fee simple estate, the unimpaired ownership of real estate subject only to the governmental limitations of escheat, eminent domain, taxation and police power.

The ownership of real estate is endowed with a bundle of rights, which may be held by one party or divided among a number of parties. The bundle of rights represents the total range of private ownership interest in real property and is often compared to a bundle of sticks, with each stick representing a distinct and separate right or interest. It is possible to own all or only some of the rights in a parcel of real estate. A right or interest in property is referred to as an estate. The extent of ownership determines the kind of interest, or estate, that is held.

When the bundle of rights is split between two or more parties, lesser estates are created. This is the case when a contractual limitation on a fee ownership is created by the establishment of an easement. An easement is an estate which may be severed from the bundle of rights and can be defined in terms of time, use and space.

Perpetual Easement

The establishment of a perpetual or permanent easement involves a division of rights. The fact that the easement is “perpetual” means that the easement has no term and will continue indefinitely. A perpetual easement is created to exist in perpetuity. The easement is self-enforcing to a degree: once recorded in public records, legal notice of its terms will preclude uses of the property in violation of the easement. Moreover, once the easement is imposed and recorded, it binds current and future owners to abide by its terms. The acquired property rights constitute an easement in gross which is for the benefit of an individual (including corporations, utility companies, etc.) rather than for the benefit of a specific parcel of real property.

The configuration of the easement area is noted on the plan sheets included in the Addenda. The dimensions of the easement are outlined in a metes and bounds legal description which is also included in the Addenda. In terms of space, an easement may be defined as subsurface, surface or overhead. An easement may involve the rights of two or even all three types of space. The proposed sewer easement encumbers surface and subsurface rights.

The establishment of the perpetual easement does not reduce the net site area. Particularly germane to the analysis is the fact that the limitations imposed on the fee position do not alter the highest and best use of the property.

The valuation of and compensation for a perpetual easement must recognize that it is an acquisition of partial rights. The entirety of the fee simple estate is not diminished. The rights retained by the ownership possess functional use and contributory value. Assigning monetary value to the grantor’s remaining rights and the grantee’s acquired rights is challenging given the lack of transactional data that clearly identifies the market defined dollar amount associated with either the loss or the gain.

Hence, a rational approach must be employed. A reasonable place to start is an examination of the manner in which the compensation for a temporary easement is computed. A three year term and a 10% return to the land typically amounts to 30% of the underlying fee value.

This contention is demonstrated by assuming the following:

Land Value	\$100,000/Acre
Encumbered Land Area:	0.250 Acres (\$25,000)
Return to Land:	10%
Term:	Three Years

Calculation of Compensation for a TCE

$$\$100,000/\text{Acre} \times 0.250 \text{ Acres} \times .10 \times 3 \text{ Years} = \$7,500$$

$$\frac{\$7,500}{\$25,000} = 30\%$$

The 30% of fee value is consistent as long as the 10% return to land and three year term are held constant.

It is concluded that an appropriate level of compensation is 30% of fee for perpetual easement areas positioned over an existing utility corridor and 50% of fee for the land to be encumbered by a perpetual easement that follows a new route. A nominal amount of \$5 will be assigned to the area positioned in the right-of-way for CR 500 N and CR 140 W which amounts to 0.011 acres. Hence,

Perpetual easement positioned on fee:

$$0.228 \text{ Acres} \times \$1,500/\text{Acre} \times 50\% = \$171.00$$

Rounded to \$175.00

Temporary Easement

An easement may be temporary in nature, with either a specific or indefinite termination date. A temporary construction easement is often referred to as a TCE. This type of easement is necessary when more space is needed to construct a facility than will be needed to maintain the facility after construction is completed. The term of the easement is not specified in the conveyance documents. Therefore, the appraisal will utilize and assume a term of three years. No specific inception date or expiration date will be stated. However, the inception date is, more or less, the effective date of the appraisal report. Temporary easements for the Indiana Department of Transportation typically utilize a three year term. This procedure and policy is recognized to be appropriate for this appraisal problem.

The area to be encumbered by the TCE contains 0.164 acres. The compensation for the easement is a function of land value, area encumbered, a three year term and a rate of return to the land. It is extremely difficult to locate, extract, and apply a market supported return to land for temporary construction easements.

Realtyrates.com is an investor survey published on a quarterly basis. The research includes a national survey of land capitalization rates demonstrated by ground leases that encumber a wide variety of property types. The 3rd Quarter 2013 investor survey information for average capitalization rates is shown in the following table:

REALTYRATES.COM INVESTOR SURVEY SUMMARY – 3RD QUARTER 2013

Property Type	Min	Max	Average
Apartments	2.03	10.50	7.27%
Golf	2.53	15.43	8.59%
Health Care/Senior Housing	2.60	11.87	6.70%
Industrial	2.30	10.50	6.32%
Lodging	2.53	15.19	7.07%
Mobile Home/RV Park	2.32	12.15	7.36%
Office	2.30	10.50	6.70%
Restaurant	3.60	15.45	8.00%
Retail	2.08	10.70	6.43%
Self-Storage	2.38	10.50	7.46%
Special Purpose	3.33	15.93	8.12%
All Properties	2.03	15.93	7.27%

The table indicates average capitalization rates which range from 6.32% to 8.59%. The data shows that industrial land has the lowest average capitalization rate of any type of property type. Conversely, the highest average capitalization rate is for large tracts of land improved with golf courses. The average for all property types is 7.27%.

It is reasonable to assume that a short term construction easement would garner a higher rate of return than a long term ground lease. It is concluded that a reasonable annual rate of return is 10%.

The annual rent payment for the TCE is calculated as follows:

$$0.164 \text{ Acres} \times \$1,500/\text{Acre} \times 0.10 = \$24.60$$

American Suburban Utilities will not make three separate rent payments of \$24.60 across the proposed term of three years. Compensation will be in the form of a single payment for all three years. It is only appropriate that the gross dollar amount of \$73.80 be discounted (time value of money) slightly to recognize the fact that two of the rent payments are paid early.

The selected discount rate is minimal given the status of the financial markets. Moreover, the discount rate is and should be low to at least acknowledge the possibility that the encumbered land could increase in value during the specified three year term. No provision is made or included to account for price appreciation. This is entirely consistent with the discussion of market conditions presented in the body of the report. The selected discount rate is 3%.

The total compensation for the three year easement is discounted as follow:

DISCOUNTING FOR PAYMENT IN ADVANCE

Year	Annual Rent	Discount Factor	Total
1	\$24.60	1.000000	\$24.60
2	\$24.60	.970874	\$23.88
3	\$24.60	.942596	\$23.19
	\$73.80		\$71.67

The total compensation for the temporary right-of-way is rounded to \$75.00.

Note: The application of the discounting procedure is utilized even though it is not a factor in this instance given the land value and the corresponding level of compensation.

SUMMARY OF COMPENSATION

Perpetual easement positioned on fee	\$175
CR 140 W road right-of-way	\$5
Temporary right-of-way	\$75
	<hr/>
	\$255

Unit Value of Land:	<u>\$1,500/Acre</u>	Primary Appraiser	<u><i>Don McKee</i></u>
		Name Printed	<u>Don McKee, MAI</u>
Fair Market Value:	<u>\$255.00</u>	Appraiser Lic. No.	<u>CG69201410</u>
		Broker License No.	<u>IB51268077</u>
		Date	<u>February 16, 2014</u>

Assisted By	<u><i>Amy Reedy</i></u>
Name Printed	<u>Amy Reedy</u>
Appraiser Lic. No.	<u>TR41200014</u>
Broker License No.	<u>NA</u>
Date	<u>February 16, 2014</u>

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made with the following general assumptions and limiting conditions:

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances, unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. All engineering studies are assumed to be correct. The plot plans and illustrative material in this report are included only to help the reader visualize the property.
5. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
6. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.
7. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless a nonconformity has been identified, described and considered, in the appraisal report.
8. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
9. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such material on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimated is predicated on the assumption that no such material, which would cause a loss in value, is on or in the property. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The intended user is urged to retain an expert in this field, if desired.
10. Any allocation of the total value estimated in this report between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
11. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event it may be used only with the properly written qualification and only in its entirety.
12. Neither all nor any part of the contents of this report (especially any conclusion as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, sales, news, or other media without the prior written consent and approval of the appraiser.

STATEMENT OF CERTIFICATION

I certify that, to the best of my 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 my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. my engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. I have 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 signatories of 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 Appraisal 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.

As of the effective date of this report, Don McKee, MAI has completed the continuing education program of the Appraisal Institute.

Don McKee

Don McKee, MAI
Indiana Certified General Appraiser
License No. CG69201410

2/16/14

Date

Amy Reedy

Amy Reedy
Indiana Appraiser Trainee
License No. TR41200014

2/16/14

Date

ADDENDA
Aerial Photograph



The aerial photograph is from the Tippecanoe County GIS.

Subject Photographs



This is a west view taken from N 140 W of the proposed permanent and temporary easements at the east property line of the subject property.



This east view shows the permanent and temporary easement areas adjacent to the south property line.

Legal Description of Permanent Easement

LEGAL DESCRIPTION – City of West Lafayette (Document No. 91-13870; Key No. 134-08400-0391 (79-02-36-200-009.000-023))

Sanitary Sewer Facilities Easement

An easement for sanitary sewer facilities in the Northeast Quarter of Section 36, Township 24 North, Range 5 West, Wabash Township, Tippecanoe County, Indiana, said easement being 40-feet in even width, approximately centered on a sanitary sewer, and being more completely described as follows, to-wit:

Commencing at the northeast corner of Section 36-24-5 marked by a Berntsen A1NB aluminum monument; thence along the north line of the northeast quarter of said section, North 89°42'37" West, 1979.88 feet to a corner (near the intersection of County Roads 140 West and 500 North) of the Schroeder Land Trust property as described in Document No. 96-15666 in the Tippecanoe County Recorder's Office; thence along the east line of said Schroeder Land Trust property and the east line of the City of West Lafayette property (1.47-acre tract) as described in Document No. 91-13870 in said recorder's office for the following two (2) courses: (1) South 00°20'05" East, 558.36 feet to the point of beginning; (2) South 00°20'05" East, 40.06 feet; thence South 86°27'46" West, 62.95 feet; thence South 65°38'29" West, 144.95 feet to the south line of said City of West Lafayette property; thence along the south line of said City of West Lafayette property, North 89°44'14" West, 96.01 feet to the northwest corner of the Rogers property as described in Document No. 02-031965 in said recorder's office; thence North 65°38'29" East, 239.58 feet; thence North 86°27'46" East, 72.53 feet to the point of beginning, said easement containing 0.239 acres, more or less.

All of said easement lies within the legal drain easement for Hadley Lakes Legal Drain/Cole Ditch.

Approximately 0.011 acres of said easement also lies within the gravel pavement (possible apparent right-of-way) for County Road 140 West.

Approximately 0.170 acres of said easement also lies within the 100-year floodplain per Flood Insurance Rate Map Number 18157C0131D dated September 25, 2009.

Legal Description of Temporary Easement

LEGAL DESCRIPTION – City of West Lafayette (Document No. 91-13870; Key No. 134-08400-0391 (79-02-36-200-009.000-023))

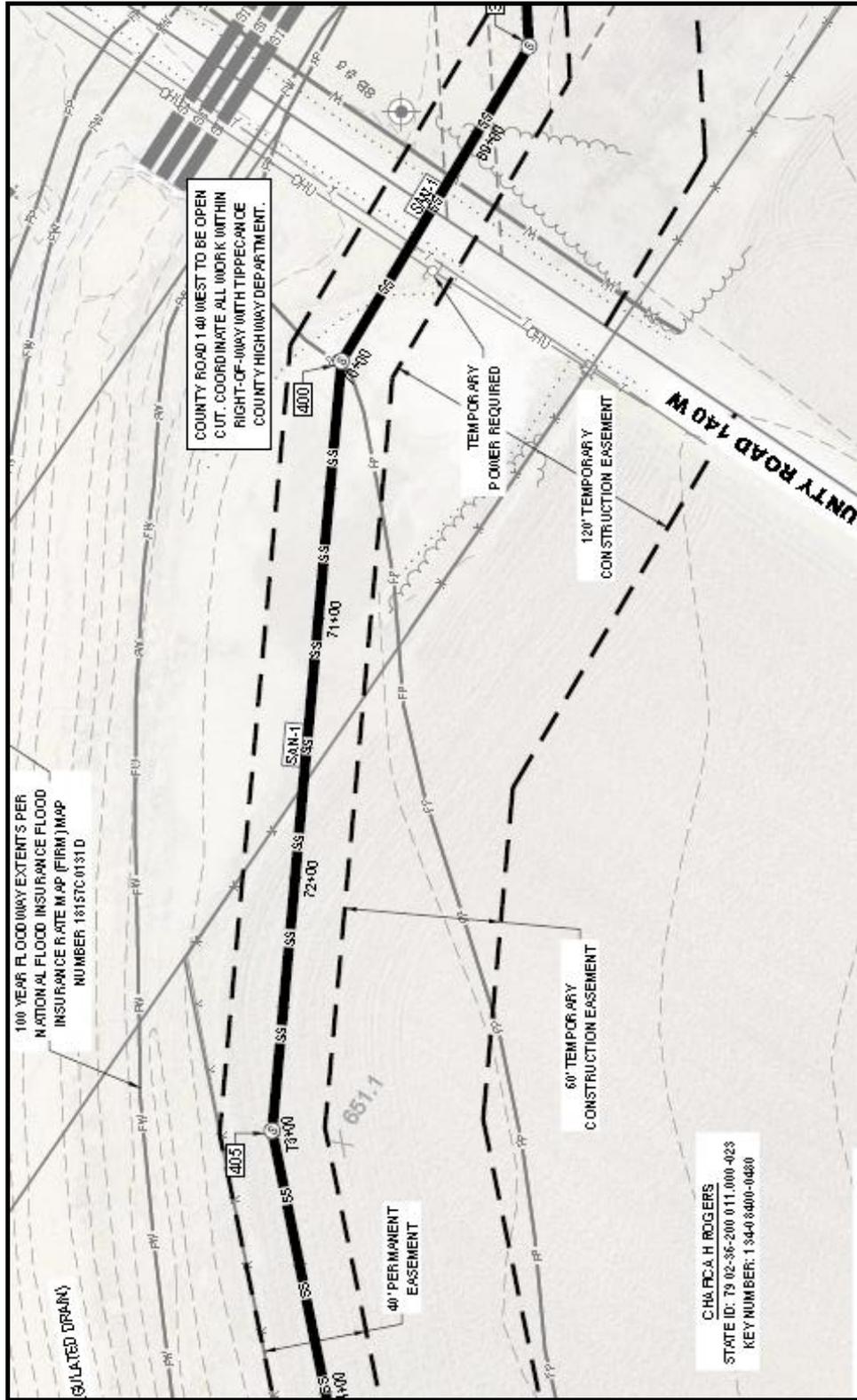
Construction Easement

An easement for sanitary sewer facilities in the Northeast Quarter of Section 36, Township 24 North, Range 5 West, Wabash Township, Tippecanoe County, Indiana, said easement being more completely described as follows, to-wit:

Commencing at the northeast corner of Section 36-24-5 marked by a Berntsen A1NB aluminum monument; thence along the north line of the northeast quarter of said section, North 89°42'37" West, 1979.88 feet to a corner (near the intersection of County Roads 140 West and 500 North) of the Schroeder Land Trust property as described in Document No. 96-15666 in the Tippecanoe County Recorder's Office; thence along the east line of said Schroeder Land Trust property and the east line of the City of West Lafayette property (1.47-acre tract) as described in Document No. 91-13870 in said recorder's office for the following two (2) courses: (1) South 00°20'05" East, 558.36 feet; (2) South 00°20'05" East, 40.06 feet; thence South 86°27'46" West, 11.75 feet to the west edge of gravel pavement of County Road 140 West and the point of beginning; thence along said west edge of gravel pavement, South 00°01'21" West, 63.78 feet to the south line of said City of West Lafayette property; thence along the south line of said City of West Lafayette property, North 89°44'14" West, 183.12 feet; thence North 65°38'29" East, 144.95 feet; thence North 86°27'46" East, 51.19 feet to the point of beginning, said easement containing 0.164 acres, more or less.

Approximately 0.027 acres of said easement lies within the 100-year floodplain per Flood Insurance Rate Map Number 18157C0131D dated September 25, 2009.

Right-of-Way Plan Sheet – C106 (not to scale)



Property Description

134. 00400-0644

TO: THE AUDITOR OF
TIPPECANOE COUNTY, INDIANA

AUG 27 1991

CERTIFICATION OF PAYMENT OF
COURT-APPOINTED APPRAISERS' AWARD
AND REQUEST FOR TRANSFER

Robert L. Bauman, for and on behalf of the City of West Lafayette, Indiana, certifies:

1. The City of West Lafayette, Indiana, is the plaintiff in a cause of action entitled *City of West Lafayette, Indiana, v. Equitable Life Assurance Society of United States, et al.*, pending in the Tippecanoe Circuit Court under cause number 79C01-8909-CP-00446, an action for the appropriation of real estate.

2. On June 14, 1991, court-appointed appraisers returned their report to the court, assessing total damages in the sum of forty thousand three hundred eighty dollars (\$40,380) and assessing damages of five thousand dollars (\$5,000). The plaintiff previously paid the sum of thirty-seven thousand two hundred dollars (\$37,200), and accordingly, the plaintiff, City of West Lafayette, Indiana, paid the difference of eight thousand one hundred eighty dollars (\$8,180) to the clerk of the court on August 27, 1991.

3. The Auditor of Tippecanoe County, Indiana, is required by Ind. Code § 32-11-1-7 to transfer the real estate being acquired in the cause of action to the City of West Lafayette, Indiana, on the tax records of the county, for the following described real estate:

A fee simple interest, right, privilege in and to the following described real estate:

Part of the Northeast Quarter of Section 36, Township 24 North, Range 5 West, in Wabash Township, Tippecanoe County, Indiana, described as follows:

Property Description, Cont.

Commencing at the northwestern corner of a 40 acre tract as recorded in Deed Record 269, page 229 in the Office of Recorder for Tippecanoe County, Indiana (ORTCI), said point of commencement being on the western line of said Northeast Quarter; thence North 89°54' East along the northern line of said 40 acre tract for 159.81 feet to the POINT OF BEGINNING; thence North 43°55'46" East for 208.62 feet; thence North 89°54' East for 353.28 feet to the centerline of Yeager Road; thence South 0°45' East along the centerline of Yeager Road for 150.00 feet to the northern line of said 40 acre tract; thence South 89°54' West along the northern line of said 40 acre tract for 499.98 feet to the point of beginning, containing 1.47 acres, more or less.

AND

Part of the Northwest Quarter of Section 36, Township 24 North, Range 5 West, in Wabash Township, Tippecanoe County, Indiana, described as follows:

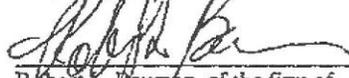
Commencing at the southeastern corner of the said Northwest Quarter; thence westwardly along the southern line of said Northwest Quarter for 1,346.33 feet, to the northeastern corner of a 23.0 acre tract (less exceptions) as recorded in Deed Record 77-898 in the Office of Recorder for Tippecanoe County, Indiana (ORTCI), and the POINT OF BEGINNING; thence South 89°52' West along the southern line of said Northwest Quarter and the northern line of the said 23.0 acre tract for 166.53 feet; thence North 29°35'50" East for 315.00 feet; thence North 0°05'50" East for 379.00 feet; thence North 5°00'24" West for 194.76 feet; thence North 6°15'38" West for 144.20 feet; thence North 81°38'27" East for 150.04 feet; thence South 69°15'10" East for 173.72 feet; thence North 68°14'25" East for 374.42 feet; thence North 43°55'46" East for 1,018.16 feet to the eastern line of said Northwest Quarter and the western line of a 40 acre tract as recorded in Deed Record 269, Page 229, in the ORTCI, said point being South 0°46' East and 163.37 feet from the northwestern corner of said 40 acre tract; thence South 0°46' East along the eastern line of said Northwest Quarter and the western line of said 40 acre tract for 213.27 feet; thence South 43°55'46" West for 1,289.39 feet; thence South 10°55'46" West for 96.50 feet; thence South 37°25'46" West for 237.15 feet; thence South 68°25'46" West for 58.52 feet; thence South 29°35'50" West for 432.16 feet to the point of beginning, containing 11.99 acres, more or less.

4. This certification is made as required by Ind. Code § 32-11-1-7 to cause the Auditor of Tippecanoe County, Indiana, to make the transfer described above.

Property Description, Cont.

Dated: August ~~26~~²⁷, 1991.

Respectfully submitted



Robert L. Bauman, of the firm of
GAMBS, MUCKER, BAUMAN & SEEGER.
10 N. Fourth Street, P.O. Box 1608
Lafayette, IN 47902
Telephone: (317) 423-1001

mail:

DULY ENTERED FOR TAXATION
SUBJECT TO FINAL ACCEPTANCE
FOR TRANSFER.

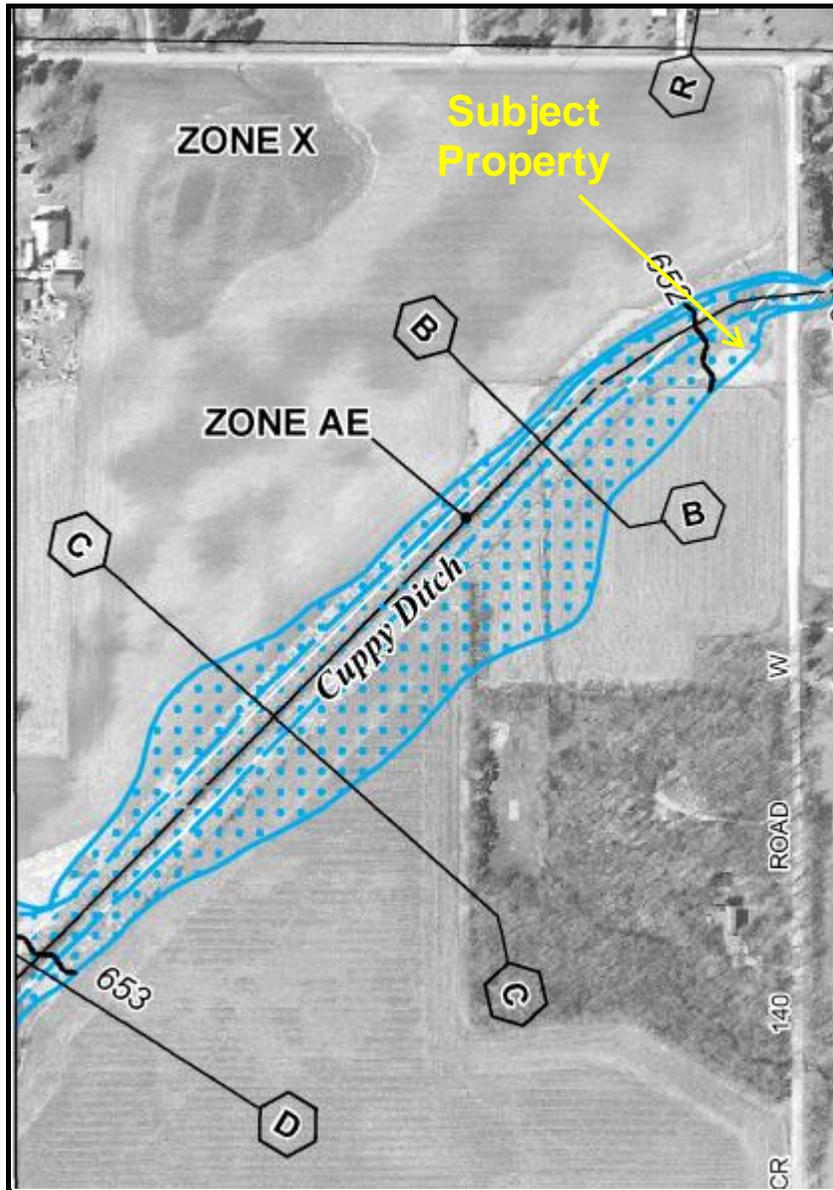


AUDITOR OF TIPPECANOE CO.

8-29-91 *Bl*

RECORDED IN RECORD
91-13570
3:45 O'CLOCK P IN FEE 10⁰⁰
AUG 29 1991
Ruth E. Bladd
RECORDING TIPPECANOE CO., IN

FEMA Flood Insurance Rate Maps



Property Record Card

640

Printed 02/11/2014 Card No. 1 of 1

500 N

WEST LAFAYETTE CITY OF

79-02-36-200-009,000-023

ADMINISTRATIVE INFORMATION

PARCEL NUMBER
79-02-36-200-009,000-023
Parent Parcel Number

Property Address
500 N

Neighborhood
600 Exempt Parcels All Townships

Property Class
640 Exempt: Owned by Municipality

TAKING DISTRICT INFORMATION

Jurisdiction 79 Tippecanoe

Area 010 Wabash

Corporation N

District 023

Section & Plat 36

TRANSFER OF OWNERSHIP

Date

EXEMPT

VALUATION RECORD

Assessment Year 03/01/2011 03/01/2012 03/01/2013

Reason for Change

VALUATION I 4Y Reval 4Y Reval 4Y Reval

Appraised Value B 0 0 0

VALUATION T 0 0 0

True Tax Value I 0 0 0

VALUATION B 0 0 0

VALUATION T 0 0 0

VALUATION B 0 0 0

VALUATION T 0 0 0

LAND DATA AND CALCULATIONS

Rating	Measured	Table	Prod. Factor	Base	Adjusted	Extended	Influence
Soil ID	Acres	Depth	Depth	Rate	Rate	Value	Factor
-or-	-or-	-or-	-or-	-or-	-or-	-or-	-or-
Actual	Effective	Effective	Square Feet	Rate	Value	Value	Factor
Frontage	Frontage	Depth	Frontage	Rate	Value	Value	Factor

Site Description

Topography:

Public Utilities:

Street or Road:

Neighborhood:

Zoning:

Legal Acres:

Admin Legal

1.4700

FARMLAND COMPUTATIONS

Parcel Acres
81 Local Drain NW [-]
82 Public Parks NW [-]
83 UT Towers NW [-]
9 Homestead (s) [-]
91/92 Excess Acreage [-]
TOTAL ACRES FARMLAND

Measured Acreage
Average True Tax Value/Acre
TRUE TAX VALUE FARMLAND
Classified Land Total (+)
Homestead (s) Value (+)
Excess Acreage Value (+)
Supplemental Credits
TOTAL LAND VALUE

Owner Contact Letter

Don McKee, MAI



Real Estate Appraiser • Consultant
6320 RUCKER ROAD • SUITE D • INDIANAPOLIS, INDIANA 46220
(317) 257-6255 • FAX (317) 252-5275 • E-MAIL mckee@donmckee.com

January 24, 2014

City of West Lafayette
City Hall
West Lafayette, IN 47906

RE: Project: Big 3 Sewer
Des No: N/A
Code: N/A
County: Tippecanoe
Parcel: 14 (79-02-36-200-009.000-023)

Dear Property Owner:

American Suburban Utilities, Inc. is planning on extending sewer lines from County Road 50 West south of Harrison High School to Morehouse Road near the Lake Villa subdivision. This letter is to notify you that I have been assigned to appraise your property as a part of the project. It is necessary for me to visit and observe your property as part of the appraisal process. You and/or your representative are invited to accompany me during this observation if you so desire. I have enclosed copies of the easement description and placement for your records.

Please call me at [317.257.6255 Ext. 8](tel:317.257.6255) or contact me by email at amyreedy@comcast.net as soon as possible to arrange a convenient time to discuss the project.

Thank you for your attention to this important matter.

Sincerely,

Amy Reedy
McKee Enterprises, Inc.
Indiana Real Estate Appraiser Trainee
TR41200014

UNIMPROVED LAND COMPARABLE

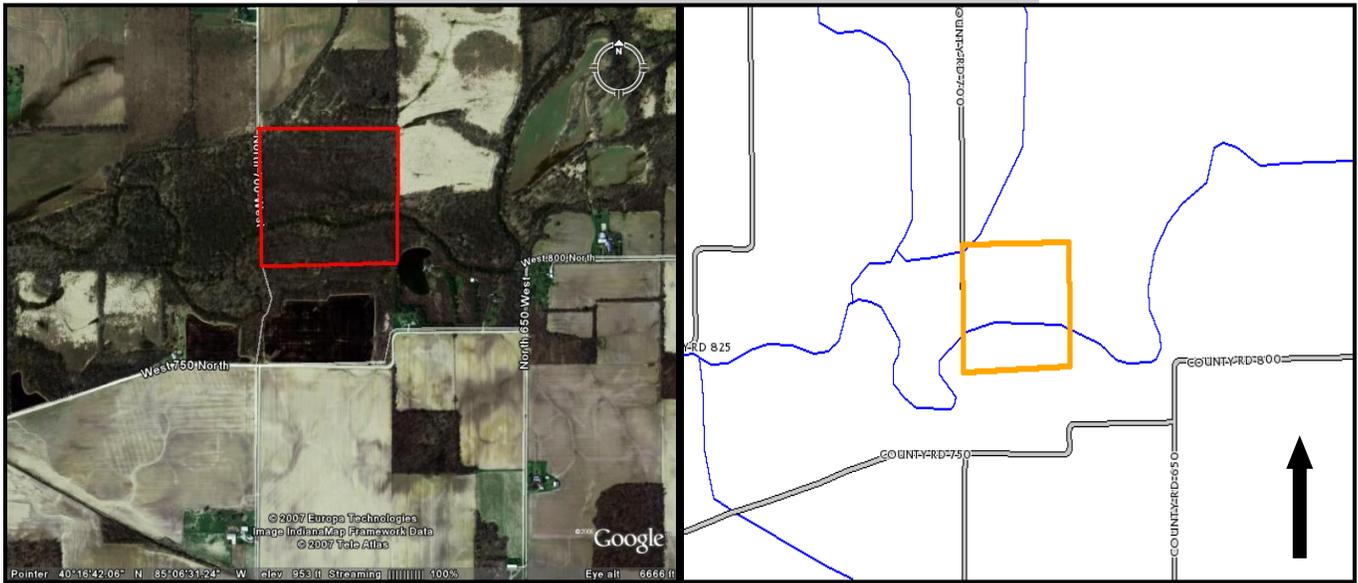


PHOTO VIEW	Aerial Photograph			SKETCH	Plat
Date Sold	April 12, 2006	Act. Price	\$13,000	Size	40.0 Acres
Vendor	Candice & Frank McNany	Vendee	Thomas & Pamela Charles		\$325 /Acre
Property Address	The property is positioned north of CR 750 N and west of CR 700 W			City	Ridgeville
Legal Description	Part of the SW ¼ of Section 8, Township 21 North, Range 13			Doc. #	2006-1969
Rec. Consideration	\$1.00 & OVC	Sale info. Verified By	Sales Disclosure, Farm Credit Service	Date Ver.	6/27/07
Financing	Cash to seller	Zoning	Agriculture		
Condition of Sale	An arm's length transaction	Highest & Best Use	Agriculture		

DESCRIPTION of LAND										
Dimensions/Size	40.0 Acres									
Land Improvements	Drives	No	Walks	No	Landscaping	No	Trees	Yes	Well	No
	Septic	No	Fence	No	Pond	No				
Available Services	Road	Aggregate	City Water	No	City Sewer	No	Gas	No	Other	None
Land Topography	Wooded		Drainage	Below Average		Quality of Soils	Below Average			

COMMENTS:

This is a 40-acre tract of wooded, marsh land which is severed by the Mississinewa River. The use of the land is extremely limited since it is subject to seasonal flooding and year-round standing water. The property is located south of SR 28 and is accessible via CR 700 W. The property is identified as Parcel Number 002-00122-00.

APPRAISER'S NAME:	Don McKee, MAI Amy Reedy (Type or Print)	Broker No.	IB51268077 N/A	Appraisal License No.	CG69201410 TR41200014
COUNTY	Tippecanoe	TOWNSHIP	Wabash	Type Property	Uneconomic Remnant
PROJECT NO.	Big 3 Sewer	INSP. DATE	7/16/07	COMP. NO.	UR-1

UNIMPROVED LAND COMPARABLE

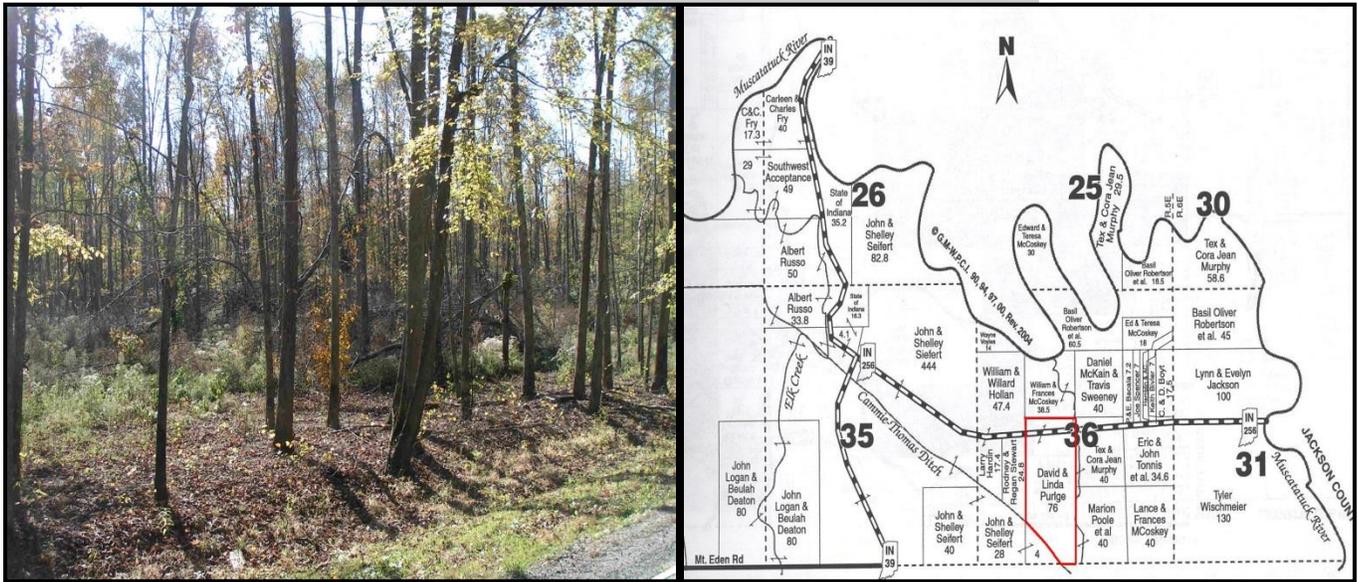


PHOTO VIEW	View from State Road 256		SKETCH	Plat			
Date Sold	6/22/06; Recorded 6/28/06	Act. Price	\$60,000	Size	80 Acres (Net)	\$750	/Acre
Vendor	David and Linda M. Purlee		Vendee	Peter G. and Diana L. Vertin			
Property Address	East of the intersection of State Roads 39 and 256			City	Scottsburg		
Legal Description	Part of Section 36, Township 4 North, Range 5 East			Doc. #	2006-3044		
Rec. Consideration	\$1.00 & OVC	Sale info. Verified By	Warranty Deed, PRC, FCS		Date Ver.	10/26/07	
Financing	Cash to seller		Zoning	N/A			
Condition of Sale	An arm's length transaction		Highest & Best Use	Timber/Agricultural			

DESCRIPTION of LAND										
Dimensions/Size	80 Acres									
Land Improvements	Drives	No	Walks	No	Landscaping	No	Trees	Yes	Well	No
	Septic	No	Fence	No	Pond	No				
Available Services	Road	Asphalt	City Water	Yes	City Sewer	No	Gas	No	Other	None
Land Topography	Undulating/Wooded		Drainage	Below Average		Quality of Soils	Typical timber soils			

COMMENTS:

This transaction consists of 80 unimproved acres (gross) located in the northeast portion of Washington County. The property consists of all wooded acres and is identified as Assessor's Parcel Numbers 88-45-36-000-014.000-005 and 88-35-01-000-003.000-005. The property is bisected by State Road 256 and is bordered by Cammie-Thomas Ditch along the south and east property lines. It is located in a special flood plain due to it's the proximity to the Muscatatuck River.

APPRAISER'S NAME: Don McKee, MAI Broker No. IB51268077 Appraisal License No. CG69201410
 Amy Reedy N/A TR41200014
 (Type or Print)

COUNTY Tippecanoe TOWNSHIP Wabash Type Property Uneconomic Remnant
 PROJECT NO. Big 3 Sewer INSP. DATE 10/26/07 COMP. NO. UR-2

UNIMPROVED LAND COMPARABLE



PHOTO VIEW	<u>East view from Pennville Road</u>	SKETCH	<u>Plat</u>
Date Sold	<u>2/28/07; Recorded 3/6/07</u>	Act. Price	<u>\$7,500</u>
Vendor	<u>Jerry and Linda Roberts</u>	Size	<u>5.986 Acres (Net)</u>
			<u>\$1,253 /Acre</u>
		Vendee	<u>Bob and Kelly Dunaway</u>
Property Address	<u>Approximately 1600 Pennville Road</u>	City	<u>Cambridge City</u>
Legal Description	<u>Part of Section 29, Township 16 North, Range 13 East, Jackson Township</u>	Doc. #	<u>2007-002266</u>
Rec. Consideration	<u>\$1.00 & OVC</u>	Sale info. Verified By	<u>Quitclaim Deed, PRC, FCS</u>
		Date Ver.	<u>10/22/09</u>
Financing	<u>Cash to seller</u>	Zoning	<u>A-1-Agriculture</u>
Condition of Sale	<u>An arm's length transaction</u>	Highest & Best Use	<u>Agriculture</u>

DESCRIPTION of LAND										
Dimensions/Size	<u>5.986 Acres</u>									
Land Improvements	Drives	<u>No</u>	Walks	<u>No</u>	Landscaping	<u>No</u>	Trees	<u>Yes</u>	Well	<u>No</u>
	Septic	<u>No</u>	Fence	<u>No</u>	Pond	<u>No</u>				
Available Services	Road	<u>Asphalt</u>	City Water	<u>No</u>	City Sewer	<u>No</u>	Gas	<u>No</u>	Other	<u>None</u>
Land Topography	<u>Level</u>	Drainage	<u>Adequate</u>	Quality of Soils	<u>Typical for the area</u>					

COMMENTS:

This sale consists of a former Conrail Railroad corridor located approximately 1/2 mile south of U.S. 40 in Pennville. The property was purchased by an adjacent property owner and is identified as Assessor's Parcel Numbers 25-29-000-114-010-10 and 25-29-000-114.000-10.

APPRAISER'S NAME:	<u>Don McKee, MAI</u>	Broker No.	<u>IB51268077</u>	Appraisal License No.	<u>CG69201410</u>
	<u>Amy Reedy</u>		<u>N/A</u>		<u>TR41200014</u>
COUNTY	<u>Tippecanoe</u>	TOWNSHIP	<u>Wabash</u>	Type Property	<u>Uneconomic Remnant</u>
PROJECT NO.	<u>Big 3 Sewer</u>	INSP. DATE	<u>10/25/09</u>	COMP. NO.	<u>UR-3</u>

UNIMPROVED LAND COMPARABLE

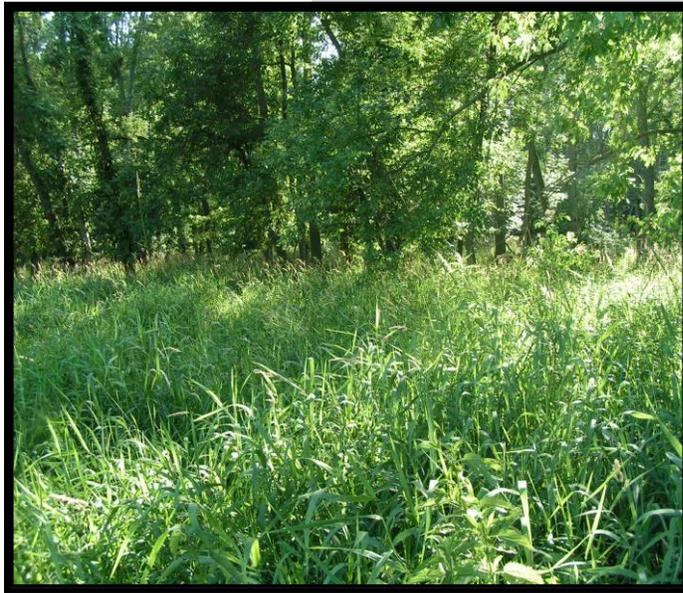


PHOTO VIEW	<u>West view from Birch Road</u>	Aerial	<u>See Above</u>
Date Sold	<u>8/26/10; Recorded 9/7/10</u>	Act. Price	<u>\$25,000</u>
Size	<u>19.69 Acres (Net)</u>		<u>\$1,270</u> /Acre
Vendor	<u>Martin & Jane A. Ewald</u>	Vendee	<u>Jeremy C. & Debra L. Dawson</u>
Property Address	<u>Approximately 17800 Birch Road</u>	City	<u>Bourbon</u>
Legal Description	<u>Part of Section 17, Township 32 North, Range 4 East</u>	Doc. #	<u>2010-04342</u>
Rec. Consideration	<u>\$10.00 & OVC</u>	Sale info. Verified By	<u>Warranty Deed, PRC, FCS</u>
Financing	<u>Cash to seller</u>	Date Ver.	<u>7/9/11</u>
Condition of Sale	<u>An arm's length transaction</u>	Zoning	<u>A-1 Agricultural District</u>
		Highest & Best Use	<u>Recreational</u>

DESCRIPTION of LAND										
Size	<u>20.00 Gross Acres</u>									
Land Improvements	Drives	<u>No</u>	Walks	<u>No</u>	Landscaping	<u>No</u>	Trees	<u>Yes</u>	Well	<u>No</u>
	Septic	<u>No</u>	Fence	<u>No</u>	Pond	<u>No</u>				
Available Services	Road	<u>Asphalt</u>	City Water	<u>No</u>	City Sewer	<u>No</u>	Gas	<u>No</u>	Other	<u>None</u>
	Land Topography	<u>Level to Depressional</u>		Drainage	<u>Below average</u>		Quality of Soils	<u>Average</u>		

COMMENTS:

This tract is located in the southeast corner of Marshall County. The wooded property is traversed by the Tippecanoe River. Accordingly, it is positioned in a flood plain area. The tract is encumbered by a perpetual conservation easement in favor of the Indiana Department of Agriculture. The easement was created in March 2010 for the purpose of preserving and protecting the natural resources in the easement area. Residential, commercial and industrial uses of any kind are prohibited. The owner has the right to use the area for recreational purposes.

This property is identified as Assessor's Parcel 50-24-17-000-009.000-012.

APPRAISER'S NAME:	<u>Don McKee, MAI</u>	Broker	<u>IB51268077</u>	Appraisal License No.	<u>CG69201410</u>
	<u>Amy Reedy</u>	No.	<u>N/A</u>		<u>TR41200014</u>
COUNTY	<u>Tippecanoe</u>	TOWNSHIP	<u>Wabash</u>	Type Property	<u>Uneconomic Remnant</u>
PROJECT NO.	<u>Big 3 Sewer</u>	INSP. DATE	<u>7/9/11</u>	COMP. NO.	<u>UR-4</u>

UNIMPROVED LAND COMPARABLE

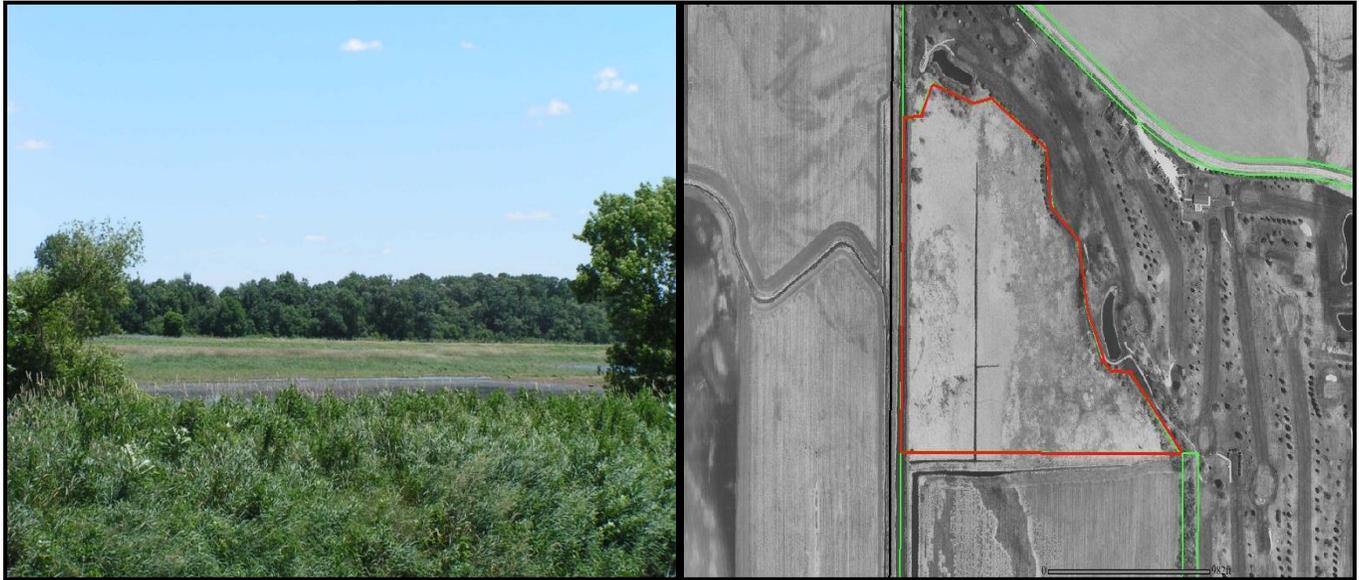


PHOTO VIEW	<u>East view from the west property line</u>				Aerial	<u>See Above</u>			
Date Sold	<u>11/22/10</u>	Recorded	<u>12/9/10</u>	Act. Price	<u>\$65,000</u>	Size	<u>45.00 Acres (Net)</u>	<u>\$1,444</u>	<u>/Acre</u>
Vendor	<u>Adam Pamer</u>			Vendee	<u>MESF Properties, LLC</u>				
Property Address	<u>Approximately 32200 State Road 4</u>				City	<u>Walkerton</u>			
Legal Description	<u>Part of Section 26, Township 36 North, Range 1 West</u>				Doc. #	<u>2010-34627</u>			
Rec. Consideration	<u>\$10.00 & OVC</u>	Sale info. Verified By	<u>Warranty Deed, PRC, FCS</u>			Date Ver.	<u>7/9/11</u>		
Financing	<u>Cash to seller</u>				Zoning	<u>A-Agricultural District</u>			
Condition of Sale	<u>An arm's length transaction</u>			Highest & Best Use	<u>Recreational/Wildlife Habitat</u>				

DESCRIPTION of LAND

Size	<u>45.00 Gross Acres</u>									
Land Improvements	Drives	<u>No</u>	Walks	<u>No</u>	Landscaping	<u>No</u>	Trees	<u>Yes</u>	Well	<u>No</u>
	Septic	<u>No</u>	Fence	<u>No</u>	Pond	<u>Yes</u>				
Available Services	Road	<u>Asphalt</u>	City Water	<u>No</u>	City Sewer	<u>No</u>	Gas	<u>No</u>	Other	<u>None</u>
Land Topography	<u>Depressional</u>		Drainage	<u>Below average</u>		Quality of Soils	<u>Below Average</u>			

COMMENTS:

This tract is positioned on the La Porte County line between State Road 4 and Pierce Road. The property is adjacent to the Whispering Pines Golf Course in the southwest corner of St. Joseph County. The irregular-shaped tract is accessible from State Road 4 via an ingress/egress easement which was recorded as Instrument Number 1987-38425. The easement was amended as Instrument Number 1990-01687. The property is located in a designated flood plain area and is classified as wildlife habitat. The tract sold in May 2008 for \$50,000. The Horace-Miller Ditch is adjacent to the west property line.

This property is identified as Assessor's Parcel 71-11-26-300-001.000-034.

APPRAISER'S NAME:	<u>Don McKee, MAI</u>	Broker	<u>IB51268077</u>	Appraisal License No.	<u>CG69201410</u>
	<u>Amy Reedy</u>	No.	<u>N/A</u>		<u>TR41200014</u>
COUNTY	<u>Tippecanoe</u>	TOWNSHIP	<u>Wabash</u>	Type Property	<u>Uneconomic Remnant</u>
PROJECT NO.	<u>Big 3 Sewer</u>	INSP. DATE	<u>7/9/11</u>	COMP. NO.	<u>UR-5</u>

UNIMPROVED LAND COMPARABLE

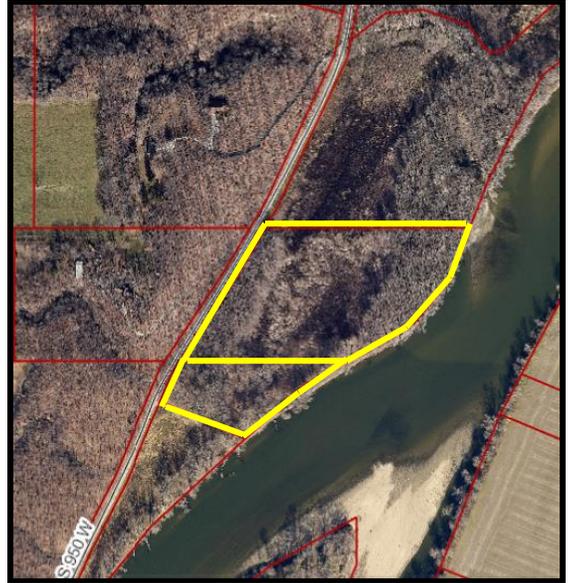


PHOTO VIEW This an east view taken from S 950 W Aerial See Above
 Date Sold 6/5/13; recorded 6/6/13 Act. Price \$15,000 Size 9.787 Acres (Net) \$1,533 /Acre
 Vendor Niches Land Trust Inc. Vendee Tippecanoe County Park & Recreation Board
 Property Address Approximately 2501 S CR 950 W City West Lafayette
 Legal Description Parcel 1: Pt SWQ Sec 3 T22N R6W; Parcel 2: Pt SWQ3 T22N R6W Doc. # 201313012670
 Rec. Consideration \$10.00 & OVC Sale info. Verified By SDF, CWD, PRC Date Ver. 2/11/14
 Financing Cash to seller Zoning FP Flood Plain
 Condition of Sale An arm's length transaction Highest & Best Use Recreational/Wildlife Habitat

DESCRIPTION of LAND

Size 9.787 Acres
 Land Improvements Drives No Walks No Landscaping No Trees Yes Well No
Septic No Fence No Pond No
 Available Services Road Asphalt City Water No City Sewer No Gas No Other None
 Land Topography Depressional Drainage Below average Quality of Soils Below Average

COMMENTS:

This tract is positioned in western Tippecanoe County on S CR 950 W south of W 200 S near the county line with Warren County. The property is adjacent to the Wabash River and is located in a designated flood plain area. This property is composed of two parcels. Parcel 1 consists of 2.370 acres and parcel 2 contains 7.417 acres.

This property is identified as Assessor's Parcel 79-09-03-300-004.000-014.

APPRAISER'S NAME: Don McKee, MAI Broker IB51268077 Appraisal License No. CG69201410
Amy Reedy No. N/A TR41200014
 COUNTY Tippecanoe TOWNSHIP Wabash Type Property Uneconomic Remnant
 PROJECT NO. Big 3 Sewer INSP. DATE 2/8/14 COMP. NO. UR-6