Appraisal Report of
30/31 Branch Library at
3059 30th Street
Rock Island, IL 61201

Martin E. Corey, MAI, SRA
Oakwood Appraisal Co.
826 16th Avenue
East Moline, IL 61244

Prepared For
Rock Island Library Board of Trustees

Date of Valuation
April 9, 2019

Date of Observation
April 9, 2019

Date of Report
April 15, 2019
April 15, 2019

Rock Island Library Board of Trustees
Attn: Angela Campbell, Director
401 19th Street
Rock Island, IL 61201

Dear Ms. Campbell,

At your request, I submit a report of the appraisal of the branch library property at 3059 30th Street, Rock Island, IL. The date of value is April 9, 2019, the last date I visited the property. Your request was for a market value opinion of the fee simple interest in the property.

The report contains 26 numbered pages following this letter and the table of contents. I, the undersigned appraiser made all necessary investigations and analyses to develop this appraisal. My market value opinion of the fee simple interest in subject property is $210,000.

Very truly yours,

Martin E. Corey, MAI, SRA
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Martin E. Corey, MAI, SRA
Oakwood Appraisal Co.
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 no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. I have performed no other 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.
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 the appraisal.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.
9. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
10. I have made a personal inspection of the property that is the subject of this report.
11. No one provided significant real property appraisal assistance to the person signing this report.
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, I, Martin E. Corey, MAI, SRA, have completed the continuing education program of the Appraisal Institute.

______________________________
Martin E. Corey, MAI, SRA
USPAP Compliance

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

This appraisal report and all of the appraiser’s work in connection with the appraisal assignment are subject to the limiting conditions and all other terms stated in the report. Any use of the appraisal by any party, regardless of whether such use is authorized or intended by the appraiser, constitutes acceptance of all such limiting conditions and terms.

General Assumptions

This appraisal is subject to the following general assumptions:

1. I assume no responsibility for the legal description provided.

2. I assume no responsibility for matters legal in character nor do I render any opinion as to the title, which I assume to be good. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear and under responsible ownership and competent management.

3. I believe to be reliable the information included in this report which was furnished to me by others; but I assume no responsibility for its accuracy.

4. I assume 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.

5. I assume that there are no hidden or inapparent 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. I 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.

Martin E. Corey, MAI, SRA
Oakwood Appraisal Co.
7. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated.

**Limiting Conditions**

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

1. Any allocation of the total value estimated in this report between 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.

2. Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by anyone but the appraiser and, in any event, only with proper qualifications.

3. I am not required to give testimony or attendance in court by reason of this appraisal, with reference to the property under study, unless arrangements have been previously made therefore.

4. Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent and approval of the author, particularly as to the valuation conclusions, the identity of the appraiser, or any reference to the Appraisal Institute or the MAI and SRA designations.
Identification of Appraisal Problem and Scope of Work

Definition of Value
Market value means 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. ¹

Client
The client is Rock Island Library Board of Trustees.

Intended User
The intended user is the client. This report is not intended to be used by any other than the intended user.

Intended Use of the Appraisal
The intended use is to help establish a selling price. This report is not intended for any other use.

Date of Value and Observation
April 9, 2019

Date of Report
April 15, 2019

¹ Source: (12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)
Scope of Work
In developing the reported opinions, I did the following:

- Visited the property on the date of value
- Toured the property with the library director and staff
- Searched for sales and listings of similar properties in the MLS, assessors’ records and office files
- Inspected the exterior of all competing sales
- Did not commission and was not given any environmental contamination inspection reports

Identification
It is identified for tax purposes as tax assessment parcel number 10291-2 and PIN number 1612200044.

Assessed Value and Taxes
It is public property and not assessed for taxes.

Property History
The Library Board has been operating this as a library since about 1955.

Zoning
The property has R-2 One-Family Residence District zoning. See excerpted portions of the Rock Island zoning ordinance at the back of the report.

Flood Hazard
The property is in Flood Zone X. The source is FEMA map number 17161C0310F effective date 04/05/2010.
Regional and Neighborhood Description

This section is short because the intended users are familiar with the region and neighborhood. Rock Island is a city in the Quad Cities metropolitan area, which is comprised of about 17 contiguous cities and villages in both Iowa and Illinois. Rock Island is the third largest community in the Illinois Quad Cities.

Population

As the Illinois Quad Cities has lost population, the Iowa Quad Cities gained population over the past several years, which continues. The Quad Cities metropolitan area population is about 270,000. US Census 2000 reported 376,000 people in the Davenport-Moline-Rock Island MSA, which is increasing at a modest rate. The 2010 census counted 380,829 and ESRI, a demographics service, estimates the 2015 MSA population at 385,231 and 391,955 in 2020.

Rock Island's population was 39,677 people in 2000 and 39,019 in 2010. ESRI estimates the 2018 population count for Rock Island at 38,014 people. The population is declining. ESRI estimates the population for the year 2023 at 37,129 people. The number of housing units is changing very little. In 2000 there were 17,557. ESRI expects there to be 17,382 in 2023.

Employment

The Davenport-Moline-Rock Island, IA-IL labor force was 188,709 and total employment was 178,326. Preliminary figures for February 2019, are 191,514 and 182,380. So both the labor force and those working has increased over the past two years.

Neighborhood

Subject is in the Southeast part of Rock Island that lies north of Rock River. It is at a 4-way stop intersection of two city thoroughfares that cross the city east to west and north to south. Almost all the land area within a mile is devoted to housing. Exceptions are churches. Churches are on two corners of the 30th Street/31st Avenue intersection. A public school is also nearby.

The average daily traffic count past Subject on north/south 30th Street is 5,850 and 3,600 on east/west 31st Avenue. Some of the 30th Street traffic is flowing between Blackhawk Road and 18th Avenue. This is heavy for residential streets but light for commercial districts. Thirtieth Street is one of the few streets extending from one end of the city to the other. Likewise, 31st Avenue is one of the few East/West avenues that crosses most of the city.

The neighborhood is largely built-up with little room for new housing. The 2010 census counted 9,645 people living within a mile of the branch library. The estimate of the 2018 population within a mile is 9,441 and for 2023 estimate is 9,248. The estimate for median household income in 2018 for those within a mile is $61,138. The average household income is $84,153.
Subject Images

Looking East at West and South Walls

Looking at East and North Walls

Looking South Across Parking Lot

Martin E. Corey, MAI, SRA
Oakwood Appraisal Co.
Property Description and Exhibits

Site Description
The site is shown on the Supervisors’ Assessment Sheet as being a rectangle. It is 130’ wide along 30th Street and along its East lot line. It has 254’ of frontage on 31st Avenue and along its North lot line. Total land area is 33,020 Sq. Ft. The lot is gently sloping. It has a driveway entrance on 31st Avenue. At present it has an exit driveway to 30th Street. The site has good exposure to traffic on both 30th Street and 31st Avenue. The residential zoning and adjacency to residentially zoned land puts setback requirements along the inside lot lines. This diminishes the usable lot area.

Assessors’ Plat Sheet

Red Arrow Points to Subject
Area Zoning Map (Yellow Area is R-2 One-Family zoning)

Red Arrow Points to Subject
Improvements Description
The building was erected in about 1955. It is a masonry structure on a slab foundation. It is 70’ wide and 73.67’ long. The inside center height at the peak of the roof is about 15’ and the inside sidewall height is about 8.5’. The exterior has a brick veneer. The roof is a simple gable with large overhangs. The roof looks to have a rubber sheet finish, but I did not verify composition or condition. Director – Business Office & Facilities, Kellie Kerns says the roof has had to have some patching.

The windows are fixed units. The building has four exterior doors. Two, including a sliding door opening for regular patron use, one for employees and one additional exit. The back of the report has a floor plan sketch developed to identify safety exit routes. The building has always been a branch library. It has one large room in the center and smaller rooms for various uses along the side-walls. The ceiling in the center room is painted wood planks. The side rooms have acoustic tile. The floors are mostly covered with carpet squares, but other areas are hard surfaces, including concrete painted with epoxy, and ceramic tile.

It has two two-piece baths and one three-piece bath. It has a small kitchen and another partial kitchen. Parts of the building may not comply with Americans With Disabilities Act standards. Most of the interior walls are masonry. The building has four forced air furnaces and matching central air units operating as a zoned heating/cooling system. The electric service is heavy duty 120/208 3 phase 4-wire. Lighting in the main rooms is suspended fluorescent reflected or diffused lighting designed for library use. A book drop is along the North wall.

Most of the interior and exterior are in generally good condition. Some wood trim on the outside needs repainting. I rate the condition of the improvements as average because the type and condition of roof cover and condition of exterior wood trim.

Site Improvements
The site has a monument identification sign, sidewalks and asphalt parking and drives. It has about 25 striped parking spaces. A sign on a metal post by the Northeast building corner points to a driveway and drive-up window. The parking lot stops before the East lot line and leaves some grassy yard there. The building is setback from the North lot line leaving room for a driveway and parking. It is setback from the South and East property lines leaving room for landscaping and grassy lawn.
Highest and Best Use

Highest and best use is defined as follows:

“The reasonably probable use of property that results in the highest value.
The four criteria that the highest and best use must meet are legal
permissibility, physical possibility, financial feasibility, and maximum
productivity.”

Highest and Best Use as if a Vacant Lot

Legally Permissible
See a part of the city zoning ordinance at the back of the report. The R-2 zoning permits
single-family residential and some other low-intensity uses, which include day care,
religious facilities, some municipal buildings, community centers, and schools. It is
speculative to assume the city will permit uses not identified in the zoning ordinance.

Physically Possible
The lot is large for a single-family residence. The busy corner is capable of supporting a
small municipal building or a day care or small church or other religious facility.

Financially Feasible
It is financially feasible to improve the site with one of the more intensive uses, such as a
religious facility, community building or day care.

Maximally Productive
The maximally productive use is a use consistent with zoning that benefits from good
exposure to the passing automobile traffic. This includes uses outlined as being financially
feasible.

Highest and Best use as Improved

Legally Permissible
See legally permissible uses for the lot as if vacant.

Physically Possible
The building is adaptable to use as a school, day care, religious facility, municipal building,
or community center. It is serving the purpose of a library. Zoning does not permit, but with
some remodeling, it could be a business or professional office.

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(Chicago: Appraisal Institute, 2015.)
**Financially Feasible**
The improvements could be used nearly as presently configured as a church, possibly a senior center, museum, day care or community center. Some users may require updated restrooms.

**Maximally Productive Use**
Is a financially feasible use that can adapt the current improvements designed as a library to a new but similar use of the property.

**Valuation**
Appraisers use three traditional approaches to value: the cost, sales comparison and the income capitalization approaches. This appraisal needs to develop a land value. Only the sales comparison approach is a reliable indicator of land value. The cost approach is not applicable; and an income approach is not applicable because land is not held for rental income in this market.

**Land Value**
The first step toward a cost approach is developing a value for the land. The falling grid shows three land sales comparing them to the Subject lot. A brief description of the sales follows the grid.

<table>
<thead>
<tr>
<th>Location</th>
<th>Sale Price</th>
<th>Property Rights</th>
<th>Financing Terms</th>
<th>Conditions of Sale</th>
<th>Expenditures Immediately after Purchase</th>
<th>Market Conditions</th>
<th>Gross Adjustment</th>
<th>Gross Adjustment %</th>
<th>Net Adjustment</th>
<th>Net Adjustment %</th>
<th>Indicated Price per Sq Ft</th>
<th>Indicated Value of Subject</th>
</tr>
</thead>
<tbody>
<tr>
<td>3059 30th St Rock Island</td>
<td>$66,900</td>
<td>Fee Simple</td>
<td>Cash</td>
<td>None</td>
<td>4/9/19</td>
<td></td>
<td>$0.00</td>
<td>0%</td>
<td>$0.00</td>
<td>0%</td>
<td>$2.26</td>
<td>$74,625</td>
</tr>
<tr>
<td>3407 38th Avenue Rock Island</td>
<td>$37,000</td>
<td>Fee Simple</td>
<td>Cash</td>
<td>None</td>
<td>5/2/17</td>
<td></td>
<td>$0.00</td>
<td>0%</td>
<td>$0.00</td>
<td>0%</td>
<td>$1.50</td>
<td>$49,530</td>
</tr>
<tr>
<td>3425 38th Avenue Rock Island</td>
<td>$115,000</td>
<td>Fee Simple</td>
<td>Cash</td>
<td>None</td>
<td></td>
<td></td>
<td>$0.00</td>
<td>0%</td>
<td>$0.00</td>
<td>0%</td>
<td>$0.52</td>
<td>$67,361</td>
</tr>
</tbody>
</table>

3425 38th Avenue
Rock Island

**Land - Sales Comparison Grid**
Land Sales Descriptions
Site Sale #1 is in a residential district. It has 150’ of frontage on 38th Avenue. It is about 229’ deep along its East property line. It has the shape of a fat letter L. The West line is about 154’ deep. Lot area is 29,605 Sq Ft. It has been improved with a house. The seller was the Panther Trust and the buyers were Thomas and Julie Meyer.

Site Sale #2 is in a residential district. It is next door to Site Sale #1 and sold by the same Panther Trust. The buyers were Tracy and Troy Freyberger. This lot has a rectangle shape. It has 80’ frontage on 38th Avenue and is about 309’ deep. It has a lot area of 24,699 Sq Ft.

Site Sale #3 is in a commercial district. It is about a block north of Blackhawk Road. The seller was HLG, LLC and the buyer Anchor Properties, LLC. The buyer intends to build an orthodontist’s office on the site. The site is gently rolling. It was split from a larger parcel. The Lot has an area of about 44,954 Sq. Ft and a roughly rectangle shape. I use this lot even though it has O-1 Office zoning. O-1 Office zoning is among the most restrictive zoning other than residential districts. It is to be a transitional district between commercial and residential uses. O-1 zoning allows churches, community service offices, schools, etc. These are uses permissible in Subject’s R-2 residential district. I give this a little consideration because some uses for Subject are permissible on this Site Sale #3.

Reconciliation and Final Land Value Opinion
A limited number of recent sales makes this analysis weak. The sales indicate a wide range of values. The range is $1.50 to $2.26 per Sq Ft. And $49,530 to $74,625. I put the final value estimate in the middle of range only because one sale is not better than another. It is my opinion the site value is $1.90 per Sq. Ft. x 33,020 Sq Ft = $62,738, rounded to $63,000.

Valuation as Improved
The building is old, and a cost approach is not normally particularly meaningful because the building age, but the sales comparison approach needs support. For that reason, the report includes the cost approach.

The sales comparison approach is the approach most often used by market participants to value improved property. It is applicable and necessary for this assignment. The income capitalization approach is applicable, but single-user property is most often owner-occupied. It is my opinion the appraisal yields a reliable opinion of value without the income approach.
Cost Approach
The cost approach uses cost data from Marshall & Swift, Marshall Valuation Service and the land value developed in the previous section. All sources of depreciation are lumped together. The effective age is 64 years, and total economic life is 75 years, resulting in 85.33 percent depreciation.

<table>
<thead>
<tr>
<th>Class C Library</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Cost (SF)</td>
</tr>
<tr>
<td>Wall Height Multiplier x 1.000</td>
</tr>
<tr>
<td>Floor Area/Perimeter Multiplier x 1.000</td>
</tr>
<tr>
<td>Current Multiplier x 1.010</td>
</tr>
<tr>
<td>Local Multiplier x 1.070</td>
</tr>
<tr>
<td>Adjusted Cost (SF)</td>
</tr>
<tr>
<td>Architect &amp; Entrepreneurial Incentive @ 7%</td>
</tr>
<tr>
<td>Subtotal</td>
</tr>
<tr>
<td>Building Size x 5,157</td>
</tr>
<tr>
<td>Total Building Replacement Cost</td>
</tr>
<tr>
<td>Minus Depreciation @ 85.33%</td>
</tr>
<tr>
<td>Depreciated Cost</td>
</tr>
<tr>
<td>Plus Site Improvements Depreciated</td>
</tr>
<tr>
<td>Plus Land Value + $63,000</td>
</tr>
<tr>
<td>Value Indication by the Cost Approach</td>
</tr>
<tr>
<td>Rounded to</td>
</tr>
</tbody>
</table>

The cost approach indicates a value of $214,000.

Sales Comparison Approach
The sales comparison approach compares subject to comparable properties that have sold. I use three sales. None of the sales is a library building. Sales data is only adequate. Only Sale #2 is in Rock Island and only Sale #1 has buildings designed for a use that is permissible in R-2 zoning. Nonetheless these are the three best available sales. These sales have uses after the sale that could physically be housed in the Subject property. Sale #3 was bought to be a government agency office, which may be permissible in Subject’s zoning district.

Sale #2 is used as business offices. Such use is not permissible on Subject without re-zoning. Sale #2 building is adaptable to uses permissible in R-2 zoning. That is the rationale for using that sale. The comparable sales are adjusted for differences between the subject and the comparable sales. In this case a qualitative analysis is the best method to compare Subject to the comparable sales. See the adjustment grid on the next page.
Sales Comparison and Adjustment Grid

<table>
<thead>
<tr>
<th></th>
<th>Subject</th>
<th>Comparable Sale #1</th>
<th>Comparable Sale #2</th>
<th>Comparable Sale #3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>1710 35th Avenue</td>
<td>520 24th Street</td>
<td>621 17th Avenue</td>
<td></td>
</tr>
<tr>
<td>Sale Price</td>
<td>$320,000</td>
<td>$175,000</td>
<td>$250,000</td>
<td></td>
</tr>
<tr>
<td>Property Rights</td>
<td>Fee Simple</td>
<td>$0 Fee Simple</td>
<td>Similar Fee Simple</td>
<td>Similar Fee Simple</td>
</tr>
<tr>
<td>Financing Terms</td>
<td>Conventional</td>
<td>$0 Conventional</td>
<td>$0 Conventional</td>
<td>$0</td>
</tr>
<tr>
<td>Conditions of Sale</td>
<td>Typical</td>
<td>$0 Typical</td>
<td>$0 Typical</td>
<td>$0</td>
</tr>
<tr>
<td>Expenditures Immediately after Purchase</td>
<td>None</td>
<td>$0 None</td>
<td>$0 None</td>
<td>$0</td>
</tr>
<tr>
<td>Market Conditions</td>
<td>7/15/2016</td>
<td>$0 10/28/13</td>
<td>$0 3/10/16</td>
<td>$0</td>
</tr>
<tr>
<td>Adjusted Sale Price</td>
<td>$320,000</td>
<td>$175,000</td>
<td>$250,000</td>
<td></td>
</tr>
<tr>
<td>Building Size</td>
<td>5,157 Sq Ft</td>
<td>6,981 Sq Ft</td>
<td>3,863 Sq Ft</td>
<td>5,351 Sq Ft</td>
</tr>
<tr>
<td>Adjusted Price per SF</td>
<td>$45.84</td>
<td>$45.30</td>
<td>$46.72</td>
<td></td>
</tr>
<tr>
<td>Site Size/Value per Sq Ft</td>
<td>33,020 Sq Ft</td>
<td>61,740 Sq Ft</td>
<td>Similar 17,627 Sq Ft</td>
<td>Inferior 18,000 Sq Ft</td>
</tr>
<tr>
<td>Quality</td>
<td>Average</td>
<td>Average</td>
<td>Similar Good</td>
<td>Superior Average</td>
</tr>
<tr>
<td>Age</td>
<td>64 years</td>
<td>69 years</td>
<td>Similar 28 years</td>
<td>Superior 55 years</td>
</tr>
<tr>
<td>Condition</td>
<td>Average</td>
<td>Average</td>
<td>Similar Good</td>
<td>Superior Average</td>
</tr>
<tr>
<td>Basement</td>
<td>None</td>
<td>3,609 Sq Ft</td>
<td>Superior None</td>
<td>Similar 5,351 Sq. Ft</td>
</tr>
<tr>
<td>Other Buildings</td>
<td>None</td>
<td>House, Garages</td>
<td>Superior None</td>
<td>Similar None</td>
</tr>
<tr>
<td>Overall Comparability</td>
<td>Superior</td>
<td>Superior</td>
<td>Superior</td>
<td></td>
</tr>
<tr>
<td>Adjusted Price per Sq Ft</td>
<td>$45.84</td>
<td>$45.30</td>
<td>$46.72</td>
<td></td>
</tr>
</tbody>
</table>

All sales are overall superior to Subject

Discussion of Sales Comparison

Property Rights
All sales transferred fee simple ownership and no adjustment is necessary.

Financing
All sales sold with cash or cash equivalent financing and no adjustment is necessary.

Conditions of Sale
All sales sold with typical conditions of sale and no adjustment is required.

Expenditures Immediately after Purchase
Expenditures Immediately after Purchase made in order to achieve the property’s full utility were in the form of site preparation, which is considered in the topography comparison to the subject property. Therefore, no sale requires adjustment on this line.
**Market Conditions**
Market conditions for this property type have been stable for several years. No adjustment is required.

**Qualitative Adjustments**
The remaining adjustments rate the competing sale’s features as either inferior, similar, or superior to that of the Subject. Similar does not necessarily mean equal, instead it means any differences do not significantly affect value.

**Location and Zoning**
Subject is in a residential district with residential zoning. Any attempts to rezone to a more intensive use may or may not be successful. I rate commercial zoning as being superior. Sales #1 and #2 have commercial zoning but are in inferior districts in terms of visibility and general condition of surroundings. Sales #1 and #2 get an Inferior rating. Sale #3 has commercial zoning and its location is only a fair commercial district. It gets a similar rating.

**Site Size/Value per Sq Ft**
This line takes into site size, land to building ratios and site value. Sale #1 has a greater land to building ratio, but per unit land value is less than Subject. Overall it is similar. Sale #2 is inferior in terms of land to building ratio, and underlying site value. It is inferior. Sale #3 has a smaller land to building ratio, but it does not have setback requirements and all the lot can be under a building or parking surface. Its per unit land value is greater than Subject’s per unit land value. Overall Sale #3 is similar.

**Quality**
Only Sale #2 has enough different features to be rated as Superior.

**Age**
Sale #2 is enough newer than Subject to be rated Superior. Sales #1 and #3 are close enough to be rated Similar.

**Condition**
Only Sale #2 is in superior condition and needs a Superior rating. The other sales are similar to Subject.

**Basement**
Sales #1 and #3 have been basements. Subject and Sale #2 do not have basements. The basements are a superior feature.

**Other Buildings**
Only Sale #1 has other buildings. Because Sale #1 has a house and garages it is rated Superior on this line. The fellowship hall is counted as being part of the church building.
Overall Comparability, Reconciliation and Value Estimate by the Sales Comparison Approach

Every sale has more Superior features than Subject and all are rated Superior. Before any adjustment, all sales indicated values that fall within a tight range. The low indication is $45.30 and the high is $46.72 per Sq Ft of building. I conclude the final indication is less than the unadjusted prices per Sq Ft of building. It is my opinion that the Subject property has a value per Sq Ft of $41.00

The indicated value then is:

\[
\text{Market value indication by the sales comparison approach is;}
\]

\[
\$41.00 \text{ per Sq } \times \ 5,157 \text{ Sq Ft } = \ $211,437
\]

rounded to **$210,000**

Final Reconciliation and Market Value Conclusion

The following table presents the market value indication by approach. Following the table is a short discussion and market value conclusion.

<table>
<thead>
<tr>
<th>Approach</th>
<th>Value Indication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>$214,000</td>
</tr>
<tr>
<td>Sales Comparison</td>
<td>$210,000</td>
</tr>
<tr>
<td>Income Capitalization</td>
<td>Not Used</td>
</tr>
</tbody>
</table>

Market participants use the sales comparison approach. The final opinion of value rests almost entirely on the sales comparison approach. The cost approach is support for the sales comparison approach. The income approach was not necessary for a credible value opinion.

The two approaches are in a very tight range with $4,000 or about two percent separating them. The final value opinion is the value developed by the sales comparison approach.

My market value opinion of subject is **$210,000**.

Exposure Time

The property sales and listings indicated exposure time (i.e., the length of time the subject property would have been exposed for sale in the market had it sold at the market value concluded in this analysis as of the date of valuation) is 6 to 18 months.
### Comparable Sales

**Comparable Improved Sale # 1**

<table>
<thead>
<tr>
<th>Address:</th>
<th>1710 35th Avenue, East Moline, IL 61244</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parcel Tax ID No.:</td>
<td>064811, 064812, 064814, 064820, 064821</td>
</tr>
<tr>
<td>Grantor:</td>
<td>Legacy International Coalition, Inc.</td>
</tr>
<tr>
<td>Grantee:</td>
<td>LAI Christian Church, Inc.</td>
</tr>
<tr>
<td>Source:</td>
<td>MLS, County Records</td>
</tr>
<tr>
<td>Verification:</td>
<td>Paula Firth, agent</td>
</tr>
<tr>
<td>Date of Sale:</td>
<td>7/15/2016</td>
</tr>
<tr>
<td>Sale Price:</td>
<td>$320,000</td>
</tr>
<tr>
<td>Sale Terms:</td>
<td>Conventional</td>
</tr>
<tr>
<td>Recording Document #:</td>
<td>2016-10858</td>
</tr>
<tr>
<td>Site Size:</td>
<td>61,740 Sq. Ft.</td>
</tr>
<tr>
<td>Zoning:</td>
<td>B-2</td>
</tr>
<tr>
<td>Parking:</td>
<td>25</td>
</tr>
<tr>
<td>Square Feet Above Grade:</td>
<td>6,981 Sq. Ft.</td>
</tr>
<tr>
<td>Land to Building Ratio:</td>
<td>8.84:1</td>
</tr>
<tr>
<td>Price per SF:</td>
<td>$ 45.84</td>
</tr>
<tr>
<td>Year Built:</td>
<td>1950 for church</td>
</tr>
<tr>
<td>Church and Reception Hall</td>
<td></td>
</tr>
<tr>
<td>Hall is newer</td>
<td></td>
</tr>
</tbody>
</table>

**Comments:** This sale is between two churches. The building size includes the church and adjacent fellowship hall. The building age is uncertain. The 1950 construction date is the listing agent’s estimate. The church and fellowship hall looks newer. The sale included a lot with a rental house, and two garages. The size of the church is 3,609 Sq. Ft. with a full basement. The hall next door is 3,372 Sq. Ft. with two large garages, 702 & 600 Sq. Ft. There are 2 parking lots, one in the front paved at 60' x 147', and one in the back paved at 120' x 147'. I believe that the house and garage add $50,000 to the total value of the sale.

Martin E. Corey, MAI, SRA
Oakwood Appraisal Co.
### Comparable Improved Sale # 2

<table>
<thead>
<tr>
<th>Address:</th>
<th>520 24th Street, Rock Island, IL 61201</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parcel Tax ID No.:</td>
<td>09666</td>
</tr>
<tr>
<td>Grantor:</td>
<td>Master Builders of Iowa, Inc.</td>
</tr>
<tr>
<td>Grantee:</td>
<td>QC Construction Advancement Trust</td>
</tr>
<tr>
<td>Source:</td>
<td>MLS, County Records</td>
</tr>
</tbody>
</table>

| Date of Sale: | 10/28/2013 | Sale Price: | $175,000 |
| Sale Terms: | Cash |
| Recording Document #: | 2013-23787 | Warranty Deed |

| Site Size: | 28,763 Sq. Ft. |
| Zoning: | B-3 |
| Parking: | 20 parking spaces |

| Square Feet Above Grade: | 3,863 Sq. Ft. | Price per SF: | $ 45.30 |
| Land to Building Ratio: | 7.45:1 | Year Built: | 1991 |
| Building Style: | Modern One-Story Office |

Comments:  This is in an old part of Rock Island. It is a few blocks outside the downtown.
Comparable Improved Sale # 3

Address: 621 17th Avenue, East Moline, IL 61244
Parcel Tax ID No.: 074593
Grantor: Vincent, Orville T
Grantee: Greater Metro Housing Authority of Rock Island County
Source: MLS, County Records

Date of Sale: 3/10/2016  
Sale Terms: Conventional  
Recording Document #: 2016-03577

Sale Price: $250,000

Site Size: 18,000 Sq. Ft.
Zoning: B-2 Business
Parking: 31 spaces

Square Feet Above Grade: 5,351 Sq. Ft.  
Land to Building Ratio: 3.36:1  
Building Style: One-Story Office

Price per SF: $46.72  
Year Built: 1964  
Ceiling Height: 8 Feet

Comments: According to the seller, the building had 3 office suites with a total of 22 rooms. It has a full unfinished basement, six half baths, 3 kitchens and a conference room. The building has five CAC units and five furnaces. The property has parking on all 3 sides of building.
Plan Supplied by the client
Qualifications of the Appraiser

General
I have been actively engaged as a self-employed Real Estate Appraiser since 1984. I am owner of Oakwood Appraisal Co., East Moline, IL. My practice includes review appraising.

Education
Bachelor of Science in Finance, Northern Illinois University, DeKalb, Illinois

Appraisal Education
Passed Examination for Course 101, Society of Real Estate Appraisers
Course 102, Society of Real Estate Appraisers
Standards of Professional Practice Parts A& B, Appraisal Institute
Course 1A1 Real Estate Appraisal Principles, Appraisal Institute
Course 310 Basic Income Capitalization, Appraisal Institute
Course 510 Advanced Income Capitalization, Appraisal Institute
Course 540 Report Writing & Valuation Analysis, Appraisal Institute
Course A-20 Principles of Rural Appraisal, American Society of Farm Managers and Rural Appraisers
Course 550 Advanced Applications, Appraisal Institute
Course 530 Advanced Sales Comparison and Cost Approaches
Course 520 Highest and Best Use & Market Analysis, Appraisal Institute
Uniform Appraisal Standards for Federal Land Acquisitions, Appraisal Institute Seminar
Condemnation Appraising Principles and Applications, Appraisal Institute
Numerous short courses and seminars from the Appraisal Institute

Designation and Memberships
MAI, SRA, Appraisal Institute and member of the Iowa Chapter of the Appraisal Institute
Real Estate Managing Broker, State of Illinois
Certified General Real Estate Appraiser, State of Iowa No.CG01236, Expires 06/30/2020
Certified General Real Property Appraiser, State of Illinois No.553.000963, Expires 09/30/2019
Member of Quad Cities Area Realtor Association, Residential and Commercial MLS.

Real Estate Appraisal Experience
My practice includes single and multiple family residential dwellings, residential lots, raw land, commercial and industrial land, farms, offices, neighborhood retail stores, shops and industrial. Clients include mortgage lenders, the State of Illinois Department of Transportation, Rock Island County, municipalities, individuals and companies. Territory Covered includes portions of Eastern Iowa and Northwestern Illinois.
ARTICLE XIV - "R-1" ONE-FAMILY RESIDENCE DISTRICT

14.1 General Description. Residential districts (R-1 through R-7) are established in order to protect public health, and promote public safety, convenience, comfort, morals, prosperity, and welfare. These general goals include, but are not limited to, the following specific purposes:

A. To protect residential areas against fire, explosion, noxious fumes, offensive noise, smoke, vibrations, dust, odors, heat, glare, and other objectionable factors.

B. To protect residential areas to the greatest extent possible and appropriate in each area against unduly heavy motor vehicle traffic, especially through-traffic, and to alleviate congestion by promoting off-street parking.

C. To protect residential areas against undue congestion of public streets and other public facilities by controlling the density of population through regulations of the bulk of buildings.

D. To protect and promote the public health and comfort by providing for ample light and air to buildings and the windows thereof.

E. To promote public comfort and welfare by providing for usable open space on the same zoning lot with residential development.

F. To provide sufficient space in appropriate locations to meet the probable need for future residential expansion and to meet the need for necessary and desirable services in the vicinity of residences, which increase safety and amenity for residents and which do not exert objectionable influences.

G. To promote the best use and development of residential land in accordance with a comprehensive land use plan, to promote stability of residential development and protect the character of desirable development, and to protect the value of land and improvements and so strengthen the economic base of the city.

14.2 Permitted Principal Uses

A. One family detached dwellings
B. Day care home
C. Foster family homes
D. Unrelated group family uses
E. Municipal fire and police station
F. Care home small residential
G. Essential services and municipal administrative or public service buildings not less than eighty feet (80') from any lot line
H. Public parks and playgrounds  I. Existing railroad right-of-way, but not switching storage or freight yards of sidings  J. Any other similar uses deemed to be consistent

14.3 Permitted Accessory Uses

A. Private garages or parking areas  
B. Living quarters for persons employed on the premises  
C. Private office of lawyer, architect, or engineer within their own dwelling  
D. Minor home occupations, as defined  
E. Day care home licensed by the State of Illinois and with occupancy permit.  
F. Other uses incidental to a permitted use

14.4 When Authorized by Board of Zoning Appeals

A. Community Center  
B. Utility stations without service yards or storage  
C. Outdoor recreational facilities such as golf courses, country clubs, and tennis courts  
D. Public and parochial schools and churches not less than 20 feet from any lot in an "R" District  
E. Municipal buildings and libraries  
F. Off street parking facilities for permitted uses and/or uses permitted upon review of appropriate authority in this zoning district  
G. Day care home, as defined, but serves between nine (9) and twelve (12) children  
H. Any other similar uses deemed to be consistent by the Board of Zoning Appeals

14.5 Height Regulations.  No principal structure shall exceed 2 ½ stories or thirty-five feet (35’) in height.  No accessory structure shall exceed one (1) story fifteen feet (15’) in height, except as provided in Section 9.1.

14.6 Lot Area and Yard Requirements.  The following minimum requirements shall be observed. (Not copied)

ARTICLE XV - "R-2" ONE-FAMILY RESIDENCE DISTRICT

15.1 Permitted Principal Uses

A. Any permitted use in an "R-1" District  B. Any other similar uses deemed to be consistent by the appropriate authority

15.2 Permitted Accessory Uses

A. Any permitted accessory use in an "R-1" District  B. Other uses incidental to a permitted use
15.3 When Authorized by Board of Zoning Appeals

A. Any use authorized by appropriate authority in an "R-1" District
B. Dwelling groups  C. Any other similar uses deemed consistent by the Board of Zoning Appeals

15.4 Height Regulations. No principal structure shall exceed 2 ½ stories or thirty-five feet (35') in height. No accessory structure shall exceed one (1) story fifteen feet (15') in height, except as provided in Section 9.1.

15.5 Lot Area, Frontage, and Yard Requirements. The following minimum requirements shall be observed.

For 1 and 1 ½ story dwellings this zoning requires a 6,000 sq. ft. lot, a 60 ft minimum width, a 25 ft front yard depth, a Least Side Yard Width of 6 ft, a Side Yard Sum Width of 15 ft, and a Rear Yard Depth of 30 ft,