

**APPRAISAL OF MARKET VALUE OF THE  
CITY OF EAST DUBUQUE PROPERTY  
339-341 SINSINAWA AVENUE  
EAST DUBUQUE, ILLINOIS 61025  
AS OF NOVEMBER 27, 2023**

**PREPARED FOR:**

**BOB SEITZ, CITY MANAGER  
CITY OF EAST DUBUQUE  
261 SINSINAWA AVENUE  
EAST DUBUQUE, ILLINOIS 61025**

**PREPARED BY:**

**THOMAS F. HOWE  
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563.451.9919 (CELL)**



Certified Appraisals

14858 West Ridge Lane Suite 8 Dubuque, IA 52003-9639 (563) 556-2068

December 15, 2023

Bob Seitz  
 City Manager, City of East Dubuque  
 261 Sinsinawa Avenue  
 East Dubuque, IL. 61025  
[bseitz@cityofeastdubuque.com](mailto:bseitz@cityofeastdubuque.com)  
 (815) 747-3416

Re: Appraisal of Market Value of the City of East  
 Dubuque property, 339-341 Sinsinawa Avenue,  
 East Dubuque, Illinois. File 23-791

Dear Mr. Seitz:

You requested an appraisal of the Market Value of the above referenced property based on an exterior viewing. The appraisal is completed and the appraisal report is enclosed. This is an Appraisal Report in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP 2020-2023), and the requirements of the State of Illinois.

This report explains and supports my opinion of the value of the subject, and was prepared after an exterior viewing of the property from the street, adjacent parking lot, and sidewalk. Its neighborhood was viewed and considered, and an analysis of market data as well as other pertinent factors were included.

As a result of my investigation and based upon the analysis of the following data, it is my opinion that the Market Value of the Fee Simple Interest in the property, as of November 27, 2023, is:

#### **VALUE ESTIMATE**

**339-341 Sinsinawa \$40,000**

***If demolition costs exceed \$40,000 the value is \$0 or near \$0 before demolition***

***The interior of the improvements was not inspected. The value is being estimated subject to an extraordinary assumption: Driveway access is possible from either Sinsinawa Avenue or through an adjacent property.***

**A buyer interested in using the land as vacant will need to demolish the existing improvements. If the property has possible driveway access a buyer interested in vacant land use would likely offer a purchase price in the range of the land value estimate less the cost to demolish.**

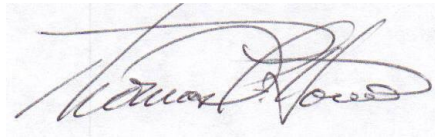
**The SALES COMPARISON APPROACH TO VALUE assumes the existing improvements can**

be remodeled. If remodeling cost are too high to make remodeling unfeasible, a value lower than \$33,500 may be reasonable.

Without driveway access, the property value is greatly diminished. Its buyer is likely to be the owner of an adjacent property which can provide driveway access. It is probable that owner will make a minimal offer for the property.

Respectfully submitted,

**KANE APPRAISAL SERVICES**

A handwritten signature in dark ink, appearing to read "Thomas F. Howe", is centered on the page. The signature is fluid and cursive, with a large initial "T" and "H".

Thomas F. Howe

Certified General Real Estate Appraiser - Illinois #153.002192

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Letter of Transmittal

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## SUBJECT PHOTOGRAPHS



**Looking northerly from Sinsinawa Avenue**



**Looking easterly from Sinsinawa Avenue**



**SUBJECT PHOTOGRAPHS**

**Looking southwesterly from a parking lot**



**Looking westerly from a parking lot**



## SUBJECT PHOTOGRAPHS



Looking northwesterly along Sinsinawa Avenue



Looking southeasterly along Sinsinawa Avenue

## STATEMENT OF THE APPRAISAL PROBLEM

### PURPOSE, TYPE OF VALUE, INTENDED USE, AND INTENDED USER:

The purpose of this appraisal is to estimate the Market Value of the Fee Simple Interest of the City of East Dubuque property, 339-341 Sinsinawa Avenue, East Dubuque, Illinois. Bob Seitz, City Manager, City of East Dubuque has requested the appraisal, is the client and the intended user of this appraisal report. The use of the report is potential marketing of the property which is the intended use. Any other users or uses of the report will require permission from the appraiser, and the permission must be written and dated after the date of the report.

### DEFINITIONS:

**Market Value** is defined by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 and in The Appraisal of Real Estate, published by the Appraisal Institute (13th Edition, 2008, Page 24-25), as ***"the most probable price which a property should bring in a competitive and open market under all conditions, requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is consummation of a sale as of a specific date and passing title from seller to buyer under conditions whereby:***

- 1. buyer and seller are typically motivated;***
- 2. both parties are well informed or well advised and each acting in what he considers his own best interest;***
- 3. a reasonable time is allowed for exposure in the open market;***
- 4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and***
- 5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."***

**Fee Simple Interest** is defined in The Dictionary of Real Estate Appraisal, published by the Appraisal Institute (6<sup>th</sup> Edition, 2015, Page 90), 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.***

### ANALYSIS OF THE SUBJECT:

The subject property is located along the northeast side of Sinsinawa Avenue, roughly ½ block north of US Highway 20, the nearest federal highway. It consists of two adjacent parcels of land (2,500 sq.ft. and 3,875 sq.ft. respectively) with a total combined land area of 6,375 sq.ft. (roughly 0.15 acres). A copy of the aerial photo plat obtained from the Jo Daviess County Supervisor of Assessment is included later in this report. The parcel is improved with two attached 2-story, brick and wood frame residences which contain a total reported 2,484 sq.ft. The residences at 339 Sinsinawa Avenue and 341 Sinsinawa Avenue both contain 1,242 sq.ft. and there is a 480 sq.ft. crawl space. The sizes of the parcel, the building, and its age are as per the Jo Daviess County Assessor records.



## STATEMENT OF THE APPRAISAL PROBLEM

### ANALYSIS OF THE SUBJECT:

Based on a report of the East Dubuque Fire Department, the residence is reported to be un-occupiable since a fire destroyed part of the improvements on May 16, 2018. The report also indicates the property was padlocked and appeared to be abandoned, with signs of illegal habitation and vandalism. A City of East Dubuque water use report indicates significant water use in 2010, which may indicate water leakage and property damage, which may be consistent with reported being padlocked and the appearance of being abandoned on May 16, 2018.

### SCOPE OF THE APPRAISAL:

In preparing this appraisal, the appraiser:

1. Viewed the site and the exterior of the building from the street and a parking lot;
2. Researched public records to determine ownership and other pertinent information;
3. Identified and investigated appropriate cost and market data;
4. Developed the Cost through land value and the Sales Comparison Approach to Value;  
and
5. Reconciled the approaches into a final estimate of Market Value.

The cost approach was not fully developed. The building is 93 years old, is reported to be damaged by fire, possibly by water, with some the damage visible from the exterior, has no known functional obsolescence, and is believed to be in poor overall condition. Its replacement cost new less physical depreciation and external obsolescence would provide a value estimate well below its cost new. Therefore, this approach was not fully developed beyond the land value estimate. The Sales Comparison Approach to Value was fully developed. The Income Approach to Value was not developed due to the poor, unrentable condition of the property.

### SALE HISTORY:

Public records indicate that the title is held by the City of East Dubuque. It was acquired on March 22, 2021, by Warranty Deed #414585 from James Runde. A copy of the document is included in the Addenda. No subsequent transfers of title were discovered.

Sales History								
Year	Document #	Sale Type	Sale Date	Sold By	Sold To	Gross Price	Personal Property	Net Price
2021	414585	Deed to Govt Body	3/22/2021	JAMES RUNDE	EAST DUBUQUE CITY OF	\$17,500.00	\$0.00	\$17,500.00

### DATE OF APPRAISAL:

The property was viewed from the street, sidewalk, and an adjacent parking lot by Thomas F. Howe on November 27, 2023 which is the effective date of value. The date of this report is December 15, 2023.

## STATEMENT OF THE APPRAISAL PROBLEM

### **HAZARDOUS MATERIALS:**

The value estimate contained herein are based upon the assumption that there are no hazardous materials in the building or the site. The appraiser is not qualified to discern the presence or absence of such materials (asbestos, petroleum, etc.), but is aware that they can have a significant negative effect upon value.

### **AMERICANS WITH DISABILITIES ACT:**

The Americans with Disabilities Act (ADA) became effective January 26, 1992. No specific compliance survey or analysis of the property has been completed to determine whether or not it is in conformity with the various detailed requirements of the ADA.

### **REASONABLE EXPOSURE AND MARKETING TIMES:**

The property is not known to have been professionally marketed recently, and has been unoccupied since at least May 16, 2018, and possibly since 2010. An exposure time of 3 to 12 months would be required, assuming realistic pricing. A marketing time of 3 to 12 months is also estimated.

### **SPECIAL APPRAISAL CONDITION:**

**Extraordinary Assumption:** *The estimated value in this report includes that the property has possible driveway access from either Sinsinawa Avenue or through an adjacent property.*

**SALIENT FACTS SUMMARY**

<b><u>DATE OF VALUE:</u></b>	November 27, 2023
<b><u>DATE OF APPRAISAL REPORT:</u></b>	December 15, 2023
<b><u>ADDRESS:</u></b>	339-341 Sinsinawa Avenue, East Dubuque, Illinois
<b><u>TYPE OF PROPERTY:</u></b>	Two attached single family residences
<b><u>LAND AREA:</u></b>	339 lot contains 2,500 sq.ft. (roughly 0.06 acres), 341, 3,875 sq.ft. (approximately 0.09 acres). Combined 6,375 sq.ft. (roughly 0.15 acres)
<b><u>IMPROVEMENTS:</u></b>	2-story, brick and wood frame building which contains a reported 2,484 sq.ft. The ground floor area is 1,482 sq.ft. with 1,002 sq.ft. on the 2 <sup>nd</sup> floor, and a 480 sq.ft. crawl space. The building was built in 1930, includes two residences which each containing 1,242 sq.ft.
<b><u>PRESENT OWNERSHIP:</u></b>	City of East Dubuque
<b><u>ZONING:</u></b>	Single-Family Residential District
<b><u>ASSESSED VALUE AND TAXES:</u></b>	2023 Assessed Values:
(Parcel # 05-503-970-00 and	Land \$ 0
Parcel # 05-503-980-00)	Improvements + 0
	Total \$ 0
	2022 Taxes \$ 0
<b><u>LEGAL DESCRIPTION:</u></b>	Abbreviated: Lot 5, Block 114, East Dubuque, Illinois. is 339, and Lot 6, Block 114, is 341.
<b><u>RIGHTS APPRAISED:</u></b>	The Market Value of the Fee Simple Interest.

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**339-341 Sinsinawa Avenue      \$40,000**  
*If demolition costs exceed \$40,000 the value is \$0 or near \$0 before demolition*

*The interior of the improvements was not inspected. The value is being estimated subject to an extraordinary assumption: Driveway access is possible from either Sinsinawa Avenue or through an adjacent property.*

A buyer interested in using the land as vacant will need to demolish the existing improvements. If the property has possible driveway access a buyer would likely offer a



**purchase price in the range of the land value estimate less the cost to demolish.**

**Without driveway access, the property value is greatly diminished. Its buyer is likely to**  
**SALIENT FACTS SUMMARY**

**be the owner of an adjacent property which can provide driveway access. It is probable that owner will make a minimal offer for the property.**

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## REGIONAL-CITY DATA












### JO DAVIESS COUNTY, ILLINOIS

Jo Daviess County is located at the northwest corner of Illinois and has a land area of 601.10 square miles. The population as of July 1, 2022 was estimated to be 21,758 which is a 1.29% decrease from 2020 census data (22,042).

 Census.gov  
<https://www.census.gov/fact/table/PST045222>

### U.S. Census Bureau QuickFacts: Jo Daviess County, Illinois

Population Estimates, July 1, 2022, (V2022).. 21,758 ...

 Population Estimates, July 1, 2022, (V2022)	 21,758
 PEOPLE	
Population	
 Population Estimates, July 1, 2022, (V2022)	 21,758
 Population estimates base, April 1, 2020, (V2022)	 22,042
 Population, percent change - April 1, 2020 (estimates base) to July 1, 2022, (V2022)	 -1.3%
 Population, Census, April 1, 2020	22,035
 Population, Census, April 1, 2010	22,678

The county seat is Galena, Illinois. The county is predominately agricultural (73% agricultural and 27% urban) with small communities including East Dubuque, Elizabeth, Scales Mound, Stockton, Hanover, Warren and Nora. There are no interstate highways in the county, but US Highway 20 passes east-west centrally through the county.

### EAST DUBUQUE, ILLINOIS

East Dubuque, Illinois was incorporated in 1857 and has a land area of 2.81 square miles and located directly east across the Mississippi River from Dubuque, Iowa and 12 miles west of Galena, Illinois.

The population of East Dubuque, Illinois on July 1, 20210 was estimated to be 1,489, a decrease of 1.06% since the 2020 census estimate of 1,505.

## REGIONAL-CITY DATA

### DUBUQUE, IOWA



The population of Dubuque, Iowa is estimated to be 58,873 in July of 2022, down 796 (-1.33%) from the census estimate of 59,996 in 2020. The Dubuque metropolitan area is on the eastern edge of the State of Iowa, the southwestern most point of the State of Wisconsin and the northwestern most point of the State of Illinois. The metropolitan area is referred to as the Tri-State area.

Dubuque, Iowa is 178 miles west of Chicago, Illinois, 172 miles southwest of Milwaukee, Wisconsin, 281 miles south of Minneapolis, Minnesota, and 200 miles northeast of Des Moines, Iowa.

With an estimated population of 58,873 in July of 2022, Dubuque is Iowa's eleventh largest city. The City of Dubuque is the county seat for Dubuque County, which has a population of 98,667 and is the 9<sup>th</sup> largest county in Iowa.

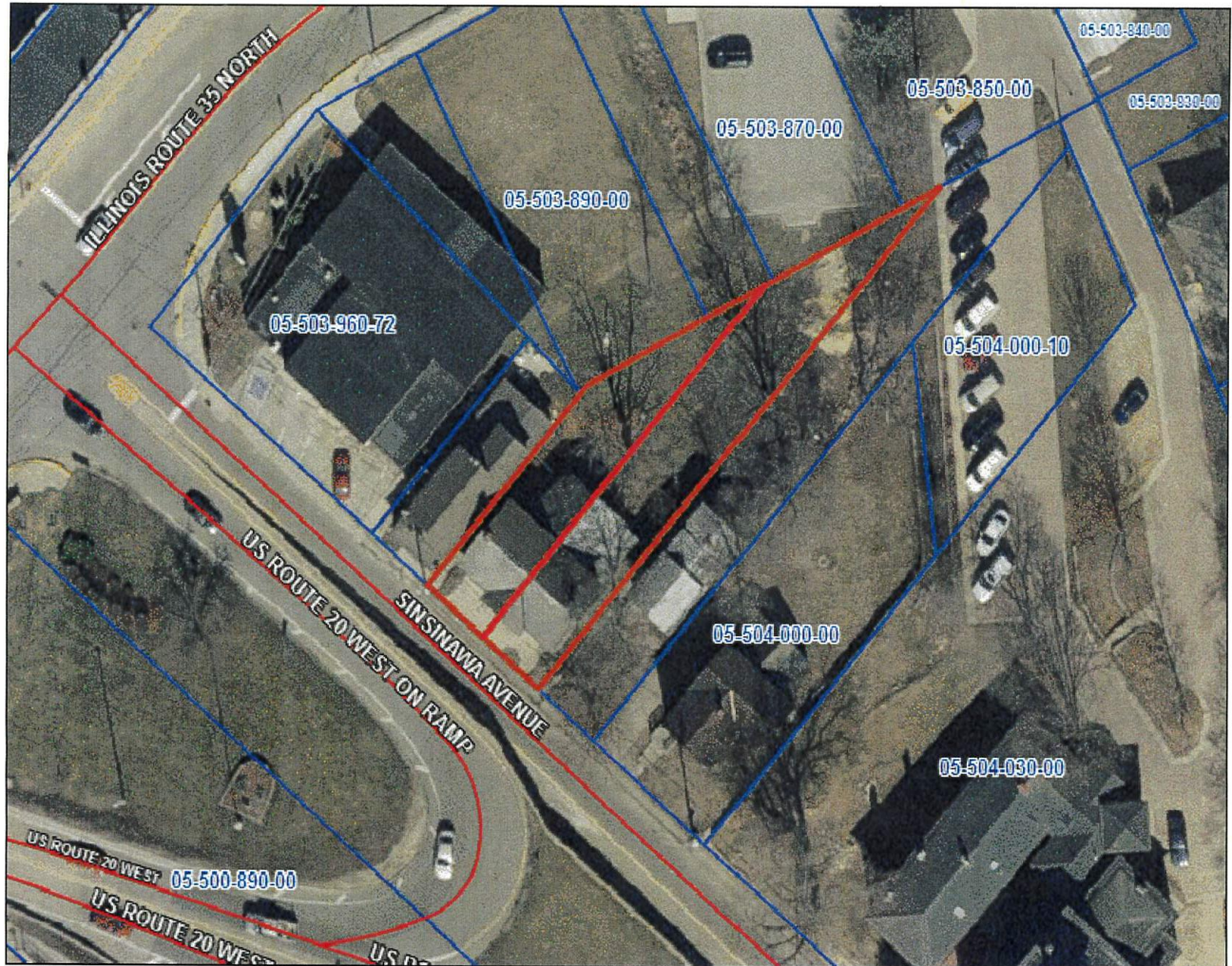






## SITE ANALYSIS

Immediately below is a copy of an aerial photo downloaded from the Jo Daviess County website with the subject parcels outlined in red.



### GENERAL DESCRIPTION:

The subject sites are trapezoid shaped and contain reported land areas of 2,500 sq.ft. (0.06 acres) for 339 Sinsinawa and 3,875 sq.ft. (0.09 acres) for 341 Sinsinawa. The combined area lot is 6,375 sq.ft. The boundaries along Sinsinawa are reported to be 25 feet for each lot, with depths reported to be 100 and 155 feet respectively. The sizes are based on copies of the Jo Daviess County Assessor records. The land to building ratio is 3.37:1 for 339 Sinsinawa Avenue based on the reported 741 sq.ft. of ground floor area. For 341 Sinsinawa Avenue, the land to building ratio is 4.30:1 based on 901 sq.ft. of ground floor area including the ground area of the open porch. The combined land to building ratio is 3.88:1.

## SITE ANALYSIS

### ZONING:

The subject site areas are zoned Single-Family Residential District by the City of East Dubuque. This classification allows single family residential uses. The improvements appear to comply with the requirements of the zoning, and are considered to be legal, conforming uses.

### UTILITIES:

The property is located within the city limits of East Dubuque, and all public utilities are available, including municipal water and sewer and publicly regulated natural gas, electricity, and telephone.

### TOPOGRAPHY:

The boundaries of the parcels are roughly at the grade of Sinsinawa Avenue, and the lot slopes minimally upward toward the northeast (rear). Surface drainage appears to be adequate, and the property is located outside of a HUD identified flood hazard area Zone X which is ... "Zones B, C, X - Areas of moderate or minimal hazard subject to flooding from severe storm activity or local drainage problems. These zones may be lightly shaded or unshaded on the FIRM. Zone X is the designation for B and C Zones and is used in place of these zones on some maps." A copy of the FEMA map obtained from Interflood is immediately below and on the next page. The topography does not limit the utility of the site.

### Flood Data

USPS Address: 339-341 Sinsinawa Avenue  
East Dubuque IL 61025

Community Name: EAST DUBUQUE, CITY OF

Community #: 170752

County: Jo Daviess

Census Tract: 0202.00

Flood Zone: X

Map Date: 2010-09-17

### Flood Map Type and Color Options

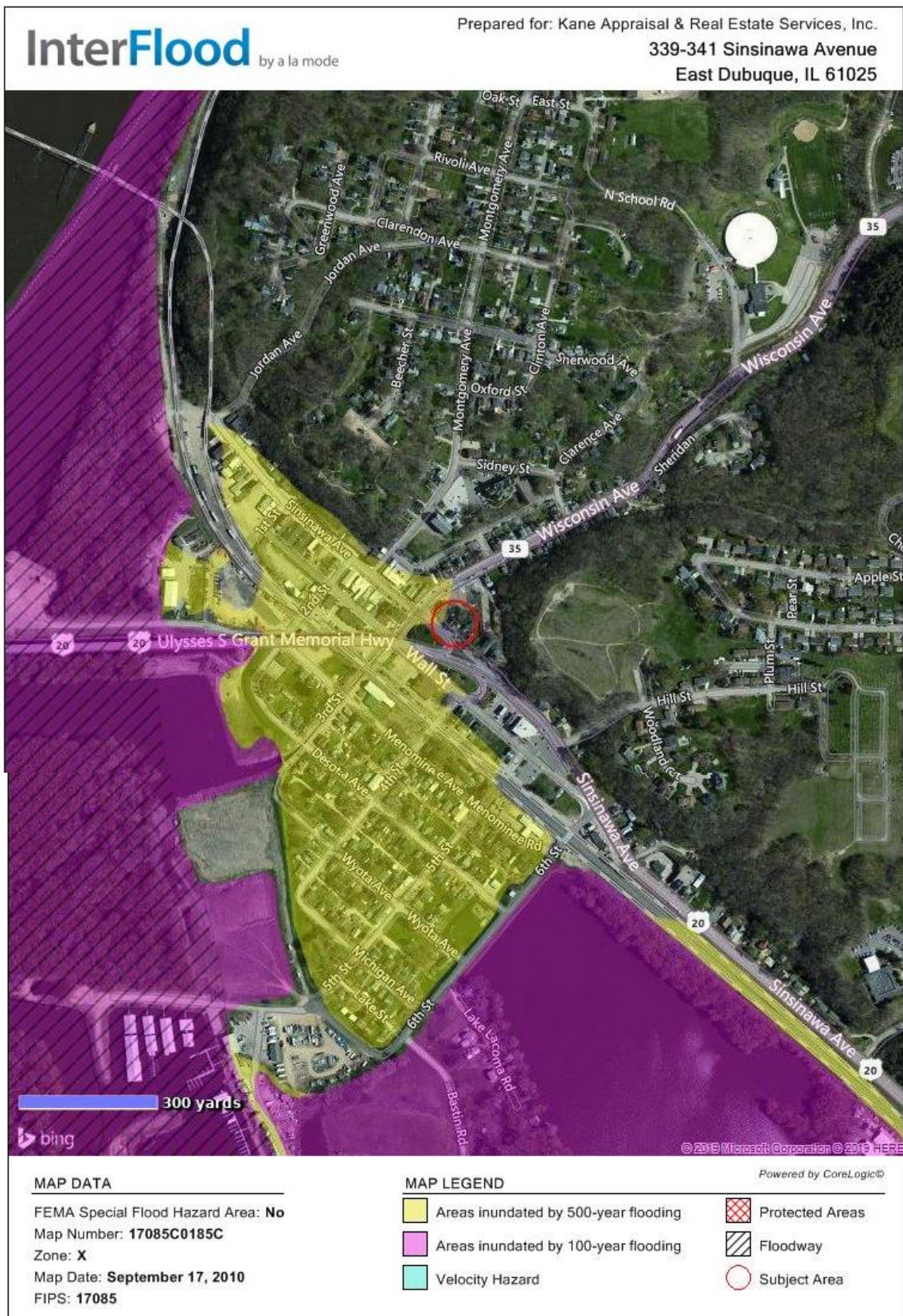
Type: Aerial  Zone Color:



APPLY MAP OPTIONS



# SITE ANALYSIS



## **SITE ANALYSIS**

### **ACCESS:**

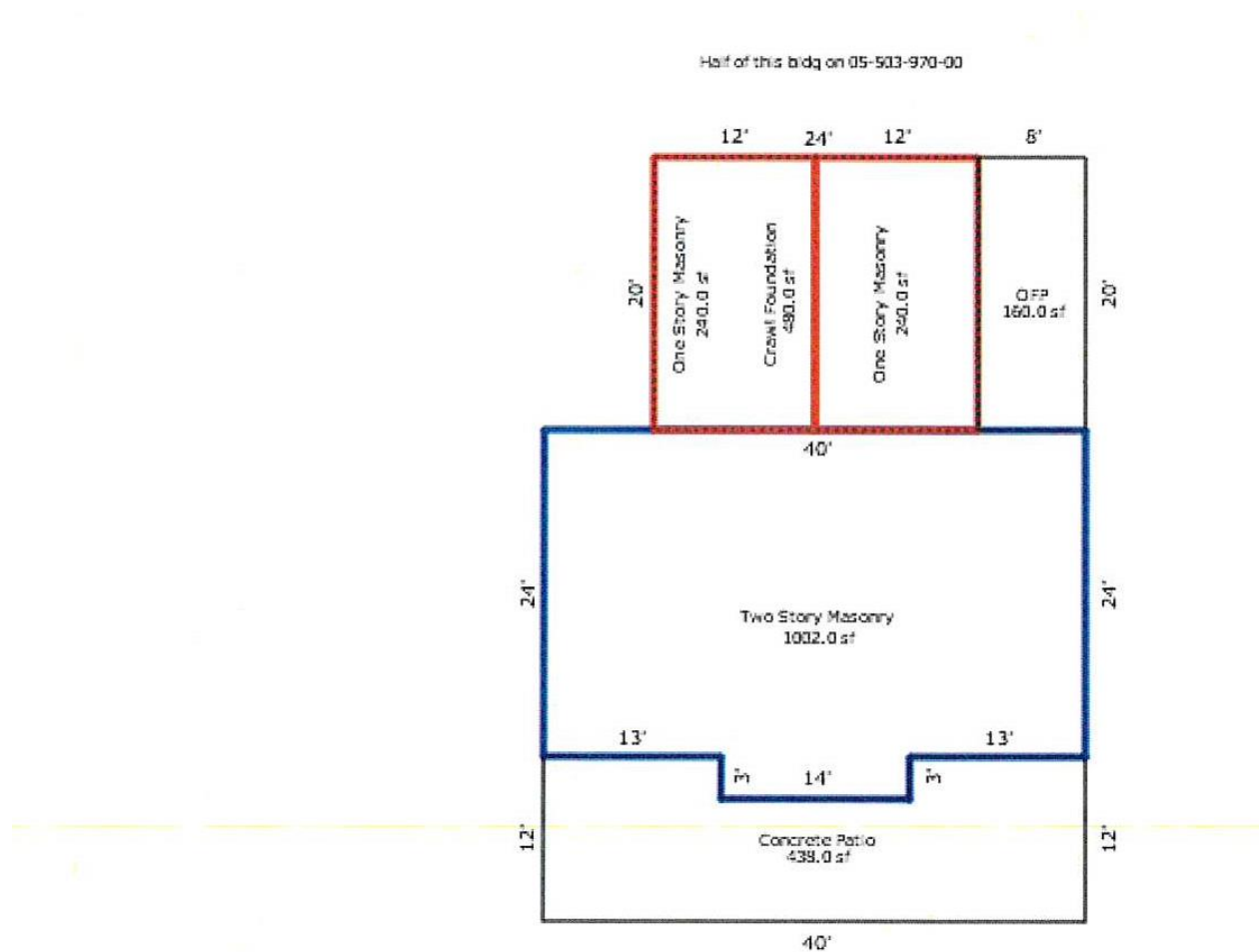
The property has no approved access from Sinsinawa Avenue based confirmation with a City of East Dubuque representative. The improved site has no driveways or access even if it was a vacant lot. Therefore, currently its access is inadequate for residential uses for owners or tenants who need or desire relatively immediate parking.

**Later in this report, the value is being estimated subject to an Extraordinary Assumption: *It has possible driveway access from either Sinsinawa Avenue or through an adjacent property.***

### **EASEMENTS AND ENCROACHMENTS:**

Other than possible utility easements, no detrimental easements or encroachments are known to exist.

## DESCRIPTION OF IMPROVEMENTS



Sketch by Apex Medina™

### GENERAL:

The residences at 339 Sinsinawa Avenue and 341 Sinsinawa Avenue both contains 1,242 sq.ft. and there is a 480 sq.ft. crawl space. The sizes of the parcel, the building, and its age, are as per the Jo Daviess Count Assessor records.

The interior was not inspected by the appraiser November 27, 2023. The information provided to the appraiser indicates the property has not been occupiable since May 16, 2018 due to a fire. Typically, if repairs are financially feasible they are completed by the owner of property so it can be occupied. Because the subject property has not been occupied or had renovation improvement permits to make it able to be occupied since the fire, it is assumed that repair may not be feasible in the Cost Approach to Value. In the Sales Comparison Approach to Value, it is assumed that repair is feasible.



## **MARKET ANALYSIS**

A modest number of lots have sold in the downtown and residential East Dubuque market, and three properties (four sales) can be used to estimate the subject land value. There is also some renewal of interest in renovating and reusing downtown East Dubuque properties including those along Sinsinawa Avenue.

There are also no recent improved property sales along Sinsinawa Avenue which are reasonably similar to the subject property. No rents of properties which cannot be occupied were found or confirmed. Current professionally listed properties in the downtown area of East Dubuque were reviewed and are retained in the appraisal file. None of the listed active or sold properties were similar to the subject in its current condition.

## HIGHEST AND BEST USE ANALYSIS

**Highest and Best Use** is defined by the Appraisal Institute in The Appraisal of Real Estate, Thirteenth Addition, c. 2008, Page 278, as: ***"the reasonably probable and legal use of vacant land or improved property that is legally permissible, physically possible, appropriately supported, financially feasible, and that results in the highest value."***

Therefore, when estimating the highest and best use of a property, four basic questions must be addressed. Is the use physically possible, is it legal, is it financially feasible, and is it maximally productive? The analysis must include consideration of the highest and best use as if vacant, and as improved.

### **Physical Analysis as if Vacant:**

The site is not large enough for numerous users and it does not have approved direct access to and from Sinsinawa Avenue. It is located within the city limits of East Dubuque, is within the downtown commercial area of East Dubuque, relatively proximate to a US highway. Municipal and publicly regulated utilities are available. Its topography indicates it is buildable area.

### **Legal Analysis as if Vacant:**

The property is zoned for Single Residential use (SR) by the City of East Dubuque. This is consistent with many of the properties in the immediate neighborhood, and residential uses will conform with the requirements of the SR zoning.

### **Feasibility as if Vacant:**

In East Dubuque, demand for vacant residential and commercial sites is very limited in recent years. New commercial development and commercial re-development in small towns in the region has been modest. As evidenced by the number and dates of the land sales, and recent sales of improved properties, there is still some demand for both vacant commercial land and improved properties in the area. Most of the surrounding properties are commercial or residential in nature, and some are reasonably well maintained. Changes in local planning for the future use of the downtown East Dubuque properties have contributed to a period of uncertainty among the public and some current and potential owners. A residential or commercial use is considered to be feasible but would likely require being combined with adjacent property for access and construction of building improvements. A commercial use would also require a zoning change.

### **Maximally Productive as if Vacant:**

If the property were vacant a commercial use is the most productive use, and even for use for parking would likely require a zoning change. (***See the feasibility analysis immediately above***)

## **HIGHEST AND BEST USE - AS IF VACANT:**

Based upon the analysis above, a commercial use is the highest and best use of the site as if vacant. (***See the feasibility analysis above on this page***)

## STATEMENT OF HIGHEST AND BEST USE

### **Physical Analysis as Improved:**

It is located within the city limits of East Dubuque, is within the downtown commercial area of East Dubuque, relatively proximate to a US highway. Municipal and publicly regulated utilities are available. Its topography indicates it is buildable area. A significant area of the site is not covered by existing improvements and is usable area. It is assumed the soil is suitable for the existing improvements.

The individual sites and the combined site is not large enough for numerous uses. The property has no driveways or approved access from Sinsinawa Avenue based confirmation with a City of East Dubuque representative. Therefore, currently its access is inadequate for residential uses for owners or tenants who need or desire relatively immediate parking.

### **Legal Analysis as Improved:**

The property is zoned for Single-Family Residential use (SR) by the City of East Dubuque. This is consistent with many of the properties in the immediate neighborhood, and the existing building appears to conform with the requirements of the residential uses and conforms with the requirements of the SR zoning. A commercial use would require a zoning change.

### **Feasibility as Improved:**

The combined lots are large enough for numerous users although it does not have approved direct access to and from Sinsinawa Avenue. In East Dubuque, demand for vacant residential and commercial sites is very limited in recent years. New commercial development and commercial redevelopment in small towns in the region has been modest. As evidenced by the number and dates of the land sales, and recent sales of improved properties, there is still some demand for both vacant commercial land and improved properties in the area. Most of the surrounding properties are commercial or residential in nature, and some are reasonably well maintained. Changes in local planning for the future use of the downtown East Dubuque properties have contributed to a period of uncertainty among the public and some current and potential owners. A residential or commercial use is considered to be feasible but would likely require being combined with adjacent property for access or construction of new building improvements. A commercial use would require a zoning change. For continued residential or for commercial use of the current improvements, significant expense for renovation (due to the fire damage and lengthy period of vacancy) or reconfiguration would be required.

### **Maximally Productive as Improved:**

The improvements are reported to have been vacant since January 19, 2019, and may or may not contribute to the overall property value. The current improvements may or may not represent the most productive use of the site. The building appears to be functional as designed. No alternative use as improved which is more profitable is known to exist. (*See the feasibility analysis immediately above*)

## STATEMENT OF HIGHEST AND BEST USE

### **HIGHEST AND BEST USE - AS IMPROVED:**

The highest and best use of the property as improved is a residential or commercial use, which is not consistent with the existing improvements unless they are remodeled. Thus, as is, the improvements require being remodeled or removed to use the land. (***See the feasibility analysis on the previous page***)

## COST APPROACH TO VALUE

### COMPARABLE LAND SALES

SALE NO.	LOCATION	SALE DATE	SALE PRICE	SIZE- SQ.FT.	PRICE/ SQ.FT.
	SUBJECT PROPERTY			2,500	
	339 and 341 Sinsinawa Avenue			<u>3,875</u>	
	East Dubuque, IL			6,375	
1.	90 Sinsinawa Avenue	11/29/2022	\$ 125,000	18,731	\$6.67
	East Dubuque, IL	09/09/2016	\$ 105,000	18,731	\$5.61
	(Wolff)				
2.	Highway 20	10/18/2016	\$ 280,000	87,120	\$3.21
	East Dubuque, IL				
	(Erschen)				
3.	154 Second Street	09/06/2016	\$ 245,000	39,204	\$6.25
	East Dubuque, IL				
	(Wolff)				

[INDIVIDUAL SUMMARIES ARE IN THE ADDENDA]



## **COST APPROACH TO VALUE**

### **METHODOLOGY:**

***The Cost Approach to Value presumes that no prudent buyer will pay more for the subject than an amount necessary to secure an equally desirable site and build a substitute facility new. Generally, the buyer will pay less than cost new, depending upon the estimated accrued depreciation as of the date of the inspection.***

The first step in the Cost Approach is to value the land as though it were vacant. Then the reproduction cost new of the improvements might be estimated, and accrued depreciation deducted. The land value and the estimated depreciated reproduction cost are combined, resulting in the value estimate.

### **LAND VALUE ESTIMATE:**

***The value is being estimated subject to an extraordinary assumption: Driveway access is possible from either Sinsinawa Avenue or through an adjacent property.***

The land value is being estimated subject to an extraordinary assumption: It has possible driveway access from either Sinsinawa Avenue or through an adjacent property. On the preceding page, three comparable commercial land sales in the subject or a comparable neighborhood have been summarized. All of the sales have occurred in the past seven years. They have been individually summarized in the Addenda of this report. The sales range in size from 18,731 sq.ft. to 87,120 sq.ft., with overall sale prices ranging from \$105,000 to \$280,000.

The price/sq.ft. of land area is the common denominator typically used in the market for similar land and has been chosen as the unit of value for comparison. The comparable sales indicate a range in price/sq.ft. of **\$3.21 to \$6.67**.

The sales were reported to be cash or conventionally financed transactions, and no financing adjustments are required. In terms of size, larger parcels tend to sell at a lower price/sq.ft., and smaller parcels sell at a higher per sq.ft. price. Additional factors that will be considered are location, access, use (sometimes impacted by zoning without a zoning change), utility, shape, and topography.

**Sale #1** is a slightly irregular shaped parcel located at the northwest corner of Sinsinawa Avenue and 1<sup>st</sup> Street in downtown East Dubuque, Illinois. It sold for **\$6.67/sq.ft.** as a vacant lot in 2022. In 2016 it was improved at the time of sale and the buyer (owner of other commercial property in the area) demolished the buildings. The cost of the demolition is not included in the indicated \$5.61/sq.ft. sale price. An upward adjustment is warranted for the larger size of the comparable sale to its **\$6.67/sq.ft.** sale price in 2022.

**Sale #2** is a rectangular shaped parcel located in a recently annexed area on the east side of East Dubuque, Illinois with frontage along but no direct access to US Highway 20. It is in a mixed commercial, agricultural, and residential neighborhood. The property was subdivided from a larger unimproved property and is minimally sloping, has good visibility and highway frontage, with access

## COST APPROACH TO VALUE

via an easement from Frentress Lake Road. There is a billboard on the property. The abutting neighbor located along Frentress Lake Road acquired the parcel for future expansion. The zoning was reported to be agricultural at the time of sale and the parcel has since been developed for outside storage use. Upward adjustments to the comparable sale's **\$3.21/sq.ft.** price are appropriate for market change and due to the comparable sale's inferior location, and for its much larger size.

**Sale #3** is a slightly irregular shaped parcel located at the northwest corner of Second and Wall Streets in downtown East Dubuque, Illinois. The shed/office structure has been removed. The utility building remaining had minimal to modest contributory value at the time of sale. A large billboard structure is also included. A neighborhood property owner purchased the lot for additional storage, the potential to rent to other users, and for the income from the billboard. A part of the lot is in Second Street. The purchase price was \$245,000 (**\$6.25/sq.ft.**) and upward adjustments are indicated for market change and for its inferior location and larger size. A downward adjustment is needed for the comparable sale's improvements.

## LAND VALUE CONCLUSION:

### 339-341 Sinsinawa Ave, East Dubuque Land Adjustment Grid

SALE #	PRICE/SF	FINANCING	SUBTOTAL	MARKET CHANGE/TIME	SUBTOTAL	LOCATION/ACCESS	SIZE	SLOPE/SHAPE/IMPROVEMENTS	COMPOSITE ADJUSTMENT	ADJUSTED PRICE/AC
1	\$6.67	0.0%	\$6.67	0.0%	\$6.67	0.00%	15.00%	0.00%	15.00%	\$7.67
2	\$3.21	0.0%	\$3.21	0.00%	\$3.21	25.00%	35.00%	0.00%	60.00%	\$5.14
3	\$6.25	0.0%	\$6.25	0.00%	\$6.25	10.00%	25.00%	-30.00%	5.00%	\$6.56

The three comparable land sales are summarized in a grid immediately above and indicate an adjusted range in price/sq.ft. of **\$5.14 to \$7.67**. Considering key factors of comparison including location, size, access, and topography, a value of **\$6.30/sq.ft.** is reasonable.

$$\text{\$6.30/sq.ft.} \times 6,375 \text{ sq.ft.} = \text{\$40,163}$$

Therefore, the value of the subject lots as if vacant is estimated to be \$40,163 which is rounded to \$40,000. If demolition costs exceed \$40,000 the value is \$0 or near \$0 before demolition.

## **COST APPROACH TO VALUE**

### **MARKET VALUE ESTIMATE BY THE COST APPROACH TO VALUE**

**\$40,000 \***

*\* If demolition costs exceed \$40,000 the estimated value is \$0 or near \$0 before demolition.*

*The estimated value in this report includes an extraordinary assumption that the property has possible driveway access from either Sinsinawa Avenue or through an adjacent property.*

### **REPLACEMENT COST NEW:**

The building is 93 years old and is reported to be, and observed from the adjacent street, sidewalk, and parking lot, to be fire damaged, and it has no known functional obsolescence. Its replacement cost new less physical depreciation and external obsolescence would provide a value estimate well below its cost new. Therefore, this approach was not fully developed beyond the land value estimate.

### **MARKET VALUE ESTIMATES (LAND ONLY) BY THE COST APPROACH TO VALUE**

**\$40,000 \***

*\* If demolition costs exceed \$40,000 the estimated value is \$0 or near \$0 before demolition.*

*The estimated value in this report includes an extraordinary assumption that the property has possible driveway access from either Sinsinawa Avenue or through an adjacent property.*

### **COMMENT:**

A buyer interested in using the land as vacant will need to demolish the existing improvements. If the property has possible driveway access a buyer would likely offer a purchase price in the range of the land value estimate less the cost to demolish.

Without driveway access, the property value is greatly diminished. Its buyer is likely to be the owner of an adjacent property which can provide driveway access. It is probable that owner will make a minimal offer for the property.

## SALES COMPARISON APPROACH TO VALUE

*This approach assumes the existing improvements can be feasibly remodeled.*

### IMPROVED COMPARABLE SALES

NO.	LOCATION	SALE DATE	SALE PRICE	SIZE SQ.FT.	PRICE/ SQ.FT.
	339 and 341 Sinsinawa Avenue East Dubuque, IL (SUBJECT PROPERTIES)			1,242 <u>1,242</u> 2,424	
1.	315 Sherwood Avenue East Dubuque, IL (Felderman)	11/09/2023	\$ 105,000	1,528	\$ 68.72
2.	351 Wisconsin Avenue East Dubuque, IL (Fortin)	10/21/2022	\$ 68,000	1,344	\$ 50.60
3.	431 Sydney Street East Dubuque, IL (Witman)	09/30/2022	\$ 92,000	1,504	\$ 61.17

[INDIVIDUAL SUMMARIES ARE IN THE ADDENDA]

## SALES COMPARISON APPROACH TO VALUE

### METHODOLOGY:

*The Sales Comparison Approach to Value presumes that no prudent buyer would pay more for the subject than an amount necessary to acquire an equal substitute, assuming no undue delay. Thus, sales of similar properties are pertinent to the valuation process, and have been analyzed relative to the subject property.*

### COMPARABLE SALES ANALYSIS:

No similar damaged residential properties which sold were discovered. Therefore, other data in the immediate and surrounding the downtown area was investigated.

On the preceding page, the three most comparable residential sales discovered are listed. The residences range in size from 1,344 sq.ft. to 1,528 sq.ft. of above grade residential area and the overall sale prices range from \$68,000 to \$105,000. The unit of value considered most applicable is the price/sq.ft. of total residence floor area. On a price/sq.ft. basis, the sales indicate a range of **\$50.60/sq.ft. to \$68.72/sq.ft.**

The three residential comparable sales are reported to be cash or conventionally financed transactions, and no adjustments for financing are necessary.

**Residence Sale #1** is located along the north side of Sherwood Avenue, one block west of Montgomery Avenue, a residential area. Its lot contains a reported 0.17 acres (7,405 sq.ft.) on the MLS data page. It is improved with a 1½-story to 2-story frame, vinyl sided, 6 room, 3 bedroom, 2 bath, 1,528 sq.ft. residence. The residence was reportedly built in 1895 and was professionally marketed for sale on a local MLS service for 97 days.

The agent reported it was originally listed for \$130,000 and three offers were very reported by the agent. One at \$139,000 was accepted and after an inspection and an appraisal, condition issues resulted in the lender refusing to proceed with the loan. To avoid future loans being denied, cash buyers (including investors) were sought and its asking price was reduced to \$119,900. The cash buyer reportedly paid \$105,000 and purchased it for a family member to live.

This property is adjusted downward for its superior location, condition, features, and slope. For its inferior construction quality an upward adjustment to its **\$68.72/sq.ft.** sale price is warranted.

**Residence Sale #2** is located along the north side of Wisconsin Avenue, three blocks northeast of Sinsinawa Avenue, a residential area along this portion of the street. The MLS data reviewed indicates the lot contains 0.35 acres (15,246 sq.ft.). The property is improved with a 1½ to 2-story frame, vinyl sided residence which contains 1,344 sq.ft. with 6 rooms, 3 bedrooms, 1½ baths. It was reportedly built in 1940. The residence was professionally marketed for sale on a local MLS service for 6 days and its asking price was \$69,500. For its superior location, condition, features, and slope this property is adjusted downward to its **\$50.60/sq.ft.** sale price. An upward adjustment for the inferior construction quality of the comparable sale is indicated.



## SALES COMPARISON APPROACH TO VALUE

**Residence Sale #3** is located along the north side of Sidney Street, ½ block east of Montgomery Avenue, a mostly residential area of a mixed residential and commercial area. Its lot contains a reported 0.31 acres (on the MLS data page). It is improved with a 1½-story frame, vinyl sided residence with 7 rooms, 5 bedrooms, 2 baths, and contains 1,504 sq.ft. The residence was reportedly built in 1940 and was professionally marketed for sale on a local MLS service for 14 days. At the time of sale, its asking price was \$44,000, and it was originally listed for \$49,900. This property is adjusted downward for its superior location, condition, features, and slope to its **\$61.17/sq.ft.** For its inferior construction quality an upward adjustment is needed.

### 339-341 Sinsinawa Avenue, East Dubuque, IL Improved Adjustment Grid

SALE #	PRICE/SF	FINANCING	SUBTOTAL	MARKER CHANGE/TIME	SUBTOTAL	LOCATION/ACCESS	CONSTRUCTION QUALITY	AGE/CONDITION	BUILDING SIZE/FEATURES	SLOPE/SHAPE/LB RATIO	COMPOSITE ADJUSTMENT	ADJUSTED PRICE/SF
1	\$68.72	0.0%	\$38.97	0.0%	\$38.97	-10.00%	5.0%	-50.00%	-5.00%	-5.00%	-65.0%	\$13.64
2	\$50.60	0.0%	\$52.08	0.0%	\$52.08	-10.00%	5.0%	-50.00%	-10.00%	-5.00%	-70.0%	\$15.62
3	\$61.17	0.0%	\$21.90	0.0%	\$21.90	-10.00%	5.0%	-35.00%	-5.00%	-5.00%	-50.0%	\$10.95

### CONCLUSION:

Immediately above is a grid which summarizes adjustments based on the differences discussed above and on the previous page. The range of the adjusted comparable sales is from \$10.95/sq.ft. to \$15.62/sq.ft. Taking into account its location, construction quality, condition, land to building ratio, etc., the value of 339-341 Sinsinawa Avenue is estimated to be **\$13.50/sq.ft.** of above grade floor area, as follows:

$$\text{\$13.50/sq.ft.} \times 2,484 \text{ sq.ft.} = \text{\$33,534}$$

The value of 339 Sinsinawa Avenue is estimated to be \$33,534 which is rounded to **\$33,500.**

### MARKET VALUE ESTIMATE BY THE SALES COMPARISON APPROACH TO VALUE

**\$33,500**

*The estimated value in this report includes an extraordinary assumption that the property has possible driveway access from either Sinsinawa Avenue or through an adjacent property.*

### COMMENT:

A buyer interested in using the land as vacant will need to demolish the existing

## **SALES COMPARISON APPROACH TO VALUE**

improvements. If the property has possible driveway access a buyer interested in vacant land use would likely offer a purchase price in the range of the land value estimate less the cost to demolish. *If demolition costs exceed \$40,000 the estimated value is \$0 or near \$0 before demolition.*

The **SALES COMPARISON APPROACH TO VALUE** assumes the existing improvements can be remodeled. If remodeling cost are too high to make remodeling unfeasible, a value lower than \$33,500 may be reasonable.

Without driveway access, the property value is greatly diminished. Its buyer is likely to be the owner of an adjacent property which can provide driveway access. It is probable that owner will make a minimal offer for the property.

## INCOME APPROACH TO VALUE

### **METHODOLOGY:**

***The Income Approach to Value presumes that no prudent buyer will pay more for the subject than the capitalized rental value of the property (net present value), based upon the buyer's analysis of the recent income and expense history, as it should relate to the future benefits of ownership. The buyer would only be willing to pay the present value of what she or he perceives those benefits to be.***

### **COMMENT:**

The subject has not been occupied since May 16, 2018 and possibly not since 2010 due to its poor condition resulting from a fire and possible water damage. It cannot be occupied. Therefore, an Income Approach to Value was not developed.

## CORRELATION AND FINAL VALUE ESTIMATE

### COST APPROACH TO VALUE (LAND ONLY)

**\$40,000 \***

*\* If demolition costs exceed \$40,000 the estimated value is \$0 or near \$0 before demolition.*

### SALES COMPARISON APPROACH TO VALUE

**\$ 33,000**

### INCOME APPROACH TO VALUE

**N/A**

Of the three traditional approaches to value, two were fully developed. The **Cost Approach to Value** is generally considered least reliable because the estimates of depreciation are, at best, subjective. The subject is in poor condition, and only land value was developed using this approach based on the analysis of three land sales.

The **Sales Comparison Approach to Value** is a helpful approach to use in estimating the value of most properties. Three residential comparable property sales were analyzed as the basis for the per square foot value estimate for the subject. Although none of the sales is ideally similar, the sales support reasonable per square foot value estimates, and this approach yields a meaningful estimate of value for the subject property.

The **Income Approach to Value** is a useful method of estimating the value of potential income producing properties. The subject has not been occupied since May 16, 2018 due to a fire and its poor condition which indicates the subject requires significant improvements to be occupied including to be rented. Estimates of needed improvements is beyond the scope of this approach. Thus, an Income Approach to Value was considered but not fully developed.

In the final analysis, the land value developed in the Cost Approach to Value is given all of the weight.

Therefore, based upon the preceding analysis, it is my opinion that the Market Value of the Fee Simple Interest in the subject property, as of November 27, 2023, is as follows:

## VALUE ESTIMATE

**339-341 Sinsinawa \$40,000 \***

*\* If demolition costs exceed \$40,000 the value is \$0 or near \$0 before demolition*

***The interior of the improvements was not inspected. The value is being estimated subject to an extraordinary assumption: Driveway access is possible from either Sinsinawa Avenue or through an adjacent property.***

**A buyer interested in using the land as vacant will need to demolish the existing**



## **CORRELATION AND FINAL VALUE ESTIMATE**

improvements. If the property has possible driveway access a buyer interested in vacant land use would likely offer a purchase price in the range of the land value estimate less the cost to demolish.

The **SALES COMPARISON APPROACH TO VALUE** assumes the existing improvements can be remodeled. If remodeling cost are too high to make remodeling unfeasible, a value lower than \$33,500 may be reasonable.

Without driveway access, the property value is greatly diminished. Its buyer is likely to be the owner of an adjacent property which can provide driveway access. It is probable that owner will make a minimal offer for the property.

### **KANE APPRAISAL SERVICES**

A handwritten signature in dark ink, appearing to read "Thomas F. Howe", is centered on the page. The signature is fluid and cursive.

Thomas F. Howe

Certified General Real Estate Appraiser - Illinois #153.002192

## CERTIFICATION

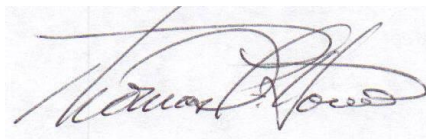
I certify that, to the best of my knowledge and belief . . .

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- 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.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (2020-2023)*.
- I have made a personal exterior only inspection of the property that is the subject of this report.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the requirements under the continuing education program of the State of ILLINOIS and the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.
- No one provided significant real property appraisal assistance to the person signing this certification.
- The report analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

December 15, 2023

Respectfully submitted,

**KANE APPRAISAL SERVICES**




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Thomas F. Howe

Certified General Real Estate Appraiser - Illinois #153.002192

## CONTINGENT AND LIMITING CONDITIONS

The legal description, which has been furnished by others, is assumed to be accurate, but no responsibility is assumed for its correctness. The report rendered herein is based on the premise that the property is free and clear of mortgage indebtedness unless specifically stated otherwise, and that there are no special assessments against the property.

No report of title is rendered herewith, and it is considered good for purposes of this report. It is further assumed by the appraiser that all leases and lease amendments which have been furnished the appraiser are correct and accurate. If this is not the case, all values contained herein are voided.

Any sketches in this report are included to assist the reader in visualizing the property. No survey of the property has been made by the appraiser and no responsibility for its accuracy is assumed. Lacking any contrary evidence, subsurface soil conditions are assumed to be adequate to support the existing or proposed improvements.

The improvements are assumed to be within the lot lines and in accordance with all local zoning and building ordinances. Also it is assumed that no asbestos, or any other hazardous materials are located in the structure, or the site.

The interior of the improvements was not inspected. If any more complete information is made available about the subject or the comparable sales, the appraiser reserves the right to reconsider the value estimate.

The interior of the improvements was not inspected. The value is being estimated subject to an extraordinary assumption: Driveway access is possible from either Sinsinawa Avenue or through an adjacent property.

A buyer interested in using the land as vacant will need to demolish the existing improvements. If demolition costs exceed \$40,000 the value is \$0 or near \$0 before demolition. If the property has possible driveway access a buyer would likely offer a purchase price in the range of the land value estimate less the cost to demolish.

Without driveway access, the property value is greatly diminished. Its buyer is likely to be the owner of an adjacent property which can provide driveway access. It is probable that owner will make a minimal offer for the property.

Possession of this report does not carry with it the right of publication, nor may it, or any part thereof, be used by anyone but the client without the previous express written consent of the appraiser.

The appraiser shall not be required to give testimony or appear in court with reference to the appraisal of the property described herein, unless prior arrangements have been made.

Although reasonable attempts have been made to obtain corroborative evidence, information supplied to the appraiser by the client is assumed to be basically correct and heavy reliance has been placed upon this information.

## **CONTINGENT AND LIMITING CONDITIONS**

Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, or other media, without the written consent and approval of the author, particularly as to the valuation conclusions, the identity of the appraiser or firm for which he is connected, or any reference to the APPRAISAL INSTITUTE.

This appraisal report has been made in conformity with, and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute.

This is an Appraisal Report, and is intended to comply with the reporting requirements set forth under Standards Rule 2-2 (a) of the Uniform Standards of Professional Appraisal Practice (2020-2023).