



# **PRAEDIUM**

## **VALUATION GROUP**

Appraisals • Consulting • Expert Witness

### **APPRAISAL REPORT FOR**

**Bronzeville RFP**

### **LOCATED AT**

4702-4704 S. King Drive, 449-51  
E. 47th Street, 4711-55 S.  
Calumet, 4640 S. King Drive,  
Chicago, Cook County, IL

### **AS OF**

December 4, 2020

### **PREPARED FOR**

Ms. Cynthia Garza  
Department of Planning and  
Development  
121 N LaSalle Street  
Chicago, IL 60602

### **PREPARED BY**

Praedium Valuation Group  
3847 N. Lincoln, 2nd Floor  
Chicago, Illinois 60613  
File Name: C000194

# PRAEDIUM VALUATION GROUP

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December 14, 2020

Ms. Cynthia Garza  
Department of Planning and Development  
121 N LaSalle Street  
Chicago, IL 60602

Re: Appraisal Report: L&MC Investment  
4702-4704 S. King Drive, 449-51 E. 47th Street, 4711-55 S. Calumet, 4640 S.  
King Drive  
Chicago, Cook County, IL

File Name: C000194

Dear Ms. Garza:

At your request, we have prepared an appraisal for the above referenced property, which may be briefly described as follows:

The subject consists of four, vacant non-adjacent properties. The four properties are located in the Grand Boulevard community and range in size from 12,450 sf to 64,793sf and are zoned B1-5 and B3-3.

Please reference page 9 of this report for important information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis and valuation methodology.

We certify that we have no present or contemplated future interest in the property beyond this estimate of value. The appraiser has not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.

Your attention is directed to the Limiting Conditions and Assumptions section of this report (page 59). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, we note the following:

Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal.

Extraordinary Assumptions:

- We were not provided with a plat of survey for any of the parcels. The site sizes are estimated based on the Sidwell Maps. This appraisal report is based on the extraordinary assumption that the site sizes are accurate. Use of this assumption may have affected assignment results.

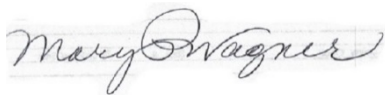
Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumptions and Hypothetical Conditions (if any), we have made the following value conclusions:

The market value of the fee simple estate of each property, as of December 4, 2020 is:

Address	PIN	Site Size	Market Value Rounded
4702-04 S. King	20-10-15-004/005	12,450	\$460,000
449-51 E. 47 <sup>th</sup>	20-10-200-013/014	25,709	\$820,000
4711-55 S. Calumet	20-10-105-002/003	64,793	\$1,750,000
4640 S. King	20-03-323-019	15,000	\$440,000

The market exposure time preceding December 4, 2020 would have been 6 to 12 months and the estimated marketing period as of December 4, 2020 is 6 to 12 months.

Respectfully submitted,  
Praedium Valuation Group



Mary Wagner, MAI  
Illinois Certified General Real Estate Appraiser  
License No. 553-001102  
License Expires: September 30, 2021



Jacqueline Brady  
Illinois State Certified General  
License No. 553-001846  
License Expires: September 30, 2021

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# AERIAL VIEWS

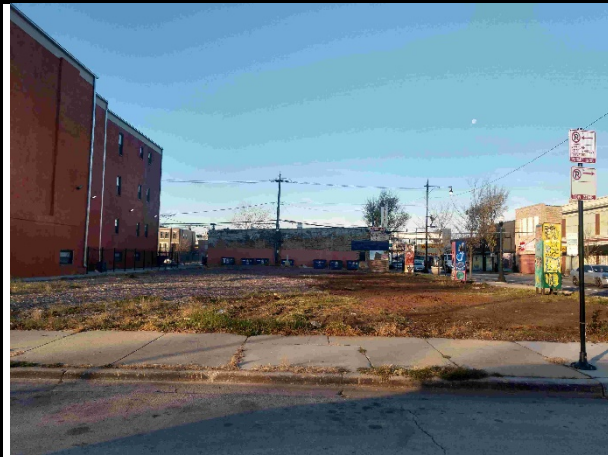


Source: Cook County GIS

*Note: Subjects color-coded by parcel.*



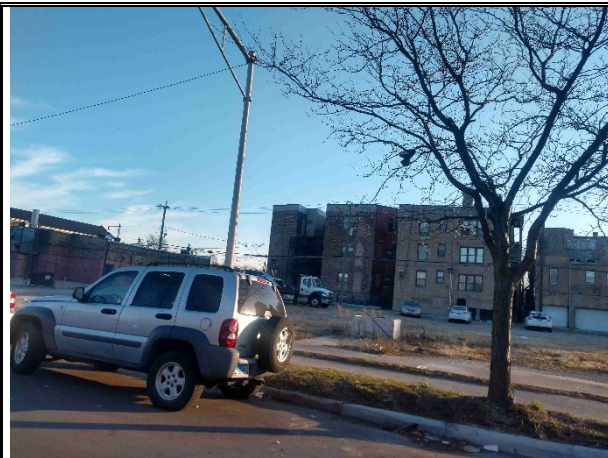
## SUBJECT PHOTOGRAPHS



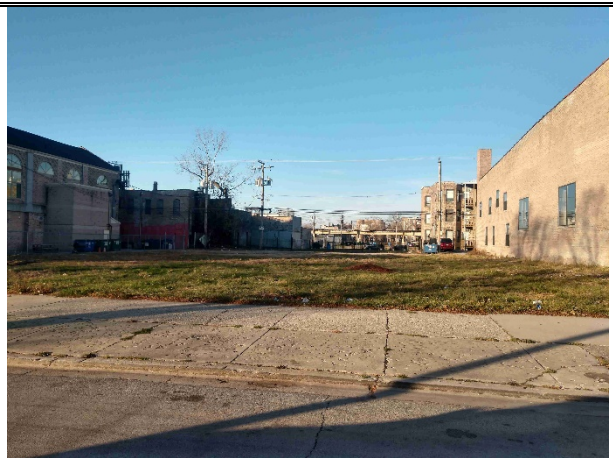
**4702-04 S. KING DR. (20-10-105-004 & 005)**



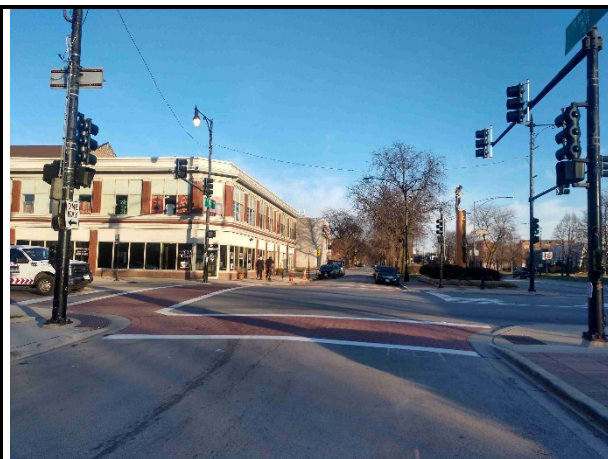
**449-451 E. 47<sup>TH</sup> (20-10-200-013 & 014)**



**4711-55 S. CALUMET (20-10-105-002 & 003)**



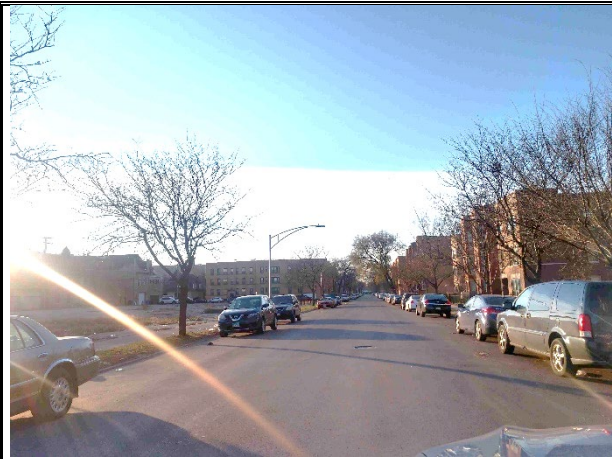
**4640 S KING (20-03-323-019)**



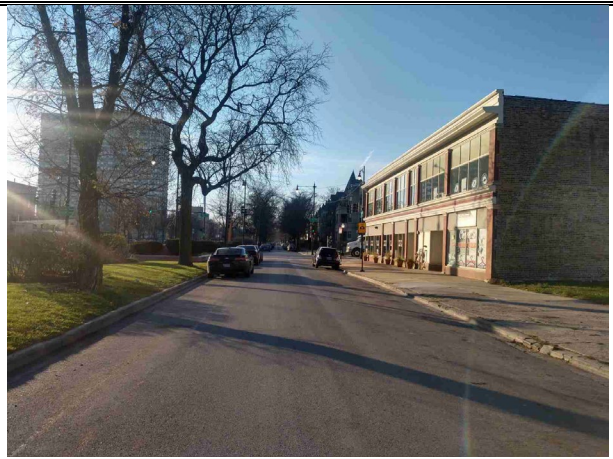
**STREET SCENE 4700 BLOCK KING DRIVE**



**VIEW WEST ON 47<sup>TH</sup> STREET**



**STREET SCENE CALUMET AVENUE**



**STREET SCENE 4600 BLOCK KING DRIVE**

## SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

### PROPERTY IDENTIFICATION

<b>Address:</b>	4702-4704 S. King Drive, 449-51 E. 47th Street, 4711-55 S. Calumet, 4640 S. King Drive Chicago, Cook County, IL
<b>Description:</b>	The subject consists of four, vacant non-adjacent properties. The four properties are located in the Grand Boulevard community and range in size from 12,450 sf to 64,793sf and are zoned B1-5 and B3-3.
<b>Tax Identification:</b>	20-10-105-004 and 005; 20-10-200-013 and 014; 20-10-105-002 and 003; 20-03-323-019
<b>Census Tract:</b>	8328.00
<b>Owner:</b>	City of Chicago
<b>Sale &amp; Listing History And Pending Contract:</b>	None of the parcels have sold in the past three years. None of the parcels are under contract. None of the parcels are currently listed for sale on the open market.

### SCOPE OF WORK SUMMARY

<b>Report Type:</b>	Appraisal Report
<b>Date of Report:</b>	December 11, 2020
<b>Type of Value:</b>	Market Value
<b>Property Rights Appraised:</b>	Fee Simple – We are not aware of any encumbrances on any of the parcels. Therefore, the subject parcels have been appraised in fee simple interest.
<b>Intended Use:</b>	The intended use is internal planning.



**Intended Users:** The intended users are Department of Planning and Development.

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**PROPERTY CHARACTERISTICS**

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**Land:**

Address	PIN	Site Size	Site Dimensions	Zoning	
4702-04 S. King	20-10-105-004/005	12,450	83 x 150	B1-5	<u>Rectangular</u> Corner
449-451 E. 47 <sup>th</sup>	20-10-200-013/014	25,709	100x257.09	B1-5	<u>Rectangular</u> Corner
4711-55 S. Calumet	20-10-105-002/003	64,793	498.41 x 130	B3-3	<u>Rectangular</u> Dual corner
4640 S. King	20-03-323-019	15,000	100 x 150	B3-3	<u>Rectangular</u> Interior

**Zoning:** 4702-04 S. King Drive and 449-451 East 47<sup>th</sup> Street are zoned B1-5 Neighborhood Shopping District  
4711-55 S. Calumet and 4640 S. King Drive are zoned B3-3 Community Shopping District

**Highest and Best Use of the Sites:** Short term: The subject is comprised of four non adjacent properties in the Grand Boulevard community and are zoned B1-5 or B3-3 and the highest and best use in the short term is to hold for a future mixed-use development with ground floor commercial space and apartments above. The long term highest and best use is for mixed-use commercial with residential development.

**Highest and Best Use as Improved:** None of the parcels are improved; therefore, the highest and best use as improved is not relevant.

**Hypothetical Conditions:** There are no hypothetical conditions for this appraisal.

**Extraordinary Assumptions:** We were not provided with a plat of survey for any of the parcels. The site sizes are estimated based on the Sidwell Maps. This appraisal report is based on the extraordinary assumption that the site sizes are accurate. Use of this assumption may have affected assignment results.

## Market Value Indications

### Individual Value of Each Property

Address	PIN	Site Size	Market Value Rounded
4702-04 S. King	20-10-15-004/005	12,450	\$460,000
449-51 E. 47 <sup>th</sup>	20-10-200-013/014	25,709	\$820,000
4711-55 S. Calumet	20-10-105-002/003	64,793	\$1,750,000
4640 S. King	20-03-323-019	15,000	\$440,000

## KEY ANALYSIS POINTS

### Location

The subject is comprised of four vacant land properties located within a three block radius, in the Grand Boulevard Community of the City of Chicago. They are located approximately 5 miles south of the loop, 18 miles southeast of O'Hare Airport, and 7 miles northeast of Midway Airport. All 4 properties are located within 1 mile of the CTA's "47th" Green Line station. The lots have proximate expressway access 0.7 miles west to I-90/94 via 47<sup>th</sup> Street and several busses run in close proximity to the lots along arterial roadways (47<sup>th</sup>, Martin Luther King, Cottage Grove, etc.).

A description of the four properties is summarized as follows:

Address	PIN	Site Size	Site Dimensions	Zoning	
4702-04 S. King	20-10-105-004/005	12,450	83 x 150	B1-5	<u>Rectangular</u> Corner
449-451 E. 47 <sup>th</sup>	20-10-200-013/014	25,709	100x257.09	B1-5	<u>Rectangular</u> Corner
4711-55 S. Calumet	20-10-105-002/003	64,793	498.41 x 130	B3-3	<u>Rectangular</u> Dual corner
4640 S. King	20-03-323-019	15,000	100 x 150	B3-3	<u>Rectangular</u> Interior

#### Frontage/Access:

4702-04 S. King Drive is located at a signalized intersection. The property has 83 feet of frontage on the west side of King Drive and 150 feet of frontage on the south side of 47<sup>th</sup> Street.

449-451 E. 47<sup>th</sup> Street is located at a signalized intersection. The property has 100 feet of frontage on the west side of Vincennes Avenue and 257.09 feet of frontage on the south side of 47<sup>th</sup> Street.

4711-4755 S. Calumet is a corner property having 498.41 feet of frontage on the east side of Calumet Avenue and 130 feet of frontage on the north side of 48<sup>th</sup> Street.

4640 S. King Drive is an interior property having 100 feet of frontage on the west side of King Drive and a uniform depth of 150 feet.

## **Subject History**

The subject is comprised of four vacant land properties. The properties are owned by the City of Chicago and have not sold in the last three years, nor are they currently listed for sale or under a pending sale contract.

## **Valuation**

The subject of this report includes four non-adjacent properties. The purpose of this appraisal is to determine the individual value for each of these properties.

## **Covid 19**

The impact of the Covid-19 pandemic is being felt by owners of most types of real estate. Unemployment claims increased by an unprecedented amount, though have retreated from earlier highs. This resulted in less disposable income for a sizeable amount of the population, which impacts the ability to meet rent payments. Tenants of commercial properties, hotels and entertainment establishments that were forced to temporarily close their doors and then curtail their operations by a significant amount have requested rent concessions, and some have gone out of business. This includes many national commercial tenants, several of whom have requested significant rent abatement across all locations. Many local businesses impacted by the shut down do not have the ability to meet rental payments either, and there have been several bankruptcy announcements. This will impact the NOI at investment properties across most sectors. Though the shutdown was eased for many businesses, locally, we have entered another spike and new mitigation measures have been put into place. As a result, indoor dining and drinking at bars and restaurants, and indoor fitness and sports classes are again temporarily prohibited. It is likely that it will take a while for business to return to a regular volume at most establishments as the pandemic continues on.

At this point in time, it is unknown how much property values will be impacted, and how long the recovery will take once stores, offices, factories, hotels, entertainment venues, fitness clubs, restaurants and other uses re-open to full capacity. Additionally, taxes are likely to increase to pay for the stimulus and emergency measures that have been implemented during this crisis. The situation is relatively new and unprecedented, and there is limited evidence yet of the extent of the impact on real estate values. The heightened uncertainty has resulted in a significant drop in real estate transaction volume. While some analysts project that this will be a steep, short term drop and expect a quick and substantial recovery when businesses are operating at full capacity again, most aren't so optimistic. This has been considered in our valuation, but we recognize the lack of available market evidence to support quantitative adjustments at this point in time.



## SCOPE OF WORK

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended users. Therefore, the appraiser must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

This appraisal is prepared for Ms. Cynthia Garza, at Department of Planning and Development. The problem to be solved is to estimate the current market value for each of the four properties.

The definition of market value used in this appraisal is found in *The Dictionary of Real Estate Appraisal, 6<sup>th</sup> edition* (Chicago: Appraisal Institute, 2015), and the same definition can also be found in the Code of Federal Regulations; "12 CFR, part 34, subpart C-Appraisal 34.42 (g).

*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:*

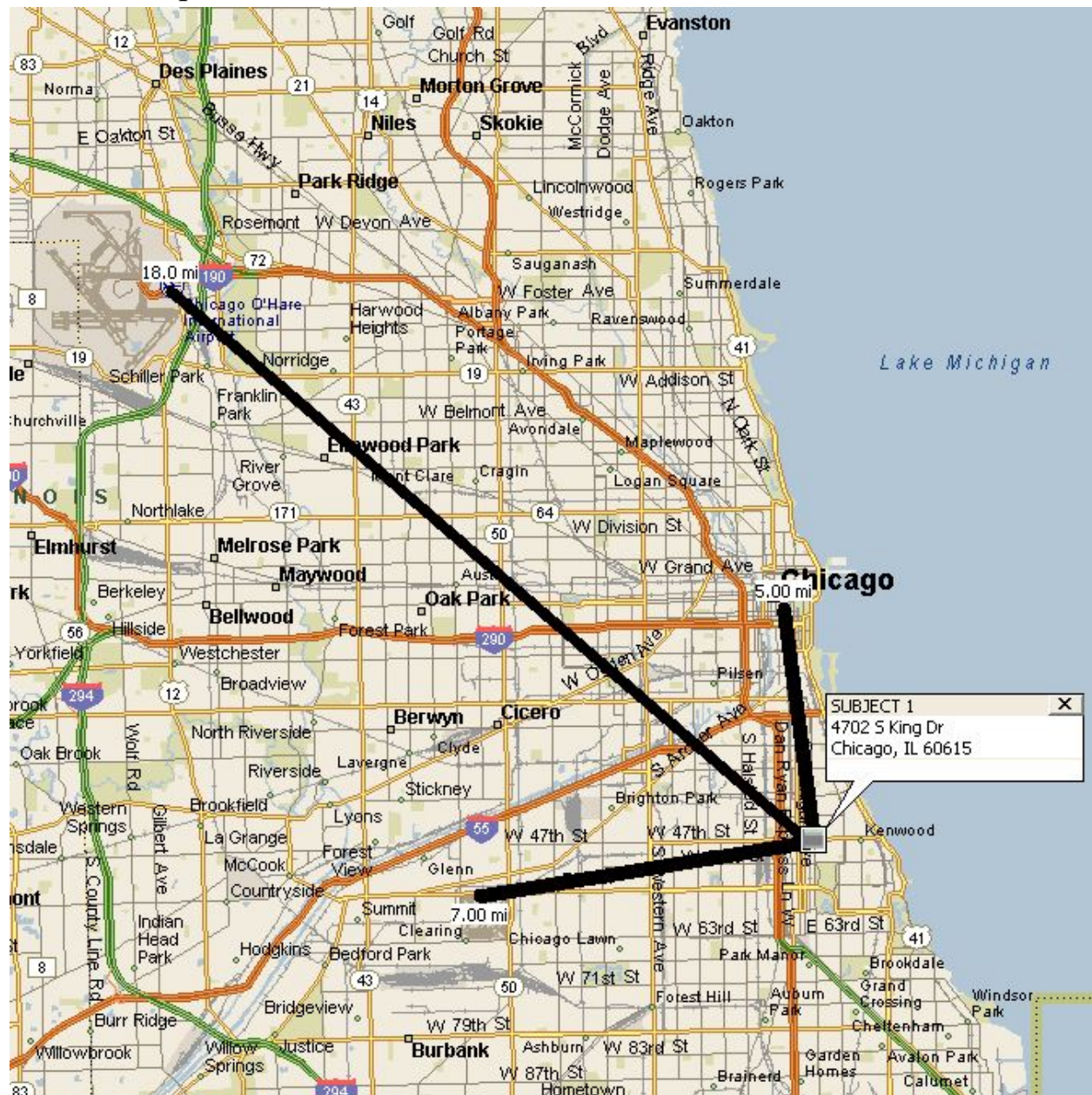
- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment was made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 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.

The intended use is internal planning. This appraisal is intended for the use of Department of Planning and Development.

## SCOPE OF WORK

Report Type:	This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a summary or description of the appraisal process, subject and market data and valuation analyses.
Property Identification:	The subject has been identified by the Assessor's parcel numbers and common street address, and legal description where available.
Inspection:	An on-site inspection of the subject sites has been made, and photographs taken.
Market Area and Analysis of Market Conditions:	An analysis of market conditions has been made.
Highest and Best Use Analysis:	An as vacant highest and best use analysis for the subject has been made. Physically possible, legally permissible and financially feasible uses were considered, and the maximally productive use was concluded.
Type of Values:	Market Value
<u>Valuation Analyses</u>	
Cost Approach:	A cost approach was not applied as the subject is vacant land.
Sales Comparison Approach:	A sales approach was applied as there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.
Income Capitalization Approach:	An Income Capitalization Approach was not applied as the subject is not an income producing property and this approach does not reflect market behavior for this property type.
Hypothetical Conditions:	There are no hypothetical conditions for this appraisal.
Extraordinary Assumptions:	We were not provided with a plat of survey for any of the parcels. The site sizes are estimated based on the Sidwell Maps. This appraisal report is based on the extraordinary assumption that the site sizes are accurate. Use of this assumption may have affected assignment results.

### *Location Map*



The four subject properties are located within a three block radius in the Grand Boulevard community of Chicago, approximately 5 miles south of the loop, 18 miles southeast of O'Hare Airport, and 7 miles northeast of Midway Airport.

The major employers in the Chicago market area are as follows:

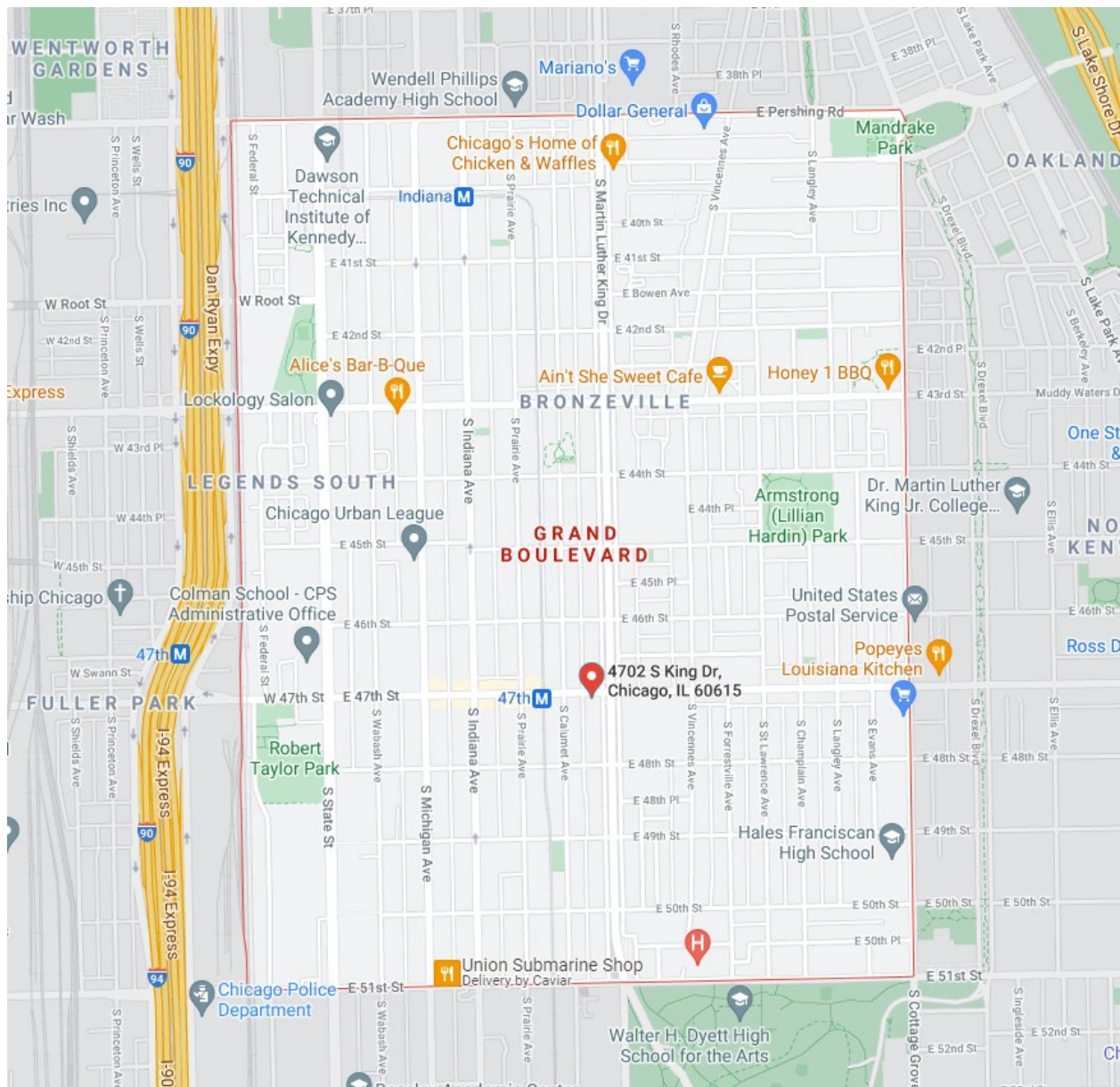
### **CHICAGO AREA MAJOR EMPLOYERS**

<b><u>Top Employers – Chicago</u></b>		<b><u>Local Employees</u></b>
1.	U.S. Government	41,500
2.	Chicago Public Schools	36,415
3.	City of Chicago	31,854
4.	Cook County	22,438
5.	Advocate Health Care System	19,049
6.	Northwestern Memorial Healthcare	16,667
7.	University of Chicago	16,583
8.	JP Morgan Chase & Co.	15,701
9.	Amazon	13,240
10.	United Continental Holdings Inc.	12,994
11.	Walgreens Boots Alliance Inc.	12,751
12.	Northwestern University	10,847
13.	Presence Health	10,225
14.	Wal-Mart Stores Inc.	10,220
15.	Abbott Laboratories	9,860
16.	Jewel-Osco Stores	9,660
17.	University of Illinois	9,566
18.	American Airlines	9,520
19.	Rush University Medical Center	9,402
20.	Chicago Transit Authority	9,373
21.	AT&T	9,200
22.	University of Chicago Medical Center	9,161
23.	Allstate Insurance Co.	7,670
24.	Employco USA Inc.	7,657
25.	Healthcare Service Corp.	6,450
<i>Source: Crain's Chicago Business and Moody's Analytics Precis.</i>		

The nation's unemployment rate as of October 2020 was 6.9%, according to the Bureau of Labor Statistics. The Illinois unemployment rate as of October 2020 was 6.8%, and the Chicago metro area rate was 7.8%. Unemployment has increased considerably since February of 2020 due to the onset of the Covid pandemic, and is expected to remain elevated in the coming months.



## Community Map



All 4 properties are located in the Grand Boulevard community of Chicago, within 1 mile of the CTA's "47th" Green Line station. The lots have proximate expressway access 0.7 miles west to I-90/94 via 47<sup>th</sup> Street and several busses run in close proximity to the lots along arterial roadways (47<sup>th</sup>, Martin Luther King, Cottage Grove, etc.).

## Demographics

The following chart details household income and population within one half-mile, one-mile, and three-mile radii of Subject 1: Due to the proximity of the three remaining subject properties their demographics are judged to be relatively similar.



### Demographic and Income Comparison Profile

4702 S Dr Martin Luther King Jr Dr, Chicago, Illinois, 60615  
Rings: 0.5, 1, 3 mile radii

Prepared by Esri  
Latitude: 41.80929  
Longitude: -87.61690

	0.5 miles	1 mile	3 miles
<b>Census 2010 Summary</b>			
Population	11,917	37,077	244,699
Households	5,138	16,820	97,180
Families	2,726	8,102	52,138
Average Household Size	2.29	2.16	2.43
Owner Occupied Housing Units	1,604	4,541	29,332
Renter Occupied Housing Units	3,534	12,279	67,848
Median Age	34.3	35.6	32.6
<b>2020 Summary</b>			
Population	12,955	39,231	252,976
Households	5,692	18,107	101,939
Families	2,981	8,596	53,898
Average Household Size	2.25	2.13	2.40
Owner Occupied Housing Units	1,735	4,728	29,830
Renter Occupied Housing Units	3,957	13,379	72,109
Median Age	36.7	38.1	34.4
Median Household Income	\$47,184	\$35,169	\$36,312
Average Household Income	\$67,884	\$62,581	\$61,396
<b>2025 Summary</b>			
Population	13,044	39,310	253,072
Households	5,751	18,199	102,349
Families	3,002	8,609	53,847
Average Household Size	2.24	2.12	2.39
Owner Occupied Housing Units	1,776	4,826	30,237
Renter Occupied Housing Units	3,975	13,373	72,112
Median Age	38.3	39.6	35.5
Median Household Income	\$51,644	\$36,892	\$38,232
Average Household Income	\$77,091	\$68,370	\$66,640
<b>Trends: 2020-2025 Annual Rate</b>			
Population	0.14%	0.04%	0.01%
Households	0.21%	0.10%	0.08%
Families	0.14%	0.03%	-0.02%
Owner Households	0.47%	0.41%	0.27%
Median Household Income	1.82%	0.96%	1.04%

## Population Trends

The subject area is a moderately dense area for an urban neighborhood. The populations of the radii cited above are expected to increase minimally between 2020 and 2025, which indicates a neighborhood in the stabilization phase of the neighborhood life cycle.

## Household Income

The 2020 median household income within a one half-mile radius of the subject properties was \$47,184, while household incomes were lower at \$35,169 and \$36,312 for the one-mile and three-mile radii, respectively. These levels are well below the median for the Chicago Metropolitan area as a whole, which was \$70,760 as of 2018. Median household incomes within each of the aforementioned rings of the subject are expected to increase by roughly 0.96% to 1.82% per year through 2025, which suggests that income growth will be behind projected inflation over the same period.

## Housing Trends

### For-Sale Housing

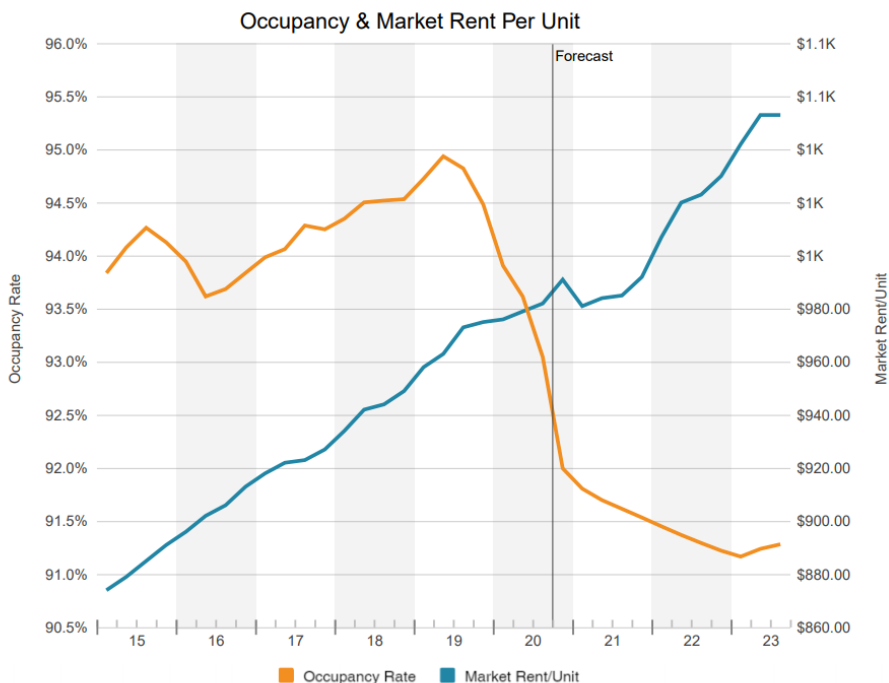
The subject lots are located in the Grand Boulevard community area of Chicago. Median selling prices over the last three years for detached, attached, and 2-4 unit properties in the subject's market area follow.

MLS 8038: GRAND BOULEVARD								
Property Type	10/1/2017-9/30/2018		10/1/2018-9/30/2019		10/1/2019-9/30/2020		% Change	% Change
	#Units	Med. Price	#Units	Med. Price	#Units	Med. Price	Prior Year	Most Recent Yr.
Detached	58	\$428,750	88	\$482,175	94	\$552,500	12.5%	14.6%
Attached	174	\$194,250	178	\$203,950	131	\$238,100	5.0%	16.7%
2-4 Unit	29	\$258,000	30	\$346,950	41	\$375,000	34.5%	8.1%

Median sale prices for all property types have steadily increased over the past two years. Additionally, sales volume for detached and 2-4 unit property types have increased over the past two years, though sales volume for attached properties has recently declined. Median sale prices for detached homes are well above average for the City of Chicago as a whole, which was reported to be \$295,000 as of 2019. Overall, this area's for-sale residential market is increasing. The local median home sale price is above what would be expected when considering the local median household income level.

### Multifamily Market

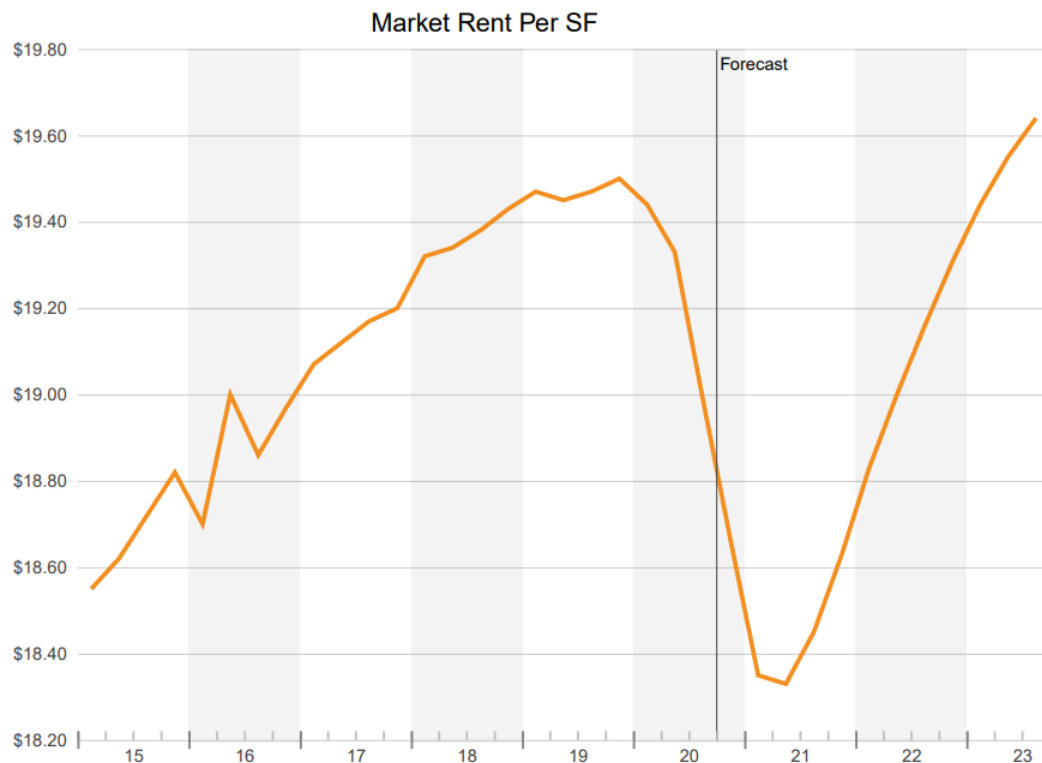
The following graph was taken from CoStar and pertains to the multifamily market within a 0.5 mile radius of the subject.



Market rent has been increasing over the past five years, but is expected to decrease slightly by the end of the year. Additionally, concessions have become more common and collection losses are increasing due to elevated unemployment caused by the pandemic. Net effective rents and collected rents are down significantly this year. Occupancy levels reached a peak of about 94.9% in mid-2019, but have dropped sharply in 2020. Year-end occupancy is projected to be 91.9%, and it is expected to fall further into early 2023. Overall, the local apartment market is in a declining phase due to the pandemic.

### **Commercial Market**

The following graph was taken from CoStar and pertains to market rents in the commercial market within a one-mile radius of the subject.



© 2020 CoStar Realty Information Inc.

12/10/2020

According to CoStar, market rents for commercial properties were increasing into late 2019. They have been declining throughout 2020 and are expected to continue to decline into 2021, before starting to rebound.

According to CBRE the retail market throughout the metro area has been experiencing deteriorating conditions over the past year with rising vacancies, declining rents and a high number of bankruptcies and store closures. Collection loss has become a significant issue as many business that have been forced to temporarily close their doors or significantly curtail their business have requested rent abatement or reductions, or have just not paid rent. They report that tenant and landlord expectations are not aligned. As of the end of the third quarter, the retail vacancy rate in the city south submarket was 10.1%.



## **Market Area Summary**

The market conditions in which a property exists will change over the life of an asset. Generally a neighborhood passes through four stages, briefly described as follows:

- Growth, during which time the neighborhood is establishing and gaining public favor and acceptance.
- Stability, which is a static period evidenced by a lack of available land for continued new development.
- Decline, during which time shifting neighborhood use patterns result in a secondary location.
- Redevelopment, which results in a removal of or renovation of outdated improvements and construction of more modern improvements.

Overall, the subject's Grand Boulevard community area indicates stable demographic trends and a for-sale housing market that is stable to increasing. The immediate subject area is a relatively low income area, though has home values that are well above the median for the city. The local commercial and multifamily apartment markets have suffered from collection loss and rising vacancies and / or declining rents over the past year. The pandemic has negatively impacted these markets and is likely to have a negative impact on market conditions in the near future. Overall, the local residential market has been in a growth phase with new construction scattered in the area and rising home values, however, the retail and apartment markets have declined this past year and the market is facing ongoing uncertainty due to the economic fall-out of the pandemic.

# Property Description

## Site

SITE	
Location:	The subject is comprised of four non adjacent properties located in the Grand Boulevard Community of Chicago.
Current Use of the Property:	Land

Address	PIN	Site Size	Site Dimensions	Zoning	
4702-04 S. King	20-10-105-004/005	12,450	83 x 150	B1-5	<u>Rectangular</u> Corner
449-451 E. 47 <sup>th</sup>	20-10-200-013/014	25,709	100x257.09	B1-5	<u>Rectangular</u> Corner
4711-55 S. Calumet	20-10-105-002/003	64,793	498.41 x 130	B3-3	<u>Rectangular</u> Dual corner
4640 S. King	20-03-323-019	15,000	100 x 150	B3-3	<u>Rectangular</u> Interior

Shape: All of the parcels are rectangular in shape.

Frontage/Access: See table above for site dimensions. Three of the four properties are corner sites.

4702-04 S. King Drive is located at a signalized intersection. The property has 83 feet of frontage on the west side of King Drive and 150 feet of frontage on the south side of 47<sup>th</sup> Street.

449-451 E. 47<sup>th</sup> Street is located at a signalized intersection. The property has 10 feet of frontage on the west side of Vincennes Avenue and 257.09 feet of frontage on the south side of 47<sup>th</sup> Street.

4711-4755 S. Calumet is a corner property having 498.41 feet of frontage on the east side of Calumet Avenue and 130 feet of frontage on the north side of 48<sup>th</sup> Street.

4640 S. King Drive is an interior property having 100 feet of frontage on the west side of King Drive and a uniform depth of 150 feet.

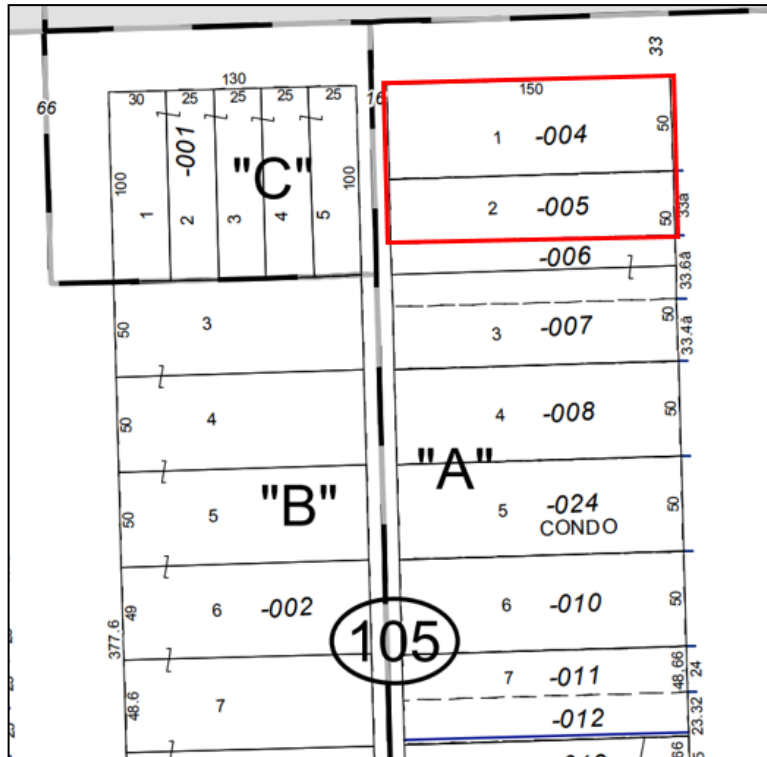
Visibility: Average

Topography: The parcels appear to have generally level topography.

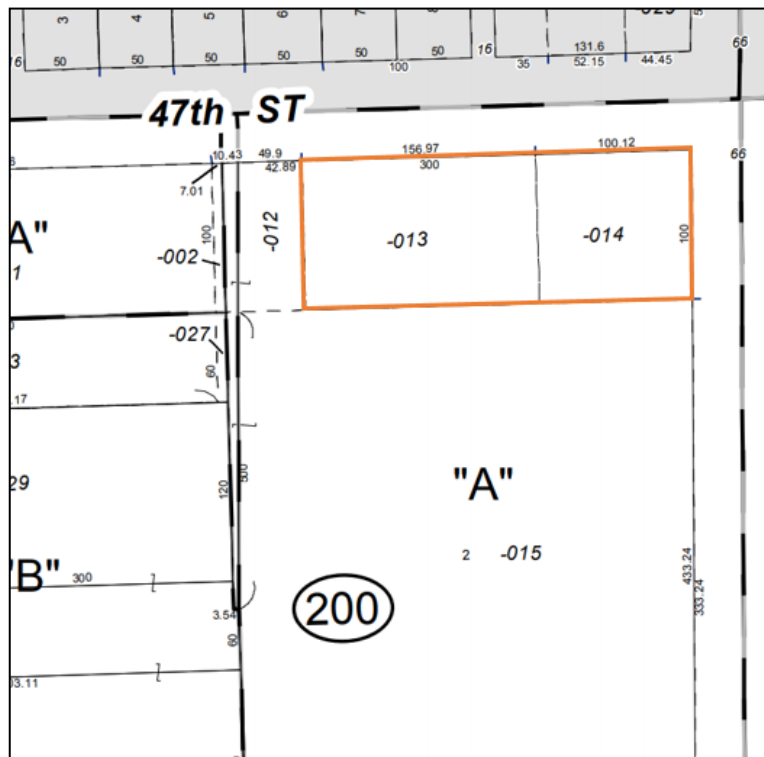
Soil Conditions: The soil conditions at the subject lots are assumed to be typical of the region and adequate to support development.

Utilities:	<p>Electricity: The sites are served by public electricity.</p> <p>Sewer: City sewer</p> <p>Water: City water</p> <p>Natural Gas: The sites are served by a public gas company</p> <p>Adequacy: The subject's utilities are typical and adequate for the market area.</p>
Site Improvements:	<ul style="list-style-type: none"> <li>• Overhead street lighting</li> <li>• Concrete Sidewalks</li> <li>• Concrete curb and gutter system</li> </ul>
Flood Zone:	<p>All of the parcels are located in an area mapped by the Federal Emergency Management Agency (FEMA). The parcels are located in FEMA flood zone X, which is not classified as a flood hazard area. They all have the same map number and map date as follows:</p> <p>FEMA Map Number: 17031C0540J</p> <p>FEMA Map Date: August 19, 2008</p> <p>The subject is outside the 500 year flood plain. The appraiser is not an expert in this matter and is reporting data from FEMA maps.</p>
Environmental Issues:	<p>There are no known adverse environmental conditions on the subject sites. Please reference Limiting Conditions and Assumptions.</p>
Encumbrance / Easements:	<p>There no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.</p>
Site Comments:	<p>The subject consists of four vacant properties in the Grand Boulevard community of Chicago. The four properties range in size between 12,450 sf and 64,793 sf. The properties are zoned B1-5 and B3-3.</p>

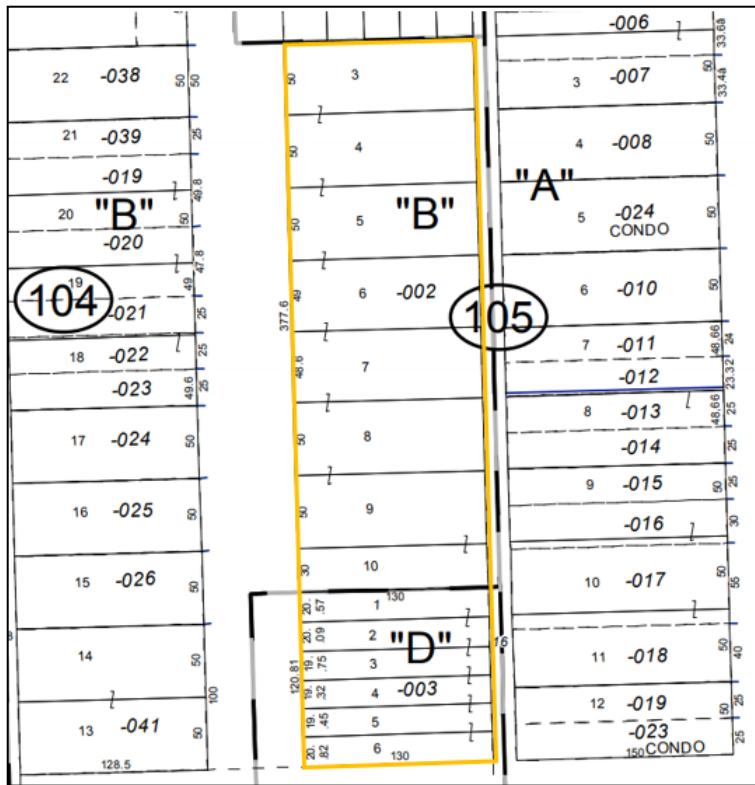
## Tax Maps



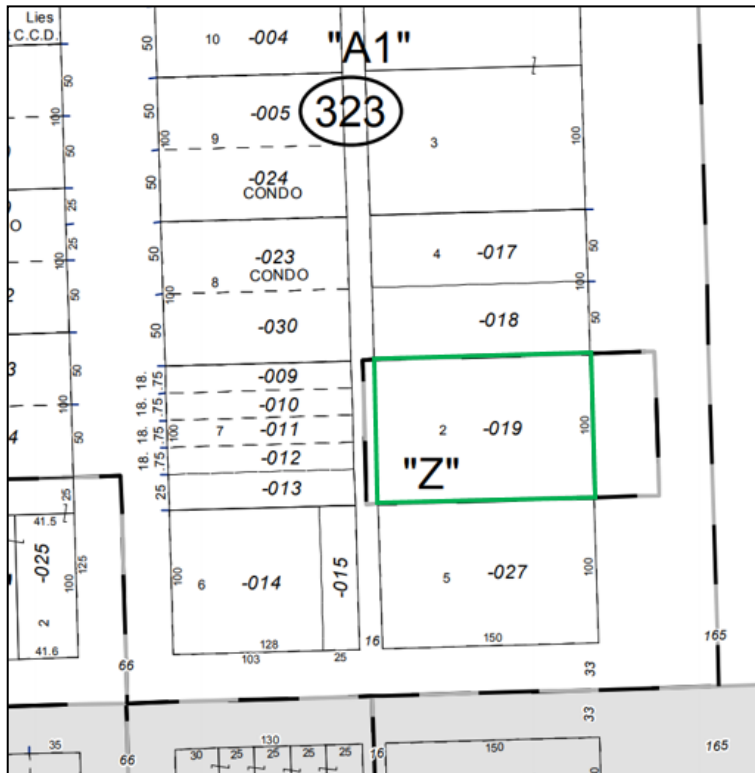
Subject 1: 4702-04 S King



Subject 2: 449-51 E 47th



Subject 3: 4711-55 S Calumet



Subject 4: 4640 S. King

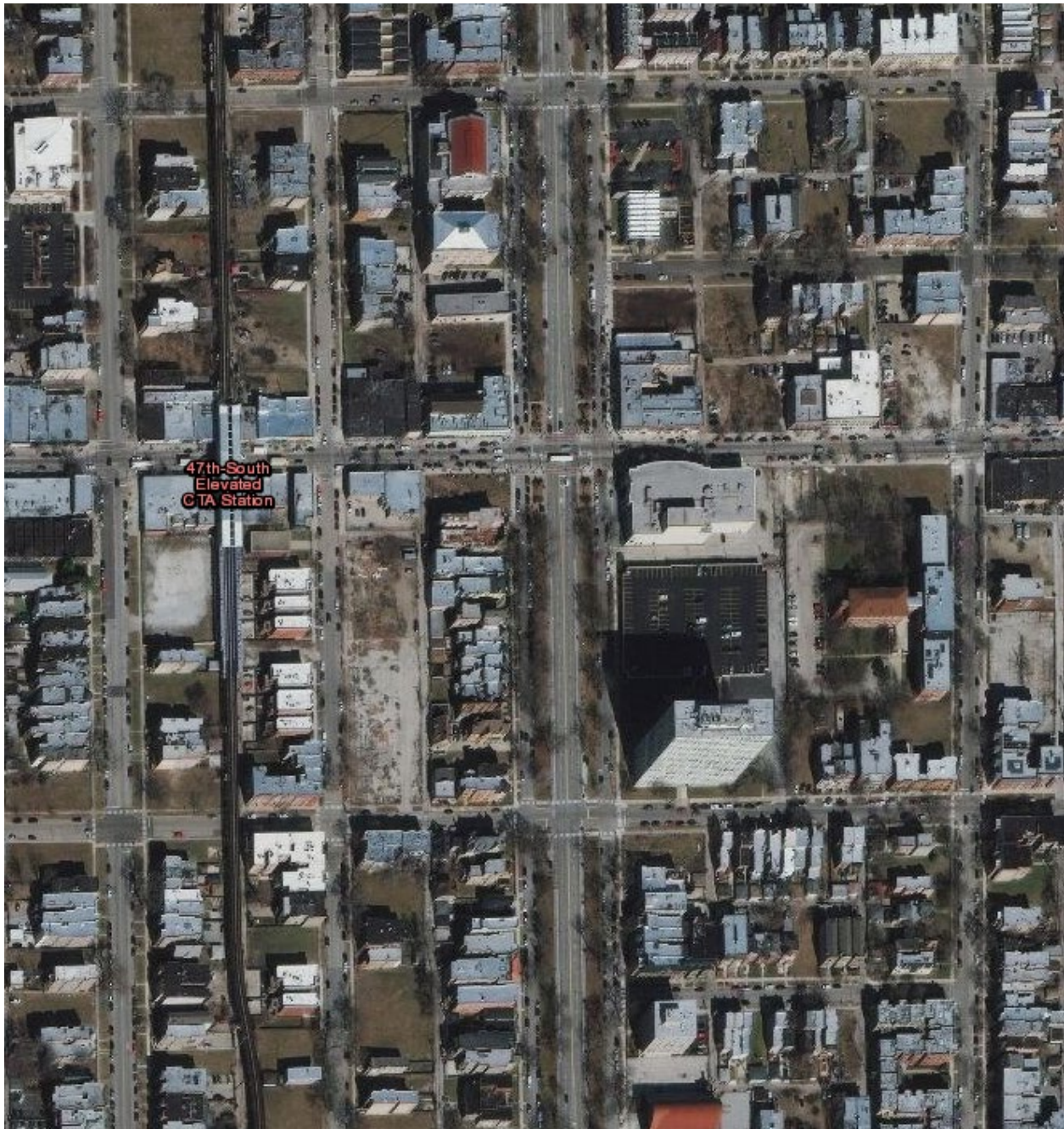


## Flood Map





## *Wetlands Map*



Based on a review of the National Wetlands Inventory Maps on the US Fish and Wildlife Service website, the subject site does not contain any mapped wetlands. These are preliminary maps based on dated aerial imagery, and are not a final determination. Persons intending to engage in activities involving modifications within or adjacent to wetland areas should seek the advice of appropriate federal, state, or local agencies concerning specified agency regulatory programs and proprietary jurisdictions that may affect such activities.

## ASSESSMENT AND TAXES

**Taxing  
Authority:** Cook County

**Assessment Year:** 2020 First Pass

**Tax  
Identification:** 20-10-105-004 and 005; 20-10-200-013 and 014; 20-10-105-002 and  
003; 20-03-323-019

ASSESSED VALUE
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The parcels are owned by the City of Chicago and are tax exempt. There is no assessment or tax data available.

## ZONING

Two of the four properties are zoned B1-5 and B3-3, Neighborhood Shopping District and Community Shopping District.

\*4702-4704 S. King Drive / 20-10-105-004 and 005 contains 12,450 sf and is zoned B1-5. The B1-5 District has a minimum lot area per dwelling unit of 200 sf and a maximum FAR of 5.0. Therefore a mixed-use development having no more than 62 units could be built on the site. The building could contain no more than 62,250 sf. Dwelling units are not allowed on the ground floor in the B1-5 District.

\*449-451 E. 47<sup>th</sup> Street / 20-10-200-013 and 014 contains 25,709 sf and is zoned B1-5. Therefore a mixed-use development having no more than 128 units could be constructed on the site. The building could contain no more than 128,545 sf. Dwelling units are not allowed on the ground floor in the B1-5 District.

ZONING SUMMARY	
Current Zoning:	<b>B1-5, Neighborhood Shopping District</b>
Uses Permitted:	The B1, Neighborhood Shopping district is intended to accommodate a broad range of small-scale retail and service uses.
	<b>Residential:</b> Artist live/work space above ground floor, detached housing, elderly housing, multi-unit properties, townhomes, etc.
	<b>Public and Civic:</b> Colleges and universities, cultural exhibits and libraries, daycares, parks and recreation, postal service, schools, etc.
	<b>Commercial:</b> Building maintenance services, business support services, restaurants (limited), liquor sales, bed and breakfasts, etc.
Special Permitted Uses:	Nursing homes (skilled care), lodges and private clubs, community centers, religious assemblies, drive-through facilities, etc.
Minimum Lot Size:	Dwelling units: 200 sf Efficiency units: 135 sf SRO units: 100 sf
	<b>Yard Req.:</b>
<i>Front:</i>	None unless property borders an R-zoned lot; then the front setback must be at least 50% of the R lot's front setback.
<i>Side:</i>	None unless property borders R-zoned lot; then the R lot's front setback applies.
<i>Rear:</i>	If property has dwelling units, minimum of 30 ft. If its rear property line borders the side property line of an R-zoned lot, the rear setback must equal the side setback of the R-zoned lot. If rear line borders the R lot's rear line, setback must be at least 16 ft.
Maximum Height:	Varies by lot frontage, and whether building has ground-floor commercial space. (See 17-3-0408).
Maximum FAR:	<b>5.0:1</b>
	<b>Dwellings:</b>
Avg. Unit Size:	The gross residential floor area developed on a lot divided by the total number of dwelling units on such lot may not be less than 500 square feet. No existing residential use may be converted to conflict with or further conflict with this standard.

<b>Max. No. of Efficiency Units:</b>	20%
<b>Building Wall Separation:</b>	<p>1. When a front wall faces the subject property's interior side property line, the wall must be setback from the interior side property line a distance equal to at least 12 feet, or in the case of a rear wall, a distance equal to at least 10% of the lot width or 12 feet, whichever is less. (See Sec. 17-17-0310 for rules governing the measurement of building wall separation.)</p> <p>2. When the front wall or rear wall of a dwelling unit faces the front wall or rear wall of another dwelling unit located on the same zoning lot, the minimum required separation between such walls is as follows:  District Minimum Separation (feet) Dash 1 30 Dash 1.5 30 Dash 2 30 Dash 3 30 Dash 5 26 17-3-0407-D  End Walls Facing Front or Rear Walls When the end wall of a dwelling unit faces the front wall or rear wall of a dwelling unit located on the same zoning lot, the minimum required separation between such walls is 20 feet.</p>
<b>Parking Requirements:</b>	17-10-0207-C: 1 space per unit.
Source: City of Chicago Zoning Ordinance	



Two of the four properties are zoned B3-3 Community Shopping District which has a minimum lot area per dwelling unit of 400 sf and a maximum FAR of 3.00. Two of the four subject properties are zoned B3-3.

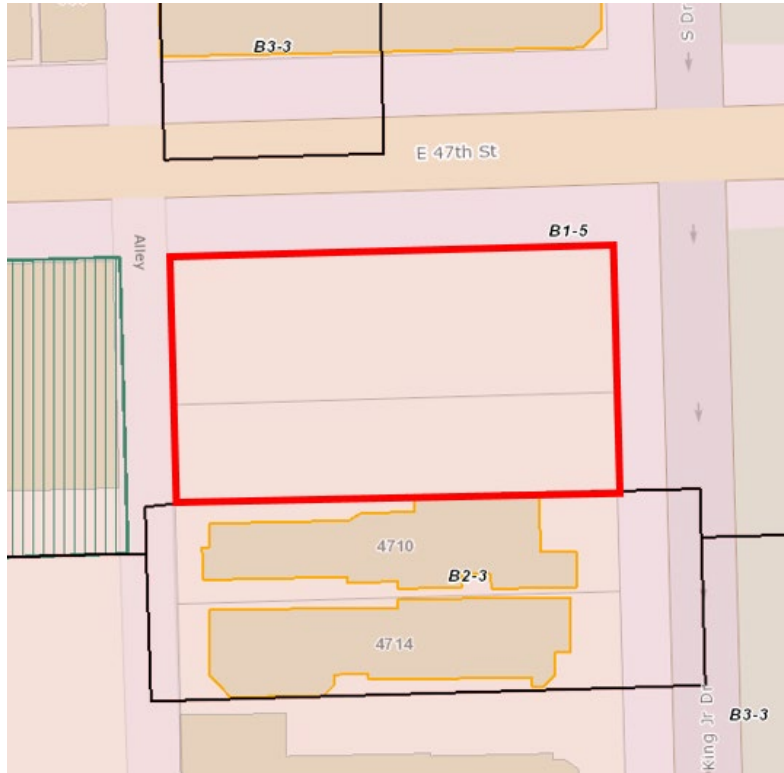
\*4711-55 S. Calumet/20-10-105-002 and 003 is zoned B3-3 and contains 64,793 sf and would allow for a mixed-use development having no more than 161 units and a maximum of 194,379 sf. Dwelling units are not allowed on the ground floor in the B3-3 District.

\*4640 S. King Drive is zoned B3-3 and contains 15,000 sf and would allow for a mixed-use development having no more than 37 units and a maximum of 45,000 sf. Dwelling units are not allowed on the ground floor in the B3-3 District.

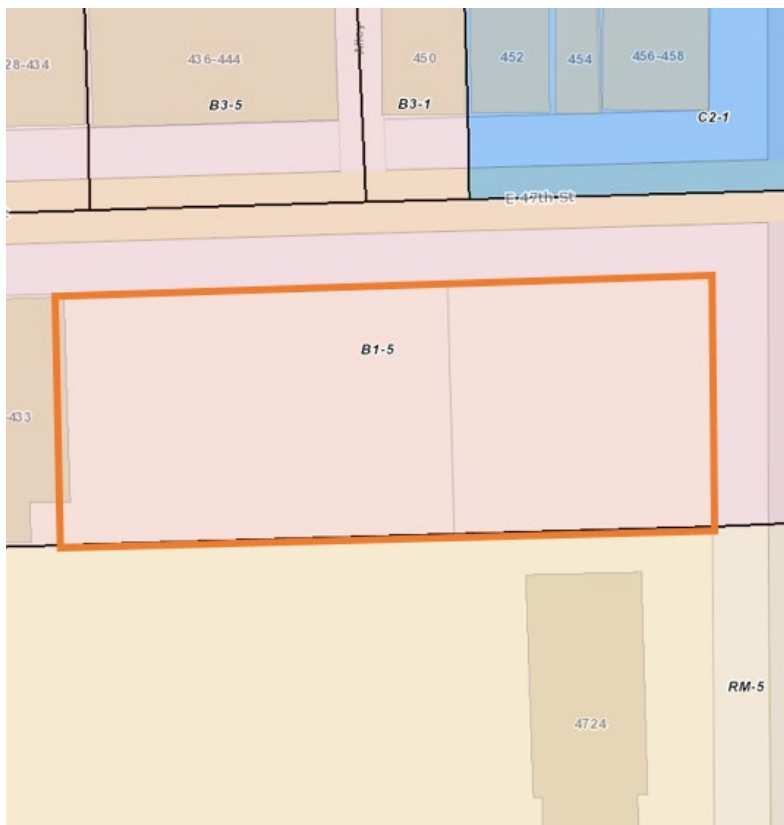
<b>ZONING SUMMARY</b>	
Current Zoning:	<b>B3-3, Community Shopping District</b>
Uses Permitted:	Various residential, public and civic and commercial uses, including the following:
	<u>Residential</u> : dwelling units and artist live/work space, both above the ground floor; assisted living. Ground-floor dwelling units are not permitted, and multi-unit (3+ units) buildings require special approval.
	<u>Public and Civic</u> : colleges and universities; cultural exhibits and libraries; day cares.
	<u>Commercial</u> : artist work/sales space; employment agencies (day labor agencies require special permit); restaurant; general retail sales; office; medical service.
Special Permitted Uses:	A variety of uses, including the following: Multi-unit (3+ units) residential, elderly housing and SRO. These are permitted via special use approval only.
Minimum Lot Size:	Minimum lot area per dwelling unit: Dwelling units: 400 SF. Efficiency units: 300 SF. SRO units: 200 SF.
	<b>Yard Req.:</b>
<i>Front:</i>	None unless lot is abutting an R-zoned lot with frontage on the same street, in which case setback is at least 50% of the front yard on the abutting R-zoned lot. If the abutting R-zoned lot is vacant, the 50% is based on the abutting lot's required front setback.
<i>Side:</i>	None unless lot is abutting an R-zoned lot, in which case the setback for residential use on the R-zoned lot applies.
<i>Rear:</i>	For floors with dwelling units, min. setback of 30 ft. This does not apply to existing buildings where there is a change of use or interior alterations and where there are no additions to the existing structure which are proposed within the rear setback.
Maximum Height:	For buildings <b>with</b> ground floor commercial space: (1) if frontage < 25 ft., max. building height = 50 ft (2) if frontage 25' to 50 ft., max. building height = 55 ft. (3) if frontage 50' to 99.9 ft., max. building height = 65 ft.; (2) if frontage > 100 ft., max. building height = 65ft.
Maximum FAR:	<b>3.00:1</b>
	<b>Dwellings:</b>
Avg. Unit Size:	The gross residential floor area developed on a lot divided by the total number of dwelling units on such lot ≥ 500 SF.
Max. No. of Efficiency Units:	20%
Building Wall Separation:	These standards apply to courtyard buildings, buildings with car courts, or other developments when dwelling units face or are adjacent to one another.

	<p><u>Front &amp; rear walls.</u> A front wall facing the subject's interior side property line must be setback from such line at least 12 feet, or in the case of a rear wall, at least 10% of the lot width or 12 feet, whichever is less. Also, when a front or rear wall of a dwelling unit faces the front or rear wall of another dwelling unit located on the same zoning lot, the minimum required separation between such walls is as follows: For dash 1 through dash 3, it is 30 feet. For dash 5, it is 26 feet.</p> <p><u>End Walls Facing Front or Rear Walls.</u> When the end wall of a dwelling unit faces the front wall or rear wall of a dwelling unit located on the same zoning lot, the minimum required separation between such walls is 20 feet.</p>
<b>Parking Requirements:</b>	Per Section 17-10-207-M, (Retail/ Restaurant): no parking spaces are required for the first 10,000 square feet, then 2.5 spaces are required per 1,000 square feet.
Source: City of Chicago Zoning Ordinance	

## Zoning Maps



Subject 1: 4702-04 S. King



Subject 2: 449-51 E. 47<sup>th</sup>





## HIGHEST AND BEST USE

Land is appraised as if vacant and available for development to its Highest and Best Use, and the appraisal of improvements is based on their actual contribution to the site.

Highest and Best Use may be defined as:

*The reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.*

### ***Highest and Best Use – “As If Vacant”***

1. Legally Permissible: Private restrictions, zoning, building codes and other regulations establish use that are legally permitted. As indicated in the zoning section of this report, two of the four properties are zoned B1-5 Neighborhood Shopping District which is intended to accommodate a broad range of small-scale retail and service uses as well as residential uses above the ground floor. There are no known deed restrictions preventing development of the site in accordance with the existing B1-5 and B3-3 zoning requirements. Two properties are zoned B3-3 Community Shopping District. The current zoning allows for a very broad range of retail and service uses as well as residential units above the ground floor. There are no known deed restrictions preventing development of the site in accordance with the existing B3-3 zoning requirements.
2. Physically Possible: Factors such as the size, shape, terrain, accessibility of land and the risk of natural disasters such as floods or earthquakes affect the use to which vacant land can be used. In the case of the subject, the four properties are each adequate in terms of size, frontage, terrain and depth to accommodate most uses allowed by their respective B1-5 and B3-3 zoning. The minimum lot area per dwelling unit in the B1-5 District is 200 sf and the maximum FAR is 5.00. The minimum lot area per dwelling unit in the B3-3 District is 400 sf and the maximum FAR is 3.00.

\*4702-4704 S. King Drive / 20-10-105-004 and 005 contains 12,450 sf and is zoned B1-5. The B1-5 District has a minimum lot area per dwelling unit of 200 sf and a maximum FAR of 5.0. Therefore a mixed-use development having no more than 62 units could be built on the site. The building could contain no more than 62,250 sf. Dwelling units are not allowed on the ground floor in the B1-5 District.

\*449-451 E. 47<sup>th</sup> Street / 20-10-200-013 and 014 contains 25,709 sf and is zoned B1-5. Therefore a mixed-use development having no more than 128 units could be constructed on the site. The building could contain no more than 128,545 sf. Dwelling units are not allowed on the ground floor in the B1-5 District.

\*4711-55 S. Calumet/20-10-105-002 and 003 is zoned B3-3 and contains 64,793 sf and would allow for a mixed-use development having no more than 161 units and a maximum of 194,379 sf. Dwelling units are not allowed on the ground floor in the B3-3 District.

\*4640 S. King Drive is zoned B3-3 and contains 15,000 sf and would allow for a mixed-use development having no more than 37 units and a maximum of 45,000 sf. Dwelling units are not allowed on the ground floor in the B3-3 District.

3. Financially Feasible: Uses that meet the first two criteria include commercial or mixed-use development. Although condominium prices in the area have been increasing over the past two years, sales volume was down 26% in the past year. Although the low interest rate environment is favorable for home ownership, the pandemic is having a negative impact on the economy and is impacting transaction volume for attached units. Additionally, vacancy and collection losses for multifamily apartments and commercial units has been on the rise, and commercial rents have been declining.

Our review of the Grand Boulevard area indicated that there is ample vacant land inventory that is being held for future development. The Bronzeville market had been experiencing strong growth trends, but has been set back by the pandemic and subsequent economic fallout. There has been scattered development in the area of condominium buildings and single family homes but very limited recent commercial development.

4640 S. King Drive is an interior property located on a boulevard (street was originally named Grand Boulevard but was renamed in 1968 in honor of Dr. Martin Luther King). The boulevard has a wide, two-lane north/south thoroughfare and is then divided by a central median with a roadway heading north on one side and one heading south on the other. These one-way lanes are utilized for slower travel, parking, pedestrian and bike lines and do not provide good exposure for commercial uses.

4702-04 S. King Drive has a signalized corner locale with frontage on King Drive and 47<sup>th</sup> Street. 47<sup>th</sup> Street is a heavily traveled east/west street this location having an average daily traffic count of 12,800 vehicles per day. King Drive is a one-way, street at this location. 47<sup>th</sup> Street provides adequate exposure for commercial development.

449-451 East 47<sup>th</sup> Street has a signalized corner locale with frontage on the west side of Vincennes Avenue and additional frontage on the south side of 47<sup>th</sup> Street. 47<sup>th</sup> Street is a heavily traveled east/west street this location having an average daily traffic count of 12,800 vehicles per day. 47<sup>th</sup> Street provides adequate exposure for commercial development.

4711-55 S. Calumet is an interior property located on the east side of Calumet Avenue. Calumet Avenue is a secondary street at this location with no reported average daily traffic count. The properties on the west side of Calumet Avenue, across from the subject, are zoned RM-5 as are the properties to the immediate east and south. The property lacks the exposure and retail co-tenancy for a commercial development and therefore the financially feasible use of the site is for future mixed-use commercial with residential above development.

Due to conditions in the commercial, multifamily and residential condominium markets, the financially feasible use for these four parcels is to hold for future mixed-use development.

4. Maximally Productive: Of the financially feasible uses, the one creating the highest present land value is the most profitable use of the site as if vacant. Based on the previous discussion, in the near term, the most probable use would be to hold the parcels until the economy stabilizes post coronavirus, and mixed-use commercial with apartment becomes financially feasible. In the long term, the most probable use would be mixed-use commercial with residential above development in accordance with the zoning requirements.

In conclusion, the Highest and Best Use of the sites, as if vacant and ready for development, is: Short term: The subject is comprised of four non adjacent properties in the Grand Boulevard community and are zoned B1-5 or B3-3 and the highest and best use in the short term is to hold for a future mixed-use development with ground floor commercial space and apartments above. The long term highest and best use is for mixed-use commercial with residential development.

### ***Highest and Best Use – “As Improved”***

None of the parcels are improved; therefore, the highest and best use as improved is not relevant.

# APPRAISAL METHODOLOGY

Three basic approaches may be used to arrive at an estimate of market value. They are:

1. The Cost Approach
2. The Income Capitalization Approach
3. The Sales Comparison Approach

## **Cost Approach**

The Cost Approach is based on the principle that a prudent buyer would not pay more for a property than the cost of obtaining a similar site and having similar improvements constructed on the site. The land and the improvements are separately valued. The land is valued based on sales of comparable sites, adjusting their sale prices for differences indicated by the market. The replacement cost new of the improvements is estimated, and then adjusted for depreciation. The depreciated value of the improvements is then added to the value of the land to arrive at an estimate of value for the subject by the Cost Approach. The Cost Approach is summarized as follows:

$$\begin{array}{l} \text{Cost New} \\ - \text{Depreciation} \\ + \text{Land Value} \\ = \text{Value} \end{array}$$

## **Sales Comparison Approach**

The Sales Comparison Approach is based on the principle that a prudent buyer would not pay more to purchase a property than it would cost to purchase a similar alternative property. The first step in this approach is to collect sale prices (or asking prices) for properties that are comparable to the subject. These sales are then analyzed using common units of comparison, such as price per square foot, price per dwelling unit, or price per acre, depending on the property type. The unit prices that are derived are then adjusted for differences between the comparable sales and the subject. An adjusted unit price is applied to the subject, resulting in an estimate of value by the Sales Comparison Approach.

## **Income Capitalization Approach**

The Income Capitalization Approach is based on the principle that a prudent buyer will pay no more for an income-producing property than the value of the projected income capitalized (or discounted) to a current lump-sum value at a given rate of return. This approach forecasts a gross income for the subject, which is reduced to a net income by deducting a vacancy allowance and reasonable expenses. The net income is then capitalized (or discounted) based on a rate that is required in the market, taking into account the perceived risks and benefits that would apply to owning the subject property. The capitalization process results in an estimate of value by the Income Capitalization Approach.

## **Final Reconciliation**

The appraisal process concludes with the final reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others.



### ***Analyses Applied***

A **cost analysis** was considered and was not developed because the subject is vacant land.

A **sales comparison analysis** was considered and was developed because there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.

An **income analysis** was considered and was not developed because the subject is not an income producing property and this approach does not reflect market behavior for this property type.

# SALES COMPARISON APPROACH

## Land Valuation

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed and the data reconciled for a final indication of value via the Sales Comparison Approach.

## *Land Comparables*

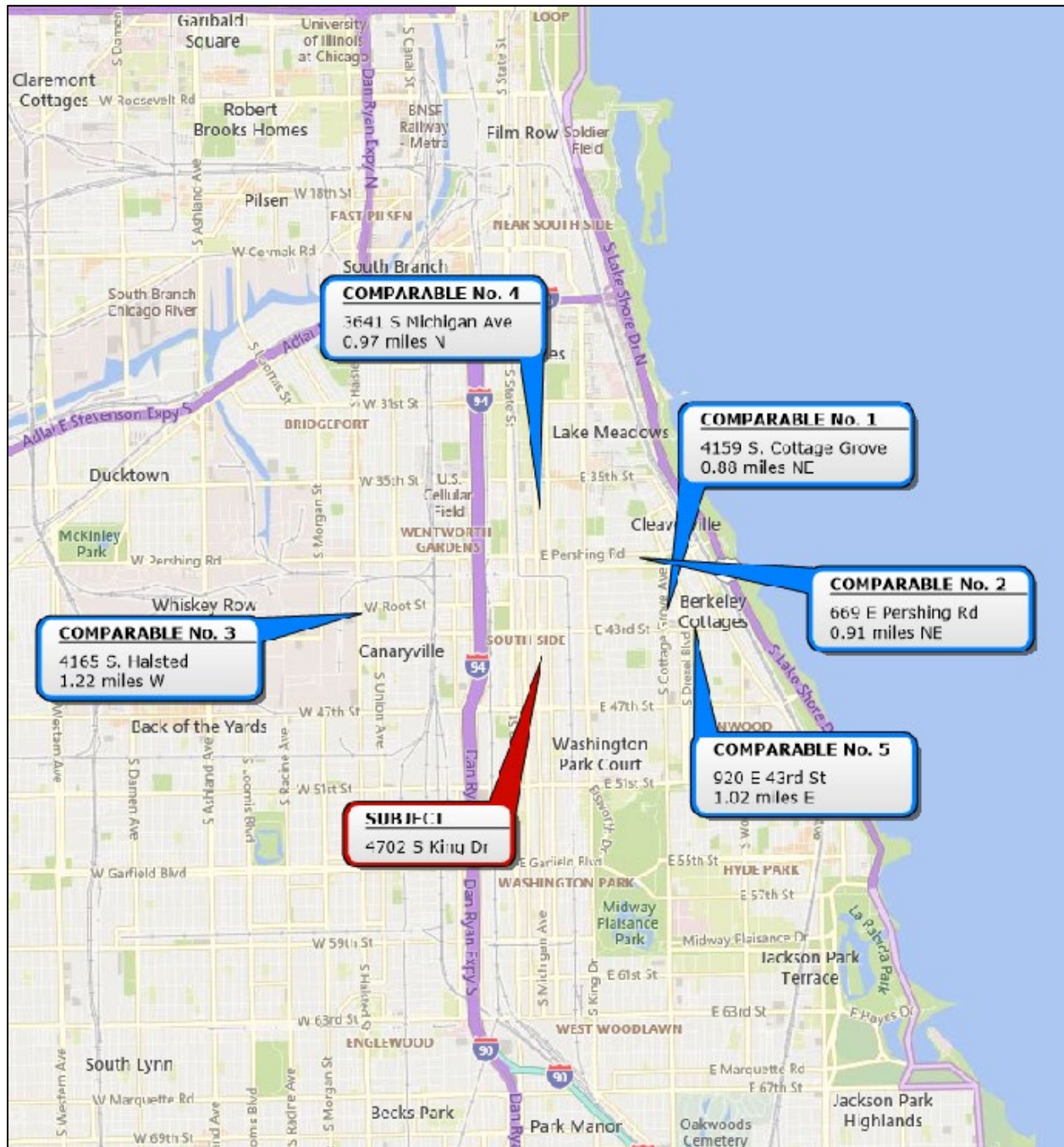
We have been asked to provide a separate value for each of the four individual properties. For each property we have documented appropriate comparables, followed by a location map and analysis grid.

All sales have been researched through numerous sources, inspected and verified by a party to the transaction and/or by public record. The following data is considered the most pertinent available.

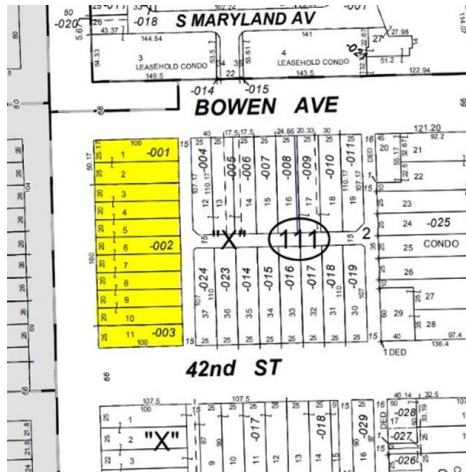
## Comparable Land Sales Summary

Comp	Address	Date	Zoning	Land SF	
City	City	Price	Road Frontage	Price Per Land SF	Comments
<b>Subject</b>	4702-04 S. King	N/A	B1-5	12,450	The rectangular site has 83 feet of frontage on the west side of King Drive and 150 feet of frontage on the south side of 47th Street. The property is located at a signalized intersection.
	Chicago	N/A	Interior	--	
1	4137-59 S. Cottage Grove	11/15/2019	C1-3	23,517	According to the listing broker this was the sale of a dual corner property having 235.17 feet of frontage on the west side of Cottage Grove Avenue and 100 feet of frontage on the north side of Bowen Avenue and 42nd Street. The property had been on the market for an extended period of time with an original list price of \$1,200,000. Pam Tuggle of @ properties confirmed that this was an arms length transaction.
	Chicago	\$550,000	Dual corner	\$23.39	
2	669 E Pershing Road	5/30/2018	B3-3	27,180	This is the sale of a 27,180 SF corner site along E Pershing Road and S Langley Avenue. At the time of sale it was vacant and development ready.
	Chicago	\$720,000	Corner	\$26.49	
3	4165 S Halsted St	10/18/2018	B3-2	44,425	This is a vacant, 44,425 sf, signalized dual-corner land parcel zoned B3-2. The site is located across the street from industrial park. Per the listing broker, Mr. Gavin Stainthorpe of Nelson Hill, this was an arm's-length transaction. The buyer intends to develop this site with a residential use, which would require a zoning variance.
	Chicago	\$1,350,000	Signalized Dual Corner	\$30.39	
4	3641 S. Michigan Avenue	11/4/2020	C1-3	7,185	According to the listing broker, Richard Aronson of Berkshire Hathaway, this was the sale of a 7,185 sf site having 50 feet of frontage on the east side of Michigan Avenue and a uniform depth of 143.7 feet. The buyer plans to construct an 8-unit mixed-use commercial with residential condominium development. The property was listed for sale for \$280,000 and was on the market for over a year prior to selling. The sale occurred on 11/4/2020 and has not yet been recorded on the Cook County Recorder of Deeds website. The listing broker confirmed the sale price.
	Chicago	\$237,500	Interior	\$33.05	
5	920 E. 43rd Street	4/15/2020	B3-3	16,025	According to the listing broker this is the sale of a 16,025 sf interior site having 100 feet of frontage on the north side of 43rd Street. The property was listed for \$600,000 but sold for \$650,000 due to a bidding war. The buyer has since obtained a permit for a new four-story mixed-use development with two ground floor commercial units and 33 apartments above., with 23 garage parking spaces and eight exterior parking spaces.
	Chicago	\$650,000	Interior	\$40.56	

## Comparables Map



## Land Comparable 1



Transaction			
<b>ID</b>	7274	<b>Date</b>	11/15/2019
<b>Address</b>	4137-59 S. Cottage Grove	<b>Price</b>	\$550,000
<b>City</b>	Chicago	<b>Price Per Land SF</b>	\$23.39
<b>State</b>	IL	<b>Financing</b>	Cash
<b>Tax ID</b>	20-02-111-001/002/003	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	AA Royner and Sons		
<b>Grantee</b>	41st & Cottage LLC	<b>Verification</b>	Listing broker, MLS, CCRD
<b>Book/Page or Reference</b>	1935308076		

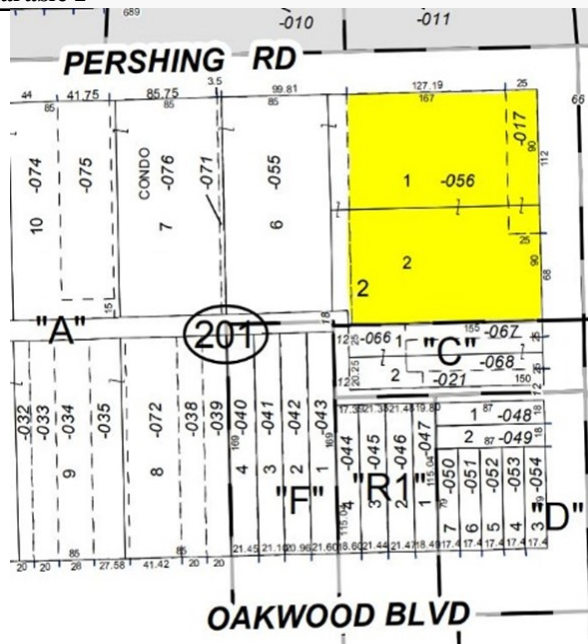
Site			
<b>Acres</b>	0.54	<b>Topography</b>	Level
<b>Land SF</b>	23,517	<b>Zoning</b>	C1-3
<b>Road Frontage</b>	Dual corner	<b>Flood Zone</b>	X
<b>Shape</b>	Rectangular	<b>Encumbrance or</b>	None Known
<b>Utilities</b>	All Utilities to Site	<b>Environmental Issues</b>	None Known

**Comments**

According to the listing broker this was the sale of a dual corner property having 235.17 feet of frontage on the west side of Cottage Grove Avenue and 100 feet of frontage on the north side of Bowen Avenue and 42nd Street. The property had been on the market for an extended period of time with an original list price of \$1,200,000. Pam Tuggle of @ properties confirmed that this was an arms length transaction.



## Land Comparable 2

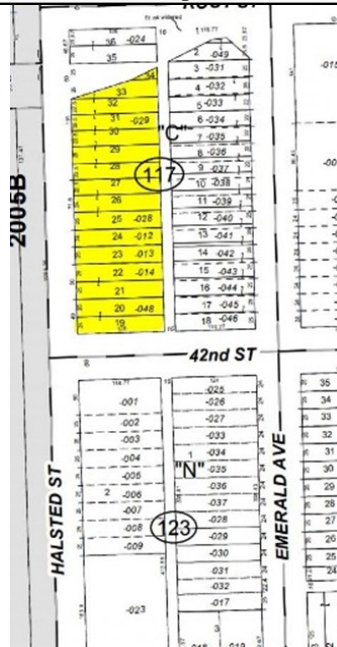


Transaction			
<b>ID</b>	4547	<b>Date</b>	5/30/2018
<b>Address</b>	669 E Pershing Road	<b>Price</b>	\$720,000
<b>City</b>	Chicago	<b>Price Per Land SF</b>	\$26.49
<b>State</b>	IL	<b>Financing</b>	Conventional
<b>Tax ID</b>	20-03-201-056, -017	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	Anita Nayak		
<b>Grantee</b>	United Prop One LLC	<b>Verification</b>	MLS, public records
<b>Book/Page or Reference</b>	1815818092		

Site			
<b>Acres</b>	0.62	<b>Topography</b>	Level
<b>Land SF</b>	27,180	<b>Zoning</b>	B3-3
<b>Road Frontage</b>	Corner	<b>Flood Zone</b>	No
<b>Shape</b>	Rectangular	<b>Encumbrance or</b>	None known
<b>Utilities</b>	To site	<b>Environmental Issues</b>	None known

Comments	
This is the sale of a 27,180 SF corner site along E Pershing Road and S Langley Avenue. At the time of sale it was vacant and development ready.	

### Land Comparable 3



#### Transaction

<b>ID</b>	5769	<b>Date</b>	10/18/2018
<b>Address</b>	4165 S Halsted St	<b>Price</b>	\$1,350,000
<b>City</b>	Chicago	<b>Price Per Land SF</b>	\$30.39
<b>State</b>	IL	<b>Financing</b>	Conventional
<b>Tax ID</b>	20-04-117-012, 013, 014, 028, 029,	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	Chicago Title Land Trust		
<b>Grantee</b>	Kasper Dev, LLC	<b>Verification</b>	CoStar ID: 4549999
<b>Book/Page or Reference</b>	1829945070, 71, 72		
<b>Doc</b>			

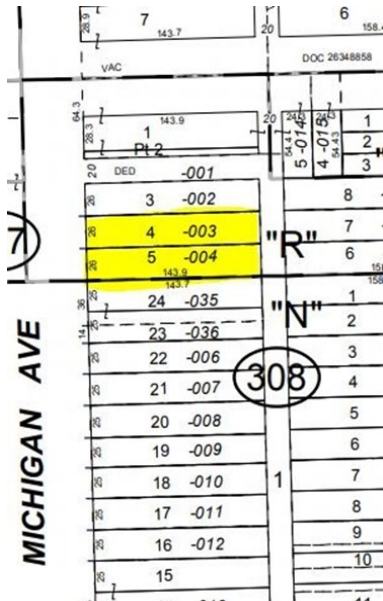
#### Site

<b>Acres</b>	1.02	<b>Topography</b>	Level
<b>Land SF</b>	44,425	<b>Zoning</b>	B3-2
<b>Road Frontage</b>	Signalized Dual Corner	<b>Flood Zone</b>	X
<b>Shape</b>	Trapezoidal	<b>Encumbrance or</b>	None Reported
<b>Utilities</b>	All to Site	<b>Environmental Issues</b>	None Reported

#### Comments

This is a vacant, 44,425 sf, signalized dual-corner land parcel zoned B3-2. The site is located across the street from industrial park. Per the listing broker, Mr. Gavin Stainthorpe of Nelson Hill, this was an arm's-length transaction. The buyer intends to develop this site with a residential use, which would require a zoning variance.

## Land Comparable 4



Transaction			
<b>ID</b>	7275	<b>Date</b>	11/4/2020
<b>Address</b>	3641 S. Michigan Avenue	<b>Price</b>	\$237,500
<b>City</b>	Chicago	<b>Price Per Land SF</b>	\$33.05
<b>State</b>	IL	<b>Financing</b>	Cash
<b>Tax ID</b>	1434308003/004	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	--		
<b>Grantee</b>	--	<b>Verification</b>	Listing broker, MLS

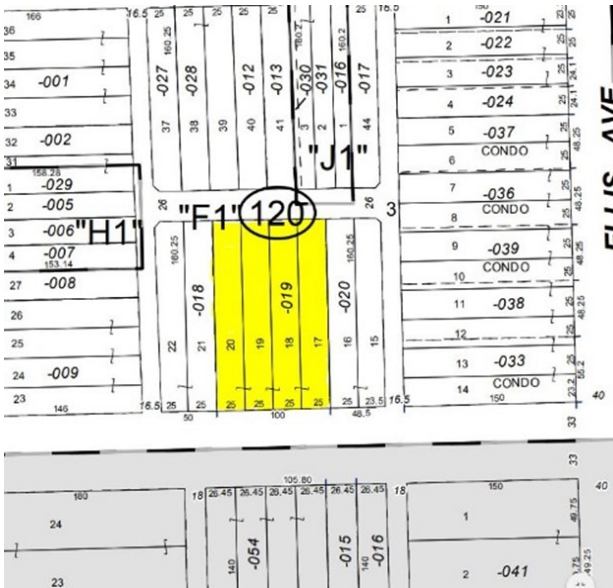
**Book/Page or Reference** --

Site			
<b>Acres</b>	0.16	<b>Topography</b>	Level
<b>Land SF</b>	7,185	<b>Zoning</b>	C1-3
<b>Road Frontage</b>	Interior	<b>Flood Zone</b>	X
<b>Shape</b>	Rectangular	<b>Encumbrance or</b>	None Known
<b>Utilities</b>	All Utilities to Site	<b>Environmental Issues</b>	None Known

**Comments**

According to the listing broker, Richard Aronson of Berkshire Hathaway, this was the sale of a 7,185 sf site having 50 feet of frontage on the east side of Michigan Avenue and a uniform depth of 143.7 feet. The buyer plans to construct an 8-unit mixed-use commercial with residential condominium development. The property was listed for sale for \$280,000 and was on the market for over a year prior to selling. The sale occurred on 11/4/2020 and has not yet been recorded on the Cook County Recorder of Deeds website. The listing broker confirmed the sale price.

## Land Comparable 5



Transaction			
<b>ID</b>	7276	<b>Date</b>	4/15/2020
<b>Address</b>	920 E. 43rd Street	<b>Price</b>	\$650,000
<b>City</b>	Chicago	<b>Price Per Land SF</b>	\$40.56
<b>State</b>	IL	<b>Financing</b>	Conventional
<b>Tax ID</b>	20-02-120-019	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	Chicago Title Land Trust #13647		
<b>Grantee</b>	Dom Acq LLC	<b>Verification</b>	Listing broker, MLS, CCRD
<b>Book/Page or Reference</b>	201212103		

Site			
<b>Acres</b>	0.37	<b>Topography</b>	Level
<b>Land SF</b>	16,025	<b>Zoning</b>	B3-3
<b>Road Frontage</b>	Interior	<b>Flood Zone</b>	X
<b>Shape</b>	Rectangular	<b>Encumbrance or</b>	None Known
<b>Utilities</b>	All Utilities to Site	<b>Environmental Issues</b>	None Known

Comments
According to the listing broker this is the sale of a 16,025 sf interior site having 100 feet of frontage on the north side of 43rd Street. The property was listed for \$600,000 but sold for \$650,000 due to a bidding war. The buyer has since obtained a permit for a new four-story mixed-use development with two ground floor commercial units and 33 apartments above., with 23 garage parking spaces and eight exterior parking spaces.

Land Analysis Grid		Comp 1		Comp 2		Comp 3		Comp 4		Comp 5	
Address	4702-4704 S. King	4137-59 S. Cottage		669 E Pershing Road		4165 S Halsted St		3641 S. Michigan		920 E. 43rd Street	
City	Chicago	Chicago		Chicago		Chicago		Chicago		Chicago	
State	IL	IL		IL		IL		IL		IL	
Date	12/4/2020	11/15/2019		5/30/2018		10/18/2018		11/4/2020		4/15/2020	
Price		\$550,000		\$720,000		\$1,350,000		\$237,500		\$650,000	
Land SF	12,450	23,517		27,180		44,425		7,185		16,025	
Land SF Unit Price	--	\$23.39		\$26.49		\$30.39		\$33.05		\$40.56	
<b>Transaction Adjustments</b>											
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional	Cash	0.0%	Conventional	0.0%	Conventional	0.0%	Cash	0.0%	Conventional	0.0%
Conditions of Sale	N/A	Typical	0.0%	Normal	0.0%	Typical	0.0%	Typical	0.0%	Typical	0.0%
<b>Adjusted Land SF Unit Price</b>		<b>\$23.39</b>		<b>\$26.49</b>		<b>\$30.39</b>		<b>\$33.05</b>		<b>\$40.56</b>	
Market Trends Through	12/4/2020	0.0%	-3.0%	-3.0%		-3.0%		0.0%		0.0%	
<b>Adjusted Land SF Unit Price</b>		<b>\$22.69</b>		<b>\$25.70</b>		<b>\$29.48</b>		<b>\$33.05</b>		<b>\$40.56</b>	
Location	Average	Similar		Similar		Inferior		Superior		Superior	
% Adjustment		0%		0%		5%		-5%		-10%	
\$ Adjustment		\$0.00		\$0.00		\$1.47		-\$1.65		-\$4.06	
Land SF	12,450	23,517		27,180		44,425		7,185		16,025	
% Adjustment		5%		5%		8%		0%		0%	
\$ Adjustment		\$1.13		\$1.28		\$2.36		\$0.00		\$0.00	
Topography	Level	Level		Level		Level		Level		Level	
% Adjustment		0%		0%		0%		0%		0%	
\$ Adjustment		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	
Shape	Rectangular	Rectangular		Rectangular		Trapezoidal		Rectangular		Rectangular	
% Adjustment		0%		0%		0%		0%		0%	
\$ Adjustment		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	
Zoning	B1-5	C1-3		B3-3		B3-2		C1-3		B3-3	
% Adjustment		10%		10%		15%		10%		10%	
\$ Adjustment		\$2.27		\$2.57		\$4.42		\$3.31		\$4.06	
Road Frontage	Signal Corner	Dual corner		Corner		Signalized Dual		Interior		Interior	
% Adjustment		3%		5%		-5%		7%		7%	
\$ Adjustment		\$0.68		\$1.28		-\$1.47		\$2.31		\$2.84	
<b>Adjusted Land SF Unit Price</b>		<b>\$26.77</b>		<b>\$30.83</b>		<b>\$36.26</b>		<b>\$37.02</b>		<b>\$43.40</b>	
Net Adjustments		18.0%		20.0%		23.0%		12.0%		7.0%	
Gross Adjustments		18.0%		20.0%		33.0%		22.0%		27.0%	



## ***Comparable Land Sale Adjustments***

The following analysis pertains to one of the four subject properties, identified as follows:

### **Subject Property**

4702-04 S. King Drive                      20-10-105-004 and 005                      12,450 sf                      B1-5

4640 S. King Drive contains 15,000 sf and is zoned B3-3

449-51 E. 47<sup>th</sup> Street contains 25,709 sf and is zoned B1-5.

4711-55 S. Calumet contains 64,793 and is zoned B3-3.

These three subject properties will be analyzed separately.

### **Property Rights**

The subject is valued on a fee simple basis.

It appears that all of the comparables sold on a fee simple basis; therefore, no property rights adjustments are required.

### **Financing**

The availability of financing affects both the supply of real estate and property values. In most cases, the cost and availability of financing have an inverse relationship; high interest rates and other costs usually are accompanied by a decline in the demand for credit. The adjustment for financing considers the differences in financing terms between the subject property and the comparable sales. Adjustments are made for sales financed with terms not readily available to typical buyers.

None of the comparables indicated that unusual financing factors affected the indicated sales prices. The comparable sales are cash, are conventionally financed at market rates, or involved terms equivalent to cash and therefore need no adjustments.

### **Conditions of Sale**

If a comparable sale reflects unusual situations, we make appropriate adjustments for the motivations of the buyer and the seller, or for atypical conditions of sale. Situations requiring adjustment may include 1031 tax exchanges, assemblies, condemnation, sales between related parties and partnership dissolution.

The comparables were marketed as non-distressed arms-length transactions and therefore no adjustments are required.

### **Expenditures After Purchase / Demolition**

The subject properties are vacant land as are all of the comparables. No adjustments are required for this characteristic.

## **Economic Trends**

An adjustment for market conditions may be necessary for sales if price appreciation or depreciation is common in the market, or if other factors such as tax law changes, moratoriums, or fluctuations in supply and demand have influenced values over the time of the sales. Although sometimes called a “time” adjustment, time is not the cause of the adjustment. Values do not change owing to the passage of time; they change along with changing market conditions.

Overall, the subject’s Grand Boulevard community area indicates stable demographic trends and for-sale housing markets that have been stable to increasing. The immediate subject area is a low income area with lower than average median household incomes of \$47,184 within ½ mile radius (\$70,760 is the Chicago Metropolitan average) of the subject. Additionally, the ongoing coronavirus outbreak is likely to continue to have a negative impact on market conditions in the near future. Overall, the subject’s location had been in a growth phase, but has declined in the past year and is facing additional uncertainty due to the economic fall-out of the pandemic.

While currently, there is a lack of evidence to definitively support a quantitative adjustment, we have made a downward adjustment in recognition of the loss in value for commercial properties as of the effective date of value to Comps 1, 2 and 3 which sold prior to the onset of the pandemic.

Comps 4 and 5 sold in November and April of 2020 and are similar in market conditions and therefore, no adjustment is made.

## **Location**

Adjustments may be necessary to reflect the differences in value attributable to a property's location or market area. Although comparable properties in the same market area have similar general locational characteristics, property specific variations may exist. The key locational characteristics we considered include access and surrounding uses and development in the area.

The subject property is located at 4702-04 S. King Drive and has an average daily traffic count of 10,300 vehicles per day.

Comp 1 is located at 4137-59 S. Cottage Grove and has an average daily traffic count of 9,250 vehicles per day. Comp 1 is located 0.9 miles northeast of the subject and although it is closer to Lake Shore Drive and Lake Michigan it is further from commuter rail stations and is generally similar overall in location.

Comp 2 is located at 669 E. Pershing Road and has an average daily traffic count of 10,100 vehicles per day. Comp 2 is located 0.9 miles northeast of the subject and although it is closer to Lake Shore Drive and Lake Michigan it is further from commuter rail stations and is generally similar overall in location.

Comp 3 is located at 4165 S. Halsted 1.2 miles west of the subject and has an average daily traffic count of 11,600 vehicles per day. The property is located west of the Dan Ryan expressway in an area deemed inferior to that of the subject and an upward adjustment is required.

Comp 4 is located at 3641 S. Michigan Avenue, approximately one-mile north of the subject and has an average daily traffic count of 5,100 vehicles per day. The property has an inferior traffic count to that of the subject, however, it is a mile northwest in a superior market area. It is just east of the Dan Ryan expressway in proximity to public transportation, the Chicago Police Headquarters and has superior retail co-tenancy with McDonalds and Starbucks on 35<sup>th</sup> Street. Overall, this property is slightly superior to the subject in location with a downward adjustment applied.

Comp 5 is located at 920 E. 43<sup>rd</sup> Street one-mile northeast of the subject and has an average daily traffic count of 8,450 vehicles per day. The property is located within ½ mile of Lake Shore Drive and Oakwood Beach but is further from train transport. Overall, the property is superior to the subject in location.

### **Size**

Size adjustments are necessary when there are significant differences in site size. There is usually an inverse relationship between unit value and size, with smaller sites selling at higher prices per square foot of land than larger sites, all else being equal.

4702-04 S. King contains 12,450 square feet. Comps 1, 2 and 3 are between 23,517 sf and 44,425 sf and are inferior to the subject in size with upward adjustments applied. Comps 4 and 5 are generally similar with no required adjustments.

### **Topography**

The subject and all of the comparables have generally level topography. No adjustments are required.

### **Shape**

The subject and Comps 1, 2, 4 and 5 are generally rectangular in shape and no adjustments are required. Comp 3 is a trapezoid, but is generally similar in shape and an adjustment is not necessary.

### **Zoning**

Zoning and characteristics of the site may affect how a site can be used and how much of the parcel is buildable. The subject property at 4702-04 S. King Drive is zoned B1-5 which has a minimum lot area per dwelling unit requirement of 200 sf and a maximum FAR of 5.0. There is little evidence of developers constructing improvements to this allowed density in the market area, however it is still superior to all Comps in zoning.

Comps 1 and 4 are zoned C1-3. The C1 District allows more intensive uses than the B1 District however it has a minimum lot area per dwelling unit of 400 sf and maximum FAR of 3.0 and is inferior overall with an upward adjustment applied.

Comps 2 and 5 are zoned B3-3 which allows more uses than the B1 District however it has stricter bulk and density requirements and is inferior overall with upward adjustments applied.

Comp 3 is zoned B3-2 which has a minimum lot area per dwelling unit requirements of 1,000 sf and a maximum FAR of 2.2 making it significantly inferior to the subject in bulk and density standards with an upward adjustment applied.

### **Road Frontage/Block Location**

4702-04 S. King Drive is a signalized corner property having frontage on King Drive and 47<sup>th</sup> Street. Comp 1 is a dual corner however does not have a signal and is slightly inferior with an upward adjustment applied. Comp 2 is a corner property but does not have a signal and is adjusted upward. Comp 3 is a dual corner with one being signalized and is superior to the subject with a downward adjustment applied. Comps 4 and 5 are interior properties and are adjusted upward.

### ***Conclusion – Land Valuation (4702-04 S. King Drive)***

The comparables have adjusted unit prices between \$26.77 psf and \$43.40 psf, an average unit price of \$34.86 psf and a median of \$36.26psf. While all of the comparables were considered, the most weight was given to Comps 4 and 5. Comp 4 had the most recent date of sale and was also generally similar in size. Comp 5 required the least amount of net adjustment and is also similar in size and date of sale. The adjusted average unit sale price of these two comparables is \$40.21 psf. Therefore, the concluded value for one of the four subject properties is between the average adjusted unit price of Comps 4 and 5 (\$40.21 psf), and the adjusted average of all of the comparables (\$34.86 psf), or say approximately \$37.00 per square foot. The indicated value opinions of 4702-4704 S. King Drive is summarized as follows:

4702-04 S. King Drive – 20-10-105-004/005

12,450 sf @ \$37.00 = \$460,650 or \$460,000 as rounded

### **449-451 E. 47<sup>th</sup> Street, Chicago, Illinois**

We have used the same comparable land sales to value 449-451 E. 47<sup>th</sup> Street. The adjustment grid is presented on the following page.

***Valuation – 449-51 E. 47<sup>th</sup> Street – 20-10-200-013 & 014 (25,709 sf; signal corner; B1-5)***

Column1	Subject	1	2	3	4	5
Address	449-51 E. 47 <sup>th</sup> Street	4137-39 S. Cottage	669 E. Pershing	4165 S. Halsted	3641 S. Michigan	920 E. 43rd
Sale Date	N/A	11/2019	05/2018	10/2018	11/2020	04/2020
Price	N/A	\$550,000	\$720,000	\$1,350,000	\$237,500	\$650,000
Land SF	25,709	23,517	27,180	44,425	7,185	16,025
Price Psf	N/A	\$23.39	\$26.49	\$30.39	\$33.05	\$40.56
Property Rights	<i>Fee Simple</i>	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing	<i>Conventional</i>	Cash	Cash	Cash	Cash	Cash
Conditions of Sale	N/A	Typical	Typical	Typical	Typical	Typical
Location	<i>Average</i>	Similar	Similar	Inferior	Superior	Superior
Topography	<i>Level</i>	Level	Level	Level	Level	Level
Shape	<i>Rectangular</i>	Rectangular	Rectangular	Trapezoid	Rectangular	Rectangular
Zoning	<i>B1-5</i>	C1-3	B3-3	B3-2	C1-3	B3-3
Road Frontage	<i>Sig. Corner</i>	Dual Corner	Corner	Sig. Dual	Interior	Interior
Env. Issues	<i>None known</i>	None known	None known	None known	None known	None known



Comp 1: Sold for \$550,000 or \$23.39 psf prior to adjustments and is similar to the subject in property rights, financing, size, location, topography, shape, and lack of environmental issues. The sale requires a 3% downward adjustment for date of sale / market trends due to the onset of Covid but upward adjustments of 10% for inferior zoning and 3% for lack of signalized corner location. This results in an adjusted unit price of \$25.63 psf.

Comp 2: Sold for \$720,000 or \$26.49 psf and is similar to the subject in property rights, financing, location, size, topography, shape, zoning, and lack of environmental issues. The sale requires a 3% downward adjustment for date of sale / market trends due to Covid but upward adjustments of 10% for inferior zoning and 5% because it is not located at a signalized corner. This results in an adjusted unit price of \$29.55 psf.

Comp 3: Sold for \$1,350,000 or \$30.39 psf and is similar to the subject property in property rights, financing, conditions of sale, topography and lack of environmental issues. The sale is superior in date of sale and was adjusted downward 3% due to the onset of Covid and is also superior in that it is located at a dual corner with one of them signalized. Comp 3 requires an upward adjustment for larger size, inferior location, and zoning. The adjusted unit price is \$35.37 psf.

Comp 4: Sold for \$237,500 or \$33.05 psf and is similar to the subject property in property rights, financing, conditions, date of sale, location topography, shape, and lack of environmental issues. The sale is superior in size and slightly superior in location with a downward adjustment required but is inferior in zoning and interior lot locale with upward adjustments applied. The adjusted unit price is \$35.36 psf.

Comp 5: Sold for \$650,000 or \$40.56 psf and is generally similar to the subject property in property rights, financing, conditions of sale, date of sale, topography, shape, and lack of environmental issues. The sale is superior in location and slightly superior in size with downward adjustments required. Comp 5 is inferior in zoning and interior lot locale with upward adjustments applied. The indicated adjusted unit price is \$42.18 psf.

The adjustments are summarized on the following grid:

<b>Comp 1</b> <b>4137 S. Cottage</b> <b>\$23.39 psf</b>	<b>Comp 2</b> <b>669 E. Pershing</b> <b>\$26.49 psf</b>	<b>Comp 3</b> <b>4165 S. Halsted</b> <b>\$30.39 psf</b>	<b>Comp 4</b> <b>3641 S. Michigan</b> <b>\$33.05</b>	<b>Comp 5</b> <b>920 E. 43rd</b> <b>\$40.56</b>
-3% Date of Sale	-3% Date of Sale	-3% Date of Sale	-5% size	-10% location
+10% zoning	+10% zoning	+5% Location	+10% zoning	-3% size
+3% no signal but dual corner	+5% no signal	+5% size	+7% interior	+10% zoning
		+15% zoning	-5% location	+7% interior
		-5% Signal dual		
Adjusted \$25.63	Adjusted \$29.55 psf	Adjusted \$35.37 psf	Adjusted \$35.36 psf	Adjusted \$42.18 psf

### ***Conclusion – Land Valuation – 449-51 E. 47<sup>th</sup> Street***

The comparables have a range in adjusted value between \$25.63 psf and \$42.18 psf with an average of \$33.62 psf. While all of the comparables were considered, the most weight was given to Comps 1 and 2 as they are the most similar in size and Comp 4 for most recent date of sale. Therefore, the concluded value is between the average adjusted unit value of Comps 1, 2 and 4 (\$30.18 psf), and the adjusted average of all of the comparables (\$33.62 psf), or say **\$32.00** per square foot.

$$25,709 \text{ square feet} \times \$32.00 \text{ psf} = \$822,688 \text{ rounded to } \mathbf{\$820,000}$$

***Valuation – 4711-55 S. Calumet – 20-10-105-002 & 003 (64,793 sf; corner; B3-3)***

Column1	Subject	1	2	3	4	5
Address	4711-55 S. Calumet Street	4137-39 S. Cottage	669 E. Pershing	4165 S. Halsted	3641 S. Michigan	920 E. 43rd
Sale Date	N/A	11/2019	05/2018	10/2018	11/2020	04/2020
Price	N/A	\$550,000	\$720,000	\$1,350,000	\$237,500	\$650,000
Land SF	64,793	23,517	27,180	44,425	7,185	16,025
Price Psf	N/A	\$23.39	\$26.49	\$30.39	\$33.05	\$40.56
Property Rights	<i>Fee Simple</i>	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing	<i>Conventional</i>	Cash	Cash	Cash	Cash	Cash
Conditions of Sale	N/A	Typical	Typical	Typical	Typical	Typical
Location	<i>Average</i>	Superior	Superior	Similar	Superior	Superior
Topography	<i>Level</i>	Level	Level	Level	Level	Level
Shape	<i>Rectangular</i>	Rectangular	Rectangular	Trapezoid	Rectangular	Rectangular
Zoning	<i>B3-3</i>	C1-3	B3-3	B3-2	C1-3	B3-3
Road Frontage	<i>Corner</i>	Dual Corner	Corner	Sig. Dual	Interior	Interior
Env. Issues	<i>None known</i>	None known	None known	None known	None known	None known

Comp 1: Sold for \$550,000 or \$23.39 psf prior to adjustments and is similar to the subject in property rights, financing, location, topography, zoning, shape, and lack of environmental issues. The sale requires a downward adjustment for date of sale, due to the onset of Covid and a downward adjustment for superior size and dual corner locale. Comp 1 is located on a primary thoroughfare whereas the subject is located on a secondary street making it superior in location. This results in an adjusted unit price of \$19.06 psf.

Comp 2: Sold for \$720,000 or \$26.49 psf and is similar to the subject in property rights, financing, location, topography, shape, zoning, and lack of environmental issues. The sale requires a downward adjustment for date of sale due to Covid and a downward adjustment for size and location as it is located on a primary street. This results in an adjusted unit price of \$22.61 psf.

Comp 3: Sold for \$1,350,000 or \$30.39 psf and is similar to the subject property in property rights, financing, conditions of sale, topography, shape and lack of environmental issues. The sale is superior in date of sale and was adjusted downward due to the onset of Covid and is also superior in size and because it is located at a dual corner with one of them signalized. Comp 3 requires an upward adjustment for inferior zoning. The adjusted unit price is \$28.00 psf.

Comp 4: Sold for \$237,500 or \$33.05 psf and is similar to the subject property in property rights, financing, conditions, date of sale, topography, shape, and lack of environmental issues. The sale is significantly superior in size with a downward adjustment required and is also superior in location but is inferior in interior lot locale with upward adjustments applied. The adjusted unit price is \$26.77 psf.

Comp 5: Sold for \$650,000 or \$40.56 psf and is generally similar to the subject property in property rights, financing, conditions of sale, date of sale, topography, shape, and lack of environmental issues. The sale is superior in location and size with downward adjustments required. Comp 5 is inferior in interior lot locale with upward adjustments applied. The indicated adjusted unit price is \$33.26 psf.

The adjustments are summarized on the following grid:

<b>Comp 1</b> <b>4137 S. Cottage</b> <b>\$23.39 psf</b>	<b>Comp 2</b> <b>669 E. Pershing</b> <b>\$26.49 psf</b>	<b>Comp 3</b> <b>4165 S. Halsted</b> <b>\$30.39 psf</b>	<b>Comp 4</b> <b>3641 S. Michigan</b> <b>\$33.05</b>	<b>Comp 5</b> <b>920 E. 43rd</b> <b>\$40.56</b>
-3% Date of Sale	-3% Date of Sale	-3% Date of Sale	-7% Location	-12% Location
-5% Location	-5% Location	-5% Size	-15% Size	-9% Size
-3% Dual Corner	-7% Size	-5% Dual Signal	+3% Interior	+3% Interior
-8% Size		+5% Zoning		
Adjusted \$19.06 psf	Adjusted \$22.61 psf	Adjusted \$28.00 psf	Adjusted \$26.77 psf	Adjusted \$33.26

### ***Conclusion – Land Valuation – 4711-55 S. Calumet***

The subject's lot at 4711-55 S. Calumet is significantly larger than the other subject properties which typically indicates a lower unit price, all else being equal. The comparables have a range in adjusted unit values between \$19.06 to \$33.26 psf with an average of \$25.94 psf. While all of the comparables were considered, the most weight was given to Comp 3 as it is the most similar in size. Therefore, the concluded value is between the adjusted unit value of Comp 3 (\$28.00 psf), and the adjusted average of all of the comparables (\$25.94 psf), or say **\$27.00** per square foot.

64,793 square feet x \$27.00 psf = \$1,749,411, rounded to **\$1,750,000**

***Valuation – 4640 S. King Drive – 20-03-323-019 (15,000 sf; interior; B3-3)***

Column1	Subject	1	2	3	4	5
Address	4640 S. King Drive	4137-39 S. Cottage	669 E. Pershing	4165 S. Halsted	3641 S. Michigan	920 E. 43rd
Sale Date	N/A	11/2019	05/2018	10/2018	11/2020	04/2020
Price	N/A	\$550,000	\$720,000	\$1,350,000	\$237,500	\$650,000
Land SF	15,000	23,517	27,180	44,425	7,185	16,025
Price Psf	N/A	\$23.39	\$26.49	\$30.39	\$33.05	\$40.56
Property Rights	<i>Fee Simple</i>	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Financing	<i>Conventional</i>	Cash	Cash	Cash	Cash	Cash
Conditions of Sale	N/A	Typical	Typical	Typical	Typical	Typical
Location	<i>Average</i>	Superior	Superior	Inferior	Superior	Superior
Topography	<i>Level</i>	Level	Level	Level	Level	Level
Shape	<i>Rectangular</i>	Rectangular	Rectangular	Trapezoid	Rectangular	Rectangular
Zoning	<i>B3-3</i>	C1-3	B3-3	B3-2	C1-3	B3-3
Road Frontage	<i>Interior</i>	Dual Corner	Corner	Sig. Dual	Interior	Interior
Env. Issues	<i>None known</i>	None known	None known	None known	None known	None known

4640 S. King Drive is an interior property located on the west side of King Drive. King Drive is a Boulevard with a primary two-lane, north/south thoroughfare down the center of the road and two secondary one-way north/south streets on either side of a landscaped median. The subject is located on the secondary street and is a one-way street heading south at this location. The property lacks the exposure and access required for most commercial uses. Conversely, it is near the Harold Washington Cultural Center. This was considered when making location adjustments. Comp 3 required an upward adjustment for inferior location however the adjustment was less than that made for the subject properties located at 4702 King Drive (signalized corner with primary frontage on 47<sup>th</sup> Street) and 449 E. 47<sup>th</sup> Street.

Comp 1: Sold for \$550,000 or \$23.39 psf prior to adjustments and is similar to the subject in property rights, financing, topography, shape, and lack of environmental issues. The sale requires a downward adjustment for date of sale due to the onset of Covid, location, and in dual corner locale with a downward adjustments required. Comp 1 is inferior in size with an upward adjustment required. The adjusted unit price is \$21.10 psf.

Comp 2: Sold for \$720,000 or \$26.49 psf and is similar to the subject in property rights, financing, topography, shape, zoning, and lack of environmental issues. The sale requires a downward adjustment for date of sale due to Covid and additional downward adjustments for location and because it is a corner locale. This sale requires an upward adjustment for inferior size. This results in an adjusted unit price of \$24.67 psf.

Comp 3: Sold for \$1,350,000 or \$30.39 psf and is similar to the subject property in property rights, financing, conditions of sale, topography and lack of environmental issues. The sale is superior in date of sale and was adjusted downward due to the onset of Covid and is also superior in that it is located at a dual corner with one of them signalized. Comp 3 requires an upward adjustment for inferior location, larger size and inferior zoning. The adjusted unit price is \$30.95 psf.

Comp 4: Sold for \$237,500 or \$33.05 psf and is similar to the subject property in property rights, financing, conditions, date of sale, topography, shape, zoning, interior lot locale and lack of environmental issues. The sale is superior in size and location with downward adjustments required. The adjusted unit price is \$29.75 psf.

Comp 5: Sold for \$650,000 or \$40.56 psf and is generally similar to the subject property in property rights, financing, conditions of sale, date of sale, topography, shape, and lack of environmental issues. The sale is superior in location with a downward adjustment required. The indicated adjusted unit price is \$35.69 psf.

The adjustments are summarized on the following grid:

<b>Comp 1</b> <b>4137 S. Cottage</b> <b>\$23.39 psf</b>	<b>Comp 2</b> <b>669 E. Pershing</b> <b>\$26.49 psf</b>	<b>Comp 3</b> <b>4165 S. Halsted</b> <b>\$30.39 psf</b>	<b>Comp 4</b> <b>3641 S. Michigan</b> <b>\$33.05</b>	<b>Comp 5</b> <b>920 E. 43rd</b> <b>\$40.56</b>
-2% Location	-2% Location	+3 Location	-7% Location	-12% Location
-3% Date of Sale	-3% Date of Sale	-3% Date of Sale	-3% Size	
+2% Size	+3% Size	+7% Size		
-7% Dual Corner	-5% corner	+5% Zoning		
		-10% Signal Dual		
Adjusted \$21.10	Adjusted \$24.67	Adjusted \$30.95	Adjusted \$29.75	Adjusted \$35.69



### ***Conclusion – Land Valuation – 4640 S. King Drive***

The comparables have an adjusted value between \$21.10 psf and \$35.69 psf with an average of \$28.43 psf. While all of the comparables were considered, the most weight was given to Comp 4 which had the lowest amount of gross adjustments. Therefore, the concluded value is between the adjusted unit value of Comp 4 (\$29.75 psf), and the adjusted average of all of the comparables (\$28.43 psf), or say **\$29.00** per square foot.

15,000 square feet x \$29.00 psf = \$435,000

Market Value, As Rounded:                      \$440,000

## ***Market Value Conclusion***

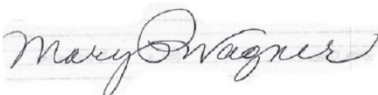
Based on the data and analyses developed in this appraisal, we have reconciled to the following market value conclusion for each of the individual sites as of December 4, 2020:

<b>Address</b>	<b>PIN</b>	<b>Site Size</b>	<b>Market Value Rounded</b>
4702-04 S. King	20-10-15-004/005	12,450	\$460,000
449-51 E. 47 <sup>th</sup>	20-10-200-013/014	25,709	\$820,000
4711-55 S. Calumet	20-10-105-002/003	64,793	\$1,750,000
4640 S. King	20-03-323-019	15,000	\$440,000

# CERTIFICATION

We certify that, to the best of our 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 our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- We 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.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- Jacqueline Brady, has made a personal inspection of the property that is the subject of this report. Mary Wagner, MAI, has not made a personal inspection of the property. No one else provided significant real property appraisal assistance to the person(s) signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Mary Wagner, MAI has completed the continuing education program of the Appraisal Institute.



Mary Wagner, MAI  
Illinois Certified General Real Estate Appraiser  
License No. 553-001102  
License Expires: September 30, 2021



Jacqueline Brady  
Illinois State Certified General  
License No. 553-001846  
License Expires: September 30, 2021

## **ADDENDA**

### ***Limiting Conditions and Assumptions***

Acceptance of and/or use of this report constitutes acceptance of the following limiting conditions and assumptions; these can only be modified by written documents executed by both parties.

This appraisal is to be used only for the purpose stated herein. While distribution of this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed; this report is intended to be used in whole and not in part.

No part of this appraisal, its value estimates or the identity of the firm or the appraiser(s) may be communicated to the public through advertising, public relations, media sales, or other media.

All files, work papers and documents developed in connection with this assignment are the property of Praedium Valuation Group. Information, estimates and opinions are verified where possible, but cannot be guaranteed. Plans provided are intended to assist the client in visualizing the property; no other use of these plans is intended or permitted.

No hidden or unapparent conditions of the property, subsoil or structure, which would make the property more or less valuable, were discovered by the appraiser(s) or made known to the appraiser(s). No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there is no existence of hazardous materials or conditions, in any form, on or near the subject property.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of the appraiser 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. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, nor for any expertise or knowledge required to discover them.

Unless stated herein, the property is assumed to be outside of areas where flood hazard insurance is mandatory. Maps used by public and private agencies to determine these areas are limited with respect to accuracy. Due diligence has been exercised in interpreting these maps, but no responsibility is assumed for misinterpretation.

Good title, free of liens, encumbrances and special assessments is assumed. No responsibility is assumed for matters of a legal nature.

Necessary licenses, permits, consents, legislative or administrative authority from any local, state or Federal government or private entity are assumed to be in place or reasonably obtainable.

It is assumed there are no zoning violations, encroachments, easements or other restrictions which would affect the subject property, unless otherwise stated.



The appraiser(s) are not required to give testimony in Court in connection with this appraisal. If the appraisers are subpoenaed pursuant to a court order, the client agrees to pay Praedium Valuation Group's regular per diem rate plus expenses.

Appraisals are based on the data available at the time the assignment is completed. Amendments/modifications to appraisals based on new information made available after the appraisal was completed will be made, as soon as reasonably possible, for an additional fee.

#### **Americans with Disabilities Act (ADA) of 1990**

A civil rights act passed by Congress guaranteeing individuals with disabilities equal opportunity in public accommodations, employment, transportation, government services, and telecommunications. Statutory deadlines become effective on various dates between 1990 and 1997. Praedium Valuation Group has not made a determination regarding the subject's ADA compliance or non-compliance. **Non-compliance could have a negative impact on value; however, this has not been considered or analyzed in this appraisal.**

#### **Appraiser Competency**

The appraiser(s) of this report have the necessary and required education, knowledge and experience to provide a reliable and credible valuation of the subject property. The appraiser(s) of this report have not performed any appraisal work or any other type of work on the subject property in the past three years.

## *Legal Descriptions*

Lot 1 in Hammond and Others Subdivision of the East 315 feet of the North East quarter of the North East quarter of the North West quarter of Section 10, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Commonly known as 351-369 E. 47th Street/4700-02 S. King Drive, Chicago, Illinois  
Permanent Real Estate Index Number 20-10-105-004

The North 33 feet 5/8 inches of Lot 2 in Hammond and Others Subdivision of the East 315 feet of the Northeast 1/4 of the Northeast 1/4 of the Northwest 1/4 of Section 10, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois. P.I.N. 20-10-105-005.

Commonly known as 4706-08 South King Drive, Chicago, IL.

Subject 1: 4702-4704 S. King; 20-10-105-004 and 005

THE EASTERLY 100.34 FEET OF THE NORTH 100 FEET OF THAT PART OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF VINCENNES AVENUE AND 47TH STREET, RUNNING THENCE SOUTHERLY 433 AND 1/3 FEET ON THE WEST LINE OF VINCENNES AVENUE; THENCE WEST 302 FEET TO THE CENTER LINE OF SAID NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE NORTH ON SAID CENTER LINE OF SAID NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4, 433 AND 1/3 FEET TO THE SOUTH LINE OF 47TH STREET; THENCE EAST 307.1 FEET ON THE SOUTH LINE OF 47TH STREET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

Subject 2: 449-451 East 47<sup>th</sup> Street; 20-10-200-013 and 014

### PARCEL 1

Lots 3 to 9 inclusive and Lot 10 (except the South 20 feet thereof) in Bogue's Subdivision of that part of the North East quarter of the North East quarter of the North West quarter of Section 10, Township 38 North, Range 14 East of the Third Principal Meridian (lying West of the East 315 feet thereof) in Cook County, Illinois

ALSO

### PARCEL 2

Lots 1 to 6 inclusive in Marcus M. Brown's Subdivision of Lots 11, 12 and the South 20 feet of Lot 10 in Bogue's Subdivision of that part of the North East quarter of the North East quarter of the North West quarter of Section 10, Township 38 North, Range 14 East of the Third Principal Meridian (lying West of the East 315 feet thereof) in Cook County, Illinois.

Subject 3: 4711-4755 S. Calumet; 20-10-105-002 and 003

LOT 2 IN THE ASSESSOR'S DIVISION OF THE EAST 1/2 OF THE SOUTH 1/2 OF  
THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 38  
NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK  
COUNTY, ILLINOIS.

Commonly known as 4640-48 SOUTH KING DRIVE, CHICAGO, IL.

PIN# 20-03-323-019

Subject 4: 4640 S. King Drive; 20-03-323-019

## *Appraiser Qualifications*

### **PRAEDIUM VALUATION GROUP**

Appraisals • Consulting • Expert Witness

**Mary Wagner, MAI**

#### **EDUCATION**

*University of Wisconsin- Madison, WI- 1991*

Bachelor of Business Administration, Real Estate & Urban Land Economics

#### **LICENSES, CERTIFICATIONS & AFFILIATIONS**

- Illinois Certified General Real Estate Appraiser
- Member, MRED, Midwest Real Estate Data
- Designated Member of the Appraisal Institute (MAI)
- ICAP

#### **APPRAISAL EXPERIENCE—PROPERTY TYPES**

Office Buildings  
Shopping Centers  
Big Box Retail  
Banks  
Restaurants

Factories  
Warehouses  
Manufacturing Facilities  
Distribution Facilities  
Development Sites

Single Tenant New Leases  
Multi-family Residential

Clients include: financial institutions, appraisal management companies, municipalities, attorneys, accountants, non-for profit organizations, investors, and individuals.

Qualified as an expert witness in federal bankruptcy court, the City of Chicago Zoning Board of Appeals and at municipal hearings.

Currently serve as a Candidate Adviser and Alternative Regional Representative for the Appraisal Institute.

#### **PROFESSIONAL EXPERIENCE**

**Praedium Valuation Group, Chicago, IL (2016 - present)**  
*Director of Commercial Valuation*

**Midwest Appraisal Company, Chicago, IL (1991-2016)**  
*President & Senior Reviewer*

3847 N. Lincoln Ave, Suite 2 Chicago IL 60613 Phone: 773-665-8361 Fax: 773-665-8342

# PRAEDIUM VALUATION GROUP

Appraisals • Consulting • Expert Witness

JACQUELINE BRADY

## EDUCATION

*Marquette University, Milwaukee, WI*  
B.A. Arts & Sciences

## LICENSES, CERTIFICATIONS & AFFILIATIONS

- Illinois Certified General Appraiser
- Member, Costar
- Member, MRED

## APPRAISAL EXPERIENCE—PROPERTY TYPES

Industrial Properties	Office Buildings
Medical Buildings	Mixed-Use Properties
Retail Properties	Restaurants
Shopping Centers	Vacant Land
Apartment Buildings	Multi-Family Buildings

## PROFESSIONAL EXPERIENCE

**Praedium Valuation Group, Chicago, IL (2019 - Present)**

*Commercial Real Estate Appraiser*

- Value Types: Market, Bulk Sale, Disposition, Liquidation, As Is, As Complete, As Stabilized
- Proficient in Narrative1 software
- Appraise Commercial properties throughout the Chicagoland area

**@properties, Chicago, IL (2015 – 2019)**

*Real Estate Broker & Administrative Assistant*

**Midwest Appraisal Company, Chicago, IL (1999 - 2015)**

*Vice President, Commercial Appraiser & Part Owner*

3847 N. Lincoln Ave, Suite 2 Chicago IL 60613 Phone: 773-665-8361 Fax: 773-665-8342



## Engagement Letter



DEPARTMENT OF PLANNING AND DEVELOPMENT  
CITY OF CHICAGO

November 20, 2020

Joe Wallace  
PF Appraisal  
3847 N. Lincoln Ave. Suite 2  
Chicago, IL 60613

**RE: BRONZEVILLE RFP**

Dear Mr. Wallace:

Please consider this letter your formal authorization to provide us with a Complete, Summary appraisal report for the following PIN(s):

**PERMANENT INDEX NUMBERS**

**VARIOUS PINS**

- \* Multiple PINs to be valued as a single, consolidated parcel.
- \* No conditions – Appraise to Highest and Best Use under existing zoning.

Please make this assignment a RUSH, with a due date of Friday, December 11, 2020, set for completion of this assignment and delivery to our office.

Should you have any questions or comments, please call Kimberly Morris at (312) 744-4477 or Cynthia Garza, at (312) 744-6216.

Thank you for giving this matter your prompt attention.

Sincerely,

A handwritten signature in blue ink that reads "Cynthia Garza".

Cynthia Garza  
Sr. Land Acquisition/Disposition Officer

121 NORTH LASALLE STREET, ROOM 1000, CHICAGO, ILLINOIS 60602

**Copy (Vendor)**

Furnish the supplies and/or services described below in conformance with conditions set forth herein and in your offer

ORDERED FROM:

CHICAGO, IL 60613

BLANKET RELEASE

054-2005 PLANNING & DEVELOPMENT  
30 N LASALLE 2ND FL  
Chicago, IL 60602

DATE \_\_\_\_\_

Payment on this order will be made upon receipt of an original vendor invoice form referencing this order and associated Receipt(s). Submit the original invoice, to the Office of the City Comptroller, Invoice Intake Division, 33 N. LaSalle, Room 700, Chicago, IL 60602.

Mark all packages and papers with the purchase number. Any deliveries containing overpayments will be reflected unless otherwise authorized in this purchase.

This purchase is subject to the City of Chicago General Conditions for Supplies, Work, or Professional Consulting Services; Special Conditions, Disclosure Ownership, Acceptance Page, as applicable, which are attached hereto or incorporated herein by reference.