

# **VALUATION REPORT**

## **City of Bolivar, Missouri Water Delivery and Wastewater Systems**

### Prepared for:

Mr. John Donaldson  
Director of Utility Planning  
Liberty Utilities (Missouri)  
602 S. Joplin Avenue  
Joplin, Missouri 64801

### Prepared by:

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March 25, 2019

Mr. John Donaldson  
Director of Utility Planning  
Liberty Utilities (Missouri)  
602 S. Joplin Avenue  
Joplin, Missouri 64801

Re: **Valuation Report**  
**City of Bolivar, Missouri**  
**Water Delivery and Wastewater Systems Appraisal**

Dear Mr. Donaldson:

In accordance with your request, we have made a physical inspection on February 14, 2019, of the facilities and real estate that comprise the City of Bolivar water delivery and wastewater systems, located in Bolivar, Missouri.<sup>1</sup>

The water delivery and wastewater collection systems (referred to herein as "the subject property") are owned by the City of Bolivar, Missouri, and are located in Polk County, Missouri. The customer count includes approximately 4,500 water customers and 4,500 wastewater customers.

The purpose of the appraisal report was to arrive at an opinion of market value of the subject water and wastewater systems as private systems (the intended use) as of the date of our inspection of the subject property.

This Appraisal Report is prepared in conformance with Standards Rule 2-2(a) of the 2018-2019 Edition of the *Uniform Standards of Professional Appraisal Practice* (USPAP). In addition to being prepared in compliance with USPAP, this appraisal has been prepared in accordance with the *Code of Ethics* and *Standards of Professional Practice* of the Appraisal Institute.

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<sup>1</sup> Throughout the attached appraisal report, any reference to the appraisers' "inspection", "subject property inspection", "inspection of the subject property", "inspection of the subject water and wastewater systems", etc., refers to the appraisers' customary task of viewing the subject property for purposes of observing the condition, layout, design, and utility of the real property (land and building), as is typical in the appraisal profession and in the framework of completing the appraisal process. The reference to the term "inspection" in the context of the appraisers' work should not be interpreted to suggest the appraisers have any expertise and/or qualifications in the assessment of the condition and functionality of any mechanical and non-mechanical components of the subject property water delivery and wastewater systems. The appraisers refer the client and intended users of the attached appraisal report to the engineer's report for an assessment of the water and wastewater systems' infrastructure components. The three professional real estate appraisers co-signing the attached appraisal report are not qualified to independently detect and assess the condition and functionality of the water and wastewater systems' infrastructure components. However, the three professional real estate appraisers co-signing the attached appraisal report assume that the water and wastewater delivery systems' components (including the plant, pumps, and all related facilities) are in proper working order and have been maintained adequately to meet all pertinent codes and regulatory requirements.

Mr. Donaldson  
Liberty Utilities  
March 25, 2019  
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In completing our analysis of the subject property water and wastewater systems, we relied on a report prepared by Flinn Engineering, dated March 5, 2019. The Flinn Engineering report is attached to this appraisal report.

Based upon a review of the market data available for both applications and the resultant range of value, it is our opinion the market value of the subject property systems as a whole as of February 14, 2019, was:

**\$20,000,000**

TWENTY MILLION DOLLARS

**This appraisal report is prepared subject to the Special Assumptions and Limiting Conditions found on Pages 15-18.** The Special Assumptions and Limiting Conditions address several significant issues that impact the analysis and conclusions presented in the attached report, including:

- Information provided by the client
- Water and sewer mains presumed to be located in public rights of way
- Identification of the parcels owned in fee
- The Flinn Engineering Report
- The term "Inspection"
- Customer counts
- Presumed permanent easements
- Environmental issues
- Soils and subsoils

Each of the three appraisers co-signing this appraisal report (Mr. Dinan, Mr. Batis, and Ms. Goodman Schneider) participated in the assignment by collecting and analyzing relevant data, and forming the opinions and final conclusions.

While each of the appraisers performed different tasks and were responsible for different parts of this assignment, the three appraisers consulted throughout the assignment with each other, the client, and representatives from the City of Bolivar.

We certify that we personally have no undisclosed interest, either present or contemplated, in the real estate described herein as the subject property; furthermore, neither the procurement of this appraisal assignment nor the negotiated compensation was contingent upon a predetermined conclusion of value, a value estimate which advocates the client's position, or the occurrence of any subsequent event.

Mr. Donaldson  
Liberty Utilities  
March 25, 2019  
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On behalf of Dinan Real Estate Advisors, Inc., Edward J. Batis & Associates, Inc., and Goodman Appraisal Consultants, LLC, we appreciate the opportunity to prepare this appraisal report for Liberty Utilities. Please feel free to contact the undersigned should you have any questions regarding the assignment.

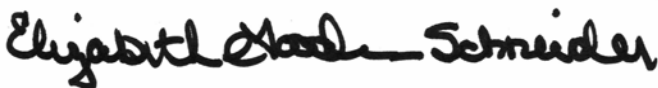
Sincerely,



Edward W. Dinan, CRE, MAI  
Dinan Real Estate Advisors, Inc.  
State Certified General Real Estate Appraiser RA001300



Joseph E. Batis, MAI, R/W-AC  
Edward J. Batis & Associate4s, Inc.  
General Certification Lic. #553.000493 (IL; Expires 09/19)  
General Certification Lic. #2016044083 (MO; Expires 06/20)



Elizabeth Goodman Schneider, ASA  
Goodman Appraisal Consultants, LLC  
Colorado Certified General Appraiser No. CG.200001080  
Illinois Certified General Real Estate Appraiser No. 553-001973  
Indiana Certified General Appraiser No. CG41700036  
Iowa Certified General Appraiser No. CG02980  
Kentucky Certified General Real Property Appraiser No. 5262  
Michigan Certified General Real Estate Appraiser No. 1201073697  
Minnesota Certified General Real Property Appraiser No. 40232088  
Missouri State Certified General Real Estate Appraiser No. 2016042105  
Ohio Certified General Real Estate Appraiser No. ACGO.2017003680  
Pennsylvania Certified General Appraiser No. GA004327  
Rhode Island Certified General Appraiser No. CGA.0020068  
Wisconsin Certified General Appraiser No. 1586-010



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## ADDENDA

**Summary of Salient Facts**

Property Type: City of Bolivar Water Delivery and Wastewater Collection Systems  
Bolivar, Missouri

Facilities: Water delivery and wastewater collection systems. The water delivery system serves approximately 4,500 customers and the wastewater collection system serves approximately 4,500 customers. The subject property includes facilities and infrastructure on 25 parcels of land, 19 of which are owned by the City of Bolivar. The remaining 6 parcels are presumed to be on private property encumbered with permanent easement rights for the benefit of the City of Bolivar. Please refer to the attached report prepared by Flinn Engineering for a list of the infrastructure, system assets, and facilities.

Date of Inspection: February 14, 2019

Date of Value: February 14, 2019

Date of Report: March 25, 2019

Type of Value: Market Value

Property Rights: Fee Simple Estate

Market Value Opinion: \$20,000,000  
Twenty Million Dollars

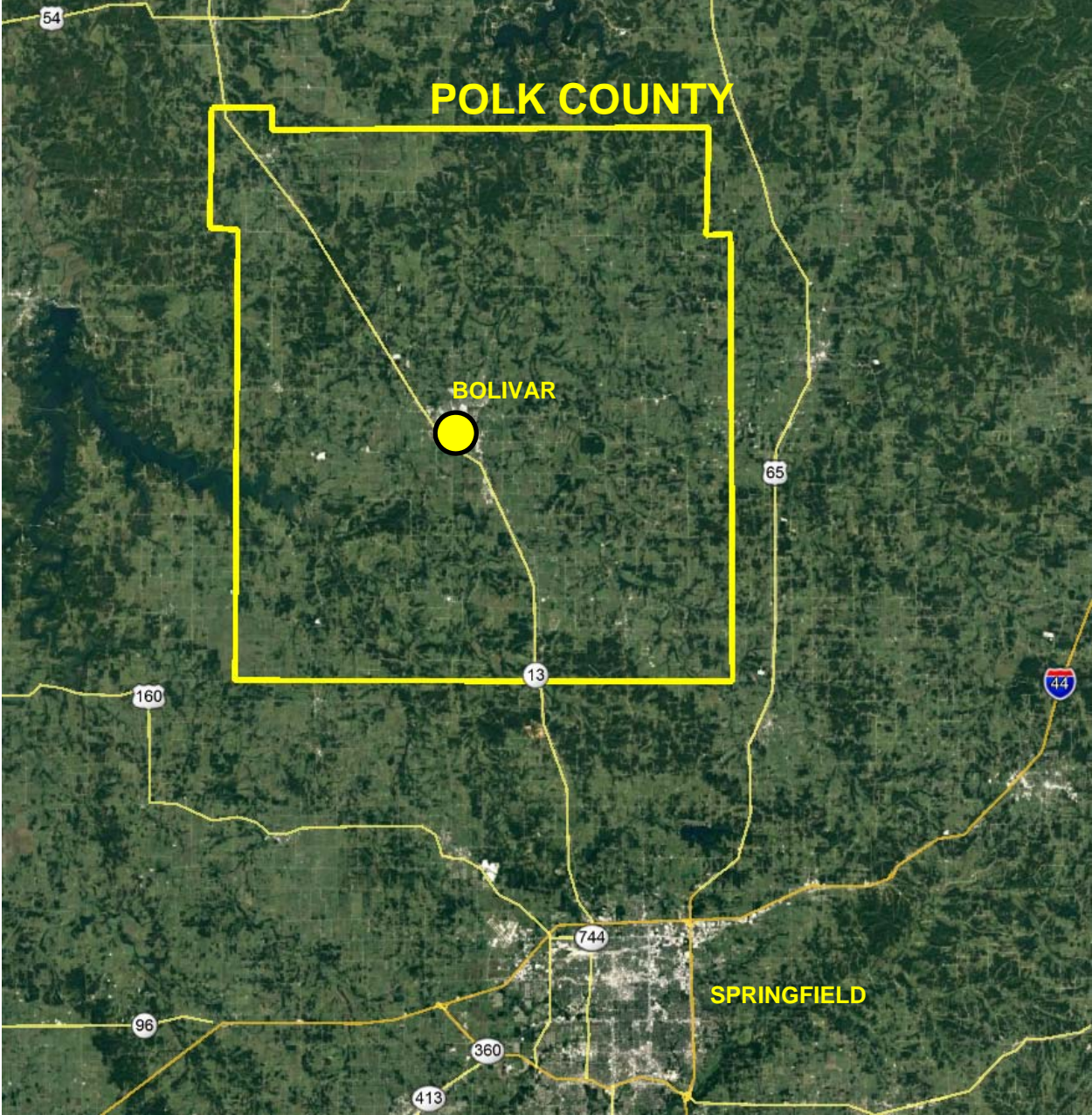
**The Appraisal Process**

The client requested an opinion of Market Value for the City of Bolivar water delivery and wastewater collection systems, located in the City of Bolivar, Missouri. In arriving at opinions of value for the two subject property systems, we followed an orderly set of steps that has led us to the final conclusions of market value. This procedure is known as the "Appraisal Process" and is summarized in the exhibit below.

<b>The Valuation Process</b>
<b>Identification of the Problem</b>
<ul style="list-style-type: none"> <li>Identify client and intended users</li> <li>Identify the intended use</li> <li>Identify the purpose of the assignment</li> <li>Identify the effective date of the opinion</li> <li>Identify the relevant characteristics of the property</li> <li>Assignment conditions</li> </ul>
<b>Scope of Work Determination</b>
<b>Data Collection and Property Description</b>
<ul style="list-style-type: none"> <li>Market Area Data</li> <li>Subject Property Data</li> <li>Comparable Property Data</li> </ul>
<b>Data Analysis</b>
<ul style="list-style-type: none"> <li>Market Analysis</li> <li>Highest and Best Use Analysis</li> </ul>
<b>Land Value Opinion</b>
<b>Application of the Approaches to Value</b>
<ul style="list-style-type: none"> <li>Sales Comparison Approach</li> <li>Income Capitalization Approach</li> <li>Cost Approach</li> </ul>
<b>Reconciliation of Value Indications and Final Opinion of Value</b>
<b>Report of Defined Value</b>



**Identification of the Subject Property**  
(Continued)





**Identification of the Subject Property**

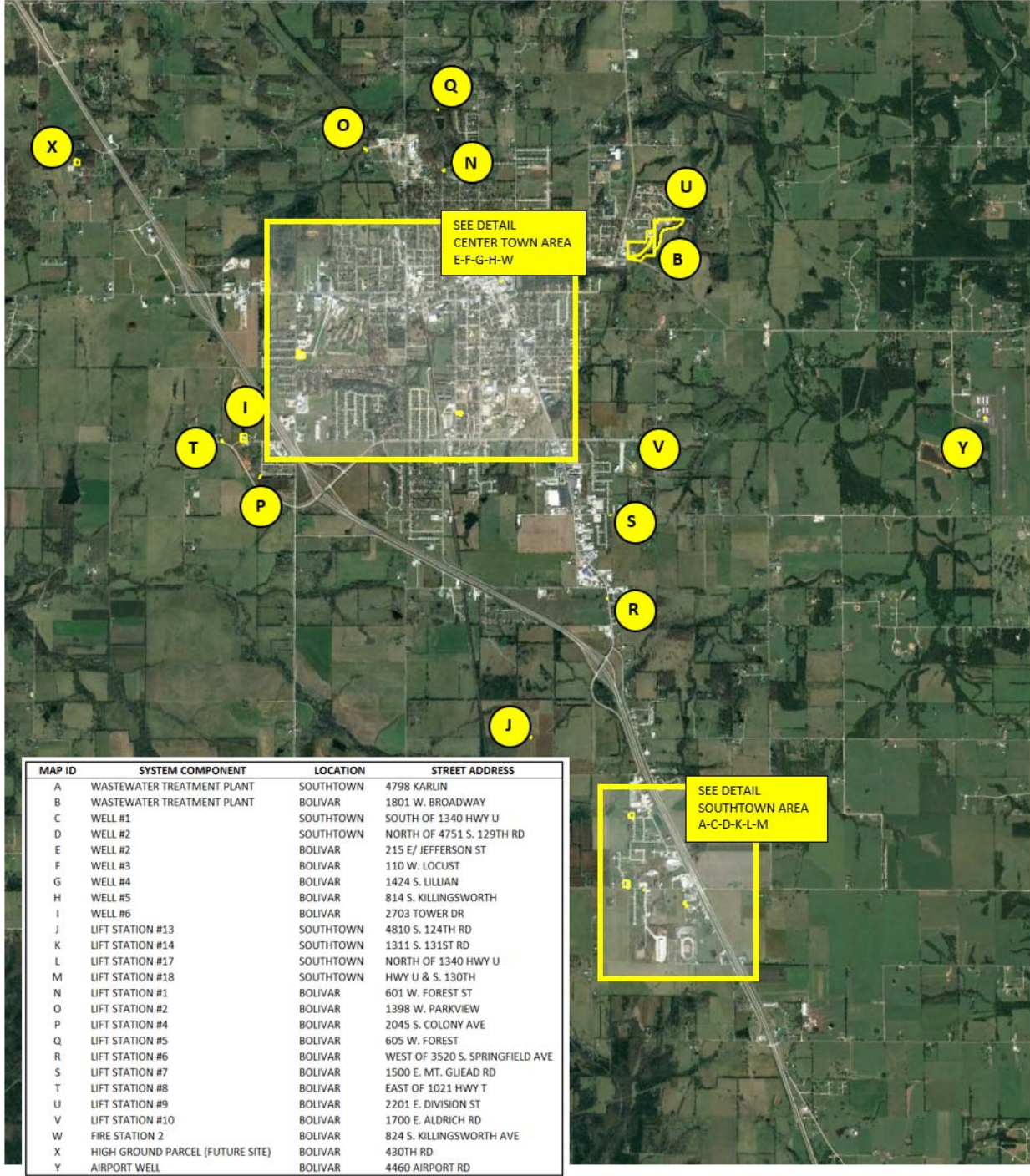
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The subject property assets include facilities/infrastructure including two wastewater treatment plants, eight wells, thirteen lift stations, a storage building and site, and a parcel of vacant land contemplated by the city for future use. The subject property assets include the assets of a private utility system known as Southtown Utilities (“Southtown”) acquired by the City of Bolivar from a private investor in 2016. The Southtown system included a wastewater treatment plant, two wells, and four lift stations.

In the exhibit below, the parcels that comprise the subject property system are identified. The “Location” column in the table identifies if the parcel is part of the original Bolivar system or was part of the Southtown system acquired by the City of Bolivar in 2016. In the column “System Component” is the reference for each parcel that will be used throughout this appraisal report. The references are based upon how the City of Bolivar refers to the respective property locations. On the following three pages are exhibits summarizing the approximate locations of the subject property parcels.

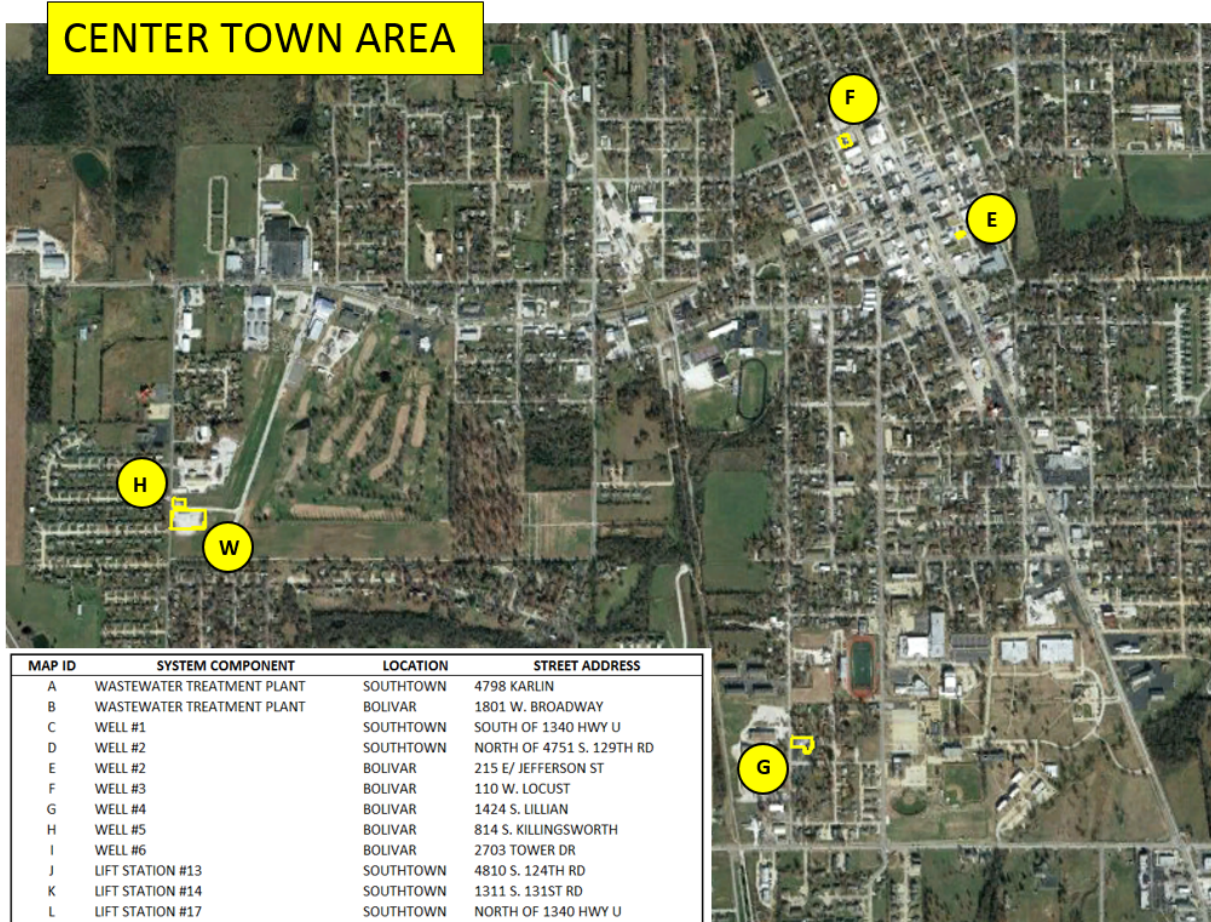
<b>SUMMARY OF PARCELS - BOLIVAR WATER AND WASTEWATER SYSTEMS</b>	
<b>SYSTEM COMPONENT</b>	<b>LOCATION</b>
WASTEWATER TREATMENT PLANT	SOUTHTOWN
WASTEWATER TREATMENT PLANT	BOLIVAR
WELL #1	SOUTHTOWN
WELL #2	SOUTHTOWN
WELL #2	BOLIVAR
WELL #3	BOLIVAR
WELL #4	BOLIVAR
WELL #5	BOLIVAR
WELL #6	BOLIVAR
LIFT STATION #13	SOUTHTOWN
LIFT STATION #14	SOUTHTOWN
LIFT STATION #17	SOUTHTOWN
LIFT STATION #18	SOUTHTOWN
LIFT STATION #1	BOLIVAR
LIFT STATION #2	BOLIVAR
LIFT STATION #4	BOLIVAR
LIFT STATION #5	BOLIVAR
LIFT STATION #6	BOLIVAR
LIFT STATION #7	BOLIVAR
LIFT STATION #8	BOLIVAR
LIFT STATION #9	BOLIVAR
LIFT STATION #10	BOLIVAR
FIRE STATION 2	BOLIVAR
HIGH GROUND PARCEL (FUTURE SITE)	BOLIVAR
AIRPORT WELL	BOLIVAR

**Identification of the Subject Property**  
 (Continued)





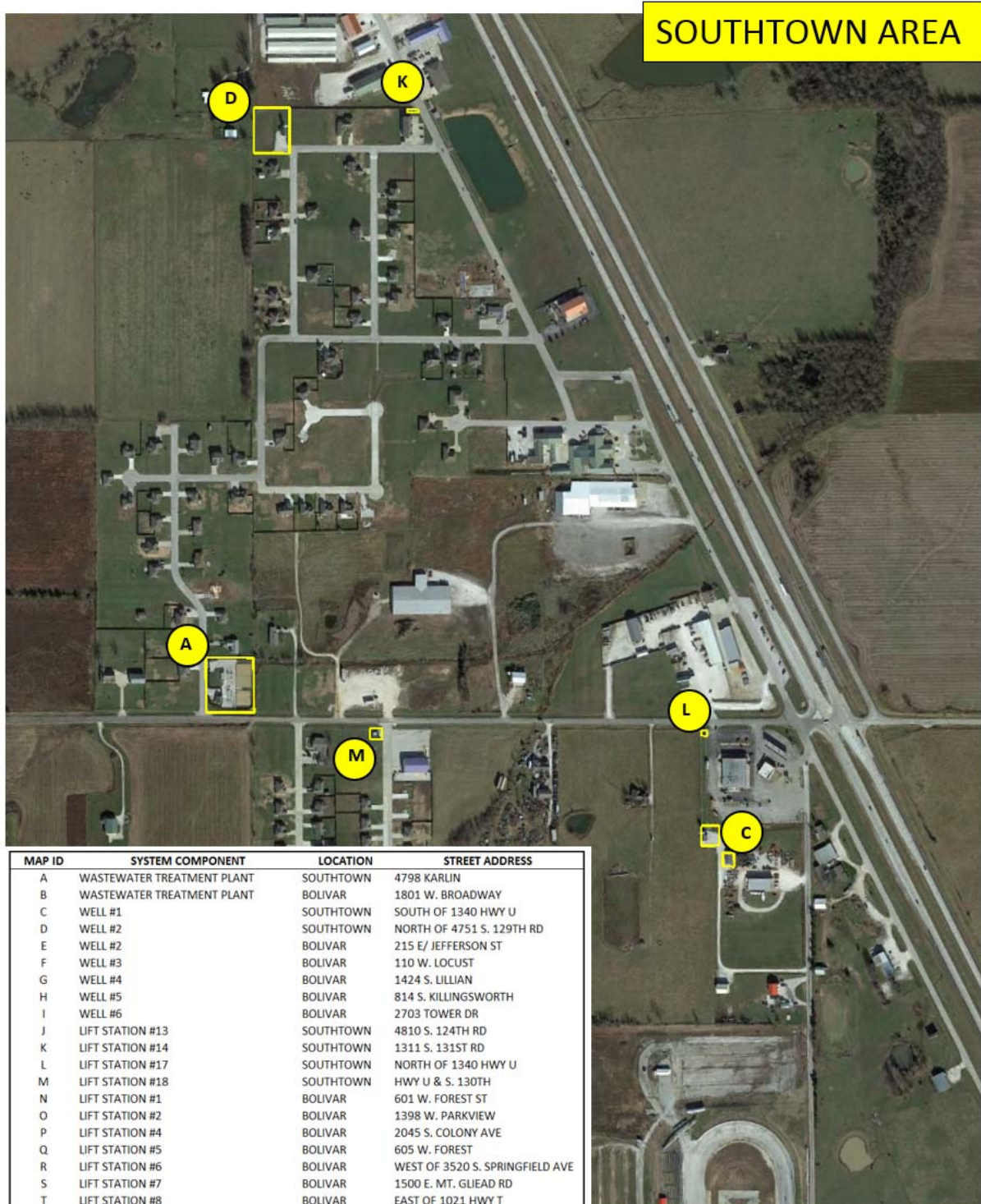
**Identification of the Subject Property**  
 (Continued)



MAP ID	SYSTEM COMPONENT	LOCATION	STREET ADDRESS
A	WASTEWATER TREATMENT PLANT	SOUTHTOWN	4798 KARLIN
B	WASTEWATER TREATMENT PLANT	BOLIVAR	1801 W. BROADWAY
C	WELL #1	SOUTHTOWN	SOUTH OF 1340 HWY U
D	WELL #2	SOUTHTOWN	NORTH OF 4751 S. 129TH RD
E	WELL #2	BOLIVAR	215 E/ JEFFERSON ST
F	WELL #3	BOLIVAR	110 W. LOCUST
G	WELL #4	BOLIVAR	1424 S. LILLIAN
H	WELL #5	BOLIVAR	814 S. KILLINGSWORTH
I	WELL #6	BOLIVAR	2703 TOWER DR
J	LIFT STATION #13	SOUTHTOWN	4810 S. 124TH RD
K	LIFT STATION #14	SOUTHTOWN	1311 S. 131ST RD
L	LIFT STATION #17	SOUTHTOWN	NORTH OF 1340 HWY U
M	LIFT STATION #18	SOUTHTOWN	HWY U & S. 130TH
N	LIFT STATION #1	BOLIVAR	601 W. FOREST ST
O	LIFT STATION #2	BOLIVAR	1398 W. PARKVIEW
P	LIFT STATION #4	BOLIVAR	2045 S. COLONY AVE
Q	LIFT STATION #5	BOLIVAR	605 W. FOREST
R	LIFT STATION #6	BOLIVAR	WEST OF 3520 S. SPRINGFIELD AVE
S	LIFT STATION #7	BOLIVAR	1500 E. MT. GLIEAD RD
T	LIFT STATION #8	BOLIVAR	EAST OF 1021 HWY T
U	LIFT STATION #9	BOLIVAR	2201 E. DIVISION ST
V	LIFT STATION #10	BOLIVAR	1700 E. ALDRICH RD
W	FIRE STATION 2	BOLIVAR	824 S. KILLINGSWORTH AVE
X	HIGH GROUND PARCEL (FUTURE SITE)	BOLIVAR	430TH RD
Y	AIRPORT WELL	BOLIVAR	4460 AIRPORT RD



**Identification of the Subject Property**  
 (Continued)



MAP ID	SYSTEM COMPONENT	LOCATION	STREET ADDRESS
A	WASTEWATER TREATMENT PLANT	SOUTHTOWN	4798 KARLIN
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X	HIGH GROUND PARCEL (FUTURE SITE)	BOLIVAR	430TH RD
Y	AIRPORT WELL	BOLIVAR	4460 AIRPORT RD

## **Property Rights Appraised**

The property rights appraised for the subject property parcels include the Fee Simple Estate of the properties which is defined as:

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

A fee simple estate implies absolute ownership unencumbered by any other interest or estate.

## **Legal Descriptions**

No legal descriptions have been provided for this assignment. Please refer to the Special Assumptions and Limiting Conditions for an explanation regarding the appraisal assignment assumptions relative to the property descriptions and presumed permanent easements. With respect to the parcels of land that are part of the subject property systems and are owned in fee by the City of Bolivar, the parcels were identified by maps/exhibits, tax parcels, common addresses, and other descriptive information provided by officials from the City of Bolivar.

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<sup>2</sup> *The Appraisal of Real Estate*, 14<sup>th</sup> Edition, (Chicago, Illinois: Appraisal Institute, 2013), p. 5.

## **Definition of Market Value**

The purpose of this appraisal assignment is to arrive at an opinion of market value for the property identified herein as the subject property. The market value opinion is of the subject property system as a private system (its intended use).

Market Value is defined as:

*The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.<sup>3</sup>*

*Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:*

- 1. Buyer and seller are typically motivated;*
- 2. Both parties are well informed or well advised, and acting in what they consider their best interest;*
- 3. A reasonable time is allowed for exposure in the open market;*
- 4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- 5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

## **Effective Dates**

Date of physical inspection of the property:	February 14, 2019
Effective date of value:	February 14, 2019
Date of report:	March 25, 2019

The appraisers were accompanied by officials from the City of Bolivar.

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<sup>3</sup> *The Appraisal of Real Estate*, 14th Edition, (Chicago, Illinois: Appraisal Institute, 2013), p. 59

## **Exposure Time and Marketing Time**

The estimated marketing time of a property implicitly assumes the property would be marketed in a manner typical in the market for that particular type of property, including utilization of the normal channels of exposure; also, implicit is the assumption that the asking price would be reasonably close to the market value of the property; and, the sale terms would conform to the market value definition included herein.

Based upon the conditions which prevailed in the local market effective February 14, 2019, we have concluded a reasonable market time for the subject property systems, each as a whole, is 12 to 24 months and the exposure time for the subject properties is also estimated to be from 12 to 24 months.

## **Intended Use and Intended User of the Appraisal**

The intended use of this appraisal report is to assist the client (Liberty Utilities) and the City of Bolivar with the acquisition of the City of Bolivar water and wastewater systems by the client. The intended users of this appraisal report include the client (for acquisition purposes), the City of Bolivar (for asset disposition), and any regulatory agency with jurisdiction over the transfer of the assets pertaining to the water delivery system and wastewater collection system from the City of Bolivar to Liberty Utilities.

## **History of the Subject Property**

Pursuant to Standards Rule 1-5 of USPAP, we are required to consider and analyze any current Agreement of Sale, option, or listing of the property being appraised. We are also required to consider and analyze any sales of the subject property that have occurred within the last three years.

The City of Bolivar acquired from a private investor the Southtown system in 2016 for a price of \$3,800,000. Other than the Southtown acquisition, to the best of our knowledge and based upon discussions with the client and the officials from the City of Bolivar the subject property system has not been the subject of any sales, listings, offerings or contracts during the last three years.

## **Scope of Work**

The subject property systems are reportedly owned and operated by the City of Bolivar. In addition to receiving and reviewing numerous pertinent documents from the client pertaining to the subject property water and wastewater systems, we inspected the subject property, met with officials from the City of Bolivar, and collected market data for this assignment.

Proper and accepted appraisal methodology in the subject matter is (1) governed by Missouri legislation<sup>4</sup>, and (2) guided by the binding requirements of the Uniform Standards of Professional Appraisal Practice (USPAP).<sup>5</sup>

Explicit in the SCOPE OF WORK RULE section of the current (2016-2017) edition of USPAP is the requirement of the real estate appraiser to include research and analysis necessary to develop credible assignment results. The standard for acceptability of Scope of Work is, in part, what an appraiser's peers' actions would be in performing the same or similar assignment.<sup>6</sup>

In accordance with USPAP, consideration was given to the market standards in the appraisal profession established in other market areas by qualified appraisers performing similar assignments. In our opinion, the applicable professional standards of valuation of utility systems generally in Missouri -- and specifically in the case of the valuation of the Bolivar systems -- are similar to those established and utilized in other market areas, including Illinois.

Illinois has similar legislation in place regulating the procedures for acquisitions of public utility systems by investor-owned companies. Although not identical, the procedures and framework for valuation are considered to be very similar.<sup>7</sup>

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<sup>4</sup> The Missouri legislation mandates the inclusion and participation of three independent professional real estate appraisers, all of which shall be licensed in the State of Missouri. Missouri Revised Statutes, Chapter 393, Section 393.321.1 (August 28, 2016).

<sup>5</sup> USPAP is developed, interpreted, and amended by The Appraisal Standards Board (ASB) of The Appraisal Foundation. State and federal regulatory authorities enforce the content of the current or applicable edition of USPAP. All state licensed/certified professional real estate appraisers must adhere to USPAP.

<sup>6</sup> USPAP, 2018-2019 Edition, Page 15.

<sup>7</sup> On August 9, 2013, P.A. 98-0213, codified as 220 ILCS 5/9-210.5, went into effect in Illinois. That Section of the Public Utilities Act ("Act") provides an alternate procedure that a large public utility may choose in establishing the ratemaking rate base of a water or sewer utility that the large public utility is acquiring. Among other things, Section 9-210.5 requires that if the utility company elects the procedures of that Section of the Act, three appraisals shall be performed, the appraisers must be selected by the Illinois Commerce Commission, and each appraiser must be State certified general real estate appraiser under the Illinois Real Estate Licensing Act of 2002.

## **Scope of Work**

(Continued)

The Illinois legislation has been in place for a few years. In Illinois, there have been several conveyances of utility systems from the public sector to investor-owned companies that were subject to the recently-enacted legislation governing such transactions.

The standards for valuation in Illinois have been established by the market and are consistently followed by the professional appraisers who engage in valuation assignments of public utility systems pursuant to the applicable governing legislation. The industry-accepted framework for the valuation of utility system assets includes the application of the Cost Approach and the application of the Sales Comparison Approach, and the omission of the Income Capitalization Approach.

The Income Capitalization Approach is not relied on in the typical appraisals of the utility systems due to the generally limited information available from the market necessary for the credible and reliable application of the Income Capitalization Approach. For instance, a proper application of the Income Capitalization Approach would require substantial detail from competing/alternate utility systems in the market, including, but not limited to, income levels from all sources (historic and future expectations), operating expense details, and market-derived capitalization rates used to convert projected net operating income into present value.

One of the factors impacting the challenges of obtaining necessary income and expense data from other systems pertains to the fact that most of the municipal-owned utility systems include public water and sanitary sewer, and often the management and budget operations for the two systems are not separated. Therefore, we have not applied the Income Capitalization Approach in the valuation of the subject property system. The omission of the Income Capitalization Approach does not result in a misleading analysis or conclusion of value. The omission of the Income Capitalization Approach is in compliance with USPAP, and is consistent with the actions of peers for similar assignments.

We applied the Cost Approach in arriving at an opinion of value for the system. The Cost Approach to Value included an analysis and valuation of the parcels in fee, the permanent easements necessary for the water delivery and wastewater systems, the contributory value of the buildings and improvements situated on the fee parcels, and the infrastructure and components that comprise the Bolivar water delivery and wastewater systems.

## **Scope of Work**

(Continued)

We then reviewed limited market data pertaining to sales of other utility systems in order to apply the Sales Comparison Approach. In our selection of market data, we included transactional data pertaining to utility systems located in Illinois. The market data available for utility systems acquired in Missouri is very limited, with Missouri American Water Company being the primary entity acquiring systems. Therefore, it is reasonable and acceptable to expand the search for comparable market data to areas outside the borders of Missouri. We selected the Illinois market due to the following factors: proximity, availability of relatively current market data, similarity of legislative rules governing the valuation process, and the existence of a competitive market environment with multiple buyers influencing the balance of supply and demand.

Also required by Missouri statute pertaining to the valuation is the inclusion of a professional engineer's report addressing the depreciated cost estimates for the components and infrastructure relating to the water delivery and wastewater system. For purposes of this appraisal report, we are relying, in part, on a report prepared by Flinn Engineering, dated March 5, 2019, in which Flinn Engineering arrives at an opinion of the depreciation cost new of the infrastructure components of the City of Bolivar water and wastewater systems. We reviewed the Flinn Engineering report, consulted with its author, and reviewed the data Flinn relied on in forming their opinions. Furthermore, we reviewed other engineering data and reports pertaining to the subject system as well as several other water and sewer systems. Based upon our reviews and independent research, we find the report prepared by Flinn Engineering to be thorough, prepared in compliance with industry standards, and credible. Therefore, we have relied on the opinions rendered in the Flinn Engineering report. Our reliance on the Flinn report is consistent with the Appraisal Institute's Guide Note 4 which addresses the conditions for an appropriate reliance by appraisers of reports prepared by others.<sup>8</sup>

The Flinn Engineering report does not give any value consideration to the land/easement rights being acquired by Liberty Utilities as part of its acquisition of the City of Bolivar water and wastewater systems, nor does the Flinn report include any contributory value for the parcels owned in fee that are included with the systems. Therefore, we arrived at an independent opinion of the market value of the easements and fee parcels being acquired as part of the purchase of the subject property water and wastewater systems by Liberty Utilities.

Finally, we prepared this appraisal report in compliance with the applicable standards as set forth in the 2018-2019 Edition of USPAP.

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<sup>8</sup> The Appraisal Institute has adopted Guide Notes to the Institute's Standards of Professional Practice ("SPP"). The Guide Notes are not part of the SSP but provide guidance on how the standards requirements may apply to specific situations.

## **Special Assumptions and Limiting Conditions**

In addition to the Statement of Assumptions and Limiting Conditions found attached hereto, this appraisal report is prepared specifically to the following Special and Limiting Conditions.

### **INFORMATION PROVIDED BY THE CLIENT**

We have been provided information for this assignment by the client (Liberty Utilities) and from officials from the City of Bolivar. The information is assumed to be correct, accurate, and complete. This includes, but is not limited to, all information pertaining to the subject property systems (financial, physical, legal).

We reserve the right to revise all opinions and conclusions presented herein upon receiving or becoming aware of any information that is inconsistent with and/or contradicts the information provided by the client and the City of Bolivar.

### **WATER AND SEWER MAINS PRESUMED TO BE LOCATED IN PUBLIC RIGHTS OF WAY**

The valuation of the subject property water delivery and wastewater collection systems includes the water and sewer mains that are located throughout the community and that connect the facilities. According to City of Bolivar officials, the water mains and sewer mains are located in public rights of way.

We reserve the right to revise all opinions and conclusions presented herein upon receiving or becoming aware of any information that is inconsistent with and/or contradicts the assumptions outlined above.

### **IDENTIFICATION OF THE PARCELS OWNED IN FEE**

Part of this analysis includes the valuation of nineteen parcels of land owned in fee by the City of Bolivar. Surveys of the parcels had not been performed at the time of this report; therefore, the parcels are described herein based upon information from public sources, namely the county assessment office and information provided by officials from the City of Bolivar.

We reserve the right to revise all opinions and conclusions presented herein upon receiving or becoming aware of any information that is inconsistent with and/or contradicts the land sizes/characteristics as reported herein for the parcels owned in fee by the City of Bolivar.



## **Special Assumptions and Limiting Conditions**

(Continued)

### **THE FLINN ENGINEERING REPORT**

The Flinn Engineering report referenced in the Scope of Work section of this report is assumed to be accurate, complete, and prepared in compliance with applicable industry standards.

We reserve the right to revise all opinions and conclusions presented herein upon receiving or becoming aware of any information that is inconsistent with and/or contradicts the information, analysis, opinions, and conclusions presented in the Flinn report. We also reserve the right to revise all opinions and conclusions presented herein upon receiving more detailed and complete information regarding the age and condition of the existing water and sewer mains.

### **THE TERM "INSPECTION"**

Throughout this appraisal report, any reference to the appraisers' "inspection", "subject property inspection", "inspection of the subject property", "inspection of the subject water and sewer systems", etc., refers to the appraisers' customary task of viewing the subject property for purposes of observing the condition, layout, design, and utility of the real property (land and building), as is typical in the appraisal professional and in the framework of completing the appraisal process.

The reference to the term "inspection" in the context of the appraisers' work should not be interpreted to suggest the appraisers have any expertise and/or qualifications in the assessment of the condition and functionality of any mechanical and non-mechanical components of the subject water delivery and wastewater systems.

The appraisers refer the client and intended/authorized users of this appraisal report to the Flinn Engineering report for an assessment of the water and wastewater systems' infrastructure components. The three professional real estate appraisers co-signing this appraisal report are not qualified to independently detect and assess the condition and functionality of the water and wastewater systems' infrastructure components. However, the three professional real estate appraisers co-signing the attached appraisal report assume that the water delivery and wastewater systems' components (including the plant, pumps, and all related facilities) are in proper working order and have been maintained adequately to meet all pertinent codes and regulatory requirements.

**Special Assumptions and Limiting Conditions**

(Continued)

**CUSTOMER COUNTS**

According to officials from the City of Bolivar, the subject property water delivery system serves approximately 4,500 customers and the wastewater collection system serves approximately 4,500 customers. The customer count provided by Bolivar officials reflects the number of customers based upon the most recent available billing records. This appraisal is based upon the assumption that the customer counts provided by City of Bolivar officials is accurate.

**PRESUMED PERMANENT EASEMENTS**

Part of this analysis includes the valuation of facilities that are presumed to be located on private property with real property rights conveyed to the City of Bolivar. The six properties are identified as follows:

<b>SUMMARY OF PARCELS PRESUMED TO BE SUBJECT TO PERMANENT EASEMENTS</b>		
<b>SYSTEM COMPONENT</b>	<b>LOCATION</b>	<b>OWNER</b>
LIFT STATION #13	SOUTHTOWN	KMDF LIMITED PARTNERSHIP
LIFT STATION #14	SOUTHTOWN	KEVIN R. AND CRYSTAL A. CONLEY
LIFT STATION #17	SOUTHTOWN	SMITH'S RESTAURANT
LIFT STATION #18	SOUTHTOWN	RICHARD & GERALDINE FINK
LIFT STATION #1	BOLIVAR	DUNNEGAN PARK
LIFT STATION #5	BOLIVAR	JIM DAVOLT TRUST

This appraisal assumes there is a permanent easement that conveys to the City of Bolivar limited real property rights, including the right to use, maintain, inspect, repair and replace the components of the six lift stations as needed. Copies of permanent easement agreements were not available for this appraisal assignment. This appraisal assumes the City of Bolivar has permanent and legal means of access to the six lift stations for the properties identified above as well as the real property rights necessary for the continued use and maintenance, repair, and replacement of the facility. This appraisal assumes the permanent easements for the benefit of the City of Bolivar are transferable to Liberty Utilities.

## **Special Assumptions and Limiting Conditions**

(Continued)

### **ENVIRONMENTAL ISSUES**

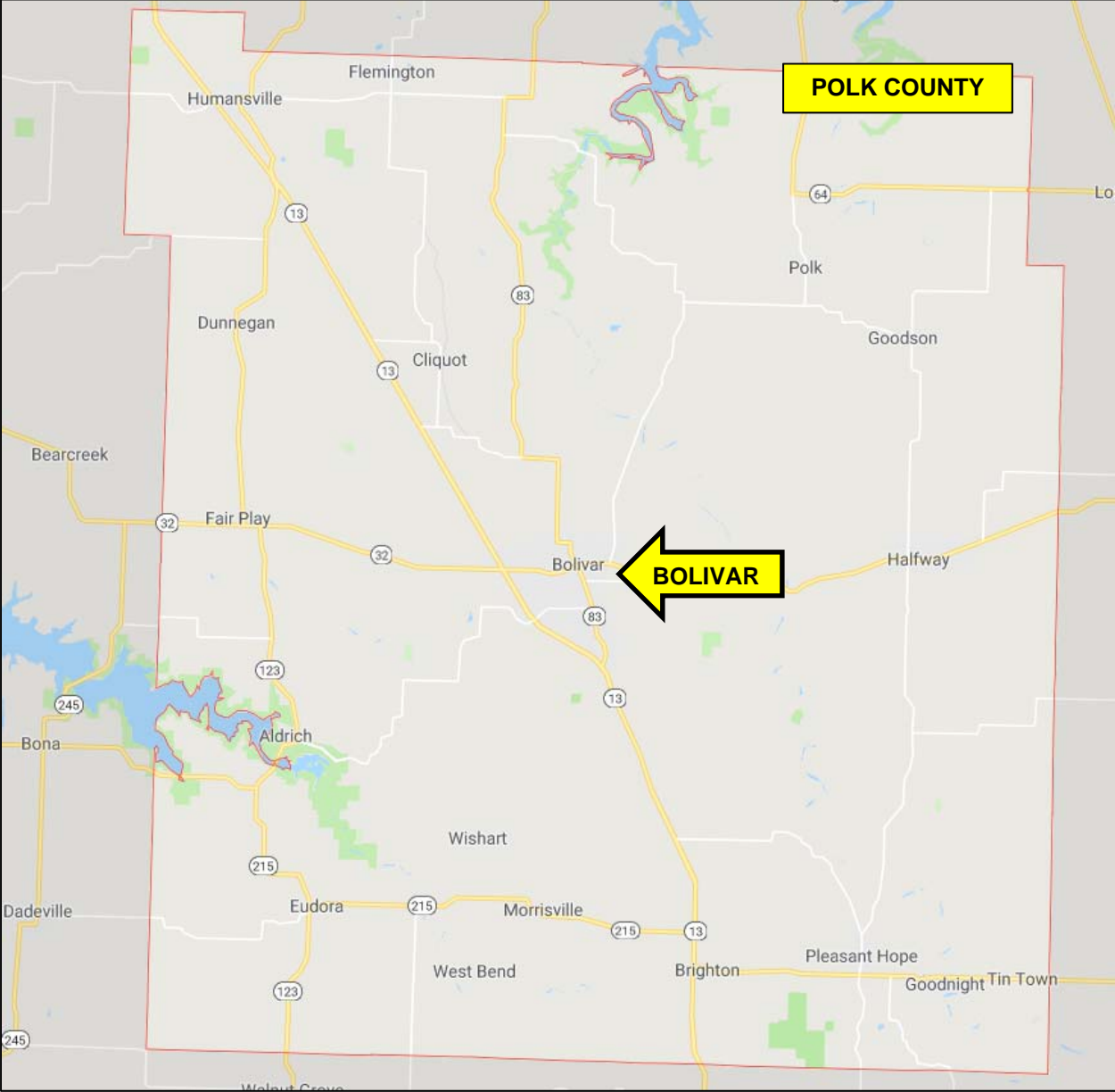
This report has not taken into consideration the possibility of the existence of any environmental hazards or substances, including but not limited to asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (hazardous material), or the cost of encapsulation or removal thereof. Should the client have concern over the existence of such substances or any other hazardous items on the subject properties, the appraisers consider it imperative for the client to retain the services of a qualified, independent engineer or contractor to determine the existence and extent of any hazardous materials, as well as the cost associated with any required or desirable treatment or removal thereof. Under such circumstances, the valuation stated herein would be void.

### **SOILS AND SUBSOILS**

This appraisal report gives no consideration to the potential impact on the subject property regarding any archeological findings; in addition, the cost of preparing any archeological studies/reports for the subject property is not incorporated into this valuation. It is assumed for purposes of this appraisal that there are no hidden or unapparent conditions of the property or subsoils that render the subject property more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them. It is also assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.

**Polk County Overview**

The subject is located in Polk County in the Springfield, Missouri metropolitan area. The City of Bolivar is the county seat of Polk County. The county’s 2018 population is estimated at approximately 32,000. Below is a map of the county with a table showing the approximate populations for the communities near Bolivar. On the following page is demographic data pertaining to Polk County.



Community	Population	Average Household Income	Average Home Value
City of Bolivar	10,715	\$54,920	\$184,130
City of Humansville	962	\$35,712	\$85,677
City of Pleasant Hope	651	\$61,187	\$150,000
Town of Morrisville	387	\$48,517	\$152,193

**Polk County Overview**  
 (Continued)

<b>Polk County MO Data &amp; Demographics (As of July 1, 2018)</b>			
<b>POPULATION</b>		<b>HOUSING</b>	
Total Population	31,958	Total Housing Units	13,633 (100%)
Population in Households	30,447	Owner Occupied HU	7,813 (57.3%)
Population in Families	24,890	Renter Occupied HU	4,114 (30.2%)
Population in Group Qtrts	1,511	Vacant Housing Units	1,706 (12.5%)
Population Density <sup>2</sup>	50	Median Home Value	\$139,469
Diversity Index <sup>3</sup>	14	Average Home Value	\$171,352

<b>GROWTH RATE / YEAR</b>	<b>2010-2018</b>	<b>2018-2023</b>
Population	0.32%	0.5%
Households	0.26%	0.48%
Families	0.15%	0.39%
Median Household Income		3.27%
Per Capita Income		3.5%

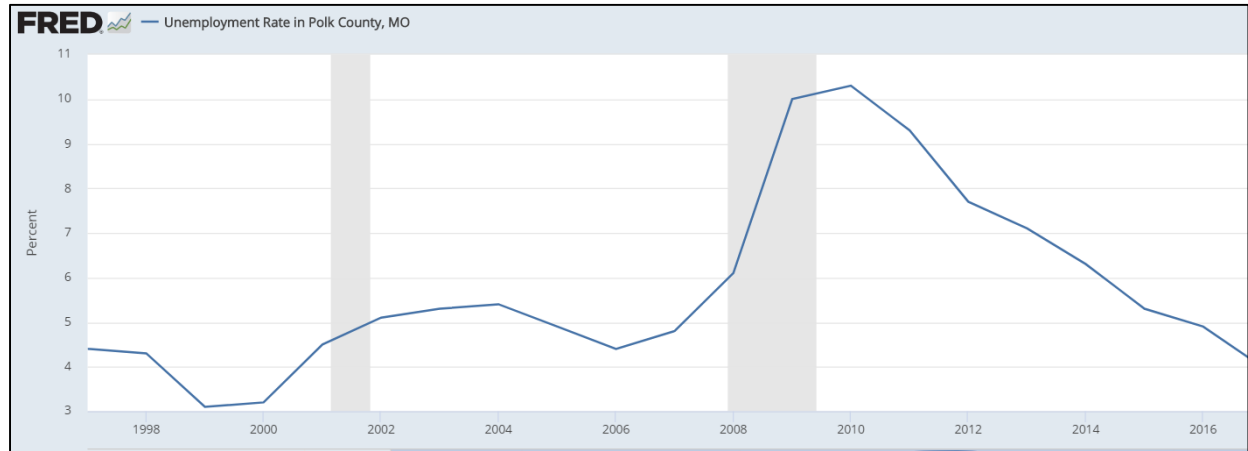
  

<b>Variable Description</b>	<b>Rank</b>	<b>Percentile</b>
Total Population	# 37	69th
Population Density	# 38	68th
Diversity Index	# 59	50th
Median Household Income	# 48	59th
Per Capita Income	# 72	38th

## **Polk County Overview**

(Continued)

According to the U.S. Bureau of Labor Statistics, the unemployment rate in Polk County was greater than 10% during the economic recession in 2008-2009. Since then, the unemployment rate has decreased to approximately 4% (as of 2017). The exhibit below illustrates the changes in the unemployment rate in Polk County during the last 20 years.

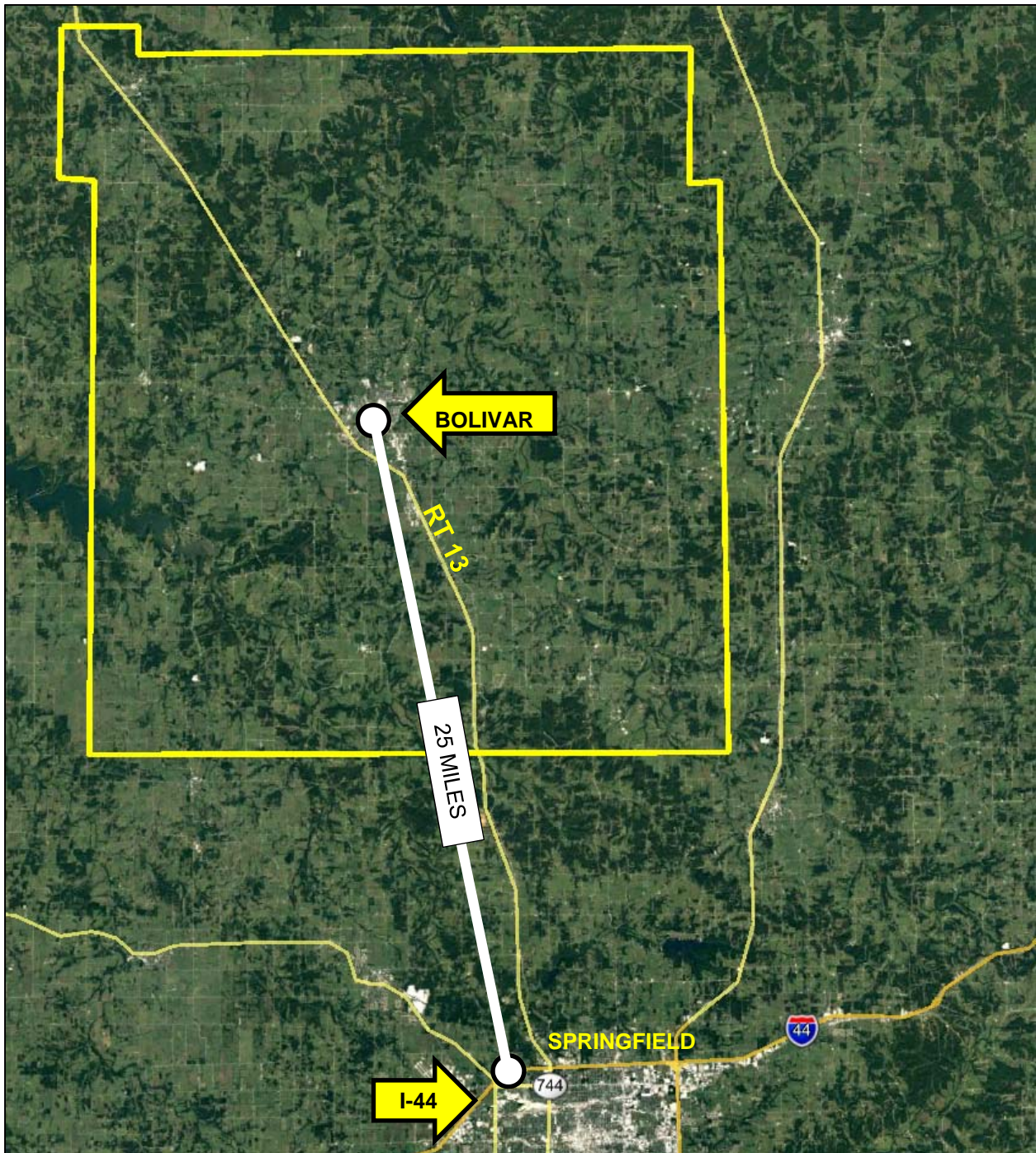




**Polk County Overview**

(Continued)

There are no interstate highways extending through Polk County. The interstate in closest proximity to the county is Interstate 44 which is located approximately 25 miles south of Bolivar. Interstate 44 is accessible at the north side of Springfield via State Route 13 that extends through Polk County south to Springfield. Interstate 44 is the primary link between St. Louis and Tulsa, Oklahoma and also provides direct access to Joplin, Missouri.

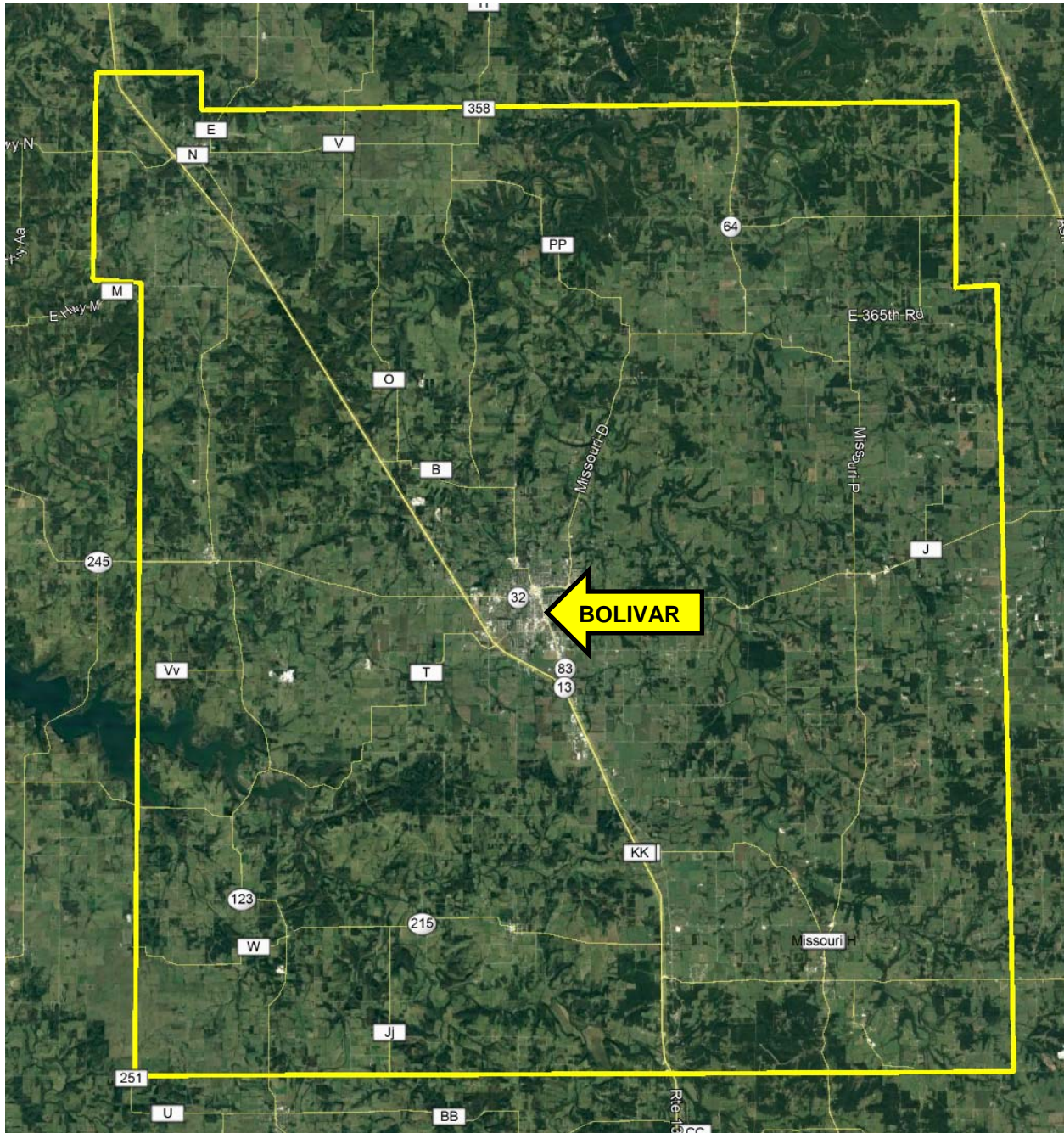




**Polk County Overview**

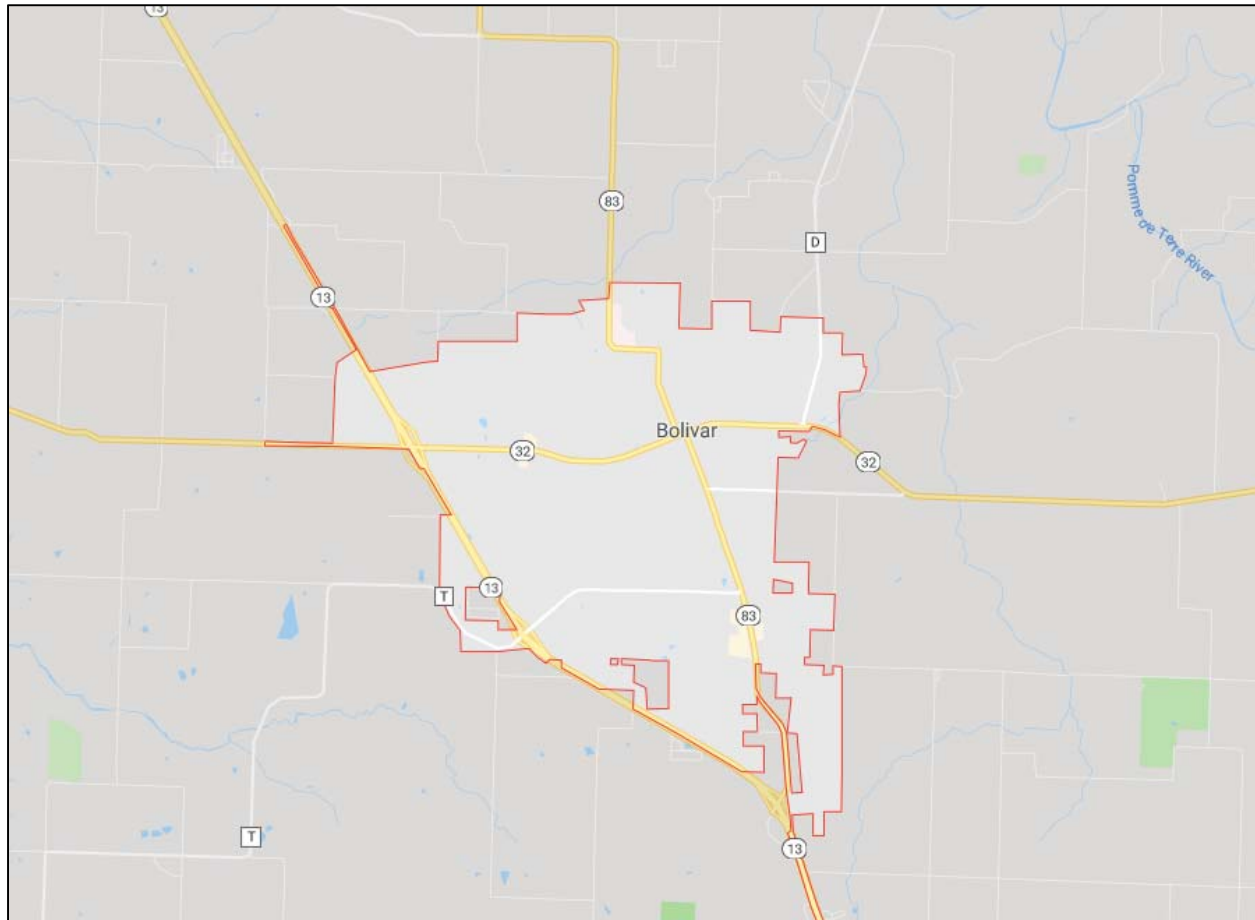
(Continued)

Although there are no interstates extending through Polk County, there are five state routes (13, 32, 83, 123, and 215) and several county highways that connect the City of Bolivar with the smaller rural communities (see exhibit below).





## City of Bolivar Overview



The downtown business district of Bolivar is located in the northern half of the community near the intersection of Route 83 (north/south) and Route 32 (east/west) and is where the governmental offices for the city and county are located. The downtown square area also has various small businesses and shops and professional office uses.

South of the downtown area along Springfield Avenue is the transition to more contemporary businesses including service retail, restaurants, fast food, offices, financial services, grocery stores, auto repair, a new hotel, neighborhood strip centers, health care clinics, etc. Further south towards Route 13 are larger commercial users such as large auto and machine dealerships, Walmart, and a new Mercy Hospital (currently under construction; multi-specialty clinic).

Located in the northern part of the community is Dunnegan Memorial Park which includes a lake, nature trails, playground areas, pavilions, frisbee golf, etc.

**City of Bolivar Overview**  
(Continued)

**Photographs of Downtown Area**



**Photographs of Dunnegan Memorial Park**



**City of Bolivar Overview**  
 (Continued)

According to U.S. Census Bureau data, the population in Bolivar has experienced a very slight increase since 2010 which is generally consistent with the overall change in population for Polk County. Additional demographic data pertaining to Bolivar is below.

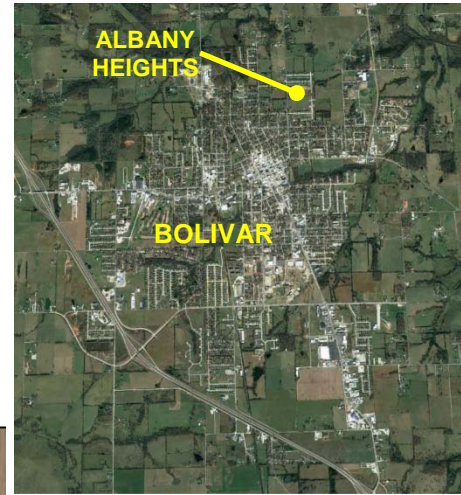
<b>Bolivar, MO Data &amp; Demographics (As of July 1, 2018)</b>			
<b>POPULATION</b>		<b>HOUSING</b>	
Total Population	10,715	Total Housing Units	4,550 (100%)
Population in Households	9,660	Owner Occupied HU	1,999 (43.9%)
Population in Families	7,361	Renter Occupied HU	2,115 (46.5%)
Population in Group Qtrs	1,055	Vacant Housing Units	436 ( 9.6%)
Population Density <sup>2</sup>	1,294	Median Home Value	\$144,318
Diversity Index <sup>3</sup>	18	Average Home Value	\$184,130
<b>INCOME</b>		<b>HOUSEHOLDS</b>	
Median Household Income	\$41,969	Total Households	4,114
Average Household Income	\$54,920	Average Household Size	2.35
Per Capita Income	\$22,877	Family Households	2,512
		Average Family Size	3
<b>GROWTH RATE / YEAR</b>		<b>2010-2018</b>	<b>2018-2023</b>
Population		0.45%	0.57%
Households		0.43%	0.6%
Families		0.85%	0.49%
Median Household Income			3.16%
Per Capita Income			3.02%
<b>Variable Description</b>		<b>Rank</b>	<b>Percentile</b>
Total Population		# 83	92nd
Population Density		# 224	78th
Diversity Index		# 340	67th
Median Household Income		# 594	43rd
Per Capita Income		# 552	47th



**City of Bolivar Overview**

(Continued)

The real estate market has seen some limited new construction in recent years. The residential market has shown increases in values according to local real estate brokers with the most active area for new construction during the last 10 years being the Albany Heights development on the northeast side of the community. The most recent part of the development began approximately 15 years ago. The four time-lapse photographs on the following page show the status of the development at different periods during the last 15 years.





**City of Bolivar Overview**  
(Continued)





## **City of Bolivar Overview**

(Continued)

The two largest employers in Bolivar include Southwest Baptist University (“SBU”) and Citizen’s Memorial Hospital (“CMH”).

SBU is a Christian-centered academic center based in Missouri with campuses in Bolivar as well as Springfield, Salem, and Mountain View. The Bolivar campus contains approximately 150 acres and has an enrollment of slightly less than 3,000. The primary campus area is on the south side of the community west of Springfield Avenue and north of Aldrich Road (see exhibit below).



## City of Bolivar Overview

(Continued)

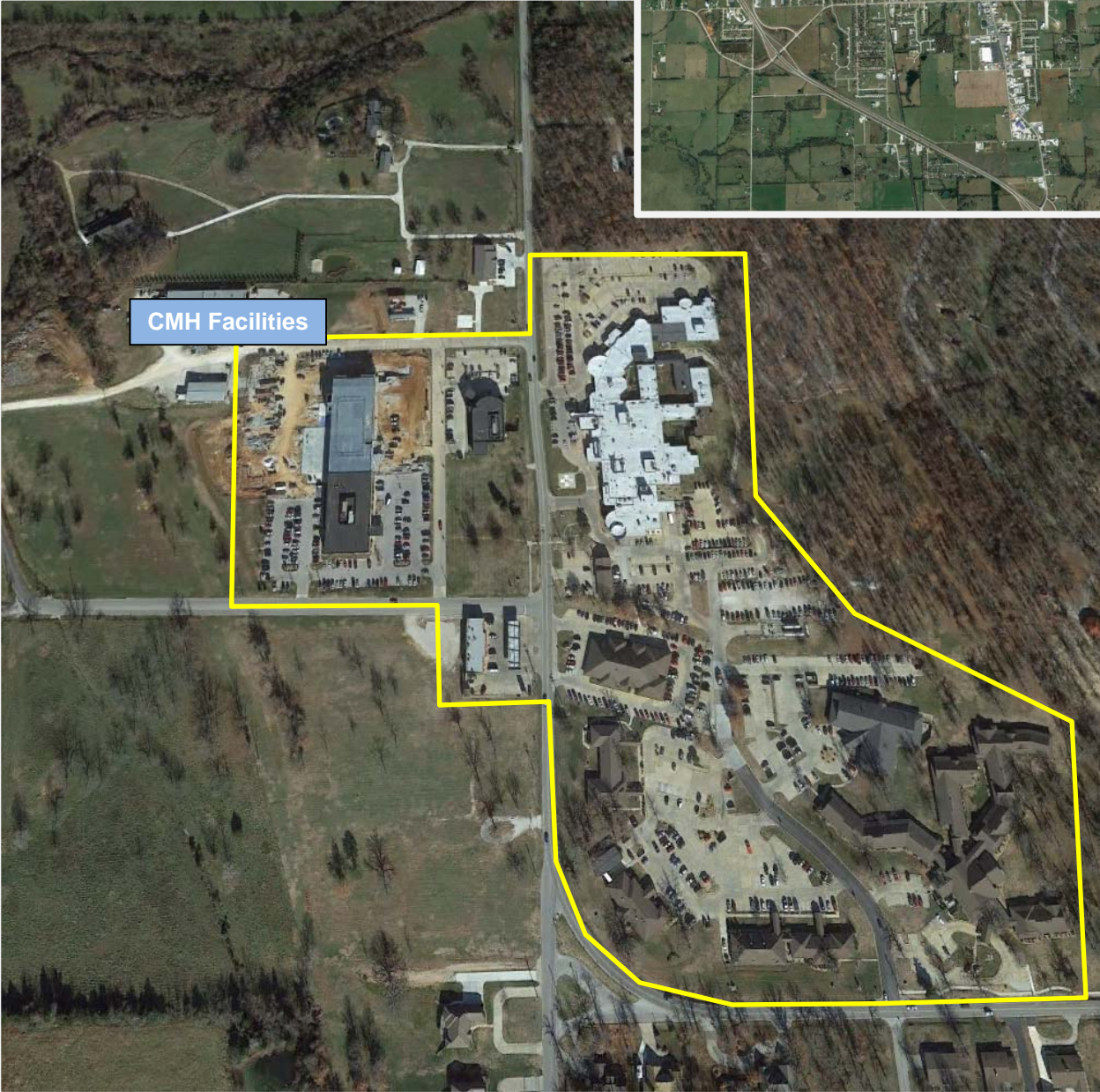
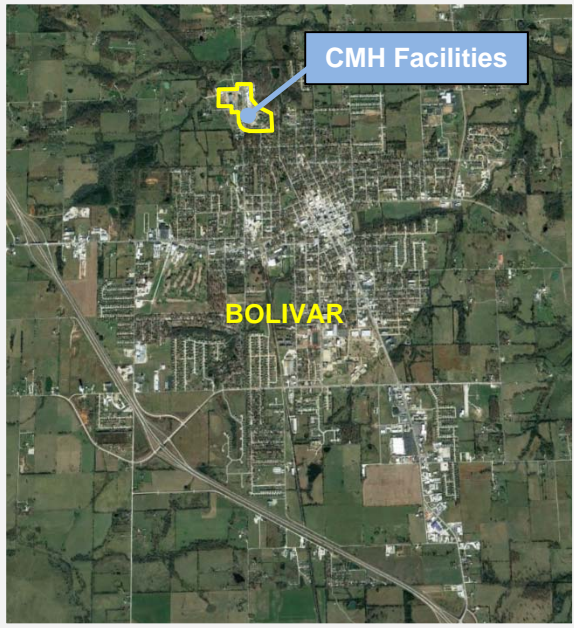
CMH is a health service provider with services and facilities throughout the region (see exhibit below). In Bolivar, CMH has a major presence in the north side of the community.



CMH facilities in Bolivar include the Ambulatory Surgical Center (Douglas Medical Center), a Birthing Unit, the Bolivar Family Care Center, the Butterfield Park Medical Center, the Butterfield Park Professional Building, the Butterfield Pharmacy, the Carrie J. Babb Cancer Center, the Citizens Memorial Healthcare Facility, the Citizens Memorial Hospital, the CMH Breast Care Center, the CMH Endocrinology Center, the CMH ENT Clinic, the CMH Eye Specialty Center, the CMH Gastroenterology Clinic, the CMH Heart Institute Clinic, the CMH Imaging Center, the CMH Infectious Disease Clinic, the CMH Infusion Center, the CMH Institute of Pain Management, the CMH Neurology Clinic, the CMH OB/GYN and Pediatric Clinic, the CMH Orthopedic and Spine Center, the CMH Outpatient Pediatric Therapy Clinic, the CMH Outpatient Therapy and Occupational Health Services Center, the CMH Podiatry Clinic, the CMH Pulmonology Clinic, and the CMH Rheumatology and Osteoporosis Clinic. In addition, CMH has several senior and health-related housing areas offering various levels of care and assistance.



**City of Bolivar Overview**  
(Continued)

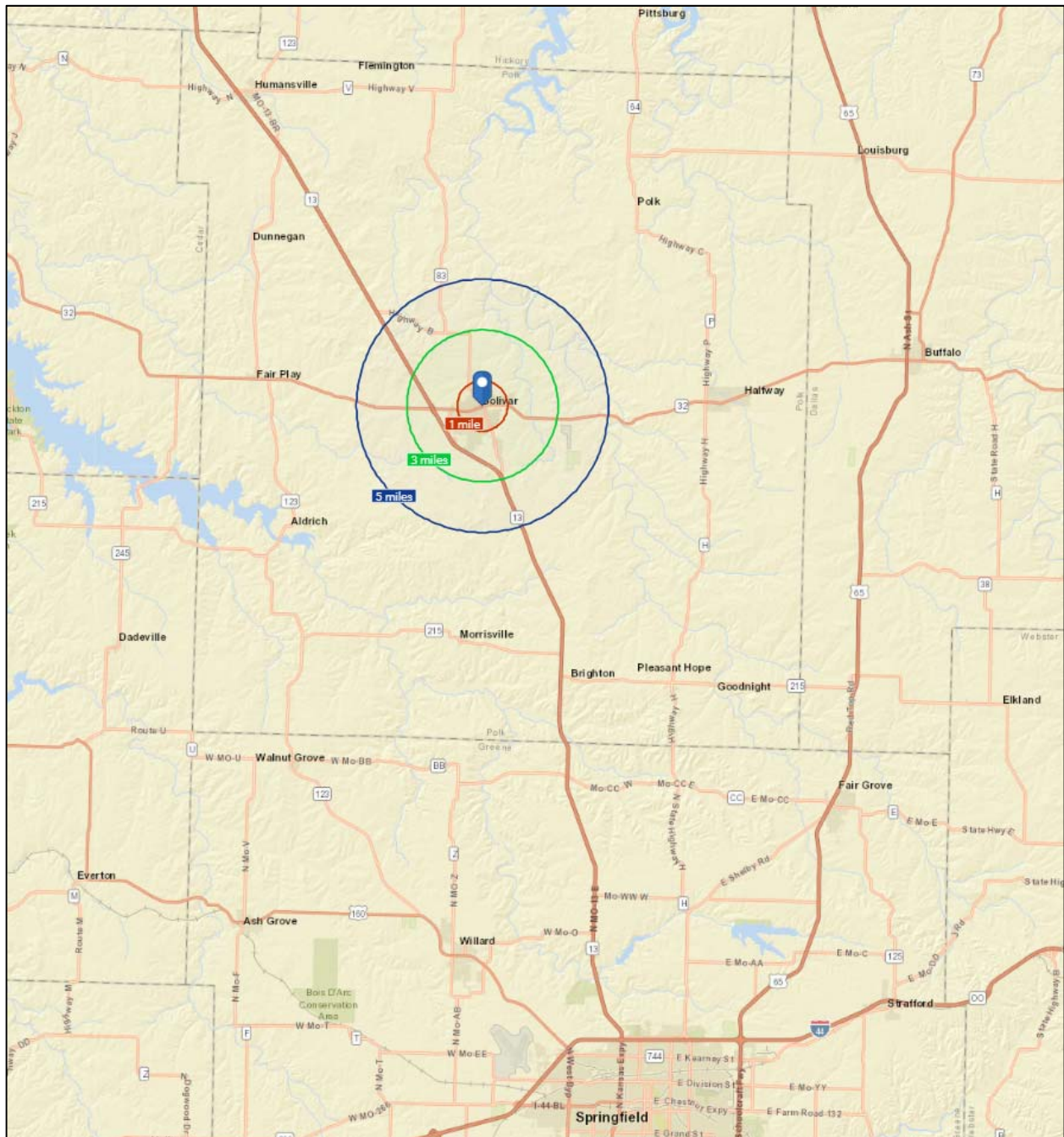




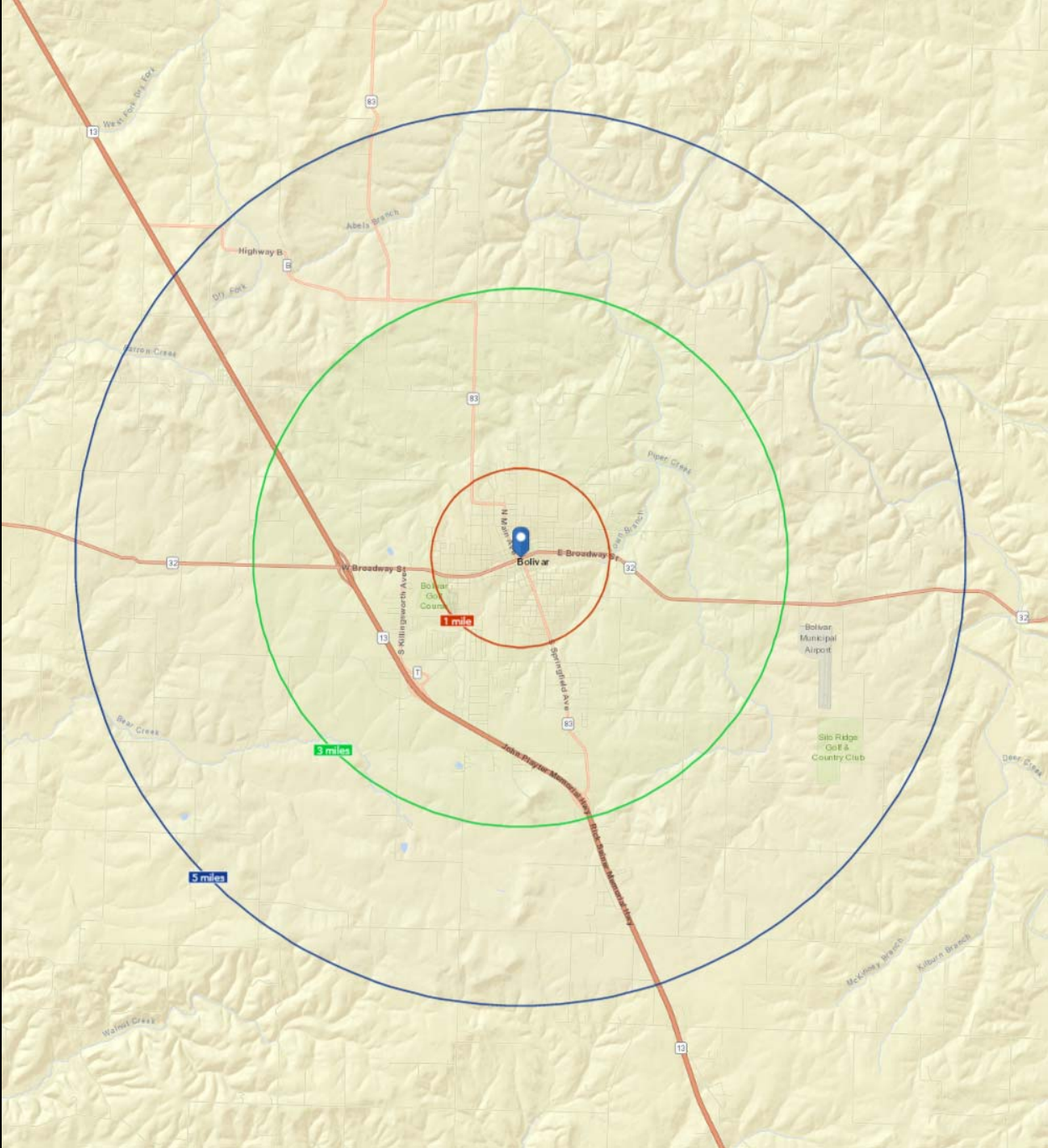
**City of Bolivar Overview**

(Continued)

According to U.S. Census Bureau data, the total 2018 population within approximately 3 miles of the center of Bolivar is 12,386 of which more than ½ is within 1 mile of the downtown area. There are 2,887 housing units within 1 mile of the approximate center of Bolivar and 1,192 (41%) are owner-occupied. The exhibits below and on the following page show rings of 1, 3 and 5 miles from the center of the City of Bolivar. On the following two pages after the maps are exhibits with corresponding demographic data.



**City of Bolivar Overview**  
(Continued)



**City of Bolivar Overview**  
 (Continued)



**Executive Summary**

345 S Main Ave, Bolivar, Missouri, 65613  
 Rings: 1, 3, 5 mile radii

Prepared by Esri  
 Latitude: 37.61184  
 Longitude: -93.41081

	1 mile	3 miles	5 miles
<b>Population</b>			
2000 Population	5,909	10,470	12,808
2010 Population	6,572	11,948	14,686
2018 Population	6,854	12,386	15,229
2023 Population	7,067	12,741	15,671
2000-2010 Annual Rate	1.07%	1.33%	1.38%
2010-2018 Annual Rate	0.51%	0.44%	0.44%
2018-2023 Annual Rate	0.61%	0.57%	0.57%
2018 Male Population	47.5%	47.8%	48.1%
2018 Female Population	52.5%	52.2%	51.9%
2018 Median Age	33.2	33.9	34.7

In the identified area, the current year population is 15,229. In 2010, the Census count in the area was 14,686. The rate of change since 2010 was 0.44% annually. The five-year projection for the population in the area is 15,671 representing a change of 0.57% annually from 2018 to 2023. Currently, the population is 48.1% male and 51.9% female.

**Median Age**

The median age in this area is 33.2, compared to U.S. median age of 38.3.

**Race and Ethnicity**

2018 White Alone	93.3%	93.9%	94.3%
2018 Black Alone	1.7%	1.6%	1.5%
2018 American Indian/Alaska Native Alone	0.6%	0.6%	0.6%
2018 Asian Alone	1.1%	0.9%	0.8%
2018 Pacific Islander Alone	0.0%	0.0%	0.0%
2018 Other Race	1.1%	1.0%	0.9%
2018 Two or More Races	2.2%	2.0%	1.9%
2018 Hispanic Origin (Any Race)	3.3%	3.2%	3.0%

Persons of Hispanic origin represent 3.0% of the population in the identified area compared to 18.3% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 16.3 in the identified area, compared to 64.3 for the U.S. as a whole.

**Households**

2000 Households	2,155	3,810	4,602
2010 Households	2,446	4,549	5,524
2018 Total Households	2,542	4,707	5,716
2023 Total Households	2,623	4,846	5,886
2000-2010 Annual Rate	1.27%	1.79%	1.84%
2010-2018 Annual Rate	0.47%	0.41%	0.42%
2018-2023 Annual Rate	0.63%	0.58%	0.59%
2018 Average Household Size	2.44	2.39	2.44

The household count in this area has changed from 5,524 in 2010 to 5,716 in the current year, a change of 0.42% annually. The five-year projection of households is 5,886, a change of 0.59% annually from the current year total. Average household size is currently 2.44, compared to 2.43 in the year 2010. The number of families in the current year is 3,662 in the specified area.

**Data Note:** Income is expressed in current dollars

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023. Esri converted Census 2000 data into 2010 geography.

February 15, 2019



**City of Bolivar Overview**  
 (Continued)



**Executive Summary**

345 S Main Ave, Bolivar, Missouri, 65613  
 Rings: 1, 3, 5 mile radii

Prepared by Esri  
 Latitude: 37.61184  
 Longitude: -93.41081

	1 mile	3 miles	5 miles
<b>Median Household Income</b>			
2018 Median Household Income	\$40,778	\$42,700	\$43,867
2023 Median Household Income	\$47,192	\$50,132	\$51,197
2018-2023 Annual Rate	2.96%	3.26%	3.14%
<b>Average Household Income</b>			
2018 Average Household Income	\$53,457	\$55,825	\$56,847
2023 Average Household Income	\$62,591	\$65,984	\$67,421
2018-2023 Annual Rate	3.21%	3.40%	3.47%
<b>Per Capita Income</b>			
2018 Per Capita Income	\$22,504	\$23,047	\$23,053
2023 Per Capita Income	\$25,999	\$26,864	\$26,996
2018-2023 Annual Rate	2.93%	3.11%	3.21%

**Households by Income**  
 Current median household income is \$43,867 in the area, compared to \$58,100 for all U.S. households. Median household income is projected to be \$51,197 in five years, compared to \$65,727 for all U.S. households

Current average household income is \$56,847 in this area, compared to \$83,694 for all U.S. households. Average household income is projected to be \$67,421 in five years, compared to \$96,109 for all U.S. households

Current per capita income is \$23,053 in the area, compared to the U.S. per capita income of \$31,950. The per capita income is projected to be \$26,996 in five years, compared to \$36,530 for all U.S. households

<b>Housing</b>			
2000 Total Housing Units	2,401	4,186	5,052
2000 Owner Occupied Housing Units	1,204	2,297	2,892
2000 Renter Occupied Housing Units	952	1,512	1,709
2000 Vacant Housing Units	245	377	451
2010 Total Housing Units	2,789	5,073	6,143
2010 Owner Occupied Housing Units	1,310	2,595	3,322
2010 Renter Occupied Housing Units	1,136	1,954	2,202
2010 Vacant Housing Units	343	524	619
2018 Total Housing Units	2,887	5,206	6,307
2018 Owner Occupied Housing Units	1,192	2,383	3,084
2018 Renter Occupied Housing Units	1,350	2,324	2,632
2018 Vacant Housing Units	345	499	591
2023 Total Housing Units	2,987	5,374	6,511
2023 Owner Occupied Housing Units	1,243	2,475	3,202
2023 Renter Occupied Housing Units	1,380	2,371	2,684
2023 Vacant Housing Units	364	528	625

Currently, 48.9% of the 6,307 housing units in the area are owner occupied; 41.7%, renter occupied; and 9.4% are vacant. Currently, in the U.S., 56.0% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.2% are vacant. In 2010, there were 6,143 housing units in the area - 54.1% owner occupied, 35.8% renter occupied, and 10.1% vacant. The annual rate of change in housing units since 2010 is 1.18%. Median home value in the area is \$153,939, compared to a median home value of \$218,492 for the U.S. In five years, median value is projected to change by 6.97% annually to \$215,582.

**Data Note:** Income is expressed in current dollars  
**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2018 and 2023. Esri converted Census 2000 data into 2010 geography.

## Description of the Subject Property

The facilities that comprise the subject property systems are located at twenty-five sites in the Bolivar area. Nineteen of the sites are owned in fee by the City of Bolivar and the remaining six locations are presumed to include permanent easements on a privately-owned parcels.

In addition to the land rights and building components, the subject property systems include the assets and facilities that comprise the systems for the delivery of public water and collection of wastewater. Please refer to the attached report prepared by Flinn Engineering for a list of the infrastructure, system assets, and facilities.

## Land Descriptions

The following is a summary of the details pertaining to the subject property parcels. For each parcel, a map identifying the respective property's location and approximate boundary lines is included. On the following page is an exhibit identifying the tax parcel, parcel size, and ownership for each tract. For Lift Station #13, the information is incomplete and the appraisal assumes easement rights.

SUMMARY OF SUBJECT PROPERTY PARCELS			
SYSTEM COMPONENT	LOCATION	STREET ADDRESS	GENERAL LOCATION
WASTEWATER TREATMENT PLANT	SOUTHTOWN	4798 KARLIN	NORTHEAST CORNER OF STATE HWY U & KARLIN LANE
WASTEWATER TREATMENT PLANT	BOLIVAR	1801 W. BROADWAY	SOUTH OF DIVISION AND NORTH OF BROADWAY
WELL #1	SOUTHTOWN	SOUTH OF 1340 HWY U	WEST OF S. 133RD RD AND SOUTH OF STATE HWY U
WELL #2	SOUTHTOWN	NORTH OF 4751 S. 129TH RD	NW CORNER OF E. 475TH RD & S. 129TH RD
WELL #2	BOLIVAR	215 E/ JEFFERSON ST	NW CONRER OF JEFFERSON ST & MARKET AVE
WELL #3	BOLIVAR	110 W. LOCUST	SOUTH SIDE OF LOCUST ST BETWEEN MAIN AVE AND MISSOURI AVE
WELL #4	BOLIVAR	1424 S. LILLIAN	EAST SIDE OF LILLIAN AVE NORTH OF HIGH ST
WELL #5	BOLIVAR	814 S. KILLINGSWORTH	EAST SIDE OF S. KILLINGSWORTH AVE SOUTH OF BROADWAY ST
WELL #6	BOLIVAR	2703 TOWER DR	NORTH SIDE OF W. TOWER DRIVE WEST OF ROUTE 13
LIFT STATION #13	SOUTHTOWN	4810 S. 124TH RD	NORTH OF 473RD RD
LIFT STATION #14	SOUTHTOWN	1311 S. 131ST RD	WEST SIDE OF 131ST RD NORTH OF E 475TH RD
LIFT STATION #17	SOUTHTOWN	NORTH OF 1340 HWY U	SOUTH SIDE OF HWY U WEST OF 135TH STREET
LIFT STATION #18	SOUTHTOWN	HWY U & S. 130TH	SW CORNER OF HWY U & 130TH ST
LIFT STATION #1	BOLIVAR	601 W. FOREST ST	EAST SIDE OF N. PARK AVE. NORTH OF W. FOREST ST
LIFT STATION #2	BOLIVAR	1398 W. PARKVIEW	SOUTH SIDE OF W. PARKVIEW ST WEST OF N OAKLAND AVE
LIFT STATION #4	BOLIVAR	2045 S. COLONY AVE	SOUTHWEST OF COLONY AVE & HERITAGE
LIFT STATION #5	BOLIVAR	605 W. FOREST	IN PARK BETWEEN RT 83 AND W. PARK RIDGE DRIVE
LIFT STATION #6	BOLIVAR	WEST OF 3520 S. SPRINGFIELD AVE	WEST SIDE OF SPRINGFIELD AVE SOUTH OF E 460TH RD
LIFT STATION #7	BOLIVAR	1500 E. MT. GLIEAD RD	SOUTH SIDE OF MT. GILEAD RD EAST OF HARTFORD AVE
LIFT STATION #8	BOLIVAR	EAST OF 1021 HWY T	NORTH SIDE OF HWY T WEST OF TOWER DRIVE
LIFT STATION #9	BOLIVAR	2201 E. DIVISION ST	NORTH SIDE OF DIVISION ACROSS FROM WWTP SITE
LIFT STATION #10	BOLIVAR	1700 E. ALDRICH RD	AT BALL PARK COMPLEX SOUTH OF E. ALDRICH RD
FIRE STATION 2	BOLIVAR	824 S. KILLINGSWORTH AVE	EAST SIDE OF S. KILLINGSWORTH AVE SOUTH OF BROADWAY ST
HIGH GROUND PARCEL (FUTURE SITE)	BOLIVAR	430TH RD	SOUTH OF E. 430TH RD
AIRPORT WELL	BOLIVAR	4460 AIRPORT RD	AT AIRPORT SOUTH OF RT 32

**Description of the Subject Property**

(Continued)

SUMMARY OF PARCELS - BOLIVAR WATER AND WASTEWATER SYSTEMS					
SYSTEM COMPONENT	LOCATION	ACCOUNT NUMBER	PID	ACRES	OWNER
WASTEWATER TREATMENT PLANT	SOUTHTOWN	3694.4	89-11-0.7-25-000-000-011.04	1	CITY OF BOLIVAR
WASTEWATER TREATMENT PLANT	BOLIVAR	2862.2	89-10-0.3-06-300-001-001.02	7.13	CITY OF BOLIVAR
WASTEWATER TREATMENT PLANT	BOLIVAR	2867.0	89-10-0.3-06-003-002-002.00	15.94	CITY OF BOLIVAR
WELL #1	SOUTHTOWN	3202.3	89-10-0.9-31-000-000-002.03	0.17	CITY OF BOLIVAR
WELL #1	SOUTHTOWN	3202.8	89-10-0.9-31-000-000-002.08	0.08	CITY OF BOLIVAR
WELL #2	SOUTHTOWN	3190.22	89-10-0.9-30-000-000-015.22	0.69	CITY OF BOLIVAR
WELL #2	BOLIVAR	7881.1	89-11-0.1-01-003-042-011.01	0.05	CITY OF BOLIVAR
WELL #3	BOLIVAR	7924.0	89-11-0.1-02-004-024-002.00	0.17	CITY OF BOLIVAR
WELL #4	BOLIVAR	8647.0	89-11-0.1-11-004-000-276.00	0.44	CITY OF BOLIVAR
WELL #5	BOLIVAR	3450.0	89-11-0.2-10-000-000-001.00	49.45	CITY OF BOLIVAR
WELL #6	BOLIVAR	9970.2	89-11-0.2-10-000-000-001.02	1	CITY OF BOLIVAR
LIFT STATION #13	SOUTHTOWN	UNKNOWN	UNKNOWN	UNKNOWN	UNKNOWN
LIFT STATION #14	SOUTHTOWN	3184.11	89-10-0.9-30-000-000-006.11	1.53	BURRELL INC.
LIFT STATION #17	SOUTHTOWN	3202.2	89-10-0.9-31-000-000-002.02	2.55	SMITH'S RESTAURANT
LIFT STATION #18	SOUTHTOWN	3243.0	89-10-0.9-31-000-000-026.00	1.29	RICHARD & GERALDINE FINK
LIFT STATION #1	BOLIVAR	9964.0	89-11-0.1-02-001-001-002.00	16.42	DUNNEGAN PARK
LIFT STATION #2	BOLIVAR	10143.6	89-11-0.1-02-002-003-001.01	0.11	CITY OF BOLIVAR
LIFT STATION #4	BOLIVAR	N/A	N/A	N/A	PUBLIC ROW (BOLIVAR)
LIFT STATION #5	BOLIVAR	5540	89-06-0.7-35-004-001-005.00	17.55	JIM DAVOLT TRUST
LIFT STATION #6	BOLIVAR	3625.2	89-11-0.6-24-000-000-002.02	0.08	CITY OF BOLIVAR
LIFT STATION #7	BOLIVAR	N/A	N/A	N/A	PUBLIC ROW (BOLIVAR)
LIFT STATION #8	BOLIVAR	10144.18	89-11-0.2-10-000-000-022.02	67.68	IND DEV AUTHORITY OF BOLIVAR
LIFT STATION #9	BOLIVAR	N/A	N/A	N/A	PUBLIC ROW (BOLIVAR)
LIFT STATION #10	BOLIVAR	10142.9	89-10-0.4-18-000-000-002.01	31.02	CITY OF BOLIVAR
FIRE STATION 2	BOLIVAR	9970.2	89-11-0.2-10-000-000-001.02	1	CITY OF BOLIVAR
HIGH GROUND PARCEL (FUTURE SITE)	BOLIVAR	3376.30	89-11-0.2-04-000-000-006.30	1	CITY OF BOLIVAR
AIRPORT WELL	BOLIVAR	2930.4	89-10-0.2-09-000-000-014.04	118.13	CITY OF BOLIVAR

**Description of the Subject Property**  
(Continued)

**SOUTHTOWN WASTEWATER TREATMENT PLANT**





**Description of the Subject Property**

(Continued)

**BOLIVAR WASTEWATER TREATMENT PLANT**





**Description of the Subject Property**

(Continued)

**SOUTHTOWN WELL #1**

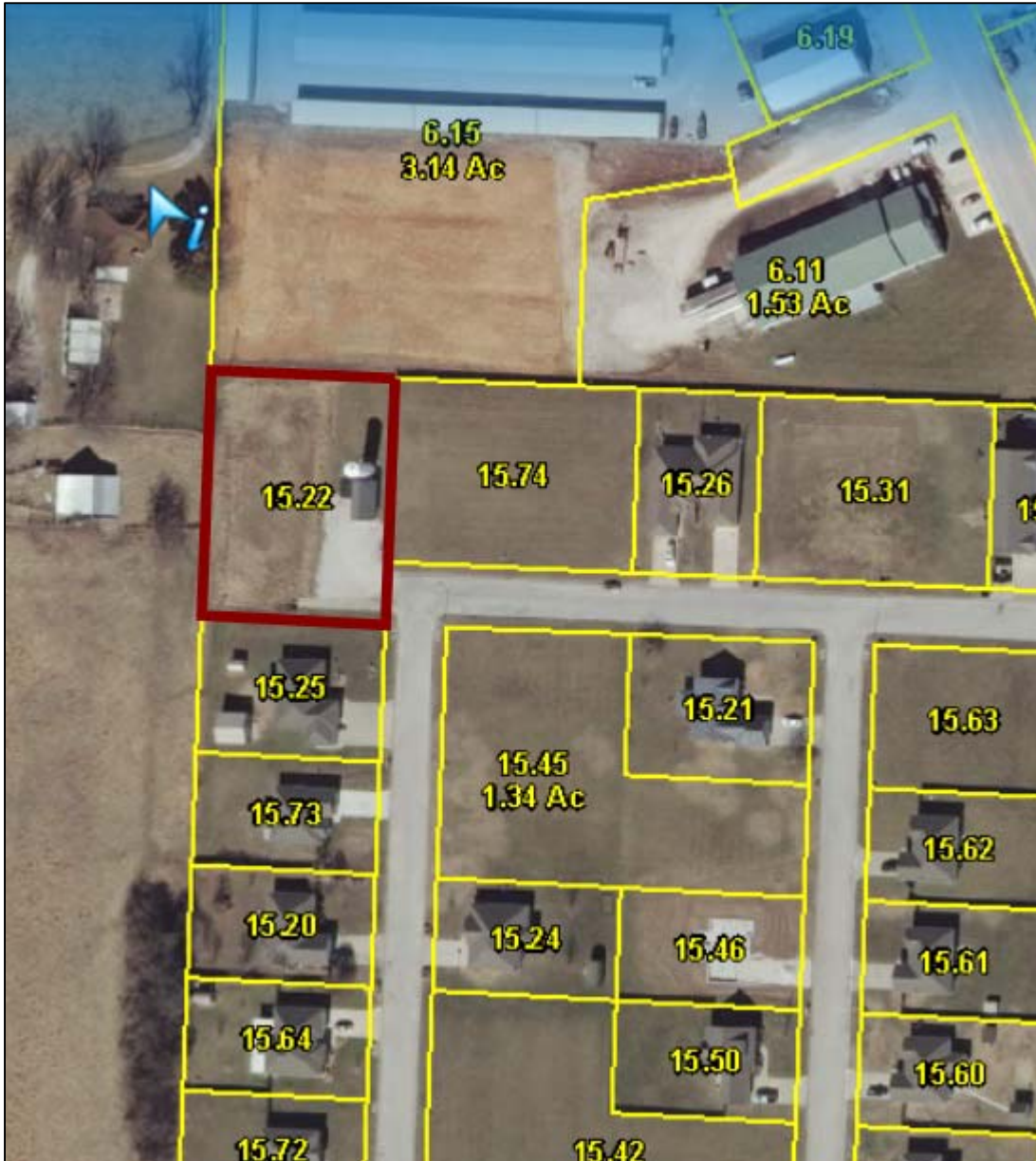


ACCESS ROAD IS PRIVATE OWNERSHIP  
RICHARD AND GERALDINE FINK  
89-10-0.9-31-000-000-002.06

**Description of the Subject Property**

(Continued)

SOUTHTOWN WELL #2



**Description of the Subject Property**  
(Continued)

**BOLIVAR WELL #2**





**Description of the Subject Property**  
(Continued)

**BOLIVAR WELL #3**



**Description of the Subject Property**  
(Continued)

BOLIVAR WELL #4

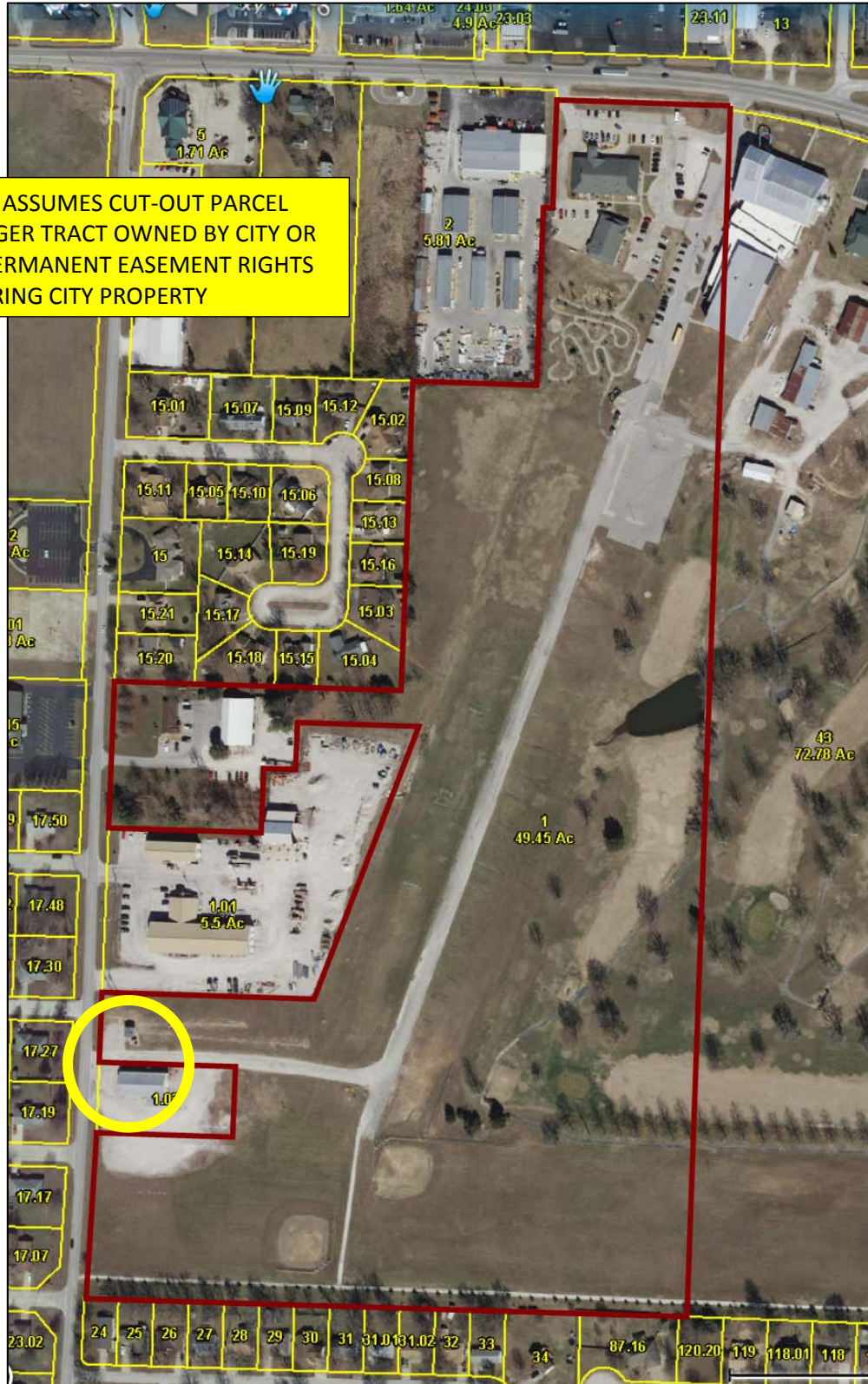




**Description of the Subject Property**

(Continued)

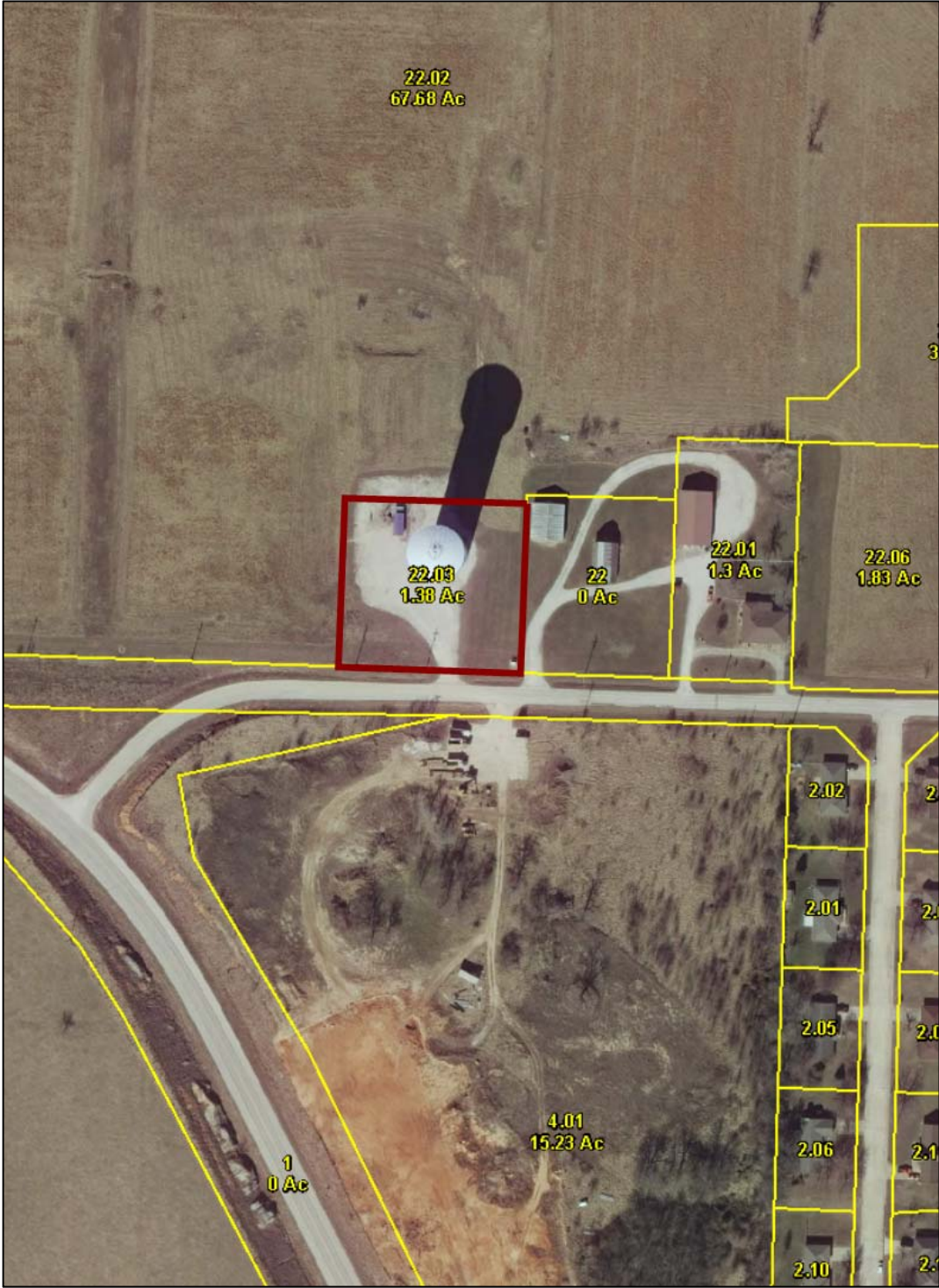
**BOLIVAR WELL #5**



APPRAISAL ASSUMES CUT-OUT PARCEL FROM LARGER TRACT OWNED BY CITY OR ASSUME PERMANENT EASEMENT RIGHTS ENCUMBERING CITY PROPERTY

**Description of the Subject Property**  
(Continued)

**BOLIVAR WELL #6**





**Description of the Subject Property**  
(Continued)

**SOUTHTOWN LIFT STATION #14**



**Description of the Subject Property**  
(Continued)

**SOUTHTOWN LIFT STATION #17**





**Description of the Subject Property**  
(Continued)

**SOUTHTOWN LIFT STATION #18**





**Description of the Subject Property**  
(Continued)

**BOLIVAR LIFT STATION #1**



**Description of the Subject Property**  
(Continued)

**BOLIVAR LIFT STATION #2**





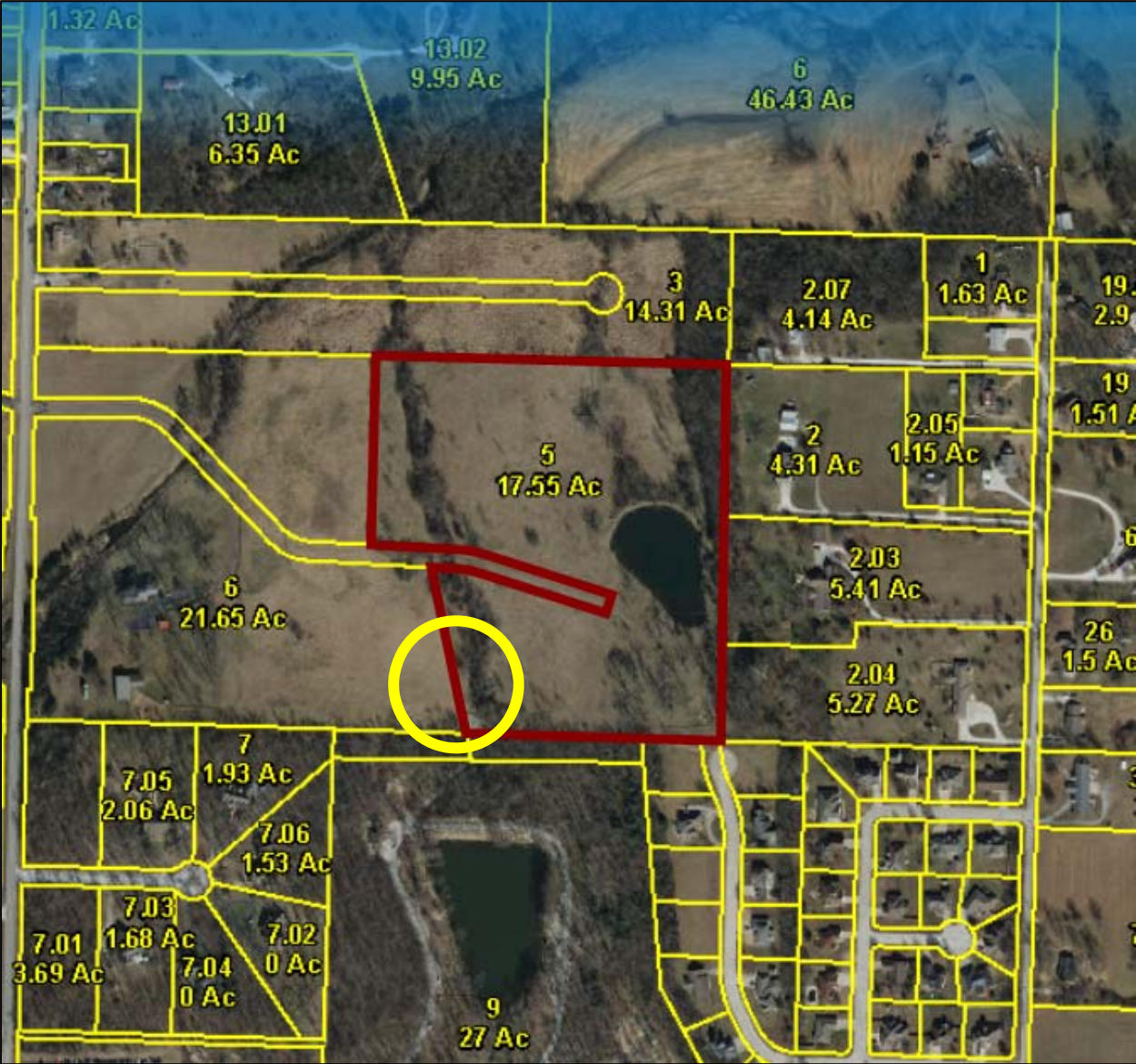
**Description of the Subject Property**  
(Continued)

**BOLIVAR LIFT STATION #4**



**Description of the Subject Property**  
(Continued)

**BOLIVAR LIFT STATION #5**





**Description of the Subject Property**  
(Continued)

**BOLIVAR LIFT STATION #6**



**Description of the Subject Property**  
(Continued)

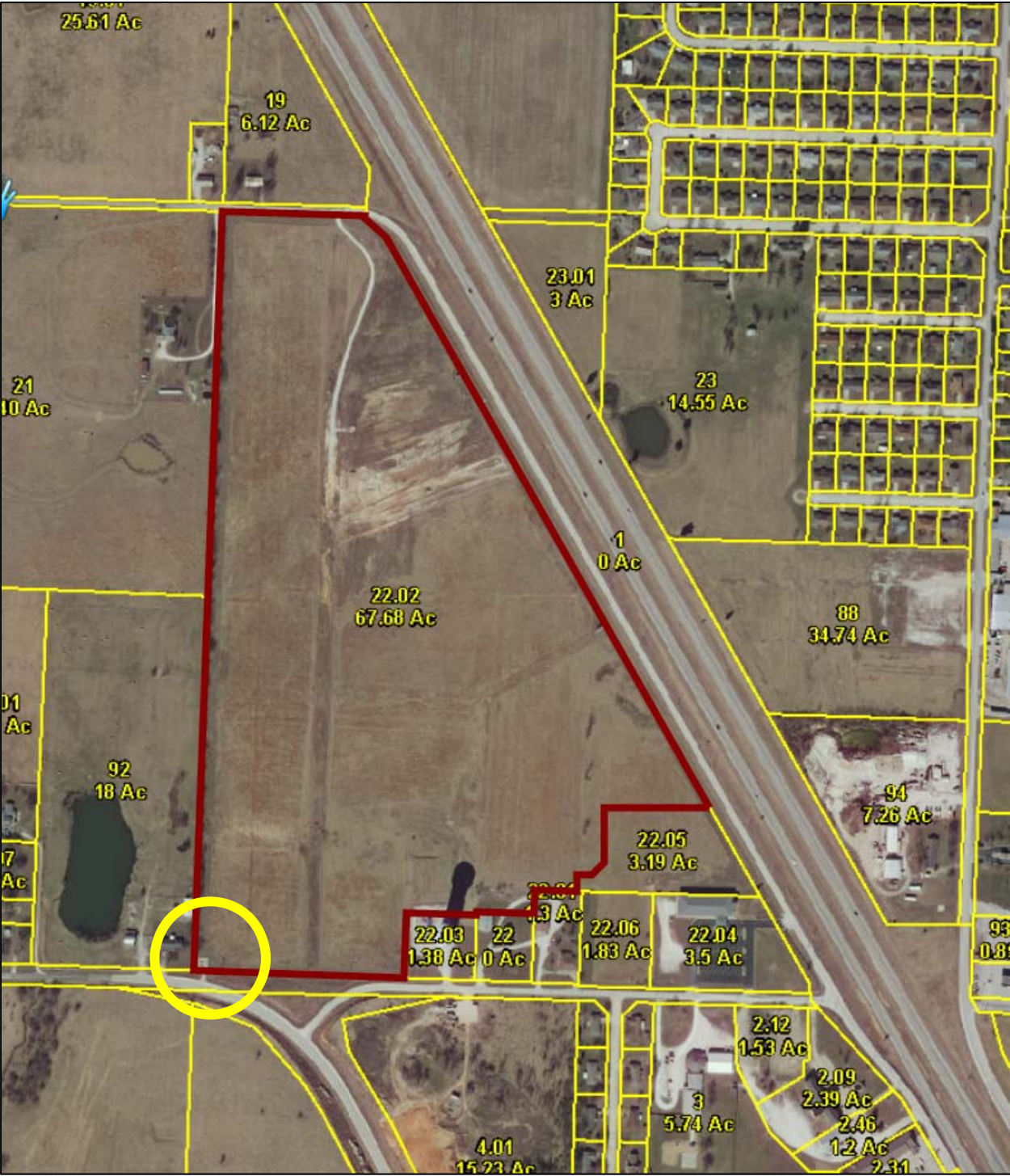
**BOLIVAR LIFT STATION #7**





**Description of the Subject Property**  
(Continued)

**BOLIVAR LIFT STATION #8**



**Description of the Subject Property**  
(Continued)

**BOLIVAR LIFT STATION #9**





**Description of the Subject Property**  
(Continued)

**BOLIVAR LIFT STATION #10**



**Description of the Subject Property**  
(Continued)

**BOLIVAR FIRE STATION #2**





**Description of the Subject Property**  
(Continued)

HIGH GROUND PARCEL





**Description of the Subject Property**

(Continued)

**AIRPORT WELL**

APPRAISAL ASSUMES CUT-OUT PARCEL FROM LARGER TRACT OWNED BY CITY OR ASSUME PERMANENT EASEMENT RIGHTS ENCUMBERING CITY PROPERTY



## **Description of the Subject Property**

(Continued)

### **Improvement Descriptions**

(Presented in order of inspection completed February 14, 2019)

#### ***1801 East Broadway Street Wastewater Treatment Plant***

This site is located on the north side of East Broadway Street, just east of its intersection with North Pomme De Terre Avenue, in Bolivar, Missouri. The Polk County Assessor identifies this site as Parcel Number 89-10-0.3-06-003-002-002.00 and calculates it to be 15.94 acres in size. The perimeter of this site is secured by a 6 foot chain link fence. The site is improved with eleven buildings segregated into the water treatment plant and a section that includes an animal kennel and various ancillary buildings.

The kennel office is a one story, with no basement, building of concrete block construction estimated to have been built in 1995. According to measurements taken at the time of inspection, this structure contains 1,102 square feet of gross building area. Amenities include a metal roof and enclosed soffits. The kennel office building is considered to be in average to good condition. Next to the kennel office is a metal shed, with no basement, of corrugated metal panel construction estimated to have been built in 1995. According to measurements taken at the time of inspection, this structure contains 376 square feet of gross building area. Amenities include an 8 foot drive-in door. This metal shed is considered to be in average condition.

The disposal plant is a one story, with no basement, building of poured concrete construction. The date of construction is unknown. According to measurements taken at the time of inspection, this structure contains 548 square feet of gross building area. Amenities include a drive-in garage door. The disposal plant building is considered to be in poor condition.

The circular storage building is a one story, with no basement, building of poured concrete construction. The date of construction is unknown. According to measurements taken from aerial photography, this structure contains approximately 1,225 square feet of gross building area. This storage building is considered to be in poor condition.

The incinerator is a one story, with no basement, building of corrugated metal panel construction estimated to have been built in 1995. According to measurements taken at the time of inspection, this structure contains 159 square feet of gross building area. This incinerator building is considered to be in fair to average condition.

## **Description of the Subject Property**

(Continued)

Also located in the kennel section of this parcel are two concrete slabs covered with prefabricated metal canopies estimated to have been constructed in 2000. Based on measurements taken, the combined area of these concrete slabs is estimated to be 3,500 square feet. The concrete slabs and canopies are considered to be in average condition. Dog runs are located on these slabs.

The remaining improvements are located at the wastewater treatment section of this parcel.

The garage is a one story, on concrete slab, building of steel frame construction estimated to have been built in 2003. The exterior corrugated metal panel walls are insulated. According to measurements taken at the time of inspection, this structure contains 1,825 square feet of gross building area. Amenities include three drive-in garage doors and oversized gutters. The garage building is considered to be in good condition.

The frame shed is a one story, on concrete slab, building of frame construction estimated to have been built in 2010. The roof covering is of composition shingles. According to measurements taken at the time of inspection, this structure contains 116 square feet of gross building area. Amenities include metal gutters and downspouts. The frame shed is considered to be in good condition.

The storage building is a one story, with no basement, building of a combination of concrete block and corrugated metal panel construction. The original date of construction is unknown. However, it has been noted that an 8 foot by 6 foot addition has recently been added. According to measurements taken at the time of inspection, this structure contains 396 square feet of gross building area. The storage building is considered to be in fair to average condition.

The grit house is a one story, with no basement, building of corrugated metal panel construction estimated to have been built in 2000. According to measurements taken at the time of inspection, this structure contains 444 square feet of gross building area. Amenities include metal gutters and downspouts. The office building is considered to be in good condition.

The office building is a one story, on concrete slab, building of corrugated metal panel construction. The date of construction is unknown. According to measurements taken at the time of inspection, this structure contains 955 square feet of gross building area. Amenities include a drive-in door and metal gutters and downspouts. The office building is considered to be in average condition.



## **Description of the Subject Property**

(Continued)

Other improvements to this site include seven clarifiers, two aeration basins, and a backup generator. Access to the site is via North Redel Place, an access road bisecting this parcel from north to south connecting to East Division Street at the north, as a one lane chat paved road, and East Broadway Street at the south, as a two lane asphalt paved road.

The ultra violet treatment improvements are located on Parcel Identification Number 89-10-0.3-06-003-001-001.02. This site has approximately 900± lineal square feet of frontage on the south side of East Division Street. According to public records, the entirety of this parcel consists of 7.13 acres. This site is improved with a ultra violet facility comprised of a poured concrete foundation covered by a corrugated metal canopy measuring approximately 59.5 feet by 31.5 feet with a lean-to enclosure measuring 25.5 feet by 13.5 feet. The interior of the lean-to consists of a concrete floor and unpainted plywood walls and ceilings. The perimeter of the site is improved with a three strand barbed wire chain fence with a height of six feet. Current access to this site is from the southwest via Redel Place across Parcel 89-10-0.3-06-003-002-002.00 or from the west via a driveway connecting to East Division Street traversing private property.

### ***Lift Station Number 9***

This parcel is identified by the Parcel Identification Number 89-10-0.3-06-002-001-003.00 and has a common street address of 2201 East Division Street, Bolivar, Missouri 65613. It should be noted that this parcel is in the ownership of the Delbert and June Simpson Trust. This site is located on the north side of East Division Street, approximately 650 feet east its intersection with Redel Place. According to public records, the entirety of this parcel consists of 14.2157 acres. However, the lift station site is estimated to consist of only 1,200 square feet. The site is improved with a lift station. Other amenities include a backup generator that is reportedly two to three years old and an approximate 28 foot by 25.5 foot wood privacy fence reportedly two years old. These improvements are considered to be in average condition for their age and type. The site is accessed via a concrete driveway off of East Division Street.

### ***Airport Well***

This parcel is identified by the Parcel Identification Number 89-10-0.2-09-000-000-014.04 and has a common street address of 4460 Airport Drive, Unincorporated Polk County, Missouri 65613. According to public records, the entirety of this parcel consists of 118.13 acres. However, the well site is estimated to consist of a 10 foot by 10 foot, or 100 square foot, area. The site has been improved with a one story, with no basement, fiberglass shed. The improvements house a well pump. The date of construction is unknown. According to measurements taken at the time of inspection, this structure contains 24 square feet of gross building area. This building is considered to be in average condition. The machinery is reportedly in need of a small pipe repair.

## **Description of the Subject Property**

(Continued)

### ***Lift Station Number 10***

This parcel is identified by the Parcel Identification Number 89-10-0.4-18-000-000-002.01 and has a common street address of 1700 East Aldrich Road, Bolivar, Missouri 65613. This site is located on the south side of East Aldrich Road, approximately 0.60 miles east of its intersection with Springfield Avenue. According to public records, the entirety of this parcel consists of 31.02 acres and is currently used as baseball fields. However, the lift station site is estimated to consist of a 20 foot by 20 foot, or 400 square foot, area. The site is improved with a lift station that services only the ballfield concession stand. These improvements are considered to be in average condition. The site is currently accessed at the west across Parcel 89-11-0.6-13-000-000-001.00 via a combination asphalt and chat paved parking lot.

### ***Lift Station Number 7***

This parcel is identified by the Parcel Identification Number 89-11-0.6-13-000-000-033.13 and has a common street address of 1500 East Mount Glied Road, Bolivar, Missouri 65613. It should be noted that this parcel is in the ownership of Scott W. and Lea Ann Jacobs. This site is located on the south side of East Mount Glied Road, at its intersection with South Hartford Avenue. According to public records, the entirety of this parcel consists of approximately 12,563 square feet. However, the lift station site is estimated to consist of only 961 square feet. The site is improved with a lift station. Other amenities include a propane fueled backup generator, that is reportedly exercised once a week, and an approximate 30.5 foot by 30.5 foot wood privacy fence reportedly three to four months old. These improvements are considered to be in average condition. The site is accessed via a gravel driveway off of East Mount Glied Road.

### ***Well Number 2***

This parcel is identified by the Parcel Identification Number 89-11-0.1-01-003-042-011.01 and has a common street address of 215 East Jefferson Street, Bolivar, Missouri 65613, at the northwest corner of East Jefferson's intersection with South Market Avenue. The site area is reportedly 0.05 acres, or 2,178± square feet, and has been improved with a one story, with no basement, building of poured concrete construction. The improvements house a well pump. The date of construction is unknown. According to measurements taken at the time of inspection, this structure contains 428 square feet of gross building area. The finish includes exposed concrete walls, a painted plywood ceiling with a hatch for well replacement, and uncovered concrete floors with ceiling mounted fluorescent tube light fixtures. This building is considered to be in average condition for its age and type. A canopy measuring approximately 7 feet by 14.5 feet is located on the west side of this building. Two chlorine gas cylinders, with 150 pounds of capacity a piece, operate at this location.

## **Description of the Subject Property**

(Continued)

### ***Water Tower and Well Number 3***

This parcel is identified by the Parcel Identification Number 89-11-0.1-02-004-024-002.00 and has a common street address of 110 West Locust Street, Bolivar, Missouri 65613. This site is located on the south side of West Locust Street, between North Missouri Avenue and North Main Avenue, and is enveloped on three sides by Parcel 89-11-0.1-02-004-024-001.00, the site of the First Baptist Church Recreation Building. The water tower and well site area is reportedly 38,010 square feet and has been improved with a water tower, a well house, a pump house, and a shed. The perimeter of the site is improved with a three strand barbed wire chain fence with a height of six feet.

The water tower consists of a 200,000-gallon elevated metal storage tank which was reportedly installed in 1942. This structure is considered to be in good condition.

The well house is a one story, with no basement, structure of fiberglass construction. The date of construction is unknown. According to measurements taken at the time of inspection, this structure contains 24 square feet of gross building area. This building is considered to be in average condition.

The pump house is a one story, with no basement, building of concrete block construction. The improvements house a well pump. The date of construction is unknown. According to measurements taken at the time of inspection, this structure contains 133 square feet of gross building area. This building is considered to be in average condition.

The shed is a one story, with no basement, building of corrugated metal panel construction. The improvements house a generator. The date of construction is unknown. According to measurements taken at the time of inspection, this structure contains approximately 120 square feet of gross building area. This building is considered to be in average condition.

### ***Lift Station Number 5***

This parcel is identified by the Parcel Identification Number 89-06-0.7-35-004-001-005.00 and has a common street address of 605 West Forest Street, Bolivar, Missouri 65613. It should be noted that this parcel is in the ownership of Jim Davolt. This site is located just north the northern boundary of Dunnegan Memorial Park. According to public records, the entirety of this parcel consists of 17.6204 acres. However, the lift station site is estimated to consist of only 3,300 square feet. The site is improved with a lift station. Other amenities include a backup generator. These improvements are considered to be in good condition. This site is currently accessed via a gravel driveway off of the North Park Avenue as it meanders through Dunnegan Memorial Park. The perimeter of the site is improved with a three strand barbed wire chain fence with a height of six feet.



## **Description of the Subject Property**

(Continued)

### ***Lift Station Number 1***

This parcel is identified by the Parcel Identification Number 89-11-0.1-02-001-001-002.00 and has a common street address of 601 West Forest Street, Bolivar, Missouri 65613. It should be noted that this parcel is one of two parcels that comprise the Dunnegan Memorial Park. This site is located on the east side of North Park Avenue as it meanders through the park. According to public records, the entirety of this parcel consists of 16.4682 acres. However, the lift station site is estimated to consist of only 5,600 square feet. The site is improved with a lift station. Other amenities include a backup generator in fair condition and a partial wood privacy fence. This site is currently accessed via a gravel driveway off of the North Park Avenue. The perimeter of the site is improved with a three strand barbed wire chain fence with a height of six feet.

### ***Lift Station Number 2***

This parcel is identified by the Parcel Identification Number 89-11-0.1-02-002-003-001.01 and has a common street address of 1398 West Parkview Street, Bolivar, Missouri 65613. This site is located on the southwest side of West Parkview Street approximately one mile west of its intersection with North Oakland Avenue. According to public records, this parcel consists of 4,596± square feet. The site is improved with a lift station. Other amenities include a backup generator in fair condition. This site is currently accessed via a gravel driveway off of the West Parkview Street. The perimeter of the site is improved with a three strand barbed wire chain fence with a height of six feet.

### ***High Ground Parcel***

This parcel is identified by the Parcel Identification Number 89-11-0.2-04-000-000-006.30 and is located on the 900 block of East 430<sup>th</sup> Road in unincorporated Polk County, Missouri 65613. This site is located on the southwest side of East 430<sup>th</sup> Road just west of its intersection with Missouri Route 13. According to public records, this parcel consists of 39,257± square feet. This site is unimproved. It should be noted that current access to this site is across two privately owned parcels. This vacant parcel is reportedly held for future use.

## **Description of the Subject Property**

(Continued)

### ***Well Number 5***

This parcel is identified by the Parcel Identification Number 89-11-0.2-10-000-000-001.00 and has a common street address of 814 South Killingsworth Avenue, Bolivar, Missouri 65613. According to public records, the entirety of this parcel consists of 47.0471 acres and includes improvements such as the Roy Blunt YMCA of Bolivar, The Polk County Health Senior Center, the Bolivar Forestry Office, and the runway to the former Bolivar Airport. However, the well site is estimated to consist of a 22,500 square foot area located on the east side of South Killingsworth Avenue approximately 0.5 miles south of its intersection with West Broadway Street. The site has been improved with a one story, with no basement, building of concrete block construction. The improvements house a well pump. These improvements were reportedly rebuilt in 2008 after suffering tornado damage. According to measurements taken at the time of inspection, this structure contains 304 square feet of gross building area. The finish includes exposed concrete walls, a painted plywood ceiling with a hatch for well replacement, and uncovered concrete floors with ceiling mounted fluorescent tube light fixtures. Other amenities include a diesel fueled backup generator in good condition and an asphalt shingled roof. This building is considered to be in good condition.

### ***Fire Station***

This parcel is identified by the Parcel Identification Number 89-11-0.2-10-000-000-001.02 and has a common street address of 824 South Killingsworth Avenue, Bolivar, Missouri 65613. This site is located on the east side of South Killingsworth Avenue approximately 0.5 miles south of its intersection with West Broadway Street. According to public records, the entirety of this parcel consists of approximately 43,473 square feet. The site has been improved with a one story, with no basement, firehouse building of corrugated metal panel construction. The date of construction is unknown. According to measurements taken at the time of inspection, this structure contains 5,982 square feet of gross building area. Other amenities include a chat paved parking lot. This building is considered to be in average condition.

### ***Water Tower and Well Number 4***

This parcel is identified by the Parcel Identification Number 89-11-0.1-11-004-000-276.00 and has a common street address of 1424 South Lillian Avenue, Bolivar, Missouri 65613. This site is located on the east side of South Lillian Avenue, just north of its intersection with West High Street. This site is approximately 19,110 square feet and has been improved with a water tower and a well house. The water tower is within a three strand barbed wire chain link fence enclosure with a height of six feet.

The water tower consists of a 250,000-gallon elevated metal storage tank. The age of the water tower is unknown. This structure is considered to be in very good condition.

## **Description of the Subject Property**

(Continued)

The well house is a one story, with no basement, structure of concrete block construction and a metal roof. The date of construction is unknown. According to measurements taken at the time of inspection, this structure contains 287 square feet of gross building area. The finish includes painted concrete block walls, a painted plywood ceiling with a hatch for well replacement, and uncovered concrete floors with ceiling mounted light fixtures. Other amenities include a backup generator in very good condition within a three strand barbed wire chain link fence enclosure with a height of six feet. This building is considered to be in average condition.

### **Lift Station Number 8**

This parcel is identified by the Parcel Identification Number 89-11-0.1-02-000-000-022.02 and is located on the 1000 block of State Highway T, Bolivar, Missouri 65613. It should be noted that this parcel is in the ownership of Industrial Development Authority of the City of Bolivar. According to public records, the entirety of this parcel consists of 67.6786 acres. However, the well site is estimated to consist of a 2,500 square foot area located on the north side of State Highway T, just west of its intersection with West Tower Drive. The site is improved with a lift station. Other amenities include a propane-fueled backup generator in average condition and a two pump transfer switch. This site is currently accessed via an asphalt driveway off of State Highway T. The perimeter of the site is improved with a three strand barbed wire chain fence with a height of six feet.

### ***Water Tower and Well Number 6***

This parcel is identified by the Parcel Identification Number 89-11-0.2-10-000-000-022.03 and has a common street address of 2703 Tower Drive, Bolivar, Missouri 65613. This site is located on the north side of Tower Drive, just east of its intersection with State Highway T. This site area is approximately 1.2402 acres and has been improved with a water tower and a well house.

The water tower consists of a one million gallon elevated fluted column hydro pillar which was reportedly installed in 2001 by Pittsburgh-Des Moines, Inc. The building improvements are reportedly 135 feet tall. This structure is considered to be in average to excellent condition.

The well house is a one story, with no basement, structure of split rib concrete block construction and a metal roof. The date of construction is estimated to be 2001. According to measurements taken at the time of inspection, this structure contains 280 square feet of gross building area. The finish includes painted concrete block walls, a painted plywood ceiling with a hatch for well replacement, and uncovered concrete floors with ceiling mounted light fixtures. Other amenities include a backup generator in excellent condition within a three strand barbed wire chain link fence enclosure with a height of six feet. This building is considered to be in average to good condition.



## **Description of the Subject Property**

(Continued)

### ***Lift Station Number 4***

This site is located within the public right-of-way at the southwest corner of South Colony Avenue and West Heritage Street, Bolivar, Missouri 65613. There is no Parcel Identification Number for this property. This site is estimated to consist of a 1,600 square foot area. The site is improved with a lift station. Other amenities include a propane-fueled backup generator in fair condition and a transfer switch. This site is currently accessed via a concrete driveway off of South Colony Avenue. The perimeter of the site is improved with a three strand barbed wire chain fence with a height of six feet.

### ***Lift Station Number 13***

This parcel is identified by the Parcel Identification Number 89-11-0.7-25-000-000-002.00 and has a common street address of 4810 South 124<sup>th</sup> Road, Unincorporated Polk County, Missouri 65613. It should be noted that this parcel is in the ownership of KMDF Limited Partnership. According to public records, the entirety of this parcel consists of 32.3 acres. However, the lift station site is estimated to consist of a 2,925 square foot area located on the north side of East 471<sup>st</sup> Road, just west of its intersection with South 125<sup>th</sup> Road. The site is improved with a lift station. Other amenities include a propane fueled backup generator and a transfer switch both in good to new condition. The perimeter of the site is improved with a six foot tall wooden privacy fence.

### ***Lift Station Number 14***

This parcel is identified by the Parcel Identification Number 89-10-0.9-30-000-000-015.32 and has a common street address of 1311 South 131<sup>st</sup> Road, Unincorporated Polk County, Missouri 65613. It should be noted that this parcel is in the ownership of Keven R. and Crystal A. Conley. According to public records, the entirety of this parcel consists of approximately 15,446 square feet and includes an apartment building. However, the lift station site is estimated to consist of a 700 square foot area located on the west side of South 131<sup>st</sup> Road, just north of its intersection with East 475<sup>th</sup> Road. The site is improved with a lift station. Other amenities include a propane fueled backup generator and an automatic transfer switch both in average condition. The perimeter of the site is improved with a six foot tall wooden privacy fence.

### ***Southtown Tank and Well Number 2***

This parcel is identified by the Parcel Identification Number 89-10-0.9-30-000-000-015.22 and is located at the northwest corner of East 475<sup>th</sup> Road and South 129<sup>th</sup> Road in Unincorporated Polk County, Missouri 65613. According to public records, the site area is approximately 30,109 square feet and has been improved with a standpipe water tank, a well house, and a pump house.

## **Description of the Subject Property**

(Continued)

The water tank consists of a 21,000-gallon standpipe. The age of the standpipe is unknown. This structure is considered to be in very good condition.

The well house is a one story, with no basement, structure of fiberglass construction. The date of construction is estimated to be 2003. According to measurements taken at the time of inspection, this structure contains 24 square feet of gross building area. This building is considered to be in average to good condition. The perimeter of the well house is improved with a three strand barbed wire chain fence with a height of six feet.

The pump house is a one story, with no basement, building of frame construction. The improvements house a well pump. The date of construction is estimated to be 2003. According to measurements taken at the time of inspection, this structure contains 504 square feet of gross building area. The finish includes wood panel interior walls, a painted plywood ceiling, and uncovered concrete floors with ceiling mounted light fixtures. This building is considered to be in average to good condition.

### ***Southtown Wastewater Treatment Plant***

This parcel is identified by the Parcel Identification Number 89-11-0.7-25-000-000-011.04 and has a common address of 4798 Karlin Lane Unincorporated Polk County, Missouri 65613. This site is located on the east side of Karlin Lane at its intersection with State Highway U. According to public records, the site area is 1.0042 acres and has been improved with a one story, with no basement, office building of frame construction with a architectural type asphalt composition roofing shingles. The date of construction is estimated to be 2004. According to measurements taken at the time of inspection, this structure contains 582 square feet of gross building area. This office building services the wastewater treatment facility. The finish includes taped and painted gypsum board walls and ceilings, uncovered concrete floors, and ceiling mounted fluorescent tube light fixtures which comprise an office area, breakroom, half bathroom, and storage area. This building is serviced with forced warm heating system and a central air cooling system and is considered to be in average to good condition. Other amenities include two propane fueled backup generators.

### ***Lift Station Number 18***

This parcel is identified by the Parcel Identification Number 89-10-0.9-31-000-000-026.00 and is located on the west side of 130<sup>th</sup> Road at its intersection with State Highway U, Unincorporated Polk County, Missouri 65613. It should be noted that this parcel is in the ownership of Richard Fink and Geraldine Spiegel.

## **Description of the Subject Property**

(Continued)

According to public records, the entirety of this parcel consists of 1.29 acres. However, the lift station site is estimated to consist of a 2,025 square foot area located at the northeast section of this parcel. The site is improved with a lift station. Other amenities include a propane fueled backup generator and a transfer switch both in good to new condition. The perimeter of the site is improved with a six foot tall wooden privacy fence.

### ***Lift Station Number 17***

This parcel is identified by the Parcel Identification Number 89-10-0.9-31-000-000-002.02 and is located on the south side of State Highway U, just west of its intersection with 135<sup>th</sup> Road, Unincorporated Polk County, Missouri 65613. It should be noted that this parcel is in the ownership of Smith's Restaurant and is improved with a commercial restaurant building. According to public records, the entirety of this parcel consists of 2.5489 acres. However, the lift station site is estimated to consist of a 625 square foot area located at the northwest section of this parcel. The site is improved with a lift station. Other amenities include a propane fueled backup generator and a transfer switch both in average to good condition. The perimeter of the site is improved with a six foot tall wooden privacy fence.

### ***Southtown Tank, Well Number 1, and Maintenance Building***

This site is comprised of two noncontiguous parcels. These sites are currently accessed via a private road identified as Parcel Identification Number 89-10.0.9-31-000-000-002.06 and held in the name of Richard and Geraldine Fink. The water tank and well house site is identified as Parcel Identification Number 89-10-0.9-31-000-000-002.03 and is located south of State Highway U and west of South 133<sup>rd</sup> Road immediately south of the Smith's Restaurant parcel, 89-10.0.9-31-000-000-002.02, in Unincorporated Polk County, Missouri 65613. According to public records, the site area is approximately 7,453 square feet. This site has been improved with a standpipe water tank, a well house, and a chlorine house.

The water tank consists of a 21,000-gallon standpipe. The age of the standpipe is unknown. This structure is considered to be in very good condition.

The well house is a one story, with no basement, structure of frame construction. The improvements house a well pump. The date of construction is estimated to be 2003. According to measurements taken at the time of inspection, this structure contains 535 square feet of gross building area. The finish includes wood panel interior walls, a painted plywood ceiling, and uncovered concrete floors with ceiling mounted light fixtures. This building is considered to be in average to good condition. Other amenities include an asphalt composition roof, vinyl exterior siding, and a ten foot drive in garage door.



## **Description of the Subject Property**

(Continued)

The chlorine house is a one story, with no basement, structure of fiberglass construction. The date of construction is estimated to be 2003. According to measurements taken at the time of inspection, this structure contains 24 square feet of gross building area. This building is considered to be in average to good condition. The perimeter of the chlorine house, along with the water tank, is improved with a three strand barbed wire chain link fence with a height of six feet.

The maintenance building parcel is identified by the Parcel Identification Number 89-10-0.9-31-000-000-002.08 and is located on the east side of the private access road, Parcel 89-10.0.9-31-000-000-002.06, across from the Well Number 1 site in Unincorporated Polk County, Missouri 65613. According to public records, the site area is approximately 3,511 square feet. This site has been improved with a one story, with no basement, maintenance building of frame construction. The date of construction is estimated to be 2003. According to measurements taken at the time of inspection, this structure contains 1,221 square feet of gross building area. The finish includes exposed wood framing and ceilings, and uncovered concrete floors with rafter mounted light fixtures. This building is considered to be in average to good condition. Other amenities include a half bathroom of minimal finish, an asphalt composition roof, vinyl exterior siding, and two ten foot drive-in garage doors.

### ***Lift Station Number 6***

This parcel is identified by the Parcel Identification Number 89-11-0.6-24-000-000-002.02 and is located on the west side of South Springfield Avenue, just south of its intersection with 460<sup>th</sup> Road in Unincorporated Polk County, Missouri 65613. According to public records, this parcel consists of approximately 3,816± square feet. The site is improved with a lift station. Other amenities include a backup generator in good to new condition. This site is currently accessed via a gravel roadway which runs parallel to South Springfield Avenue and connects to the private driveway of 3637 South Springfield Avenue. It should be noted that this access road is approximately ten feet wide, has a length of approximately 315 feet, and traverses two private parcels, 89-11-0.6-24-000-000-002.00 and 89-11-0.6-24-000-000-002.01. The perimeter of the site is improved with a three strand barbed wire chain fence with a height of six feet.

## **Highest and Best Use Analysis**

The beginning point in the valuation of any real estate is the determination of the property's highest and best use. Highest and Best Use is defined in the 14<sup>th</sup> Edition of *The Appraisal of Real Estate* as follows:

*The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible and that results in the highest value.*

The 14<sup>th</sup> Edition states that there are four implicit steps as part of the analysis that are applied in the following order: (1) Legally Permissible, (2) Physically Possible, (3) Financially Feasible, and (4) Maximally Productive.

The subject property includes land (owned in fee and permanent easements), buildings, and infrastructure/facilities associated with the City of Bolivar water delivery and wastewater systems. After considering the components of the subject property systems as a whole, and taking into account the analysis and report prepared by Flinn Engineering, it is our opinion the highest and best use of the subject property as of February 14, 2019, is its present use as a water delivery and wastewater system. Furthermore, it is our opinion the highest and best use of the land rights (fee and permanent easements) collectively, as vacant, is also for its present use as part of a utility infrastructure system.

## **Application of the Approaches to Value**

Normally included within the steps of the valuation process are the three classic approaches to a value estimate: the Cost Approach, the Sales Comparison Approach and the Income Capitalization Approach. Each of these approaches tends to independently serve as a guide to the valuation of the property with varying degrees of validity.

The Cost Approach gives recognition to the fact that buyers have available to them the alternative of constructing a new building when contemplating the purchase of an existing building. Thus, the cost to reproduce the property is utilized as a measure of value.

However, most properties experience varying degrees of accrued depreciation which result from physical depreciation, functional obsolescence and external obsolescence. Any of these three types of depreciation (or a combination thereof) from which the property suffers must be deducted from the estimated cost new of the improvements. The difficulty, then, in applying the Cost Approach is the ability of the appraiser to accurately extract or estimate the amount of depreciation the property being appraised suffers.

The Sales Comparison Approach is based upon the theory that the value of a property is determined by the actions of buyers and sellers in the market for comparable types of property. Recognizing no two properties are identical and that properties sell at different times under different market conditions, the application of the Sales Comparison Approach requires the appraiser to consider any differences between a respective sale and the subject property which may affect value. After the relevant differences are adjusted for, an indicated range of value results.

The theory of the Sales Comparison Approach also realizes that buyers and sellers often have motivations that are unknown to the appraiser and difficult to quantify in the adjustment process. Therefore, while this approach has certain strengths and foundation, it must be carefully applied in order to lead the appraiser to a realistic opinion of value.

And lastly, the Income Capitalization Approach is typically given very much consideration in the appraisal process for income-producing properties. The Income Capitalization Approach gives recognition to the subject property's capabilities of producing an income and that investors in the real estate market will pay a specific amount of cash, or its equivalency, to receive that income, as well as the rights of ownership of the property at the end of the income period.

The Income Capitalization Approach is applied based upon market-extracted information, most notably the income and expenses that prevail in the market for the type of property being appraised. After an appropriate estimate of income is arrived at, the income is converted to an estimate of value via a capitalization rate. The capitalization rate is also either extracted from the market or may be derived based upon a built-up method.



**Application of the Approaches to Value**

(Continued)

After the appraiser independently applies each approach to value, the three resultant value estimates are reconciled into an overall estimate of value. In the reconciliation process, the appraiser analyzes each approach with respect to its applicability to the property being appraised. Also considered in the reconciliation process is the strength and weakness of each approach with regards to supporting market data.

Regarding the valuation of the subject property, we have applied the Cost Approach and the Sales Comparison Approach. The Income Capitalization Approach was not applied due to the unavailability of the significant amount of market data pertaining to income and expenses that would be necessary to arrive at a credible conclusion.

Following this section is a more detailed explanation of the Cost Approach and the Sales Comparison Approach.

## **Cost Approach**

The Cost Approach to Value is a technique in the appraisal process which recognizes that a prudent purchaser/investor of real estate may consider constructing a new building as an alternative to buying an existing property.

Although it holds true that a prudent purchaser would not pay more for a building than the cost of buying the land and constructing a new building which would offer similar utility, the estimated cost new of the property must be adjusted for items of depreciation which the property being appraised has suffered. Only then will the Cost Approach yield an indication of value which can be correlated with the other two approaches to arrive at the Market Value of the property.

The beginning point of the typical Cost Approach is to arrive at an estimate of the land value as vacant. The land value is arrived at by applying the Direct Comparison Approach utilizing vacant land sales from the market.

The next step is to estimate the cost new of the building. There are two primary types of cost: the Reproduction Cost and the Replacement Cost.

Reproduction Cost is defined as:

*The cost of construction, at current prices, of an exact duplicate, or replica, using the same materials, construction standards, design, layout, and quality of workmanship, and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building.*<sup>9</sup>

Replacement Cost is defined as:

*The cost of construction, at current prices, of a building having utility equivalent to the building being appraised but built with modern materials and according to current standards, design, and layout.*<sup>10</sup>

If a property suffers any functional obsolescence, it is necessary to utilize the Reproduction Cost estimate. The measure of loss of value from the functional inadequacy (or superadequacy) would then be deducted as an item of depreciation.

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<sup>9</sup> *The Dictionary of Real Estate Appraisal*, Second Edition, (Chicago, Illinois: American Institute of Real Estate Appraisers, 1989), p. 254.

<sup>10</sup> Ibid.

## **Cost Approach**

(Continued)

After the cost of the property is estimated, all items of depreciation are measured and deducted from the cost to arrive at an estimate of the depreciated cost new of the improvements. The land value as vacant is then added to arrive at a total estimate of the property via the Cost Approach.

Thus, to accurately estimate the value of the property, the appraiser must:

- 1). Estimate the value of the land as vacant;
- 2). Estimate the cost new of the building;
- 3). Estimate the amount of all items of depreciation, if any;
- 4). Deduct the depreciation estimate from the cost new estimate; and
- 5). Add the estimated land value to the depreciated value of the improvements.

The starting point in the application of the Cost Approach is to arrive at an estimate of the subject property land as vacant. The land value is estimated based upon the Direct Sales Comparison theory which basically states that no one will pay more for a parcel of land than the cost of acquiring an equally suitable parcel. Therefore, the value of the site is arrived at by measuring the actions of buyers and sellers in the market for comparable parcels of land.

With regard to the fee values of the 19 subject property parcels owned in fee, we have undertaken a study of market sales. Based upon the analysis of the market data and taking into account the (1) the contribution of each parcel owned in fee plus (2) the contribution of the assumed permanent easement rights for the parcels not owned by the City of Bolivar, it is our opinion the contributory value of real property rights is \$1,325,000 (One Million Three Hundred Twenty-Five Thousand Dollars). On the following page is a summary of the market data relied on for this analysis, followed by a table with the contributory values for each parcel.

We also took into account the contributory value of the improvements situated on the subject property parcels. Each component was analyzed and a contributory value was arrived at based upon (1) the observed condition of the component/structure, (2) the estimated cost new for the component/structure, and, (3) the depreciation estimate (utilizing an age/life method that took into account the remaining economic life for each component/structure). The total contribution of the structures/components was concluded to be \$725,000 (Seven Hundred Twenty-Five Thousand Dollars). A summary of the individual cost and depreciation estimates is provided in the exhibit on Page 87.



**Cost Approach**

(Continued)

Comparable Residential & Agricultural Land Sales											
No.	Address	City, State, Zip	County	Type	Sale Date	Sale Price	Size/SF	Size/Ac	Price per S.F.	Price per Acre	
1	2100 South Maple Tree Lane	Bolivar, Missouri 65613	Polk	Comm/Res	Active Listing	\$173,000	172,933	3.970	\$1.00	\$43,577	
2	1558 Highway 215	Brighton, Missouri 65617	Polk	Commercial	9/14/2016	\$85,000	444,479	10.204	\$0.19	\$8,330	
3	2400 Womack Street	Bolivar, Missouri 65613	Polk	Commercial	Active Listing	\$349,000	239,144	5.490	\$1.46	\$63,570	
4	220 Davis Drive	Bolivar, Missouri 65613	Polk	Commercial	Active Listing	\$59,500	39,204	0.900	\$1.52	\$66,111	
5	2985 & 2983 West Broadway Streete	Bolivar, Missouri 65613	Polk	Commercial	Active Listing	\$149,000	57,499	1.320	\$2.59	\$112,879	
6	280 North Lemmon Avenue	Bolivar, Missouri 65613	Polk	Commercial	Active Listing	\$89,000	108,464	2.490	\$0.82	\$35,743	
7	3590 South 52nd Road	Humansville, Missouri 65674	Polk	Residential	7/19/2018	\$24,000	444,312	10.200	\$0.05	\$2,353	
8	3632 South 223rd Road	Halfway, Missouri 65663	Polk	Residential	3/22/2018	\$20,000	487,872	11.200	\$0.04	\$1,786	
9	559 East 395th Road	Dunnegan, Missouri 65640	Polk	Residential	7/24/2018	\$30,000	499,633	11.470	\$0.06	\$2,616	
10	3103 Highway 123	Humansville, Missouri 65674	Polk	Residential	11/2/2018	\$37,000	755,330	17.340	\$0.05	\$2,134	
11	Lot #76 South Oakland Avenue	Bolivar, Missouri 65613	Polk	Residential	10/25/2018	\$15,000	21,823	0.501	\$0.69	\$29,940	
12	Lot #5 South Charles Place	Bolivar, Missouri 65613	Polk	Residential	7/18/2016	\$25,000	30,492	0.700	\$0.82	\$35,714	
13	117 East Vivian Street	Bolivar, Missouri 65613	Polk	Residential	9/6/2018	\$8,000	9,261	0.213	\$0.86	\$37,629	
14	695 North Sunset Avenue	Bolivar, Missouri 65613	Polk	Residential	3/22/2016	\$16,000	24,829	0.570	\$0.64	\$28,070	

**Cost Approach**  
(Continued)

SUMMARY OF LAND VALUES (FEE PARCELS PLUS EASEMENT VALUES)				
SYSTEM COMPONENT	PID	ACRES	OWNER	LAND CONTRIBUTORY VALUE
WASTEWATER TREATMENT PLANT	89-11-0.7-25-000-000-011.04	1	CITY OF BOLIVAR	\$37,000
WASTEWATER TREATMENT PLANT	89-10-0.3-06-300-001-001.02	7.13	CITY OF BOLIVAR	\$220,000
WASTEWATER TREATMENT PLANT	89-10-0.3-06-003-002-002.00	15.94	CITY OF BOLIVAR	\$485,000
WELL #1	89-10-0.9-31-000-000-002.03	0.17	CITY OF BOLIVAR	\$5,000
WELL #1	89-10-0.9-31-000-000-002.08	0.08	CITY OF BOLIVAR	\$25,000
WELL #2	89-10-0.9-30-000-000-015.22	0.69	CITY OF BOLIVAR	\$25,000
WELL #2	89-11-0.1-01-003-042-011.01	0.05*	CITY OF BOLIVAR	\$25,000
WELL #3	89-11-0.1-02-004-024-002.00	0.17	CITY OF BOLIVAR	\$13,000
WELL #4	89-11-0.1-11-004-000-276.00	0.44	CITY OF BOLIVAR	\$20,000
WELL #5	89-11-0.2-10-000-000-001.00	49.45*	CITY OF BOLIVAR	\$25,000
WELL #6	89-11-0.2-10-000-000-001.02	1	CITY OF BOLIVAR	\$55,000
LIFT STATION #2	89-11-0.1-02-002-003-001.01	0.11	CITY OF BOLIVAR	\$1,500
LIFT STATION #6	89-11-0.6-24-000-000-002.02	0.08	CITY OF BOLIVAR	\$1,500
LIFT STATION #8	89-11-0.2-10-000-000-022.02	67.68*	IND DEV AUTHORITY OF BOLIVAR	\$25,000
LIFT STATION #10	89-10-0.4-18-000-000-002.01	31.02*	CITY OF BOLIVAR	\$25,000
FIRE STATION 2	89-11-0.2-10-000-000-001.02	1	CITY OF BOLIVAR	\$75,000
HIGH GROUND PARCEL (FUTURE SITE)	89-11-0.2-04-000-000-006.30	1	CITY OF BOLIVAR	\$35,000
AIRPORT WELL	89-10-0.2-09-000-000-014.04	118.13*	CITY OF BOLIVAR	\$25,000
Contributory value or remaining easements for parcels and right-of-way lines				\$200,000
TOTAL CONTRIBUTION OF REAL PROPERTY RIGHTS				\$1,323,000
<b>Rounded to:</b>				<b>\$1,325,000</b>

\* = Assumes easement will be granted; contribution reflects easement contribution.

**Cost Approach**  
(Continued)

<b>Cost Approach - Contributory Value Summary</b>							
Property Identification	Building/Component	Size	Value per Unit	Cost New	REL	Contributory Value	
<i>Wastewater Treatment Plant (Bolivar)</i>	Kennel Office	1,102 S.F.	\$47.55	\$52,400	75%	\$39,300	
	Metal Shed	376 S.F.	\$12.90	\$4,850	50%	\$2,425	
	Disposal Plant	548 S.F.	\$54.71	\$29,981	20%	\$5,996	
	Circular Bldg.	1,225 S.F.	\$54.71	\$67,020	20%	\$13,404	
	Incinerator	50 S.F.	Lbs. Per Hour	\$259,000	50%	\$129,500	
	Coverd Slabs	3,500 S.F.	\$5.19	\$18,165	80%	\$14,532	
	Garage	1,825 S.F.	\$29.27	\$53,418	85%	\$45,405	
	Frame Shed	116 S.F.	\$7.95	\$922	60%	\$553	
	Storage Bldg	396 S.F.	\$54.71	\$21,665	65%	\$14,082	
	Grit House	444 S.F.	\$29.27	\$12,996	85%	\$11,046	
	Treatment Office	955 S.F.	\$61.92	\$59,134	80%	\$47,307	
	Ultra Violet Improvements						
	Canopy	1,874 S.F.	\$30.64	\$57,419	100%	\$57,419	
	Enclosure	344 S.F.	\$12.90	\$4,438	100%	\$4,438	
<i>Lift Station #9</i>	Wood Fence	108 Lineal Ft.	\$30.50	\$3,294	90%	\$2,965	
<i>Airport Well</i>	Well House	24 S.F.	\$27.78	\$667	75%	\$500	
<i>Lift Station #7</i>	Wood Fence	122 Lineal Ft.	\$30.50	\$3,721	100%	\$3,721	
<i>Well #2</i>	Well House	428 S.F.	\$12.90	\$5,521	60%	\$3,313	
<i>Well #3</i>	Well House	24 S.F.	\$27.78	\$667	75%	\$500	
	Pump House	133 S.F.	\$54.71	\$7,276	65%	\$4,730	
	Shed	120 S.F.	\$12.90	\$1,548	75%	\$1,161	
<i>Lift Station #1</i>	Chain Link Fence	208 Lineal Ft.	\$4.70	\$978	70%	\$684	
<i>Lift Station #2</i>	Chain Link Fence	212 Lineal Ft.	\$4.70	\$994	70%	\$696	
<i>Well #5</i>	Well House	304 S.F.	\$54.71	\$16,632	90%	\$14,969	
<i>Fire Station</i>	Fire Station	5,982 S.F.	\$29.27	\$175,093	75%	\$131,320	
<i>Well #4</i>	Well House	287 S.F.	\$54.71	\$15,702	65%	\$10,206	
	Chain Link Fence	280 Lineal Ft.	\$4.70	\$1,316	80%	\$1,053	
<i>Lift Station #8</i>	Chain Link Fence	92 Lineal Ft.	\$4.70	\$432	80%	\$346	
<i>Well #6</i>	Well House	280 S.F.	\$54.71	\$15,319	65%	\$9,957	
<i>Lift Station #4</i>	Chain Link Fence	108 Lineal Ft.	\$4.70	\$508	70%	\$355	
<i>Lift Station #13</i>	Wood Fence	148 Lineal Ft.	\$30.50	\$4,499	90%	\$4,049	
<i>Lift Station #14</i>	Wood Fence	96 Lineal Ft.	\$30.50	\$2,928	80%	\$2,342	
<i>Southtown Well #2</i>	Well House	24 S.F.	\$27.78	\$667	75%	\$500	
	Pump House	504 S.F.	\$49.62	\$25,008	80%	\$20,007	
	Wood Fence	39 Lineal Ft.	\$30.50	\$1,190			
<i>Wastewater Treatment Plant (Southtown)</i>	Office Bldg.	582 S.F.	\$103.31	\$60,126	85%	\$51,107	
<i>Lift Station #18</i>	Wood Fence	97 Lineal Ft.	\$30.50	\$2,959	90%	\$2,663	
<i>Lift Station #17</i>	Wood Fence	65 Lineal Ft.	\$30.50	\$1,983	80%	\$1,586	
<i>Southtown Well #1</i>	Well House	535 S.F.	\$49.62	\$26,547	80%	\$21,237	
	Chlorine House	24 S.F.	\$27.78	\$667	75%	\$500	
	Maintenance Bldg.	1,221 S.F.	\$49.62	\$60,586	80%	\$48,469	
<i>Lift Station #6</i>	Chain Link Fence	236 Lineal Ft.	\$4.70	\$1,109	100%	\$1,109	

**Cost Approach**

(Continued)

The final step in the Cost Approach is to add the depreciated value of the assets, including the facilities and buildings.

With respect to the system facilities and buildings, we have consulted with Flinn Engineering, an engineering firm that is very familiar with water company construction costs, depreciation and valuations. A copy of the Flinn report is attached to this appraisal report.

The Flinn report includes a detailed inventory of the assets that are part of this analysis. The Flinn report includes a conclusion of depreciated value for the assets of the subject property water delivery system of \$4,753,510 and a conclusion of depreciated value for the assets of the subject property wastewater collection system of \$11,869,344. The Flinn report also includes a depreciated estimate of \$369,740 for equipment and furniture.

The final adjustment to the cost estimates is an entrepreneurial profit (incentive). The incentive is estimated to be 10% of the project costs.

Based upon our analysis of the land and improvements combined with the Flinn analysis, the total value by the Replacement Cost New Less Depreciation is summarized below.

Property Component	Rounded Value Conclusion
<b>Contributory Value of Land:</b> <i>Includes real property rights for fee parcels and permanent easements</i>	<b>\$1,325,000</b>
<b>Contributory Value of Improvements/Structures:</b> <i>Depreciated Value utilizing Age/Life method</i>	<b>\$725,000</b>
<b>Flinn Engineering Value Opinion:</b> <i>Depreciated value of systems' assets; see Flinn Report</i>	<b>\$16,992,729</b>
<b>Cost New Less Depreciation:</b>	<b>\$19,042,729</b>
<b>10% Entrepreneurial Profit</b>	<b>\$1,904,273</b>
<b>Total:</b>	<b>\$20,947,002</b>
<b>ROUNDED TO:</b>	<b>\$21,000,000</b>



## **Sales Comparison Approach**

The Sales Comparison Approach is an approach to value which measures the actions and activity of buyers and sellers in the market and relates those actions to the property being appraised. Also referred to as the Market Approach, the underlying premise of this approach to value is that no prudent purchaser will pay more for a property than the cost of acquiring an equally suitable parcel. The fundamental concept of the Sales Comparison Approach is the Principle of Substitution, which is defined as:

*A valuation principle that states that a prudent purchaser would pay no more for real property than the cost of acquiring an equally desirable substitute on the open market. The Principle of Substitution presumes that the purchaser will consider the alternatives available and will act rationally or prudently on the basis of the information about those alternatives, and that reasonable time is available for the decision. Substitution may assume the form of the purchase of an existing property, with the same utility, or of acquiring an investment which will produce an income stream of the same size with the same risk as that involved in the property in question.*

Research of the area, state and national real estate market was completed in order to find sales of water distribution systems that included comparable features to the subject property. There have been several sale properties selected from all available sale transactions for analysis in this approach. The sales data was provided through information from the Missouri Public Service Commission, Illinois Commerce Commission, Aqua America Inc., American Water Company, Utilities Inc., Hartman Consultants LLC and Sundstrom & Mundlin LLP.

The sales were considered to be the most comparable to the subject property in terms of arms-length sales transactions, location of the system, capital improvements supporting the water system and number of water customer accounts in the entire system. All information of the sale transactions and properties was confirmed by the previously mentioned party or parties to the transaction.

As explained in the Scope of Work section of this report, we included transactional data pertaining to utility systems located in Illinois in addition to the market data from Missouri. However, the market data available for utility systems acquired in Missouri is very limited, with Missouri American Water Company being the primary entity acquiring systems. Therefore, it is reasonable and acceptable to expand the search for comparable market data to areas outside the borders of Missouri.

We selected the Illinois market due to the following factors: proximity, availability of relatively current market data, similarity of legislative rules governing the valuation process, and the existence of a competitive market environment with multiple buyers influencing the balance of supply and demand. The following is a summary of the market data given the most weight in our analysis.

## **Sales Comparison Approach**

(Continued)

### **Sale #1**

**Village of Godfrey Wastewater Utility (Sewer)  
Village of Godfrey, Madison County, Illinois**

**Pending**

**Asset Purchase Agreement signed November 9, 2018**

**Price: \$13,550,000**

**Wastewater System with 6,250 Customers (\$2,168 per customer)**

**Seller: Village of Godfrey, IL**

**Buyer: Illinois American**

**ICC Docket #18-1830**

This sale included the transfer of a sewer system. The sale includes a wastewater treatment plant with a current average flow of 0.80 MGD, a 2.2 MGD average capacity and 5.5 MGD maximum flow capacity providing secondary treatment, discharging into the Mississippi River; 16 lift stations; 32,000 linear feet of force mains; 498,000 linear feet of gravity sewer mains; 2,107 manholes; two sanitary sewer detention facilities; 13 parcels of land owned in fee; and permanent easements pertaining to wastewater mains located on private property, and properties that are utilized for lift stations. Approximately 65% of the gravity sewer linear feet, located west of Godfrey Road, flow to the wastewater treatment plant; the other 35%, located east of Godfrey Road, flow to the Alton Treatment Plant.

## **Sales Comparison Approach**

(Continued)

### **Sale #2**

**Village of Glasford Water & Wastewater Utility (Water & Sewer)  
Village of Glasford, Peoria County, Illinois**

#### **Sale Pending**

**Asset Purchase Agreement signed August 28, 2018**

**Water System Price: \$800,000**

**Water System with 492 Customers (\$1,626 per customer)**

**Wastewater System Price: \$1,100,000**

**Wastewater System with 482 Customers (\$2,282 per customer)**

**Seller: Village of Glasford, IL**

**Buyer: Illinois American**

**ICC Docket #18-1498**

This sale included the transfer of a water and wastewater system.

The water system is in average condition and includes a water treatment plant with a capacity of 200 gpm or 288,000 gpd with attained capacity of 150 gpm or 216,000 gpd; two active wells and one well not in service; a 125,000 gallon elevated storage tank; a 50,000 gallon ground storage tank; meters; hydrants; approximately 48,000 linear feet of water mains; four parcels of land owned in fee; and permanent easements pertaining to water mains located on private property. Well #1 is 876 feet deep; Well #2 is not in service (radius) and is 1,750 feet deep; Well #3 is 1,000 feet deep with 1,300 linear feet of 4" raw water main.

The wastewater system is in average condition and includes a 0.26 MGD DAF wastewater treatment plant with a MDF of 0.65 MGD with basic secondary treatment with filtration and sludge treatment; one lagoon; one wastewater lift station; and approximately 47,000 linear feet of mains.

## **Sales Comparison Approach**

(Continued)

### **Sale #3**

**Village of Manteno Wastewater Utility (Sewer)  
Village of Manteno, Kankakee County, Illinois**

**Sold July 2018**

**Asset Purchase Agreement signed September 18, 2017**

**Price: \$25,000,000**

**Water System with 4,300 Customers (\$5,814 per customer)**

**Seller: Village of Manteno, IL**

**Buyer: Aqua Illinois**

**ICC Docket #17-0813**

This sale included the transfer of a sewer system. The sale includes a wastewater treatment plant, seven lift stations, force and gravity sewer mains, four parcels of land owned in fee and permanent easements pertaining to wastewater mains located on private property, and properties that are utilized for lift stations.

The sewer system was built in 1945 with additional construction between 1945 and 2006. The sewer system includes a sewer treatment facility, seven lift stations, and the sewer collection system.

Testimony of Paul J. Hanley states expected expenditures after sale of \$4,300,000 over five years.



## **Sales Comparison Approach**

(Continued)

### **Sale #4**

**Grant Park Wastewater Utility (Sewer)  
Village of Grant Park, Kankakee County, Illinois**

#### **Pending Sale**

**Asset Purchase Agreement signed May 17, 2018**

**Price: \$2,300,000**

**Wastewater System with 535 Customers (\$4,299 per customer)**

**Seller: Village of Grant Park, IL**

**Buyer: Aqua Illinois**

**ICC Docket #18-1093**

This sale included the transfer of a sewer system. The sale includes a wastewater treatment plant, one lift station, portions of two parcels of land owned in fee and permanent easement interests, and a wastewater collection system. The permanent easements pertain to properties that are utilized for the lift station, wastewater mains located on private property, an access road, and septic tanks located on private property.

## **Sales Comparison Approach**

(Continued)

### **Sale #5**

**Skyline Water and Wastewater Utility System (Water and Sewer)  
Kane County, Illinois**

**Pending Sale (Asset Purchase Agreement signed March 27, 2018)**

**Price: \$3,550,000**

**Combined water and wastewater system - 376 customers (\$9,441 per customer)**

**Seller: Fox River Water Reclamation District**

**Buyer: Aqua Illinois**

**ICC Docket #18-0785**

This sale included the transfer of a water system and a sewer system. The water system includes five parcels of land owned in fee, a water treatment plant, two wells, a 600,000 gallon elevated storage tank, and a water delivery system. The wastewater system includes one lift station and a sewage collection system.

## **Sales Comparison Approach**

(Continued)

### **Sale #6**

**Alton Wastewater System (Sewer)  
City of Alton, Madison County, Illinois**

**Pending Sale (Asset Purchase Agreement signed April 13, 2018)**

**Price: \$53,800,000**

**Wastewater system with 11,456 customers (\$4,696 per customer)**

**Seller: City of Alton, IL**

**Buyer: Illinois American**

**ICC Docket #18-0879**

This sale included the transfer of a sewer system. The sale includes 14 lift stations and related easements, a sewage collection system, two excess flow wastewater detention facilities, two flow meters, one parcel of land, and one wastewater treatment plant with a rated flow capacity of 10.5 MGD and a design maximum flow capacity of 26.25 MGD..

## **Sales Comparison Approach**

(Continued)

### **Sale #7**

**Lawson Water and Wastewater Utilities (Water and Sewer)  
City of Lawson, Clay and Ray Counties, Missouri**

**Sold August 2018 (Letter of Intent signed April 21, 2017)**

**Price: \$4,000,000**

**Price breakout per appraisal of this system:**

**\$2,619,000 for Water System with 970 Customers (\$2,700 per customer)**

**\$1,356,000 for Sewer System with 904 Customers (\$1,500 per customer)**

**\$3,975,000 for both Water and Sewer System, rounded within client  
documentation to \$4,000,000**

**Seller: City of Lawson, MO**

**Buyer: Missouri American**

This sale included the transfer of a water system sewer system. The sale includes three parcels of land owned in fee and a permanent easement interest in nine additional tracts. The permanent easements pertain to properties that are utilized for lift stations, a water tower, and a pump station. The water system was built in 1956 and includes two elevated water storage tanks, a pump system, and the water distribution system. The 300,000 gallon tank was constructed in the 1990-1991. The 50,000 gallon tank was constructed in the 1940s or 1950s. The sewer system includes a sewer treatment facility including a four-cell lagoon system, eight lift stations, and the sewer collection system.

An appraisal report dated July 7, 2017 of the Lawson system indicated the following expected expenditures after sale:

According to information from Lawson's current permit (MO-0091031) and the Missouri Department of Natural Resources affordability study, the regulations regarding the sewer system operations will be changing in 2020. The water will be required to be disinfected prior to discharge. In addition, a different chemical will need to be added to offset the disinfectant that was added before it can be released into a stream. This will require either a new system to be built or significant changes will need to be made to the existing facility. The chemical added is to control the ammonia levels and nutrient levels. Also, an in-cell aeration system will be needed to help remove the sludge the 1<sup>st</sup> and 2<sup>nd</sup> cells. Cost at this time are not known.



## **Sales Comparison Approach**

(Continued)

### **Sale #8**

**Sundale Utilities (Water and Sewer)  
Washington, Tazewell County, Illinois**

**Sold May 2018 (Asset Purchase Agreement Signed January 9, 2017)**

**Price: \$2,000,000**

**\$1,500,000 for Water System with 552 Customers (\$2,717 per customer)**

**\$500,000 for Sewer System with 1,406 Customers (\$356 per customer)**

**Seller: Sundale Utilities, Inc.**

**Buyer: Illinois American Water**

**ICC Docket #17-0113**

This sale included the transfer of a water system and three sewer systems. The water system is Washington Estates (552 customers), and the sewer systems are Washington Estates (552 customers), Sundale Hills (713 customers), and Highland Hills (141 customers). The sale included 10 parcels of land owned in fee by Sundale Utilities which included office building, sewage treatment parcels, lagoons, lift stations, and water treatment facility. In addition, permanent easements encumbering private property included approximately 5.17 acres for the water delivery system and 9.47 acres for the wastewater collection system. The water system's primary assets include two wells, a water treatment plant, a 75,000-gallon elevated water tower, and a 150 kw generator.

The wells were drilled in 1970 and 1985 and are 350' deep. A new well was drilled in 1995 and replaced the 1970 well. The wells are rated at 460 gallons-per-minute. The elevated tank was placed in service in 1960. The sewer systems reportedly were in fair to poor condition and required substantial capital investment.

According to testimony by an official from Illinois American Water at an Illinois Commerce Commission hearing, the buyer intends on investing \$900,000 in the water system and \$1,700,000 in the sewer systems, all within the first five years.

**Sales Comparison Approach**

(Continued)

**Sale #9****City of Farmington Water System (Water)  
Farmington, Fulton County, Illinois****Sold April 2018 (Asset Purchase Agreement Signed April, 2017)****Price: \$3,750,000****Water System with 1,063 Customers (\$3,528 per customer)****Seller: City of Farmington****Buyer: Illinois American Water****ICC Docket #17-0246**

This sale includes a water delivery system that includes two wells. One was drilled in 1918 and is 1,710' deep. It has a capacity of 350 gallons-per-minute, and was improved with a new submersible pump in 1997. The second well was drilled in 1955 and is 1,743' deep. It has a capacity of 385 gallons-per-minute, and had a new pump installed in 2006. The water treatment plant includes the treatment process, two clearwells, and two high-service pumps. The two clearwells (underground storage tanks) each have a capacity of 125,000 gallons. The system also includes two elevated water storage tanks constructed in 1992 and 1997, respectively. Each has a capacity of 156,000 gallons.

Per testimony of Jeffrey Kaiser, Director of Engineering for Illinois American Water Company, there are expected expenditures after sale totaling \$5,540,000 for the following:

*Capital improvements anticipated for the water system in the first five years of ILAW ownership are projected to total approximately Five Million Five Hundred Forty Thousand Dollars (\$5,540,000.00). These improvements include security and safety improvements, SCADA systems integration, customer meter replacements, water main replacement and dead end elimination, and miscellaneous water treatment plant related capital expenditures such as reverse osmosis membrane replacement and conversion from gas to liquid chlorine.*

## **Sales Comparison Approach**

(Continued)

### **Sale #10**

**Village of Fisher Water and Sewer System (Water & Sewer)  
Fisher, Champaign County, Illinois**

**Sold March 2018 (Asset Purchase Agreement Signed July, 2017)**

**Water System Price: \$3,700,000 with 890 Customers (\$4,157 per customer)**

**Sewer System Price: \$3,100,000 with 890 Customers (\$3,483 per customer)**

**Seller: Village of Fisher**

**Buyer: Illinois American Water**

**ICC Docket #17-0339**

This sale includes a water delivery system that includes a water treatment facility, two elevated water storage tanks and two groundwater supply wells. The water treatment plant includes the treatment process, one 30,000 gallon capacity clearwell, and three pumps rated 167 GPM. The clearwell (underground storage tank) has a capacity of 30,000 gallons. Tank #1 has a capacity of 50,000 gallons and was constructed in 1936. Tank #2 has a capacity of 100,000 gallons and was constructed in 1973. The wells are both 236' deep and rated 125 GPM, drilled in 1936 and 1959. Average daily production is 135,000 per day.

This sale includes a wastewater system that includes a wastewater treatment facility with an average daily flow between 170,000 and 180,000 gallons per day.

Expenditures during the first five years after sale are estimated at \$610,000 for the water utility and \$2,300,000 for the sewer utility.

## **Sales Comparison Approach**

(Continued)

### **Sale #11**

**Village of Peotone Water and Sewer System (Water & Sewer)  
Village of Peotone, Will County, Illinois**

**Pending Sale (Asset Purchase Agreement Signed July 2017)  
Price: \$12,300,000 with 1,500 Customers (\$8,200 per customer)**

**Seller: Village of Peotone  
Buyer: Aqua Illinois  
ICC Docket #17-0314**

This sale includes a water delivery system that includes a water treatment facility, two elevated water storage tanks and two groundwater supply wells. The water treatment plant includes the treatment process, one 30,000 gallon capacity clearwell, and three pumps rated 167 GPM. The clearwell (underground storage tank) has a capacity of 30,000 gallons. Tank #1 has a capacity of 50,000 gallons and was constructed in 1936. Tank #2 has a capacity of 100,000 gallons and was constructed in 1973. The wells are both 236' deep and rated 125 GPM, drilled in 1936 and 1959. Average daily production is 135,000 per day.

This sale includes a wastewater system that includes a wastewater treatment facility with an average daily flow between 170,000 and 180,000 gallons per day.

Expenditures during the first five years after sale are estimated at \$610,000 for the water utility and \$2,300,000 for the sewer utility.



## **Sales Comparison Approach**

(Continued)

### **Sale #12**

**Forest Homes Maple Park (Water)  
Cottage Hills, Madison County, Illinois**

**Sold July 2017 (Asset Purchase Agreement Signed November 03, 2016)**

**Price: \$900,000**

**Water System with 525 Customers (\$1,714 per customer)**

**Seller: Forest Homes Maple Park District**

**Buyer: Illinois American Water**

**ICC Docket #16-0581**

The Forest Homes Maple Park system includes one elevated storage tank, one storage tank control system, approximately 9 miles of pipeline, telemetry equipment, and various hydrants, valves, service connections, and other appurtenances. The system became operational in 1959. The water distribution system used wells until 1983 when the district started purchasing water from Illinois American Water. Per information from the water district, there are 525 customer connections, of which approximately 495 were installed in 1994 and 30 were installed in 2004. The elevated water tank has a capacity of 75,000 gallons and is approximately 57 years old. Located on the site with the water tower is the storage tank control structure, an office building, and storage buildings. The water distribution system includes 47,272 lineal feet of pipeline. The mains range from 13 to 58 years old. Most the mains are 6" with the balance being 4". Included in the sale were two small lots owned in fee, permanent easements across two parcels, and mains located in public roads and rights of way. According to an assessment completed by an engineer familiar with the system, there was approximately \$250,000 worth of deficiencies and deferred maintenance items that required immediate attention.

## **Sales Comparison Approach**

(Continued)

### **Sale #13**

**Lake Region Water and Sewer Company (Water and Sewer)  
Camden County and Miller County, Missouri**

**Sold June, 2017 (Asset Purchase Agreement Signed December, 2016)**

**Price: \$6,084,000**

**Total Customers: 1,608 (\$3,784 per customer)**

**683 Water Customers, 925 Sewer Customers (1,608 total customers)  
per Joint Application for Transfer of Assets**

**Seller: Lake Region Water and Sewer Company**

**Buyer: Camden County Public Water District**

**MO Docket #WM-2017-0186**

Operating in the Lake of the Ozarks area, Lake Region Water & Sewer Company ("Lake Region") was originally granted a Certificate of Convenience and Necessity (CCN) to provide water and sewer service in the 1970s. After various name changes, sales, and the granting of an additional CCN, Lake Region now serves approximately 683 water customers in the Shawnee Bend area and 925 sewer customers in the Shawnee Bend and Horseshoe Bend area.

On December 28, 2016, Lake Region filed a Joint Application with the Camden County Public Water Supply District Number 4 seeking authority to sale, transfer, and assign Lake Region's water and sewer assets to the District. Staff contends that under the terms of the Purchase Agreement, the District is paying an acquisition premium of approximately \$3.7 million.

The Missouri Public Service Commission Staff recommended in February, 2017, that the Commission does not approve the transfer of the assets. According to Staff, were the purchaser of Lake Region's assets a Commission-regulated entity, they would not be allowed to recover the acquisition premium cost in a customer rate increase. However, since the Commission does not regulate the District, Staff fears that the District may choose to recover the acquisition premium costs through a customer rate increase.

The Commission does not share Staff's concern. The Commission does not regulate the District, nor does it have jurisdiction over the District's board of directors or the future rates set by that board. On April 27, 2017, the Commission approved the transfer.

## **Sales Comparison Approach**

(Continued)

### **Sale #14**

**Village of Wardsville Utility System (Water and Sewer)  
Wardsville, Cole County, Missouri**

**Sold May, 2017 (Asset Purchase Agreement Signed December 8, 2016)**

**Price: \$2,750,000 (\$2,750,003 for both Water and Sewer System, rounded within client documentation to \$2,750,000)**

**\$795,428 for Water System with 480 Customers (\$1,657 per customer)**

**\$1,954,575 for Sewer System with 407 Customers (\$4,802 per customer)**

**Seller: Village of Wardsville**

**Buyer: Missouri American Water**

**MO Docket #WA-2017-0181**

According to a press release on April 11, 2017, from the Board of Trustees of the Village of Wardsville, Wardsville has three sewage treatment plants (Deer Haven, Churchview, and Northwest), none of which reportedly are able to meet the Missouri Department of Natural Resources and the EPA requirements regarding limitations of the amount of ammonia that can be discharged from sewage treatment plants. After a study by an engineering firm, it was determined that the three options to meet the EPA limits ranged from \$4 million to \$12 million. According to Missouri American Water, the expected capital investment after the sale includes \$305,000 for the water system and \$395,000 for the sewer system, all of which is projected to be invested over a five-year period.

Wardsville's water system (MO3010831) produces an average of 90,000 gpd. Water system assets include two (2) wells, 150,000-gallon elevated tank, 250,000-gallon ground storage tank, 300 gpm booster pump, 63 hydrants, 146 valves and over 15 miles of distribution main ranging in size from 2" to 8" in diameter.

The wastewater system includes the following treatment facilities:

Churchview WWTP (NPDES MO-0109118) is a packaged extended aeration system with a design flow of 30,000 gpd and actual flow of 15,000 gpd. It services 102 connections.

Deerhaven WWTP (NPDES MO-119326) is a packaged extended aeration system with a design flow of 21,368 gpd and actual flow of 17,000 gpd. It serves 81 connections.

Northwest WWTF (NPDES MO-0129658) is an aerated lagoon system with design flow of 151,000 gpd and actual flow of 44,000 gpd. It serves 212 connections.

The collection system includes five (5) pump stations, 38 brick manholes, 238 concrete manholes, approximately 9 miles of gravity sewers and 1.7 miles of force main.

## **Sales Comparison Approach**

(Continued)

### **Sale #15**

**Village of Sadorus of Water System (Water)  
Village of Sadorus, Champaign County, Illinois**

**Sold March, 2017 (Asset Purchase Agreement Signed April, 2016)  
Price: \$240,000 - Water System with 384 Customers (\$625 per customer)**

**Seller: Village of Sadorus, IL  
Buyer: Illinois American Water Company  
ICC Docket #16-0341**

This sale includes a water delivery system that includes a 40,000 gallon elevated storage tank, two wells and one water treatment plant.

### **Sale #16**

**Woodland Manor Water System (Water)  
Kimberling City, Stone County, Missouri**

**Sold June 2016  
Price: \$200,000 - Water System with 164 Customers (\$1,220 per customer)**

**Seller: Woodland Manor Water System  
Buyer: Missouri American Water  
MO Docket #WM-2016-0169**



## **Sales Comparison Approach**

(Continued)

### **Sale #17**

**Village of Ransom Water System (Water)  
Village of Ransom, LaSalle County, Illinois**

**Sold April, 2016**

**Price: \$175,000 - Water System with 170 Customers (\$1,029 per customer)**

**Seller: Village of Ransom, IL**

**Buyer: Illinois American Water Company**

**ICC Docket #15-0544**

The water delivery system includes a water treatment plant constructed in 1995 including aerator and 16,700-gallon ground storage tank, a 75,000 gallon elevated water tank constructed in 1990, a 915' primary supply well installed in 1971 and rehabilitated in 2014 with a production rate of 88 gpm, and a 280' secondary supply well installed in 1946 with a production rate of 20 gpm.

Expenditures after sale are estimated at \$2,000,000 in the first five years after sale.

## **Sales Comparison Approach**

(Continued)

### **Sale #18**

**Ozark Shores Water Company (Water)  
Camden County, Missouri**

**Sold July, 2015 (Asset Purchase Agreement Signed March 5, 2015)**

**Price: \$5,252,781**

**Total of 1,869 Customers (\$2,810 per customer)**

**Seller: Ozark Shores Water Company**

**Buyer: Public Water Supply District of Camden County**

**MO Docket #WM-2015-0231**

The Staff recommended the Commission deny the application.<sup>1</sup> During the approval process before the Missouri Public Service Commission, the Staff had concerns regarding the sale that pertained to the purchase price exceeding the value of Oak Shore's net rate base by more than \$2.6 million, the possibility of rate increases due to the acquisition premium, and the history of an overly-close relationship between Ozark Shores and the buyer.<sup>2</sup> On July 3, 2015, the Commission rejected the Staff's recommendations and granted the application.<sup>3</sup>

Included in the sale were 12 parcels of land that were reported to have a total market value of \$448,580.

<sup>1</sup> Document: Staff Recommendation to Deny Transfer of Assets and Request for Local Public Hearing; Date: May 5, 2015

<sup>2</sup> Document: Suggestions in Support of Staff's Motion for Evidentiary Hearing; Date: May 25, 2015

<sup>3</sup> Document: Order Granting Application; Date: July 3, 2015

### **Sale #19**

**City of Water System (Sewer)  
City of Arnold, St Louis County, Missouri**

**Sold May, 2015**

**Price: \$27,200,000 - Sewer System with 7,500 Customers (\$3,627 per customer)**

**Seller: City of Arnold, MO**

**Buyer: Missouri American Water**

**MO Docket #SA-2015-0150**

## **Sales Comparison Approach**

(Continued)

### **Sale #20**

**North Maine Water & Sewer System (Water and Sewer)  
Village of Glenview, Unincorporated Cook County, Illinois**

**Sold April, 2015**

**Price:**

**\$18,590,000 Water System with 4,724 Customers (\$3,935 per customer)  
\$3,410,000 Sewer System with 2,494 Customers (\$1,367 per customer)**

**Seller: Village of Glenview, IL**

**Buyer: Aqua Illinois**

**ICC Docket #14-0396**

This sale is a water and sewer system located in Unincorporated Cook County, IL with portions of the area within the municipal boundaries of Des Plaines, Park Ridge, Morton Grove, Niles, and Glenview covering a population of approximately 44,000 and a mixed residential/commercial customer base, primarily residential. The water system includes a 750,000 gallon storage tank and other water delivery system assets. The system does not include a water treatment plant. The sewer system includes sanitary sewer system assets but does not include a wastewater treatment plant.

Expected expenditures after purchase are estimated at \$9,300,000: \$6,300,000 for water main reinforcement and \$3,000,000 to purchase a reservoir for fire protection.

**Sales Comparison Approach**  
(Continued)

**Water**

Below is a summary of the water sales transactions that were considered in this analysis. These sales are included on the previous pages. These sales transactions were reported to be cash to the seller at closing unless otherwise noted in the specific sale transaction description. There is not adequate income information available for the sale properties to extract income multipliers and overall rates. The best method of comparison for the subject property in this appraisal is the sale price per customer.

SUMMARY OF SALES OF WATER DELIVERY SYSTEMS (INCLUDES ALLOCATIONS FROM SALES OF WATER/SEWER SYSTEMS)							
Sale #	Grantor	Grantee	Location	Sale Date	Sale Price	# of Cust	Sale Price / Customer
2	Village of Glasford	Illinois American	Village of Glasford, IL	Pending	\$ 800,000	492	\$ 1,626
7	City of Lawson	Missouri American	City of Lawson, MO	Aug-2018	\$ 2,619,000	970	\$ 2,700
8	Village of Sundale, Illinois	Illinois American	Village of Sundale, IL	May-2018	\$ 1,500,000	550	\$ 2,727
9	City of Farmington	Illinois American	Fulton County, IL	Apr-2018	\$ 3,750,000	1,063	\$ 3,528
10	Fisher W and WW System	Illinois American	City of Fisher, IL	Mar-2018	\$ 3,700,000	890	\$ 4,157
12	Forest Homes Maple Park	Illinois American	Cottage Hills, IL	Jul-2017	\$ 900,000	525	\$ 1,714
14	Village of Wardsville	Missouri American	Cole County, MO	May-2017	\$ 795,428	480	\$ 1,657
15	Village of Sadorus	Illinois American	Village of Sadorus, IL	Mar-2017	\$ 240,000	384	\$ 625
16	Woodland Manor	Missouri American	Kimberling City/Branson, Mo	Jun-2016	\$ 200,000	164	\$ 1,220
17	Village of Ransom	Illinois American	Village of Ransom, IL	Apr-2016	\$ 175,000	170	\$ 1,029
18	Ozark Shores Water Company	Camden County PWSD #4	Camden County, MO	Jul-2015	\$ 5,252,781	1,869	\$ 2,810
20	Village of Glenview	Aqua Illinois	Village of Glenview, IL	Apr-2015	\$18,590,000	4,724	\$ 3,935
						High	4,724 \$ 4,157
						Low	164 \$ 625
						Median	550 \$ 2,700
						Mean	1,072 \$ 2,373

Of the 12 examples of market data, 11 are closed sales and one transaction is still being negotiated. The analysis of the sale properties for comparison with the subject property is ultimately based on the number of customers within the water system, the age of the system, and the overall general condition of the system. The Missouri and Illinois sale properties indicate a range of sale prices from \$625 to \$4,157 per customer.

The most comparable properties would be those that include a similar number of customer accounts for the water system, although other differences such as age/condition, location and market area must be reconciled. The sales utilized were of water systems that were pending, relatively recent, or took place within the last two+ years. The dates of sale and market conditions at the time of sale do not appear to significantly impact the unit sale prices of the sale properties selected for analysis in this approach. The Glasford, Sundale, Fisher and Glenview transactions are reliable for indicating prices for the whole system (water and sewer). However, it can be the case that transactions that have value allocations between water and sewer that vary substantially. The Village of Sundale allocation, at \$2,729 per water customer and \$355 per sewer customer, reflects the substantially higher water contribution versus the sewer contribution as the Sundale sewer system was in fair to poor condition.



## **Sales Comparison Approach**

(Continued)

Therefore, the Village of Sundale sale is given the least weight in our analysis of the subject property water system value.

Using unit prices that result from allocations are generally less reliable than sales of individual systems. And, in cases such as Sundale – where one component of the system has an allocation substantially higher than the other component – it is important to use the allocations with caution as internal bookkeeping purposes may have been a factor in the diverse allocations.

Sales with a similar customer count are most comparable. However, recent sales of water delivery systems with a similar number of customers have not taken place. Primary weight is placed on the pending Glasford transaction, at \$1,626 per customer, with lesser weight on other recent Missouri and Illinois sales.

We have concluded a unit value of \$1,800 per water customer for the subject property water system. Based on the 4,500 reported water customers, the indicated value of the Bolivar Water System as of the effective date of February 14, 2019 is \$8,100,000 (EIGHT MILLION ONE HUNDRED THOUSAND DOLLARS).

<b>SUMMARY OF WATER DELIVERY SYSTEM VALUATION</b>	
Number of Water System Customers for Bolivar System	4,500
Unit Value (value per customer) Concluded from Market Data	\$1,800
<b>Value of Bolivar Water Delivery System (rounded)</b>	<b>\$8,100,000</b>

## **Sewer**

We were able to determine a unit value (price per sewer customer) for ten sewer or water and sewer system sales transactions. The table below summarizes the transactions for which a price per sewer customer was calculated. In seven cases, the unit values are developed based upon an allocation of a sale price that included a water and sewer system. The Village of Godfrey, Village of Manteno, Village of Grant Park, City of Alton, and City of Arnold sales were of sewer systems.

**Sales Comparison Approach**

(Continued)

SUMMARY OF SALES OF SEWER SYSTEMS (INCLUDES ALLOCATIONS FROM SALES OF WATER/SEWER SYSTEMS)								
Sale #	Grantor	Grantee	Location	Sale Date	Service	Sale Price	# of Cust	Sale Price / Customer
1	Village of Godfrey	Illinois American	Village of Godfrey, IL	Pending	Sewer	\$ 13,550,000	6,250	\$ 2,168
2	Village of Glasford	Illinois American	Village of Glasford IL	Pending	W&S	\$ 1,100,000	482	\$ 2,282
3	Village of Manteno	Aqua Illinois	Village of Manteno, IL	Jul-2018	Sewer	\$ 25,000,000	4,300	\$ 5,814
4	Village of Grant Park	Aqua Illinois	Village of Grant Park, IL	Pending	Sewer	\$ 2,300,000	535	\$ 4,299
6	City of Alton	Illinois American	City of Alton, IL	Pending	W&S	\$ 53,800,000	11,456	\$ 4,696
7	City of Lawson	Missouri American	City of Lawson, MO	Aug-2018	W&S	\$ 1,356,000	904	\$ 1,500
8	Village of Sundale	Illinois American	Village of Sundale, IL	May-2018	Sewer	\$ 500,000	1,410	\$ 355
10	Fisher W and WW System	Illinois American	City of Fisher, IL	Mar-2018	Sewer	\$ 3,100,000	890	\$ 3,483
14	Village of Wardsville	Missouri American	Cole County, MO	May-2017	W&S	\$ 1,954,575	407	\$ 4,802
19	City of Arnold	Missouri American	St Louis County, MO	May-2015	Sewer	\$ 27,200,000	7,500	\$ 3,627
20	Village of Glenview	Aqua Illinois	Village of Glenview, IL	Apr-2015	Sewer	\$ 3,410,000	2,494	\$ 1,367
							High	11,456 \$ 5,814
							Low	407 \$ 355
							Median	1,410 \$ 3,483
							Mean	3,330 \$ 3,127

Of the 11 examples of market data, seven are closed sales and three are pending sales that are under contract, and one is a transaction that is still being negotiated. The analysis of the sale properties for comparison with the subject property is ultimately based on the number of customers within the sewer system, the age of the system, and the overall general condition of the system. The Missouri and Illinois sale properties indicate a range of sale prices from \$355 to \$5,814 per customer.

The most comparable properties would be those that include a similar number of customer accounts for the sewer system, although other differences such as age/condition, location and market area must be reconciled. The sales utilized were of sewer systems that were pending or took place within the last three+ years. The dates of sale and market conditions at the time of sale do not appear to significantly impact the unit sale prices of the sale properties selected for analysis in this approach.

Sewer systems with less than 850 customers and more than 9,000 customers, in comparison to the subject property sewer system's 4,500 customers, are not comparable to the subject property based on number of customers.

Sales 2, 4, 6 and 14 were excluded from analysis based on number of customers. When excluded from the analysis, the Missouri and Illinois sale properties indicate a range of sale prices from \$355 to \$5,814 per sewer customer with an average sale price of \$2,616 per customer.

The Lawson, Fisher and Wardsville transactions are reliable for indicating prices for the whole system (water and sewer). However, it can be the case that transactions that have value allocations between water and sewer vary substantially.

**Sales Comparison Approach**

(Continued)

We have given most consideration to the Godfrey transaction, Sale 1, based on overall comparability including number of customers, location, type of system, and system condition. Slightly lesser consideration is given to the remaining sales, and the average sale price of \$2,616 per customer.

SUMMARY OF SALES OF SEWER SYSTEMS EXCLUDING SALES WITH CUSTOMER COUNTS UNDER 850 & OVER 9,000 (INCLUDES ALLOCATIONS FROM SALES OF WATER/SEWER SYSTEMS)								
Sale #	Grantor	Grantee	Location	Sale Date	Service	Sale Price	# of Cust	Sale Price / Customer
1	Village of Godfrey	Illinois American	Village of Godfrey, IL	Pending	Sewer	\$ 13,550,000	6,250	\$ 2,168
3	Village of Manteno	Aqua Illinois	Village of Manteno, IL	Jul-2018	Sewer	\$ 25,000,000	4,300	\$ 5,814
7	City of Lawson	Missouri American	City of Lawson, MO	Aug-2018	W&S	\$ 1,356,000	904	\$ 1,500
8	Village of Sundale	Illinois American	Village of Sundale, IL	May-2018	Sewer	\$ 500,000	1,410	\$ 355
10	Fisher W and WW System	Illinois American	City of Fisher, IL	Mar-2018	Sewer	\$ 3,100,000	890	\$ 3,483
19	City of Arnold	Missouri American	St Louis County, MO	May-2015	Sewer	\$ 27,200,000	7,500	\$ 3,627
20	Village of Glenview	Aqua Illinois	Village of Glenview, IL	Apr-2015	Sewer	\$ 3,410,000	2,494	\$ 1,367
							High	7,500 \$ 5,814
							Low	890 \$ 355
							Median	2,494 \$ 2,168
							Mean	3,393 \$ 2,616

We have concluded a unit value of \$2,400 per sewer customer for the subject property sewer system. Based on the 4,500 reported sewer customers, the indicated value of the Bolivar Sewer System as of the effective date of February 14, 2019 is \$10,800,000 (TEN MILLION EIGHT HUNDRED THOUSAND DOLLARS).

SUMMARY OF SEWER SYSTEM VALUATION	
Number of Sewer System Customers for Bolivar System	4,500
Unit Value (value per customer) Concluded from Market Data	\$2,400
<b>Value of Bolivar Sewer System (rounded)</b>	<b>\$10,800,000</b>

**Sales Comparison Approach**  
 (Continued)

**Water Delivery and Wastewater Collection Systems Combined**

The combined value opinion of the water delivery and wastewater collection systems is \$18,900,000. Based upon the subject property system having a total of 9,000 customers (4,500 water customers, 4,500 sewer customers), the overall value per customer is approximately \$2,100.

<b>SUMMARY OF BOLIVAR WATER AND SEWER SYSTEMS COMBINED</b>			
	Value of Bolivar Water System	\$ 8,100,000	
	Value of Bolivar Wastewater System	\$10,800,000	
	<b>TOTAL VALUE OF WATER AND WASTEWATER SYSTEMS</b>		<b>\$18,900,000</b>
	Number of Customers for Water System	4,500	
	Number of Customers for Wastewater System	4,500	
	<b>TOTAL NUMBER OF CUSTOMERS</b>		<b>9,000</b>
	<b>VALUE PER CUSTOMER (COMBINED WATER AND SEWER)</b>		<b>\$2,100</b>

Our market data included 9 examples of data that included both water and sewer systems.

<b>SUMMARY OF SALES OF COMBINED WATER &amp; SEWER SYSTEMS</b>								
Sale #	Grantor	Grantee	Location	Sale Date	Sale Price	# of Cust	Sale Price / Customer	
2	Village of Glasford	Illinois American	Village of Glasford, IL	Pending	\$ 1,900,000	974	\$ 1,951	
5	Fox River Water Reclamation District	Aqua Illinois	Kane County, IL	Pending	\$ 3,550,000	752	\$ 4,721	
7	City of Lawson	Missouri American	City of Lawson, MO	Aug-2018	\$ 4,000,000	1,874	\$ 2,134	
8	Village of Sundale	Illinois American	Village of Sundale, IL	May-2018	\$ 2,000,000	1,960	\$ 1,020	
10	Fisher Water & Wastewater System	Illinois American	City of Fisher, IL	Mar-2018	\$ 6,800,000	1,786	\$ 3,807	
11	Peotone Water & Sewer System	Aqua Illinois	Village of Peotone, IL	Pending	\$ 12,300,000	3,000	\$ 4,100	
13	Lake Region Water & Sewer Co	Camden County PWSD #4	Camden & Miller Counties	Jun-2017	\$ 6,084,000	1,608	\$ 3,784	
14	Village of Wardsville	Missouri American	Cole County	May-2017	\$ 2,750,000	887	\$ 3,100	
20	Village of Glenview	Aqua Illinois	Village of Glenview	Apr-2015	\$ 22,000,000	7,218	\$ 3,048	
						High	7,218	\$ 4,721
						Low	752	\$ 1,020
						Median	1,786	\$ 3,100
						Mean	2,229	\$ 3,074

The above market data indicates a water and sewer system sale price of \$1,020 to \$4,721 per customer. A review of the market data pertaining to utility systems that included water and sewer shows the subject property's unit value of \$2,100 per customer is within the range indicated by the market data.

Based upon this analysis, it is our opinion the market value of the subject property systems (water and sewer) as a whole is supported at \$18,900,000 (EIGHTEEN MILLION NINE HUNDRED THOUSAND DOLLARS) based upon the Sales Comparison Approach.



## **Final Reconciliation**

The purpose of this appraisal report was to arrive at an estimate of market value for the City of Bolivar water delivery and wastewater systems based upon conditions evident in the market as of February 14, 2019. The market value opinion pertains to the subject property as a private water and wastewater system (its intended use). We inspected the subject property, reviewed numerous reports and documents provided by the client and the City of Bolivar, conducted research with regard to land values and easement valuation, and reviewed a report prepared by Flinn Engineering.

Our analysis of the Bolivar water delivery and wastewater collection systems included the application of the Cost Approach and the Sales Comparison Approach. As explained in the report, the Income Capitalization Approach is not customarily relied on for the valuation of water delivery and wastewater collection systems acquired by investor-owned entities.

The Sales Comparison Approach included an analysis of transactions from Missouri and transactions from Illinois. As explained in this report, the Illinois market is more representative of a competitive market with balance the supply and demand forces. The market approach resulted in a total value opinion of \$18,900,000.

The Cost Approach included the analysis and valuation of the system by its components: land (fee owned parcels and permanent easements), buildings/improvements, and facilities/infrastructure associated with the water delivery and wastewater collection systems. The Cost Approach resulted in a conclusion of value for the water delivery and wastewater collection systems combined of \$21,000,000.

The Market Value of a non-profit municipal water system is much lower than a private system with profit income potential. And, the sales reflect the prices of only municipal systems. The intended use is as a private system, and the property should be appraised consistent with anticipated use. In order to appraise the property as a private system, investment incentive (increased income) must be considered. The application of the Sales Comparison Approach and Cost Approach take into account private ownership incentive/benefit.

Based upon a review of the market data available for both applications and the resultant range of value, it is our opinion the market value of the subject property systems as a whole as of February 14, 2019, was:

**\$20,000,000**

**TWENTY MILLION DOLLARS**

## Statement of Certification – Edward Dinan

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

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have not completed a real estate appraisal of the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the developing or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* and in conformity with the requirements of the *Code of Professional Ethics* and the *Standards of Professional Appraisal Practice* of the Appraisal Institute.
- I have made a personal inspection of the property that is the subject of this report.
- no one other than Elizabeth Goodman Schneider and Joseph E. Batis provided significant real property professional assistance to the person signing this certification.

As of the date of this report, Edward Dinan has completed the requirements of the continuing education program of the Appraisal Institute.

Furthermore, I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.



Edward W. Dinan, CRE, MAI  
Dinan Real Estate Advisors, Inc.

March 25, 2019

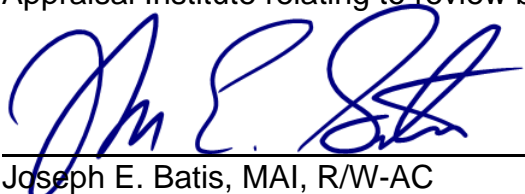
## **Statement of Certification – Joseph E. Batis**

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

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have not completed a real estate appraisal of the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the developing or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* and in conformity with the requirements of the *Code of Professional Ethics* and the *Standards of Professional Appraisal Practice* of the Appraisal Institute.
- I have made a personal inspection of the property that is the subject of this report.
- no one other than Edward W. Dinan and Elizabeth Goodman Schneider provided significant real property professional assistance to the person signing this certification.

As of the date of this report, Joseph E. Batis has completed the requirements of the continuing education program of the Appraisal Institute.

Furthermore, I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.



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Joseph E. Batis, MAI, R/W-AC  
Edward J. Batis & Associates, Inc.

March 25, 2019

## **Statement of Certification – Elizabeth Goodman Schneider**

### **CERTIFICATION**

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

The statements of fact contained in this report are true and correct.

The analyses, opinions, and conclusions in this review report are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favor the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

My analyses, opinions, and conclusions were developed and this appraisal report was prepared in conformity with the *Uniform Standards of Professional Appraisal Practice* and meets or exceeds the requirements set forth by Illinois Public Act 98-0213 (PA 0213 originated as House Bill 1379), codified as 220 ILCS 5/9-210.5.

Elizabeth Goodman Schneider made a personal inspection of the property that is the subject of this appraisal report.

Edward Dinan and Joseph Batis provided significant real property appraisal assistance to the person signing this certification.

My engagement for this assignment, and my conclusions as well as other opinions expressed herein are not based on a required minimum value, a specific value, or approval of a loan.

Elizabeth Goodman Schneider has performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this appraisal report within the past three-year period immediately preceding acceptance of this assignment.

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & 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, Elizabeth Goodman Schneider has completed the Standards and Ethics Education Requirement of the Appraisal Institute for Associate Members.



**Statement of Certification – Elizabeth Goodman Schneider**

(Continued)

As of the date of this report, Elizabeth Goodman Schneider has completed the continuing education programs of the State of Missouri and the State of Wisconsin.

In the State of Michigan, appraisers are required to be licensed and are regulated by the Michigan Department of Labor & Economic Growth, P.O. Box 30018, Lansing, MI 48909. Elizabeth Goodman Schneider is Certified General Real Estate Appraiser #1201073697.

All individuals who participated in the preparation of this report and who are Senior Members of the American Society of Appraisers are recertified as required by the mandatory recertification as set out in the constitution by-laws and administrative rules of the American Society of Appraisers.



March 25, 2019  
Date of Appraisal Report

Goodman Appraisal Consultants, LLC

Colorado Certified General Appraiser No. CG.200001080  
Illinois Certified General Real Estate Appraiser No. 553-001973  
Indiana Certified General Appraiser No. CG41700036  
Iowa Certified General Appraiser No. CG02980  
Kentucky Certified General Real Property Appraiser No. 5262  
Michigan Certified General Real Estate Appraiser No. 1201073697  
Minnesota Certified General Real Property Appraiser No. 40232088  
Missouri State Certified General Real Estate Appraiser No. 2016042105  
Ohio Certified General Real Estate Appraiser No. ACGO.2017003680  
Pennsylvania Certified General Appraiser No. GA004327  
Rhode Island Certified General Appraiser No. CGA.0020068  
Wisconsin Certified General Appraiser No. 1586-010

## **ADDENDA**

Statement of Assumptions and Limiting Conditions

Qualifications of the Appraisers

Flinn Engineering Report

## STATEMENT OF ASSUMPTION AND LIMITING CONDITIONS

The value herein estimated and/or other opinions presented are predicated on the following:

1. No responsibility is assumed for matters of a legal nature concerning the appraised property -- especially those affecting title. It is considered that the title is marketable for purposes of this report. The legal description as used herein is assumed to be correct.
2. The improvement is considered to be within the lot lines (unless otherwise stated); and, except as herein noted, is presumed to be in accordance with local zoning and building ordinances. Any plots, diagrams, and drawings found herein are to facilitate and aid the reader in picturing the subject property and are not meant to be used as references in matters of survey.
3. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil or structure which would render it more or less valuable than otherwise comparable properties. The appraiser assumes no responsibility for such conditions or for engineering which might be required to discover such things.
4. Any description herein of the physical condition of improvements including, but not limited to, the heating, plumbing, and electrical systems, is based on visual inspection only, with no demonstration performed, and they are thus assumed to be in normal working condition. No liability is assumed for same, nor for the soundness of structural members for which no engineering tests were made.
5. The appraiser shall not be required to give testimony or appear in court by reason of this appraisal with reference to the property herein described unless prior arrangements have been made.
6. The distribution of total valuation in this report between land and improvements applies only under the existing program of utilization under the conditions stated. This appraisal and the allocations of land and building values should not be used as a reference for any other purpose and are invalid if used so.
7. That this report is to be used in its entirety and only for the purpose for which it was rendered.
8. Information, estimates, and opinions furnished to us and considered in this report were obtained from sources considered reliable and believed to be true and correct; however, no responsibility for guaranteed accuracy can be assumed by the appraiser.
9. The property is appraised as though under responsible ownership and competent management.
10. The report rendered herein is based upon the premise that the property is free and clear of all encumbrances, all mortgage indebtedness, special assessments, and liens--unless specifically set forth in the description of property rights appraised.
11. No part of this report is to be reproduced or published without the consent of its author.
12. The appraisal covers only the property described herein. Neither the figures therein, nor any analysis thereof, nor any unit values thereof derived, are to be construed as applicable to any other property, however similar it may be.
13. Neither all, nor any part, of the contents of this report, or copy thereof, shall be used for any purpose by any but the client without the previous written consent of the appraiser and/or the client; nor shall it be conveyed by any including the client to the public through advertising, public relations, news, sales, or other media, without the written consent and approval of the author--particularly as to value conclusions, the identity of the appraiser or a firm with which he is connected, or any reference to any professional society or institute or any initialed designations conferred upon the appraiser, as stated in his qualifications attached hereto.
14. Any cash flow calculations included in this report are developed from but one of a few alternatives of a possible series and are presented in that context only. Specific tax counsel should be sought from a C.P.A., or attorney, for confirmation that this data is the best alternative. This is advised since a change in value allocation, method or rate of depreciation or financing will have consequences in the taxable income.
15. This appraisal has been made in accordance with the Code of Ethics of the Appraisal Institute.
16. This report has not taken into consideration the possibility of the existence of asbestos, PCB transformers, or other toxic, hazardous or contaminated substances, and/or underground storage tanks (hazardous materials), or the cost of encapsulation or removal thereof. Should client have concern over the existence of such substances on the property, the appraiser considers it imperative for the client to retain the services of a qualified, independent engineer or contractor to determine the existence and extent of any hazardous materials, as well as the cost associated with any required or desirable treatment or removal thereof. The valuation stated herein would therefore be void, and would require further analysis to arrive at a market estimate of value.

# DINAN REAL ESTATE ADVISORS, INC.

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**EDWARD W. DINAN, MAI, CRE®**  
**PRESIDENT**

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## **ACADEMIC**

Rockhurst College, Kansas City, Missouri, A.B., 1972

American Institute of Real Estate Appraisers

Course 1A, Memphis State University - May 1975

Course 1B, Tulane University - July 1975

Course II, University of Georgia - February 1976

Course VI, Chicago Education Center - March 1977

Appraisal Institute

Standards of Professional Practice, Parts A and B

Seminars include: Cash Equivalency, Subdivision Analysis, Rates Ratios and Reasonableness, Feasibility, Valuation of Leasehold Interests, Americans with Disability Act Review, Condemnation Process and Appraisal, Condemnation Appraising: Advanced Topics and Applications, Standards of Professional Practice, Parts A and B, Corridors And Rights-Of-Way II Symposium Valuation and Policy

Harvard Law School, Program of Instruction for Lawyers

Advanced Negotiation: Deal Design and Implementation

University of Houston

Dispute Resolution Institute

## **EXPERIENCE**

Professional experience includes market and financial feasibility studies, highest and best use analyses, transient housing and convention market surveys, analysis of redevelopment potential of existing communities, lease analysis and consultation, as well as the appraisal and evaluation of many types of properties including:

Airports

Apartments (high rise, garden, townhouse)

Banks

Casinos

Cemeteries

Condemnation Appraisals

Condominiums/Co-op/Timeshare

Duck Clubs

Farms

Golf Courses/Country Clubs

Hotels and Motels

Industrial Plants and Warehouses

Mobile Home Parks

Office Buildings

Planned Communities

Quarries/Mines

Railroad Properties

Resorts

Restaurants

Sales and Service Buildings

Schools (private, parochial, secondary, higher education)

Shopping Centers (regional, community, neighborhood)

Single Family Residential

Special Use Properties

Subdivisions

Surgical Centers

Theaters

Urban Renewal (acquisition, reuse)

Vacant Land (commercial, industrial, residential, rural, agricultural)

Vessels

2023 South Big Bend Boulevard · Saint Louis, Missouri 63117 · 314-647-9900 · Fax 314-647-9922

email: [edinan@dinanreal.com](mailto:edinan@dinanreal.com)



In addition, Mr. Dinan has been approved as a fee appraiser for the U.S. Department of Justice, Missouri Department of Natural Resources, Missouri Department of Highways and Transportation, Illinois Department of Transportation, Probate Court of St. Louis City, as well as FNMA, FDIC, RTC, HUD, SBA, OTS, along with numerous other governmental agencies and is qualified in court as an expert witness. Mr. Dinan has also served as a hearing officer for the St. Louis County Board of Equalization.

Prior to forming Dinan Real Estate Advisors, Inc., Mr. Dinan was employed by the Turley Martin Company as Vice President of their Consulting and Appraising Division. Mr. Dinan has also participated as a guest lecturer on real estate appraising at Washington University, as well as several seminars sponsored jointly by the University of Missouri - St. Louis and the Home Builders Association of Greater St. Louis, Counselors of Real Estate®, and Law Seminars International. In addition, Mr. Dinan is approved as an instructor for the Missouri Real Estate Commission's Continuing Education Program, and has been a lectured speaker for the Bar Association of Metropolitan St. Louis. Mr. Dinan has also delivered seminars on appraisal reviews to loan officers at several financial institutions in the St. Louis area.

### **GEOGRAPHICAL AREAS OF EXPERIENCE**

Territory covered is primarily Metropolitan St. Louis, but also includes professional experience in the following 27 states: Arizona, Arkansas, California, Colorado, Connecticut, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Massachusetts, Michigan, Mississippi, Missouri, Nebraska, New York, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Virginia, Wisconsin and Wyoming.

### **PROFESSIONAL AFFILIATION**

Mr. Dinan has held virtually every position as an officer and has served on the Board of Directors for the local chapter of the Appraisal Institute. In 1990, Mr. Dinan served as President of the former American Institute of Real Estate Appraisers and coordinated its unification with the local Society Chapter. Mr. Dinan also served as a Regional Representative for Region II of the Appraisal Institute. Mr. Dinan currently serves on the Board of Directors and is a National Liaison Membership Chair for the Counselors of Real Estate® as well as serving on the Advisory Board of Great Southern Bank. In addition, Mr. Dinan has the following affiliations:

Counselor of Real Estate® - 1996

2010 National Chairman - Dispute Resolution

2011 National Liaison Vice Chair

2011 National Co-Chair - Litigation Support

2012-2017 Board of Directors

2013 Recipient of the Chairs Award presented by The Counselors of Real Estate

2013 -2014 National Liaison Membership Chair

Appraisal Institute MAI Designation, Certificate Number 6103 -1980

St. Louis Association of Realtors

Royal Institution of Chartered Surveyors - 2006

St. Louis County Library Foundation Board of Directors - 2012-Present  
The Marianist Retreat and Conference Center Board of Directors - 2012-Present  
Real Estate Broker-Officer - 1999022989 - State of Missouri  
Licensed Real Estate Managing Broker - 471.014130 - State of Illinois  
Certified General Real Estate Appraiser - RA001300 - State of Missouri  
Certified General Real Estate Appraiser - 553.001032 - State of Illinois

## Qualifications of Joseph E. Batis, MAI, R/W-AC



### EMPLOYMENT

President of EDWAD J. BATIS & ASSOCIATES, INC. (1992 – Present), providing real estate valuation and consulting services.

### PROFESSIONAL AFFILIATIONS

Member of the Appraisal Institute, MAI designation (Member #10299)

Member of the International Right of Way Associations, R/W-AC designation (Member #7482)

State Certified General Real Estate Appraiser – Illinois (Lic. 553-000493; Expires 09/19)

State Certified General Real Estate Appraiser – Missouri (Lic. 2016044083; Expires 06/20)

Approved Instructor – Appraisal Institute

### GENERAL PROFESSIONAL EXPERIENCE

Real estate valuation services since 1983 for residential, agricultural commercial, industrial, and special purpose properties. Market areas include primarily Illinois and Chicago metropolitan area. Services provided throughout the States of Illinois and Missouri.

### SPECIALIZED SERVICES AND EXPERIENCE

- Right of Way / Energy Transmission Lines
- Power Transmission Line Corridors
- Solar Energy Fields
- Public and Private Utility Systems (water distribution and wastewater collection)
- Valuation of Permanent and Temporary Easements
- Market Impact Studies
  - Remainder Properties
  - Proposed Projects
  - Expansion of Existing Projects and Infrastructure

### LITIGATION, ARBITRATION, AND CONSULTING SERVICES

- Expert Testimony (Federal and Circuit Courts, Commerce Commission Hearings)
- Value Dispute Resolution Services
- Review and Rebuttal Services
- Litigation Consultation and Support Services

### DEVELOPMENT OF CONTINUING EDUCATION SEMINARS

- *Understanding Easements – What is Being Acquired?*
- *Pipelines and Easements – Can They Co-Exist?*



Qualifications of  
Joseph E. Batis, MAI, R/W-AC



**EXAMPLES OF SPECIALIZED VALUATION PROJECTS AND  
SPECIALIZED MARKET RESEARCH ASSIGNMENTS**

○ **PRIVATE AND PUBLIC UTILITY ASSET VALUATION (2013-PRESENT)**

Valuation of assets of public water delivery and/or wastewater collection systems for acquisition and allocation purposes for the following communities (or private systems within the communities):

<i>MANTENO, IL</i>	<i>PEOTONE, IL</i>	<i>GRANT PARK, IL</i>	<i>LAKEMOOR, IL</i>
<i>FARMINGTON, IL</i>	<i>MONEE, IL</i>	<i>COTTAGE HILLS, IL</i>	<i>WASHINGTON, IL</i>
<i>SADORUS, IL</i>	<i>GLENVIEW, IL</i>	<i>MCHEMRY, IL</i>	<i>FISHER, IL</i>
<i>NILES, IL</i>	<i>PALOS HEIGHTS, IL</i>	<i>ALTON, IL</i>	<i>GRANITE CITY, IL</i>
<i>GODFREY, IL</i>	<i>GLASFORD, IL</i>	<i>PEVELY, MO</i>	<i>DESOTO, MO</i>
<i>LAWSON, MO</i>	<i>ODESSA, MO</i>	<i>GOWER, MO</i>	

○ **MARKET IMPACT STUDIES – SOLAR FIELD PROJECTS (2018)**

Market impact studies pertaining to the proposed development of solar energy fields in several counties in the Chicago metropolitan area. Each market study included a site analysis and “before and after” analysis to determine the impact from the proposed solar projects to properties in the immediate and general market areas of the proposed facilities.

○ **MARKET STUDY AND APPRAISAL REVIEW - CONTAMINATION (2018)**

Appraisal review services and market data research pertaining to the impact to the market values of numerous properties resulting from the contamination of underground water sources. Litigation pending.

○ **MARKET IMPACT STUDY – CONTAMINATION FROM UNDERGROUND LEAK  
AT NUCLEAR POWER GENERATING STATION (2007)**

Coordinated the market research, analysis, and valuation services pertaining to the impact of more than 500 properties potentially impaired by an underground leak of tritium from the Braidwood Nuclear Power Plant.

Qualifications of  
Joseph E. Batis, MAI, R/W-AC



**EXAMPLES OF SPECIALIZED VALUATION PROJECTS AND  
SPECIALIZED MARKET RESEARCH ASSIGNMENTS**

- **ANALYSIS AND ALLOCATION OF THE CONTRIBUTORY VALUES OF MULTIPLE PERMANENT EASEMENTS CO-LOCATED IN A TRANSMISSION CORRIDOR**  
An analysis and valuation of the easement values for multiple contiguous and overlapping permanent easements within a right-of-way corridor, including gas pipeline easements, power transmission lines, public utility (water line) easements, and recreational easements.
  
- **MANAGEMENT OF VALUATION SERVICES FOR SIMULTANEOUS ACQUISITION OF EASEMENTS FOR MULTIPLE OIL PIPELINES (2012-2016)**  
Valuation and consulting services including the coordination and management of appraisal services for acquisition and condemnation hearings, Illinois Commerce Commission hearings, and appraisal review services, rebuttal report/testimony, and settlement conferences. Project involved acquisition of permanent and temporary easements for the simultaneous construction of three interstate oil transmission lines. Responsible for management of the projects' valuation services pertaining to more than 2,000 properties in 22 counties and managing the participation of 35 appraisers, consultants, and researchers involved with the project.
  
- **INTERSTATE NATURAL GAS PIPELINE PROJECT (2000-2003)**  
Valuation and consulting services including the coordination and management of appraisal services for acquisition and condemnation hearings in federal court, appraisal review services, rebuttal report/testimony, and settlement conferences. Project involved acquisition of permanent and temporary easements for the construction of a natural gas transmission line. Responsible for management of the project's valuation services including more than 600 properties in 4 counties.



Qualifications of  
Joseph E. Batis, MAI, R/W-AC



**APPRAISAL INSTITUTE EDUCATIONAL AND INSTRUCTOR EXPERIENCE**  
2007 - Present

**GENERAL APPRAISER INCOME APPROACH PART I  
(INSTRUCTOR AUDIT)**  
November 2018, Nashville, TN

**GENERAL APPRAISER PROCEDURES (CO-INSTRUCTOR)**  
October 2018, Chicago, IL

**INSTRUCTOR QUALIFYING CONFERENCE**  
September 2018, Chicago, IL

**ADULT LEARNING – EFFECTIVE CLASSROOM LEARNING**  
September 2018, Online Webinar

**LITIGATION APPRAISING:  
SPECIALIZED TOPICS AND APPLICATIONS**  
July 2018, Roseville, MN

**THE APPRAISER AS AN EXPERT WITNESS:  
PREPARATION AND TESTIMONY**  
May 2018, Woburn, MA

**QUANTITATIVE ANALYSIS**  
March 2018, Chicago, IL

**NATIONAL USPAP UPDATE COURSE**  
February 2018, Chicago, IL

**USING YOUR HP-12C FINANCIAL CALCULATOR**  
September 2017, Online Seminar

**EMINENT DOMAIN AND CONDEMNATION**  
September 2017, Online Seminar

**RATES AND RATIOS: MAKING SENSE OF  
GIMS, OARS, AND DCF**  
September 2017, Online Seminar

**NATIONAL USPAP UPDATE COURSE**  
May 2016, Chicago, IL

**NATIONAL USPAP UPDATE COURSE**  
July 2015, Columbus, OH

**INSTRUCTOR WEBINAR**  
May 2015, Online Webinar

**BUSINESS PRACTICE AND ETHICS**  
March 2015, Online Seminar

**INSTRUCTOR WEBINAR**  
May and October 2014, Online Webinar

**GENERAL APPRAISER MARKET ANALYSIS  
AND HIGHEST AND BEST USE**  
January 2014, Chicago, IL

**INSTRUCTOR WEBINAR**  
April and October 2013, Online Webinar

**KNOWLEDGE CENTER FOR INSTRUCTORS**  
October 2012, Online Webinar

**CANDIDATE FOR DESIGNATION PROGRAM**  
July 2012, Online Webinar

**NATIONAL USPAP UPDATE COURSE**  
June 2012, Chicago, IL

**GENERAL APPRAISER INCOME APPROACH PART I**  
October 2011, Chicago, IL

**NATIONAL USPAP UPDATE COURSE**  
September 2011, Chicago, IL

**CONDEMNATION APPRAISING:  
PRINCIPLES AND APPLICATIONS**  
August 2011, Chicago, IL

**NATIONAL USPAP UPDATE COURSE**  
September 2009, Online Seminar

**EMINENT DOMAIN AND CONDEMNATION**  
September 2009, Online Seminar

**BASIC APPRAISAL PROCEDURES (INSTRUCTOR)**  
February 2009, Chicago, IL

**BASIC APPRAISAL PRINCIPLES (INSTRUCTOR)**  
September 2008, Chicago, IL

**BASIC APPRAISAL PROCEDURES (INSTRUCTOR)**  
February 2008, Chicago, IL

**AQB AWARENESS TRAINING FOR  
APPRAISAL INSTITUTE INSTRUCTORS**  
September 2007, Online Seminar

**APPRAISING ENVIRONMENTALLY  
CONTAMINATED PROPERTIES**  
March 2007, Portland, ME

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## ELIZABETH GOODMAN SCHNEIDER, ASA

elizabeth@gaccommercial.com • 414-559-5898 • www.linkedin.com/in/elizabethgoodmanschneider

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### CERTIFIED GENERAL APPRAISER

Certified General Appraiser with 29 years experience in utility appraisal, commercial appraisal and appraisal review.

- Significant experience using the cost, market/sales and income approaches to value.
- Outstanding analytical skills.
- Superior oral and written communication.
- Public utility appraisal experience totaling 29 years.
- Knowledge of appraisals of commercial property types obtained through reviewing real property appraisals.

Public utility appraisal experience of the following property types:

- |                            |                                |                                |
|----------------------------|--------------------------------|--------------------------------|
| • Water Systems            | • Oil Pipelines                | • Electric Distribution Assets |
| • Wastewater/Sewer Systems | • Products Pipelines           | • Coal-Fired Power Plants      |
| • Hydroelectric Plants     | • Gas Transmission Assets      | • Gas-Fired Power Plants       |
| • Natural Gas Pipelines    | • Gas Distribution Assets      | • Nuclear Power Plants         |
| • Ip Gas Pipelines         | • Electric Transmission Assets | • Telecommunication Assets     |

Appraisal review experience of the following property types:

- |                            |                                 |                            |
|----------------------------|---------------------------------|----------------------------|
| • Water Systems            | • Office Condominiums           | • Mixed-Use                |
| • Wastewater/Sewer Systems | • Residential Condominium Units | • Vacant Land              |
| • Multi-Family             | • Retail Condominiums           | • Restaurant               |
| • Public Utilities         | • Shopping Centers              | • Tavern                   |
| • Retail                   | • Small Marinas                 | • Funeral Home             |
| • Office                   | • Mobile Home Parks             | • Day Care Center          |
| • Commercial Condominium   | • Subdivisions                  | • Special Purpose Property |
| • Industrial Condominium   | • Industrial / Warehouse        |                            |

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### PROFESSIONAL EXPERIENCE

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PRESIDENT AND OWNER, Goodman Appraisal Consultants LLC, Cudahy, WI.

2010 to present

Goodman Appraisal Consultants provides valuation of public utilities including water and wastewater/sewer systems as well as commercial real estate appraisal review services.

- Appraisals of water and wastewater/sewer systems for purchase.
- Appraisals of public utilities and desktop technical appraisal reviews.
- Use of the Cost, Sales Comparison, and Income Approaches to Value.
- Consistently increasing experience with different real property types through reviews of real property appraisals completed by many different appraisers and appraisal firms.

SENIOR ASSOCIATE, AUS Consultants, Greenfield, WI.

1989 to 2011

AUS Consultants provides ad valorem valuation of public utilities. As Senior Associate at AUS Consultants, I performed and assisted with appraisals of public utility property for property tax purposes in a number of states.

- Pursued appropriate licensing and became the only Certified General Appraiser employed by the company.
- Increasing responsibility and autonomy.
- Experience with attorneys as clients.

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### LICENSES

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- Certified General Appraiser, State of Colorado, #CG.200001080
- Certified General Real Estate Appraiser, State of Illinois, #553.001973
- Certified General Appraiser, State of Indiana, #CG41700036
- Certified General Appraiser, State of Iowa, #CG02980
- Certified General Real Property Appraiser, State of Kentucky, #5262
- Certified General Appraiser, State of Michigan, #1201073697
- Certified General Appraiser, State of Minnesota, #40232088
- Certified General Real Estate Appraiser, State of Missouri, #2016042105
- Certified General Real Estate Appraiser, State of Ohio, #ACGO.2017003680
- Certified General Appraiser, State of Pennsylvania, #GA004327
- Certified General Appraiser, State of Rhode Island, #CGA.0020068
- Certified General Appraiser, State of Wisconsin, #1586-010

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### CREDENTIALS

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- ASA - Machinery and Technical Specialties - Public Utilities, American Society of Appraisers
- SBA Going Concern Registry

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### PROFESSIONAL AFFILIATIONS

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- Accredited Senior Appraiser - American Society of Appraisers, #41144
- Board of Directors - Appraisal Institute, Wisconsin Chapter, 2017
- General Associate Liaison - Appraisal Institute, Wisconsin Chapter, 2010 to 2014
- Nominating Committee Member - Appraisal Institute, Region III, 2011 to 2013

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### EDUCATION

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Master of Arts in Economics, University of Wisconsin – Milwaukee. Completed in 2003.  
Specializing in monetary policy and labor relations.

Bachelor of Arts in Economics, University of Wisconsin – Milwaukee. Completed in 1998.  
Honors in the Major. Appointed to the Dean's Advisory Council.

Appraisal-specific education is included on the following pages.

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### CONTACT INFORMATION

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6260 S Lake Dr #718, Cudahy, WI 53110  
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### APPRAISAL EDUCATION

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**2018:**

- 7-Hour National USPAP Update Course – 2018-2019<sup>1</sup>
- Cool Tools: New Technology for Real Estate Appraisers<sup>2</sup>

**2017:**

- ARM204: Appraisal Review and Management Overview<sup>1</sup>
- Core Logic / Marshall & Swift Commercial Cost Seminar<sup>2</sup>
- Real Estate Finance, Value, and Investment Performance<sup>2</sup>
- Comparative Analysis<sup>2</sup>
- Construction Tour, Northwestern Mutual Real Estate<sup>2</sup>
- Michigan Appraisal Law - 2017<sup>3</sup>

**2016:**

- Year in Review Symposium - 2016<sup>2</sup>
- Risk Reduction Seminar<sup>2</sup>
- Advanced Spreadsheet Modeling for Valuation Applications<sup>2</sup>
- 7-Hour National USPAP Update Course – 2016-2017<sup>2</sup>

**2015:**

- ARM106: Reasoning and Logic for Valuation Professionals<sup>1</sup>
- Year in Review Symposium - 2015<sup>2</sup>
- Eminent Domain and Condemnation<sup>2</sup>
- Michigan Appraisal Law – 2015<sup>3</sup>

**2014:**

- ARM201: Appraisal Review and Management Overview<sup>1</sup>
- Year in Review Symposium - 2014<sup>2</sup>
- Review Theory - General<sup>2</sup>
- Hotel Valuation Seminar<sup>2</sup>
- 7-Hour National USPAP Update Course – 2014 - 2015<sup>2</sup>

**2013:**

- Year in Review Symposium - 2013<sup>2</sup>
- Marina Valuation Overview<sup>2</sup>
- Rates and Ratios: Making Sense of GIMs, OARs, and DCF<sup>2</sup>
- Marketability Studies: Advanced Considerations & Application<sup>2</sup>
- Marketability Studies: Six-Step Process & Basic Applications<sup>2</sup>
- The Dirty Dozen<sup>3</sup>
- Michigan Appraisal Law – 2013<sup>3</sup>

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<sup>1</sup> Sponsored by American Society of Appraisers

<sup>2</sup> Sponsored by Appraisal Institute

<sup>3</sup> Sponsored by McKissock



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**APPRAISAL EDUCATION, CONTINUED**

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**2012:**

- Year in Review Symposium - 2012<sup>2</sup>
- Advanced Income Capitalization (Attendee)<sup>2</sup>
- Income Valuation of Small, Mixed-Use Properties<sup>2</sup>
- Fundamentals of Separating Real Property, Personal Property and Intangible Assets<sup>2</sup>
- 7-hour National USPAP Update Course – 2012 - 2013<sup>2</sup>
- Apartment Appraisal: Concepts and Applications<sup>2</sup>
- The Impact of Dodd-Frank on Appraisers & Their Bank Clients<sup>2</sup>

**2011:**

- Year in Review Symposium - 2011<sup>2</sup>
- Going-Concern Telebriefing<sup>2</sup>

**2010 and prior:**

- Online Business Practices and Ethics<sup>2</sup>
- Michigan Appraisal Law – 2010 - 2011<sup>2</sup>
- 7-Hour National USPAP Update Course<sup>2</sup>
- Online Marshall & Swift Commercial Cost Training<sup>2</sup>
- The Discounted Cash Flow Model: Concepts, Issues, and Apps.<sup>2</sup>
- Online Using Your HP12C Financial Calculator<sup>2</sup>
- Spotlight on USPAP: Hypothetical Conditions & Extraordinary Assumptions<sup>2</sup>
- Report Writing and Valuation Analysis<sup>2</sup>
- General Appraiser Report Writing and Case Studies<sup>2</sup>
- General Appraiser Site Valuation & Cost Approach<sup>2</sup>
- General Appraiser Market Analysis and Highest & Best Use<sup>2</sup>
- General Appraiser Income Approach (Part II)<sup>2</sup>
- Online Basic Appraisal Principles<sup>2</sup>
- Online Business Practices and Ethics<sup>2</sup>
- Online Real Estate Finance Statistics and Standard Valuation Modeling<sup>2</sup>
- General Appraiser Income Approach (Part I)<sup>2</sup>
- 15-Hour National USPAP<sup>2</sup>
- Basic Appraisal Procedures<sup>2</sup>
- ME201AC: Introduction to Machinery and Equipment Valuation<sup>1</sup>
- ME202AC: Machinery and Equipment Valuation Methodology<sup>1</sup>
- ME203AC: Machinery and Equipment Valuation – Advanced Topics and Case Studies<sup>1</sup>
- ME204AC: Machinery and Equipment Valuation – Advanced Topics and Report Writing<sup>1</sup>

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### WISCONSIN CERTIFIED GENERAL APPRAISER LICENSE

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### MISSOURI CERTIFIED GENERAL APPRAISER LICENSE

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