

**DRAFT**

**Appraisal of Real Property**

**Vacant Water Dept Land**

Vacant Land  
11880-11900 Freud  
Detroit, Wayne County, Michigan 48214

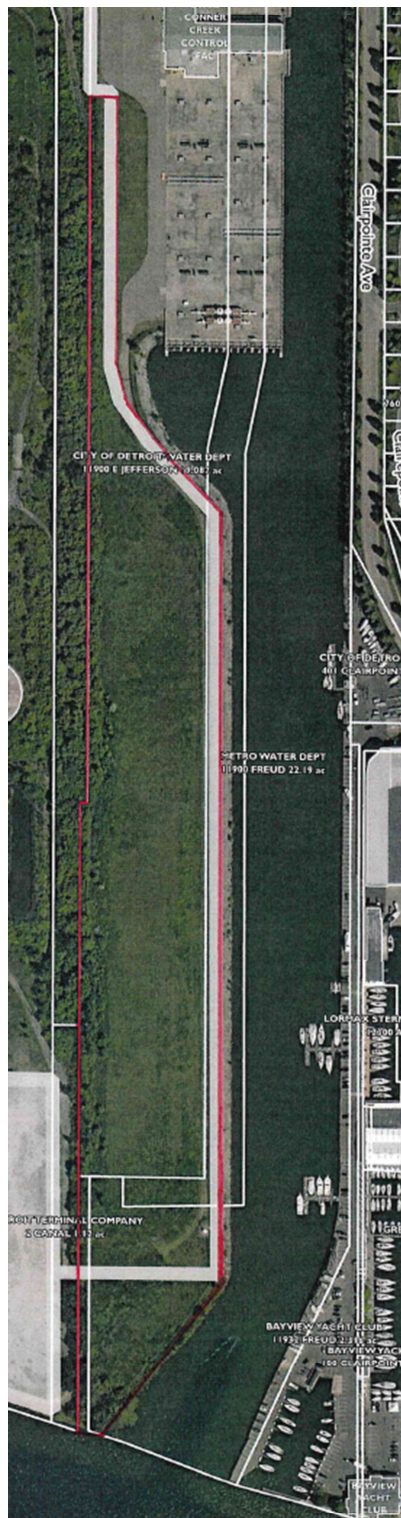
**Prepared For:**  
City of Detroit

**Effective Date of the Appraisal:**  
January 1, 2019

**Report Format:**  
Appraisal Report – Standard Format

**IRR - Detroit**  
File Number: 142-2018-1408





**Vacant Water Dept Land**  
 11880-11900 Freud  
 Detroit, Michigan



January 18, 2019

Jill Bryant  
City of Detroit  
1301 Third St.  
Detroit, MI 48226

SUBJECT:       Market Value Appraisal  
                  Vacant Water Dept Land  
                  11880-11900 Freud  
                  Detroit, Wayne County, Michigan 48214  
                  IRR - Detroit File No. 142-2018-1408

Dear Ms. Bryant:

Integra Realty Resources – Detroit is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest in the property. The client for the assignment is City of Detroit, and the intended use is for property acquisition purposes.

The subject is a parcel of vacant land containing an area of 14.45 acres or 629,518 square feet. The property is zoned M4, Intensive Industrial District, which permits most industrial uses; the subject is Master Planned for light industrial use.

The appraisal is intended to conform with the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and applicable state appraisal regulations.

To report the assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

Jill Bryant  
City of Detroit  
January 18, 2019  
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Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, our opinion of value is as follows:

Value Conclusions					
	Interest Appraised	Date of Value	Value Conclusion	Estimated Site Acres	Price Per Acre
North Industrial Parcel	Fee Simple	January 1, 2019	\$360,000	11.90	\$30,000
Residential Waterfront Parcel	Fee Simple	January 1, 2019	\$640,000	2.55	\$250,000
Total			\$1,000,000	14.45	\$69,196

#### Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. It is noted that our value is based on the areas estimated; adjustments to the land area of the sites may be made, depending on the ultimate transaction, and the value is predicated on a price per acre; as such, the overall value may be nominally adjusted, dependent in the ultimate size of the individual sites; the overall site boundary represents a drawing provided by the client.
2. The valuation assumes road, water draw, and utility easements from the north parent parcel to the subject

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. The client requested the southern portion of the site be valued as residential land; we assume a split of the properties to reflect the apportionment of the Riverfront site component, which is based on combination of the client provided drawing, and tax parcel delineation, with the area estimated utilizing Google Earth.

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

**INTEGRA REALTY RESOURCES - DETROIT**

#### **DRAFT**

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## Summary of Salient Facts and Conclusions

Property Name	Vacant Water Dept Land
Address	11880-11900 Freud Detroit, Wayne County, Michigan 48214
Property Type	Land - Commercial
Owner of Record	Metro Water Dept.
Tax ID	21000071 (part of) and 21000070.002L (part of)
Land Area	14.45 acres; 629,518 SF
Zoning Designation	M4, Intensive Industrial District
Highest and Best Use	Industrial use
Exposure Time; Marketing Period	12 months; 12 months
Effective Date of the Appraisal	January 1, 2019
Date of the Report	January 18, 2019
Property Interest Appraised	Fee Simple

### Value Conclusions

North Industrial Parcel - 11.90 Acres	\$360,000	(\$30,250/Acre)
Residential Waterfront Parcel - 2.55 Acres	\$640,000	(\$250,899/Acre)
Total	\$1,000,000	(\$69,196/Acre)

The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than City of Detroit and Metro Water Dept. may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

### Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. It is noted that our value is based on the areas estimated; adjustments to the land area of the sites may be made, depending on the ultimate transaction, and the value is predicated on a price per acre; as such, the overall value may be nominally adjusted, dependent in the ultimate size of the individual sites; the overall site boundary represents a drawing provided by the client.
2. The valuation assumes road, water draw, and utility easements from the north parent parcel to the subject

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. The client requested the southern portion of the site be valued as residential land; we assume a split of the properties to reflect the apportionment of the Riverfront site component, which is based on combination of the client provided drawing, and tax parcel delineation, with the area estimated utilizing Google Earth.



## General Information

### Identification of Subject

The subject is a parcel of vacant land containing an area of 14.45 acres or 629,518 square feet. The property is zoned M4, Intensive Industrial District, which permits most industrial uses; the subject is Master Planned for light industrial use. A legal description of the property was not available, as the subject is conceptual.

Property Identification	
Property Name	Vacant Water Dept Land
Address	11880-11900 Freud Detroit, Michigan 48214
Tax ID	21000071 (part of) and 21000070.002L (part of)
Owner of Record	Metro Water Dept.

### Valuation Highlights

We consider the following characteristics of the subject in the ensuing valuation:

- The subject consists of two conceptual adjacent sites; the north parcel contains approximately 12 acres that is relatively narrow, in comparison to its long boundary along Connor Creek, which empties into the Detroit River. The parcel boundary along the Creek ends at the shoreline; however, it is assumed that the upland portion adjacent to the Creek will include the potential for water draw rights.
- The south parcel is an irregularly shaped site consisting of approximately 2.5 acres and has a narrow frontage along the Detroit River, with views across this navigable portion of Connor Creek and the Bayview Yacht Club located opposite the Creek; this parcel has been requested to be valued as a residential site, corresponding with the City's desire to have the River frontage in the area be utilized for same.
- The subject has no road frontage, and an easement access is implied across the northerly parent site, also imputing circuitous travel and accessibility issues, particularly for the southernmost portion to be reserved for residential use, which will require driving across the north industrial portion for potential future resident access.
- The subject is zoned for heavy industrial, and master planned for light industrial use, with rail available along the west end of the north site.
- Due to the proximity to the FCA Jefferson North assembly plant, and the availability of rail service as well as industrial capacity utility service, the northerly subject parcel would likely be desirable to an industrial user.
- Due to the relatively large inventory of land in the area for residential uses, also considering the master plan, and zoning, residential use is less likely for the north portion

- As the southernmost portion of the subject along the Detroit River is valued as residential land, it is likely that a prospective purchaser would experience an extended holding period for the property to ripen due to market conditions, and the characteristics of the site.

## Sale History

The subject has been under the same ownership for decades. To the best of our knowledge, no sale or transfer of ownership has taken place within a three-year period prior to the effective appraisal date.

## Pending Transactions

As of the effective appraisal date, there are ongoing negotiations for the client to acquire the property from the Water Board (which operates a pumping facility on the north end of the parent parcel), thus a road easement access is implicit in the sale.

## Purpose of the Appraisal

The purpose of the appraisal is to develop an opinion of the market value of the fee simple interest in the property as of the effective date of the appraisal, January 1, 2019. The date of the report is January 18, 2019. The appraisal is valid only as of the stated effective date or dates.

## Definition of Market Value

Market value is defined as:

“The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

*(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[g]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)*

## Definition of Property Rights Appraised

Fee simple estate 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.”



Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015)

## Intended Use and User

The intended use of the appraisal is for property acquisition purposes. The client is City of Detroit Building Authority. The intended users are the City of Detroit Building Authority and Metro Water Dept. The appraisal is not intended for any other use or user. No party or parties other than City of Detroit may use or rely on the information, opinions, and conclusions contained in this report.

## Applicable Requirements

This appraisal is intended to conform to the requirements of the following:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute;
- Applicable state appraisal regulations.

## Report Format

This report is prepared under the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

## Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

## Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below.

## Valuation Methodology

Appraisers usually consider the use of three approaches to value when developing a market value opinion for real property. These are the cost approach, sales comparison approach, and income capitalization approach. Use of the approaches in this assignment is summarized as follows:

**Approaches to Value**

Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

We use only the sales comparison approach in developing an opinion of value for the subject. This approach is applicable to the subject because there is an active market for similar properties, and sufficient sales data is available for analysis.

The cost approach is not applicable because there are no improvements that contribute value to the property, and the income approach is not applicable because the subject is not likely to generate rental income in its current state.

**Research and Analysis**

The type and extent of our research and analysis is detailed in individual sections of the report. This includes the steps we took to verify comparable sales, which are disclosed in the comparable sale profile sheets in the addenda to the report. Although we make an effort to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

**Inspection**

H. William Hansen, Jr., MAI, conducted an exterior inspection of the property; Anthony Sanna, MAI, CRE, FRICS, did not inspect the property, but is familiar with the immediate area.

## Economic Analysis

### Wayne County Area Analysis

Wayne County is located in Michigan approximately 612 square miles in size and has a population density of 2,850 persons per square mile. Wayne County is part of the Detroit-Warren-Dearborn, MI Metropolitan Statistical Area, hereinafter called the Detroit MSA, as defined by the U.S. Office of Management and Budget.

#### Population

Wayne County has an estimated 2019 population of 1,744,298, which represents an average annual 0.5% decrease from the 2010 census of 1,820,584. Wayne County lost an average of 8,476 residents per year over the 2010-2019 period, and its downward trend in population contrasts with the State of Michigan which had a 0.1% average annual increase in population over this time.

Looking forward, Wayne County's population is projected to decrease at a 0.2% annual rate from 2019-2024, equivalent to the loss of an average of 4,194 residents per year. Wayne County's decline in population contrasts with Michigan, which is projected to increase at a 0.2% rate.

Population Trends					
	Population			Compound Ann. % Chng	
	2010 Census	2019 Estimate	2024 Projection	2010 - 2019	2019 - 2024
Wayne County	1,820,584	1,744,298	1,723,330	-0.5%	-0.2%
State of Michigan	9,883,640	9,988,842	10,074,369	0.1%	0.2%

Source: Environics Analytics

#### Employment

Total employment in Wayne County is currently estimated at 725,591 jobs. Between year-end 2007 and the present, employment declined by 26,531 jobs, equivalent to a 3.5% loss over the entire period. There were declines in employment in three out of the past ten years, influenced in part by the national economic downturn and slow recovery. Although many areas suffered declines in employment over the last decade, Wayne County underperformed Michigan, which experienced an increase in employment of 3.0% or 124,530 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Wayne County unemployment rate has been consistently higher than that of Michigan, with an average unemployment rate of 10.3% in comparison to a 8.3% rate for Michigan. A higher unemployment rate is a negative indicator.

Recent data shows that the Wayne County unemployment rate is 5.3% in comparison to a 3.8% rate for Michigan, a negative sign for Wayne County.

**Employment Trends**

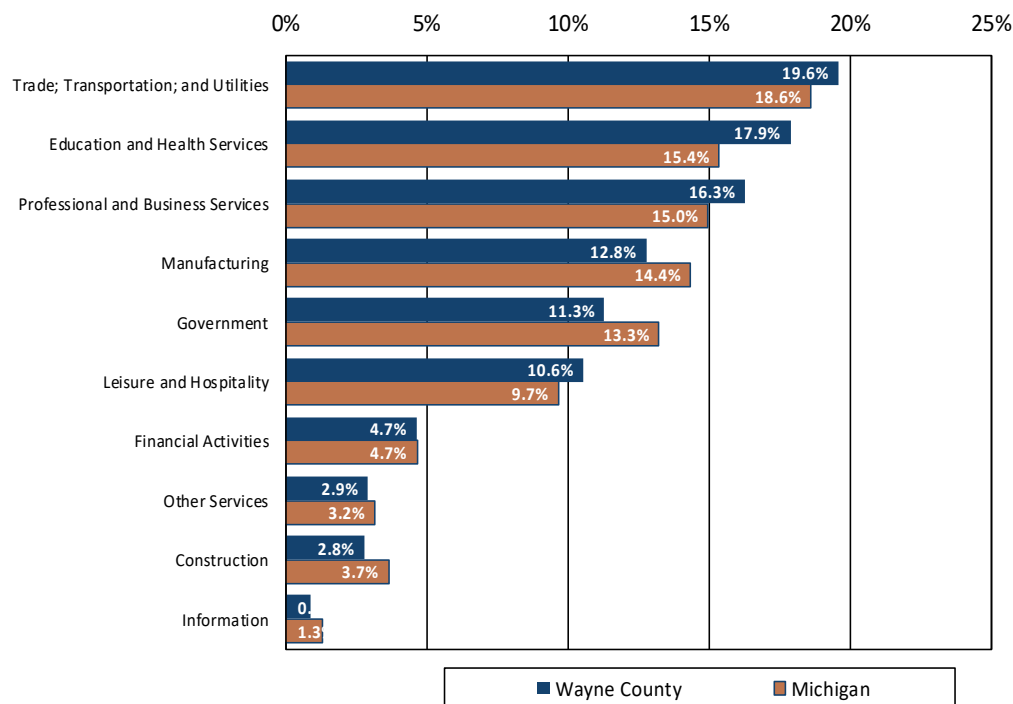
Year	Total Employment (Year End)				Unemployment Rate (Ann. Avg.)	
	%		%		Wayne County	Michigan
	Wayne County	Change	Michigan	Change		
2007	752,122		4,197,183		8.2%	7.0%
2008	710,353	-5.6%	3,991,756	-4.9%	9.3%	8.0%
2009	663,977	-6.5%	3,769,036	-5.6%	16.2%	13.7%
2010	666,295	0.3%	3,820,590	1.4%	15.5%	12.6%
2011	686,059	3.0%	3,914,219	2.5%	12.9%	10.4%
2012	697,329	1.6%	3,991,738	2.0%	11.7%	9.1%
2013	690,299	-1.0%	4,072,703	2.0%	11.5%	8.8%
2014	707,082	2.4%	4,155,638	2.0%	9.6%	7.2%
2015	709,750	0.4%	4,219,861	1.5%	6.9%	5.4%
2016	722,810	1.8%	4,283,497	1.5%	6.3%	5.0%
2017	725,591	0.4%	4,321,713	0.9%	5.4%	4.6%
Overall Change 2007-2017	-26,531	-3.5%	124,530	3.0%		
Avg Unemp. Rate 2007-2017					10.3%	8.3%
Unemployment Rate - August 2018					5.3%	3.8%

Source: Bureau of Labor Statistics and Economy.com. Employment figures are from the Quarterly Census of Employment and Wages (QCEW). Unemployment rates are from the Current Population Survey (CPS). The figures are not seasonally adjusted.

**Employment Sectors**

The composition of the Wayne County job market is depicted in the following chart, along with that of Michigan. Total employment for both areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of Wayne County jobs in each category.

### Employment Sectors - 2017



Source: Bureau of Labor Statistics and Economy.com

Wayne County has greater concentrations than Michigan in the following employment sectors:

1. Trade; Transportation; and Utilities, representing 19.6% of Wayne County payroll employment compared to 18.6% for Michigan as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.
2. Education and Health Services, representing 17.9% of Wayne County payroll employment compared to 15.4% for Michigan as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
3. Professional and Business Services, representing 16.3% of Wayne County payroll employment compared to 15.0% for Michigan as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
4. Leisure and Hospitality, representing 10.6% of Wayne County payroll employment compared to 9.7% for Michigan as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.

Wayne County is underrepresented in the following sectors:

1. Manufacturing, representing 12.8% of Wayne County payroll employment compared to 14.4% for Michigan as a whole. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.

2. Government, representing 11.3% of Wayne County payroll employment compared to 13.3% for Michigan as a whole. This sector includes employment in local, state, and federal government agencies.
3. Other Services, representing 2.9% of Wayne County payroll employment compared to 3.2% for Michigan as a whole. This sector includes establishments that do not fall within other defined categories, such as private households, churches, and laundry and dry cleaning establishments.
4. Construction, representing 2.8% of Wayne County payroll employment compared to 3.7% for Michigan as a whole. This sector includes construction of buildings, roads, and utility systems.

### Major Employers

Major employers in Wayne County are shown in the following table.

Major Employers - Wayne County			
	Name	Number of Employees	Industry
1	Ford Motor Company	42,740	Automotive Manufacturer
2	Beaumont Health	9,096	Medical
3	Trinity Health	5,204	Medical
4	Henry Ford Health System	3,480	Medical
5	Dearborn Public Schools	2,284	Education
6	ZF North America, Inc.	1,949	Automotive Manufacturer
7	U.S. Government	1,909	Government
8	FCA US LLC	1,849	Automotive Manufacturer
9	AAA Michigan	1,838	Insurance/Travel
10	U.S. Postal Service	1,800	Government
Source: Crain's Detroit Business, December 24, 2018			

### Gross Domestic Product

Gross Domestic Product (GDP) is a measure of economic activity based on the total value of goods and services produced in a defined geographic area. Although GDP figures are not available at the county level, data reported for the Detroit MSA is considered meaningful when compared to the nation overall, as Wayne County is part of the MSA and subject to its influence.

Economic growth, as measured by annual changes in GDP, has been somewhat higher in the Detroit MSA than the United States overall during the past eight years. The Detroit MSA has grown at a 2.2% average annual rate while the United States has grown at a 1.9% rate. As the national economy improves, the Detroit MSA continues to perform better than the United States. GDP for the Detroit MSA rose by 2.7% in 2017 while the United States GDP rose by 2.1%.

The Detroit MSA has a per capita GDP of \$52,879, which is 3% greater than the United States GDP of \$51,337. This means that Detroit MSA industries and employers are adding relatively more value to the economy than their counterparts in the United States overall.

**Gross Domestic Product**

Year	(\$ Mil) Detroit MSA	% Change	(\$ Mil) United States	% Change
2010	196,263		14,628,165	
2011	203,896	3.9%	14,833,679	1.4%
2012	208,204	2.1%	15,126,281	2.0%
2013	209,372	0.6%	15,348,034	1.5%
2014	213,422	1.9%	15,717,469	2.4%
2015	218,528	2.4%	16,148,486	2.7%
2016	222,087	1.6%	16,383,812	1.5%
2017	228,069	2.7%	16,721,499	2.1%
Compound % Chg (2010-2017)		2.2%		1.9%
GDP Per Capita 2017	\$52,879		\$51,337	

Source: Bureau of Economic Analysis and Economy.com; data released September 2016. The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted "real" GDP stated in 2009 dollars.

**Household Income**

Wayne County has a considerably lower level of household income than Michigan. Median household income for Wayne County is \$47,939, which is 16.9% less than the corresponding figure for Michigan.

**Median Household Income - 2019**

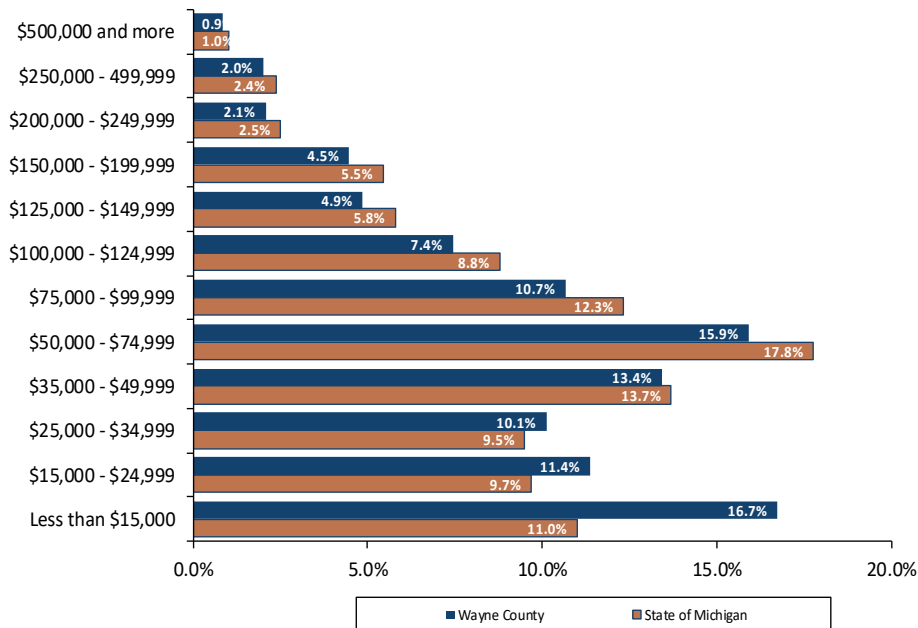
	Median
Wayne County	\$47,939
State of Michigan	\$57,659
Comparison of Wayne County to State of Michigan	- 16.9%

Source: Environics Analytics

The following chart shows the distribution of households across twelve income levels. Wayne County has a greater concentration of households in the lower income levels than Michigan. Specifically, 38% of Wayne County households are below the \$35,000 level in household income as compared to 30% of Michigan households. A lesser concentration of households is apparent in the higher income levels, as 32% of Wayne County households are at the \$75,000 or greater levels in household income versus 38% of Michigan households.



## Household Income Distribution - 2019

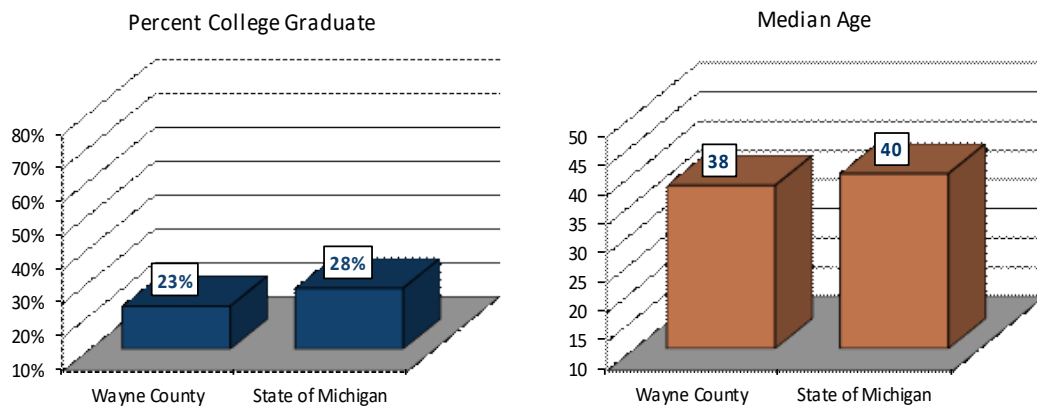


Source: Environics Analytics

## Education and Age

Residents of Wayne County have a lower level of educational attainment than those of Michigan. An estimated 23% of Wayne County residents are college graduates with four-year degrees, versus 28% of Michigan residents. People in Wayne County are younger than their Michigan counterparts. The median age for Wayne County is 38 years, while the median age for Michigan is 40 years.

## Education &amp; Age - 2019



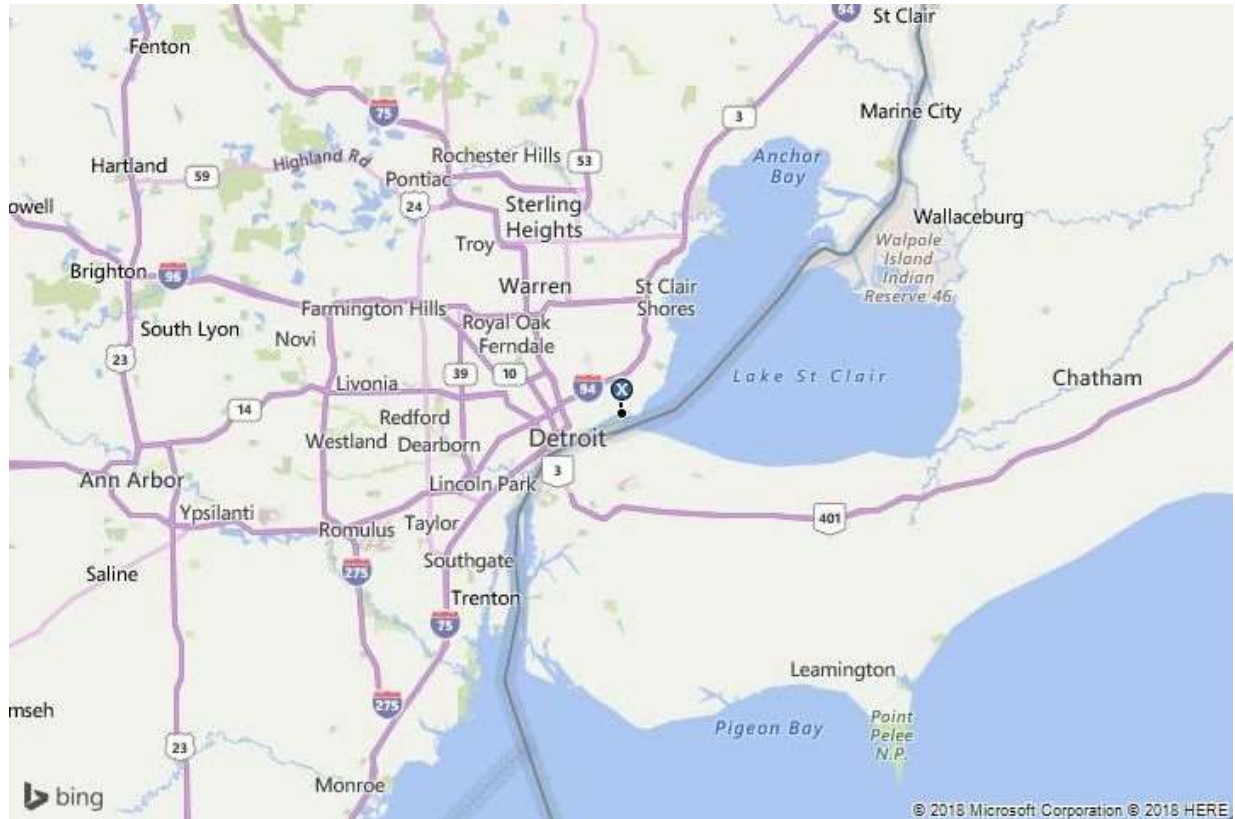
Source: Environics Analytics

**Conclusion**

The Wayne County economy will struggle with a flat to declining population base and lower income and education levels. Wayne County experienced a decline in the number of jobs, and had a consistently higher unemployment rate than Michigan over the past decade. However, Wayne County benefits from being part of the Detroit MSA, which exhibits both a higher rate of GDP growth and a higher level of GDP per capita than the nation overall. On balance, we anticipate that growth in the Wayne County economy will be limited, resulting in only a modest level of demand for real estate in general.

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## Area Map



## Surrounding Area Analysis

### Location

The subject is located in the far east riverfront section of Detroit, in the Marina District area.

### Access and Linkages

Primary highway access to the area is via I-94. Public transportation is provided by DDOT and provides access to all parts of the City, with stops along Jefferson Avenue. Overall, the primary mode of transportation in the area is the automobile.

### Demand Generators

Major employers include those cited for the county, and include Detroit Three automakers, and their suppliers.

### Land Use

The area is urban in character and approximately 70% developed.

Predominant land uses are industrial, as this area historically has been used, although there are some newer residential projects in the west riverfront area. During the last five years, development has been predominantly of mixed residential and commercial uses, which has primarily been in the near east riverfront area, much closer to downtown.

The Morgan Estates residential development of larger single family homes, as well as condominiums, is located one parcel to the west of the subject, opposite Lycaste Street. This project is more than ten years old, and has had very slow absorption, and is lender owned due to the project failure. However, there were at least two new homes under construction in December 2019, but the broker that has the site listed has indicated a large inventory of unsold homes, depicted below.

MORGAN ESTATES INVENTORY				
ADDRESS	BED / BATH	SF	PRICE	NOTES
1 Sand Bar Lane	N/A	N/A	\$750,000	LAND CONTRACT INCLUDED IN SALE
18 Sand Bar Lane	5 Bed / 4.5 Bath	13,000 SF	\$3,500,000	FOR SALE
26 Sand Bar Lane	5 Bed / 4.5 Bath	6,750 SF	\$2,000,000	FOR SALE
34 Sand Bar Lane	N/A	N/A	\$400,000	FOR SALE
35 Sand Bar Lane	N/A	N/A	\$550,000	LAND CONTRACT INCLUDED IN SALE
42 Sand Bar Lane	N/A	N/A	\$400,000	FOR SALE
43 Sand Bar Lane	5 Bed / 4.5 Bath	5,050 SF	\$580,000	FOR SALE
50 Sand Bar Lane	3 Bed / 3.5 Bath	4,200 SF	\$800,000	UNDER CONSTRUCTION
58 Sand Bar Lane	4 Bed / 3.2 Bath	4,400 SF	\$800,000	UNDER CONSTRUCTION
59 Sand Bar Lane	4 Bed / 4.5 Bath	4,242 SF	\$550,000	FOR SALE
66 Sand Bar Lane	4 Bed / 3.2 Bath	4,400 SF	\$800,000	UNDER CONSTRUCTION
67 Sand Bar Lane	N/A	N/A	\$400,000	LAND CONTRACT INCLUDED IN SALE
75 Sand Bar Lane	4 Bed / 3.5 Bath	4,400 SF	\$550,000	FOR SALE
83 Sand Bar Lane	3 Bed / 3.5 Bath	4,200 SF	\$550,000	FOR SALE
91 Sand Bar Lane	5 Bed / 4.5 Bath	5,800 SF	\$580,000	FOR SALE
106 Sand Bar Lane	5 Bed / 4.5 Bath	5,800 SF	\$580,000	FOR SALE
107 Sand Bar Lane	5 Bed / 4.5 Bath	5,100 SF	\$580,000	LAND CONTRACT INCLUDED IN SALE
114 Sand Bar Lane	5 Bed / 4.5 Bath	6,758 SF	\$675,000	FOR SALE
122 Sand Bar Lane	5 Bed / 4.5 Bath	5,050 SF	\$580,000	FOR SALE





Additionally, it appears that the condos have been extremely slow to sell, with most remaining on the market.



While the property is for sale, the contract from the lender is burdened with the completion of the 48 additional units cited above; the portfolio includes an additional large vacant riverfront development site known as Lenox Estates that is located approximately 700 yards to the east of the subject, with approximately ¼ mile of navigable canal frontage that remains undeveloped.

Additionally, based on views of aerial photography of the area, there remains a significant inventory of vacant land in this far east riverfront area of Detroit, which has been vacant for a number of years, even though portions had been previously developed.

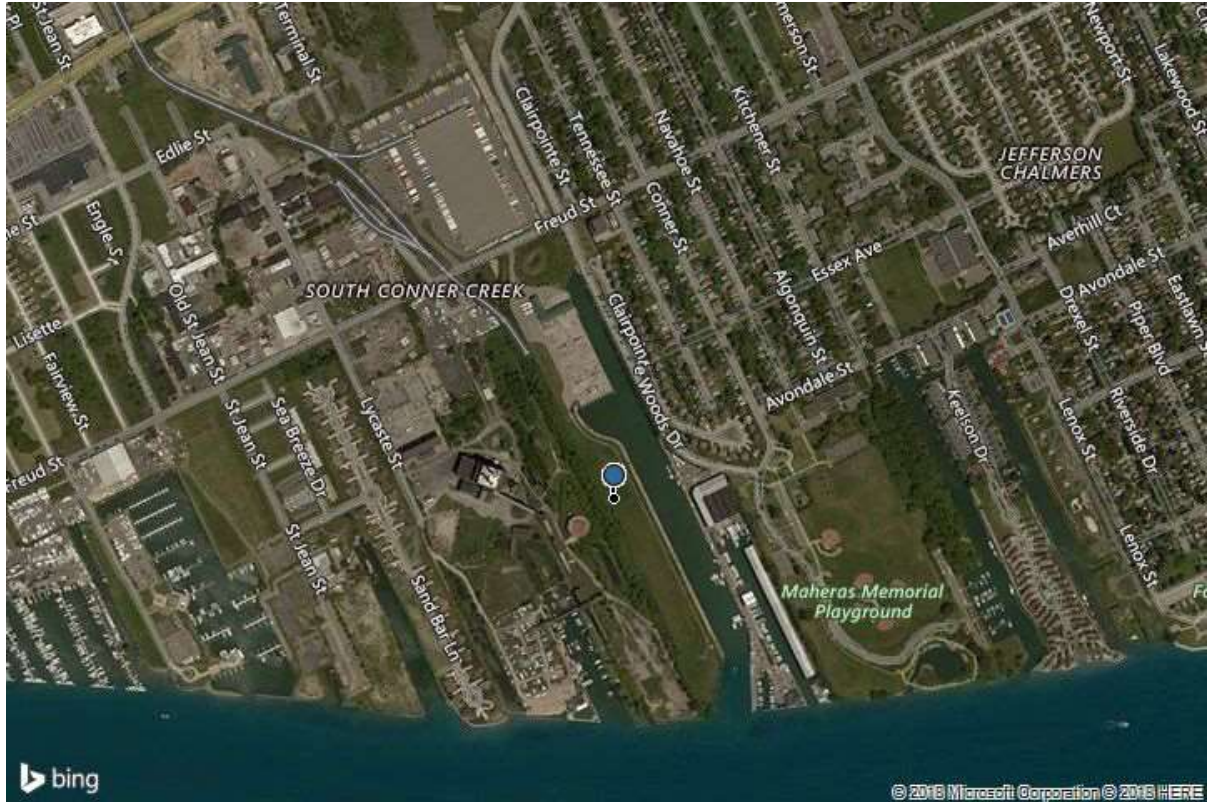
Development has been very active in the downtown area, which is generally between the Lodge Freeway, and I-75, up to Grand Boulevard to the north; downtown includes the CBD, the near east riverfront, the District (Little Caesars arena area; just north of the CBD), the Midtown area (including the intertwined Medical Center), as well as progress within the New Center area to the north of Midtown.

The balance of the City has had limited new development, and pales in comparison to the greater downtown districts.

### Outlook and Conclusions

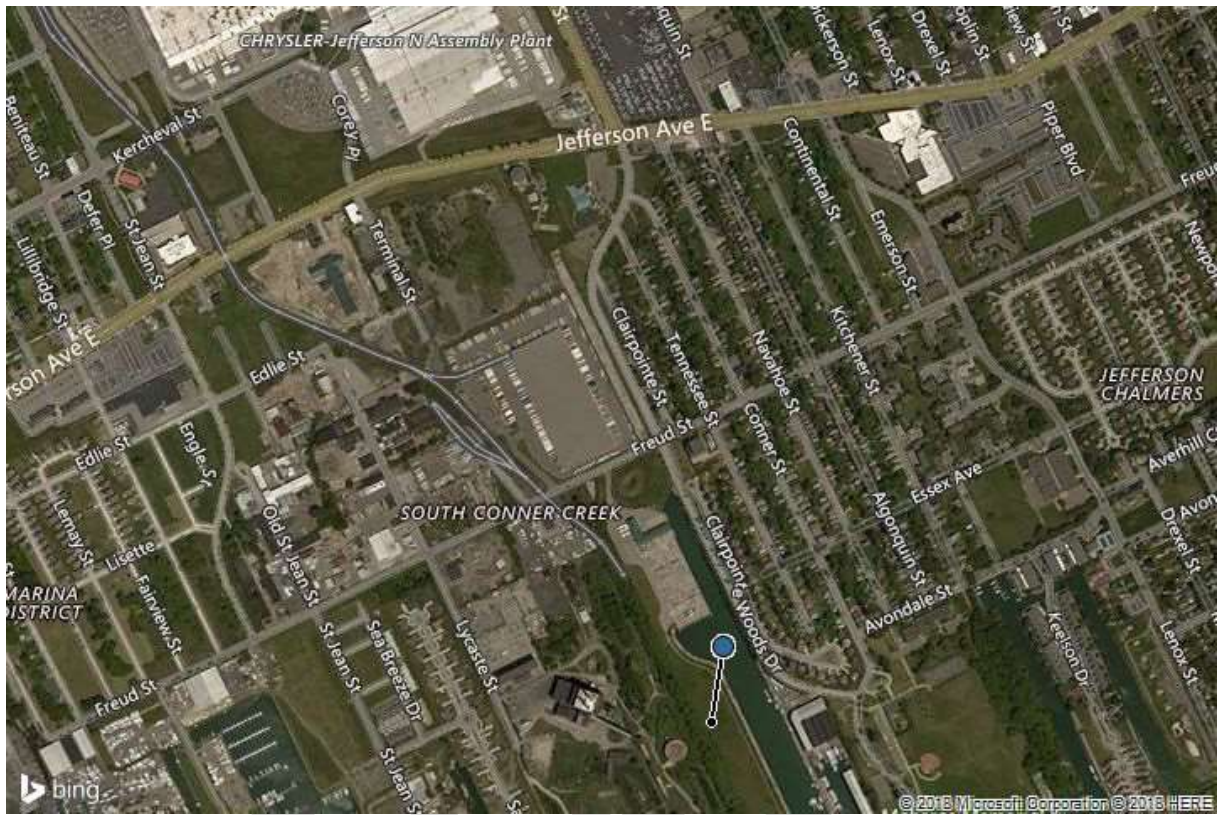
The area is in the maturity to renewal stage of its life cycle. We anticipate that property values will remain stable in the near future in the immediate area. However, due to the removed distance from the greater downtown, development is expected to be slow in the Marina district market area, and heightened demand for residential development is likely to be a very prolonged period, as evidenced by the Morgan developments.

## Surrounding Area Map





## Local Area Map



# Property Analysis

## Land Description and Analysis

Land Description		
Land Area	14.45 acres; 629,518 SF	
Source of Land Area	Google Earth Estimate	
Primary Street Frontage	Freud - None (Back Land) feet	
Secondary Street Frontage	Detroit River - 125+ feet	
Shape	Very Irregular	
Corner	No	
Rail Access	Yes	
Topography	Generally level and at street grade	
Drainage	No problems reported or observed	
Environmental Hazards	Assumed clean	
Ground Stability	No problems reported or observed	
Flood Area Panel Number	26163C0285E	
Date	February 2, 2012	
Zone	X	
Description	Outside of 500-year floodplain	
Insurance Required?	No	
Zoning; Other Regulations		
Zoning Jurisdiction	Detroit	
Zoning Designation	M4	
Description	Intensive Industrial District	
Legally Conforming?	Appears to be legally conforming	
Zoning Change Likely?	Possible	
Permitted Uses	The M4 District is intended to accommodate most industrial uses, excepting the most noxious; single family homes are prohibited outright; the subject is Master Planned for light industrial use.	
Minimum Lot Area	Met	
Maximum Density	Met	
Maximum Floor Area Ratio	Met	
Parking Requirement	Met	
Other Land Use Regulations	Assumed easement for access across parent parcel; subject contains limited River frontage and assumes access to river water near north end	
Utilities		
Service	Provider	Adequacy
Water	Municipal	Industrial Capacity
Sewer	Municipal	Industrial Capacity
Electricity	DTE Energy	Industrial Capacity
Natural Gas	DTE Energy	Industrial Capacity
Local Phone	Lines by AT&T	



**Conceptual Site Plan (Overlaid on Plat Map)**

## Land Area

The following table summarizes the subject's land area.

Land Area Summary			
Tax ID	Address	SF	Acres
21000071 (part of)	11900 Freud	518,404	11.90
21000070.002L (part of)	11880 Freud	111,114	2.55
Total		629,518	14.45
Source: Google Earth Estimate			

## Shape and Dimensions

The site is very irregular in shape, with dimensions of approximately 550+ feet in width and 2,800+ feet in depth. Site utility based on shape and dimensions is below average due to its significant depth.

## Easements, Encroachments and Restrictions

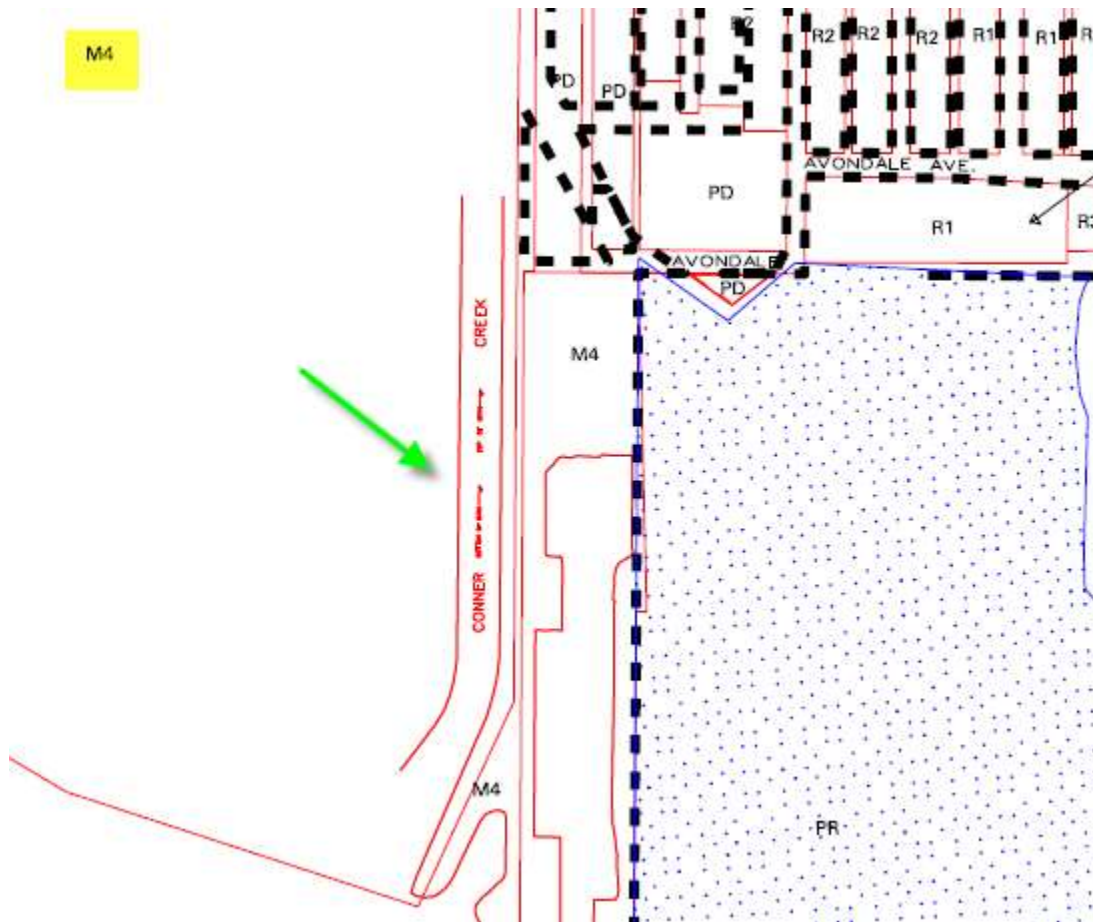
Based upon a review of the preliminary property survey, there will need to be an easement across the parent site accessing the northerly end of the subject, to allow for permanent road access. Furthermore, the same easement assumption applies to utilities, as service may not be fully extended to the subject.

Additionally, there appears to be a rail easement along the westerly property line, at the north end that allows for rail access, and is reported to be readily activatable, and service could likely again be accommodated.

The frontage on the Detroit River at the south end is very narrow, and would allow for construction of boat slips, often a desired amenity in residential waterfront developments; however, the possible quantity would be approximately eight, which would be feasible only for a low density development. If the Connor Creek frontage were made available, the number of potential slips would increase.

There do not appear to be any other easements, encroachments, or restrictions other than those that are typical for the property type. Exceptions to title of this type would not appear to adversely affect value. Our valuation assumes no adverse impacts from easements, encroachments, or restrictions, and further assumes that the subject has clear and marketable title.

## Zoning Map







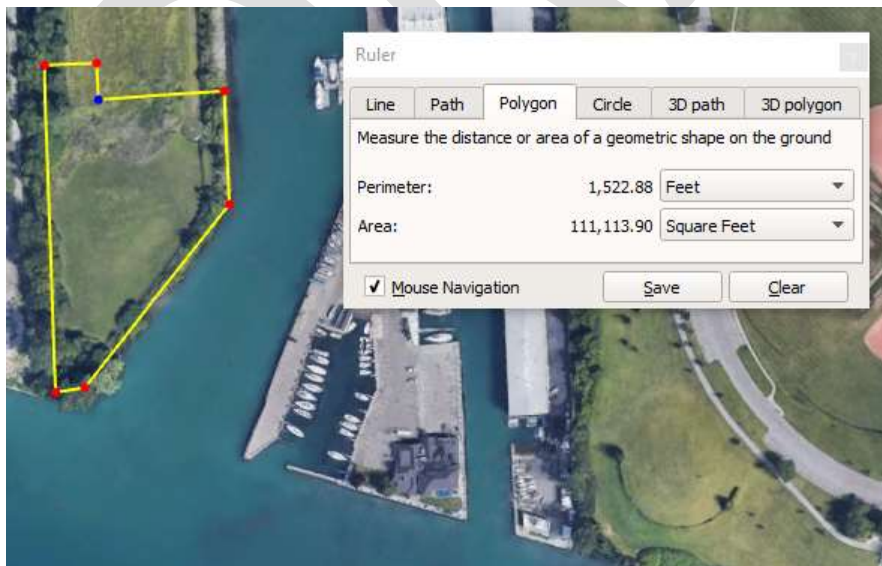
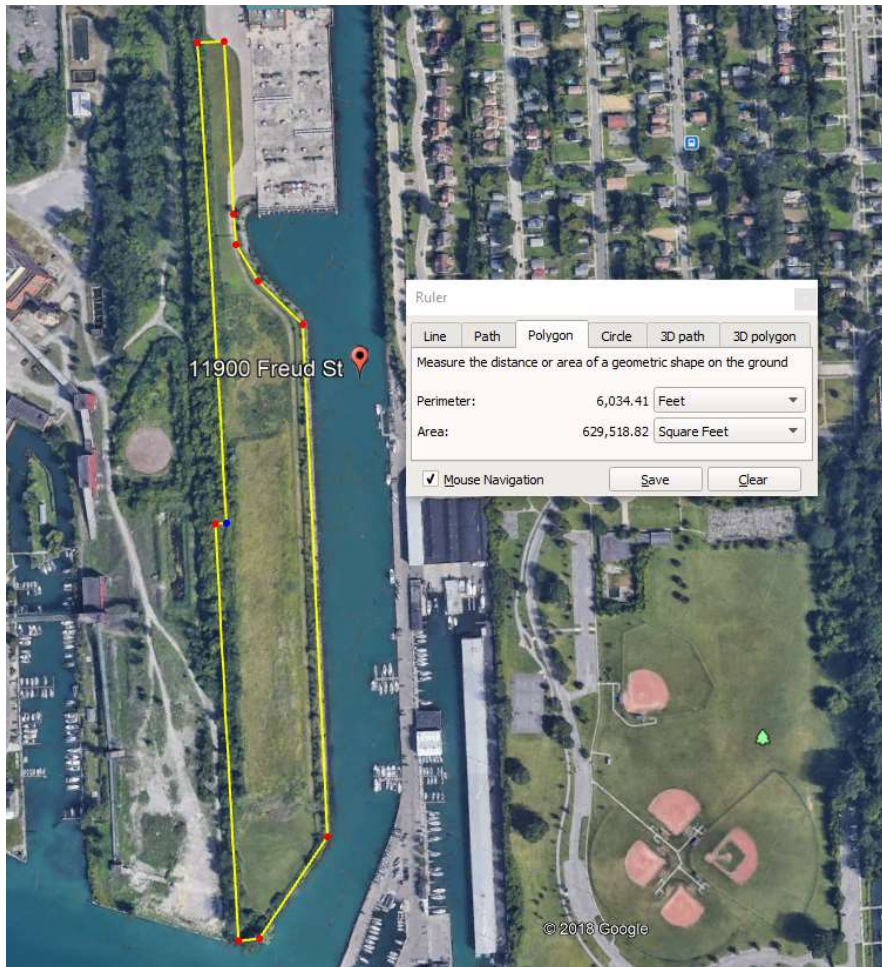
We are not experts in the interpretation of zoning ordinances. An appropriately qualified land use attorney should be engaged if a determination of compliance with zoning is required.

### Conclusion of Land Analysis

Overall, the physical characteristics of the site and the availability of utilities result in average functional utility suitable for a variety of uses including those permitted by zoning. We are not aware of any other particular restrictions on development.

The subject is a narrow, deep site, somewhat limiting its development potential; the availability of rail service, as well industrial capacity utility service, via easement access, enhance the utility of the site. Additionally, the south portion of the subject has just over 100' of frontage on the Detroit River, however, this site could possibly be expanded to include the Connor Creek frontage.

## Aerial Photos





## Real Estate Taxes

In the State of Michigan, the following three assessed values are carried on the tax roll for any property:

1. State Equalized Value (SEV)
2. Capped Value (CV; *Proprietary to Current Owner and non-transferable*)
3. Taxable Value (TV).

The TV is established as the lower of the SEV and the proprietary CV. The SEV, which is often referred to as the assessed value, is established for property tax purposes and is theoretically equal to 50% of the local assessor's opinion of market value or true cash value (TCV). The SEV for any given year is set as of December 31 of the preceding year and is to be similar to assessments for similar property. The CV results from a constitutional provision for a cap on assessment increases. The increase is limited the rate of inflation in any year (based on the Consumer Price Index) or an overall constitutional limit of 5% per year, whichever limitation results in the lowest assessment. This limitation continues until a property is sold or transferred as defined by assessment regulations whereupon the cap provision is suspended.

A total millage rate is applied to taxable value resulting in the annual tax burden for a property. Municipalities and counties are given the authority to levy property taxes at varying levels as well as there being a provision for a state-levied property tax for education purposes. Local school districts have the authority to levy, after voter approval, a non-homestead tax of up to an additional 18 mills and, in limited instances, an enhancement tax. The tax rate indicated in the following table is a summation of the levies of the various taxing bodies.

Real estate taxes and assessments for the current tax year are shown in the following table.

<b>Taxes and Assessments - 2018</b>						
Tax ID	True Cash Value		Taxes and Assessments			
	Land	Improvements	Total	Tax Rate	Ad Valorem	
21000071 (part of)	\$0	\$0	\$0	8.800000%	\$0	
21000070.002L (part of)	\$0	\$0	\$0	8.800000%	\$0	
	\$0	\$0	\$0		\$0	

It is noted that the subject is not currently assessed as it is publicly owned. However, for valuation purposes it is typically appropriate to utilize the assessed value (SEV), as the definition of market value utilized herein assumes a transfer of the property on the date of valuation, thus based upon the current assessed value. Furthermore, any market participant would rely on the assessed value in a transaction analysis.

However, no tax indication is availed, but for profit ownership would indicate market level taxation.

## Highest and Best Use

### Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as vacant, and as improved. By definition, the highest and best use must be:

- Physically possible.
- Legally permissible under the zoning regulations and other restrictions that apply to the site.
- Financially feasible.
- Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

### As Vacant

#### Physically Possible

The physical characteristics of the site do not appear to impose any unusual restrictions on development. Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses.

The north subject site is relatively large, thus lending itself to a multitude of opportunities, but its shape has some limitations, particularly the narrow north end, which only constitutes a roadway, although the central width of approximately 550+’ allows for a multitude of possibilities. Although no frontage is located along Connor Creek, water draw is also likely via easement for the north site, which is an amenity sought by only a very small proportion of industrial users.

The south site contains frontage along the Detroit River, estimated at 125+’, based on aerial photos; further, it is afforded views along the southerly end across the Detroit River, and the Bayview Yacht club located across Connor Creek. As previously stated, a limited number of boat slips could be constructed, although the current is likely too strong for typical dockage, limiting feasibility, as a breakwater barrier would have to be constructed, which is less feasible; however, if the creek frontage were included, it would be more feasible, as evidenced by the existing slips along the easterly side of Connor Creek.

#### Legally Permissible

The site is zoned M4, Intensive Industrial District. Permitted uses include the M4 District is intended to accommodate most industrial uses, excepting the most noxious; single family homes are prohibited outright; the subject is Master Planned for light industrial use.. To our knowledge, there are no legal restrictions such as easements or deed restrictions that would effectively limit the use of the property. Given prevailing land use patterns in the area, only industrial use is given further consideration in determining highest and best use of the site, as though vacant.

#### Financially Feasible

Generally, there is limited demand for additional industrial inventory in the City of Detroit as of the effective valuation date. However, considering the positive attributes of the north site, particularly the fact that it is located in close proximity to the FCA Jefferson north assembly plant, is served by rail, and

has industrial capacity utility service, there appears to be demand for industrial use in this location. Based on the limited number of similarly sized industrial sites in Detroit, a newly developed industrial use could have a value commensurate with its cost, given a specific user. Therefore, industrial use is considered to be financially feasible for the north site.

In terms of the south site, residential use is applicable in accord with the client requested special assumption. Due to the limited frontage, splitting the site for single family is less feasible, thus high density development is more likely. As current construction costs approximate \$200,000 per door for multifamily, and the rent required to support construction is well above \$2.00/SF/Month, and not achievable in this location, although it is in the downtown areas cited, including the near east riverfront. Nearby apartment projects are achieving rents half of those being collected in the newer projects downtown, thus feasibility is in the distant future, as the downtown area continues to expand from its existing footprint.

As evidenced by land sale data in suburban locations, the highest demand is for senior housing of varying sorts, but is not prevalent in Detroit, although one such project by a non-profit religious entity is noted near the river to the east of Joseph Campeau. As such, new construction for high density residential use in the immediate area is generally infeasible at present, but will likely be in the future.

#### **Maximally Productive**

There does not appear to be any reasonably probable use of the north site that would generate a higher residual land value than industrial use for the north portion; accordingly, it is our opinion that industrial use, developed to the normal market density level permitted by zoning, is the maximally productive use of the property.

The maximally productive use of the south portion of the subject is inventory holding for future high density residential development.

# Valuation

## Valuation Methodology

Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach and the income capitalization approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type.

The methodology employed in this assignment is summarized as follows:

Approaches to Value		
Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

## Sales Comparison Approach

To develop an opinion of the subject's land value, as if vacant and available to be developed to its highest and best use, we utilize the sales comparison approach. This approach develops an indication of value by researching, verifying, and analyzing sales of similar properties.

To develop an opinion of the subject's land value, as if vacant and available to be developed to its highest and best use, we utilize the sales comparison approach. This approach develops an indication of value by researching, verifying, and analyzing sales of similar properties.

As discussed previously the subject consists of an upland industrial parcel at the north end, and a parcel at the south end designated for waterfront residential use.

Land Parcels				
Name	Tax ID	SF	Acres	Unit of Comparison
North Industrial Parcel	21000071 (part of)	518,404	11.90	Total Acres
Residential Waterfront	21000070.002L (part of)	111,114	2.55	Total Acres
Total		629,518	14.45	

### North Industrial Parcel (11.90 Acres; 518,404 SF)

To apply the sales comparison approach to the North Industrial Parcel, we searched for sale transactions within the following parameters:

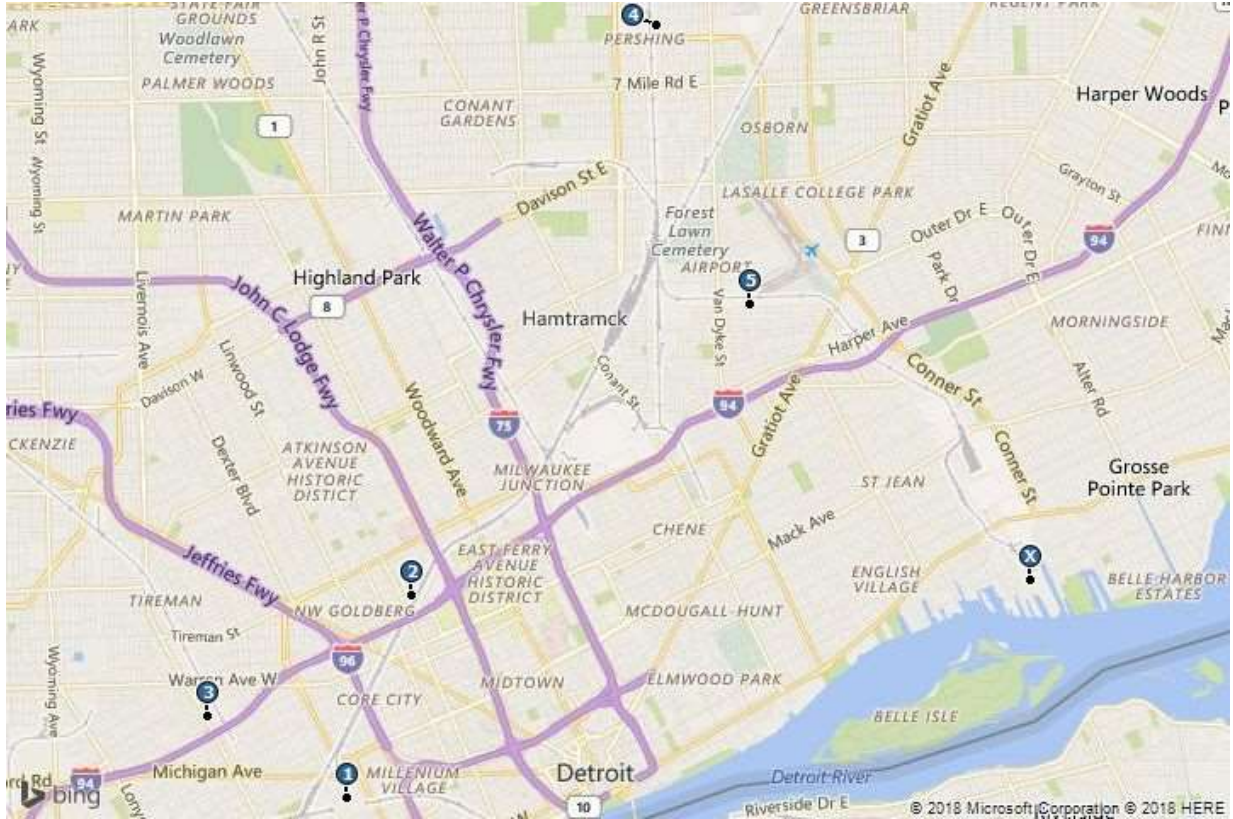
- Location: Detroit
- Size: 6 to 25 Acres
- Use: Industrial
- Transaction Date: Since 2014

For this analysis, we use price per acre as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. The most relevant sales are summarized in the following table.

**Summary of Comparable Land Sales - North Industrial Parcel**

No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres	Zoning	\$/SF Land	\$/Acre
1	Vacant Land 2860 Clark & 2730 Scotten Detroit Wayne County MI	Dec-14 Closed	\$900,000	1,123,151 25.78	Intensive Industrial	\$0.80	\$34,905
2	Vacant Land 6000 Rosa Parks Blvd (was 1800 St. Antoinette) Detroit Wayne County MI	Mar-14 Closed	\$534,854	766,220 17.59	Restricted Industrial changes Major Business	\$0.70	\$30,407
<i>Comments: This transaction represents the Phase 1 sale from HFHS to the developer of a distribution facility for Cardinal Health, a supplier to local area hospital systems. HFHS acquired the property through a change in title vesting from The Sha Realty Corporation, the real estate division of HFHS. Sha acquired several other parcels from the Wayne County Land Bank, and a 8.414 acre parcel from Avery Park Properties, LLC. The Avery parcel transaction was consummated at a unit price of \$1.16/SF and closed on 3/23/2012. The above noted purchaser is an entity on a build-to-suit agreement between Kirco Realty and ElmTree Net Lease Fund II. The above transaction comprised of a total of 62 parcels, with the combined parcels now identified as 08/006378-81 and 08/007579-99. The site required environmental remediation, however, the purchaser was assigned grats totaling \$2.5 million.</i>							
3	Vacant Industrial Land 5034 Military St. Detroit Wayne County MI	Jan-15 Closed	\$425,000	533,523 12.25	Intensive Industrial District	\$0.80	\$34,700
<i>Comments: The property was purchased at a tax sale by the seller, who then listed the property, which had a partially demolished building on the site. The purchaser is a demolition contractor that needed the land for a yard to serve the City in a large demolition contract. The demolition estimate includes debris that had to be hauled away, and was estimated by the broker, and is based on market pricing, not purchaser cost.</i>							
4	Vacant Industrial sites 20001 Sherwood St. Detroit Wayne County MI	Feb-15 Closed	\$280,000	522,720 12.00	Intensive Industrial District	\$0.54	\$23,333
<i>Comments: Property was formerly the site of Samuel Whittar Distribution; the buildings were demolished well before the listing. The property had some environmental issues, and a reduction was reflected in the final purchase price.</i>							
5	Industrial Land 8611 Grinnell Detroit Wayne County MI	Apr-18 Closed	\$100,000	252,478 5.80	Light Industrial	\$0.40	\$17,253
<i>Comments: Site is located in a Green Zone, but did not sell at a premium, nor did it gain additional interest, according to the broker.</i>							
<i>The site is fully fenced, and partially paved, and contained approximately 40,000 SF of dilapidated buildings; there were two along Erwin of approximately 18,000 SF had imploded that require hauling away, at a cost estimated at \$50,000. The building along Grinnell contains approximately 24,000 SF, and the purchaser is reserving the potential for bringing the building back online; as such, a minor contribution of \$100,000 is applied.</i>							
<b>Subject</b>				518,404	Intensive		
Vacant Water Dept Land				11.90	Industrial		
Detroit, MI					District		

## Comparable Land Sales Map – North Industrial Parcel







Sale 1  
Vacant Land



Sale 2  
Vacant Land



Sale 3  
Vacant Industrial Land



Sale 4  
Vacant Industrial sites



Sale 5  
Industrial Land

Vacant Water Dept Land

### Analysis and Adjustment of Sales

The sales are compared to the subject and adjusted to account for material differences that affect value. Adjustments may be considered for the following factors, in the sequence shown below.

Adjustment Factors	
Effective Sale Price	Accounts for atypical economics of a transaction, such as demolition cost, expenditures by the buyer at time of purchase, or other similar factors. Usually applied directly to sale price on a lump sum basis.
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale, related parties transaction.
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.
Location	Market or submarket area influences on sale price; surrounding land use influences.
Size	There is an inverse relationship that often exists between parcel size and unit value. However, in the case of the subject, there is assemblage value for a site this large, which results in adjustments that are atypical to account for the scarcity of such sites in a developed area.
Shape and Topography	Primary physical factors that affect the utility of a site for its highest and best use.
Zoning	Government regulations that affect the types and intensities of uses allowable on a site.

The following table summarizes the adjustments we make to each sale.

Land Sales Adjustment Grid - North Industrial Parcel						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Name	Vacant Water Dept Land	Vacant Land	Vacant Land	Vacant Industrial Land	Vacant Industrial sites	Industrial Land
Address	11880-11900 Freud	2860 Clark & 2730 Scotten St.	6000 Rosa Parks Blvd (was 1800 St. Antoinette)	5034 Military St.	20001 Sherwood St.	8611 Grinnell
City	Detroit	Detroit	Detroit	Detroit	Detroit	Detroit
County	Wayne	Wayne	Wayne	Wayne	Wayne	Wayne
State	Michigan	MI	MI	MI	MI	MI
Sale Date		Dec-14	Mar-14	Jan-15	Feb-15	Apr-18
Sale Status		Closed	Closed	Closed	Closed	Closed
Sale Price		\$900,000	\$534,854	\$325,000	\$280,000	\$150,000
Conditions of Sale Adjustment		\$0	\$0	\$0	\$0	-\$100,000
Other Adjustment		\$0	\$0	\$100,000	\$0	\$50,000
Price Adjustment		-	-	-	-	-
Description of Adjustment				Demolition		Shell Value/Demo Cost
Effective Sale Price		\$900,000	\$534,854	\$425,000	\$280,000	\$100,000
Square Feet	518,404	1,123,151	766,220	533,523	522,720	252,478
Acres	11.90	25.78	17.59	12.25	12.00	5.80
Zoning Code	M4	M-4	M-2 changes B-5	M-4	M4	M2
Shape	Very Irregular	Irregular	Irregular	Rectangular	Irregular	Irregular
Database ID		1897908	1887962	1300239	1299522	2179821
<b>Price per Acre</b>		<b>\$34,905</b>	<b>\$30,407</b>	<b>\$34,700</b>	<b>\$23,333</b>	<b>\$17,253</b>
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		-	-	-	-	-
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		-	-	-	-	-
Conditions of Sale		-	-	-	-	See Above
% Adjustment		-	-	-	-	-
Market Conditions	1/1/2019	Dec-14	Mar-14	Jan-15	Feb-15	Apr-18
Annual % Adjustment	3%	12%	14%	12%	12%	2%
<b>Cumulative Adjusted Price</b>		<b>\$39,094</b>	<b>\$34,664</b>	<b>\$38,863</b>	<b>\$26,133</b>	<b>\$17,598</b>
Location		-	-	-	5%	10%
Access/Exposure (Subj Back Land)		-10%	-10%	-10%	-10%	-10%
Size		-10%	-5%	-	-	10%
Shape and Topography		-5%	-5%	-10%	-5%	-10%
Zoning		-	-	-	-	-
Net \$ Adjustment		-\$9,774	-\$6,933	-\$7,773	-\$2,613	\$0
Net % Adjustment		-25%	-20%	-20%	-10%	0%
<b>Final Adjusted Price</b>		<b>\$29,321</b>	<b>\$27,731</b>	<b>\$31,091</b>	<b>\$23,520</b>	<b>\$17,598</b>
Overall Adjustment		-16%	-9%	-10%	1%	2%
<b>Range of Adjusted Prices</b>		<b>\$17,598 - \$31,091</b>				
<b>Average</b>		<b>\$25,852</b>				
<b>Indicated Value</b>		<b>\$30,000</b>				

**Land Value Conclusion – North Industrial Parcel**

Prior to adjustments, the sales reflect a range of \$17,253 - \$34,905 per acre. After adjustment, including recognizing that the property is back land, only accessible via easement, the range is narrowed to \$17,598 - \$31,091 per acre, with an average of \$25,852 per acre. To arrive at an indication of value, we place primary emphasis on sales No. 1, 2 and 3, which are all in peripheral downtown locations; No. 5 is given least weight, as it is a small site, although it is the most recent; large adjustments were required to the purchase price for demolition costs, and value contribution of a building shell that may, or may not, be reusable from an economic perspective. No. 4 is also given consideration, as it was acquired for construction of a new building by a developer, on a speculative basis.

Based upon the above, we reach a value conclusion as follows:

<b>Land Value Conclusion</b>	
Indicated Value per Acre	\$30,000
Subject Acres	<u>11.90</u>
Indicated Value	\$357,028
Rounded	\$360,000

**Residential Waterfront Parcel (2.55 Acres; 111,114 SF)**

To apply the sales comparison approach to the Residential Waterfront Parcel, we searched for sale transactions within the following parameters:

- Location: SE Michigan
- Size: 1 to 5 Acres
- Use: Waterfront Residential
- Transaction Date: Since 2015

For this analysis, we use price per acre as the appropriate unit of comparison. The most relevant sales are summarized in the following table.

**Summary of Comparable Land Sales - Residential Waterfront Parcel**

No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres	Zoning	\$/SF Land	\$/Acre
1	Scripp's Place 3700 Trumbull Ave. Detroit Wayne County MI	Mar-16 Closed	\$370,000	69,192 1.59	Low Density Residential w/ local historic district	\$5.35	\$232,939
<i>Comments: A portion of the site (Phase 1) is a proposed 51-unit multifamily property with 6,710 SF of ground floor retail that is proposed to be financed with low income housing tax credits and other subsidies and as a result, the units are intended to provide affordable housing occupied by households who earn less than 40% to 60% of area median income adjusted for family size and utilities. The improvements are to be completed in 2018. Site is planned for rezoning to PD, Planned Development, which will allow the retail component.</i>							
<i>There was litigation, as the seller wanted to back out of the contract, but the buyer prevailed. Existing structures on the site had to be demolished.</i>							
2	Vacant Land Senior 2450 Haggerty West Bloomfield Township Oakland County MI	Sep-18 Closed	\$1,450,000	236,444 5.43	Office	\$6.13	\$267,133
3	Vacant Land - Senior 14490 Lakeside Cir. Sterling Heights Macomb County MI	Mar-17 Closed	\$550,000	90,866 2.09	Multiple Family (Mid/High Rise District)	\$6.05	\$263,663
4	Vacant Land - Senior 48251 Schoenherr Rd. Shelby Township Macomb County MI	Jan-17 Closed	\$1,525,000	197,327 4.53	Multi-family	\$7.73	\$336,645
<i>Comments: The seller purchased as a larger parcel from adjacent church. The seller retained 34.56 acres to build single-family homes and is selling this parcel to a buyer who intends on building senior housing. The property is being improved with a 60-unit assisted living and memory care facility operating as Bickford Senior Living.</i>							
5	Vacant Waterfront 7850 E. Jefferson Avenue Detroit Wayne County MI	Jan-08 Closed	\$1,850,000	130,680 3.00	High Density Residential	\$14.16	\$616,667
<b>Subject</b>				111,114	Intensive		
Vacant Water Dept Land				2.55	Industrial		
Detroit, MI					District		







Sale 1  
Scripp's Place



Sale 2  
Vacant Land Senior Housing



Sale 3  
Vacant Land - Senior Housing



Sale 4  
Vacant Land - Senior Housing



Sale 5  
Vacant Waterfront Residential Land

Vacant Water Dept Land



### Analysis and Adjustment of Sales

The following table summarizes the adjustments we make to each sale.

Land Sales Adjustment Grid - Residential Waterfront Parcel						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Name	Vacant Water Dept Land	Scripp's Place	Vacant Land Senior Housing	Vacant Land - Senior Housing	Vacant Land - Senior Housing	Vacant Waterfront Residential Land
Address	11880-11900 Freud	3700 Trumbull Ave.	2450 Haggerty	14490 Lakeside Cir.	48251 Schoenherr Rd.	7850 E. Jefferson Avenue
City	Detroit	Detroit	West Bloomfield Township	Sterling Heights	Shelby Township	Detroit
County	Wayne	Wayne	Oakland	Macomb	Macomb	Wayne
State	Michigan	MI	MI	MI	MI	MI
Sale Date		Mar-16	Sep-18	Mar-17	Jan-17	Jan-08
Sale Status		Closed	Closed	Closed	Closed	Closed
Sale Price		\$350,000	\$1,450,000	\$550,000	\$1,525,000	\$1,850,000
Financing Terms Adjustment		\$0	\$0	\$0	\$0	\$0
Other Adjustment		\$20,000	\$0	\$0	\$0	\$0
Description of Adjustment		Demolition				
Effective Sale Price		\$370,000	\$1,450,000	\$550,000	\$1,525,000	\$1,850,000
Square Feet	111,114	69,192	236,444	90,866	197,327	130,680
Acres	2.55	1.59	5.43	2.09	4.53	3.00
Zoning Code	M4	R3H	O-2	RM-3	—	R6
Shape	Irregular	Rectangular	Rectangular	Irregular	Rectangular	Irregular
<b>Price per Acre</b>		<b>\$232,939</b>	<b>\$267,133</b>	<b>\$263,663</b>	<b>\$336,645</b>	<b>\$616,667</b>
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		—	—	—	—	—
Financing Terms		Cash to seller	Cash to seller	Cash to seller	—	—
% Adjustment		—	—	—	—	—
Conditions of Sale		—	—	—	—	—
% Adjustment		—	—	—	—	—
Market Conditions	1/1/2019	Mar-16	Sep-18	Mar-17	Jan-17	Jan-08
Annual % Adjustment	3%	8%	1%	5%	6%	20%
<b>Cumulative Adjusted Price</b>		<b>\$251,574</b>	<b>\$269,805</b>	<b>\$276,846</b>	<b>\$356,843</b>	<b>\$740,000</b>
Location		-10%	-15%	-15%	-15%	-30%
Access/Exposure		-10%	-10%	-10%	-10%	-10%
Size		—	—	—	—	—
Shape		-5%	-5%	—	-5%	—
Water Frontage		15%	15%	10%	15%	—
Net \$ Adjustment		-\$25,157	-\$40,471	-\$41,527	-\$53,526	-\$296,000
Net % Adjustment		-10%	-15%	-15%	-15%	-40%
<b>Final Adjusted Price</b>		<b>\$226,417</b>	<b>\$229,334</b>	<b>\$235,319</b>	<b>\$303,317</b>	<b>\$444,000</b>
Overall Adjustment		-3%	-14%	-11%	-10%	-28%
<b>Range of Adjusted Prices</b>		<b>\$226,417 - \$444,000</b>				
<b>Average</b>		<b>\$287,677</b>				
<b>Indicated Value</b>		<b>\$250,000</b>				

### Land Value Conclusion – Residential Waterfront Parcel

Prior to adjustments, the sales reflect a range of \$232,939 - \$616,667 per acre. After adjustment, the range is narrowed to \$226,417 - \$444,000 per acre, with an average of \$290,446 per acre. No. 1 is in the Woodbridge neighborhood of Detroit, and is the target for a new development in an area just north of Motor City Casino, and is given weight in the analysis. No. 2 through No. 4 represent sales of developmental parcels in suburban locations for senior housing, thus representing higher density uses, which is more likely for the subject, albeit at a point in the future, as previously discussed; it is noted that No. 3 includes pond frontage.

No. 5 is a Detroit River front parcel that is in relatively close proximity to the CBD that is in an area with nearby newer development; as this is a highly dated transaction, it is presented for discussion purposes, and limited weight is given. It is noted that the parcel was never redeveloped, and that it has been listed for resale by the purchaser since 2015, at a higher price. The property may have been overpriced to begin with, and the purchaser is apparently giving up on development, having not commenced on a project during their ten year holding period.

While there have been a number of residential parcels that have sold in peripheral downtown locations, these are considered far superior to the subject, as they are ripe at present, whereas the subject will not likely be a developmental candidate for some time.

Based upon the above, and we reach a value conclusion as follows:

Land Value Conclusion	
Indicated Value per Acre	\$250,000
Subject Acres	2.55
Indicated Value	\$637,707
Rounded	\$640,000

### Summary of Land Values

Based on this analysis, the individual values are combined into a final value as follows:

Summary of Land Values					
Parcel	Unit of Comparison	Units	Indicated Unit Value	Indicated Value	Rounded
North Industrial Parcel	Total Acres	11.90	\$30,000	\$357,028	\$360,000
Residential Waterfront Parcel	Total Acres	2.55	\$250,000	\$637,707	\$640,000
Total				\$994,734	\$1,000,000

## Conclusion of Reconciliation and Conclusion of Value

As discussed previously, we use only the sales comparison approach in developing an opinion of value for the subject. The cost and income approaches are not applicable, and are not used.

Based on the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, our value opinion follows:

<b>Value Conclusions</b>					
	Interest Appraised	Date of Value	Value Conclusion	Estimated Site Acres	Price Per Acre
North Industrial Parcel	Fee Simple	January 1, 2019	\$360,000	11.90	\$30,000
Residential Waterfront Parcel	Fee Simple	January 1, 2019	\$640,000	2.55	\$250,000
Total			\$1,000,000	14.45	\$69,196

### Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. It is noted that our value is based on the areas estimated; adjustments to the land area of the sites may be made, depending on the ultimate transaction, and the value is predicated on a price per acre; as such, the overall value may be nominally adjusted, dependent in the ultimate size of the individual sites; the overall site boundary represents a drawing provided by the client.
2. The valuation assumes road, water draw, and utility easements from the north parent parcel to the subject

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. The client requested the southern portion of the site be valued as residential land; we assume a split of the properties to reflect the apportionment of the Riverfront site component, which is based on combination of the client provided drawing, and tax parcel delineation, with the area estimated utilizing Google Earth.

### Exposure Time

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Based on the concluded market value stated previously, it is our opinion that the probable exposure time is 12 months.

### Marketing Period

Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. We estimate the subject's marketing period at 12 months.

## Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have not performed any services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. H. William Hansen, Jr., MAI, made a personal inspection of the property that is the subject of this report. Anthony Sanna, MAI, CRE, FRICS, has personally inspected the subject.
12. No one provided significant real property appraisal assistance to the person(s) signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report, H. William Hansen, Jr., MAI and Anthony Sanna, MAI, CRE, FRICS have completed the continuing education program for Designated Members of the Appraisal Institute.



15. Appraisers in Michigan are required to be licensed by the Department of Licensing and Regulatory Affairs, P.O. Box 30004, Lansing, MI 48909.



H. William Hansen, Jr., MAI  
State Certified General Real Estate Appraiser  
Michigan Certificate # 1201001420



Anthony Sanna, MAI, CRE, FRICS  
State Certified General Real Estate Appraiser  
Michigan Certificate # 1201001324

## Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.

6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.

17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.
18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.
19. The appraisal report is prepared for the exclusive benefit of the Client, its subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.
20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. Integra Realty Resources – Detroit, Integra Realty Resources, Inc., Integra Strategic Ventures, Inc. and/or any of their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.
21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. We are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.
22. Integra Realty Resources – Detroit is not a building or environmental inspector. Integra Detroit does not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.
23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.

24. It is expressly acknowledged that in any action which may be brought against any of the Integra Parties, arising out of, relating to, or in any way pertaining to this engagement, the appraisal reports, and/or any other related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further acknowledged that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with intentional misconduct. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.
25. Integra Realty Resources – Detroit, an independently owned and operated company, has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).
26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.
27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.
28. The appraisal is also subject to the following:

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**Extraordinary Assumptions and Hypothetical Conditions**

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The value conclusions are subject to the following extraordinary assumptions that may affect the assignment results. An extraordinary assumption is uncertain information accepted as fact. If the assumption is found to be false as of the effective date of the appraisal, we reserve the right to modify our value conclusions.

1. It is noted that our value is based on the areas estimated; adjustments to the land area of the sites may be made, depending on the ultimate transaction, and the value is predicated on a price per acre; as such, the overall value may be nominally adjusted, dependent in the ultimate size of the individual sites; the overall site boundary represents a drawing provided by the client.
2. The valuation assumes road, water draw, and utility easements from the north parent parcel to the subject

The value conclusions are based on the following hypothetical conditions that may affect the assignment results. A hypothetical condition is a condition contrary to known fact on the effective date of the appraisal but is supposed for the purpose of analysis.

1. The client requested the southern portion of the site be valued as residential land; we assume a split of the properties to reflect the apportionment of the Riverfront site component, which is based on combination of the client provided drawing, and tax parcel delineation, with the area estimated utilizing Google Earth.
-



## **Addendum A**

### **Appraiser Qualifications**

# H. William Hansen, Jr., MAI

## Experience

A Senior Director of Integra Dean Appraisal – Detroit (formerly Dean Appraisal). Duties consist of preparing commercial real estate appraisals and market analyses. Employed as a full time commercial real estate appraiser since 1987.

Valuations have been performed on various properties including, but not limited to, marinas and marine terminals, schools, funeral homes, truck terminals and repair garages, parking garages, industrial buildings, office buildings, shopping centers, restaurants, apartments, subdivisions, condominiums, mini-storage facilities, cemeteries, casino, concrete batch plant, hotels, automobile factories, billboards, cellular tower, campgrounds, mixed used facilities, vacant land and various other commercial and industrial facilities.

Valuations have been performed for condemnation purposes, estates, financing, equity participation, litigation, ad valorem, and due diligence support. Valuations have been done on proposed, partially completed, renovated and existing structures.

Additional experience includes over ten years in construction and property management.

## Professional Activities & Affiliations

Appraisal Institute, Member (MAI) Appraisal Institute

## Licenses

Michigan, State Certified General Real Estate Appraiser, 1201001420, Expires July 2015

## Education

Bachelor of Science, Management (Real Estate emphasis), Metropolitan State College, Denver, Colorado, 1983. Associate of Arts, Accounting, Oakland Community College Farmington Hills, Michigan, 1981.

Successfully completed numerous real estate related courses sponsored by the Appraisal Institute, including Courses 530, Advance Sales Comparison and Cost Approaches; 2-2, Report Writing; 2-1, Case Studies in Real Estate Valuation; 1B- A & B, Capitalization Theory Parts A & B; SPP, Standards of Professional Practice A, B & C; 1A-2, Basic Valuation Procedures; 1A-1, Real Estate Appraisal Principles

Appraisal Institute sponsored seminars include Highest & Best Use Applications, Analyzing Operating Expenses, Appraising Troubled Properties, Report Writing, Retail Properties, Separating Real and Personal Property from Intangible Business Assets, Special Purpose Properties

Other Real Estate Courses include Commercial & Investment Real Estate, Real Estate Law, Real Estate Finance, Principles of Real Estate, Broker's Preparation Course, Project Training Seminar, Argus Training Seminar, HUD Valuation Seminar.

## Integra Realty Resources

### Detroit

400 West Maple  
Suite 100  
Birmingham, MI 48009

T 248-540-0040 Ext 117  
F 248-540-8239

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RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
BUREAU OF PROFESSIONAL LICENSING

M940410

CERTIFIED GENERAL APPRAISER  
LICENSE

H WILLIAM HANSEN JR

LICENSE NO.  
1201001420

EXPIRATION DATE  
07/31/2019

AUDIT NO  
3227084

THIS DOCUMENT IS ONLY ISSUED  
UNDER THE LAWS OF THE STATE  
OF MICHIGAN



# Anthony Sanna, MAI, CRE, FRICS

## Experience

Executive Director with Integra Realty Resources – Detroit. With over 20 years of real estate valuation and consulting experience in the Metro Detroit area, he is actively engaged in a wide range of commercial, industrial and vacant land assignments. The firm completed an extensive list of large scale assignments including major regional malls, numerous Class A office buildings and large scale manufacturing facilities. Special purpose properties include a wide range of properties such as golf courses, self-storage facilities, movie theatres, military bases, hotels, and marinas. Most recently, appraisals have been provided to financial institutions in relation to loan work outs, asset disposition and foreclosure proceedings.

Mr. Sanna has recognized experience in tax appeals, condemnation and litigation oriented appraisals. Additionally, he provides corporate clients and institutional investors an array of real estate consulting services on all classes of property.

Clients served include life insurance companies, pension funds and pension fund advisors, banks and financial institutions, conduits, developers and investors, law firms, hospitals, corporations and government.

## Professional Activities & Affiliations

Appraisal Institute, Member (MAI)  
Counselor of Real Estate (CRE)  
Royal Institute of Chartered Surveyors, Fellow (FRICS)  
Board of Director: Integra Realty Resources - 2005-2008 and 2012-2017  
Board of Director: Commercial Board of Real Estate - Michigan Chapter

## Licenses

Michigan, State Certified General Real Estate Appraiser, 1201001324, Expires July 2019

## Education

Bachelor of Science (Business Administration) Wayne State University

Appraisal Institute Courses:  
- Principals of Real Estate Appraisal  
- Procedures of Real Estate Appraisal  
- Uniform Standards of Professional Practice  
- Basic Income Capitalization  
- Advanced Income Capitalization  
- Report Writing  
- Advanced Applications/Case Studies

## Qualified Before Courts & Administrative Bodies

Qualified expert witness before the Michigan Tax Tribunal, various Circuit Courts, planning boards, commissioner hearings and County Tax Boards.

asanna@irr.com - 248-979-9663

### Integra Realty Resources

#### Detroit

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RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
BUREAU OF PROFESSIONAL LICENSING

M929282

CERTIFIED GENERAL APPRAISER  
LICENSE

ANTHONY SANNA

LICENSE NO.  
1201001324

EXPIRATION DATE  
07/31/2019

AUDIT NO  
3220979

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## About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

*Local Expertise...Nationally!*

# irr.com





## **Addendum B**

### **Property Information**

**11900 FREUD 48214** (Property Address)

Parcel Number: 21000071.



Item 1 of 1

1 Image / 0 Sketches

**Property Owner: METRO WATER DEPT****Summary Information**

&gt; Assessed Value: \$0 | Taxable Value: \$0

&gt; Property Tax Information found

**Owner and Taxpayer Information**

<b>Owner</b>	METRO WATER DEPT CITYOWNED ADMIN 735 RANDOLPH ST DETROIT, MI 48226-2830	<b>Taxpayer</b>	SEE OWNER INFORMATION
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**General Information for Tax Year 2018**

<b>Property Class</b>	700-EXEMPT REAL	<b>Unit</b>	01 CITY OF DETROIT
<b>School District</b>	DETROIT PUBLIC SCHOOLS	<b>Assessed Value</b>	\$0
<b>WARD#</b>	21	<b>Taxable Value</b>	\$0
<b>DISTRICT</b>	3	<b>State Equalized Value</b>	\$0
<b>ASMT CODE</b>	Not Available	<b>Date of Last Name Change</b>	No Data to Display
<b>RELATED #</b>	Not Available	<b>Notes</b>	Not Available
<b>Historical District</b>	Not Available	<b>Census Block Group</b>	Not Available
<b>COUNCIL #</b>	Not Available	<b>Exemption</b>	No Data to Display

**Principal Residence Exemption Information****Homestead Date** No Data to Display

Principal Residence Exemption	June 1st	Final
2018	0.0000 %	0.0000 %

**Land Information**

<b>Zoning Code</b>	M4	<b>Total Acres</b>	22.195
<b>Land Value</b>	\$0	<b>Land Improvements</b>	\$0
<b>Renaissance Zone</b>	No	<b>Renaissance Zone Expiration Date</b>	No Data to Display
<b>ECF Neighborhood</b>	Not Available	<b>Mortgage Code</b>	No Data to Display
<b>Lot Dimensions/Comments</b>	Not Available	<b>Neighborhood Enterprise Zone</b>	No

Lot(s)	Frontage	Depth
No lots found.		
Total Frontage: 0.00 ft		Average Depth: 0.00 ft

**Legal Description**

S--E JEFFERSON THAT PT OF 3 THRU 6 LYG S OF FREUD & ELY & SLY OF CANAL STREET 50 FT WD EXC TRIANG PT BG E 253.79FT ON S LINE & S 608.36 FT ON E LINE SUB OF PCS 385 & 386 L49 P494 DEEDS, W C R 21/510 966,820 SQ FT

**Sale History**

Sale Date	Sale Price	Instrument	Grantor	Grantee	Terms of Sale	Liber/Page
03/13/2014	\$0.00	QCD	PAUL, LEE	PAUL,PAUL, LEE,GEAN	NO CONSIDERATION	2014064570

11880 E FREUD 48215 (Property Address)

Parcel Number: 21000070.002L

Property Owner: CITY OF DETROIT-WATER DEPT

## Summary Information

&gt; Assessed Value: \$0 | Taxable Value: \$0

&gt; Property Tax Information found

Item 1 of 2

2 Images / 0 Sketches

## Owner and Taxpayer Information

## Owner

CITY OF DETROIT-WATER DEPT  
CITYOWNED ADMIN  
735 RANDOLPH ST  
DETROIT, MI 48226-2830

## Taxpayer

SEE OWNER INFORMATION

## General Information for Tax Year 2018

Property Class	302-INDUSTRIAL VACANT	Unit	01 CITY OF DETROIT
School District	DETROIT PUBLIC SCHOOLS	Assessed Value	\$0
WARD#	21	Taxable Value	\$0
DISTRICT	3	State Equalized Value	\$0
ASMT CODE	Not Available	Date of Last Name Change	12/06/2018
RELATED #	Not Available	Notes	Not Available
Historical District	Not Available	Census Block Group	Not Available
COUNCIL #	Not Available	Exemption	No Data to Display

## Principal Residence Exemption Information

## Homestead Date

No Data to Display

Principal Residence Exemption	June 1st	Final
2018	0.0000 %	0.0000 %

## Land Information

Zoning Code	M4	Total Acres	19.087
Land Value	\$0	Land Improvements	\$0
Renaissance Zone	No	Renaissance Zone Expiration Date	No Data to Display
ECF Neighborhood	Not Available	Mortgage Code	No Data to Display
Lot Dimensions/Comments	Not Available	Neighborhood Enterprise Zone	No

Lot(s)	Frontage	Depth
No lots found.		
Total Frontage: 0.00 ft		Average Depth: 0.00 ft

## Legal Description

S FREUD ALL THAT PART OF 3 THRU 5 DESC AS FOLS BEG AT A PTE IN E LINE OF D T R R/W 77.31 FT WIDE BG ALSO IN S LINE OF FREUD AVE 60 FT WIDE TH N 64D 06M 20S E 362.35 FT ALG SAID S LINE TH S 7D 57M 33S E 210.29 FT TH S 25D 47M 50S E 1000 FT TH S 13D 50M E 204.44 FT TH S 25D 47M 50S E 1566.61 FT TH S 64D 12M 10S W 270.55 FT TH N 25D 47M 50S W 801.30 FT TH N 64D 12M 10S E 15 FT TH N 25D 47M 50S W 2164.88 FT TO P O B SUB OF P CS 385 & 386 L49 P494 DEEDS, W C R 21/510 832264 SQ FT

## Sale History

Sale Date	Sale Price	Instrument	Grantor	Grantee	Terms of Sale	Liber/Page
No sales history found.						

## **Addendum C**

### **Comparable Data**

## Location & Property Identification

Property Name:	Vacant Land
Sub-Property Type:	Commercial, Industrial
Address:	2860 Clark & 2730 Scotten St.
City/State/Zip:	Detroit, MI 48209
County:	Wayne
Market Orientation:	Urban
IRR Event ID:	1897908



## Sale Information

Sale Price:	\$900,000
Effective Sale Price:	\$900,000
Sale Date:	12/12/2014
Sale Status:	Closed
\$/Acre(Gross):	\$34,905
\$/Land SF(Gross):	\$0.80
\$/Acre(Usable):	\$34,905
\$/Land SF(Usable):	\$0.80
Grantor/Seller:	Racer Properties, LLC
Grantee/Buyer:	General Clark Street Associates, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Terms of Sale:	Arm's-length
Verified By:	H. William Hansen, Jr., MAI
Verification Date:	12/14/2017
Verification Type:	Secondary Verification

Shape:	Irregular
Topography:	Level
Frontage Feet:	793
Frontage Desc.:	Scotten (Scotten Parcel) 1,788' Scotten (Clark Par
Zoning Code:	M-4
Zoning Desc.:	Intensive Industrial
Source of Land Info.:	Other

## Comments

The property was developed for FCA US, LLC, who signed a 20 year lease on the property. The property serves as the main logistics center for receiving and shipping just-in-time parts to various plants located in Michigan, Ohio and Ontario, with the Scotten parcel accommodating paved parking for 350 trailers.

## Improvement and Site Data

MSA:	Detroit-Warren-Dearborn, MI
Legal/Tax/Parcel ID:	14/010133 Clark & 14/009571
Acres(Usable/Gross):	25.78/25.78
Land-SF(Usable/Gross):	1,123,151/1,123,151
Usable/Gross Ratio:	1.00

## Location & Property Identification

Property Name:	Vacant Land
Sub-Property Type:	Commercial, Industrial
Address:	6000 Rosa Parks Blvd (was 1800 St. Antoinette)
City/State/Zip:	Detroit, MI 48208
County:	Wayne
Market Orientation:	Urban
IRR Event ID:	1887962



## Sale Information

Sale Price:	\$534,854
Effective Sale Price:	\$534,854
Sale Date:	03/04/2014
Sale Status:	Closed
\$/Acre(Gross):	\$30,407
\$/Land SF(Gross):	\$0.70
\$/Acre(Usable):	\$30,407
\$/Land SF(Usable):	\$0.70
Grantor/Seller:	Henry Ford Health System
Grantee/Buyer:	Kirco ET CH Distribution II, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Terms of Sale:	Arm's-length
Verified By:	H. William Hansen, Jr., MAI
Verification Date:	12/07/2017
Verification Type:	Secondary Verification

Shape:	Irregular
Frontage Feet:	1353
Frontage Desc.:	Rosa Parks 717' Rosa Parks to E
Zoning Code:	M-2 changes B-5
Zoning Desc.:	Restricted Industrial changes Major Business
Utilities Desc.:	All available
Source of Land Info.:	Other

## Comments

This transaction represents the Phase 1 sale from HFHS to the developer of a distribution facility for Cardinal Health, a supplier to local area hospital systems. HFHS acquired the property through a change in title vesting from The Sha Realty Corporation, the real estate division of HFHS. Sha acquired several other parcels from the Wayne County Land Bank, and a 8.414 acre parcel from Avery Park Properties, LLC. The Avery parcel transaction was consummated at a unit price of \$1.16/SF and closed on 3/23/2012. The above noted purchaser is an entity on a build-to-suit agreement between Kirco Realty and ElmTree Net Lease Fund II. The above transaction comprised of a total of 62 parcels, with the combined parcels now identified as 08/006378-81 and 08/007579-99. The site required environmental remediation, however, the purchaser was assigned grants totaling \$2.5 million.

## Improvement and Site Data

MSA:	Detroit-Warren-Dearborn, MI
Legal/Tax/Parcel ID:	62 Tax Parcels
Acres(Usable/Gross):	17.59/17.59
Land-SF(Usable/Gross):	766,220/766,220
Usable/Gross Ratio:	1.00



### Location & Property Identification

Property Name:	Vacant Industrial Land
Sub-Property Type:	Commercial, Industrial
Address:	5034 Military St.
City/State/Zip:	Detroit, MI 48210
County:	Wayne
Market Orientation:	Urban
Property Location:	SEC Livernois/McGraw; N of I-94, S of Warren
IRR Event ID:	1300239



### Sale Information

Sale Price:	\$325,000
Effective Sale Price:	\$425,000
Sale Date:	01/09/2015
Listing Price:	\$440,000
Sale Status:	Closed
\$/Acre(Gross):	\$34,700
\$/Land SF(Gross):	\$0.80
\$/Acre(Usable):	\$34,700
\$/Land SF(Usable):	\$0.80
Grantor/Seller:	Mich. Financial Invest, LLC (Shaher Matty)
Grantee/Buyer:	4 Detroit, LLC (Roger Homrich)
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Exposure Time:	12 (months)
Financing:	Cash to seller
Terms of Sale:	Cash + Demo
Document Type:	Warranty Deed
Recording No.:	51980-1010
Verified By:	H. William Hansen, Jr., MAI
Verification Date:	04/06/2016
Confirmation Source:	Larry Quick, (248) 200-6181
Verification Type:	Confirmed-Seller Broker

### Sale Analysis

Other Adj.:	\$100,000
Adjust. Comments:	Demolition

### Improvement and Site Data

Legal/Tax/Parcel ID:	156-016092-99 18000044.012
Acres(Usable/Gross):	12.25/12.25
Land-SF(Usable/Gross):	533,522/533,522
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Feet:	814
Frontage Desc.:	E side Livernois; 685' S side McGraw
Zoning Code:	M-4
Zoning Desc.:	Intensive Industrial District
Utilities:	Electricity, Water Public, Sewer, Gas, Rail
Utilities Desc.:	All available
Source of Land Info.:	Public Records

### Comments

The property was purchased at a tax sale by the seller, who then listed the property, which had a partially demolished building on the site. The purchaser is a demolition contractor that needed the land for a yard to serve the City in a large demolition contract. The

## Comments (Cont'd)

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demolition estimate includes debris that had to be hauled away, and was estimated by the broker, and is based on market pricing, not purchaser cost.

Property is completely enclosed by chain link fence with barbed wire. Property sides to railroad trunk line and is adjacent to a newer steel warehouse building.

### Location & Property Identification

Property Name:	Vacant Industrial sites
Sub-Property Type:	Commercial, Industrial
Address:	20001 Sherwood St.
City/State/Zip:	Detroit, MI 48205
County:	Wayne
Market Orientation:	Urban
Property Location:	Main site on the west side of Sherwood Street north of Outer Drive, smaller parcels on east side
IRR Event ID:	1299522



### Sale Information

Sale Price:	\$280,000
Effective Sale Price:	\$280,000
Sale Date:	02/24/2015
Listing Price:	\$399,000
Sale Status:	Closed
\$/Acre(Gross):	\$23,333
\$/Land SF(Gross):	\$0.54
\$/Acre(Usable):	\$23,333
\$/Land SF(Usable):	\$0.54
Grantor/Seller:	D-Mann, Inc (Olga Wierszewski)
Grantee/Buyer:	Detroit MI 20001 Sherwood LLC (Insite; REIT)
Property Rights:	Fee Simple
Exposure Time:	16 (months)
Financing:	Cash to seller
Terms of Sale:	Environmental Issues
Document Type:	Warranty Deed
Recording No.:	52305-843
Verified By:	H. William Hansen, Jr., MAI
Verification Date:	04/06/2016
Confirmation Source:	Raffi Derbabian, Colliers, (248) 226-1630
Verification Type:	Confirmed-Seller Broker

### Improvement and Site Data

MSA:	Detroit-Warren-Livonia, MI Metropolitan Statistical Area
Legal/Tax/Parcel ID:	15012072-6, 15012143.003L, 15012086-8, 15012144, 15012092-4, 15012143.001
Usable Floorplate-SF:	10,000
Acres(Usable/Gross):	12.00/12.00
Land-SF(Usable/Gross):	522,720/522,720
Usable/Gross Ratio:	1.00
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Zoning Code:	M4
Zoning Desc.:	Intensive Industrial District
Utilities:	Electricity, Water Public, Sewer, Gas, Telephone, Rail
Utilities Desc.:	All municipal
Source of Land Info.:	Broker

### Comments

Property was formerly the site of Samuel Whittar Distribution; the buildings were demolished well before the listing. The property had some environmental issues,

Comments (Cont'd)

and a reduction was reflected in the final purchase price.  
Four physically separate sites comprising five tax parcels.



## Location & Property Identification

Property Name:	Industrial Land
Sub-Property Type:	Commercial, Industrial
Address:	8611 Grinnell
City/State/Zip:	Detroit, MI 48213
County:	Wayne
Market Orientation:	Urban
Property Location:	NEC Erwin
IRR Event ID:	2179821



## Sale Information

Sale Price:	\$150,000
Effective Sale Price:	\$100,000
Sale Date:	04/17/2018
Listing Price:	\$350,000
Listing Date:	07/07/2017
Sale Status:	Closed
\$/SF GBA:	\$4.17
\$/Acre(Gross):	\$17,253
\$/Land SF(Gross):	\$0.40
\$/Land SF(Potential):	\$4.17
Grantor/Seller:	Greening Grinnell, LLC (Better Living Society)
Grantee/Buyer:	8611 Grinnell, LLC
Property Rights:	Fee Simple
Exposure Time:	10 (months)
Financing:	Cash to seller
Terms of Sale:	Arm's Length
Document Type:	Quit Claim Deed
Recording No.:	2018209264
Verified By:	H. William Hansen, Jr., MAI
Verification Date:	12/28/2018
Verification Type:	Confirmed-Seller Broker

## Sale Analysis

Conditions of Sale Adj.:	-\$100,000.00
Other Adj.:	\$50,000
Adjust. Comments:	Shell Value/Demo Cost

## Improvement and Site Data

MSA:	Detroit-Warren-Dearborn, MI
Legal/Tax/Parcel ID:	17002205
GBA-SF:	24,000
Acres(Gross):	5.80
Land-SF(Gross):	252,478
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Frontage Feet:	410
Frontage Desc.:	N side Grinnell
Bldg. to Land Ratio FAR:	0.10
Zoning Code:	M2
Zoning Desc.:	Light Industrial
Utilities:	, Rail
Source of Land Info.:	Public Records

## Comments

Site is located in a Green Zone, but did not sell at a premium, nor did it gain additional interest, according to the broker.

The site is fully fenced, and partially paved, and contained approximately 40,000 SF of dilapidated buildings; there were two along Erwin of approximately 18,000 SF had imploded that require hauling away, at a cost estimated at \$50,000. The building along Grinnell

## Comments (Cont'd)

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contains approximately 24,000 SF, and the purchaser is reserving the potential for bringing the building back online; as such, a minor contribution of \$100,000 is applied.

Site backs to RR tracks.

## **Land Sales - Residential Waterfront Parcel**





## Location & Property Identification

Property Name:	Scripp's Place
Sub-Property Type:	Residential, Multifamily
Address:	3700 Trumbull Ave.
City/State/Zip:	Detroit, MI 48208
County:	Wayne
Market Orientation:	Urban
Property Location:	NEC Brainard
IRR Event ID:	1493761



Proposed Use Desc.: Mixed Use Retail/Residential

## Sale Information

Sale Price:	\$350,000
Effective Sale Price:	\$370,000
Sale Date:	03/15/2016
Contract Date:	03/15/2016
Sale Status:	Closed
Eff. Price/Unit:	\$7,255 /Unit
\$/Acre(Gross):	\$232,939
\$/Land SF(Gross):	\$5.35
\$/Acre(Usable):	\$232,939
\$/Land SF(Usable):	\$5.35
Grantor/Seller:	Pruitt and Clark
Grantee/Buyer:	Procida Diggs Trumbull
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale:	Arm's Length
Document Type:	Contract of Sale
Verified By:	Donald L. Selvidge, MAI
Verification Date:	05/03/2017
Confirmation Source:	Purchase Agreement
Verification Type:	Confirmed-Buyer

## Improvement and Site Data

MSA:	Detroit-Warren-Dearborn, MI
Legal/Tax/Parcel ID:	06005913-5, 5916, 5917, 5918
Acres(Usable/Gross):	1.59/1.59
Land-SF(Usable/Gross):	69,192/69,192
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Feet:	558
Frontage Desc.:	Trumbull
Density-Unit/Gross Acre:	32.11
Density-Unit/Usable Acre:	32.11
Zoning Code:	R3H
Zoning Desc.:	Low Density Residential w/ local historic district
Flood Plain:	No
Flood Zone Designation:	X
Comm. Panel No.:	26163C0280E
Date:	02/02/2012
Source of Land Info.:	Public Records

## Sale Analysis

Other Adj.:	\$20,000
Adjust. Comments:	Demolition
Current Use at T.O.S.:	Vacant Multi Family Land
Proposed Use Change:	Yes

## Comments

A portion of the site (Phase 1) is a proposed 51-unit multifamily property with 6,710 SF of ground floor retail

## Comments (Cont'd)

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that is proposed to be financed with low income housing tax credits and other subsidies and as a result, the units are intended to provide affordable housing occupied by households who earn less than 40% to 60% of area median income adjusted for family size and utilities. The improvements are to be completed in 2018. Site is planned for rezoning to PD, Planned Development, which will allow the retail component.

There was litigation, as the seller wanted to back out of the contract, but the buyer prevailed. Existing structures on the site had to be demolished.

## Location & Property Identification

Property Name:	Vacant Land Senior Housing
Sub-Property Type:	Residential, Multifamily
Address:	2450 Haggerty
City/State/Zip:	West Bloomfield Township, MI 48323
County:	Oakland
Market Orientation:	Suburban
Property Location:	E/S of Haggerty Road, S. of Pontiac Trail
IRR Event ID:	2152517



## Sale Information

Sale Price:	\$1,450,000
Effective Sale Price:	\$1,450,000
Sale Date:	09/12/2018
Sale Status:	Closed
\$/Acre(Gross):	\$267,133
\$/Land SF(Gross):	\$6.13
\$/Unit:	\$30,208 /Potential Unit
Grantor/Seller:	Morris Motors Inc.
Grantee/Buyer:	Cranberry Park West Bloomfield
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Verified By:	Maxwell Katsarelas
Verification Date:	11/06/2018
Confirmation Source:	Mike Patel, Buyer
Verification Type:	Confirmed-Buyer

No. of Units (Potential):	48
Shape:	Rectangular
Topography:	Gently Sloping
Corner Lot:	No
Zoning Code:	O-2
Zoning Desc.:	Office
Flood Zone Designation:	X
Comm. Panel No.:	26125C0487F
Utilities Desc.:	All available
Source of Land Info.:	Public Records

## Comments

Property as proposed will be a 48 unit (56 beds; 30 AL - 26 MC) assisted living facility with memory care with 42,585 SF of gross building area. Senior living is a special use of the O-2 zoning.

## Improvement and Site Data

MSA:	Detroit-Warren-Dearborn, MI
Legal/Tax/Parcel ID:	18-19-326-026 & 18-19-326-027
Acres(Gross):	5.43
Land-SF(Gross):	236,443

## Location & Property Identification

Property Name:	Vacant Land - Senior Housing
Sub-Property Type:	Residential, Multifamily
Address:	14490 Lakeside Cir.
City/State/Zip:	Sterling Heights, MI 48313
County:	Macomb
Market Orientation:	Suburban
Property Location:	S/S of Lakeside Circle, E. of Schoenherr Rd.
IRR Event ID:	1916960



## Sale Information

Sale Price:	\$550,000
Effective Sale Price:	\$550,000
Sale Date:	03/10/2017
Sale Status:	Closed
\$/Acre(Gross):	\$263,663
\$/Land SF(Gross):	\$6.05
\$/Acre(Usable):	\$263,663
\$/Land SF(Usable):	\$6.05
\$/Building SF:	\$17.92
\$/Unit:	\$9,649 /Apt. Unit
Grantor/Seller:	Janda Real Estate Investments, LLC
Grantee/Buyer:	Salvatore & Susanne L. Dimercuno
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Verified By:	Donald L. Selvidge, MAI
Verification Date:	03/09/2018
Confirmation Source:	Municipal records
Verification Type:	Confirmed-Other

MSA:	Detroit-Warren-Livonia, MI Metropolitan Statistical Area
Legal/Tax/Parcel ID:	10-01-106-020-000
Acres(Usable/Gross):	2.09/2.09
Land-SF(Usable/Gross):	90,866/90,866
Usable/Gross Ratio:	1.00
Potential Building SF:	30,700
No. of Units (Potential):	57
Shape:	Irregular
Topography:	Level
Zoning Code:	RM-3
Zoning Desc.:	Multiple Family (Mid/High Rise District)
Utilities Desc.:	All available
Source of Land Info.:	Public Records

## Comments

The property was originally zoned O-2 (Planned Office District), however, the property has been rezoned to RM-3 (Multiple Family-Mid/High Rise District). The property is proposed for a 57 unit senior apartment building (3 stories) containing one and two bed units and is known as Lakeside Senior Apartments.

## Improvement and Site Data

## Location & Property Identification

Property Name:	Vacant Land - Senior Housing
Sub-Property Type:	Residential, Multifamily
Address:	48251 Schoenherr Rd.
City/State/Zip:	Shelby Township, MI 48315
County:	Macomb
Market Orientation:	Suburban
Property Location:	W/S of Schoenherr Rd., S. of 22 Mile Rd.
IRR Event ID:	1451170



## Sale Information

Sale Price:	\$1,525,000
Effective Sale Price:	\$1,525,000
Sale Date:	01/17/2017
Sale Status:	Closed
\$/Acre(Gross):	\$336,645
\$/Land SF(Gross):	\$7.73
\$/Acre(Usable):	\$336,645
\$/Land SF(Usable):	\$7.73
\$/Unit:	\$25,417 /Apt. Unit
Grantor/Seller:	Kay-Arteva Development, LLC
Grantee/Buyer:	Bickford of Shelby, LLC
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Terms of Sale:	Cash to seller
Verified By:	Constantino G. Naoum
Verification Date:	01/26/2017
Confirmation Source:	Vito Terracciano (Seller) 248-835-4796
Verification Type:	Confirmed-Seller

Usable/Gross Ratio:	1.00
No. of Units (Potential):	60
Shape:	Rectangular
Topography:	Level
Frontage Feet:	319
Frontage Desc.:	Schoenherr Road
Zoning Desc.:	Multi-family
Utilities Desc.:	All available
Source of Land Info.:	Public Records

## Comments

The seller purchased as a larger parcel from adjacent church. The seller retained 34.56 acres to build single-family homes and is selling this parcel to a buyer who intends on building senior housing. The property is being improved with a 60-unit assisted living and memory care facility operating as Bickford Senior Living.

Site was split from a larger site condominium project.

## Improvement and Site Data

Legal/Tax/Parcel ID:	07-26-200-036
Acres(Usable/Gross):	4.53/4.53
Land-SF(Usable/Gross):	197,326/197,326



## Location & Property Identification

Property Name:	Vacant Waterfront Residential Land
Address:	7850 E. Jefferson Avenue
City/State/Zip:	Detroit, MI 48214
County:	Wayne
Market Orientation:	Urban
Property Location:	South side, W of Van Dyke, along Detroit River
IRR Event ID:	279541



## Sale Information

Sale Price:	\$1,850,000
Effective Sale Price:	\$1,850,000
Sale Date:	01/01/2008
Sale Status:	Closed
\$/Acre(Gross):	\$616,667
\$/Land SF(Gross):	\$14.16
\$/Acre(Usable):	\$651,408
\$/Land SF(Usable):	\$14.95
Case Study Type:	None
Grantor/Seller:	Fill Trust
Grantee/Buyer:	Detroit Fire and Police Retirement
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Document Type:	Deed
Verified By:	Roland D. Nelson, CRE
Verification Date:	06/27/2008
Confirmation Source:	N. Fill & Broker Fred Klugman
Verification Type:	Confirmed-Seller

## Sale Analysis

Current Use at T.O.S.:	Vacant Land - Residential
Proposed Use Desc.:	Office

## Improvement and Site Data

MSA:	Detroit-Warren-Livonia, MI Metropolitan Statistical Area
Legal/Tax/Parcel ID:	17000017
Acres(Usable/Gross):	2.84/3.00
Land-SF(Usable/Gross):	123,710/130,680
Usable/Gross Ratio:	0.95
Shape:	Irregular
Topography:	Gently Sloping
Corner Lot:	No
Frontage Feet:	200
Frontage Desc.:	East Jefferson; also fronts on Detroit River
Zoning Code:	R6
Zoning Desc.:	High Density Residential
Easements Desc.:	City lists gross site area at
Flood Plain:	Yes
Flood Zone:	Site fronts on Detroit River
Utilities:	, Water Port Access
Source of Land Info.:	Past Appraisal

## Comments

200' of frontage on East Jefferson, adjacent to the west of the UAW office center. There is 197' along the Detroit River, with an average depth of 650'. The land slopes



## Comments (Cont'd)

down from Jefferson to the river and has all normal utilities. It has a good view of Belle Isle.

The site improvements consist of some minor improvements, including former servant's quarters, old gardens, old paving side, retaining walls on the side lot lines in very poor physical condition and a seawall at the Detroit River that is in very poor condition.