

**COUNCIL ACTION FORM**

**SUBJECT: FLOOD MITIGATION – RIVER FLOODING (LAND ACQUISITION OF TOM CARNEY PROPERTIES AT 1008 AND 1016 SOUTH DUFF AVENUE)**

**BACKGROUND:**

Following the floods of 2010, the City Council established a goal of mitigating the impact of future flooding in Ames. A comprehensive Flood Mitigation Study was completed in 2013 that considered many possible mitigation alternatives across a wide range of factors, including: degree of reduction of flood water elevation, estimated annual damage reduction, construction costs, ongoing operations and maintenance costs, environmental impacts, and likelihood of obtaining federal grant funding.

On December 10, 2013, the City Council approved a series of flood mitigation measures. These included discrete elements targeted at: A.) Undertaking a stream restoration of Squaw Creek; B.) Working with IDOT to improve the conveyance capacity of the US Highway 30 bridge; C.) Working through the Squaw Creek Watershed Management Authority to pursue flood mitigation alternatives in the upper reaches of the watershed; and D.) Conducting a workshop to review and discuss the range of possible floodplain regulatory approaches.

The stream restoration project involves flood mitigation in the Squaw Creek channel. A central component includes conveyance improvements within the channel approximately 2,000 feet either side of the South Duff Avenue bridge. City staff and the engineering consultant continue to work toward submitting another application to FEMA for grant funding. The application period is currently open.

City Council referred a letter dated September 21, 2018 from Chuck Winkleblack regarding acquisition of property owned by Tom Carney located at 1008 (rear) and 1016 (front) S. Duff Avenue. In the letter (Attachment A), Mr. Winkleblack requests that City Council take a firm position on two fundamental questions related to this project:

1. Is the Council committed to doing the project and using approximately half of the front Carney parcel (1016 S Duff) as a part of the project, even if FEMA money does not materialize?
2. Is the City going to buy the land or try to secure an easement? The Carney's will not likely agree to just an easement on the front parcel; they prefer that the front piece be purchased by the city. They would grant an easement on the rear parcel (1008 S Duff) that they own if they receive adequate compensation.

The City of Ames ordered an appraisal (Attachment B) from Iowa Appraisal and Research Corporation of both properties in question, which is considered preliminary because it has not been reviewed by an independent appraiser. In the appraisal, the following costs are associated with easement and/or land acquisition of these parcels:

1008 S Duff Avenue	Fee Simple Acquisition	\$41,280
1008 S Duff Avenue	Permanent Easement	\$6,840
1016 S Duff Avenue	Fee Simple Acquisition	\$377,470
1016 S Duff Avenue	Permanent Easement	\$150,270

1016 S. Duff Avenue (Front): The preliminary engineering demonstrates that the flood mitigation project would impact 1.44 acres of the 2.72-acre parcel located at 1016 S. Duff Avenue. Of the impacted area, 0.487 acres already lies within a permanent drainage easement donated to the City of Ames when the area went through Final Plat approval in 2011. See attached Map (Attachment C). The limits of this impacted area have been staked on the parcel (using lathe), at the request of the property owner.

1008 S. Duff Avenue (Rear): The preliminary engineering demonstrates that the flood mitigation project would impact 6.31 acres of the 26.14-acre parcel located at 1008 S. Duff Avenue. Of the impacted area, 2.30 acres already lies within a permanent drainage easement donated to the City of Ames when the area went through Final Plat approval in 2011. See attached Map (Attachment C). Most of this parcel is located within the floodway.

**The flood mitigation work can be completed within a permanent easement. Therefore, it is not necessary to obtain full acquisition of the area in question in order to do the work. City staff has explained to the Mr. Carney and Mr. Winkleblack that if the City were to acquire the property, any land development on the remaining southern portion of the front lot would not be able to take credit for the acquisition area within their zoning requirements for green space/landscaping. Therefore, the amount of buildable space that remains would be decreased.**

**If the City were to acquire a permanent easement, land development would be able to count the easement area toward their green space/landscape requirements. Thus allowing a greater area on the remaining parcel to be built upon.** It has been suggested that those interested in developing the front parcel meet with the City's Development Review Committee to determine whether an easement is preferred to meet the green space/landscape requirements of the proposed development.

The potential award of FEMA funding needs to be considered when answering the two questions from Mr. Winkleblack. **If the City receives future federal funding for this project, any land having negotiations completed now would not be eligible for**

**reimbursement using FEMA funding. Therefore, if City Council provides direction to purchase the land or acquire an easement now, local funding would be required to be used per federal regulations.**

**ALTERNATIVES:**

1. Direct staff to continue applying for FEMA grant funding and negotiate permanent easements for each 1008 and 1016 S. Duff Avenue only after receipt of federal grant approval.
2. Direct staff to immediately negotiate land acquisition for 1016 S. Duff Avenue (front parcel) and permanent easement for 1008 S. Duff Avenue (rear parcel) using local funding.
3. Direct staff to immediately negotiate acquisition of a permanent easement for both 1016 S. Duff Avenue (front parcel) and permanent easement for 1008 S. Duff Avenue (rear parcel) using local funding.

**MANAGER'S RECOMMENDED ACTION:**

It has been determined that the project can be accomplished with acquiring property rights through a permanent easement. This would also allow any future development of the property to include this area towards the green space/landscaping requirements of developing the site. City Council must be aware that any negotiations with the land owner at this point in time would negate the ability to potentially use FEMA funds in the future, should a grant be awarded.

In order not to delay the property owner from selling the property and developing the site, the City Council may desire to move forward with immediately acquiring permanent easements from both parcels using local funding. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 3, as noted above.

Date: September 21, 2018

To: Honorable Mayor and City Council of Ames

From: Chuck Winkleblack

RE: Carney properties on S. Duff

Following up on previous council meetings regarding the Carney's properties on S. Duff. We have already lost 2 prospects for the front property because we can't tell them how much property is available for development given that the channel straightening project is hanging out there as a possibility.

We have 2 more letters of intent for the property but neither party feels like they can move forward until the channel straightening issue is resolved.

My request is for the council to take a firm position on 2 fundamental questions.

1. Is the council committed to doing the project and using approximately half of the front parcel as a part of the project, even if FEMA money does not materialize?

2. Carney's would like a decision on whether the city is going to buy the land or try to secure an easement. The Carney's will not likely agree to just an easement on the front parcel, they prefer that the front piece be purchased by the city. They would grant an easement on the rear parcel that they own with adequate compensation.

An appraisal has been done on the property that was ordered by the city of Ames. Carney's have said that they are willing to wait for payment to see if the FEMA money comes in. They understand that if the city pays for the land now, the city cannot likely get that money back from FEMA.

We are currently at an impasse on this property. We have already lost 2 companies that wanted to buy this land and build a new building on the site. We don't want to lose 2 more.

Please help us get to some resolution. Our request is refer this issue back to staff to bring back to council as an action item as soon as possible.

Thanks in advance for your consideration



Chuck Winkleblack  
Hunziker Companies



Iowa  
Appraisal and Research  
CORPORATION

## **VALUE FINDING REAL ESTATE APPRAISAL**



**OF**

Partial Acquisition of property owned by M K T M, LLC  
For City of Ames Flood Mitigation Project in Ames, IA.

**FOR**

City of Ames  
515 Clark Ave  
PO Box 811  
Ames, IA 50010

**EFFECTIVE DATE**

April 24, 2018

**PREPARED BY**

Daniel W. Dvorak, MAI  
Nelson J. Jerabek

1707 High Street  
Des Moines, Iowa 50309-3313  
Tel (515) 283-0146 fax (515) 283-0558  
iarc@iowaappraisal.com www.iowaappraisal.com



July 20, 2018

Tracy Warner  
City of Ames  
515 Clark Ave  
PO Box 811  
Ames, IA 50010

Dear Ms. Warner:

**Re: Partial Acquisition of Property Owned by M K T M, LLC in Ames, IA.  
For City of Ames Flood Mitigation Project in Ames, IA.**

As you requested, we have observed the property identified in the caption of this letter on April 24, 2018. The property's legal description is summarized in the Summary of Salient Data section. The property visit is part of an appraisal process to estimate just compensation. The property visit is part of an appraisal process to estimate just compensation for partial acquisition.

The estimates of market value assume the price paid for the property is unaffected by any knowledge of the proposed project.

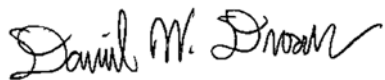
*"The opinion of just compensation arrived at in this value finding appraisal report reflects the appraiser's opinion of the difference between the before and after values. Our opinion of just compensation is no different than if doing a before and after appraisal."*

This appraisal is prepared in compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended, in accordance with Part 24 of Title 49 of the Code of Federal Regulations, and under the Jurisdictional Exception contained in the Standards of Professional Appraisal Practice. Our findings are presented in an appraisal report in value finding format. We are to estimate just compensation under two scenarios: one in which the acquisitions are of permanent flowage easements and another in which the acquisitions are of fee title. We estimate just compensation for the proposed acquisitions as follows:

1016 S Duff Ave - Fee Simple Acq. Alternative	\$377,470
1016 S Duff Ave - Permanent Easement Acq. Alternative	\$150,270
1008 S Duff Ave - Fee Simple Acq. Alternative	\$41,280
1008 S Duff Ave - Permanent Easement Acq. Alternative	\$6,840

Thank you for using our appraisal services. If you have any questions regarding the estimate of market value, please feel free to contact us at your convenience.

Respectfully submitted,



Daniel W. Dvorak, MAI  
Vice President



Nelson J. Jerabek  
Associate Real Estate Appraiser

**PRELIMINARY**  
NOT YET INDEPENDENTLY REVIEWED

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## SUMMARY OF SALIENT DATA

### Property Identification

The subject includes two assessment parcels located east of S Duff Avenue in Ames, IA. The parcels were split in June 2011 as part of a subdivision and development plan. Both of the parcels are titled to the M K T M, LLC. The assessment parcel with a local address of 1016 S Duff Ave has the majority of frontage along S Duff Ave and has a large area of developable land outside of the flood hazard area. The assessment parcel that has minimal frontage on S Duff, is primarily located back from the corridor and is within the flood hazard area. It is utilized for recreational/greenspace use.

### Legal Description

The abbreviated legal description provided in the assessor's records for each respective subject parcel is as follows:

1016 S Duff Ave: *CARNEY AND SON'S SUBDIVISION 1<sup>ST</sup> ADDITION LOT 1 AMES*

1008 S Duff Ave: *CARNEY AND SON'S SUBDIVISION 1<sup>ST</sup> ADDITION OUTLOT A AMES*

### Ownership and Sales History

According to public records, the subject is titled to the M K T M, LLC. We are not aware of any ownership involving the subject in the past five years. The parcel that has majority frontage on S Duff Ave, with developable land outside of the flood hazard (local address of 1016 S Duff Ave) is listed for sale at a price of \$1,600,000. The listing is further analyzed in the valuation section later in this approach. The parcel that primarily sits back from the corridor (local address of 1008 S Duff Ave) is not listed for sale.

### Occupancy

The subject is a combination of development ready commercial land and undeveloped recreational/timber land. There are no leases in place that affect the subject.

### Assessed Valuation

The assessed valuation of the subject parcels effective January 1, 2018 is summarized below.

<b>ASSESSMENT DATA</b>				
Address	Parcel #	Land	Improvements	Total
1016 S Duff Ave	09-11-401-050	\$1,400	\$0	\$1,400
1008 S Duff Ave	09-11-401-075	<u>\$131,000</u>	<u>\$0</u>	<u>\$131,000</u>
		\$132,400	\$0	\$132,400

Public records indicate taxes are current. There are no special assessments against the subject.

### Scope of the Appraisal

Please refer to the scope of work section.

### Intended Users

Our intended user is the City of Ames; no other user is intended.

### Intended Use

The appraisal is to be used to estimate just compensation; no other use is intended.

### Client

Our client is the City of Ames.



### **Definition of Fair Market Value**

The term fair and reasonable market value is defined as the cash price which would be arrived at as between a voluntary seller, willing but not compelled to sell, and a voluntary purchaser willing, but not compelled to buy. It assumes a buyer and seller are bargaining freely, in the open market for the purchase and sale of the real estate in question.

The term does not mean a value under circumstances where greater than its fair price could be obtained, nor does it mean the price which the property would bring at a forced sale. It does not mean what the property is worth to the plaintiff(owner) nor what the defendant(acquiring authority) can afford to pay, but what it is fairly worth in cash on the open market, as stated above. (Iowa Civil Jury Instructions 2500.4).

In short, the fair and reasonable market value of a property is to be considered in the same manner that a knowledgeable, voluntary buyer determines the fair and reasonable market value of a property: in terms of its capabilities, its detriments, and its fair and reasonable worth in the marketplace.

The jury and/or Compensation Commission is entitled to be informed of all the factors which (1) tend to show value, which the willing seller would impress upon the willing buyer, and (2) tend to indicate lack of value, which the willing buyer would impress upon the willing seller. These factors sales of comparable properties and evidence of its highest and best use. (Iowa Civil Jury Instructions 2500.6 and annotated authorities). See also *Bellew v. ISHC*, 171 N.W.2d 284, 288, 289 (Iowa 1969) and *In Re Primary Road No. 141*, 255 Iowa 711, 124 N.W.2d 141, 147 (Iowa 1963).

The determination of "Market Value" may not consider or reflect any enhancement in value of the subject, caused by the public improvement which has prompted the taking. (i.e. no sales exhibiting these effects may be used as a comparable in arriving at the value of the subject property, either before or after the date of condemnation.) (Iowa Civil Jury Instructions 2500.3). *Socony Vacuum Oil Co. v. State of Iowa*, 170 N.W.2d 378. (Iowa 1969).

Source: Iowa Department of Transportation, Office of Right of Way, Appraisal Operations Manual, March 2016.

Please refer to the Addenda for the definition of other selected terms used in this report.

### **Definitions**

Please refer to the Addenda for the definition of other selected terms used in this report.

### **Zoning**

The subject is zoned a mixture of HOC, Highway Oriented Commercial and A-1, Agricultural.

### **Flood Hazard Area**

A large percentage of the site in either the Floodway or 100-year floodplain. There is an open, buildable portion of the site however that is located outside of the flood hazard at the far western and southern portion along S Duff Ave.

### **Property Visit and Effective Date of the Report**

The subject property was observed on April 24, 2018 by Daniel W. Dvorak and Nelson J. Jerabek. The appraisal is effective as of April 24, 2018.

### **Date of Report**

July 20, 2018



**Contamination**

No signs of contamination were observed. We have performed this analysis assuming the property is not contaminated.

**Contacts**

*Owner*

M K T M, LLC

Tom Carney

1816 SE 5<sup>th</sup> St

Ames, IA 50010

(515) 232-1897

**Valuation Conclusion – on April 24, 2018**

**Total Just Compensation:**

1016 S Duff Ave - Fee Simple Acq. Alternative	\$377,470
1016 S Duff Ave - Permanent Easement Acq. Alternative	\$150,270
1008 S Duff Ave - Fee Simple Acq. Alternative	\$41,280
1008 S Duff Ave - Permanent Easement Acq. Alternative	\$6,840

**Estimated Exposure Period<sup>1</sup>**

Based upon comparable sale data and our judgment, we estimate an exposure time of up to 12 months.

**Jurisdictional Exception**

The jurisdictional exception rule of USPAP is invoked in order to comply with the eminent domain rules in Iowa.

<sup>1</sup>The discussion of reasonable exposure time is not intended to be a prediction of a date of sale, but rather an expression of observed market activity relative to similar property actively marketed and properly priced for sale.



## GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

The appraisal and the appraisal report do not constitute an inspection of the improvements. The appraiser(s) performed only a visual inspection of the immediately accessible areas and the appraisal cannot be relied upon to disclose conditions or defects in the improvements. In addition, regardless of who receives a copy of the appraisal, unless specifically stated in the appraisal, they are not an intended user of it.

The following assumptions and limiting conditions may or may not be applicable to every assignment:

This appraisal report has been made with the following general assumptions:

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
5. All engineering studies are assumed to be correct. The plot plans and illustrative material in this report are included only to help the reader visualize the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
7. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.
8. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless a nonconformity has been identified, described, and considered in the appraisal report.
9. It is assumed that all required licenses, certificates of occupancy, consents and other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the opinion of value contained in this report is based.
10. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
11. Unless otherwise stated in this report, the existence of hazardous materials, pollutants, fungi or microbes commonly known as mold (collectively referred to as "environmental hazards") that may or may not be present on the property, was not observed by the appraiser. The appraiser is not trained in environmental engineering, is not qualified to detect environmental hazards and has not investigated whether environmental hazards are present on or in the property. The presence of substances such as asbestos, ureaformaldehyde foam insulation, and other environmental hazards may affect the value of the property. The estimate of value is predicated on the assumption that there are no environmental hazards on or in the property that would cause a loss in value. No responsibility is assumed for the presence of environmental hazards. To conduct an environmental assessment of the property, the intended user is urged to retain an environmental engineer.



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

1. Any allocation of the total value estimated in this report between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication.
3. The appraiser, by reason of this appraisal, is not required to give further consultation or testimony or to be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales or other media without the prior written consent and approval of the appraiser.

Additional assumptions and limiting conditions:

1. Any opinions of value provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the opinion of value, unless such proration or division of interests has been set forth in the report.
2. If only preliminary plans and specifications were available for use in the preparation of this appraisal, the analysis is subject to a review of the final plans and specifications when available.
3. Any proposed improvements are assumed to have been completed unless otherwise stipulated, so any construction is assumed to conform with the building plans referenced in the report.
4. The appraiser assumes that the reader or user of this report has been provided with copies of available building plans and all leases and amendments, if any, that encumber the property.
5. If no legal description or survey was furnished, the appraiser used the county tax plan to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, it may be necessary for this appraisal to be adjusted.
6. The forecasts, projections, or operating estimates contained herein are based on current market conditions, anticipated short-term supply and demand factors, and a continued stable economy. These forecasts are, therefore, subject to changes with future conditions.
7. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey or analysis of the property to determine whether or not it is in conformity with the various detailed requirements of ADA. It is possible that a compliance survey of the property and a detailed analysis of the requirements of the ADA would reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative impact upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible noncompliance with the requirements of ADA was not considered in estimating the value of the property.
8. This appraisal report is not intended to be used and shall not be used by real estate syndications, real estate investment trusts, limited partnership or other individuals or entities in the solicitation of investors. The appraiser shall not be liable for violations or alleged violations of the Securities Act of 1933 or 1934 and the amendments thereto, or any state blue sky or securities law or similar federal or state law.



## SCOPE OF WORK

### Summary

The client requested an appraisal for partial acquisitions of the fee simple estate in two assessment parcels within the city limits of Ames, IA. They requested we provide estimates of just compensation both in the event of a fee title acquisition and/or permanent easement acquisition. The client requested a depth of scope of work adequate to provide a reliable indication of value, and we are providing our findings in a value finding appraisal report.

### Property Visit

We visited and viewed the site. We met with the owner, in addition to the owners' real estate agent/representative during our visit. After viewing the subject property we viewed and observed the surrounding development and neighborhood. Photographs of the subject property and neighborhood were taken.

### Data Collection

We researched the local and regional markets for data. We collected data on all items that affect the value of the subject property. These factors include Area and City Data, Neighborhood Data, Site and Improvement Data, Highest and Best Use Analysis, and the application of the sales comparison approach to estimate the property's value. Data was obtained from public records, the client, real estate agents, the property owner, our internal database, and other various sources. We have relied on tools and information from the assessor's site for the subject area. We have also relied on the public records for the land area of comparable properties. We verified the sale information with a party connected with each sale.

### Valuation

Real estate appraisers generally use three approaches to value known as: The Cost Approach, Sales Comparison Approach (also known as the Market Data Approach) and the Income Capitalization Approach. Each approach is described prior to its development in the report. We have fully researched and completed the sales comparison approach. We did not complete the cost or income approaches.

PRELIMINARY  
NOT YET INDEPENDENTLY REVIEWED

## AMES AREA ANALYSIS

### General

Ames is a city located in the central part of Iowa in Story County. It is located approximately 30 miles north of Des Moines along Interstate 35 and Highway 30. The city of Ames is home to Iowa State University, the United States Department of Agriculture's Animal and Plant Health Inspection Service, the National Animal Disease Center and headquarters for the Iowa Department of Transportation.

### Population

The following table summarizes the population of Ames, Story County and the State of Iowa since 2000.

<b>POPULATION GROWTH<sup>2</sup></b>							
	Census 2000	Census 2010	Annualized Change	Estimated 2017	Annualized Change	Projected 2022	Annualized Change
City of Ames	50,731	58,973	1.62%	65,221	1.51%	67,519	0.70%
Story County	79,981	89,542	1.19%	97,978	1.35%	101,736	0.77%
State of Iowa	2,926,324	3,046,355	0.41%	3,199,548	0.72%	3,301,135	0.63%

The population of all three subjects have increased over the time period shown. The city of Ames, Story County and the State of Iowa are expected to increase by over 0.60% each year through 2022.

### Households

We have obtained census data on households and household growth and projections from a national data service. The data for Ames is shown below.

<b>HOUSEHOLD GROWTH<sup>3</sup></b>							
	Census 2000	Census 2010	Annualized Change	Estimated 2017	Annualized Change	Projected 2022	Annualized Change
City of Ames	18,085	22,762	2.59%	24,271	0.95%	25,327	0.87%
Story County	29,383	34,736	1.82%	37,048	0.95%	38,682	0.88%
State of Iowa	1,149,276	1,221,576	0.63%	1,279,178	0.67%	1,318,353	0.61%

Like population trends, the data indicates increases in households from 2000 through 2017 for the city, county, and state. The household growth is in line with the population growth in all three subjects. Household formations are an important factor in determining demand for housing construction.

### Income

The following tables summarize median household income in Ames, Story County and the State of Iowa since 2000.

<b>MEDIAN HOUSEHOLD INCOME</b>					
	Census 2000	Estimated 2017	Annualized Change	Projected 2022	Annualized Change
City of Ames	\$36,042	\$49,762	2.24%	\$53,429	1.47%
Story County	\$40,442	\$54,936	2.11%	\$59,079	1.51%
State of Iowa	\$39,469	\$54,832	2.29%	\$59,799	1.81%

Ames showed similar growth rates compared to the state between 2000 and 2017. The state is projected to show the largest increase compared to the city and state by over 1.81% per year through 2022.

<sup>2</sup> STDB – 2010 Census Profile/Demographic and Income Profile

<sup>3</sup> STDB – 2010 Census Profile/Demographic and Income Profile



## Employment

The following tables describe the unemployment rates from 2006 to 2017 and the city's top employers.

### UNEMPLOYMENT RATES<sup>4</sup>

Year	Ames	Story Co.	Iowa	U.S.
2006	2.4%	2.6%	4.0%	4.6%
2007	2.5%	2.8%	3.8%	4.6%
2008	2.9%	3.2%	4.1%	5.8%
2009	4.2%	4.8%	6.2%	9.3%
2010	3.7%	4.2%	6.3%	9.6%
2011	3.6%	3.9%	5.9%	8.9%
2012	3.3%	3.6%	5.2%	8.1%
2013	3.1%	3.3%	4.7%	7.4%
2014	2.7%	2.9%	4.4%	6.2%
2015	2.3%	2.5%	3.8%	5.3%
2016	2.1%	2.3%	3.7%	4.9%
2017	1.9%	2.0%	3.1%	4.4%

### TOP EMPLOYERS<sup>5</sup>

Employers	Industry	Employees
Iowa State University	Education	>10,000
Iowa Department of Transportation	Government	2,000-5,000
Mary Greeley Medical Center	Health Care	1,000-2,000
McFarland Clinic PC	Health Care	1,000-2,000
Danfoss	Manufacturing	1,000-2,000
Ames Community School	Education	500-1,000
City of Ames	Government	500-1,000
National Centers for Animal Health	Scientific	500-1,000

Unemployment rates in Ames and Story County have typically been similar to one another, with the city just slightly below the county. The City, county and state have been significantly lower than the United States. Since 2009, all three subjects have continued to decline in unemployment.

Iowa State University has made a significant impact on the city employing over 10,000 people. The following table shows Ames industry sectors. Education, retail trade, health care and accommodation services are among the top industries for the city.

### AMES INDUSTRY SECTOR<sup>6</sup>

Industry	Industry	Industry	
Agricultural, Forestry, Fishing & Hunting	2.1%	Real Estate, Rental & Leasing	1.3%
Mining, Quarrying, Oil & Gas Extraction	0.0%	Professional, Scientific & Technical Services	4.6%
Utilities	0.0%	Management and Enterprises	1.6%
Construction	3.6%	Administration & Support	3.6%
Manufacturing	7.9%	Educational Services	24.4%
Wholesale Trade	1.6%	Health Care and Social Assistance	11.9%
Retail Trade	11.9%	Arts, Entertainment, and Recreation	1.4%
Transportation & Warehousing	1.1%	Accommodation and Food Services	11.4%
Information	1.5%	Other Services	2.1%
Finance and Insurance	1.7%	Public Administration	6.2%

### Iowa State University

Ames is home to Iowa State University (ISU), one of Iowa's three public universities. As discussed previously, ISU is the largest employer in Ames. In addition to providing a source of employment, the university attracts a large student body which has a major economic impact on rental, retail, and other properties in Ames. Fall semester enrollment data for ISU over the past nine years is summarized in the following table:

<sup>4</sup> Bureau of Labor Statistics – Local Area Unemployment Statistics

<sup>5</sup> Ames Economic Development Commission

<sup>6</sup> On the Map – Work Area Profile Analysis, 2015



### Total Enrollment at ISU<sup>7</sup>

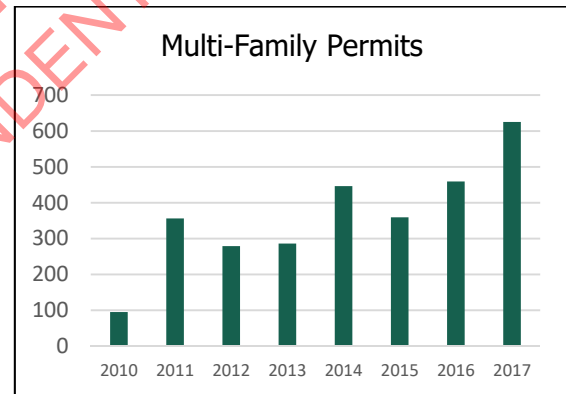
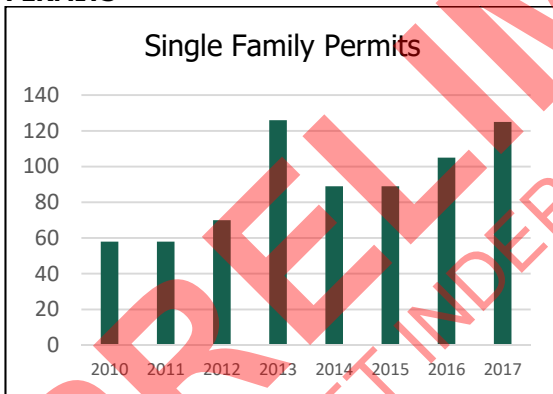
Year	Enrollment	% Chg.
2010	28,682	-
2011	29,887	4.2%
2012	31,040	3.9%
2013	33,241	7.1%
2014	34,732	4.5%
2015	36,001	3.7%
2016	36,660	1.8%
2017	36,321	-0.9%

Fall enrollment saw growth between 2010 and 2013. 2013 showed the highest increase in enrollment by over 7%. Since, enrollment has continued to grow, but is increasing in smaller increments. 2017 showed a slight decline in enrollment, falling short of about 300 students. Increasing enrollment at ISU is a boost for the community, providing demand for additional employment at ISU as well as increasing demand for rental housing, retailers, and services. Fall enrollment is typically slightly higher than spring enrollment.

### Residential Construction

Single-family residential construction has shown an upward trend through the years. 2010 and 2011 remained the same at 59 permits issued. In 2012, permits increased  $\pm 21$  percent to 70 and in 2013, permits increased  $\pm 81$  percent to 127. Demand slowed down in 2014 and 2015, decreasing  $\pm 28$  percent to 91 permits. Since, we have seen a gradual incline of demand with 2017 issuing approximately 125 permits.

### PERMITS<sup>8</sup>



Multifamily construction jumped  $\pm 66$  percent between 2010 and 2011. Enrollment at ISU caused rents to rise and vacancy to decline, spurring significant new construction starting in 2011. Since 2014, there has been a gradual rise in multi-family building permits.

### Commercial Construction

We have searched the City Assessor's website for information about recently constructed commercial buildings in Ames. Major retail development has consisted of the construction of  $\pm 60,000$  square feet of new retail space at the North Grand Mall. This replaced older space that was demolished. Tenants in the new space include Kohls and TJ Maxx. The mall is at the intersection of Grand Avenue and 24<sup>th</sup> Street on the north side of Ames. It is one of two major nodes of retail development in Ames, the other of which extends along South Duff Avenue from Lincoln Way to Highway 30. Several smaller new

<sup>7</sup> <http://www.registrar.iastate.edu/stats/>

<sup>8</sup> City of Ames, Annual Housing Starts 2001-2017

retail and fast food restaurant buildings have been built along S Duff Avenue and elsewhere around Ames in the past two years.

Several new hotels have surfaced in the Ames area. A 90-room Hampton Inn & Suites by Hilton was completed in 2016 near the Iowa State University campus and the new research park. A new Marriott Courtyard hotel is planned for the south of Ames, being completed in early 2019. The 165,000 square foot hotel is expected to have about 120 rooms and create 50-60 part- and full-time jobs.

The Ames community landed three significant projects in 2013. WebFilings began phase two of their campus located in the ISU Research Park. The company expanded their Ames location that cost over \$15.5 million dollars and created nearly 700 jobs. 3M, which manufactures products, improved their facilities with better quality equipment to allow additional manufacturing; which in return will create more jobs. Kingland Systems built a new facility which included multiple tenant options for retail and office. This site is the start to further development in the Ames community.

Ames Racquet and Fitness built a new 52,000 square-foot workout facility near the Iowa State University Research Park. Construction was completed in 2017. The new facility features a 150-meter indoor track, new strength and conditioning equipment, sauna, steam room, and a nursery/kids' gym. There is also additional space used for yoga, spinning, personal training, group fitness, and fitness workshops.

Construction of a new 157-unit, six-story mixed-use building is expected to cost approximately \$51.9 million. The ±321,531 square foot building will provide additional housing option for Iowa State University students, with unit options ranging from studio to four-bedrooms. The building will also include underground parking and commercial space on the street level. The building is expected to be completed summer, 2018.

### **Summary**

The Ames MSA has experienced a growing population during the last ten years. With it, job growth has been steady and predictable. We have seen household formations and median income rise during the same period, which has provided a strong economic base to this area.

A strong local economy has spurred single-family residential construction, and increasing ISU enrollment has led to a sharp increase in multifamily residential construction. Growing population has led to construction of new several new retail and restaurant buildings over the past two years, while new industrial and office development has been limited. The trend for the Ames MSA is continued growth. Having Iowa State University in Ames provides an excellent, stable economic base.



## NEIGHBORHOOD ANALYSIS

### General

The subject neighborhood includes those properties located along S Duff Avenue between U.S. Highway 30 and Lincoln Way in Ames, Iowa.

### Linkages

Linkages in the neighborhood are good. Highway 30 provides an approximately 5 minute drive to Interstate 35. The drive from the remainder of Ames to the subject neighborhood is less than 15 minutes. Duff Avenue is the major north/south traffic artery. Lincoln Way, SE 16th Street and Highway 30 are the major east/west traffic arteries.

### Topography and Flood Hazard Area

The neighborhood's topography is generally level. Most of the land between S 3rd Street and Squaw Creek is in Flood Zone AE, a part of the 100-year floodplain where base flood elevations have been determined. Most properties in the flood zone are improved with commercial buildings, some recently constructed. Buildings may be constructed in the flood zone, but they are subject to additional requirements by the City. The balance of the neighborhood is in Flood Zone X, which is not part of the 100-year flood plain.

### Utilities

Properties in the neighborhood have access to all public utilities and city services.

### Recent Development

Most properties along Duff Avenue are developed with retail use. Some are developed with office use or service commercial use.

Recent development includes the construction of a multi-tenant retail property located at 701/703 S Duff Avenue. The site includes a 17,750 square foot multi-tenant building and a 2,079 square foot single-tenant building. Additional recent development includes two tenant, 40,000 square-foot building, located on Southeast Fifth Street between Target and Walmart east of Duff Avenue. Sports Authority, a national sporting goods retailer and Petco, a national animal care retailer opened in late 2013. In 2016, a Jimmy John's restaurant was built at 716 S Duff, and in 2016 a Panda Express restaurant was built at 436 S Duff. Chick-Fil-A has constructed a new restaurant at 230 S Duff within the past three years as well.

A former bowling alley at 505 South Duff was razed after flooding in 2010. In 2012, a Texas Roadhouse restaurant opened in the 500 block of South Duff Avenue on the southern portion of the site. Several smaller retail and fast food restaurant buildings have also been built in the past five years. Two in-line retail centers at 400 South Duff opened in 2010. Tenants include, Buffalo Wild Wings, Verizon, Mattress Firm and Noodles and Company. A new Taco Bell restaurant was constructed in 2012 at 421 South Duff Avenue.

### Pattern of Growth

Little land remains available for development in the neighborhood which has led to the redevelopment of older properties in recent years.

### Competitive Areas

The subject area competes with other commercial corridors, such as Lincoln Way and N Grand Avenue.



**Anticipated Trend**

The subject neighborhood includes Duff Avenue, the most desirable retail corridor in Ames. Multiple properties have been developed or redeveloped within the past five years. Properties damaged by flooding in the summer of 2010 have been or are being repaired and redeveloped, and the large retail anchors (Target and Wal-Mart) reopened quickly after the floods. The neighborhood will remain prosperous, with ongoing redevelopment of older properties for the foreseeable future.

**PRELIMINARY**  
NOT YET INDEPENDENTLY REVIEWED

## DETERMINATION OF PARENT TRACTS

We note that there are two assessment parcels that are being affected by the acquisition which are under the same ownership. The parcels were split and subdivided in June 2011, to allow for the potential of partial development.

The assessment parcels are being operated as separate economic units. The parcel with the local address of 1008 S Duff Ave is located entirely within the 100-year flood hazard, with much being located in the floodway. It is currently being utilized as recreational land/greenspace. The parcel with a local address of 1016 S Duff Ave has a large, buildable area that is outside of the flood hazard and is currently listed available for sale as a commercial development site. Further, we later conclude that the assessment parcels have separate highest and best uses.

Though the two parcels meet the test of unity of ownership, they do not meet the test of unity of use. We conclude there are two parent tracts for this assignment. Parent Tract 1 is the  $\pm 2.72$  acre tract of land that has a local address of 1016 S Duff Ave. Parent Tract 2 is the  $\pm 26.14$  acre tract of land that has a local address of 1008 S Duff Ave. We will refer to each Parent Tract by their local addresses for the remainder of this report. An aerial map detailing the designated parent tracts follows.





## DESCRIPTION OF PARENT TRACTS

### SITE

#### General

The subject is split into two separate assessment parcels, which are locally known as 1016 S Duff Ave and 1008 S Duff Ave.

The area of 1016 S Duff Ave is  $\pm 118,534$  square feet, or  $\pm 2.72$  acres, net of road right-of-way, according to the subdivision plat recorded as Instrument 2011-00006037 in Story County. It has frontage on S Duff Ave, a two-way, four-lane paved road plus turning lane on a north/south axis. The site has full access (both left and right turn) to S Duff Ave

The area of 1008 S Duff Ave is  $\pm 26.14$  acres, net of road right-of-way. The property has a small  $\pm 35$  foot strip of frontage along S Duff Ave, although it does not have direct access as the fronting area appears to be underneath Squaw Creek.

Squaw Creek bounds the north edge of the property. Adjacent south is a B-Bop's fast food restaurant and gas/convenience station. Across S Duff Ave to the west is a Red Lobster full service restaurant. Properties nearby north and south of the subject along S Duff Avenue are predominantly developed with restaurant and retail uses. Other uses include service commercial and office.

#### Soil Conditions

Although we have conducted no soil tests, it is assumed that the site would support those improvements that represent the highest and best use of the site.

#### Shape

Both parent tracts are irregular in shape.

#### Topography

1016 S Duff Ave is generally level and open. Far northern and eastern portions gradually slope downward to the north and east towards Squaw Creek. Said areas proximate to the creek are also partially timbered.

1008 S Duff Ave is level to gently rolling and partially wooded. Northern portions of the site slope downward towards Squaw Creek. The owner reports planting several hundred trees on this parcel after the property flooded in 2010.

#### Flood Hazard Area

Based on documents provided by our client, approximately  $\pm 1.4164$  acres (52 percent) of the site at 1016 S Duff Ave is located within a flood hazard area. Of this, approximately  $\pm 0.496$  acres is located in the 100-year flood plain, and  $\pm 0.921$  acres is located within the floodway. The remaining  $\pm 1.307$  acres (48 percent) of the site is outside of the hazard. The ground nearest Squaw Creek is within the floodway, while the area outside of the hazard is furthest southwest along S Duff Ave.

The entire site at 1008 S Duff Ave is located within a flood hazard. Approximately  $\pm 2.354$  acres is within the 100-year floodplain, with the remaining  $\pm 23.774$  acres being in the floodway.



### **Easements & Encroachments<sup>9</sup>**

According to the recorded Carney & Son's Subdivision plat in Story County, Instrument 2011-00006037, upon issuance of a building permit for the site at 1016 S Duff Ave a permanent ingress/egress easement will be created allowing for access purposes to the site at 1008 S Duff. Said easement runs along the far southern twenty feet of the site at 1016 S Duff Ave. A temporary easement for access purposes currently exists in its place.

There is also an existing drainage easement across both parent tracts. Said easement is located along the northern edge of the subject, adjacent Squaw Creek. According to our client, the easement is ±199,821 square feet in size, and it was recorded at the same time as the plat noted above. We have included a copy of the plat in our addendum later in this report.

Other than the noted above easements, and other typical public and utility easements, we are unaware of any further that affect the subject site. During our observation we did not note any encroachment.

### **Utilities**

The site at 1016 S Duff Ave has access to all utility services. The site at 1008 S Duff Ave does not have utilities.

### **Zoning**

The site at 1016 S Duff Ave is zoned HOC, Highway Oriented Commercial. Most all retail, service, and office uses are permitted. The zoning restricts most residential uses without a Special Use Permit but does allow for "short-term lodgings".

This zone is intended to "accommodate the use of automobile in developments that offer a wide variety of retail and service businesses. Although oriented toward the automobile, the street should have a pleasant appearance and should be pleasing to most pedestrians and motorists. This zone should also be compatible with adjacent residential uses."

The typical bulk regulations for HOC are summarized next.

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<sup>9</sup> Please refer to the assumptions and limiting conditions regarding easements and encroachments.

### Highway-Oriented Commercial (HOC) Zone Development Standards

DEVELOPMENT STANDARDS	HOC ZONE
Maximum FAR	.50
Minimum Lot Area	No minimum except for mixed uses, which must provide 6,000 ft. of lot area for the first dwelling unit and 1,000 sf for each additional dwelling unit in a group living use
Minimum Lot Frontage	50 ft.
Minimum Building Setbacks: Front Lot Line  Side Lot Line Rear Lot Line Lot Line Abutting a Residentially Zoned Lot	20 ft., except for a fuel pump canopy, which shall maintain a 10 ft. setback measured from the front edge of the canopy 5 ft. 10 ft. 20 ft. side, 20 ft. rear
Landscaping in Setbacks Abutting a Residentially Zoned	High Screen. See Section 29.403
Maximum Building Coverage	50%
Minimum Landscaped Area	15%
Maximum Height	85 ft. or 7 stories, except for fuel pump canopies, which are limited to 18 ft. with a minimum clearance of 14 ft.
Parking Allowed Between Buildings and Streets	Yes
Drive-Through Facilities permitted	Yes. See Section 29.1303
Outdoor Display permitted	Yes. See Section 29.405
Outdoor Storage permitted	Yes. See Section 29.405
Trucks and Equipment Permitted	Yes

*(Ord. No. 3595, 10-24-00; Ord. No. 4312, 6-27-17)*

The site at 1008 S Duff Ave is zoned A-1 Agricultural. Permitted uses in the A-1 district include agricultural uses including crop production, livestock production, single-family dwellings, cemeteries, stables, parks, and forest preserves. The typical bulk regulations for A-1 are summarized next.



### Agricultural (A) Zone Development Standards

DEVELOPMENT STANDARDS	A ZONE
Minimum Lot Area	43,560 sf
Minimum Principal Building Setbacks:	
Front Lot Line	50 ft.
Side Lot Line	20 ft.
Rear Lot Line	50 ft.
Corner Lots	Provide 2 front yards and 2 side yards
Minimum Frontage	35 ft. @ street line 100 ft. @ building line
Maximum Building Coverage	N/A
Maximum Site Coverage (includes all buildings, paving and sidewalks on lot)	N/A
Minimum Landscaped Area	N/A
Maximum Height Principal Building	40 ft. or 3 stories, except for farm building, communications towers, flag poles, bell towers and steeples
Maximum Height Accessory Building	12 ft. to midpoint of roof; 15 ft. to ridge
Parking Between Buildings and Streets	N
Drive-Through Facilities	N
Outdoor Display	Plants & Produce only
Outdoor Storage	Y
Trucks and Equipment	Y

We further note that the large majority of the site at 1008 S Duff Ave is located within a Floodway Overlay District. Within this overlay district, further restrictions are imposed on potential uses and development. According to city code, generally accepted uses within the overlay include agricultural uses (farming, pasture, grazing, nurseries, etc.), signs, billboards, public utility lines, private/public recreational uses, residential accessory uses (lawns, gardens, play areas), and other such open-space uses similar to those described above. We note that limited grading is allowed, provided that there is no change of surface topography of more than one foot and no fill is introduced into the floodway. Any use or excavation that results in an alteration of a watercourse is prohibited (except as needed for public infrastructure). Any other use or development use that involved structures, fill, or storage of materials or equipment may be permitted only upon issuance of a Major Site Development Plan.

## HIGHEST AND BEST USE

This section seeks to determine the most profitable use of the subject land, as if it were vacant as well as the improved property. Refer to the Definition pages in the Addenda for a full definition of highest and best use.

The appraisal problem did not warrant an intensive highest and best use study, in which a survey of the local market would have been conducted to determine supply and demand factors to determine the feasibility of alternative uses. Our conclusion of highest and best use is based on our experience, historical data and observation of the market. This is considered an inferred analysis.

### Highest and Best Use, As Vacant – Before the Acquisition

#### Physically Possible

The site at 1016 S Duff Ave contains a total area of  $\pm 2.72$  acres. The site has generally level, open topography. Far norther portions of the site that are proximate to Squaw Creek are located within the 100-year flood plain and floodway hazard. Based on documents provided by our client, we estimate 52 percent of 1016 S Duff to be within the hazard, and 48 percent to be outside the hazard. Areas within the 100-year flood hazard are generally developable, subject to fill being brought in to elevate said areas from the hazard, or constructing improvements in accordance to flood specifications. Areas within the floodway however, have much stricter development standards. In general, open space agricultural and green space/recreational uses are permitted. Grading and filling are permitted to an extent, however doing such in any manner that results in the altering of the watercourse is prohibited. The site has access to S Duff Ave.

The site at 1008 S Duff Ave contains a total area of  $\pm 26.14$  acres. Documents provided by our client indicate that  $\pm 91$  percent of the site is within the floodway, with the remaining  $\pm 9$  percent being in the 100-year floodplain. The site is partially wooded and rolling. The site has access to S Duff Ave via ingress/egress easement.

#### Legally Permissible

The highest and best use of a property must also be legally permissible. Private deed restrictions and municipal restrictions of zoning are the most common considerations. We note a drainage easement that runs along the northern edge of the subject parcel. We are unaware of any other private deed restrictions on this property.



The site at 1016 S Duff Ave is zoned HOC, Highway Oriented Commercial. Permitted uses include most retail, office, and service uses. Prohibited uses include residential dwellings, schools and industrial uses, except mini-storage.

The site at 1008 S Duff Ave is zoned A-1, Agricultural. In general, permitted uses in the A-1 district include agricultural uses including crop production, livestock production, single-family dwellings, cemeteries, stables, parks, and forest preserves. We note however, that the site is also located within a Floodway Overlay District. Within said district, further restrictions are enforced impeding development. In general, use or excavation that results in an alteration of a watercourse is prohibited. Open space or green space is permitted, recreational use is permitted.

### **Financially Feasible**

Of those physically possible and legally permissible uses, we must determine which are financially feasible. More specifically, which uses are likely to produce an income that provides a positive return to the land. All uses that are expected to produce a positive return are regarded as financially feasible.

Properties near the subject on S Duff Avenue are primarily developed with a mixture of service, office, and retail use. For the site at 1016 S Duff Ave, we conclude all three uses are financially feasible.

For the site at 1008 S Duff Ave, we conclude it is financially feasible to use the area as green space or for recreational use.

### **Maximally Productive**

Of the financially feasible uses, the use that provides the highest price or value is the highest and best use.

The site at 1016 S Duff Ave has good visibility from a highly trafficked street. We conclude the maximally productive and highest and best use of the site is retail use.

The site at 1008 S Duff has limited visibility, and floodway restrictions significantly reduce its development potential. We conclude the maximally productive and highest and best use of it is for recreational use.

## **HIGHEST AND BEST USE-AFTER ACQUISITION**

Subject's highest and best use after acquisition is the same as its highest and best use before the acquisition.



## PROPOSED PROJECT

The City of Ames plans to acquire partial fee simple title and/or permanent easement for flood mitigation purposes relating a project along Squaw Creek.

We have not considered any benefits that may accrue to the property due to this project. However, we are considering negative effects caused by the project and associated acquisitions. Because we are not considering the benefits to the property due to the project, the Jurisdictional Exception rule of USPAP is exercised. The requirement to not consider the benefits from the project is according to Iowa Code.

## DESCRIPTION OF RIGHTS TO BE ACQUIRED

The City of Ames proposes to acquire partial fee title and/or permanent easement to both sites. The total area to be acquired over the site at 1016 S Duff Ave is  $\pm 62,675$  square feet, or  $\pm 1.44$  acres. The total area to be acquired over the site at 1008 S Duff Ave is  $\pm 274,975$  square feet, or  $\pm 6.31$  acres. As of the date of this report, it is not yet certain whether partial fee title or permanent flowage easement will be acquired. Therefore, we have estimated compensation for both. Copies of the project plans provided by the City of Ames/WKHS & Co. are included later in this report.

## EFFECT OF THE ACQUISITION

The acquisition areas across both sites are irregular in shape and are located along the northern edges of each parcel, respectively. According to documents provided by our client, the total area being acquired over the site at 1016 S Duff Ave is  $\pm 62,675$  square feet, or  $\pm 1.44$  acres. The total area to be acquired over the site at 1008 S Duff Ave is  $\pm 274,975$  square feet, or  $\pm 6.31$  acres. Both areas of acquisition are located within the flood hazard and are partially wooded. There are no building or site improvements within the acquisition area, however we note an area of existing drainage easement adjacent Squaw Creek. The easement extends twenty feet south of the bank of the creek, according to the city's engineering consultant. Said easement was recorded in Story County, instrument number 2011-00006037 at the same time as the Carney and Son's Final Plat. The area of the drainage easement is  $\pm 21,221$  square feet across 1016 S Duff Ave and  $\pm 196,846$  square feet across 1008 S Duff Ave, according to our client. We note that the entire area of proposed acquisition across 1016 S Duff overlaps with the existing drainage easement, and we estimate that approximately  $\pm 100,000$  square feet overlaps across 1008 S Duff. Also, per the city's engineering consultant, the proposed permanent easement acquisition will have the same function as the existing drainage easement.

The highest and best use of the subject property will not be changed by the acquisition. The acquisition does not result in damage to the remainder.



## VALUATION - 1016 S DUFF AVE

The diminution in value is best measured by considering the value of the land and easements acquired as part of the whole. A value finding appraisal will adequately measure the just compensation to the property owner.

The essence of the sales comparison approach is to discover what similar properties have sold for and, after an appropriate adjustment process, to develop indications of what they would have sold for if they had possessed all of the physical and economic characteristics of the property being appraised.

We researched the market for comparable sales that are good indications of value. We have included four comparable sales in our analysis. All are located along the S Duff Ave corridor in Ames. The most consistent indicator of value is the sale price per square foot and adjustments have been made on this basis.

### Land Valuation

To estimate the market value of the land, we have analyzed comparable land sales similar to the subject. We have selected four sales for presentation within this section. We have reviewed the comparables on the basis of their sale price per acre. Additional information on the sales is included in the Addenda.

The Sales Comparison Adjustment Table follows. We were unable to locate adequate data to quantify some of the adjustments. Therefore, we have made qualitative adjustments for some items. Qualitative adjustment is similar to how typical market participants analyze sales and are made on a plus (+) or minus (-) basis. We have also made quantitative adjustments for some items. An adjustment greater than 1.00 indicates that an upward quantitative adjustment is necessary, and an adjustment less than 1.00 indicates that a downward quantitative adjustment is necessary. The table is followed by a discussion of the relevant adjustments.

PRELIMINARY  
NOT YET INDEPENDENTLY REVIEWED



**LAND SALES COMPARISON AND ADJUSTMENT TABLE - 1016 S DUFF AVE**

Sale	Subject	1		2		3		4	
Comp ID	N/A	280034		219066		206449		235919	
Address	1016 S Duff Ave	716 S Duff		705 S Duff		551 S Duff Avenue		230 S Duff Ave	
City	Ames	Ames		Ames		Ames		Ames	
Sale Price (SP)	N/A	\$409,360		\$1,173,451		\$700,000		\$1,590,000	
Area (Sq Ft)	118,534	21,902		85,077		44,936		48,203	
SP/\$SF	N/A	\$18.69		\$13.79		\$15.58		\$32.99	
Grantor	N/A	716 S Duff, LLC		Douglas Livy, Jr. and Wendy Livy		Pizzas on Duff, LLC		Great Southern Bank & JMH Corporation	
Grantee	N/A	Rafferty Construction		E-M Hunziker, LLC		Blue Sky Properties, LLC		Chick-Fil-A, Inc.	
		Attribute	Adj	Attribute	Adj	Attribute	Adj	Attribute	Adj
Property Rights Conveyed	Fee Simple	Fee Simple		Fee Simple		Fee Simple		Fee Simple	
Cash Equivalency	Typical	Typical		Typical		Typical		Typical	
Conditions of Sale	Typical	Typical		Typical		Typical		Typical	
Market Conditions	4/24/2018	9/8/2015	1.05	6/21/2013	1.10	8/2/2012	1.11	4/29/2015	1.06
Adjusted Sale Price	N/A	\$429,828		\$1,290,796		\$777,000		\$1,685,400	
Adjusted Price / Sq. Ft.	N/A	\$19.63		\$15.17		\$17.29		\$34.96	
Other Considerations									
Location	Ames	Similar		Similar		Similar		Superior	0.70
Size	118,534	21,902		85,077		44,936		48,203	
Shape	Irregular	Similar		Similar		Similar		Similar	
Utilities	All Public	Similar		Similar		Similar		Similar	
Topo/Flood Hazard	19% FP/61% FW	100% FH	0.40	100% FH	0.40	100% FH	0.40	No	0.30
Zoning	HOC	HOC		HOC		HOC		HOC	
Total Adjustment (Rounded)			0.40		0.40		0.40		0.21
Indicated Subject Value Per Sq Ft			\$7.85		\$6.07		\$6.92		\$7.34
Additional Qualitative Adjustment Necessary									



## Explanation for Adjustments

**Property Rights** - For this analysis, we are estimating the market value of the fee simple estate in the subject property. The comparables are all fee simple sales and adjustments are not required.

**Cash Equivalency** - If a comparable sale occurred under conditions other than cash to the seller, then a cash equivalency adjustment may be necessary. All of the comparable sales had typical financing terms and no adjustments are required.

**Conditions of Sale** - This category considers buyer or seller motivation. Conditions of sale may include desperation exchange, tax ramifications, reinvestment or condemnation money, assemblage, or non-arm's length transactions. No adjustments are necessary based on conditions of sale.

**Market Conditions** - We have observed increasing construction and real estate values over the past several years. We will apply a two percent per year upward adjustment to the comparable sales.

**Location** - This category gives consideration to the demand for and desirability of the subject site in comparison to the sales. The major factors considered are access to major traffic arteries and type and quality of development in the immediate vicinity. Sales 1 through 3 are similar and no adjustments are necessary. Sale 4 is located on a corner with two access points, and we conclude its location to be superior and have adjusted it downward.

**Size** - This category takes into consideration the size of the comparable sales in relation to the subject. All of the sales are similar and do not require adjustment.

**Utilities** - The subject and comparables have access to all city services and utilities. No adjustments are needed.

**Topography/Flood Hazard** - Based on documents provided by our client, approximately  $\pm 1.4164$  acres (52 percent) of the entire site at 1016 S Duff Ave is located within a flood hazard area. Of this, approximately  $\pm 0.496$  acres is located in the 100-year flood plain, and  $\pm 0.921$  acres is located within the floodway. The remaining  $\pm 1.307$  acres (48 percent) of the site is outside of the hazard.

We note however, that the proposed area of acquisition is more highly concentrated within the flood hazard area. The acquisition area is located along the northern edge of the site, adjacent Squaw Creek. Approximately  $\pm 19$  percent of the area being acquired is within the 100-year floodplain and  $\pm 61$  percent is within the floodway. The remaining  $\pm 20$  percent of the area being acquired is outside of the hazard. We note that the area within the floodway is heavily restricted in terms of development potential, as the watercourse/path of flow is not to be altered. It can be utilized for open/green space and recreation purposes, however. Areas within the floodplain are developable/buildable, however fill and other specific development standards are required.

Sales 1 through 3 are all entirely located within the 100-year floodplain. As noted above, land within the 100-year floodplain is developable. Because the sites have greater potential than a large majority of the land to be acquired, we conclude they require downward adjustment. Sale 4 is located entirely out of the flood hazard, and also requires downward adjustment. The adjustments are quantified based on contributory values of both the areas within the floodway versus those that are not. Overall, the data reviewed indicates that large adjustments are necessary. We note that Sale 4 requires further adjustment than Sales 1 through 3, as it is located entirely outside of the hazard, whereas Sales 1 through 3 are not.

**Easement** – As noted earlier, the subject is burdened by a drainage easement. Said easement runs along the northern edge of the subject site, adjacent Squaw Creek. According to documents provided by our client, the area of the easement across 1016 S Duff Ave is ±21,221 square feet in size. None of the comparable sales are burdened by atypical easements and require downward consideration in comparison to the subject. Rather than adjust here, we have considered this in our final reconciliation.

**Zoning** – No adjustments are necessary.

**Subject Listing for Sale** – We note that the subject site at 1016 S Duff Ave is currently listed for sale. According to a listing flyer provided by the owner’s agent, the ±2.72 acre site is being marketed at a price of \$1,600,000, or \$13.50 per square foot. We note that this list price is a blended average value across the entire site including both the developable ground outside of the hazard and the ground that is included within the floodplain and floodway. We note that the area being acquired has a larger concentration of land within the hazard and flood way, and a lower value per square foot would be appropriate in our reconciliation.

**Reconciliation – Market Value of Land – 1016 S Duff Ave**

After quantitative adjustments, the comparable sales indicate a range of values from \$6.07 to \$7.85 per square foot, with an average of \$7.05 per square foot. None of the sales require addition consideration for qualitative purposes.

After reviewing the available data, we reconcile to a market value for the subject land being acquired of \$7.25 per square foot, before consideration of the existing drainage easement.

**Fee Simple Acquisition Compensation**

In the event of a fee title acquisition, the land proposed to be acquired across 1016 S Duff Ave is ±62,675 square feet in size, net of existing road right-of-way. We note however, that a portion of the area being acquired is already burdened by a drainage easement. Said easement runs along the northern edge of the site, adjacent Squaw Creek, and is ±21,221 square feet in size. Because some rights are already restricted within the existing easement area, we estimate its value is diminished by 50 percent. The remaining area of acquisition area, or ±41,454 square feet, is not encumbered. Our estimate of compensation, in the event of a fee title acquisition, is shown below:

**FEE TITLE COMPENSATION**

Fee Value/Sq. Ft.	\$7.25
Sq. Ft. Affected (Unencumbered by Existing Easement)	41,454
Estimated Compensation for Unencumbered Land	\$300,542
Sq. Ft. Affected (Encumbered by Existing Easement)	21,221
Percentage Applied	50%
Estimated Compensation for Encumbered Land	\$76,926
Total Compensation (Rounded)	\$377,470

**Permanent Easement Compensation**

In the event of a permanent easement acquisition, the proposed area across 1016 S Duff Ave is ±62,675 square feet in size. The purpose of the easement would be for water flowage purposes. The easement is located along the northern edge of the subject property, adjacent south of Squaw Creek. After the acquisition we assume the owner will be allowed able to utilize the area for green space purposes and to meet zoning requirements. We note however, that the project plans call for cutting and grading of the creek bank to better allow for water flowage. No improvements or alterations to the ground within the area of easement will be allowed, after the acquisition. We also note an existing drainage easement within the proposed acquisition area. The easement is recorded in Story County, Instrument 2011-





00006037. Said easement overlaps ±21,221 square feet with the proposed acquisition, according to documents provided by our client. The rights within said easement will not change materially after the proposed acquisition, per the client’s engineering consultant.

Overall, we estimate that the value of the land currently encumbered by drainage easement will not be further diminished. Because the rights will not materially change within the existing easement area, after the acquisition, we conclude no additional compensation is necessary for within this area. The acquisition of the land outside of the existing drainage easement however, will reduce the property owner’s usable rights, and compensation is necessary. We apply a percentage of 50 percent.

In the event of a permanent easement acquisition, our estimate of compensation is shown below.

**PERMANENT FLOWAGE EASEMENT COMPENSATION**

Fee Value/Sq Ft	\$7.25
Total Sq Ft Affected	62,675
Existing Drainage Easement (Sq Ft)	<u>21,221</u>
Net/Compensable Area (Sq Ft)	41,454
Total Value	\$300,542
Percentage Applied	50%
Total Compensation (Rounded)	\$150,270

PRELIMINARY  
NOT YET INDEPENDENTLY REVIEWED

**VALUATION - 1008 S DUFF AVE**

As previously discussed, the entire site at 1008 S Duff Ave is within a flood hazard. Further, the large majority is located within the floodway, and we conclude it is undevelopable. We have searched for sales of properties within floodplains and floodways, in addition to sale of green space/recreational land. Due the lack of comparable data in the immediate vicinity, we have expanded our search to other parts of the state.

**PRELIMINARY**  
NOT YET INDEPENDENTLY REVIEWED

**LAND SALES COMPARISON AND ADJUSTMENT TABLE - 1008 S DUFF AVE**

Sale	Subject	1		2		3		4		5	
Comp ID	NA	274385		239903		274387		274393		258825	
Address	1008 S Duff	3034 560th Ave		S Side of 250th St @ I-35		W of 3034 560th Ave		56311 260th St		S of 40th Dr SE, E of 1st Ave SE	
City	Ames	Ames		Ames		Ames		Ames		Marion	
Sale Price (SP)	NA	\$635,000		\$875,000		\$960,000		\$75,000		\$200,000	
Area (Acres)	26.14	48.24		87.70		98.94		10.00		49.32	
SP/\$Acre	N/A	\$13,163		\$9,977		\$9,703		\$7,500		\$4,055	
Grantor	N/A	Doris M. Plath Revoc. Trust		Charles & Catherine Potter		Lowell & Debra Kingsbury		Marilyn Baldus		OTB II, Ltd.	
Grantee	N/A	Tanam Real Estate, LLC		Ag Land Specialist, LLC		Manatt's Inc.		CH Lee, LLC		HJ Bjornsen Family Trust	
		Attribute	Adj	Attribute	Adj	Attribute	Adj	Attribute	Adj	Attribute	Adj
Property Rights Conveyed	Fee Simple	Fee Simple		Fee Simple		Fee Simple		Fee Simple		Fee Simple	
Cash Equivalency	Typical	Typical		Typical		Typical		Typical		Typical	
Conditions of Sale	Typical	Typical		Typical		Typical		Typical		Typical	
Market Conditions	4/24/2018	6/21/2017	1.02	12/30/2014	1.07	5/22/2014	1.08	5/10/2016	1.04	4/22/2016	1.04
Adjusted Sale Price	N/A	\$647,700		\$936,250		\$1,036,800		\$78,000		\$208,000	
Adjusted Price / Acre	N/A	\$13,427		\$10,676		\$10,479		\$7,800		\$4,217	
Other Considerations											
Location	Ames	Similar		Similar		Similar		Similar		Similar	
Size	26.14	48.24		87.70	1.05	98.94	1.05	10.00		49.32	
Shape	Irregular	Similar		Similar		Similar		Similar		Similar	
Utilities	All Public	Similar		Similar		Similar		Similar		Similar	
Topo/Flood Hazard	See Below	Superior	-	Superior	-	Superior	-	Superior	-	Superior	-
Easement	Drainage	See Below		See Below		See Below		See Below		See Below	
Zoning	HOC	A-1		A-1		A-1		A-1		R-1	
Total Adjustment (Rounded)		1.00		1.05		1.05		1.00		1.00	
Indicated Subject Value Per Acre		\$13,427		\$11,210		\$11,003		\$7,800		\$4,217	
Additional Qualitative Adjustment Necessary		-		-		-		-		None	



The sales are adjusted in a similar manner as for 1016 S Duff Ave. Sales 1 through 4 are located in south Ames. Sales 1 through 3 were purchased for potential mining use, however it is noted that any potential for such is limited. We have observed other sales with greater mining potential in the same vicinity as Sales 1 through 3, that sold at a significant premium. Therefore, we conclude any adjustment necessary for mining potential is minimal. We also note Sales 1 through 4 are all located within in a flood hazard, although it appears that only Sale 3 is within the floodway. Prior to adjustments for other factors however, the sale partially within the floodway indicates a similar value per acre as the others. The rural locations of Sales 1 through 4 also indicate minimal development for development, further diminishing any necessary adjustments for topo or flood hazard. However, we do note that Sales 1 through 4 are either partially or entirely row cropped, whereas the subject is not. The subject has limited potential for such. For this reason, we conclude downward adjustment is necessary. We were unable to quantify said adjustment though, so we will apply a negative qualitative one in our final reconciliation. All of the sales also require downward adjustment for easement, as the subject is burdened by a drainage easement whereas the sales are not. We have considered this in our final reconciliation.

Sale 5 is located in Marion and was purchased for recreational use. Although a party involved in the sale stated that it has development potential in the future, we note its poor access and topography will highly restrict such.

**Reconciliation – Market Value of Land at 1008 S Duff Ave**

The sales indicate a range of values for the subject from \$4,217 per acre to \$13,427 per acre. Sales 1 through 4 require downward adjustment for topography/flood hazard. Sale 5 does not require additional consideration.

After considering the available data, we reconcile to a market value for the subject land on April 24, 2018 of \$8,000 per acre.

**Fee Simple Acquisition Compensation**

In the event of a fee title acquisition, the land proposed to be acquired across 1008 S Duff Ave is ±6.312557 acres in size, net of existing road right-of-way. We note however, that a portion of the area being acquired is already burdened by a drainage easement. Said easement runs along the northern edge of the site, adjacent Squaw Creek, and is ±178,600 square feet in size. Of this, we estimate that approximately ±100,000 square feet overlaps (±2.30 acres) with the proposed acquisition area using a measuring tool on the assessor’s aerial photograph. We note much of this is shown on the aerial photograph to be under the waters of Squaw Creek. Because some rights are already restricted within the existing easement area, we estimate its value is diminished by 50 percent. The remaining area of acquisition area, or ±4.01 acres (6.312557 - 2.30, rounded), is not encumbered. Our estimate of compensation, in the event of a fee title acquisition, is shown below:

**FEE TITLE COMPENSATION**

Fee Value/Acre	\$8,000
Acres Affected (Unencumbered by Existing Easement)	4.01
Estimated Compensation for Unencumbered Land	\$32,080
Acres Affected (Encumbered by Existing Easement)	2.30
Percentage Applied	50%
Estimated Compensation for Encumbered Land	\$9,200
Total Compensation (Rounded)	\$41,280

**Permanent Easement Compensation**

In the event of a permanent easement acquisition, the proposed area across 1008 S Duff Ave is ±6.312557 acres in size. The purpose of the easement would be for water flowage purposes. The



easement is located along the northern edge of the subject property, adjacent south of Squaw Creek. Further, we note that the drainage easement across 1016 S Duff Ave also spans across ±196,846 ( square feet across the site at 1008 S Duff Ave. Of this, we estimate approximately ±100,000 square feet (±2.30 acres) overlaps with the existing easement area.

Similar to the estimate of permanent easement compensation across 1016 S Duff Ave, we estimate that the value of the land currently held by drainage easement will not be further diminished. Because the rights will not materially change within the existing easement area, after the acquisition, we conclude no additional compensation is necessary for within the area of existing easement. The acquisition of the land outside of the existing drainage easement however, will reduce the property owner’s usable rights, and compensation is necessary. We apply a percentage of 50 percent.

In the event of a permanent easement acquisition, our estimate of compensation is shown below.

**PERMANENT FLOWAGE EASEMENT COMPENSATION**

Fee Value/Acre	\$8,000
Total Acres Affected	4.01
Existing Drainage Easement Overlap (Acres)	2.30
Net/Compensable Area (Acres)	1.71
Total Value	\$13,680
Percentage Applied	50%
Total Compensation (Rounded)	\$6,840

PRELIMINARY  
NOT YET INDEPENDENTLY REVIEWED

LOCATION MAP



## PHOTOGRAPHS



**PHOTO 1: 1016 S DUFF AVE, LOOKING EAST OVER ACQUISITION AREA**



**PHOTO 4: 1016 S DUFF AVE, LOOKING WEST OVER ACQUISITION AREA**



**PHOTO 2: 1016 S DUFF AVE, LOOKING NORTHEAST OVER ACQUISITION AREA**



**PHOTO 5: 1008 S DUFF AVE, LOOKING EAST**

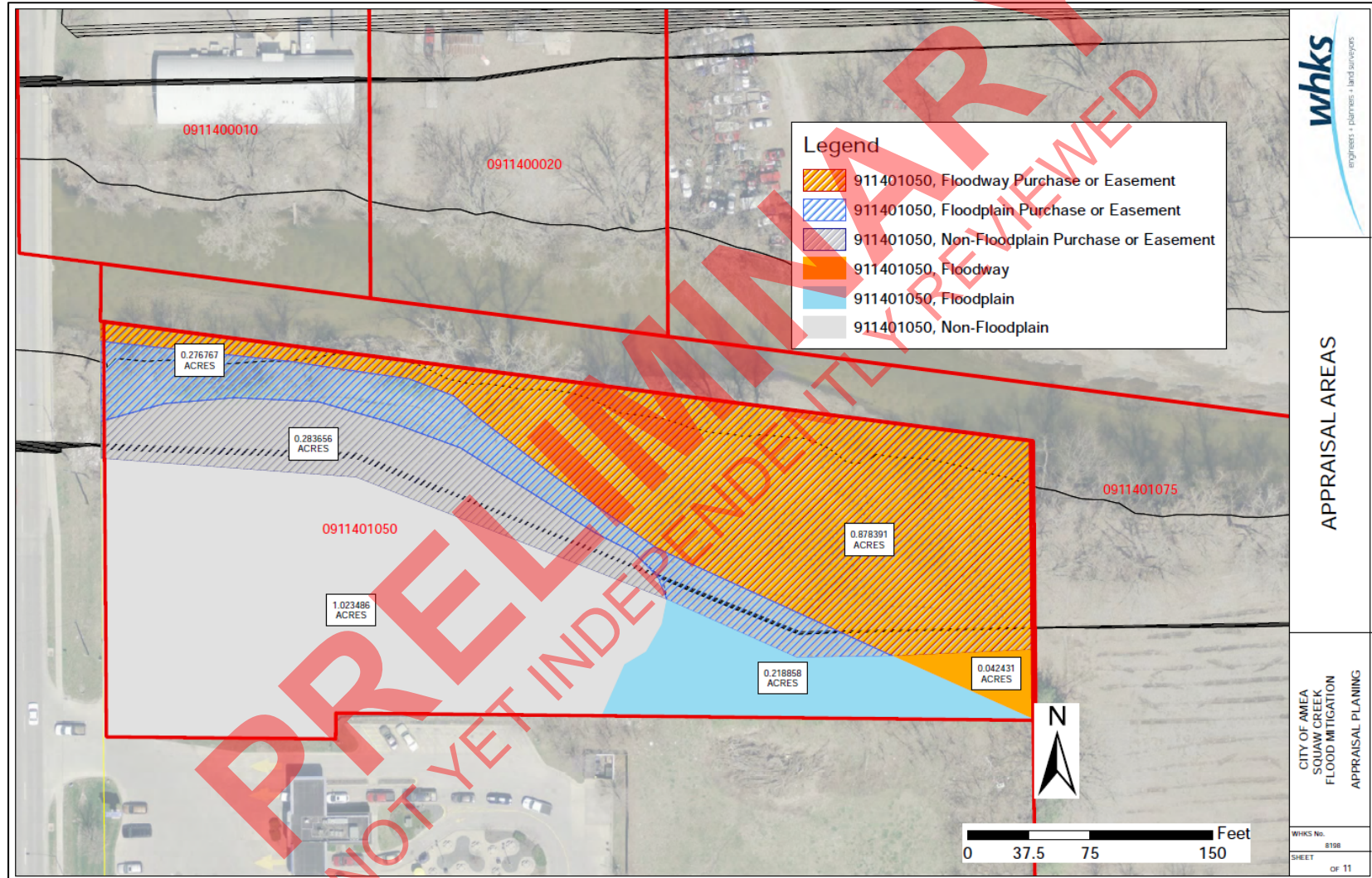


**PHOTO 3: 1016 S DUFF AVE, LOOKING EAST OVER ACQUISITION AREA**



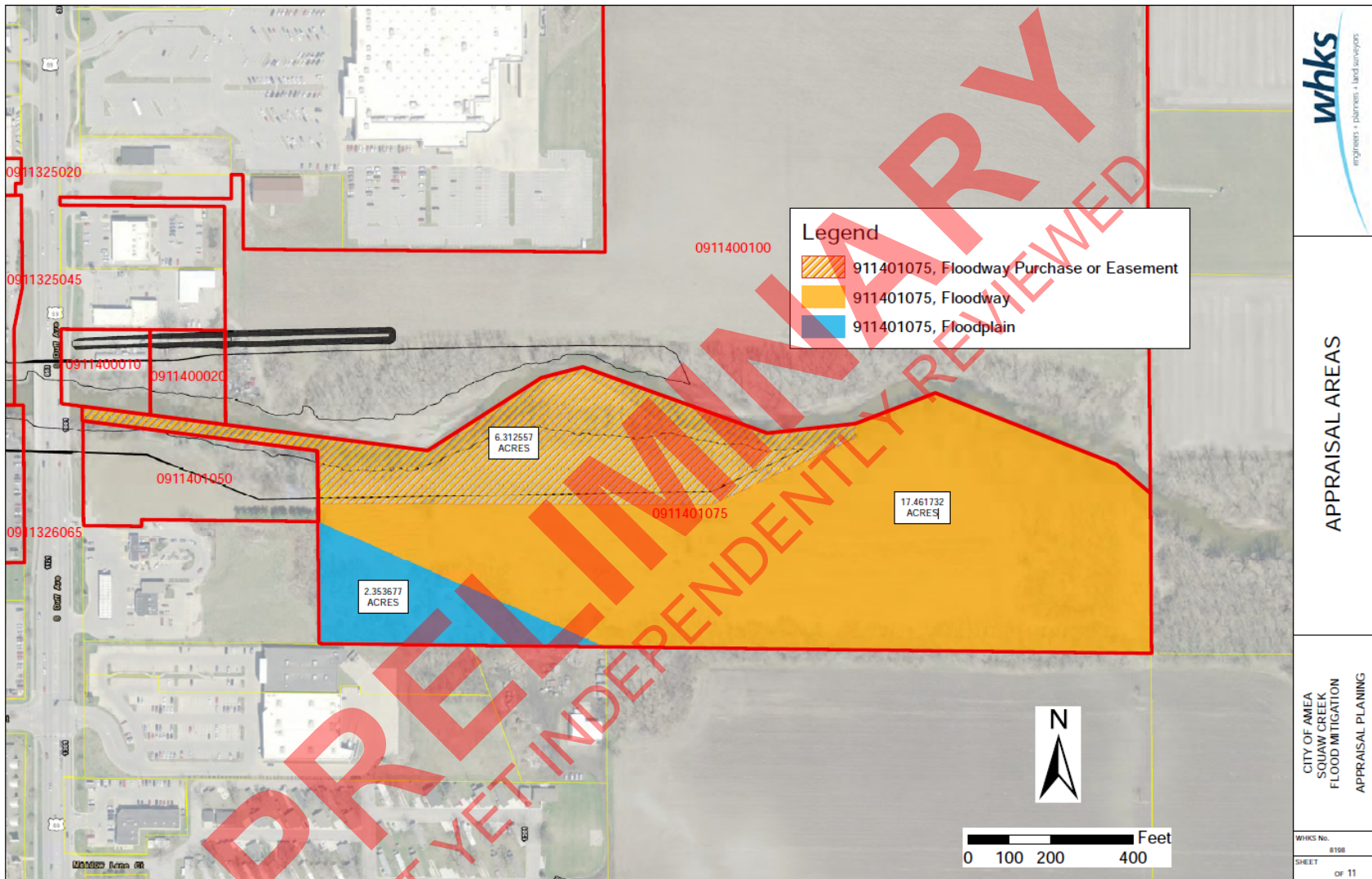
**PHOTO 6: 1008 S DUFF AVE, LOOKING EAST**

**AERIALS WITH ACQUISITION OVERLAY**



Shown above is an aerial photo with acquisition overlay of 1016 S Duff Ave



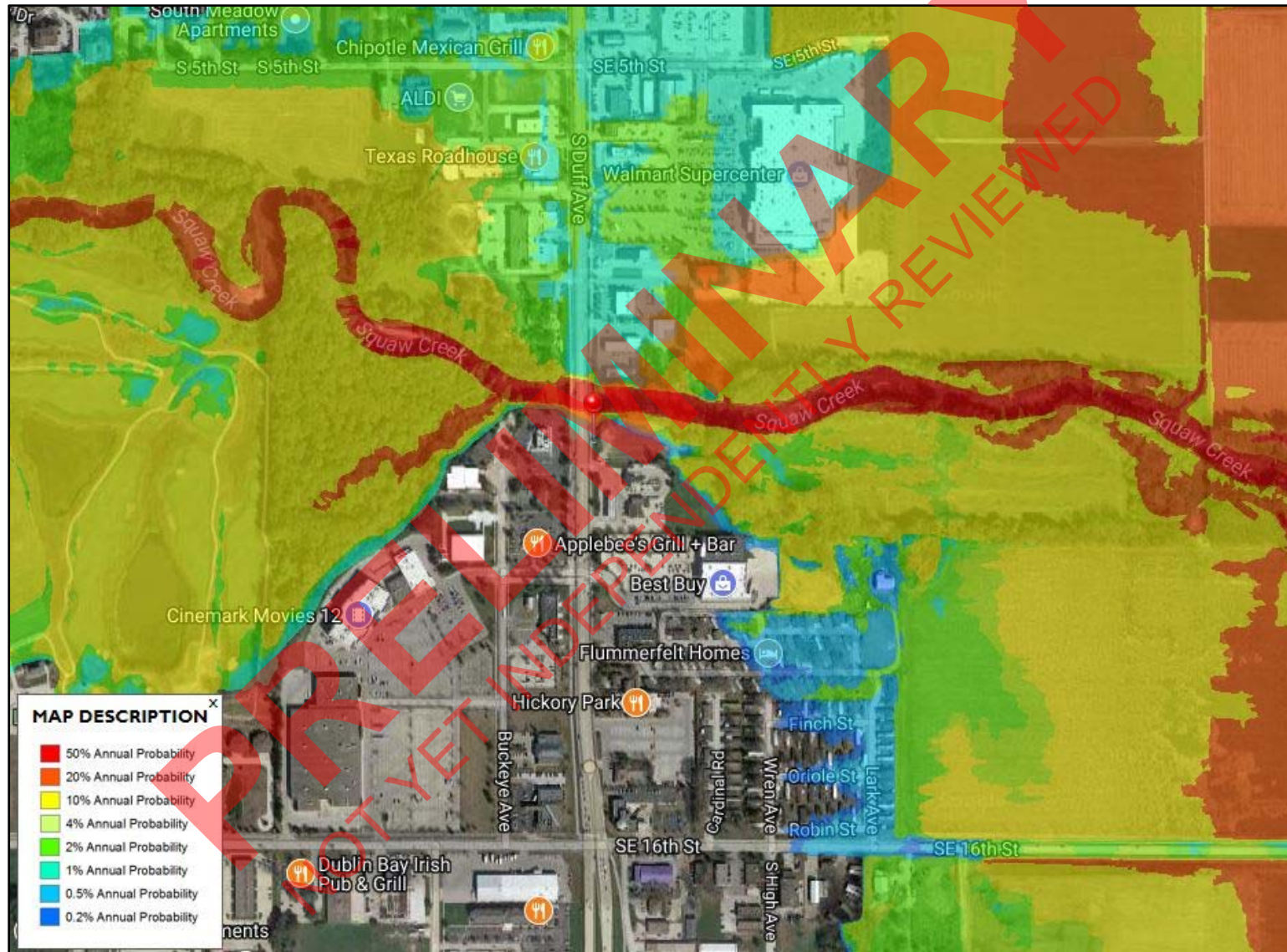


Shown above is an aerial photo with acquisition overlay of 1008 S Duff Ave

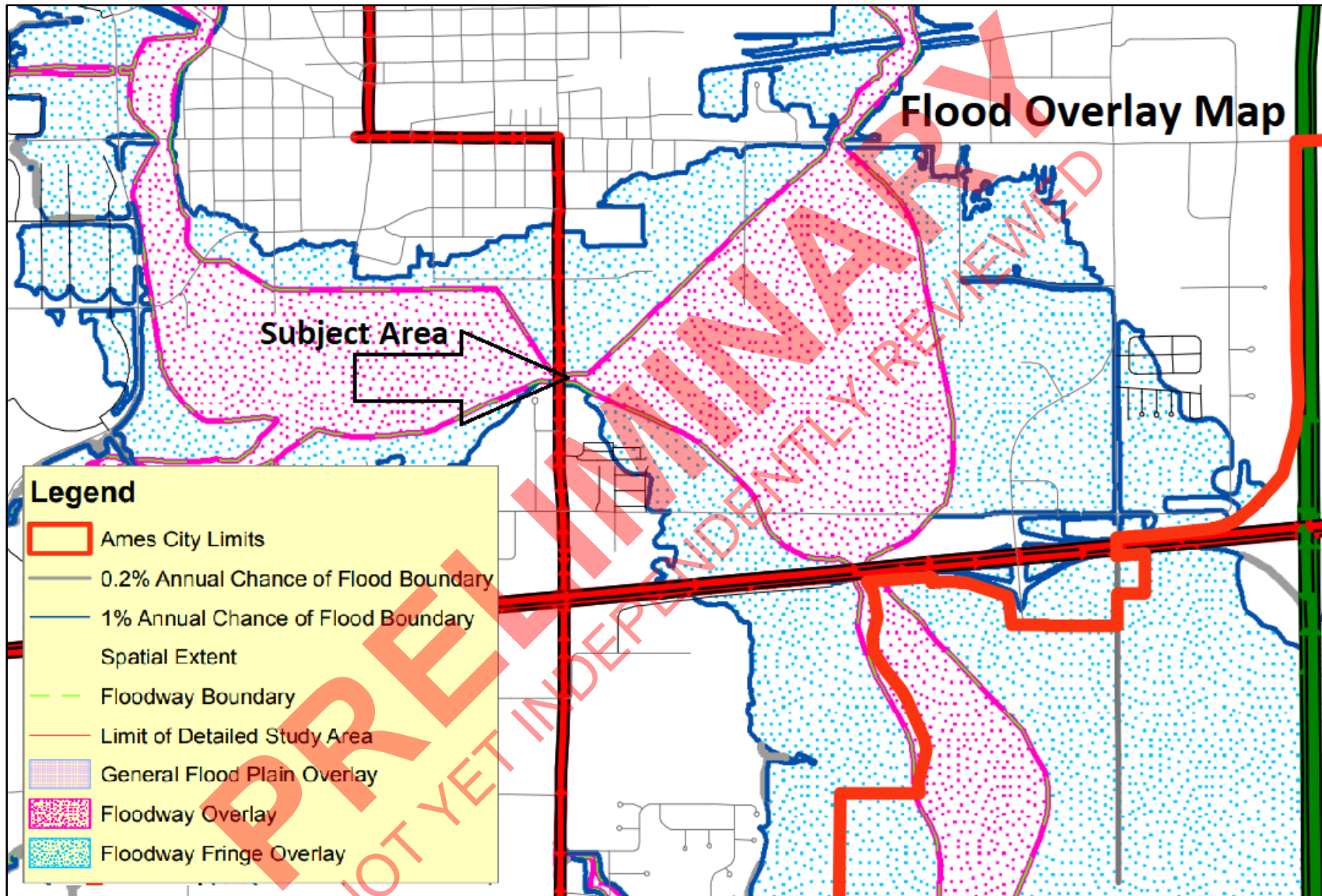
AERIAL MAP



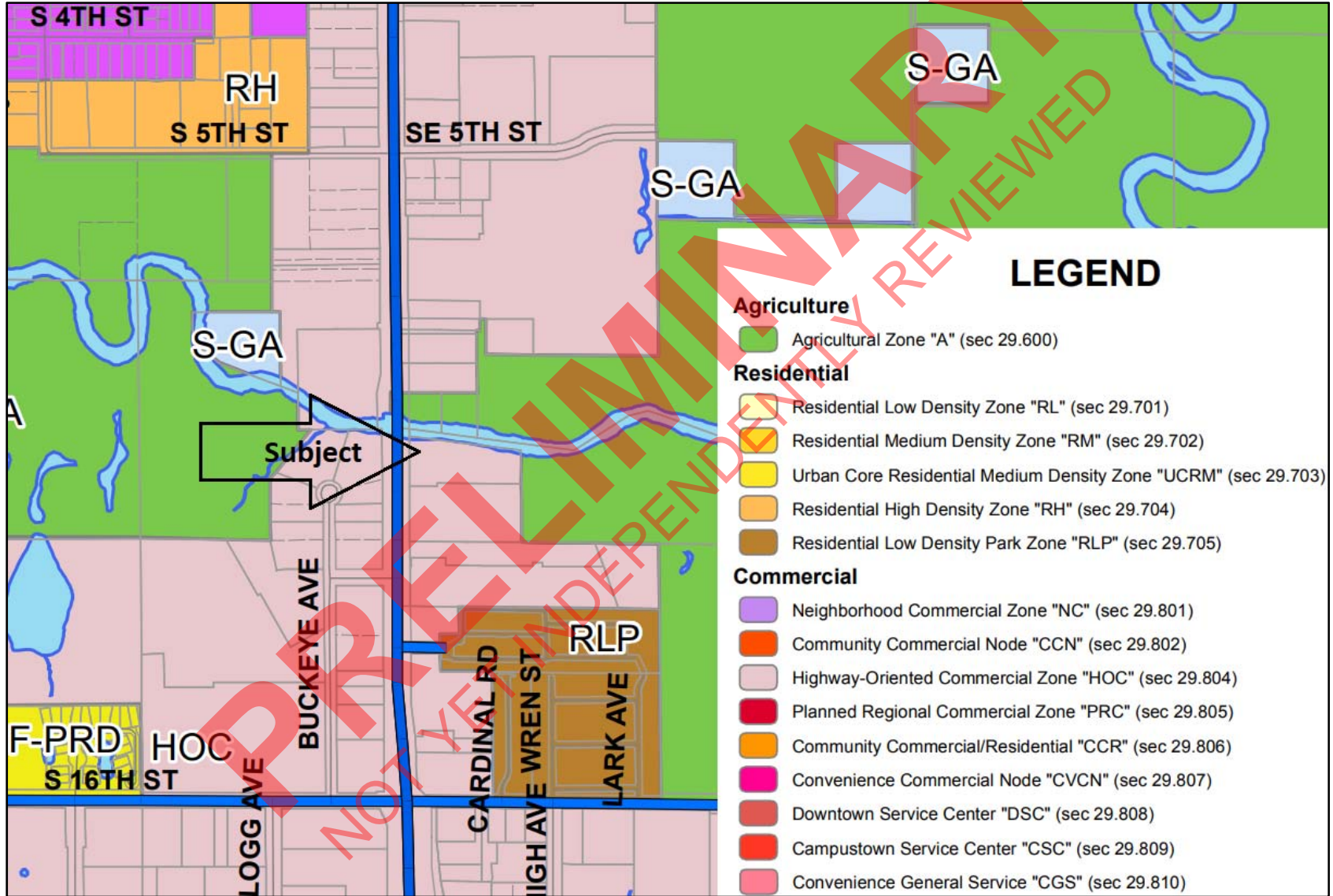
### FLOOD MAPS







ZONING MAP



## CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- Daniel W. Dvorak has observed the subject property for this assignment.
- Nelson J. Jerabek has observed the subject property for this assignment.
- No significant professional assistance was provided to the person signing this report.
- As of the date of this report, Daniel W. Dvorak has completed the continuing education program for Designated Members of the Appraisal Institute.
- As of the date of this report, Nelson J. Jerabek has completed the Standards and Ethics Education Requirement of the Appraisal Institute for Practicing Affiliates.
- We have not performed any real property services related to the subject property within the three year period immediately preceding acceptance of this assignment.

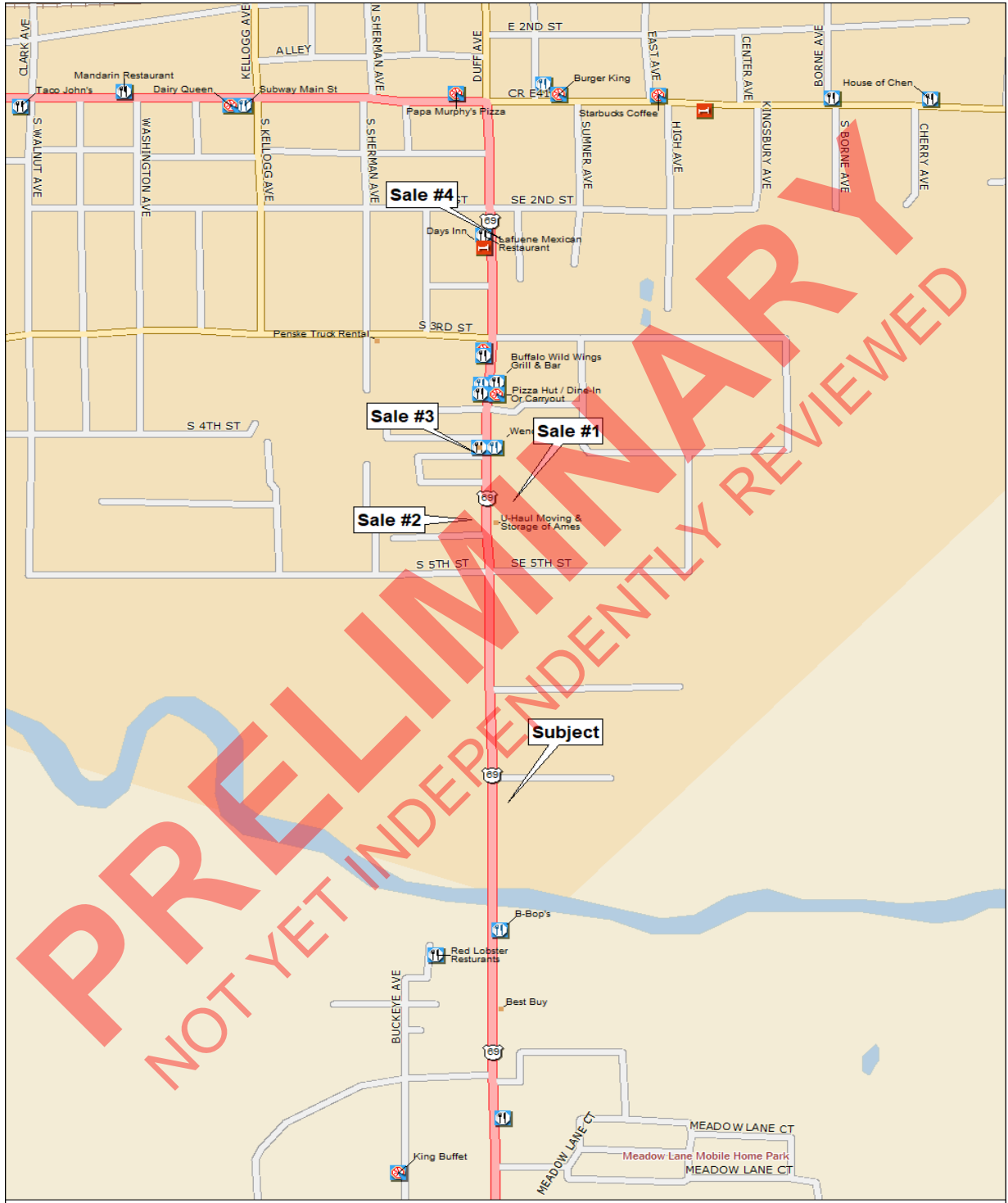


Daniel W. Dvorak, MAI  
Vice President  
State #CG02880

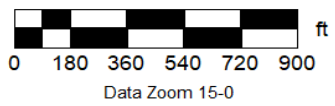
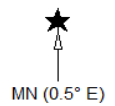


Nelson J. Jerabek  
Associate Real Estate Appraiser  
State #AG03441

### COMPARABLE LAND SALES MAP 1016 Duff Avenue

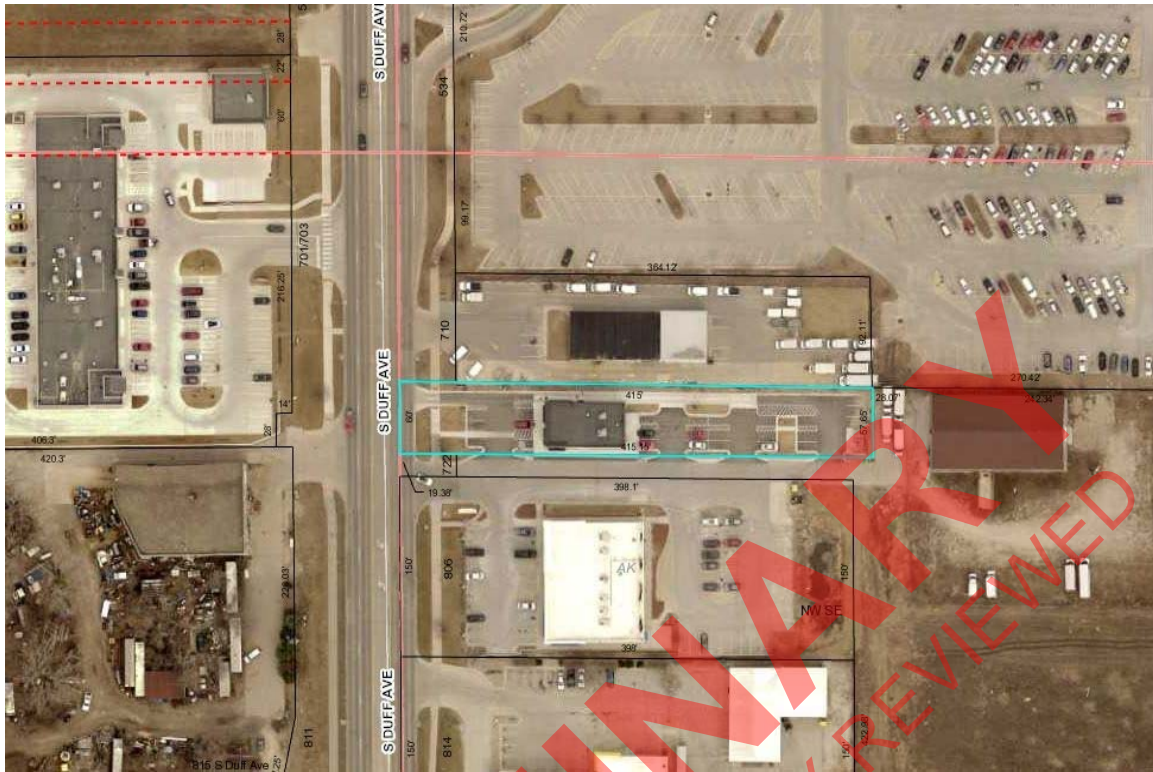


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## Comparable Land Sale 1



<b>Comp ID:</b>	<b>280034</b>	<b>Date:</b>	09-08-2015
<b>Address:</b>	716 S Duff	<b>Instrument:</b>	Warranty Deed
<b>City, State:</b>	Ames, IA	<b>Revenue Stamps:</b>	\$639.20
<b>County:</b>	Story	<b>Book/Page:</b>	2015/8880
<b>Land Area:</b>	21,902 SqFt, or .503 Acres	<b>Sale Price:</b>	\$400,000
<b>Shape:</b>	Rectangle	<b>Adjustment Up:</b>	\$9,360
<b>Topography:</b>	Level	<b>Adjustment Down:</b>	\$0
<b>Zoning:</b>	HOC: Highway Oriented Commercial	<b>Adj. Sale Price:</b>	\$409,360
<b>Utilities:</b>	All Available	<b>Sale Price/\$SF:</b>	\$18.69 per SF
<b>Access:</b>	Paved	<b>Sale Price/\$Acre:</b>	\$814,160 per Acre
<b>Highest/Best Use:</b>	Restaurant-Quick Service	<b>Grantor:</b>	716 S Duff, LLC
<b>Sale Conditions:</b>	Arm's Length	<b>Grantee:</b>	Rafferty Construction
<b>Terms:</b>	Cash	<b>Verified:</b>	Matt w/ Buyer
<b>Marketing Time:</b>	Not Marketed		
<b>Rights Conveyed:</b>	Fee Simple		
<b>Tax Parcel No:</b>	0911400080		

**Legal:** Lengthy - please refer to file.

**Remarks:** Site was improved with ±15,600 square feet of paving prior to sale but this appears to have been replaced. Adjustment up is for appraiser estimated paving demolition cost. Buyer constructed a Jimmy John's restaurant. Property is in Flood Zone AE, part of the 100-year floodplain. Many nearby properties in the flood zone have been developed after bringing in fill to raise the building pad, but buyer says the City permitted them to build this without bringing in fill. Instead, they installed flood doors in the building, which they describe as being similar in appearance to typical doors with additional seals.

Lot has right-in, right-out only access to S Duff Avenue due to 2016 median project. Property adjacent east is to grant and construct easement connecting this and other properties to WalMart to get out to stop light on S Duff by October 2018, per City. However, this would be via a "backage" road.

## Comparable Land Sale 2



<b>Comp ID:</b>	<b>219066</b>	<b>Date:</b>	06-21-2013
<b>Address:</b>	705 S Duff	<b>Instrument:</b>	Warranty Deed
<b>City, State:</b>	Ames, IA	<b>Revenue Stamps:</b>	\$2,639.20
<b>County:</b>	Story	<b>Book/Page:</b>	2013-7352
<b>Land Area:</b>	85,077 SqFt, or 1.953 Acres	<b>Sale Price:</b>	\$1,083,451
<b>Shape:</b>	Rectangle	<b>Adjustment Up:</b>	\$90,000
<b>Topography:</b>	Level	<b>Adjustment Down:</b>	\$0
<b>Zoning:</b>	HOC: Highway Oriented Commercial	<b>Adj. Sale Price:</b>	\$1,173,451
<b>Utilities:</b>	All Public	<b>Sale Price/\$SF:</b>	\$13.79 per SF
<b>Access:</b>	Paved	<b>Sale Price/\$Acre:</b>	\$600,815 per Acre
<b>Highest/Best Use:</b>	Retail	<b>Grantor:</b>	Douglas Livy, Jr. and Wendy Livy
<b>Sale Conditions:</b>	Arm's Length	<b>Grantee:</b>	E-M Hunziker, LLC
<b>Terms:</b>	Cash	<b>Verified:</b>	Grantee
<b>Marketing Time:</b>	Unknown		
<b>Rights Conveyed:</b>	Fee Simple		
<b>Tax Parcel No:</b>	09-11-325-010		
<b>Legal:</b>	All the North 155.25 feet of the East 641 feet of the Northeast Quarter of the Southwest Quarter of Section Eleven, Township Eighty-three North, Range Twenty-four West of the 5th PM, Story County, Iowa except for the ditch and road across the East 93 feet of the aforesaid property. AND		

A part of the Southwest Quarter of Section Eleven, Township Eighty-three North, Range Twenty-Four West of the 5th PM, in the City of Ames, Iowa described as follows: Commencing at the NE Corner of the SW1/4 of Sec. 11-T83N-R24W of the 5th PM, in the City of Ames, Iowa, thence S 89°54' W, along the North line of said SW1/4, 641 feet, thence South 155.25 feet, thence N 89°54'E, 506.85 feet, thence South along the West line of Duff Avenue, 80 feet, thence S 89°54' W, 420.3 feet, thence South, 331.2 feet, thence N 68°44' W, along the approximate centerline of Squaw Creek, 92.5 feet, thence N 0°06' W, 377.85 feet to the point of beginning, except the South 19 feet of the East 14 feet. And beginning at a point on the quarter section line 235.25 feet South of the Center of Section Eleven, Township Eighty-three North, Range Twenty-Four West of the 5th PM, Story County, Iowa, thence West 513 feet, thence South 9 feet, thence East 513 feet, thence North 9 feet along the quarter



## Comparable Land Sale 2

**Remarks:**

section line to the Point of Beginning, except the East 107 feet thereof.

Purchased for assemblage with parcel adjacent north (see 206449). Buyer spent \$40,000 on demolition of building and paving and a total of \$75,000 for fill dirt on both assembled sites. Sale price is adjusted up for demolition costs and 2/3 of fill cost. Buyer said they will build-up the front portion of the site where a building will be constructed and will leave the back part of the site below flood elevation and only use for parking. Parcel adjacent north was purchased Aug. 2012 for \$15.02/sf. Combined sale price is \$13.37/sf, before adjustments. Adjusted sale price is \$14.41/sf.

S Duff Avenue median project changed some nearby properties to right-in, right-out access, but this property connects to S Duff via a traffic light, full intersection.

**PRELIMINARY**  
NOT YET INDEPENDENTLY REVIEWED



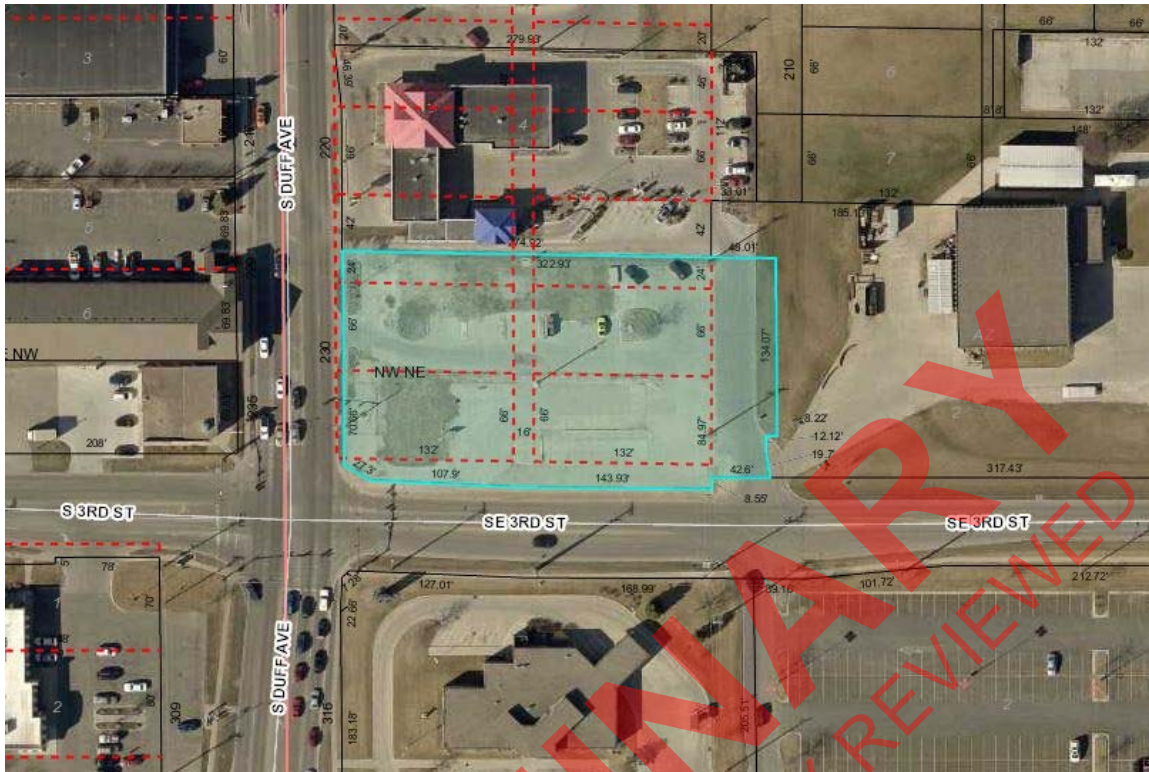
## Comparable Land Sale 3



<b>Comp ID:</b>	<b>206449</b>	<b>Date:</b>	08-02-2012
<b>Address:</b>	551 S Duff Avenue	<b>Instrument:</b>	Corporate Warranty Deed
<b>City, State:</b>	Ames, IA	<b>Revenue Stamps:</b>	\$0.00
<b>County:</b>	Story	<b>Book/Page:</b>	2012/00008698
<b>Land Area:</b>	44,936 SqFt, or 1.032 Acres	<b>Sale Price:</b>	\$675,000
<b>Shape:</b>	Rectangle	<b>Adjustment Up:</b>	\$25,000
<b>Topography:</b>	Level	<b>Adjustment Down:</b>	\$0
<b>Zoning:</b>	HOC: Highway Oriented Commercial	<b>Adj. Sale Price:</b>	\$700,000
<b>Utilities:</b>	All Public	<b>Sale Price/\$SF:</b>	\$15.58 per SF
<b>Access:</b>	Paved	<b>Sale Price/\$Acre:</b>	\$678,565 per Acre
<b>Highest/Best Use:</b>	Retail	<b>Grantor:</b>	Pizzas on Duff, LLC
<b>Sale Conditions:</b>	Arm's Length	<b>Grantee:</b>	Blue Sky Properties, LLC
<b>Terms:</b>	Cash	<b>Verified:</b>	Chuck Winkleblack/Buyer & Agent
<b>Marketing Time:</b>	> 1 Year < 2 Years		
<b>Rights Conveyed:</b>	Fee Simple		
<b>Tax Parcel No:</b>	09-11-176-080		
<b>Legal:</b>	Lot Twenty (20) and the South Twenty-two (22) feet of Lot Nineteen (19) in Cayler's Second Addition to Ames, Story County, Iowa		
<b>Remarks:</b>	Former site of Happy Joe's Pizza. At the time of sale the building was completely demolished and the site was clear except for a small area of concrete paving. Buyer wants to develop for a national franchise. Site was purchased for assemblage with parcel adjacent south (see 219066). Buyer spent \$75,000 on fill for both sites. Sale price is adjusted upward for 1/3 of the cost representing this sites proportionate share. Combined sale price is \$14.41/sf, after adjustments. Buyer indicated front part of site will be raised above flood elevation and a building will be constructed but the back part of the site will remain below flood elevation and be used for parking only.		

S Duff Avenue median project changed some nearby properties to right-in, right-out access, but this property connects to S Duff via a traffic light, full intersection.

## Comparable Land Sale 4



<b>Comp ID:</b>	<b>235919</b>	<b>Date:</b>	04-29-2015
<b>Address:</b>	230 S Duff Ave	<b>Instrument:</b>	Limited Warranty Deed
<b>City, State:</b>	Ames, IA	<b>Revenue Stamps:</b>	\$2,399.20
<b>County:</b>	Story	<b>Book/Page:</b>	2015-3572
<b>Land Area:</b>	48,203 SqFt, or 1.107 Acres	<b>Sale Price:</b>	\$1,590,000
<b>Shape:</b>	Rectangle	<b>Adjustment Up:</b>	\$0
<b>Topography:</b>	Generally level, some sloping	<b>Adjustment Down:</b>	\$0
<b>Zoning:</b>	HOC: Highway Oriented Commercial	<b>Adj. Sale Price:</b>	\$1,590,000
<b>Utilities:</b>	All Public	<b>Sale Price/\$SF:</b>	\$32.99 per SF
<b>Access:</b>	Paved Street	<b>Sale Price/\$Acre:</b>	\$1,436,834 per Acre
<b>Highest/Best Use:</b>	Commercial	<b>Grantor:</b>	Great Southern Bank & JMH Corporation
<b>Sale Conditions:</b>	Arm's Length	<b>Grantee:</b>	Chick-Fil-A, Inc.
<b>Terms:</b>	Cash	<b>Verified:</b>	Agent - Kurt Friedrich
<b>Marketing Time:</b>	>3 Years		
<b>Rights Conveyed:</b>	Fee Simple		
<b>Tax Parcel No:</b>	09-11-204-005		
<b>Legal:</b>	Parcel "E" a part of Lots Nine (9), Ten (10), Eleven (11), Twelve (12), Thirteen (13), Fourteen (14) and the alley in Block Four (4), in Kingsbury's Addition to the City of Ames, Story County, Iowa, and a part of Lot Three (3) in the Northwest Quarter (NW 1/4) of the Northeast Quarter (NE 1/4) of Section Eleven (11), Township Eighty-three (83) North, Range Twenty-four (24), West of the 5th P.M., Sotry County, Iowa, as shown on the "Plat of Survey" filed in the office of the Recorder of Story County, Iowa, on March 11, 2008, as Inst. No. 08-02384, Slide 328, Page 1.		
<b>Remarks:</b>	Site was listed for 4-5 years with an asking price of \$1,900,000; this was the amount the seller had purchased it for in 2008. Offer was made and accepted in January 2014. The site was purchased by Valley Bank in 2008 for development of a new bank branch but decided not to build, it was not a distressed sale or acquisition via foreclosure. However, the FDIC had taken over Valley Bank in June 2014 and Great Southern Bank has assumed all of the deposits and customers of Valley Bank. Agent said this did not affect the sale price.		



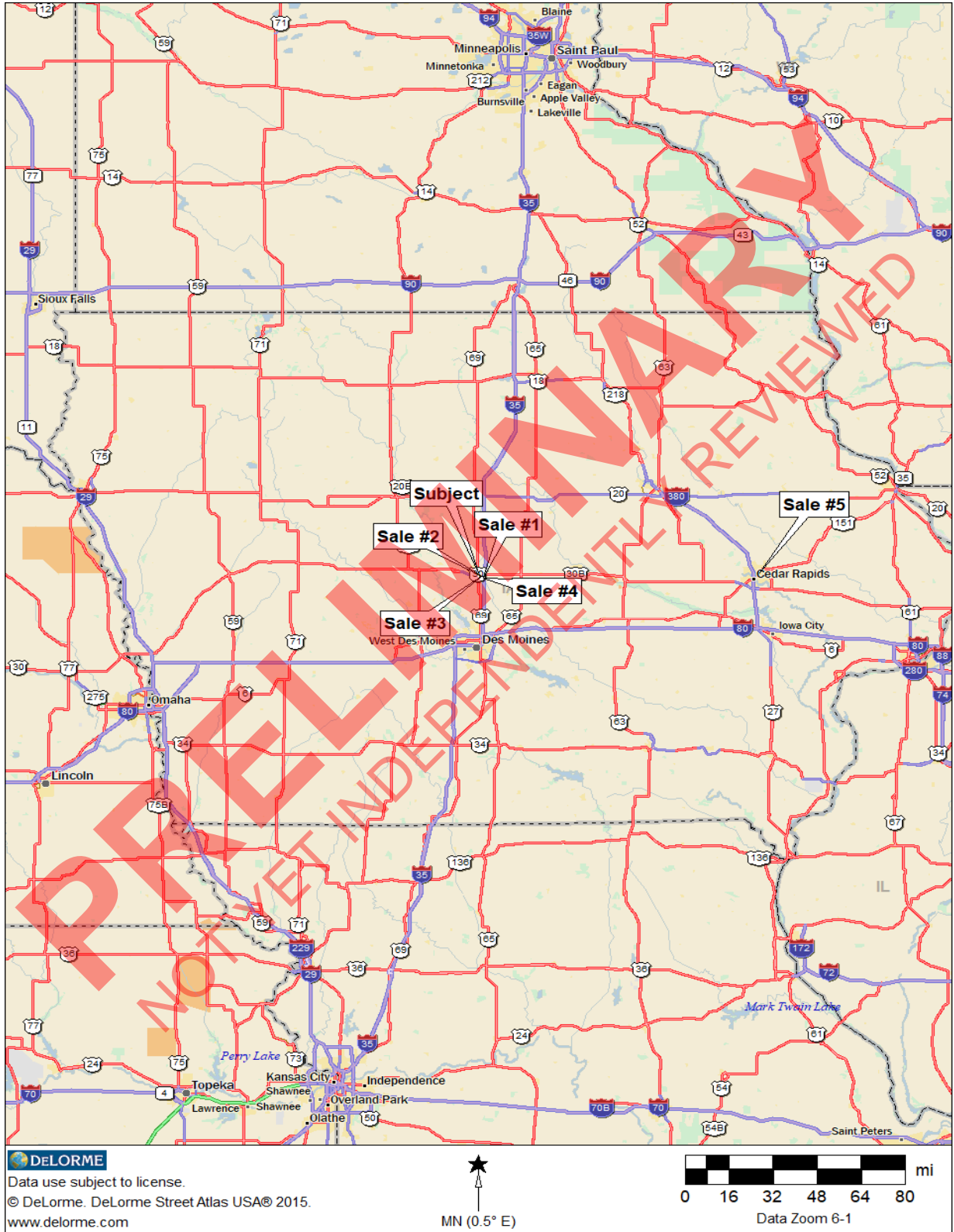
## Comparable Land Sale 4

Buyer will develop with a Chick-Fil-A fast food restaurant. Site is outside of flood plain.

**PRELIMINARY**  
NOT YET INDEPENDENTLY REVIEWED



### COMPARABLE LAND SALES MAP 1008 Duff Avenue



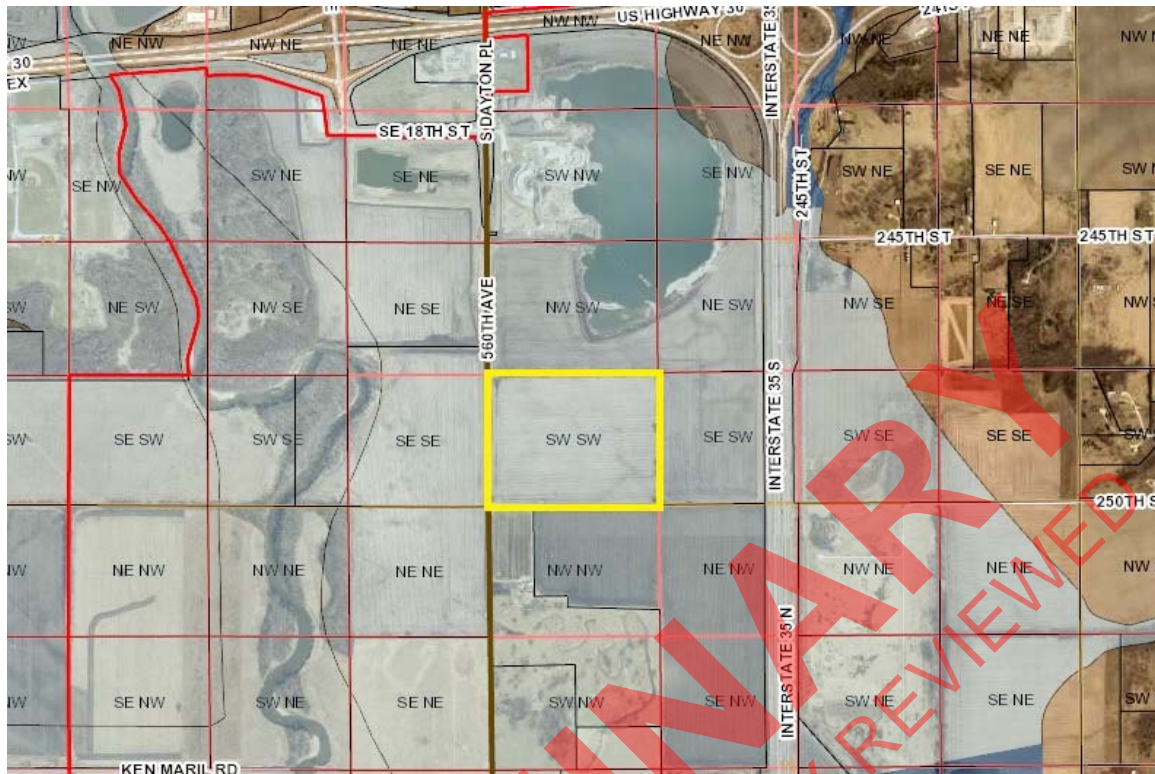
DeLORME

Data use subject to license.  
© DeLorme. DeLorme Street Atlas USA© 2015.  
www.delorme.com

★  
MN (0.5° E)

0 16 32 48 64 80 mi  
Data Zoom 6-1

## Comparable Land Sale 1

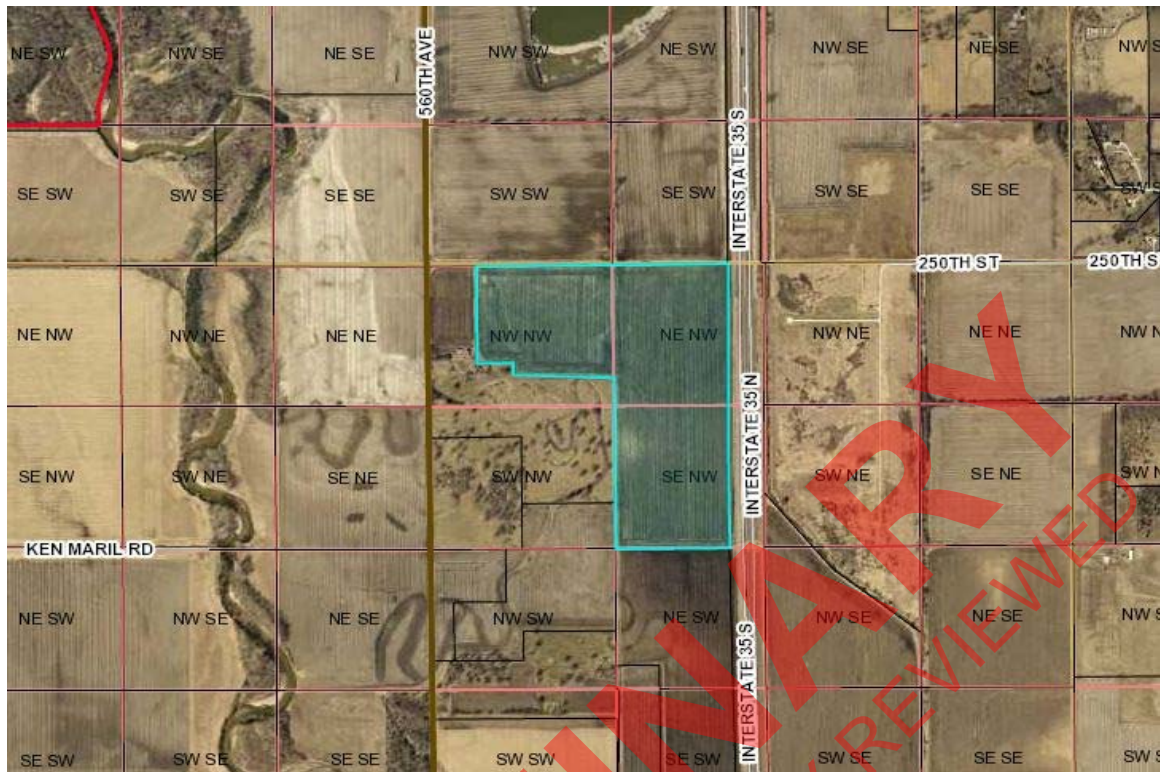


<b>Comp ID:</b>	<b>274385</b>	<b>Date:</b>	06-21-2017
<b>Address:</b>	3034 560th Ave	<b>Instrument:</b>	Trustee Warranty Deed
<b>City, State:</b>	Ames, IA	<b>Revenue Stamps:</b>	\$1,015.20
<b>County:</b>	Story	<b>Book/Page:</b>	2017-06188
<b>Land Area:</b>	2,101,334 SqFt, or 48.240 Acres	<b>Sale Price:</b>	\$635,000
<b>Shape:</b>	Rectangle	<b>Adjustment Up:</b>	\$0
<b>Topography:</b>	Level	<b>Adjustment Down:</b>	\$0
<b>Zoning:</b>	A-1: Agricultural	<b>Adj. Sale Price:</b>	\$635,000
<b>Utilities:</b>	Typical Rural	<b>Sale Price/\$SF:</b>	\$0.30 per SF
<b>Access:</b>	Gravel	<b>Sale Price/\$Acre:</b>	\$13,163 per Acre
<b>Highest/Best Use:</b>		<b>Grantor:</b>	Doris M. Plath Revocable Trust
<b>Sale Conditions:</b>	Arm's Length	<b>Grantee:</b>	Tanam Real Estate, LLC
<b>Terms:</b>	Cash	<b>Verified:</b>	Mark Gannon
<b>Marketing Time:</b>	Unknown		
<b>Rights Conveyed:</b>	Fee Simple		
<b>Tax Parcel No:</b>	10-18-300-300		
<b>Legal:</b>	SECTION:18 TOWNSHIP:83 RANGE:23 SW SW		
<b>Remarks:</b>	Entire site located in 100-year flood hazard. Site adjacent south of an active mine. Buyer operates adjoining mine. Refer to file for information about deposits and overburden.		





## Comparable Land Sale 2



<b>Comp ID:</b>	<b>239903</b>	<b>Date:</b>	12-30-2014
<b>Address:</b>	S Side 250th St. @ I-35	<b>Instrument:</b>	Contract
<b>City, State:</b>	Ames, IA	<b>Revenue Stamps:</b>	
<b>County:</b>	Story	<b>Book/Page:</b>	2015-00060
<b>Land Area:</b>	3,820,212 SqFt, or 87.700 Acres	<b>Sale Price:</b>	\$875,000
<b>Shape:</b>	Irregular	<b>Adjustment Up:</b>	\$0
<b>Topography:</b>	Level	<b>Adjustment Down:</b>	\$0
<b>Zoning:</b>	A-1: Agricultural	<b>Adj. Sale Price:</b>	\$875,000
<b>Utilities:</b>	Unknown	<b>Sale Price/\$SF:</b>	\$0.23 per SF
<b>Access:</b>	Gravel	<b>Sale Price/\$Acre:</b>	\$9,977 per Acre
<b>Highest/Best Use:</b>	Row Crops	<b>Grantor:</b>	Charles & Catherine Potter
<b>Sale Conditions:</b>	Arm's Length	<b>Grantee:</b>	Ag Land Specialist, LLC
<b>Terms:</b>	Cash	<b>Verified:</b>	Brian w/ Buyer (Concrete Tech Inc.)
<b>Marketing Time:</b>	Not Marketed		
<b>Rights Conveyed:</b>	Fee Simple		
<b>Tax Parcel No:</b>	1019100210		
<b>Legal:</b>	Parcel C in NW 1/4 Sec. 19-83-23 as shown on Plat of Survey 97-00299		
<b>Remarks:</b>	Area above is net taxable acres. Average CSR2 is 65.5 points/acre per Surety Maps. 86% of site is Zook Silty Clay Loam, per soil map. Site is in Flood Zone AE near Skunk River. Property sold on contract with 17.1% down (\$150,000), balance at 3 percent interest amortized over five years with annual payments. Contract does not permit prepayment.		

Not marketed publicly. Seller owns land next to buyer's land in Clarke County, so they know one another. Buyer says the fact that the sale was not marketed or auctioned publicly did not affect the sale price. They also say the contract terms did not affect the sale price, and that the property was sold on contract so the seller could spread their capital gain over multiple years.

Property just south of Highway 30 interchange on Interstate 35. Land nearby north is mined. Buyer says there may be mining potential on this site, but they do not intend to mine it (though they are in



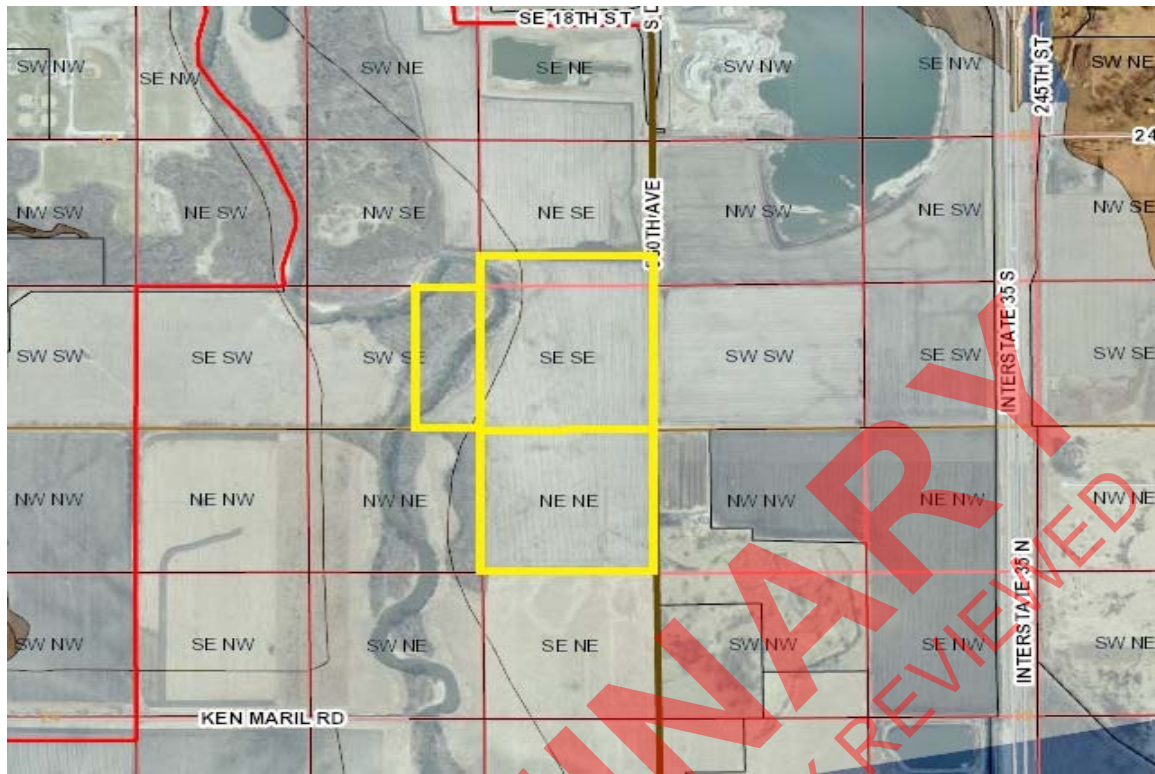
## Comparable Land Sale 2

the ready mix business) and they say potential to be mined did not affect sale. They bought the property as an investment. Buyer says they think the property has good upside and that they can get their money back out of it even if it is never mined.

**PRELIMINARY**  
NOT YET INDEPENDENTLY REVIEWED



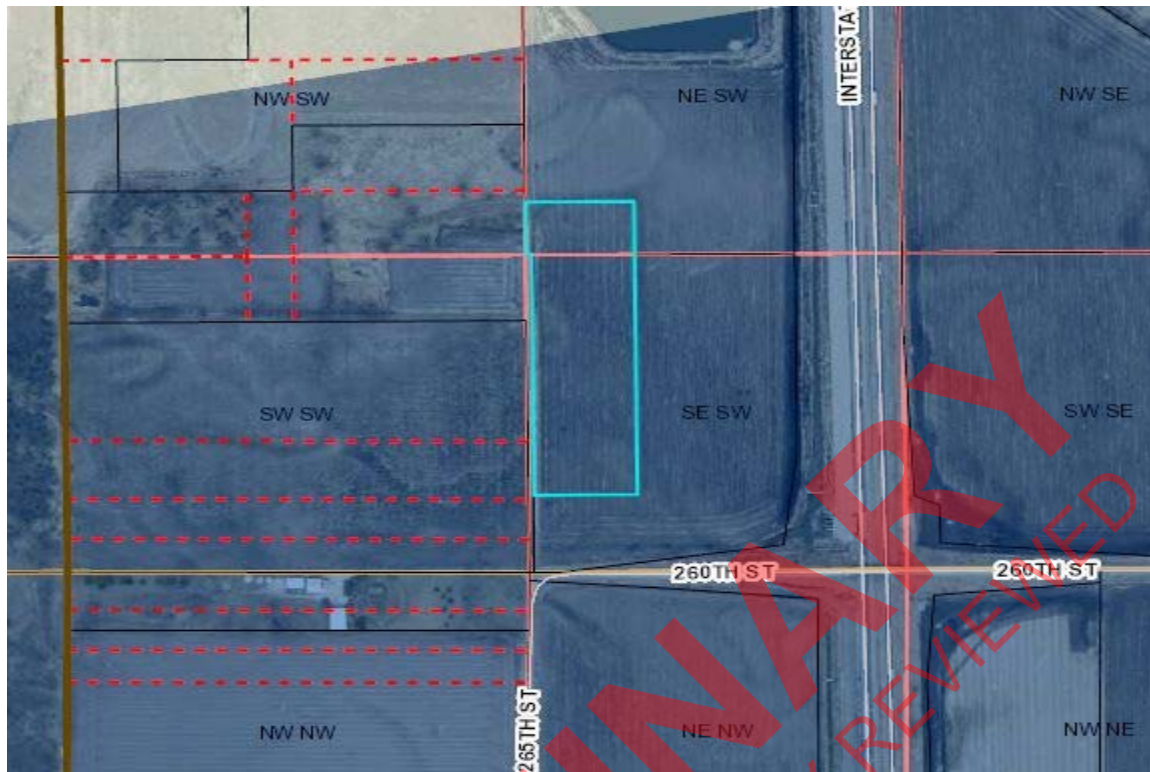
## Comparable Land Sale 3



<b>Comp ID:</b>	<b>274387</b>	<b>Date:</b>	05-22-2014
<b>Address:</b>	W of 3034 560th Ave	<b>Instrument:</b>	Warranty Deed
<b>City, State:</b>	Ames, IA	<b>Revenue Stamps:</b>	\$1,535.20
<b>County:</b>	Story	<b>Book/Page:</b>	14-03842
<b>Land Area:</b>	4,309,826 SqFt, or 98.940 Acres	<b>Sale Price:</b>	\$960,000
<b>Shape:</b>	Irregular	<b>Adjustment Up:</b>	\$0
<b>Topography:</b>	See Comments	<b>Adjustment Down:</b>	\$0
<b>Zoning:</b>	A-1: Agricultural	<b>Adj. Sale Price:</b>	\$960,000
<b>Utilities:</b>	Typical Rural	<b>Sale Price/\$SF:</b>	\$0.22 per SF
<b>Access:</b>	Gravel	<b>Sale Price/\$Acre:</b>	\$9,703 per Acre
<b>Highest/Best Use:</b>		<b>Grantor:</b>	Lowell & Debra Kingsbury
<b>Sale Conditions:</b>	Arm's Length	<b>Grantee:</b>	Manatt's Inc.
<b>Terms:</b>	Cash	<b>Verified:</b>	Grantor
<b>Marketing Time:</b>	Unknown		
<b>Rights Conveyed:</b>	Fee Simple		
<b>Tax Parcel No:</b>	09-13-400-410, 09-13-400-350, 09-24-200-200		
<b>Legal:</b>	Lengthy. See deed. S24 T83 R24		
<b>Remarks:</b>	Sale was a trade for land southwest of Kelley, Iowa. Grantor indicated recorded sale price is market value. Site purchased by entity who owns mine to the northeast. See rough file for LIDAR map.		



## Comparable Land Sale 4



<b>Comp ID:</b>	274393	<b>Date:</b>	05-10-2016
<b>Address:</b>	56311 260TH ST	<b>Instrument:</b>	Warranty Deed
<b>City, State:</b>	Ames, IA	<b>Revenue Stamps:</b>	\$119.20
<b>County:</b>	Story	<b>Book/Page:</b>	16-3983
<b>Land Area:</b>	435,600 SqFt, or 10.000 Acres	<b>Sale Price:</b>	\$75,000
<b>Shape:</b>	Rectangle	<b>Adjustment Up:</b>	\$0
<b>Topography:</b>		<b>Adjustment Down:</b>	\$0
<b>Zoning:</b>	A-1: Agricultural	<b>Adj. Sale Price:</b>	\$75,000
<b>Utilities:</b>	Typical Rural	<b>Sale Price/\$SF:</b>	\$0.17 per SF
<b>Access:</b>	Gravel	<b>Sale Price/\$Acre:</b>	\$7,500 per Acre
<b>Highest/Best Use:</b>		<b>Grantor:</b>	Marilyn Baldus
<b>Sale Conditions:</b>	Arm's Length	<b>Grantee:</b>	CG Lee, LLC
<b>Terms:</b>	Cash	<b>Verified:</b>	Mark Gannon (Grantee's Agent)
<b>Marketing Time:</b>	Unknown		
<b>Rights Conveyed:</b>	Fee Simple		
<b>Tax Parcel No:</b>	10-19-300-250		
<b>Legal:</b>	SECTION:19 TOWNSHIP:83 RANGE:23 E1/2 SW BEG 326.8' N & 16.53' E SW COR N997.2' W16.53' N218' E372' S1215.2' W355.5' TO BEG		
<b>Remarks:</b>	Site not listed for sale. Grantee approached Grantor. Buyer owned adjoining land.		



## Comparable Land Sale 5



<b>Comp ID:</b>	<b>258825</b>	<b>Date:</b>	04-22-2016
<b>Address:</b>	S of 40th Dr. SE, E of 1st Ave SE	<b>Instrument:</b>	Warranty Deed
<b>City, State:</b>	Marion, IA	<b>Revenue Stamps:</b>	\$319.20
<b>County:</b>	Linn	<b>Book/Page:</b>	9518/1
<b>Land Area:</b>	2,148,379 SqFt, or 49.320 Acres	<b>Sale Price:</b>	\$200,000
<b>Shape:</b>	Irregular	<b>Adjustment Up:</b>	\$0
<b>Topography:</b>	See Comments	<b>Adjustment Down:</b>	\$0
<b>Zoning:</b>	R-1: Low Density Single-Family Residential District	<b>Adj. Sale Price:</b>	\$200,000
<b>Utilities:</b>	All Near	<b>Sale Price/\$SF:</b>	\$0.09 per SF
<b>Access:</b>	Paved	<b>Sale Price/\$Acre:</b>	\$4,055 per Acre
<b>Highest/Best Use:</b>	Recreation/Conservation	<b>Grantor:</b>	OTB II, Ltd.
<b>Sale Conditions:</b>	Arm's Length	<b>Grantee:</b>	H. J. Bjornsen Family Trust
<b>Terms:</b>	Cash	<b>Verified:</b>	Greg Seyfer (Attorney)
<b>Marketing Time:</b>	Unknown		
<b>Rights Conveyed:</b>	Fee Simple		
<b>Tax Parcel No:</b>	141115300300000		
<b>Legal:</b>	Very lengthy, please refer to file.		
<b>Remarks:</b>	Unable to reach buyer or seller. Attorney who prepared deed is familiar with sale and confirmed price and acres shown by assessor (reported ±50 acres sold for \$200,000). He reports sale is arm's length and that the buyer purchased for green space/recreation. He said they may develop it some day but that would be far down the road.		

Property is wooded and bounded along its western and northern edges by Indian Creek. Land along creek is in a mixture of floodplain and flood way, but most of site is outside floodplain, per FEMA map. There is a steep slope in places along Indian Creek, but most of the rest of the site is gently sloping, per topo map and observations from public roads. County-owned land and Indian Creek Nature Center adjacent northeast.

Site is connected to public road right-of-way for Glenbrook Drive SE on its north Side, but using this



## Comparable Land Sale 5

would require accessing across Indian Creek. Based on trails observed on aerial photos, it appears site is being accessed from south end from end of Tama Street SE across property presently (Fall 2016) owned by Donna G. Reilly.

**PRELIMINARY**  
NOT YET INDEPENDENTLY REVIEWED



I Instrument: 2011- 00004038  
 H Date: Jun 30, 2011 12:30:17P  
 D Rec Fee: 20.00 E-Com Fee: 3.00  
 G Aud Fee: .00 Trans Tax: .00  
 R Rec Management Fee: 1.00  
 Non-Standard Page Fee: .00  
 Filed for record in Story County, Iowa  
 Susan L. Vande Kamp, County Recorder

<b>INSTRUMENT PREPARED BY:</b>	David W. Benson, 1416 Buckeye Ave., Ames IA 50010 (Tel: 956-3900)
<b>RETURN DOCUMENT TO:</b>	David W. Benson, 1416 Buckeye Ave., Ames IA 50010 - 8070 (2011) <i>Nyemaster Law Firm Ste. 300</i>

**EASEMENT**

**KNOW ALL PERSONS BY THIS INSTRUMENT:** That the undersigned, MKTM, L.L.C., an Iowa limited liability company, hereinafter referred to as the GRANTOR, for good and valuable consideration, does hereby grant unto the City of Ames, Iowa, a municipal corporation, its successors and assigns, hereinafter referred to as the GRANTEE, upon the conditions hereinafter recited, the perpetual right to enter upon the land hereinafter described as the Easement Area to construct, reconstruct, cover over, clean up, operate, use, maintain and repair the systems described for the uses set forth hereinafter over, upon, across and under the Easement Area. The Easement Area is a strip of land situated in Story County, Iowa, as shown on the final plat drawing of **Carney and Sons' Subdivision, First Addition to Ames, Story County, Iowa**, and described as Exhibit "A", attached.

The foregoing rights are granted by the Grantor and shall be accepted and exercised by the Grantee subject to the following terms and conditions:

1. **OBSTRUCTIONS PROHIBITED.** The Grantor, as the fee simple owner of the underlying real estate, and the Grantor's successors and assigns, shall not erect or place within the Easement Area any building or other structure or improvement or any trees, shrubs or other landscape plantings other than grass or comparable ground cover except with the prior written consent of the Grantee. The Grantee shall have the right to trim or remove trees and shrubs within the Easement Area to prevent damage to a utility service line of the Grantee located within the Easement Area.
2. **SEEDING.** Immediately following construction, reconstruction or repair work by the Grantee within the Easement Area, weather and season permitting, ground area with previously existing grass cover that is disturbed by such work shall be planted with grass seed in accordance with customary methods of soil preparation and planting by the Grantee.
3. **NONEXCLUSIVE EASEMENT.** The easement rights granted under this instrument to the Grantee are nonexclusive. This instrument shall not preclude the Grantor from granting similar easement rights to third parties upon terms and conditions that do not impair or diminish the rights granted under this instrument to the Grantee.

4. **TITLE WARRANTY.** The Grantor warrants to the Grantee that the Grantor holds the Easement Area by title in fee simple; that the Grantor has good and lawful authority to grant the easement rights herein provided for; and that the Easement Area is free and clear of all liens and encumbrances except as may be described in the Mortgagee's Subordination attached hereto.

5. **CONSTRUCTION.** Words and phrases used in this instrument shall be construed as in the single or plural number, and as masculine, feminine or neuter gender, according to the context. This instrument shall be governed exclusively by and construed in accordance with the laws of the State of Iowa. The paragraph headings in this instrument are for convenience only and in no way define or limit the scope or intent of any provisions of this instrument.

IN WITNESS WHEREOF the undersigned have executed this instrument on June 21, 2011.

MKTM, LLC.

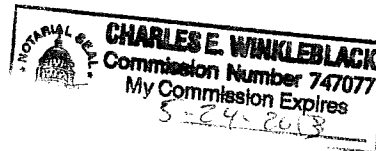
By [Signature]  
Thomas Carney, Member

By [Signature]  
Matt Carney, Member

STATE OF IOWA, COUNTY OF STORY, SS:

On June 21, 2011, before me the undersigned, a Notary Public in and for said state, personally appeared Thomas Carney and Matt Carney, to me personally known, who, being by me duly sworn, did say that they are all of the Members of said **LIMITED LIABILITY COMPANY** executing the foregoing instrument, that said instrument was signed on behalf of said limited liability company by authority of its members and the said members acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company by it voluntarily executed.

[Signature]  
Notary Public





**CARNEY AND SONS' SUBDIVISION  
FIRST ADDITION  
AMES, STORY COUNTY, IOWA  
EASEMENT DESCRIPTIONS  
MARCH 2, 2011**

**PUBLIC UTILITIES EASEMENTS**

The East 25 feet of Outlot A;

IN, Carney and Sons' Subdivision, First Addition, City of Ames, Story County, Iowa.

**DRAINAGE EASEMENT - From the centerline of Squaw Creek to a line that is parallel with, and 20 feet South of the top of bank of Squaw Creek**

Lot 1; AND,

Outlot A;

ALL IN, Carney and Sons' Subdivision, First Addition, City of Ames, Story County, Iowa.

**ELECTRICAL UTILITY EASEMENT**

The West 50 feet of the East 51 feet of Outlot A,

IN, Carney and Sons' Subdivision, First Addition, City of Ames, Story County, Iowa.

**SANITARY SEWER EASEMENT**

Lot 1 - Commencing at the Northeast corner of Lot 1, Carney and Sons' Subdivision, First Addition to the City of Ames; Thence  $N82^{\circ}38'28''W$ , 40.52 feet along the North line of said Lot 1 to the Point of Beginning; Thence  $S23^{\circ}50'28''E$ , 101.37 feet to the East line of said Lot 1; Thence  $S00^{\circ}30'53''E$ , 75.89 feet along the East line of said Lot 1; Thence  $N23^{\circ}50'28''W$ , 189.09 feet to the North line of said Lot 1; Thence  $S82^{\circ}38'28''E$ , 35.07 feet along the North line of said Lot 1 to the Point of Beginning; AND,

Outlot A - Commencing at the Northwest corner of Outlot A, Carney and Sons' Subdivision, First Addition to the City of Ames; Thence  $S82^{\circ}38'28''E$ , 481.79 feet along the North line of said Outlot A to the Point of Beginning; Thence continuing  $S82^{\circ}38'28''E$ , 35.07 feet long the North line of said Outlot A; Thence  $S23^{\circ}50'28''E$ , 40.92 feet to the North line of Lot 1; Thence  $N82^{\circ}38'28''W$ , 35.07 feet along the North

line of said Lot 1; Thence N23°50'28"W, 40.92 feet to the Point of Beginning on the North line of said Outlot A; AND,

Outlot A- Commencing at the Southwest corner of Outlot A; Thence S89°16'10"E, 131.94 feet along the South line of said Outlot A to the Point of Beginning; Thence N23°50'28"W, 333.14 feet to the West line of said Outlot A; Thence N00°30'53"W, 75.89 feet along the West line of said Outlot A; Thence S23°50'28"E, 416.42 feet to the South line of said Outlot A; Thence N89°16'10"W, 32.99 feet to the Point of Beginning on the South line of said Outlot A;

ALL IN, Carney and Sons' Subdivision, First Addition, City of Ames, Story County, Iowa.

#### **TEMPORARY INGRESS/EGRESS EASEMENT**

The South 20 feet of Lot 1;

IN, Carney and Sons' Subdivision, First Addition, City of Ames, Story County, Iowa.

**CARNEY AND SONS' SUBDIVISION  
FIRST ADDITION  
AMES, STORY COUNTY, IOWA  
PUBLIC DEDICATION  
MAY 5, 2010**

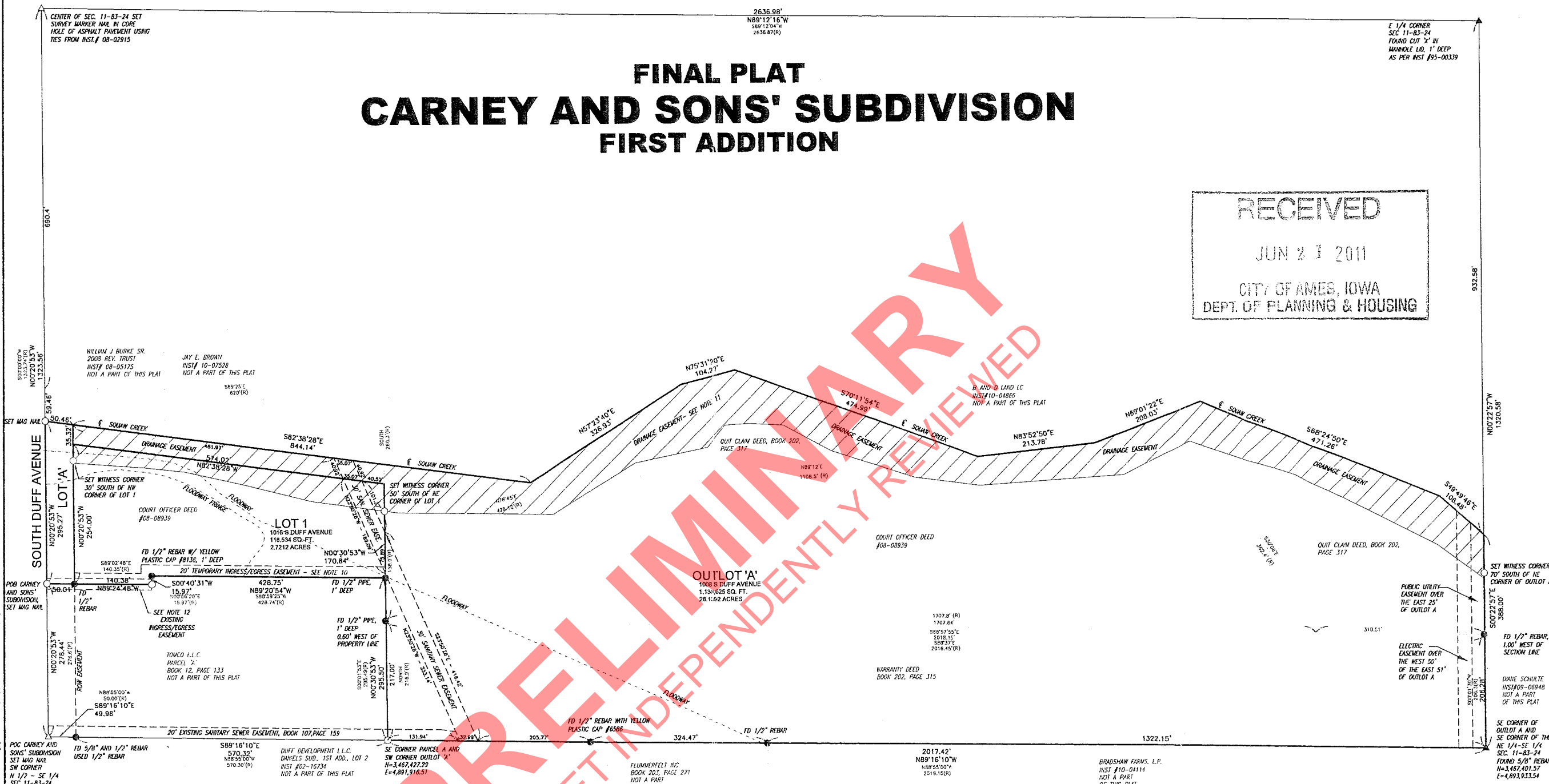
Lot A, Public Street (South Duff Avenue) to the State of Iowa.

Return to: David W. Benson, Nyemaster Law Firm, 1416 Buckeye Ave, Ste. 200, Ames IA 50010-8070 (env)

Instrument: 2011-00006037  
Date: Jun 30, 2011 12:29:26P  
Rec Fee: 50.00 E-Com Fee: .00  
Aud Fee: 5.00 Trans Tax: .00  
Rec Management Fee: 1.00  
Non-Standard Page Fee: .00  
Filed for record in Story County, Iowa  
Susan L. Vande Kome, County Recorder

# FINAL PLAT CARNEY AND SONS' SUBDIVISION FIRST ADDITION

RECEIVED  
JUN 23 2011  
CITY OF AMES, IOWA  
DEPT. OF PLANNING & HOUSING



**CARNEY AND SONS' SUBDIVISION, FIRST ADDITION TO AMES, STORY COUNTY, IOWA:**  
ALL THAT PART OF THE NORTH HALF OF THE SOUTHEAST QUARTER (N 1/2 - SE 1/4) OF SECTION 11, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5TH P.M., IN THE CITY OF AMES, STORY COUNTY, IOWA, LYING SOUTH OF SQUAW CREEK; EXCEPT THE FOLLOWING:  
PARCEL 'A' OF THE NORTH HALF OF THE SOUTHEAST QUARTER (N 1/2 - SE 1/4) OF SECTION 11, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5TH P.M., IN THE CITY OF AMES, STORY COUNTY, IOWA, AS SHOWN ON THE "PLAT OF SURVEY" FILED IN THE OFFICE OF THE RECORDER OF STORY COUNTY, IOWA, ON AUGUST 28, 1994, AS INSTRUMENT NUMBER 94-09700, IN BOOK 12 AT PAGE 133.  
THE PARCEL OF REAL ESTATE DESCRIBED ABOVE IS ALSO MORE PARTICULARLY DESCRIBED AS FOLLOWS:  
COMMENCING AT THE SOUTHWEST CORNER OF THE NORTH HALF OF THE SOUTHEAST QUARTER (N 1/2 - SE 1/4) OF SAID SECTION 11; THENCE NORTH 00°20'33"W, 278.44 FEET ALONG THE WEST LINE OF THE SAID NORTH HALF OF THE SOUTHEAST QUARTER (N 1/2 - SE 1/4) OF SAID SECTION 11 TO THE POINT OF BEGINNING; THENCE CONTINUING N00°20'33"W, 265.27 FEET ALONG THE WEST LINE OF THE SAID NORTH HALF OF THE SOUTHEAST QUARTER (N 1/2 - SE 1/4) OF SAID SECTION 11 TO THE CENTERLINE OF SQUAW CREEK; THE NEXT NINE CALLS ARE ALONG THE CENTERLINE OF SQUAW CREEK; THENCE S82°38'28"E, 50.40 FEET; THENCE N83°38'01"E, 201.42 FEET ALONG THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER (N 1/2 - SE 1/4) OF SAID SECTION 11 TO THE SOUTHWEST CORNER OF PARCEL A IN THE NORTH HALF OF THE SOUTHEAST QUARTER (N 1/2 - SE 1/4) OF SAID SECTION 11; THENCE N00°30'53"W, 295.50 FEET TO THE NORTHEAST CORNER OF SAID PARCEL A; THENCE N89°20'54"W, 428.75 FEET ALONG THE NORTH LINE OF SAID PARCEL A; THENCE S00°40'31"W, 15.97 FEET; THENCE N89°24'48"W, 140.38 FEET ALONG THE NORTH LINE OF SAID PARCEL A; THENCE CONTINUING N89°24'48"W, 50.01 FEET ALONG THE NORTH LINE OF SAID PARCEL A TO THE POINT OF BEGINNING.

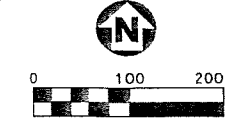
**ALTERNATE LEGAL DESCRIPTION**  
(FROM COURT OFFICER DEED #08-08939)  
COMMENCING AT THE CENTER OF SECTION ELEVEN (11), TOWNSHIP EIGHTY-THREE (83) NORTH, RANGE TWENTY-FOUR (24) WEST OF THE 5TH P.M., STORY COUNTY, IOWA; THENCE SOUTH ON THE QUARTER SECTION LINE, SIX HUNDRED NINETY AND FOUR-TENTHS (690.4) FEET; THENCE SOUTH 89°25' EAST, SIX HUNDRED TWENTY (620) FEET; THENCE SOUTH PARALLEL TO THE QUARTER SECTION LINE, TWO HUNDRED SIXTY AND THREE-TENTHS (260.3) FEET TO THE POINT OF BEGINNING; THENCE NORTH 76°48' EAST, FOUR HUNDRED TWENTY-EIGHT AND ONE-TENTH (428.1) FEET; THENCE NORTH 89°12' EAST, ELEVEN HUNDRED EIGHT AND FIVE-TENTHS (1,108.5) FEET; THENCE SOUTH 89°08' EAST, THREE HUNDRED SIXTY-TWO AND FOUR-TENTHS (362.4) FEET; THENCE NORTH 88°32' WEST, SEVENTEEN HUNDRED SEVEN AND EIGHT-TENTHS (1,707.8) FEET; THENCE NORTH PARALLEL TO THE QUARTER SECTION LINE, ONE HUNDRED FIFTY-EIGHT AND NINE-TENTHS (158.9) FEET TO THE POINT OF BEGINNING, CONTAINING TEN (10) ACRES, MORE OR LESS;  
AND ALSO,  
BEGINNING AT A POINT TWO HUNDRED SEVENTY-EIGHT AND FIVE-TENTHS (278.5) FEET NORTH OF THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER (NW 1/4) OF THE SOUTHWEST QUARTER (SE 1/4) OF SECTION ELEVEN (11), TOWNSHIP EIGHTY-THREE (83) NORTH, RANGE TWENTY-FOUR (24) WEST OF THE 5TH P.M., STORY COUNTY, IOWA; THENCE EAST ONE HUNDRED NINETY AND FIFTY-FIVE HUNDRETHS (190.45) FEET; THENCE NORTH SIXTEEN (16) FEET; THENCE EAST FOUR HUNDRED TWENTY-NINE AND FIFTY-FIVE HUNDRETHS (429.55) FEET; THENCE NORTH TO A POINT IN THE CENTER OF SQUAW CREEK; THENCE NORTHWESTERLY ALONG THE CENTER OF SAID SQUAW CREEK, TO THE 1/4TH SECTION LINE, IN THE APPROXIMATE CENTER OF U.S. HIGHWAY 69, WHERE THE SAME INTERSECTS WITH THE CENTER OF SAID SQUAW CREEK; THENCE SOUTH ALONG THE APPROXIMATE CENTER OF U.S. HIGHWAY 69 TO THE POINT OF BEGINNING, CONTAINING TEN (10) ACRES, MORE OR LESS;  
AND ALSO,  
(FROM WARRANTY DEED, BOOK 202, PAGE 315)  
COMMENCING AT THE SOUTHWEST CORNER OF THE NORTH HALF (N 1/2) OF THE SOUTHEAST QUARTER (SE 1/4) OF SECTION ELEVEN (11), TOWNSHIP EIGHTY-THREE (83) NORTH, RANGE TWENTY-FOUR (24) WEST OF THE 5TH P.M., IN THE CITY OF AMES, IOWA; THENCE SOUTH 88°58'00" EAST, SIX HUNDRED TWENTY AND THREE TENTHS (620.3) FEET TO THE POINT OF BEGINNING; THENCE NORTH, TWO HUNDRED SIXTEEN AND THREE TENTHS (2,018.15) FEET ALONG THE SOUTH LINE OF THE NORTH HALF (N 1/2) OF THE SOUTHWEST QUARTER (SE 1/4) OF SECTION ELEVEN (11), TOWNSHIP EIGHTY-THREE (83) NORTH, RANGE TWENTY-FOUR (24) WEST OF THE 5TH P.M., TO THE POINT OF BEGINNING, CONTAINING 9.79 ACRES MORE OR LESS, AND ALSO,

(FROM QUIT CLAIM DEED, BOOK 202, PAGE 317 - NOTE THAT THE DEED LABELS PARCELS 1-4. THESE ARE NOT LEGAL PARCELS, BUT REFERENCES FROM THE DEED)  
ALL THAT PART OF THE NORTH HALF (N 1/2) OF THE SOUTHEAST QUARTER (SE 1/4) OF SECTION ELEVEN (11), TOWNSHIP EIGHTY-THREE (83) NORTH, RANGE TWENTY-FOUR (24) WEST OF THE 5TH P.M., IN THE CITY OF AMES, STORY COUNTY, IOWA, LYING SOUTH OF SQUAW CREEK; EXCEPT THE FOLLOWING:  
PARCEL 1, EXCEPT BEGINNING AT A POINT TWO HUNDRED SEVENTY-EIGHT AND ONE-HALF (278.5) FEET NORTH OF THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER (NW 1/4) OF THE SOUTHWEST QUARTER (SE 1/4) OF SECTION ELEVEN (11); THENCE EAST ONE HUNDRED NINETY AND FIFTY-FIVE HUNDRETHS (190.45) FEET; THENCE NORTH SIXTEEN (16) FEET; THENCE EAST FOUR HUNDRED TWENTY-NINE AND FIFTY-FIVE HUNDRETHS (429.55) FEET; THENCE NORTH TO A POINT IN THE CENTER OF SQUAW CREEK; THENCE NORTHWESTERLY ALONG THE CENTER OF SAID SQUAW CREEK TO THE QUARTER SECTION LINE IN APPROXIMATE CENTER OF U.S. HIGHWAY 69, WHERE THE SAME INTERSECTS WITH THE CENTER OF SAID SQUAW CREEK; THENCE SOUTH ALONG THE QUARTER SECTION LINE, WHICH IS THE APPROXIMATE CENTER LINE OF U.S. HIGHWAY 69, TO THE POINT OF BEGINNING; SUBJECT TO AN EASEMENT FOR DRIVEWAY PURPOSES OVER A STRIP 10 FEET WIDE IN A NORTH AND SOUTH DIRECTION, LYING NORTH OF AND ADJACENT TO THE ABOVE DESCRIBED 190.45 FEET DISTANCE AND ADJACENT TO THE ABOVE DESCRIBED 190.45 FEET DISTANCE;  
PARCEL 2 EXCEPT COMMENCING AT THE CENTER OF SECTION 11, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5TH P.M., IOWA; THENCE SOUTH ON THE QUARTER SECTION LINE (APPROXIMATELY THE CENTER OF U.S. HIGHWAY 69) SIX HUNDRED NINETY AND FOUR-TENTHS (690.4) FEET; THENCE SOUTH 18 DEGREES 25 MINUTES EAST, SIX HUNDRED TWENTY (620) FEET; THENCE SOUTH PARALLEL TO THE QUARTER SECTION LINE, TWO HUNDRED SIXTY AND THREE-TENTHS (260.3) FEET TO THE POINT OF BEGINNING; THENCE NORTH 76 DEGREES 45 MINUTES EAST, FOUR HUNDRED TWENTY-EIGHT AND ONE-TENTH (428.1) FEET; THENCE NORTH 89 DEGREES 12 MINUTES EAST, ONE THOUSAND ONE HUNDRED EIGHT AND FIVE-TENTHS (1,108.5) FEET; THENCE SOUTH 89°08' EAST, THREE HUNDRED SIXTY-TWO AND FOUR-TENTHS (362.4) FEET; THENCE NORTH 88 DEGREES 32' WEST, SEVENTEEN HUNDRED SEVEN AND EIGHT-TENTHS (1,707.8) FEET; THENCE NORTH PARALLEL TO THE QUARTER SECTION LINE, ONE HUNDRED FIFTY-EIGHT AND NINE-TENTHS (158.9) FEET TO THE POINT OF BEGINNING;  
PARCEL 3 COMMENCING AT THE SOUTHWEST CORNER OF THE NORTH-HALF (N 1/2) OF THE SOUTHEAST QUARTER (SE 1/4) OF SECTION 11, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5TH P.M., IN THE CITY OF AMES, STORY COUNTY, IOWA; THENCE SOUTH 88 DEGREES 55 MINUTES 00 SECONDS EAST, SEVEN HUNDRED FIFTY (500) FEET ALONG THE SOUTH LINE OF THE N 1/2 OF THE SE 1/4 OF SAID SECTION 11, TO THE POINT OF BEGINNING; THENCE NORTH, TWO HUNDRED SEVENTY-EIGHT AND FIVE-TENTHS (278.5) FEET ALONG A LINE PARALLEL WITH AND FIFTY (50) FEET EAST OF THE WEST LINE OF THE SE 1/4, ALSO BEING SEVEN HUNDRED EIGHT AND FIVE-TENTHS (780.5) FEET ALONG THE SOUTH LINE OF THE N 1/2 OF THE SE 1/4 OF SAID SECTION 11, TO THE POINT OF BEGINNING; THENCE NORTH 88 DEGREES 01 MINUTES 30 SECONDS EAST, FOUR HUNDRED TWENTY-NINE AND FIFTY-FIVE HUNDRETHS (429.55) FEET; THENCE SOUTH, TWO HUNDRED NINETY-FIVE AND SEVEN-TENTHS (295.7) FEET; THENCE NORTH 88 DEGREES 55 MINUTES 00 SECONDS WEST, FIVE HUNDRED SEVENTY AND THREE-TENTHS (570.3) FEET ALONG THE SOUTH LINE OF THE N 1/2 - SE 1/4, TO THE POINT OF BEGINNING. PARCEL CONTAINS 166,032 SQUARE FEET=3.81 ACRES. PROPERTY IS SUBJECT TO EASEMENTS OF RECORD. THE WEST LINE OF THE SE 1/4 IS ASSUMED NORTH-SOUTH.  
PARCEL 4 COMMENCING AT THE SOUTHWEST CORNER OF THE NORTH-HALF (N 1/2) OF THE SOUTHEAST QUARTER (SE 1/4) OF SECTION 11, TOWNSHIP 83 NORTH, RANGE 24 WEST OF THE 5TH P.M., IN THE CITY OF AMES, STORY COUNTY, IOWA; THENCE SOUTH 88 DEGREES 55 MINUTES 00 SECONDS EAST, SIX HUNDRED TWENTY AND THREE TENTHS (620.3) FEET ALONG THE SOUTH LINE OF THE N 1/2 OF THE SE 1/4 OF SAID SECTION 11, TO THE POINT OF BEGINNING; THENCE NORTH TWO HUNDRED SIXTEEN AND NINE-TENTHS (216.5) FEET; THENCE SOUTH 88 DEGREES 37 MINUTES 00 SECONDS EAST, TWO THOUSAND SIXTEEN AND FIFTY (2,016.45) FEET TO THE EAST LINE OF THE SE 1/4; THENCE SOUTH 00 DEGREES 01 MINUTES 30 SECONDS WEST, TWO HUNDRED SIX AND THREE-TENTHS (206.3) FEET ALONG THE EAST LINE OF THE SE 1/4; THENCE NORTH 88 DEGREES 55 MINUTES 00 SECONDS WEST, TWO THOUSAND SIXTEEN AND FIFTY (2,016.15) FEET ALONG THE SOUTH LINE OF THE N 1/2 - SE 1/4, TO THE POINT OF BEGINNING. PARCEL CONTAINS 426,822 SQUARE FEET=9.79 ACRES. PROPERTY IS SUBJECT TO EASEMENTS OF RECORD. THE WEST LINE OF THE SE 1/4 IS ASSUMED NORTH-SOUTH.

**NOTES**  
1. CARNEY AND SONS' SUBDIVISION, FIRST ADDITION, IS LOCATED IN THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 11-83-24 OF THE 5TH P.M., CITY OF AMES, STORY COUNTY, IOWA  
2. THE WEST LINE OF THE SE 1/4 BEARS N 00° 20' 53" W.  
3. TOTAL AREA OF ADDITION - 28,1958 ACRES.  
4. LOT 'A', CONTAINING 14,615 SQUARE FEET, TO BE DEEDED TO THE STATE OF IOWA FOR STREET PURPOSES.  
5. SOIL BORINGS ARE REQUIRED IN THE AREAS WITHIN THIS PLAT WHICH HAVE BEEN IDENTIFIED BY THE CITY OF AMES AS HAVING SOILS THAT MAKE CONSTRUCTION OF BUILDINGS DIFFICULT. EASEMENTS AS SHOWN.  
6. THIS SURVEY MEETS OR EXCEEDS IOWA CODE 355.8 (15).  
7. COORDINATES SHOWN AT THE SW AND SE CORNER OF OUTLOT 'A', CARNEY AND SONS' SUBDIVISION, FIRST ADD., ARE STATE PLANE COORDINATE SYSTEM, IOWA NORTH ZONE (NAD 83). ADJACENT TO THE ABOVE DESCRIBED 190.45 FEET DISTANCE, LYING SOUTH OF AND ADJACENT TO THE ABOVE DESCRIBED 190.45 FEET DISTANCE.  
8. NEW DRAINAGE EASEMENT THAT EXTENDS FROM THE CENTERLINE OF SQUAW CREEK TO A LINE THAT IS PARALLEL WITH, AND 20 FEET SOUTH OF THE SOUTH TOP OF BANK.  
9. EXISTING INGRESS/EGRESS EASEMENT FROM BOOK 90, PAGE 176, 10 FEET ON EACH SIDE OF THE PROPERTY LINE.  
10. NEW, TEMPORARY INGRESS/EGRESS EASEMENT OVER THE SOUTH 20' OF LOT 1, CARNEY AND SONS' SUBDIVISION, FIRST ADDITION TO THE CITY OF AMES, TERMINATING UPON THE ISSUANCE OF A BUILDING PERMIT FOR SAID LOT 1, AT WHICH TIME A NEW, PERMANENT INGRESS/EGRESS EASEMENT IS REQUIRED.  
11. NEW DRAINAGE EASEMENT THAT EXTENDS FROM THE CENTERLINE OF SQUAW CREEK TO A LINE THAT IS PARALLEL WITH, AND 20 FEET SOUTH OF THE SOUTH TOP OF BANK.  
12. EXISTING INGRESS/EGRESS EASEMENT FROM BOOK 90, PAGE 176, 10 FEET ON EACH SIDE OF THE PROPERTY LINE.  
13. AREA OF LOT 1, CARNEY AND SONS' SUBDIVISION IN THE DRAINAGE EASEMENT IS 21,221 SQ. FT.  
14. THE STORMWATER MANAGEMENT PLAN WILL BE REVIEWED AT THE TIME THE SITE IS REDEVELOPED.  
15. THE BASE FLOOD ELEVATIONS WILL NEED TO BE DETERMINED PRIOR TO ANY DEVELOPMENT ACTIVITIES.

REQUESTED BY: M K T M, L.L.C.  
1816 SE 8th STREET  
AMES, IA 50010-6404

PROPRIETOR: M K T M, L.L.C.  
1816 SE 8th STREET  
AMES, IA 50010-6404



I HEREBY CERTIFY THAT THIS LAND SURVEY DOCUMENT WAS PREPARED AND RELATED SURVEY WORK WAS PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF IOWA.  
EUGENE R. BREWER, P.L.S.  
DATE OF SURVEY: FEBRUARY 11, 2011  
SHEETS COVERED BY THIS SET: 1

**FINAL PLAT**  
CARNEY AND SONS' SUBDIVISION  
FIRST ADDITION  
AMES, IOWA

NO.	DATE	DESCRIPTION
1		
2		
3		
4		
5		
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8		
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10		
11		
12		
13		
14		
15		

DATE: JUNE 9, 2011  
JOB NO.: 140030  
SHEET NO.: 1/1

Alfred Benesch & Company  
223 South Walnut Avenue, Suite C  
Ames, Iowa 50010  
515-232-1103 Job No. \_\_\_\_\_

**benesch**  
engineers • scientists • planners



## DEFINITIONS

Unless otherwise noted, all definitions are those set forth by the Appraisal Institute, in the *Dictionary of Real Estate Appraisal*, Sixth Edition.

**Easement:** The right to use another's land for a stated purpose.

**Eminent Domain:** The right of government to take private property for public use upon the payment of just compensation. The Fifth Amendment of the U.S. Constitution, also known as the *takings clause*, guarantees payment of just compensation upon appropriation of private property.

**Fee Simple Estate:** 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.

**Going-Concern Value:** 1. An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business*.

2. The market value of an established and operating business including the real property, financial assets, and the intangible assets of the business.

**Goodwill:**

1. Unidentifiable intangible assets.
2. The amount by which the acquisition price exceeds the fair value of identified assets.
3. The intangible asset arising as a result of name, reputation, customer loyalty, location, products, and similar factors not separately identified. (International Glossary of Business Valuation Terms)
4. The intangible asset arising as a result of elements such as name, reputation, customer loyalty, location, products, and related factors not separately

identified and quantified. (ASA Glossary)

**Grantee:** A person to whom property is transferred by deed or to whom property rights are granted by a trust instrument or other document.

**Grantor:** A person who transfers property by deed or grants property rights through a trust instrument or other document.

**Highest & Best Use:**

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permission, physical possibility, financially feasible, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

**Leased Fee Estate (Interest):** The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.



**Leasehold Improvements:**

Improvements or additions to leased property that have been made by the lessee.

**Leasehold Interest:** The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

**Lessee:** One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement.

**Lessor:** One who conveys the rights of occupancy and use to others under a lease agreement.

**Liquidation Value:** The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. 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.

**Market Value:** 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 consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.<sup>10</sup>

**Obsolescence:** One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external.

**Uniform Standards of Professional Appraisal Practice (USPAP):** In the United States, professional standards, developed for appraisers and users of appraisal services by the Appraisal Standards Board of The Appraisal Foundation, that are required for use in federally related transactions. Compliance with USPAP is also required in certain appraisals by state certification and licensing boards.

<sup>10</sup> Source: Office of the Comptroller of the Currency, effective date August 24, 1990.



**Daniel W. Dvorak, MAI**  
***Vice President***

Dan joined Iowa Appraisal and Research Corporation in 2006. He is a Certified General Real Property Appraiser and a member of the Appraisal Institute. Dan provides expert witness services and is experienced in providing appraisals for a wide variety of property types including:

- Agricultural, commercial and residential land
- Multifamily, office, and industrial
- Rail corridor
- Religious facility
- Eminent domain appraisal
- Hospitality
- Car wash

**Education**

Iowa State University, College of Liberal Arts and Sciences  
Bachelor of Science, with Distinction, May 2006  
Majors in History and Economics

**Professional Affiliations**

Member, Appraisal Institute (MAI)  
Appraisal Institute, Iowa Chapter

**State Certification**

State of Iowa, Certified General Real Estate Appraiser, CG02880  
State of Minnesota, Non-Resident Appraiser: Certified General, 40363667

**Representative Assignments**

- ±3,500 Acre Farm Land Appraisal for Estate, Dallas County, Iowa
- Existing Church with Proposed Addition, ±50,000 Square Feet Total, Ames, Iowa
- Mixed Use Subdivision, ±35 acres, Norwalk, Iowa
- Hospitality Property, 285 Rooms, West Des Moines, Iowa
- Timberland Subject to Unique Deed Restriction, ±17 acres, Ames, Iowa
- Retail Center, ±35,000 Square Feet, Omaha, Nebraska
- Multiple Property Industrial Appraisal for Divorce, Ames, Iowa
- Office Building for Assessment Appeal, ±400,000 Square Feet, Des Moines, Iowa
- Multiple Property Eminent Domain Appraisal, Ottumwa, Iowa
- Automobile Dealership for Divorce, ±40,000 Square Feet, Johnston, Iowa
- Multiple Bank Branch Appraisal for Agent of FDIC, Various, Iowa
- Multifamily Appraisal, ±100 Units, Ames, Iowa



**Nelson J. Jerabek**  
***Real Estate Appraiser***

Since joining Iowa Appraisal and Research Corporation in January 2015, Nelson has completed additional education towards becoming a Certified General Real Property Appraiser. He is a practicing affiliate with the Appraisal Institute and is following the educational and work-related requirements to become MAI designated. Nelson has supervised experience in providing appraisals for a wide variety of commercial property types, including:

- Commercial and residential land
- Multi-family
- Office
- Retail
- Industrial

**Education**

University of Northern Iowa  
B.S. Finance, December 2014.  
B.S. Real Estate, December 2014.

**Professional Affiliations**

Practicing Affiliate, Appraisal Institute

**State Registration**

State of Iowa, Associate Real Property Appraiser, AG03411

**PRELIMINARY**  
NOT YET INDEPENDENTLY REVIEWED



**STATE CERTIFICATIONS**



**STATE OF IOWA**

IOWA DEPARTMENT OF COMMERCE  
PROFESSIONAL LICENSING AND REGULATION

THIS IS TO CERTIFY THAT THE BELOW NAMED  
HAS BEEN GRANTED A CERTIFICATE AS A  
GENERAL REAL PROPERTY APPRAISER

CERTIFICATE NO. CG02880      EXPIRES: 6/30/2018

DVORAK, DANIEL W.  
IOWA APPRAISAL  
1707 HIGH STREET  
DES MOINES, IA 50309



**STATE OF IOWA**

IOWA DEPARTMENT OF COMMERCE  
PROFESSIONAL LICENSING AND REGULATION

THIS IS TO CERTIFY THAT THE BELOW NAMED  
HAS BEEN GRANTED A REGISTRATION AS AN  
ASSOCIATE GENERAL REAL PROPERTY APPRAISER

CERTIFICATE NO. AG03411      EXPIRES: 6/30/2018

JERABEK, NELSON  
IOWA APPRAISAL AND RESEARCH CORPORATION  
1707 HIGH ST.  
DES MOINES, IA 50309





## IOWA APPRAISAL AND RESEARCH CORPORATION PRIVACY NOTICE

The implementation of the Gramm-Leach-Bliley Act, effective July 2001, requires all financial service companies (including appraisers) to notify their clients of their (the company's) policies to protect your non-public information.

If you have questions, you can contact us at 515-283-0146.

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Iowa Appraisal and Research Corporation understands our clients' concerns about the privacy of their information collected by us. Our company is dedicated to protecting the confidentiality and security of nonpublic personal information we collect about our customers in accordance with applicable laws and regulations. This notice refers to the Company by using terms "us", "we" and "our". This notice describes our privacy policy and describes how we treat non-public personal information that we receive from our clients.

### WHY WE COLLECT AND HOW WE USE INFORMATION

We collect and use information for business purposes with respect to our real estate appraisal and consulting services. We gather this information to evaluate our clients' requests for property appraisal and consulting, and to process these requests according to the Uniform Standards of Professional Appraisal Practice, as well as particular requirements an appraisal reviewer may require.

### HOW WE COLLECT INFORMATION

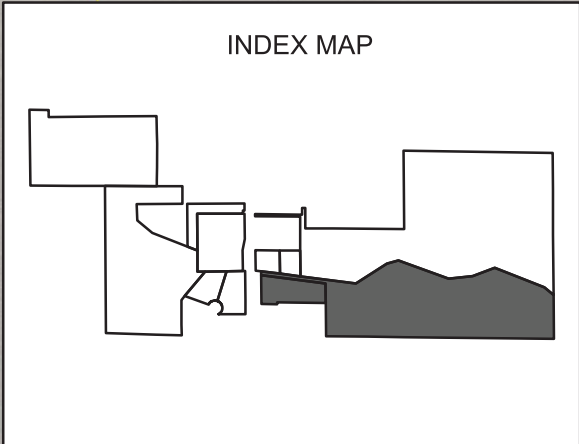
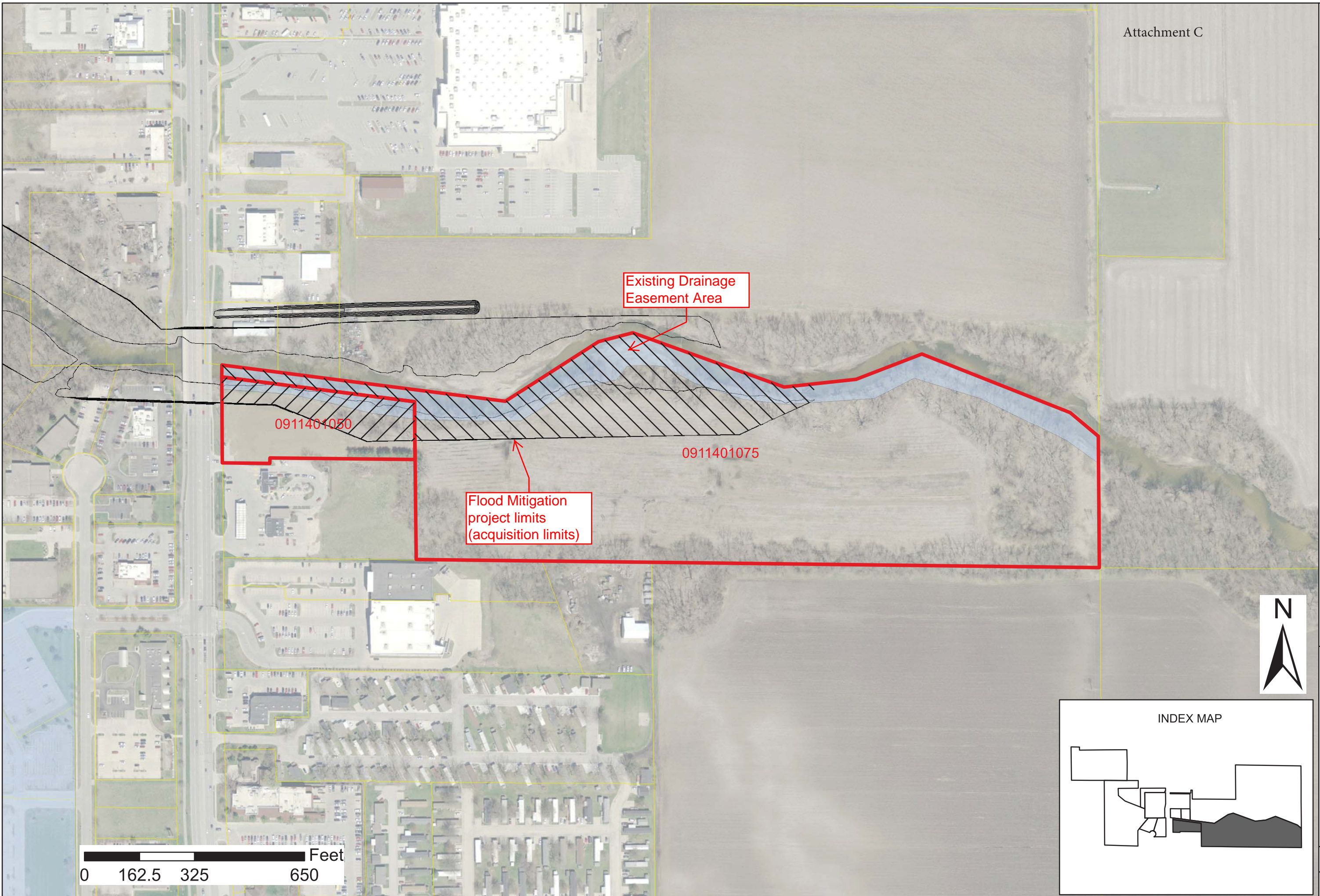
Some information collected by us is provided by you, your lender, your attorney or CPA. We receive copies of purchase agreements, copies of income and expense information, copies of building costs and other pertinent information. We also obtain information from public sources, multiple listing services and other appraisers.

### HOW WE PROTECT INFORMATION

We require our appraisers and staff to protect the confidentiality of the information we receive from you. We also maintain physical, electronic, and procedural safeguards designed to protect information. When you, your lender, or your attorney orders an appraisal on your behalf, we hold this request in strict confidence. For example, we will not divulge to unrelated parties whether we are or whether we are not completing an appraisal for you. Once the appraisal document has been completed, we will not, unless requested by you, your lender/your attorney (see intended user section of appraisal report) divulge the results of this report to anyone other than the intended user.

### TO WHOM INFORMATION MAY BE DISCLOSED

1. The intended users of our services
2. Peer review groups as may be required to continue our professional designations
3. Law enforcement, regulatory, governmental agencies, courts or parties therein pursuant to a subpoena or court order.
4. A review appraiser, performing a review of your appraisal



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