

APPRAISAL REPORT

**1917 - 1925 JACKSON AVENUE &
1413 - 1425 EMERSON STREET,
EVANSTON, ILLINOIS 60201**



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Andrew J. Richter, MAI
President

June 1, 2022

Mr. Paul Zalmezak
Economic Development Manager
City of Evanston
2100 Ridge Avenue
Evanston, IL 60201

Dear Mr. Zalmezak:

As you recently requested, we have prepared an appraisal valuing the *fee simple interest* in the property commonly known as **1917 – 1925 JACKSON AVENUE and 1413 – 1425 EMERSON STREET** in **EVANSTON, ILLINOIS 60601**. The property consists of a 45,690 square foot (1.049 acre) site that is divided into a North and South section by a 16' wide public alley. 1917 – 1925 Jackson Avenue, the North section, is a 20,250 square foot (0.46 acre), rectangular shaped interior site with 135' of frontage on the East side of Jackson Avenue and an even depth of 150'. 1413 – 1425 Emerson Street, the South section, is a 25,440 square foot (0.58 acre), rectangular shaped corner site with 166' of frontage on the North side of Emerson Street and an even depth of 153'.

We hereby certify that we have no past, present or contemplated future interest in the property; that neither the assignment to prepare the appraisal, nor the compensation therefore, are contingent upon the value reported; that we personally inspected the property on February 5 and April 12, 2022; and that this appraisal report has been made in conformity with Standard 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP); and the Appraisal Institute, which has the right of review.

We herewith deliver our appraisal report, which describes the property and the methods used to arrive at a final opinion of value for the described interest in the property.

Based on these adjustments, and those described previously, it is my opinion that the two sites develop a *market value* as of the date of our inspection on **April 12, 2022**, subject to the terms and conditions of this appraisal and the *hypothetical condition* that the existing improvements have been demolished, was (say):

ONE MILLION SIX HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

(\$1,675,000)

June 1, 2022
Mr. Paul Zalmezak
City of Evanston

Re: 1917 – 1925 Jackson Avenue and 1413 – 1425 Emerson Street
Evanston, Illinois 60201

At your request, we have also developed an opinion of market value in the subject real estate as if the site is zoned R4a, General Residential District. it is my opinion that the two sites develop a **market value** as of the date of our inspection on **April 12, 2022**, subject to the terms and conditions of this appraisal and the **hypothetical condition** that the site is zoned R4a for multi-family residential use and the existing improvements have been demolished, was (say):

NINE HUNDRED FORTY-FIVE THOUSAND DOLLARS

(\$945,000)

Respectfully submitted,



Andrew Richter, MAI, CIAO
President

SUMMARY OF SALIENT FACTS

Property Address:	1917 – 1925 Jackson Ave & 1413 – 1425 Emerson St, Evanston, Illinois 60201
Property Type:	Residential land
Lot Size:	45,690 square foot (1.049 acre)
Property Description:	The property consists of a 45,690 square foot (1.049 acre) site that is divided into a North and South section by a 16' wide public alley. 1917 – 1925 Jackson Avenue, the North section, is a 20,250 square foot (0.46 acre), rectangular shaped interior site with 135' of frontage on the East side of Jackson Avenue and an even depth of 150'. 1413 – 1425 Emerson Street, the South section, is a 25,440 square foot (0.58 acre), rectangular shaped corner site with 166' of frontage on the North side of Emerson Street and an even depth of 153'. At the date of my inspection, each of the site's seven lots was improved with an older single-family home that were vacant and not habitable due to their poor condition.
Date of Valuation & Inspection:	April 12, 2022
Highest and Best Use:	If Vacant: Development of the site with the largest permitted multi-family apartment building. As Improved: Not applicable.
Hypothetical Condition & Extraordinary Assumptions:	For both valuation scenarios, this appraisal employs the <i>hypothetical condition</i> that the buildings on the parcels have already been demolished. For the second valuation scenario, we also employ the <i>hypothetical condition</i> that the site is zoned R4a.

OPINION OF LAND VALUE – AS CURRENTLY ZONED R5

AS OF APRIL 12, 2022

ONE MILLION SIX HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

(\$1,675,000)

SUMMARY OF SALIENT FACTS
(continued)

OPINION OF LAND VALUE – IF ZONED R4A

AS OF APRIL 12, 2022

NINE HUNDRED FORTY-FIVE THOUSAND DOLLARS

(\$945,000)

INTRODUCTION

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PROPERTY IDENTIFICATION

The appraised property is commonly known as ***1917 – 1925 JACKSON AVENUE & 1413 – 1425 EMERSON STREET***, in ***EVANSTON, ILLINOIS 60201***. The property consists of a 45,690 square foot (1.049 acre) site that is divided into a North and South section by a 16' wide public alley.

- 1917 – 1925 Jackson Avenue, the North section, is a 20,250 square foot (0.46 acre), rectangular shaped interior site with 135' of frontage on the East side of Jackson Avenue and an even depth of 150'.
- 1413 – 1425 Emerson Street, the South section, is a 25,440 square foot (0.58 acre), rectangular shaped corner site with 166' of frontage on the North side of Emerson Street and an even depth of 153'.

At the date of my inspection, each of the site's seven lots was improved with an older single-family home that were vacant and not habitable due to their poor condition. The properties have been boarded up by the owner under advisement from the City of Evanston. Permits for the demolition of the homes have been issued.

LEGAL DESCRIPTION

No legal description has been provided to us, nor is one provided in the public records available to us. The lot size and dimensions utilized in this report are those shown on the Cook County Plat prepared by the Sidwell Company, which is reproduced in the Addenda, which Plat describes the property as:

Lots 9, 10, 17, 18, 19 and the South 35' of Lot 11 in Block 5 in Grant & Jackson's Addition to Evanston, in the South part of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{3}$ of Section 13, Township 41 North, Range 13 East of the Third Principal Meridian in Cook County, Illinois.

This legal description should be confirmed by a licensed surveyor prior to any conveyance or encumbrance of the subject property.

INTENDED USE AND USER OF THE APPRAISAL

At the request of my client, this appraisal will develop our opinion of the ***market value***, as herein defined, of the unencumbered ***fee simple interest*** in the property under two different scenarios, as described below:

1. the market value of the subject site as presently zoned R-5; and
2. the market value of the subject site if zoned R-4.

Each of these valuations considers the property in its “as is” condition as of the date of our inspection on ***April 12, 2022***. This appraisal applies solely to the above date, and there are no representations or warranties, expressed or implied or otherwise made by the appraiser, pertaining to the future value of real or personal property. It assumes title to the property to be held in fee simple, free and clear of any mortgages, liens or encumbrances which might adversely affect its value.

This appraisal has been prepared at the request of Mr. Paul Zalmezak, Evanston Economic Development Director, with the City of Evanston as our client and the intended user. It is intended to assist with internal decision-making purposes. It thus assumes that title to the property is held in fee simple, free and clear of any existing leases, mortgages or other liens; and excludes any personal property, as none would typically be conveyed with a property of this type and quality, nor should any personalty be included in the security for a mortgage.

HYPOTHETICAL CONDITIONS and EXTRAORDINARY ASSUMPTIONS

This appraisal is subject to the terms and conditions set forth in this report, including those specified in the standard Assumptions and Limiting Conditions in the Addenda. It is subject to the following property-specific ***extraordinary assumptions*** (items presumed as fact which, if found to be false, would significantly impact the opinion of market value) and ***hypothetical condition*** (matter contrary to fact) which are directly related to this appraisal assignment.

This appraisal is subject to the ***hypothetical condition*** that the buildings on the parcels have already been demolished. The preceding hypothetical condition and extraordinary assumption are employed and applied to the subject under both valuation scenarios.

The second valuation scenario for this appraisal also utilizes the ***hypothetical condition*** that the subject site is zoned R4a, General Residential District. We know that the subject site is now zoned R-5, General Residential District, however, our engagement was predicated on including a value for the site under its current R5 zoning and if it were zoned R4a. As we know that it is not zoned R4a, this is a hypothetical condition in this appraisal report.

HISTORY OF RECENT CONVEYANCES

An examination of Cook County real estate tax records reveals no conveyance pertaining to the subject property within the past three years. The property has been marketed for sale, either in whole or in part, five times within the past three years on the Multiple Listing Service of Northeastern Illinois (MLSNI), listed below. We were not able to locate any current or active listings for sale for the subject property.

- 1.) Daniel Mantis of Kiser Group Realty listed the property for sale from May 20, 2021 through December 31, 2021 as MLSNI Listing #11245445 at an asking price of \$1,750,000, or \$38.30 per square foot of land area.
- 2.) Nicholas Patinkin of @properties Commercial listed the three lots from 1917 – 1925 Jackson Avenue for sale from October 6, 2020 through May 14, 2021 as MLSNI Listing #10893843 at an asking price of \$1,000,000, or \$49.38 per square foot of land area for the 20,250 square foot site
- 3.) Simultaneously, Nicholas Patinkin of @properties Commercial listed the four lots from 1413 – 1425 Emerson Street for sale from October 6, 2020 through May 14, 2021 as MLSNI Listing #10893833 at an asking price of \$1,500,000, or \$59.06 per square foot of land area for the 25,398 square foot site.
- 4.) Richard Aronson of Dream Town Realty listed the three lots from 1917 – 1925 Jackson Avenue for sale from April 24, 2019 to August 7, 2019 as MLSNI Listing #10354622 at an asking price of \$1,500,000, or \$74.07 per square foot of land area for the 20,250 square foot site.
- 5.) Simultaneously, Richard Aronson of Dream Town Realty listed the four lots from 1413 – 1425 Emerson Street for sale from April 24, 2019 to August 7, 2019 as MLSNI Listing #10355078 at an asking price of \$2,000,000, or \$78.75 per square foot of land area for the 25,398 square foot site.

We have no knowledge of any recorded or unrecorded sale during the previous three-year period, or listings for sale or offer(s) to purchase the property in whole or part within that same period.

COMPETENCY PROVISION

The professional education and experience of the appraiser assures us that we are qualified to prepare this report without undisclosed outside assistance.

DEFINITION OF MARKET VALUE

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

- a. buyer and seller are typically motivated;
- b. both parties are well informed or well advised, and each acting in what they consider their own best interests;
- c. a reasonable time is allowed for exposure in the open market;
- d. payment is made in terms of cash in U.S. dollars or in terms of financial agreements comparable thereto; and
- e. 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."

SCOPE OF WORK PERFORMED

To demonstrate the basis of our opinion of the *market value* of the *fee simple interest* in the property, we have prepared this appraisal report, consistent with Standard 2-2(a) of the current edition of the Uniform Standards of Professional Appraisal Practice (USPAP). As with all appraisals prepared by this office, it also complies with the standards of the Appraisal Institute, which has the right of review for compliance and educational purposes. The scope of our independent investigation and analysis is briefly described here.

Descriptive data pertaining to the property, its legal status and location factors have been gathered from public sources identified in this report, and demographic data and other support materials maintained in our office; as well as our inspection of April 12, 2022. We have included pictures of the property in the Addenda of this report. We were not able to inspect the interiors of the single-family homes, which were boarded up and enclosed by security fencing.

To arrive at our Opinion of the Market Value of the fee simple interest in the property, we have utilized only the Sales Comparison Approach, which makes direct comparison with the reported sales of comparable properties. Sale data utilized is taken from public records, broker's reports and interviews with parties to the reported.

To arrive at our opinion of the Market Value of the unencumbered fee simple interest in the properties, we have utilized only one of the three approaches to value commonly applied in the appraisal of real estate: the Sales Comparison Approach. This approach makes direct comparison with the reported sales of comparable properties. Sale data utilized is taken from public records, broker's reports and interviews with parties to the reported transactions.

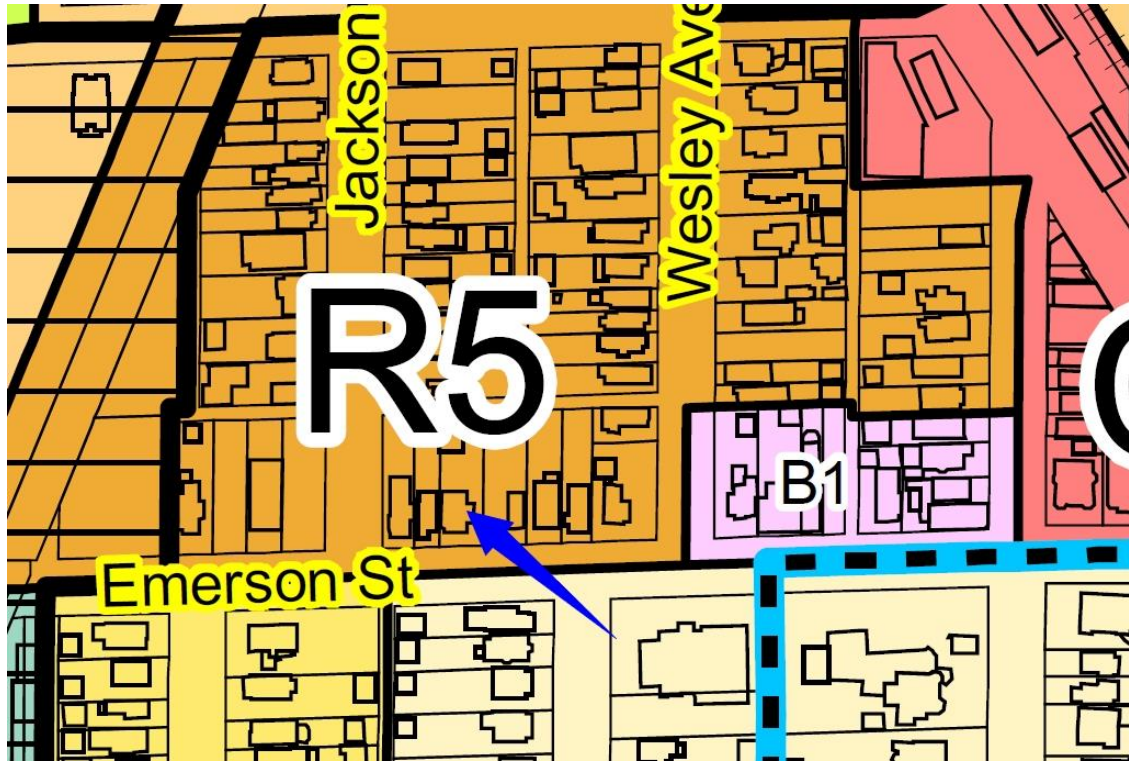
We have not considered the Cost Approach in valuing this property, which approach sums the depreciated replacement cost of the building and site improvements with our opinion of the market value of the land, if vacant, as there are no improvements which contribute to the land value.

Similarly, we have not used the Income Capitalization Approach, which values a property by capitalizing the economic net rent it generates as an investment, as there are few if any vacant residential sites offered for lease throughout the suburban Chicago market area, as the land is only a small component of the substantial cost of new construction. As that cost must be recovered over an extended ownership period not provided in a typical lease, no comparables are available to ascertain an economic rent.

Any published sources referred to in our analysis are identified in the text. All information provided by others is believed to be reliable but may or may not have been independently verified. Other limiting conditions to this appraisal are set forth in the Certification and the Assumptions and Limiting Conditions in the Addenda to this report.

ZONING

According to the City of Evanston Zoning Map, the property is currently zoned **R5, General Residential District**.



Permitted uses in the R5 district include multiple-family dwellings, two-family dwellings, townhouses, and single-family attached and detached dwellings. The minimum lot size per dwelling unit is 5,000 square feet for single family detached homes; 2,000 square feet for the first three dwelling units, with 1,200 square feet for each unit thereafter, for single-family attached dwelling units; 2,500 square feet for two-family detached units; and 1,500 square feet for the first four dwelling units with 800 square feet for each dwelling unit thereafter for multi-family housing units. Bulk requirements a maximum building height of 50' or five stories and a maximum lot coverage of 45%, with a maximum impervious surface coverage of 60%. The required minimum lot width for attached dwellings with three or more units is 60'. The minimum yard requirements are 27' at the front, 3' and 10' at the interior side abutting residential and nonresidential uses, respectively, 15' at a street side, and 25' at the rear.

R4a, General Residential District

Our engagement is predicated on valuing the subject property as if it were zoned **R4a, General Residential District**. As we know the subject is a legal and nonconforming use within the R-5 district, this appraisal utilizes the *hypothetical condition* that the subject is zoned R4a, General Residential District.

ZONING *(continued)*

The purpose of the R4a district “is to provide for a mix of residential types at a medium density in terms of number of dwellings and mass of structures compatible with the prevailing single and two family detached structures”.

Permitted uses in the R4a district are limited to single-family, two-family, townhouse, and multi-family dwellings; parks, community gardens, and day care homes. The minimum lot area for single-family homes is 5,000 square feet; and 2,500 square feet per dwelling unit for single-family attached, two-family, and multi-family homes. The minimum lot width is 35’ for a single-family home; 35’ for a two-family dwelling; and 60’ for single-family attached dwelling units and for multi-family dwellings of three or more units. The maximum building lot coverage is 40% in the R4a district, indicating a maximum building lot coverage of 18,276 square feet for the subject. Setbacks of 27’ at the front, 5’ at the sides, and 25’ at the rear are required. The maximum building height for any principal building in the R-4 district is the lesser of 35’ or two and a half stories. The maximum impervious surface coverage in the R-4 district is 55%.

Two off-street parking spaces for single-family detached homes are required; and one and a half off-street parking spaces are required for single-family attached dwellings in the R-4 district. For multi-family buildings, 0.55 parking spaces are required for each bedroom.

Maximum Number of Permitted Dwelling Units

In order to determine the maximum number of permitted dwelling units, development of the subject site would only with a building on its North section, 1917 – 1925 Jackson Street, and a building on the South section, 1413 – 1425 Emerson Street, as the site is divided by a public alley whose use cannot be terminated. Our calculations for the maximum number of permitted dwelling units under each the R5 and R4a zoning classifications are as follows:

<i>Address</i>	<i>Size</i>	<i>R4a</i>	<i>R5</i>
1917 – 1925 Jackson Ave.	20,250 sf	8	27
1413 – 1425 Emerson St.	25,440 sf	10	34

These calculations do not include bonuses for the inclusion of affordable housing units.

Downzoning

In 2020, the Evanston Plan Commission began conversations regarding downzoning an area of land bounded roughly by Emerson Street on the South, Green Bay Road on the East, and the former Mayfair railroad right-of-way on the West. The subject is a part of this area which was designated R5 in 1993. In 2018, a developer proposed for the subject site a 44-unit condominium complex in two five-story buildings. The plans were criticized and rejected by area residents, presumably due to the building’s bulk, size, and five-story building height. The developer eventually withdrew his plans, recognizing that a zoning change would significantly reduce the developable floor area of the condominium buildings. The buildings would have been the first significant development in the area since the 70s.

ZONING
(continued)

At their January 22, 2020, the Plan Commission rejected a zoning map amendment to rezone the area from the R5 district to a residential zoning district with a building height limit of 3½ stories. While downzoning may preserve neighborhood character, it represents a loss of property value for projects that can no longer succeed at lower densities further resulting in decreased tax revenue to the municipality.

Five-Fifths Tax Increment Financing District

The subject is within the Five-Fifths Tax Increment Finance District. This TIF district includes 284 parcels located to the East and West of Green Bay Road, to Ridge Avenue to the East, to Darrow Avenue to the West, to Leonard Place to the North, and to Evanston Street to the South.

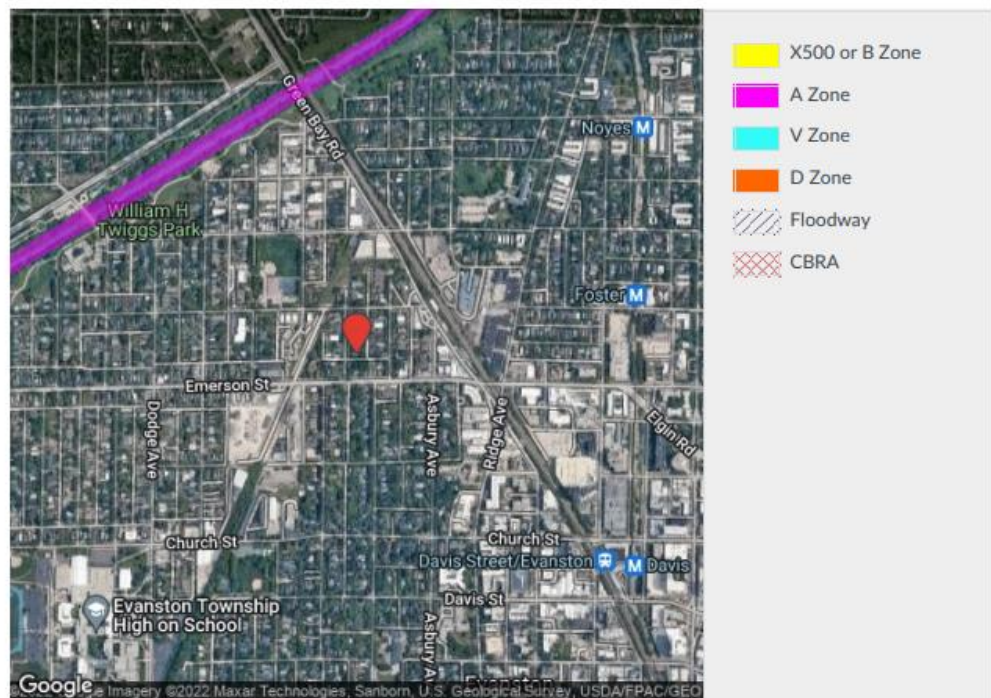
This TIF district prioritizes funding for new and renovated affordable housing and other TIF eligible expenses including providing funding for land assembly, site preparation, grading, excavation, workforce development programs, reconfiguration of off-street parking, environmental remediation, and improvements within business districts. The TIF district will provide for 50% of the cost of new affordable housing. The TIF district also allows funds for the maintenance of existing rental housing.

DESIGNATED FLOODPLAIN

According to the Flood Insurance Rate Map, Panel #17031C0265J, prepared by the Federal Emergency Management Agency, dated August 19, 2008, the subject property **does not** lie in a designated Zone A or Zone B flood hazard area. A copy of this Flood Insurance Rate Map as provided by CoreLogic RiskMeter is reproduced here.

Flood Zone Determination: **OUT**

COMMUNITY	170090	PANEL	0265J
PANEL DATE	August 19, 2008	MAP NUMBER	17031C0265J



This information has been obtained from our examination of the applicable flood insurance rate map panel and confirmed by our visual inspection of the property. However, these maps do not display all streets or landmarks, and are subject to varying interpretations, and we have no expertise in these matters. Therefore, this information is provided for comparison with surveyed comparable properties only and is not considered in any way to be a guarantee of the flood status of the subject property.

TAX DATA

According to the records of the Cook County Treasurer, the following applies to the subject property for tax year 2020, payable in 2021:

<i>Address</i>	<i>Property Index #</i>	<i>2020 Assessment</i>	<i>2020 R.E. Taxes</i>	<i>2021 Assessment</i>
1925 Jackson Ave	10-13-211-009-0000	\$7,557	\$1,978.68	\$23,598
1921 Jackson Ave	10-13-211-010-0000	10,132	\$2,652.89	\$27,078
1917 Jackson Ave	10-13-211-011-0000	\$11,238	\$2,942.56	\$38,137
1425 Emerson St	10-13-211-023-0000	\$20,758	\$5,435.18	\$20,759
1421 Emerson St	10-13-211-024-0000	\$20,784	\$5,442.00	\$20,784
1419 Emerson St	10-13-211-025-0000	\$10,737	\$2,811.37	\$31,639
1413 Emerson St	10-13-211-026-0000	\$9,076	\$2,376.46	\$15,030
<i>Total</i>		<i>\$90,282</i>	<i>\$23,639</i>	<i>\$177,025</i>

This real estate tax liability equates to \$0.52 per square foot of land for the 45,689 square foot site, with the assessment and resulting tax liability based upon the Assessor's estimate of Market Value (based on the 10% assessment to value ratio) of **\$902,820**, or \$19.76 per square foot of land.

The 2021 assessment, with real estate taxes payable in 2022, increased 96.1% to \$177,025 from the previous year, indicating an Assessor's estimate of market value of \$1,770,250, or \$38.74 per square foot of land.

The most recent assessment and tax liability were based on an indicated value below the opinion of market value developed in this appraisal. No provision need be made for this apparent under-assessment in developing our opinion of market value, however. Any appraisal anticipates a sale of the subject property at or about the value reported, and a prudent purchaser (as described in the definition of market value) would anticipate the recording of that sale will routinely result in a reassessment consistent with the price paid.

AREA DATA

The appraised property is in the North central portion of the City of Evanston, an economically diversified suburban community extending West from the Lake Michigan shoreline, immediately North of the city limits of Chicago and approximately 15 miles North of the Loop. The second largest city in Cook County, this 8.2 square mile community began as a campus town in 1863 and remains home to the nationally acclaimed Northwestern University.

As the greater Chicago area shifts from a production-based to a service-driven economy, this trend should be particularly strong within Evanston, with Northwestern University providing a continuing source of highly trained young professionals and future executives, many of whom return as residents in the higher priced homes on and near the lakefront. The overlay of a stable, primarily older, professional-level long term residential population amid the constant turnover of students and young professionals surrounding the 240-acre campus, with about 8,500 undergraduate and 13,000 post-graduate students, served by more than 3,400 faculty members, creates a unique environment. This is not apparent in the City-wide statistical profile we have compiled and reproduced in the addenda, which includes the key economic indicators reproduced below, as this pattern of development is largely limited to the Eastern portion of the City, generally defined as that part lying East of the West side of Ridge Avenue, South of Emerson, and Green Bay Road farther North. The West part of Evanston is primarily home to skilled and semi-skilled workers, often employed in the small industrial facilities scattered through the area, or the mid-sized industrial facilities remaining in Skokie and Niles to the West.

	2000	2010	2021	2026
Population	74,250	74,486	76,506	76,309
Per Capita Income	N/A	N/A	\$54,949	\$61,475
Median Household Income	N/A	N/A	\$85,768	\$98,447
# of Households	29,655	30,047	31,258	31,270
# of Housing Units	30,821	33,181	34,057	34,273
% Owner-Occupied	50.7%	50.1%	48.4%	48.9%
% Renter-Occupied	45.6%	40.5%	43.4%	42.3%
% Vacant	3.8%	9.4%	8.2%	8.8%

The community offers a broad range of housing, and all municipal services. Home styles range from modest single-family dwellings for working class residents in the Southwesterly area, to estate-type homes valued in excess of \$2,000,000 along the lakefront. There are numerous multi-family units, including both condominiums and rental apartments, as well as on-campus student housing for the city's five colleges and seminaries.

AREA DATA
(continued)

The relative economic strength of Evanston's housing market, when compared to others among the approximately 250 Chicago community areas surveyed each year by the Multiple Listing Service of Northern Illinois, is apparent from their annual survey of sales of existing homes:

Detached Units

<i>Year</i>	<i>Units Sold</i>	<i>Avg. Sale Price</i>	<i>% of Change</i>	<i>Avg. Marketing Time</i>	<i>Community Ranking</i>
2013	489	\$527,298	+3.26%	70 days	27 th
2014	425	\$527,483	+0.04%	70 days	26 th
2015	491	\$576,437	+9.28%	83 days	24 th
2016	489	\$603,377	+4.67%	74 days	25 th
2017	465	\$622,930	+3.14%	72 days	18 th
2018	422	\$640,937	+2.8%	73 days	14 th
2019	431	\$592,323	-8.2%	76 days	19 th
2020	537	\$657,537	+11.0%	95 days	15 th
2021	504	\$733,209	+11.5%	40 days	17 th

Attached Units

<i>Year</i>	<i>Units Sold</i>	<i>Avg. Sale Price</i>	<i>% of Change</i>	<i>Avg. Marketing Time</i>	<i>Community Ranking</i>
2013	614	\$245,834	+13.68%	126 days	20 th
2014	549	\$260,710	+6.05%	91 days	17 th
2015	647	\$256,509	-1.61%	92 days	22 nd
2016	262	\$262,292	+2.25%	83 days	21 st
2017	630	\$279,338	+6.10%	57 days	21 st
2018	555	\$285,970	+2.3%	59 days	22 nd
2019	577	\$285,370	-0.2%	73 days	18 th
2020	534	\$298,059	+4.4%	85 days	21 st
2021	740	\$300,606	+0.9%	67 days	27 th

In spite of its continuing popularity as a residential community, there have been very few residential building permits issued in Evanston in recent years. However, as this is an older community amid long-established suburbs, this is seen as the result of the limited availability of vacant sites rather than lack of demand.

AREA DATA
(continued)

<i>Year</i>	<i>Single Family Units</i>	<i>Multi-Family 2 to 4 Units</i>	<i>Multi-Family Units in 5+ Unit Projects</i>
2013	7	0	77
2014	19	5	0
2015	17	0	30
2016	12	0	0
2017	8	4	44
2018	4	8	0
2019	14	12	0
2020	5	0	60
2021	9	2	35

Municipal services include about 150 police personnel, 107 fire fighters, 75 parks, five public beaches and three hospitals. As an older, well-established residential community, Evanston is self-identified as the "City of Gracious Living". Its excellent transportation facilities and convenient location have attracted some 136 light manufacturing firms, particularly in the Southwesterly area, where the subject is located. The community also serves as the national headquarters of more than 50 associations and firms.

Public transportation to Chicago's "Loop" is available via the METRA Union Pacific Railroad (formerly Chicago & North Western) North Line, with stations at Main, Dempster and Davis Streets, within a ½ mile Southeast of the subject. The CTA Purple Line elevated rapid transit trains and surface bus routes also serve the area, with travel times to the Loop of 21 minutes by commuter train and 40 minutes by automobile or rapid transit. Sheridan Road, which winds through Evanston, connects with Lake Shore Drive about three miles to the South in Chicago. Ridge Avenue, which also accesses Lake Shore Drive via Peterson Avenue. The Eden's Expressway (Interstate 94) is nearby, with full interchanges two miles West of the city limits at Dempster Street, and at Old Orchard Road, one-mile due West of the city limits.

Local commercial activity centers around the original downtown area, extending South for approximately ½ mile from the Southerly edge of the Northwestern University campus, primarily between Sherman and Chicago Avenues. This downtown area has remained economically viable for retail trade, largely through the efforts of an aggressive city government, as well as numerous modern business and professional office buildings. Municipally operated parking garages and street improvements facilitate traffic movement, and an enclosed shopping mall has long been planned, with municipal assistance.

AREA DATA
(continued)

Private investment in the downtown district has continued, with several new offices and bank buildings, and a large-scale redevelopment of the Orrington Hotel, a long-standing downtown landmark, in addition to new retail stores. As an example, the former Marshall Field & Company store was successfully redeveloped into Evanston Galleria, a mixture of retail stores with condominium apartments above. The former Varsity Theater was also converted to retail use, and a joint venture known as Northwestern University/Evanston Research Park was developed along the Union Pacific (former C & NW) and CTA rights-of-way, South of Emerson Road and just Northwest of the downtown area, comprising 400,000 square feet and housing about 60 companies, with more than 1,000 employees.

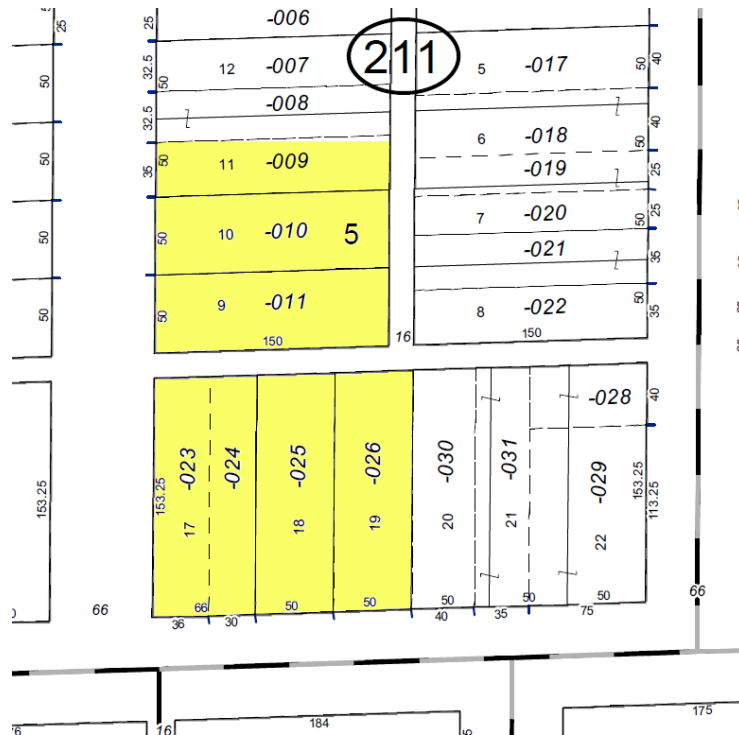
Thus, Evanston remains an economically and socially diverse community offering a full range of services to a stable and economically diverse population. Its downtown business district has remained viable, as most residents prefer the ambiance of downtown shopping, and as the nearest modern shopping centers are well to the West and not easily accessible. The city offers businesses a stable, well-educated and financially secure population base, and its residents enjoy unparalleled recreational and educational opportunities. Redevelopment of the downtown area is on-going, with newly constructed retail/residential buildings being contemplated for or under construction.

The subject property is a corner site, fronting both the North side of Emerson Street and the East side of Jackson Street. Emerson Street in this location is a collector road developed with primarily residential uses, although there are several commercial and industrial buildings on its South side, while Jackson Street is an interior residential street. Development in proximity of the subject includes two to three story townhomes and multi-family apartment buildings to the West of the subject and along Ashland Avenue, which appear to have been constructed after 2000, while there are older two-flat and single-family detached homes along both sides of Jackson Avenue. A Pace bus line runs along Emerson Street and connects to the downtown area a ½ mile to the West and CTA and Metra transit lines. Thus, the site is well served by public transportation. Green space is provided by Gilbert Park and Foster Park, which also several recreational and community center buildings providing city and social services.

Based upon our examination of this market, it is our opinion that adequate demand exists to support a modern multi-family development. The immediate area is well established for multi-family use; adequate infrastructure exists, including proximity to shopping and entertainment, public transportation, and schools; and there are no incompatible uses nearby. Thus, we have identified no location factors that would limit the economic life or development potential of the subject property.

SITE DATA

The subject is divided into a North and South section by a 16' wide public alley. 1917 – 1925 Jackson Avenue, the North section, is a 20,250 square foot (0.46 acre), rectangular shaped interior site with 135' of frontage on the East side of Jackson Avenue and an even depth of 150'. 1413 – 1425 Emerson Street, the South section, is a 25,440 square foot (0.58 acre), rectangular shaped corner site with 166' of frontage on the North side of Emerson Street and an even depth of 153'. Together, the sites have 45,690 square feet, combined, or 1.049 acres. These dimensions have been taken from the Cook County Plat, prepared by the Sidwell Company, a copy of which is reproduced below and in the Addenda.



The site is generally level. All public utilities are available, including municipal water and sewer, with gas, electricity and telephone service by commercial providers. We assume that all easements for these public utilities have been legally and perpetually established, and are not averse to development of the property, and that no adverse easements or encroachments exist that might adversely affect the Market Value of the property.

Site drainage appears to be adequate, with surface run-off apparently diverted to the adjacent streets. We have not been provided with the results of any recent environmental studies or soil testing which may have been performed, and we have no basis to presume that any adverse conditions may now exist. The services of qualified engineers are recommended, and we reserve the right to defer to such professionals, based upon future discoveries, if any.

Jackson Avenue is an asphalt paved, one lane, one-way Southbound, residential side street improved with concrete curbs, gutters, overhead streetlights, and public sidewalks. Emerson Street is an asphalt paved, two-lane, two-way, East/West commercial collector street improved with concrete curbs, gutters, overhead streetlights, and public sidewalks. On-street parking is permitted as posted.

SITE DATA
(continued)



DESCRIPTION OF IMPROVEMENTS

At the date of my inspection, each lot was improved with an older single-family home that were not habitable due to their poor condition. The properties are vacant and have experienced illegal activity. As a result, they have been boarded up by the owner under advisement from the city of Evanston. The homes are enclosed by 6' high chain link security fencing around the perimeter of the site. The City of Evanston's vacant building ordinance requires that plans for rehabilitation must be submitted by the owner, or the structures must be demolished within six months of having been boarded up. Permits have been pulled for the demolition of the homes. The cost of the demolition of the homes published in an issued permit report is \$60,000.

This appraisal is subject to the *hypothetical condition* that the buildings on the parcels have already been demolished. The preceding hypothetical condition and extraordinary assumption are employed and applied to the subject under both valuation scenarios.

HIGHEST AND BEST USE

Introduction

Highest and best use is defined as:

"The reasonably probable and legal use of vacant land or an improved property that is legally permissible, physically possible, appropriately supported, financially feasible, and that results in the highest value."¹

For any improved property, the highest and best use analysis is first applied to the site, assuming it to be vacant, which permits the determination of whether the existing improvements contribute to the value of the underlying land. The highest and best use analysis is then applied to the property as improved, permitting an examination of the extent to which the property is depreciated from all causes. The two conclusions are then compared, with the single use which develops the highest value, and thus highest and best, then providing the basis for the opinion of value of the appraised interest that follow in the approaches to value applied.

Four tests are applied within the highest and best use analysis for any improved property, each of which are similarly applied to both the underlying site, assuming it to be vacant; and to the underlying site with the existing improvements in place. In order to be highest and best, a use must be: 1) legally permissible; 2) physically possible; 3) financially feasible; and 4) maximally productive.

As this appraisal is subject to the hypothetical condition that the building has been demolished to permit redevelopment, these tests will be applied only to the land, as vacant. The conclusion to the highest and best use analysis provides the basis for the valuation opinion, which follows this analysis.

Analysis – As Currently Zoned R5

The R5 zoning district permits a mix of residential uses, with multi-family, two-family, townhouses, and single-family dwellings being ***legally permitted***. For multi-family buildings, 1,500 square feet of lot area is required for the first four units, with 800 square feet of lot area required for each unit thereafter. The maximum building lot coverage ratio is 45% and the maximum building height is five stories. As discussed in the Zoning section, the site's could be developed with two buildings with a combined total units of 61, not including affordable housing units, could be built. On-site parking requirements, as described in the Zoning section of this report are also a limitation to the size of the building that can be constructed as there is no maximum floor area ratio in this zoning district.

¹ The Appraisal of Real Estate (14th Edition), Page #333

HIGHEST AND BEST USE
(continued)

In 2018, plans for the development of two condominium buildings with 44 units were criticized and rejected by area residents, presumably due to the buildings' heights, bulk, and size. The developer eventually withdrew his plans and canceled the development. In 2020, the Evanston Plan Commission began discussions of downzoning the lots to a zoning classification with a building height of 3½ stories. The Plan Commission eventually rejected a zoning map amendment to downzone the subject site. While downzoning may preserve neighborhood character, it represents a loss of property value for projects that can no longer succeed at lower densities further resulting in decreased tax revenue to the municipality.

There are no known legal restrictions, other than zoning to the use of the site as there are no leases in place. In the absence of data to the contrary, clear title is assumed, with no deed restrictions or other limiting covenants known.

Development of the site is also **physically possible**, as no adverse factors are known, no wetlands or designated flood plains are identified, and the lot size and shape are adequate to support any of the permitted commercial uses suitable for a parcel of this size. The property has adequate frontage to allow development and visibility for any permitted use.

Development of the site is considered to be **financially feasible** at this time, as there is substantial new development in and around Evanston's, with a number of large projects either now underway or planned for the near future.

Thus, the **maximally productive** use of the subject site is to redevelop the site as a multi-family apartment building.

Conclusion - As Currently Zoned R5

The highest and best use analysis has as its objective the determination of that use which will develop the highest value, consistent with the definition of market value. It also helps to identify the key property characteristics that will be reflected in each of the approaches to value that follow. Those characteristics should be reflected in the comparable properties selected for analysis, and any factors that impact on value should be reflected in each of the preliminary value opinions applied in the following section of this report. In this case, although not politically favorable, the highest and best use of the property is determined to be development of the site with the largest permitted multi-family apartment building.

Analysis –If Zoned R4a

Under the R4a zoning, as discussed in the Zoning section of this report, development of the site with up to 18 residential dwelling units is likely **legally permitted**. The maximum height of a building is the lesser of 35' or 2½ stories. On-site parking requirements, as described in the Zoning section of this report are also a limitation to the size of the building that can be constructed as there is no maximum floor area ratio in this zoning district. A development under this zoning classification would be more in line with the surrounding neighborhood character.

HIGHEST AND BEST USE
(continued)

Development of the site is also ***physically possible***, as no adverse factors are known, no wetlands or designated flood plains are identified, and the size and shape of the subject site is adequate to support multi-family residential development. The site is not in a flood hazard area, and is not adversely affected by flooding, soil quality or terrain.

The ***financial feasibility*** of development of the site with a multi-family apartment building is evident at this time. There are a number of new apartment projects in Evanston and a number under construction. It is my opinion that there is sufficient demand for apartments in Evanston that any units built here would not suffer from extended vacancy.

As plans for a high-density development in 2018 were thwarted by criticism and rejection from area residents, a lower density development is more desirable in this location. Thus, the financial feasibility of a lower density development is greater than a higher density development.

Thus, the ***maximally productive*** use of the subject site, if zoned R4a, is development with a multi-unit residential building to the highest density permitted under that zoning classification.

Conclusion – If Zoned R4a

In this case, the highest and best use of the property, if vacant and zoned R4a, is found to be development with the largest permitted multi-family apartment building.

OPINION OF LAND VALUE – AS CURRENTLY ZONED R5

The opinion of market value for vacant land is most often developed by application of the Sales Comparison Approach, which compares market data - that is, the prices paid for vacant or under-developed properties with similar highest and best use characteristics, relative to the appraised. The data is not offered as independent evidence of value, but rather as a consideration used in arriving at an opinion of value for the appraised property. The price per unit permitted is the unit of comparison used, as this is the method most often used and best understood by prospective purchasers of multi-family land parcels. The following data has been gathered and analyzed:



Land Sale #1 – 7728 N. Sheridan Road, Chicago (P.I. #11-29-102-039-0000) – This is a 9,178 square foot (0.21 acre), generally rectangular shaped corner site with frontages of 70' on the West side of Sheridan Road and 125' on the South side of Juneway Terrace. At the date of sale, the site was improved with a 2,000 square foot, masonry constructed, single-family home that was demolished after the sale. The site is about 4' above the street grade of Sheridan Road. It is zoned RT-4 for residential two-flat, townhouse, and multi-family use, which has a minimum lot area per unit of 1,000 square feet. Thus, the indicated maximum permitted density for this site is nine units. All public utilities are reportedly available at the site, including municipal water and sewer, and gas, with electrical, and telephone service by commercial providers. No adverse easements or encroachments were known; the site is not in a known designated flood hazard area; soil quality is assumed to be adequate; and no factors were reported that would require any adjustment for cash equivalency. The MLSNI reports and the Cook County Clerk's Office confirms that this property sold in April 2021 for \$475,000, with a \$499,687 mortgage from Devon Bank. Adding estimated demolition costs of \$10.00 per square foot of building, or \$20,000, the buyer spent a total of \$495,000 for the vacant site, or ***\$51.75 per square foot of land area*** and ***\$52,778 per buildable unit***, for a nine-unit development. The property had been marketed for sale for 118 days at an initial asking price of \$535,000 before going under contract.

The now vacant site is being listed for sale by Theron May and Ryan Smith of Imperial Realty Company at an asking price of \$963,585, or ***\$105.00 per square foot of land area*** and ***\$107,065 per buildable unit***, for a nine-unit development.

***OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)***

Land Sale #1 – continued –

The price per unit permitted developed by the April 2021 sale requires downward adjustment, relative to the appraised, to reflect its substantially smaller parcel size and superior specific location, less than two blocks West of the lakefront. Additional downward adjustment is required for its less intense density of development at 1,020 square feet of lot area per unit, where the subject is permitted to have just 750 square feet of land per unit. These adjustments are partly offset by its inferior general location in Rogers Park, Chicago, which has a lower socio-economic profile to Evanston and frontage on Sheridan Road, which is a four-lane arterial/collector road, more heavily trafficked than either Emerson or Foster Streets.



OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)



Land Sale #2 – 2030 Greenwood Street, Evanston (P.I. #10-13-322-045-0000) – This is a 27,380 square foot (0.63 acre), generally rectangular shaped with approximately 92’ of frontage on the South side of Greenwood Street. The site is long and narrow and has approximate depths of 285’ and 262’ on its East and West property lines, respectively. At the date of sale, the vacant site was level, grass covered, and zoned I2 for industrial use, prohibiting residential uses. All public utilities are reportedly available at the site, including municipal water and sewer, and gas, with electrical, and telephone service by commercial providers. No adverse easements or encroachments were known; the site is not in a known designated flood hazard area; soil quality is assumed to be adequate; and no factors were reported that would require any adjustment for cash equivalency. CoStar Comps reports and the listing broker Marco Rodriguez of Kale Realty confirms that this property sold in January 2021 for \$650,000, assumed to be on a conventional basis, or **\$23.74 per square foot of land area**. The property had been marketed for 97 days at an initial asking price of \$800,000 before going under contract.

On marketing materials for the sale, Mr. Rodriguez advertised that the property could be developed with townhomes or multi-family rentals. In our conversation with the Marco Rodriguez, he confirmed that the City of Evanston gave preliminary confirmation of a zoning change from industrial to a classification that would permit residential redevelopment of the site. He confirmed that the seller purchased the property with the intent to construct a multi-family dwelling.

OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)

Land Sale #2 continued –

As of September 2021, the developer is seeking approval before the Evanston Plan Commission and Zoning Board of Appeals for the development of a 24-unit apartment complex. Along with the zoning map amendment to the MXE, Mixed-Use Employment District, he seeks variations for the parking setback, drive aisle width, and the required number of parking spaces. If approved, the January 2021 sale indicates a price of **\$27,083 per buildable unit**, based on a maximum permitted density of 24-units. The building appeared to be under construction at our site visit, so presumably zoning approval was granted.

The price per unit permitted developed by this sale requires little or no net adjustment, relative to the subject. Downward adjustments are required to reflect its smaller parcel size and less intense zoning with more land per dwelling unit required. These adjustments are fully offset by its substantially inferior zoning classification, permitting no residential units at the date of sale with an added expense to the buyer to rezone the property, which significantly delayed construction, its inferior location with industrial buildings on each side of the site, and for the superior market conditions at the date of valuation then in early 2021, when there was a reduced demand in new residential construction.



A rendering of plans for 2030 Greenwood St., showing the street-facing building in the proposed complex.

OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)



Land Sale #3 – 1555 Ridge Avenue, Evanston (P.I. #11-18-308-016-0000) – This is a 32,375 square foot (0.74 acre), generally rectangular shaped corner site with frontages of 175’ on the East side of Ridge Avenue and 180’ on the North side of Grove Avenue. There is a public alley that runs along the site’s East line. At the time of sale, the vacant lot was entirely asphalt paved for use as a parking lot. It is zoned R6, General Residential District, for high density multi-family development, which has a maximum building height of 85’ and lot coverage of 50% and a required lot size of 5,000 square feet for the first four dwelling units, then 400 square feet for each additional dwelling unit thereafter. All public utilities are reportedly available at the site, including municipal water and sewer, and gas, with electrical, and telephone service by commercial providers. No adverse easements or encroachments were known; the site is not in a known designated flood hazard area; soil quality is assumed to be adequate; and no factors were reported that would require any adjustment for cash equivalency. CoStar Comps reports and Remine confirms that this property sold in May 2020 for \$3,900,000, assumed to be on a conventional basis, or **\$120.46 per square foot of land area**. The property had been marketed for 365 days at an initial asking price of \$3,500,000 before going under contract.

In March 2020, the City of Evanston approved a special use permit (Ordinance 52-O-20) for a five-story, 68-unit multi-family residence with 61 off-street parking spaces, which granted a setback and landscaping variance along the North line and a reduced rear yard setback of 1½’. For a 68-unit development, the May 2020 sale indicates a price of **\$57,353 per buildable unit**.

***OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)***

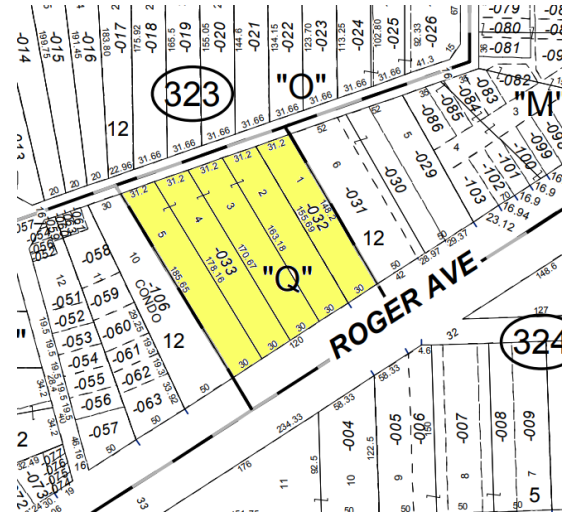
Land Sale #3 continued –



The price per unit permitted developed by this sale requires downward adjustment, relative to the subject, to reflect its smaller size, and its superior specific location on the Western edge of the downtown district less than a ¼ mile West of a CTA and Metra train stop at the Davis Street station. These adjustments are largely offset by the site's somewhat higher permitted density of development which requires a minor upward adjustment to this unit of comparison. The site was used as a parking lot at the date of sale, requiring no net adjustment. Some additional upward is warranted for the inferior market conditions at the date of sale as this sale closed during the early stages of the Covid-19 pandemic during a period of much higher uncertainty.

OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)

As we were only able to identify three recent sales of residential land in Evanston, we have surveyed residential land available for sale in the market area and have identified the following active listings to determine a value indication for the subject.



Listing A – 7240 Rogers Avenue, Evanston (Cook County P.I. #11-30-323-033-0000) – This is a 20,521 square foot (0.47 acre), generally rectangular shaped interior site with 150’ of frontage on the North side of Roger Avenue and an average even depth of 167’. The previously developed lot is both asphalt and gravel paved. It is zoned RT-4 for residential two-flat, townhouse, and multi-family use, which has a minimum lot area per unit of 1,000 square feet. Thus, the indicated maximum permitted density for this site is 20 units. All public utilities are reportedly available at the site, including municipal water and sewer, and gas, with electrical, and telephone service by commercial providers. No adverse easements or encroachments were known; the site is not in a known designated flood hazard area; soil quality is assumed to be adequate; and no factors were reported that would require any adjustment for cash equivalency. This site has been listed for sale by Demetrios Chronis of Coldwell Banker Realty for 165 days at an asking price of \$1,349,000, or **\$65.74 per square foot of land area** and **\$67,450 per buildable unit**.

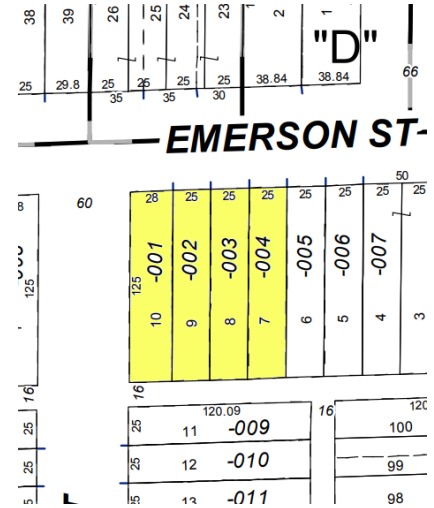
The price per unit permitted developed by this listing requires downward adjustment, relative to the subject, to reflect its smaller size, its less intense zoning, and for the usual discrepancy between listing prices and sale prices. These adjustments are partially offset by its inferior location in the Rogers Park community area of Chicago, which has an inferior socio-economic profile to Evanston.

***OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)***

Listing A continued –



OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)



Listing B – 2004 Emerson Street, Evanston (Cook P.I. #'s 10-13-118-001-0000 through -004-0000) – This is a 12,500 square foot (0.30 acre), rectangular shaped corner site with frontages of 100' on the South side of Emerson Street and 125' on the East side of Hovland Court. The site is grass covered and level at street grade. It is zoned R-3, General Residential District, which has a minimum lot size of 5,000 square feet for a single-family detached home and 3,500 square feet per dwelling unit for two-family dwelling units. This indicates that the site could be developed with one detached single-family home and one, two-family building, for a total of three dwelling units. All public utilities are available at the site, including municipal water and sewer, with gas, electricity, and telephone service by commercial providers. No adverse easements or encroachments were known; soil quality is assumed to be adequate; and the site is not in a known designated floodplain. This property has been listed for sale by Mildred Cardona of Universal Realty Group for 203 days at an asking price of \$699,900, or **\$55.99 per square foot of land area** and **\$233,300 per buildable unit** for the maximum permitted six units.

The price per unit permitted developed by this listing requires substantial downward adjustment, relative to the appraised, to reflect its substantially smaller size and is much less intense zoning classification. Additional downward adjustment is required for the usual discrepancy between asking prices and sale prices, as this property has not sold, but is currently offered for sale.

OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)

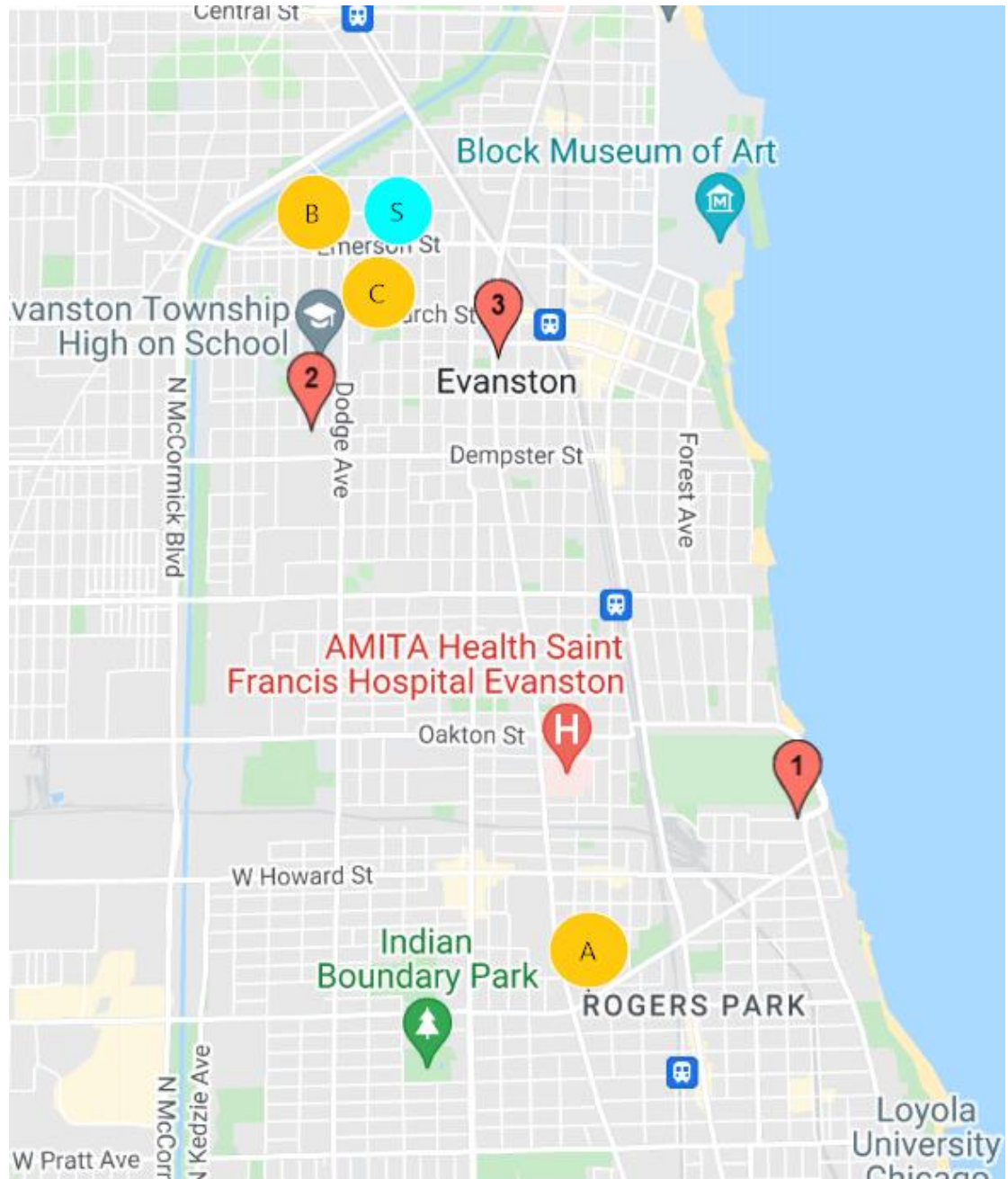


Listing C – 1727 Dodge Avenue, Evanston (Cook P.I. #10-13-220-009-0000) – This is a 7,074 square foot (0.16 acre), rectangular shaped interior site with 41.6’ of frontage on the East side of Dodge Avenue and an even depth of 169.8’. The site is grass covered and level at street grade. It is zoned R-4, General Residential District, with a minimum lot size of 2,500 square feet is required for each dwelling unit for multi-family homes, indicating the site could be developed with a two-unit multi-family residential building. All public utilities are available at the site, including municipal water and sewer, with gas, electricity, and telephone service by commercial providers. No adverse easements or encroachments were known; soil quality is assumed to be adequate; and the site is not in a known designated floodplain. This property has been listed for sale by Joe Huang for 189 days at an asking price of \$195,000, or **\$27.57 per square foot of land area** and **\$97,500 per buildable unit** for a two-unit development.

The price per unit permitted developed by this listing requires substantial downward adjustment, relative to the appraised, to reflect its substantially smaller size, its less intense zoning, and the usual discrepancy between asking prices and sale prices, as this property has not sold, but is currently offered for sale. These adjustments are only partly offset by an upward adjustment for its inferior location less than one block from Evanston Township High School which creates a lot of traffic at this location every weekday and some weekends.

**OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)**

Comparable Sales Map



OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)

Comparable Sales Summary

<i>Sale #</i>	<i>Address</i>	<i>Sale Date</i>	<i>Land Area</i>	<i>Zoning/ Units Permitted</i>	<i>SF of lot area per unit</i>	<i>\$/SF Land</i>	<i>\$ per buildable unit</i>
1	7728 N. Sheridan Rd Chicago	4/21	9,178 sf	RT-4 9 units	1,020 sf	\$53.93	\$55,000
2	2030 Greenwood St, Evanston	1/21	27,380 sf	MXE* 24 units	1,141 sf	\$23.74	\$27,083
3	1555 Ridge Avenue, Evanston	5/20	32,375 sf	R-6 68 units	476 sf	\$120.46	\$57,353
A	7240 Rogers Ave, Chicago	Curr.	20,521 sf	RT-4 20 units	1,026 sf	\$65.74	\$67,450
B	2004 Emerson St, Evanston	Curr.	12,500 sf	R-3 3 units	4,167 sf	\$55.99	\$233,300
C	1725 Dodge Ave, Evanston	Curr.	7,074 sf	R-4 2 units	3,537 sf	\$27.57	\$97,500
Sub.	1917-1925 Jackson Ave, 1413-1425 Emerson St, Evanston	Curr.	45,689 sf	R5 27 units 34 units	749 sf	TBD	TBD

*This property was zoned I2, Industrial, prior to the sale, but the buyer purchased the property with pre-approval from the City of Evanston that rezoning was available.

Analysis

The foregoing sales and listings developed prices ranging from a low of **\$27,083 per buildable unit** to a high of **\$233,300 per buildable unit**. Recent sales of vacant multi-family sites in this market area were limited, and we had to include three active listings as evidence of market value.

The subject property is rectangular in shape which does not require any adjustments to the comparable sales. The subject is larger than all sales and listings, most similar to Sale #3. Typically, larger sites develop lower prices per unit permitted as a larger investment is needed to acquire them over smaller sites, reducing the number of potential buyers.

The subject is in an area commonly referred to as West Evanston. It is about a ½ mile West of the CTA Foster Street station and public bus lines run along Emerson Street and Green Bay Road. The site is one block from Gilbert Park, a small neighborhood park, and Southeast of the larger Foster Park and City of Evanston recreational and community facilities at Foster Street and Dewey Street. The subject's general location in Evanston is superior to Sale #1 and Listing A in Rogers Park, Chicago, with a lower socio-economic profile, but inferior to Sale #3 which is on the edge of downtown Evanston, fronting Ridge Avenue.

OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)

For multi-unit residential development, apart from location, permitted density is the most important adjustment factor as that controls how many dwelling units can be constructed. Thus, the adjustment for density can be weighted greater than the combined adjustments for location and parcel size. As the subject is zoned R5, with an average of 749 square feet of land per dwelling unit, its zoning is more intense than each of the sales except for Sale #3, which has a more intense zoning than the subject.

As less land per unit tends to indicate smaller units are being built, the price per unit for properties with more intense zoning tends to be lower, thus, the subject should develop a price per unit below most of these sales if adjusted for zoning and permitted density alone. Sale #3 develops a price per unit above what is indicated for the subject, however, because of its superior location.

Tabled below is a summary of the adjustments made to the comparable sales and listings.

Qualitative Adjustment Summary

	Sale #1	Sale #2	Sale #3	Listing A	Listing B	Listing C
Market Conditions	=	=/+	+	-	-	-
Conditions of Sale	=	=	=	=	=	=
Financing	=	=	=	=	=	=
General Location	+	=	=	+	=	=
Specific Location	=/-	+	-	=	=	+
Parcel Size	--	=/-	-	-	--	--
Density Permitted	=/-	-	+	-	--	--
Zoning at Sale	=	+	=	=	=	=
Site Utility	=	=	=	=	=	=
Overall Comparison	-	=	-	-	---	---

In this grid, a (+) indicates that a sale is inferior to the subject and requires upward adjustment, while a (-) indicates that a sale is superior to the subject and requires downward adjustment.

Based on these adjustments, and those described previously, it is my opinion that the market value of the *fee simple interest* in the subject site as of April 12, 2022, subject to the *hypothetical condition* that the existing improvements have been demolished, but no extraordinary assumptions, was **\$27,500 per unit permitted**. These indicate the following values for the subject site:

1917 – 1925 Jackson Avenue
\$27,500/unit x 27 units = (say) \$742,500

1413 – 1425 Emerson Street
\$27,500/unit x 34 units = (say) \$935,000

OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)

Thus, it is my opinion that the two sites develop a **market value** as of the date of our inspection on **April 12, 2022**, subject to the terms and conditions of this appraisal and the **hypothetical condition** that the existing improvements have been demolished, was (say):

ONE MILLION SIX HUNDRED SEVENTY-FIVE THOUSAND DOLLARS

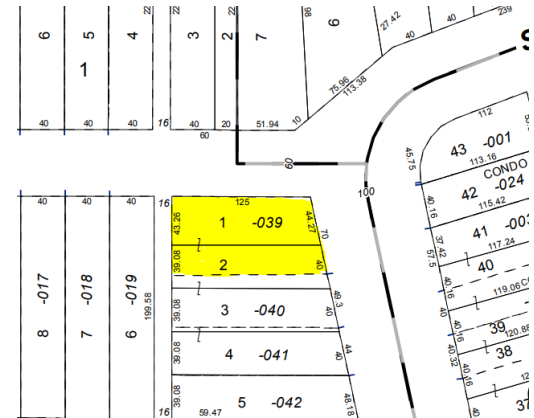
(\$1,675,000)

It is also our opinion that an estimated marketing time of **nine months** should be anticipated for the subject property if offered for arm's length sale at the value opinion developed in this report. This is based on our perception of the very limited market activity in this area and is corroborated by the marketing times that have been reported for the comparable sales used in this report or maintained in our files. A similar exposure time is anticipated, as there is no evidence of a change in supply and demand factors at this time.

Our opinion of the property's Market Value is related to the real estate only, and has not considered investor specific tax or investment consequences. In our opinion, no items of personal property would be included in the sale of a property of this type, which is vacant land.

OPINION OF LAND VALUE – IF ZONED R4A

The opinion of market value for vacant land is most often developed by application of the Sales Comparison Approach, which compares market data - that is, the prices paid for vacant or under-developed properties with similar highest and best use characteristics, relative to the appraised. The data is not offered as independent evidence of value, but rather as a consideration used in arriving at an opinion of value for the appraised property. The price per unit permitted is the unit of comparison used, as this is the method most often used and best understood by prospective purchasers of multi-family land parcels. The following data has been gathered and analyzed:



Land Sale #1 – 7728 N. Sheridan Road, Chicago (P.I. #11-29-102-039-0000) – This is a 9,178 square foot (0.21 acre), generally rectangular shaped corner site with frontages of 70’ on the West side of Sheridan Road and 125’ on the South side of Juneway Terrace. At the date of sale, the site was improved with a 2,000 square foot, masonry constructed, single-family home that was demolished after the sale. The site is about 4’ above the street grade of Sheridan Road. It is zoned RT-4 for residential two-flat, townhouse, and multi-family use, which has a minimum lot area per unit of 1,000 square feet. Thus, the indicated maximum permitted density for this site is nine units. All public utilities are reportedly available at the site, including municipal water and sewer, and gas, with electrical, and telephone service by commercial providers. No adverse easements or encroachments were known; the site is not in a known designated flood hazard area; soil quality is assumed to be adequate; and no factors were reported that would require any adjustment for cash equivalency. The MLSNI reports and the Cook County Clerk’s Office confirms that this property sold in April 2021 for \$475,000, with a \$499,687 mortgage from Devon Bank. Adding estimated demolition costs of \$10.00 per square foot of building, or \$20,000, the buyer spent a total of \$495,000 for the vacant site, or ***\$51.75 per square foot of land area*** and ***\$52,778 per buildable unit***, for a nine-unit development. The property had been marketed for sale for 118 days at an initial asking price of \$535,000 before going under contract.

The now vacant site is being listed for sale by Theron May and Ryan Smith of Imperial Realty Company at an asking price of \$963,585, or ***\$105.00 per square foot of land area*** and ***\$107,065 per buildable unit***, for a nine-unit development.

***OPINION OF LAND VALUE – IF ZONED R4A
(continued)***

Land Sale #1 – continued –

The price per unit permitted developed by the April 2021 sale requires little or no net adjustment, relative to the appraised. Upward adjustment is warranted for its inferior general location in the Rogers Park community area of Chicago, which has a lower socio-economic profile to Evanston and frontage on Sheridan Road, which is a four-lane arterial/collector road, more heavily trafficked than either Emerson or Foster Streets. Additional upward adjustment is required for its higher permitted density of development in this valuation scenario. These adjustments are generally offset by its substantially smaller parcel size and superior specific location, less than two blocks West of the lakefront.



OPINION OF LAND VALUE – IF ZONED R4A
(continued)



Land Sale #2 – 2030 Greenwood Street, Evanston (P.I. #10-13-322-045-0000) – This is a 27,380 square foot (0.63 acre), generally rectangular shaped with approximately 92’ of frontage on the South side of Greenwood Street. The site is long and narrow and has approximate depths of 285’ and 262’ on its East and West property lines, respectively. At the date of sale, the vacant site was level, grass covered, and zoned I2 for industrial use, prohibiting residential uses. All public utilities are reportedly available at the site, including municipal water and sewer, and gas, with electrical, and telephone service by commercial providers. No adverse easements or encroachments were known; the site is not in a known designated flood hazard area; soil quality is assumed to be adequate; and no factors were reported that would require any adjustment for cash equivalency. CoStar Comps reports and the listing broker Marco Rodriguez of Kale Realty confirms that this property sold in January 2021 for \$650,000, assumed to be on a conventional basis, or **\$23.74 per square foot of land area**. The property had been marketed for 97 days at an initial asking price of \$800,000 before going under contract.

On marketing materials for the sale, Mr. Rodriguez advertised that the property could be developed with townhomes or multi-family rentals. In our conversation with the Marco Rodriguez, he confirmed that the City of Evanston gave preliminary confirmation of a zoning change from industrial to a classification that would permit residential redevelopment of the site. He confirmed that the seller purchased the property with the intent to construct a multi-family dwelling.

OPINION OF LAND VALUE – IF ZONED R4A
(continued)

Land Sale #2 continued –

As of September 2021, the developer is seeking approval before the Evanston Plan Commission and Zoning Board of Appeals for the development of a 24-unit apartment complex. Along with the zoning map amendment to the MXE, Mixed-Use Employment District, he seeks variations for the parking setback, drive aisle width, and the required number of parking spaces. If approved, the January 2021 sale indicates a price of **\$27,083 per buildable unit**, based on a maximum permitted density of 24-units. The building appeared to be under construction at our site visit, so presumably zoning approval was granted.

The price per unit permitted developed by this sale requires upward adjustment, relative to the subject, to reflect its substantially inferior zoning classification, permitting no residential units at the date of sale with an added expense to the buyer to rezone the property, which significantly delayed construction. Additional upward adjustment is required for its inferior location with industrial buildings on each side of the site, and its higher density with more units per square foot of land permitted. These adjustments are partially offset by its smaller size. Upward adjustment is warranted for superior market conditions at the date of valuation then in early 2021, when there was a reduced demand in new residential construction.



A rendering of plans for 2030 Greenwood St., showing the street-facing building in the proposed complex.

OPINION OF LAND VALUE – IF ZONED R4A
(continued)



Land Sale #3 – 1555 Ridge Avenue, Evanston (P.I. #11-18-308-016-0000) – This is a 32,375 square foot (0.74 acre), generally rectangular shaped corner site with frontages of 175’ on the East side of Ridge Avenue and 180’ on the North side of Grove Avenue. There is a public alley that runs along the site’s East line. At the time of sale, the vacant lot was entirely asphalt paved for use as a parking lot. It is zoned R6, General Residential District, for high density multi-family development, which has a maximum building height of 85’ and lot coverage of 50% and a required lot size of 5,000 square feet for the first four dwelling units, then 400 square feet for each additional dwelling unit thereafter. All public utilities are reportedly available at the site, including municipal water and sewer, and gas, with electrical, and telephone service by commercial providers. No adverse easements or encroachments were known; the site is not in a known designated flood hazard area; soil quality is assumed to be adequate; and no factors were reported that would require any adjustment for cash equivalency. CoStar Comps reports and Remine confirms that this property sold in May 2020 for \$3,900,000, assumed to be on a conventional basis, or **\$120.46 per square foot of land area**. The property had been marketed for 365 days at an initial asking price of \$3,500,000 before going under contract.

In March 2020, the City of Evanston approved a special use permit (Ordinance 52-O-20) for a five-story, 68-unit multi-family residence with 61 off-street parking spaces, which granted a setback and landscaping variance along the North line and a reduced rear yard setback of 1½’. For a 68-unit development, the May 2020 sale indicates a price of **\$57,353 per buildable unit**.

***OPINION OF LAND VALUE – IF ZONED R4A
(continued)***

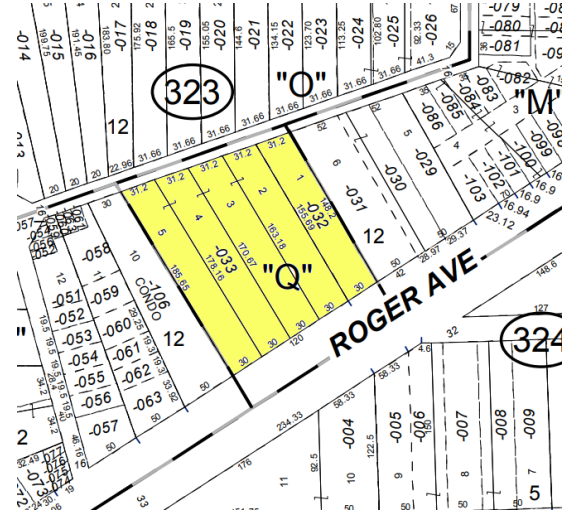
Land Sale #3 continued –



The price per unit permitted developed by this sale requires minor downward adjustment, relative to the subject, to reflect its smaller size, and its much superior specific location on the Western edge of the downtown district less than a ¼ mile West of a CTA and Metra train stop at the Davis Street station. These adjustments are almost fully offset by the site's higher permitted density of development which requires a large upward adjustment to this unit of comparison. The site was used as a parking lot at the date of sale, requiring no net adjustment. Some additional upward is warranted for the inferior market conditions at the date of sale as this sale closed during the early stages of the Covid-19 pandemic during a period of much higher uncertainty.

OPINION OF LAND VALUE – IF ZONED R4A
(continued)

As we were only able to identify three recent sales of residential land in Evanston, we have surveyed residential land available for sale in the market area and have identified the following active listings to determine a value indication for the subject.



Listing A – 7240 Rogers Avenue, Evanston (Cook County P.I. #11-30-323-033-0000) – This is a 20,521 square foot (0.47 acre), generally rectangular shaped interior site with 150’ of frontage on the North side of Roger Avenue and an average even depth of 167’. The previously developed lot is both asphalt and gravel paved. It is zoned RT-4 for residential two-flat, townhouse, and multi-family use, which has a minimum lot area per unit of 1,000 square feet. Thus, the indicated maximum permitted density for this site is 20 units. All public utilities are reportedly available at the site, including municipal water and sewer, and gas, with electrical, and telephone service by commercial providers. No adverse easements or encroachments were known; the site is not in a known designated flood hazard area; soil quality is assumed to be adequate; and no factors were reported that would require any adjustment for cash equivalency. This site has been listed for sale by Demetrios Chronis of Coldwell Banker Realty for 165 days at an asking price of \$1,349,000, or **\$65.74 per square foot of land area** and **\$67,450 per buildable unit**.

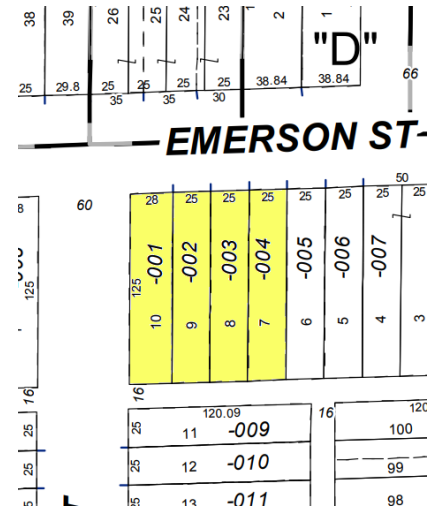
The price per unit permitted developed by this listing requires downward adjustment, relative to the subject, to reflect its smaller size and for the usual discrepancy between listing prices and sale prices. These adjustments are partially offset by its inferior location in the Rogers Park community area of Chicago, which has an inferior socio-economic profile to Evanston, and its higher permitted density of development.

***OPINION OF LAND VALUE – IF ZONED R4A
(continued)***

Listing A continued –



OPINION OF LAND VALUE – IF ZONED R4A
(continued)



Listing B – 2004 Emerson Street, Evanston (Cook P.I. #'s 10-13-118-001-0000 through -004-0000) – This is a 12,500 square foot (0.30 acre), rectangular shaped corner site with frontages of 100' on the South side of Emerson Street and 125' on the East side of Howland Court. The site is grass covered and level at street grade. It is zoned R-3, General Residential District, which has a minimum lot size of 5,000 square feet for a single-family detached home and 3,500 square feet per dwelling unit for two-family dwelling units. This indicates that the site could be developed with one detached single-family home and one, two-family building, for a total of three dwelling units. All public utilities are available at the site, including municipal water and sewer, with gas, electricity, and telephone service by commercial providers. No adverse easements or encroachments were known; soil quality is assumed to be adequate; and the site is not in a known designated floodplain. This property has been listed for sale by Mildred Cardona of Universal Realty Group for 203 days at an asking price of \$699,900, or **\$55.99 per square foot of land area** and **\$233,300 per buildable unit** for the maximum permitted six units.

The price per unit permitted developed by this listing requires substantial downward adjustment, relative to the appraised, to reflect its substantially smaller size and its much less intense zoning classification, with more than 4,000 square feet of land per dwelling unit. Additional downward adjustment is required for the usual discrepancy between asking prices and sale prices, as this property has not sold, but is currently offered for sale. No adjustment for its location is required.

OPINION OF LAND VALUE – IF ZONED R4A
(continued)

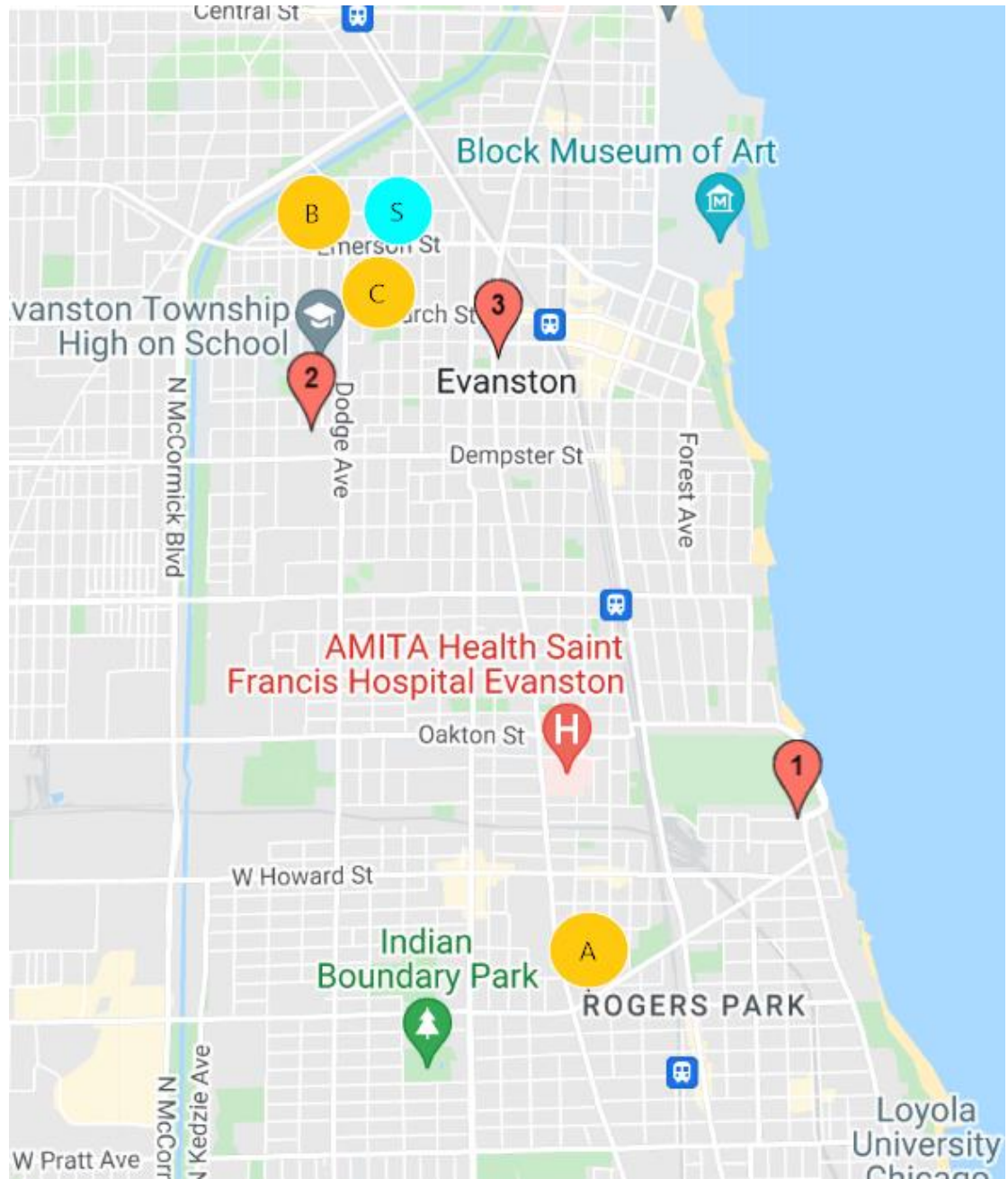


Listing C – 1727 Dodge Avenue, Evanston (Cook P.I. #10-13-220-009-0000) – This is a 7,074 square foot (0.16 acre), rectangular shaped interior site with 41.6’ of frontage on the East side of Dodge Avenue and an even depth of 169.8’. The site is grass covered and level at street grade. It is zoned R-4, General Residential District, with a minimum lot size of 2,500 square feet is required for each dwelling unit for multi-family homes, indicating the site could be developed with a two-unit multi-family residential building. All public utilities are available at the site, including municipal water and sewer, with gas, electricity, and telephone service by commercial providers. No adverse easements or encroachments were known; soil quality is assumed to be adequate; and the site is not in a known designated floodplain. This property has been listed for sale by Joe Huang for 189 days at an asking price of \$195,000, or **\$27.57 per square foot of land area** and **\$97,500 per buildable unit** for a two-unit development.

The price per unit permitted developed by this listing requires substantial downward adjustment, relative to the appraised, to reflect its substantially smaller size and its less intense zoning classification, with more than 3,500 square feet of land per dwelling unit. Additional downward adjustment is required for the usual discrepancy between asking prices and sale prices, as this property has not sold, but is currently offered for sale. These adjustments are partly offset by an upward adjustment for its inferior location less than one block from Evanston Township High School which creates a lot of traffic at this location every weekday and some weekends.

OPINION OF LAND VALUE – IF ZONED R4A
(continued)

Comparable Sales Map



OPINION OF LAND VALUE – IF ZONED R4A
(continued)

Comparable Sales Summary

<i>Sale #</i>	<i>Address</i>	<i>Sale Date</i>	<i>Land Area</i>	<i>Zoning/ Units Permitted</i>	<i>SF of lot area per unit</i>	<i>\$/SF Land</i>	<i>\$ per buildable unit</i>
1	7728 N. Sheridan Rd Chicago	4/21	9,178 sf	RT-4 9 units	1,020 sf	\$53.93	\$55,000
2	2030 Greenwood St, Evanston	1/21	27,380 sf	MXE* 24 units	1,141 sf	\$23.74	\$27,083
3	1555 Ridge Avenue, Evanston	5/20	32,375 sf	R-6 68 units	476 sf	\$120.46	\$57,353
A	7240 Rogers Ave, Chicago	Curr.	20,521 sf	RT-4 20 units	1,026 sf	\$65.74	\$67,450
B	2004 Emerson St, Evanston	Curr.	12,500 sf	R-3 3 units	4,167 sf	\$55.99	\$233,300
C	1725 Dodge Ave, Evanston	Curr.	7,074 sf	R-4 2 units	3,537 sf	\$27.57	\$97,500
Sub.	1917-1925 Jackson Ave, 1413-1425 Emerson St, Evanston	Curr.	45,689 sf	R4a 8 units 10 units	2,538 sf	TBD	TBD

*This property was zoned I2, Industrial, prior to the sale, but the buyer purchased the property with pre-approval from the City of Evanston that rezoning was available.

Analysis

The foregoing sales and listings developed prices ranging from a low of **\$27,083 per buildable unit** to a high of **\$233,300 per buildable unit**. Recent sales of vacant multi-family sites in this market area were limited, and we had to include three active listings as evidence of market value.

The subject property is rectangular in shape which does not require any adjustments to the comparable sales. The subject is larger than all sales and listings, most similar to Sale #3. Typically, larger sites develop lower prices per unit permitted as a larger investment is needed to acquire them over smaller sites, reducing the number of potential buyers.

The subject is in an area commonly referred to as West Evanston. It is about a ½ mile West of the CTA Foster Street station and public bus lines run along Emerson Street and Green Bay Road. The site is one block from Gilbert Park, a small neighborhood park, and Southeast of the larger Foster Park and City of Evanston recreational and community facilities at Foster Street and Dewey Street. The subject's general location in Evanston is superior to Sale #1 and Listing A in Rogers Park, Chicago, with a lower socio-economic profile, but inferior to Sale #3 which is on the edge of downtown Evanston, fronting Ridge Avenue.

OPINION OF LAND VALUE – IF ZONED R4A
(continued)

For multi-unit residential development, apart from location, permitted density is the most important adjustment factor as that controls how many dwelling units can be constructed. Thus, the adjustment for density can be weighted greater than the combined adjustments for location and parcel size. This scenario values the subject property if down-zoned to the R4A classification, which would permit a total of 18 units on the combined subject property. This density is between that of Sale #1, Sale #3, and Listing A and Listings B and C. Listings B and C developed the highest prices per unit because of their zoning permitting fewer units per acre than the other sales. Thus, the subject should develop a price per unit below those listings, but above the other sales if adjusted for zoning and permitted density alone.

The table below provides a summary of the adjustments made to the comparable properties.

Qualitative Adjustment Summary

	Sale #1	Sale #2	Sale #3	Listing A	Listing B	Listing C
Market Conditions	=	=/+	+	-	-	-
Conditions of Sale	=	=	=	=	=	=
Financing	=	=	=	=	=	=
General Location	+	=	=	+	=	=
Specific Location	=/-	+	-	=	=	+
Parcel Size	--	=/-	-	-	-	--
Density Permitted	+	+	++	+	--	-
Zoning at Sale	=	+	=	=	=	=
Site Utility	=	=	=	=	=	=
Overall Comparison	=	+	=/-	-	--	--

In this grid, a (+) indicates that a sale is inferior to the subject and requires upward adjustment, while a (-) indicates that a sale is superior to the subject and requires downward adjustment.

Based on these adjustments, and those described previously, it is my opinion that the market value of the *fee simple interest* in the subject site as of April 12, 2022, subject to the *hypothetical conditions* that it is zoned R4a and the existing improvements have been demolished, but no extraordinary assumptions, was **\$52,500 per unit permitted**. These indicate the following values for the subject site:

1917 – 1925 Jackson Avenue
\$52,500/unit x 8 units = (say) \$420,000

1413 – 1425 Emerson Street
\$52,500/unit x 10 units = (say) \$525,000

OPINION OF LAND VALUE – AS CURRENTLY ZONED R5
(continued)

Thus, it is my opinion that the two sites develop a **market value** as of the date of our inspection on **April 12, 2022**, subject to the terms and conditions of this appraisal and the **hypothetical condition** that the site is zoned R4a for multi-family residential use and the existing improvements have been demolished, was (say):

NINE HUNDRED FORTY-FIVE THOUSAND DOLLARS

(\$945,000)

It is also our opinion that an estimated marketing time of **nine months** should be anticipated for the subject property if offered for arm's length sale at the value opinion developed in this report. This is based on our perception of the very limited market activity in this area and is corroborated by the marketing times that have been reported for the comparable sales used in this report or maintained in our files. A similar exposure time is anticipated, as there is no evidence of a change in supply and demand factors at this time.

Our opinion of the property's Market Value is related to the real estate only, and has not considered investor specific tax or investment consequences. In our opinion, no items of personal property would be included in the sale of a property of this type, which is vacant land.

***CERTIFICATION for
1917 – 1925 JACKSON AVENUE and 1413 – 1425 EMERSON STREET
in EVANSTON, ILLINOIS 60201***

The undersigned does hereby certify that, to the best of his knowledge and belief, except as otherwise noted in this appraisal report:

The appraiser has no past, present or contemplated future interest in the property that is the subject of this report; that neither the employment to prepare the appraisal, nor the compensation therefore, are contingent upon a requested minimum or maximum valuation, a specific valuation or the approval of a loan. Nor is he dependent on an action or event resulting from the analyses, opinions, conclusions in, or the use of this report.

The appraiser has performed the following services involving the subject property within the three years immediately preceding our engagement for appraisal services: I appraised the West portion of this property for you in August 2018 and June 2020.

The appraiser has no personal interest in or bias with respect to the subject matter of the appraisal report or the parties involved. The value(s) estimated in the appraisal report is (are) not based in whole or in part upon the race, color, or national origin of the present or prospective owners or occupants of the property appraised, or of the present owners or occupants of properties in the vicinity of the property appraised.

The appraiser has personally inspected the property to the extent indicated below. To the best of the appraiser's knowledge and belief, all statements of fact in this report are true and correct. I have not knowingly withheld any significant information.

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

This appraisal report has been prepared in conformity with and is subject to the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, the Uniform Standards of Professional Appraisal Practice (USPAP), and the standards of all appraisal organizations with which the appraisers are affiliated. The appraisers certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

The appraiser is competent to complete this assignment in accordance with the Competency Provision of the Uniform Standards of Professional Appraisal Practice.

No one provided significant professional assistance to the persons signing this certification. All conclusions and opinions concerning the real estate that are set forth in the appraisal report were prepared by the appraisers whose signatures appear below. No change of any item in the appraisal report shall be made by anyone other than the appraisers, and the appraisers shall have no responsibility for any unauthorized change.

The Appraisal Institute conducts a voluntary program of continuing education for designated members. MAI's, SRPA's and SRA's who meet the minimum standards are awarded periodic educational recertification. As of the date of this report, Andrew J. Richter, MAI, and Andrea E. Litzhoff have completed the requirements of the continuing education program of the Appraisal Institute.



Andrew J. Richter, MAI, CIAO
Certified General Real Estate Appraiser
Illinois License #553.001885
Expiration Date: 9/30/2023
Did not inspect the property



Andrea E. Litzhoff
Associate Real Estate Trainee Appraiser
Illinois License #557.006547
Expiration Date: 9/30/2023
Did inspect the property

June 1, 2022
Date

**1413 – 1425 EMERSON STREET
EVANSTON, ILLINOIS 60201**



***FRONT VIEW OF EMERSON STREET PROPERTIES
LOOKING NORTHEAST FROM EMERSON STREET***



***FRONT VIEW OF EMERSON STREET PROPERTIES
LOOKING NORTHWEST FROM EMERSON STREET***

Photographed: April 2022

***1413 – 1425 EMERSON STREET
EVANSTON, ILLINOIS 60201***



***LOOKING EAST ALONG SOUTH LINE
FROM SOUTHWEST CORNER***



LOOKING EAST FROM WEST SIDE OF JACKSON AVENUE

***1917 – 1925 JACKSON AVENUE
EVANSTON, ILLINOIS 60201***



***JACKSON AVENUE PROPERTIES
LOOKING NORTHEAST FROM WEST SIDE OF JACKSON AVENUE***



***JACKSON AVENUE PROPERTIES
LOOKING SOUTHWEST FROM WEST SIDE OF JACKSON AVENUE***

Photographed: April 2022

**1917 – 1925 JACKSON AVENUE
EVANSTON, ILLINOIS 60201**



***PUBLIC ALLEY BETWEEN NORTH AND SOUTH PORTIONS OF THE SITE,
LOOKING EAST FROM JACKSON AVENUE***



***PUBLIC ALLEY ALONG REAR OF JACKSON STREET PROPERTIES,
LOOKING SOUTH***

Photographed: April 2022

***1917 – 1925 JACKSON AVENUE
EVANSTON, ILLINOIS 60201***



***STREET VIEW
JACKSON AVENUE, LOOKING SOUTH***



***STREET VIEW
JACKSON AVENUE, LOOKING NORTH***

Photographed: April 2022

***1413 – 1425 EMERSON STREET
EVANSTON, ILLINOIS 60201***



***STREET VIEW
EMERSON STREET, LOOKING EAST***



***STREET VIEW
EMERSON STREET, LOOKING WEST***

Photographed: April 2022

AERIAL



AREA STATISTICS



Market Profile

Evanston City, IL 8
 Evanston City, IL (1724582)
 Geography: Place

Prepared by Second City Appraisal LLC

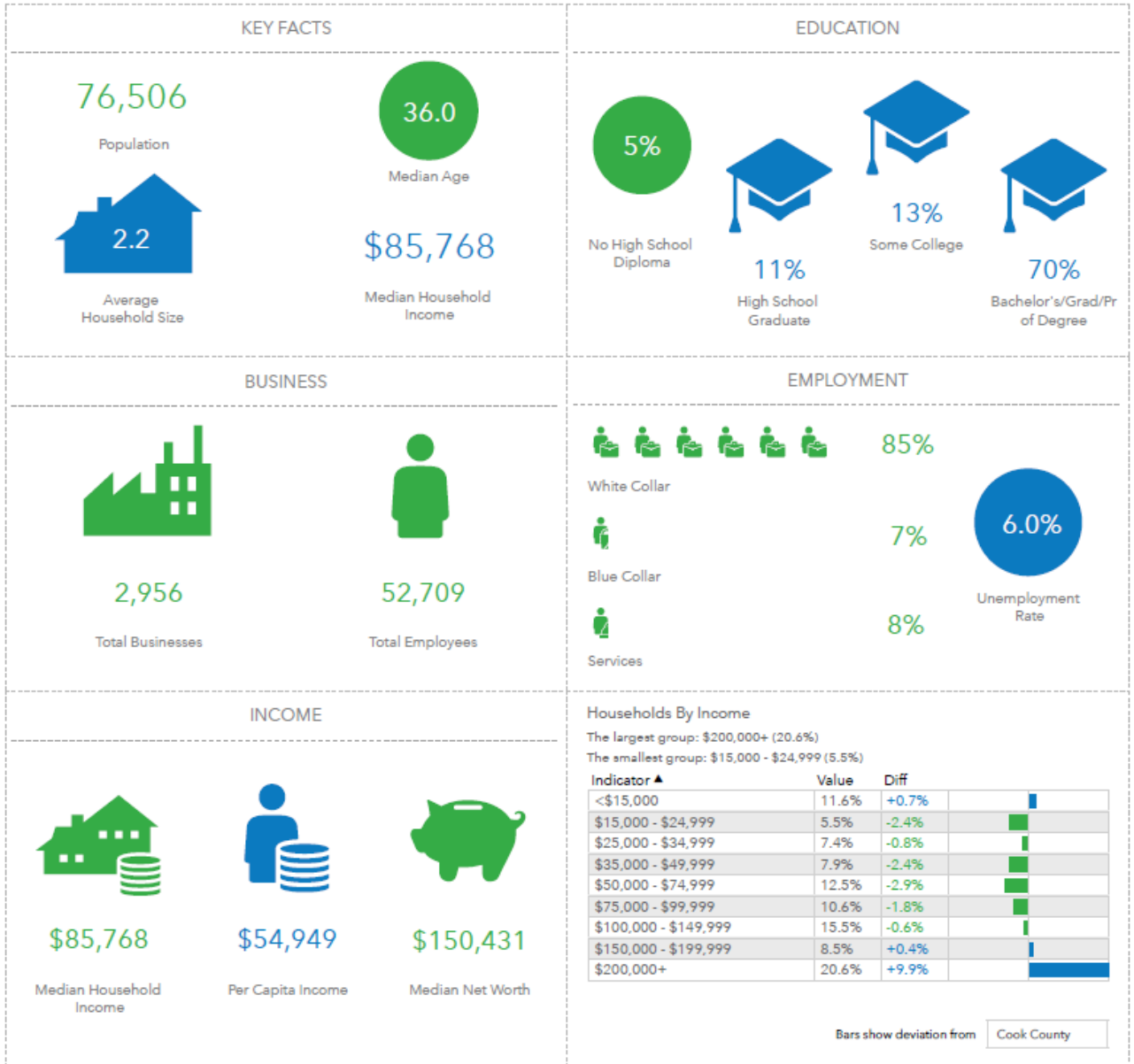
	Evanston city...
Population Summary	
2000 Total Population	74,250
2010 Total Population	74,486
2021 Total Population	76,506
2021 Group Quarters	7,289
2026 Total Population	76,309
2021-2026 Annual Rate	-0.05%
2021 Total Daytime Population	91,175
Workers	50,840
Residents	40,335
Household Summary	
2000 Households	29,655
2000 Average Household Size	2.27
2010 Households	30,047
2010 Average Household Size	2.25
2021 Households	31,258
2021 Average Household Size	2.21
2026 Households	31,270
2026 Average Household Size	2.21
2021-2026 Annual Rate	0.01%
2010 Families	15,621
2010 Average Family Size	3.05
2021 Families	15,673
2021 Average Family Size	3.04
2026 Families	15,568
2026 Average Family Size	3.03
2021-2026 Annual Rate	-0.13%
Housing Unit Summary	
2000 Housing Units	30,821
Owner Occupied Housing Units	50.7%
Renter Occupied Housing Units	45.6%
Vacant Housing Units	3.8%
2010 Housing Units	33,181
Owner Occupied Housing Units	50.1%
Renter Occupied Housing Units	40.5%
Vacant Housing Units	9.4%
2021 Housing Units	34,057
Owner Occupied Housing Units	48.4%
Renter Occupied Housing Units	43.4%
Vacant Housing Units	8.2%
2026 Housing Units	34,273
Owner Occupied Housing Units	48.9%
Renter Occupied Housing Units	42.3%
Vacant Housing Units	8.8%
Median Household Income	
2021	\$85,768
2026	\$98,447
Median Home Value	
2021	\$437,550
2026	\$463,872
Per Capita Income	
2021	\$54,949
2026	\$61,475
Median Age	
2010	34.4
2021	36.0
2026	36.4

Data Note: Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2021 and 2026 Esri converted Census 2000 data into 2010 geography.

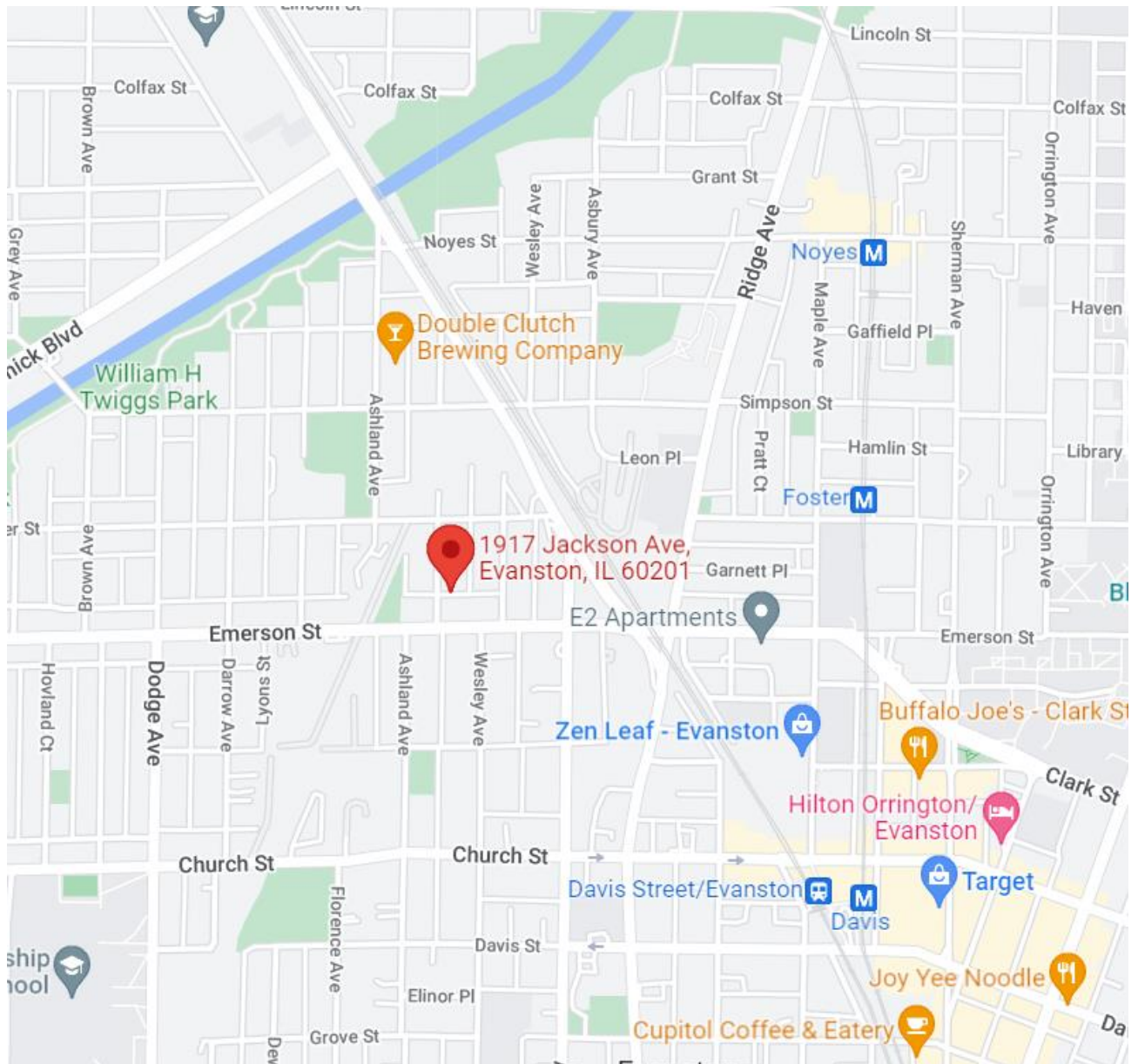
April 08, 2022

EVANSTON INFOGRAPHIC

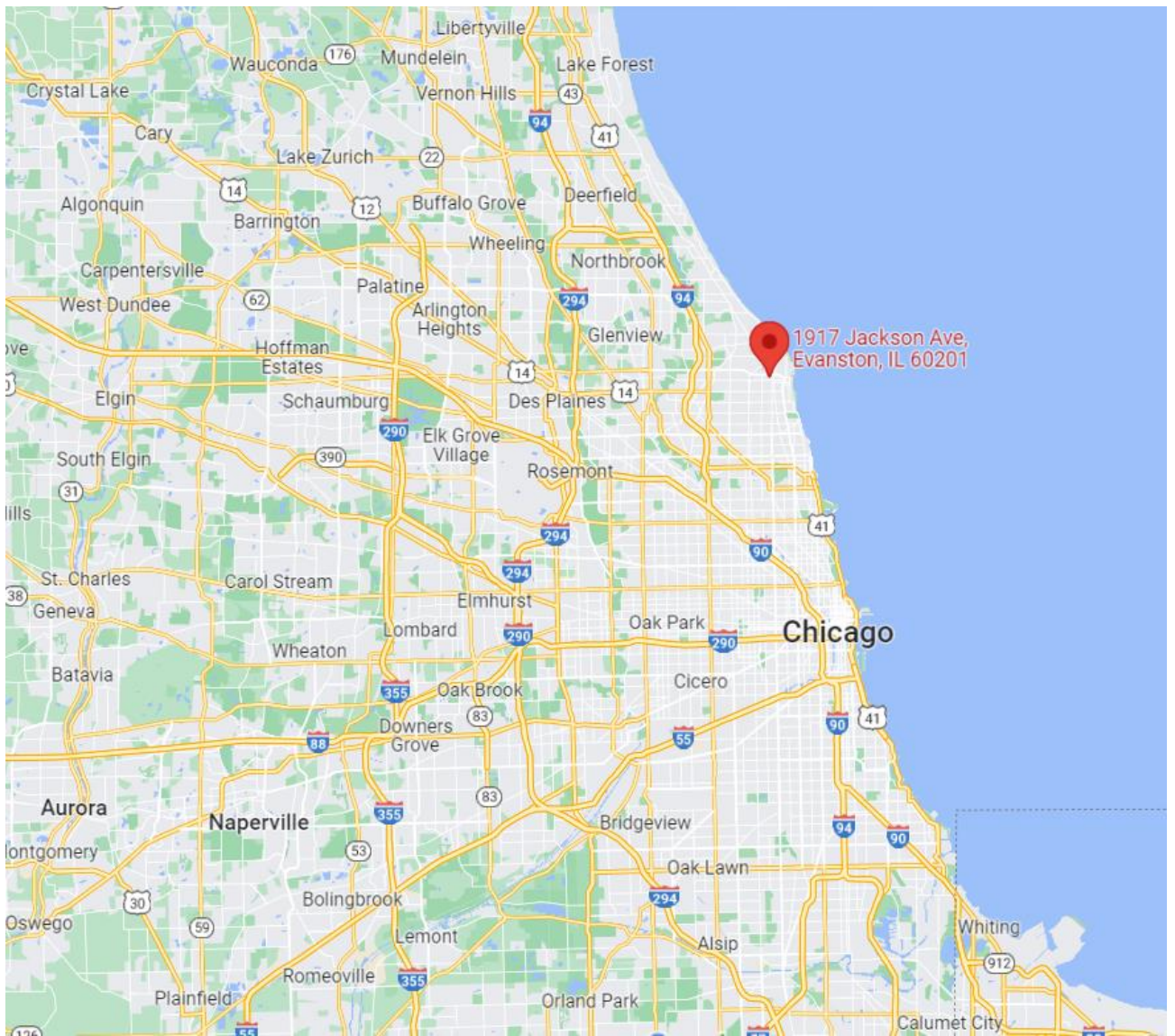


This infographic contains data provided by Esri, Esri and Data Axle. The vintage of the data is 2021, 2026.

SUBJECT MAP



CHICAGO & VICINITY MAP



ASSUMPTIONS AND LIMITING CONDITIONS

The Certification of the appraiser appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in the report.

The information identified in this report, as furnished by others, is believed to be reliable, but no responsibility for its accuracy is assumed.

This appraisal covers the property as described in this report. The locations and dimensions as shown herein are assumed to be correct, but should be confirmed by a surveyor.

Any sketches contained in this report are included only to assist the reader in visualizing the property. The appraiser has made no survey of the premises and assume no responsibility in connection with such matters. All improvements are assumed to be within the property lines and constructed in accordance with all zoning and building ordinances, unless otherwise noted.

The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil or structures, which would render it more or less valuable, unless specifically mentioned. The appraiser assumes no responsibility for such conditions, or for engineering, which might be required to discover such factors.

The appraiser has no specific qualifications regarding property inspections, and this report should not be relied upon as to the condition of the property being appraised. Nothing contained in this report shall be construed as warranting, expressing, or otherwise implying any future value of the real or personal property. This appraisal applies solely to the date of valuation stated herein.

The legal description furnished to the appraiser is assumed to be correct. No responsibility for matters that are legal in character is assumed, and no opinion as to the title is rendered herewith. The title is assumed to be merchantable, and all existing liens and other encumbrances have been disregarded, unless otherwise specifically noted. The property is appraised as though the title was free and clear, under responsible ownership and competent management.

Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose, by any but the client for whom it was made, without the written consent of the appraisers. The content of this report is governed by the Bylaws and Regulations of the professional organizations with which the appraiser is affiliated.

The appraiser is not required to testify or attend any legal proceedings in regard to this appraisal, unless prior arrangements have been made therefore. Any allocation of total value to land or buildings, as shown in this report, is invalidated when used separately and/or in conjunction with any other appraisal.

Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the written consent of its author; especially where this entails valuation conclusions, or the identity of the appraiser the firm, and reference to the Appraisal Institute, or the MAI or AI-GRS designations.

QUALIFICATIONS OF ANDREW J. RICHTER, MAI, CIAO

Andrew J. Richter, MAI, CIAO is President and sole owner of Second City Appraisal, LLC. Prior to 2017 he was Director of Commercial Valuation for Real Valuation Services (which later became Valuentric), after serving for five years as Vice President of Howard B. Richter and Associates, Inc. He has been engaged full time in the appraisal of commercial real estate since 2002, personally preparing at least 80 income producing properties annually, in addition to numerous residential and unimproved properties. He has completed appraisals throughout the six-county Chicago market area, as well as in Indiana and Wisconsin.

Mr. Richter was elected to be the West Deerfield Township Assessor on April 6, 2021. He will take office on January 1, 2022.

Designations Held

Member of the Appraisal Institute, MAI Designation conferred November 2014
 Certified Illinois Assessing Officer (CIAO) conferred September 2021
 Illinois Certified General Real Estate Appraiser - License #553.001885
 Indiana Certified General Real Estate Appraiser – License #CG41500041

General Education

BA - Washington University in St. Louis, 2002

Appraisal Institute Courses and Seminars Completed (partial list)

Advanced Market Analysis and Highest & Best Use	Business Practices and Ethics
Advanced Income Capitalization	Report Writing and Valuation Analysis
Advanced Concepts & Case Studies	7-Hour National USPAP Update Course
Collateral Underwriting and the Future of Appraising	Forecasting Revenue
Appraising Convenience Stores	Analyzing Operating Expenses
Appraising Automobile Dealerships	Cool Tools - Technology for Real Estate Appraisers
Understanding and Appraising Residential REO's	Understanding Uniform Standards of Land Acquisition
Eminent Domain and Condemnation	Real Estate Appraisal Issues in Family Law

Memberships

Designated Member of the Appraisal Institute (MAI), 2014 to date
 Member, Board of Directors of the Chicago Chapter of the Appraisal Institute, current
 Member, Finance Committee of the Chicago Chapter of the Appraisal Institute, current
 Region Representative - Chicago Chapter of the Appraisal Institute 2019
 Candidate Guidance Committee Member - Chicago Chapter of the Appraisal Institute 2019
 Education Committee Member - Chicago Chapter of the Appraisal Institute 2016 & 2017
 Alternate Region Representative for the Chicago Chapter of the Appraisal Institute 2016
 President of Illinois Association of Certified Real Estate Appraisers (IACREA), 2015, 2017
 Member of Illinois Coalition of Appraisal Professionals (ICAP), 2010 to date
 Member of the Illinois Property Assessment Institute, 2021 to present

Types of properties appraised include:**Residential**

Single family homes	Individual condominium units
Two to four units	Apartment buildings and complexes
Apartments with stores/offices	Condominium developments
Subdivision analysis	Nursing homes
Congregate/Independent living facilities	Assisted living facilities

Industrial

Cold storage facilities	Light and heavy manufacturing
Crane industrial buildings	Multi-tenant incubator buildings
Flex Buildings	Research & development
Food processing plants	Warehouse facilities

Commercial

Banks and financial institutions	Regional shopping centers
Commercial and professional offices	Free-standing retail stores
Community shopping centers	Strip-type shopping centers
Grocery and discount stores	

Special Purpose

Automobile sales & service	Funeral homes
Bowling alleys	Hotels & motels
Golf courses	Restaurants
Churches & Religious Facilities	Service stations

Vacant Land

Urban/Suburban lots and acreage	Subdivision analysis
Planned commercial/industrial parks	Mixed-Use PUDs
	Street vacations



State of Illinois

Department of Financial and Professional Regulation Division of Real Estate

LICENSE NO.
553.001885

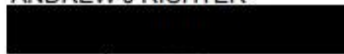
The person, firm, or corporation whose name appears on this certificate has complied with the provisions of the Illinois Statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below:

EXPIRES:
09/30/2023

CERTIFIED GENERAL REAL ESTATE APPRAISER



ANDREW J RICHTER



A handwritten signature in cursive script, reading "Mario Treto, Jr.".

MARIO TRETTO, JR.
ACTING SECRETARY

A handwritten signature in cursive script, reading "Laurie Murphy".

LAURIE MURPHY
ACTING DIRECTOR

The official status of this license can be verified at www.idfpr.com

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QUALIFICATIONS OF ANDREA E. LITZHOFF

Andrea Litzhoff is an Associate Real Estate Trainee Appraiser at Second City Appraisal. She is working toward obtaining her Certified General Real Estate Appraiser License under the mentorship of Andrew J. Richter, MAI, President, and Howard B. Richter, MAI. Prior to joining Second City Appraisal in 2018, she worked in the building and zoning departments for several suburban Chicago municipalities.

Education

Bachelor of Arts, Urban and Public Affairs, University of Illinois at Chicago, Chicago, IL 2010
Master of Public Administration, Northern Illinois University, DeKalb, IL 2013

Appraisal and Real Estate Education

Basic Appraisal Principles
Basic Appraisal Procedures
15-Hour National USPAP
Supervisory Appraiser/Trainee Appraiser Course

Professional Licenses

Associate Real Estate Trainee Appraiser – IL 557.006547

