#3

Address	Tax Key #	Legal Description	Lot Size	Zoning	Appraisal A	Appraisal B	Market Value
Lot 3 Main Street Corridor 2nd Subdivision	16-2046-1584		15,338	R-1	11,000	10,000	10,500
Residential Vacant Parcel	16-2046-1585						

Summary Appraisal Report
LAND APPRAISAL REPORT

File No. 13100018

IDENTIFICATION

Owner: City of Mishawaka | Census Tract: 107 | Map Reference: 7800
Property Address: Stanley St.
City: Mishawaka | County: St Joseph | State: IN | Zip Code: 46545
Legal Description: Lot 3 Main St Corridor Second Subdivion
Sale Price: $n/a | Date of Sale: | Property Rights Appraised: [X] Fee [ ] Leasehold [ ] De Minimis PUD
Actual Real Estate Taxes: $-0- (yr.)
Client: City of Mishawaka | Address: 600 East Third St., Mishawaka, IN, 46544
Occupant: | Appraiser: Christopher J. Michaels | Instructions to Appraiser:
Intended User: David B Thomas | Intended Use:

NEIGHBORHOOD

Location	[X] Urban	[ ] Suburban	[ ] Rural
Built Up	[X] Over 75%	[ ] 25% to 75%	[ ] Under 25%
Growth Rate	[X] Fully Dev.	[ ] Rapid	[ ] Steady	[ ] Slow
Property Values	[ ] Increasing	[X] Stable	[ ] Declining
Demand/Supply	[ ] Shortage	[X] In Balance	[ ] Over Supply
Marketing Time	[ ] Under 3 Mos.	[X] 4-6 Mos.	[ ] Over 6 Mos.

Present Land Use: 60 % 1 Family; % 2-4 Fam; 10 % Apts.; % Condo; 30 % Commercial; 100.000000 % Industrial; % Vacant; %
Change in Present Land Use: [X] Not Likely [ ] Likely (*) [ ] Taking Place (*)
(*) From To
Predominant Occupancy: [X] Owner [ ] Tenant % Vacant
Single Family Price Range: $ 50 to $ 125 Predominant Value $ 90
Single Family Age: 40 yrs. to 120 yrs. Predominant Age 65 yrs.

	Good	Avg.	Fair	Poor
Employment Stability		X		
Convenience to Employment		X		
Convenience to Shopping	X			
Convenience to Schools	X			
Adequacy of Public Transportation	X			
Recreational Facilities		X		
Adequacy of Utilities		X		
Property Compatibility	X			
Protection from Detrimental Conditions		X		
Police and Fire Protection	X			
General Appearance of Properties	X			
Appeal to Market	X			

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, noise): The subject is bounded by Division St., to the east, McKinley Hwy. to the north, Jefferson Rd. to the south and Grape Rd. to the west.. The subject is conveniently located near schools,shopping and employment centers.

SITE

Dimensions: = 15,356 sq. ft. [ ] Corner Lot
Zoning Classification: Single Family Residential | Present Improvements: [X] do [ ] do not conform to zoning regulations
Highest and best use: [X] Present use [ ] Other (specify)

	Public	Other (Describe)
Elec.	X	
Gas	X	
Water	X	
San. Sewer	X	
	[ ] Underground Elect. & Tel.	

OFF SITE IMPROVEMENTS
Street Access: [X] Public [ ] Private
Surface: Asphalt
Maintenance: [X] Public [ ] Private
[X] Storm Sewer [X] Curb/Gutter
[X] Sidewalk [X] Street Lights

Topo: Level
Size: 15,356 sq. ft.
Shape: Rectangular
View: Average
Drainage: Adequate
Is the property located in a HUD Identified Special Flood Hazard Area? [X] No [ ] Yes

Comments (favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions): There were no adverse easements or encroachments noted during the exterior inspection.

MARKET DATA ANALYSIS

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

For the Market Data Analysis [X] See grid below. [ ] See narrative attachment.

ITEM	Subject Property	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	Stanley St. Mishawaka, IN 46545	17th St. Mishawaka		509 Eisenhower Mishawaka		1251 Miner South Bend	
Proximity to Subj.		1.82 miles S		1.67 miles NW		3.51 miles W	
Sales Price	$ n/a		$ 14,000		$ 13,000		$ 5,000
Price	$ n/a		$ 1		$ 1		$ 1
Data Source	Assessor/Internet data	My Files Assessor/Internet Data		MLS/Assessor/Internet Data		MLS/Assessor/Internet Data	
Date of Sale and Time Adjustment	DESCRIPTION n/a	DESCRIPTION 05/14/2012	+ (-) $ Adjustment	DESCRIPTION 08/19/2009	+ (-) $ Adjustment	DESCRIPTION 02/06/2013	+ (-) $ Adjustment
Location	Inferior/Land Locked	Average	-2,500	Average	-2,500	Average	-2,500
Site/View	15,356/Average	60x287/Avg.		90x127/Avg.		79x123/Avg.	
Site Area	15,356 sq. ft.	17220	-1,600	11430	+3,300	9717	+4,800
Sales or Financing Concessions		DOM 11 Cash		DOM 144 Conv.		DOM 365 Conv.	
Net Adj. (Total)		[ ] Plus [X] Minus $	-4,100	[X] Plus [ ] Minus $	800	[X] Plus [ ] Minus $	2,300
Indicated Value of Subject		Gross 29.3% Net -29.3%	$ 9,900	Gross 44.6% Net 6.2%	$ 13,800	Gross 146.0% Net 46.0%	$ 7,300

Comments on Market Data: All six sales are from throughout the area and have a similar appeal. I also made adjustments for the differences in the lot sizes. Similar recent market data was extremely scarce throughout the entire county thus I was forced to use sales from all over St Joseph county and some older sales.

RECONCILIATION

Comments and Conditions of Appraisal: All six vacant lot sales are excellent indicators of value. I relied soley on the Market Approach in estimating the subject's final opinion of value. The subject lot is landlocked thus severely limiting the number of potential buyers for the property. The sole access is a public alley. The adjoining neighboring lots are the obvious interested parties.

Final Reconciliation: I correlated based on all six adjusted sales in estimating the subject's final opinion of value. The adjusted values give a good indication of the market value. Comparable #6 is the oldest sale (date of sale) but it is located closest to the subject and is a excellent indicator of value.

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF September 15, 2013 to be $10,000

This appraisal report is subject to the scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, 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: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.

2. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.

4. The appraiser has noted in this appraisal report any adverse conditions (such as the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent deficiencies or adverse conditions of the property (such as, but not limited to, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.

2. I performed a complete visual inspection of the subject property.

3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.

5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.

6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.

7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.

8. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.

9. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale of the subject property.

10. I have knowledge and experience in appraising this type of property in this market area.

11. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

12. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.

13. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.

14. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.

15. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.

16. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.

17. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event.

18. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

19. I identified the client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

20. I am aware that any disclosure or distribution of this appraisal report by me or the client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

21. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER

Signature
Name Christopher J. Michaels
Company Name Michaels Appraisal Service
Company Address 116 South Saint Louis Boulevard
South Bend, IN 46617
Telephone Number 574-234-5256
Email Address
Date of Signature and Report October 9, 2013
Effective Date of Appraisal September 15, 2013
State Certification # LR69201584
or State License #
or Other State #
State IN
Expiration Date of Certification or License 06/30/2014

ADDRESS OF PROPERTY APPRAISED
Stanley St.
Mishawaka, IN 46545
APPRAISED VALUE OF SUBJECT PROPERTY $ 10,000
CLIENT
Name Mr David Thomas
Company Name City of Mishawaka
Company Address 600 East Third St.
Mishawaka, IN 46544
Email Address

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature
Name
Company Name
Company Address

Telephone Number
Email Address
Date of Signature
State Certification #
or State License #
State
Expiration Date of Certification or License

SUBJECT PROPERTY

☐ Did not inspect subject property
☐ Did inspect exterior of subject property from street
Date of Inspection
☐ Did inspect interior and exterior of subject property
Date of Inspection

COMPARABLE SALES

☐ Did not inspect exterior of comparable sales from street
☐ Did inspect exterior of comparable sales from street
Date of Inspection

File No. 13100018

ADDITIONAL COMPARABLES

Intended User: David B Thomas
Property Address: Stanley St.
City: Mishawaka County: St Joseph State: IN Zip Code: 46545
Client: City of Mishawaka

MARKET DATA ANALYSIS

ITEM	Subject Property	COMPARABLE NO. 4		COMPARABLE NO. 5		COMPARABLE NO. 6	
Address	Stanley St. Mishawaka, IN 4654	1427 Penn Ave. Mishawaka		1321 E 8th St. Mishawaka		420 W Marion Mishawaka	
Proximity to Subj.	[redacted]	1.68 miles S		1.20 miles S		1.18 miles W	
Sales Price	$ n/a	[redacted]	$ 21,500	[redacted]	$ 27,500	[redacted]	$ 10,500
Price	$ n/a	[redacted]	$ 1	[redacted]	$ 1	[redacted]	$ 1
Data Source	Assessor/Internet data	Assessor/MLS/Internet Data		Assessor/MLS/Internet Data		Assessor/MLS/Internet Data	
Date of Sale and Time Adjustment	DESCRIPTION n/a	DESCRIPTION 09/12/2013	+ (-) $ Adjustment	DESCRIPTION 03/16/2009	+ (-) $ Adjustment	DESCRIPTION 08/30/2007	+ (-) $ Adjustment
Location	Inferior/Land Locked	Average	-2,500	Average	-2,500	Average	-2,500
Site/View	15,356/Average	24,829/Avg.		164x123/Avg.		84x116/Avg.	
Site Area	15,356 sq. ft.	24,829	-8,100	20172	-4,100	9744	+4,800
Sales or Financing Concessions		DOM 1 Cash		DOM 186 Cash		DOM 290 Cash	
Net Adj. (Total)	[redacted]	[ ] Plus [X] Minus $	-10,600	[ ] Plus [X] Minus $	-6,600	[X] Plus [ ] Minus $	2,300
Indicated Value of Subject	[redacted]	Gross 49.3% Net -49.3%	$ 10,900	Gross 24.0% Net -24.0%	$ 20,900	Gross 69.5% Net 21.9%	$ 12,800

Comments on Market Data Analysis

016-2047-1594
016-2047-1596
016-2047-1598
016-2047-1606
016-2047-1609
016-2047-1608
016-2047-1610
016-2046-1586
016-2046-1586011
N MAIN ST
STANLEY ST

HIGHEST AND BEST USE

The Highest and Best Use (or most profitable use) is that use which is most likely to produce the greatest net return to the land and/or the building for a given period of time. Only those uses which are natural, probable, legally permissible (unless a strong possibility of change is evident), and are reasonably in demand have been considered.

The subject is irregular in shape, however, it would still be considered a buildable lot. It measures 94.17 ft. across the north end and has a depth along the east side of 271 ft. Obviously a building could be located at the north end and the balance of the lot utilized for parking.

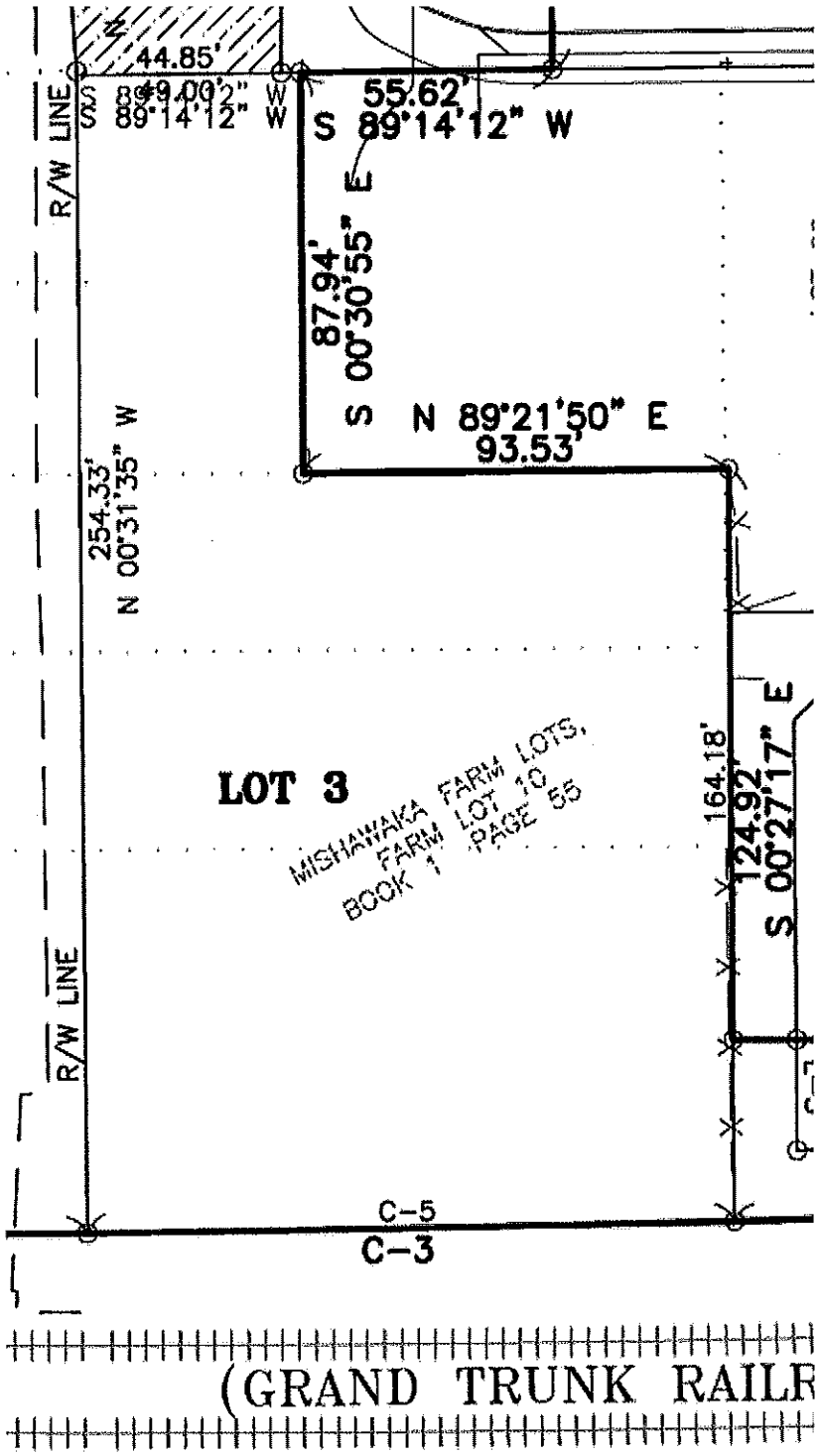
This lot is within a block of Jefferson Street which is located south. This is just north of the railroad underpass. The area enjoys a high level of traffic as well as excellent exposure and consumer recognition.

It should also be pointed out that this particular parcel is several blocks south of the intersection of McKinley Highway and North Main Street. I have repeatedly pointed out that this is a very significant intersection and receives a heavy traffic count both on McKinley Highway as well as North Main Street.

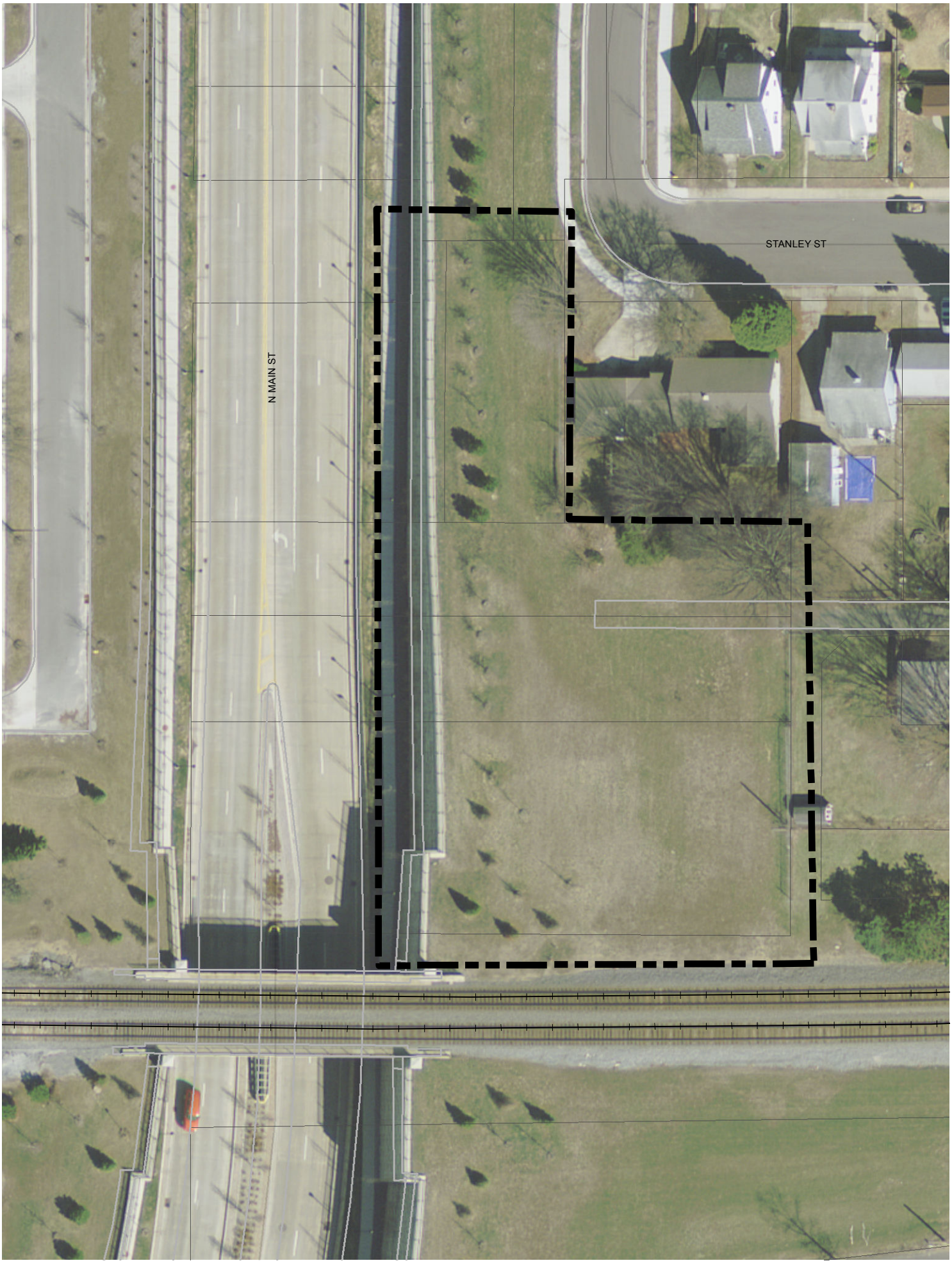
This location does have the advantage of its proximity to McKinley Highway as well as to the downtown Mishawaka area. The zoning of C-6 (Linear Office) could be an ideal location for such things as an accounting firm, real estate office, Clinic, insurance office, etc. It should also be pointed out that the City of Mishawaka must approve any site plan for this lot, but it is felt that there is ample room on the lot to allow for a diversity of buildings.

Based on the aforementioned facts, it is my opinion that the Highest and Best Use of the subject property would be for any of the uses allowed under a C-6 zoning.

There is an improvement presently located at the south end of this lot. This is a one story structure being utilized by the Department of Community Development as a field headquarters for this project. It is my understanding that these are temporary improvements of the building that was formerly located at the south end of the lot, and this appraisal deals with the land as if vacant an unimproved.



LOT 3 MAIN STREET CORRIDOR 2nd SUBDIVISION


STANLEY ST
N MAIN ST

Address	Tax Key #	Lot Size	Zoning	Appraisal A	Appraisal B	Market Value
Lot 3 Main Street Corridor 2nd Subdivision	16-2046-1584	15,338	R-1	11,000	10,000	10,500
Residential Vacant Parcel	16-2046-1585					

PROPOSAL/OFFER

TO: The City of Mishawaka
Redevelopment Department

DATE: January 27th,2014

RE: Sale of Lot 3 Main Street Corridor 2nd Subdivision – Vacant Residential Parcel

FROM: Name: _____

Address: _____

City, State, Zip Code: _____

Telephone: _____

The undersigned, having familiarized himself/herself with the property and its conditions hereby proposes and agrees to pay to the City of Mishawaka, Indiana, for the purchase of the described property.

The undersigned acknowledges that I have read and understand that this offer is subject to, all the terms, conditions and requirements set forth in state law. I understand that I will be expected to negotiate in good faith the timing and methods to transfer this property. By signing this document, I agree that I do not owe delinquent taxes, special assessments, penalties, interest, or costs directly attributable to a prior tax sale on this property, nor am I an agent of a person who does.

Date: _____ By: _____

_____
(Title)

ATTEST:

By:

Name: _____

Printed: _____

Title: _____

OFFER PRICE

<u>Real Estate Packet #8</u> Described as: Lot 3 Main Street Corridor 2nd Subdivision – Vacant Residential Parcel

The Market Value of this property is $10,500

Total Offer: $ _____

(_____ **Dollars)**

CLOSING DATE:

Estimated number of days for closing, from award date: _____ **Days**

ACCEPTANCE

The City of Mishawaka, acting through and by its Redevelopment Commission, hereby accepts the terms of the offer for the real property specified herein and promises to accept the price quoted by the above signed Vendor upon delivery and acceptance of the item(s) stipulated in said bid.

Date: _____ By: _____

M. Gilbert Eberhart, President

By: _____

Kris Ermeti, Secretary