

PARDEE APPRAISAL SERVICES, LLC
COMMERCIAL PROPERTY EVALUATION

OF THE
N.3 LANE LAND



LOCATED OFF
N.3 LANE
ESCANABA TOWNSHIP
DELTA COUNTY, MICHIGAN

As of: January 3, 2025
Report Issued: January 17, 2025

Prepared for:
Ms. Renee Barron
City of Gladstone Community Development Director
1100 Delta Avenue
Gladstone, Michigan 49837

Prepared by:
Tony Pardee and Eric Stauss
Pardee Appraisal Services LLC
N3121 Deer Haven Ct
Peshtigo, Wisconsin 54157

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Effective/Inspection Date:	January 3, 2025
Report Date:	January 17, 2025
Subject Property Address:	N.3 Lane, Escanaba Township, Delta County, Michigan
Real Property Interest Valued:	Fee Simple
Client/Intended User:	For Sole Use of Escanaba Township. This report is not intended for use by other parties.
Intended Use:	To assist the client in establishing collateral value in a lending transaction that permits an "Evaluation" as set forth in the Interagency Appraisal and Evaluation Guidelines. This report is not intended for any other use.
Assignment Objective:	To develop an opinion of the Market Value, as defined by the federal financial institution regulatory agencies, of the stated interest in the subject property.
Estimated "As" Market Value of Subject Property:	<u>\$20,000</u>

Scope of Work: In preparing this appraisal I:

- a) Conducted an exterior inspection of the subject property; completed on January 3, 2025 by Eric Stauss a Certified General Appraiser for Pardee Appraisal Services.
- b) We gathered comparable land and/or improved sales data through searching public and private data bases including: Multiple Listing services (Flex MLS, WIREX, and Paragon), LoopNet, CoStar, and Delta County Land Records and GIS. Also during this research we surveyed pertinent information on the comparable sales of rents, operating expense, construction costs, accrued depreciation, and capitalization rates when available.
- c) Comparable rental and sales data was confirmed with a party involved in the transaction when available, otherwise confirmed through public and private databases of information, along with assessor information.
- d) The sales comparison approach is the method of valuation applicable to the valuation of the subject property. The cost approach, based upon Marshall & Swift Valuation Service, was not used to obtain a value for the subject improvements, as this is vacant land. The Income approach is not applicable.

Report Option: This report is a Restricted Appraisal Report in accordance with Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice. Additional supporting documentation is retained in the appraiser's work file. The appraiser's opinions and conclusions set forth in this report may not be understood properly without additional information in the appraiser's work file. However, in order to meet the requirements for an "evaluation" according to the Interagency Appraisal and Evaluation Guidelines, this report has been supplemented with additional information about the subject property and its market, as well as the data, reasoning, and analysis that were used in the valuation process.

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1.) Location of Subject Property:

The subject property is located along N.3 Lane, Escanaba Township, Delta County, MI. The Escanaba Township is located approximately 60 miles south of Marquette, MI.

The subject property is located off N.3 Lane in a rural area surrounded by an active quarry on the east and west sides of N.3 Lane.

2.) Property Description:

Property Type:	Residential Land
Tax ID / Parcel Number(s):	007-114-002-00
Site Size:	10.00 acres
Zoning:	R-2, Residential Two District
Occupancy:	Vacant Land
2024 Real Estate Taxes:	Due to the property use, it is exempt from assessment and property taxes.
Current Listing/Contract Information:	Based on a search of MLS and other public sources, the subject property has not been marketed for sale within the last three years.
Previous Sale Information:	The subject property is owned by the City of Gladstone, who has owned the subject property throughout the three-year transfer history.

3.) Description of properties current use: The subject is currently vacant land, located along N.3 Lane near an active quarry.

4.) Description of the properties proposed use: Vacant Land

5.) Source of Market Value Definition: Interagency Appraisal and Evaluation Guidelines Dated December 2, 2010 in Appendix D (Page 42).

6.) Assignment Conditions: There are no Extraordinary Assumptions or Hypothetical conditions associated with this valuation.

7.) This estimate of the Property's market value is subject to the following limiting conditions:

- Every effort has been made to verify the information analyzed in this valuation.
- The estimate of market value is based on information that was available as of the inspection date.
- If any additional information becomes known about the subject property, market, or comparable properties, we reserve the right to reconsider the opinions and conclusions.

8.) Analysis, methods, and techniques utilized in valuing the subject property: The sales comparison approach is the method of valuation applicable to the valuation of the subject property. The cost approach, based upon Marshall & Swift Valuation Service, was not used to obtain a value for the subject, as it is vacant land. The Income approach is not applicable.

The sales data analyzed in the sales comparison approach is from the Pardee Appraisal Services, LLC property information database and from other online records. Sales of vacant land in the Delta County, MI area were researched using CoStar and MLS. The search remained in Delta County, Michigan. The sales researched were from January of 2022 to the present.

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COMPARABLE SITE SALES SUMMARY CHART

COMPARABLE LAND SALES SUMMARY CHART							
Sale #	Site Description / Address	Sale Date	Site Information	Sale Price	Sale Price Breakdown	Comments	
1	416T Road Escanaba Township, MI	Jan-23	Site Size (Acres): 5.00	\$10,000	Per Acre: \$2,000	Mostly wooded residential lot located on a county road in Escanaba Township.	
2	27.5 Road Brampton Township, MI	Aug-23	Site Size (Acres): 10.00	\$40,000	Per Acre: \$4,000	Approximately 10 acres within 5 miles north of the subject property with a cleared buildable area and wooded areas. Located on a private road.	
3	S.15 Road Masonville Township, MI	May-22	Site Size (Acres): 7.95	\$19,000	Per Acre: \$2,390	Buildable lot located on a quiet country road near Highway 41 with a mix of woods and open areas.	
4	V.5 Lane Masonville Township, MI	May-23	Site Size (Acres): 5.63	\$39,900	Per Acre: \$7,087	Mostly high land located near the Whitefish River and Bills Creek. The property is mostly wooded.	
5	Old M-35 Maple Ridge Township, MI	Jul-22	Site Size (Acres): 10.00	\$25,000	Per Acre: \$2,500	Residential buildable land with a mix of open fields and wooded areas.	

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COMPARABLE IMPROVED SALES ADJUSTMENT GRID

COMPARABLE SALES ADJUSTMENT GRID					
Sale Number	1	2	3	4	5
Sale Price/Acre	\$2,000	\$4,000	\$2,390	\$7,087	\$2,500
Property Rights	0%	0%	0%	0%	0%
Financing	0%	0%	0%	0%	0%
Conditions of Sale	0%	0%	0%	0%	0%
Market Conditions					
Date of Sale	0.00%	0.00%	0.00%	-10.00%	-10.00%
Adjusted Unit Value	\$2,000	\$4,000	\$2,390	\$6,378	\$2,250
Physical Characteristics					
Location	0.00%	0.00%	0.00%	-10.00%	0.00%
Access/Visibility	0.00%	0.00%	-5.00%	0.00%	-5.00%
Size	-5.00%	0.00%	-5.00%	-5.00%	0.00%
Shape/Functional Utility	0.00%	0.00%	0.00%	0.00%	0.00%
Site Improvements/Use	-5.00%	-25.00%	-5.00%	-25.00%	-10.00%
Water Frontage Ratio	0.00%	0.00%	0.00%	0.00%	0.00%
Topography	0.00%	-10.00%	-10.00%	-25.00%	-10.00%
Total Physical Adjustments	-10.00%	-35.00%	-25.00%	-65.00%	-25.00%
Adjusted Unit Value	\$1,800	\$2,600	\$1,793	\$2,232	\$1,688
Total Adjustment (%) (From Sale Price/Unit)	-10.00%	-35.00%	-25.00%	-68.50%	-32.50%
<u>Adjusted Sales Price:</u>					
Mean (all sales) Per Acre	\$2,022	<u>Reconciled Va Reconciled Value</u>			
Median (all sales) Per Acre	\$1,800		10.00	Acres @	\$2,000
					\$20,000
<u>Unadjusted Sales Price:</u>				<u>Reconciled Value</u>	<u>\$20,000</u>
Mean Per Acre	\$3,595				
Median Per Acre	\$2,500				

In the "as-is" state, the subject property is being analyzed as vacant land. Therefore, we analyzed sales of properties with similar uses. Another important factor was to find sales with similar amenities, condition, size, and location. In this analysis, in the "as-is" state, most weight is being placed on sales one, two, and five, as they are the sales with the greatest similarities. The concluded "as-is" value of the subject property is \$2,000/acre.

It should be noted that the market value estimated herein is "as-is" based on the use as vacant land. The subject property is likely to have use as residential land.

9.) Data Sources for Supporting information:

- Multiple Listing services (Flex MLS, WIREX, and Paragon),
- LoopNet,
- CoStar,
- Delta County Land Records and Delta County GIS

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10.)Supplemental information considered: There were no automated valuation model results analyzed in the development of the value opinion in this valuation. The Value opinion in this evaluation was manually developed by Eric Stauss and Tony Pardee.

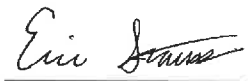
11.)VALUE CONCLUSION: Estimate of the Property's market value in its actual physical condition, subject to existing use and zoning designation as of the effective date of the evaluation:

\$2,000 per acre or **\$20,000** (10.00 acres @ \$2,000 = \$20,000)

12.)Estimated Exposure Time: (Amount of time the subject property would have been on the market to bring a sale as of the effective date of the value opinion): 9-36 months

13.)Estimate Marketing Time: (Amount of time it might take to sell a property at the concluded market value level during the period immediately after the effective date of an appraisal): 9-36 months

Date And Signature of Evaluation Specialist/Appraiser



1/17/2025

Eric Stauss
Wisconsin Certified General Appraiser #2230-10
Michigan Certified General Appraiser #1205075646



1/17/2025

Tony Pardee
Wisconsin Certified General Appraiser #1417-10
Michigan Certified General Appraiser #1205072905
Iowa Certified General Appraiser #CG03425
Illinois Certified General Appraiser #553.002547

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CERTIFICATION

I CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF...

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and assumptions and are my personal, impartial, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with Uniform Standards of Professional Appraisal Practice.
- I have not made a personal inspection of the property that is the subject of this report;
- No one provided significant real property appraisal assistance to the person signing this certification, except Eric Stauss, Certified General Appraiser.
- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- the use of this report is subject to the requirements of The Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute.



Tony Pardee

Wisconsin Certified General Appraiser #1417-10

Michigan Certified General Appraiser #1205072905

Iowa Certified General Appraiser #CG03425

Illinois Certified General Appraiser #553.002547

PARDEE APPRAISAL SERVICES, LLC

CERTIFICATION

I CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF:

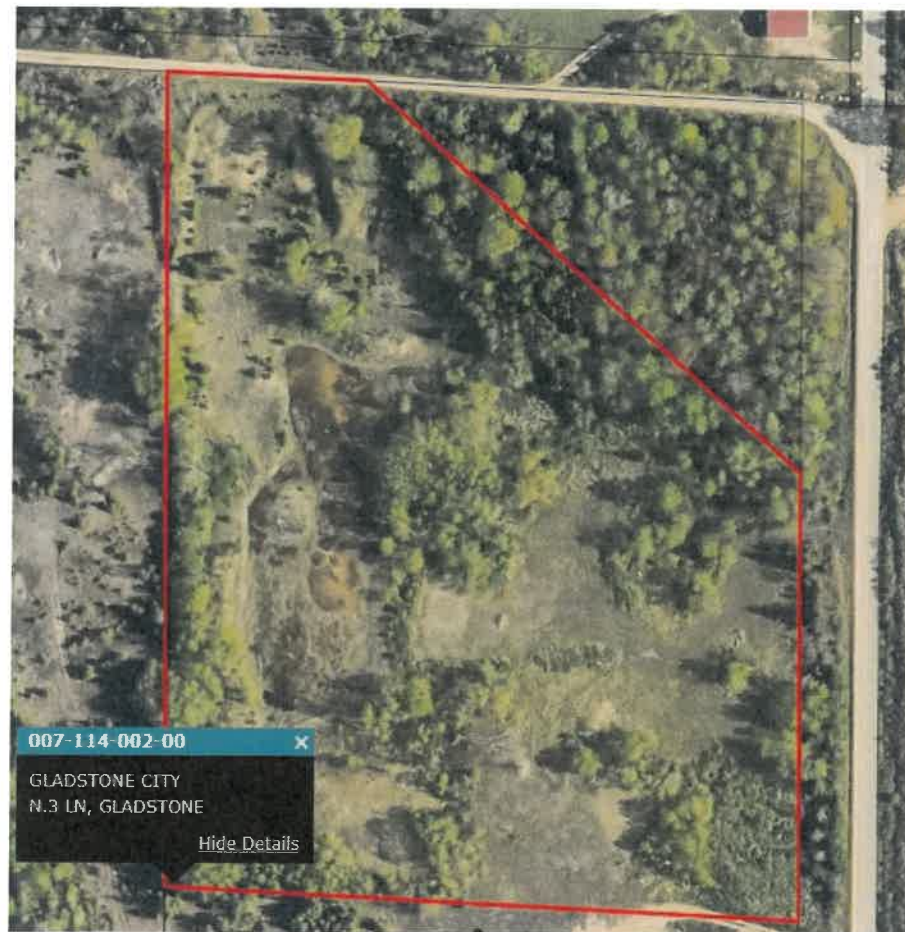
- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and assumptions and are my personal, impartial, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with Uniform Standards of Professional Appraisal Practice.
- I, Eric Stauss, have made a personal inspection of the property that is the subject of this report; on January 3, 2025.
- No one provided significant real property appraisal assistance to the person signing this certification, except Tony Pardee, Certified General Appraiser.
- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- the use of this report is subject to the requirements of The Appraisal Institute relating to review by its duly authorized representatives.



Eric Stauss
Wisconsin Certified General Appraiser #2230-10
Michigan Certified General Appraiser #1205075646

ADDENDUM

MAP OF SUBJECT



007-114-002-00



GLADSTONE CITY
N.3 LN, GLADSTONE

[Hide Details](#)

ADDENDUM

SUBJECT PROPERTY PHOTOS



ADDENDUM

