

**A REVIEW OF THE REAL ESTATE IMPACT EVALUATION  
PREPARED BY**

Poletti and Associates, Inc.  
302 West Clay Street, Suite 100  
Collinsville, Illinois

**PROPERTY LOCATION**

The Proposed Groot Industries, Inc. Lake Transfer Station  
The Northeast Corner of Porter Drive  
And Illinois Route 120 (Belvidere Road)  
201 Porter Drive  
Round Lake Park, Illinois

**REVIEW PREPARED FOR**

The Village of Round Lake Park  
c/o Glenn C. Sechen, Esq.  
The Sechen Law Group P. C.

**REVIEW PREPARED BY**

Dale J. Kleszynski, MAI, SRA  
15028 South Cicero Avenue  
Suite L  
Oak Forest, Illinois 60452

**AS OF**

August 31, 2013

**TCH EXHIBIT  
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**ASSOCIATED PROPERTY COUNSELORS, LTD.**

*Real Estate Appraisers and Consultants*

# ASSOCIATED PROPERTY COUNSELORS, LTD.

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September 10, 2013

Village of Round Lake Park  
c/o Glenn C. Sechen, Esq.  
The Sechen Law Group P. C.

**Re: The Proposed Groot Industries, Inc. Lake Transfer Station  
The Northeast Corner of Porter Drive  
And Illinois Route 120 (Belvidere Road)  
201 Porter Drive  
Round Lake Park, Illinois**

Dear Mr. Sechen:

At your request, I reviewed the Land Use Compatibility and Real Estate Impact Study that is in the application for local siting for the proposed solid waste transfer station known as the Groot Industries, Inc. Lake Transfer Station. The study was prepared by Poletti and Associates, Inc. and the document has an effective date of May 2013. The author of the report was Peter J. Poletti, MAI, Ph.D.

This review assignment is prepared in compliance with the Uniform Standards of Professional Appraisal Practice, the Code of Ethics of the Appraisal Institute and the law associated with local siting in the State of Illinois. The conclusions formulated while completing the review are communicated in a summary format.

Respectfully submitted,



Dale J. Kleszynski, MAI, SRA  
President  
Illinois Appraiser- License No. 553.000213

## **Discussion of Standard Rule 3-3 and Conclusion**

Standard Rule 3-3 of the Uniform Standards of Professional Appraisal Practice states that the reviewer must (a) develop an opinion as to whether the analysis (in the report reviewed) is appropriate in the context of the requirements applicable to that work, (b) develop an opinion as to whether the opinions and conclusions are credible within the context of the requirements applicable to that work and (c) develop any reasons for the disagreement.

### **Conclusions**

**I conclude that the analysis presented (data collection, scope of work and techniques applied) in the Poletti report is appropriate within the context of the assignment to reach a credible opinion about the location of the Groot Industries, Inc. Lake Transfer Station under Criterion 3 and determined that the Groot Industries, Inc. Lake Transfer Station is located to “minimize the effect on the value of surrounding property” and also formulate the opinion that the subject facility will not have an impact on the value of surrounding property.**

**I conclude that the Poletti report presents data, analysis, opinions and conclusions that are credible within the context of the assignment (Criterion 3) to determine that the Groot Industries, Inc. Lake Transfer Station is located to “minimize the effect on the value of surrounding property” and determined that the transfer station will not have an impact on the value of surrounding property.**

**I conclude that the Poletti report provides sufficient data and analysis to support the conclusions that the Groot Industries, Inc. Lake Transfer Station is located to “minimize the effect on the value of surrounding property” and that the construction of the facility will not have an impact on the value of surrounding property.**

**Finally, as part of this assignment, I inspected the site where the Groot Industries, Inc. Lake Transfer Station will be located, I inspected the area surrounding the proposed Groot Industries, Inc. Lake Transfer station, I inspected the locations presented in the Poletti case studies and reviewed the data used in the case study portions of the Poletti report. I reviewed the methodology applied in the Poletti report and checked these methodologies for consistency with appraisal theory and text material. I also reviewed studies prepared by other appraisers (peers) who have completed similar analyses. Based on my analysis, independent of the Poletti report, I find that the Groot Industries, Inc. Lake Transfer Station is located to “minimize the effect on the value of surrounding property”. I also conclude, independent of the Poletti report, that construction and operation of the Groot Industries, Inc. Lake Transfer Station will not have an adverse impact on the value of surrounding property.**

The reasons for my opinion follow.

## **Discussion and Definition of a Detrimental Condition**

Real estate values are typically estimated through the application of various analytical techniques or approaches to value. These approaches to value are identified as the Cost, Income and Sales Comparison Approaches. Through the application of one or all of these analytical techniques, the appraiser is able to develop a credible opinion of value or the impact on value for any real property.

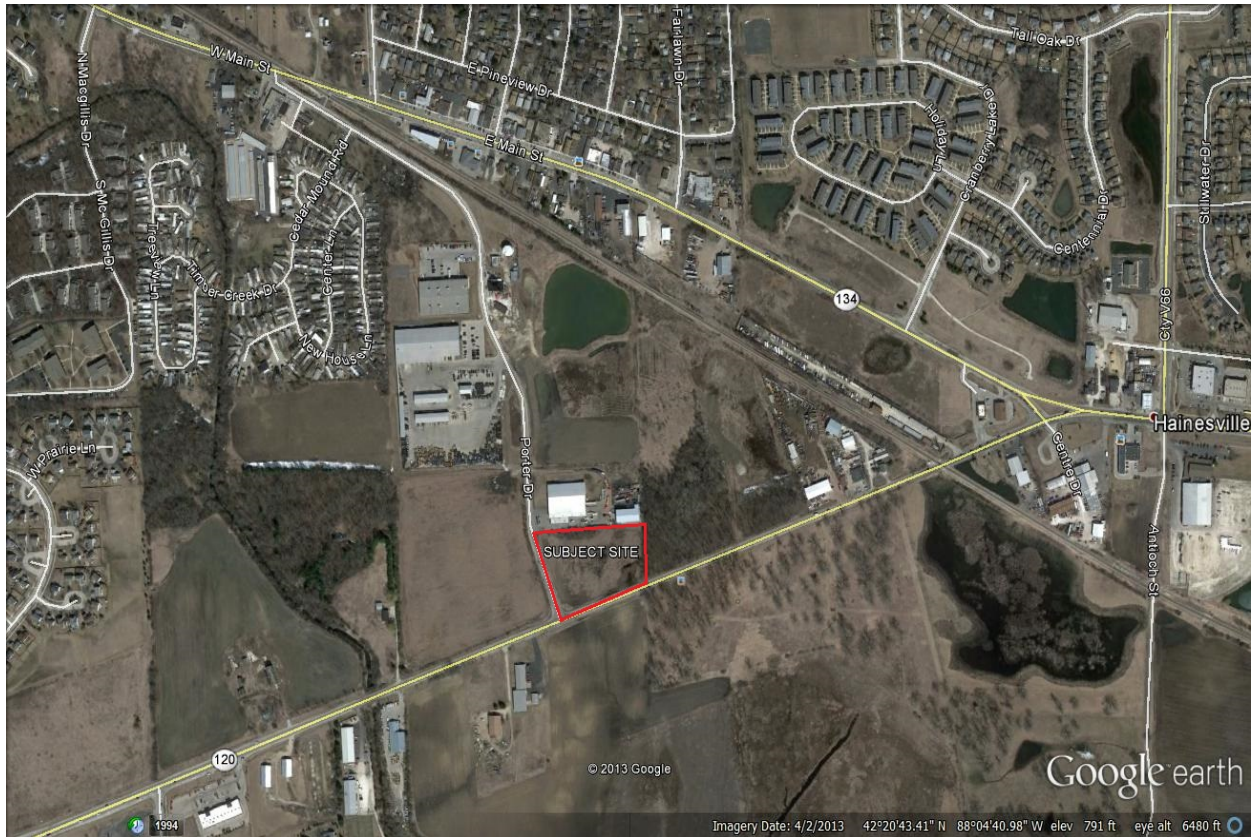
When a property is damaged or thought to be the cause of damage to surrounding properties a Detrimental Condition is alleged to exist. Specifically defined, a detrimental condition is “any issue or condition that may cause a diminution in value to real estate”. Detrimental Conditions can exist within the property that is the subject of the analysis. In these instances the subject of the analysis is considered to be “impaired” by the alleged detrimental condition. In the alternative, the subject property can be alleged to be the Detrimental Condition. When this occurs, the subject is alleged to be the condition that has an effect on surrounding real estate. In these instances, the Detrimental Condition exists within the subject property and the impact of the condition is alleged to have a negative influence on surrounding real estate or market in general.

Typically a detrimental condition, as a cause or an effect, has a logical sequence of events that allows the value patterns to be traced from the source (an occurrence) to the impact, if any. Within the overall context of analyzing an alleged detrimental condition, the impact can range from no impact or benign up to and including a complete loss or a liability to the owner. When identified, damages caused by a detrimental condition, are typically measured against a baseline value or a comparison of data where a similar situation/condition is known to exist. The analysis of the data allows the analyst to formulate an opinion about the condition and identify if the impact is measurable, real or perceived. The performance of this type of analysis through the application of one or more of the approaches to value allows the appraiser to further determine if any other market variables had an impact on the alleged condition, nearby real estate or the market in general. This analysis is similar to (equal to) the legal standard known as Criterion 3 which is applied here to determine if the facility is located to “minimize the effect on the value of surrounding property”.

The Uniform Standards of Professional Appraisal Practice (USPAP) generally requires that the appraiser understand the valuation question or question to be studied, prepare a scope of work that is adequate to formulate a credible opinion, execute the scope of work appropriately through the application of the proper analytical techniques and communicate the conclusions formulated in a manner that is not misleading.

With the exception of the aerial photograph that is taken from Google Earth, the following photographs were taken during my inspection of the property and area.

**PHOTOGRAPHS OF THE SUBJECT AND AREA**



**AERIAL PHOTOGRAPH OF SUBJECT SITE AND AREA**



**SUBJECT PROPERTY**



**SUBJECT PROPERTY**

**PHOTOGRAPHS – SUBJECT LOCATION**



**ILLINOIS ROUTE 120**



**ILLINOIS ROUTE 120**



**INDUSTRIAL**



**VACANT**



**MUNICIPAL**



**MUNICIPAL**

**PHOTOGRAPHS – SUBJECT LOCATION**



**RAILROAD CROSSING**



**INDUSTRIAL**



**MANUFACTURED HOMES**



**INDUSTRIAL**



**INDUSTRIAL**



**INDUSTRIAL**

## **SCOPE OF WORK**

To complete this assignment, I inspected the subject property and area, I reviewed the provided Application for Local Siting Approval, I reviewed the Land Use Planning Analysis prepared by The Lannert Group, Inc. that is dated May 2013 and I reviewed the Land Use Compatibility and Real Estate Impact Study prepared by Poletti and Associates, Inc. (Poletti) that is dated May 2013.

While completing this assignment, I considered (by way of example and not limitation) the physical characteristics of the subject property, the location of the property, the supplied comparable data presented in the Poletti and Lannert reports, supplemental data retained in my file, Criterion 3, the USPAP Guidelines and various text material published by the Appraisal Institute (13th Edition - Dictionary of Terminology, Detrimental Conditions and specialty articles). Photocopies of all information considered while completing this analysis are retained in my file and/or office.

### **Review of Provided Poletti Report**

In this assignment Poletti is required to determine if the Groot Industries, Inc. Lake Transfer Station is located to “minimize the effect on the value of surrounding property” (Criterion 3). In addition to formulating an opinion based on Criterion 3, Poletti formulates an opinion that the construction of the Groot Industries, Inc. Lake Transfer Station will not have an impact on the value of adjacent real estate within the context of the definition of value, the requirements of the Application for Local Siting Approval and the applicable law in the State of Illinois. To accomplish this, the Poletti report clearly states and identifies an appropriate Scope of Work, clearly states any “Extraordinary” or “Hypothetical” assumptions needed to result in a credible opinion and applies appropriate analytical techniques to result in a credible opinion. The Poletti report satisfies and exceeds Criterion 3 and typical appraisal standards to provide a conclusion that the Groot Industries Inc. Lake Transfer Station is located to “minimize the effect on the value of surrounding property”. Poletti further concludes that the Lake Transfer Station will not have an impact on the value of nearby properties.

The Poletti report provides a clear statement of the steps taken to inspect the subject property and surrounding area, inspect similar transfer stations and collect/verify information used to perform the analysis. The report adequately describes the location of the property and proposed improvements and the report provides a Scope of Work that meets or exceeds the industry standard to result in a credible opinion about the location of the Lake Transfer Station and the impact, if any, it will have on nearby property values. Poletti outlines the methodology that is applied to formulate the conclusions and my research (review of text material and various documents) allows me to conclude that the analytical techniques used in the Poletti report meet or exceed the standards of Criterion 3. The Poletti report supplies sufficient information and analysis to conclude that the Lake Transfer Station is located to “minimize the effect on the value of surrounding property” and will not have an effect on the value of nearby properties. To complete this analysis Poletti applies the Sales Comparison Approach and uses the Comparison of Overall Averages and Multiple Regression analytical techniques to formulate the opinions rendered. It is noteworthy that these analytical techniques are methods that are accepted in the appraisal profession and their use is supported by text material, specialty articles published in the Appraisal Journal and similar studies prepared by those who are active in the appraisal profession.



The report provides a review of literature considered to support the application of the analytical techniques used. My review of documents that are available from traditional sources allows me to conclude that the Poletti report has accurately and completely represented the reports referenced and the conclusion that were formulated by the peers who completed the studies.

Poletti's report provides an adequate description of the site, proposed improvements, zoning, utilities, transportation and area demographics. My review of the data in the report and information taken from traditional sources allows me to conclude that the report describes the property and area accurately.

The supplied report (Poletti report) provides an explanation of the features of the property and area that minimize the impact the Groot Lake Industries, Inc. Transfer Station will have on surrounding real estate. My review of the information in the report, after a comparison with available text material, allows me to conclude that the Poletti report applies valuation theory that is consistent with course and text material typically used in classroom situations where advanced topics are discussed. The described Features to Minimize the Effect on Property Value are accurately presented and result in a credible opinion.

To formulate the conclusion presented, Poletti applies an analytical technique in which case studies are used to formulate the conclusions presented. The following is a review of the analysis presented.

## **CASE STUDY – Glenview Transfer Station**

As a general note, the technique applied in the case study analysis requires Poletti to **identify similar transfer stations**, identify the pertinent characteristics of the study area, identify a target area (location near the transfer station), identify a control area (location away from the transfer station), gather information about residential sales in both the target and control areas, verify the information gathered, standardize the information gathered, remove information that does not meet the criterion applicable in a credible analysis and apply the proper statistical techniques.

The Poletti report provides an accurate and complete description of the data collection process. The report further provides a complete description of the process taken to verify, standardize and define variables to be considered in the analysis. Data considered in the analysis is presented in an orderly and concise manner in the addenda of the report. As part of this analysis, I spot checked the data applied and found that the Poletti report has correctly presented the information used in the statistical techniques applied.

The Poletti report applies a comparison of Overall Averages Technique to assist in formulating the conclusion presented. My spot checking of the averages allows me to conclude that the calculations applied are correctly presented.

The Poletti report applies a Multiple Regression Analysis as an analytical technique to assist in formulating the conclusion presented. My review of the conclusion and text material allows me to conclude that the methodology is correctly completed and the conclusion is accurate. It is noteworthy that the variables selected for the analysis are appropriate based on the style, size, age and construction of the homes in the target and control areas.

Based on my review of the report, inspection of the case study site, inspection of the target area, inspection of the control area, **review of the data** and review of the analytical techniques applied, I conclude that the opinions formulated in this case study are the result of an analysis that meets or exceeds Criterion 3 to determine if the property is located to “minimize the effect on the value of surrounding property”. I further conclude the case study, as presented, supports the conclusion that the Groot Industries, Inc. Lake Transfer Station will not have an impact on the value of surrounding property.

## **CASE STUDY – Elburn Transfer Station**

As a general note, the technique applied in the case study analysis requires Poletti to **identify similar transfer stations**, identify the pertinent characteristics of the study area, identify a target area (location near the transfer station), identify a control area (location away from the transfer station), gather information about residential sales in both the target and control areas, verify the information gathered, standardize the information gathered, remove information that does not meet the criterion applicable in a credible analysis and apply the proper statistical techniques.

The Poletti report provides an accurate and complete description of the data collection process. The report further provides a complete description of the process taken to verify, standardize and define variables to be considered in the analysis. Data considered in the analysis is presented in an orderly and concise manner in the addenda of the report. As part of this analysis, I spot checked the data applied and found that the Poletti report has correctly presented the information used in the statistical techniques applied.

The Poletti report applies a comparison of Overall Averages Technique to assist in formulating the conclusion presented. My spot checking of the averages allows me to conclude that the calculations applied are correctly presented.

The Poletti report applies a Multiple Regression Analysis as an analytical technique to assist in formulating the conclusion presented. My review of the conclusion and text material allows me to conclude that the methodology is correctly completed and the conclusion is accurate. It is noteworthy that the variables selected for the analysis are appropriate based on the style, size, age and construction of the homes in the target and control areas.

Based on my review of the report, inspection of the case study site, inspection of the target area, inspection of the control area, **review of the data** and review of the analytical techniques applied, I conclude that the opinions formulated in this case study are the result of an analysis that meets or exceeds Criterion 3 to determine if the property is located to “minimize the effect on the value of surrounding property”. I further conclude the case study, as presented, supports the conclusion that the Groot Industries, Inc. Lake Transfer Station will not have an impact on the value of surrounding property.

## **CASE STUDY – Bluff City Transfer Station**

As a general note, the technique applied in the case study analysis requires Poletti to **identify similar transfer stations**, identify the pertinent characteristics of the study area, identify a target area (location near the transfer station), identify a control area (location away from the transfer station), gather information about residential sales in both the target and control areas, verify the information gathered, standardize the information gathered, remove information that does not meet the criterion applicable in a credible analysis and apply the proper statistical techniques.

The Poletti report provides an accurate and complete description of the data collection process. The report further provides a complete description of the process taken to verify, standardize and define variables to be considered in the analysis. Data considered in the analysis is presented in an orderly and concise manner in the addenda of the report. As part of this analysis, I spot checked the data applied and found that the Poletti report has correctly presented the information used in the statistical techniques applied.

The Poletti report applies a comparison of Overall Averages Technique to assist in formulating the conclusion presented. My spot checking of the averages allows me to conclude that the calculations applied are correctly presented.

The Poletti report applies a Multiple Regression Analysis as an analytical technique to assist in formulating the conclusion presented. My review of the conclusion and text material allows me to conclude that the methodology is correctly completed and the conclusion is accurate. It is noteworthy that the variables selected for the analysis are appropriate based on the style, size, age and construction of the homes in the target and control areas.

Based on my review of the report, inspection of the case study site, inspection of the target area, inspection of the control area, **review of the data** and review of the analytical techniques applied, I conclude that the opinions formulated in this case study are the result of an analysis that meets or exceeds Criterion 3 to determine if the property is located to “minimize the effect on the value of surrounding property”. I further conclude the case study, as presented, supports the conclusion that the Groot Industries, Inc. Lake Transfer Station will not have an impact on the value of surrounding property.

**The following pages are presented to comply with the Uniform Standards of Professional Appraisal Practice and the Code of Ethics of the Appraisal Institute.**

**Compliance with USPAP:** This assignment is prepared in compliance with the Uniform Standards of Professional Appraisal Practice and the Code of Ethics of the Appraisal Institute. The conclusions formulated while completing this assignment are communicated in a summary format.

**Subject of the Review:** Briefly described, the Groot Industries, Inc. Lake Transfer Station site is reported to have approximately 3.90 acres and the proposed transfer station will have approximately 30,000 square feet when construction is complete. See provided report and file for an adequate discussion of the physical characteristics of the subject property.

**Identification of the Reviewed Report:** The consulting report reviewed in this matter was prepared by Poletti and Associates, Inc. and dated May 2013. The report communicates an opinion under Criterion 3 that the proposed Groot Industries, Inc. Lake Transfer Station (201 Porter Drive, Round Lake Park, Illinois) is located to “minimize the effect on the value of surrounding property”. The report further presents a conclusion that the development of the transfer station will not have an impact on the value of nearby properties.

**Property Type:** The subject of the impact analysis is a proposed transfer station that Groot Industries, Inc. will occupy. As previously stated, the property will be located at 201 Porter Drive, Round Lake Park, Illinois.

**Intended User of the Review Report:** The client is identified as the Village of Round Lake Park. Glenn C. Sechen, Esq. represents the client in this matter. No other user is intended or implied.

**Intended Use of the Review Report:** This review report is intended to be used in the application for local siting for the proposed solid waste transfer station that is known as the Groot Industries, Inc. Lake Transfer Station to be located at 201 Porter Drive, Round Lake Park, Illinois. No other use is intended or implied.

**Effective Date of the Review:** The date of this review is August 31, 2013. The date of conclusion identified in the Poletti report is May 2013.

**Effective Date of the Review Report:** The effective date of this review and report is September 5, 2013.

**Appraisal Review, Development and Report Option:** To complete this review the client supplied me with a copy of the Application for Local Siting Approval (application) that is dated May 2013.

This assignment requires that I review the consulting report supplied as part of the application. To complete this assignment I inspected the subject property and reviewed the supplied report. I inspected the properties and areas considered in the case studies but did not attempt to verify all of the information presented in the report. My client (The Village of Round Lake Park) requested that I examine the report for technical issues, analytical issues, USPAP compliance, completeness, adequacy, relevance, appropriateness and reasonableness of the conclusion presented.

In addition to reviewing the Poletti report, the client requested that I use the data in the Poletti report and other information to formulate an independent opinion and determine if the Groot Industries Inc. Lake Transfer Station is located to “minimize the effect on the value of surrounding property”. Further, the client requested that I determine (using the information in the Poletti report and other information) if the Groot Lake Industries, Inc. Transfer Station will have an impact on nearby properties.

**Statement of Competency:** This review and report was prepared by Dale J. Kleszynski, MAI, SRA. A statement of my professional qualifications is located elsewhere in this report. I have completed the review of similar studies and am competent to complete this analysis.

**Identification of Extraordinary Assumptions Applied in the Review of the Poletti**

**Report:** In this assignment I have inspected but did not verify all of the data presented. I assume that the data presented has been verified and is correctly presented for physical, legal and economic characteristics. I reserve the right to amend this consulting report review if the data within the report is found to be incorrect, amended or modified in any manner.

No other extraordinary assumptions are applied in the review of the Poletti report and no extraordinary assumptions are applied in the review to assist in the analysis of the Poletti appraisal report.

**Identification of Hypothetical Conditions Applied in the Review of the Poletti**

**Report:** The review of the Poletti report did not require me to apply any hypothetical conditions or assumptions to result in a credible review.

## 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 are my personal, impartial, and unbiased professional analyses, opinions, conclusions and recommendations.
- I have no present or prospective interest in the property that is the subject of this report and I have no personal interest with respect to the parties involved.
- 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 this appraisal.
- 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 & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I have made a personal inspection of the subject property of the work under review.
- No one provided significant real property appraisal or appraisal consulting assistance to the person signing this certification.
- As of the date of this report, I have completed the continuing education program of the Appraisal Institute.
- Associated Property Counselors, Ltd. has **not** completed an appraisal or analysis of the subject property during the past three years.

Respectfully submitted,



Dale J. Kleszynski, MAI, SRA  
President  
Illinois Appraiser- License No. 553.000213

## UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

1. By this notice, all persons and firms reviewing, using or relying on this report in any manner bind themselves to accept these assumptions and limiting conditions. **Do not use this report if you do not accept these assumptions and limiting conditions.** These conditions are a preface to any certification, definition, fact or analysis, and are intended to establish as a matter of record that the appraiser's/consultant's function is to provide an opinion based on the appraiser's/consultant's observations of the subject property and real estate market as of a certain date. As the property and conclusions may be impacted by the passage of time due to various factors including, by way of description and not limitation: physical changes, economic changes and/or market activity, the opinions are considered to be reliable as of the date of the assignment. Subsequent to that date, the appraiser(s)/consultant(s) reserve the right to amend the analysis and/or conclusion in light of such changed conditions. This appraisal/consulting assignment and report are not an engineering, construction, legal or architectural study or survey and expertise in these areas is not implied.
2. The liability of Associated Property Counselors, Ltd., its officers, employees, contractors, and associate appraisers/consultants (hereinafter referred to collectively as "APC") is limited to the identified client. There is no accountability, obligation, or liability to any third party except if otherwise specifically stated within the report. APC's maximum liability relating to services rendered under this assignment (regardless of form of action, whether in contract, negligence or otherwise) shall be limited to the charges paid to APC for the portion of its services or work products giving rise to liability. In no event shall APC be liable for any consequential, special, incidental or punitive loss, damage or expense (including without limitation, lost profits, opportunity costs, etc.) even if advised of their possible existence. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraisers/consultants are in no way responsible for any costs incurred to discover or correct any deficiency in the property. In the case of limited partnerships or syndication offerings or stock offerings in real estate, the client agrees that in case of lawsuit (brought by lender, partner, or part owner in any form of ownership, tenant, or any other party), the client will defend and hold Associated Property Counselors, Ltd., its officers, employees and associate appraisers/consultants completely harmless. Acceptance of and/or use of this report by the client or any third party is prima facie evidence that the user understands and agrees to these conditions.
3. The user/client agrees that any dispute arising from the completion of this assignment shall be settled through mediation and/or arbitration.
4. The report is intended to comply with the reporting requirements set forth in the Uniform Standards of Professional Appraisal Practice and it may or may not include discussions of the data, reasoning, and analysis used in the process of developing the appraiser's/consultant's opinion. The extent of the discussion and analysis applicable is based on the scope of work and report option outlined in the letter of transmittal and report. In some instances supporting documentation data, reasoning, and analyses is retained in the appraiser's file and/or office. The information contained in the report is specific to the needs of the client and for the intended use stated in the report. The appraiser/consultant is not responsible for unauthorized use of the report.

Who communicated those needs to you?



## UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

5. Unless otherwise specifically stated in the report, the assignment is based on the following assumptions: (a) that there is full compliance with all applicable federal, state and local environmental regulations and laws; (b) that all zoning, building, use regulations and restrictions of all types have been complied with; and (c) that all licenses, consents, permits, or other documentation required by any relevant legislative or administrative authority, local, state, federal and/or private entity or organization for any use considered in the value estimate have been or can be obtained or renewed.
6. As far as possible, the appraisers/consultants have inspected the property by personal observation. It is not, however, possible to observe conditions beneath the soil or hidden structural components. In this assignment it is assumed that the existing soil has the proper load bearing qualities to support the existing or proposed improvements where they exist or where they are proposed to exist. In this assignment no investigation of the potential for seismic hazard in the subject area was made. In this assignment mechanical components within the improvements were not critically inspected and no representations are made as to these matters unless specifically stated and considered in this report. In this assignment it is assumed that there are no conditions of the property site, subsoil, or structures, whether latent, patent or concealed, which would render it less valuable.
7. Unless otherwise stated within the report, no title evidence pertaining to easements, leases, reservations or other parties-in-interest was furnished.
8. In valuation assignments the property is appraised in fee simple estate unless otherwise noted.
9. In valuation assignments, the appraisal/consulting agreement assumes responsible ownership and competent management.
10. In this assignment it is assumed that the title of the property is good and merchantable. No responsibility is assumed for matters that are legal in nature, nor is any opinion of the state of the title to the property rendered herewith. A survey was not provided to the appraiser/consultant unless specifically stated in this report.
11. All data provided by the client or researched from public records is deemed reliable. If any errors are found that could have a material impact on the conclusion, APC reserves the right to recall this report and amend the analysis and/or conclusions. No guarantee is made for the accuracy of estimates or opinions furnished by others and contained in this report.
12. No liability is assumed for matters of legal character affecting the property, including by way of description and not limitation: title defects, encroachments, liens, overlapping lines.

Are you aware series of questions from USEPA manual?

Date of purchase

## **UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS**

13. Any liens or encumbrances that may now exist have been disregarded. In valuation assignments property is appraised as though free of indebtedness and as though no delinquency in payment of general taxes and special assessments exist.
14. In valuation or consulting assignments, any value assigned to improvements is in proportion to the contribution said improvements make to the value of the property as a whole.
15. Compensation for appraisal/consulting services is not dependent upon the delivery of the report.
16. In valuation or consulting assignments, the value found by the appraiser/consultant is in no way contingent upon the compensation to be paid or the appraisal services.
17. The assignment is completed in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) and the Code of Ethics of the Appraisal Institute.
18. In the event that the subject property enters into condemnation proceedings, it is assumed the appraiser/consultant will be given additional time for court preparation.
19. No portion of this report may be published or reproduced without the prior written consent of the appraiser/consultant and APC.
20. Unless specifically stated otherwise within the report, no earthquake compliance report, engineering report, flood zone analysis, hazardous waste or asbestos analysis was made, provided or ordered in conjunction with this assignment. The client is strongly urged to retain experts in these fields, if so desired.
21. In valuation assignments involving apartments, attempts were made to inspect a representative sample of the total number of units. In these assignments it is assumed that the condition and finish of all units is similar to the condition and finish of the inspected units. If it is determined that units not inspected differ from those inspected units in either condition or finish, the appraiser/consultant reserves the right to recall the appraisal to amend the analysis and/or conclusion.
22. Appraisal or consulting assignments involving less than the whole fee simple estate are subject to the following additional limitation: "The value reported for such estates relates to a fractional interest only in the real estate involved and the value of the fractional interest plus the value of all other fractional interests may or may not equal the value of the entire fee simple estate considered as a whole."
23. Appraisal or consulting assignments that relate to geographical portions of a large parcel or tract of real estate are subject to the following additional limitation: "The value reported for such geographical portion relates to such portion only and should not be construed as applying with equal validity to other portions of the larger parcel or tract. The value reported for such geographical portion plus the value of all other geographical portions may or may not equal the value of the entire parcel or tract considered as an entity."

## **UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS**

24. The appraiser/consultant assumes that a any purchaser of the property that is the subject of this report is aware that (1) an appraisal of the subject property does not serve as a warranty of the condition of the property, (2) it is the responsibility of the purchaser to examine the property carefully and to take all necessary precautions before signing a purchase contract, and (3) any estimate for repairs is a non-warranted opinion of the appraiser/consultant unless otherwise stated.
25. Assignments prepared based upon provided plans and specifications are based on the assumption that the project is completed in a workmanlike manner in compliance with the plans and specifications. In prospective value assignments, it is understood and agreed that the appraiser/consultant cannot be held responsible for unforeseen events that impact the value or any conclusion presented. The user of the report and client agree that unforeseeable events may alter market conditions prior to completion of the project. The user and client agree the appraiser has the right to amend the report and conclusions in light of the identified changes.
26. In assignments where a Discounted Cash Flow Analysis is used as an analytical tool the user and client understand that the analysis has been prepared on the basis of information and assumptions identified in this report. The user/client understand that the achievement of any financial projections will be affected by fluctuating economic conditions and the conclusion is dependent upon the occurrence of other future events that cannot be assured. Therefore, the actual results achieved may vary from the projections made and such variation may be material. The client agrees to allow the appraiser to revise the conclusion and report in light of these changes.
27. Prior to entering into an agreement to perform any assignment, an appraiser/consultant must carefully consider the knowledge and experience that will be required to complete the assignment competently; disclose any lack of specific knowledge or experience to the client; and take all steps necessary or appropriate to complete the assignment competently. The appraisers/consultants have both the knowledge and experience required to complete this assignment competently.
28. The appraisers/consultants have inspected the subject property with the due diligence expected of a professional real estate appraiser/consultant. The appraisers/consultants are not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraisers/consultants that might suggest the possibility of the presence of hazardous waste and/or toxic materials are subject to review by a qualified expert in the field. The user/client agree that the appraiser/consultant has the right to amend the assignment, report and conclusion after an investigation by a qualified expert in the field of environmental assessment is completed.
29. The user/client understands that the presence of substances such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the property and the conclusions presented. The appraiser's/consultant's opinion and conclusions are predicated on the assumption that there is no such condition on, in or near the property that could cause a loss in value or an extension of the marketing time. The user/client agree to allow the appraiser/consultant to review and amend the analysis, report and conclusions if the referenced substances or others exist on the property.

## **UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS**

30. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's/consultant's descriptions and resulting comments are the result of routine observations made during the appraisal process. The client is urged to retain an expert in this field, if so desired.
  
31. The Americans with Disabilities Act (ADA) became effective January 26, 1992. No specific compliance survey and analysis of this property have been made to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more requirements of the Act. The user/client understands that, this fact could have an effect on the property and conclusions presented. In this assignment the possibility of non-compliance with the requirements of ADA was not considered. The user/client agree that the appraiser/consultant has the right to amend the assignment, report and conclusion after an investigation by a qualified expert in the field is completed.

## **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

### **DALE J. KLESZYNSKI, MAI, SRA**

Dale J. Kleszynski, MAI, SRA, is president and principal shareholder of Associated Property Counselors, Ltd. He has served as an expert witness in various areas of litigation and arbitration practice including zoning issues and disputes, legal malpractice, appraisal malpractice, dispute management, mediation, appraisal methodology, damages and eminent domain matters. As part of his service, he has prepared use impact studies, highest and best use studies, feasibility studies, cost estimates, estimates of just compensation, leasehold interests and leased fee interests. In addition to the above services, he has provided documented appraisals for financial institutions, corporations, developers, municipalities, governmental agencies, law firms, school districts and private individuals. Appraisal, arbitration and consulting assignments have been completed on a regional and nationwide basis.

Mr. Kleszynski has taught numerous appraisal and USPAP courses for professional organizations and specialized groups and he served as part of the development team that authored courses for the Appraisal Institute. He serves as a qualified instructor for the Appraisal Institute and is a certified USPAP instructor for the Appraisal Foundation. During the past 25 years, he has served on numerous national and local committees for the State of Illinois and the Appraisal Institute. Mr. Kleszynski is licensed and certified to complete appraisal and consulting assignments in the states of Illinois, Indiana, and Michigan.

### **Educational Background**

Loyola University of Chicago, Bachelor of Arts, 1971

Completed all educational, admissions, demonstration report and comprehensive examination requirements to be awarded the MAI and SRA designations by the Appraisal Institute

Currently certified under the Appraisal Institute Continuing Education Program

Currently certified under the Continuing Education Requirements of the State of Illinois

Currently certified under the Continuing Education Requirements of the State of Indiana

Currently certified under the Continuing Education Requirements of the State of Michigan

## **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

**DALE J. KLESZYNSKI, MAI, SRA**

### **Professional Designations and Certification**

Member of the Appraisal Institute - MAI No. 6747

Senior Residential Appraiser - SRA

Illinois State Certified Real Estate Appraiser- License No. 553.000213

Indiana Certified General Appraiser - License No. CG49300022

Michigan State Certified Appraiser - License No. 12-01-004591

### **Appraisal and Consultation Experience**

Since 1979, various types of real estate, including:

- Office and commercial buildings

- Assisted living facilities

- Apartment structures and complexes

  - Including Low Income Housing Tax Credit complexes

- Industrial and warehouse properties

- Single-family and condominium residential properties

- Vacant land

  - Residential, multi-family, commercial, and industrial

- Special purpose properties

  - Including bulk petroleum storage facilities, steel fabricating plants, hotels, soccer arenas, golf courses, motels, chemical processing facilities, restaurants, bank facilities and ice arenas

- Eminent domain projects

  - McCormick Place expansion

  - Extension of Interstate 355 in Cook and Will Counties

  - City of Hammond v. Great Lakes Marina

  - Palwaukee Airport expansion

  - Lansing Municipal Airport expansion

  - Little Calumet River and Levee and Flood Abatement Project

  - O'Hare International Airport expansion

  - Various road and municipal projects

- Various zoning and municipal projects

  - Adult use impact study - County of Cook

  - Impact study for group home zoning

  - Impact studies for cell tower development

  - School site selection

  - Commercial development impact studies

  - Real estate tax impact studies

- Arbitration

  - Sole arbitrator to determine just compensation for a fiber optic easement

## **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

**DALE J. KLESZYNSKI, MAI, SRA**

### **Service Offices**

President - Chicago Chapter of the Appraisal Institute  
Regional Representative - Appraisal Institute  
Division of Faculty - Appraisal Institute  
Regional Chairman - Ethics Administration  
Assistant Regional Representative - Review and Counseling  
National Board of Directors - Appraisal Institute  
Vice Chairman - General Appraisal Board  
Chairman - General Appraisal Board  
Executive Committee - Appraisal Institute  
National Nominating Committee - Appraisal Institute  
General Appraisal Council

### **Professional Experience**

President and Chief Appraiser, Associated Property Counselors, Ltd.  
Staff Appraiser, Abacus Realty Appraisers, Inc., Chicago  
Staff Appraiser, Property Assessment Advisors, Chicago  
Staff Appraiser, Central Appraisal Company, Chicago  
Mortgage Loan Officer, First Calumet City Savings and Loan, Calumet City, Illinois

### **Course and Seminar Development**

Course 700 - Introduction to Litigation - Development Team  
Course 710 - Eminent Domain - Part A - Development Team  
Course 720 - Eminent Domain - Part B - Development Team  
Individual seminars for the Cook County State's Attorney

## **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

**DALE J. KLESZYNSKI, MAI, SRA**

### **Qualified Instructor for the Appraisal Institute**

#### **Courses:**

- Basic Income Capitalization
- General Applications
- 7-Hour National USPAP Update Course
- General Appraiser Sales Comparison Approach
- 15-Hour National USPAP Course
- Business Practices and Ethics
- Advanced Income Capitalization
- Advanced Applications
- The Appraiser as an Expert Witness: Preparation & Testimony
- Litigation Appraising: Specialized Topics and Applications
- Condemnation Appraising: Basic Principles and Applications
- Condemnation Appraising: Advanced Topics and Applications

#### **Seminars:**

- Litigation Skills for the Appraiser
- Partial Interest Valuation – Undivided
- Case Studies in Commercial Highest and Best Use
- Understanding and Testing DCF Valuation Models
- Appraisal Review – General
- Supporting Capitalization Rates
- Scope of Work: Expanding Your Range of Services
- The Road Less Traveled: Special Purpose Properties
- Real Estate Finance, Value, and Investment Performance
- Introduction to Income Capitalization



## **PARTIAL LIST OF CLIENTS**

### **Financial Institutions**

American Chartered Bank  
Associated Bank  
Bank of Choice  
Baytree Bank  
Centrue Bank  
Cole Taylor Bank  
Delaware Place Bank  
Fifth Third Bank  
First Choice Bank  
First Financial Bank  
First Midwest Bank  
First Trust  
George Washington Savings Bank

Harris Bank  
Heritage Community Bank  
LaSalle Bank  
MB Financial  
Mercantile Bank  
Midwest Bank  
National City Bank  
Peoples Bank  
S & T Bank  
Standard Bank  
State Bank of Countryside  
The Private Bank

### **Government Services Administration**

City of Chicago  
City of Kankakee  
City of Palos Heights  
City of Park Ridge  
Cook County State's Attorney  
Department of Justice  
DuPage County State's Attorney  
DuPage County Assessor's Office  
Federal Aviation Administration  
Frankfort Square Park District  
Homewood-Flossmoor Park District  
Kankakee County State's Attorney  
Lake County Parks Department  
Lan Oak Park District  
Lansing Municipal Airport  
Little Calumet River Basin Development  
Manteno Township Assessor's Office  
McHenry County Conservation District  
Office of Banks and Real Estate  
Town of Hobart

Town of Munster  
University of Illinois  
Various School Districts in Cook, DuPage,  
Lake, and Will Counties  
Village of Bradley  
Village of Burr Ridge  
Village of Crestwood  
Village of Glen Ellyn  
Village of Lansing  
Village of Lombard  
Village of Maywood  
Village of Oak Lawn  
Village of Orland Park  
Village of Riverdale  
Village of Rosemont  
Village of Western Springs  
Village of Wheeling  
Waubensee Community College  
Will County State's Attorney  
Wisconsin Department of Revenue

### **Corporations**

The Archdiocese of Chicago  
AT&T  
Attorney's Title Insurance Fund, Inc.  
BP International  
BP Products – North America  
Broadacre Management  
Casey's General Store  
Commonwealth Edison  
FP International  
Gallagher Asphalt  
Gallagher & Henry  
Garvey Marine  
Lucent Technologies  
McDonald's Corporation

Moser Enterprises  
Pasquinelli Development  
Peoples Energy  
Prairie Material Sales, Inc.  
The Pritzker Foundation  
Robinson Engineering  
RR Donnelley Company  
Sherwin-Williams Company  
T-Mobile USA, Inc.  
Taco Bell  
Travelers Insurance  
U. S. Steel Corporation  
Wiseman-Hughes Enterprises

## **PARTIAL LIST OF CLIENTS**

### **Professional Law Firms**

Antonopoulos & Virtel, P.C.  
Arnstein & Lehr, LLP  
Azulay Seiden Law Group  
Baker & McKenzie  
Bell, Boyd & Lloyd, LLP  
Blachly, Tabor, Bozik & Hartman  
Burke, Burns and Pinelli, Ltd.  
Burke, Warren, McKay & Serritella, P.C.  
Campion, Curran, Dunlop & Lamb  
Casale, Woodward & Buls, LLP  
Clifford Law Offices  
Defrees & Fisk, LLC  
DLA Piper  
Dunn Martin Miller & Heathcock, Ltd.  
Eiden & O'Donnell, Ltd.  
Figliulo & Silverman, P.C.  
Fioretti, Lower & Carbona, LLP  
Foley & Lardner, LLP  
Foran, O'Toole & Burke, LLC  
Franczek Radelet P. C.  
Goldstine, Skrodzki, Russian, Nemecek & Hoff, Ltd.  
Goodman, Katz and Scheele  
Gordon & Pikarski  
Green, Schoenfeld & Kyle, LLP  
Harrison & Held  
Helm and Wagner  
**Hinshaw & Culbertson, LLP**  
Holland and Knight, LLC  
Huck Bouma  
Jenner & Block, LLP  
Joyce, Edward T. & Associates, P.C.  
Klein, Thorpe & Jenkins, Ltd.  
Koransky, Bouwer & Poracky, PC  
Law Office of Eugene M. Feingold  
Law Office of Matthew J. Carmody  
Law Office of John K. Kallman  
Law Office of Bryan P. Lynch  
Law Office of Ronald N. Primack, LLC  
Law Office of Randall A. Wolff  
Liston & Tsantilis, P.C.  
Masters, Charles J., Ltd.  
McGuire Woods, LLP  
Neal & Leroy, LLC  
Newby, Lewis, Kaminski & Jones, LLP  
Noonan & Lieberman, Ltd.  
Peacock & McFarland, P.C.  
Petersen and Houpt  
Polsinelli Shughart PC  
Pretzel & Stouffer, Chartered  
Rathbun, Cservenyak & Kozol, LLC  
Righeimer Martin and Cinquino  
Robbins Schwartz  
Ryan and Ryan  
Sandrick Law Firm  
Savaiano & Spear  
Schain, Burney, Ross & Citron, Ltd.  
Schopf & Weiss, LLP  
Seyfarth Shaw  
Shaw Fishman Glantz & Towbin  
Sonnenschein Nath & Rosenthal, LLC  
Sosin & Arnold, Ltd.  
Sullivan, Hincks & Conway  
Sullivan, John P., DDS, JD  
Tressler, LLP  
Whitt Law

Personal and case references available upon request