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Hilco Real Estate Appraisal, LLC

Valuation of

Two-Story Commercial Building

20080 Governors Drive
Olympia Fields, Cook County, Illinois

Report Date: January 12, 2018
As of: January 8, 2018

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Northbrook, IL 60062

Hilco Real Estate Appraisal

January 12, 2018

Mr. Steve Waryas
Chief Credit Officer
First Bank & Trust Company of Illinois
300 East Northwest Highway
Palatine, Illinois 60067

Re: Appraisal of Real Property
Two-Story Commercial Building
20080 Governors Drive
Olympia Fields, Cook County, Illinois

Dear Mr. Waryas:

Hilco Real Estate Appraisal, LLC is pleased to transmit our appraisal estimating the *market value* of the fee simple estate in the above-referenced property. The extent of the appraisal process is limited in that the *Sales Comparison and Income Capitalization Approaches* are utilized. In our opinion, these two approaches are the most appropriate given the nature of the property appraised and the exclusion of the *Cost Approach* does not compromise the credibility of the results.

The findings, conclusions and opinions are presented in this restricted report format, which contains only a brief presentation of the properties, data, analyses and conclusions.

This restricted appraisal report is only for the use of the client. The appraiser's opinions and conclusions set forth in the report contain only a brief description of the properties, but additional information is retained in the file that may be needed to understand the conclusion. The client agrees that the analysis and limited reporting is sufficient considering the intended use of the appraisal, which is for internal use only and not for collateral valuation. The client is not providing financing for the properties identified.

The report is intended to comply with the reporting requirements set forth under Standards Rule 2-2 of the 2018-2019 Uniform Standards of Professional Appraisal Practice (USPAP). The report conforms to Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA).

This report was prepared for First Bank & Trust Company of Illinois (Client) and is intended only for their specified use for internal decision-making purposes. The report is not intended for distribution or reliance upon by other persons or entities. The appraisal was developed consistent with the scope specified by First Bank & Trust Company of Illinois and agreed upon by the appraiser(s).

John C. Satter, MAI last inspected the subject property exterior on September 18, 2017 and prepared the report. Hilco Real Estate Appraisal, LLC and John C. Satter, MAI have provided previous appraisal services on the subject property in the past three years.

In the course of completing this assignment, we have relied on information provided by the client. Should any of the factual information presented in this report prove incorrect the results in this report may require revision.

The value opinions set forth in the attached report are qualified by certain assumptions, limiting conditions, certifications and definitions, all of which are set forth in the report.

Thank you for the opportunity to provide the outlined services. We look forward to working with you again in the near future.

Respectfully submitted,

HILCO REAL ESTATE APPRAISAL, LLC

John C. Satter, MAI, GAA
Managing Director | Midwest Region
Hilco Real Estate Appraisal, LLC
IL Certified General Appraiser No. 553.001110
jsatter@hilcoglobal.com
Tel: 847.504.2472

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property Name:	Former Day Bridge School
Location:	20080 Governors Drive Olympia Fields, Cook County, Illinois
General Overview:	The subject property currently consists of a two-story, brick constructed, freestanding commercial building built in 1980 and renovated in 2006 that was formerly occupied by The Day Bridge School. The subject has a gross building area of 29,484 square feet which is equally divided between the first and second floors. The subject was originally constructed as a gym facility but was renovated and converted to a daycare/pre-school in 2006. The building is currently vacant. The improvements are assumed to be in average condition.
Interest Appraised:	Fee Simple Estate
Effective Date of the Appraisal:	January 8, 2018
Date of the Report:	January 12, 2018
Date of Inspection:	September 18, 2017
Zoning:	PUD, Planned Unit Development
Highest and Best Use:	
As Vacant:	Commercial Development
As Improved:	Current Use, Office
Value Indicators:	
Sales Comparison Approach	$1,620,000
Income Comparison Approach	$1,630,000
Market Value Conclusion	**$1,625,000**
Exposure Time	12 Months
Use Restriction:	This restricted appraisal report is only for the use of the client. The appraiser’s opinions and conclusions set forth in the report contain only a brief description of the properties, but additional information is retained in the file that may be needed to understand the conclusion. The client agrees that the analysis and limited reporting is sufficient considering the intended use of the appraisal, which is for internal use only and not for collateral valuation. The client is not providing financing for the properties identified.

Orderly Liquidation Value	**$1,300,000**
Marketing Time	6 Months

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

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in US dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. This definition can also be modified to provide for valuation with specified financing terms. (Dictionary of Real Estate Appraisal, Sixth Edition)

We have estimated the value of the subject property based on an exposure period of six months in an *orderly liquidation* scenario. As shown in the report, we estimate under normal market conditions that the property will require 12 months to sell. The *orderly liquidation* scenario assumes the property will sell in six months. The reduced marketing period will limit the number of potential purchasers and adversely impact the sale price.

Based on input from area real estate professionals, as well as Hilco Real Estate's experience marketing assets within a reduced time frame, we estimate that sale of the property within a six month time frame could be achieved at approximately 80 percent of our *market value* estimate. The reduction in value essentially reflects the fact that the assumption is made that the seller is highly motivated to sell the property within a 180 day time frame and will accept a much lower offer.

The *orderly liquidation value* differs from market value in that: 1.) the assumption is made that consummation of a sale will occur within a limited future marketing period specified by the client, and 2.) the seller is under compulsion to sell. The reported difference in value in the valuation approaches reflects our opinion as to the applicable discount for the changed conditions of sale.

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Identification of Property

The subject property currently consists of a two-story, brick constructed, freestanding commercial building built in 1980 and renovated in 2006 that was formerly occupied by The Day Bridge School. The subject has a gross building area of 29,484 square feet which is equally divided between the first and second floors. The subject was originally constructed as a gym facility but was renovated and converted to a daycare/pre-school in 2006. The building is currently vacant. The improvements are assumed to be in average condition.

Building Layout			
Floor	**Tenant**	**Sq Ft**	**Use**
1st Floor	Vacant	14,742	Office
2nd Floor	Vacant	14,742	Office
Total NRA		**29,484**	

The improvements are situated on an irregularly-shaped parcel totaling 92,780 square feet, or approximately 2.13 acres.

The subject address is 20080 Governors Drive, Olympia Fields, Cook County, Illinois. The subject property is further identified by the Rich Township Assessor's Office of Cook County as parcel number 31-14-200-011 and 31-14-200-012.

Property Ownership and Recent History

To our knowledge, the property is under the ownership of First Bank & Trust Company of Illinois, or related entities. The subject property is currently listed for sale on the CoStar Properties online platform by First Bank of Illinois for $1.90 million. The representative indicates limited interest from non-profits and institutional users.

To our knowledge, there have not been any other market-oriented transactions involving the subject property during the three years preceding the effective date of this appraisal.

Purpose and Intended Use of the Appraisal

The purpose of this appraisal is to estimate the *market value* of the fee simple estate in the subject properties as of January 8, 2018 the date of analysis. This restricted appraisal report was prepared for First Bank & Trust Company of Illinois (Client) and is intended only for their specified use for internal decision-making purposes.

The client agrees that the analysis and limited reporting is sufficient considering the intended use of the appraisal, which is for internal use only and not for collateral valuation. The client is not providing financing for the properties identified.

The report is not intended for distribution or reliance upon by other persons or entities. The restricted appraisal was developed consistent with the scope specified by First Bank & Trust Company of Illinois and agreed upon by the appraiser(s).

Extent of the Appraisal Process (Scope of Work)

In the process of preparing this appraisal, the appraiser(s):

- Reviewed our prior appraisal report and work file completed in July 2015.
- Inspected the exterior of the existing building and site improvements. Our inspection was conducted for purposes of evaluating the physical characteristics and general condition of the site and building improvements.
- Conducted market inquiries into recent sales of similar facilities to ascertain sales price per square foot for the improved properties. We have not completed inspections of the comparable sales, but have relied upon available data and/or discussions with real estate professionals familiar with the properties.
- Conducted market inquiries into rental rates for similar commercial buildings to estimate an appropriate potential gross income for the subject. Deducted appropriate vacancy and collection loss and operating expenses to estimate the stabilized net operating income for the subject. Converted net operating income into value by capitalizing at an appropriate overall capitalization rate.
- Reviewed prior appraisals of the subject dated July 13, 2012, August 8, 2013, August 16, 2016 and September 2017.
- Prepared *Sales Comparison Approach* and *Income Capitalization Approach* to value.

Data Verification

We have completed an exterior inspection of the comparable sales and/or relied upon available photographs and interviews with representatives familiar with the properties and/or transactions. We have also discussed relevant market data and information with other appraisers and/or real estate professionals and utilized information from previous appraisals we have completed. Ultimately, we rely on multiple sources for verification of comparable data, including Costar, Loop Net, MRED multiple listing service, county and township records, Marshall and Swift cost valuation, Claritas site reports, Pricewaterhouse Coopers (PWC) investor survey, RealtyRates.com, Economy.com and other national brokerage reports.

Competency Provision

We are aware of the competency provision promulgated by the USPAP, and the authors of this report meet the standards as: i.) the appraisers have knowledge and experience in the nature of this assignment and have experience with similar properties throughout the United States; ii.) necessary steps have been taken in order to complete the assignment competently; and iii.) there is no lack of knowledge or experience that would prohibit this assignment to be completed in a professional and competent manner or where a biased or misleading opinion of value would be rendered.

Date of Value and Property Inspection

The date of value is January 8, 2018. The last date of inspection was September 18, 2017. John C. Satter, MAI inspected the subject property on that date.

Previous Services Comment

Hilco Real Estate Appraisal, LLC and John C. Satter, MAI have provided previous appraisal services on the subject property in the past three years.

Property Rights Appraised

We have appraised the fee simple estate.

Definitions of Value, Interest Appraised, and Other Pertinent Terms

The definition of **market value** as applied in this report is from Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, as adopted August 24, 1990, and is defined as:

> "The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:
>
> 1. Buyer and seller are typically motivated;
> 2. Both parties are well informed or well advised, and acting in what they consider their best interests;
> 3. A reasonable time is allowed for exposure in the open market;
> 4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
> 5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (*Dictionary of Real Estate Appraisal, Sixth Edition)*

Leased Fee Estate

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease). (*Dictionary of Real Estate Appraisal, Sixth Edition)*

Stabilized Occupancy

An expression of the expected occupancy of a property in its particular market considering current and forecasted supply and demand, assuming it is priced at market rent. *(Dictionary of Real Estate Appraisal, Sixth Edition)*

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy. (*Dictionary of Real Estate Appraisal, Sixth Edition)*

Exposure Time and Marketing Period

Exposure Time and Marketing Period are defined in the *Dictionary of Real Estate Appraisal, Sixth Edition* (2015), published by the Appraisal Institute and are defined as follows.

> **Exposure Time**
> Under Paragraph 3 of the Definition of Market Value, the value estimate presumes that "a reasonable time is allowed for exposure in the open market." Exposure time is defined as the time a property remains on the market. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. Exposure time is different for various types of value ranges and under various market conditions.
>
> **Marketing Period**
> The time it takes an interest in real property to sell on the market subsequent to the date of an appraisal. A reasonable marketing time is an estimate of the amount of time it might take to sell an interest in real property at its estimated market value during the period immediately after the effective date of the appraisal; the anticipated time required to expose the property to a pool of prospective purchasers and to allow appropriate time for negotiation, the exercise of due diligence, and the consummation of a sale at a price supportable by concurrent market conditions. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal. Market value estimates imply that an adequate marketing effort and reasonable time for exposure occurred prior to the effective date of the appraisal. In the case of disposition value, the time frame allowed for marketing the property rights is somewhat limited, but the marketing effort is orderly and adequate. With liquidation [forced or quick sale] value, the time frame for marketing the property rights is so severely limited that an adequate marketing program cannot be implemented.

To determine marketing period trends within the subject's local and regional area, we have considered recent comparable sales as well as considered insight from local market participants. Based upon the foregoing and considering the physical characteristics of the subject, marketing period and exposure time of 12 months is concluded for the subject property.

The exposure time estimate reflects the activity that has existed for properties in recent periods whereas the marketing time estimate is subject to variation depending upon evolving events and unforeseen changes in the economy or marketplace. The price that may be achieved in the future at the end of the marketing period may or may not be equal to the current appraised value estimate, depending on potential changed in the physical real estate, demographic and economic trends, the real estate market and the effectiveness of the marketing program, among other factors.

REGIONAL MAP AND DISCUSSION

Introduction

The subject property is located in the Chicago-Gary-Kenosha Consolidated Metropolitan Statistical Area (CMSA). This area has the third largest population in the U.S., behind Los Angeles and New York. The CMSA includes 10 northeastern counties in Illinois, two northwestern counties in Indiana, and one southeastern county in Wisconsin.

The subject property is within a six-county (Illinois only) geographic portion of the CMSA called the Northeastern Illinois Counties Area (NICA) – an area defined by the Northeastern Illinois Planning Commission. The NICA counties are Cook (including the City of Chicago), DuPage, McHenry, Kane, Lake, and Will. These six counties encompass a total of 3,724 square miles and 208 of the suburban communities around Chicago. The six NICA counties, with the City of Chicago roughly at their geographic center, form an interlocking economic structure. Economic growth in the NICA has occurred in a radial pattern emanating outward from the city along major arterial routes, waterways, and rail lines.

Key Comparisons and Projections

The following information is taken from the previously presented economic and statistical data provided Economy.com as of October-November 2017. The subject is in Cook County, IL, which is part of the Chicago-Naperville-Arlington Heights, IL MSA as determined by Economy.com.

UNITED STATES	MIDWEST	CHICAGO
Total Employment		
146,400,000	32,783,000	3,736,200
Employment Change %		
1.5	1.0	0.6
Unemployment Rate %		
4.4	4.2	4.7
Personal Income Growth		
3.3	2.8	2.8
Strengths		
• Very productive workforce. • Labor market that attracts skilled and unskilled immigrants. • High innovation and entrepreneurship. • Mobile labor force, flexible labor system.	• Less income inequality than other regions. • Deep pockets of specialized expertise. • Higher export growth than other regions. • Low business costs, especially for energy. • High housing affordability.	• More firms seek headquarters downtown • Congress passes major infrastructure bill, leading to more investment in critical transportation assets.
Weaknesses		
• Many labor market nonparticipants. • Large budget, current account deficits. • Skewed income and wealth distribution. • Polarized and fractured political system.	• Below-average population growth, including persistent out-migration. • State and local budgetary pressures. • Exposure to weak farm industry.	• City of Chicago's budget troubles worsen. • Housing provides less support. • Apartment glut develops. • High crime rate deters would-be in-migrants.

National Outlook

"U.S. lawmakers have finally taken up tax reform in earnest. The debate and deliberations will rage over the next few months, and we should know by early next year if and how the tax code will change. The administration and Republican congressional leadership have proposed a broad set of changes to the corporate and personal income tax codes, including tax cuts and revenue raisers. While the proposal is light on many important details, it would add significantly to future budget deficits and the nation's debt load, even after accounting for any economic benefits.

Republican boosters of the tax proposal argue that it will significantly increase economic growth. The most common refrain is that it will lift real GDP growth closer to 3% per annum from the approximately 2% that has prevailed during the current expansion. They also argue that this additional growth will generate roughly enough additional tax revenue for the plan to pay for itself: So-called supply side effects from the tax cuts would be so large that on a dynamic basis after accounting for the bigger economy the plan will not add to the nation's deficits and debt.

The plan will also significantly exacerbate the nation's fiscal problems. On a static basis ignoring the impact of the tax cuts on the economy and thus tax revenues the tax plan will cost taxpayers more than $2.4 trillion over the next decade. On a dynamic basis, the price tag is not much different. While there are economic benefits on revenues from the lower marginal rates, they are not sufficient to pay for the cuts. Government borrowing thus increases, causing interest payments on the accumulating debt to rise. The added interest payments offset the economic benefits on revenues.

There are aspects of the tax plan that are difficult to model and quantify: Some add to economic growth, and others detract from it, but on net these largely cancel each other out. Moving from a global to a territorial system will stop inversions by U.S.-based multinationals, ensuring more headquarters stay here. Limiting the deductibility of interest payments would also curb businesses' use of debt to finance their activities a plus. The plan does not just fail to lift economic growth while it adds significantly to the nation's fiscal problems. It also is politically unpalatable. The brouhaha over eliminating the state and local income tax deduction, the principal source of additional tax revenue in the plan, has even forced some of the authors of the legislation to step back from it.

Tax reform is necessary. But to boost economic growth on a sustained basis, it must be dynamically deficit-neutral, particularly when the economy is operating at full employment, as it is today. This is very difficult to do. It is increasingly difficult to see the Trump administration and Congress getting it done." [1]

Midwest Region Outlook

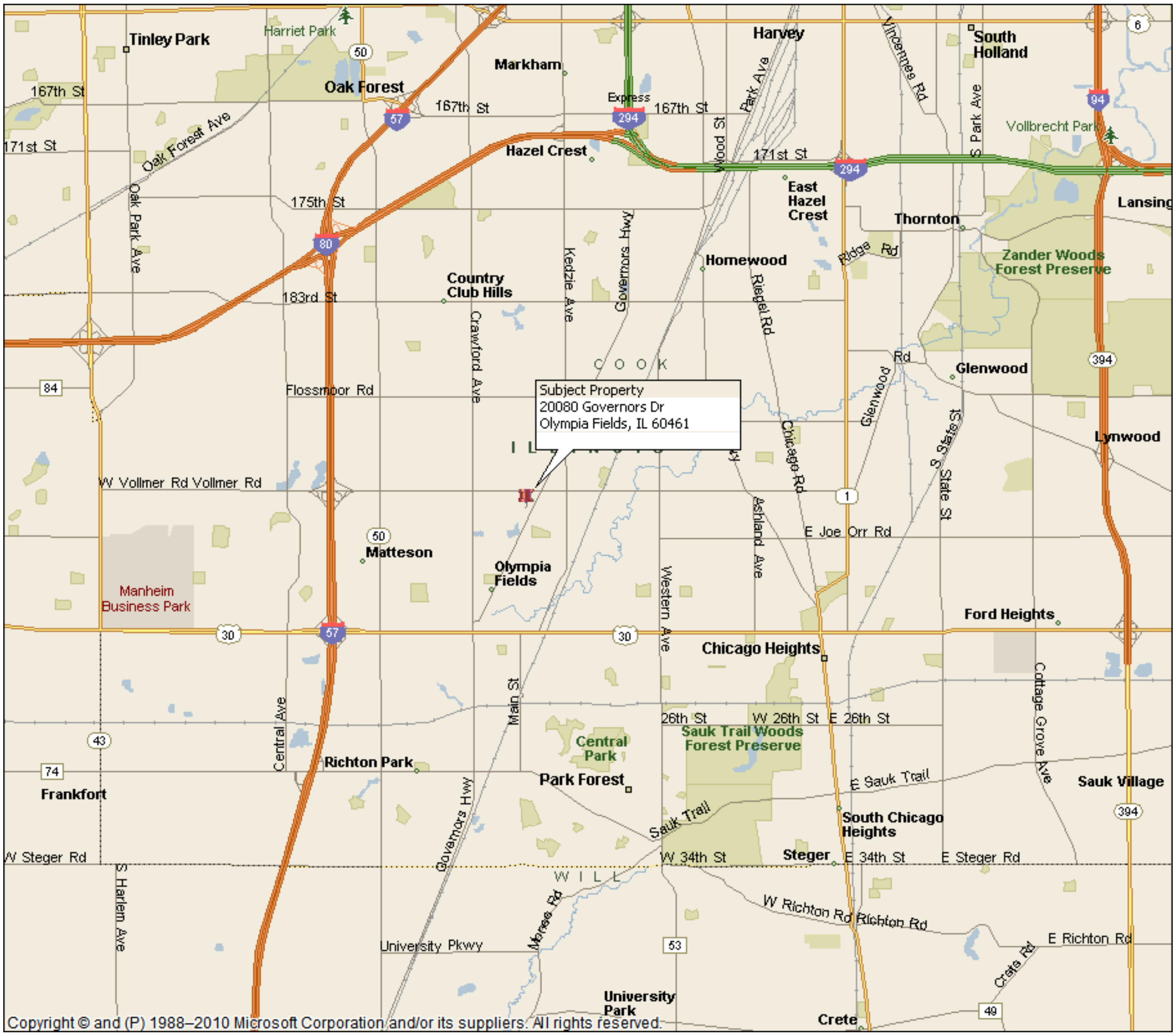
"Slow and steady will be the name of the Midwest's game for the duration of the business cycle. Diminishing labor market slack will constrain job gains and push wages higher. Longer term, the Midwest will underperform the nation in most economic metrics primarily because of weaker population trends."[2]

Local Area Outlook

"Chicago-Naperville-Arlington Heights will lose its edge over the rest of Illinois in coming quarters, but professional services will be the labor market's workhorse. Downtown Chicago will enjoy the bulk of the gains, with slower growth in areas outside of the city. Long term, CHI will underperform as fiscal crises and related population declines limit its potential."[3]

[1] *Precis: Metro October 2017 Moody's Economy.com*
[2] *Precis: Metro October 2017 Moody's Economy.com*
[3] *Precis: Metro November 2017 Moody's Economy.com*

LOCAL MAP AND DISCUSSION



LOCAL AREA ANALYSIS

Introduction

The subject property is located in the Village of Olympia Fields with frontage on Governors Drive one block south of the intersection of Vollmer Road and Governors Highway. It is located within an established office park known as Governors Park that is improved with similar size office and light industrial use buildings and adjacent to Rich Central High School, St. James Hospital and Health Center, and the Trails of Olympia Fields residential subdivision. The immediate area has a balance of commercial, retail, medical, educational, and residential land uses. The Olympia Fields area has historically been a suburban area with neighborhood boundaries of Flossmoor Road to the north, Scott Drive to the south, Kedzie Avenue to the east and Crawford Avenue to the west.

The Village of Olympia Fields is a village in the Rich Township of Cook County, Illinois. Surrounding cities include Flossmoor, Park Forest, Matteson, Chicago Heights, Richton Park, and Homewood. Olympia Fields is located 30 miles south of Chicago’s downtown.

Interstate 57 is the closest major highway and located two miles to the west. Interstate 294 is located four miles to the north and is a major corridor for commercial, office and residential developments for the past three decades. Commercial and industrial development experienced contraction starting in 2007/2008 and has yet to fully recover.

Access

Primary access to Governor’s Park is provided by Governors Highway, a major road in the area and passes through Olympia Fields. The neighborhood is accessed by local roads and streets that link to Interstate 57, Interstate 80 and Interstate 294. The local area has average linkage to the main expressway, Interstate 294 with good linkage to the central business districts of Flossmoor, Park Forest, Matteson, Chicago Heights, Richton Park, and Homewood.

There are four Metra Electric rail stations within two miles of the subject, with the nearest being 0.7 miles away. The Metra Electric line provides direct access to Chicago’s Millennium Station, as well as several communities along the way. Chicago O’Hare International airport is approximately 42 miles from the subject and Midway Airport is approximately 20 miles from the subject.

Development Characteristics

The local area is fully developed and in the stable stage of the life cycle. Land uses consist of retail, office, institutional, light industrial, and residential. The areas to the north, south and east of the Governors Park development are mainly single-family residential. The neighboring area to the west, southwest, and north consists of commercial development and Rich Central High School and St. James Hospital and Health Center. Development activity in the area has remained stalled due to economic reasons; however, the area is seen as an overall stable market.

Summary and Conclusion

The subject property is located in Governors Park, an office park located at the intersection of Vollmer Road and Governors Highway. The local area is an outlying suburban area that is nearing full development and the stable phase of the life cycle. The local area has good access to primary roadways, air transportation and public transportation. The area is stable and property values are anticipated to remain stable.

Costar Analytics

The following table summarizes supply and demand metrics for the office market within a three-mile radius around the subject property.

Availability	Survey	5-Year Avg
Gross Rent Per SF	$14.09	$13.61
Vacancy Rate	25.5%	25.6%
Vacant SF	504,595	507,710
Availability Rate	30.0%	32.2%
Available SF	594,527	637,113
Sublet SF	2,210	4,935
Months on Market	36.4	31.8

Demand	Survey	5-Year Avg
12 Mo. Absorption SF	5,295	-3,200
12 Mo. Leasing SF	33,192	44,863

Inventory	Survey	5-Year Avg
Existing Buildings	108	108
Existing SF	1,981,535	1,981,535
12 Mo. Const. Starts	0	0
Under Construction	0	0
12 Mo. Deliveries	0	0

Sales	Past Year	5-Year Avg
Sale Price Per SF	$141	$42
Asking Price Per SF	$119	$71
Sales Volume (Mil.)	$7.0	$5.0
Cap Rate	8.8%	9.3%

The quoted full service gross asking rent and vacancy rate have remained fairly stable as compared to the five-year average. The inventory has remained level and the sale price and asking price per square foot has increased sharply on somewhat low transaction volume.

PROPERTY DESCRIPTION

The subject property currently consists of a two-story, brick constructed, freestanding commercial building built in 1980 and renovated in 2006 that was formerly occupied by The Day Bridge School. The subject has a gross building area of 29,484 square feet which is equally divided between the first and second floors. The subject was originally constructed as a gym facility but was renovated and converted to a daycare/pre-school in 2006. Based on our exterior inspection, the improvements are assumed to be in average condition.

Based on a previous appraisal, the foundation is reinforced concrete slab. The exterior walls are brick veneer with glass set in aluminum frames. The interior finishes include – the floors are commercial grade carpet, vinyl tile and wood; the walls are textured and painted sheetrock; and the ceilings are painted sheetrock and suspended acoustical tile. The building has a flat composition roof, one elevator, and eight restrooms. The HVAC, electrical and plumbing are assumed to be in good working order and adequate for the building.

Currently the building is vacant with approximately 14,742 gross rentable square feet on the first and second floors.

Building Layout			
Floor	**Tenant**	**Sq Ft**	**Use**
1st Floor	Vacant	14,742	Office
2nd Floor	Vacant	14,742	Office
Total NRA		**29,484**	

The site is 2.13 acres, or 92,780 square feet and the property has a land-to-building ratio of 3.15:1. The site is considered adequate in terms of size and utility and is generally irregular in shape with adequate frontage on Governors Drive, a two-lane two-way roadway providing local access to the business park. Access to the site is from two curb cuts along the west side of Governors Drive. The subject is generally level and at street grade. The subject has surface parking for 36 vehicles with a parking ratio of 1.22 per 1,000 square feet of building area, which is conforming to the market. The parking lot requires minor repairs, sealing and striping.

REAL ESTATE TAXES

The following real estate assessments and real estate taxes for the subject were obtained from the Cook County Assessor's Office.

2016 SUMMARY OF ASSESSMENTS & TAXES				
Assessor's Parcel Number	**2016 Assessed Value**			**2016 Taxes**
	Land	**Building**	**Total**	
31-14-200-011	$15,398	$0	$15,398	$7,732
31-14-200-012	$55,375	$34,294	$89,669	$45,029
TOTAL	**$70,773**	**$34,294**	**$105,067**	$52,761

The 2014 real estate taxes (payable in 2015) were $59,739 or $2.03 per square foot for the building, based on the indicated gross building area of 29,484 square feet. The 2015 real estate tax expense declined to $52,417 due to a lower assessed value for the building improvements due to vacancy and a higher tax rate. The 2016 payable 2017 tax was slightly higher at $52,761 due to an increase in the equalizer and tax rate. We forecast a 10.0 percent increase to $58,000 rounded for the as stabilized valuation premise.

ZONING

The property is zoned PUD, Planned Unit Development by the Village of Olympia Fields. As such, the subject improvements appear to conform to current zoning regulations, which are considered a legal use.

HIGHEST AND BEST USE

We conclude that the highest and best use of the subject as if vacant would be future development of an office-related property. The highest and best use of the property, as improved, is the continued use of the property for commercial purposes.

Exterior Photographs

Subject Property

Subject Property

Subject Property

Subject Property

Street View – Governors Dr

Street View – Governors Dr

VALUATION PROCESS

The appraisal process is designed to evaluate all factors that influence value. General regional and local area information has been presented to inform the reader of general outside influences, which may affect value. In addition, the site and existing improvements have been described in detail. An analysis of the subject's highest and best use has been presented to evaluate the effects of legal, locational, physical, and market considerations which impact the use of the subject property. The next part of the appraisal process deals directly with the valuation of the property.

The *Cost Approach*, which is the first approach to value, is based upon the principle that the value of the property is significantly related to its physical characteristics, and that no one would pay more for a facility than it would cost to build a like facility in today's market on a comparable site. In this approach, the market value of the subject site is added to the depreciated cost of the improvements.

The second approach to value is the *Sales Comparison Approach*, which is based on the principle of substitution. This principle states that a property’s value can be concluded by comparison with similar properties in the market area. In active markets with a large number of physically similar comparables, this approach is generally considered a good indicator of value. However, the use of this approach is limited, because many properties have unique characteristics that cannot be accounted for in the adjustment process. In addition, current market data is not always available. Both of these factors may reduce the validity of this approach.

The third approach to value is the *Income Capitalization Approach*, which is grounded in the premise that income producing properties are purchased based on their income-producing ability. In the *Income Capitalization Approach*, market rents for the subject property are forecast, the applicable operating expenses are deducted and the resulting net income is capitalized into a value estimate. This approach is based on an analysis of historical and market-derived information and provides a comparison of the subject property to other properties of similar character and income-producing ability.

The approaches used to value the subject property will be correlated into a final estimated market value of the fee simple estate in the *Reconciliation and Final Value Estimate* section.

Application

In this assignment, the *Sales Comparison Approach* and *Income Capitalization Approach* will be presented.

SALES COMPARISON APPROACH

Introduction

The Sales Comparison Approach is “the process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.” *(The Dictionary of Real Estate Appraisal, Sixth Edition)*

Comparable Sales

For this analysis, the research area consisted of single tenant and multi-tenant freestanding office and retail properties in similar markets located throughout the subject’s market. Also, information was obtained from several brokerage firms regarding similar properties that had sold or were for sale in the subject’s market.

Analysis of Sales

Due to the lack of a large amount of data, as well as the lack of uniformity among available data within the local market area, supporting specific adjustments for various factors of dissimilarity is not possible. As such, a qualitative analysis has been employed. This analysis allows the appraiser to make general comparisons (inferior, similar, superior) for various factors of dissimilarity, leading to an overall comparison of each sale to the subject.

Property Rights Conveyed

Adjustments for property rights must be made when the property rights conveyed in a sale transaction are different from those being appraised particularly when they have an impact on the sale price. As related earlier in this report, the fee simple estate is defined as “Absolute ownership unencumbered by any other interest or estate, subject to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”

An example of a comparable sale that would require adjustment is a property that is encumbered by a lease where the tenant pays a rent lower than currently achievable in the open market, or a below-market rental rate. The below market lease would have a negative impact on the sale price because the purchaser would need to pay less to achieve the same return as a property currently rented at market rent levels. In this case, as the below-market lease has a negative impact on the sale price, the comparable would need to be adjusted upward to be considered similar to the subject property. Conversely, a sale property achieving above-market rental rates would be considered superior to a fee simple estate.

Financing

The transaction price of one property may differ from that of an identical property due to different financing arrangements. For example, the purchaser of a comparable property may have assumed an existing mortgage at a favorable interest rate. In another case, a developer or seller may have arranged a buy down, paying cash to the lender so that a mortgage with a below-market interest rate could be offered. In both of these examples, the buyers probably paid higher prices for the properties to obtain below-market financing. Conversely, interest rates at above-market levels may result in lower sales prices.

Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. In many situations, the conditions of sale significantly affect transaction prices. For example, a developer may pay more than market value for lots needed in a site assemblage because of the plottage value expected to result from the greater utility of the larger site. Conversely, a sale may be transacted at a below-market price if the seller needs cash in a hurry. A financial, business or family relationship between the parties to a sale may affect the price of the property. Interlocking corporate entities may record a sale at a non-market price to serve their business interests. One member of a family may sell a property to another at a reduced price, or a buyer may pay a higher price for a property built by his ancestors. Further, listings, which have not been affected by typical negotiation, generally indicate a higher value than a completed sale.

Market Conditions (Date of Sale)

Comparable sales that occurred under market conditions different from those applicable to the subject on the effective date of value require adjustment for any differences that affect value. Changes in market conditions generally relate to supply and demand. National, regional and local economic trends or events may impact the value of a property over time. For example, the announcement of a major employer's entry into a market area may have a significant positive impact on values due to demand created for support uses in the area. Conversely, exodus of a major employer often has a negative impact on values.

Location

A property's location is analyzed in relation to the location of the comparable sale properties. An industrial location may be superior to another due to proximity to transportation facilities, including highways, railways, airports, etc. A commercial location may be superior to another due to proximity to a major retail development; access to traffic counts along major arteries, etc. A residential use may be superior to another due to location within a specific school district, economic makeup of residents within the neighborhood, taxation policies, etc.

Size

Typically, larger buildings sell for a lower per unit price due to economies of scale and greater capital outlay requirements. Conversely, smaller buildings sell for higher per unit values due to economies of scale. The cost/size relationship is supported by information presented in cost publications such as Marshall Valuation Service as well as from a review of actual sale transactions.

Other Physical Factors

The remaining factors (age, finished area, fire protection, rail service) are relatively straightforward and obvious with respect to comparison. For example, buyers would typically desire a newer building versus an older building due to a longer remaining economic life, lower maintenance costs, etc. Additionally, buildings with more extensive loading facilities (rail and water port) are more expensive to construct and have greater utility than buildings with limited loading facilities.

IMPROVED COMPARABLE SALES SUMMARY AND ANALYSIS CHART						
ID#	**Subject**	**I-1**	**I-2**	**I-3**	**I-4**	**I-5**
Address	20080 Governors Drive	4350 W. Lincoln Hwy	19150 S Kedzie Avenue	4350 W Lincoln Hwy	2121 Onieda Street	20303 S. Crawford Avenue
City, State	Olympia Fields, IL	Matteson, IL	Flossmoor, IL	Matteson, IL	Joliet, IL	Olympia Fields, IL
Sale Date		1/19/2016	12/15/2016	1/19/2016	7/13/2016	Active
Comparison		Similar	Similar	Similar	Similar	Similar
Sale Price		$1,025,000	$665,000	$1,025,000	$1,800,000	$1,800,000
Area (SF)	29,454	16,738	20,200	16,738	36,000	30,000
Price/SF		$61.24	$32.92	$61.24	$50.00	$60.00
Prop. Rights	Fee Simple	Fee Simple	Fee Simple	Leased Fee	Fee Simple	Leased Fee
Financing		Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Cond' of Sale		Arms Length	Arm's Length	Arm's Length	Arms Length	Listing
Comparison		Similar	Similar	Similar	Similar	Superior
Location		Similar	Similar	Similar	Similar	Similar
Exposure/Access	Average	Average	Average	Average	Average	Average
Comparison		Similar	Similar	Similar	Similar	Similar
Size (SF)	29,454	16,738	20,200	16,738	36,000	30,000
Comparison		Similar	Similar	Similar	Similar	Similar
Year Built	1980/2006	1995	1986	1995	1980	1985
Comparison		Similar	Similar	Superior	Similar	Similar
Construction	Brick	Steel/Brick	Steel/Brick	Steel/Brick	Steel/Brick	Steel/Brick
Comparison		Similar	Similar	Similar	Similar	Similar
Condition	Average	Average	Average	Average	Average	Average
Comparison		Similar	Similar	Similar	Similar	Similar
Land Area (SF)	92,780	121,968	109,985	121,968	87,630	104,500
LTB	3.15:1	7.29:1	5.44:1	7.29:1	2.43:1	3.48:1
Comparison		Superior	Similar	Superior	Similar	Similar
Overall		**Superior**	**Similar**	**Superior**	**Similar**	**Superior**
Price/SF		**$61.24**	**$32.92**	**$61.24**	**$50.00**	**$60.00**

The sales have the following unadjusted price statistics:

SALE PRICE STATISTICS	
Low Price per square foot	$32.92
High Price per square foot	$61.24
Median Price per square foot	$50.00
Average Price per square foot	$53.08
Conclusion	$55.00
Total (Rounded)	**$1,620,000**

Therefore, we have estimated the market value of the subject property, *as is*, via the *Sales Comparison Approach*, as of the date of valuation, at $55.00 per square foot, or **$1,620,000** as rounded.

INCOME CAPITALIZATION APPROACH

The two most common methods of converting net income into value are direct capitalization and discounted cash flow analysis. In direct capitalization, net operating income is divided by an overall rate extracted from market sales to indicate a value. In the discounted cash flow method, anticipated future net income streams and a reversionary value are discounted to an estimate of net present value at a chosen yield rate (internal rate of return). As the property would typically be rented on an annual basis, the direct capitalization method is appropriate here. Furthermore, this is the technique most often employed by investors in properties similar to the subject.

Potential Gross Income

Market Rental Rates

The subject is currently vacant. To determine an appropriate market rental rate, we have considered and reviewed available space offerings and comparable lease transactions. The foregoing indicates rents range from $10.00 to $18.00 per square foot plus electric, modified gross.

We have also considered the subject's size, age, location and amenity package as compared to the comparable rentals. Based on the foregoing considerations, it is our opinion that the subject's 29,484 square foot commercial units would command a market rental rate below the midpoint of the indicated range on a price per square foot basis or approximately $14.00 per square foot plus electric, modified gross. Typical lease terms consist of three to five years.

Historical Income and Operating and Pro-Forma

To develop projections of stabilized expenses, we considered comparable sales and published industry data.

Parking Income

The subject has adequate surface parking, but no income associated with the parking spaces.

Miscellaneous Income

Based on the size and the amenity package at the subject property, no additional miscellaneous income is forecasted.

Vacancy and Collection Loss

In estimating the probable occupancy of the subject, consideration is given to the office market in Cook County and the subject's historical occupancy. The subject's occupancy has ranged between 0.0 and 100.0 percent for the last 10 years.

Local experts have also indicated that the vacancy rates for office properties similar to the subject are currently ranging between 10.0 and 20.0 percent and the three-mile radius analytics by CoStar suggests a 26.0 percent vacancy rate. Considering the age, unit layout and size of the subject, we estimate an appropriate vacancy and collection loss for the subject property of 15.0 percent.

Operating Expenses

The typical lease structure for the subject is on a net basis.

Real Estate Taxes As related earlier in this report, the estate taxes on the subject property are forecast at $58,000 (rounded).

Property Insurance Based on information from local real estate professionals, the insurance expense for buildings similar in size and age to the subject in the region range from $0.15 to $0.40 per square foot. We have utilized $0.25 per square foot for the subject.

Common Area Maintenance This category includes utilities, repair and maintenance, general operating and landscaping expenses. Local real estate professionals report that common area maintenance expenses for commercial properties range from $0.50 to $2.00 per square foot. We have utilized $1.50 per square foot for the subject.

Management The management fees for multi-tenant office properties range 2.0 to 6.0 percent of effective gross income, depending on the size and nature of the property. We have included a management expense for administration of the leases and various other administrative costs associated with operation of the subject as a leased property. We have estimated a management expense at the midpoint of the range, or at 4.0 percent of effective gross income for the subject property.

Reserve for replacement It is typical for an investor in a property such as the subject to set up reserves for replacement in order to replace short-lived items such as mechanical and electrical components and roof surfaces. We have estimated a reserve for replacement of $0.15 per square foot for the subject.

Summary of Operating Expenses

The total operating expenses for the subject during the first year of analysis are estimated at $125,613 or $4.26 per square foot. Based on our experience with similar properties and conversations with real estate professionals, this level of expense is appropriate for the subject property.

Income and Expense Summary

In the following, we present our estimate of stabilized income and expenses.

SUMMARY OF INCOME AND EXPENSES			
	$ PSF	**SF**	**Total**
Base Rental Income	**$14.00**	**29,484**	**$412,776**
Less:			
Allowance for Vacancy/Collection Loss	15.0%		$61,916
Effective Gross Income (EGI)			$350,860
Less: Operating Expenses	**$ PSF**	**% EGI**	
Real Estate Taxes	$1.97	16.5%	$58,000
Insurance	$0.25	2.1%	$7,500
CAM			
Utilities	$0.25	2.1%	$7,500
General Operating	$0.32	1.3%	$4,500
Maintenance	$0.65	5.5%	$19,165
Landscaping	$0.27	2.3%	$8,000
Mgt./Administrative	$0.36	3.0%	$10,526
Non-Reimbursable Expenses	$0.20	1.7%	$6,000
Reserves for Replacement	$0.15	1.3%	$4,423
Total Operating Expenses	**$4.26**	**35.8%**	**$125,613**
Net Operating Income			**$225,247**

Direct Capitalization

In the direct capitalization method, we estimated market value by dividing stabilized net operating income by an overall rate. The table below summarizes capitalization rates for the property type from national surveys and the local area.

Type	**Rate**
National Survey Indicators:	
PwC National Suburban Office	5.00% to 9.00%
RealtyRates.com Office	4.53% to 13.99%
Band of Investment:	8.50%

As noted, it is our opinion that an appropriate capitalization rate for this asset is 9.00 percent.

Based on the information set forth in the preceding, we have estimated the *As If Stabilized* market value of the subject, via the *Income Capitalization Approach,* as follows:

DIRECT CAPITALIZATION	
Net Operating Income	$225,237
Divided by Overall Capitalization Rate	9.00%
Estimated Market Value	$2,502,633
Rounded to:	**$2,500,000**

In the following chart, we present our estimate of "As Is" value after leasing and profit discount to stabilized value.

LEASE UP DISCOUNT / "AS IS" VALUE SUMMARY			
		$ PSF	**Total**
Lease Up - Estimated Downtime (Mths)			12
Rent Loss from Downtime			$350,860
Leasing Commissions		$5.00	$147,420
Tenant Improvements		$10.00	$294,840
Subtotal			**$793,120**
Profit on Rent Loss, Leasing & TI	10.0%		$79,312
Total Discount			**$872,432**
"As Is" Value			**$1,630,000**

Conclusion

Based on the foregoing, we have estimated the *market value* of the subject property, *As Is*, via the *Income Capitalization Approach*, as of the effective date of valuation, at **$1,630,000** as rounded.

RECONCILIATION AND FINAL VALUE ESTIMATE

The three approaches indicated the following values:

Cost Approach	Not Applicable
Sales Comparison Approach	$1,620,000
Income Capitalization Approach	$1,630,000

The *Cost Approach* is not utilized as the subject property is an existing two-story office building built in 1980 and renovated in 2006. Given the difficulties in accurately measuring depreciation, the *Cost Approach* is not considered to be a reliable indicator of value for the subject and is not used in this analysis.

The *Sales Comparison Approach* is a reflection of what investors/users have been paying for similar buildings in the recent past. A sufficient amount of information regarding sales of comparable properties in the area provided the ability to formulate an opinion of value for the subject property. Therefore, we have considered this approach appropriate in this instance.

The *Income Capitalization Approach* incorporated current market conditions that are relevant to income producing properties like the subject. This approach is commonly utilized by investors in properties similar to the subject. There was a sufficient amount of market lease information and capitalization rate data available in the market. Therefore we have considered this approach appropriate in this instance and afforded this approach weight in the final value.

Based on our analysis of the property as presented in this restricted appraisal report, we have estimated the *market value* of the fee simple estate, *as is*, as of January 8, 2018, at:

ONE MILLION SIX HUNDRED TWENTY FIVE THOUSAND DOLLARS
$1,625,000

INSURABLE VALUE

Insurable value is 1. “The value of an asset or asset group that is covered by an insurance policy; can be estimated by deducting costs of non-insurable items (e.g., land value) from market value. 2. Value used by insurance companies as the basis for insurance. Often considered to be replacement or reproduction cost plus allowances for debris removal or demolition less deterioration and non-insurable items. Sometimes cash value or market value, but often entirely a cost concept. (*Marshall & Swift LP*) “A type of value for insurance purposes.” (*Dictionary of Real Estate Appraisal, Sixth Edition)*

In the case of a property such as the subject, insurable value would include the cost new of the destructible portions of the improvements. The insurable value estimate would specifically exclude indestructible items such as basement excavation, foundation, site work and land value. For the purpose of our insurable value estimate, we have calculated the total replacement cost new of the building improvements *(See Calculation below)*. From this amount, we have deducted the replacement cost of the indestructible items and other exclusions.

The replacement cost for the office/retail building is estimated using *Marshall Valuation Service*. The subject improvements are categorized as an Office Building (344) Class C, Type Average as outlined and summarized in Section 15, page 17 on the cost manual. The base cost is $105.46 per square foot as of November 2015. The improvements have mainly base characteristics. In addition, a current cost multiplier of 1.01 and a local multiplier of 1.26 are applied for the type and location along with the appropriate height multiplier of 1.00 and perimeter multiplier of 0.897.

Marshall Valuation Service (Section 96, Page 2) indicates an exclusion of approximately 4.5 percent for foundations below ground, approximately 1.0 percent for piping below ground and approximately 6.0 percent for Architects’ fees (Section 99, Pages 1 and 2). Considering the foregoing, we have estimated exclusions for the subject property at 12 percent of the replacement cost of the building improvements. The insurable value of the subject is therefore estimated at a total **$3,100,000** as rounded.

INSURABLE VALUE					
Base Cost					
Office Building	$105.46	29,484	SF	$3,109,383	MVS, Section 15, Page 17
Times Current Multiplier				1.01	MVS, Section 99, Page 3
Times Local Multiplier				1.26	MVS, Section 99, Page 7
Times Height Multiplier				1.000	MVS, Section 15 Page 38
Times Perimeter Multiplier				0.897	MVS, Section 15 Page 38
Replacement Cost New				$3,549,429	
Less Exclusions 12%				$425,932	
Insurable Value				$3,123,498	
Rounded				$3,100,000	

ASSUMPTIONS & LIMITING CONDITIONS

"Appraisal" means the appraisal report and opinion of value stated therein; or the letter opinion of value, to which these Assumptions and Limiting Conditions are annexed.

"Property" means the subject of the Appraisal.

This appraisal is made subject to the following assumptions and limiting conditions:

1. No opinion is intended to be expressed and no responsibility is assumed for the legal description or for any matters that are legal in nature or require legal expertise or specialized knowledge beyond that of a real estate appraiser. Title to the Property is assumed to be good and marketable and the Property is assumed to be free and clear of all liens unless otherwise stated. No survey of the Property was undertaken.
2. The information contained in the Appraisal or upon which the Appraisal is based has been gathered from sources the Appraiser assumes to be reliable and accurate. The owner of the Property may have provided some of such information. Neither the Appraiser nor Hilco Real Estate Appraisal, LLC shall be responsible for the accuracy or completeness of such information, including the correctness of estimates, opinions, dimensions, sketches, exhibits and factual matters.
3. The opinion of value is only as of the date stated in the Appraisal. Changes since that date in external and market factors or in the Property itself can significantly affect property value.
4. The Appraisal is to be used in whole and not in part. No part of the Appraisal shall be used in conjunction with any other appraisal. Publication of the Appraisal or any portion thereof without the prior written consent of Hilco Real Estate Appraisal, LLC is prohibited. Except as may be otherwise stated in the letter of engagement, the Appraisal may not be used by any person other than the party to whom it is addressed or for purposes other than that for which it was prepared. No part of the Appraisal shall be conveyed to the public through advertising, or used in any sales or promotional material without Hilco Real Estate Appraisal, LLC's prior written consent. Reference to the Appraisal Institute or to the MAI designation is prohibited.
5. Except as may be otherwise stated in the letter of engagement, the Appraiser shall not be required to give testimony in any court or administrative proceeding relating to the Property or the Appraisal.
6. The Appraisal assumes (a) responsible ownership and competent management of the Property; (b) there are no hidden or unapparent conditions of the Property, subsoil or structures that render the Property more or less valuable (no responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them); (c) full compliance with all applicable federal, state and local zoning and environmental regulations and laws, unless noncompliance is stated, defined and considered in the Appraisal; and (d) all required licenses, certificates of occupancy and other governmental consents have been or can be obtained and renewed for any use on which the value estimate contained in the Appraisal is based.
7. The physical condition of the improvements considered by the Appraisal is based on visual inspection by the Appraiser or other person identified in the Appraisal. Hilco Real Estate Appraisal, LLC assumes no responsibility for the soundness neither of structural members nor for the condition of mechanical equipment, plumbing or electrical components.
8. Unless otherwise stated in the Appraisal, the existence of potentially hazardous or toxic materials, which may have been used in the construction or maintenance of the improvements or may be located at or about the Property was not considered in arriving at the opinion of value. These materials (such

as formaldehyde foam insulation, asbestos insulation and other potentially hazardous materials) may adversely affect the value of the Property. The Appraisers are not qualified to detect such substances. Hilco Real Estate Appraisal, LLC recommends that an environmental expert be employed to determine the impact of these matters on the opinion of value.

9. Unless otherwise stated in the Appraisal, compliance with the requirements of the Americans With Disabilities Act of 1990 (ADA) has not been considered in arriving at the opinion of value. Failure to comply with the requirements of the ADA may adversely affect the value of the property. Hilco Real Estate Appraisal, LLC recommends that an expert in this field be employed.

CERTIFICATION OF THE APPRAISAL

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

1. John C. Satter, MAI last inspected the subject property on September 18, 2017.
2. Hilco Real Estate Appraisal, LLC and John C. Satter, MAI have provided prior appraisal services on the subject property in the past three years. .
3. The statements of fact contained in this report are true and correct.
4. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are personal, unbiased professional analyses, opinions, and conclusions.
5. The appraiser(s) have no present or prospective interest, financial or otherwise, in the property that is the subject of this report, and have no personal interest or bias with respect to the parties involved.
6. The compensation for appraisal services is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. The appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan.
7. No one provided significant professional assistance to the persons signing this report.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. As of the date of this report, John C. Satter, MAI, GAA has completed the continuing education program for Designated Members of the Appraisal Institute.

John C. Satter, MAI, GAA
Managing Director | Midwest Region
Hilco Real Estate Appraisal, LLC
IL Certified General Appraiser No. 553.001110
jsatter@hilcoglobal.com
Tel: 847.504.2472

ADDENDA

Listing Information – CoStar Properties

State Certification(s)

Qualifications of the Appraiser(s)

Listing Information – CoStar Properties

Property Summary Report

20080 Governors Dr
Olympia Fields, IL 60461 - Far South Submarket

BUILDING

Type:	**Class C Office**
Tenancy:	**Multiple**
Year Built:	**1975**
RBA:	**30,600 SF**
Floors:	**2**
Typical Floor:	**15,300 SF**
Construction:	**Masonry**

LAND

Land Area:	**2.14 AC**
Zoning:	**PUD, Olympia Fields**

EXPENSES PER SF

Taxes:	**$1.95 (2014)**

PARCEL

31-14-200-011-0000, 31-14-200-012-0000

LEASING

Available Spaces:	15,300 - 30,600 SF Available in 2 Spaces
Availability:	100% Available; 100% Vacant

AVAILABLE SPACES

Floor	Use	Type	SF Avail	Flr Contig	Bldg Contig	Rent	Occupancy	Term
E 1st	Off/Ret	Relet	15,300	15,300	30,600	Withheld	Vacant	Negotiable
E 2nd	Off/Ret	Relet	15,300	15,300	30,600	Withheld	Vacant	Negotiable

SALE

Last Sale:	Sold on Jul 10, 2009

TRANSPORTATION

Parking:	30 free Surface Spaces are available; Ratio of 0.98/1,000 SF
Commuter Rail:	15 minute drive to Oak Forest Station Commuter Rail (Rock Island District Line)
Airport:	43 minute drive to Chicago Midway Airport
Walk Score ®:	Car-Dependent (46)
Transit Score ®:	Some Transit (31)

PROPERTY CONTACTS

Prior True Owner:	**First Bank Illinois**

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State Certification(s)

State Certification(s)

State of Illinois

Department of Financial and Professional Regulation

Division of Real Estate

LICENSE NO.
553.001110

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

EXPIRES:
09/30/2019

CERTIFIED GENERAL REAL ESTATE APPRAISER

JOHN C SATTER
330 OLD GREEN BAY ROAD
GLENCOE, IL 60022

Bryan A. Schneider

BRYAN A. SCHNEIDER
SECRETARY

Kreg T. Allison

KREG T. ALLISON
DIRECTOR

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

11885246

Qualifications of the Appraisers

Qualifications for John C. Satter, MAI, GAA

2011 - Present	Hilco Real Estate Appraisal, LLC Managing Director | Midwest Regional Manager
1997 - 2011	JCS Real Estate Services, Inc. President
1992 – 1996	Wayne L. Wnek, MAI & Associates, Inc. Real Estate Appraiser

Scope of Experience:

Mr. Satter is a Managing Director and Midwest Regional Manager for Hilco Real Estate Appraisal, LLC. Responsibilities include business development, staff management, and appraisal production and review. Mr. Satter has 26 years of experience in the valuation of real property.

Mr. Satter has broad experience in the valuation of residential, commercial, industrial and special use real estate throughout the Chicago metropolitan and Midwest markets and valuation experience in 40 U.S. states.

Commercial experience includes a broad range of property and assignment types including single-tenant retail assets, shopping centers, industrial complexes, apartment complexes, live-work projects, professional and medical office properties, heath care, hospitality, proposed construction, partially-complete projects and distressed property valuations. Specialized assignments include diminution of value and right of way vacation assignments. Special use assignments include steel mills, movie theaters, synagogues, churches, detention facilities, hospital and critical care facilities and other specialized agricultural, industrial and manufacturing facilities. Residential experience includes valuing riparian rights, high value custom residences, façade easements and historic residences.

Mr. Satter has experience as an expert witness and has been qualified as an expert in the Circuit Courts of Cook, Lake, DuPage, and Will Counties of Illinois, the Chicago Zoning Board of Appeals, Lake and Cook County property tax appeal boards, the Chicago Planning and Zoning Commission, the U.S. District Court for Northern Illinois, the U.S. District Court for Eastern Michigan, and the U.S. Bankruptcy Court for the District of Delaware.

Mr. Satter is a designated Member of the Appraisal Institute (MAI) and General Accredited Appraiser (GAA) of the National Association of Realtors. He has been engaged in the appraisal of real estate since 1992 with experience rendering opinions of value for private clients, financial institutions, mortgage brokers, attorneys, governmental agencies, accountants, and public corporations.

Professional Associations and Affiliations:

Appraisal Institute MAI #12452 (Awarded March 2007)
National Association of Realtors General Accredited Appraiser #4683 (Awarded January 2005)
Certified General Real Estate Appraiser licensed in the States of AZ, IL, IA, IN, MI, MT, OH, TN, TX, & WI
Illinois Coalition of Appraisal Professionals (ICAP) Board of Directors 2017-2019
Glencoe Zoning Board of Appeals & Plan Commission Committee Member

Formal Education:

Bachelor of Science - Civil Engineering, University of Illinois - Urbana/Champaign
Specialized appraisal and real estate education, Appraisal Institute and North Shore Barrington Board of Realtors